

CONTROLLER[®]

Magazin

SPECIAL



CONTROLLING INTERNATIONAL

Stay flexible for sustainable success

The best time for
controllers is yet to come

ESG and the new era
of Controlling

When to move away
from Excel: Triggers and
best Practices



**Conrad
Günther**

Chief editor and publisher



**Hans-Peter
Sander**

ICV Communications Team

Dear readers,

Dragica Erčulj and Slavko Kastelic from Slovenia have pointed out on page 18 that, “in today’s rapidly changing business environment, robust controlling processes are more critical than ever for achieving sustainable success and maintaining a competitive edge.” This sentence inspired us to choose the title for our supplement.

What does “robust controlling” mean in today’s times, when market conditions and framework conditions can change quickly and unpredictably? In order for companies to be able to operate stably and successfully despite these uncertainties, they need to implement strategies and systems for flexibility and adaptability, for dynamic key figures in real time, for effective risk management, for forward-looking analyses, for strategic diversification, for emergency and crisis plans. They need strong internal communication as well as continuous monitoring and feedback loops and investments in appropriate technology. Above all, they need people who are capable and motivated for robust controlling.

In this issue, dedicated experts from ICV, ICG, IMA and others from various countries provide insights into their diverse work. Thanks to their cooperation, we have been able to put together an interesting overview again this year. We see that the current challenges have been accepted everywhere in the international controlling community. And we are confident that cooperation in our international community is a valuable contribution to being able to survive.

Wishing you an interesting reading!

Conrad Günther,
Chief editor and publisher

Hans-Peter Sander,
ICV Communications Team

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Great atmosphere at the 48th Congress of Controllers – despite times of crisis



Miriam
Schönrock

ICV
Communications Team

In 2024, the 48th Congress of Controllers attracted 550 corporate management experts to Munich on April 29/30.

ICV Chairman Prof. Dr. Heimo Losbichler opened Europe's largest controlling conference and introduced the congress motto "Business Performance through Controlling Excellence". As business partners of management, controllers must face the current challenges by all means in these extremely demanding times.

As keynote speaker, he welcomed Donya-Florence Amer, Member of the Executive Board, CIO|CHRO at Hapag-Lloyd AG, with her lecture: "AI or does lifelong learning keep us fit for change?" The next speaker also dealt with artificial intelligence: Dr. Susanne Beckers, AI Strategy Expert at SAP. Then Dr. Tobias Braun, CFO of Benteler International AG, provided insights from practice. Sven Grandi, CFO of Bosch Service

Solutions, spoke on the topic of "Controller of the Future". The keynotes were followed by the presentation of the ICV Controlling Excellence Award 2024.

The afternoon was traditionally devoted to the topic centers; this year, the most current topics were "Gamechanger AI", "Sustainability and Controlling", and "Europe in Global Competition".

The first speaker on the second day of the congress on the big stage was Edgar Walk, chief economist at Metzler Asset Management, who addressed the question "Is inflation here to stay?" This was followed by a premiere at the Munich Congress of Controllers: The presentation of the Péter Horváth Green Controlling Prize. Helmut Hotter, Director of Controlling at A1 Telekom Austria AG, then took the audience on a learning journey with his keynote speech and presented how his company has changed working conditions and structures in terms of New Work. An SME was represented at the Congress 2024 by Magister Johannes Hubert-Reiter, CFO of Löffler GmbH, who reported on the sustainability strategy of his textile company. This was followed by insights into a large corporation from the CFO of Daimler Truck Financial Services, Eva-Marie Lander, who spoke about "Performance Steering in a Strategic Transformation".

Finally, Prof. Dr. Heimo Losbichler thanked the speakers as well as the Congress team and everyone involved, the exhibitors, and sponsors. He invited everyone to the Congress of Controllers 2025, which will take place in the 50th anniversary year of the ICV, on April 28–29. ■



A packed hall in "The Westin Grand" hotel. Despite the poor economic mood in the country, there were important positive inspirations in lectures and numerous discussions under the congress motto "Business Performance through Controlling Excellence".



Controlling Excellence Award 2024 for Bosch



ICV

Those honored with the “ICV Controlling Excellence Award” on the stage of the Congress (from left to right): Heimo Losbichler; team Österreichische Post AG: Alexander Koch, Pamina Reichmann, Andreas Kaufmann, Brigitte Schropp, Philipp Arzt; the BOSCH-Team: Henri Catenos, Dr. Marco Möhrer, Patrick Hehl; the Vetter-Pharma-Team: Titus Ottinger, Oliver K. D. Watz; Utz Schäffer (jury).

The ICV Controlling Excellence Award 2024 was presented to the technology and services company Bosch at the 48th Congress of Controllers for the project “myGreenBusiness – Digitization of EU Taxonomy Reporting”. Vetter Pharma-Fertigung GmbH & Co. KG, Ravensburg, and Österreichische Post AG, Vienna, were also nominated for the award.

Jury chairman Prof. Dr. Utz Schäffer explained the decision for the winning project on the highly relevant topic of sustainability: “It addresses a central pain point for many companies and develops a concrete solution that significantly relieves controllers and makes it possible to use the freed-up capacity for more in-depth analyses and management-related issues.” With “myGreenBusiness”, Bosch is improving the management and reporting of important sustainability management indicators. At the same time, the requirements for external reporting obligations of the EU taxonomy can be implemented more easily and expanded into group-wide, digital taxonomy reporting. The aim is to contribute to the growth targets with sustainability, and the company should support the long-term focus on the balance between economic, ecological, and social action.

Vetter Pharma-Fertigung GmbH & Co. KG, Ravensburg, and Österreichische Post AG, Vienna, were also nominated for the 2024 award. The controlling team at Österreichische Post AG has worked on an agile framework for the entire group controlling in order to be able to react better and faster to changing conditions. To this end, a

new prioritization process for the top topics of the following year, OKRs as a tool for more complex tasks, and a so-called “cycle of clarity” to ensure clearer objectives were developed.

Vetter Pharma-Fertigung had set itself the task of operationalizing the Vetter Finance Strategy 2025 using the example of integrated corporate management, with the aim of further developing it towards a holistic strategic and operational management concept based on fully integrated and automated data. The concept includes a rolling 24-month sales plan based on capacity-tested production planning across all value creation stages, a uniform, consistent information basis, interactive dashboards, process mining and analytics modules, and a differentiation of controller roles.

Since 2003, the ICV has been awarding the Controlling Excellence Award to convincing controlling projects that provide significant support to the submitting company because they are as innovative as they are practical. Under the direction of Prof. Dr. Utz Schäffer (Institute for Management and Controlling (IMC) of WHU – Otto Beisheim School of Management), the jury members were Prof. Dr. Andreas Seufert (Ludwigshafen University of Applied Sciences), Prof. Dr. Ute Vanini (including FH Kiel), Roland Iff (including former CFO Geberit), Dipl. Wirt. Ing. Jens Bieniek (including former CFO BLG Logistics), and Dr. rer. pol. Lars Grünert (CFO TRUMPF Werkzeugmaschinen). The main sponsors of the prestigious award are Atvisio and smartPM.solutions. ■



**Brigitte
Dienstl-Arnegger**

ICV
Communications Team

ICV General Meeting 2024: Positive review – optimistic outlook

The ICV General Meeting in Munich on April 28 was able to look back on a successful 2023 financial year. The outlook for the 2024 financial year was also optimistic.

The ICV Chairman of the Board, Prof. Dr. Heimo Losbichler, opened the general meeting with a memorial to Dr. Walter Schmidt. The deserving former board member died in the summer of 2023 and was posthumously made an honorary member of the ICV.



Honoring long-standing ICV members by ICV Chairman Heimo Losbichler (from left to right): Hillert Onnen (40 years); Prof. Dr. Martin Hauser, Andreas Bölscher, Roland Sieber, Dr. Kay-Uwe Bartels, Frank Alexandris-Springhorn, Thomas Bodenmüller, Peter Richard Runge (all: 30 years).

In his report on the past year of the association, the ICV Chairman of the Board drew attention to the strategic goals and the enormous wealth of knowledge that was once again developed in the ICV in various committees and shared in a wide variety of channels: online, print, and face-to-face and online events. Among other

things, 15 ICV live webinars were offered. Four new ICV specialist groups were founded in 2023: HR Controlling, nextgen@planning, Change Management & Finance, and Life Sciences.

Losbichler reported that there was continued great interest in cooperating with the ICV. The ICV uses partnerships to generate benefits for its members, including in the form of discounts on participation fees for events organized by cooperation partners. The interest of companies in corporate membership in the ICV also remains high: The association welcomed 31 new corporate members to its ranks in 2023. The total number thus rose to around 260.

Losbichler then devoted himself to the further successfully professionalized ICV mentoring program, exclusively for ICV members. In 2023, the ICV launched a special service for students: They can post details of surveys on their master's/bachelor's theses on the ICV website.

On behalf of the ICV Board of Trustees, its chairman Prof. Dr. Utz Schäffer looked back. He referred in particular to the update of the ICV and IGC's basic position and to the 5th Future Study of Controlling conducted with WHU. He also reported on the joint workshop of the Board of Trustees and Executive Board with Young Finance Professionals.

Long-standing companions were also honored this year. In 2023, 73 members were personal members of the ICV for 20 years, 22 members for 30 years, and four even for 40 years – Dr. Herwig R. Friedtag, Cornelius Mertens, Hillert Onnen, and Jürgen Wehde. Some of those present were able to be personally honored and enriched the general meeting with their statements. ■

Fresh, clear,
modern



International Association
of Controllers

The new ICV logo is part of the overall renewal of the corporate identity. New target groups, especially young professionals, should also be better addressed and the performance of the ICV should be presented even more clearly, strengthened by the new claim "Controlling Excellence". The logo reflects both the ICV community with its working groups and the intersection of managers and controllers. The upward-looking

representation of the "V" in the lettering stands for the successful development of the ICV and, together with the visually sketched check mark, functions as recognition of the guidelines and recommendations developed by the association. The energy of the ICV, in which people from different industries meet, experiences and trends flow into one another and ensure movement, is manifested in the visually lively logo.



POLAND



Using ChatGPT in controllers' work

As the integration of artificial intelligence into professional environments grows, controllers are increasingly turning to tools like ChatGPT to enhance their efficiency and productivity. A recent study conducted by ICV POLAND¹ reveals that a significant proportion of controllers are planning to leverage ChatGPT for various tasks, ranging from task automation to decision support. This article summarizes key insights from the latest survey.

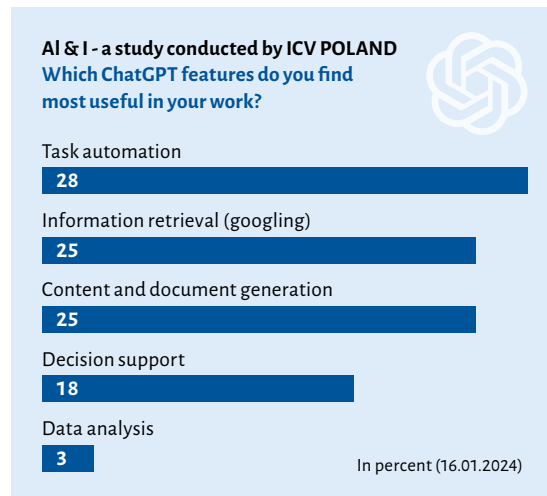
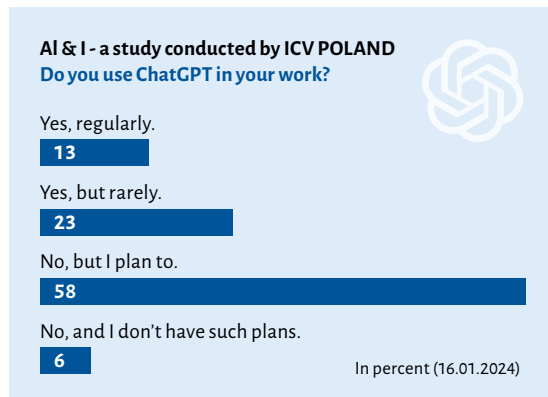
The first chart illustrates the varying degrees to which professionals incorporate ChatGPT into their work routines. Interestingly, 58% of respondents indicated plans to utilize ChatGPT in the future, reflecting a growing interest in AI tools. However, only 13% currently use it regularly, while 23% do so rarely, showcasing a cautious but emerging adoption trend. Notably, a small segment, 6%, have no intention of integrating ChatGPT, highlighting some resistance or lack of perceived value in this technology.

Close behind, both information retrieval (googling) and content/document generation are equally valued by 25% of respondents, reflecting the tool's efficiency in gathering information and producing written materials. Decision support is found useful by 18% of respondents, showcasing its role in enhancing strategic choices. Surprisingly, data analysis ranks the lowest at just 3%, suggesting that while ChatGPT is powerful in many areas, it may not yet be the go-to for data-centric tasks. This distribution of preferences underscores the diverse ways ChatGPT can augment professional workflows.



Dr. Tomasz M. Zielinski

ICV Delegate for Poland



The study highlights the most valued ChatGPT features among professionals. Task automation tops the list, with 28% of respondents finding it the most useful, indicating a strong preference for streamlining repetitive tasks.

The study highlights how financial controllers are integrating ChatGPT into their work to boost efficiency and productivity. According to a study by ICV POLAND, 58% of controllers plan to use ChatGPT in the future, with task automation, information retrieval, and content generation being the most valued features. Despite its broad applications, data analysis remains the least utilized feature, indicating that while ChatGPT is versatile, it is not yet the primary tool for data-intensive tasks. ■

¹Survey conducted during the webinar of ICV POLAND "AI & I – The use of ChatGPT and generative Artificial Intelligence in everyday work", 2024-01-16.

Talent Retention in the Accounting and Finance Profession

Best Practices for Keeping Top Talent Engaged



I want better pay and more opportunities to grow.

I'm eager for opportunities to grow and develop.

The senior managers' actions are causing issues, and I'm not happy with the management style.

The work environment, salary, and benefits are all poor.

The leaders don't seem to care about employee well-being or career development.

There's no room for professional growth here.

I've reached the peak of my salary here.



Prof. Dr. Mike Schulze

Vice President for Research & Practice Transfer and Professor of Controlling, Accounting and Financial Management at CBS International Business School Campus Mainz; Honorary Professor-in-Residence, Institute of Management Accountants (IMA®) in Europe.

Retaining top talent is critical for organizations to maintain sustainable growth and a competitive advantage as well as to achieve long-term success in a rapidly changing business world. However, several developing macro trends in Europe are causes of concern for leaders in Accounting and Finance. These include, for example, a shrinking population of working-age people and accelerating rates of digital transformation within organizations that require new, advanced skill sets that are in general hard to find. Those macro trends are putting pressure on companies to find and retain talented workforce. In Accounting and Finance, employers seek staff who are ready to help them with challenges like business intelligence, data analysis, automation, and global expansion.

IMA® (Institute of Management Accountants), with the support of EMEA Recruitment and additional research partners including the International Association of Controllers (ICV), conducted a regional research study on talent retention in the Accounting and Finance profession in Europe. The study used an online survey for data collection and comprised a sample of more than 200 current and former Accounting and Finance executives and professionals in Europe. The survey respondents varied in experience level, country, and age.

Who Is Leaving?

Accounting and Finance professionals in Europe are leaving employers at a high rate. While nearly a quarter (24%) of respondents in the study said they left a company in the past 24 months, roughly the same percentage (25%) of respondents expected to leave their current employer in the next 12 months. In addition, 19% planned to leave their employer in the next six months, and 13% even considered leaving the profession in the next 12 months.

When partitioning by age group, the study found that those ages 18 to 38 experienced the highest turnover (39%) in the past 24 months. Thirty-five percent of those in this age group said they intend to leave their current employer and 14% said they expect to leave the profession in the next 12 months.

Another interesting trend in Europe is that 17% of employees working onsite voluntarily left a company in the past 24 months, whereas those working in a hybrid or fully remote arrangement showed higher rates (32%) of voluntarily leaving a company in the past 24 months. Nevertheless, there is only little disparity between

hybrid/remote vs. on-site when it comes to intentions to leave the company (26% vs. 23%) or the profession (15% vs. 11%) in the next 12 months.

Why Are They Leaving?

There were significant differences between professionals intending to stay with their employer and those who intended to leave their employer or the profession with respect to (1) job satisfaction, (2) perception of career advancement, (3) work flexibility, (4) employee engagement, and (5) a sense of belonging.

More than two-fifths (42%) of those who intended to leave their current employer in the next 12 months in Europe expressed dissatisfaction with their supervisor and a majority (73%) agreed with the statement, "I do not expect to continue to advance within the organization." Almost half (42%) of those who planned to leave their employer in the next 12 months reported a lack of flexibility in determining when to work. A large percentage also reported being disengaged with work or the workplace (51%) and more than two-fifths (44%) who intended to leave their employer in the next 12 months highlighted not feeling valued, respected, or supported within the organization.

Strategies for Change

Successful strategies for talent retention are often based on a comprehensive approach that combines competitive compensation and benefits with policies and initiatives such as fostering an inclusive and supportive workplace culture, respecting employees and recognizing their performance, providing career growth and development opportunities, and promoting work-life balance through flexible work arrangements.

Offering **competitive compensation** packages is a crucial component of an effective talent retention plan, emphasized by an overwhelmingly large number of survey respondents. Employers need to ensure employees are not only paid at or above market rates, but that they also are offered performance bonuses, comprehensive benefits (e.g., health insurance and retirement benefits), and other perks (e.g., tuition reimbursement, a stipend for home offices, and a flexible time-off policy).

Many respondents who intended to stay with their current employer underscored the importance of fostering a **supportive and inclusive corporate culture and work environment**. According to the respondents surveyed,

an environment that embraces open communication; diversity, equity, and inclusion (DE&I); and employee engagement is more likely to retain top talent.

The importance of **respecting employees and recognizing their performance** appropriately was highlighted by many respondents. This includes valuing employee contributions and performance, cultivating a culture of respect and appreciation, giving employees a voice by involving them in decision making, and providing constructive feedback.

Survey respondents emphasized strong demand for **professional development and growth opportunities** to achieve their career goals and aspirations. To retain talent and achieve sustainable organizational growth, employers should invest in employee development through continuous education, personalized career development planning, and other upskilling initiatives.

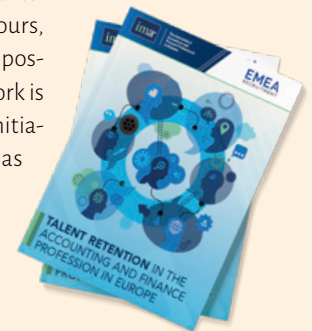
Employers can support employee well-being by creating an environment that promotes a better **work-life balance**. This can be achieved by allowing flexible working hours, offering hybrid or remote work arrangements when possible, encouraging autonomy in determining how work is performed (where appropriate), and investing in initiatives focusing on physical and mental health as well as the overall wellness of employees.

The Future of the Profession

Intensifying automation and digitalization in the workplace and a stronger emphasis on overall employee well-being and demand for flexible work arrangements are trends projected to persist, and they could possibly escalate the reshaping of the Accounting and Finance profession. Advancements in technologies, such as artificial intelligence and data analytics, are redefining Accounting and Finance roles, requiring upskilling or reskilling to achieve a higher level of digital literacy within the profession. Looking ahead, organizations will have to adapt to these changes and succeed in retaining top talent through the five strategies mentioned above. ■

IMA® (Institute of Management Accountants) is one of the largest and most respected associations focused exclusively on advancing the Management Accounting profession. Globally, IMA supports the profession through research, the CMA® (Certified Management Accountant), CSCA® (Certified in Strategy and Competitive Analysis), and FMAA™ (Financial and Managerial Accounting Associate) certification programs, continuing education, networking, and advocacy of the highest ethical business practices. It has a global network of about 140,000 members in 150 countries and 350 professional and student chapters. IMA provides localized services through its six global regions: The Americas, China, Europe, Middle East/North Africa, India, and Asia Pacific.

Speech bubbles:
Quotes from open-text survey responses as firsthand insights for intention to leave



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This article refers to Doung, Q., Michaels, M. (2024), *Talent Retention in the Accounting and Finance Profession in Europe*. The complete study report is available on IMA's website: www.imanet.org/

New Developments in IBCS Standards



The IBCS Conference held in Milan this June was a landmark event, marking significant advancements and affirmations for the International Business Communication Standards (IBCS). Among the most notable announcements was the impending transition of IBCS into an ISO norm, a development that underscores the growing international recognition and adoption of these standards.

IBCS as an ISO Norm

The journey towards ISO certification has reached a crucial milestone, with experts from 12 countries completing the evaluation interviews. This collective effort signifies a broad consensus on the importance of standardizing business communication practices globally. The significance of IBCS becoming an ISO standard cannot

be overstated. ISO standardization provides an internationally recognized framework that ensures consistency, quality, and reliability across various industries and countries. For IBCS, this means that its principles for business communication and data visualization will be universally accepted and applied, leading to greater uniformity and understanding in financial and business reporting. This global benchmark helps organizations streamline their reporting processes, enhance transparency, and make data-driven decisions with confidence. The official ISO standard is expected to be published around the time this article goes to press, setting a new benchmark for business visualization worldwide.

Industry Adoption by Major Software Providers

The conference also highlighted the commitment of leading software providers to integrate IBCS standards into their platforms. Microsoft showcased a suite of IBCS-compliant features they want to include in Power BI, signaling a robust enhancement in how business data will be visualized and interpreted within their ecosystem.

Similarly, SAP presented their plans to incorporate IBCS principles into their analytics solutions, further validating the standards' relevance and utility in modern business environments. As two of the largest and most influential software providers in the business intelligence and analytics space, their commitment to IBCS lends significant credibility and visibility to the standards. For IBCS, the endorsement by these companies means a broader acceptance and implementation of the standards on a global scale. It signifies a major step towards establishing IBCS as the universal benchmark for business communication and data visualization.

Innovations in Automated Reporting

Also in June, at the 10th anniversary celebration of Zebra BI in Ljubljana, we witnessed how Zebra BI has consistently pushed the boundaries of business intelligence and reporting solutions. With its new Zebra AI, they make a significant leap forward, being able to generate IBCS-compliant dashboards in seconds. A controller can input raw financial data and, within moments, generate a comprehensive dashboard that highlights key performance indicators, trends, variances, and generates key messages, advices, and summaries. This automation reduces the time spent on manual data preparation and allows for more strategic analysis and decision-making.

This innovation promises to revolutionize the way controllers and business analysts create reports, offering a new paradigm of efficiency and accuracy in business reporting and providing controllers with more time for valuable business partnering.

The Growing Relevance of IBCS and AI

The advancements discussed at the Milan conference underscore the increasing significance of IBCS in the global business community. With its forthcoming ISO certification and the enthusiastic adoption by industry giants like Microsoft and SAP, IBCS is poised to become the gold standard in business communication. The tools and techniques showcased, particularly in AI-driven reporting, highlight the dynamic future of business visualization and the pivotal role IBCS will play in it.

As the standards continue to evolve and integrate into mainstream business tools, professional controllers equipped with IBCS knowledge and skills will be better positioned to lead in the field of business communication. The increasing automation of reporting tasks through tools like Zebra AI will give controllers more time to focus on business partnering. This shift emphasizes the importance of developing strong human skills in addition to technical proficiency in IBCS. This is the reason why CA controller akademie combines both relevant topics in one single seminar: Stage III - Reporting & Communication. It is crucial for controllers to stay updated with these developments and to participate in these training sessions for maintaining a competitive edge in the industry. ■



Dietmar Pascher

Partner at CA Akademie AG, is trainer for controllers, non-controllers and managers. As an expert in presentations, he also is trainer for Management Reporting – IBCS® with SUCCESS



IBCS Professionals from all over the World gather at the IBCS Annual Conference 2024 in Milan.

“The best time for controllers is yet to come”

IGC



**Prof. Dr. Heimo
Losbichler**

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

This year's annual meeting of the IGC International Group of Controlling took place in Prague on June 8 at the invitation of Olga Cechlová and Ladislav Profota from CAFIN. There were challenging discussions on three key topics related to the future of controlling:

1. **Current developments in AI and its impact on controlling**
2. **Sustainability and its impact on the IGC Controlling Process Model**
3. **The future role of controllers – IGC Controllers Mission Statement 4.0**

Current developments in AI and its impact on controlling. Prof. Karsten Öhler, Chief Solution Architect xP&A, MEE, and Jürgen Bauer, Head of CA Analytics Germany, presented the most recent developments and product ideas of SAP Analytics Cloud relating to generative AI: *“We envision integrating Generative AI into every major workflow of SAP Analytics Cloud by the end of 2024.”*

The following product outlook was presented:

- Just ask: Search-driven analytics (2024)
- Joule as a Story AI Assistant: Create and refine stories using a dedicated assistant and chat with the just ask feature in stories (2024)

- Add key SAP Analytics Cloud workflows: Additional workflows are supported by GenAI (planning, data analyzer, modeling, etc.)
- Fully augmented by GenAI: Augment all analytics and planning workflows with AI with an always-on analytics assistant experience; analyze data, design stories, include JavaScript and CSS, model and plan using natural language.

Karsten Oehler and Jürgen Bauer gave a sneak preview of the future of SAC by presenting use cases. After this impressive insight into the future, the participants agreed that the best time for controllers is yet to come.

Sustainability and its impact on the IGC Controlling Process Model

Dr. Josef Baumüller, Technical University of Vienna, distinguished expert in the field of sustainability, presented his point of view about the impact of sustainability on the IGC Controlling Process Model 2.0. In his presentation “Adapting the IGC Controlling Process Model to Sustainability Requirements – Outline and Suggestions” he recommended integrating sustainability requirements into existing processes rather than adding new processes. Using the example of the cost accounting process, he explicitly showed that additional data (e.g. ESG data) are required

Figure 1: Processes that are most affected by sustainability



and that the controlling instruments used in the processes need to be adapted in some cases (e.g. carbon accounting as part of cost accounting). In a workshop, IGC members tried their hand at a possible adaptation of the investment controlling process. As a result of the annual meeting, the IGC decided to update the process model in 2025.

The future Role of Controllers – IGC-Controllers Mission Statement 4.0

The current version 3.0 of the mission statement was published in 2013. Over the last ten years the world has changed a lot. So have expectations on the competencies and role of controllers. Rita Niedermayr and Heimo Losbichler presented a final draft version of the mission statement which is based on more than 100 inputs from the controlling-community. The draft for the revised mission statement reflects significant advancements in three major areas:

1. AI and data driven decision making
2. Sustainability and ethical standards
3. Agility and Innovation

At the annual meeting IGC-members discussed the draft, ranked the individual statements and analyzed missing content. The mission statement will be finalized and published in early fall and can be downloaded from IGC website. ■



Prague turned out to be a great venue for the 2024 IGC meeting. The next General Assembly will take place in Belgrade on May 10th, 2025.



ESG and the new era of controlling – are we ready?



Jasmina Očko

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

ESG is a crucial issue for many businesses today, beyond just the large corporations. The main goal is to integrate environmental, social, and governance factors into business and investment decisions in order to foster sustainability and responsibility. It is clear that ESG will bring far-reaching changes for companies, which will be strongly supported by controlling throughout the process.

But are we, as controllers, adequately prepared for this role?

The knowledge that needs to be acquired is vast and complex, but that is precisely why controllers should take advantage of the opportunity to drive meaningful change and become real change managers and early adapters.

Controllers should contribute to strategy development, and the standardization of processes and procedures. They need to handle novel data that has never been previously collected and is presented in a format that has not been used before. Now is the moment to demonstrate that we can take responsibility for the consistency and veracity of data.

More than ever before, the old controlling adage holds true: What gets measured gets managed. Company boards and management must assume concrete responsibility for the contents of the Sustainability Report and earnestly work in that direction. That is why the responsibility of controlling is immense.

Embracing a controlling mindset and strategic thinking, adapting to rapid changes, and fostering collaboration across all company



functions – this is what is required now, and we must deliver it as genuine business partners.

The sole requirement is consistent and systematic learning, coupled with the continuous improvement of competencies that go well beyond those we have acquired to date.

The good news is that each effort is rewarded, as ESG presents numerous opportunities for a company to secure a competitive edge and enhance its reputation. Everyone now has a unique opportunity to capitalize on their sustainability efforts and embark on a new era of green business. In fact, no one can ignore it anymore.

We can conclude that ESG controlling is now the hottest job in the ESG field. Communication and cooperation, development of competences, and quick and agile acceptance of changes are the core principles on which controlling should establish its strong position. We look forward to what the future holds. ■

ESG strategy development and implementation



The importance of ESG strategy

ESG is an acronym for the environmental, social, and governance factors of a company's operations, which are also indispensable elements of strategy, as part of the changes affecting all companies faced with the obligation to fulfill EU requirements in terms of management and reporting on sustainability and sustainable financing.

There are two approaches to developing an ESG strategy: it can be incorporated into an existing business strategy or created separately. Regardless of the chosen approach, the development of an ESG strategy begins with the European Sustainability Reporting Standard (ESRS), which requires companies to disclose information about the elements of their business strategy and business model as well as the value chain related to environmental, social, and governance issues of sustainability.

Companies are also required to describe how the interests and attitudes of stakeholders are taken into account

The main elements of ESG strategy can be divided into three groups:

- 1. ESG strategic orientation** – where the company business model and strategic business framework focused on sustainability and ESG are (re)defined.
- 2. ESG evaluations and integration** – where it carries out sustainability due diligence, double materiality assessment as well as stakeholder identification in order to determine important topics through inside-out and outside-in perspectives.
- 3. ESG management** – where target ESG values are set, and reporting, management, and improvement of the ESG strategy is carried out.

in business strategies, and how their significant (material) impacts, risks, and opportunities in the entire value chain have an impact on strategies and business models. In addition, the ESRS in combination with the EU Taxonomy creates prerequisites for strategic planning aimed at increasing the share of sustainable activities in the business models of companies. ■

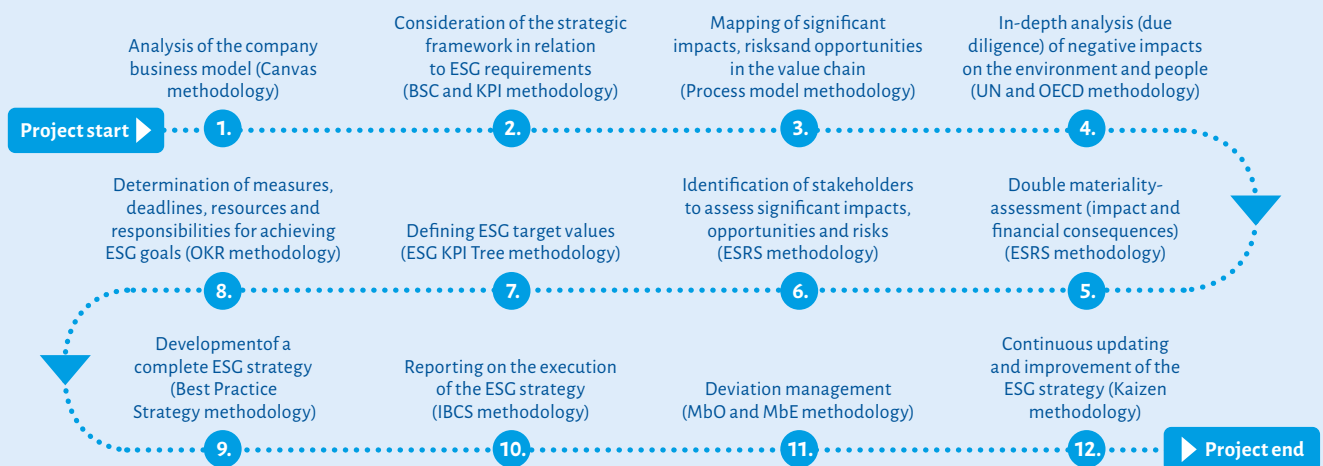


Dr. Mladen Meter

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

Methodology of ESG strategy

This methodology of ESG strategy was created as a result of extensive experience from the business practice of companies' business effectiveness and Oikon:



The main intention of this methodology is providing companies with the simplest and most successful step forward in the management of environmental, social, and governance issues, as well as additional security and confidence in sustainability reporting because the key elements required for reporting should be defined earlier in ESG strategy anyway.



Generalization of controlling



Introduction

Every process, whether personal, professional, or business-related, should follow a structured approach that involves planning based on past performance, monitoring progress, adjusting when necessary, and ultimately achieving the desired goal. This is the essence of the controlling process. Controlling is a goal-oriented management function that ensures results align with expected outcomes and takes corrective actions when deviations occur. The principles of controlling can be applied as a general guideline to manage all processes in business and personal life. As we focus this article on business controlling, we will address both internal business processes as well as external processes that involve multiple entities like your organization and parent company or regulator.

Internal vs. external controlling

Internal and external controlling are crucial for corporate governance and a company's success. Internal controlling focuses on setting and monitoring adherence to goals within an organization, ensuring alignment with strategic objectives and operational efficiency. External controlling is a process spread between more than one organization and involves compliance with goals, standards, and regulations set by external entities, such as regulators or the parent company. To-

gether, these mechanisms provide a framework for achieving corporate goals and maintaining compliance with both internal policies and external regulations.

Internal controlling

Internal controlling focuses on setting rules within an organization and monitoring performance against these rules. It involves internal checks and balances, performance metrics, and compliance with internally set standards. Internal controlling is crucial for ensuring that a company's operations align with its strategic objectives and operate efficiently.

Controlling is present in all processes, even if they are not explicitly labelled as such. Every process in a company is designed to achieve a specific goal, and to ensure that the goal is met, there is a system of checks and balances in place. This system, whether called "quality control", "performance management", or "risk assessment", is essentially a form of controlling. In today's dynamic business landscape, companies are at different stages of implementing controlling processes. Some organizations have yet to introduce any form of controlling, while others have only implemented financial controlling. The most advanced companies have established controlling mechanisms for all business processes, paving the way for growth and improvement

Examples of internal controlling processes

- 1. Sales process:** This involves setting sales targets, tracking sales performance, and adapting sales strategies based on market conditions for effective interactions with potential customers, generating leads, and successfully closing deals.
- 2. Financial management process:** Managing a company's financial resources involves planning, budgeting, forecasting, and reporting to maintain the company's financial health and ensure compliance with financial regulations.
- 3. Human resource management process:** This includes hiring, training, and managing employee relations and ensures the company has the right people with the right skills in the right roles while also managing performance and compliance with labor laws.
- 4. Supply chain management process:** Managing the flow of goods and services from suppliers to customers to ensure the right materials are available at the right time, in the right quantities, and at the right cost.

All these processes involve setting goals, measuring performance, and implementing corrective actions, embodying the essence of effective controlling practices.

External controlling

External controlling refers to the oversight and regulatory influence exerted by external entities such as government regulators, industry bodies, or parent holding companies. These external organizations establish specific goals, rules, and standards that the controlled company must adhere to.

Regulatory compliance

A key aspect of external controlling involves regulatory compliance with standards and frameworks imposed by authoritative bodies. For instance:

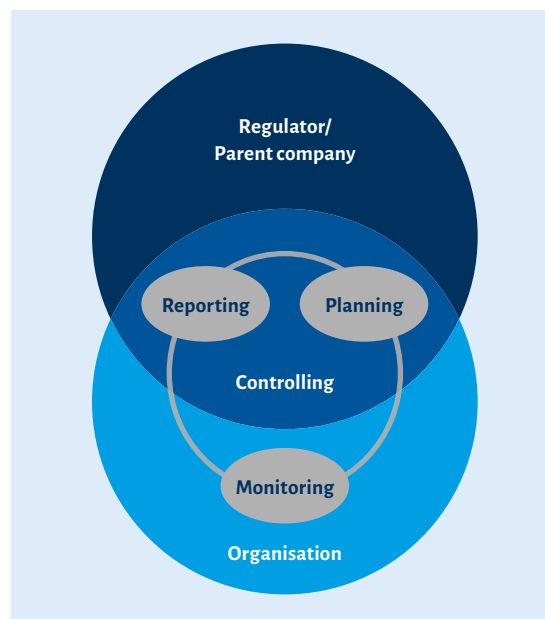
International Financial Reporting Standards (IFRS17): These standards are set to ensure consistency and transparency in financial reporting across international borders.

Environmental, social, and governance (ESG) criteria: These standards mandate companies to operate in a manner that is socially responsible, environmentally sustainable, and ethically governed.

By adhering to these regulations, companies can maintain credibility, build stakeholder trust, and avoid legal repercussions.

The role of parent company

In the context of large corporations, external controlling is often exercised by the parent or holding company. This entity sets strategic goals and performance benchmarks for its subsidiaries. The subsidiaries are then obliged to achieve these goals, ensuring alignment with the overarching corporate strategy and objectives.



Conclusion

Controlling is an essential management function that ensures business processes achieve their intended goals. It is a general principle that applies to managing internal processes and extends across multiple organizations. By focusing on planning, monitoring, taking corrective actions, and utilizing data from the past, present, and future, companies can effectively navigate the complexities of the business world. In the era of complete digitalization, controlling relies heavily on data from various sources, and high-quality data is essential for effective controlling, enabling accurate decision-making, operational efficiency, compliance, and strategic planning. In today's rapidly changing business environment, robust controlling processes are more critical than ever for achieving sustainable success and maintaining a competitive edge. ■



Dragica Erčulj

Head of CRMT Controlling School, Delegate ICV Southeast Europe



Slavko Kastelj

Co-Founder and Director of Sales & Marketing at CRMT



The 11th Sino-German Controlling Forum, Suzhou

Winning in Markets

CHINA



Sino-German Controlling Forum 2024

An international team of speakers ensured the great success of this year's Sino-German Controlling Forum.



Maggie Chen

DUSA European Association Suzhou

On June 14, 2024, the 11th Sino-German Controlling Forum "Winning in Markets" was successfully held in Suzhou. More than 90 participants attended the event. This year, the event was organized by DUSA European Association Suzhou and Corporate Performance One, supported by the International Association of Controllers (ICV), CA controller akademie, Taicang Roundtable, China-Italy Chamber of Commerce, Wuxi Chamber of Commerce, Swiss Chamber of Commerce, Changzhou International Managers Forum,

International Business School Suzhou at XJTU (IBSS), and the University of North Alabama.

The Sino-German business community recently celebrated a significant milestone with the 11th installment of its annual conference. This forum, which has been running since 2013, once again brought together experts and professionals to exchange best practices and delve into cutting-edge topics in corporate financial management.

As businesses worldwide emerge from a challenging three-year period marked by pandemic-induced restrictions and increasingly competitive geopolitical landscapes, China's market is entering a new phase of development. This transition poses unique challenges and opportunities for German and other multinational enterprises operating in the region. Companies are grappling with moderate market development, persistent supply chain issues, heightened sustainability requirements, and fierce competition from technologically advanced, cost-efficient domestic players.

To address these challenges, finance and controlling teams are leveraging innovative solutions in digitalization, artificial intelligence, and process efficiency. These advancements are crucial in mobilizing enterprise resources and accelerating the transformation processes necessary to remain competitive in this evolving market landscape.



Alexander Prautzsch, Director of PwC China, moderated the 11th Controlling Forum, Suzhou.

Themed **“Winning in Markets”**, the 11th annual Sino-German Controlling Forum 2024 served as an ideal platform for sharing and learning. German and multinational enterprises, along with their finance and controlling professionals, gathered to discuss market challenges, financial efficiency, and procedural best practices in China.

The forum featured presentations and workshops from leading companies such as Infineon, Kostal, Henkel Asia-Pacific, Schaeffler, BARC, Modula, and Trip.com Group. These sessions provided valuable insights into their journeys in digital transformation, HR management, KPI design, ESG reporting, supply chain controlling, and the application of generative AI.

The forum began with welcome remarks by Mr. Julien Boussu, Board of Directors of DUSA European Association Suzhou & CFO of Knorr-Bremse China. He expressed his gratitude to all the attendees, speakers, and the organizers of the event.

Mr. Thomas Zimmerle, Senior Vice President and CFO of Greater China at Infineon Technologies China Co., Ltd. gave the keynote speech: “Winning in Market through Digital Transformation – Experience from One-SAP@Infineon”.

Mr. Matthias Mross, Deputy Managing Director and CFO of KOSTAL Asia shared with participants the topic “Lean Administration as Key Success Factor”.

The forum featured three workshop breakout sessions. At the first session, Mr. Bin Huang, Manager Sustainability Region Greater China at Schaeffler (China) Co., Ltd. shared his topic: “European ESG Rules and Its Implications for Chinese Companies”; Mr. Tomas Kucera, China General Manager at J.M. Gemini Personnel, brought the topic “Talent Management and Retention in a Challenging Time”; Dr. Jean-Yves Le Corre, Associate Professor of Practice, Educational Developer at Xi’an Jiaotong-Liverpool University, shared his topic “Roadmap and Learning Solution for Successful KPI Design in Organizations”.

The second workshop breakout session also included three workshops. “Supply and Supply Chain Controlling in Henkel” shared by Vicky Yang and Amy Dan, Senior Manager Business Controlling for Adhesive Industry Business Unit at Henkel; Ms. Paula Yu, Finance Director and Vice General Manager of MODULA (China) Automation Equipment Co., Ltd. shared the topic “Financial Management Practice in Times of Digital Transformation”; Mr. Stephane Monsallier, CEO and Founder of System in Motion shared the topic “How to Use AI Tools to



Every year, the Sino-German Controlling Forum proves to be an excellent opportunity for networking and for exchanging opinions and experiences.

Empower Controlling Functions”. We were also delighted to invite Mr. Christian Kalkbrenner, the Finance and Administration Director at Zapp Precision Metals (Taicang). He was the moderator of the workshop.

Mr. Francesco Ingarsia, Chief Financial Officer of Schaeffler Greater China and Leader of ICV Work Group East China, shared the results of the 2024 SGCF Controlling Survey. Mr. Stefan Sexl from BARC Fellow shared online the research insights from German-speaking countries “Boost Finance Productivity with Unified Performance Management – Current State and Trends in German-Speaking Countries according to Recent BARC Market Studies”.

In a special VIP presentation, Schubert Lou, Vice President and Chief Operating Officer of Trip.com Group, brought the topic “Evolution and Growth at Trip.com Group: Striving in an Uncertain World”, and shared insights on the company’s evolution and growth amidst global uncertainties.

The 2024 Sino-German Controlling Forum proved to be a resounding success, with attendees lauding the insightful and engaging discussions and presentations.

Overall, the 11th annual Sino-German Controlling Forum successfully fostered an environment of collaboration and knowledge sharing, equipping participants with the tools and strategies needed to navigate the complexities of the Chinese market. As companies continue to innovate and adapt, forums like this remain essential for fostering a resilient, forward-thinking business community. ■



Digitalization is also the major trend for finance and controlling in China



Dr. Zhen Huang

Interim CFO, management consultant & trainer, and training business partner of the Germany-based CA controller akademie in China.

Digitalization is currently on everyone's lips in the field of finance and controlling in German-speaking countries. But what is the situation like in China? A survey of participants at the Sino-German Controlling Forum (SCCF) conference, which took place in Suzhou near Shanghai on June 14, provided some first insights.

92% of respondents stated that the digitalization of finance and controlling was the number 1 future trend (+9 percentage points in comparison to 2023). Other trends with significantly increased awareness are "ChatGPT or AI technology" (+18 percentage points), and "Controlling for compliance and corporate credit scoring", which refers to ESG or ESG-similar reporting requirements in the Chinese context.

As far as specific issues of the digitalization of controlling are concerned, "predictive analytics", "real-time data and reporting", and "application of ChatGPT or other AI systems" are the Top 3 most important topics for respondents in the next 12 months. What is striking is the significantly increased perception of the relevance of the topics "predictive analytics" (+15 percentage points) and "application of ChatGPT or other AI systems" (+27 percentage points). In contrast, the proportion of respondents who consider "more future simulation/better early-warning of risks" to be relevant has fallen significantly. In the author's view, this is probably due to the respondents' concentration of attention on the top-ranking topics, because more future simulation is unlikely to be feasible without improving these top-ranking topics.

The survey cited here is carried out every year during the Sino-German Controlling Forum. The majority of event participants come from German/European businesses in China. Almost 20% of event participants are C-level managers and 47% department heads or team leaders in finance and controlling. 53 event participants took part in the controlling survey this year, almost a third more than in the previous year. More information about the Sino-German Controlling Forum can be found at www.ChinaControlling.online. ■

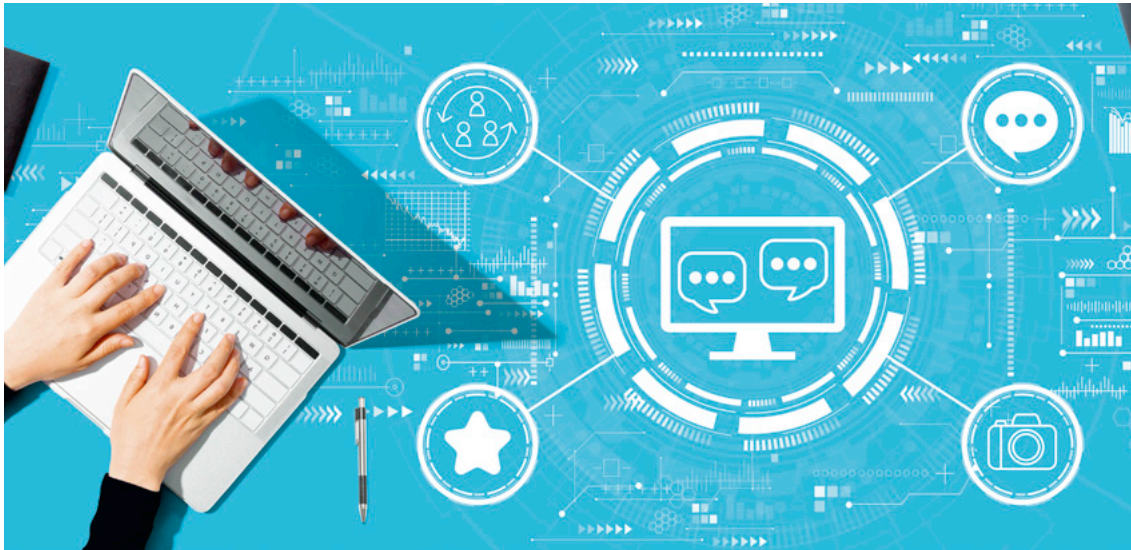
Top 3 topics important for digitalization in the coming 12 months*

	2024	2023
Predictive analytics, and other more statistics-based methods for ...	58	43
Real-time data and reporting	57	60
Application of ChatGPT or other AI systems for better analysis, ...	42	15
Improved data management (e.g. master data, meta data, data ...)	42	35
Lean and mean finance and controlling processes	40	35
New metrics, more and better KPIs	38	25
Self-service reporting, self-controlling of non-finance departments	34	20
Enhanced business partnering with non-finance departments	28	25
New requirements on qualification of finance and controlling staff	26	28
More future simulation, better early-warning of risks	25	43
Taking advantages from big data	25	33
Digital dashboarding, digital boardroom for management	24	30
Standardization of finance and controlling processes	21	25
Transformation of people's mindset (especially controller's mindset)	21	18
Automation of repeatable processes, Robotic Process Automation	17	18
Shared services outsourcing for finance controlling	6	5

In percent. * Multiple choice, n in 2024 = 53, n in 2023 = 40.
Source: Controlling Survey of 2024 Sino-German Controlling Forum on June 14, 2024 (Suzhou DUSA & Corporate Performance One GmbH)



Professionalism, internationalism, education



**Izabella
Zábbrák**

Associate Partner at IFUA
Horváth and Management
Consultant in Controlling &
Finance for 30+ years



**István
Rado**

Head of the ICV Work
Group Hungary and
Executive Coach at
IFUA Horváth & Partners

The board of the Budapest-based Management and Controlling Association (MCE) was renewed in March 2024. As members of the new management, we intend to continue the traditions of the previous years.

The former MCE management had prepared the transmission carefully. István Radó, the previous president, is willing to support our cooperation with international controlling organizations in the future too. We are really pleased about his contribution as we consider it our mission to strengthen international professional cooperation.

Our further priority is to build the professional Hungarian controlling community. We search for the needs of our members, identify the current topics in the focus of the active controlling profession, and adjust our programs accordingly.

Our third goal is to cherish professor Péter Horvath's controlling legacy. This is highly important for us, if only because MCE was founded with his support in 1993. He taught several generations of controllers in Germany and his book **Controlling** is considered a truly seminal work. We would like to strengthen its presence in the Hungari-

an higher education and have requested the support of the Péter Horváth Foundation.

What has happened so far

500 participants attended our professional programs last year and several hundred members follow the videos with the professional content of former MVE events on the MCE SMART e-learning portal. In the last period, the workshops on artificial intelligence attracted the most participants.

As a good example of international cooperation with ICV, the book *Controlling and Sustainability* was published in Hungarian at the beginning of this year.

We started a new CFO club Work Group with the participation of CFOs from small and medium-sized companies at the end of February and the Work Group for controllers in the energy industry is also being launched. The Work Group for Controlling Teachers has organized a mini conference on performance measurement in higher education.

The professional and community building activity of the former MCE management has been outstanding. We wish to continue these traditions. ■

An insight into a project of the International Work Group

This international, English-speaking work group has been established for controllers and consultants from various countries, professionals with at least five years of work experience. Each year, a “target company” is analyzed to provide ideas, suggestions, and proposals related to modern management practices across all areas.



Again a good atmosphere, this time at the meeting of the ICV International Work Group at the Schwarzmann company.

What do the target companies have in common?

The work group addresses medium-sized, mostly family-run companies with between 100 and 1,000 employees. The expansion of controlling is of interest to them. They are open to innovative ideas/suggestions, and flexible. A prerequisite is that there are enough employees in the company who are willing and able to work in English-speaking teams.

What are the benefits of the collaboration for the target company?

Experienced controllers/consultants give advice and ideas and share their knowledge. Experience has shown that working on an equal footing with participants from the target company leads to a friendly and trusting working relationship. The result is honest communication in which

constructive criticism is also voiced. The company's own employees work on topics that will bring improvements for them and that they themselves will implement. This is a particular strength of the work group.

How does such a project work? The course of the 2024 project:

The target company in 2024 is Schwarzmann in Slovenia, a company dedicated to the design, engineering, fabrication, and installation of steel structure buildings. Schwarzmann was nominated in 2019 for the Slovenian Gazelle award, ranking among the three fastest growing companies in the Central Slovenia region.

The **first of three meetings** took place at the company headquarters on April 12–13, 2024. Fourteen members of

the work group met in Ljubljana and travelled to the company site nearby. After the welcome and a tour through the company, the topics for the teams were defined. The group usually works in 4 teams = 4 topics. The company poses the topics, and the members also suggest topics after the first visit. In each team there are three or four ICV work group members, and two to four participants from Schwarzmann. The working language is English. This year, the topics are

- 1) process and capacity management for projects,
- 2) project management, process, communication, and learnings,
- 3) identify and analyze cost/profitability variances in projects, and
- 4) the cost of flexibility.

On the second day the teams presented their initial proposals on their topics. Then it was time to say goodbye to the team members of the target company. The ICV members spent the evening together in Ljubljana, where there was much to discuss.

After the first visit, online team meetings take place, usually every four weeks – naturally with work preparation and intensive discussion. The next meeting for the ICV members will be in September in a European city. The results of the teams are presented to them, and they try to link the solutions they have developed with each other.

For the last meeting, all team members will meet on November 8–9 at the target company. There the results are presented by all (!) team members, both from the ICV and the target company, to all participants and members of the management. The target company now has proposals that it can implement. **And then the decision-making process for next year begins: which company will be the target next year?**

What do the group members like about this way of working?

The group often talks about why the members take the considerable time and expense for these projects. The reasons given are a sense of togetherness, experiences with interesting people, getting to know novel places, new challenges and enjoyment of the project.

What has been the experience of the target companies in recent years?

In the first year, 2015, 12 members of the work group discussed innovative ideas at Nomax. Nomax produces ham nets and is the market leader in Poland. One of the tasks was to find out whether it would be possible to ex-

port to Germany. The work brought the result for this question: hardly – but why not export to Ukraine, which has a similar purchasing culture to Poland?

In 2016, the target company was LUG, a Polish manufacturer of lighting systems. Innovative, export-orientated, shortly before going public at that time. One of the ideas supplied was not to sell luminaires or lighting systems, but light: cities and municipalities order light for streets and public spaces, LUG is responsible for everything else ...

In 2017, the target was MDM in Slovenia. A medium-sized trading company for steel products received many suggestions, mainly in the areas of controlling and employee management.

In 2018, the work focused on AutoDoc in Berlin, a start-up that was founded a few years earlier and trades in car spare parts. Annual sales had risen sharply and totaled around 700 mEUR in 2018. The issues here were primarily of a logistical nature, as well as financing issues.

In 2019, 18 group members went to an employee-owned transport company near Barcelona. Of particular interest was the topic of participation in tenders with corresponding cost calculation. Together with their Spanish colleagues, the group developed solutions, including of course for the area of controlling.

Unfortunately, no projects could take place at companies from 2020 to 2022 due to the Covid pandemic and the war in Ukraine. During this time, the group organized several internal workshops.

2023 began with face-to-face meetings again. York, a manufacturer of household goods near Poznan, was the target company. Together with its employees, many ideas and solutions were developed. And they were implemented very quickly – typical for SMEs! ■



Axel Ehberger

Current leader of the International Work Group and expert in analytical accounting and management information systems



That sounds interesting to you?

If your company is also interested in cooperating with the ICV's international work group, please contact the head of the work group Axel Ehberger, email: axel.e@elexa-controlling.com.

Exclusively for ICV members: The ICV Mentoring Program – success stories across continents



**Markus
Steiner**

ICV Board Member

With the ICV Mentoring Program, we ensure that our members develop further – exactly where it is most important to them. As a participant, they benefit significantly from the exchange between mentee and mentor, tailored to their needs – in the widely recognized, internationally oriented, and renowned ICV network.

We bring together what together will be even better! For example, controlling newcomers (shortly before starting their careers or with little work experience) with silver professionals (very experienced), industry newcomers with industry experts, or professionals who are more than 50 years old with silver professionals to plan the last phase of their career.

New: Find your own mentor!

On the ICV Members Portal, our members can see all Mentors at a glance in the Mentoring section.

They have the option to contact each of them directly by email. They organize the getting-to-know-you phase and further meetings according to their mutual needs.

To support the participants, we send them the ICV Mentoring Guide German and English and, if necessary, tips from the ICV Mentoring Team of Experts. Participation in the ICV Mentoring Program is free of charge for ICV members. ■

Benefits for a mentor

Reflecting on one's own path

Mentors reflect on their own professional career through discussions with the mentees, discover new perspectives, and open up new horizons for themselves.

Developing social skills

Mentors develop and strengthen leadership and social skills. Forming bonds and strengthening them is one of the successes as a mentor.

Strengthening self-esteem

The feeling of being needed and recognized with one's experience and knowledge strengthens one's self-esteem.

Promoting positive thinking

The mentor seeks and reinforces the good qualities, skills, and competencies of his/her protégé. This basic attitude of focusing on the positive carries over to the basic attitude – of mentor and mentee alike – when dealing with tasks.

Helping makes happy

Working with controlling newcomers or mentees from other departments or hierarchical levels is a challenge that is gladly taken, because it brings variety to one's everyday life.

Benefits for a mentee

One partner to answer all questions

When it comes to mentoring, one thing is clear: Listening is needed whenever a job or career is at stake. Because only those who listen can respond to others, answer their questions, and fulfill their wishes.

Moving forward instead of standing still

In the mentoring team, people meet without prejudice or prior knowledge about the other. This goal-oriented, neutral approach without blinkers also helps to recognize a possible discrepancy between self-perception and the perception of others.

More efficient in a team

Instead of struggling alone in a quiet little room through jobs, new tasks and requirements, or simply the perfect résumé, the mentee gets tips, tricks, and support from the other person.

Opening up new perspectives

Anyone who lives in the current age of information and data overload sometimes no longer sees the forest for the trees. Or they have never thought about what could actually be waiting behind the forest. Mentoring sharpens the view and opens new horizons.

Motivation included

Changes are always associated with effort. That is why they are postponed so easily. Also because of the fear of failure. Asking questions or asking for help are tasks in everyday working life that also need to be learned. This is exactly where the mentor is an important aid in their function as a reminder and motivator.

Using new networks

The partner in the mentoring program may have exactly those contacts who are the right, important, decisive ones right here and now. And the good thing about it is: Using the other person's network of relationships is expressly encouraged!

How does the ICV Mentoring Program work in practice?

Get started with some help videos on the ICV website:

www.icv-controlling.com/en/association/specials/mentoring.html



Interview with Marie-Luise Lehmann and Pia Burkarth

What were your initial expectations and goals when you joined the ICV Mentoring Program?

Pia: I joined the ICV Mentoring Program with the intention of having a sparring partner outside the company to discuss job challenges, get support in difficult professional situations, and seek advice on career decisions. With increasing professional experience, the questions to be discussed change. Leadership topics are more in focus now.

How has your participation in the mentoring program influenced your personal and professional growth?

Pia: Through the regular mentoring sessions and the associated reflection, I became more aware of my goals and next career steps became more tangible.

What motivated you to become a mentor in the ICV program?

Marie-Luise: I had the privilege to benefit from mentoring myself and knew the power of it. Also, I believe it's a good way to give back, reflect on your own path, and let others benefit from your learnings. So, when Pia asked me, I immediately said yes.

What do you find most rewarding about being a mentor in this program?

Marie-Luise: There are a lot of rewarding moments: seeing Pia's personal and professional growth, her taking the next career steps, but also me, growing through reflection of my own journey.

Can you both share a memorable moment or achievement from your three years together in the program?

Marie-Luise/Pia: There are so many: the first connect, Pia running up the career ladder, us two now co-leading the ICV working group Agile Controlling.

What advice would you give to new mentees and mentors joining the ICV program?

Marie-Luise: Don't expect your mentee to do things the same way as you. Don't be a coach, don't be a consultant. Be a mentor and give guidance. Your mentee needs room for his/her own way.

Pia: Mentoring is a great format – reach out directly to your mentor and sign up together for the ICV Mentoring Program. ■



Marie-Luise Lehmann

Lead Expert Work Group Agile Controlling

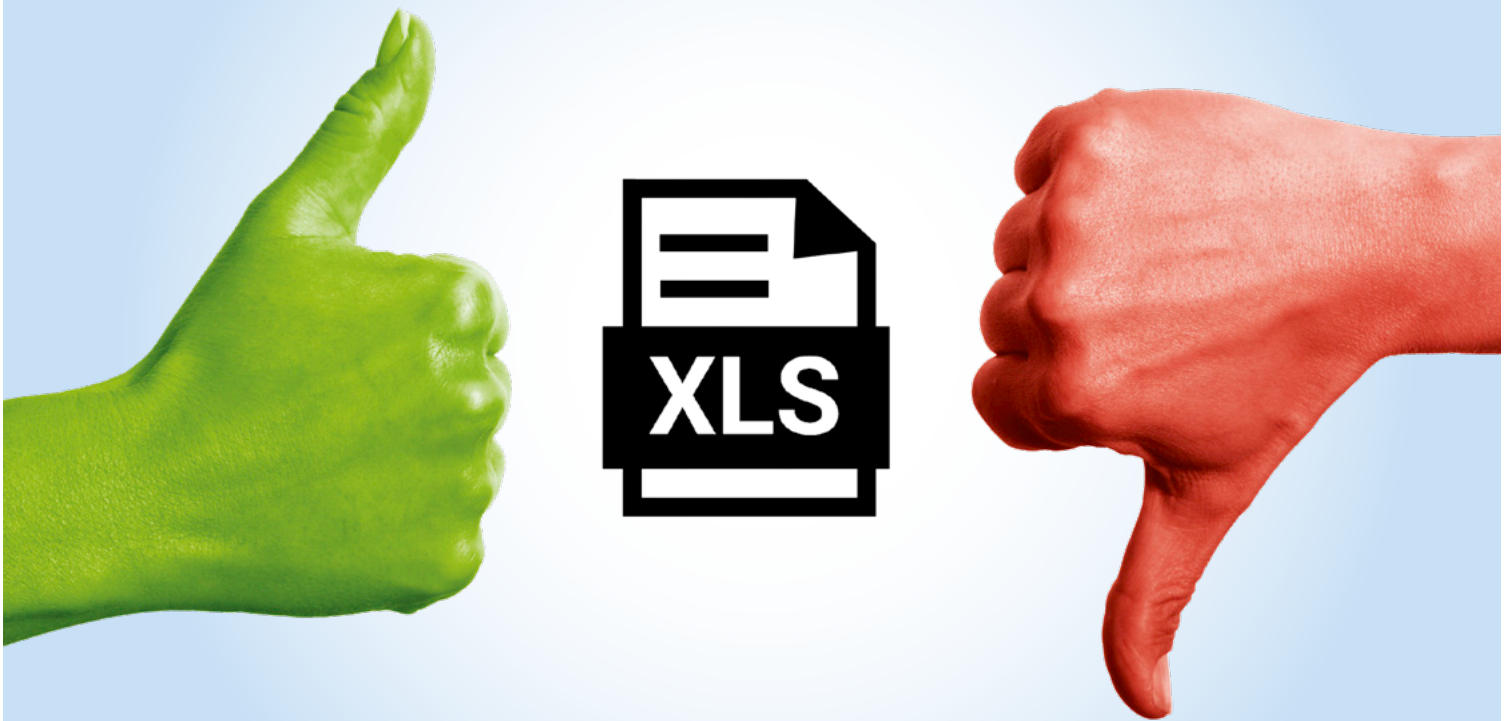


Pia Burkarth

Lead Work Group Region Munich

When to Move Away from Excel: Triggers and Best Practices

Various expert groups are active in the ICV. This year we are publishing an article from the expert group DCC Digital Controlling Competence.



Various expert groups are active in the ICV. This year we are publishing an article from the expert group DCC Digital Controlling Competence.

On the Sunday before the Congress of Controllers, the Digital Controlling Competence working group meeting took place in Munich. The goal was to share challenges and experiences about when it is better to switch from Excel to BI, analysis, and planning software. The diverse mix of participants ranged from Excel enthusiasts who even attend night-

long “Excel Finals” competitions to Excel skeptics who successfully use BI, analysis, and planning tools.

The key question was: Is there a trigger event that initiates the move away from Excel, and how long can one delay this transition?

The general consensus of the working group was that Excel serves very well as a starting point and for experimentation. The flexibility of Excel and its individual use cases were

the main reasons for its widespread use. Excel often acts as a “sandbox” for new applications and can also be useful for validation. Especially in smaller companies, the working group participants still see the option to work exclusively with Excel in controlling.

But when does Excel no longer suffice as the only tool in controlling and finance?

The transition away from Excel typically presents itself as a gradual process. A leap in complexity, increasing requirements, and company growth are significant factors. Often, data quality becomes a problem. One quote highlighted the situation particularly well: “If the CEO knew how unreliable the data is, he would immediately approve the budget for a tool.”

The discussion on the “trigger events” for moving away from Excel was very emotional and can be summarized as follows:

- ▶ Issues with data security, verification of numbers, and hours spent checking and maintaining data. Trust in the data was not given.
- ▶ Data governance: Excel users can make changes to files at any time, there is inconsistency between versions, and collaboration in Excel is difficult. This MS tool works very well for one PC and one user, but multi-user environments are problematic.
- ▶ The data volume became too large.
- ▶ Database in Access: The data model worked, but data security was a problem.
- ▶ Rights management became difficult.
- ▶ Limited functionality: Scenario planning, driver-based planning, and diversity in quantities, products, and currencies caused problems. For globally operating companies with a high degree of complexity, Excel is often no longer sufficient.
- ▶ Lack of transparency, especially when collaborating with external auditors in dynamic processes and project management.
- ▶ Difficult, time-consuming reporting in Excel. Preparing reports is very time-consuming and requires additional tools. Sometimes MS Power BI reporting functions are used/thought of, which support direct integration into MS PowerPoint. User-specific reporting is a major topic.
- ▶ Year-end rollover – a new planning year represents a limit of xls.
- ▶ Ever-growing models.

In the future, the working group participants expect further development of Excel toward a BI tool. Therefore, the consensus was that future controllers MUST have Excel skills. It often takes years to train new employees in Excel and model building, and replacing personnel is difficult. Knowing Excel does not necessarily mean being proficient in Excel. This is where professional BI, analytics, and planning tools clearly excel.

Excel is often used as a “template” for a new planning tool. However, care must be taken to avoid adopting “bad processes” and to carry out optimization as part of change management.

What else should be considered when introducing a BI, analysis, and planning tool?

- ▶ Internal communication: Involve all stakeholders early, ensure transparency, and train employees.
- ▶ Clarify the requirements of all involved departments.
- ▶ Set the goal of the implementation project: start small and think big. Begin with the smallest common denominator and expand later.
- ▶ Decision-makers are not necessarily users – sometimes IT decides on tools.
- ▶ Management must support and independently use the tool.
- ▶ Allocate sufficient resources: time, budget, personnel.
- ▶ Choose the right partner: Bring in external experts for process optimization and project management. Transfer know-how through training.
- ▶ Do not expect a 100% quantifiable project (case). Besides cost efficiency and ROI, there are qualitative and hard-to-measure factors, such as risk reduction, increased decision quality, higher employee satisfaction, improved data quality, etc.
- ▶ Pay attention to team composition: Finance experts and technical understanding, data engineer.

Thanks to the participants of the DCC working group community for the valuable input, which shows that we often face the same challenges and can best find solutions together. There are many things that can make life difficult. At the same time, many success stories show that initiating changes brings significant improvements. The working group community is happy to support you with your questions about digitalization in controlling. ■



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Profitability Analytics Center of Excellence (PACE)



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PACE is a non-profit association consisting of professionals from around the world who are dedicated to helping organizations make better, more informed decisions using data analytics. It was organized by leading researchers, practitioners, and consultants with the goal of developing sound economic principles (independent of external financial reporting requirements) to enhance organizational decision making. This is achieved through the development of integrated models of an organization’s revenues, costs, and investments based on an operational understanding of the organization and aligned with its overall strategy.

PACE invites ICV members to join PACE (at no cost) and be part of a community of academics and practitioners sharing experiences, challenges, and best practices in the field of profitability analytics. A wide range of resources are available on PACE’s website

(www.Profitability-Analytics.org). These include e-books covering topics such as customer profitability management, revenue management, managerial costing principles, and better approaches to investment management; podcasts; case studies describing best practices; interactive online webinars featuring experts in the field; a forum where members can post relevant articles; interest groups where members can exchange information, insights and questions; and much more. PACE also hosts its Profits+ annual conference, has developed learning modules around profitability analytics, and will soon be publishing a book on this subject.

PACE has developed its Profitability Analytics Framework, a process designed to produce high-quality internal decision-support information that supports decision making throughout the organization (see <https://www.profitability-analytics.org/pa-framework>). The Framework is built on a holistic view of revenue management, managerial costing, and investment management. The PA Framework is designed to support internal decision making within an organization’s larger strategic/risk management envelope and expand the range of influence of controllers and finance experts by making it clear that they have an essential role supporting internal customers throughout their organization to optimally achieve strategic objectives. ■



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.

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Member benefits:

- Access to controller know-how at international level
- Contacts to controllers and CFOs in Europe
- Work group meetings as practically focused, free further education
- Co-authorship of future-focused controlling concepts and tools

Additional ICV Work Groups in German-speaking countries: Austria, Germany and Switzerland
www.icv-controlling.com/en/work-groups

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A 2022 McKinsey study noted that a lack of career development and advancement was the most common reason for quitting a job.



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