

Introducing ZBx

It's not just zero-based budgeting anymore...

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ZBx is an umbrella term, and it covers four types of profitability improvement interventions. And they're all four based on the principle of zero based. Which actually means I start from a zero and I rebuild to what my costs should be rather than looking at the past minus a certain percentage.

ZBB is a budgeting technique

ZBB on the other hand is a traditional 40, 50 year old budgeting technique.

ZBx is a management technique

ZBx is rather an evolution of that. It's a management technique and it's a technique that optimizes profit in a way that's good for growth, good for society trust.

Four zero-based approaches make up ZBx

The four types are: Zero based spend, which is actually the overhead line known people, GNA like IT, facilities, travel, services. The second one is a zero based organization, ZBO. Which is looking at the payroll costs, the headcount, the operating model. Zero based commercial looks at your sales and marketing expenditures, like media or your commercials infrastructure. But also looks at optimizing your price and services for a higher technical revenue, optimization. And last but not least, zero based supply chain. Zero based supply chain is really focused on the core operations, your cost of goods sold.

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