

## **Sven Ruytinx – Zero Based Mindset**

Well, to save money you need to know what you've spent in a very detailed level. I remember my parents writing down every single expense in a little book. When our family then wanted to go on holiday, they could easily see what expenses were just "nice to have" or less important than the holiday.

And those expenses could then be scrapped to save for our trip. So creating that visibility on your spending patterns is where saving starts.

### **How can companies free up capital for growth?**

Well let's first start by defining the Wise Pivot.

The Wise Pivot is a strategy on how companies should grow their core now, while harnessing disruption around us to scale to the new. And obviously, this costs money and the usual route is to ask for money externally, increase debt, or talk to investors, or drive aggressive cost reductions internally, sometimes cutting corners. Reducing the number of staff or something.

But the funds actually could come from within the company, and in a sustainable way.

What if we could optimise business operations through a zero-based mindset or ZBx as we call it. So ZBx is therefore not a cost-cutting exercise, as it is often perceived. It's a company-wide mindset that makes every employee manage the company's money as if it was their own, obviously resulting in savings.

And companies that have mastered to convert this mindset into their DNA are seeing massive results. Not in millions of dollars, but we are talking billions here.

### **Why aren't companies already doing this?**

Well, everybody talks about it. Even the Malaysian government recently announced they are going the zero-based way. Zero-based budgeting, ZBB, as a finance technique is already around for decades.

Companies therefore often claim they are already doing this because they apply zero-based budgeting, until they read in the Wall Street Journal how 3G Capital and Warren Buffet are using this re-invented zero-based mindset as an approach to fund their acquisition journey.

### **How do you implement, and sustain a Zero-Based mindset culture?**

Zero-based mindset is not a one-off exercise, it's an ongoing initiative. Like you say, it's a culture, it should be in the DNA of your company. Positioning ZBx as growth-focused will help with the mindset change because growth allows people to dream.

People usually tend to accept leaner practices if they can see how this will help the company grow, and hence, their own careers as well. The reallocation of these funds through growth, should be science-based, not gut feel.

### **What does Malaysia Reimagined Now mean to you?**

Well, when I arrived in Malaysia almost 10 years ago now, people were always asking me why I didn't opt for Singapore, a well-structured country with prudent practices around fund allocation and therefore, a resulting GDP growth beyond expectations.

Malaysia Reimagined for me means that down the road, I will not be asked that question anymore. People will find it natural that Malaysia is on par and even beyond regional superstars.

Malaysia Boleh!