



ADAPTIVE PLANNING & CONTROL

**4<sup>th</sup> Annual Beyond Budgeting Conference: Adaptive Planning & Control**  
**MAY 10 - 11, 2005**  
**Embassy Suites Downtown Lakefront, Chicago, IL**

**Fields of Study**            **M= Management; SK=Specialized Knowledge**

**CPE:**                        **Main Conference: 16 Credits**  
                                 **Workshops: Up to 6 Credits**

**The conference will take place Tuesday, May 10, 2005 and Wednesday, May 11, 2005**  
**Optional Workshops will be held on Monday, May 9, 2005 and Wednesday afternoon, May 11, 2005**

**CONFERENCE DESCRIPTION**

The 4<sup>th</sup> Annual Beyond Budgeting Conference: Adaptive Planning & Control 2005 aims to provide a forum for open discussion of budgeting and planning pitfalls and tradeoffs, technologies and strategic alternatives. This two day conference will present an introduction to the guiding principles of the "Beyond Budgeting" philosophy while facilitating the development and participation in future budgeting, planning and forecasting communities of practice.

The conference will present a holistic "best practice" approach to better planning and budgeting processes through interactive panel discussions, real-world industry cases, breakouts, workshops and private technology demonstrations.

**CONFERENCE SPEAKERS' BIOGRAPHIES**

*Tuesday, May 10, 2005*

**Charles T. Horngren, Edmund W. Littlefield Professor of Accounting, Emeritus, Stanford University**

A Certified Public Accountant, "Chuck" Horngren served on the Accounting Principles Board for six years, the Financial Accounting Standards Board Advisory Council for five years, and the Council of the American Institute of Certified Public Accountants for three years. For six years, he served as a trustee of the Financial Accounting Foundation, which oversees the Financial Accounting Standards Board and the Government Accounting Standards Board. Professor Horngren is also a member of the Institute of Management Accountants, where he has received its Distinguished Service Award. He was a member of the Institute's Board of Regents, which administers the Certified Management Accountant examinations. A graduate of Marquette University, he received his MBA from Harvard University and his Ph.D. from the University of Chicago.

Horngren is the author of these books published by Prentice-Hall: Cost Accounting: A Managerial Emphasis, Eleventh Edition, 2003 Introduction to Financial Accounting, Eighth Edition, 2002 Introduction to Management Accounting, Twelfth Edition, 2002 Accounting, Fifth Edition, 2004; and Accounting, Fifth Edition, 2002.

***APC 2005 Session: How Beyond Budgeting Creates Transparency in Our Sarbanes Oxley World***

**Robert D. Kugel - CFA, VP & Research Director - Financial Performance Management**

Rob heads up the Financial Performance Management (FPM) practice, focusing on the intersection of information technology and the finance organization. The FPM research agenda includes the application of IT to financial process optimization and collaborative systems; control systems and analytics; and advanced budgeting and planning. Rob has been a technology analyst for over 20 years. Prior to joining Ventana Research he was an equity research analyst at several firms including First Albany Corporation, Morgan Stanley, and Drexel Burnham, and a consultant with McKinsey and Company. Rob was an Institutional Investor All-American Team member and on the Wall Street Journal All-Star list. Rob earned his BA in Economics/Finance at Hampshire College, an MBA in Finance/Accounting at Columbia University, and is a CFA charter holder.

***APC 2005 Session: Making Budgeting, Planning and Reporting Strategic Tools for Success***

**Robert Paladino, Former Senior Vice President, Corporate Performance, Crown Castle International**

Robert "Bob" Paladino is a long time leader and practitioner in the corporate performance management field. He served as Vice President & Global Consulting Practice Leader for Dr. Kaplan and Dr. Norton at the Balanced Scorecard Collaborative where he gained invaluable experience through the development of hundreds of balanced scorecards spanning an array industries and government sectors.

***APC 2005 Session: Using Balanced Scorecards for Adaptive Control***

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**Steve Player, North American Program Director, Beyond Budgeting Roundtable (BBRT)**

Steve Player, CPA, serves as the North American Program Director for the Beyond Budgeting Round Table, an international network focused on improving planning and control, and Managing Director of The Player Group. Previously, Steve was the Managing Partner of Arthur Andersen's Advanced Cost Management Team. He is the co-author/editor of four books on Activity-Based Management including Lessons From the ABM Battlefield, founded and runs the Activity-Based Management Advanced Implementation Group, whose members include Bell South and Bell Canada. Steve served on the Board of Directors of the Consortium for Advanced Manufacturing - International (CAM-I) and provided insight for the AICPA Industry and Management Accounting Executive Committee.  
**APC 2005 Session: *Optimizing Performance Through Continuous Planning***

**Don Trofholz, Vice President and Chief Accounting Officer, Guardian Industries Corporation**

Don Trofholz is vice president, chief accounting officer and staunch advocate of the movement to eliminate traditional budgets. Mr. Trofholz was employed by Price Waterhouse in Fort Worth and joined Guardian in 1979. Guardian is a leading worldwide manufacturer of float glass and fabricated glass products for the commercial and residential construction industries. Don attended the University of Colorado and received a bachelor's degree in business and accounting.  
**APC 2005 Session: *Staying Ahead by Empowering Guardian's Front-Line***

*Wednesday, May 11, 2005*

**Mark Graham Brown, Author**

Mark Graham Brown has been consulting with major corporations and government organizations on measuring and improving performance for the last 25 years. His clients include all branches of the U.S. Military, as well as a number of federal and state government organizations. Corporate clients include: Bose, Medtronic, Bank of America, Bechtel, Northrop Grumman, and Raytheon. Prior to starting his own firm in 1990, Mr. Brown was a Principal in the Chicago firm of Svenson & Wallace, and was the manager of a group of consultants for Creative Universal.  
**APC 2005 Session: *Get It, Set It, Move It, Prove It: How to Get Real Results In Your Organization***

**Dave Martin, Senior Vice President, Planning & Support, Charles Schwab & Company, Inc**

Dave Martin oversees planning, forecasting, allocation of development expenditures and profitability reporting for Schwab. He is responsible for oversight of financial analysis for all non-client-facing functions and also manages the firm's MIS group. In previous roles, Dave served as Treasurer and also headed up finance for the Retail group that accounts for over half of Schwab's revenue. Prior to joining Schwab, Dave was employed for 2 years by Roundtree Markets (El Paso, Texas and Minneapolis, Minnesota) where he served as CFO and Chief Administrative Officer.  
**APC 2005 Session: *Kick the Habit: Give Up Budgets and Drive Performance***

**Christopher A. Poinatte, Executive Vice President and Chief Financial Officer, D/FW Airport Board**

Christopher A. Poinatte became Executive Vice President and Chief Financial Officer of the Dallas/Fort Worth International Airport Board on September 29, 2003. Mr. Poinatte is responsible for directing over 150 employees in the business and financial planning, accounting, information systems, and treasury functions. He is currently working on the final debt issuance for the Airports \$2.7 billion Capital Development Program and planning for the renegotiation of the Airport's Use Agreement with the Signatory Airlines in 2009.

Mr. Poinatte was also the Chief Financial Officer at Dallas Area Rapid Transit (DART), which operated over 850 buses and 30 miles of light rail and commuter rail in Dallas. In his capacity, Mr. Poinatte had responsibility for budgeting, financial planning, treasury, accounting, strategic and business planning, total quality management, business solutions and risk management. He developed DART's \$2.9 billion financing plan to build the light rail system. He graduated from Notre Dame in 1979 and is a Certified Public Accountant in Texas.

**APC 2005 Session: *On the Radar: Rolling Forecasts Fly High at D/FW International Airport***

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**Monday , May 9, 2005**

1:00 PM - 6:00 PM      *Registration & Message Center Open*

2:00 PM - 5:30 PM      Pre-Conference, Half-Day Optional Workshop

**101 Introduction to Beyond Budgeting: Continuous Planning & Adaptive Control**

Steve Player, North America Program Director, Beyond Budgeting Roundtable (BBRT)

The challenges with traditional budgeting and the need to break free are well known. The big question is: how? This session describes how top finance organizations are saving time and improving results by replacing traditional budgeting with continuous planning and adaptive control. Then, it's your turn. You get the chance to evaluate the strengths and weaknesses of your existing processes; analyze the effectiveness of your existing management tools; and create a road map of your implementation path. You will leave knowing how budgeting innovation can work at your company.

**Tuesday, May 10, 2005**

7:00 AM - 5:15 PM      *Registration & Message Center Open*

8:30 AM - 8:35 AM      Welcome & Introduction

8:35 AM - 9:30 AM      Keynote Presentation

**01. Optimizing Performance Through Continuous Planning (M)**

Steve Player, North American Program Director, Beyond Budgeting Round Table (BBRT)

Continuous planning enables organizations to build systems that support fast response, focus on creating value for customers, continuously improve relative to peers and benchmarks, and generally drive and sustain a high performance culture. Packed with insights derived from many leading edge organizations that have gone 'beyond budgeting,' this workshop provides a terrific opportunity to listen to one of the world's foremost thought leaders in the field of performance management.

Highlights include:

- Taking the Beyond Budgeting diagnostics
- Building the Case for Change
- Stretch goals and fair rewards
- Flexible Planning and rolling forecasts
- Key Performance Indicators (KPIs)

9:30 AM - 9:40 AM      *Change Break*

9:40 AM - 10:35 AM      Keynote Presentation

**02. Using Balanced Scorecards for Adaptive Control (M)**

Robert Paladino, Former Senior Vice President, Corporate Performance, Crown Castle International

In the face of a volatile and rapidly changing telecommunications market, wireless giant Crown Castle International (CCI) shifted its strategy from "growth through acquisition" to "operational excellence," choosing the Balanced Scorecard to implement the new focus throughout the organization. Bob Paladino will describe CCI's award winning enterprise-wide approach to balanced scorecard based budgeting across 40+ operating organizations.

10:35 AM – 11:05 AM      *Morning Refreshment Break*

11:05 AM - 12:00 PM      Keynote Presentation

**03. Staying Ahead by Empowering Guardian's Front-Line (M)**

Don Trofholz, Vice President and Chief Accounting Officer, Guardian Industries Corporation

Don Trofholz presents his company's prescription for thriving in today's complex accounting and financial world without the use of budgets. Guardian is a \$5 billion multinational manufacturer of glass, plastic trim and fiberglass insulation and has extensive building products distribution operations. Don will share

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Guardian's long established cultural values and operating principles that allow the company to prosper in a budget-less environment. Don will also share some of the simple tools and common sense practices that Guardian employs that other companies could use to reduce or eliminate their dependence on budgets.

12:00 PM – 1:30 PM

*Luncheon and Panel Discussion*

**04. Panel: Shifting to Relative Key Performance Indicators (KPIs) (M)**

Mark Graham Brown, Robert Paladino, and Don Trofholz

Moderator: Steve Player

By setting KPIs, companies are encouraged to monitor what they are doing and then establish targets to achieve improvement. KPIs can be used to establish base-line performance and to track changes. KPIs can also be used for external benchmarking, ie, to measure the performance of a company or product against that of a similar company or product or against 'best practice' data (if available). APC 2005 keynote speakers will discuss pitfalls and success stories in this interactive session.

1:30 PM – 1:40 PM

*Change Break*

1:40 PM – 2:35 PM

Concurrent Sessions

**05. Keynote Presentation**

**How Beyond Budgeting Creates Transparency in Our Sarbanes Oxley World (M)**

Charles T. Horngren, Edmund W. Littlefield Professor of Accounting, Emeritus, Stanford University

1:40 PM – 2:35 PM

**06. Driving Performance: Burlington Northern Santa Fe (BNSF) (M)**

Michael Borrows, Director of Financial Reporting and Technology, BNSF, Ft. Worth, Texas

With annual revenue of \$9 billion and 36,000 employees, Fort Worth-based Burlington Northern Santa Fe Railway (BNSF) does not approach strategic planning haphazardly. Michael Borrows describes how the nation's second-largest railroad makes tracks in performance planning, measure and reporting. BNSF is a real-world example of a major company utilizing performance management applications to deliver a leading-edge forecasting and planning solution.

3:40 PM – 4:00 PM

*Afternoon Refreshment Break*

4:00 PM - 4:55 PM

**07. Making Budgeting and Planning a Strategic Tool for Success**

Robert Kugel, CFA, VP & Research Directory, Financial Performance Management, Ventana Research

Based on recently completed research, Ventana will explain the importance of improving the budgeting and planning process to increase accuracy, agility, insight, and operational effectiveness. Learn about the levels of accuracy within the budgeting and planning process. See what the barriers are to using spreadsheets alone for budgeting. Understand how dedicated budgeting applications foster agility. Uncover what budgeting, planning and reporting have to do with insight. Identify the components of a quality process and discover how to manage a quality process.

By attending this session, delegates will find out how a dedicated budgeting solution can help make the budgeting and planning process simpler and more efficient. Delegates will also understand how technology can help save time, improve the budgeting and planning process, streamline reporting and analysis, and deliver timely financial information to those who need it, however they want to view it.

5:00 PM – 5:50 PM

Panel Discussion

**08. TBD**

6:00 PM - 7:30 PM

*Networking Reception*

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**Wednesday, May 11, 2005**

7:00 AM – 6:00 PM      *Registration & Message Center Open*

8:30 AM - 9:25 AM      Keynote Presentation  
**09. Get It, Set It, Move It, Prove It: How to Get Real Results in Your Organization (M)**  
Mark Graham Brown, Best Selling Author, Consultant

Best selling author Mark Graham Brown presents his four-phased model for attaining measurable results in any organization. Get It: focuses on leadership's visions and values; Set It: improves goals and strategies and their deployment in regard to ethics and regulatory requirements and performance measurement; Move It: strengthens relationships with important customers and the management of employees and key work processes; Prove It: helps supply the evidence that systems are producing high-performance results.

9:25 AM – 9:30 AM      *Change Break*

9:30 AM - 10:25 AM      Keynote Presentation  
**10. Kick the Habit: Give Up Budgets and Drive Performance (M)**  
Dave Martin, Senior Vice President, Planning and Supply, Charles Schwab & Company

Budgets do not promote effective decision making and generally give a false sense of precision and accountability. The questions that your business leaders should be asking: "How am I really doing?" "What is my target?" "What levers should I pull to improve performance?" "How can I plan for my long-lead-time initiatives?"

10:25 AM – 10:50 AM      *Morning Refreshment Break*

10:50 AM - 11:45 AM      **11. On the Radar: Rolling Forecasts Fly High at D/FW International Airport**  
Christopher A. Poinsett, Chief Financial Officer, Dallas/Fort Worth International Airport Board

11:45 AM – 1:15 PM      *Luncheon and Panel Discussion*

**12. Panel: Selling Change to Executive Management (M)**  
Dave Martin, Charles Horngren, Jeremy Hope  
Moderator: Steve Player

What will it take to bring your organization successfully into the twenty-first century? The pressures on organizations to adapt will only increase over the next decades. This interactive panel discussion will cover pragmatic approaches to pushing new ideas from theory into action.

1:15 PM -2:10PM      **13. Roche Case Study: Optimized Financial Reporting and Consolidation**  
Christina Steenboe, IDC

When evaluating its existing financial reporting and consolidation solution it was clear to the Corporate Finance team at Roche that a new solution was needed to streamline and accelerate the financial processes. IDC explores the way in which Roche, a leading healthcare company, has addressed the challenge of optimizing the financial reporting and closing process. By enabling front-line decision makers to access and analyze relevant and up-to-date financial information, organizations are better prepared to respond to changing market conditions and customer demand – thus improving competitive advantage.

2:10 – 2:20 PM      *Change Break*

2:20 PM -3:15PM      **14. Off the Radar: Rolling Forecasting Works at D/FW Airport**  
Christopher A. Poinsett, Financial Officer, Dallas/Fort Worth International Airport Board

3:15 PM – 3:30 PM      *Closing Comments*

3:30 PM - 6:00 PM      *Registration for Post Conference Workshops*

3:45 PM – 6:00 PM      Post Conference Workshop  
**201. How to Move Beyond Budgeting: Planning Your Case for Change (M)**  
Jeremy Hope, Research Director, Beyond Budgeting Round Table, Lymington, Hampshire, UK

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Beyond Budgeting enables organizations to build systems that support fast response, focus on creating value for customers, continuously improve relative to peers and benchmarks, and generally drive and sustain a high performance culture. This seminar is a great opportunity to learn this approach and build your own case for change. Hear from one of the world's foremost thought leaders in the field of performance management. Topics include:

- How Beyond Budgeting helps create the finance function of the future by implementing dynamic performance management
- Learn how to set stretch goals with fair rewards to break free from annual performance contracts
- See how to use rolling forecasts to support regular strategy reviews
- Understand how KPI's will change to implement adaptive control of key processes
- Interactively discuss how to overcome the barriers of change