

Our Principles

Our principles form the founding values of Beyond Budgeting. Six relate to leadership organisation, six to management processes.



Leadership principles

1

PURPOSE

Engage and inspire people around bold and noble causes; **not** around short-term financial targets

2

VALUES

Govern through shared values and sound judgement; **not** through detailed rules and regulations

3

TRANSPARENCY

Make information open for self-regulation, innovation, learning and control; **don't** restrict it

4

AUTONOMY

Trust people with freedom to act; **don't** punish everyone if someone should abuse it

5

ORGANISATION

Cultivate a strong sense of belonging and organise around accountable teams; **avoid** hierarchical control and bureaucracy

6

CUSTOMERS

Connect everyone's work with customer needs; **avoid** conflicts of interest

Management processes

1

TARGETS

Set directional, ambitious and relative goals; **avoid** fixed and cascaded targets

2

FORECASTS

Make forecasting a lean and unbiased process; **not** a rigid and political exercise

3

RESOURCE ALLOCATION

Foster a cost conscious mind-set. Plan and make resources available as needed; **not** through detailed annual budget allocations

4

PERFORMANCE EVALUATION

Evaluate performance holistically to guide interventions; **not** based on measurement only and **not** for rewards only

5

REWARDS

Reward shared success against competition; **not** against fixed performance contracts

6

COORDINATION

Organise management processes dynamically around business rhythms and events; **not** around the calendar year only

Performance.

The Right Way

