

CONTROLLER[®] *Magazin*

SPECIAL



CONTROLLING INTERNATIONAL

Challenging times

Controlling and Agility

The influence
of the human factor

Diversity in Accounting



**Conrad
Günther**

Chief editor and publisher



**Hans-Peter
Sander**

ICV Communications Team

Dear readers,

Unquestionably, we are living in highly challenging times. The Covid-19 pandemic has been shaking up the global economy with its complex structures for more than two years now. Climate change, which can no longer be denied, is showing its catastrophic consequences more and more frequently and drastically, calling for decisive action. The Russian war of aggression in Ukraine is entailing far-reaching consequences, which are not only relevant to those companies engaged in the Russian market, but affect us all because of the uncertain energy supply. To be able to operate economically under these conditions, controllers need leadership support for management that effectively addresses these immense dynamics. Find out how controllers are adapting to these challenging times and how they are operating successfully in this year's issue of the Controller Magazin Special "Controlling International" with articles from the international controlling community. The focus is on sustainability, agility, digital transformation, servitization, and as always on competencies and personality. The solutions presented here, which have won prestigious awards, are exemplary.

We would like to thank all the authors who have shared their knowledge and experience with us in this year's Special issue. Please make use of this resource and continue to take advantage of the many opportunities for exchanging ideas offered by the controlling community - such as in the ICV with its working groups and events, in the IGC, CA and other professional networks.

We wish you an interesting and stimulating read!

Conrad Günther,
Chief editor and publisher

Hans-Peter Sander,
ICV Communications Team

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Advertising

Haufe-Lexware GmbH & Co. KG, Im Kreuz 9, 97076 Würzburg, Germany
www.haufe-lexware.com

Advertising sales manager

Thomas Horejsi, Tel. +49 (0)931 27 91-541, Fax: +49 (0)931 27 91-477
thomas.horejsi@haufe-lexware.com

Advertising sales

Annette Förster, Tel. +49 (0)931 27 91-544, Fax: +49 (0)931 27 91-477
annette.foerster@haufe-lexware.com

Advertising coordination

Monika Thüncher, Tel. +49 (0)931 27 91-464, Fax: +49 (0)931 27 91-477
monika.thuencher@haufe-lexware.com

Editor

Hans-Peter Sander, hp.sander@eastwestcom.net, Diessen/Ammersee

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ICV Controlling
Excellence Award
2022

8



ICV
Think Tank

14

Conte

Controlling
community mourns
the loss of
Péter Horváth
10



■ Hans-Peter Sander ICV 46th Congress of Controllers: Orientation in particularly challenging times	6
■ Hans-Peter Sander ICV Green Controlling Award to BASF for innovative practical solution Newcomer Award: Early warning systems in focus	7
■ Brigitte Dienstl-Arnegger ICV Award ICV Controlling Excellence Award 2022 goes to Deutsche Post DHL Group	8
■ Obituary Controlling community mourns the loss of Péter Horváth	10
■ Albert Mayr Austria ICV Austria: Closely linked to the successful development of the ICV	11
■ Heimo Losbichler IGC IGC's Annual Meeting	12
■ Klaus Möller, Jasmin Schmid ICC Controlling & Agility	13
■ Ronald Gleich, Nils Gimpl ICV Think Tank ICV Dream Car: Servitization	14
■ Jens Ropers CA The influence of the human factor on planning	16
■ Mike Schulze IMA Diversity, equity, and inclusion in accounting: Winning or losing the race of relevance as a profession?	18
■ Jasmina Očko Croatia Old ideas that are finally coming to fruition	20
■ Mladen Meter Croatia Digital and agile controller competencies	21
■ Slavko Simic, Branko Markovic, Marijana Obrenović Bosnia and Herzegovina Impact of digital transformation on controlling in BIH	22
■ S. Kumar, Santhosh Kumar, Björn Reitzenstein India Enhancing digital fluency, the Bosch way!	24
■ Tomasz M. Zielinski Poland Competences of controllers in Poland	26
■ Work Groups: Rooting the ICV controlling philosophy	27

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46th Congress of Controllers: Orientation in particularly challenging times

May 8/9, 2022, was the day: The 46th Congress of Controllers, Europe's leading controlling conference, took place as a digital conference after two years of lockdown and again as a face-to-face event in Munich. In a proven manner – top-class expert knowledge paired with perfect organization and many opportunities for personal exchange and networking – it gave the 400 participants orientation in particularly challenging times.

The Congress was opened by the ICV Chairman, Prof. Dr. Heimo Losbichler, with a look at the current economic situation. "I don't remember executives and controllers finding the market environment calm even in the good old days, if they ever existed. Nevertheless, I believe that we are in a particularly

challenging time. Controlling that faces these challenges and provides management support is all the more important," stressed Losbichler. He called on the congress participants to network for their personal information advantage and to use the conference offers, which offered many impulses and best practice under the motto "Knowledge for Tomorrow's Business".

Excellent presentations in the plenum were followed by the presentation of the ICV Controlling Excellence Awards late Monday morning. In the afternoon, the three parallel topic centers in the areas of sustainability, digitization, and agility – all of them also ICV annual topics – were very well attended and featured excellent speakers and moderators. The first day ended in a relaxed manner with the traditional Controller's beer garden. On Tuesday morning, the series of top-class lectures was continued in the plenum.

In his closing speech, Prof. Dr. Heimo Losbichler, chairman of the host ICV, announced the dates of the 47th Congress of Controllers. This will be held on May 15/16, 2023, in Munich. ■



Green Controlling Award to BASF for innovative practical solution



At the Stuttgart Controlling & Management Forum in September 2021, the Péter Horváth Foundation and the ICV jointly awarded the Green Controlling Award for the best practical solution on the subject of controlling and sustainability for the 11th time. BASF received the award for its method of calculating the product-related CO₂ footprint.

With the help of the digital Strategic CO₂ Transparency Tool (SCOTT), BASF can now calculate the CO₂ footprint for all around 45,000 products in its portfolio. In this way, the company creates transparency and enables fine-tuned control options in order to avoid even more emissions in the future. “We are proud of the Green Controlling Award – a great award for the entire project team. It encourages us to continue on our path of making our know-how and the digital solution available to other market participants via an ecosystem of partnerships,” says Jochen Kurtz, Vice President Group Performance Management & Analytics.

As business partners of management, controllers are required to actively support the implementation of sustainability goals. In order to encourage controlling to deal with the “green challenge”, the Péter Horváth Foundation, in cooperation with the ICV International Controller Association, has been awarding the “most innovative and effective green controlling solution” every year since 2011. This aims to contribute in an exemplary manner to the design and control of ecological strategies, programs, projects, and measures in companies and public institutions. The Green Controlling Award is endowed with EUR 10,000. More information about the award and current calls for applications can be found on the ICV website. ■

Early warning systems in focus

The ICV Newcomer Award 2021 went to Ali-Rabab Qureshi from WHU – Otto Beisheim School of Management for his master’s thesis “Developing an Early Warning System to Improve Proactive Risk Management in Non-Financial Companies”. Newcomer Awards were also awarded to the bachelor theses from Helen Denninger on the agile design of modern budgeting and from Niklas Werle on shared service centers.

With the award for excellent final theses, the ICV International Controller Association recognizes the achievements of young professionals who develop innovative scientific solutions to practical problems in controlling during their studies. The ICV Newcomer Award, endowed with a total of EUR 4,000, is sponsored by Haufe and the Haufe Academy. The prize has been awarded annually at an ICV conference since 2005. ■

ICV International Controller Association recognizes the achievements of young professionals

More information about the award and current calls for applications can be found on the ICV website.



Joy at the award ceremony (from left to right): Carmen Zillmer, ICV Managing Director, Prof. Dr. Nicole Jekel, Head of the Jury, Christina Keindorf, Ali-Rabab Qureshi, Prof. Dr. Utz Schäffer, Chairman of the ICV Board of Trustees, Ralf Leitermann, Helen Denninger, Niklas Werle, Prof. Dr. Marko Reimer.

ICV Controlling Excellence Award 2022 goes to Deutsche Post DHL Group

The ICV Controlling Excellence Award 2022 went to the Deutsche Post DHL Group, which prevailed in the final sprint for the renowned ICV Award against SAP SE and Phoenix Contact GmbH & Co. KG. “The winning project deals in a very convincing way with the integration of ESG dimensions in controlling and corporate management,” was how the Jury justified its final decision. The award was presented at the 46th Congress of Controllers, the annual central two-day meeting of the European controlling community, on May 9 in Munich.



The finalists in the competition for the ICV Controlling Excellence Award 2022 with jury head Prof. Dr. Utz Schäffer (left) and ICV CEO Prof. Dr. Heimo Losbichler (right): for SAP SE Jochen Fellhauer, Andreas Ziegler and Thomas Hund; for Deutsche Post DHL Group Klaus Kenfenheuer, Dr. Klaus Hufschlag and Martin Momberg; for Phoenix Contact GmbH & Co. KG Mirko Ehlert and Wladimir Koop (from left to right).

AN OVERVIEW: ALL WINNERS OF THE ICV CONTROLLING EXCELLENCE AWARD SINCE 2003

- 2022** Deutsche Post DHL Group – Integration of Sustainability Goals in Controlling at Deutsche Post DHL Group
- 2021** Robert Bosch GmbH, Controller of the Future – People Make the Difference

The title of the winning project is “Integration of Sustainability Goals in Controlling at Deutsche Post DHL Group”. The initial impetus for this came in March 2021 when the new ESG (environmental, social and corporate governance) Roadmap was communicated within the Group. The finance department of Deutsche Post DHL Group then assumed responsibility for both internal and external ESG reporting. Employees from the previous carbon accounting team in the finance department, from sustainability communication and corporate strategy were bundled into a new department, which has since been responsible for reporting processes and controlling for all three ESG dimensions. The project team started by translating the Group’s ESG goals into operational and financial targets and identifying meaningful and reliable key figures for reporting and management of the ESG Roadmap. At the same time, a



**Brigitte
Dienstl-Arnegger**

ICV Team
Communications

- 2020 BASF SE, PACE – Predictive Analytics Estimate
- 2019 Unitymedia GmbH – Value Steering Roadmap, Establishment of a Value-Oriented Management at Unitymedia
- 2018 Robert Bosch GmbH – Big Data-Based Approach to Optimizing Net Working Capital at Bosch / Diesel Systems
- 2017 EDEKA Handelsgesellschaft Südwest mbH – Directional solution for comprehensive change of the control system and controlling
- 2016 Covestro Deutschland AG – Comprehensive redesign of the entire controlling as a result of the Covestro carve out from the Bayer Group
- 2015 RWE AG – Consideration of biases in decision-making processes
- 2014 EliteMedianet GmbH, Media Compass – regression-based optimization of allocation of the advertising budget
- 2013 Deutsche Lufthansa AG – Project team bandwidth planning, bandwidth simulation in the air traffic passenger business
- 2012 Otto GmbH & Co KG – Establishing the Activity Based Costing in the Suppliers Service Center
- 2011 McDonald's Deutschland Inc. – Controlling of the McCafé Initiative
- 2010 Bundesagentur für Arbeit – Controlling, Developing the SAMP Tool
- 2009 FIEGE Stiftung GmbH & Co. KG – Bernd Voss, on behalf of the logistics controlling team
- 2008 Lufthansa CityLine GmbH – Realignment of corporate management
- 2008 Wittlinger Therapiezentrum / Dr. Vodder Akademie – Development of process, quality, and financial controlling in interaction
- 2007 Hansgrohe AG, Business Development, Sales Up! – Growth against the trend!
- 2006 Kaufhof Warenhaus AG – Head of controlling & projects, market-oriented branch management
- 2005 T-Online International AG – Management of growth companies via the efficiency matrix
- 2004 Aventis Pharma Deutschland GmbH, FACTs Team, Finance, Analyzing, and Controlling Tools – FACTs
- 2003 SICK AG Waldkirch, Controller team – planning and reporting concept One Page Only (OPO)

comprehensive internal reporting system for ESG indicators and ESG measures was set up. It is now regularly found in business reviews and performance meetings. The quality is secured by anchoring it in the internal management system. Finally, the process for investment decisions was expanded to include demanding ESG criteria.

“As a result, the Deutsche Post DHL Group now has something that is still a dream of the future for most companies: a largely complete controlling system for managing ESG measures that is embedded in the financial organization,” summarized the Head of the Jury, Prof. Dr. Utz Schäffer, Director of the Institute for Management and Controlling (IMC) at WHU – Otto Beisheim School of Management, at the laudation.

Phoenix Contact approaches the day-to-day life with rolled-up sleeves, their own resources & learning by doing

The solution from the medium-sized Phoenix Contact GmbH & Co. KG, which was also nominated, aims at a uniform product cost determination process with simulations and scenario calculations. “The day-to-day work of the controllers was the starting point here,” summarized Schäffer. The product cost determination and the associated reporting was very complex due to country, group, and sometimes even individual-specific solutions. To solve this problem, the Phoenix Contact team first looked for a solution that was already available on the market. “And now it gets exciting,” said Schäffer enthusiastically, because: “It will be discarded in the end. Instead, the team itself is developing database-driven simulation software that can be used to carry out standardized manufacturing cost simulations and cost-effectiveness assessments for products and changes in production processes.” According to Schäffer, the result not only impresses with its content, but also with a high level of acceptance, simplified use, and greater use of simulations with significantly reduced effort at the same time. “The remarkable thing about this solution for the jury is less the technological or conceptual new territory, but the exemplary approach with rolled-up sleeves, own on-board resources, and intensive learning by doing.”

SAP SE turns the buzzword “agility” into a journey toward standardization with excellent suggestions

The aim of the project “Agile Controlling: New Delivery Model for Controlling”, which was also nominated, was to make controlling at SAP more agile and flexible while at the same time efficiently meeting internal customer needs. “Let’s be honest: agility is also a much-used buzzword in the context of controlling, which repeatedly raises eyebrows and raises a great deal of distrust,” said Schäffer. “That’s exactly why we in the jury consider the solution proposed by the SAP team very convincing.” After all, the project shows a journey of no less than almost four years in the controlling area with a large number of building blocks through to the standardization of needs and the provision of services based on this for various internal customer groups in controlling. “As the Jury, we believe that the overall package of the SAP solution contains many good suggestions for controlling in other companies.” ■



Controlling community mourns the loss of Péter Horváth

The members of the ICV and the whole controlling community mourn the loss of the controlling pioneer and honorary member of the ICV Péter Horváth. Péter Horváth died on June 4, 2022, at the age of 85 after a short, serious illness. Just three weeks earlier he was a guest at the 46th Congress of Controllers in Munich.

The ICV chairman, Prof. Dr. Heimo Losbichler, paid tribute to the deceased: "Péter Horváth was one of the pioneers of controlling, who made a significant contribution to successfully anchoring and further developing the topic in science and practice. In addition to his successful work at the University of Stuttgart, he built up the management consultancy Horváth AG and was involved in numerous organizations such as the ICV, the IGC, and *Controlling* magazine. For the ICV he led the ideas workshop for many years and was one of the founding members of the IGC. In 2013 he was awarded honorary membership of the ICV in recognition of his services to controlling. We mourn the loss of a wonderful person, an outstanding scientist, and a great entrepreneur."

One of Péter Horváth's great achievements is the annual presentation of the renowned

Green Controlling Prize, worth EUR 10,000, from the Péter Horváth Foundation in cooperation with the ICV since 2011.

An eventful life

Péter Horváth's life was shaped by courageous decisions, contagious passion, entrepreneurial spirit, and sporting ambition. Born in Hungary, he fled to Austria and then to Germany in 1956 during the uprising. In 1973 Péter Horváth set up the first chair for controlling in Germany at TU Darmstadt. The modern understanding of controlling in corporate practice is largely shaped by Péter Horváth. He is regarded as the founder of this economic discipline in the German-speaking world, who knew how to combine research and teaching with corporate practice. His standard work *Controlling*, published in 1979, is now in its 14th edition and has been published in five languages. Overall, Péter Horváth wrote more than 40 specialist books and countless specialist articles and he was co-editor of the magazines *Controlling*, *Wissenschaftsmanagement*, and *Family Business and Strategy*. ■



AUSTRIA

ICV Austria: Closely linked to the successful development of the ICV

Austria is the ICV focus country this year; in 2021 it was Slovenia. The ICV regional delegate, Prof. Dr. Albert Mayr, introduces ICV Austria.

ICV Austria is almost as old as the ICV. In the founding phase, Manfred Blachfellner and Dr. Alfred Blazek shaped the organization. In 2001 Heimo Losbichler became Delegate Austria and handed over this function to me in 2012. The regional event, Controlling Insights Steyr (CIS), is one of the most successful in the entire ICV. Approximately 300 people, at peak times even 370 people, are offered excellent expert lectures, panel discussions, etc. In 2021, the CIS celebrated its 20th anniversary. Due to COVID-19, it could unfortunately only be held virtually. The main topics were sustainability, digital transformation, and agile planning approaches. For this year we hope for a personal get-together again.

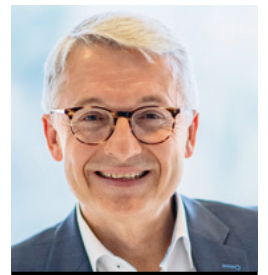
Another very successful event is the ICV Health Conference, which deals with current controlling topics in the health sector. Under the direction of Dietmar Ranftler, previously of Martin Reich, this event has already been held 22 times. For September 22, 2022, lectures are planned on project and personnel controlling as well as artificial intelligence in the healthcare sector, and a panel discussion will address the topic of planning and controlling in uncertain times. The Health

Conference is the annual highlight of the Sector Working Group Healthcare Austria.

In addition to this sectoral working group, there are five other regional working groups in Austria that have existed for more than 30 years. In the work groups, experiences from the controlling community are exchanged. In recent years there has been at least one work group meeting in a company of a work group member. Usually about 20 people take part in these working group meetings and discuss various technical issues. In addition to the technical exchange, the working group members also meet from time to time for an informal exchange of opinions in a beer garden or a restaurant.

Since the Covid pandemic, we have largely switched to virtual meetings. In 2022, the working groups got together and developed a webinar series (seven webinars) dealing with various controlling topics, but also questions on sustainability and digitalization. Topics included “ESG and EU Taxonomy – What Lies Ahead for Controllers and CFOs” and “Sprint Planning – A Value Driver Based Approach for Agile Budgeting in VUCA Times”.

In recent years, personal membership numbers have unfortunately declined somewhat, but corporate memberships are on the rise. We are therefore planning to approach the corporate members even more in the future and to find out what the companies expect from the ICV. Initial feedback rounds have shown that digitalization and sustainability controlling are naturally at the top of the list of topics. Recently, however, companies have also been intensively concerned with the issue of labor shortages and what skills controlling staff should have. ■



Prof. Dr. Albert Mayr

Professor, University of Applied Sciences Upper Austria
ICV regional delegate for region Austria, Leader ICV Work Group Austria III

IGC's Annual Meeting

On May 21, 2022 IGC held its annual meeting in Vienna at EY's wonderful office. The presentations and discussions revealed important insights about current controlling challenges and possible solutions. The meeting was perfectly hosted by Rita Niedermayr, ÖCI.



**Prof. Dr. Heimo
Losbichler**

Chairman of the International Group of Controlling (IGC) and Chairman of the International Association of Controllers (ICV)

The presentations of the annual meeting addressed two major challenges for controlling today: sustainability and agility.

Sustainability

Prof. Dr. Isabella Grabner, WU Vienna, presented recent empirical results about the implementation of ESG measures in the finance function. The survey shows that

- ▶ already one-third of the respondents publishes an ESG report
- ▶ ESG metrics play an important role for investment decisions and risk assessments
- ▶ The majority deals with ESG topics in a cross-departmental manner
- ▶ Financial high performers assign overall ESG responsibility more often to the finance function and devote more time to ESG activities in the finance function.

The presentation of Prof. Grabner was followed by a speech by Alexander Koch, Head of Group Controlling, Post AG, who gave insights into how controllers at Austrian Post deal with sustainability and the strategic target of decarbonization. In practice a success factor is the highly frequent reporting of sustainability metrics along all hierarchies and serious top-level support. A key challenge remains investment decisions and its various trade-offs.

Agility

The presentations of Franz Hiesinger, CFO Mayr-Melnhof Karton AG, Helmut Hotter,



Director Controlling, A1 Telekom AG, and Prof. Dr. Klaus Möller and Jasmin Schmid, University of St. Gallen, showed different approaches of how to deal with the current VUCA business environment. Franz Hiesinger presented the challenges Mayr-Melnhof faces due to unprecedented cost increases which lead to significant changes of the cost structure and relations between KPIs. As a result, also the drivers of financial performance have changed significantly and familiar patterns of thinking must be reconsidered.

Helmut Hotter presented the fundamental transformation of the controlling organization at A1. Instead of rigid hierarchies, there is now a flexible organization with different working groups and roles. The organizational design follows the concept of Holacracy. A1 controllers take on roles that are required in the respective situation. Employees have several roles at one time.

Prof. Dr. Klaus Möller and Jasmin Schmid, University of St. Gallen, Switzerland, presented IGC's newest book, *Controlling & Agility*. The book offers a comprehensive collection of agility approaches. It is available for free on IGC's website. ■



Impressions from IGC's annual meeting in Vienna.

Controlling & Agility

The International Group of Controlling (IGC) has published the reference book **Controlling & Agility – Fundamentals, Approaches, Examples and Recommendations for the Future Finance Function**. The authors describe in detail the most important terms, instruments, functionalities as well as advantages and disadvantages.



Agility has become a multi-faceted phenomenon somewhere between buzzword, trend, and fundamental change. Some consider it to be a mere empty phrase without substance, preferably placed as a prefix in front of all terms (in this case: agile controlling), while others see it as the next big

thing with the potential to change the corporate world. This book takes a pleasing middle course and shows in concrete examples what can be changed with agility in controlling. It offers an incredibly comprehensive and well-founded overview of numerous (46) agile approaches. It introduces core approaches such as Scrum and Kanban, more IT-oriented approaches such as Extreme Programming, and also leadership-oriented approaches such as Everest goals as well as holistic practices like OKRs, OGSM, or Holacracy. The publisher is the International Group of Controlling (IGC), which ICV is also a member of. The team of authors around Prof. Dr. Klaus Möller (IGC board member) positions the book not as a future standard, but as an overview on the way to the continuous development of controlling. Thus the title with the “&” is cleverly chosen. The fact that the book is available in open-access via the IGC website is extremely commendable and should contribute to a fast and large distribution, which is absolutely to be wished for the book.

In the last 30 years, various forms of agility have developed, including operational, strategic, process, cultural, and structural agility, which are nowadays often used as synonyms. The diverse application of the terms can be attributed to their multidisciplinary emergence, particularly in software development, supply chain management, and manufacturing. The focus of the book is on organizational agility and the comprehensive description of the phenomenon, especially the concrete agile

approaches and their use in controlling. The book is divided into seven chapters, starting by showing the relevance of agility in the field of controlling. The second chapter briefly lays the conceptual and theoretical foundations, such as the conceptual sharpening of organizational agility and related management concepts, the values and principles of the Agile Manifesto, and dynamic capabilities as a basic prerequisite for achieving agility. The main component of the book is Chapter 3 with almost 100 pages presenting 46 agile approaches with definition, application, process, and pros and cons. A selection of approaches is highlighted with eleven company examples in the fourth chapter by guest authors from the field. The examples range from minor agile adaptations to fundamental changes and from small companies in Croatia to global corporations such as Bosch. The particular challenge of the agile organization also becomes clear: There is no universal agile approach, rather it depends on various factors. In Chapter 5, these challenges are addressed through three recommendations for action: Finally, in chapter 6, the book gives an outlook on the future change of the controlling function as well as the controller. Very pleasing is the comprehensive bibliography, which contains further literature directly sorted by the respective agile approaches. This also shows the strength of the electronic open-access book: The reader can directly access in-depth sources via the embedded links.

In summary, the book is aimed at managers and controllers who want to take a well-founded look at the topic of agility and its design and implementation options in controlling. It becomes clear that agility is not only a supporting factor for taking on the role of a business partner. It can also be an essential element to support the development of digital and integrated performance management systems. Thus, the book nicely demonstrates that agility is an opportunity for controllers to be a reliable partner in a changing world and changing organizations to drive their progress. ■

IGC



Prof. Dr. Klaus Möller

Chair of Controlling /
Performance Management, University of
St. Gallen, Switzerland.
Co-Editor of the Journal
Controlling



Jasmin Schmid, M.Sc.

Research Associate at
the Chair of Controlling /
Performance Management,
University of St. Gallen,
Switzerland

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ICV Dream Car

Servitization – How manufacturing companies can become service champions?



From a product or project provider to a provider of integrative solutions

The term servitization describes the process by which a provider evolves from being a pure product or project provider to a service provider and finally to a provider of integrative solutions. The provider deliberately focuses not only on its product, but also on the services provided with the product. This creates the image of a “product plus” for both the provider and the customer. In addition, with servitization, customers benefit from an enhanced value proposition from the provider and individual service offerings that match their requirements. These individual service offerings enable providers to better support customer processes in the future compared to their previous product business.

“services” are offered to improve the condition of the products. These life cycle services primarily include services such as consulting-related services like training or process consulting.

In the second evolutionary step and thus the third stage toward comprehensive servitization, the full-service provider, the providers expand their service range to include so-called “business services” which further improve the performance of their products. This means that customers can derive greater benefit from the service concept and providers can integrate the services as a core component of their business model. These include new features such as data-based services or enhanced data protection, which appears to be essential for the survival of both the manufacturer or provider and the customer, especially in the context of Industry 4.0.

In the final stage of the servitization growth model, the integrative solutions provider, the provider no longer sells the products themselves, but its products as “product as a service”. In other words, they provide their customers with the product as a service with guaranteed availability, including administration and asset management services. For example, machines or equipment are no longer offered for sale, but output (such as the painting of machine parts) or availability. This stage can also include the creation of platforms or ecosystems with many services or partner offers around the product.

Fig. 1 illustrates well-known examples of successful servitization solutions. In addition to the ICV’s Dream Car report, other great examples can be found in a recent study by Porsche Consulting¹.

Is servitization worthwhile for providers?

Of course, servitization is not an end in itself, but it is particularly worthwhile. Generally, a company earns more



Prof. Dr. Ronald Gleich

Academic Director of the Centre for Performance Management & Controlling at the Frankfurt School of Finance & Management.



Nils Gimpl

Research Assistant & PhD Student, Centre for Performance Management & Controlling at the Frankfurt School of Finance & Management

Development steps of servitization based on the servitization growth model

The servitization growth model consists of the four stages:

1. Product manufacturer
2. Product manufacturer with added value
3. Full-service provider
4. Provider of integrative solutions

The starting point of the commercial activities of many manufacturing companies are the machines, machine components, or production lines. The range of services is based on this hardware and is supplemented by some necessary services, such as the spare parts business or maintenance. This represents phase 1 of servitization, the product manufacturer stage.

In the first evolutionary step towards servitization and thus the second stage of the growth model, the product manufacturer with added value, in addition to the basic services for the products, further so-called “life cycle ser-

money with services related to its products than with the actual hardware. This has been shown in numerous studies in recent years. EBIT margins of up to 25% with service revenues and higher revenues in general as well as faster growth are propagated for companies with pronounced service proportions. Furthermore, strongly service-oriented companies clearly beat the performance figures of weaker service-oriented peer companies.

Surprisingly few manufacturing companies have a servitization strategy. This is very interesting, since successful companies in the manufacturing industry, for example, have significantly higher service proportions than less successful companies and, as already outlined above, are also considerably more profitable. This is where improvements need to be made, which brings the controlling to the table.

New tasks in controlling due to servitization

Of course, controllers must first be able to make statements within their own companies as to whether the servitization transformation described above is actually worthwhile and whether new value contributions can be created. The evaluation of the new or

changed business models and the transformation costs would therefore be a first important activity for controlling in the context of servitization.

Further essential tasks and challenges for controlling are:

- ▶ Dealing with changed liquidity flows and financing requirements (e.g., instead of purchasing the machine, payment is made per output (pay-per-use), i.e., the machines must be pre-financed and the revenue then flows another time, such as over the life cycle or contract term).
- ▶ Establishment of an increased life-cycle-related cost view starting in controlling in order to sensitize salespeople and engineers with regard to product-centered services (especially new services of phases 2 and 3 can be important OPEX components for customers and can be a significant selling point).
- ▶ Costing of the various (new) components of the adapted business model (how do you price data access or data protection, for example?).
- ▶ Establishment of customer-centric pricing systems (e.g., availability-based, usage-based, or results-based).
- ▶ Development of extended reporting,

which fits to the business model and the new services (with indicators such as revenue proportion of new services, milestone-based KPIs that provide information on whether certain services were completed on time, or utilization for pay-per-use offers).

- ▶ Development of service competence in the controlling (as well as creation of suitable tools) and development of new suitable controlling roles or adaptation of existing roles.

The new Dream Car report outlines the controlling of servitization in greater detail, focusing on what we consider to be the six key processes of the IGC process model and offering proposed solutions in each case.³ In our opinion, there is still a lot to be done at many companies and, if this has not yet been done, the first "servitization plants" should be planted from the controller's point of view. Only then can the enormous upcoming task of servitization be effectively mastered. ■

¹Cf. Ziegler et al. 2021: *Beyond the product: How industrial goods providers improve their competitive advantage with servitization*, Study Porsche Consulting.

²Cf. Gleich et al. 2022 *ICV-Dream Car-Bericht Servitization*, p. 4.

³Cf. Gleich et al. 2022 *ICV-Dream Car-Bericht Servitization*.

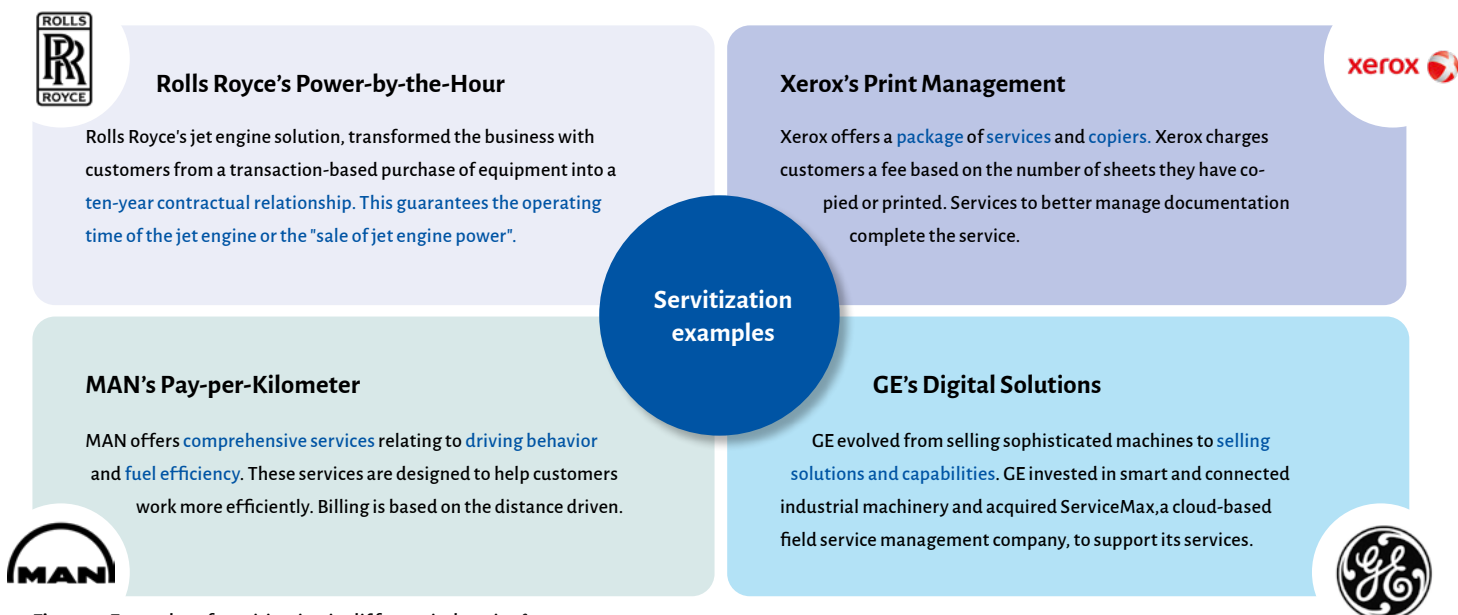


Figure 1: Examples of servitization in different industries.²

The influence of the human factor on planning

Corporate culture beats method and software



**Jens
Ropers**

Partner at
CA Akademie AG,
Wörthsee

In a volatile dynamic world, planning will become a major challenge for many organizations. Attention will focus on what resilient dynamics-driven planning should and can achieve and increases digitalization pressure. This is because the technical prerequisites for effective, resilient management planning with new digital options such as predictive analytics and simulations frequently have to be established first. Often, the ensuing need for structural changes in the organization is not taken into due account.

At a recent CA controller akademie management planning symposium, a plethora of successfully implemented methods for planning in a dynamic and complex environment was illustrated and the Controller magazine regularly features proven use cases. However, at the latest when they set about implementing these best practice solutions, companies realize that such an undertaking is no easy matter. Time and again, in our project work with clients, it becomes clear that regardless of the nature of the desired improvement and the methods and measures selected, many companies fail to achieve the hoped-for success. Interestingly, in all cases, one common denominator can be found. Almost none of the projects to improve planning failed due to a lack of knowledge about methods or software support. The crux tends to be that the changes associated with adjustments in methods are not accepted by the people within the organization because they have to relinquish inured patterns. Even in an initial step such as simplifying the planning process, corporate culture clearly plays a decisive role. Leaving the human factor out of the equation, methods and software alone do not lead to success.

In case of projects to adapt the planning process, this recognition has led us to recommend that a full understanding by all stakeholders and a high degree of transparency be achieved to generate more acceptance of the planning object and process. Broadening the focus to include seven themes helps you to avoid concentrating

solely on methods and software, as I will illustrate based on the example of a company that we are currently supporting in a project. When you read through each of the points, please think about how each one in particular might impact the planning process as a whole.

1. Business model and strategy

In addition to its existing B2B business, the company aims to set up an online B2C trading platform and to extend its international reach.

2. Governance and compliance

The company is internationally networked and uses transfer prices. The implementation of fiscal provisions is not sufficiently decoupled from the measurement of management performance in markets which forms the basis for awarding manager bonuses.

3. Controlling logic and KPI

The controlling logic continues to equate with the company's old strategy. Moreover, given the increased dynamics in the market and greater complexity, the drivers of the company's success will need to be reviewed regularly in the future. Forecasts tend to be unreliable and are exclusively based on management estimates.

4. Data and systems

The responsible managers lack data competence. The system world is not integrated, but full of individual solutions with fragile interfaces. Simulations and risk assessments are scarcely supported by the system. Every change sparks a major administrative effort.

If you would like to discuss these issues with me, please contact me at: j.ropers@ca-akademie.de.

5. Organization and roles

Controlling collects relevant information from departments in order to aggregate it into an integrated plan. There is neither a defined work flow for planning nor a clear assignment of tasks/competencies/responsibilities across the process.

6. People and culture

The company has led the market for many years due to some unique selling points. Competition has increased sharply over the past five years. The employees identify with the company's values; they are very loyal and very well qualified for their jobs.

The seventh remaining theme is **“Processes and methods”**. Most companies focus almost exclusively on it when (re)designing their planning process. Discussing whether driver-based planning might be a valid objective is undoubtedly important, but if other influencing factors are not taken into account, it is unlikely that the resulting solution will be welcomed by the company's employees.

As a takeaway, if you want to design your planning with a future perspective, involve as many decision makers as possible and hold a kick-off workshop in order to raise a common awareness of what is at stake and ensure transparency before you begin to think about solution approaches. These seven themes can serve as a useful compass to help you get started. Incidentally, we use a very similar structure not only in our planning projects, but also in our consulting approach when drafting CFO road maps.

Important questions for Controlling

- ▶ What is the strategy behind your planning process? Is there one and are people aware of it?
- ▶ Who in your company holds responsibility for the planning process?
- ▶ How do you involve stakeholders in process design and implementation?
- ▶ What role do you identify for Controlling in this context?
- ▶ Do you have a CFO/Controlling roadmap?
- ▶ How do you ensure that all managers understand the company's controlling model?
- ▶ How do things stand in your company with regard to data competence? ■



Diversity, equity, and inclusion in accounting: Winning or losing the race of relevance as a profession?



Prof. Dr. Mike Schulze

Vice Dean and Professor of Controlling, Accounting and Financial Management at CBS International Business School Campus Mainz; Honorary Professor-in-Residence IMA Europe.

Within the ongoing business developments, adapting professions toward changes and requirements of the 21st century is inevitable. When it comes to transformation, companies and leaders often mainly consider digitalization attempts, but a factor that shouldn't be neglected to sustain in the vastly changing environment is diversity. As research shows, diversity in business enhances the performance of a company. It fosters innovation, leading to higher earnings and improved performance. Above-average diverse teams in organizations outperform, proposing motivation to leaders in supporting diversity, equity, and inclusion (DE&I). The accounting profession, including financial and management accounting, initially excluded women somewhat from the profession in the past. Nevertheless, the profession has made some steps toward diversity in the last decades, but it is interesting to see how far this development has already progressed.

A recent empirical study, conducted by IMA® (Institute of Management Accountants) and IFAC (International Federation of Accountants) in collaboration with global research partners and advisors, aimed at evaluating the current state of DE&I in the accounting profession in Europe as well as deriving future implications for the profession, leaders, and companies. The research focused on three demographic topics: gender, ethnicity, and LGBTQIA orientation. More than 3,000 accounting professionals were surveyed online, and six accounting practitioners and academics were interviewed. They described themselves as part of the accounting profession, providing a wide range of experience and age, coming from Europe (Belgium, Cyprus, Germany, Netherlands, Portugal, Romania, Turkey, and the United Kingdom).

The current state of diversity in accounting in Europe

For the following context, diversity refers to differentiating people regarding demographic dimensions such as gender, sexual orientation, and ethnicity. Equity means fairness and justice within processes and resource allocation. The term inclusion represents feeling valued, respected, and supported. Depending on country, culture, and socioeconomic differences, the perception and realization varies. The accounting profession has a long-lasting tradition. In this history proceedings have been made to enhance DE&I. Nearly 60% of surveyed practitioners of all backgrounds assess the profession as equitable or inclusive. When it comes to a cross-country comparison the perceptions can be seen as relatively consistent. But there is still room for improvement. In most countries female professionals in senior leadership roles are still outnumbered by men and, depending on the country, the representation of LGBTQIA and minority ethnic groups in such positions in accounting and finance can be improved. Only half of respondents from the three demographic groups find their group being treated equally or perceives to have access to the same resources as for instance male counterparts, being supported by senior leadership in setting the framework for an inclusive work environment. Within the survey, participants described situations of bias in topics such as recruitment, sponsoring, or promotion. These perceptions cause a loss of diverse talents for the accounting profession as they leave companies or even the profession as a response to DE&I-related issues. Depending on country, around half of the female of minority ethnic group respondents have left a company in the past as they did not feel included

or equally treated. Exemplary situations were the observation of better compensation for people with comparable profiles or feeling unsafe in contributing ideas, resulting in degrading comments or jokes about people of their demographic group.

Maintaining relevance and sustainability

The perceived lack of diversity, equity, and inclusion poses a risk. If a profession can't attract diverse talents, it loses public trust and the ability to adapt to business changes. The unattractiveness of the profession damages its public reputation and contrasts with the long-established values. But these factors are not the only ones that create the need to promote diversity and inclusion. Empirical studies showed that diverse teams can achieve better results. Another aspect are governmental efforts in some countries in Europe to ensure gender equality and to combat the underrepresentation of LGBTQIA and ethnic groups. Therefore, attracting diverse talents and keeping them in the pipe-

line to the profession is vital. Transformational outcomes and meeting ethical obligations have not yet been targeted enough by the profession. The individual and collective behavior of practitioners should embody the ethical imperative and International Code of Ethics for Professional Accountants by the International Ethics Standards Board for Accountants. The fundamentals – integrity, objectivity, professional competence and due care, confidentiality, and professional behavior – provide a framework and recommendations for action. Enablers and ethical leaders that take on action in DE&I regards are required. This might take some time and resources, but without them the profession loses relevance. But what could be possible ways to achieve this? Figure 1 highlights some important recommendations for action.

In summary, action to further diversify the accounting profession in Europe in general and to support diversity in senior leadership roles specifically is needed. Consequently, agility and innovation are fostered and greatly needed talents are attracted to the

profession, paving the way to resolving future challenges.

This article refers to Doung, Q., Jiles, L. and Jules, D. (2022), *Diversifying Accounting Talent In Europe: A Critical Imperative to Achieve Transformational Outcomes*. ■

The complete study report is available here: myIMA.org/EuropeDEI



Figure 1: Steps toward a future-oriented accounting profession



Old ideas that are finally coming to fruition

The controller as change manager



Jasmina
Očko

Controlling consultant,
Kontroling Kognosko d.o.o.,
Head of ICV Work Group
Croatia |

It has been a long time since the world has faced such an incredible sequence of negative events (from a pandemic to war and inflation), that have expectedly left a mark on the global economy. Right now, controllers in Croatia are turning the spotlight on all the logical ideas they had been putting forward previously:

1. Reducing the product assortment

Before, having a wide range of (equivalent) products in endless versions was a matter of prestige. This was a precondition of success in sales and proof of being a “major player”. But it is common knowledge that 20 percent of companies’ products account for around 80 percent of their revenue and, most often, of their profit. In the meantime, across the globe awareness has grown of critical environmental issues, such as the vast amount of (completely unnecessary) waste, especially plastics. By force of circumstances, we will now finally take action and do what should have been done a long time ago.

2. New sources of revenue, new business models

Over the next few months, many companies will inevitably experience a fall in revenue, which is a convincing rea-

son to start looking for new sources of revenue – either additional or replacement ones. Companies which can offer a good solution for their clients’ new needs, who can ease their worries, or show them a whole new world they never even knew existed are the companies that will come out on top. Today, a business model that is unique and smart can become the largest new source of income.

3. The cost of support services – the party is over

It is high time to tackle the costs of repetitive activities performed by over-staffed administrative services. When everything is going well, the question of how effective and efficient these services truly are is rarely posed. Now is the right time to ask the question and to change things.

4. Planning is more important than ever

Experienced controllers agree that the time has come to modify planning methods: We need to step back, move away from the details, and see the bigger picture. Focus needs to be put on rolling forecasts, for example for the next three to six months. It is good that zero-based budgeting is in the spotlight again, since its appeal was limited when times were good.

Ideas put forth by controlling will now find a fertile ground because many more will listen attentively to what controllers have to say. This is an opportunity that must not be missed. ■





Digital and agile controller competencies

Background and key goals

In May 2022, we conducted a survey of 71 Croatian companies, with participants primarily from management positions with a close connection to or owners of controlling processes. The main goal of the survey was to get acquainted with the current state of excellence of processes and competencies in controlling, as well as future development plans, in order to initiate and organize support activities in the market. A particular focus in the research has been placed on the increasingly popular digital and agile competencies.

Key findings

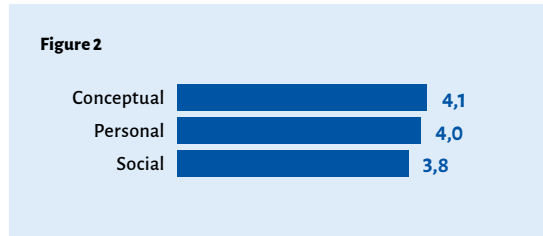
The study used grades from 1 to 5 (1 is the lowest and 5 is the highest score).

1. Controlling processes, Figure 1

Excellence of the controlling processes is rated with an average grade of 3.1 and should be improved by raising awareness of the importance of controlling and better partnership among managers and controllers.

2. Controller competencies, Figure 2

Planned improvements/investments in soft competencies with an average score of 4.0 is significant, especially for conceptual competencies (4.1).



3. Digital and agile competencies, Figure 3

Planned improvements/investments in digital and agile competencies, with an average score of 3.0, is pretty low, and in order to improve it is necessary at the level of individual responsibility (personal, social, and conceptual competencies) to do homework related to the improvement of basic controlling processes.

The main takeaway

Further to the results of the study conducted in Croatia, as the main preconditions for the systematic improvement of digital and agile controller competencies, it is necessary to improve primarily conceptual controller competencies, in order to see the bigger picture and interdependences inside. After that the basic processes in controlling need to be looked at, and only then work on improving the digital and agile controller competencies. ■



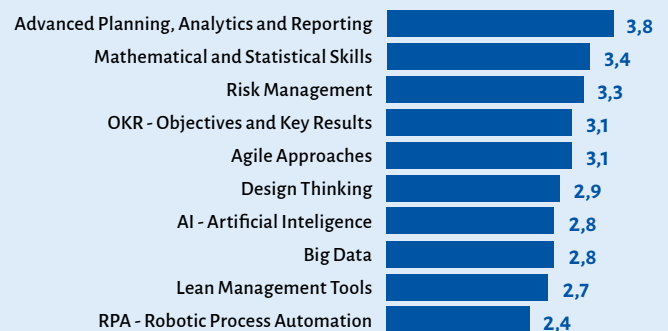
Dr. Mladen Meter

Controlling and Finance Consultant, Head of ICV Work Group Croatian Adriatic Region

Figure 1



Figure 3





Impact of digital transformation on controlling in BiH

To study how the digital transformation (hereinafter DT) process affects the business function of the controlling framework, will define the scope of the term “digital transformation”, and what role the business controlling functions plays in it. DT is one of the biggest current innovations and is being introduced in virtually all commercial and public systems. This is reflected in the adjustment to the new business environment and the optimal exploitation of the new opportunities provided by market disrupting technologies, such as artificial intelligence (AI), 3D printing, the Internet of Things (IoT), and big data. It is important to point out that due to the nature of the transformation the system cannot be structured in the same manner as previously, nor to the same extent as with popular commonly used technologies with the applied techno-economic business models. With the contextual framework of DT that defines the direction and outcome of the transformation, we arrive at the digital agenda or digital strategy. The DT could be understood and seen in two independent parallel tracks through which changes occur simultaneously in the company and the environment:

1. The DT in the narrower sense, which includes achieving operational excellence of company performance, more precisely business operations;
2. The DT in a broader sense, which implies rapid business innovation, most often associated with a change in the business model by which the company operates.

In which direction the digital transformation process will go in the company is conditioned by the answers to the following questions:

- a. What will happen to the industrial sector that makes up the business environment in which the company operates?
- b. What actions will the company's management take and at what time?
- c. What short- and long-term measures will be implemented and how will they affect business performance?
- d. What are the desired effects?
- e. How will the company's management and employees know if and when they succeeded in the DT processes?
- f. How to define success criteria based on the company's business results?

- g. Who will own the company's DT process and its respective processes, products, and/or services?
- h. Who, by name, will be responsible and have the authority and skills to effect change, making level-based decisions?
- i. Where will the company invest its funds, under what conditions, whose funds, and which funds?

From the answers to these questions we see that the role of the controller function in defining the strategy is more than obvious, given that the controller defines the scope for the implementation of the DT process (checking the feasibility of the preferred strategy before its execution) through development and verification using scenario modeling. The DT, in simpler terms, can be defined, in order to assess feasibility at the enterprise level, with the following quantitative and qualitative parameters:

- ▶ The company defined with a diagnosis, a strategic ambition, and a unique value proposition for its clients.
- ▶ The market is defined by competitors, supply and market forces.
- ▶ Users of services or products are defined by their number (total number of customers), intentions, and tasks they want to perform using the same products and services.
- ▶ The company's available resources for the transformation are defined by the available time, staff (but also in other ways available talents), and money.

Illogicality in the formal establishment of the controlling function in companies

Analysis of the research question “Is there an introduced controlling function in the company?” in Bosnia and Herzegovina shows that 83.3% of respondents answered that this function formally exists in their company, while 16.7% of them denied the existence of any form of organized controlling function in the company. All respondents whose replies were positive when asked whether controlling was introduced in the company confirmed that there are individuals within the enterprise who are formally in charge of the controlling function. Only one company, large in size, had a controlling department. Based on this analysis, we concluded that



Prof. dr. sc. Slavko
Simic

Head of ICV Work Group BiH



Mr. sc. Branko
Markovic

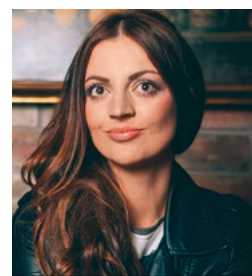
BROSS Co. d.o.o.
Bosnia and Herzegovina

most respondents, as well as company management, have incorrect paradigms and ideas about what the controlling function in the company is, and what purpose it serves. In the figure below (Figure 1), a distribution plot of frequencies in respect to implementation and application of individual controlling elements is visualized.

Through the empirical research question, "Does the company possess a business information system for data processing and reporting?" the following findings were obtained (Figure 2). Further, the examination and statistical processing of the answer to the question: "Is the company reporting from the existing business software (ERP or second-class software)?" is shown in Figure 3.

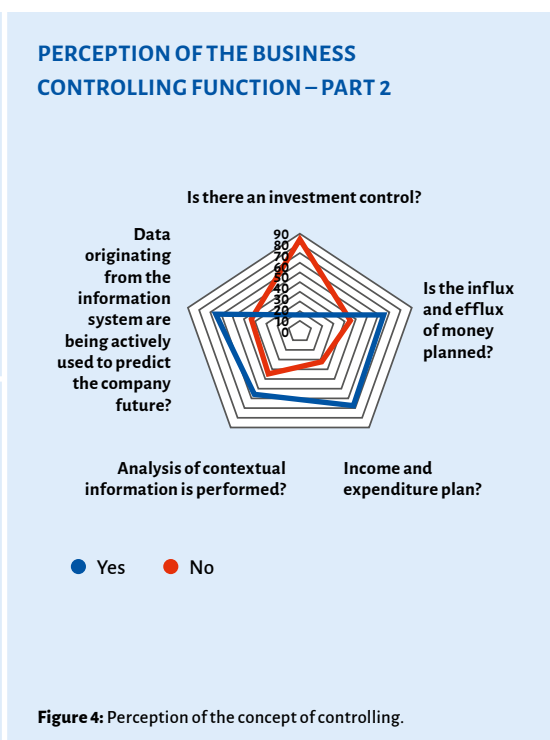
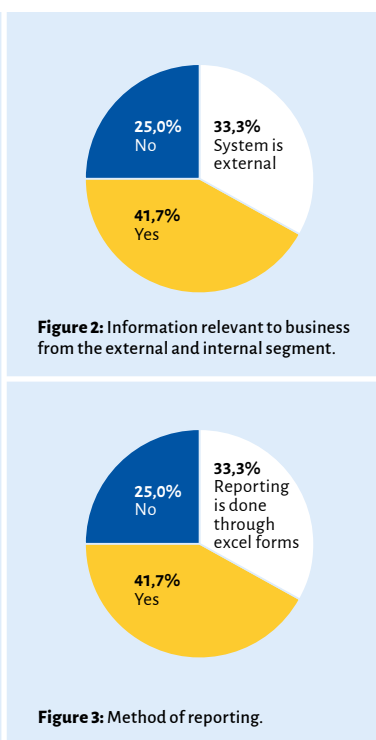
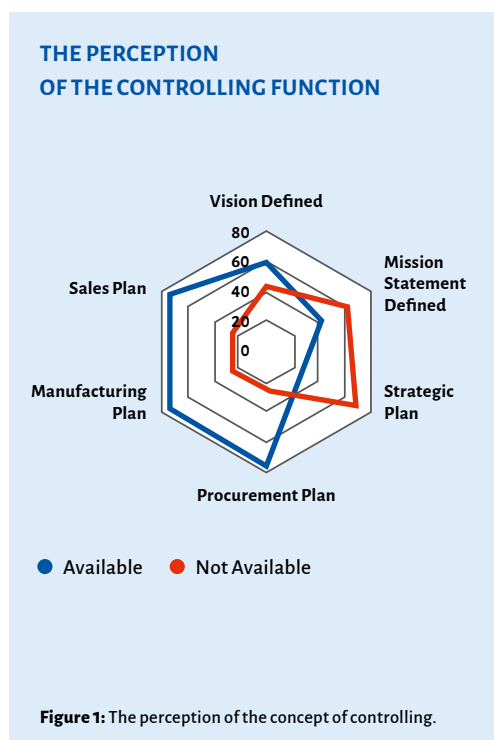
The extent of the discrepancy between what is presented in public and the factual situation within the company, whose representatives claim to have an introduced control function, is best shown by the imbalance between the expected and actual results of the research. If we accept the correlative nature of investment management and the future company income, it can be de facto accepted that there is little to no systematic effort being undertaken to understand the future needs and guiding toward future goals. This being the fundamental and basic function of controlling, it raises the question: "How is the controlling function implemented if there was no effort invested into systematically understanding and implementing the basic business functions?"

The analysis shows that both the employees and the management, employed in companies located on the territory of BiH, have different opinions regarding the formal characteristics of the controlling function, and they differ greatly from what the industry normative is. Thus they are consciously and unconsciously misrepresenting the company's current state, and are not reporting the true factual state. This consequently means that there is a lack of institutionally driven and organized systematic consideration for the future of the controlling businesses functions. It is left to the companies and individuals themselves to choose the direction of development, and it is dominated by personal preferences and perspectives of the owners and top management, rather than a group of organized and harmonized business enterprises with a focus on market trends. Since this is the case, we find it necessary to consider a systematic approach by which the management, as well as the owners of capital in BiH, would be able to master the basics in the field of controlling, the world's most commonly used and applied methodology for assessing a business's future, and managing the same. For this task it will be necessary for institutions and companies to invest significant effort on their behalf to train staff in this area. This necessity becomes even more prevalent, not just because it represents a development opportunity for companies and the economy, but due to the recent major economic shifts caused by the COVID-19 pandemic and the survival of the entire Bosnia and Herzegovina economy. ■



Mr. sc. econ. Marijana Obrenović

ZEDP Elektro-Bijeljina a.d.
Bosnia and Herzegovina





INDIA

Enhancing digital fluency, the Bosch way!



S. Kumar

Vice President (Commercial) and Chief Finance Officer at Bosch Automotive Electronics India Pvt. Ltd.



Santhosh Kumar

Project Lead – Digital Transformation at Bosch India



Björn Reitzenstein

Director Finance Transformation at Bosch

Digital disruption has radically changed the landscape of every business sector, with established companies looking for ways to transform themselves into digital enterprises. The journey toward “being digital” for established enterprises is not the same as that of digital natives.

Bosch in India has a very rich 100-year presence in the region. Driven by its values and employee centricity, Bosch India primarily focuses on reinventing itself to unleash the potential of its existing associates through upskilling. Through this article, we share our experiences on building digital fluency within the organization supplemented by our appreciation and application of digital.

The fluency journey

We build digital fluency in everything we do. For an established organization having journeyed three to five years into the digital realm, the first year will always be spent on designing the overall end-to-end program in order to accelerate the transformation. The significant factors that contributed to the success of this journey are involvement and commitment of the business leaders, program design, meticulous planning, and excellence in execution.

Bosch India’s digital fluency journey is designed and executed as an inclusive program aimed at developing knowledge of digital relating to their respective function for all its 4,000+ associates, covering the entire pyramid of the organization structure. We have built advanced-level competencies within select 130+ digital pioneers (20 of which are Finance-related) focused on the application of digital in their own functional area.

The learning modules are customized based on the future need of respective functions and with the learnability of all associates in mind. With bite-sized videos for training and access on personal devices, enabling deep dive conversations with digital experts from their respective function, digital learning is made enjoyable for all. This induces high levels of engagement toward learn-

ing and periodic assessment with over **95% of staff having participated** in this role of change management and communication with all the stakeholders can’t be undermined in this entire journey. There is no digital transformation without the transformation of the organizational culture and mindset.

Talent over technology

The learning: Pre-assessment of skills to develop and baselining the entire organization was essential to identifying the starting point and defining the learning path. Intermediate maturity assessments helped in calibrating the journey. More than 80,000 hours of direct learning as part of the program, sparking continuous learning for many, has led toward **the digital skill quotient** changing from **beginner level** to **intermediate/advance level** toward the end of the program.

The Finance associates invested about 12 hours each in customized online courses on the basics of digitalization, six hours for their function-specific online modules, and an additional six hours of interactive sessions with subject matter experts (SMEs) from the industry. A sample learning path can be found in Figure 1.

Earn while you learn!

Twenty digital pioneers undertook further rigorous training focused on automation, analytics, and agile project management to prepare themselves for the application of their learning toward digital transformation. These pioneers, in small cohorts, explored various possibilities of digitalization in finance and identified five real-life action learning projects. The company witnessed an **overall benefit of 2x savings compared to the investment** in its learning journey through the successful execution of these action learning projects. In short, the results will be seen when the purpose and commitment are clearly defined. Here is the overall impact of the program.

Sustenance model:

“Learning is perishable unless it’s put to use in a sustainable manner.” It is important to have the sustenance model in place to maintain the momentum and achieve the final objective of being a digital enterprise. Our sustenance approach is based on 3 major elements.

Continuous learning: The trained digital pioneers who completed their action learning projects, which were the pilot in Finance, are now being involved in pilots beyond Finance to use advanced level analytics and enhance data-driven decisions.

Leadership engagement: Bosch has a strong organizational structure in the region with business divisions/business units with centralized global services like accounting, purchasing, and payroll supplemented by governance functions like taxation, insurance, and treasury. A good collaboration across leadership is the foundation for enabling a digital transformation culture. The commercial leadership team was formed to unite various organizations under one umbrella and holistically drive digitalization with the involvement of all commercial leaders.

Digital pioneers: The seed was laid via the learning program with the growth of skills stemming from the learning projects. We actively cultivate the knowledge of the digital pioneers through regular weekly cohorts and implementing and enhancing the tools. Since data-enabled processes do not have functional/organizational boundaries, their active engagement will be the key to measuring digital transformation success. We aim to build a community of practices of different functions and create a collaborative ecosystem with digital as the foundation.

FIGURE 1 | LEARNING PATH – EXAMPLE: FINANCE FUNCTION

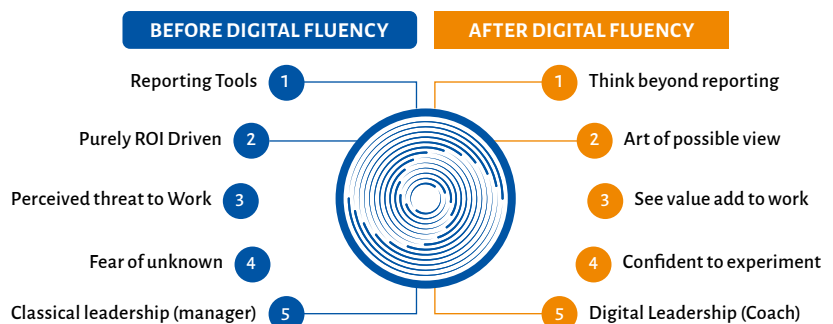
<p>Digital Fundamentals</p> <ul style="list-style-type: none"> Digital disruption Data & Analysis Robotic Process Automation Artificial intelligence Internet of Things Blockchain AR/VR Technology Enablers Process Enablers 	<p>Digital Finance – Online Courses</p> <ul style="list-style-type: none"> ▶ Leveraging Technology to Enhance Forecasting Processes ▶ The Digital Revolution in Accounting ▶ Digital Technologies and Big Data in Planning, Budgeting, Forecasting (PB&F) ▶ Impact of Artificial Intelligence on Finance <p>Digital Finance – Deep Dive with Subject Matter Expert’s</p> <ul style="list-style-type: none"> ▶ Digital implications in FP&A – Deep dive into various use cases ▶ Process Automation using RPA and deep dive into technology enablers ▶ Visualization and the Art of Insight Generation ▶ Role of AI and Analytics in F&A
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Summary and key takeaways

Focusing on talent over technology always pays off. Throughout our journey, we were able to realize the ability of functional/domain knowledge complemented by digital to bring about a favorable return on investment. In addition to the financial payback, Bosch India has immensely benefited from the change in culture and way of doing business. We are expecting to see more results originating from this approach, especially in the Finance and Controlling domain.

- ▶ Digital works best when human and technology work together at optimum. Digitalization is ultimately meant to simplify human tasks, and this understanding enables adaptability and acceptability.

- ▶ Leaders move from ROI barrier to a use-case-based “art of possible” view to multiply the benefits. In many cases, there is not sufficient payback when an organization views benefits from an effort reduction point of view only. It is important to see what new potential or opportunities the data can create.
- ▶ Digital fluency brought confidence to associates and encourages them to experiment instead of fearing the unknown.
- ▶ The most important achievement was the leadership mindset change. Finance leaders often would like to know and understand every detail. It made them move from “Got to know everything of subordinates” to empowering them with autonomy by being a “functional coach”. ■



About Bosch in India: Bosch is a leading supplier of technology and services in the areas of Mobility Solutions, Industrial Technology, Consumer Goods, and Energy and Building Technology. Additionally, Bosch has, in India, the largest development center outside Germany, for end-to-end engineering and technology solutions. The Bosch Group operates in India through thirteen companies. In India, Bosch set up its manufacturing operation in 1951, which has grown over the years to include 18 manufacturing sites and seven development and application centers. The Bosch Group in India employs over 31,500 associates and generated consolidated sales of about 2.5 billion euros in fiscal year 2020. The Bosch Group in India has close to 15,650 research and development associates.



Competences of controllers in Poland



Dr. Tomasz M. Zielinski

ICV Delegate for Poland

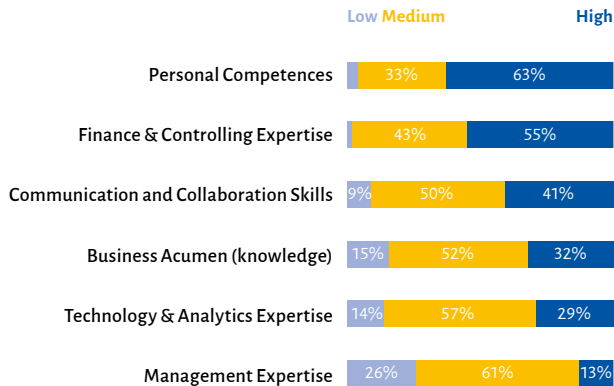
In April 2022 an empirical survey was conducted in Poland, one of the goals of which was to assess the level of competences of controllers of the future (141 questionnaires were completed). The set of these competencies was initially described by Bruckner and Schäffer¹. Results are presented in the figure below and are sorted from the highest to the lowest.

Personal competences include: analytical thinking, orientation toward problem solving, personal integrity, critical thinking, etc. In this area of competence 63% of respondents feel strong. The medium level of competences is declared by 33%.

COMPETENCES OF CONTROLLERS IN POLAND

Level of competences in %

May '22



Competences in the area of finance and controlling are the basic competences of controllers. 55% of the survey participants assessed their competences as high, and 43% as medium. Only 2% of respondents assess these competences as low.

The third group of competences are communication and cooperation skills: teamwork skills, discussion skills, presentation and storytelling skills, coaching and mentoring

Only 13% of respondents assess their management competences as high.

skills, negotiation skills, etc. 41% of respondents indicate high level of competences in this area, and 50% indicate medium ones.

Business acumen competences are primarily knowledge of the company's business. The high level of competences in this area is declared by 32%, and the medium level by 52% of the respondents.

Competences in the area of IT technology and analytics include: knowledge of data visualization, skills in data preparation, knowledge of business intelligence tools, etc. 29% of respondents consider their competences as high, 57% rate them as medium. 14% of the responses assessed these competences as low.

Management competences are related to project management, change management, and knowledge of agile techniques. Most of the respondents (61%) assess these competences as medium, and 26% as low. Only 13% of respondents assess their management competences as high.

Considering the full set of competences of controllers of the future, it is difficult to expect that one person will have them developed to a satisfactory level. However, looking at these competences from the perspective of the entire controlling team certainly allows for easier planning and gaining within a reasonable time. ■

¹Bruckner L, Scheaffer U, Rollenspezifische Kompetenzprofile für das Controlling der Zukunft, Controlling & Management Review, 2019

Rooting the ICV controlling philosophy



Controlling as known in German-speaking regions was definitely influenced by Dr. Dr. h.c. Albrecht Deyhle and the International Association of Controllers ICV. The ICV's internationalization strategy is aimed at rooting this controlling philosophy in neighbouring countries. The International Association of Controllers is meanwhile represented in 15 countries with knowledge transfer, exchange of experiences and networking.

The ICV offers the opportunity to exchange ideas both within these countries and across borders. The association translates its most important publications for controllers in these countries into English or, in some cases, the relevant national language. In doing so, the ICV supports international groups with their expansion into Europe and the development of the local controlling expertise this entails. Thanks to its members in those countries the ICV can draw on an excellent network of specialists who are familiar with general local economic and intercultural conditions. The ICV is able to establish contacts locally, which can also be used in recruitment assignments.

The ICV Work Groups outside of the German-speaking countries:

Bosnia & Herzegovina

Prof. Dr. Slavko Simić
bono@blic.net

Bulgaria

Denko Yamboliev
denko@excite.com

China East

Francesco Ingarsia
ingarfan@schaeffler.com

Croatia I

Jasmina Očko
jasmina.ocko@kognosko.hr

Croatian Adriatic Region

Dr. Mladen Meter
mladen.meter@businesseffectiveness.eu

Hungary

István Radó
istvan.rado@horvath-partners.com

Poland

Białystok
Anna Woźniak
annaw8@poczta.onet.pl

Dolny Śląsk

Dariusz Okniński
dariusz.okninski@ccc.eu

Lublin

Katarzyna Żuławska
kasia.zulawska@gmail.com

Pomorze

Bartłomiej Szymaniak
icvpomorze@gmail.com

Poznań

Maciej Czosnowski
maciej.czosnowski@amica.com.pl

Szczecin

Damian Przybylski
damian.przybylski@ramirent.pl

Toruń -Bydgoszcz

Andrzej Derkowski
andrzej.derkowski@gmail.com

Warszawa

Karol Sikora
karol.sikora@icv.pl

Romania

Dragica Erčulj
dragica.erculj@icv-controlling.com

Russia

Kaliningrad
Valentin A. Usenkov
valentin@usenkov.pro

Moscow

Dr. Georg Schneider
georg.schneider@swilar.de

Serbia – Novi Sad

Prof. Dr. Veselin Perović
icvwnovisad@gmail.com

Skopje (North Macedonia)

Mitka Mojsovska
mitka@controlling.mk

Slovenia

Dragica Erčulj
dragica.erculj@icv-controlling.com

Spain

Axel Ehberger
axel.e@elexa-controlling.com

International Work Group

Dragana Mujanović
dragana.mujanovic.co@gmail.com

ICV Main Office, GERMANY

Münchener Strasse 8
D-82237 Wörthsee
verein@icv-controlling.com
www.icv-controlling.com

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