Deloitte.



Deloitte's Zero-Based Budgeting In a Box application addresses the common cost towers applicable to all organisations regardless of industry. Powered by Anaplan's connected planning platform which enables fast implementation and rapid scaling across your company's planning functions. The solution addresses industry agnostic G&A expenses with leading practices that help increase speed to value, including consistent approaches to department budget planning with a base of zero, techniques for reducing expenses, and the ability to perform roll-ups and reporting.

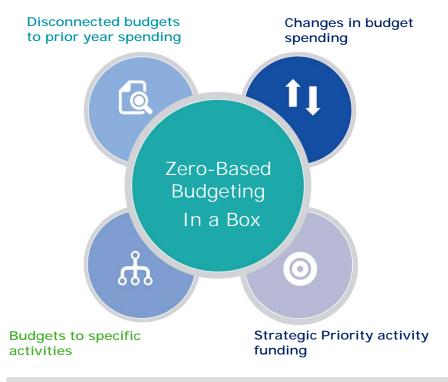
Overview of Key Capabilities Workforce Planning **Project Planning Travel Expense Planning** New Employee Salary Band & Benefits Construct cost of each project (new Define cost assumption of each travel Assumptions based on regional tiers expense (Air/Train, Hotel, Rental, or existing) by department and Tech costs per employee activities. You also have the ability to Ground Transport, Parking/Tolls, and New/Open Roles Planning add a project justification for each Meals) for each travel expense Existing role planning project Define each expected travel expense Workforce Summary by department Marketing/Events Planning Department Overhead **Enterprise Technology** Create marketing campaigns · Define expenses linked to ongoing Plan for Department expenses not (Advertising, Promotions, Pricing, operation of existing or future associated with project, marketing etc.) or Plan events and define costs enterprise technology such as campaign, events, or an enterprise for each. maintenance and licensing fees technology Elements of the planning process where Deloitte has deployed ZBB principals Areas where Deloitte has used elements of ZBB to Detail Rolling Financial Plan Strategic Plan **Budget Forecast** Scenarios/

Source: Deloitte

Zero-Based Budgeting (ZBB)

Zero-Based Budgeting (ZBB) is a budgeting process that allocates funding based on program efficiency and necessity rather than budget history. As opposed to traditional budgeting, no item is automatically included in the next budget. In ZBB, budgeters review every program and expenditure at the beginning of each budget cycle and must justify each line item in order to receive funding. When successful, ZBB produces radical savings and liberates organisations from entrenched departments and methodologies.

Figure 1. Explaining Zero-Based Budgeting (ZBB)



Zero-Based Budgeting In a Box Solution:

Is focused on executing four key strategies that support department leads in making key expense decisions

Disconnected budgets to prior year spending •



Prevents "embedding" of existing spend in the cost base

- Allows spending levels to be set based on necessary activities of a function, rather than historical trends
- Requires more work to understand activities and cost structure

Changes in Budget spending either increases or cuts, not simply spread evenly

- Eliminates common "sandbagging" practices in the budgeting process
- Allows for more strategic allocation of planned spend
- Requires more work to analyse and prioritise activities and expenditures

Budgets are tied to specific activities



- Better aligns spending targets with required activities of a function
- Replaces "do more with less" with "do the right things with the right amount"
- Requires fairly detailed knowledge of departmental activities and willingness to do less or discontinue activities

Strategic Priority activity funding



- Allows for better alignment of expenditure with the overall strategy and departmental missions
- Can reduce incidences of "we have always done that"
- Prioritising activities across various functions can be challenging

Anaplan's connected planning solutions

Anaplan's cloud-based platform is designed to connect you with data, people, plans, and your network to make better-informed decisions and drive faster, more responsive planning for organisations. Create enterprise value while maintaining profitability by collaborating in real time on plans across your extended networks. Integrate cost drivers to your financial, sales, and marketing plans so you can quickly adapt to changing priorities. Analyse and evaluate "what-if" scenarios to optimise your plans and create a value driven with relationship-based processes. Additionally, Anaplan's robust calculation engine allows users to tailor their experience across the enterprise to address unique industry needs.

Start the conversation

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