

Beyond Budgeting Round Table (BBRT) Meeting

BBRT 38

8 November 2006, Basel, Switzerland

Agenda

The main focus of the BBRT meetings in 2006 is on implementing the Beyond Budgeting principles in organisations, both through case studies of successful implementations and through sharing experiences with other members. This meeting is being held on Basel, Switzerland to follow on from the International Executive Forum being held on the previous day in Basel. The first session will look at the Public Sector in Switzerland by discussion a major project to reform the administration of the Swiss Federal Government. The second session is a major examination of the management approach at Toyota, taking in all the lessons we have learnt so far in this very complex case. Abolghasem Fakharian, our new BBRT Director Middle East will outline the opportunities for the BBRT in the Middle East and report on the recent conference in Tehran. We will then move on a group discussion on all the issues raised in the presentations and the Forum the previous day in relation to implementing the Beyond Budgeting model. This will also be an excellent opportunity for members to describe their own experiences and challenges.

This will be a working meeting with the emphasis on information sharing and open discussion. As always the meeting will be conducted in the spirit of the Chatham House rule and the BBRT code of conduct.

Tuesday, 7 November

19:30 Informal Dinner

On the evening before the meeting we are arranging an informal dinner for all participants. This is an excellent occasion in which to meet the other BBRT members in an informal setting and to network. The venue will be notified nearer the date, but it will be congenial and moderately priced. As is our usual practice the bill will be split equally among the participants.

Wednesday, 8 November

08:30 Welcome to the School of Business Basel - Walter Dettling

Herr. Walter Dettling, Head School of Business Basel, University of Applied Sciences Northwestern Switzerland, will welcome the participants to the School of Business in Basel.

08:35 Welcome and Introduction to the meeting - Steve Morlidge, Unilever and Peter Bunce, BBRT

Steve Morlidge, Unilever and BBRT Chairman, will open the meeting and welcome existing members and guests. Peter Bunce, BBRT will then review progress to date and review the agenda for the meeting.

08:50 Review of International Executive Forum - Franz Rööfli, BBRT DACH

Franz Rööfli, BBRT Director DACH will give a short review of the International Executive Forum, held the previous day (7 November) in Basel and discuss the issues arising for Beyond Budgeting from the Forum.

09:20 Federal Administration Reform - Mission Impossible? - Ulrich Fässler, Swiss Federal Government

Ulrich Fässler, the leader of the Federal Government Commission for Administration Reform, will describe the project he is leading to reform the administration of the Swiss Federal Government. He will describe the political environment and the challenges and opportunities that it presents. In public sector terms this project is proposing radical reforms. This presentation is important as it will add a non-UK dimension to our understanding of changes in the public sector.

10:20 Break

10:45 Toyota Case Study: Introduction - Peter Bunce, BBRT

We recently had the opportunity to meet with senior managers at Toyota Motor Europe in Brussels to find out how the Toyota Production System and the Toyota Way operate in the "back office" areas of Toyota and to

explore Toyota's approach to planning, forecasting, rewards and devolution. The result was the publication of a second BBRT Toyota Case Study report, which concluded that the Toyota Production System and the Toyota Way have permeated beyond the factory floor into the rest of Toyota and that Toyota is a "beyond budgeting company" throughout the organisation. *Peter Bunce, BBRT Director* will outline the findings in the report and conclusions reached. This will set the scene for the following two items on Toyota.

11:15 How Toyota is Managed - Mikael Shamim, Toyota Motor Europe

One of the senior managers interviewed in the recent visit to Toyota Motor Europe was *Mikael Shamim, Group Financial Office, TME After Sales*. Mikael will explain how the Toyota Way and the philosophy of the Toyota Production system influence how Toyota is managed beyond the manufacturing plants. He will discuss Toyota's approach to planning, forecasting and rewards and how After Sales (spare parts and accessories for all Toyota vehicles sold in Europe) is managed and planned. He will contrast his experiences at Toyota with his previous experiences in European organisations.

12:00 Lunch

13:15 The Opportunity for BBRT in the Middle East - Abolghasem Fakharian, BBRT Director Middle East

Abolghasem Fakharian has recently joined the BBRT Team as the BBRT Director Middle East. He has organised a major seminar on 29 October in Tehran for financial institutions. Ghasem will describe the conclusions from the seminar, the prospects for transformation at a major Iranian bank and the opportunities for BBRT in Iran and the Middle East.

13:45 A new management model: Group discussion - All

The conclusions from the Forum in Basel, the seminar in Tehran, the Swiss Federal Government project and the Toyota case will doubtless raise many issues with the BBRT Members. In this session we will divide into groups to consider these issues from the perspective of the Beyond Budgeting principles and the implications for achieving success through a new management model - the whole Beyond Budgeting transformational model. Issues that might be discussed include:

- Importance of an overall philosophy that underpins the way organisations operate (e.g. the Toyota Way)
- Planning in different sectors (e.g. financial services, manufacturing, consumer products, public sector)
- Rewards and bonuses - not just linked to relative goals but considering the manner in which they are achieved (e.g. Toyota Way competencies)
- Devolution of power and responsibility - how this can work best in different sectors (e.g. financial services, manufacturing, consumer products, public sector)
- Comparison between our findings on Toyota (2004 and 2006), the cases in the Forum and the Beyond Budgeting principles

14:45 Break

15:00 Group reports and discussion

In this session each group will report back to the plenary on its findings and conclusions. This will also provide an opportunity for participants to share their experiences and plans on implementing the Beyond Budgeting principles, particularly how these relate to the issues raised during the day. This kind of forum is at the heart of shared learning, one of the major benefits of BBRT Membership.

15:55 Closing remarks - Peter Bunce

16:00 Close

Meeting location:

Fachhochschule Nordwestschweiz
Hochschule für Wirtschaft
Peter Merian-Strasse 86
CH-4002 Basel
Switzerland