

Next Level Controlling - Embracing eight modern challenges

Use cases DATEV eG / ICV

11th International Controlling Conference in Croatia
17.11.2023, Claudia Maron, DATEV eG

Agenda



DATEV – facts
& figures ...

1

Rewriting the CFO agenda –
crisis as opportunity for
strategic growth

2

From cost controlling to
performance & sustainability –
Unleashing the full potential of
your organization

3

Future-proofing your controlling
– managing **risks** and **liquidity**
in a rapidly changing landscape

4

No time to relax – driving **digital
transformation** and emphasizing
the **change** in controlling

- A brief overview of facts and figures 2022

- Tax consultants
- Auditors
- Lawyers
- Companies



8.569
EMPLOYEES



Contribute to the
cooperatives' success

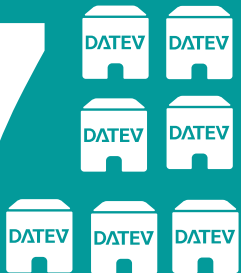
Revenue

1,3
BILLION
EURO

DATEV
invested

97
MILLION
EURO

7



Presences
in europe

43.930
TRAINING
DAYS

FOR THE
QUALIFICATION
OF EMPLOYEES

2030
CO₂
CLIMATE-
NEUTRAL

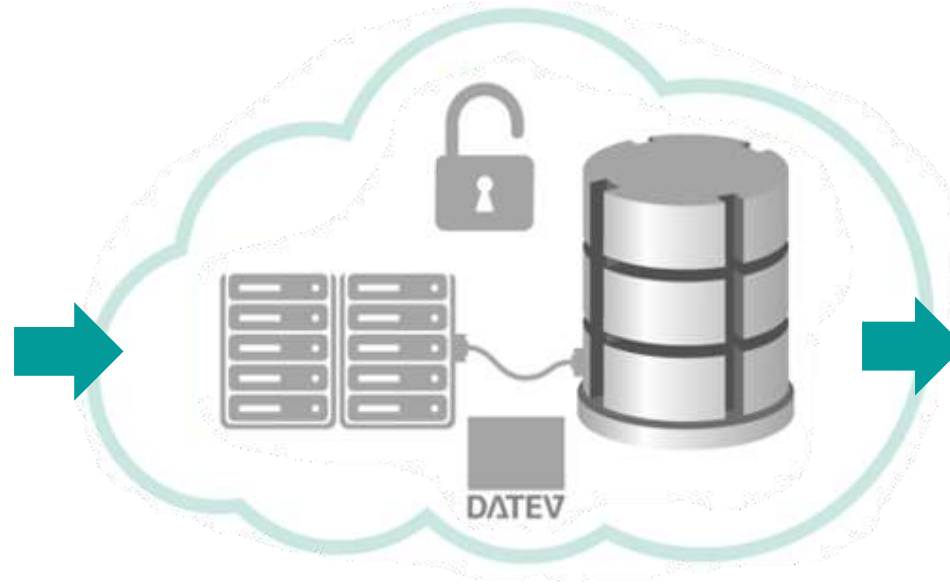
540.200 & **40.318**
CUSTOMERS **MEMBERS**

have trust in

DATEV

Successive portfolio change from a sequential supply chain

Tax consultant




Financial
Management


Authorities


Business Partners

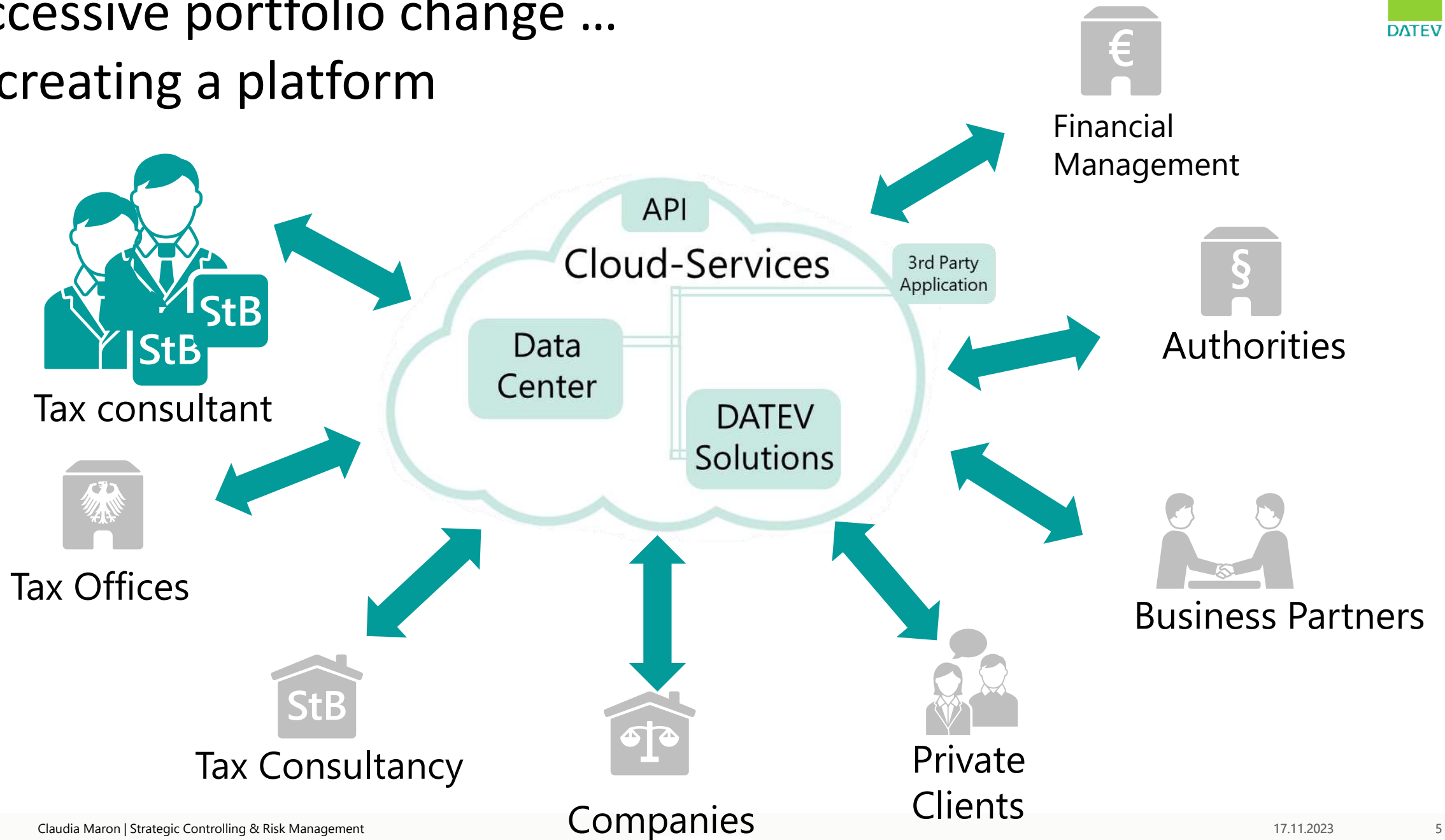

Private
Clients

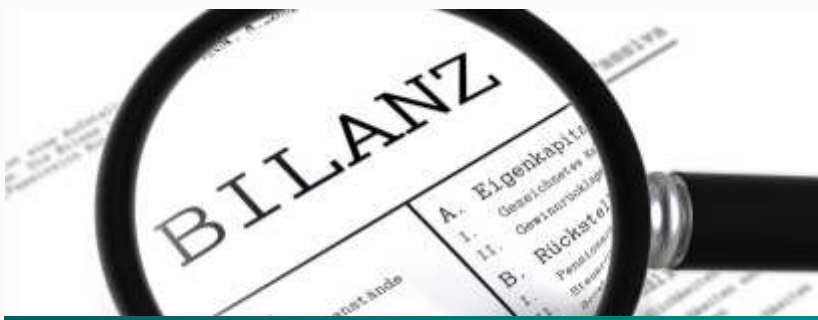

Companies


Tax Offices


Tax Consultancy

Successive portfolio change ... by creating a platform





More than 160.000
annual financial statements
were transmitted to banks with
digital financial reports by the
end of 2022



Approx. 16,9 million
digitally submitted
annual tax returns were
recorded in
2022



Over 3,46 billion
receipts are
stored
digitally



Approx. 14 million per
month was the **number of
employees billed** with DATEV
Payroll software in 2022



Ø 64 million
digital receipts were
submitted per
month in 2022



870.000
data transmissions
reached the Federal
Gazette in 2022

Agenda

1

Rewriting the CFO agenda –
crisis as opportunity for
strategic growth



Crisis & Strategy

2023
2022
2020
...
2008
2000

Gaza Crisis

- Inflation
- Energy
- Food shortage
- Climate

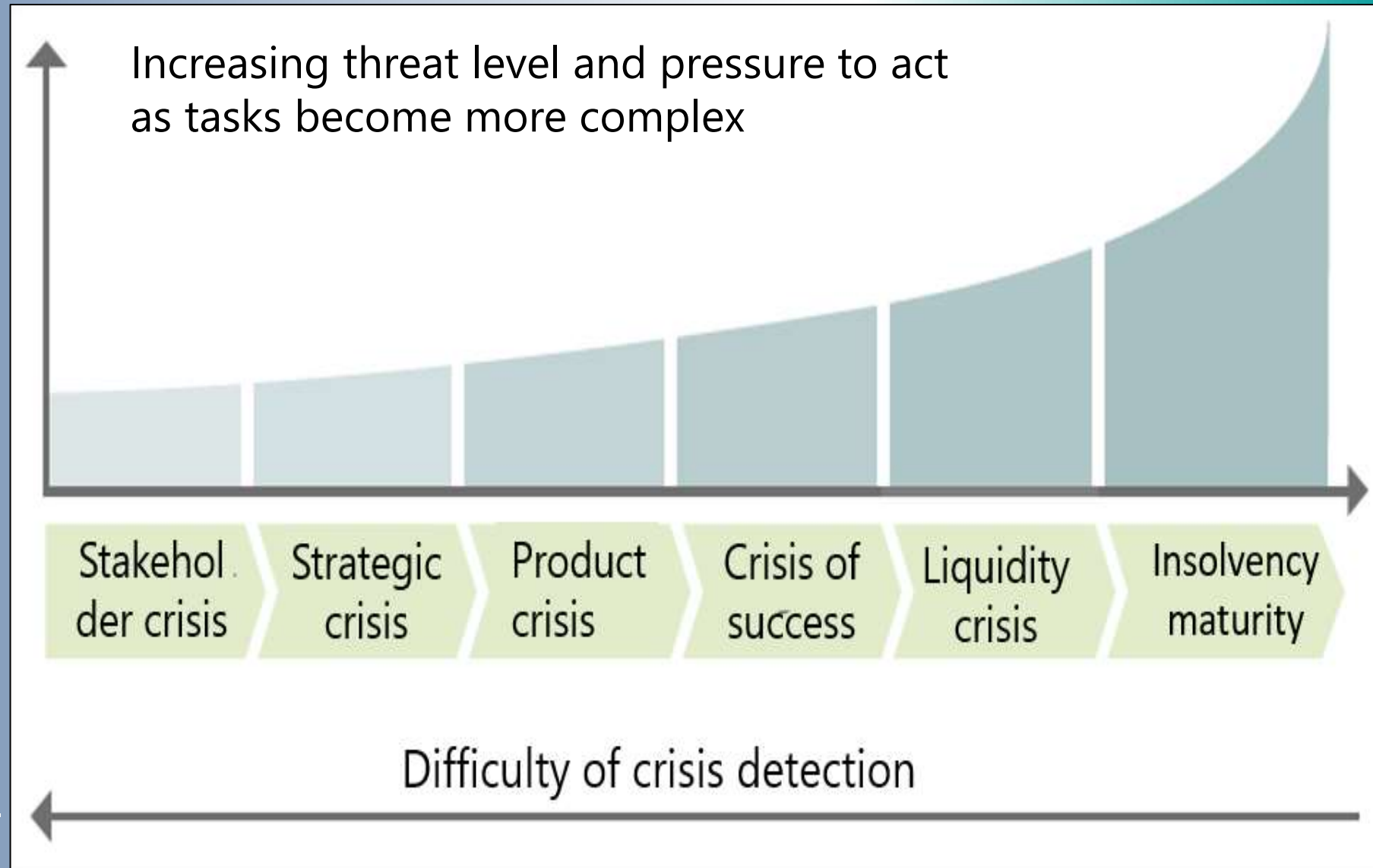
Ukraine Crisis

Covid Crisis

Climate Crisis

Financial and
Economic Crisis

Technological Crisis -
Dotcom Bubble



Datev and it's

strategy circle

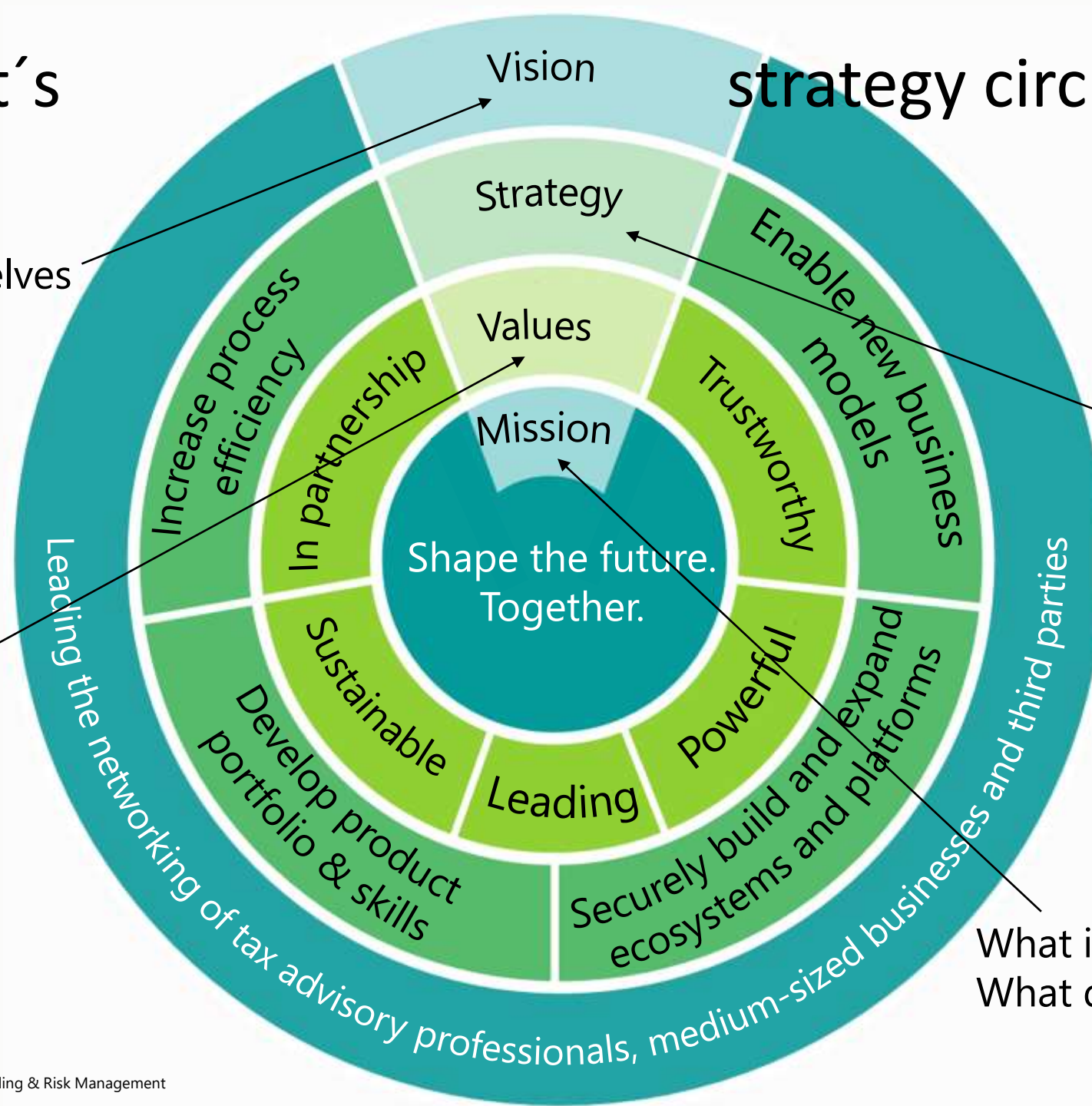


Where do we see ourselves in 10 to 15 years?

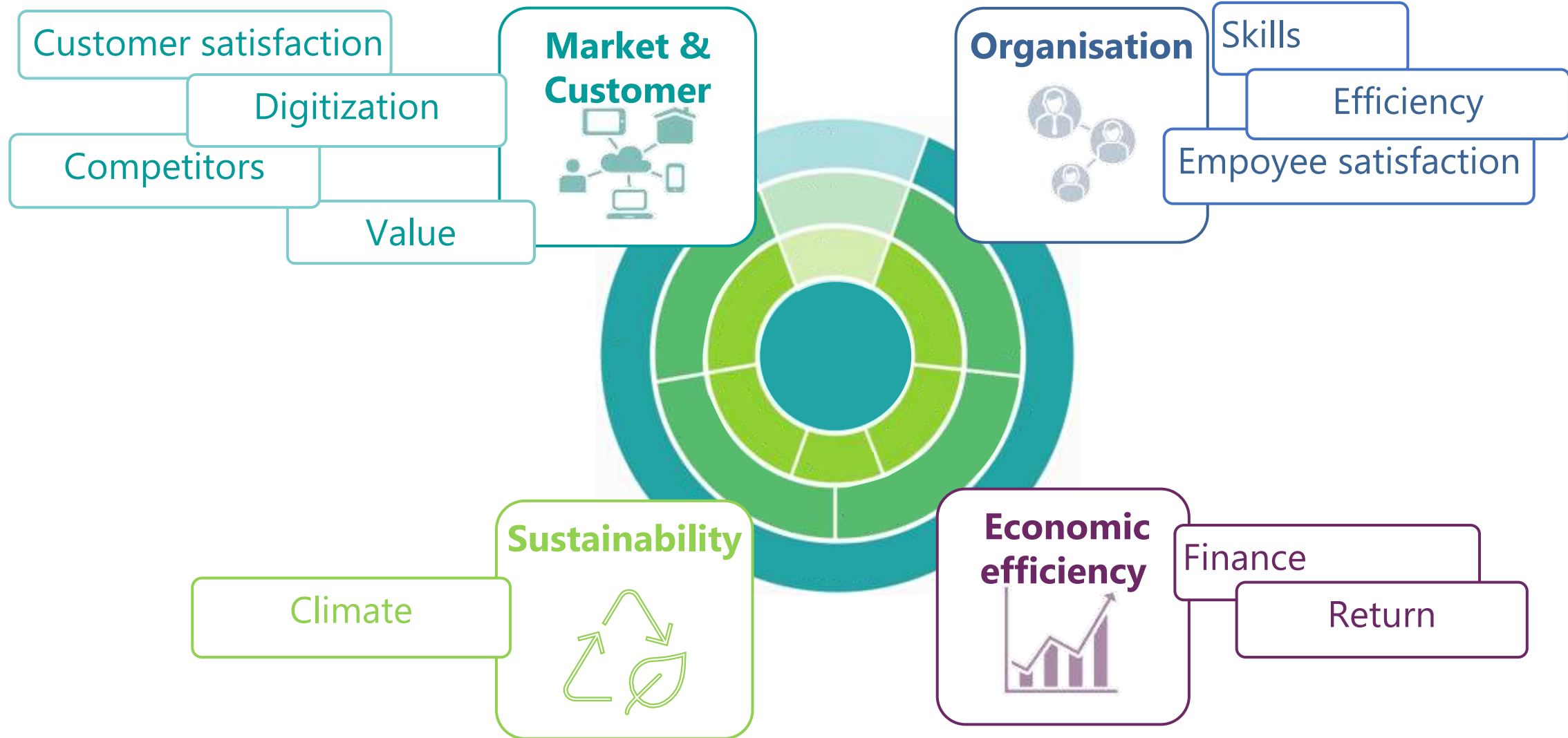
How do we care for our employees and stakeholders?

How do we achieve our vision?

What is our purpose?
What drives and motivates us?



Monitoring strategies is a new field for controlling



Agenda



2

From cost controlling to
performance & sustainability –
unleashing the full potential of
your organization

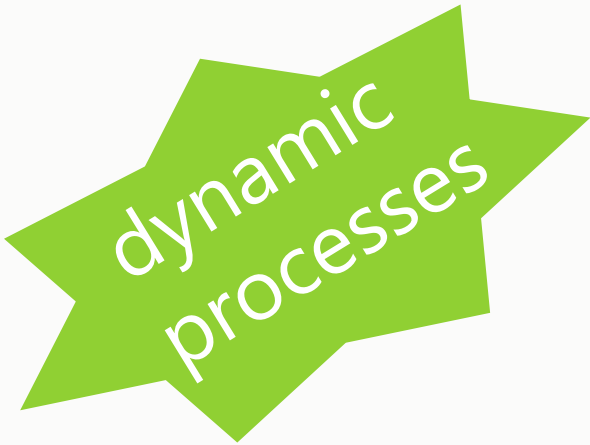
How to transform a static organization with static structures ...

...into an agile Organization with

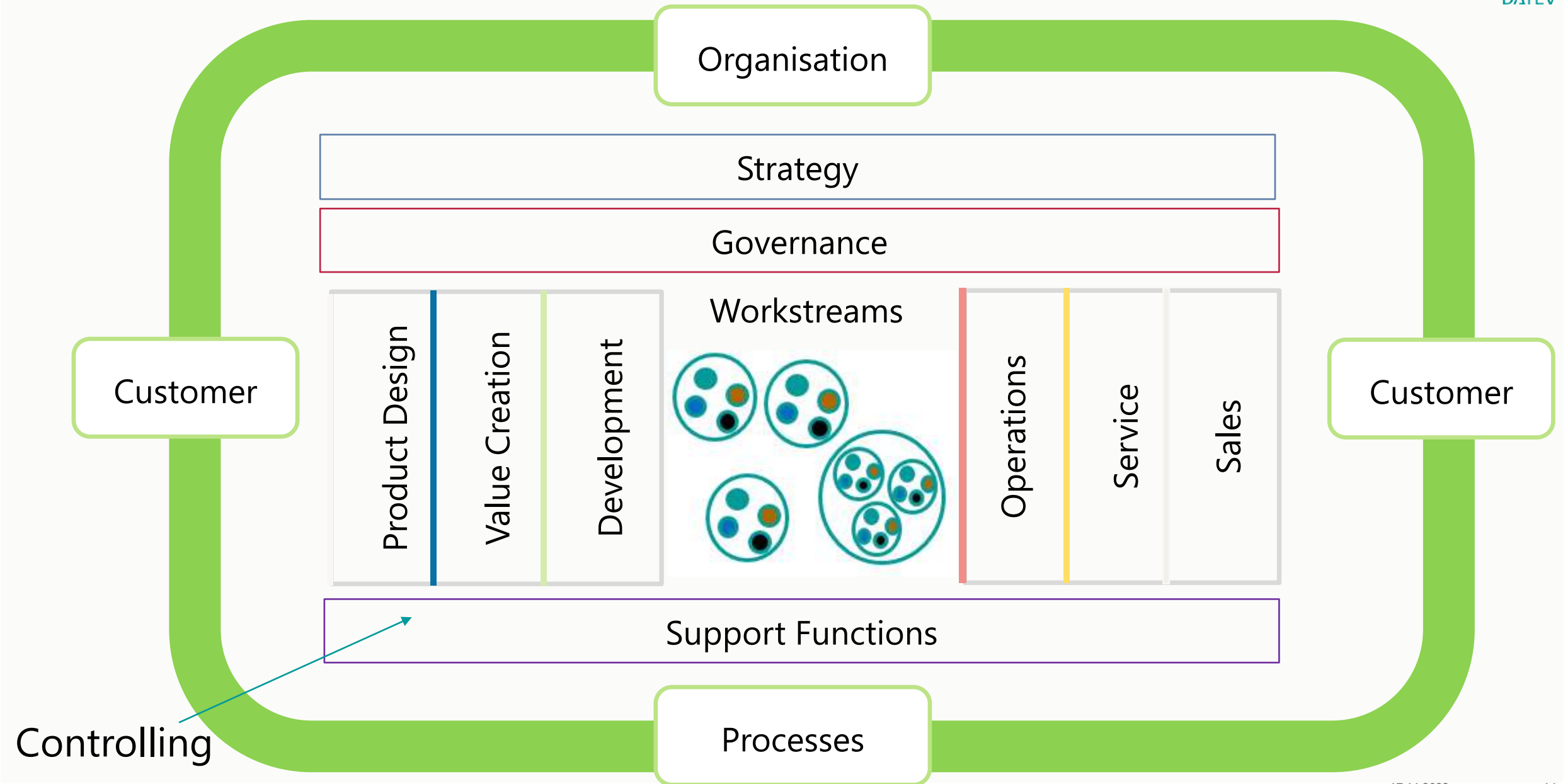
dynamic
processes

Our Key principles

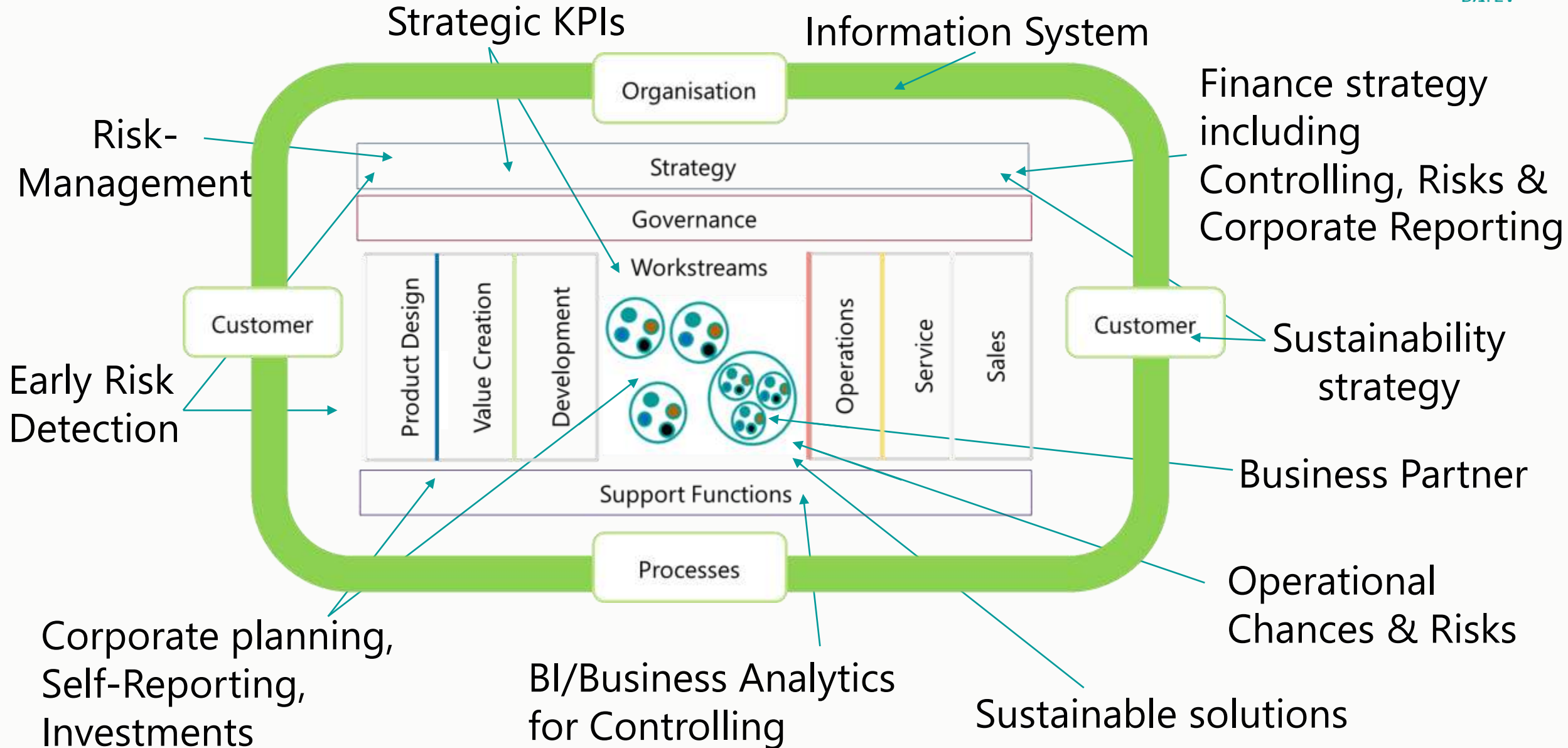
- making fast decisions
 - workstreams taking over responsibility
 - thinking from the customer's perspective
 - communicate cross-functionally
- build a strong company culture



From a static Controlling organization ...



... to dynamic Controlling processes



Sustainability – Quo Vadis?

- Obligation to inform?
- Corporate Management?
- Consultation hype?

Legal developments

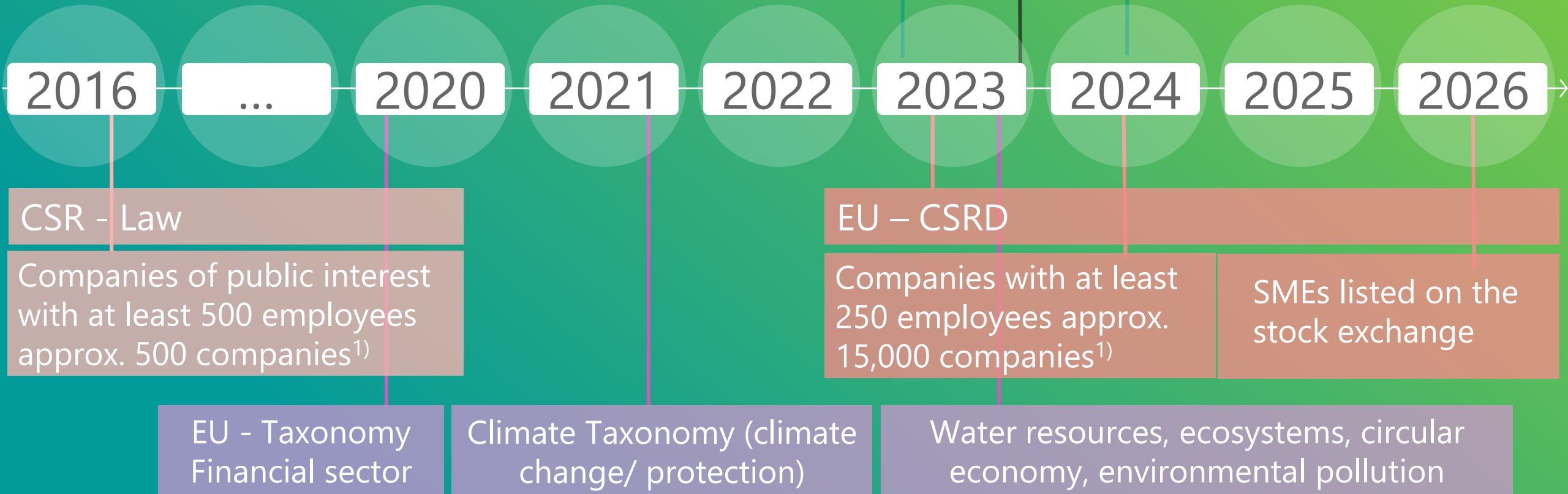
EU - supply chain law proposal

DATEV

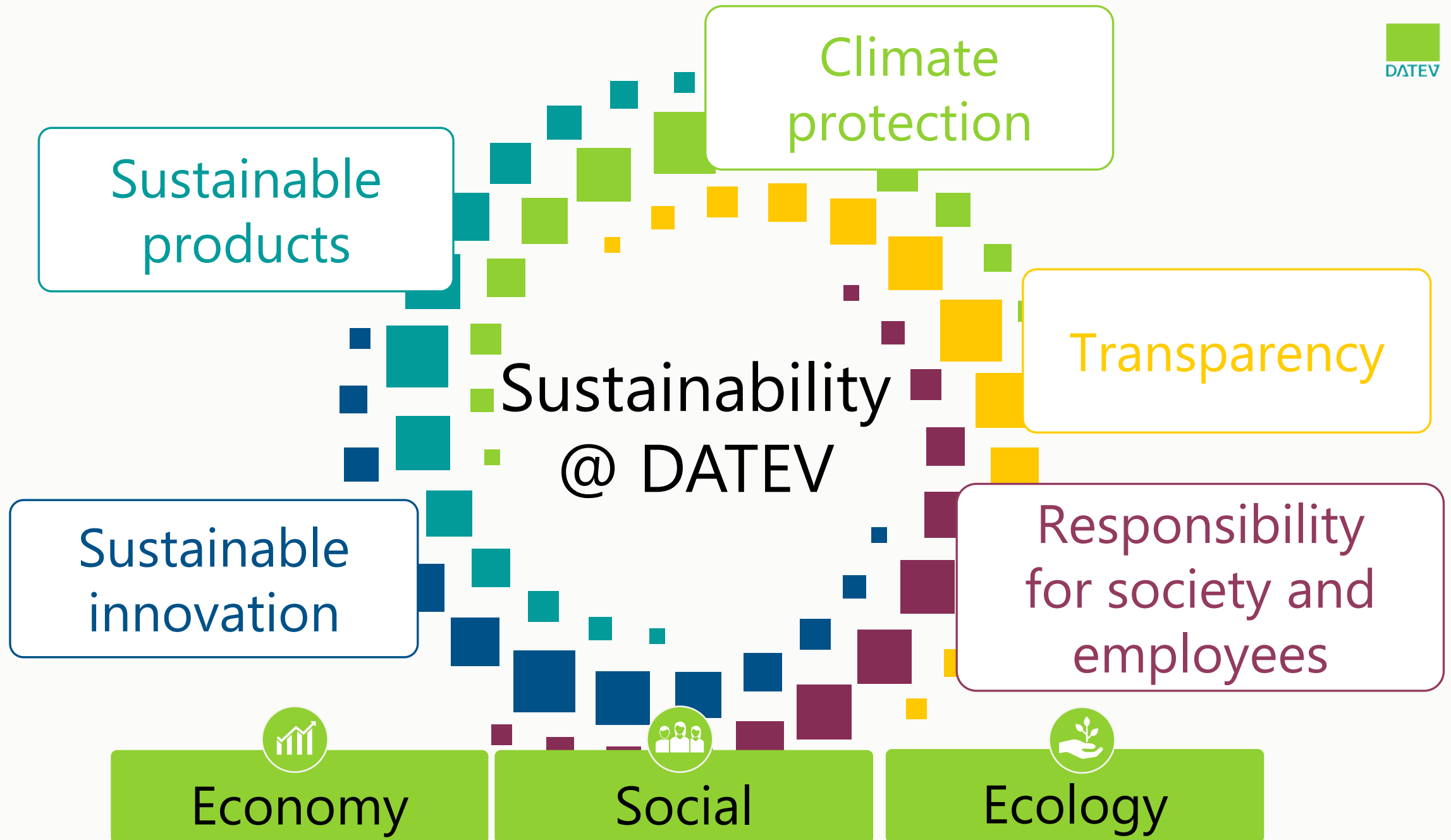
Law on corporate due diligence in Supply Chains (LkSG)

Companies with at least 3,000 employees approx. 600 companies¹⁾

Companies with at least 1,000 employees approx. 2,900 companies¹⁾



¹⁾ in Germany



How to make sustainable decisions?



Ecological impacts	Relevant?		Evaluation			Main benefit		
	yes	no	positive	neutral	negative	DATEV	Members	Society
Energy consumption (electricity, heat, fuel consumption, PUE-value, etc.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resource consumption (paper, packaging, CD/DVD, water, waste etc.)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Digitalization (dematerialization of processes, products, services, etc.)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (strengthening environmental awareness, supply chain etc.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Stifter Prof. Dr. Péter Horváth (links) mit Claudia Maron (2.v.l.) und Harald Oelschlegel (Mitte) von der DATEV

How to make sustainable decisions?



Stifter Prof. Dr. Péter Horváth (links) mit Claudia Maron (2.v.l.) und Harald Oelschlegel (Mitte) von der DATEV
© DATEV eG Claudia Maron | Strategic Controlling & Risk Management

Ecological impacts	Relevant?		Evaluation			Main benefit		
	yes	no	positive	neutral	negative	DATEV	Memb ers	Society
Energy consumption (electricity, heat, fuel consumption, PUE-value, etc.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resource consumption (paper, packaging, CD/DVD, water, waste etc.)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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Other (strengthening environmental awareness, supply chain etc.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Economical impacts

Customer view (customer loyalty, new customers, satisfaction etc.)
Efficiency increase (optimization of products and processes etc.)
Innovation capability (new products, services etc.)
Other (profitability, contribution to corporate/sustainability goals, etc.)

Social impacts	Relevant?		Evaluation			Main benefit		
	yes	no	positive	neutral	negative	DATEV	Memb ers	Society
Image and Reputation (effects on the view of DATEV, donations, sponsoring etc.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Employer attractiveness (family and career, work-life-balance, health management, mobility, promotion of young talent, etc.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Diversity (equality, anti-discrimination etc.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (work safety etc.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Green Controlling Study by the ICV

General study information



company headquarters



218 participants

From the circle of ICV members



60 % Controller

and therefore employees
with direct insights



Third study

after the years 2011 and
2016



Online survey

in the months of August and
September 2022



24 questions

on different aspects of green
controlling



companies of different legal forms and sizes



Survey on relevance, current state of development, and challenges of green controlling in practice



Participants mostly from the DACH region



> 17 industries



<https://www.icv-controlling.com/de/verein/specials/nachhaltigkeit/sustainability-in-dokumenten.html>



Question: My company is already dealing with the following topics in the area of „sustainability“:

Question type: multiple choice

n=218

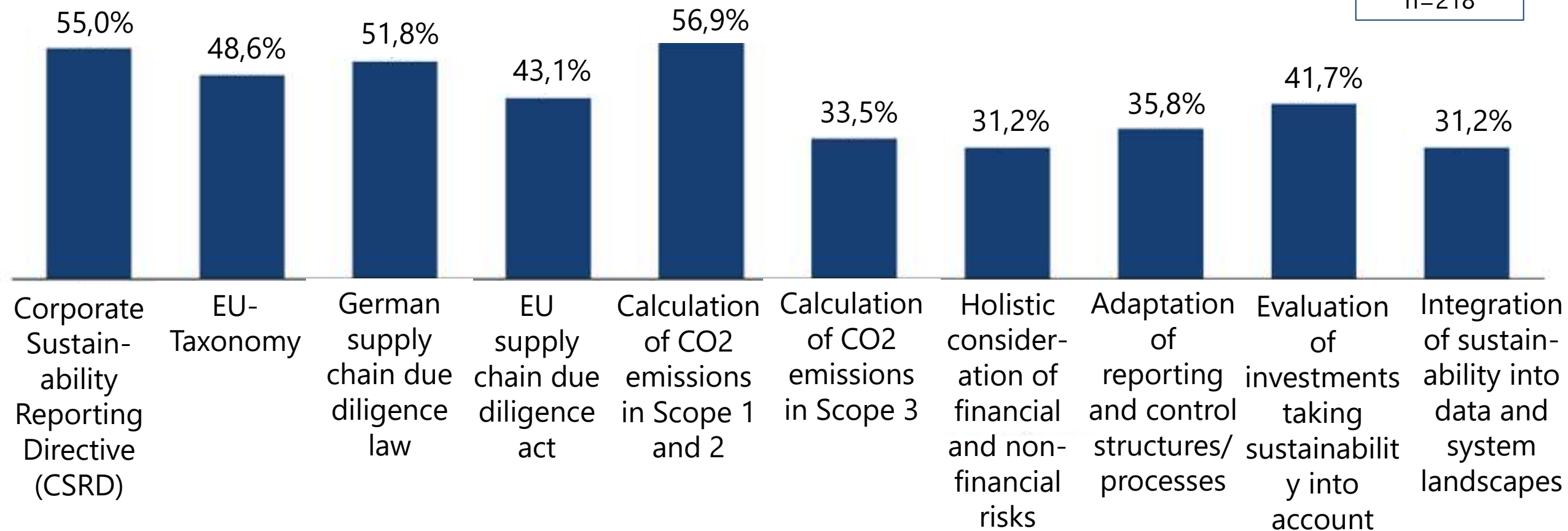


Fig.: Engagement with current sustainability issues

Green Controlling Study 2022, Internationaler Controller Verein e.V./ <https://blog.icv-controlling.com/icv-green-controlling-studie-steht-jetzt-zum-download-bereit/>

Summary of results

Sustainability has clearly arrived in controlling and will be an important part in the future

The topic of sustainability is moving more into core business processes - **finance/controlling and sustainability are moving closer together**

The **biggest drivers** of the transformation are the **increased requirements** for **sustainability reporting**

The **management report** is gaining in **importance as a source of sustainability information** compared to the classic sustainability report



Satisfaction with the **quality and availability** of **sustainability information** is **low**

The **majority** of companies plan to **report exclusively according to CSRD**

Further qualifications for controllers will become **relevant** in the future. A **general understanding** of sustainability requirements is of the greatest importance here (**Sustainability Literacy**)

<https://www.icv-controlling.com/de/verein/specials/nachhaltigkeit/sustainability-in-dokumenten.html>

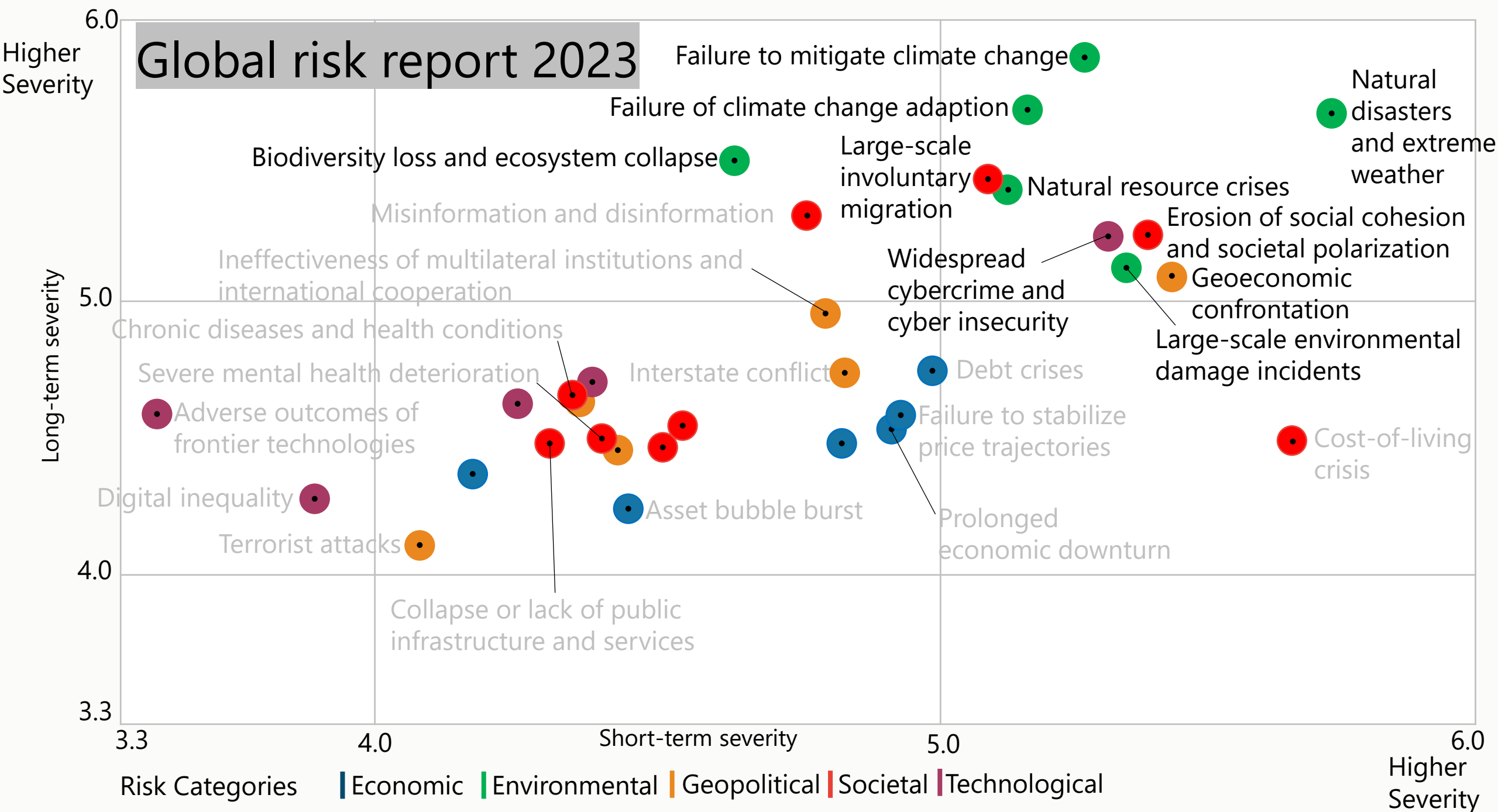
Agenda

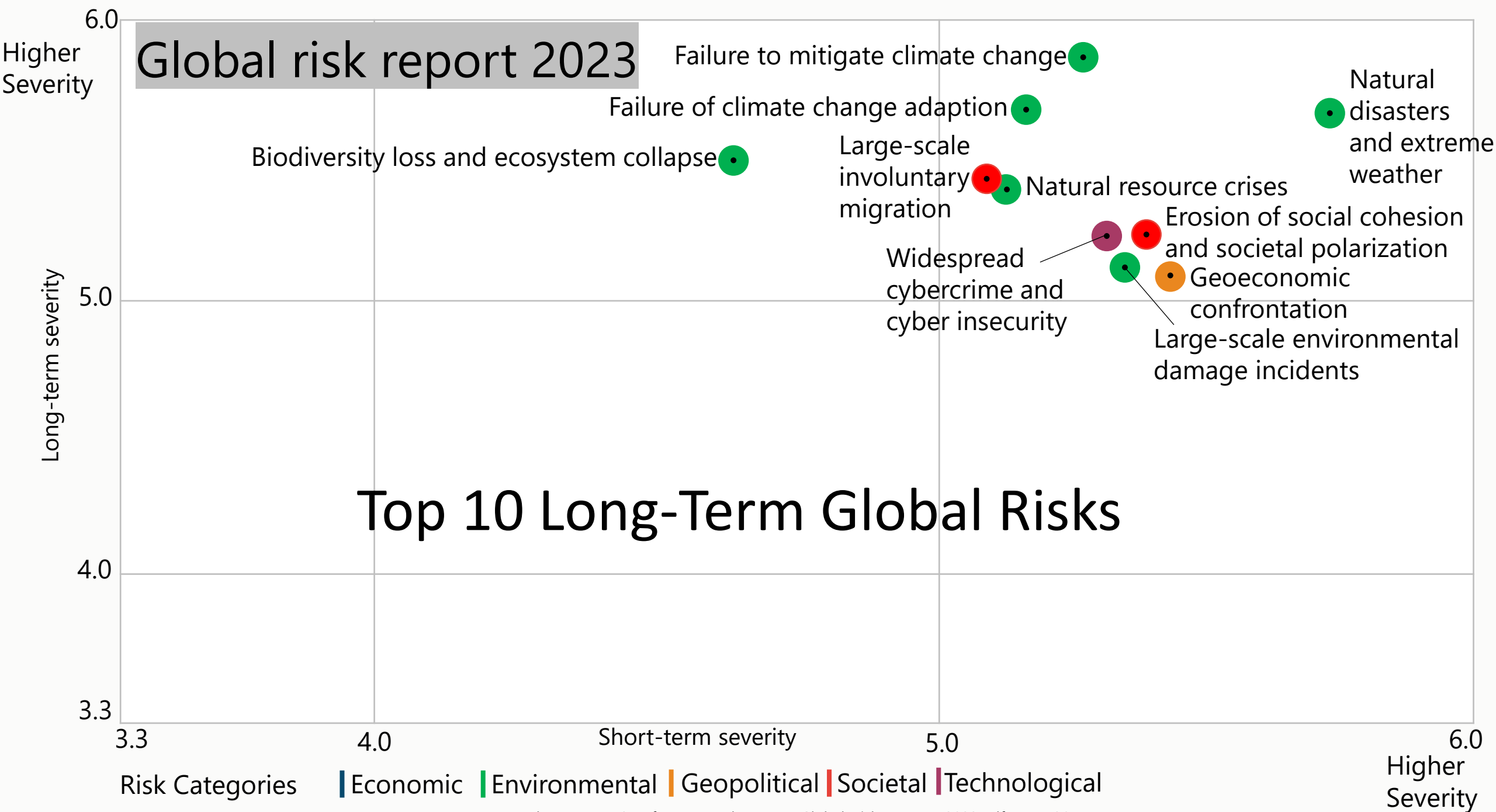


3

Future-proofing your controlling
– managing risks and liquidity in
a rapidly changing landscape

Global risk report 2023







Der Golfstrom transportiert warmes Wasser in Richtung Europa und Nordmeer



Durch das Abschmelzen des grönländischen Eises erreicht der Golfstrom Europa nicht mehr

From Business as usual to combating climate change...



Physical Risks

Storms

Wild fires

Heat waves

Floods

Transition Risks

Unstable
electricity grids

Increasing
carbon price

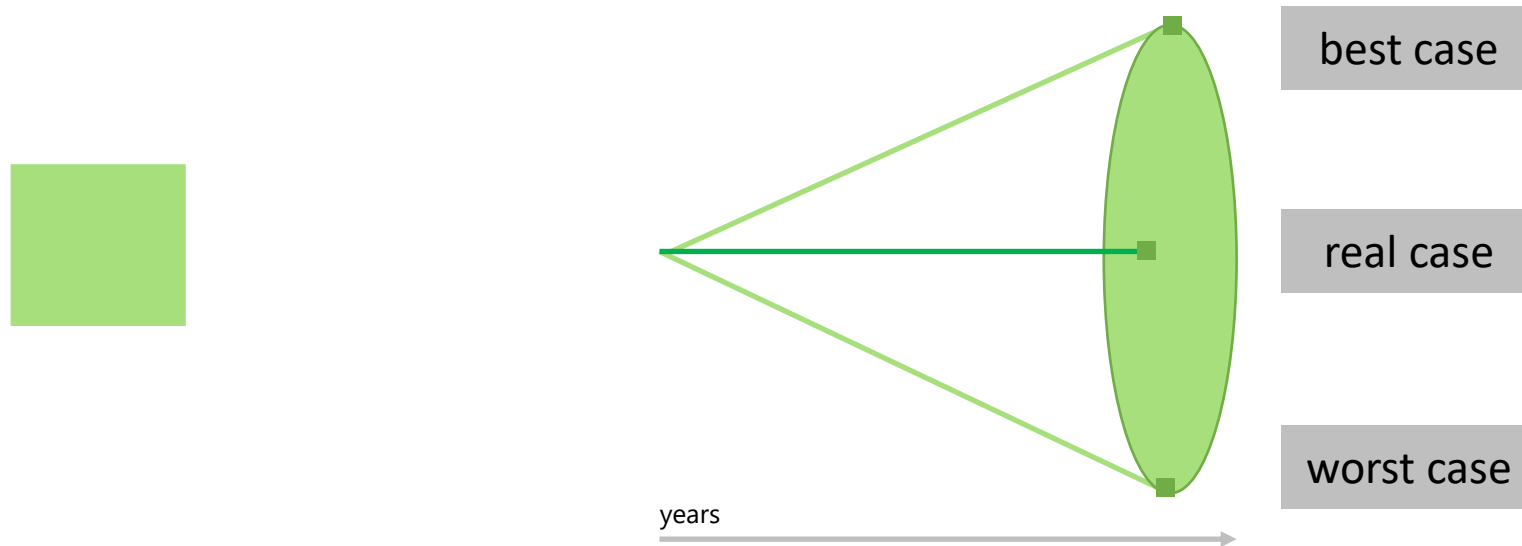
Raw material
costs

Reputational
risks

Volatility of
energy costs

... Companies are required to deal with climate changes

From traditional planning to delivering information in bandwidth ...



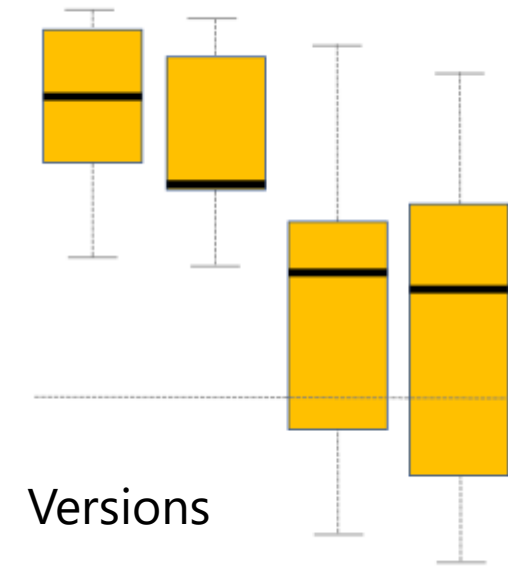
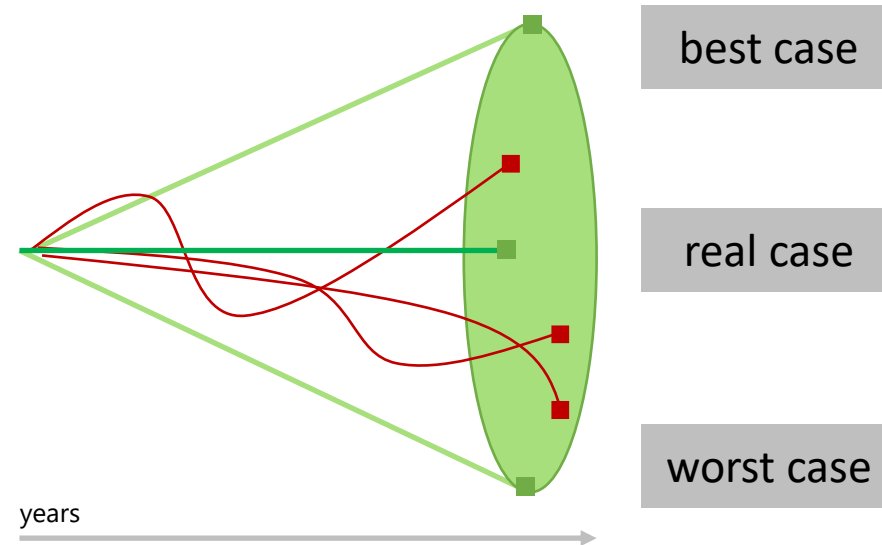
Planning/forecasting

- Midtermplanning, budget, 3 forecasts
- Effort: 3-4 month

Scenario analysis

- Focus on three possible outcomes that have different probabilities
- Effort: 6 month

From traditional planning to delivering information in bandwidth ...



Planning/forecasting

- Midtermplanning, budget, 3 forecasts
- Effort: 3-4 month

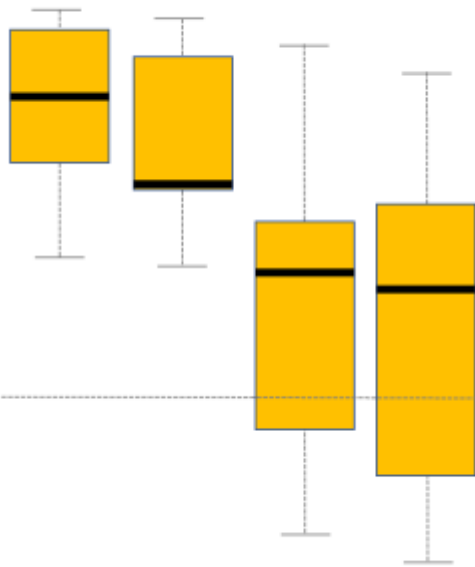
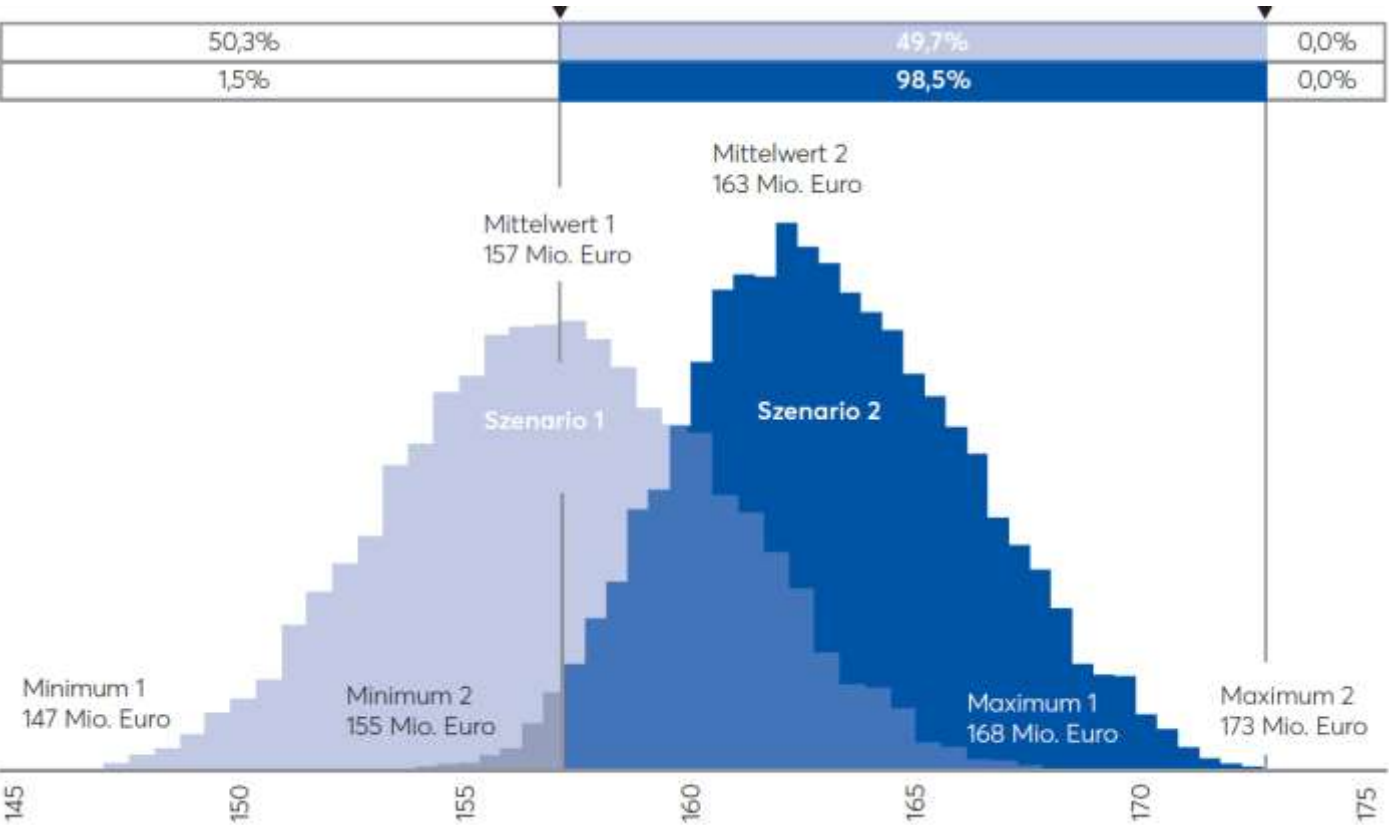
Scenario analysis

- Focus on three possible outcomes that have different probabilities
- Effort: 6 month

Chances and risks

- Simulation and diversification, Bandwidths with 50% of cases
- Effort: 2 weeks

More Transparency before making decisions



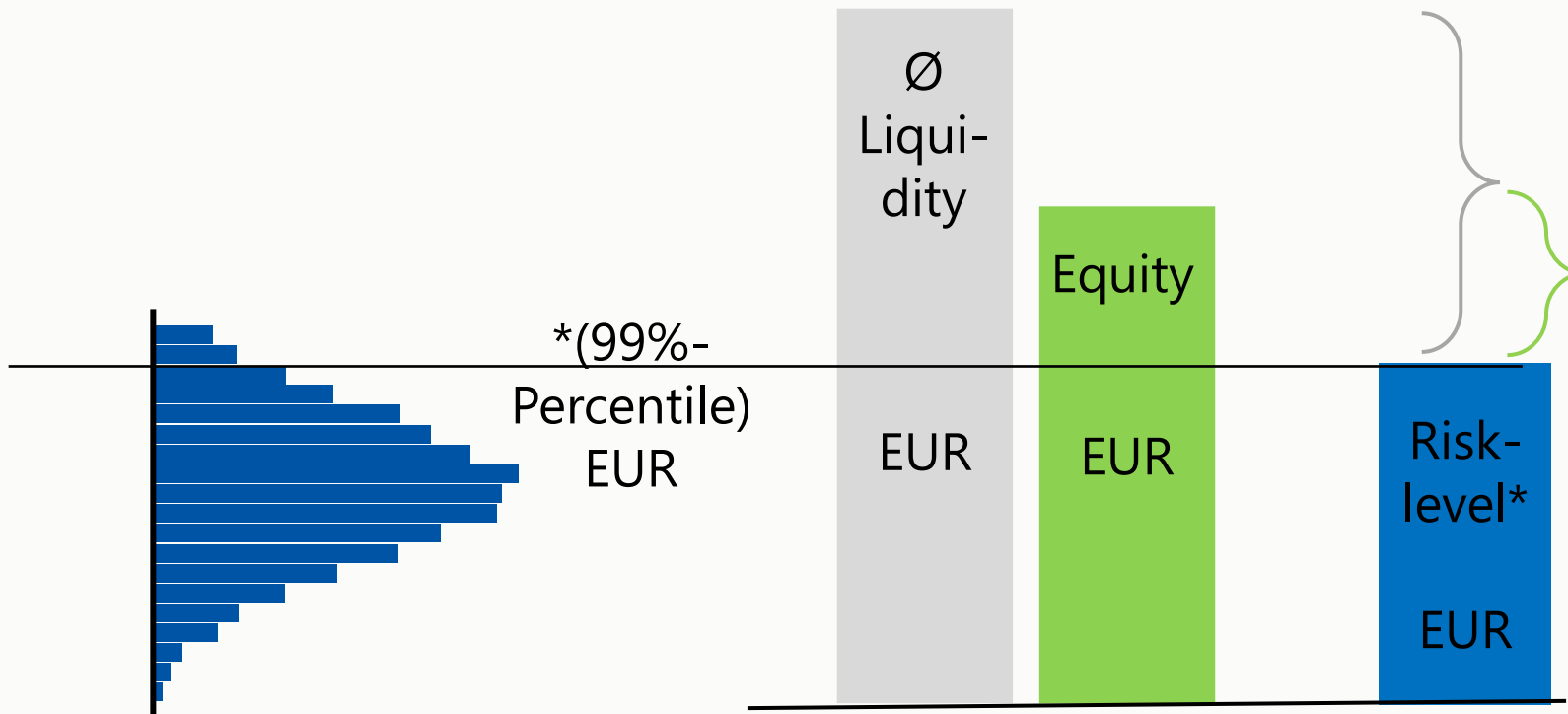
Risk-bearing capacity concept (fictional data)

Quantified risks

Risk coverage
potential

Free risk-
bearing
capacity

- Aim is to ensure that risks do not endanger companies continuation
- How much risks can we take?
- How much coverage do we need?
- Auditors focus on quantified risk-bearing capacity



*Monte-Carlo-Simulations/
Value-at-Risk approach

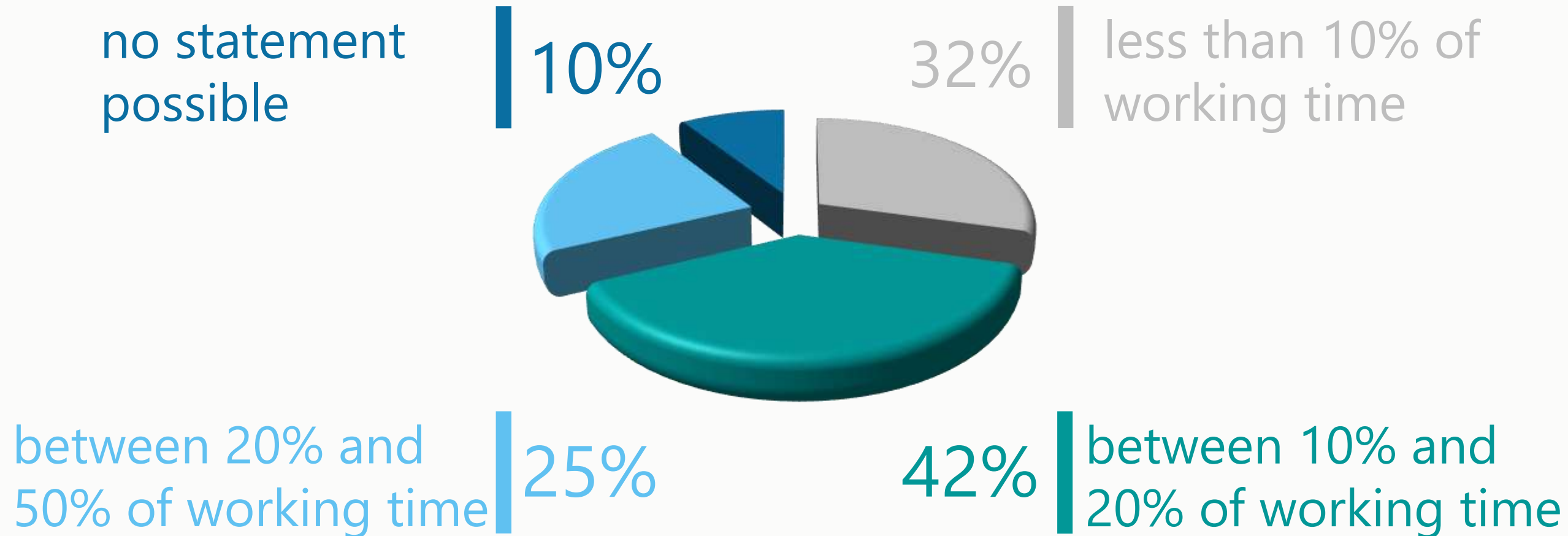
Agenda



4

No time to relax – driving digital transformation and emphasizing the change in controlling

Time spent on digital topics and the digital transformation in the financial sector



Source: Horváth & Partners CFO-Panel (2020)

Impact of Digital Transformation – a self-assessment

Strategy

paperplay  integrated

Business Modell

unchanged  adaptive

Communication

closed  open

Operational excellence

manual  automated

BI-Skills (AI, Analytics)

weak  strong

IT-Infrastructure

on premise  cloud

Culture

static  dynamic

Impact of Digital Transformation – a self-assessment

Strategy

paperplay —————  integrated

Business Modell

unchanged —————  adaptive

Communication

closed —————  open

Operational excellence

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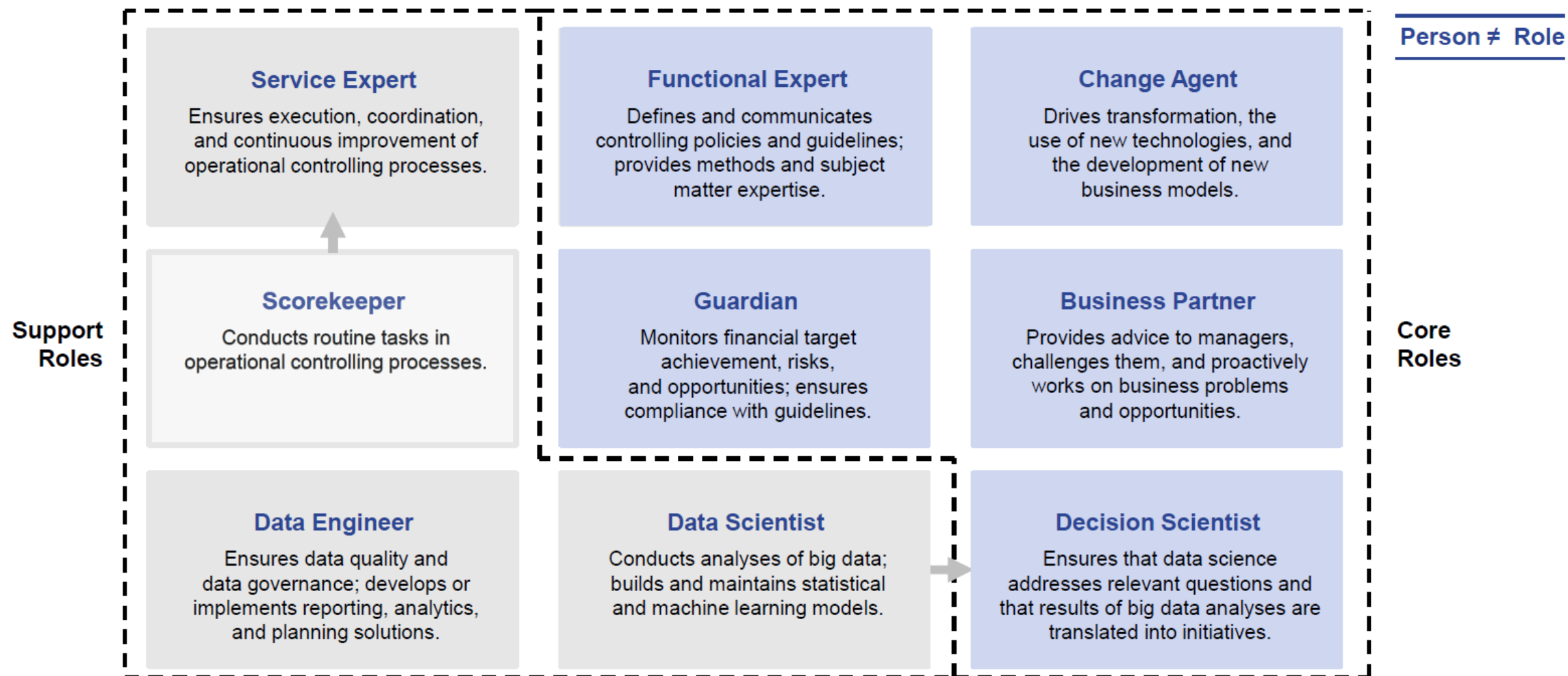
Despite the Corona pandemic, digitalization related trends continue to dominate the controlling agenda

4th WHU Study on the Future of Controlling: Trends ranked according to their expected importance in 2025

Future trends	Importance 2011	Importance 2014	Importance 2017	Importance 2020	Importance 2025 (E)
1 Information systems	5.6	5.7	5.3	5.5	+0.9 → 6.4
2 Data management	-	-	5.2	4.7	+1.6 → 6.3
2 Digital literacy	-	-	4.2	4.3	+2.0 → 6.3
4 Efficiency in controlling	5.4	5.1	4.9	4.9	+1.0 → 5.9
5 Business partner	4.4	4.7	4.6	4.7	+0.8 → 5.5
5 Business analytics	-	-	3.2	3.8	+1.7 → 5.5
7 Digital business models	-	-	3.7	3.7	+1.7 → 5.4
8 Next generation of controllers	4.0	4.2	4.1	4.3	+1.0 → 5.3
8 Participation in strategic planning	4.7	4.4	4.4	4.4	+0.9 → 5.3
10 Crisis management	-	-	-	4.9	+0.3 → 5.2
10 Volatility	4.5	4.3	4.4	4.6	+0.6 → 5.2
10 Risk management	-	-	-	4.4	+0.8 → 5.2
13 Lean planning	-	-	-	3.8	+1.3 → 5.1
13 Self service reporting	-	-	3.7	3.6	+1.5 → 5.1
15 Cash orientation	-	4.2	4.1	4.5	+0.5 → 5.0
15 Agile management	-	-	3.9	3.7	+1.3 → 5.0

Source: Schäffer/Weber (2021)

The WHU Delphi Study identified a total of nine *potential* future controller roles



Source: Schäffer/Brückner (2019)

- Machines take over many operational tasks

Trends

- Business Partnering becomes the focus of Controlling

Future

- 
- Work is more than just a "job"
 - Machines take over many operational tasks
 - Networks will dominate over functions /silos
 - Business Partnering becomes the focus of Controlling

Trends

Future

- 
- Data provides essential support for corporate management
 - Work is more than just a "job"
 - Machines take over many operational tasks
 - Controlling evolves into a data-driven decision center
 - Networks will dominate over functions /silos
 - Business Partnering becomes the focus of Controlling

Trends

Future

- 
- Strategic alignment is coming into focus
 - Data provides essential support for corporate management
 - Work is more than just a "job"
 - Machines take over many operational tasks
 - Controlling as the catalyst of innovation and business growth
 - Controlling evolves into a data-driven decision center
 - Networks will dominate over functions /silos
 - Business Partnering becomes the focus of Controlling

Trends

Future

Focus is on people

- Strategic alignment is coming into focus
- Data provides essential support for corporate management
- Work is more than just a "job"
- Machines take over many operational tasks

Trends

New Work is the path to performance-oriented working

- Controlling as the catalyst of innovation and business growth
- Controlling evolves into a data-driven decision center
- Networks will dominate over functions /silos
- Business Partnering becomes the focus of Controlling

Future

48. Congress of Controller 2024



ESG Nachhaltigkeitsreporting
ISS KI Wettbewerbsfähigkeit Europa Chat CPT

SAVE THE DATE!

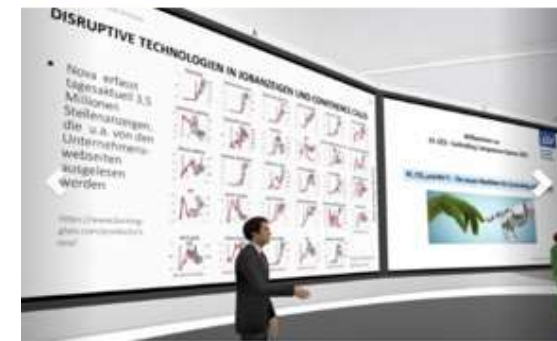
48. Congress der Controller
29./30. April 2024 in München

www.icv-controlling.com/cc

21. CCS – Controlling Competence Spaces 2024

Save the date: 11.-14. November 2024, Digital Week

Connective Avatars for modern Controlling and networking



www.icv-controlling.com/ccs

Controlling – Zukunft gestalten

17.11.2023

45

Feel free to network...



Claudia Maron,
DATEV eG