International Group of Controlling (Eds.)

Controller Competence Model

A Guideline for Modern Controller Development
with Model Competence Profiles

Preface

The *International Group of Controlling (IGC)* aims to establish an internationally supported controlling concept, to shape the occupational and role profile of a controller, and to ensure the proper quality of controlling education. In developing the Controller Dictionary, the Controller Mission Statement, the Controlling Process Model, the Controlling Process KPIs, the position paper, the DINSPEC 1086 standard and the certification of training programmes, the *IGC* has created the foundations for effective controller work and an internationally accepted controlling standard.

These publications and standards mainly defined the tasks and role of controllers as well as the elements and processes required for effective and efficient controlling in the management process of setting objectives, planning and control. The related requirements of controllers and their competences were implicitly mentioned in the *IGC* publications, particularly in the position paper; a more in-depth discussion of controller competences is still yet to be take place.

This publication closes this gap by for the first time describing a comprehensive model for competence management in the controller field. With the help of this model, controllers, HR staff and managers as well as educational institutions have a tool they can apply in practice for developing, controlling and assessing competences. We are particularly proud of this, as the role of controllers today has become highly demanding. Establishing and preserving the competences required in a targeted manner is the key to meeting the challenges ahead. This book provides orientation and guidelines.

I would like to thank all members of the „Controller Competence Model" working group as well as in particular Dr. Rita Niedermayr, editor and project leader, who initiated and coordinated this publication with immense commitment and dedication.

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Inhalt

Management Summary

In its Mission Statement, the International Group of Controlling (IGC) focuses on the controller as management partner. Beside professional and methodological competences, management partners should have a solid understanding of the business, sufficient social skills and the ability to adapt their role behaviour to the situation. In the meantime, the changing occupational and role profile has taken hold in the minds of decision-makers, not least on the basis of the *IGC's* sustained activities. But how focused are companies when it comes to managing the change in the controllers' occupational and role profile? And how do they deal with the growing and diverse requirements?

Up to now, there has not really been any in-depth discussion of controller competences in controlling and finance organisations. Competence awareness tends to be low, resulting in a significant lack of systematic dealing with controller competences. This involves personal risks that should not be underestimated: companies risk lacking the competences required for implementing their controlling and corporate strategies. Any lack of proper competence management in practice results in

- repeatedly appointing the wrong staff,
- using employees in inefficient ways,
- insufficient know-how,
- problems in the cooperation between controllers and their stakeholders,
- increasing dissatisfaction and a lack of motivation amongst staff, as well as
- above average labour turnover.

The negative effects resulting from this include unsatisfactory controller performance as well as cases of burn-out. Without systematic competence management in the controller organisation, these deficiencies can, at best, be compensated for by means of individual measures on a temporary basis. Yet it is well known that improvising requires a lot of money and effort and only leads to less than optimum results.

The IGC Controller Competence Model closes this gap and, for the first time, describes a comprehensive model for the competence management in controlling. It consists of a comprehensive hierarchical list of competences, model function profiles and, derived from this, generic model competence profiles for the following controller functions:

- Head of controlling
- Strategic controller
- Group controller
- Production controller
- Sales controller
- Personnel controller

The hierarchical list of competences is based on the Competence Atlas by Heyse/Erpenbeck and builds on the *IGC* Controlling Process Model and the Controller Mission Statement. It defines not just the basic competences for knowledge workers but also controller competences critical for success at both the process-specific level and across processes. These competences are shown in detail based on their description, the competence definition, an exaggerated depiction of the competence and the reason for its selection in a controlling context.

The list of competences is made up of 45 competences described in detail and also provides an overview of the professional knowledge relevant in the context of the *IGC* Controlling Process Model. The list of competences is a generic basis for developing competence profiles and systematically selecting and modelling controller competences that is not adapted to the context of any specific company. A major characteristic of the Controller Competence Model is its output-oriented structure. Output-oriented means that the individual controller competences are assigned to different categories depending on their contribution towards successful controller performance. Specifically, the model distinguishes between five different output categories:

- **Know-how & application:** includes competences that enable controllers to act as a kind of business management conscience while helping design the development of the company as internal consultants based on their extensive expert knowledge in corporate control and other relevant areas.
- **Leadership:** includes competences that give controllers the ability to fulfil their leadership tasks independently and play an active role in the implementation of controlling processes.
- **Customer focus:** includes competences that enable controllers to perform in a service and customer-oriented manner and be effective vis-à-vis their stakeholders.
- **Efficiency:** includes competences that help controllers to use their scarce resources rationally and to work economically.
- **Designing the future:** includes competences that enable controllers to contribute towards future-oriented business decisions and towards developing the controller field and controlling further.

The model competence profiles for the controller functions addressed in this publication are based on this structure. When developing the controller competence profiles, it was kept in mind not to include too many individual competences as this would have been confusing and needlessly complex. At the same time, the aim was to work with a well-balanced set of controller competences in all five output categories. Each of the five output categories comprises five controller competences (5×5). The profile grid of 25 controller competences makes it possible to record, evaluate, plan and control controller expertise in all its complexity and multidimensionality. All six model competence profiles are only examples and have to be adapted to the specific company context.

Through the model competence profiles the *IGC* offers controllers, HR staff, managers and educational institutions a tool that can be effectively applied in practice to develop, assess and control competences. Internally, the Controller Competence Model is a key for the personnel development of controllers, for finding the right people to fill controller functions and for the realistic organisational development in controlling. Externally it mainly provides educational institutions, including universities, with an opportunity to establish tailor-made, effective programmes beyond a one-size-fits-all approach and to generate greater benefits for customers.

It is especially the case when it comes to controllers who are positioned as expert professionals that for many learning is still simplistically seen as something which can be boiled down to the mere acquisition of knowledge, skills and qualifications. Though these learning processes are still the necessary prerequisite for education in the company, they most certainly no longer suffice given the demands of a modern occupational and role profile. What is called for today is competences such as the ability to solve practical problems in a self-organised manner. Competence-based training programmes, competence development at the workplace and individual career planning are thus becoming key factors for successful controlling.

Part I: Fundamentals and frame of reference

This publication delivers foundational work. For the first time, the topic of competence management is described in a consistent model for the controller field. It is aimed at controllers as well as personnel managers, executives, and all types of educational facilities. Its aim is to provide a tool that can be used in practice by everybody involved in the competence development for controllers.

1   Aim and structure of this publication

This publication is structured as follows: in part I, the basics of the status quo of personnel work in the controller field, competence management in general, and the IGC tools of the controller competence model are described. The core of this work is the controller competence model, the structure of which is outlined step by step. The starting point of the controller competence model is the tasks of the controllers as defined in the *IGC* process model. From this, in a first step, all competences relevant for controllers are derived and then defined and presented in more detail in a hierarchic list of competences – in analogy to the competence atlas of Heyse/Erpenbeck.[1] The hierarchic list of competences distinguishes between three levels of controller competences. Level 1 consists of non-controlling specific competences relevant for all knowledge workers. Level 2 comprises controlling-specific competences that are needed across all processes of the *IGC* controlling process model. Level 3 is made up of controlling-specific competences that are required only in individual controlling processes. In addition, the expert knowledge required for the respective controlling processes is also described.

Structure of this publication

In a second step, typical competence profiles for six selected controller functions are presented. These profiles are based on the hierarchical list of controller competences as well as on tasks and expectations for the respective controller function typically found in practice. The competence profiles presented can be adapted to the individual company situation, and readers can develop new competence profiles for other controller functions. The *IGC* aims to promote competence-based work in controller practice. Deliberations on a function-specific competence management and suggestions for decision-makers in the fields of finance and HR conclude this book.

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[1]   See Heyse/Erpenbeck, 2009, p.XIII.

Fig.1 provides an overview of the structure of this publication.

Basics and IGC Standards (I.1-4)

I

Controlling

Main Controlling Processes

Strategic Planning

Operational Planning and Budgeting

Forecasting

Cost Accounting

| Management Reporting | Setting objectives | Planning | Control |

Project and Investment Controlling

Risk Management

Function Controlling

Management Support

Enhancement of Organisation, Processes, Instruments and Systems

Concept of the Controller Competence Model (I.5)

I

Levels of the controller competence list

Knowledge work → Basic competences for knowledge workers

Business process → Controller competences across processes

Main process → Process-specific controller competences

Definition of the competences

Basic competences for knowledge workers are fundamental for the productivity in all areas of knowledge work.

Controller competences across processes are particularly critical to success for the majority of main controlling processes.

Process-specific controller competences are particularly critical to success for one or some, but not the majority of main controlling processes.

Contextualisation to the areas of knowledge work   Contextualisation to the main controlling processes

Lists of Competences & Know-how (II.1-3, Appendix)

II

Knowledge work level

Business process level

Strategic Planning

Personal Competence	Activity and Implement. oriented Competence	Socio-communicative Competence	Professional and Methodolog. Competence
• Holistic thinking • Openness to change • Delegating	• Creative drive • Inspiring others	• Consulting skills • Communicative skills • Cooperative skills • Ability to integrate	• Organisational skills • Project management • Conceptional strength • Market understanding • Process-specific professional knowledge

Model Competence Profiles (II.4)

II

Leadership		Customer focus	
Normative ethical attitude		Credibility	
Proactively inspiring others		Communicative skills	
Leading with the target in mind		Cooperative skills	
Decision-making ability		Ability to solve conflicts	
Ability to integrate		Consulting skills	

Know-how & Application	
Professional knowledge	
Analytical skills	
Ability to assess things	
Market & business knowledge	
Project management	

Efficiency		Designing the future	
Ability to withstand stress		Holistic thinking	
Consistent persistence		Openness to change	
Reliability		Creative skills	
Systematic and methodological proceeding		Ability to new things	
Organisational skills		Conceptional strength	

Key: Scaling: 1...low/5...high

Implementing Competence Management (III)

III

Hierarchical levels – **vertical**

Strategic controlling	Group controlling	Sales controlling	Personnel controlling	Production controlling	Etc.

Horizontal – Controller functions

Head

Senior

Junior

Assistant

Implications for personnel work

IV

Personnel marketing

Succession planning

Personnel recruitment

Personnel development

Controller Competences Critical to Success

Work organisation

Performance management

Fig. 1: Structure of this publication

2 Status quo of personnel work in controlling

New controller roles call for manifold competences

The International Group of Controlling's mission focuses on the management partner. The management partner should, besides expert professional and technical know-how in controlling, also have a solid understanding of the business, and he should be able to prove himself regarding the required social skills and exhibit competent role behaviour adapted to the situation. In the meantime, the mission has taken hold in the minds of decision-makers in charge of controlling, itself, not least on the basis of the *IGC's* sustained activities. Thus, today the management partner is not merely wishful thinking on the part of teachers and consultants anymore. But to what extent does this aspiration now conform to corporate reality?

To find an answer to this crucial question, it makes sense to take a close look at personnel work in the controller organisation. How focused are companies in managing the change in the controllers' occupational and role profile? How do they deal with the growing and diverse requirements? For the purpose of analysing personnel work in practice, the following studies have been used:

Studies on personnel work in the controller organisation

- The WHU Controlling Panel[2], which was conducted at the end of 2011 on the topic of „focus on the controller community". This panel consisted of 389 participants (mostly heads and managers of the controller organisation), all from the German-speaking controller community.
- The Controlling Panel of the Controller Institute[3], which in September 2013 among other things included a special section on the topic of „personnel development in controlling". 253 companies participated in this survey. The respondents were mainly CFOs, managing directors and heads of controlling.

2.1   Positive overall picture with weaknesses in soft skills

The participants in the WHU Controller Panel rated their company and their controllers regarding the extent to which these meet requirements relating to twelve specific controller competences. Overall, the answers showed a positive result. According to the self-perception of the managers of the controller field that were interviewed, controllers generally meet the requirements. Concerning controlling tools, business understanding and ability to work in teams, the controller organisation was rated way above average. Requirements as regards the ability to communicate or to convince others and leadership competence, on the other hand, came out clearly below average. The WHU Controller Panel therefore clearly shows that controllers fare better in all matters related to hard facts, i.e. tools of the trade and understanding of the business, than social skills. The survey records the lowest degree of fulfilment for leadership competence. This result does not come as a surprise as only a small percentage of controllers have formal leadership responsibilities. At the same time, however, leadership competences are becoming increasingly necessary – irrespective of a classic management function – whenever the interests of the controlling department are to be implemented optimally and cooperation

Controllers are better at professional and methodological competences than socio-communicative competences

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[2]   The WHU Controller Panel is an initiative of the Institute of Management Accounting and Control in cooperation with the International Controller Association (ICV) established in 2007.

[3]   The Controlling Panel of the Controller Institute was also set up in 2007 in cooperation with CAFIN (Česká asociace pro finanční řízení), parallel in the Czech Republic and Austria.

with other departments is to be designed effectively. The low degree of fulfilment in respect of leadership competences can thus be seen as the greatest weakness.
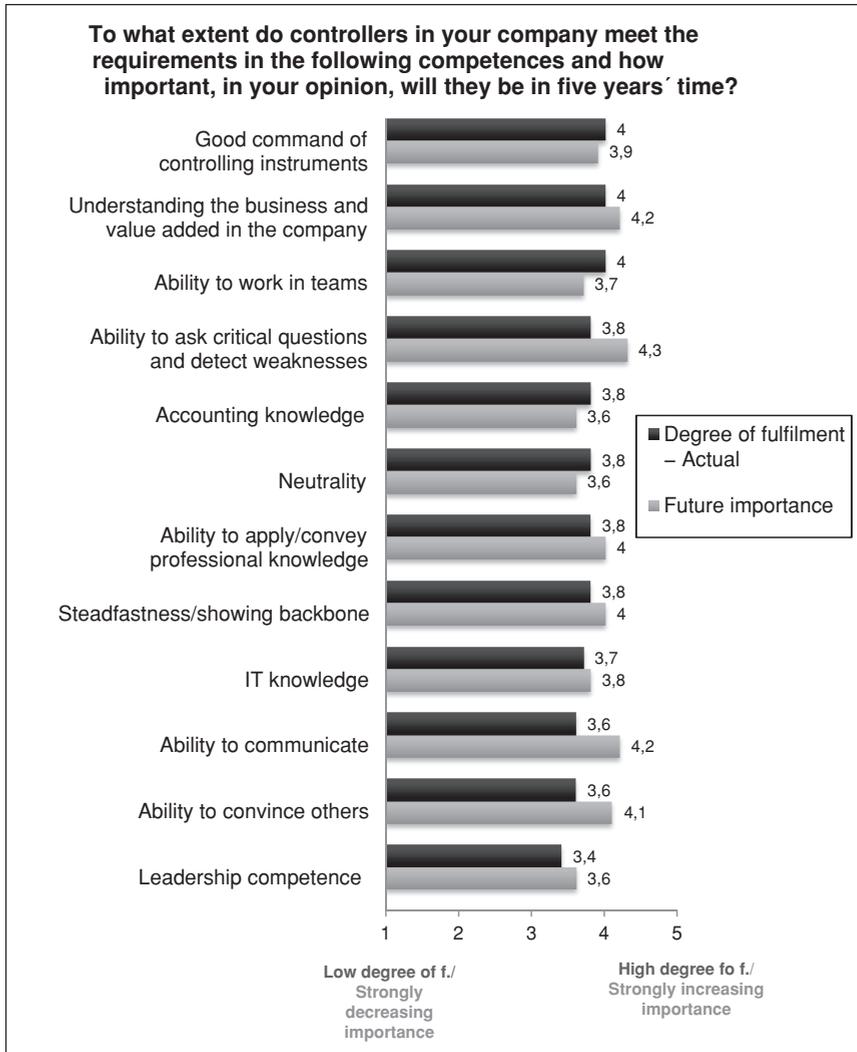
Fig. 2: Fulfilment of and change in the requirements from controller competences[4]

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[4] Taken from: Schäffer/Margolin, 2013, pp.141ff.

2.2 Changing requirements: from knowledgeable expert to competent management partner

The results further show that, in the eyes of managers responsible for controlling, overall requirements will be higher in the next five years. In their opinion, competences that will be particularly important include business understanding, the ability to critically scrutinise and detect weaknesses, as well as the ability to communicate and convince others. On the other hand, expert knowledge in IT, accounting and controlling will lose in terms of importance. At the very bottom of the list of competence requirements, with leadership competences, there are hardly any significant changes.

Increased competence requirements of controllers

The Controlling Panel of the Controller Institute comes to a similar conclusion: again, business knowledge together with competences such as proactivity, empathy and the ability to deal with conflicts are on top of the list of requirements for the next five years. They are clearly seen as much more important than professional and technological know-how. Different to the WHU Panel, leadership competences are seen as more important, though. This result can be interpreted as a sign that controllers develop into partners on the same level as the management.[5]

Controller developing into a partner for management

2.3 Scrutinising the management of controller competences

As new and higher requirements are to be expected, this also means that the systematic management of competences should gain in terms of importance. Successful companies already manage their controller competences in a more systematic manner than less successful ones. According to the WHU Panel, successful companies are better than the others at three things:

Systematic competence management as a success factor

- Competence requirements are clearly described and transparent.
- Competence requirements are tied to controllers' performance assessment.
- If necessary, the companies provide their controllers with additional support by means of focused, competence-based development measures.

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[5] The WHU Controller Panel is an initiative of the Institute of Management Accounting and Control in cooperation with the International Controller Association (ICV) established in 2007.

Controlling-specific competence requirements and expected behaviour for controllers…

rather disagree ▮ neutral ▮ rather agree

… are transparent and comprehensible.

very successful companies	13 %	25 %	63 %
less successful companies	20 %	22 %	57 %

… are directly reflected in performance assessment.

very successful companies	14 %	31 %	55 %
less successful companies	23 %	29 %	48 %

… are supported by targeted development measures if required.

very successful companies	11 %	24 %	65 %
less successful companies	23 %	33 %	44 %
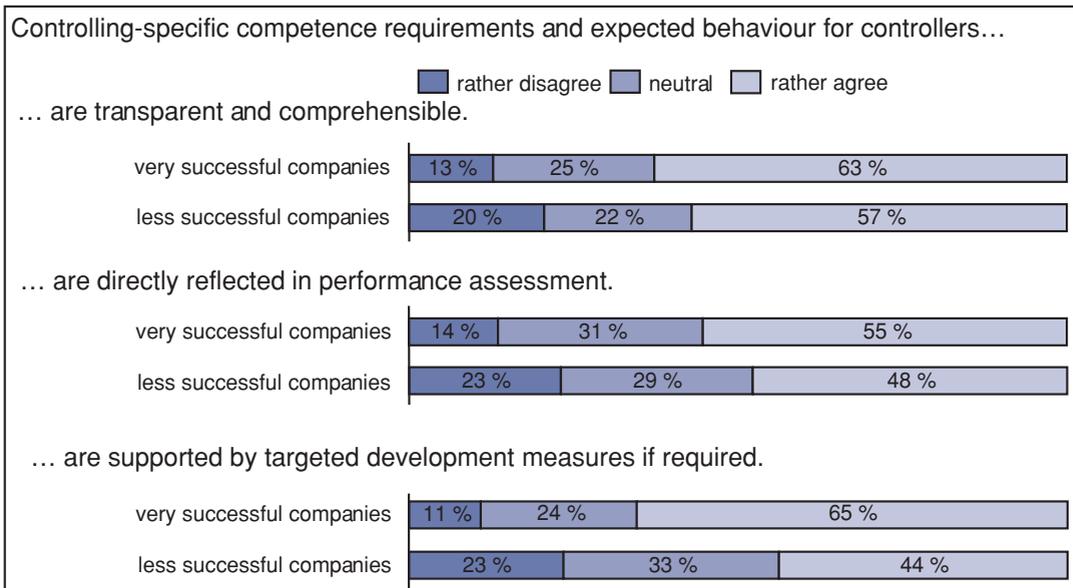
Fig. 3: Management of controller competences[6]

Insufficient implementation of systematic competence management in practice

Successful companies are also ahead of the game in the case of new approaches and instruments. This makes the combined results of the two studies all the more sobering. Fewer than half of all companies sufficiently deal with competence requirements. Function-specific competence requirements focusing on the controllers' tasks and expected behaviour are, in the majority of companies, made neither tangible nor transparent. There is also little clarity about the specific competence requirements in the individual functions and for the controller organisation as a whole. The results of the Controlling Panel also suggest that many companies do not know which competences they require in the controlling process and that the competences identified are not defined consistently. This in turn results in competences being determined by means of individual and subjective estimates, if at all, and in many cases there simply is no valid measurement.

Negative effects on the performance of controlling

There is a significant lack of systematically dealing with controller competences. The two studies referred to above support the assumption that personnel work that focuses on controller function and organisation has only been established in a few select companies. Yet as competences are a central strategic resource that, just like other potential resources, is to be built up and expanded in the long run, companies risk lacking the

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[6] Taken from: Schäffer/Margolin, 2013, pp.141ff. Similar conclusions can be found in Gleich/Gänßlen/Losbichler, 2011, pp.25ff.

competences required for implementing their controlling and corporate strategies. A lacking competence management strategy in practice results in repeatedly appointing the wrong staff, using employees in inefficient ways, insufficient know-how, problems in the cooperation between controllers and their stakeholders, increasing dissatisfaction and a lack of motivation, as well as above-average labour turnover. The negative effects resulting from this range from unsatisfactory controller performance right up to cases of burn-out. Without systematic competence management in the controller organisation, these shortcomings can at the most be temporarily compensated for by means of individual measures. Yet it is well known that improvising requires a lot of money and effort and only leads to less than optimum results.[7]

In most cases, specialist departments are responsible for managing their competences. The responsibility is mainly with the CFO or the head of controlling in cooperation with the head of HR, with the controller field primarily in charge. What is questionable is whether the CFO and the senior controllers are willing and able to attach any great importance to the issue of competences, in view of all their other professional focuses and tasks. The results rather suggest that competence management for most companies is low on their list of priorities. As the successful control of controller performance, however, today calls for more than just classic performance-measurement approaches, and absolutely requires competence management tailored to the company and its controller organisation, decision-makers are well advised to tackle this issue better as well as to recognise and make use of the opportunities involved.

Lack of awareness for competences in the controller organisation

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[7]   Klein et al., for instance, call for differentiating the competence requirements for staff selection in controlling depending on the understanding of controlling and controllers' roles, the degree of development of controlling in the company and the tasks related with this. See Klein, (ed.), 2013, pp.19ff.

Who is responsible for the controlling-specific competence management in your company?

Total	41%	21%	7%	3%	5%	23%
Non-profit	25%	42%				33%
Infrastructure	31%	26%	6%	8%		29%
Finance & Insurance	47%	13%	13%			27%
Services	46%	17%	6%	3%	8%	20%
Trade	48%	18%	5%			29%
Industry	46%	19%	10%	4%	2%	19%

■ CFO
■ Controlling (in charge) in cooperation with personnel development
■ Controlling in cooperation with personnel development (in charge)
■ Organisation department
■ IT department
■ Other

Fig. 4: CFO and senior controllers are in charge of competence management[8]

3 Foundations of competence management

3.1 The term „competence" and competence classes

Defining the term competence

For many, learning is still simplistically seen as the mere acquisition of knowledge, skills and qualifications. Though these learning processes are still the necessary prerequisite for education in the company, they most certainly do not suffice anymore given the demands of global competition.[9] What is asked for today is competences such as the ability to solve practical problems in a self-organised manner. Erpenbeck/v. Rosenstiel[10]

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[8] Taken from: Waniczek, 2013, p.80.
[9] See Kuhlmann/Sauter, 2008, p.2.
[10] See Erpenbeck/v. Rosenstiel, 2003, p.XV.

define competences in this sense as the disposition for self-organisation. They distinguish between two types of competences: competences required for self-control strategies, where the objective is known – though possibly loosely defined, and competences required for self-organisation strategies in the narrower sense, where the objective is open. The first group is dominated by professional and methodological competences, the latter by personal, socio-communicative and activity-oriented competences.
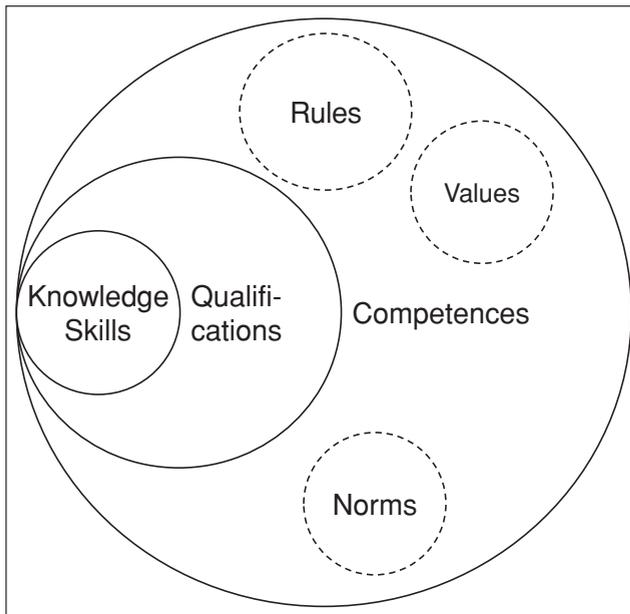
Fig. 5: Underlying definition of competence[11]

Put less scientifically, competences are basically all about shown behaviour. They are supplemented by personal orientation and motivation and so go beyond mere knowledge. Therefore, knowledge transfer differs from competence development, as competences become visible upon implementation. From an individual company's point of view, the main task is to find out which competences are critical to success. A close link to corporate strategy and values must be established. For instance, an internationally expanding company may have the objective to grow more closely together into a group. Thus it is important especially for this group to focus on competences connected with cooperation and exchange

Basic elements and composition of competences

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[11] Based on: Erpenbeck/v. Rosenstiel, 2007, p.XII.

between countries and societies.[12] Here, competences are the intersection between knowledge, inherent abilities and acquired qualifications. They are influenced by individual experience, individual values and value systems, as well as corporate values.

Competences can hence only be acquired if rules, values and norms are internalised into one's own emotions and motivations. Competences can therefore not just be „conveyed". Employees can only acquire these by processing contradictions, conflicts or insecurities in real decision situations, at work, at the customer's or also in projects, and thus develop new emotions and motivations. Competences therefore also require learning systems that align learning and working, learning and implementing more closely once more.[13]

Based on these definitions, four basic competence classes can be distinguished, and these four competence classes will also be used as the systematisation in this publication:
Competences[14] of a

- personal,
- activity and implementation-oriented,
- professional and methodological, and
- socio-communicative nature.

With personal competence aspects such as *self-reliance*, *loyalty* or *holistic thinking* are in the foreground. These are fundamental abilities that decisively shape a person and the competences ascribed to him or her. Socio-communicative competence comprises a bundle of abilities that help use one's own communicative and cooperative capabilities (e.g. *adaptability*, *communication skills*, etc.). Activity and implementation oriented competences are particularly essential. They decide whether we succeed in turning what we want into actions (e.g. *energy*, *initiative*, *inspiring others*). Professional and methodological competence comprises not only professional knowledge and its application and development, but also the ability to work based on methods.

Competence as the ability to meet challenges in a self-organised manner

Often knowledge is simply equated with competence. Yet knowledge alone never establishes the ability to act, it is just an operational prerequisite. Abilities and qualifications do result in the ability to act, but not in a creative, self-organised manner. They, too, are just operational prerequisites for real strategic competences.

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[12] See Demel, 2015, p.1.
[13] See Kuhlmann/Sauter, 2008, p.2.
[14] See Erpenbeck/v. Rosenstiel, 2003, p.XVII; see also Heyse/Erpenbeck, 2009.

The four competence classes are regularly used in theory and practice and are a good basis for systematising competences for every company. Even if in individual cases other terms or differentiations are used, this typical classification is found again and again, and is thus the basis for all instruments that can be used individually or together within a comprehensive competence management system.

3.2 Success factors of competence management

For the successful implementation of competence management in practice, various factors have to be taken into account that will be described below.

3.2.1 Establishing job families and function groups

The first success factor for introducing competence management is the establishment of job families, function families or function groups. Competence management based on job positions would be too time-consuming and would only increase complexity without delivering any added value. Thus, a higher aggregation level has to be selected. Several positions are grouped into a function group for which identical or similar competences are required. Yet function groups include not only similar competences; typically, coherent career paths are also defined for them[15] (for controller-specific function groups see Chapter II.4).

Establishing job families, function families or function groups as starting points for competence management

Additionally, within a function group an exchange or switch of positions is easily possible, which enables the company to avoid bottlenecks and offer models of job rotation.[16] One function group model involves hierarchical structuring. It takes into consideration how many hierarchical levels of function groups exist whose responsibilities are described and clearly set apart from each other for each level. For instance, in a chemical company with about 800 staff, there are four function groups with different responsibilities, which are split into employees, team leaders/foremen, department heads and area managers. This approach clearly describes how tasks change with each stage, and is suitable as the basis for planning career paths.

Hierarchical structuring as an example of building function groups

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[15] See Bröckermann, 2012, p.338.
[16] See Grote/Kauffeld/Frieling, 2012, p.50.

	Q1	Q2	Q3	Q4	Budget	Next year
Skilled technical worker	18 %	16 %	-12 %	-22 %	-27 %	-29 %
Logistics planner	9 %	13 %	12 %	-14 %	-16 %	-22 %
Engineering worker	17 %	16 %	19 %	15 %	-25 %	-33 %
Commercial clerk	15 %	15 %	12 %	-25 %	-23 %	-20 %
Reworker	0 %	9 %	8 %	0 %	-9 %	-11 %
Machinist metal worker	9 %	5 %	0 %	2 %	5 %	9 %
Quality assurer	-19 %	-18 %	-19 %	-18 %	-20 %	-21 %

Fig. 6: Simulation of capacity risk (shortfall and surplus) on a function-group basis[17]

Fig. 6 shows what a differentiation into function groups might look like in an industrial company and how personnel planning on the basis of function groups can be depicted. For each function group here, shortfalls and surpluses become visible that then form the basis for shifting people within the company or developing them into certain function groups.

3.2.2 Creating competence profiles

Deriving competence profiles based on function groups

Another success factor is competence profiles. These are developed based on function groups and typically include, besides competences across occupational fields, professional requirements. Here the intensities of the individual competences are established in a scale previously defined for the company (See Fig. 7). Figure 7 shows not only what a target profile could look like, but also how a particular employee's actual profile could be compared to his or her target profile.

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[17] See Strack./Becker, 2009, p.25-32.

Competence profile	Actual vs. target profile				
Energy	□	□	□	■	□
Initiative	□	□	■	□	■
Acting with the result in mind	□	□	■	■	□
Leading with the target in mind	□	□	□	□	■
Consistence	□	□	■	■	□
Persistence	□	□	□	■	□
Inspiring others	□	□	■	□	■
Decision-making ability	□	□	■	□	■
Creative drive	□	□	■	■	□
Ability to withstand stress	□	□	■	□	■

■ Actual profile   ■ Target profile
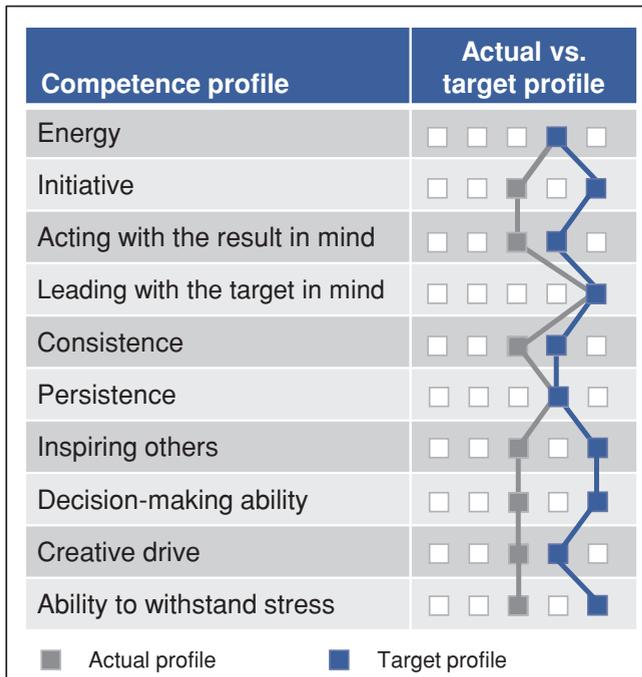
Fig. 7: Model competence profile – target profile versus actual profile

A profile is evaluated on the basis of individual competences. This means that each competence is evaluated on its own. The competences defined as necessary in advance by a company or for a job family can be structured into suitable groups or dimensions and, if required, even be shown in aggregate form.

Competence groups or classes are the combination of related individual competences in a group. For instance, the individual competences „energy", „initiative", „acting with the result in mind", etc. from Fig. 7 can be combined in the competence group „activity and implementation oriented competences".[18] How such a classification might look specifically for the function group of controllers can be seen in Chapter II.4.

In this manner, for all stages of function groups, different requirement profiles are created, which differ according to the intensity of the different competences. For example, in the hierarchical level of a senior manager, the requirement and also target profiles are more pronounced in the areas of „personal competence" and „socio-communicative competence" than those of a departmental expert, whose requirements are higher in the area of „professional and methodological competence" (see Fig. 8).

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[18] See Heyse/Erpenbeck, 2009, pp135ff.

Model competence profile	Manager vs. expert				
Personal Competence	☐	☐	■	■	☐
Activity and Implement. oriented Competences	☐	☐	☐	■	☐
Socio-communicative Competence	☐	☐	■	■	☐
Professional & Methodolog. Competence	☐	☐	☐	■	■
■ Manager			■ Departmental expert		
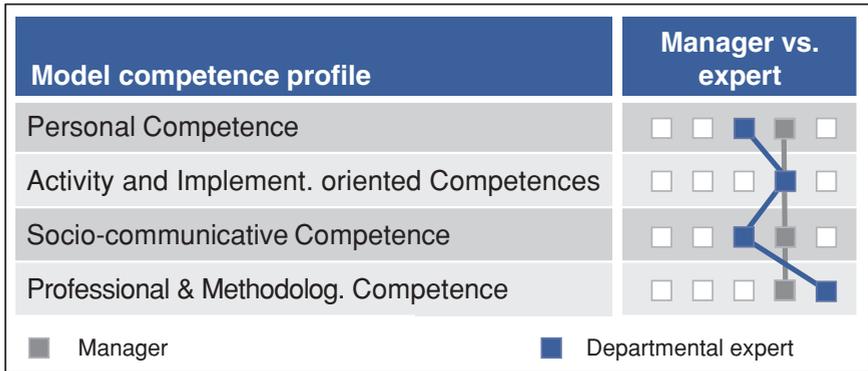
Fig. 8: Comparison of the model competence profile of a senior manager with a departmental expert

3.2.3   Support through IT systems

IT-based recording and analysis of competences

A third success factor is the support through IT systems. Various providers have developed software that supports the use of competence models. Recording the data by means of the software on the one hand ensures evaluability. Competences are systematically recorded, which improves comprehensibility and transparency. Moreover, acceptance amongst managers is furthered, who often have problems with the rather qualitative statements coming from personnel development. Finally, by using IT systems, it becomes easier to depict the profiles graphically.

Implementation into the existing IT infrastructure

When selecting an IT system, it is important to consider how to integrate it into the existing IT infrastructure. Implementing a separate system that cannot interact with existing systems is to be avoided. Failure to do so would mean user frustration going up in the long run, as they would have to jump from one system to the other in order to, say, align an evaluation under the new competence management system with a target agreement from a system already implemented. For this reason, the requirements of a competence management system should be established in advance: Should such a system only enable an evaluation or should it be connected to all personnel-strategic systems? Also, the users' affinity towards the systems should be taken into account in the selection process. A system that is too complex frightens people off and hinders acceptance – both amongst evaluators and those to be evaluated.

3.2.4   Creating a competence culture and including staff on all levels

The central requirement for successfully implementing a competence management system is the establishment of a competence culture. As all employees of the organisation are affected, this has to be implemented holistically across all levels. Openness in communication about a project creates acceptance and understanding amongst staff. In addition, a feedback culture has to be established that makes it possible to openly discuss competences and also to assess each other. Because this means a great change in behaviour for some employees, it must be seen as a process that might take longer. Only once employees find it perfectly normal to discuss competences, know-how or shortcomings can it be assumed that a competence culture has been established at all levels of the company.

Competence culture is based on a culture of open communication and feedback

3.2.5   Project focus and organisational dimension

Introducing a competence management system is a complex process extending across all departments of an organisation. Therefore it is advisable to run a pilot project in one part of the organisation. This allows gathering experience in implementing and considering suggestions for improvement before launching the competence management system throughout the organisation. It is nevertheless important to design an overall concept that fits all areas of the company to avoid the risk of creating an individual concept perfectly suitable for the pilot area that then turns out to be useless for other company departments.

Step-by-step implementation of competence management

When selecting a pilot department it is useful to choose an area that reflects the overall company well. It should thus be a department that is neither too big (and therefore too complex) nor too small so that it only represents a minor part of the organisation. Furthermore, the pilot department should consist of several hierarchical levels to make it possible to separate the levels of the job families and hence the requirements mentioned above from each other. Following a successful implementation in a pilot area, the competence management system can then, step by step, be extended to other areas.

Representative pilot project as a starting point

3.3   Application fields of competence models in personnel work

Creating competence models takes a lot of effort. Here the question arises as to what benefits they bring and in which processes of personnel work and personnel development they can be used. In a study conducted from 1999-2002 that was sponsored by the Deutsche Bundesministerium für Bildung und Forschung, it was shown that innovative, successful companies tend to base their education on competences more than

Positive effects of competence models on the bottom line

others, and so apparently manage to be successful in the market.[19] A similar correlation was identified in studies of the Fraunhofer Institute in its survey in Germany in 2012/2013 and of Scheelen AG in Germany, Austria and Switzerland in 2013. Also a study by Kienbaum from 2008 involving companies from Germany, Austria and Switzerland shows a positive correlation of competence models and the bottom line.[20]

Competence models have many application fields

More and more, employees are required to possess not just professional qualifications, but also abilities such as the fast and efficient acquisition of knowledge, flexibility towards changes and the willingness to back and promote corporate innovation. All these cannot easily be seen from certificates and references. However, it is possible to close this gap through competence management. The central application fields of competence models are presented below. For this purpose, the „life cycle" of employees in companies is taken as a frame of reference.

■ Qualitative personnel planning

When trying to answer the question of which qualifications will in the next few years – and here the range is from short to long term – be needed for corporate success, competence profiles can provide valuable support. They are designed to show the major behavioural patterns of employees and to prepare them for filling future positions even though professional requirements are rapidly becoming obsolete.

■ Recruiting

Few employee-related decisions have such a long-term effect as hiring people. On average, an employee in Germany remains with the company for 10.8 years.[21] If a person is recruited who does not „fit into" the company, this has an ongoing negative impact. Here, competence profiles can have a positive effect if, already when selecting an employee, a profile derived from the overall strategy is used for a well-founded decision to pick one or the other candidate. Only those persons with the competences required for a future position will be hired.

■ Demand-oriented further education

In an increasingly complex economic environment, professional qualifi-cations alone are often insufficient for the purpose of fulfilling one's tasks. Interdisciplinary and applied competences are constantly gaining in terms of importance. This trend is shown in the so-called „Experten-

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[19] See Kriegesmann/Schwering, 2004, pp.12-15.
[20] See Kienbaum, 2008; Scheelen AG, 2013.
[21] See Statistisches Bundesamt, Wirtschaft und Statistik, 2012, p.994.

delphi" of FU Berlin. The results, published in 2010 for the year 2020, show that the experts assume that all non-professional issues such as the abilities to solve conflicts or to work in teams will be much more important in 2020 than they were in 2010. Upon these insights, target-oriented education can, or indeed must, be developed from the company's point of view that does not just become active as a „fire fighter" to battle current bottlenecks, but is oriented towards the educational needs for long-term employee competences and provides the appropriate means. Competence models help determine the demand for further education.

■ **Strategic personnel development**

Based on competence models, besides operationally oriented education measures, strategic personnel development can also be initiated. Potentials according to competence model are surveyed, extended and fostered. Employees to be furthered in turn need the appropriate competences and have to be willing to develop and expand these. This also enables more transparent personnel development that follows clear rules. Whoever has the respective competences for (target) positions can be sponsored and promoted.

■ **Succession and career planning**

Furthermore, structured succession and career planning should be based on competences. Persons who want to appear suitable for a certain position from the company's point of view have to fit a competence grid or profile tied to this position. Thus, succession planning becomes more stringent and successful, as a better fit with the function is achieved and, at the same time, fewer subjective decisions are made. In the course of career planning, which deals with alternative career models, alternative competences can be differentiated for alternative careers. In this manner, employees with a particular set of competences can select a fitting career. For example, specialists without the leadership competence can orientate themselves on the grid for expert positions and follow a specific professional career in line with their competences.

■ **Target agreement and remuneration based on competences**

Finally, the company-internal competence model can also be put to use in remuneration matters. Improvements in the competence profile, for instance, can be rewarded by means of a performance bonus. Another option would be to lay down educational measures regarding competence-specific aspects in target agreements and take such measures into

account in remuneration. Furthermore, pay rises can be made dependent on fulfilling position-related competence profiles.

■ Letting employees go

Letting employees go, as the last step in the „life-cycle", can be tied to competence models. In this manner, competences can facilitate the company's decision in separation processes. Whoever fits the competence profiles better is more valuable for the company and runs a lower risk of being dismissed. If employees (despite education and development) strongly diverge from their position's competence profile, this can result in dismissal. An employee who has to be dismissed due to negative economic developments but who still on the other hand possesses high levels of competences, usually stands a better chance on the external labour market. Even in these fairly negatively associated processes, competences can still have a positive effect.

3.4 Instruments for measuring competences

Uniform use of instruments

One aspect connected with the development of competence models that should be considered right from the project's start is the question as to how to measure competences and what instruments might be appropriate. Every company must make decisions on the use of instruments as individual managers or personnel developers should not use their own individual instruments in order to ensure uniform measuring and evaluation.

Structured interview

Rather than list all instruments at this point, the instruments used most commonly in practice will be presented. A structured interview to evaluate competences can be used whenever the interviewer has been properly trained. In addition, a list of questions identical for all interviewees ensures uniformity. The questions in the structured interview must be put in a way that allows them to suitably check competences and their extent.

Test methods

Test methods to evaluate competences, often called personality inventories, are developed by psychologists and organisational psychologists and based on questionnaire statements about the existence and extent of competences can be made. These can be very general or tailored to the individual company. This approach is very objective, with additional self-assessment or assessment by superiors and/or experts, e.g. by personnel development staff or external experts, being a further option.

Assessment and development centres are a combination of coordinated procedures for measuring competence and can take several days. This

makes it possible to avoid blind spots and a comprehensive analysis increases the method's validity. However, training the observers is again required so they are able to properly assess the competences shown.

Finally, 360-degree feedback means that the assessment is not just made by a person who is superior in the hierarchy, but also by colleagues, customers or even people lower down in the hierarchy. As a fourth „dimension", self-assessment is also thinkable. This raises the question as to whether all persons involved are able to assess the competences properly and use the same criteria.

Competence reviews[22] are created in the course of a reflection process where the issue is the transfer of competences from outside the field of work, e.g. the family environment, to work itself. This approach intends to improve work processes by means of this transfer. What is important is mainly the obligation to transfer experiences made from the family environment to corporate decision processes.

Assessment centre for combining various instruments

Gaining differentiated perspectives by means of 360-degree feedback

Competence reviews for comprehensively recording competences

3.5 Instruments for competence development

3.5.1 Competence-based training programmes

As a standard, companies often offer traditional training that often has little or nothing to do with strategy or indeed with the competences required from employees. Here it would be useful to proceed based on competences. The internal client can thus address the problems of his or her staff in daily business or the need for changes on the behavioural level, based on the desired competences. A company-related and implemented competence model is a solid, common basis, and makes sure to a large extent that everybody speaks the same language and follows the same definitions. Orientating a seminar programme towards company-internal competences makes sense for everybody involved and certainly makes training measures more successful.

3.5.2 Competence development at the workplace

Increasingly educational measures take the form of training on the job as successful learning, and particularly transfer, is significantly easier to achieve. In this sense, competence development in the company closely related to work can be used besides traditional seminar programmes. Competences are practised directly at work, establishing a direct link to work. The usual seminar feel is replaced by a separate world with a direct connection to one's task. Here the argument that what is learnt in seminars cannot be practically applied becomes invalid.

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[22] See Erpenbeck/v. Rosenstiel, 2003, pp.337ff.

3.5.3   Individual career planning

In personnel development in the sense of the personal development of employees, it is suggested to couple this with individual career planning. While above the integration of the Competence Model into abstract career planning was discussed, here the focus is on the individual level. For the individual employees, existing competences and competences required for target positions can be established in development plans. On this basis, training measures can be determined off-the-job and on-the-job, or also while participating in a project or a coaching.

4   IGC instruments as starting points for controller competences

Controller competence model as the new IGC standard

With the Controller Dictionary, the Controller Mission Statement, the Controlling Process Model and the accompanying Process KPIs, DINSPEC 1086 and the position paper, the International Group of Controlling (*IGC*) in the last few years has established important foundations for effective controller work and an internationally accepted controlling standard. The Controller Competence Model builds upon these standards, expands them and so closes the gap for the effective development and measurement of controller competences. Fig. 9 shows the overall architecture of the *IGC* standards and the connecting points between existing standards and the Controller Competence Model.

Controller competence model supplements the Controlling Dictionary

Over many years, the *IGC* has developed its standards step by step, following a clear logic, so that these build on one another. The foundation of an internationally established controlling concept is clear, unambiguous terms, which in 1998 were officially defined for the first time in the Controller Dictionary. Although the Controller Dictionary has been expanded gradually and now is in its 4th edition, it still focuses on specialist controlling terminology. The term „competence" only occurs in the context of a company's core competence, but not in the context of controller competences. This book thus broadens the scope of the Controller Dictionary.

Publication	Questions dealt with
Controller Dictionary (1998, 2010)	What are important controlling terms? How do we use controlling vocabulary consistently?
Controller Mission Statement (1996, 2013)	How should controllers strategically position themselves? What is the fundamental role of controllers? What core tasks and behaviour are connected with this?
DINSPEC 1086 Controlling Position Paper (2009, 2012)	What are the specifics of the German-speaking controlling approach?
Controlling Process Model (2011)	What processes are included in controlling? What tasks are derived from them? How can these processes be coordinated efficiently?
Controlling Process KPIs (2013)	How does controller performance evolve in the context of the process model? How can controller performance be measured and controlled?
Controller Competence Model (2015)	What competences must controllers have to fulfil their tasks at high quality and to the stakeholders' satisfaction?

Fig. 9: Embedding the Controller Competence Model in the overall architecture of the IGC standards

The *IGC* distinguishes between the terms „controller" and „controlling". Controlling refers to the process of setting objectives, planning and control in a company, where mangers and controllers work together. Controllers play a special part in this process and fulfil essential tasks. The roles and major tasks of controllers were first defined in 1996 in the Controller Mission Statement, and in the updated version of 2013 look as follows: As partners of management, controllers make a significant contribution to the sustainable success of the organisation. They

The Controller Mission Statement provides general orientation for the Controller Competence Model

- design and accompany the management process of defining goals, planning and management control, so that every decision-maker can act in accordance with agreed objectives,
- secure the conscious preoccupation with the future and thus make it possible to take advantage of opportunities and manage frisks,
- integrate an organisation's goals and plans into a cohesive whole,
- develop and maintain all controlling systems. They ensure the quality of data and provide decision-relevant information,
- are the business conscience and thus committed to the good of the organisation as a whole.

This mission statement defines the fundamental role of the controller and provides important orientation for controllers and managers alike. At the same time it cannot fully cover the complexity of the design of specific controller functions in a multitude of companies. In practice there is no such thing as „the" controller, but rather a variety of controller functions (head of the controller organisation, sales controller, etc.). In addition, the concrete role of the controllers is decisively influenced by the respective company's environment.

The Controlling Process Model as structural foundation for the Controller Competence Model

The Controller Competence Model presented here is based on the role of the controller as defined in the Mission Statement. In contrast to the Mission Statement, the Controller Competence Model does not intend to provide general orientation, but rather specific support for competence development in given controller functions. The competences required in a specific controller function are determined not just by the general role but also by the specific tasks. These were described in the *IGC* Controlling Process Model in 2011, which gives a framework for the temporal and functional structuring of controlling activities. It structures controlling into ten main controlling processes (see Fig. 10).

Structure of the IGC Controller Competence Model

The main controlling processes are sub-divided into sub-processes, and in turn these are differentiated into individual activities. It defines coordinated process objectives, content, required inputs and intended effects for the individual controlling processes. It hence becomes a „blueprint" for the basic structuring of controlling activities and a guideline for the effective design of the cooperation between managers and controllers in the process of setting objectives, planning and control.

Controlling

Main Controlling Processes

- Strategic Planning
- Operational Planning and Budgeting
- Forecasting
- Cost Accounting
- Management Reporting
- Project and Investment Controlling
- Risk Management
- Function Controlling
- Management Support
- Enhancement of Organisation, Processes, Instruments and Systems

Setting objectives Planning Control
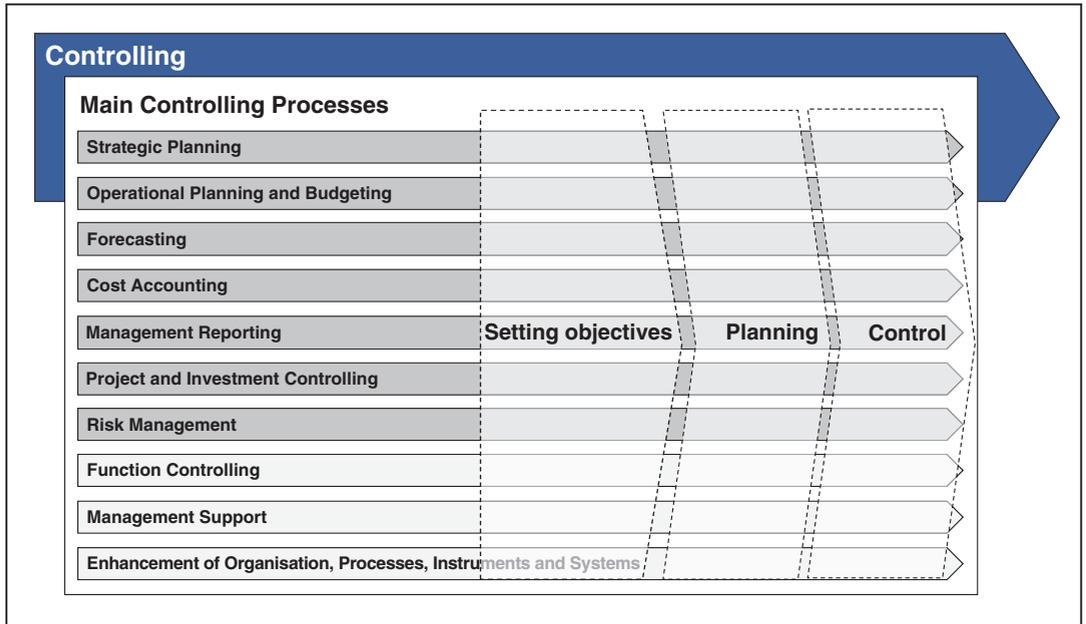
Fig. 10: Controlling Process Model of the International Group of Controlling[23]

The Controller Competence Model builds upon the level of the main controlling processes. From the process objectives and content described in the Process Model for all main processes the respective competences critical to success for controllers are selected from a comprehensive list of controller competences. The Controlling Process Model defines the process organisation, i.e. the objectives and content of the controlling processes, without allocating these to the managers and controllers in general or to individual controller functions. The Controlling Process Model therefore does not depend on a company's size or industry or the specific organisational structure and can be generally applied. When it comes to determining the controller competences critical to success, however, knowing the actual tasks in a specific controller function is a requirement. Instead of expanding the process model, this publication selects typical controller functions and defines their function profiles. The advantage of this is that it is still possible to make use of a generally applicable process model (e.g.: „In which steps can a budget be prepared efficiently?") and at the same time to identify controller competences for specific functions and different situations in the company. In contrast to the Controller Dictionary, the Controller Mission Statement and the Controlling Process Model, the Controller Competence Model does not

Activities of the Controlling Process Model as the basis for controller competences

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[23] Taken from IGC, 2011, pp.16ff.

claim to be universally valid. Rather, it is a tool that can be applied to the specific company situation.

The Controller Competence Model closes a major gap in the standards so far. While these standards were primarily concerned with „what" there was to do, the Competence Model tries to derive the requirements and necessary competences arising from this. The Controller Competence Model answers the following important questions:

- Which competences are generally important for controllers?
- Which competences are critical to the success of typical controller functions?
- Which competences are critical to the success of a specific function in a specific company? To what extent do these actually exist? Thus, what need for the development of these is there?

Company-internally, this is therefore the key for personnel development of controllers, for finding the right personnel to fill controller functions and for realistic organisational development in the controller field. Externally it mainly provides educational institutions, including universities, with an opportunity to establish tailor-made, effective programmes beyond a one-size-fits-all approach and to generate greater benefits for customers.

5 The Controller Competence Model

The generic Competence Model consists of the following three central elements:

- hierarchical list of competences,
- model function profiles for selected controller functions, and
- model competence profiles for the selected controller functions.

The hierarchical list of competences defines both basic competences for knowledge workers and controller competences critical to success both across processes and on a process-specific level. In the list of competences, these competences are presented in detail using an explanation, a description of the competence term, a competence exaggeration and the reason for their selection in a controlling context. Besides the description of the competences there is also a comprehensive description of the professional knowledge required, as this is an absolute prerequisite for professional competence. **Fig. 11** provides an overview of the central elements of the *IGC* Controller Competence Model.
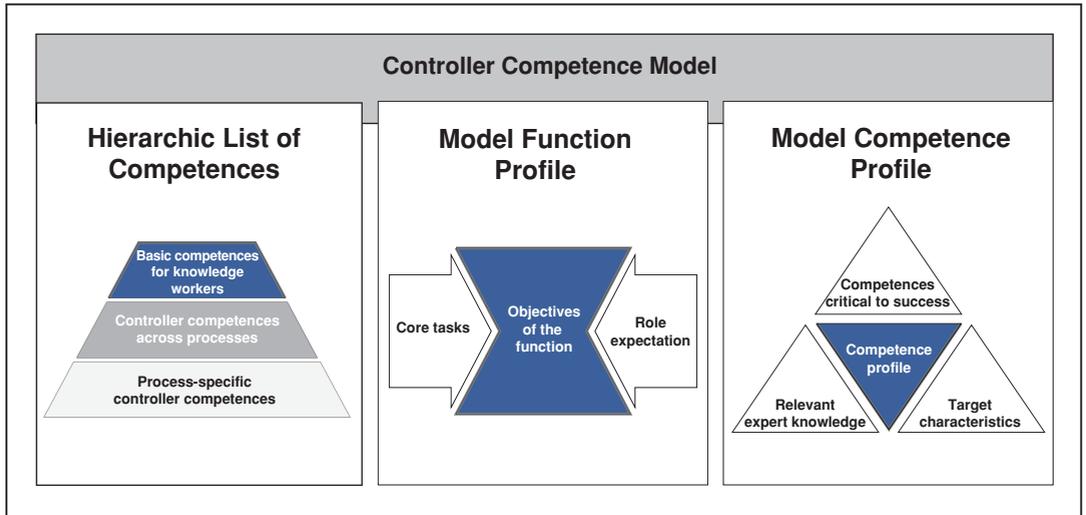
Fig. 11: Elements of the IGC Controller Competence Model

5.1 Hierarchical list of controller competences

The list of competences defines controller competences critical to success on both a process-specific level and across processes. It both sets apart controller competences across processes from other areas of knowledge work and specifies the controller competences on a process-specific level. Based on the process-specific controller competences, competence profiles for various controller function groups and also individual controller positions can then be derived.

Benefits of the list of controller competences

The conceptual basis of the controller list of competences is the understanding of controlling according to the Controller Mission Statement, the Controlling Process Model[24] of *IGC* (see Chapter I.4., pp.35ff.) and the competence atlas of *Heyse and Erpenbeck*. The competence atlas consists of 64 basic competences that can be allocated to different dimensions (see Fig. 12).

Foundation of the list of controller competences

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[24] See IGC, 2011, p.16ff.

Personal Competence

P		P/A	
Loyalty	Normative ethical attitude	Readiness for action	Self-management
Credibility	Self-reliance	Creative skills	Openness to change

P/S		P/F	
Humour	Helpfulness	Readiness to learn	Holistic thinking
Personnel development	Delegating	Discipline	Reliability

Activity and Implementation oriented Competences

A/P		A	
Decision-making ability	Creative drive	Energy	Mobility
Ability to try new things	Ability to withstand stress	Ability to act/execute	Initiative

A/S		A/F	
Optimism	Social commitment	Acting with the result in mind	Leading with the target in mind
Inspiring others	Ready wit	Persistence	Consistence

S/P		S/A	
Ability to solve conflicts	Ability to integrate	Acquisition skills	Ability to solve problems
Ability to work in a team	Dialogue ability/Customer orientation	Willingness to experiment	Consulting skills

S		S/F	
Communicative skills	Cooperative skills	Articulateness	Ability to understand others' perspectives
Relationship management	Adaptability	Sense of duty	Preciseness

F/P		F/A	
Focus on knowledge	Analytical skills	Conceptional strength	Organisational skills
Objectiveness	Ability to assess things	Diligence	Systematic-methodolog. proceeding

F/S		F	
Project management	Awareness of results	Professional knowledge	Market knowledge
Ability to teach	Professional reputation	Planning behaviour	Interdisciplin. knowledge

Socio-communicative Competence

Professional and Methodological Competence

Fig. 12: Competence atlas by Heyse/Erpenbeck[25]

Structure of the list of controller competences

The Controller Mission Statement and the Controlling Process Model of *IGC* as well as the competence atlas are reflected in the structure of the list of controller competences. The list of competences consists of three hierarchically ordered levels, where the competences of a higher level are also relevant for the lower levels (see Fig. 13).

5.1.1 Levels of the list of competences

Knowledge work level

On the knowledge work level, competences can be found that are relevant for all areas of knowledge work – hence also for controllers. The basic competences for knowledge workers can be seen as fundamental to their productivity. They thus do not contribute to the differentiation of a controller-specific competence model, but instead are seen as required for effectively and efficiently doing knowledge work. By taking into account the basic competences for knowledge workers on a higher level, the

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[25] Taken from: Heyse/Erpenbeck, 2009, p.XIII.

controller competences across processes are set apart from other areas of knowledge work, which fulfils a central requirement which the Controller Competence Model is supposed to meet.
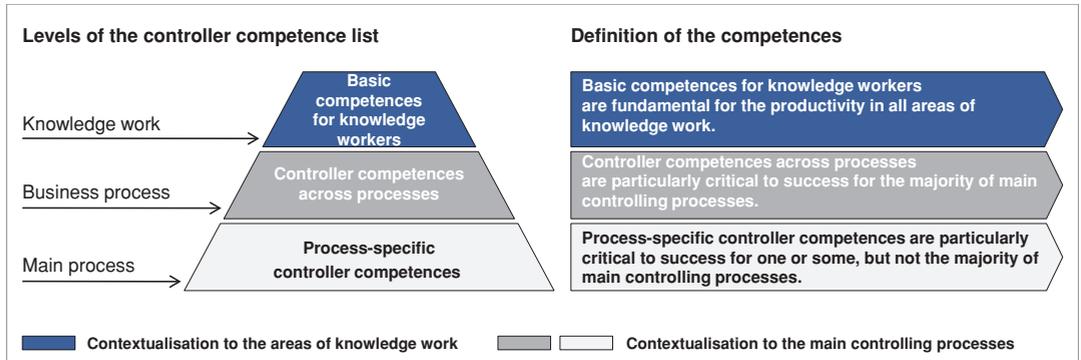
Fig. 13: Levels of the list of controller competences

The business process level comprises competences that are particularly critical to success for all or the majority of the main controlling processes – such as the competences Inspiring others or Analytical skills. While the basic competences on the knowledge work level include all areas of knowledge work, the controller competences across processes relate to competences whose area of application is limited to the area of controlling. Thus it is not important whether the competence is generally relevant for other areas of knowledge work; what is decisive is the critical contribution to success of the competence regarding the majority of the main controlling processes or the *IGC* Controller Mission Statement. For this reason, competences across processes may contain both competences that are relevant or irrelevant for other areas of knowledge work. This definition makes it possible not only to set apart competences across positions and controller-specific competences, but also to take into account controller competences across processes that are not relevant for other areas of knowledge work.

Business process level

The main process level allocates controller competences critical to success to the various main controlling processes. The process-specific competences differ from controller competences across processes in that they are particularly critical to success for only one or a few, but not the majority of the main controlling processes. This ensures that when the level of detail of the list of competences is increased, the competence requirement on the main process level is refined even further.

Main process level

41

5.1.2 Foundation of the controller competences

Methodical
competence
derivation

The derivation of competences is based on the 64 competences of the competence atlas compiled by *Heyse and Erpenbeck*. These have been adapted to the controller field. Methodologically, the controller competences critical to success have been allocated to the various main controlling processes according to the following three-stage process.

1 Deriving the competences from controlling activities on the sub-process level	2 Aggregating the competences on the main process level	3 Selecting competences across processes critical to success
Identifying the relevant competences for each sub-process	Identifying the relevant competences for each main process	Identifying the process-specific controller competences critical to success

Fig. 14: Methodological proceeding in deriving competences

Deriving
competences on
the sub-process
level

In the first stage, the relevant controlling activities for each sub-process of the main controlling processes are first defined. Once these controlling activities are known, the required competences for each controlling activity are derived. The result of the first stage is therefore the identification of all relevant competences for each sub-process. Fig. 15 shows the competence matrix for the main controlling process „Enhancement of Organisation, Processes, Instruments and Systems" on the level of sub-processes.

Aggregation and
concentration
into controller
competences
critical to success
on the main
process level

The second stage continues from there and aggregates the relevant competences of the sub-processes to the higher, main process level. As a result of the second stage, the relevant competences for each main controlling process can be identified. The third stage condenses these relevant competences for each main controlling process by selecting the controller competences critical to success for each main controlling process. Critical to success are all those relevant competences for each main controlling process that are particularly relevant for core tasks of the main process, which once again leads to a reduction in the number of competences.

Dimensions/ Sub-processes	Personal Competence	Activity and Imple- mentation oriented Competences	Socio-communicative Competence	Professional and Methodological Competence
Checking controlling quality	▪ Creative skills ▪ Holistic thinking	▪ Only abilities across job positions	▪ Only abilities across job positions	▪ Ability to assess things ▪ Syst. meth. proceed. ▪ Analytical skills
Permanently developing controlling	▪ Creative skills ▪ Openness to change ▪ Credibility	▪ Ability to try new things ▪ Creative drive ▪ Inspiring others ▪ Persist. & Consistence	▪ Willingness to experiment ▪ Ability to integrate ▪ Ability to understand others' perspectives	▪ Syst. meth. proceed. ▪ Project management ▪ Conceptional strength
Organising the interaction of controller levels	▪ Holistic thinking	▪ Only abilities across job positions	▪ Willingness to experiment	▪ Only abilities across job positions
Working out and documenting guidelines and standards	▪ Creative skills ▪ Holistic thinking	▪ Only abilities across job positions	▪ Dialogue ability & Customer orientation	▪ Conceptional strength ▪ Systematic methodological proceeding
Conveying and documenting knowledge about changes	▪ Creative skills	▪ Only abilities across job positions	▪ Dialogue ability & Customer orientation	▪ Conceptional strength ▪ Syst. meth. proceed.

Fig. 15: Phase 1 – example of a competence matrix on the sub-process level for the main process Enhancement of Organisation, Processes, Instruments and Systems

Knowledge work level

Business process level

Enhancement of Organisation, Processes, Instruments & Systems

Personal Competence	Activity and Implement. oriented Competences	Socio-communicative Competence	Professional and Methodolog. Competence
▪ Holistic thinking ▪ Openness to change ▪ Creative skills	▪ Creative drive ▪ Inspiring others ▪ Ability to try new things	▪ Ability to understand others' perspectives ▪ Ability to integrate ▪ Willingness to experiment	▪ Ability to assess things ▪ Conceptional strength ▪ Project management ▪ Process-specific professional knowledge

Fig. 16: Phase 2 – examples of competences critical for success on the main process level

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Anchoring the competences based on the controlling activities on the one hand enables the individual description of the competences, which makes it possible to transform general into controller-specific competences. On the other hand, this well-founded derivation of competences is a measure to ensure quality control in creating the generic list of controller competences.

5.1.3   Describing and classifying controller competences

Preparing the competence descriptions

Apart from allocating the competences to the controlling business process and the various main controlling processes, the list of competences also describes the controller competences in detail. This is necessary to limit the subjective room for interpretation and to establish a common understanding. The level of detail in describing the competences depends of the level of the list of competences. While the basic competences for knowledge workers are described only very generally, on the levels of competences across processes and the process-specific competences, competences are described process-specifically, and so the generally formulated competences of the competence atlas are transformed into specific controller competences. Operationalising the controller competences across processes and the process-specific competences provides concrete starting points for personnel work in the controller field and thus becomes the basis for deriving competence profiles for different controller positions.

Output-oriented classification

Besides the classification of controller competences according to competence dimension, on the business and main process levels an output-oriented structuring of controller competences takes place. Output-oriented means that the individual controller competences are assigned to different categories depending on their contribution towards successful controller performance. Specifically, the model distinguishes between five different output categories:

- **Know-how & Application:** includes competences that enable controllers to act as a kind of business management conscience while helping design the development of the company as internal consultants based on their extensive expert knowledge in corporate control and other relevant areas.
- **Leadership:** includes competences that give controllers the ability to fulfil their leadership tasks independently and play an active role in the implementation of controlling processes.
- **Customer focus:** includes competences that enable controllers to perform in a service and customer-oriented manner and be effective vis-à-vis their stakeholders.

- **Efficiency:** includes competences that help controllers to use their scarce resources rationally and to work economically.
- **Designing the future:** includes competences that enable controllers to contribute towards future-oriented business decisions and towards developing the controller field and controlling further.

As for controllers, compared to other knowledge workers, professional and methodological competence plays a very important role, and this dimension has been taken into account in greater detail, particularly with regard to the professional knowledge required from controllers when deriving the list of controller competences. Controllers' professional knowledge was taken into consideration as one of the 64 competences of the competence atlas (see competence „Relevant professional knowledge", p.41) both across processes and process-specifically on the level of the main controlling processes of the IGC Controlling Process Model. In this context, fields of knowledge relevant for the ten main controlling processes were identified and the required professional knowledge described in detail. Controllers' professional knowledge has thus become a particularly important element of the *IGC's* list of competences.

Process-specific professional knowledge and professional knowledge across processes

The list of competences is made up of 45 knowledge worker and controller competences described in detail and also provides an overview of the professional knowledge relevant in the context of the *IGC* Process Model. The list of competences is thus a generic basis for developing competence profiles and systematically selecting controller competences that is not adapted to the context of any specific company.

5.2   Model function and competence profiles

The model competence profiles are the third central element of the *IGC* Competence Model. For the creation of the generic competence profiles, in a second step, selected function groups in controlling were defined on the basis of a uniform grid, for which competences were then to be derived (see model function profiles, pp.109ff.). Specifically, the *IGC* used the following function groups commonly found in practice:

Selecting the function groups

- Head of controlling
- Strategic controller
- Group controller
- Production controller
- Sales controller
- Personnel controller

The relevant competences for each of these functions can be derived by means of the list of controller competences. In addition to the competences relevant for all controller functions, which include the basic competences for knowledge workers and the controller competences across processes, the list of controller competences is also used to derive function-specific competences.

For this purpose, in a first step, all main controlling processes critical to success for a function group are defined. In a second step, the controller competences critical to success of a specific function are derived from these main controlling processes. The degree of relevance of the controller competence for the function is determined depending on how critical to success the controller competences for the function are judged to be.

Leadership		Customer focus	
Normative ethical attitude	☐ ☐ ☐ ☐ ☐	Credibility	☐ ☐ ☐ ☐ ☐
Proactively inspiring others	☐ ☐ ☐ ☐ ☐	Communicative skills	☐ ☐ ☐ ☐ ☐
Leading with…/Delegating	☐ ☐ ☐ ☐ ☐	Cooperative skills	☐ ☐ ☐ ☐ ☐
Etc.	☐ ☐ ☐ ☐ ☐	Etc.	☐ ☐ ☐ ☐ ☐

Know-how & Application	
Professional knowledge	☐ ☐ ☐ ☐ ☐
Analytical skills	☐ ☐ ☐ ☐ ☐
Ability to assess things	☐ ☐ ☐ ☐ ☐
Etc.	☐ ☐ ☐ ☐ ☐

Efficiency		Designing the future	
Ability to withstand stress	☐ ☐ ☐ ☐ ☐	Holistic thinking	☐ ☐ ☐ ☐ ☐
Consistent/Persistence	☐ ☐ ☐ ☐ ☐	Openness to change	☐ ☐ ☐ ☐ ☐
Reliability	☐ ☐ ☐ ☐ ☐	Creative skills	☐ ☐ ☐ ☐ ☐
Etc.	☐ ☐ ☐ ☐ ☐	Etc.	☐ ☐ ☐ ☐ ☐

Fig. 17: Output-oriented grid of the list of controller competences

The degree of relevance and the target value of the competence are the criteria for specifying competence profiles. Depending on the respective case, the result is various model competence profiles for each function (e.g. model competence profile Strategic Controller in Chapter II.4., pp.129ff.). Therefore, the model competence profiles also have an exemplary character and show one way to apply the list of controller competences.

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Part II: Controller competences critical to success

The second part of the publication takes a detailed look at the business process and main process level controller competences critical to success, differentiating them from the knowledge workers' basic competences. In addition, a description of controller competences across processes and process-specific controller competences is provided. The derivation of model competence profiles for common controller positions concludes this part.

1 Knowledge worker level

Knowledge work means activities intended to generate immaterial value by processing information through use of cognitive facilities.[1] Since controlling is fundamentally about processing business information, controllers can also be considered knowledge workers. By designating controllers' knowledge workers, the basic competences for knowledge workers have also become relevant for controllers.

Controllers as knowledge workers

In order to productively conduct knowledge work, workers must be able to define their tasks by themselves, work autonomously, create innovative impulses, continuously expand their knowledge, display high-quality performance, and work efficiently as part of a team.[2] These diverse requirements demand comprehensive self-organisational skills, including the capability for context-specific use of knowledge and qualifications. In the context of knowledge work, self-organised learning, structuring and assessing fields of knowledge, organising productive collaboration, intelligent use of communications media, as well as awareness and self organisation are considered particularly relevant competences.[3]

Competences of knowledge workers

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[1] See North/Güldenberg, 2008, p.21.
[2] See Drucker, 1999, p.79-94.
[3] See North/Güldenberg, 2008, p.156 and p.251ff.

1.1 Allocation of basic competences for knowledge workers

Competences of
knowledge
workers include
all competence
classes

The complex challenges and the resulting competence requriements knowledge workers face affect all classes of the competence atlas. While the competences of self organisation and goal-oriented learning can be allocated to the personal and activity-oriented competence classes, the organisation of productive collaboration and structuring of fields of knowledge reflect socio-communicative and professional and methodical basic competences. Since the competence requirements for knowledge workers include the four basic competences, all competence classes in the competence atlas are relevant for the following allocation of basic competences for knowledge workers.

Derivation of
basic
competences for
knowledge
workers

On this level of the controller competence atlas, the focus lies on the identification of basic competences for knowledge workers. For that reason the competence atlas's 64 competences have been examined for their basic relevance for knowledge workers. The above-mentioned productivity criteria for knowledge work of *Drucker*[4] and *North* and *Güldenberg*[5] have been used as criteria for evaluating the competences' relevance. A competence is considered a basic competence for knowledge workers when it contributes to the fulfilment of at least one productivity criterion in knowledge work. Fig. 18 shows the relevant basic competences for knowledge workers sorted by competence classes.

Knowledge work level			
Personal Competence	**Activity and Implement. oriented Competences**	**Socio-communicative Competence**	**Professional and Methodolog. Competence**
▪ Self-reliance ▪ Readiness for action ▪ Self-management ▪ Readiness to learn	▪ Energy ▪ Initiative ▪ Acting with the result in mind	▪ Sense of duty ▪ Preciseness ▪ Ability to work in a team ▪ Ability to solve problems	▪ Diligence ▪ Focus on knowledge

Fig. 18: Basic competences for knowledge workers by competence class

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4   Drucker, 1999, p.79-94.
5   North/Güldenberg, 2008, p.44.

The overview of basic competences for knowledge workers shows that a knowledge worker needs competences from all classes in order to fulfil the diverse productivity criteria of knowledge work. For instance, *self-reliance*, *self-management* and *energy* are required for defining tasks autonomously and working independently. A high level of *readiness for action*, *preciseness* and *diligence* ensures that knowledge workers display high-quality performance.

1.2   Description of basic competences for knowledge workers

Because the basic competences for knowledge workers are relevant not only for controllers but also for all other knowledge workers, these competences are described on a general level without putting them in a controller-specific context. The explanation of basic competences for knowledge workers is done based on *Heyse* and *Erpenbeck's* competence atlas; the competence is detailed, the competence characteristics defined, and a negative-oriented exaggeration of competence expressed.[6]

The explanation of the corresponding basic competence for knowledge workers serves as a general explanation for the competence. The competence characteristics list examples of behaviours accompanying the competence; and the exaggeration of competence demonstrates negative aspects associated with exerting this competence in an exaggerated fashion.

Subsequently, the detailed description of the basic competence *self-reliance* is shown as an example. The explanations of the other basic competences for knowledge workers can be found in the competence atlas in the publication's appendix (see pp. 169ff.).

Self-reliance (P; K)	Ability to act responsibly
Explanation: Self-reliance is the ability to use one's personal freedom of action and the according realisation of one's sense of responsibility. Identification with the value requirements associated with the personal work environment plays a key role in this.	

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[6]   See Heyse/Erpenbeck, 2008, pp.156 and 251ff.

Self-reliance (P; K)	Ability to act responsibly
Competence characteristics: • Identifies with values that are beyond economic goals and which are important for the organisation and his personal work. • Takes responsibility for his own actions and evaluates it according to his own personal values. • Takes responsibility for the employees and the organisation. • Works diligently, meticulously, and prudently within the scope of his freedom of action.	
Exaggeration of competence: Assigns too much importance to his own work; is overly ambitious and pedantic.	
Key: P: Personal competence. K: Knowledge worker competence	

Fig. 19: *Self-reliance* as basic competence for knowledge workers[7]

2 Business process level

On the business process level, competences are contextualised to encompass the controller function as a whole. Thus, the focus no longer lies on a competence's general contribution to productivity in the area of knowledge work, but rather on that competence's potential for contributing to the successful performance of controller tasks.

2.1 Allocation of controller competences across processes

Derivation of controller competences across processes

On this level of the controller competence atlas the controller competences across processes are derived. By definition, these include the competences that are particularly critical to success for the majority of main controlling processes. Therefore, controller competences across processes can, on the one hand, be derived directly from the controller competence atlas's subordinate main process level by classifying all controller competences particularly critical to success for the majority of main controlling processes as controller competences across processes. On the other hand, controller competences across processes can be derived from basic competences for knowledge workers if they are particularly critical to success and are contextualised with regard to controlling.

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[7] Based on North/Güldenberg, 2010, p.129.

Analogous to the level of knowledge workers, controller competences across processes can also be grouped according to the competence classes of *Heyse* and *Erpenbeck*. In total, 16 different controller competences have been identified that are critical to success for the majority of main controlling processes. In Fig. 20, the controller competences across processes are shown and associated with competence classes.

Knowledge work level			
Business process level			
Personal Competence	Activity and Implement. oriented Competences	Socio-communicative Competence	Professional and Methodolog. Competence
▪ Credibility ▪ Reliability ▪ Normative ethical attitude ▪ Holistic thinking	▪ Consistence ▪ Persistence ▪ Ability to withstand stress ▪ Inspiring others ▪ Leading with the target in mind	▪ Dialogue ability/ Customer orientation ▪ Consulting skills	▪ Analytical skills ▪ Systematic and methodolog. proceeding ▪ Ability to assess things ▪ Business understanding ▪ Professional knowledge across processes

Fig. 20: Controller competences across processes by competence class

After the controller competences are structured into the basic competence classes, they are subdivided by output orientation. This entails allocating them to an area of application according to their contribution to success – know-how and application, leadership, customer focus, efficiency, or designing the future.

Output-oriented classification

The output-oriented classification allows the identification of structural deficits in the area of controller competences with regard to central areas of controlling application. Fig. 21 provides an overview of the output-oriented classification of controller competences across processes.

Leadership		Customer focus	
▪ Normative ethical attitude			▪ Credibility
▪ Inspiring others			▪ Dialogue ability/ Customer orientation
▪ Leading with the target in mind			▪ Consulting skills

Know-how & Application
- ▪ Analytical skills
- ▪ Systematic and methodological proceeding
- ▪ Ability to assess things
- ▪ Business understanding
- ▪ Professional knowledge across processes

Efficiency		Designing the future	
▪ Reliability			▪ Holistic thinking
▪ Consistence			
▪ Persistence			
▪ Ability to withstand stress			

Fig. 21: Controller competences across processes by output category

2.2   Description of controller competences across processes

Controller competences across processes are contextualised with regard to the area of controlling

Unlike the basic competences for knowledge workers, the controller competences across processes possess a specific association with controlling. Therefore, the description of the controller competences across processes uses them in the context of controlling. Contextualisation enables moving beyond the general level of basic competences for knowledge workers when describing the controller competences across processes. Apart from describing the competence, the competence characteristics and the exaggeration of competence, the reason for selecting the particular competence in the context of controlling is explained.

Exemplary competence description and scaling of the know-how catalogue

Analogous to the description of the basic competence for knowledge workers, the explanation serves as a general explanation for the competence. The competence characteristics list examples of behaviours accompanying it; and the exaggeration of competence demonstrates negative aspects associated with exerting this competence in an exaggerated fashion. In addition, the reason for selecting the competence is explained using a controlling-specific example. Subsequently, a detailed description of the controller competence across processes *Inspiring others*, including a five-step scale of the competence's expression is given as an example.

Professional knowledge across processes is covered in more detail in the form of a description of the competence and the underlying know-how catalogue. All further explanations of the other controller competences across processes can be found in the competence atlas in this publication's appendix A (see pp.175ff).

Inspiring others (A/S; L; AP)	Ability to stimulate others to take action
Explanation: Inspiring others is the ability to proactively and effectively provide stimuli for actions and thought processes to leaders and employees in all areas of an organisation. A controller inspires the people he talks to by having well-prepared information and convincing arguments; he stimulates, he motivates, and he triggers measures aimed at increasing performance.	
Competence characteristics: • Inspires through his knowledge background. • Evokes new thoughts, stimulates group reflection. • Encourages decision-makers to act rationally and in an economically feasible way.	
Exaggeration of competence: Obsessively tries to push the implementation of his ideas through, imposes his ideas on others.	
Reason for selection: The ability to inspire others helps the controller to influence the management and provide behavioural impulses beyond rational argumentation. Providing impulses for economically sound actions can be considered one of a controller's fundamental tasks, particularly with regard to his role as partner of the management.	
Key: A/S: Hybrid of activity and implementation oriented competences and socio-communicative competence. L: Output category Leadership AP: Competence across processes	

Fig. 22a: *Inspiring others* as a controller competence across processes[8]

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[8]   Based on Heyse/Erpenbeck/Ortmann, 2010, pp.123ff.

Example: Scaling Inspiring others (A/S; L; AP)	Ability to stimulate others to take action
1	Is able to support measures for improvement in the organisation.
2	Proposes improvement measures for his own area of responsibility and supports their implementation.
3	Can use his experience and analyses to identify innovative approaches for existing challenges in his own area of responsibility and implements them in projects.
4	Motivates others to directly implement ideas and concepts in measures and projects. Has influence on others beyond the scope of his own area of responsibility.
5	Motivates others to directly implement ideas and concepts in measures and projects. Makes his mark beyond his own area of responsibility. Assumes a leading role.

Fig. 22b: Scaling the controller competence across processes *Inspiring others*

Professional knowledge (P; KA; AP)	Ability to employ relevant professional knowledge in an inclusive manner
Explanation: When the current state of knowledge is implemented in controlling, this knowledge should be continuously expanded in order to be able to compete on a global scale. New discoveries, tools and approaches should be included profitably. The idea is to continuously look out for feasible and sensible improvements.	
Competence characteristics: • Uses detailed professional and methodical knowledge for his own work. • Uses professional literature to keep up to date, completes relevant training courses, learns by performing his work, and actively shares his experience with peers. • Expands the professional and methodological knowledge and keeps himself informed about the latest trends and alternative solutions.	
Exaggeration of competence: Considers himself and his own professional knowledge the centre of the world, overestimates the latest professional knowledge, has a propensity to furiously implement changes, and causes excessive costs for constantly new systems.	

Professional knowledge (P; KA; AP)	Ability to employ relevant professional knowledge in an inclusive manner
Reason for selection: The controllers' mission is to act as „professional promoters" or „professional opponents" in tandem with the management and provide inputs for steering an organisation based on profound professional knowledge. Profound professional knowledge is the ticket when a controller wants to prove himself. A distinct understanding of controlling and financial instruments and processes is a basic requirement. In addition, depending on the particular field of application within the realm of controlling processes, various fields of knowledge and the ability to continuously acquire new professional knowledge are becoming important.	
Key: P: Professional competence. KA: Output category Know-how & Application. AP: Competence across processes	

Fig. 23a: *Professional knowledge* as a controller competence across processes[9]

Example: Scaling Professional knowledge (P; KA; AP)		Ability to employ relevant professional knowledge in an inclusive manner
1	Possesses and uses relevant professional knowledge and professional abilities as well as skills for his current function.	
2	Possesses not only the relevant professional knowledge, and professional abilities and skills for his current function, but also pertinent job experience and further qualifications.	
3	Possesses and uses all professional abilities and skills necessary to perform the controller functions professionally.	
4	Possesses valuable professional abilities and skills required across functions. Is considered an expert in the organisation.	
5	Possesses valuable professional abilities and skills required across functions. Is also considered an expert by people beyond the organisation. Continuously expands his knowledge.	

Fig. 23b: Scaling the controller competence across processes *Professional knowledge*

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[9] Based on Heyse/Erpenbeck/Ortmann, 2010, pp.123ff.

Know-how catalogue	Professional knowledge across processes
Business Administration	Business administration basics along the whole value chain (R&D, production, distribution, etc.)
Accounting	Booking of transactions Generally Accepted Accounting Principles and valuation criteria Annual accounts and tax accounts Balance sheet, P/L and cash-flow statement as an integrated system Showing transactions in the balance sheet, P/L and cash-flow statement Annual accounts KPIs
Cost Accounting	Cost type accounting, cost-center accounting, internal cost allocation Absorption and direct costing Standard costing Comparison of planned and actual figures and variance analysis Cost information relevant for decision-making Approaches for cost design and cost management
Investment and Financial appraisal	Net present value method Annuity method Internal rate of return method Financial risk management Liquidity planning Cash-flow management: working capital management, asset management, capital management
Operational Planning and Budgeting; Forecasting	Elements of corporate planning Interplay of performance budget, planned balance sheet and cash-flow statement Planning process Forecast
Management Reporting	Foundations of reporting Visual design options Business KPIs Reporting process

Know-how catalogue	Professional knowledge across processes
Strategy Planning and Implementation	Basics and methods of strategic management Strategy process
IT Tools	Excel Basis and Excel Advanced Databases (SQL, Access, etc.) Analysis tools

Fig. 24: *Professional knowledge* across processes

3 Main Process Level

On the main process level, as on the business process level, competences are contextualised to encompass the field of controlling. On this level of the controller competence atlas the competences are described in the context of individual main controlling processes. When looking at competences, the focus therefore accordingly shifts from their contribution to success across processes to their process-specific contribution.

Contextualising process-specific competences with regard to the area of controlling

The process-specific controller competences are derived based on the various main controlling processes' process-specific activities (see Fig. 15 / Chapter I.5). The relevant activities are taken from the third and fourth level of the *IGC*'s Controlling Process Model, which include the main controlling processes' sub-processes and activities. The first step was to associate the process-specific activities with the competences required to perform them. Then these competences were merged into the main process layer.

Deriving process-specific controller competences

In the further course of the chapter, the process-specific controller competences are described and assigned to main controlling processes. In addition, the process-specific professional knowledge controllers require is identified, as particularly the main process layer requires controllers to continuously deepen, further and use their knowledge to the general benefit of the organisation. The chapter's structure follows the main controlling processes of the *IGC's* process model.

3.1 Strategic planning

3.1.1 Allocation of process–specific controller competences

The goal of the *strategic planning* main process is to support the management in securing the organisation's long-term existence and value enhancement. Success potentials need to be secured and further developed, and new success potentials need to be identified and created. Strategic planning establishes

Nature of strategic planning

the basic orientation framework for central decisions in the organisation. It defines goals and measures and sets specifications for essential topics, operating within boundaries specific to the organisation. Topics covered by strategic planning include markets, products, competition, innovations, technology, core competences and resources.

Knowledge work level			
Business process level			
Strategic Planning			
Personal Competence	Activity and Implement. oriented Competences	Socio-communicative Competence	Professional and Methodolog. Competence
▪ Holistic thinking ▪ Openness to change ▪ Delegating	▪ Creative drive ▪ Inspiring others	▪ Consulting skills ▪ Communicative skills ▪ Cooperative skills ▪ Ability to integrate	▪ Organisational skills ▪ Project management ▪ Conceptional strength ▪ Market understanding ▪ Process-specific professional knowledge

Fig. 25a: Process-specific competences „Strategic planning" by competence classes

Derivation of controller competences critical to success

In this context, the relevant competences have been derived, discussed, and prioritised in consideration of all sub-processes and activities. Finally, a set of controller competences particularly critical to success which are included in the controller competence atlas was identified. As in the controller competence atlas's superordinate levels, process-specific controller competences are also allocated to the competence classes of *Heyse* and *Erpenbeck*. In Fig. 25, the process-specific controller competences for the main process *strategic planning* are shown and associated with competence classes.

Output-oriented classification of controller competences critical to success

After the process-specific controller competences have been structured into the basic competence classes, they are subdivided by output orientation. This enables associating them with an area of application according to their contribution to success – know-how and application, leadership, customer focus, efficiency, or designing the future. The output-oriented classification allows the identification of structural deficits in the area of process-specific controller competences with regard to central areas of controlling application. Fig. 25b provides an overview of output-oriented classification of process-specific controller competences.

Leadership		Customer focus	
▪ Delegating		▪ Consulting skills	
▪ Inspiring others		▪ Communicative skills	
▪ Ability to integrate		▪ Cooperative skills	

Know-how & Application

▪ Project management

▪ Market understanding

▪ Process-specific professional knowledge

Efficiency		Designing the future	
▪ Organisational skills		▪ Holistic thinking	
		▪ Openness to change	
		▪ Creative drive	
		▪ Conceptional strength	
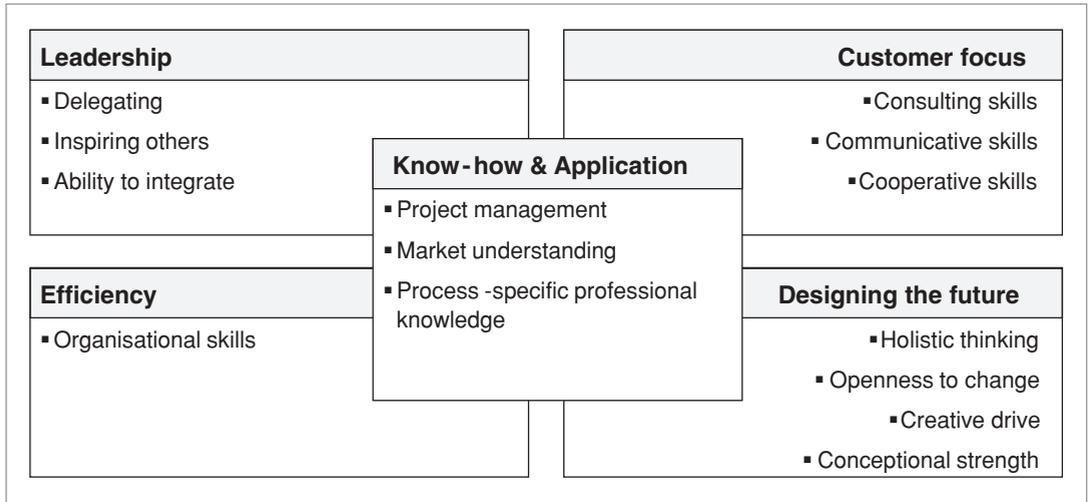
Fig. 25b: Process-specific competences „Strategic planning" by output categories[10]

3.1.2 Description of process–specific controller competences

Describing the process-specific controller competences in the context of the main controlling process *strategic planning* signifies a departure from the cross-process level. Apart from describing the competence, the competence characteristics and the exaggeration of competence, the reason for selecting the particular competence for the main controlling process at hand is explained.

Competences are described on the main process level

The process-specific controller competence *Openness to change* is described in detail below and a scaling of the competence's expression given as an example of the main process *strategic planning*. In addition, there is a brief overview of the professional knowledge required by controllers in this main process (*process-specific professional knowledge*). All further explanations of the other controller competences across processes for the main process, *strategic planning*, can be found in this publication's appendix (see appendix A).

Exemplary competence description and scaling, and presentation of the know–how catalogue

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[10] Fig. 25b is solely a process-specific presentation, not a complete overview of all controller competences relevant for strategic planning (process-specific and across processes). On the process-specific level it is neither necessary nor helpful to consider the competence image in the context of appropriate distribution of competences in the five output categories. This only becomes necessary when regarding specific controller functions (see II.4) that provide a personal reference point for competence modelling.

Openness to change (P/A; F; S)	Ability to understand changes as learning situations and to act accordingly
Explanation: Openness to change is required in order to actively approach new action situations in a given topical field. Openness helps to find creative solutions and contribute to the success of the action.	
Competence characteristics: - Has no problem initiating change processes pertaining to controlling which have an open outcome. - Consciously meets the challenge of solving controlling issues. - Participates in the solution of real-world controlling problems using creative proposals for the solution.	
Exaggeration of competence: Takes too many risks; is too inconsistent and not predictable.	
Key: P/A: Hybrid of personal competence and activity and implementation oriented competences. F: Output category Designing the future S: Process-specific competence	
Particular relevance – main processes Strategic planning, Operational planning & budgeting, Forecasting, Project and investment controlling, Risk management, Enhancement of organisation, processes, instruments & systems	
Reason for selection – Strategic planning: Strategic change processes require a particularly high level of openness for innovations. Controllers must be sufficiently open in order to proactively perform their role as strategic partners and not be perceived as a hindrance to strategic initiative. In particular, major change processes with fundamental adaptation measures for products/services, processes, and structures require controllers who are open to change. In addition, professional innovations in the area of strategic planning require controllers to be open to change.	

Fig. 26a: *Openness* to change as process-specific controller competence – Strategic planning[11]

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[11] Based on Heyse/Erpenbeck/Ortmann, 2010, pp.123 ff.

Example: Scaling, Openness to change (P/A; F; S)	Ability to understand changes as learning situations and to act accordingly
1	Understands change processes and is willing to discuss the need for change.
2	Provides specific inputs (e.g. information, analyses, decision-making tools) for change initiatives.
3	Understands a specific need for change and supports the change process in its entirety.
4	Consciously meets the challenge of solving controlling issues and has no problem initiating change processes with an open outcome.
5	Consciously meets the challenge of solving controlling issues and has no problem initiating change processes with an open outcome. Participates with creative proposals for the solution.

Fig. 26b: Scaling the process-specific controller competence *Openness to change*

Know-how catalogue	*IGC* main process Strategic planning
Current business strategy	Knowledge of strategic management/the strategic management process in the organisation Knowledge of the current business strategy (vision, goals, measures), of the market and customers, the competition, the strengths/weaknesses, cost structures, etc. Knowledge of current trends and changes in the competitive environment and their effects Knowledge of essential external information sources for strategic planning

Know-how catalogue	*IGC* main process Strategic planning
Strategic concepts and planning tools	Knowledge of the structure and function of the key strategic concepts and analysis methods (portfolio, SWOT, basic strategies, environment and industry analysis, customer and competitor analysis, product lifecycle, VRIO, learning curve, BSC, etc.) Knowledge of strategic planning approaches (value driver-based planning, simulations) Application-oriented knowledge about creative techniques for developing strategic options Empirical strategic knowledge (assessment of the advantages and disadvantages of strategic actions/reactions) Knowledge about the organisation of strategic planning Knowledge about structuring and adjusting single actions of an overall strategy
Tools for assessing the strategy	Strategic value and risk management Risk return approaches for risk assessment Financing strategy and financing methods (growth financing, etc.)
Methods for strategy implementation and strategic communication	Knowledge on successful communication and implementation of strategic goals and plans Knowledge on the effective establishment and moderation of strategy workshops Knowledge about methods for continuous coordination (strategic programme management/project management office) Organisational development and change management approaches

Fig. 27: Process-specific professional knowledge– Strategic planning

3.2   Operational planning and budgeting

3.2.1   Allocation of process–specific controller competences

Nature of operational planning and budgeting

The goal of the main process *operational planning and budgeting* is to promote active and systematic dealing with goals, measures and budgets in organisational units. This is meant to significantly help the management achieve the short- and medium-term goals derived from the strategic objectives and control the organisation as well as its individual units in

accordance with profitability and liquidity considerations. Taking strategic goals into account, operational planning establishes an orientation framework for short- to medium-term activities and decisions. This involves setting goals and measures, allocation of resources and financial quantification for the entire organisation as well as its individual units. Items include P/L, balance sheet, cash flow, revenue, costs, return, investments, projects, amounts, capacities and employees.

For the main process, the following controller competences critical to success allocated to the competence classes have been identified. As content and processes of strategic and operational planning are closely connected, their competence requirements are accordingly similar.

Derivation of controller competences critical to success

Knowledge work level			
Business process level			
Operational Planning and Budgeting			
Personal Competence	Activity and Implement. oriented Competences	Socio-communicative Competence	Professional and Methodolog. Competence
• Holistic thinking • Openness to change • Delegating	• Creative drive • Inspiring others	• Consulting skills • Communicative skills • Ability to solve conflicts • Ability to integrate	• Organisational skills • Process-specific professional knowledge

Fig. 28a: Process-specific competences „Operational planning and budgeting" by competence classes

Fig. 28b provides an overview of output-oriented classification of controller competences critical to success of the operational planning process.

Leadership		Customer focus	
• Delegating			• Consulting skills
• Inspiring others			• Communicative skills
• Ability to integrate			• Ability to solve conflicts

Know-how & Application

• Process-specific professional knowledge

Efficiency		Designing the future	
• Organisational skills			• Holistic thinking
			• Openness to change
			• Creative drive
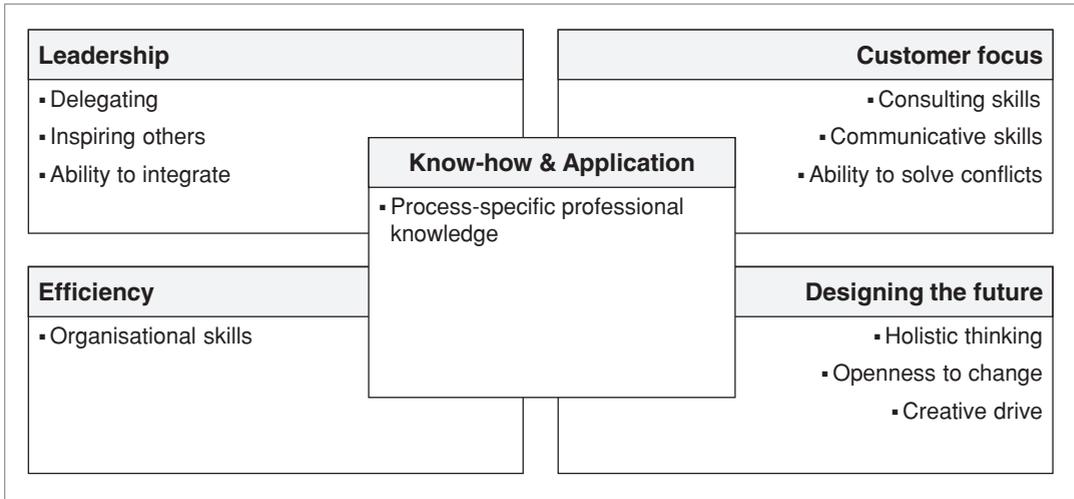
Fig. 28b: Process-specific competences „Operational planning and budgeting" by output categories[12]

3.2.2   Description of process–specific controller competences

For the main process *operational planning and budgeting*, the controller competence *organisational skills* is highlighted as an example, described in detail, and made measurable using scaled characteristic values.

Organisational skills (P/A; E; S)	Ability to actively and successfully perform organisational tasks
Explanation: Organisational skills combine methodical knowledge with the ability to organisationally and practically implement that knowledge with energy and commitment. This requires the ability to identify and classify connections and functional dependencies in the complex operational processes according to significant and insignificant parameters. Furthermore, it requires the ability to recognise which of these parameters actively need to be changed and shaped through personal influence.	

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[12] See explanation Fig. 25b.

Organisational skills (P/A; E; S)	Ability to actively and successfully perform organisational tasks
Competence characteristics: • Coordinates personnel resources and controlling processes so that the organisation's goals and/or the controlling goals are achieved. • Uses his comprehensive know-how about professional and methodological relationships in controlling for the development of employees and colleagues. • Actively and proactively helps to shape the controlling and business organisations.	
Exaggeration of competence: Is excessively dedicated to organisational tasks, wants to change too much at once and subsequently needs to improvise.	
Key: P/A: Hybrid of professional competence and activity and implementation oriented competences E: Output category Efficiency S: Process-specific competence	
Particular relevance – main processes Strategic planning, Operational planning and budgeting, Cost accounting, Personnel controlling	
Reason for selection – Operational planning and budgeting: Continuous process management of demanding, effective and efficient planning processes requires profound organisational skills, as all managers and employees contributing to planning have to be coordinated regarding content and schedules and aligned towards the common procedure.	

Fig. 29a: *Organisational skills* as process-specific controller competence –
Operational planning and budgeting[13]

Example: Scaling Organisational skills (P/A; E; S)		Ability to actively and successfully perform organisational tasks
1	Is able to plan future tasks and align others towards a goal.	
2	Is able to plan and carry out different tasks simultaneously. Shows good judgement when coordinating the resources required.	
3	Coordinates personnel resources and controlling processes so the organisation's goals and/or the controlling goals are achieved.	

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[13] Based on Heyse/Erpenbeck/Ortmann, 2010, pp.123ff.

Example: Scaling Organisational skills (P/A; E; S)	Ability to actively and successfully perform organisational tasks
4	Successfully coordinates and uses his comprehensive know-how about professional and methodological relationships in controlling for the development of employees and colleagues.
5	Successfully coordinates, develops the employees, and actively and proactively helps to shape the controlling and business organisation.

Fig. 29b: Scaling the process-specific controller competence *Organisational skills*

Know-how catalogue	IGC main process Operational Planning and Budgeting
Process design	Knowledge of operational planning and budgeting building blocks as well as of the process's prior specifications and plans (strategic planning, strategic medium-term planning) Knowledge of key steps in operational planning and how they interface with various processes and organisational units Workflow management techniques for optimising plan creation Knowledge of effective establishment of planning workshops and discussions
Planning tools Integrated planning	Knowledge of the different planning approaches (zero base vs. incremental, top-down vs. bottom-up, etc.) Knowledge of key analysis and planning tools Methods for taking into account budgeting risks and uncertainties Knowledge of integrated planning (including integration of success, financial and balance sheet planning)

Know-how catalogue	*IGC* main process Operational Planning and Budgeting
Integrated performance management	Knowledge of performance indicators and systems of indicators for integrated performance measurement and management Holistic understanding of the performance of key controlling factors and earnings and value drivers Approaches for performance increase (particularly revenue and cost management, working capital management, value and risk management)
IT tools	Analysis tools Workflow tools Planning software Reporting software: cockpits/dashboards, etc. for planning reporting

Fig. 30: Process-specific Professional knowledge – Operational planning and budgeting

3.3 Forecasting

3.3.1 Allocation of process-specific controller competences

The goal of the main process *forecasting* is to provide information about expectable future deviations early on, develop goal-oriented measures for eliminating target deficits and, if necessary, quickly initiate adaptation of revenue, cost and investment budgets, etc. when basic conditions change. The forecast entails an assessment of the future economic development and the impact on goals, plans, and budgets in consideration of counteractive measures and resource adaptations. This puts the forecast beyond a simple prognosis. It deals with financial and non-financial information as well as simulations and scenarios. A forecast can be created regularly (standard forecast) as well as irregularly (ad-hoc forecast) for the entire organisation or individual topics, units or projects. For the main process, the following controller competences critical to success allocated to the competence classes have been identified (see Fig. 31a).

Nature of forecasting

Knowledge work level			
Business process level			
Forecasting			
Personal Competence	Activity and Implement. oriented Competences	Socio-communicative Competence	Professional and Methodolog. Competence
• Holistic thinking • Openness to change	• Inspiring others	• Consulting skills • Communicative skills • Cooperative skills	• Ability to assess things • Market understanding • Process-specific professional knowledge

Fig. 31a: Process-specific competences „Forecasting" by competence classes

Fig. 31b classifies the controller competences critical to the success of the forecasting process by output categories.

Leadership	**Customer focus**
• Inspiring others	• Consulting skills • Communicative skills • Cooperative skills
Efficiency	**Designing the future**
	• Holistic thinking • Openness to change

Know-how & Application
- Ability to assess things
- Market understanding
- Process-specific professional knowledge
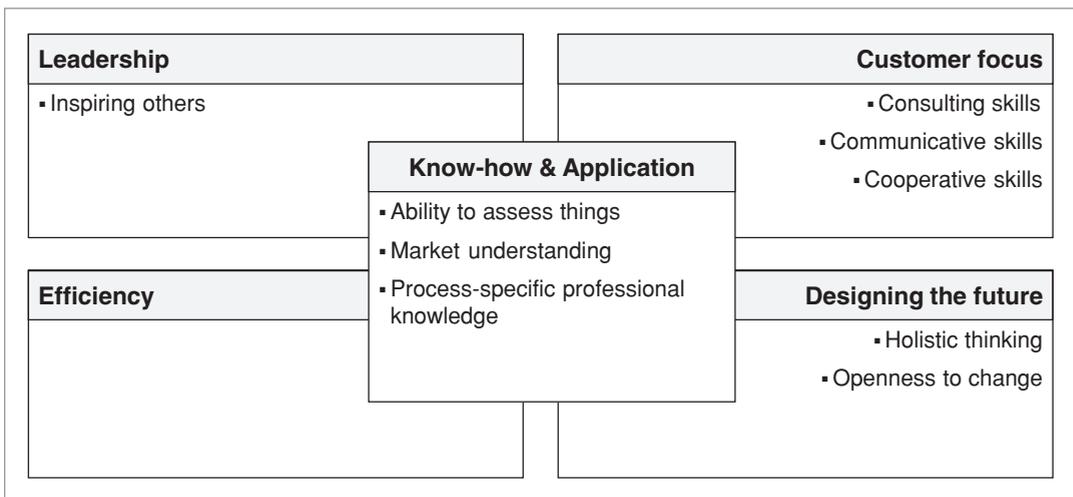
Fig. 31b: Process-specific competences „Forecasting" by output categories[14]

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[14] See explanation Fig. 25b.

3.3.2   Description of process–specific controller competences

For the main process *forecasting*, the controller competence *Market knowledge* is chosen in Fig. 32a for a detailed description.

Market knowledge (P; KA; S)	Ability to acquire knowledge about markets and to act accordingly
Explanation: Market knowledge encompasses all factual and methodological knowledge for the preparation and execution of sales and the according sales requirements. This includes knowledge of basic factors such as products, prices, distribution and communication as well as knowledge on competitors and market players. An understanding of the „laws" of markets, specific market development and the factors critical to success for a market is an important requirement for success.	
Competence characteristics: • Properly prepares operational decisions based on the required detailed knowledge of sales, marketing, advertising, competitors, suppliers, etc. • Keeps up to date on market developments and possesses the relevant information sources. • Is a recognised discussion partner for the management in all market matters.	
Exaggeration of competence: Gets bogged down by detailed analyses, interferes excessively in market matters, departs from his core role as controller.	
Key: P: Professional competence KA: Output category Know-how & Application S: Process-specific competence	
Particular relevance – main processes Strategic planning, Forecasting, Management reporting, Management support	

Market knowledge (P; KA; S)	Ability to acquire knowledge about markets and to act accordingly
Reason for selection – Forecasting Profound market knowledge is necessary for a conclusive forecast affecting net income. The controller uses the relevant earnings drivers (natural resource prices, sales figures, sales prices, etc.) to define earnings-enhancing measures and to analyse and control market processes using the required methodological knowledge. The market is a central information source for the forecast. Unexpected market movements are taken into account in the forecast through nominal value adjustments.	

Fig. 32a: *Market knowledge* as process-specific controller competence – Forecasting[15]

Example: Scaling Market knowledge (P; KA; S)		Ability to acquire knowledge about markets and to act accordingly
1	Is willing to deal with the market.	
2	Is able to correctly assess market information and include it in the decision-making process.	
3	Possesses the appropriate knowledge and information sources to autonomously analyse the market.	
4	Properly prepares operational decisions based on the required detailed knowledge of sales, marketing, advertising, competitors, etc.	
5	Is a recognised discussion partner for the management in all market matters.	

Fig. 32b: Scaling the process-specific controller competence *Market knowledge*

The entire main process requires the process-specific professional controller knowledge shown in Fig. 33.

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15   Based on Heyse/Erpenbeck/Ortmann, 2010, pp.123ff.

Know-how catalogue	*IGC* main process Forecasting
Current business development	Knowledge of current market and business developments (e.g. economic downturn, resource prices, etc.) Understanding of strategic and operational business performance drivers and knowledge of the measures planned and already implemented by the management that affect performance
Planning and forecasting tools	Knowledge of tools such as forecasts, projections Knowledge of mathematical-statistical and business analysis procedures to help make short- and long-term prognoses (e.g. sales opportunities or market potentials). Simulations and scenario techniques, qualitative forecast procedures (e.g. Delphi method, relevance tree procedure, trend forecasts, etc.), explorative data analysis, and predictive, quantitative analysis methods.
Accounting and reporting	Knowledge of external and internal accounting (monthly statement, accruals, provisions, assessment, etc.) Knowledge of the processes related to the forecast, such as management reporting, operational planning and budgeting, project controlling, risk management, etc. Data analysis: Knowledge of different analysis tools to condense data into information, such as deviation analysis
IT tools	Knowledge of ERP systems IT tools for handling large and complex data sets (database software, analysis software including analysis applications for mass data, spreadsheets, etc.) IT tools for timely evaluation and forwarding to the appropriate units (reporting software)

Fig. 33: Process-specific Professional knowledge – Forecasting

3.4   Cost accounting

3.4.1   Allocation of process–specific controller competences

Nature of cost accounting

The goal of the main process *cost accounting* is to achieve cost, performance and profit transparency through cause-related allocation of costs, performances and profits/losses to appropriate objects (e.g. products or enterprise units) in order to support decisions and accountabilities regarding costs, performances and profits/losses. The goal of this process is to return an accountability-based management income statement. In addition, cost and performance accounting helps to satisfy the legal conditions (e.g. transfer price calculations). It includes costs, outputs, and profits/losses regarding products and services and, on an aggregated level, product groups or profit- and loss-accountable units (e.g. business units). The aim of cost accounting is to record, allocate, evaluate, and monitor costs, output, and profits/losses accruing in the consumption and production of goods. For this main process, the controller competences critical to success as shown in Fig. 34a have been identified.

Knowledge work level

Business process level

Cost Accounting

Personal Competence	Activity and Implement. oriented Competence	Socio-communicative Competence	Professional and Methodolog. Competence
• Holistic thinking	• Inspiring others • Decision-making ability	• Ability to understand others' perspectives	• Ability to assess things • Conceptional strength • Organisational skills • Process-specific professional knowledge

Fig. 34a: Process-specific competences „Cost accounting" by competence classes

Fig. 34b classifies the controller competences critical to the success of the main process by output categories.

Leadership		Customer focus
▪ Inspiring others		▪ Ability to understand others' perspectives
▪ Decision-making ability	**Know-how & Application**	
	▪ Ability to assess things	
	▪ Process-specific professional knowledge	
Efficiency		**Designing the future**
▪ Organisational skills		▪ Holistic thinking
		▪ Conceptional strength
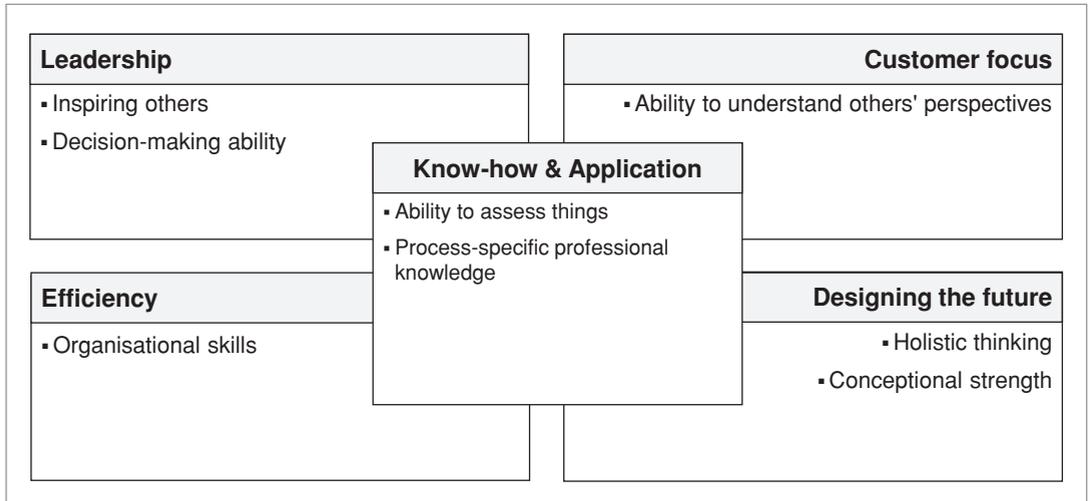
Fig. 34b: Process-specific competences „Cost accounting" by output categories[16]

3.4.2 Description of process–specific controller competences

For the main process *cost accounting*, the controller competence *decision-making ability* is described in detail in Fig. 35a.

Decision-making ability (A/P; L; S)	Ability to immediately make decisions
Explanation: Decision-making ability is the ability to assess the various courses of action actively and self-determinedly and to set priorities for further actions. The inability to make decisions leads to an inability to take action.	
Competence characteristics: • Sets clear priorities in order to demonstrate alternative actions, focuses on the important points. • Actively chooses between different possible actions during preparation for the decision-making, evaluates alternatives economically as well as from a value-oriented perspective. • In cases of not calculable decisions, uses his own background of emotion and experience so as not to become incapable of action.	

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[16] See explanation Fig. 25b.

Decision-making ability (A/P; L; S)	Ability to immediately make decisions
Exaggeration of competence: Prematurely establishes templates for decisions and carelessly implements decisions without prior consultation.	
Key: A/P: Hybrid of activity and implementation oriented competences and personal competence L: Output category Leadership S: Process-specific competence	
Particular relevance – main processes Cost accounting, Project and investment controlling, Risk management, Management support	
Reason for selection – Cost accounting Professional competence, knowledge of relationships, and regular interaction with the cost centre managers allow controllers to understand processes, results and actions, give recommendations for action, and explain these to the dialogue partners. Note that while controllers help to prepare decisions, they do not ultimately make them.	

Fig. 35a: *Decision-making ability* as process-specific controller competence – Cost accounting[17]

Example: Scaling Decision-making ability (A/P; L; S)	Ability to immediately make decisions
1	Is able to demonstrate different alternative actions.
2	Sets clear priorities in order to demonstrate alternative actions, focuses on the important points.
3	In the course of supporting the decision-making, establishes his own position.
4	In cases of not calculable decisions, uses his own background of emotion and experience and actively argues his position in discussions with third parties.
5	Is valued and consulted by the management even for difficult decisions due to his clear and easily understandable recommendations.

Fig. 35b: Scaling the process-specific controller competence *Decision-making ability*

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[17] Based on Heyse/Erpenbeck/Ortmann, 2010, pp.123ff.

The main process *cost accounting* requires the professional controller knowledge shown in Fig. 36.

Know-how catalogue	*IGC* main process Cost accounting
Process and system	Knowledge of accounting and its processes and information Knowledge of an organisation's complex causes and effects and the dependencies as a basis for the appropriate establishment of cost accounting given the actual situation Knowledge of advantages and disadvantages of cost accounting systems (e.g. partially or wholly integrated) and the related costs and benefits
Managerial vs. external evaluation	Knowledge of the fields of application for the information gained using cost accounting (IFRS, local GAAP, offer calculation, etc.) and knowledge of different calculating systems Integration of different calculating systems for bridging purposes
Leadership orientation	Knowledge of agreed goals and how they act as an incentive regarding cost accounting (e.g. for profit centre and cost centre managers) Knowledge of the conception and implementation of cost accounting (e.g. as responsibility accounting) and its impact on management behaviour
IT tools	Knowledge of ERP systems and of the cost accounting system as well as the preceding and subsequent systems Knowledge of the data flows in the organisation in order to ensure data quality; knowledge of who has to gather which data at which position Knowledge of performing plausibility checks with system help

Fig. 36: Process-specific Professional knowledge – Cost accounting

3.5   Management reporting

3.5.1   Allocation of process–specific controller competences

Nature of
management
reporting

The goal of the main process *management reporting* is to create and deliver recipient-based, decision-relevant information pertinent to goal relevance/achievability for controlling the organisation. The task of providing and documenting information helps the reporting to ensure transparency across the organisation. Generally, financial and non-financial information is provided using dimensions of actual value, actual value previous year, planned value, target value and forecast, presented as regular standard reports as well as ad hoc reports. Based on identified and explained deviations and prognoses for goal achievement (commenting), specific proposals for countractions are worked out and coordinated with the management. Items include P/L, balance sheet, cash flow, revenue, costs, return, investments, projects, amounts, capacities and employees with regard to the management units in the organisation. For the main process *management reporting*, the controller competences critical to success have been identified as shown here (see Fig. 37a).

Knowledge work level			
Business process level			
Management Reporting			
Personal Competence	Activity and Implement. oriented Competences	Socio-communicative Competence	Professional and Methodolog. Competence
▪ Holistic thinking	▪ Inspiring others	▪ Ability to understand others' perspectives ▪ Communicative skills ▪ Consulting skills	▪ Ability to assess things ▪ Conceptional strength ▪ Market understanding ▪ Process-specific professional knowledge

Fig. 37a: Process-specific competences „Management reporting" by competence classes

Fig. 37b classifies the controller competences critical to the success of the main process by output categories.

Leadership
- Inspiring others

Customer focus
- Ability to understand others' perspectives
- Communicative skills
- Consulting skills

Know-how & Application
- Ability to assess things
- Market understanding
- Process-specific professional knowledge

Efficiency

Designing the future
- Holistic thinking
- Conceptional strength
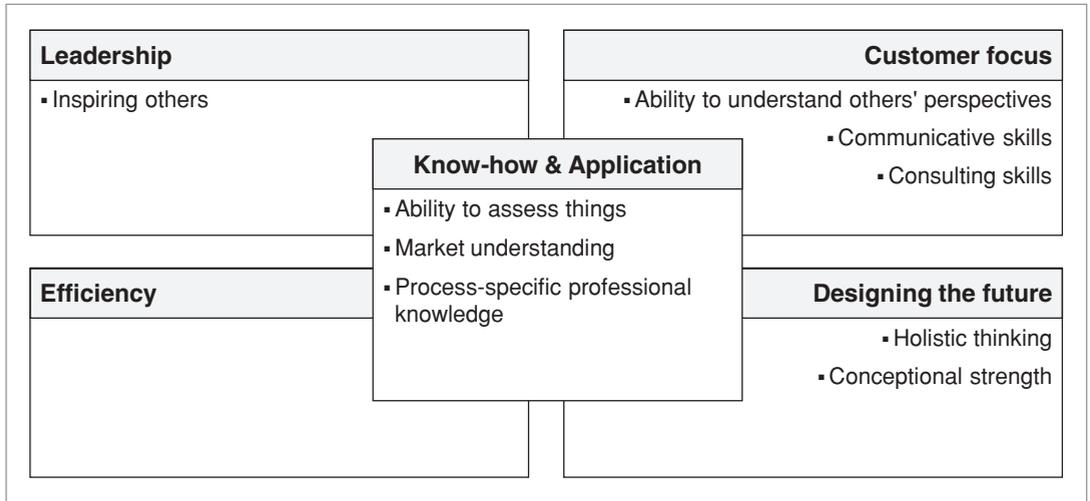
Fig. 37b: Process-specific competences „Management reporting" by output categories[18]

3.5.2   Description of process–specific controller competences

For the main process *management reporting*, the controller competence *communication skills* is described in detail in Fig. 38a.

Communication skills (S; C; S)	Ability to successfully communicate with others
Explanation: Communication skills are the basis for confident interaction with internal customers and other stakeholders. Communication skills are the ability to achieve favourable results for one's own organisation through discussion, negotiation, coordinating talks, etc. with one or more individuals without frustrating the other negotiating parties or permanently antagonising them. Communication skills include being willing and able to listen as well as being able to present verbal and written information that can be easily understood. They include the ability to explain, to contact and convince others – even in hard cases.	

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[18]   See explanation Fig. 25b.

Communication skills (S; C; S)	Ability to successfully communicate with others
Competence characteristics: • Approaches others with candour and goodwill, easily acquires and deepens new connections, shows appreciation of others. • Is recipient-oriented in discussions and listens, addresses objections factually and with frustration tolerance. Is able to successfully convey his own messages. • Convinces others through strong identification with his own points, successfully handles communication relationships, can influence and motivate.	
Exaggeration of competence: Acts in an affable manner and cannot keep information to himself, keeps hijacking conversations and thus irritates others	
Key: S: Socio-communicative competence C: Output category Customer focus S: Process-specific competence	
Particular relevance – main processes Strategic planning, Operational planning and budgeting, Forecasting, Management reporting, Personnel controlling, Management support	
Reason for selection – Management reporting Communication skills play a particularly important role when walking through reports. Controllers must be able to handle the presentation and discussion with the management rhetorically and psychologically and must not let themselves get diverted from their report goals. They need to be sensitive in order to detect and classify the managers' underlying intentions during the discussion and should also feel able to present report results without fearing the management's reactions.	

Fig. 38a: *Communication skills* as process-specific controller competence – Management reporting[19]

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[19] Based on Heyse/Erpenbeck/Ortmann, 2010, pp.123ff.

Example: Scaling Communication skills (S; C; S)	Ability to successfully communicate with others
1	Expresses himself factually.
2	Approaches others with candour and goodwill, easily acquires and deepens new connections, shows appreciation of others.
3	Is recipient-oriented in discussions and listens, addresses objections factually and with frustration tolerance. Is able to successfully convey his own messages.
4	Successfully communicates with opponents and convinces through strong identification with his own points. Can adeptly present complicated situations.
5	Successfully handles communication relationships and can influence and motivate others.

Fig. 38b: Scaling the process-specific controller competence *Communication skills*

The professional controller knowledge shown in Fig. 39 has been identified for the main process *Management reporting*.

Know-how catalogue	*IGC* main process Management reporting
Process and tools	Function of reporting systems: Knowledge about coordinating different reporting types with each other and with the management's information requirements in the course of business activity Reporting tools: Coordinating the report content with the information requirements (which quantitative and qualitative indicators are suited for which reporting purpose?) Performance indicator systems, value driver systems, value driver logic in the organisation
Data	Data management: Knowledge of collecting, adjusting, determining plausibility, and consolidating company data for reporting Data analysis: Knowledge of different analysis tools to condense data into information, such as deviation analysis; knowledge of the organisation's data structures

Know-how catalogue	IGC main process Management reporting
Decision support	Knowledge about facts internal and external to the organisation that are contextually relevant for causal analysis Knowledge of decision accounting methods and decision support in order to be able to choose among measures to approve
IT tools	Knowledge of ERP systems Database software Analysis software Reporting software

Fig. 39: Process-specific Professional knowledge – Management reporting

3.6   Project and investment controlling

3.6.1   Allocation of process–specific controller competences

Nature of project and investment controlling

The goal of the main process *project and investment controlling* is to prove the usefulness and profitability of investments and projects, evaluate the adherence to project goals and their progress, and generally to ensure efficient use of allocated means.

Project and investment controlling helps with the evaluation, prioritisation and selection with the planning, execution and control as well as with the completion of projects and investment plans. This includes controlling the achievement of goals after completion of the projects. The following controller competences critical to success have been identified for the main process *project and investment controlling* (see Fig. 40a).

Knowledge work level			
Business process level			
Project and Investment Controlling			
Personal Competence	Activity and Implement. oriented Competences	Socio-communicative Competence	Professional and Methodolog. Competence
• Holistic thinking • Openness to change	• Inspiring others • Decision-making ability	• Ability to understand others' perspectives • Consulting skills	• Ability to assess things • Conceptional strength • Process-specific professional knowledge

Fig. 40a: Process-specific competences „Project and investment controlling" by competence classes

Fig. 40b classifies the controller competences critical to the success of the main process by output categories.

Leadership
• Inspiring others
• Decision-making ability

Customer focus
• Ability to understand others' perspectives
• Consulting skills

Know-how & Application
• Ability to assess things
• Process-specific professional knowledge

Efficiency

Designing the future
• Holistic thinking
• Openness to change
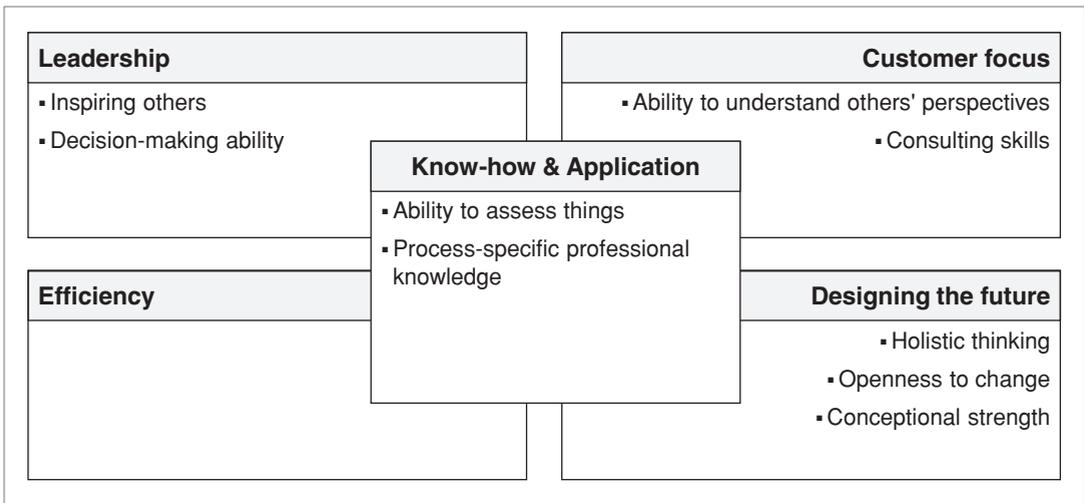• Conceptional strength

Fig. 40b: Process-specific competences „Project and investment controlling" by output categories[20]

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[20] See explanation Fig. 25b.

3.6.2   Description of process-specific controller competences

A detailed competence description for the main process *project and investment controlling* is given using the competence *Conceptual strength* as an example.

Conceptual strength (P/A; F; S)	Ability to develop factually well-founded action concepts
Explanation: Conceptual strength is the ability to develop new, high-quality concepts, work them out properly and, if necessary, implement them against opposition. This ability requires comprehensive professional and methodological competences in the area of new development, as well as personal characteristics such as strength of will and energy in order to realise a new concept.	
Competence characteristics: • Uses their professional and methodological knowledge to systematically work out new action concepts and proposals. • Combines individual aspects to comprehensive, convincing solution approaches and possibilities. • Continuously integrates new suggestions into the controlling concept in order to develop it further.	
Exaggeration of competence: Autonomously tries to enforce his own ideas.	
Key: P/A: Hybrid of Professional competence and Activity and implementation oriented competences F: Output category Designing the future S: Process-specific competence	
Particular relevance – main processes Strategic planning, Cost accounting, Project and investment controlling, Management reporting, Management support, Enhancement of the organisation, processes, instruments & systems	
Reason for selection – project and investment controlling Conceptually strong project controllers can combine the requirements for the areas they are working on with the general planning and control systems in a way that creates company-wide meshed project systems which cover planning, collection of actual values, actual vs. target comparison and expectations.	

Fig. 41a: *Conceptual strength* as process-specific controller competence
             – Project and investment controlling[21]

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[21] Based on Heyse/Erpenbeck/Ortmann, 2010, pp.123ff.

Example: Scaling Conceptual strength (P/A; F; S)	Ability to develop factually well-founded action concepts
1	Is able to help others develop new concepts.
2	Is able to develop new concepts with the help of others.
3	Uses his professional and methodological expertise to systematically work out new concepts and solution approaches.
4	Uses his expertise to provide comprehensive conceptual analyses and interpretations and demonstrates potentials for improvement.
5	Combines individual aspects to comprehensive solution approaches and possibilities. Continuously integrates new suggestions into existing concepts in order to develop them further.

Fig. 41b: Scaling the process-specific controller competence *Conceptual strength*

For the main process *project and investment controlling*, the professional knowledge shown in Fig. 42 is essential for controllers.

Know-how catalogue	*IGC* main process Project and investment controlling
Projects – process and tools	Process of project controlling Project-related accounting and function of project accounting Tools for integrated project planning (services, schedules, resources, costs) Project-related comparison of planned/target-actual values and expectations Knowledge of creation and preparation of project-based decision templates and business cases
Investments – process and tools	Process of investment planning and control, knowledge of the interfaces with related processes Investment accounting procedures, consideration of uncertainties and risks, evaluation of investments in consideration of sustainability aspects Methods for the evaluation and depreciation of assets Liquidity planning Knowledge of creation and preparation of decision templates and business cases

Know-how catalogue	IGC main process Project and investment controlling
Data	Organisation of ongoing performance recording in projects Depiction of projects and investments in the ERP system Data analysis: Knowledge of different analysis tools to condense data into information, such as deviation analysis (costs vs. progress)
IT tools	Knowledge of ERP systems Database software Project management and controlling software Programme management software Reporting software Spreadsheets

Fig. 42: Process-specific Professional knowledge – Project and investment controlling

3.7   Risk management

3.7.1   Allocation of process–specific controller competences

Nature of risk management

The goal of the main process *risk management* is to secure the organisation's existence in the long-term and improve planning quality through timely identification and control of positive and negative factors influencing the organisation value using a consistent process. Risk management includes identifying, recording, analysing, evaluating and controlling of risks, and deriving and tracking appropriate measures to defend against risks. The framework usually includes setting principles of risk management and applying strategic approaches. For risk management, the controller competences critical to success as shown in Fig. 43a have been identified.

Knowledge work level			
Business process level			
Risk Management			
Personal Competence	Activity and Implement. oriented Competences	Socio-communicative Competence	Professional and Methodolog. Competence
• Holistic thinking • Openness to change	• Creative drive • Inspiring others • Decision-making ability	• Ability to integrate • Consulting skills • Cooperative skills • Ability to solve conflicts	• Ability to assess things • Process-specific professional knowledge

Fig. 43a: Process-specific competences „Risk management" by competence classes

Fig. 43b classifies the controller competences critical to the success of the main process by output categories.

| **Leadership** | **Customer focus** |
| • Inspiring others
• Ability to integrate
• Decision-making ability | • Consulting skills
• Cooperative skills
• Ability to solve conflicts |

Know-how & Application
• Ability to assess things
• Process-specific professional knowledge

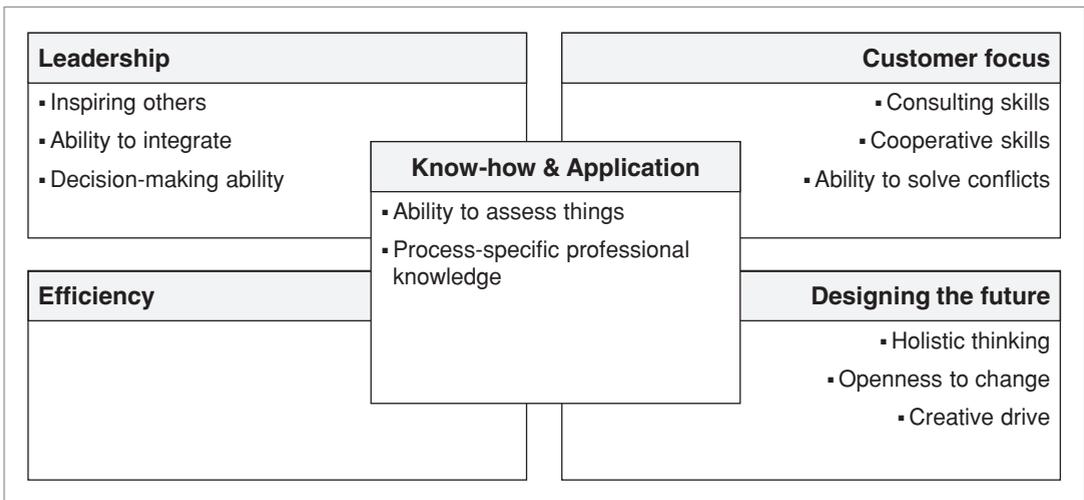| **Efficiency** | **Designing the future** |
| | • Holistic thinking
• Openness to change
• Creative drive |

Fig. 43b: Process-specific competences „Risk management" by output categories[22]

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[22] See explanation Fig. 25b.

3.7.2 Description of process-specific controller competences

A detailed description is given using the competence *Ability to solve conflicts* as an example, which controllers should have developed accordingly in the main process risk management.

Ability to solve conflicts (S; C; S)	The ability to successfully act in conflict situations
Explanation: The ability to solve conflicts promotes the detection of opposing interests, personal tolerance, acceptance of others' opinions even when they don't match one's own, as well as individual willingness for conflict management. This does not mean that conflicts are solved through quick agreements born from a need for harmony, but rather through a fair resolution of conflicting interests. This includes influencing skills, i.e. the ability to present personal views clearly and profoundly and give others the feeling to have achieved a solution through his own insights.	
Competence characteristics: • Recognises not only his own interests but also those of others. • Can have conflicting discussions with others, but is sufficiently insightful and tolerant to examine conflicting interests in an unbiased manner while questioning his own. • Establishes trust and acts self-confidently, thereby convincing others and overcoming opposition and blockades, increasing their self-responsibility and social communication. • Is often called upon to mediate and reconcile conflicts.	
Exaggeration of competence: Tries to act as a mediator in all cases and is overly understanding regarding the acts of all parties involved; keeps mediating between conflicting parties when strict decisions and viewpoints are necessary.	
Key: S: Socio-communicative competence C: Output category Customer focus S: Process-specific competence	
Particular relevance – main processes Operational planning and budgeting, Risk management, Personnel controlling, Management support	

Ability to solve conflicts (S; C; S)	The ability to successfully act in conflict situations
Reason for selection – Risk management Controllers must resolve conflicts arising from the conflicting interests for the good of the organisation as a whole. In addition, a controller's objective is generally to question and challenge the risk owners' assumptions, acting in the organisation's interests. This objective normally includes a conflict potential, which controllers must handle competently.	

Fig. 44a: *Ability to solve conflicts* as process-specific controller competence – Risk management[23]

Example: Scaling Ability to solve conflicts (S; C; S)	The ability to successfully act in conflict situations
1	Is willing to solve a conflict.
2	Is tolerant of others' interests, allows conflicting interests, and seeks to reconcile differing interests.
3	Is tolerant of others' interests, allows conflicting interests, and knows how to reconcile interests through active conflict management/negotiating.
4	Establishes trust and acts self-confidently, thereby convincing others and overcoming opposition and blockades, increasing their self-responsibility and social communication.
5	Is often called upon to mediate and reconcile conflicts, resolves blockades.

Fig. 44b: Scaling the process-specific controller competence *Ability to solve conflicts*

For the main process, controllers should possess the professional knowledge shown in Fig. 45.

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[23] Based on Heyse/Erpenbeck/Ortmann, 2010, pp.123ff.

Know-how catalogue	*IGC* main process Risk management
Process and legal framework	Knowledge of the legal framework and „soft law" rules in the areas of governance, compliance, risk management and internal control systems Knowledge of procedural-organisational and structural-organisational design for an efficient RMS/ICS Basic understanding of the COSO Enterprise Risk Management System Design of business processes at the intersection of compliance, risk, and performance
Risk analysis, evaluation and reporting	Basic mathematical and statistical knowledge for modelling and evaluating risks Knowledge for identifying and evaluating holistic business risks beyond resource, interest and currency risks Knowledge for identifying/interpreting cash flow and fair value risk, knowledge for using Cashflow-at-Risk (CFaR), Earnings-at-Risk (EaR), and Value-at-Risk (VaR) models Basic knowledge about accounting and reporting of risks (e.g. hedge accounting, IFRS 7)
Risk-adjusted planning and risk control	Knowledge about taking risks in strategic and operational planning into consideration Knowledge of the key strategic methods for risk control (portfolio, business model, etc.) Basic knowledge of types and function of hedging strategies
IT tools and knowledge management	Knowledge of IT-assisted risk modelling, conduct of sensitivity analyses and simulations (SPSS, Excel, Crystal Ball, etc.) Knowledge about systematic creation and documentation of risk policies Knowledge for effectively conveying and communicating risk management policies Software for risk-adjusted planning and risk reporting

Fig. 45: Process-specific Professional knowledge – Risk management

3.8 Function controlling exemplified using personnel controlling

3.8.1 Allocation of process-specific controller competences

The main process *function controlling* denotes the controlling for the individual functions in the supply chain, such as R&D, production and sales as primary activities, or personnel and IT as supporting activites. Generally, the controlling processes already covered, such as planning, reporting, etc., can be found here. However, certain special requirements of an industry or organisation can suggest or even necessitate the specific illustration of a function's controlling process. Using the function personnel, the following chapter outlines the competences critical to success for the process *personnel controlling*. Because function controlling encompasses all controlling processes, all the nine main processes' specific competences could be associated with personnel controlling. However, this would result in unrealistically expansive competence requirements that would not be achievable in a real-life scenario. This once again emphasises the importance of focusing on certain competences critical to success.

Function controlling as controlling main process

One goal of the main process *personnel controlling* is to achieve personnel goals in accordance with the goals of the organisation. The other is to ensure effective and efficient HR processes and results in the organisation. Personnel controlling deals with opportunities and risks in personnel management and personnel risk in the entire organisation. It coordinates and integrates qualitative and quantitative personnel planning across the organisation and aligns it with the organisation's stipulations. Further key components of personnel controlling are decision-relevant reporting for HR matters appropriate to the recipient and the personnel controlling systems.

Nature of personnel controlling

For the main process *personnel controlling*, the controller competences critical to success as shown in Fig. 46a have been identified.

Personnel Controlling			
Personal Competence	Activity and Implement. oriented Competences	Socio-communicative Competence	Professional and Methodolog. Competence
▪ Holistic thinking	▪ Inspiring others ▪ Decision-making ability	▪ Consulting skills ▪ Communicative skills ▪ Cooperative skills ▪ Ability to solve conflicts	▪ Ability to assess things ▪ Organisational skills ▪ Process-specific professional knowledge

Knowledge work level

Business process level

Fig. 46a: Process-specific competences „Personnel controlling" by competence classes

Fig. 46b classifies the controller competences critical to the success of the main process by output categories.

Leadership

▪ Inspiring others
▪ Decision-making ability

Customer focus

▪ Consulting skills
▪ Communicative skills
▪ Cooperative skills
▪ Ability to solve conflicts

Know-how & Application

▪ Ability to assess things
▪ Process-specific professional knowledge

Efficiency

▪ Organisational skills

Designing the future
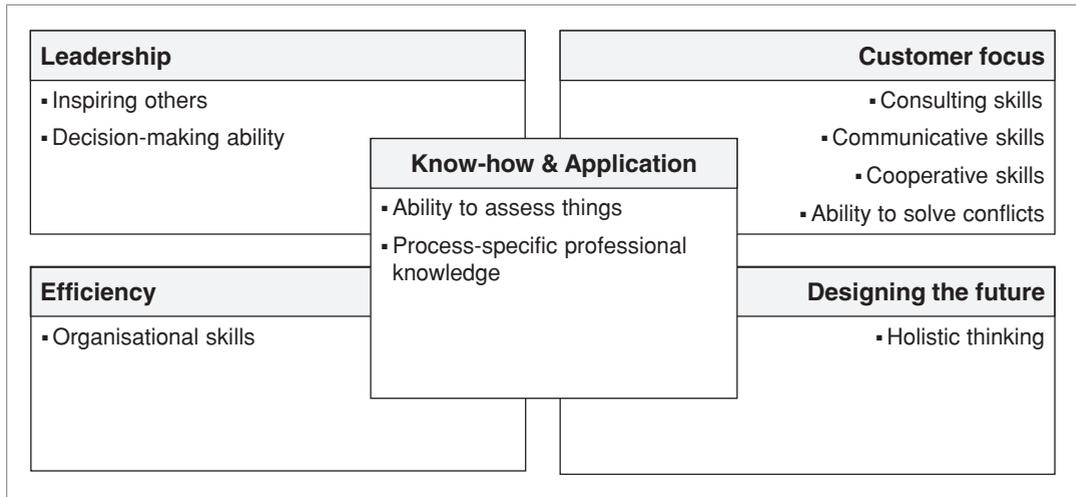
▪ Holistic thinking

Fig. 46b: Process-specific competences „Personnel controlling" by output categories[24]

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[24] See explanation Fig. 25b.

3.8.2   Description of process-specific controller competences

The main process *personnel controlling* is located at the interface of personnel and controlling. It not only involves central personnel management and central controlling, but also the organisation's management and (if necessary) the HR business partners. What is key to personnel controlling is therefore to establish and maintain stable relationships in various constellations and with diverging requirements. For this reason, the detailed description is given here using the example controller competence *Cooperative skills*.

Exemplary competence description and scaling, and presentation of the know-how catalogue

Cooperative skills (S; C; P)	Ability to successfully collaborate with others
Explanation: Cooperative skills entail the ability to collaborate socially. This includes the ability to form – at least temporarily – a community out of individuals who complement and support each other which is open to new developments, ready to act, and does not reject other individuals and groups. Key factors are the will and the ability to include difficult individuals in the collaboration.	
Competence characteristics: • Coordinates and organises joint actions through accordingly developed abilities and experience. • Encourages finding a consensus and mutual acceptance, appreciates the results of others. • Utilises the organisation's available resources.	
Exaggeration of competence: Is too willing to compromise and too eager for consensus and „togetherness".	
Key: S: Socio-communicative competence C: Output category Customer focus P: Process-specific competence	
Particular relevance – main processes Strategic planning, Operational planning and budgeting, Forecasting, Risk management, Personnel controlling, Management support	

Cooperative skills (S; C; P)	Ability to successfully collaborate with others
Reason for selection – Personnel controlling: Personnel controlling should sustainably drive decisions from the organisation's perspective. This requires the consolidation of opposing views and cooperation of different individuals. As central players, personnel controllers must be particularly adept at walking the fine line between too many compromises and wanting to find consensus on the one hand, and enforcing the most sensible solution for the organisation on the other.	

Fig. 47a: *Cooperative skills* as process-specific controller competence – Personnel controlling[25]

Example: Scaling Cooperative skills (S; C; S)	Ability to successfully collaborate with others
1	Is willing to collaborate with others.
2	Encourages finding a consensus and mutual acceptance, appreciates the results of others.
3	Demonstrates not only the will, but also the ability to include difficult individuals in the collaboration.
4	Coordinates and organises joint actions through accordingly developed abilities and experience.
5	Possesses a functioning network of players relevant for controlling.

Fig. 47b: Scaling the process-specific controller competence *Cooperative skills*

For the main process, controllers should possess the professional knowledge shown in Fig. 48.

Know-how catalogue	IGC main process Personnel controlling
Tools for controlling and personnel controlling	Basics of accounting Capital budgeting and cost accounting Statistics and analysis procedures for the evaluation of available data and integration into reports Personnel KPIs and KPI systems Qualitative and quantitative personnel planning Simulations

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[25] Based on Heyse/Erpenbeck/Ortmann, 2010, pp.123ff.

Know-how catalogue	*IGC* main process Personnel controlling
Decision support	Understanding of the organisation and personnel strategy Performance management systems, particularly the calculation of performance bonuses, profit sharing and its impact, impact of leaves of absence also from a cost perspective, and applying this knowledge in HR and personnel work Evaluation tools: Professional knowledge of procedures for self- and external assessment of the organisation, processes, instruments, and systems, as well as definition and quantification of evaluation criteria for personnel controlling services
Knowledge management	Knowledge of causal relationships of personnel work and deriving action recommendations for the management Understanding and application of personnel work tools and a strategic view of personnel work Integration of knowledge about labour and collective bargaining law and works constitution into personnel controlling, and adherence to them
Optimisation and IT tools	Knowledge about evaluating, analysing, and optimising processes; knowledge for performing process cost calculation and process cost optimisation Knowledge of methods for internal cost allocation Knowledge of database software, spreadsheets, computerised payroll services, BI systems and reporting and analysis software

Fig. 48: Process-specific Professional knowledge – Personnel controlling

3.9 Management support

3.9.1 Allocation of process–specific controller competences

Nature of management support

The goal of the main process *management support* for controllers is the coordination and promotion of rational decision-making within the management process of setting objectives, planning, and control across the organisation. This entails anchoring business-driven considerations and actions across all management layers. As service providers tasked with establishing order, controllers ensure that the main controlling processes are applied in the organisation, and shape them during the course of setting objectives, planning, and control. They support the management with appropriate tools and information relevant to decisions, demonstrate the effects of different actions on the business, and create transparency across units regarding strategy, result, finances and processes. In this way, they assist the management as „drivers", „inhibitors", „sparring partners" or as „business conscience". The controller competences in Fig. 49a are critical to success in this regard.

Knowledge work level			
Business process level			
Management Support			
Personal Competence	Activity and Implement. oriented Competences	Socio-communicative Competence	Professional and Methodolog. Competence
▪ Holistic thinking ▪ Creative skills	▪ Creative drive ▪ Inspiring others ▪ Decision-making ability	▪ Consulting skills ▪ Articulateness ▪ Communicative skills ▪ Ability to solve conflicts	▪ Ability to assess things ▪ Conceptional strength ▪ Process-specific professional knowledge

Fig. 49a: Process-specific competences „Management support" by competence classes

Fig. 49b classifies the controller competences critical to the success of the main process by output categories.
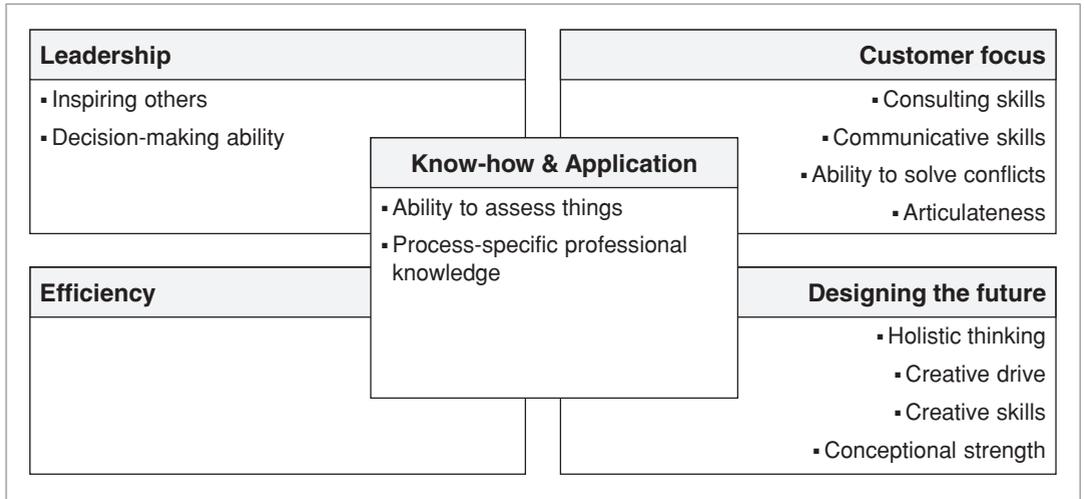
Leadership		Customer focus
▪ Inspiring others ▪ Decision-making ability	**Know-how & Application** ▪ Ability to assess things ▪ Process-specific professional knowledge	▪ Consulting skills ▪ Communicative skills ▪ Ability to solve conflicts ▪ Articulateness
Efficiency		**Designing the future**
		▪ Holistic thinking ▪ Creative drive ▪ Creative skills ▪ Conceptional strength

Fig. 49b: Process-specific competences „Management support" by output categories[26]

3.9.2 Description of process–specific controller competences

In the context of consulting, controllers should be able to provide inspiration for creative solutions. This requires that they themselves possess a sufficiently high creative potential. A detailed description is given in this chapter using the competence *Creative skills* as an example.

Creative skills (P/A; F; S)	Ability to act creatively
Explanation: Creative skills denote the ability to solve situation-specific problems and tasks using new approaches. Creative individuals use new approaches and means to solve problems, and encourage others to do likewise.	
Competence characteristics: • Recognises the necessity for change early, mostly sees problems as opportunities. • Actively fights inactivity, indifference and stale routine. • Actively seeks to share information as a source of inspiration and new ideas. • Supports new proposals of others, encourages them to implement them while always considering the economic meaningfulness and feasibility.	

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[26] See explanation Fig. 25b.

Creative skills (P/A; F; S)	Ability to act creatively
Exaggeration of competence: Continually comes up with new ideas, even in situations that require a steady flow and routine, and consequently never completes anything; is seen as unstable and volatile rather than as a business conscience.	
Key: P/A: Hybrid of personal competence and activity and implementation oriented competences F: Output category Designing the future S: Process-specific competence	
Particular relevance – main processes Management support, Enhancement of the organisation, processes, instruments & systems	
Reason for selection – Management support As internal consultants, controllers help managers and employees search for innovative products and services, for attractive markets and customer groups and for new business models. During consulting sessions, and particularly in a leading consulting position, controllers require sufficient creative potential to develop superior problem solutions for the client. Creativity is equally necessary in a consulting context when designing consulting projects and architectures, when introducing new tools or when preparing and presenting results.	

Fig. 50a: *Creative skills* as process-specific controller competence – Management support[27]

Example: Scaling Creative skills (P/A; F; S)	Ability to act creatively
1	Supports the creative ideas of others.
2	Supports the creative ideas of others and actively fights inactivity, indifference and stale routine.
3	Actively seeks to share information as a source of inspiration and new ideas.
4	Seeks and develops creative solutions.
5	Seeks and develops creative solutions, and encourages others to be creative as well while always considering the economic meaningfulness and feasibility.

Fig. 50b: Scaling the process-specific controller competence *Creative skills*

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[27] Based on Heyse/Erpenbeck/Ortmann, 2010, pp.123ff.

For the main process, controllers should possess the professional knowledge shown in Fig. 51.

Know-how catalogue	*IGC* main process Management support
Entrepreneurial thinking	Cross-functional knowledge of different departments in the organisation (e.g. marketing, sales, logistics) Understanding of the products or services sold in one's own company Understanding of the organisational structure and of the profitable use of resources within and outside the company Understanding of the requirements from the customers' perspectives
Processes and structures	Knowledge of relationships and procedures across areas and functions and of the balance of power Knowledge of the organisation's strengths and weaknesses as well as of the potentials for optimisation Know-how of process management and reorganisation
Goals and goal system	Knowledge of current goals, the goal system and the players on all levels Knowledge of the function of decision-making processes and decision-making behaviours of the management; understanding of the mechanisms for enforcing decisions
Consulting and management tools	Knowledge of consulting tools and methods (e.g. PEST/SWOT analysis, diversification and risk matrix, etc., creativity techniques, etc.) Reporting tools (business intelligence solutions) and data management including the software required for business consulting, SAP, Microsoft Office suite and others Change management approaches

Fig. 51: Process-specific Professional knowledge – Management support

3.10 Enhancement of the organisation, processes, instruments & systems

3.10.1 Allocation of process-specific controller competences

Nature of continuous enhancement of the controlling field

The goal is to continuously enhance the controlling processes, instruments and systems used in the organisation. Particular focus should lie on identifying the processes which need to be adapted and which need to be developed from scratch. Designing new and further developing existing controlling processes, structures, instruments and systems aims to ultimately increase the effectiveness and efficiency of controlling, or to maintain them in a changing environment. The process of enhancing organisation, processes, instruments and systems also includes moderating, conveying knowledge, and support and training/qualifying employees within and outside of controlling. In addition, it includes introducing standards and policies. Controllers are tasked with making quality standards measurable and permanently communicate them in order to achieve and – if possible – surpass higher quality standards. The following controller competences are particularly critical to success for the main process of *enhancement* (see Fig. 52a).

Knowledge work level			
Business process level			
Enhancement of Organisation, Processes, Instruments & Systems			
Personal Competence	Activity and Implement. oriented Competences	Socio-communicative Competence	Professional and Methodolog. Competence
▪ Holistic thinking ▪ Openness to change ▪ Creative skills	▪ Creative drive ▪ Inspiring others ▪ Ability to try new things	▪ Ability to understand others' perspectives ▪ Ability to integrate ▪ Willingness to experiment	▪ Ability to assess things ▪ Conceptional strength ▪ Project management ▪ Process-specific professional knowledge

Fig. 52a: Process-specific competences „Enhancement of the organisation, processes, instruments & systems"

Fig. 52b classifies the controller competences critical to the success of the main process by output categories.
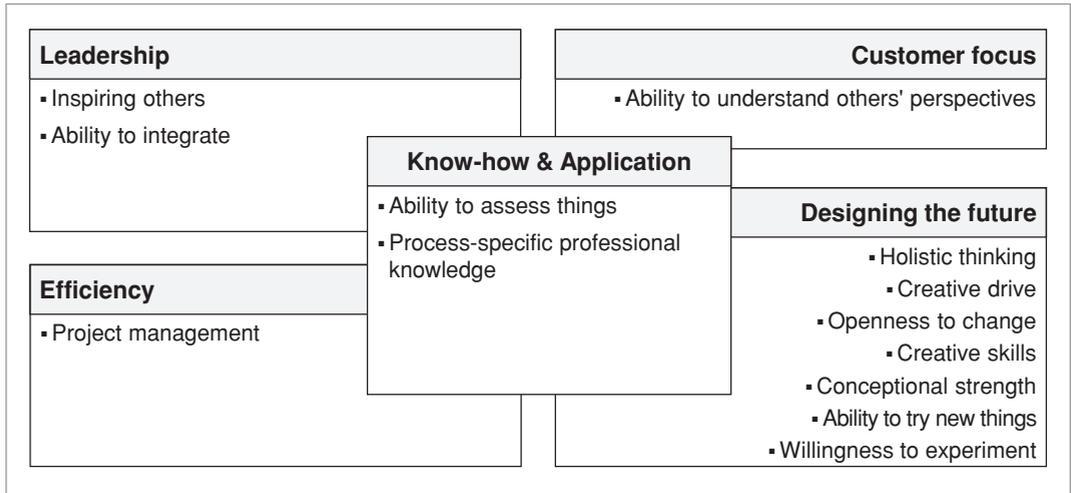
Leadership		Customer focus	
▪ Inspiring others		▪ Ability to understand others' perspectives	
▪ Ability to integrate			

Know-how & Application
- ▪ Ability to assess things
- ▪ Process-specific professional knowledge

Designing the future
- ▪ Holistic thinking
- ▪ Creative drive
- ▪ Openness to change
- ▪ Creative skills
- ▪ Conceptional strength
- ▪ Ability to try new things
- ▪ Willingness to experiment

Efficiency
- ▪ Project management

Fig. 52b: Process-specific competences „Enhancement of the organisation, processes, instruments & systems" by output categories[28]

3.10.2 Description of process–specific controller competences

For the main process *enhancement* of the organisation, processes, instruments & systems, the controller competence *ability to try new things* is described in detail (see Fig. 53a).

Ability to try new things (A/P; F; S)	Ability to approach innovations with pleasure
Explanation: Possessing the ability to try new things means to favourably view, actively seek and implement innovations. Practical implementation of developments inevitably leads to unusual problem-solving methods and new potential courses of action, and encourages making goal-oriented decisions.	
Competence characteristics: • Actively contributes to the search and implementation of positive changes related to the existing controlling system. • Can use their experience and situation-specific analyses to identify innovative approaches for existing challenges in controlling. • Likes to implement innovations in the organisation, in general and also specific to controlling.	

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[28] See explanation Fig. 25.

Ability to try new things (A/P; F; S)	Ability to approach innovations with pleasure
Exaggeration of competence: Initiates too many simultaneous changes; unsettles others with constant changes without added value.	
Key: A/P: Hybrid of activity and implementation oriented competences and personal competence F: Output category Designing the future S: Process-specific competence	
Particular relevance – main processes Enhancement of the organisation, processes, instruments & systems	
Reason for selection – Enhancement of the organisation, processes, instruments & systems The ability to try new things allows the controller to generally see controlling innovations in a positive light and proactively seek them. Therefore, the ability to try new things can be considered a basic ability to generate innovative solution approaches for improving the existing controlling system.	

Fig. 53a: *Ability to try new things* as a process-specific controller competence – Enhancement of the organisation, processes, instruments & systems[29]

Example: Scaling Ability to try new things (A/P; F; S)		Ability to approach innovations with pleasure
1	Has a positive attitude and supports innovations.	
2	Can differentiate between significant and minor innovations in controlling and proposes changes in his own area of responsibility.	
3	Can use his experience and situation-specific analyses to identify innovative approaches for existing challenges in his own area of responsibility and implement them in projects.	
4	Actively contributes to the search and implementation of positive changes related to the existing controlling system, and motivates others to do likewise.	
5	Likes to implement innovations in the organisation both in general and also specific to controlling. Assumes a driving role.	

Fig. 53b: Scaling the process-specific controller competence *Ability to try new things*

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[29] Based on Heyse/Erpenbeck/Ortmann, 2010, pp.123ff.

For the main process, the professional knowledge shown in Fig. 54 is essential for controllers.

Know-how catalogue	ICG main process Enhancement of the organisation, processes, instruments & systems
Approaches for performance increase in controlling	Knowledge of integrated performance measurement and management systems for different elements of controlling (e.g. process-oriented performance measurement system) Quality management know-how: Knowledge of basic methods and procedures for evaluating controlling performance Evaluation tools: Professional knowledge of procedures for self- and external assessment of the organisation, processes, instruments and systems as well as definition and quantification of evaluation criteria for controlling services Project management Capital budgeting
Best practice approaches, innovations, client requirements	Knowledge of best practice approaches in other organisations, benchmarks Knowledge of key professional, instrumental and other trends and developments Knowledge of the internal clients' controlling requirements
Knowledge management and cooperation	Development of policies and standards and documentation and further development of the controller organisation's know-how (e.g. controller guide) Conveyance and communication of new policies and standards, carrying out trainings to inform employees about new requirements in controlling, accounting, financial management, etc.

Know-how catalogue	ICG main process Enhancement of the organisation, processes, instruments & systems
Change management	Change management: Knowledge for creating implementation plans (personnel and IT requirements) Coordination of organisational, IT-based, and system-specific requirements for the controlling innovation with the existing system
IT tools	Software knowledge in the following areas: ERP systems, database software, analysis software, spreadsheets

Fig. 54: Process-specific Professional knowledge – Enhancement of the organisation, processes, instruments & systems

4 Model competence profiles

For a consistent identification and description of competences, the following question has to be answered, as outlined in Chapter II.1-3: „How should a controller act in a certain situation?" In order to do this, typical and relevant situations in which controllers may find themselves need to be described first (activity anchor). After that, the freedom of action needs to be described (scaling), and the desired level of competence needs to be determined (target competences). Together these building blocks form the competence profile. For instance, if a controller is to be trained in communication and presentation techniques, the situation will play out as follows: „A controller is summoned for a presentation of current cost development before the board. The board is not happy about the development and expects specific proposals for a solution." The controller's freedom of action ranges from „In this case I'll rather send my deputy" to „I'm glad about this challenge, as I can conduct presentations particularly well in difficult situations and can so raise the mood". On which level the controller should act is a result of his position and function and is determined from the top down. Learning concepts have to enable the controller to act exactly as desired by the clients (board or management, particularly the CFO) in this situation.

Six competence profiles for selected controller functions

Below, ideal-typical competence profiles are presented for six selected controller functions. The relevant competences for each of the six functions are derived using the controller competence atlas. Apart from the relevant competences for all controller functions resulting from the basic competences for knowledge workers and the controller compe-

tences across processes, the controller competence atlas also defines function-specific competences. The competence profiles are based on real-world tasks and expectations for the particular controller function that are combined in a generic function profile using a standardised grid (see 4.1/b. model function profile head of controlling).

4.1 Configuration of the competence profile grid

It is generally possible to use a different competence profile, i.e. one with its own mix of competences, for each of the functions covered below. However, the *IGC* prefers – primarily because of better real-world applicability – to use a standardised competence profile grid that recommends a defined set of competences for all controller functions of an organisation. A standardised competence profile grid enables a better comparison of the functions with each other and more systematic and consistent planning and control of the competences within controlling. The decision about which competences comprise a competence profile can only be made individually for an organisation and depending on the organisation's goals, the controlling goals, the controlling organisation, and the specific tasks set for the controllers (also see Chapter I.3.2/III.4) The *IGC*'s template facilitates this process.

Standardised grid for selected controller functions

When configuring the grid, competences across processes as well as process-specific competences are considered. Because of their broader association beyond controller functions, competences for knowledge workers are not included in the grid, but are rather expected. Generally, a controller competence profile should include all the competences essential for that function that cover the different output categories while not being too complex and unwieldy for practical use. In the *IGC*'s grid shown here, 25 competences have been included, and content overlaps of content have been avoided as much as possible. The various competence classes' competences are not independent of each other – therefore it makes sense to bundle or combine individual competences. Fig. 55 brings the 25 controller competences together in a competence profile grid structured according to the five output categories.

Bundling competences

Leadership		Customer focus	
Normative ethical attitude	☐ ☐ ☐ ☐ ☐	Credibility	☐ ☐ ☐ ☐ ☐
Proactively inspiring others	☐ ☐ ☐ ☐ ☐	Communicative skills	☐ ☐ ☐ ☐ ☐
Leading with the target in mind	☐ ☐ ☐ ☐ ☐	Cooperative skills	☐ ☐ ☐ ☐ ☐
Decision-making ability	☐ ☐ ☐ ☐ ☐	Ability to solve conflicts	☐ ☐ ☐ ☐ ☐
Ability to integrate	☐ ☐ ☐ ☐ ☐	Consulting skills	☐ ☐ ☐ ☐ ☐

Know-how & Application	
Professional knowledge	☐ ☐ ☐ ☐ ☐
Analytical skills	☐ ☐ ☐ ☐ ☐
Ability to assess things	☐ ☐ ☐ ☐ ☐
Market & business knowledge	☐ ☐ ☐ ☐ ☐
Project management	☐ ☐ ☐ ☐ ☐

Efficiency		Designing the future	
Ability to withstand stress	☐ ☐ ☐ ☐ ☐	Holistic thinking	☐ ☐ ☐ ☐ ☐
Consistent persistence	☐ ☐ ☐ ☐ ☐	Openness to change	☐ ☐ ☐ ☐ ☐
Reliability	☐ ☐ ☐ ☐ ☐	Creative skills	☐ ☐ ☐ ☐ ☐
Systematic and methodological proceeding	☐ ☐ ☐ ☐ ☐	Ability to try new things	☐ ☐ ☐ ☐ ☐
Organisational skills	☐ ☐ ☐ ☐ ☐	Conceptional strength	☐ ☐ ☐ ☐ ☐

Fig. 55: Model competence profile grid

Individual controller functions are specified by means of a differentiated evaluation of the relevance of competences per function and through different target values of the competence (also see Chapter II.4.8). For this publication, this evaluation has been conducted by an *IGC* expert panel.

The competences forming the basis for the *IGC* grid are briefly described below:

4.1.1 Output category Leadership

• Normative-ethical attitude: The competence, another term for integrity, is included 1:1 in the grid. This reflects the great significance of acting with integrity in the entire controller or financial organisation. Controllers should be role models of integrity to others and assume a leading role (see appendix A, list of competences, pp. 176f.)

• Inspiring others/Creative drive (> Proactively inspiring others): In the *IGC*'s view, both competences combined are essential for financial leadership in the company. Inspiring others without creative drive is not sustainable enough, because the drive and the proactivity are missing. The will to actively contribute without the ability to inspire

others will, conversely, also not lead to success (see appendix A, list of competences, p. 182f./pp. 196ff.)

- Leading with the target in mind/Delegating (> Leading with the target in mind): Successful delegation requires the ability to lead with the target in mind. Moreover, leading with the target in mind often does not stop at communicating goals effectively with binding intentions; rather, it can go as far as conferring tasks (see appendix A, list of competences, p. 181f./p. 195f.).

- Decision-making ability: If they are not themselves able to make decisions, controllers won't be able to lend effective decision support that is accepted by the management. The competence is therefore included in its original form from the competence atlas (see appendix A, list of competences, pp. 198ff.)

- Ability to integrate: Controllers should always aim to integrate and unite different, diverging goals, interests, and visions to a common, successful whole. Controllers who sow discord are useless (see appendix A, list of competences, pp. 202ff.)

4.1.2   Output category Customer Focus

- Credibility: Credible behaviour is the basis for trust and collaboration in controlling. Seen in that way, credibility, like integrity, stands above the other customer-oriented competences conceptually. If trust is fundamentally damaged, even the best convincing techniques can achieve nothing. Without trust neither willingness for consensus nor acceptance by the management or the employees can be expected (see appendix A, list of competences, p. 175).

- Customer focus/Dialogue ability and Communication skills (> Communication skills): The two concepts are closely related. The willingness to empathise with customers, and to recognise and understand their needs is a requirement for communicating appreciatively. As the *ability to understand others' perspectives* is essential for *dialogue ability and communication skills*, this competence is not listed separately in the competence profile. *Communication skills* encompass *conversational skills, ability to contact and convince others* – even with difficult dialogue partners – and also the competence *articulateness* (see appendix A, list of competences, pp. 184ff./204ff.).

- Cooperative skills: The ability to perform actions using the organisation's available human resources, coordinate joint actions and work in cross-unit teams is an important aspect of successful controller work. Cooperation requires communication, but systematic relationship management goes well beyond this (see appendix A, list of competences, pp. 208ff.).

- Ability to solve conflicts: This competence is also closely related to other customer-oriented competences such as the ability to convince or credibility. Successful handling of conflicts, the often necessary challenging of dialogue partners, or difficult negotiations require the ability to resolve opposition and blockades as well as to help others achieve more self-reliance (see appendix A, list of competences, pp. 210ff.).
- Consulting skills: In the context of consulting, controllers use the above customer-related abilities together with their comprehensive professional and methodological knowledge to counsel the management in goal-finding and decision-making matters as well as to promote autonomous, profitable actions (see appendix A, list of competences, p. 185ff.).

4.1.3   Output category Efficiency

<p style="text-align:right">Five competences that promote efficiency</p>

- Ability to withstand stress: Performing goal-oriented tasks under time constraints and mental tension is commonplace for controllers. Stress increases with professional and personnel responsibilities. Ability to withstand stress is a basic requirement for a career as a controller and should therefore already be closely examined when hiring (see appendix A, list of competences, p. 180).
- Consistency/Persistence (> Consistent persistence) Controllers should be consistent and possess a certain persistence when trying to implement goals and stipulations. Determination is a required work attitude for this. Therefore, these two competences are bundled (see appendix A, list of competences, p. 178/179).
- Reliability: All controller activities require a high degree of controller reliability. Whether schedules, rules or policies need to be observed, or company interests need to be represented – it is essential that controllers can be relied upon (see appendix A, list of competences, p. 176).
- Systematic-methodological approach: Controllers must be able to act systematic-methodologically, acting as a role model for (and helping) others in the organisation through their structured work method. Acting unstystematically leads to inefficiency and lower productivity (see appendix A, list of competences, p. 187).
- Organisational skills: Coordination of tasks in the controlling process, planning of human resources and continuous capacity management are important aspects of a controller organisation and even exceed it. Depending on the specific task within the controller field, controllers should possess organisational skills to a greater or lesser degree (see appendix A, list of competences, pp. 214ff.).

4.1.4   Output category Designing the Future

- Holistic thinking: Holistic thinking allows controllers to think about the bigger picture, it helps communicate with the management on an equal footing and be accepted as a dialogue partner. This competence is fundamental and should be included in every competence profile (see appendix A, list of competences, p. 177f.)

- Openness to change: Proactivity requires openness to change. Without openness, no unbiased, forward-thinking actions can be taken. The competence should be developed to some degree in all controller functions. In the context of change processes and with increasing organisation possibilities of a function, openness becomes more important (see appendix A, list of competences, pp. 191ff.).

- Creative skills: These equal creativity and are not required equally in all controller functions and application levels. In consulting projects, and particularly in a leading consulting position, controllers necessarily require sufficient creative potential to develop superior solutions for the internal client (see appendix A, list of competences, p. 193f.).

- Ability to try new things: This competence is also related to the other competences for designing the future, but due to its significance for the controlling system's renewal, it should be listed separately (see appendix A, list of competences, pp. 200ff.).

- Conceptual strength: Controller's conceptional strength helps him to articulate fact-based action recommendations for the management from available data. Depending on the function and level of application, this competence needs to be more or less developed. Controlling also requires conceptional strength in order to continuously adapt the planning and control systems to the organisation's challenges (see appendix A, list of competences, p. 212f.)

Five competences that shape the future

4.1.5   Output category Know–how & Application

- Professional knowledge: Professional knowledge is the ticket for any controller function. The necessary expertise and relative significance of the professional knowledge depend on the respective function and, furthermore, on the level of application. In addition, depending on the particular field of application within the realm of controlling processes, various fields of knowledge and the ability to continuously acquire new professional knowledge are becoming important (see appendix A, list of competences, pp. 189ff.)

- Analytical skills: Apart from professional knowledge as such, the ability to extract a clearly structured picture from the wealth of data and facts is a controller's second pillar. The necessary analytical

Five know-how-related competences

expertise again varies depending on the specific area of application (see appendix A, list of competences, p. 186).

- Ability to assess things: This competence also is closely related to the competences already mentioned. A professional-methodological and, at the same time, experience-based business perspective are core functions of a controller. The ability to assess things is based on professional knowledge and particularly essential when ad hoc decisions have to be made (see appendix A, list of competences, p. 187).

- Business unterstanding (> Market & business knowledge): Understanding the business pertains to one's own added value; market knowledge goes beyond this and includes the relevant environment, particularly the procurement and sales markets. Depending on the specific controller function, the relevance of external orientation and a close relationship with the business varies (see appendix A, list of competences, p. 188ff./pp. 217).

- Project management: A controller does not necessarily have to be able to work as project manager. This competence is again related linked to particular fields of application and responsibilities (see appendix A, list of competences, pp. 216ff.).

4.2 Head controller

4.2.1 Current challenges for the head controller

Nature of the head controller

Depending on organisation size, the job profile of the head controller can entail very different tasks and challenges. In large companies, personnel, and professional and content management of controlling are the bulk of day-to-day work; and the actual controller function is often focused on operational consulting and management, i.e. the role as sparring partner. In smaller organisations, the head controller mostly handles all controlling processes himself or herself. The management function may be limited to one or two part-time employees. Regardless of whether head controllers perform their duties in a large enterprise or an SMB, they require

- a holistic view in order to be able to handle the responsibility,
- socio-communicative and leadership competences in order to fulfil the role as sparring partner and be able to lead employees, and
- drive and goal orientation in order to proactively develop the controlling system further.

The head controller faces the challenge of developing a state of the art organisation, ensuring continuous performance increases in the con-

trolling processes and anchoring financial leadership in the entire organisation.

4.2.2 Model function profile in the context of the IGC Process Model

Goals: The core of the function is the effective management of the controller team so it can provide the agreed services. It simultaneously entails influencing the organisation's leaders, as internal consultant and business companion, so they can control their own areas autonomously.

Core tasks:

- Overall responsibility for the controlling processes according to the *IGC*
- Planning and forecast: Contributing to the establishment of organisational goals / target setting, leading and coordinating the strategic and operational planning and budgeting actions, coordinating the sub-plans and goals to create an overall plan, further developing the planning process and system; and analogously: Forecast process
- Management information: Development and continuous improvement of a meaningful, consistent and integrated information system; presentation of results before the organisation's executive and supervisory boards and other bodies
- Control: Development and implementation of an overarching performance and risk management system, close collaboration with the business units; continuous decision support and decision-making on all management levels
- Organisation: Project leadership in rationalisation projects and IT projects close to controlling; selection of controlling-related IT solutions, optimising controlling processes, coordination of strategic prgramme management, acceptance of special tasks from the management
- Division management: Professional and disciplinary management of a professional controller team, and professional management of decentralised controllers; development of a controller community aligned towards common goals and priorities
- Talent management: Knowledge management and training function for controlling and finance excellence, training managers and talents in the use of business know-how

Role expectations: The leader of a controller organisation should be a forward-thinking pioneer for the controller team who aligns the employees towards common goals. This requires spending sufficient time on personnel management and direct contact with the employees. Regular interaction and collaboration with the top management are

equally essential: As sparring partner for the top management, the head controller accompanies decisions from a business perspective and assumes the role of critical business conscience. He advises managers in the decision-making process and actively helps develop new solutions, thereby securing the management's acceptance and trust, can communicate on an equal footing, and is included in decision-making processes early on. Once this role is properly established, the next step allows change processes to be proactively introduced and controlled in the organisation.

4.2.3 Competence requirements for the head controller

Derivation system for competence requirements

The head controller is the „senior" controller and leader of his or her own area of responsibility. In this leadership role, he is involved in all controlling processes, although he coordinates many actions instead of performing them himself. He is typically most involved in the *management support* aspects of the top management and in the *strategic planning* and *enhancement of the organisation, processes, instruments and systems*. These three processes, along with professional and content-related and personnel management tasks, as well as collaboration with the management team, are therefore the key reference points for deriving the competence requirements. Fig. 56a associates these main processes with the competences relevant for the head controller and also highlights the top competences.

Process	Top 3 competences	Competences Critical to Success
Strategic Planning	• Holistic thinking • Conceptional strength • Market knowledge	• Holistic thinking • Openness to change • Delegating • Inspiring others • Creative drive • Ability to integrate • Communication skills • Cooperative skills • Consulting skills • Organisational skills • Conceptional strength • Market knowledge • Project management

Process	Top 3 competences	Competences Critical to Success
Management support	• Consulting skills • Ability to assess things • Inspiring others	• Holistic thinking • Creative skills • Decision-making ability • Inspiring others • Creative drive • Communication skills • Articulateness • Ability to solve conflicts • Consulting skills • Conceptional strength • Ability to assess things
Enhancement of the organisation, processes, instruments & systems	• Holistic thinking • Creative drive • Inspiring others	• Holistic thinking • Openness to change • Creative skills • Inspiring others • Creative drive • Ability to try new things • Ability to integrate • Willingness to experiment • Ability to understand others' perspective • Conceptional strength • Ability to assess things • Project management
Management of the controller-field	• Leading with the target in mind • Delegating • Organisational skills	• Decision-making ability • Inspiring others • Creative drive • Leading with the target in mind • Delegating • Ability to integrate • Communication skills • Cooperative skills • Ability to solve conflicts • Organisational skills

Fig. 56a: Top competences for the head controller

Holistic thinking is one of the central competences across processes (see Chapter II.2) and generally important for the head controller when considering the big picture of controlling in the context of management, but more so within strategic planning. At its core, holistic thinking allows the head controller to not only analyse the environment, but also to shape it at the interface to the top management. Head controllers should be able to view changes holistically in the course of further developing the controlling system, without limiting themselves to professional and methodological details.

In discussions with the top management, the head controller should be able to convincingly use his or her conceptional abilities by introducing well-structured and well-founded recommendations for action into the discussion. Furthermore, *conceptional strength* is valuable when further developing the controlling organisation or system, and when implementing an approach to increase performance in the area of controlling.

A head controller should possess profound *market knowledge*. In order to be accepted by the top management team and take part in the decision-making bodies on an equal footing, deeper knowledge of the organisation's markets, i.e. environment, customers and buyers, suppliers and competitors is essential.

A head controller must be able to handle a wide variety of tasks with many different topics and consolidate several main processes. A well-developed *ability to assess things* helps him to quickly, reliably, and comprehensively visualise each contributing controller's status and quality of activity and performance without getting bogged down in details. Judgement is equally relevant in consulting situations, notably when performing data plausibility checks and interpreting results as well as in the continuous confrontation with the top management regarding the correct assessment of business development.

Consulting skills should be equally well developed in head controllers. First and foremost, they need to play the role as internal consultant, and therefore as role model, for their team of controllers; secondly, their experience and standing in the organisation predestines them to counsel others. For most controlling processes, consulting skills are considered critical to success. This is reflected in the head controller's competence profile. In addition, head controllers are often the ones playing a key role as business consultants in the organisation's special projects.

This is closely related to the competence of *inspiring others*. Head controllers particularly should provide thought and action provoking impulses for the management regarding future opportunities and courses of action, and must often hold their own when working with managers

much higher up in the hierarchy. The ability to inspire others helps the managing controller to assume an active, leading role, and to inspire and motivate the management to take action beyond rational argumentation. This is closely related to *creative drive*, which drives head controllers to develop the controlling organisation, processes and system according to their own vision and values. Creative drive is an essential source of motivation. Combined with the ability to inspire others, it increases a controller's leadership potential.

Leading with the target in mind is relevant for the head controller in several ways. On the one hand, he must effectively convey the goals to others in the organisation, commit all units and his players to him, and also support the management. On the other hand, he must successfully implement professional goals, policies, and stipulations. In addition, the managing controller should be able to internally lead and motivate his controlling team in accordance with controlling goals, and thus to systematically control controller performance.

Effective leadership also shows as the ability to delegate tasks to others and ensure that they are completed with sufficient quality and on time. Taken together, *delegating* and leading with the target in mind are an essential bundle of competences for head controllers. As noted, leadership takes place on two levels: within the controller field, with directly or indirectly subordinate (dotted line) employees, and laterally across the organisation with managers or employees of all units.

Head controllers need to coordinate personnel resources and controlling processes so the organisation's goals and/or the controlling goals are achieved. They orchestrate the entire coaching process and should therefore possess pronounced *organisational skills*. This competence is particularly significant for enhancing the controlling system, but also for all other positions.

Together with the above top competences, profound *professional knowledge* is a head controller's essential basis for actions. Apart from professional knowledge across processes, which is relevant for all controller functions, the head controller should have a sufficiently good professional understanding of the controlling processes he is responsible for to not only be a disciplinary, but also a professional leader to the employees, and to ensure the controlling system's quality. This requires sufficient professional knowledge of all main processes. At the same time, it is unrealistic for the head controller to function as top expert in all the organisation's processes. What head controllers – similar to competences critical to success – should have and continuously expand is deeper professional expertise in the main processes with particular relevance for them: *management support*, *strategic planning*, and *enhancement of organisation,*

processes, instruments & systems. As members of the management (responsible for employees) they should furthermore have knowledge of personnel management methods, business and employee management, work organisation and organisational development and psychology, and be able to successfully employ that knowledge.
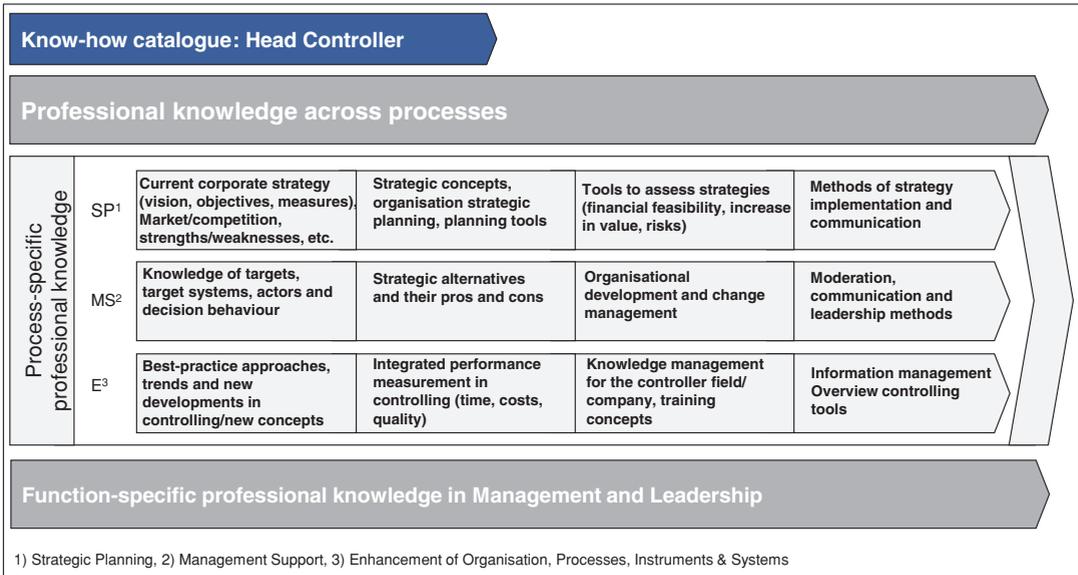
Know-how catalogue: Head Controller

Professional knowledge across processes

Process-specific professional knowledge					
	SP[1]	Current corporate strategy (vision, objectives, measures), Market/competition, strengths/weaknesses, etc.	Strategic concepts, organisation strategic planning, planning tools	Tools to assess strategies (financial feasibility, increase in value, risks)	Methods of strategy implementation and communication
	MS[2]	Knowledge of targets, target systems, actors and decision behaviour	Strategic alternatives and their pros and cons	Organisational development and change management	Moderation, communication and leadership methods
	E[3]	Best-practice approaches, trends and new developments in controlling/new concepts	Integrated performance measurement in controlling (time, costs, quality)	Knowledge management for the controller field/ company, training concepts	Information management Overview controlling tools

Function-specific professional knowledge in Management and Leadership

1) Strategic Planning, 2) Management Support, 3) Enhancement of Organisation, Processes, Instruments & Systems

Fig. 56b: *Professional knowledge* – Head controller

4.2.4 Generic competence profile for the head controller

The model competence profile for the head controller shows how the list of controller competences can be applied in the context of the managing function. The competence profile follows the standardised grid according to the *IGC*, using the set of 25 controller competences. The level of relevance and target intensity of the individual competences is designed to specify the competence profile for the head controller. In practice, it is therefore important to only set target competences context-specifically, i.e. aligned to current values and goals and the controlling unit's strategy, and to the organisation and controlling organisation. The top competences and calibration of target competences for the head controller's generic profile have been evaluated by an *IGC* expert panel. Fig. 56c demonstrates the model competence profile. The top competences identified in Fig. 56c are highlighted to emphasise their particular relevance.
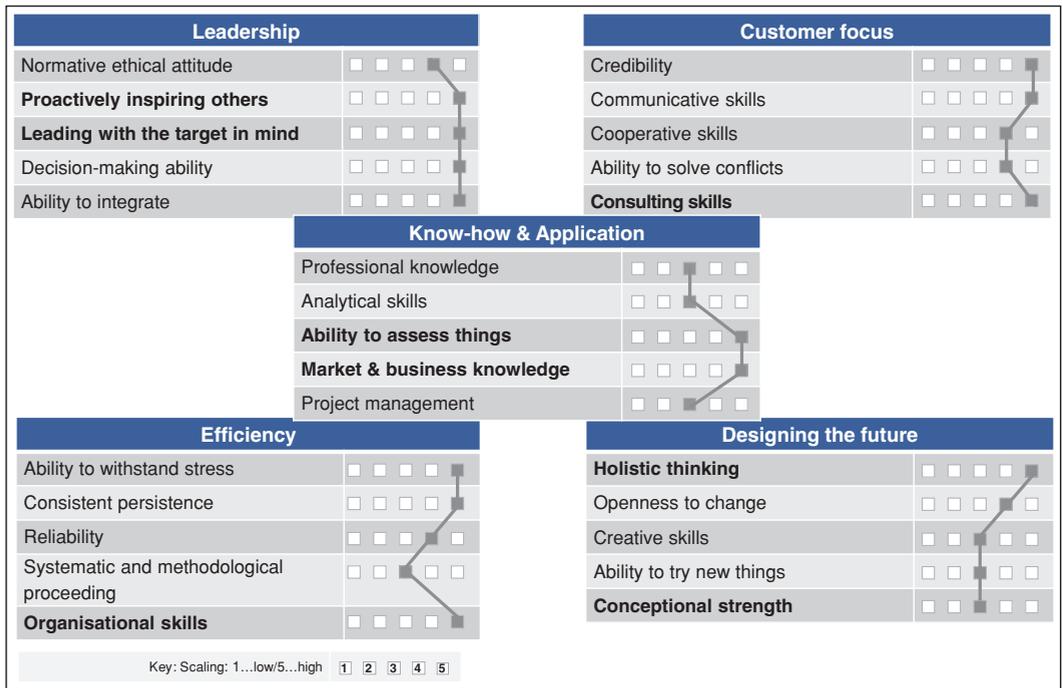
Leadership

	1	2	3	4	5
Normative ethical attitude				■	□
Proactively inspiring others					■
Leading with the target in mind					■
Decision-making ability					■
Ability to integrate					■

Customer focus

	1	2	3	4	5
Credibility					■
Communicative skills					■
Cooperative skills				■	□
Ability to solve conflicts				■	□
Consulting skills					■

Know-how & Application

	1	2	3	4	5
Professional knowledge			■		
Analytical skills			■		
Ability to assess things				■	
Market & business knowledge				■	
Project management		■			

Efficiency

	1	2	3	4	5
Ability to withstand stress					■
Consistent persistence				■	
Reliability				■	
Systematic and methodological proceeding			■		
Organisational skills					■

Designing the future

	1	2	3	4	5
Holistic thinking					■
Openness to change				■	
Creative skills			■		
Ability to try new things			■		
Conceptional strength			■		

Key: Scaling: 1…low/5…high 1 2 3 4 5

Fig. 56c: Model competence profile – Head controller

4.3 Strategic controller

4.3.1 Current challenges for strategic controllers

Controlling has undergone impressive changes in the last few decades. Controllers have had to reassert themselves in business practice time and again as their requirements and tasks have expanded significantly. This development has led to new instruments and content, but most of all to closer interaction with the management. In this respect, controlling has evolved within enterprise management as an operational as well as a strategic tool. At the heart of strategic controlling lies the task of ensuring a basic, long-term potential for success, while operational controlling primarily focuses on securing and achieving liquidity and revenue in day-to-day operations. Strategic controlling deals with this long-term aspect, and is considered special support for strategic management and counterpart to strategic planning.

Nature of strategic controllers

The observable change suggests that the significance of strategic controlling is going to keep rapidly increasing in the years to come. Supporting IT systems and highly qualified business managers help to

relieve and complement the controllers in their traditional duties such as creating reports. However, due to increasing pressure for efficiency and effectiveness, managers are looking to delegate complex and demanding tasks to controlling. These management tasks mostly include strategic questions, analyses, and formulating and implementing strategies. Controllers are thus changing from professional experts to strategic partners of the management.

4.3.2   Model function profile in the context of the IGC Process Model

Goals: Strategic controllers support the management in securing the organisation's long-term existence and value enhancement. This entails building and defending competitive advantages as well as developing future potentials for success by choosing the path along which the organisation should develop.

Core tasks:

- Strategic planning: Coordination of the strategic planning process and strategic development
- Supporting, conducting, and coordinating strategic analyses, particularly of the competitive environment and the internal strengths and weaknesses
- Supporting the development and evaluation of strategic options
- Supporting the planning of strategic target positions and combining the target positions in a strategy map
- Coordinating the strategic programme planning
- Helping the management with strategy communication
- Strategic control/strategy monitoring: Monitoring the implementation of strategic goals and initiating countermeasures, if necessary
- Strategic reporting and strategic monitoring of the external and internal environment in order to be able to initiate strategic adjustments in time
- Contributing to strategically important special projects requiring detailed knowledge of strategy implementation

Role expectations: Strategic controllers ensure an efficient strategy development process, rational utilisation of assets (investments, M&A) and affordable growth. They support the management with their knowledge of methods and tools and their skills. They also ensure that, ultimately, clear goals, priorities and focal points are set, and that successful implementation is possible. Strategic controllers are the business conscience in the strategic process and always keep a financially responsible eye on it. They advise managers on strategic decisions and

actively help develop new business models. In addition, they monitor the success and progress of a strategy's implementation, and issue timely warnings in case of implementation issues or changed strategic framework conditions on the market.

The function profile laid out here assumes that strategic controllers perform their tasks autonomously, fully, and having the appropriate experience. This is a senior function as discussed in the function hierarchies in Chapter III.1.3.

4.3.3   Competence requirements for strategic controllers

A strategic controller's task areas and fields of duty generally encompass the main processes *strategic planning*, *project and investment controlling*, *management support*, and *enhancement of organisation, processes, instruments & systems*. Fig. 57a associates these main processes with the competences relevant for the strategic controller and also highlights the process-specific top competences.

Derivation system for competence requirements

Process	Top 3 competences	Competences Critical to Success
Strategic planning	• Holistic thinking • Conceptional strength • Market knowledge	• Holistic thinking • Openness to change • Delegating • Inspiring others • Creative drive • Ability to integrate • Communication skills • Cooperative skills • Consulting skills • Organisational skills • Conceptional strength • Market knowledge • Project management
Project and investment controlling	• Consulting skills • Conceptional strength • Ability to assess things	• Holistic thinking • Openness to change • Decision-making ability • Inspiring others • Consulting skills • Ability to assess things • Conceptional strength

Process	Top 3 competences	Competences Critical to Success
Management support	• Consulting skills • Ability to assess things • Inspiring others	• Holistic thinking • Creative skills • Decision-making ability • Inspiring others • Creative drive • Communication skills • Articulateness • Ability to solve conflicts • Consulting skills • Conceptional strength • Ability to assess things
Enhancement of organisation, processes, instruments & systems.	• Holistic thinking • Inspiring others • Ability to assess things	• Holistic thinking • Openness to change • Creative skills • Inspiring others • Creative drive • Ability to try new things • Ability to integrate • Willingness to experiment • Ability to understand others' perspective • Ability to assess things • Conceptional strength • Project management

Fig. 57a: Top competences for strategic controllers

Holistic thinking is considered a strategic controller's most important competence within strategic planning, helping to position an organisation in its environment. Therefore, controllers must understand competition in all its complexity in order to detect trends and changes early on. Based on this understanding, a coordinated and unique value chain must be established in order to gain a competitive advantage. Analysing the competitive environment and establishing the value chain require a broad understanding of the overall relationships. In the course of further developing the controlling system, strategic controllers should also be able to holistically view the causes and effects of the initiated

changes without limiting themselves to professional and methodological details.

In addition, *conceptual strength* is essential for strategic controllers, as they need to devise options and action recommendations for the management from available data when performing strategic analyses while at the same time assuming a leading function in strategic projects. The competence is also required when controllers need to combine the requirements for the areas they are working on with the general planning and control systems in a way that creates company-wide meshed project systems which cover planning, collection of actual values, actual vs. target comparison and expectations.

Furthermore, strategic controllers require profound *market knowledge.* In order to contribute to strategic planning, they need to possess deeper knowledge about the markets in which the organisation is present. Relevant parameters for a controller are environmental, customer/market and competitor analysis as well as their related analysis methods. Together with deeper financial knowledge, this competence allows controllers to correctly evaluate strategic options, recommend actions and detect market movements and deviations early on.

Strategic controllers also require an excellent *ability to assess things.* They should be able to use their profound professional knowledge in the areas they are working in, e.g. R&D, and their deeper understanding of planning and control systems to quickly and comprehensively visualise pending decisions, and to assess the meaningfulness and feasibility of proposals quickly, clearly and factually. In addition, this competence is relevant in consulting situations, particularly for plausibility checks of data and interpreting the results. Good judgement is particularly important for process optimisation in order to identify inefficient processes and correctly evaluate improvement measures.

Consulting skills are also an important competence for strategic controllers, especially in relation to investment projects and strategic programmes. A strategic controller must advise people involved in a project in such a way that they use best practices for their own tasks. This support must not be directive, but should lead to the other party's (self-)conviction. It should lead to the counselled individuals starting to use the know-how autonomously (i.e. without the controller). In the process of business planning and management, and particularly in internal consulting and special projects, strategic controllers use their highly developed consulting skills the most. This makes controllers intellectual competitors of other (internal and external) know-how service providers who are measured by the quality of their consulting service and the efficiency in providing that service. The core of the consulting service is not necessarily

profession and content-related. Its focus may also be systemic interventions, coaching or process consulting.

Finally, and particularly in consulting scenarios, a strategic controller should also provide thought- and action-provoking impulses for the management regarding future opportunities and courses of action. The ability to *inspire others* helps the controller to inspire the management in important matters and to provide behavioural impulses beyond rational argumentation.

Based on this, strategic controllers can permanently provide impulses and encouragement for better work processes in controlling. Apart from initiating innovations in controlling, the ability is relevant for motivating the controller team to share the change process's improvement proposals from the beginning.

Apart from the above top competences, profound *professional knowledge* is equally critical to success for strategic controllers. Strategic controllers do not only require professional knowledge across processes, which is essential for all controllers, but should also possess the following function-specific knowledge:

Know-how catalogue: Strategic Controller			
Professional knowledge across processes			

Process-specific professional knowledge				
SP[1]	Current corporate strategy (vision, objectives, measures), market/ competition, strengths/weaknesses, etc.	Strategic concepts, organisation strategic planning, planning tools	Tools to assess strategies (financial feasibility, increase in value, risks)	Methods of strategy implementation and communication
PIC[2]	Instruments for value and risk-oriented investment evaluation and strategy assessment	Instruments of multi-project controlling/ programme management	Developing and preparing business cases(business casestemplates)	Project-related IT and software knowledge
MS[3]	Knowledge of targets, target systems, actors and decision behaviour	Consulting instruments (e.g. for acquisitions)	Organisational development and change management	Moderation and communication methods
E[4]	IT applications and infrastructure in strategic controlling	Increased performance in strategic controlling	Approaches for knowledge management strategic controlling	Best-practice approaches, trends and new developments customer demand

1) Strategic Planning, 2) Project and Investment Controlling, 3) Management Support, 4) Enhancement of Organisation, Processes, Instruments & Systems

Fig. 57b: *Professional knowledge* – Strategic controller

4.3.4 Generic competence profile for strategic controllers

The model competence profile for strategic controllers shows how the list of controller competences can be applied in the context of strategic management. The competence profile again follows the standardised grid according to the *IGC*, using the set of controller competences derived in Chapter II.1-3. The level of relevance and target intensity of the individual competences is designed to specify the competence profile for the strategic controller. Fig. 57c demonstrates the model competence profile. The top competences identified in item c. are highlighted to emphasise their particular relevance. The top competences are evaluated, and target competences have been calibrated by an *IGC* expert panel.

Leadership		Customer focus	
Normative ethical attitude		Credibility	
Proactively inspiring others		Communicative skills	
Leading with the target in mind		Cooperative skills	
Decision-making ability		Ability to solve conflicts	
Ability to integrate		**Consulting skills**	

Know-how & Application	
Professional knowledge	
Analytical skills	
Ability to assess things	
Market & business knowledge	
Project management	

Efficiency		Designing the future	
Ability to withstand stress		**Holistic thinking**	
Consistent persistence		Openness to change	
Reliability		Creative skills	
Systematic and methodological proceeding		Ability to try new things	
Organisational skills		**Conceptional strength**	

Key: Scaling: 1…low/5…high   1 2 3 4 5

Fig. 57c: Model competence profile – Strategic controller

4.4 Group controller

4.4.1 Current challenges for group controllers

The job of group controller is primarily found in corporations and has very specific framework conditions. They usually don't work in operational corporate units, but perform their duties from a central holding or

Nature of a group controller

a shared service centre. This removes them from the front line of the business, but also from direct access to information. Success as a group controller requires not only solid networking with the on-site controllers, but also strict and standardised planning and reporting processes.

Strategic group controlling deals with long-term, important cases. In complex investment holding structures, this often entails setting higher-level goals, planning the business portfolio on a group level, related acquisitions and disinvestments, and developing competitive strategies on the respective levels of individual business areas in order to secure success potentials. Group controlling operates short-term, supporting investment management through the establishment, maintenance and operation of planning and reporting processes. Its depth and scope of influence largely depend on the headquarters' claim to leadership. Depending on the role a holding assumes, it also determines group controlling's areas of influence. Operational holdings usually influence the fiscal goals, resource distribution, formulation of strategy and operational measures. The strategic holding focuses its influence on the first three fields and largely keeps out of operational measures. The financial holding concentrates on fiscal goals and resource distribution, and the investment company limits its influence to setting the financial goals.[30]

Conception and organisation of group controlling is significantly determined not only by the investment strategy, but also by the core business's structure. Regardless of that, it is recommended to rank group controlling as high as possible in the management hierarchy so that controlling measures can be implemented across the whole company and management acceptance in the affiliated companies is ensured. Furthermore, group controllers should have managerial authority over controllers of subordinate units.

In increasingly globally distributed companies, group controlling often means bridging not only cultural differences, but also different time zones, public holidays, etc. In order to generate added value and justify their own position, group controllers must not only use a critical third-party opinion from „outside" or „above" to convey a realistic comprehensive picture to the holding management of the holding's plans and current performance, but must also put their performance in the overall context of the parent company as part of portfolio management.

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[30] See Burger/Ulbrich/Ahlemeyer, 2010.

4.4.2 Model function profile in the context of the IGC Process Model

Goals: Group controllers ensure an organisation's goal-oriented business coordination and investment control.

Core tasks:

- Contact with / interface with the investments in the course of planning and reporting
- Organisational control of the holdings' planning and reporting processes (schedules, formal aspects, planning premises)
- Business analysis of, evaluation of and commenting on the holdings' planning proposals, investment requests, forecasts and monthly/quarterly statements; benchmarking
- Consolidating the plans and reports
- Business evaluation of the holdings in the course of strategic planning (portfolio management)
- Supporting M&A with analyses
- Risk controlling for the holdings from the parent company's perspective
- Continuous reporting to the appropriate managers
- Business support
- Knowledge of strategy implementation

Role expectations: Group controllers assume the role of sparring partner for the management with regard to portfolio management. They advise the parent company's management on the usefulness of planning proposals and the ongoing performance of holdings. They also inform the management about a potential need for action or intervention. Group controllers play a leading role in coordinating the collaboration of the parent company's and the holdings' managers and controllers with regard to enterprise planning and management.

The function profile created here describes the tasks of a strategic holding's group controller, including the fields of influence outlined under item a. This has an effect on the derivation of competences critical to success and should therefore be kept in mind. In addition, considering the function hierarchies discussed in Chapter III.1.3., it is further claimed that this is a senior group controller who is able to perform the tasks autonomously and fully.

4.4.3 Competence requirements for group controllers

Derivation of competence requirements

Group controllers chiefly act within the processes of *operational planning and budgeting, management reporting* and *management support.* From the parent company's perspective, they are also involved in the processes *strategic planning, forecasting, investment and project controlling,* and *risk management.*

Fig. 58a allocates these main processes to the competences relevant for group controllers and also highlights their process-specific top competences.

Process	Top 3 competences	Competences Critical to Success
Strategic planning	• Holistic thinking • Delegating • Market knowledge	• Holistic thinking • Openness to change • Delegating • Inspiring others • Creative drive • Ability to integrate • Communication skills • Cooperative skills • Consulting skills • Organisational skills • Conceptional strength • Market knowledge • Project management
Operational planning and budgeting	• Delegating • Organisational skills • Ability to integrate	• Holistic thinking • Openness to change • Delegating • Creative drive • Consulting skills • Communication skills • Ability to solve conflicts • Ability to integrate • Organisational skills

Process	Top 3 competences	Competences Critical to Success
Management reporting	• Inspiring others • Communication skills • Ability to assess things	• Holistic thinking • Inspiring others • Communication skills • Ability to understand others' perspective • Consulting skills • Conceptional strength • Understanding the business • Market knowledge • Ability to assess things
Project and investment controlling	• Inspiring others • Consulting skills • Ability to assess things	• Holistic thinking • Openness to change • Inspiring others • Decision-making ability • Ability to understand others' perspective • Consulting skills • Conceptional strength • Ability to assess things
Risk management	• Inspiring others • Cooperative skills • Ability to assess things	• Holistic thinking • Openness to change • Inspiring others • Creative drive • Decision-making ability • Ability to integrate • Cooperative skills • Ability to solve conflicts • Consulting skills • Ability to assess things

Process	Top 3 competences	Competences Critical to Success
Management support	• Inspiring others • Consulting skills • Conceptional strength	• Holistic thinking • Creative skills • Decision-making ability • Inspiring others • Creative drive • Communication skills • Articulateness • Ability to solve conflicts • Consulting skills • Conceptional strength • Ability to assess things

Fig. 58a: Top competences for group controllers

Holistic thinking should be at the top of all forms of company planning, particularly strategic planning of a group, when sustainable business goals need to be realised. One-sided monetary or economically-oriented or short-term thinking at the expense of long-term consequences has been proven to lead to erroneous decisions and imbalanced assessment of risks and opportunities. Portfolio management in particular requires a holistic approach to ensure balance and meaningful risk-return assessments.

Inspiring others is essential in the context of group controlling in its entirety. Numerous stipulations and recommendations need to be successfully established in the subordinate units from the topmost governance level of any group. Skilful group controllers acting competently can significantly support this process, ensuring appreciation, emphasis and, importantly, proper implementation of the company standards and other concerns in the subsidiaries.

The competence of *delegating* is closely related in terms of assigning tasks to colleagues from subsidiaries in the overall controlling process, in a systematic and well-organised fashion (usually remotely). The possibilities of delegating tasks are closely related to the specific controller organisation. Often, there will be a dotted-line organisation whose decentralised controllers and financial executives are functionally associated with the central controller organisation, and the disciplinary responsibility lies with the subsidiary. For instance, in this field of tension of split leadership, a pronounced ability to delegate is particularly helpful for enforcing the interests of central controlling successfully and in a socially acceptable way.

Consulting skills help support the parent company's executive and supervisory boards to formulate goals, develop an investment strategy, in portfolio management, investment projects, transactions and beyond. This often entails decision-making support for the CEO or CFO on a very professional and content-oriented level that requires acceptance as an equal.

This also requires exceptional *communication skills* that are put in an interesting context in group controlling: group controllers are often spokespeople for corporate interests vis-à-vis subsequent levels and must openly, clearly and convincingly communicate across various governance levels, which implies a high degree of adaptability due to the different corporate cultures and communication styles.

Group controllers can base stable relationships on this and maintain them sustainably. Relationship management and *cooperative skills* should not be underestimated in investment management, and this aspect should receive sufficient consideration. Good working relations help to resolve conflicts of interest with less stress and more goodwill.

Group controllers should think integratively, because they have to reconcile different decentralised needs, goals and interests. Using the sheer force of central authority is not sufficient to manage a corporation successfully. Group controllers' *ability to integrate* should therefore always be kept in mind.

In addition, group controllers have much organisational work, with the structural and procedural influence depending on the parent's claim to leadership (see 4.4.1, p.123f). The organisational task's scope can thus vary, and the same goes for *organisational skills.* In a complex investment environment with centralised accounting and controlling standards, harmonised processes and a strict central parental management, group controllers should have organisational skills in order to not only be able to handle complexity, but also to optimise it.

Group controllers require a sound *ability to assess things* in order to develop a realistic big picture of the holdings' plans and current performance, regardless of asymmetrical information flow.

Group controllers should furthermore acquire **market knowledge** for all holdings. Without appropriate knowledge about competition, suppliers, customers and success factors, group controllers will not be of much use for portfolio management and will quickly be replaced as dialogue partners with other experts.

Pretty much the same can be said for the competence *conceptional strength*. Beyond providing financial figures, group controllers should support bodies in the development of business plans, restructurings,

acquisitions or divestments, or in other projects, with conceptional advice.

Know-how catalogue: group controller

Apart from the above top competences, the required *professional knowledge* for group controllers is listed below. Group controllers not only require professional knowledge across processes, which is essential for all controllers, but should also possess process-specific knowledge as well as the according function-specific investment management know-how:

Know-how catalogue: Group Controller			
Professional knowledge across processes			

Process-specific professional knowledge	SP[1]	Investment and corporate strategy Knowledge strategic programmes	M&A process, company and strategy evaluation	Strategic reporting and monitoring and early detection	Goodwill controlling/ acquisition controlling
	OPB[2]	Process planning and budgeting for parent and subsidiaries, target-setting and process management	Planning integration (vertically, horizontally, functionally), consolidation	Risk-adjusted planning Range planning	IT tools for integrated group planning
	MR[3]	Process management reporting for parent and subsidiaries; reporting-standard setting	Segmental reporting according to local GAAP and IFRS, consolidation	Performance ratios for investment control	IT tools Reporting organisation Process optimisation and harmonisation
	PIC[4]	Value and risk-oriented instruments for investment evaluation	Instruments of multi-project controlling and strategic programme management	Developing and preparing business cases (standards for business cases)	Investment monitoring/ controlling
	RM[5]	Process risk management, legal and regulatory framework	Risk-return approaches Simulations	Risk reporting for governance bodies	Rating and financing
	MS[6]	Knowledge of targets, target systems, actors and decision behaviour	Consulting instruments	Organisational development and change management	Moderation and communication methods

Function-specific Professional knowledge in Group Management (Law, Corporate Governance, etc.)			

1) Strategic Planning, 2) Operational Planning and Budgeting, 3) Management Reporting, 4) Project and Investment Controlling, 5) Risk management, 6) Management Support

Fig. 58b: *Professional knowledge* – Group controller

4.4.4 Generic competence profile for group controllers

Similar to the functions presented in 4.1 and 4.2, the standardised competence grid is also applied to group controllers. The top competences identified in item c. are highlighted to emphasise their particular relevance. The target competences are scaled from 1 to 5 in Fig. 58c as an example of determining the respective competence level and with general

conceptional considerations in mind. The top competences have again been evaluated, and target competences calibrated, by an *IGC* expert panel.

Leadership	1	2	3	4	5
Normative ethical attitude	☐	☐	☐	■	☐
Proactively inspiring others	☐	☐	☐	■	☐
Leading with the target in mind	☐	☐	☐	■	☐
Decision-making ability	☐	☐	■	☐	☐
Ability to integrate	☐	☐	☐	■	☐

Customer focus	1	2	3	4	5
Credibility	☐	☐	☐	■	☐
Communicative skills	☐	☐	■	☐	☐
Cooperative skills	☐	☐	■	☐	☐
Ability to solve conflicts	☐	☐	■	☐	☐
Consulting skills	☐	☐	☐	■	☐

Know-how & Application	1	2	3	4	5
Professional knowledge	☐	☐	☐	☐	■
Analytical skills	☐	☐	☐	☐	■
Ability to assess things	☐	☐	☐	☐	■
Market & business knowledge	☐	☐	☐	■	☐
Project management	☐	■	☐	☐	☐

Efficiency	1	2	3	4	5
Ability to withstand stress	☐	☐	☐	☐	■
Consistent persistence	☐	☐	☐	☐	■
Reliability	☐	☐	☐	☐	■
Systematic and methodological proceeding	☐	☐	☐	■	☐
Organisational skills	☐	☐	☐	■	☐

Designing the future	1	2	3	4	5
Holistic thinking	☐	☐	☐	☐	■
Openness to change	☐	☐	☐	■	☐
Creative skills	☐	■	☐	☐	☐
Ability to try new things	☐	■	☐	☐	☐
Conceptional strength	☐	☐	■	☐	☐

Key: Scaling: 1…low/5…high   1 2 3 4 5

Fig. 58c: Model competence profile – Group controller

4.5   Sales controller

4.5.1   Current challenges for sales controllers

Sales controllers can be categorised as decentralised controllers and can be incorporated in a company's organisational structure in various ways. In general, sales controllers can be incorporated in the organisational structure as part of central controlling, or in sales or product management. The integration in the controlling organisation is dependent on this. Sales and marketing controllers interface between the intentions and goals of sales and marketing, and the timely provision of products and services from service provision, product management and other support areas. The importance of sales controllers becomes particularly evident in planning. A sales controller must be adept at several dimensions of planning support. Production and procurement

Nature of a sales controller

units primarily think in products, while others think market-oriented in (groups of) customers, countries and regions, distribution channels and price/condition structures.

Current challenges for sales controller

Marketing and sales claim an increasing proportion of total costs in organisations. In order to improve the cost item in relation to the competition, sales controllers are also tasked with continuously improving the effectiveness and efficiency of the sales and marketing organisations. This entails tracking the development of the contribution margin of customers and sales force and of promotion and advertising measures and relating them to the allocation of resources (time and money).

4.5.2 Model function profile in the context of the IGC Process Model

Goals: Sales controllers enable rational decision preparing and economical actions along the entire sales process. They secure external and internal information sources for sales planning and management and develop them further. In addition, they also prepare market research and competition data for products, turnover and contribution margin, interpret these data and advise on opportunities and risks in the markets.

Core tasks:

- Development of planning and control process procedures
- Development of planning, collection, and reporting systems for incoming order, sales, revenue, contribution margin and cost centre costs in sales (multidimensional)
- Maintenance and documentation of sales deduction types and rules
- Coordinating sales planning with manufacturing
- Providing tools for object-oriented advertising cost and performance planning as well as promotion planning and management
- Developing and applying instruments for managing vendor efficiency, developing and evaluating performance recording, establishing and maintaining the customer database
- Developing and maintaining a system for producing sales price proposals
- Determining the market and competitor data to be collected, data collection
- Sales reporting
- Decision preparation, business consulting for marketing and sales managers, ad hoc evaluations as necessary (ABC analyses, products, customers, customer concentration)

Role expectations: Sales controllers' support services should assist employees and their managers who work directly in the market with systems, analyses and advice so that they can focus their work on customers and brands with potential and achieve a high rate of direct contact. These individuals should so be enabled to achieve their contribution margins, sell the right products, create high-quality plans and measure the success of advertising and promotion activities. It is expected of sales controllers that they can use the required tools and methods for this. They should act in such a way that the marketing and sales professionals want to collaborate with them.

This function profile shows a senior sales controller.

4.5.3 Competence requirements for sales controllers

In many organisations the sales controlling tool set is very underdeveloped. The focus lies on operational planning, expectations and development of the operational management of sales and marketing personnel and assets. The sales controller responsible primarily faces challenges in the following three main processes:

Derivation of competence requirements

Process	Top 3 competences	Competences Critical to Success
Operational planning and budgeting	• Consulting skills • Organisational skills • Ability to integrate	• Holistic thinking • Openness to change • Delegating • Creative drive • Consulting skills • Communication skills • Ability to solve conflicts • Ability to integrate • Organisational skills
Forecasting	• Consulting skills • Cooperative skills • Market knowledge	• Holistic thinking • Openness to change • Inspiring others • Consulting skills • Communication skills • Cooperative skills • Ability to assess things • Market knowledge

Process	Top 3 competences	Competences Critical to Success
Enhancement of the organisation, processes, instruments & systems	• Holistic thinking • Organisational skills • Conceptional strength	• Holistic thinking • Openness to change • Creative skills • Inspiring others • Creative drive • Ability to try new things • Ability to integrate • Willingness to experiment • Ability to understand others' perspective • Ability to assess things • Conceptional strength • Project management

Fig. 59a: Top competences for sales controllers

To fulfil the process requirements, the head sales and marketing controller should have the following main competences:

Consulting skills are required to support sales representatives and sales managers in developing high-quality planning and forecast figures.

Organisational skills are important in all three main processes and beyond. Planning and forecast activities need to be content-coordinated, developed on time and continuously improved.

Ability to integrate is required to consolidate the multidimensionality of sales efforts in a holistic system. On the other hand, coordinating the sales plans with production programme planning and procurement disposition requires comprehensive coordination of these functions.

Cooperative skills are needed because the individuals working on planning and forecasts consider their respective current sales and marketing efforts more urgent than developing forward-looking sales and revenue figures. The sales controller's support has to ensure the timely completion of projected figures.

Market knowledge is a requirement for supporting, or questioning the opinions of, managers on an equal footing.

Holistic thinking results from the many factors that have to be simultaneously considered in managing the marketing and sales organisation. Environmental factors and changes of customer needs

lead to adjustments of product range, promotion activities and condition systems, and even the design of compensation schemes.
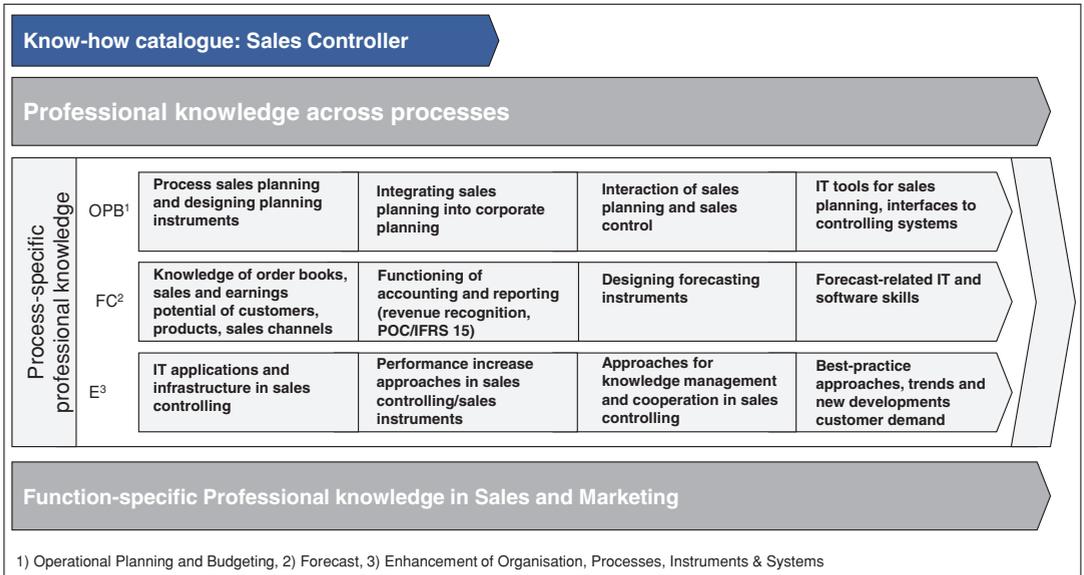
Fig. 59b: *Professional knowledge* – Sales controller

Conceptional strength is needed because integrative planning and management in marketing and sales requires complex, multidimensional systems (customers, products, regions, distribution channels) that need to depict the individual dimensions of planned, actual and expected. In addition, advertising, promotion and representative costs have to be managed in such a way that they don't grow at the same rate as the contribution margin. In order to improve this relationship, the sales controller must develop appropriate instruments and also make well-founded action proposals for optimising sales performance.

The know-how catalogue of sales controllers encompasses not only knowledge components across processes and process-specific knowledge, but also function-specific professional knowledge in sales and marketing.

Know-how catalogue: sales controller

4.5.4   Generic competence profile for sales controllers

The exemplary model competence profile for sales controllers shows how the list of controller competences can be applied in the context of sales. The top competences are evaluated, and target competences have been calibrated by an *IGC* expert panel.

Leadership

	1	2	3	4	5
Normative ethical attitude					
Proactively inspiring others					
Leading with the target in mind					
Decision-making ability					
Ability to integrate					

Customer focus

	1	2	3	4	5
Credibility					
Communicative skills					
Cooperative skills					
Ability to solve conflicts					
Consulting skills					

Know-how & Application

	1	2	3	4	5
Professional knowledge					
Analytical skills					
Ability to assess things					
Market & business knowledge					
Project management					

Efficiency

	1	2	3	4	5
Ability to withstand stress					
Consistent persistence					
Reliability					
Systematic and methodological proceeding					
Organisational skills					

Designing the future

	1	2	3	4	5
Holistic thinking					
Openness to change					
Creative skills					
Ability to try new things					
Conceptional strength					

Key: Scaling: 1…low/5…high 1 2 3 4 5

Fig. 59c: Model competence profile – Sales controller

4.6 Personnel controller

4.6.1 Current challenges for personnel controllers

Nature of a personnel controller

Personnel controlling, like sales controlling (see Chapter II.4.5) or production controlling (see Chapter II.4.7), is a part of decentralised controlling, or function controlling. In business practice, personnel controlling is often institutionalised as a position or department within HR. A personnel controller's job entails, firstly, establishing and expanding comprehensive controlling for personnel work, but also for the HR department itself. This requires that personnel controllers always keep an eye on continuous improvements of personnel work under strategic aspects, i.e. that they ensure integration of personnel work in the overall context of controlling. Regardless of whether personnel controllers perform their duties in a large enterprise or an SME, they require

- a holistic perspective in order to detect and leverage future potentials in human resources in order to ensure the optimum contribution of personnel work to the organisation's success,

- socio-communicative and leadership competences in order to fulfil the role as sparring partner for the management and be able to lead employees, and
- the ability to inspire others and goal orientation in order to ensure continuous management, enhancement and optimization of processes in the HR department.

Personnel controllers face the challenge of developing strategic personnel planning that helps secure the organisation's human resources in the long run. When optimising personnel work, personnel controllers must also drive the further development of the HR department itself. Automation, centralisation and social media create new opportunities, but also at the same time risks to be seized/mitigated.[31]

Current challenges

4.6.2   Model function profile in the context of the IGC Process Model

Goals: Personnel controllers face the challenge of establishing comprehensive controlling for personnel work and the HR department while also ensuring continuous improvement in personnel controlling as well as adaptation to new developments. The core of the function entails improving the strategic and operational personnel management's performance to support the management as well as improving the HR department's performance. However, it also entails driving automation and optimisation of personnel planning and reporting processes.

Core tasks:

- Leading all personnel controlling processes based on the personnel controlling process model.[32] Process responsibility for personnel controlling, including related partial processes, overall process management, authority over stipulations and policies for all personnel controlling and personnel reporting matters.
- Operational and strategic personnel planning and forecasting as well as contributing to corporate planning by pointing at personnel issues and the integration of personnel planning into corporate planning
- Continuous reporting to the board or owner, representing personnel controlling issues in various bodies including external bodies
- Collaborating with controlling and external departments, managing personnel rationalisation projects, selecting personnel IT, introducing personnel IT or personnel-related BI systems and managing HR process optimisation projects or projects related to outsourcing decisions

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[31] See Niedermayr/Waniczek/Wickel-Kirsch, 2014, p.18ff.
[32] See Niedermayr/Waniczek/Wickel-Kirsch, 2014, p.24.

● Managing special projects across areas, e.g. development of personnel shared service centres

Role expectations: Personnel controllers are sparring partners for the management and personnel management – or, in case of an HR business partner organisation, for the HR business partner – acting as equals in personnel controlling issues. Personnel controllers accompany the management's personnel decisions with figures and provide management impulses as well as action recommendations from the perspective of the entire organisation or personnel management. They advise managers in the decision-making process and actively help develop new solutions. If necessary, they proactively initiate change processes in the organisation. They are HR's business conscience and convey controlling awareness on all levels. They secure the personnel work's acceptance and can provide figures for personnel managers or HR business partners so they can conduct discussions with managers on an equal footing. They also function as contact persons on an equal footing for managers with questions about personnel controlling.

The function profile laid out here assumes that this is a senior personnel controller who performs his or her tasks autonomously, to the full extent, and possessing appropriate experience.

4.6.3 Competence requirements for personnel controllers

Derivation system for competence requirements

Personnel controllers chiefly act within the processes of *operational personnel planning and budgeting*, *HR reporting*, *management support*, and *enhancement of the personnel controlling organisation, processes, instruments & systems*. These four processes are personnel controllers' main tasks, as they create the highest value contribution from the organisation's perspective. For these four processes, some competences are particularly significant; these are listed in Fig. 60a in the column „Top 3 competences".

Process	Top 3 competences	Competences Critical to Success
Operational planning and budgeting	● Consulting skills ● Organisational skills ● Ability to integrate	● Holistic thinking ● Openness to change ● Delegating ● Creative drive ● Consulting skills ● Communication skills ● Ability to solve conflicts ● Ability to integrate ● Organisational skills

Process	Top 3 competences	Competences Critical to Success
HR reporting	• Inspiring others • Ability to assess things • Conceptional strength	• Holistic thinking • Inspiring others • Ability to understand others' perspective • Communication skills • Consulting skills • Ability to assess things • Conceptional strength • Market knowledge
Management support	• Consulting skills • Ability to assess things • Inspiring others	• Communication skills • Holistic thinking • Creative skills • Project management • Conceptional strength • Decision-making ability
Enhancement of the organisation, processes, instruments & systems	• Holistic thinking • Organisational skills • Conceptional strength	• Holistic thinking • Openness to change • Creative skills • Inspiring others • Creative drive • Ability to try new things • Ability to integrate • Willingness to experiment • Ability to understand others' perspective • Ability to assess things • Conceptional strength • Project management

Fig. 60a: Top competences for personnel controllers

Personnel controllers require *consulting skills* primarily for the process of operational personnel planning, because this entails agreeing on a certain number and quality of employees with controllers in other enterprise units and managers from various bodies and operational units. They must therefore be particularly adept at empathising with, and meaning-fully advising, dialogue partners. Consulting skills are also required for

the process of *management support*. This in particular requires personnel controllers to face competition from internal and external know-how service providers and convince others through their competence. The quality of their consulting services determines the success or failure of the assigned tasks.

Because of the process's complexity, loops and dependencies, the personnel controller's *organisational skills* are very important – particularly regarding enhancement of personnel controlling processes and systems. A smooth, efficient, high-quality operation is paramount.

Of further importance is the *ability to integrate*, as different players' interests and actions in the organisation must be consolidated into a common set of actions. Particularly diverging views of interacting individuals, e.g. those of a production manager and a personnel officer, must be coordinated in integrative processes.

In addition, *the ability to integrate* is important for further development, as different players' interests and actions in the organisation must be consolidated into a common set of actions, and personnel controllers should play a moderating role in that. Particularly diverging views of interacting individuals must be coordinated in integrative processes.

Conceptional strength is primarily important with regard to the process of management reporting, because a reporting system must be created from available data. On the other hand, factually sound action recommendations for the management must be derived. But conceptional strength is also important for visualising and preparing reporting data, and for further development. Furthermore, conceptional strength plays a key role in the enhancement of personnel controlling, as new concepts have to be developed on a continual basis. Available data about personnel controlling performance must regularly be translated into factually sound change initiatives.

The *ability to assess things* is essential, because complex professionally and content-based scenarios need to be analysed and evaluated. Conflicting goals must me resolved responsibly and in consideration of economic and social considerations. This ability is also relevant for special projects or in consulting situations, particularly for plausibility checks of data and interpreting the results. It is particularly important for personnel process optimisation in order to identify inefficient processes and correctly evaluate improvement measures.

Inspiring others is also important for HR reporting, as the information presented should encourage recipients to think and take action.

Apart from the above top competences, profound *professional knowledge* is a personnel controller's essential basis for actions. In addition to

professional knowledge across processes, which is relevant for all controller functions, a personnel controller should have a sufficiently good professional understanding of the personnel controlling processes he is responsible for to ensure the quality. This requires sufficient professional knowledge in all main and personnel processes. What personnel controllers – similar to competences critical to success – should have and continuously expand is deeper professional expertise in the main processes with particular relevance for them: *operational planning and budgeting*, *management reporting*, *management support*, and *enhancement of organisation, processes, instruments & systems*.

Know-how catalogue: Personnel controller			
Professional knowledge across processes			

Process-specific professional knowledge	OPB[1]	Process personnel planning and designing planning instruments	Integrating personnel planning into corporate planning	Interaction of personnel planning and personnel (cost) control	IT tools for personnel planning, interfaces to controlling systems
	MR[2]	Process personnel reporting, designing and integrating reports	Personnel cost accounting and breakdown of personnel costs	KPIs for the factor 'personnel' and all personnel processes	IT tools for personnel reporting, tools for reporting design
	MS[3]	Knowledge of targets, target systems, actors and decision behaviour	Consulting instruments in personnel management	Organisational development and change management	Moderation and communication methods
	E[4]	IT applications and infrastructure in personnel management	Performance increase approaches in personnel controlling	Approaches for knowledge management and cooperation in personnel controlling	Best-practice approaches, trends and new developments customer demand

Function-specific professional knowledge in Personnel			

1) Operational Planning and Budgeting, 2) Management Reporting, 3) Management Support, 4) Enhancement of Organisation, Processes, Instruments & Systems
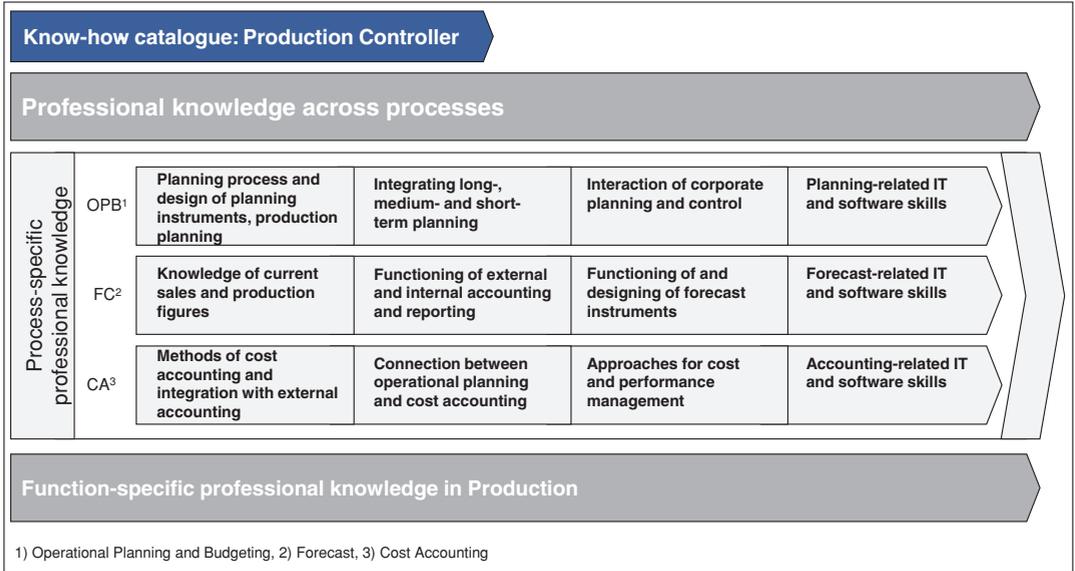
Fig. 60b: *Professional knowledge* – Personnel controller

4.6.4   Generic competence profile for personnel controllers

The model competence profile for personnel controllers provides an overview of the competences critical to success and their prioritisation. The top competences have been evaluated, and target competences have been calibrated by an *IGC* expert panel.

Leadership

	1	2	3	4	5
Normative ethical attitude				■	
Proactively inspiring others				■	
Leading with the target in mind		■			
Decision-making ability			■		
Ability to integrate			■		

Customer focus

	1	2	3	4	5
Credibility				■	
Communicative skills				■	
Cooperative skills				■	
Ability to solve conflicts			■		
Consulting skills				■	

Know-how & Application

	1	2	3	4	5
Professional knowledge				■	
Analytical skills			■		
Ability to assess things				■	
Market & business knowledge			■		
Project management			■		

Efficiency

	1	2	3	4	5
Ability to withstand stress				■	
Consistent persistence			■		
Reliability			■		
Systematic and methodological proceeding			■		
Organisational skills			■		

Designing the future

	1	2	3	4	5
Holistic thinking				■	
Openness to change			■		
Creative skills		■			
Ability to try new things		■			
Conceptional strength				■	

Key: Scaling: 1…low/5…high 1 2 3 4 5

Fig. 60c: Model competence profile – Personnel controller

4.7 Production controller

4.7.1 Current challenges for production controllers

Nature of a production controller

Production controlling is a function-specific form of controlling. Production controllers can therefore be generally classified as decentralised controllers. There are, however, numerous organisational variations for classifying a production controller in a company's organisational structure. Production controllers can generally be classified in the organisational structure as a line function of central controlling or production management. If a classification as a line function of production management is desired, the managing controller has subject authority over the production controller, while the production controller has disciplinary authority.

Current challenges for production controllers

Technological advancements are an important source of innovation in production controlling. New possibilities in the internet of things and the increasing digital network connections of systems and machines allow more intelligent automation and chaining of production systems. Continuously

changing production systems and alternative positionings require production controllers to continuously monitor their efficiency. At the same time, new approaches to production management, generally referred to as „Industry 4.0", provide new solutions for dealing with greater dynamics in the business environment by allowing increasing flexibility of production work. On the one hand, production controllers must ensure a general simplification and adaptability of strategic and operational production controlling; on the other hand, they must adapt their planning and management instruments to new challenges, for instance using production-related flexibility KPIs and flexibility score cards.[33] Also, controllers should use the possibilities of „new transparency" provided by information technology. Furthermore, increasing internationalisation of production and the related increasing complexity demands increased coordination of production controllers with the various production sites and central controlling (site comparisons, benchmarking).

4.7.2 Model function profile in the context of the IGC Process Model

Goals: The production controller is responsible for ensuring an economical production process. His main responsibility is control and supervision of production-related value creation processes. The main focus lies on optimising production by increasing effectiveness and efficiency of the underlying processes. In addition, the production controller has a particularly important coordination function which involves coordinating production with other parts of the organisation and providing the works management and other decision-makers with production-specific information.

Core tasks:

- Developing a production-specific controlling system (e.g. production budget, KPI-supported production controlling)
- Conducting strategic production controlling (e.g. long-term production/investment planning)
- Conducting operational production controlling (e.g. production target, production programme, production cost planning)
- Supporting investment decisions in production (e.g. cost-benefit analyses, investment appraisals)
- Conducting project controlling of special projects in production (e.g. change in production methods, production start of new products)
- Ensuring structured data processes regarding data collection and processing in the production planning and control system

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[33] See Roßmeißl/Gleich, in: Gleich/Grönke/Kirchmann/Leyk (eds.) 2014, p.141ff.

- Connecting the production planning and control system to the organisation's central controlling and IT system
- Analysing productivity in production processes by means of KPI-supported production controlling
- Further developing the controlling systems and instruments in production controlling

Role expectations: The production controller has the function of a „business conscience" in production. He provides area-specific leadership support by acting as sparring partner for the works manager in all business matters. Additionally, the production controller has an area-specific support function in production management. He analyses productivity and perform preparatory work on the business angle of production decisions. In addition, the production controller has a particularly important coordination function which involves coordinating production with other parts of the organisation and providing the works management and other decision-makers with production-specific information.

The function profile outlined here assumes that production controllers perform their tasks autonomously and have the appropriate experience. This is the job profile of a senior production controller as discussed in the function hierarchies in Chapter III.1.3.

4.7.3   Competence requirements for production controllers

Derivation system for competence requirements

In order to derive the function-specific competences, the first step is to define all main controlling processes critical to success for the production controller function group. In the next step, the controller competences critical to success for the specific function can be derived from the main processes critical to success. Depending on how critical to success for the function a controller competence is rated, its relevance for the function can be derived. The three most important main processes for production controlling are *operational planning and budgeting*, *forecasting* and *cost accounting*. The following table allocates these main processes to the competences relevant for production controllers and also highlights their process-specific top competences.

Process	Top 3 competences	Competences critical to success
Operational planning and budgeting	• Consulting skills • Ability to integrate • Organisational skills	• Holistic thinking • Openness to change • Delegating • Creative drive • Consulting skills • Communication skills • Ability to solve conflicts • Ability to integrate • Organisational skills
Forecasting	• Consulting skills • Cooperative skills • Market knowledge	• Holistic thinking • Openness to change • Inspiring others • Consulting skills • Communication skills • Cooperative skills • Ability to assess things • Market knowledge
Cost accounting	• Holistic thinking • Organisational skills • Ability to assess things	• Holistic thinking • Inspiring others • Decision-making ability • Ability to understand others' perspective • Ability to assess things • Organisational skills • Conceptional strength
Management reporting	• Holistic thinking • Inspiring others • Conceptional strength	• Holistic thinking • Inspiring others • Ability to understand others' perspective • Communication skills • Consulting skills • Ability to assess things • Conceptional strength • Market knowledge

Fig. 61a: Top competences for production controllers

Production controllers require **consulting skills** for numerous controlling processes in order to use their process-specific professional and methodological knowledge to support the management with goal and decision-making. They allow a production controller to use their function-specific management support as sparring partner for the works manager.

Organisational skills are also required for processes of *operational planning and budgeting* and in *cost accounting* in order to align managers and employees to common approaches for planning process schedules and content, and for handling the ongoing process management.

The **ability to integrate** is primarily important for production controllers for the processes *operational planning and budgeting* and *enhancement of the organisation, processes, instruments & systems*: they must be able to align different interests and action of various players in production target, production programme and production cost planning towards common goals and measures, and eliminate opposition of individual players in development and optimisation projects by way of the production-specific controlling system.

Cooperative skills are required for the *forecasting* process, basically in order to coordinate and organise common actions regarding the adjustment of target values or the creation of an integrated data basis.

Production controllers require **market knowledge** in the *forecasting* process in order to identify the relevant cost drivers and to help create meaningful forecasts.

Holistic thinking is essential for production controllers for understanding production-specific procedures and mapping them in the process *cost accounting*; central controllers, production and sales controllers work together to design the cost accounting system according to the possibilities of the ERP system used. Holistic thinking is also particularly important for coordinating sales, production, maintenance and procurement.

Conceptional strength is required for the processes *cost accounting* as well as *management reporting, project and investment controlling* and *enhancement of the organisation, processes, instruments & systems* in order to further develop production-specific knowledge for comprehensive solution approaches for production controlling and to integrate them into the existing controlling system. The production controller has no more conceptual tasks once the development of cost accounting and the requirements of investment requests are defined by central controlling. This conversely also applies to *management reporting*.

Apart from the above top competences, profound professional knowledge is equally important and critical to success for production

controllers. Production controllers not only require professional knowledge across processes, which is essential for all controllers, but should also possess process-specific knowledge as well as the according function-specific production know-how and a well-developed affinity for production.

Know-how catalogue: Production Controller

Professional knowledge across processes

Process-specific professional knowledge					
	OPB[1]	Planning process and design of planning instruments, production planning	Integrating long-, medium- and short-term planning	Interaction of corporate planning and control	Planning-related IT and software skills
	FC[2]	Knowledge of current sales and production figures	Functioning of external and internal accounting and reporting	Functioning of and designing of forecast instruments	Forecast-related IT and software skills
	CA[3]	Methods of cost accounting and integration with external accounting	Connection between operational planning and cost accounting	Approaches for cost and performance management	Accounting-related IT and software skills

Function-specific professional knowledge in Production

1) Operational Planning and Budgeting, 2) Forecast, 3) Cost Accounting

Fig. 61b: *Professional knowledge* – Production controller

4.7.4 Generic competence profile for production controllers

The model competence profile for production controllers shows how the list of controller competences can be applied in the context of production. The competence profile again follows the standardised grid according to the *IGC*, using the set of controller competences derived in Chapter II.1-3. The level of relevance and target intensity of the individual competences is designed to specify the competence profile for the production controller. Fig. 61c demonstrates the model competence profile for production controllers. The top competences identified in Fig. 61c are highlighted to emphasise their particular relevance. As before, the top competences have been evaluated, and nominal competences calibrated, by an *IGC* expert panel.

Leadership							Customer focus						
Normative ethical attitude	□	□	■	□	□		Credibility	□	□	□	■	□
Proactively inspiring others	□	□	□	■	□		Communicative skills	□	□	□	■	□
Leading with the target in mind	□	□	■	□	□		**Cooperative skills**	□	□	□	■	□
Decision-making ability	□	□	□	■	□		Ability to solve conflicts	□	□	□	■	□
Ability to integrate	□	□	□	■	□		**Consulting skills**	□	□	□	■	□

Know-how & Application					
Professional knowledge	□	□	□	□	■
Analytical skills	□	□	□	■	□
Ability to assess things	□	□	■	□	□
Market & business knowledge	□	□	□	■	□
Project management	□	□	■	□	□

Efficiency							Designing the future						
Ability to withstand stress	□	□	□	■	□		**Holistic thinking**	□	□	□	■	□
Consistent persistence	□	□	■	□	□		Openness to change	□	□	■	□	□
Reliability	□	□	□	■	□		Creative skills	□	■	□	□	□
Systematic and methodological proceeding	□	□	■	□	□		Ability to try new things	□	■	□	□	□
Organisational skills	□	□	■	□	□		**Conceptional strength**	□	□	□	■	□

Key: Scaling: 1…low/5…high [1] [2] [3] [4] [5]

Fig. 61c: Model competence profile – Production controller

4.8 Competence profile comparison

The profiles depict the quantitative competence requirements for a controller function. Here, a five-part scale determines the respective competence's intensity in the target profile. The desired amount is shown as a value between 1 and 5, where 1 represents a rather low amount, and 5 the maximum amount of expression. A depiction in interval form would be equally possible, e.g. 3-4 (target corridor).[34] All values above the upper target corridor boundary or the target value are generally desirable from a performance evaluation viewpoint, but not necessary for hiring, and therefore undesirable, from a competence management viewpoint.

Before target competences are determined in business practice, each competence requires a scaled description of its possible freedom of action (e.g. see Chapter II.2, p. 56). The *IGC*'s templates provide methodological orientation and help (see appendix A, list of competences, pp. 169ff.). It is

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[34] See Heyse/Erpenbeck/Ortmann (publ.), 2010, p.262f.

essential to set organisation-specific identification characteristics for each competence in the profile to ensure uniform and conclusive measuring of the competence intensities. The identification characteristics must be formulated so that a differentiated self and external assessment between 1 and 5 is possible within a reasonable timeframe. Unlike the target competences, which show desired controller behaviour on a scale of 1-5, actual competences are usually measured using a broader scale in practice, e.g. 1-8. In this case, values of 1 to 3 would represent very weak behaviour values for a given competence, which are undesirable and so cannot be considered target competences.

Similar to the decision about which competences are included in a competence profile, target values can only be determined individually for an organisation and depending on controlling and HR strategy, the controlling organisation's goals, and the function's usage level (senior manager – junior assistant) (also see Chapter I.3.2/III.4). The target competences chosen for the six model competence profiles therefore do not claim to be normatively valid, although they do require certain assumptions. With the exception of the head controller, all the functions are senior controller functions.

Despite their generic character, comparing the six competence profiles with each other demonstrates the different focal points in competences of each function.

- **Leadership:** Leadership competences are most critical to success for managers in controlling. However, it is not only personnel responsibility that makes leadership skills in controlling the quintessential factor for success, but first and foremost the interaction with the various controlling clients from all areas and hierarchy levels of the organisation. It is therefore no surprise that other controller functions, and particularly the senior controllers discussed here, require basic leadership skills.

Controller Competence Model

Leadership	Head Controller	Strategic Controller	Group Controller
Normative ethical attitude			
Proactively inspiring others			
Leading with the target in mind			
Decision-making ability			
Ability to integrate			

Customer focus	Head Controller	Strategic Controller	Group Controller
Credibility			
Communicative skills			
Cooperative skills			
Ability to solve conflicts			
Consulting skills			

Efficiency	Head Controller	Strategic Controller	Group Controller
Ability to withstand stress			
Consistent Persistence			
Reliability			
Systematic and methodological proceeding			
Organisational skills			

Designing the future	Head Controller	Strategic Controller	Group Controller
Holistic thinking			
Openness to change			
Creative skills			
Ability to try new things			
Conceptional strength			

Know-how & Application	Head Controller	Strategic Controller	Group Controller
Professional knowledge			
Analytical skills			
Ability to assess things			
Market & business knowledge			
Project management			

Key: Scaling: 1…low/5…high   1 2 3 4 5

Leadership	Sales Controller	Personnel Controller	Production Controller
Normative ethical attitude			
Proactively inspiring others			
Leading with the target in mind			
Decision-making ability			
Ability to integrate			

Customer focus	Sales Controller	Personnel Controller	Production Controller
Credibility			
Communicative skills			
Cooperative skills			
Ability to solve conflicts			
Consulting skills			

Efficiency	Sales Controller	Personnel Controller	Production Controller
Ability to withstand stress			
Consistent persistence			
Reliability			
Systematic and methodological proceeding			
Organisational skills			

Designing the future	Sales Controller	Personnel Controller	Production Controller
Holistic thinking			
Openness to change			
Creative skills			
Ability to try new things			
Conceptional strength			

Know-how & Application	Sales Controller	Personnel Controller	Production Controller
Professional knowledge			
Analytical skills			
Ability to assess things			
Market & business knowledge			
Project management			

Key: Scaling: 1…low/5…high 1 2 3 4 5

Fig. 62: Calibrating nominal competences

- **Customer focus:** Customer-oriented competences allow adjusting to the different internal clients and influencing them. They are a constant requirement across all functions. This also requires managers in controlling, as role models of customer-orientation, to demonstrate higher competence in this area than other office holders. Without customer-oriented abilities, analytic functions required, for instance, by strategic controllers, cannot be performed either.
- **Efficiency:** Efficient work is an output and performance category equally important for all controller functions, a basis for viable processes, and for a productive controller organisation in general. Comparing the controller profiles shows that highly developed efficiency-related competences are primarily required in complex functions like group controlling, with its numerous controlling processes that need to be managed, or in managerial functions.
- **Designing the future:** Different controller functions possess different potentials for designing, and in practice, the intensity of the required controller competence will depend on this. Strongly developed designing competences in transactional and administrative controller tasks such as data collection and preparation can actually be counter-productive. In general, all senior controller functions discussed here require a certain amount of ability to design things. Strategic controllers in particular should not only have analytical skills, but also be creative and embrace change and, above all, contribute conceptually.
- **Know-how & Application:** It is well known that professional knowledge is the main ticket to any kind of controller function. Without it, there is no chance for development for either a professional or a management career within the controller organisation. At the same time, the relative importance of professional knowledge and professional and methodological competence varies according to the respective context and specific usage when compared to other output categories. The comparison of model competence profiles illustrates this.

5 Literature

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Part III: Implementing competence – management for the controller field

Although directly training a person helps solve a problem in the current situation, it does not lead to any long-term development of employees' competences when it comes to addressing future demands. Thus it is also sensible to deal with competence management proactively. The elements of competence management listed below are adapted specifically for controllers and tie into the aspects from Chapter I.3 relevant for controllers. To implement competence management, the following process steps are recommended and will be put into context using the example of the controller function, with practical tips also being included.

1 Defining the objectives of competence management

With competence management, different aims can be pursued. Therefore, in a first step, the concrete, company-specific objectives of competence management must be defined. It is advisable to hold a workshop with the top managers responsible, selected representatives of the controller organisation and human resources experts. In this workshop, the potential final objectives and orientation of such a project are to be discussed, weighed and specified. The objectives of competence management within the controller field can be manifold:

Defining objectives in an interdisciplinary team

- The head controller wants to design the requirements regarding his or her own function and overall area of responsibility.
- Within the organisation a uniform understanding of competence and a common platform for personnel development in the sense of a continuously learning controller community is to be created and the subsidiaries are to be orientated towards strategic competence objectives.
- Competences should be the focus of personnel development in the controller field and facilitate the targeted development of personnel resources.
- Selecting new staff for the controller field should be based more on competences and the target competences of the vacant position must be explicitly taken into account when making the selection.
- Competences as an important lever for controller performance are to be included systematically in performance-improvement programmes of the controller organisation.

Practical tip: Weigh objectives and benefits first
First weigh the objectives and benefits of implementing competence management. What do you want to achieve by introducing a competence management system?

2 Involving project sponsors

Ensuring support from power promotors

After defining the objectives of competence management, it is important to involve the right project sponsors early on. So-called power promotors should be won over for the project who through their authority can back it in the company and can advance and enforce it against typical resistance. The higher the promotors are located in the corporate hierarchy, the more effective their support will normally be.

Involving the CFO as a multiplier

In the controller field it is therefore advisable to convince the CFO of the need for competence management. Derived from the objectives defined, the advantages and benefits for the company should be clearly presented. As the issue of competence management, however, is within the realm of both finance and HR, not just the CFO but also the HR management should be involved in order to integrate such a project into the already existing HR strategy and system landscape. Early coordination will mean that non-aligned approaches between the two departments can be avoided.

Practical tip: Dealing with project sponsors, C level and HR

- Involve the project sponsors as early as in the conception phase of the project in order to ensure the support required for long-term implementation. Remember: the higher the promotors are located in the corporate hierarchy, the more effective their support will be.

- The highest level should in the first step be excluded from the competence model. Hence no competence profiles are created for the head of HR and the CFO. This is because there may be serious acceptance issues as they would immediately wonder whether they themselves fit the competence profile. If they subjectively feel that there is no good fit then the whole model might be discarded. Once the competence model has been introduced, competences for the top level can be defined. As the lower-level managers are already used to the model, they will now also accept it for themselves.

- By involving the HR department, the compatibility of a competence-management tool with existing IT systems can be taken into account.

3   Selecting the pilot area and functions

When selecting a pilot area, it is important to design the project holistically in order to safeguard a later extension of the project to other areas and to avoid isolated applications. It is also advisable to use an area as a pilot that is suitably representative of the entire company. As already mentioned in Chapter I.3, the size of the area and the functions prevalent there also play an important role. The functions ideally consist of different hierarchical levels in order to define clear differentiations regarding tasks and responsibilities as well as function-specific requirements.

Ideal pilot areas should be representative of the controller organisation

For the controller organisation the model competence profiles described in Chapter II.4 are to be used for the individual functions. Generally, a distinction must be made between positions of one hierarchical level (horizontal dimension) and various hierarchical levels (vertical dimension). There is no universal rule on which functions are suitable for a particular pilot area, as the size of the company decisively influences organisation structures and, hence, a case-by-case approach is required. Fig. 63 shows one way of systematising controlling functions.

Model competence profiles are the basis for deriving competences in the pilot areas

According to Chapter II.4 and Fig. 63, the controller positions can, for example, be classified as follows: on a horizontal level there are the various functional areas, these being „strategic controlling", „group controlling", „personnel controlling", „sales controlling" or „production controlling". Within these functions, a vertical dimension has to be established depending on department size, ranging from the „head of controlling" and a „team leader" and „senior controller" to a „junior controller" or „assistant in controlling".

Combining vertical and horizontal dimensions

Strategic controlling	Group controlling	Sales controlling	Personnel controlling	Production controlling	Etc.

Hierarchical levels – vertical

Horizontal – Controller functions

Head

Senior

Junior

Assistant
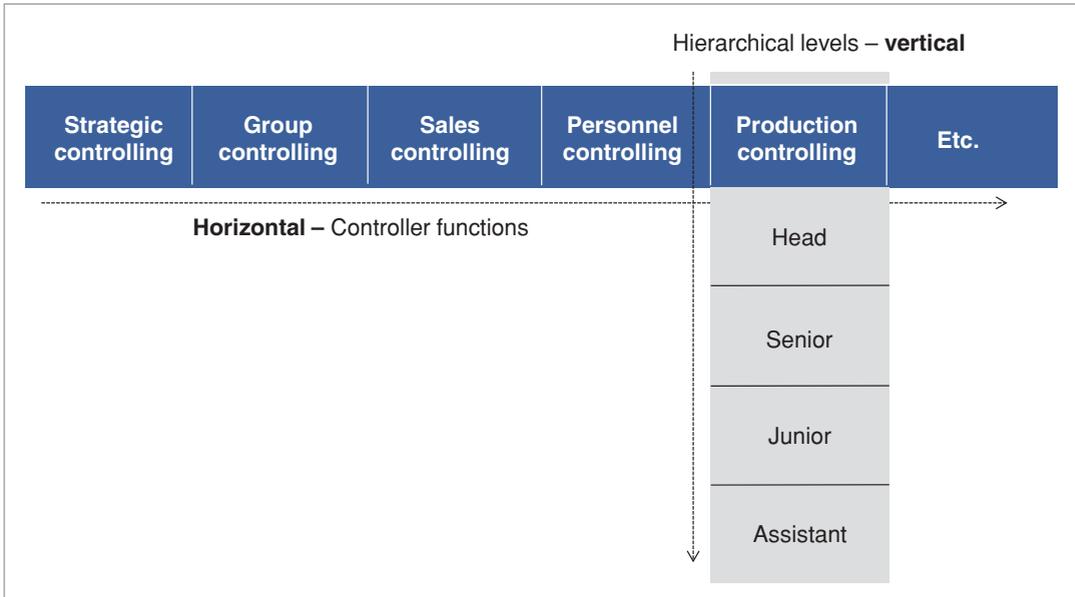
Fig. 63: Systematising controllers in horizontal and vertical dimensions

Defining job families across functional areas

It is the aim of function groups to combine positions with comparable tasks and requirements into families across the various functional areas. For instance, a senior in sales controlling should meet similar requirements in the competence categories of „leadership", „customer focus", „future design" or „efficiency" to those of a senior in strategic controlling. The function-specific professional knowledge, on the other hand, will differ significantly.

The vertical dimension, ranging from the head of a particular functional area to the assistant in this area, can then be established by means of various steps in the form of a differentiated requirement or target profile (see also Chapter I.3).

Practical tip: Prefer volunteers, select different pilots

- When selecting the pilot area, bear in mind the organisational structures. Select a pilot that volunteers for the project. If an area is forced to become a pilot, acceptance decreases and resistance emerges.
- Also keep in mind the granularity of the functions. Functions that are practically job profiles are too complicated and increase the degree of complexity without creating added value. Make sure the function groups are detailed enough so as to be able to show differences in the requirements.

4 Creating competence profiles by systematically selecting competences

Once the function groups have been defined and agreed upon, the competence profiles of the functions are explained and the competences described using behavioural anchors. When creating the different competence profiles for each function, it is practical to use the method presented in Chapter II, which categorises a controller's competences into those of a knowledge worker, competences across processes, and a main controlling process level. In this manner, each function group and each function get their own model competence profile (see e.g. Chapter II.4). This competence profile reflects the competences relevant for the function in competence dimensions and takes the required professional knowledge into account (see e.g. for the function of strategic controller: Chapter II.4.2). In order to create a common understanding for the competences, these must be described in a text. This reduces the subjective room for interpretation and it is easier to achieve the desired understanding with all people concerned.

Deriving competence profiles from the functional profiles with the help of the controller competence model

After the competences have been allocated to the respective functions, scaling is required in order to depict the various hierarchical levels (an example of scaling can be found in Chapter II.4 with the respective competence profiles). When creating the requirements profile, the tasks of the particular hierarchical level (vertical differentiation) should be taken into account. A general increase in competence requirements in line with a higher hierarchical level does not make sense as tasks vary and so different requirements have to be taken into consideration (see also Chapter I.3).

Deriving a requirements profile by scaling the competence intensity

Practical tip: Objectivity, simplicity, examples as criteria

- Use an objective system for deriving the competences critical to the functions' success.
- Keep it simple: the point is mainly to select the most important competences. It must be possible to evaluate and observe the competences integrated in a competence profile distinctly.
- Supplement the detailed text description with examples from controlling practice. It is best to give one positive and one negative example.
- In scaling the competence profiles, keep in mind the distribution of tasks within the hierarchical levels.

5 Implementing the competence profiles

Step-by-step implementation in the controller organisation

Once the competence profiles with the target competences have been approved, they can be rolled out in the various units. As described above, at the beginning an area should be selected where the decision-makers have a particularly positive attitude towards competence management. For the further roll-out, rapid results with positive feedback and a high reference impact are required.

Training the managers from the controller organisation

Following this, the managers involved (CFO, head controller, head of decentralised units) are trained as they have to evaluate the actual competences and, without their participation, competence management is generally not possible. Then, all instruments of personnel development have to be aligned with competence management, e.g. employee evaluations, education planning and promotion processes as well as selection procedures for new staff. Implementing the competence profiles can be seen as an opportunity to anchor a competence culture in the company that rests on an active competence management and competence awareness of all those playing a role.

Practical tip: Anchoring competence culture

- Train all persons that get into contact with competence management so that there can be no uncertainties in handling the individual instruments. Failure to do so may result in an aversive stance.
- Make sure to anchor the competence culture in your company, as the field of active competence management is a very personal issue and can only be realised through people's attitudes. Involve employees from all levels.

6 Literature

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Part IV: Implications for personnel work in the controller field

The aim of this part of the publication is to promote the use of competence models and profiles in parts of the personnel life-cycle of a controller organisation. As successful management of controlling performance today, apart from the classic performance measurement approaches[1], absolutely requires competence management tailored to the company and the controller organisation, decision-makers would be well advised to put more emphasis on this issue and to recognise and make use of the opportunities in this field.

1   The main fields of action

Competence models are at the core of competence management and represent the hub of personnel work. They can be used throughout the personnel life-cycle, for instance in the following areas.
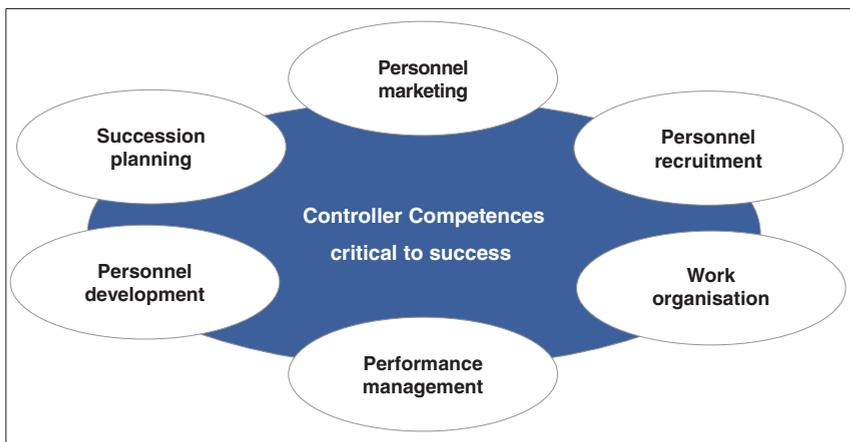
Fig. 64:   Controller competences as the hub of personnel work

Major fields of application of Fig. 64 will be dealt with in the following three sections:

- How controllers can use the model for everyday operational and strategic work,
- how controller training can be improved by using the model, and

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[1]   See IGC, eds., 2013.

- how the Competence Model might influence the work of HR experts and top managers (particularly of head controllers and the CFOs as the superior of the head controller).

2　Using the Competence Model in daily controller work

A considerable challenge for managers in the controller field lies in compiling the controller teams and staffing the individual controllers to the various controlling work areas and processes.

Knowing about the necessary controller competences regarding the individual main and sub-processes of the Controlling Process Model and the model competence profiles helps managers find the right experts for the various fields of activity. However, this also requires assessing the competences of the different controllers, which can be done by the HR department or the respective manager. Another option would be an additional self-evaluation undertaken by the controller. Ideally, target requirements concerning the competences (e.g. regarding an ideally fitting expert for a reporting process) have to be in line with the actual profile, i.e. the competence profile of the controller responsible.

Moreover, managers should think carefully about how the controller team should be assembled. It is a mistake to believe that every controller has to be a business partner. The different competence requirements of the main controlling processes already show that a certain diversity in competences is necessary and makes sense. If such diversity is lacking, there is the danger that, for example, in a controller team there might be too many business partners, i.e. controllers with pronounced market and leadership-related knowledge and competences, who partly have less demanding tasks, e.g. without any direct connection to the market (such as processes in connection with the main process „cost accounting") and are clearly overqualified for such activities.

On the other hand it must be ensured that such experienced experts are indeed present in the controller team who successfully manage challenging main processes with high communication requirements and ability as well as close involvement of customers (such as the main process „strategic planning"). Getting the right, task-adequate mix in the controller team is thus a necessity. In this context, the Competence Model can provide valuable support when it comes to assembling the team, organising work and delegating tasks.

3 Using the Competence Model for controller training

Here the Competence Model can be mainly used in two ways.

- On the one hand, clearly differentiated and structured development measures for controllers can be initiated,
- on the other hand, systematic career and succession planning becomes possible.

Competences are individual prerequisites to adapt to changing conditions in specific situations, to change one's own behavioural strategies and successfully implement them. In every controller training process, professional knowledge and competences must therefore be conveyed as one unit. Separating professional-methodological and other, so-called interdisciplinary competences is an illusion. Competences only let the professional knowledge of the controllers come to life by activating emotions and motivation, creating experiences and internalising values. Professional knowledge is hence much more than just a collection of individual insights and skills. The interdisciplinary competences have an effect which goes far into professional matters.[2] Learning processes must be appropriate and not only convey professional knowledge but also train competences. The fact that professional knowledge and competences are one unit, however, is often ignored, and that is the reason why controller development programmes look so one-sided. This paradigm shift should be the primary aim long before any detailed discussion of competences takes place.

Professional knowledge and competences form a unit

As regards development measures, the controller competences as outlined – both across the process and on the main process level – can be used as a basis. If, for instance, the competences of a person tackling a process do not fit those normally needed for such a process, it is possible to expand the qualifications of the employee by means of training programmes and also on-the-job, with the aim of achieving the target profile. This means that the employee would work on exactly those competences that are not yet available in the required form or intensity. What is possible is visiting suitable competence-based training events to improve the employee-related competence profile.

Competence profiles for the focused development of controllers

Fig. 65 shows that external seminars are (in the case of 83 % of the respondents) currently the most common form of developing the capabilities of controllers further. Also mentioned are professional journals (78 % of those interviewed) and visiting controlling-specific conferences (71 % of those interviewed).

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[2] See Heyse/Erpenbeck/Ortmann, 2012, p.63.

Measures for developing the abilities of the controlling organisation further

Measure	Percentage
External seminars	83%
Professional journals / magazines	78%
Visiting controlling-.specific conferences	71%
General internal seminars	50%
Individual professional/personality coaching	47%
Specific internal seminars for controllers	45%
Active benchmarking / exchange of experiences	38%
Support in further studies	35%
Support in doctoral dissertations	16%
Controlling-specific e-learning	10%
Other Measures	7%

Fig. 65: Development instruments for the controlling organisation[3]

Orienting training activities towards the future controller role

Rather less commonly used are specific internal seminars or training and coaching formats, although particularly in this case tailored competence and know-how building would be possible. Even less common is e-learning. For that reason, these two instruments of the internal development of controllers can be seen as „adjusting screws" to emphasise competence-based training. Here, the Controller Competence Model can be used as the basis for identifying suitable training content and participants.

Aligning the educational activities with the target vision of the future role of the controller in the company (see Fig. 66) is also important. In many groups, a decrease in data management tasks can be observed as these are taken over by integrated and automated ERP systems. Instead, controllers are increasingly becoming active as consultants in the areas of analysis and decision support. These deliberations, as well as a specially defined target vision or mission statement, could also decisively influence training and educational activities for controllers in general.

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[3] See Göttling/Gleich/Lauber/Overesch, 2013, p.53.
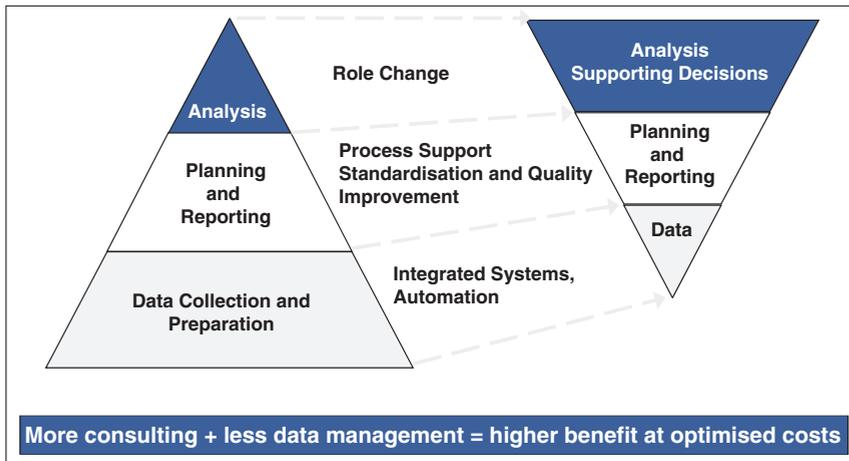
Fig. 66: Target vision of modern controlling[4]

Finally, general (mega) trends, such as digitalisation, demographics or globalisation, should not be forgotten but rather included in training activities and the competence discussion. In particular the trend towards digitalisation, the new opportunities provided by the internet of things and the increasing digital interconnectedness of systems and machines all lead to a fundamental change in how tasks are performed in core areas of controlling (such as the provision and the processing of information for the management). Controllers have to face the challenge of applying new methods and instruments, such as business intelligence and big data analysis methods.[5]

4 Using the Competence Model for the work of HR experts and managers

The controller competence profiles can also be put to use in systematic succession planning. Especially in the case of professional careers, which are still often seen as less attractive than management careers, it makes sense to define competence profiles and to transfer these to hierarchical levels (assistant, junior, senior, team leader, etc.). This approach helps to make the career for controllers attractive and to clearly define the requirements to controllers from the company's point of view.

In this way, succession planning becomes more stringent, more transparent and more successful, as the target competences of a function are

Systematic succession planning with controller competence profiles

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4   See Müller/Schmidt, 2011, p.94.
5   See Seufert, p.412f.

met more easily and, at the same time, fewer subjective decisions are made. The competence profiles of the succession candidates should be aligned with the target profiles as much as possible, or it should be possible to align them quickly (no later than at the time of filling the position). The development instruments for controllers outlined above could also be used here.

Focused identification of succession candidates for management positions

Apart from succession planning at the process level or for various controller positions, succession planning for managers in the controller field is another difficult task. The model competence profiles created can also come in handy to find and install the right managers for the controller organisation from the point of view of the top management.

The competence descriptions developed here help to find the right experts for the various controlling issues as well as to evaluate their competences systematically. For instance, professional discussions or case studies guided by the Competence Model can be useful in selecting the right experts when looking for professionals.

Besides purely professionally motivated selection criteria, managers of the controller field should mainly possess pronounced leadership competences (e.g. the ability to delegate and make decisions or integration skills) together with efficiency and customer-related competences. These various competence aspects are taken into account in the Controller Competence Model.

Apart from staff selection as such and succession planning, the Competence Model also assists the head controllers in three further leadership tasks:[6]

- Tasks can be allocated within the controller organisation in such a way that employees are ideally put to use based on their personal competences.
- Controllers' performance can be assessed more correctly, which also makes possible effective measures to improve performance (actually a core controller competence).
- Targeted development measures can be taken to train controllers, continuously improve their qualifications in their function and enable a long-term development to tie the employees to the company.

Controller competence profiles for personnel marketing

Also HR experts dealing with personnel matters can use the profiles outlined when describing a vacant post and looking for a successor. Personnel marketing with clearly defined competences increases the quality of job ads and makes it easier for the company to position itself both clearly and credibly on the personnel market. Apart from the job

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[6] See Göttling/Gleich/Lauber/Overesch, 2013, p.51.

description itself, it is possible to provide a differentiated picture of which competences, for instance, an expert should possess in order to fulfil his or her tasks properly.

Two more advantages can be detected:[7]

Applicants in an increasingly competitive labour market can be addressed in a much more targeted manner.

When selecting controllers, special emphasis can be put on criteria actually critical to success, which increases the likelihood of selecting the right applicants.

The possible applications of the Controller Competence Model listed above are by no means the only ones; rather, through the company-specific application, further areas can emerge where the Controller Competence Model can be put to use productively. The successful use of the Controller Competence Model is exactly based on this company-specific application of the individual components. Only if the hierarchical list of competences and the function and competence profiles for controllers are oriented towards the company's current activities and future demand can controllers be developed as an important personnel resource of the company in a focused manner.

5   Literature

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[7]   See ibid.

Appendix A: List of competences

This list of competences includes the detailed, standardised descriptions of all competences discussed on levels one to three of the *IGC* Competence Model (see Chapter II.1–3).[1]

A.1 Level 1 – Knowledge worker competences

A.1.1 Personal competences

Self-management (P/A; K)	Ability to design one's own actions
Explanation: Self-management refers to the ability to design one's actions proactively and free from external influence. The ability is based on independent behaviour, self-experience and the ability to criticise oneself.	
Competence characteristics: • Realistically assesses his own room and limit for actions. • Uses the existing room for action. • Prefers well-planned and well-considered actions without limiting his options due to excessive caution.	
Exaggeration of competence: Shows very sober and considered behaviour; comes across as aloof and difficult to pin down.	
Key: P/A: Hybrid of personal competence and activity and implementation oriented competences K: Knowledge worker competence	

Readiness to learn (P/P; K)	Ability to learn successfully while enjoying it
Explanation: Readiness to learn refers to the willingness to acquire lacking knowledge, qualifications and experience through training and other measures. Willingness to be educated further is a part of readiness to learn and includes the development of existing qualifications by means of training measures.	

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[1] See Heyse/Erpenbeck/Ortmann, 2010.

Readiness to learn (P/P; K)	Ability to learn successfully while enjoying it
Competence characteristics: • Is open to new things and interested in others' experiences. • Shows a high willingness for development and self-motivation. • Voluntarily participates in further education measures, is very committed and self-motivated to do so. • Also learns informally during work processes and in his social environment.	
Exaggeration of competence: Interested in too many areas, has no clear focus, cannot process comprehensive knowledge sufficiently.	
Key: P/P: Hybrid of personal competence and professional and methodological competence K: Knowledge worker competence	

A.1.2   Activity and implementation oriented competences

Energy (A; K)	Ability to act energetically
Explanation: Energy includes all human activity comprising conscious and organised behaviour. Learning and work activities play an important part.	
Competence characteristics: • Learning and work activities are handled in a proactive and highly energetic manner. • Is highly motivated. • Carries along others in difficult situations. • Prefers effective action to long reflection.	
Exaggeration of competence: Is overly active in his behaviour and prone to flashy presentation.	
Key: A: Activity and implementation oriented competences K: Knowledge worker competence	

Initiative (A; K)	Ability to actively start acting
Explanation: Initiative refers to the ability to be actively dedicated to fulfilling a specific task or objective. The prerequisite for this is personal commitment and an active engagement with task or objective.	
Competence characteristics: • Shows great commitment in work-related activities. • Develops his own ideas, concepts and goals. • Is an important partner in difficult tasks and problems due to his great commitment.	
Exaggeration of competence: Is overly active, irritates and imposes on others.	
Key: A: Activity and implementation oriented competences K: Knowledge worker competence	

Acting with the result in mind (A/P; K)	Ability to act with a focus on outcomes
Explanation: Acting with the result in mind refers to an activity based on sufficient professional and methodological knowledge, experience and many-faceted abilities, which serves to achieve the goals set.	
Competence characteristics: • Addresses open and conflict-laden problem situations in various spheres of life if it serves to achieve a (better) result. • Shows endurance in order to get results in tricky situations.	
Exaggeration of competence: Business success has the highest priority; other objectives are neglected and pushed away.	
Key: A/P: Hybrid of activity and implementation oriented competences and professional and methodological competence K: Knowledge worker competence	

A.1.3   Socio-communicative competences

Ability to work in a team (S/P; K)	Ability to work successfully in and with teams
Explanation: Ability to work in a team includes the personal ability to be productive in a group and to be able to seize on opinions and ideas of others and develop these further.	
Competence characteristics: • Is willing and able to work in groups. • Promotes openly presenting different points of view and opinions. • Is able to reach a consensus and supports commonly established solutions. • Can mediate between his own and the group's performance level.	
Exaggeration of competence: Overrates teamwork; invests too much time in group work.	
Key: S/P: Hybrid of socio-communicative competence and personal competence K: Knowledge worker competence	

Ability to solve problems (S/A; K)	Ability to successfully design solutions
Explanation: Ability to solve problems refers to the individual performance requirements and social activities that are concerned with initiating and organising problem-solving processes.	
Competence characteristics: • Detects problematic situation-specific process and goal structures. • Contributes detected problems to creative discussions. • Designs effective communication and control structures regarding the problem type detected.	
Exaggeration of competence: Renders everything problematic; tries to solve everything in problem-solving groups.	
Key: S/A: Hybrid of socio-communicative competence und activity and implementation oriented competences K: Knowledge worker competence	

Sense of duty (S/P; K)	Ability to act responsibly
Explanation: Sense of duty is the ability of persons, to rely on, accept and know norms and value systems for their own and joint actions.	
Competence characteristics: • Knows and recognises fundamental social norms and values that are relevant for his own work and leadership behaviour. • Knows and accepts norms and values others put forward that are relevant for the respective field. • Does his duties regarding particular tasks and projects. • In doing his duties, is characterised by preciseness, thoughtfulness and thoroughness.	
Exaggeration of competence: Tends to be overly exact, careful and conscientious, tends to overdo his sense of duty without critically reflecting.	
Key: S/P: Hybrid of socio-communicative competence and professional and methodological competence K: Knowledge worker competence	

Preciseness (S/P; K)	Ability to act precisely
Explanation: Preciseness is a character trait that always emphasises one's duty towards social demands and values. This includes great professional and methodological exactness in accomplishing tasks.	
Competence characteristics: • Performs tasks assigned to him to the best of his (professional) knowledge and belief. • Accepts assessments coming from his social environment and assumes this behavioural norm following a critical assessment. • Works thoroughly, prudently and reliably, and is highly appreciated for his activities. • Scrutinises his own and his colleagues' work closely.	
Exaggeration of competence: Makes unrealistic demands regarding the exactness of his own and others' work; fulfils his tasks in an overly judicious and orderly fashion.	
Key: S/P: Hybrid of socio-communicative competence and professional and methodological competence K: Knowledge worker competence	

A.1.4   Professional and methodological competences

Focus on knowledge (P/P; K)	Ability to act based on the latest available knowledge
Explanation: Focus on knowledge refers to the ability to constantly expand and extend knowledge present in one's memory and knowledge relevant for one's actions. This includes not just explicit, but also implicit knowledge.	
Competence characteristics: • Permanently finds new ways to extend his knowledge through his activities and constantly builds up new knowledge. • Possesses regulative knowledge in the form of a profound knowledge of norms and values. • Stands up for the knowledge he represents with his own persuasiveness and espouses recommendations for action thus derived.	
Exaggeration of competence: Puts factual and professional knowledge above value knowledge and emotional intelligence.	
Key: P/P: Hybrid of professional and methodological competence and personal competence K: Knowledge worker competence	

Diligence (P/A; K)	Ability to act intently and tirelessly
Explanation: Diligence refers to a tireless and assiduous way of work that includes a serious, focused and tenacious approach towards things. Diligence goes hand in hand with properties like fervour, rigour and persistence.	
Competence characteristics: • Aims for good work results from a factual and methodological point of view. • Works tenaciously and continuously accomplishes his high workload. • Handles even unattractive routine tasks carefully if they cannot be delegated.	
Exaggeration of competence: Can turn into a workaholic and tends to be excessively diligent.	

Diligence (P/A; K)	Ability to act intently and tirelessly
Key: P/A: Hybrid of professional and methodological competence and activity and implementation oriented competences K: Knowledge worker competence	

A.2   Level 2 – Controller competences across processes

A.2.1   Personal competences

Credibility (P; C; AP)	Ability to act credibly
Explanation: Credibility is a measure of a recipient's willingness to accept a controller's statement as valid. This ability furthers acceptance and trust. Statements and behaviour are credible when they are consistent in themselves and have not been distorted by the controller. Distortions occur involuntarily due to insecurity or instability, or intentionally by means of deception and untruthfulness. The more stable the personal experience, perception, intelligence and memory performance of a controller, the more credible his statements.	
Competence characteristics: • Reproduces situations, issues and circumstances he experiences and observed both accurately and transparently. • Convinces people his point of view is right because of his personal composure and stability. • Corrects his own views when new facts or sensible arguments appear, freely admits own mistakes and weaknesses. • Acts in an exemplary fashion and so motivates others.	
Exaggeration of competence: Is too open, idealises connections and is at times too self-critical or even naive.	
Reason for selection: Controllers provide management information and are the business conscience of the company. A high credibility is the basis for the acceptance of these accomplishments.	
Key: P: Personal competences C: Output category Customer focus AP: Competence across processes	

Reliability (P/P; E; AP)	Ability to act reliably
Explanation: Reliable controllers are attentive and prudent; they always meet their obligations, strictly adhere to guidelines and rules, and always keep their appointments. Reliability and preciseness in fulfilling their tasks are closely connected.	
Competence characteristics: • Works in a disciplined way, has a strong sense of duty and awareness of what is required and acts trustworthily. • Bases his actions and attitude to work on ideals. • Preserves the company's interests through his own economical behaviour and high degree of identification. • Addresses mistakes and problems if these endanger the company.	
Exaggeration of competence: Acts according to an overly idealistic, out-of-touch attitude to work and an exaggerated sense of duty.	
Reason for selection: All controlling processes require controllers to be highly reliable. Whether it is appointments, rules, guidelines that have to be adhered to, or company interests the controller must represent – reliability establishes trust amongst internal clients and is the basis for efficient processes.	
Key: P/P: Hybrid of personal competence and professional and metho-dological competence E: Output category Efficiency AP: Competence across processes	

Normative ethical attitude (P; L; AP)	Ability to act ethically
Explanation: This is the willingness to think and act self-responsibly based on specifically designed norms and values. What is crucial is that norms and values are firmly anchored with the controller himself so that he can fall back on them in cases of insecurity and open situations.	

Normative ethical attitude (P; L; AP)	Ability to act ethically
Competence characteristics: • Consistently acts responsibly and is value-oriented. • Sets high standards for himself and others. • Always acts honestly, dutifully and reliably. • Through his actions, important values are anchored in corporate culture.	
Exaggeration of competence: Puts principles above all; is out of touch and far from reality.	
Reason for selection: In companies, there are frequently decision situations where thinking along mere business lines would fall short. Particularly in the cases of social or societal results of entrepreneurial behaviour, or the critical assessment of projects, investments, plans and strategies, controllers should bring in a strong, personal value framework and, if in doubt, withstand the pressure of a management that thinks differently, as well as act responsibly and with integrity.	
Key: P: Personal competences L: Output category Leadership AP: Competence across processes	

Holistic thinking (P/P; F; AP)	Ability to think and act holistically
Explanation: Holistic thinking is the ability to take into account further aspects in decision-making than just the basic knowledge available. Besides the professional and methodological contents, particularly economic, social or political dimensions are included in thinking processes and actions.	
Competence characteristics: • Takes into account professional knowledge from various functional fields in his thought processes when providing controlling services. • Orientates his thinking not just towards professional and methodological details, but also includes social and political points of view, as well as the needs of management and other recipients, in his deliberations.	

Holistic thinking (P/P; F; AP)	Ability to think and act holistically
Exaggeration of competence: Neglects controlling details, sees things too generally and acts accordingly.	
Reason for selection: Holistic thinking is necessary to successfully accompany decision processes, lead restructuring processes and act as an internal consultant. Apart from basic knowledge in the sense of professional competence, further dimensions must be included in decision-making; particularly the balanced consideration of economic, social and political factors has to guide thoughts and actions of the management partner. Holistic thinking enables controllers to see the bigger picture and to answer business questions more effectively and less one-sided. It also helps to get on an equal footing with management faster and become acceptable as a discussion partner.	
Key: P/P: Hybrid of personal competence and professional and methodological competence F: Output category Designing the future AP: Competence across processes	

A.2.2   Activity and implementation oriented competences

Consistency (A/P; E; AP)	Ability to act consistently
Explanation: Consistency is often equated with determination. It is an attitude to work that combines consistent logical thinking with consistent determined behaviour. Consistency includes all factual content aspects of a decision or action – including its impact and effects. Consistency on the one hand requires professional and methodological action, which can mostly exclude emotional and value aspects. On the other hand it is important particularly in a consistent approach that the acting person has developed stability regarding these emotional and value aspects and does not frequently change his appraisal.	

Consistency (A/P; E; AP)	Ability to act consistently
Competence characteristics: • Acts in a situation only after comprehensively analysing the factual situation and methodological options; keeps emotions and hasty evaluation out of factual analyses. • Follows a goal identified as correct without ado and relies on a strong value basis. • Does not make any superficial compromises. • Pushes through things identified as correct as fast and energetically as possible.	
Exaggeration of competence: Denies emotions and subjective value judgements, and also avoids sensible compromises; stubbornly sticks to his own opinion.	
Reason for selection: Controlling processes require consistent thinking and determined behaviour. As the business conscience of the company, controllers with their consistent attitude to work contribute towards target-oriented planning and control and make sure important need for action is not forgotten. Their visible consistency is an example for all other actors in the controlling process.	
Key: A/P: Hybrid of activity and implementation oriented competences and professional and methodological competence E: Output category Efficiency AP: Competence across processes	

Persistence (A/P; E; AP)	Ability to act persistently
Explanation: Persistence means that goals are pursued consistently even if e.g. contradictory facts or conditions for actions emerge. Persistence requires a strong will and motivation and is an important prerequisite to avoid factual inconsistency and volatility.	

Persistence (A/P; E; AP)	Ability to act persistently
Competence characteristics: • Analyses contradictions in depth and explores his own options for action. • Overcomes emerging resistance, burdens and obstacles vigorously and tenaciously. • Consistently realises specific goals of action in both analysis and behaviour. • Pursues the goals he set himself with endurance.	
Exaggeration of competence: Acts stubbornly, inflexibly, can adapt only very little.	
Reason for selection: In their everyday work, controllers face contradictory situations and trade-offs. All the more they must be able to keep an overview and act consistently as the business conscience of the firm. A sensible level of persistence of the controllers helps management to keep goals and results in sight despite all the dynamic developments.	
Key: A/P: Hybrid of activity and implementation oriented competences and professional and methodological competence E: Output category Efficiency AP: Competence across processes	

Ability to withstand stress (A/P; E; AP)	Ability to act under internal and external pressure
Explanation: Ability to withstand stress means that a person can act in a target-oriented and factual manner without reacting wrongly even under difficult circumstances, such as physical and mental tension. The ability to withstand stress requires experience in handling stress and resolving conflicts. The less comprehensible and predictable and the more complex a work environment is, the higher are the requirements to one's ability to withstand stress. A person has this ability if he manages to take the contradictions, uncertainties and risks as normal and sees it as a chance to develop as a person.	

Ability to withstand stress (A/P; E; AP)	Ability to act under internal and external pressure
Competence characteristics: • Is well-organised – despite uncertainties, problems, resistance and stress. • Implements ventures under complex conditions and sees high requirements as an activating challenge. • Through his own behaviour he also gives others the courage to face challenges and see them as an opportunity for personal development (person, group, department). • Sees conflicts and critical situations as an opportunity for personal development and growth.	
Exaggeration of competence: Is chronically overburdened; may be more able to withstand stress than others, but that is why he asks too much from himself and others.	
Reason for selection: Working in controlling means being able to withstand stress – mainly because time is an important factor in this field. In the controlling process there are a number of performance peaks (monthly accounts, annual accounts, planning phase, supervisory board meetings, etc.) which have to be handled with the existing team. In many cases this requires a lot of overtime and it is difficult to estimate working hours. Especially dealing with various stakeholders and their diverging interests can be stressful and requires coping mechanisms to handle the situation.	
Key: A/P: Hybrid of activity and implementation oriented competences and personal competence E: Output category Efficiency AP: Competence across processes	

Leading with the target in mind (A/P; L; AP)	Ability to orient others towards targets
Explanation: Leading with the target in mind is a leadership style that focuses on a common understanding of the target to be achieved as well as a task structure specially designed to achieve it. A basic requirement for good leadership is clear and precise targets. The better the target orientation can be conveyed to the employees, the higher are the chances for success.	

Leading with the target in mind (A/P; L; AP)	Ability to orient others towards targets
Competence characteristics: • Aligns others and the group's activities to the targets. • Can use the necessary professional and methodological knowledge to achieve the goal. • Orientates his actions towards clearly defined targets. • Conveys targets to others plausibly.	
Exaggeration of competence: Rates targets that have been set too highly and so restricts others' room for action.	
Reason for selection: Controlling is leadership work. It means that all thinking is oriented towards the target and to align all decisions with their successful impacts. Therefore, the activities of planning and costing as well as monitoring and control are crucial. This holds for every single leadership decision and also for managing the company as a whole. Controllers must represent this target orientation vis-à-vis both the management and the employees.	
Key: A/P: Hybrid of activity and implementation oriented competences and professional and methodological competence L: Output category Leadership AP: Competence across processes	

Inspiring others (A/S; L; AP)	Ability to stimulate others to take action
Explanation: Inspiring others is the ability to proactively and effectively provide stimuli for actions and thought processes to leaders and employees in all areas of an organisation. A controller inspires the people he talks to by having well-prepared information and convincing arguments; he stimulates, he motivates, and he triggers measures aimed at increasing performance.	
Competence characteristics: • Inspires through his knowledge background. • Evokes new thoughts, stimulates group reflection. • Encourages decision-makers to act rationally and in an economically feasible way during the course of the discussion.	

Inspiring others (A/S; L; AP)	Ability to stimulate others to take action
Exaggeration of competence: Obsessively tries to push the implementation of his ideas through, imposes his ideas on others.	
Reason for selection: The ability to inspire others helps the controller to inspire the management and provide behavioural impulses beyond rational argumentation. Providing impulses for economically sound actions can be considered one of a controller's fundamental tasks, particularly with regards to his role as partner of the management.	
Key: A/S: Hybrid of activity and implementation oriented competences and socio-communicative competence. L: Output category Leadership AP: Competence across processes	

Example: Scaling Inspiring others (A/S; L; AP)	Ability to stimulate others to take action
1	Is able to support measures for improvement in the organisation.
2	Proposes improvement measures for his own area of responsibility and supports their implementation.
3	Can use his experience and analyses to identify innovative approaches for existing challenges in his own area of responsibility and implement them in projects.
4	Motivates others to directly implement ideas and concepts in measures and projects. Has influence on others beyond the scope of his own area of responsibility.
5	Motivates others to directly implement ideas and concepts in measures and projects. Makes his mark outside his own area of responsibility. Assumes a driving role.

A.2.3 Socio-communicative competences

Dialogue ability/Customer orientation (S/P; C; AP)	Ability to adjust to others in conversation
Explanation: This is the ability to clearly outline situations, plausibly present and logically underpin one's own point of view, and gain sympathy when doing so when talking to internal or external clients. The controller can communicate his own norms and values very clearly and manages to convince others.	
Competence characteristics: • Wins sympathy and recognition in conversation with others; is open and trustworthy in dealing with suggestions, objections and complaints of others. • Communicates his own views, values and norms convincingly and gives clear reasons why certain steps in work and actions need to be taken. • Actively tends to the stakeholders and meets obligations made towards them.	
Exaggeration of competence: Trusts others and entrusts others with too much, overemphasises winning sympathy – to the detriment of the matter at hand.	
Reason for selection: Dialogue ability/customer orientation is a basic requirement for successful cooperation between controllers and internal clients. Controllers must be able to adjust to their counterparts with empathy and sensitivity and to show understanding for their respective situations and interests. This does not just refer to the interaction between controllers and members of the managements, but also to cooperation with other departments and superordinate and subordinate units. The focus of the interactions is on dialogue, where it is important to outline situations clearly, plausibly present and soundly justify one's own point of view, and so gain sympathy. This is the basis to gain a good position within the company also informally, to have a good network and to be properly informed.	
Key: S/P: Hybrid of socio-communicative and personal competence C: Output category Customer focus AP: Competence across processes	

Consulting skills (S/A; C; AP)	Ability to advise people and organisations
Explanation: Consulting skills refers to the qualification to enable others to solve difficult situations independently with the help of new concepts and methodical approaches. This ability requires comprehensive professional knowledge and aims mainly to set off the self-organisation process in the respective context. At the same time, advisers must be able to approach clients psychologically and create a real basis of trust.	
Competence characteristics: • Uses his comprehensive professional and methodological knowledge to assist the management in setting goals and making decisions. • Advocates major insights from controlling that are important and necessary for corporate control. • Initiates and promotes the willingness of managers and employees to act economically sensibly in a self-organised way. • Contributes comprehensive professional, methodological and social experience to internal projects. • Successfully proves his independence and leadership abilities in dealing with people.	
Exaggeration of competence: Comes across as arrogant; generalises too much, others see him as a know-all.	
Reason for selection: Advising is more than just cooperating and communicating convincingly. As internal consultants, controllers should enable others to solve difficult problems independently with the help of professional concepts and methodical approaches. Controllers advise people and organisations. Their work aims mainly to set off a self-organisation process in the company and make the others act economically sensibly. Controllers must be able to approach the various actors psychologically and create a real basis of trust with their clients.	
Key: S/A: Hybrid of socio-communicative and activity and implementation oriented competences C: Output category Customer focus AP: Competence across processes	

A.2.4 Professional and methodological competences

Analytical skills (P; KA; AP)	Ability to penetrate issues and problems
Explanation: This is the ability to structure problems, break down complex systems into their elements, detect connections and the interplay of variables and parameters of a system, and to express the insights in a focused manner using clear statements. Prerequisites are not only professional knowledge but also conceptional skills (see conceptional strength p. 212f.).	
Competence characteristics: • Is familiar with methods of abstract thinking and expresses himself clearly; quickly understands problems and issues, differentiates between important and irrelevant items, condenses the surfeit of information, quickly identifies the core of an issue, recognises tendencies and connections and derives the correct conclusions and strategies. • Is a safe hand with numbers, data and facts; develops a clearly structured picture from the mass of information and data. • Is familiar with methods and tools for data analysis and data preparation.	
Exaggeration of competence: Believes only one side of the results of an analysis and hides between a „fake rationality".	
Reason for selection: Besides professional knowledge, analytical skills are an important pillar of a controller's professional competence. They are the basis on which a controller is accepted and thus the ticket for all subsequent aspects of the controller role. Particularly in an era of big data, analytical skills are more important than ever and controllers have to prove theirs in competition with statisticians and BI specialists. Occasionally, with the increasing status of a controller as a management partner, this competence is pushed a little bit into the background by other strengths, such as the consulting skills.	
Key: P: Professional and methodological competence KA: Output category Know-how & Application AP: Competence across processes	

Systematic and methodological proceeding (P/A; E; AP)	Ability to systematically pursue goals of action
Explanation: Systematic and methodological proceeding is characterised by actively approaching tasks and problems as well as by a target-oriented analysis of working and framework conditions.	
Competence characteristics: • Solves tasks and problems dedicatedly on the basis of his professional and methodological knowledge. • Inserts himself into existing, fixed structures and processes and tries to optimise these. • Unlocks his greatest potential in detailed solutions and improvements. • Breaks down complex problems into workable sub-problems and steps and so systematically contains risks.	
Exaggeration of competence: Exaggerates the systematic approach; content and connections are neglected in favour of system and method.	
Reason for selection: Independent of the specific area of use, systematic and methodological proceeding is a basic requirement for all controller output. Planning and implementing the controlling processes, the use of controlling instruments and cooperation in complex company structures cannot take place satisfactorily and efficiently without a systematic and methodological approach.	
Key: P/A: Hybrid of professional and methodological competence and activity and implementation oriented competences E: Output category Efficiency AP: Competence across processes	

Ability to assess things (P/P; KA; AP)	Ability to assess issues correctly and detect them in advance
Explanation: The ability to assess things is the ability to understand issues and problems correctly and fast, to come to the right conclusions, to separate important from irrelevant items and not to get bogged down in details in this assessment.	

Ability to assess things (P/P; KA; AP)	Ability to assess issues correctly and detect them in advance
Competence characteristics: • Correctly assesses issues and problems based on broad professional and methodological knowledge. • Develops convincing viewpoints also under uncertain or lacking knowledge based on a solid background of experience and values. • Assesses after-effects and their impact intuitively even without strict causal relationships. • Continuously increases his sense of judgement and learns with experience.	
Exaggeration of competence: Overinterprets issues and overreacts; slows down decisions because he anticipates all possible consequences, only sees negative effects.	
Reason for selection: Controllers support managers in decision situations. A profound professional and methodological perspective, together with an experience-based business perspective, is one of the core assets of a controller. With a good ability to assess things based on professional knowledge and experience controller are able to provide better support in decisions. Especially in ad-hoc decision situation this is essential.	
Key: P/P: Hybrid of professional and methodological competence and personal competence KA: Output category Know-how & Application AP: Competence across processes	

Business understanding (P; KA; AP)	Ability to act taking interdisciplinary knowledge into account
Explanation: Business understanding is the result of a systematic in-depth study of business processes and a company's added value. It is characterised by interdisciplinary knowledge of the company's current products and services, the technologies used, the current supplier and customer relationships, and the company's strategies. Moreover, a broad knowledge of the overall economic and political context is a prerequisite.	

Business understanding (P; KA; AP)	Ability to act taking interdisciplinary knowledge into account
Competence characteristics: • Thinks outside the box of his own work as a controller. • Has interdisciplinary knowledge along the whole value chain. • Proactively expands his knowledge through further education, cooperation across departments, exchange of experiences and other means.	
Exaggeration of competence: Focuses too much on questions outside his field of work; frequently tends to act as an out-of-touch all-rounder.	
Reason for selection: Closeness to the business is a key factor of successful controlling. Therefore, controllers absolutely need a fundamental understanding of the company's value added as well as knowledge on the current business development in order to be accepted as a sparring partner by management.	
Key: P: Professional and methodological competence KA: Output category Know-how & Application AP: Competence across processes	

Professional knowledge (P; KA; AP)	Ability to employ relevant professional knowledge in an inclusive manner
Explanation: When the current state of knowledge is implemented in controlling, this knowledge should be continuously expanded in order to be able to compete on a global scale. New discoveries, tools and approaches should be included profitably. The idea is to continuously look out for feasible and sensible improvements.	
Competence characteristics: • Uses detailed professional and methodical knowledge for his own work. • Uses professional literature to keep up to date, completes relevant training courses, learns by performing his work, and actively shares his experience with peers. • Expands the professional and methodological knowledge and keeps himself informed about the latest trends and alternative solutions.	

Professional knowledge (P; KA; AP)	Ability to employ relevant professional knowledge in an inclusive manner
Exaggeration of competence: Considers himself and his own professional knowledge the centre of the world, overestimates the latest professional knowledge, has a propensity to furiously implement changes, and causes excessive costs for constantly new systems.	
Reason for selection: The controllers' mission is to act as „professional promoters" or „professional opponents" in tandem with the management and provide inputs for steering an organisation based on profound professional knowledge. Profound professional knowledge is the ticket when a controller wants to prove himself. A distinct understanding of controlling and financial instruments and processes is a basic requirement. In addition, depending on the particular field of application within the realm of controlling processes, various fields of knowledge and the ability to continuously acquire new professional knowledge are becoming important.	
Key: P: Professional competence. KA: Output category Know how & Application. AP: Competence across processes	

Example: Scaling Professional knowledge (P; KA; AP)	Ability to employ relevant professional knowledge in an inclusive manner
1	Possesses and uses relevant professional knowledge, and professional abilities and skills for his current function.
2	Possesses not only the relevant professional knowledge, and professional abilities and skills for his current function, but also pertinent job experience and further qualification.
3	Possesses and uses all professional abilities and skills necessary to perform the controller functions professionally.
4	Possesses valuable professional abilities and skills required across functions. Is considered an expert in the organisation.
5	Possesses valuable professional abilities and skills required across functions. Is also considered an expert by people external to the organisation. Continuously expands his knowledge.

A.3 Level 3 – Process–specific controller competences

A.3.1 Personal competences

Openness to change (P/A; F; S)	Ability to understand changes as learning situations and to act accordingly
Explanation: Openness to change is required in order to actively approach new action situations in a given topical field. Openness helps to find creative solutions and contribute to the success of the action.	
Competence characteristics: • Has no problem initiating change processes pertaining to controlling which have an open outcome. • Consciously meets the challenge of solving controlling issues. • Participates in the solution of real-world controlling problems using creative proposals for the solution.	
Exaggeration of competence: Takes too many risks; is too inconsistent and not predictable.	
Key: P/A: Hybrid of personal competence and activity and implementation oriented competences. F: Output category Designing the future. S: Process-specific competence	

Particular relevance – Main processes Strategic planning, Operational planning & budgeting, Forecasting, Project and investment controlling, Risk management, Enhancement of organisation, processes, instruments & systems
Reason for selection – Strategic planning: Strategic change processes require a particularly high level of openness for innovations. Controllers must be sufficiently open in order to proactively perform their role as strategic partners and not be perceived as a hindrance to strategic initiative. In particular, major change processes with fundamental adaptation measures for products/services, processes, and structures require controllers who are open to change. In addition, professional innovations in the area of strategic planning require controllers to be open to change.

Particular relevance – Main processes **Strategic planning, Operational planning & budgeting, Forecasting,** **Project and investment controlling, Risk management, Enhancement** **of organisation, processes, instruments & systems**
Reason for selection – Operational planning: Uncertain conditions make anticipating and planning all measures of budgeting and medium-term planning more difficult. For controllers it is important to look ahead, recognise changes in time, consider them without prejudice, and take an active role. It is also important to face the challenges and problems connected with operational performance control consciously and to contribute creative solutions.
Reason for selection – Forecasting: Openness to change is one of the most important personal require-ments of the controller in forecasting in order to be able to become active and to remain active. Especially ad-hoc forecasts often require cooperation and have an open outcome.
Reason for selection – Project and investment controlling: Project orders often have to be reworked, as the project goals or the initial situation have changed. Controllers should see these adaptations with an open mind and make suggestions for planning and control under the new circumstances.
Reason for selection – Risk management: In risk management, the controller often plays the role of a spoilsport, where he has to point out potential dangers. Yet management is inseparable from taking business risks and from deciding in uncertain situations with uncertain outcomes. The controller must not get stuck in his role as a business conscience and oppose any risk whatsoever. Rather, he has to accept the increasing uncertainty and need for change, be open to new thinks and accept controlled risks.
Reason for selection – Enhancement: Openness to new things is an important prerequisite for actively tackling change processes. In particular great changes involving fundamental restructuring of systems, instruments or processes call for decision-makers and employees who are open to change.

Example: Scaling, Openness to change (P/A; F; S)	Ability to understand changes as learning situations and to act accordingly
1	Understands change processes and is willing to discuss the need for change.
2	Provides specific inputs (e.g. information, analyses, decision-making tools) for change initiatives.
3	Understands a specific need for change and supports the change process in its entirety.
4	Consciously meets the challenge of solving controlling issues and has no problem initiating change processes with an open outcome.
5	Consciously meets the challenge of solving controlling issues and has no problem initiating change processes with an open outcome. Participates with creative proposals for the solution.

Creative skills (P/A; F; S)	Ability to act creatively
Explanation: Creative skills denote the ability to solve situation-specific problems and tasks using new approaches. Creative individuals use new approaches and means to solve problems, and encourage others to do likewise.	
Competence characteristics: • Recognises the necessity for change early, mostly sees problems as opportunities. • Actively fights inactivity, indifference, and stale routine. • Actively seeks to share information as a source of inspiration and new ideas. • Supports new proposals of others, encourages them to implement them while always considering the economic meaningfulness and feasibility.	
Exaggeration of competence: Continuously comes up with new ideas, even in situations that require a steady flow and routine, and consequently never completes anything; is seen as unstable and volatile rather than as a business conscience.	

Creative skills (P/A; F; S)	Ability to act creatively
Key: P/A: Hybrid of personal competence and activity and implementation oriented competences F: Output category Designing the future S: process-specific competence	

Particular relevance – Main processes Business consulting, Enhancement of the organisation, processes, instruments & systems
Reason for selection – Management support: As internal consultants, controllers help managers and employees search for innovative products and services, for attractive markets and customer groups, and for new business models. During consulting sessions, and particularly in a leading consulting position, controllers require sufficient creative potential to develop superior problem solutions for the client. Creativity is equally necessary in a consulting context when designing consulting projects and architectures, when introducing new tools, or when preparing and presenting results.
Reason for selection – Enhancement: Creative skills are required in the enhancement of the controlling organisation, processes, instruments & systems in order to solve practical problems on the basis of innovative approaches and to contribute towards a long-term improvement of the controlling performance in the company.

Example: Scaling Creative skills (P/A; F; S)	Ability to act creatively
1	Supports the creative ideas of others.
2	Supports the creative ideas of others and actively fights inactivity, indifference, and stale routine.
3	Actively seeks to share information as a source of inspiration and new ideas.
4	Seeks and develops creative solutions.
5	Seeks and develops creative solutions, and encourages others to be creative as well while always considering the economic meaningfulness and feasibility.

Delegating (P/S; L; S)	Ability to distribute tasks sensibly
Explanation: Delegating describes the targeted assignment of tasks to managers and employees involved in the controlling process with the aim of implementing controlling effectively and efficiently with everybody concerned. Delegating can range from assigning narrowly defined tasks to participation in the management of controlling processes. Delegating helps process managers to focus primarily on process management and to keep the implementation tasks with the respective units. This strengthens the respective stakeholders' independent behaviour.	
Competence characteristics: - Assigns tasks to others with the aim of improving cooperation in processes; stimulates them and encourages them become independent. - Assesses strengths and weaknesses of his stakeholders scrupulously and thus delegates sensibly and effectively. - Assigns responsibilities without distrust and includes others in decisions, instructs employees and colleagues constantly and clearly; this makes it possible to assign more tasks.	
Exaggeration of competence: Assigns tasks with the best intentions but does not listen to the other party, assigns too much without any reference to the reasoning and the goals; is seen as pushy by others.	
Key: P/S: Hybrid of personal competence und socio-communicative competence L: Output category Leadership S: Process-specific competence	

Particular relevance – Main processes Strategic planning, Operational planning & budgeting
Reason for selection – Strategic planning: At the core of controllers' coordination and leadership activity, a recurring issue is effectively delegating strategic planning tasks to managers and employees of other areas in the company and also the controllers' own employees. Delegating is an important success factor in the ambitious strategic planning and implementation process. Here the head controllers should appeal to members of the top management and make them follow a common procedure and the company standards. They have to ensure that management implements the strategic planning tasks in line with the process and that guidelines and methodological aspects are taken into account. The aim is to achieve one's own or superordinate goals.

Particular relevance – Main processes Strategic planning, Operational planning & budgeting
Reason for selection – Operational planning: Delegating is essential in a specialised, complex and operational planning process. Controllers should coordinate interests, tasks, or activities according to a defined schedule and defined standards and additionally to appeal to persons and units to act in the desired direction.

A.3.2 Activity and implementation oriented competences

Creative drive (A/P; F; S)	Ability to design things following one's own ideas
Explanation: Creative drive is the urge to transform or develop existing circumstances, such as processes, products or services, systems and organisational forms, according to one's own ideas and values. This requires both design skills and design goals.	
Competence characteristics: • Proactively contributes to the design of new processes, instruments and systems in controlling. • Implements controlling changes also under difficult conditions and endures resistance and contradictions during implementation. • Can tell important from unimportant changes in the controlling field and adjusts his actions accordingly. • Responds to greater requirements in the implementation of controlling changes with more activity and willingness for action.	
Exaggeration of competence: Overexerts himself with too many challenges at the same time; hangs on to particular plans too much.	
Key: A/P: Hybrid of activity and implementation oriented competences and personal competence F: Output category Designing the future S: Process-specific competence	

Particular relevance – Main processes **Strategic planning, Operational planning & budgeting, Risk management, Management support, Enhancement of organisation, processes, instruments and systems**
Reason for selection – Strategic planning: Creative drive denotes the claim and willingness of controllers to participate in the strategic process from a factual and content perspective. The wish to participate in strategic design motivates a controller to position himself on strategic issues and to establish himself as an accepted dialogue partner of the management. In order to develop the strategic planning process and system successfully and in the long run, constant involvement and much creative drive is needed.
Reason for selection – Operational planning: Creative drive motivates controllers to develop the operational planning processes and the planning system successfully, to improve their effectiveness and efficiency and so also gain influence in corporate control. Yet controllers' design contributions do not just concern process and system. They should show great interest in company performance and development and be willing to actively contribute to improve performance.
Reason for selection – Risk management: A core task in risk management is spreading the risk, i.e. not to capitulate in front of potential risks but to design business models, strategies, plans and projects in such a manner that the risks involved become manageable. The appropriate willingness to design this is required not just from managers but also from the controller in order to deal with problems and obstacles in risk control successfully.
Reason for selection – Management support: Internal consulting projects and controller services with consulting character have a great potential for creative design that has to be used actively. This requires intense creative drive.
Reason for selection – Enhancement of organisation, processes, instruments and systems: Creative drive is necessary to successfully address problems in controlling. Therefore, the enhancement of controlling is particularly based on the drive of controlling managers and employees to design the controlling organisation, processes, instruments & systems according to their own ideas.

Decision-making ability (A/P; L; S)	Ability to immediately make decisions
Explanation: Decision-making ability is the ability to assess the various courses of action actively and self-determinedly and to set priorities for further actions. The inability to make decisions leads to an inability to take action.	
Competence characteristics: • Sets clear priorities in order to demonstrate alternative actions, focuses on the important points. • Actively chooses between different possible actions during preparation for the decision-making, evaluates alternatives economically as well as from a value-oriented perspective. • In cases of not calculable decisions, uses his own background of emotion and experience so as not to become incapable of action.	
Exaggeration of competence: Prematurely establishes templates for decisions and carelessly implements decisions without prior consultation.	
Key: A/P: Hybrid of activity and implementation oriented competences and personal competence L: Output category Leadership S: Process-specific competence	

Particular relevance – Main processes Cost accounting, Project and investment controlling, Risk management, Management support
Reason for selection – Cost accounting: Professional competence, knowledge of relationships, and regular interaction with the cost centre managers allow controllers to understand processes, results and actions, give recommendations for action, and explain these to the dialogue partners. Note that while controllers help to prepare decisions, they do not ultimately make them.
Reason for selection – Project and investment controlling: Similar to the process of cost accounting, controllers have to be able to use their professional competence in connection with investments and projects, their interdisciplinary holistic knowledge and the regular interaction with the project leaders they support, in order to create a basis for decisions, prepare and explain them suitably for the recipients. Note that controllers help prepare decisions but do not actually make them in the end.

Particular relevance – Main processes
Cost accounting, Project and investment controlling, Risk management, Management support
Reason for selection – Risk management: In risk management entrepreneurial opportunities have to be weighed against the risks involved. This requires a decision between alternative courses of action. Controllers can only make suggestions to the management if they have decided on the most suitable course of action themselves.
Reason for selection – Personnel controlling: Personnel controlling supports decisions on the basis of solidly (under social and economic aspects) evaluated alternatives that are prepared for the managers. Setting priorities and focusing on the important items improve the speed and quality of decisions. Personnel controllers help decision-makers by means of their extensive experience and practical knowledge.
Reason for selection – Management support: In consulting situations or process analyses a strong ability to make decisions is needed. Potential courses of action must be recognised, relevant processes have to be defined, analysed, restructured, optimised and implemented. Alternatives must be evaluated based on valid value systems and personal insights. Controllers must also focus on the important issues and decide in line with priorities.

Example: Scaling Decision-making ability (A/P; L; S)		Ability to immediately make decisions
1	Is able to demonstrate different alternative actions.	
2	Sets clear priorities in order to demonstrate alternative actions, focuses on the important points.	
3	In the course of supporting the decision making, establishes their own position.	
4	In cases of not calculable decisions, uses their own background of emotion and experience and actively argues their position in discussions with third parties.	
5	Is valued and consulted by the management even for difficult decisions due to their clear and easily understandable recommendations.	

Ability to try new things (A/P; F; S)	Ability to approach innovations with pleasure
Explanation: Possessing the ability to try new things means to favourably view, actively seek, and implement innovations. Practical implementation of developments inevitably leads to unusual problem-solving methods and new potential courses of action, and encourages making goal-oriented decisions.	
Competence characteristics: • Actively contributes to the search and implementation of positive changes related to the existing controlling system. • Can use their experience and situation-specific analyses to identify innovative approaches for existing challenges in controlling. • Likes to implement innovations in the organisation, in general and also specific to controlling.	
Exaggeration of competence: Initiates too many simultaneous changes; unsettles others with constant changes without added value.	
Key: A/P: Hybrid of activity and implementation oriented competences and personal competence F: Output category Designing the future S: process-specific competence	

Particular relevance – Main processes Enhancement of the organisation, processes, instruments & systems	
Reason for selection – Enhancement of the organisation, processes, instruments & systems The ability to try new things allows the controller to generally see controlling innovations in a positive light and proactively seek them. Therefore, the ability to try new things can be considered a basic ability to generate innovative solution approaches for improving the existing controlling system.	

Example: Scaling Ability to try new things (A/P; F; S)	Ability to approach innovations with pleasure
1	Has a positive attitude and supports innovations.
2	Can differentiate between significant and minor innovations in controlling and proposes changes in his own area of responsibility.

Example: Scaling Ability to try new things (A/P; F; S)		Ability to approach innovations with pleasure
3	Can use their experience and situation-specific analyses to identify innovative approaches for existing challenges in his own area of responsibility and implement them in projects.	
4	Actively contributes to the search and implementation of positive changes related to the existing controlling system, and motivates others to do likewise.	
5	Likes to implement innovations in the organisation, in general and also specific to controlling. Assumes a driving role.	

A.3.3 Socio–communicative competences

Ability to understand others' perspectives (S; C; S)	Ability to understand others and to make oneself understood
Explanation: Ability to understand others' perspectives is the ability to understand other people's knowledge and behaviour and to be able to communicate experiences made in an understandable manner. This includes both facts and methodical connections as well as social factors in the work environment.	
Competence characteristics: • Understands the management's and other controlling stakeholders' motivations and can follow their argumentation against this background. • Creates a discussion climate free of fear that is based on mutual understanding. • Can communicate own ideas and experiences transparently and actively listens to others.	
Exaggeration of competence: Takes others' opinion too much into account; cannot enforce his own point of view.	
Key: S: Socio-communicative competence C: Output category Customer focus S: Process-specific competence	

| Particular relevance – Main processes |
| Cost accounting, Management reporting, Project and investment controlling, Enhancement of organisation, processes, instruments and systems |
| Reason for selection – Cost accounting:
Cost accounting shows the whole value flow of a company; therefore, controllers must deal with all areas along the value chain and develop an excellent understanding of the goals, motives, problems and needs of the individual areas. |
| Reason for selection – Management reporting:
The ability to understand others' perspectives of a controller is important to fathom the motivations and behaviour of management in order to take this as the basis for creating a pleasant communication climate. This is essential especially in the case of going through reports and discussing results. |
| Reason for selection – Project and investment controlling:
For a project controller's success the willingness to understand the factual knowledge, procedures and goals of a project or planned investment is of great importance. He should be able to take other persons' points of view and understand the challenges faced by the project leaders and their business, continually learning in the process. |
| Reason for selection – Enhancement of organisation, processes, instruments and systems:
In change processes there is often resistance that is initiated by the stakeholders concerned and sometimes by employees of controlling. The ability to understand others' perspectives can help in change processes to analyse and address attitudes and fears – related to the effects of the change – of the people involved. |

Ability to integrate (S/P; L; S)	Ability to work together success-fully with other people
Explanation: Ability to integrate is the ability to align different interests and actions of individual actors in a company into joint actions. Different points of view of interacting persons are coordinated in integrative processes.	

Ability to integrate (S/P; L; S)	Ability to work together success-fully with other people
Competence characteristics: • Bundles different ambitions, interests and actions; successfully employs methods to detect conflicts in time and neutralise them. • Gets people with differing interests and points of view to act together, tries to see their contradictory views and acts as a neutral partner, working for the greater good of the company in an integrating function. • Anchors the need for and advantage of integration solidly in his personal value and norm system.	
Exaggeration of competence: Takes sides for others also when polarising behaviour would be in order.	
Key: S/P: Hybrid of socio-communicative competence and personal competence L: Output category Leadership S: Process-specific competence	

Particular relevance – Main processes Strategic planning, Operational planning & budgeting, Risk management, Management support, Enhancement of organisation, processes, instruments and systems
Reason for selection – Strategic planning: In strategic planning, controllers have the task to support management in developing a sustainable future corporate strategy. The focus of strategic planning is on strategic business units with their different profit opportunities and risk profiles. Controllers should counteract the egotism of individual units, which usually impedes strategic success, and play an integrative role directed towards strategic objectives.
Reason for selection – Operational planning: In operational planning and budgeting, controllers have the task to coordinate directly and indirectly all individual business fields in such a way that the company's overall performance is improved and optimised. The egotism of individual units is to be ended or rendered harmless, the performance of the individual units is to be assessed with a view to overall performance and, if necessary, adapted.

Particular relevance – Main processes
Strategic planning, Operational planning & budgeting, Risk management, Management support, Enhancement of organisation, processes, instruments and systems
Reason for selection – Risk management: In risk management entrepreneurial opportunities have to be weighed against the risks involved and decisions between alternative courses of action have to be made. In this decision process, controllers have the task to integrate different risk perceptions and preferences and to bring about a commonly accepted perspective.
Reason for selection – Enhancement of organisation, processes, instruments and systems: In enhancement of controlling, controllers must be able to relate to the points of view and interests of the various stakeholders. This helps to counteract resistance and to successfully implement development and optimisation projects.

Communication skills (S; C; S)	Ability to successfully communicate with others
Explanation: Communication skills are the basis for confident interaction with internal customers and other stakeholders. Communication skills are the ability to achieve favourable results for one's own organisation through discussion, negotiation, coordinating talks, etc. with one or more individuals without frustrating the other negotiating parties or permanently antagonising them. Communication skills include being willing and able to listen as well as being able to present verbal and written information that can be easily understood. They include the ability to explain, to contact and convince others – even in hard cases.	
Competence characteristics: • Approaches others with candour and goodwill, easily acquires and deepens new connections, shows appreciation of others. • Is recipient-oriented in discussions and listens, addresses objections factually and with frustration tolerance. Is able to successfully convey his own messages. • Convinces others through strong identification with his own points, successfully handles communication relationships, can influence and motivate.	

Communication skills (S; C; S)	Ability to successfully communicate with others
Exaggeration of competence: Acts in an affable manner and cannot keep information to himself, keeps hijacking conversations and thus irritates others.	
Key: S: Socio-communicative competence C: Output category Customer focus S: Process-specific competence	

Particular relevance – Main processes Strategic planning, Operational planning and budgeting, Forecasting, Management reporting, Personnel controlling, Management support
Reason for selection – Strategic planning: Communication skills are required particularly when controllers want to act on an equal footing with the management in the strategic planning and implementation process. In strategic controlling it is even less useful to argue and convince only from a financial point of view. Controllers must be able to come to an agreement with the management on strategic objectives, to verbalise or even question strategic concepts and measures competently and to convey qualitative connections just as accurately as those in accounting.
Reason for selection – Operational planning: Communication skills are a central success factor in the operational planning process. The controllers responsible have to convey content convincingly and in a well-structured way to the various stakeholders (top management, managers responsible for the bottom line, other departments, financing partners/banks) in order to achieve positive results for planning.
Reason for selection – Forecasting: Forecasting requires a high degree of interaction with various departments and a regular exchange with the management. Thus the controller has to communicate openly, actively, factually and comprehensibly.

Particular relevance – Main processes
Particular relevance – Main processes **Strategic planning, Operational planning and budgeting, Forecasting,** **Management reporting, Personnel controlling, Management support**
Reason for selection – Management reporting Communication skills play a particularly important role when walking through reports. Controllers must be able to handle the presentation and discussion with the management rhetorically and psychologically and must not let themselves get diverted from their report goals. They need to be sensitive in order to detect and classify the managers' underlying intentions during the discussion and should also feel able to present report results without fearing the management's reactions.
Reason for selection – Personnel controlling: The personnel controller has to convince the managers of the necessity of measures and methods. For this, he has to communicate well and show negotiation skills. He also has to chair coordination meetings and conversations with different departments and interest groups – even on unpleasant topics. He must neither make the parties his enemies nor frustrate them. Additionally, he should be able to formulate the information precisely and comprehensibly. His job also includes building up contacts and using them for the cause.
Reason for selection – Management support: Especially in management support, the ability to convey content in conversations in a structured manner in order to achieve positive results for one's own working group or company, without frustrating the negotiation partners, is very important.

Example: Scaling Communication skills (S; C; S)	Ability to successfully communicate with others
1	Expresses himself factually.
2	Approaches others with candour and goodwill, easily acquires and deepens new connections, shows appreciation of others.
3	Is recipient-oriented in discussions and listens, addresses objections factually and with frustration tolerance. Is able to successfully convey his own messages.
4	Successfully communicates with opponents and convinces through strong identification with his own points. Can adeptly present complicated situations.
5	Successfully handles communication relationships and can influence and motivate others.

Articulateness (S; C; S)	Ability to speak clearly and distinctly
Explanation: Articulateness is the ability to communicate professional and methodological insights and experiences in such a way that others understand, accept and implement them in their work behaviour. It includes not only rhetorical skills but also non-verbal communication and a confident, accepted demeanour.	
Competence characteristics: • Adjust to the language level of dialogue partners. • Communicates his own experiences, thoughts and suggestions linguistically skilfully. • Uses numerous rhetorical devices; besides his choice of words also contextual (irony, satire, humour, metaphor, allusion) and speech-related means (speech rhythm, intonation, volume, stress).	
Exaggeration of competence: Comes across as manipulative or overly persuasive, talks others „to death".	
Key: S: Socio-communicative competence C: Output category Customer focus S: Process-specific competence	

Particular relevance – Main processes   Management support
Reason for selection – Management support: Articulateness is closely related to communicative skills and dialogue ability; at the same time, it goes far beyond them in language matters. It enables controllers to lend their arguments effect and influence in connection with management support. Articulateness makes the controller heard and accepted by management.

Cooperative skills (S; C; S)	Ability to successfully collaborate with others
Explanation: Cooperative skills entail the ability to collaborate socially. This includes the ability to form – at least temporarily – a community out of individuals who complement and support each other which is open to new developments, ready to act, and does not reject other individuals and groups. Key factors are the will and the ability to include difficult individuals in the collaboration.	
Competence characteristics: • Coordinates and organises joint actions through accordingly developed abilities and experience. • Encourages finding a consensus and mutual acceptance, appreciates the results of others. • Utilises the organisation's available resources.	
Exaggeration of competence: Is too willing to compromise and too eager for consensus and „togetherness".	
Key: S: Socio-communicative competence C: Output category Customer focus S: Process-specific competence	

Particular relevance – Main processes Strategic planning, Operational planning and budgeting, Forecasting, Risk management, Personnel controlling, Management support
Reason for selection – Strategic planning: The strategic controller has to cooperate with the whole management team of a company. He needs to have the ability to develop sustainable working relationships with members of the top management, to get them to act together and to align contradictory position. He has to know how to walk the tightrope between too many compromises and consensus-orientation and enforcing the most feasible solution for the company.

Particular relevance – Main processes **Strategic planning, Operational planning and budgeting, Forecasting,** **Risk management, Personnel controlling, Management support**
Reason for selection – Operational planning: Successful planning and budgeting require a high degree of interaction with the various divisions and managers responsible for performance. Controllers have the chance and the responsibility to design work relationships on their own accord in such a way that a viable productive culture of cooperation can develop with the dialogue partners.
Reason for selection – Forecasting: In forecasting, the controller often depends on the input data of third parties. Additionally, the target values in various areas have to be adjusted based on measures controlling. This requires a high degree of cooperative skills to be used on colleagues and other stakeholders.
Reason for selection – Risk management: Risks are identified and evaluated in cooperation between controllers and managers, Risk measures are also derived in a team. Risks can be assessed and evaluated very differently. In combination with prejudice („controller slows things down vs. the sales department only has an eye for revenues"), this can result in serious problems in risk management. The cooperative skills of controllers are thus an important prerequisite for effective risk control.
Reason for selection – Personnel controlling: Personnel controlling should sustainably drive decisions from the organisation's perspective. This requires the consolidation of opposing views and cooperation of different individuals. As central players, personnel controllers must be particularly adept at walking the fine line between too many compromises and wanting to find consensus on the one hand, and enforcing the most sensible solution for the organisation on the other.
Reason for selection – Management support: Internal consulting projects are in general organised across departments and the advising controller often faces the challenge to coordinate teams from different areas, to make them ready for work and to lead them to a joint project result.

Example: Scaling Cooperative skills (S; C; S)	Ability to successfully collaborate with others
1	Is willing to collaborate with others.
2	Encourages finding a consensus and mutual acceptance, appreciates the results of others.
3	Demonstrates not only the will, but also the ability to include difficult individuals in the collaboration.
4	Coordinates and organises joint actions through accordingly developed abilities and experience.
5	Possesses a functioning network of players relevant for controlling.

Ability to solve conflicts (S; C; S)	The ability to successfully act in conflict situations
Explanation: The ability to solve conflicts promotes the detection of opposing interests, personal tolerance, acceptance of others' opinions even when they don't match one's own, as well as individual willingness for conflict management. This does not mean that conflicts are solved through quick agreements born from a need for harmony, but rather through a fair resolution of conflicting interests. This includes influencing skills, i.e. the ability to present personal views clearly and profoundly and give others the feeling to have achieved a solution through his own insights.	
Competence characteristics: • Recognises not only his own interests but also those of others. • Can have conflicting discussions with others, but is sufficiently insightful and tolerant to examine conflicting interests in an unbiased manner while questioning his own. • Establishes trust and acts self-confidently, thereby convincing others and overcoming opposition and blockades, increasing their self-responsibility and social communication. • Is often called upon to mediate and reconcile conflicts.	
Exaggeration of competence: Tries to act as a mediator in all cases and is overly understanding regarding the acts of all parties involved; keeps mediating between conflicting parties when strict decisions and viewpoints are necessary.	

Ability to solve conflicts (S; C; S)	The ability to successfully act in conflict situations
Key: S: Socio-communicative competence C: Output category Customer focus S: Process-specific competence	

Particular relevance – Main processes **Operational planning and budgeting, Risk management, Personnel controlling, Management support**
Reason for selection – Operational planning: As the business conscience of the company and as a „countervailing power" controllers have the task to critically question results and presentations as well as to challenge projects and plans, always with the company's interests and goals in mind. This task includes, particularly in the planning process, also a certain potential for conflict controllers have to utilise competently.
Reason for selection – Risk management: Controllers must resolve conflicts arising from the conflicting interests for the good of the organisation as a whole. In addition, a controller's objective is generally to question and challenge the risk owners' assumptions, acting in the organisation's interests. This objective normally includes a conflict potential, which controllers must handle competently.
Reason for selection – Personnel controlling: The personnel controller in many cases has to solve conflicts between contradictory interests, e.g. between personnel department and managers, or between works council and managers. Personnel controlling cannot always be done without conflict and often interests must be reconciled in a way that cannot merely consist of taking the easy way out or looking for the smallest common denominator. In these cases, the personnel controller's ability to convince others is especially relevant.
Reason for selection – Management support: As a business consultant, the controller supports management with information relevant for decisions. His function is not only to create transparency. Often the consultant is also used as an independent outsider when there are different opinions, so the ability to solve conflicts comes in handy.

Example: Scaling Ability to solve conflicts (S; C; S)	The ability to successfully act in conflict situations
1	Is willing to solve a conflict.
2	Is tolerant of others' interests, allows conflicting interests, and seeks to reconcile differing interests.
3	Is tolerant of others' interests, allows conflicting interests, and knows how to reconcile interests through active conflict management/negotiating.
4	Establishes trust and acts self-confidently, thereby convincing others and overcoming opposition and blockades, increasing their self-responsibility and social communication.
5	Is often called upon to mediate and reconcile conflicts, resolves blockades.

A.3.4 Professional and methodological competences

Conceptional strength (P/A; F; S)	Ability to develop factually well-founded action concepts
Explanation: Conceptional strength is the ability to develop new, high-quality concepts, work them out properly and, if necessary, implement them against opposition. This ability requires comprehensive professional and methodological competences in the area of new development, as well as personal characteristics such as strength of will and energy in order to realise a new concept.	
Competence characteristics: • Uses their professional and methodological knowledge to systematically work out new action concepts and proposals. • Combines individual aspects to comprehensive, convincing solution approaches and possibilities. • Continuously integrates new suggestions into the controlling concept in order to develop it further.	
Exaggeration of competence: Autonomously tries to enforce his own ideas.	
Key: P/A: Hybrid of professional and methodological competence and activity and implementation oriented competences F: Output category Designing the future S: Process-specific competence	

Particular relevance – Main processes **Strategic planning, Cost accounting, Project and investment** **controlling, Management reporting, Management support,** **Enhancement of the organisation, processes, instruments & systems**
Reason for selection – Strategic planning: A controller's conceptional strength is important to develop recommendations for action for the management from the data available in a strategic analysis as well as to contribute decisively in strategic projects.
Reason for selection – Cost accounting: Conceptionally strong controllers can integrate the requirements for the areas they are working on into the general cost accounting system in a way that creates company-wide planning and control system which covers planning, collection of actual values, actual vs. target comparison, and expectations. They also have the ability to implement professional changes successfully.
Reason for selection – Project and investment controlling: Conceptionally strong project controllers can combine the requirements for the areas they are working on with the general planning and control systems in a way that creates company-wide meshed project systems which cover planning, collection of actual values, actual vs. target comparison, and expectations.
Reason for selection – Management reporting: A controller's conceptional strength is important to derive well-founded recommendations for action for the management from the data available in a variance and causal analysis. Conceptional strength is also required to prepare and visualise reports intelligently and to develop report formats creatively.
Reason for selection – Management support: For management support, concepts for action have to be well-founded. In process optimisations it is important that there is a good concept in the background and a goal to be achieved has been defined. In addition, a strong will and energy are required in order to advance conceptionalised restructuring and to integrate the changes.
Reason for selection – Enhancement of organisation, processes, instruments and systems: In the enhancement of controlling, conceptional strength is important in order to transform the available data relating to the controlling system's capacity to perform into factually grounded change initiatives.

Example: Scaling Conceptional strength (P/A; F; S)	Ability to develop factually well-founded action concepts
1	Is able to help others develop new concepts.
2	Is able to develop new concepts with the help of others.
3	Uses his professional and methodological expertise to systematically work out new concepts and solution approaches.
4	Uses his expertise to provide comprehensive conceptional analyses and interpretations and demonstrates potentials for improvement.
5	Combines individual aspects to comprehensive solution approaches and possibilities. Continuously integrates new suggestions into existing concepts in order to develop them further.

Organisational skills (P/A; E; S)	Ability to actively and successfully perform organisational tasks
Explanation: Organisational skills combine methodical knowledge with the ability to organisationally and practically implement that knowledge with energy and commitment. This requires the ability to identify and classify connections and functional dependencies in the complex operational processes according to significant and insignificant parameters. Furthermore, it requires the ability to recognise which of these parameters actively need to be changed and shaped through personal influence.	
Competence characteristics: • Coordinates personnel resources and controlling processes so that the organisation's goals and/or the controlling goals are achieved. • Uses his comprehensive know how about professional and methodological relationships in controlling for the development of employees and colleagues. • Actively and proactively helps to shape the controlling and business organisations.	
Exaggeration of competence: Is excessively dedicated to organisational tasks, wants to change too much at once and subsequently needs to improvise.	
Key: P/A: Hybrid of professional competence and activity and implementation oriented competences E: Output category Efficiency S: Process-specific competence	

Particular relevance – Main processes **Strategic planning, Operational planning and budgeting, Cost accounting, Personnel controlling**
Reason for selection – Strategic planning: Strategic planning requires professional organisation in order to enable high-quality planning contributions, to safeguard comprehensive integration of all content and to make possible a connection to operational planning and budgeting.
Reason for selection – Operational planning and budgeting: Continuous process management of demanding, effective and efficient planning processes requires profound organisational skills, as all managers and employees contributing to planning have to be coordinated regarding content and schedules and aligned towards the common procedure.
Reason for selection – Cost accounting: Because of its complexity and interconnectedness with the company's performance flows, cost accounting requires good organisation. This is particularly true for sub-areas such as internal cost allocation.
Reason for selection – Personnel controlling: The personnel controller must particularly be able to analyse and also apply new organisational models for the personnel department. This is not a gimmick, but carefully considered organisational change. At the same time, the personnel controller has to organise various coordination processes in the company and make sure that personnel structures are suitably implemented.

Example: Scaling Organisational skills (P/A; E; S)	**Ability to actively and successfully perform organisational tasks**
1	Is able to plan future tasks and align others towards a goal.
2	Is able to plan and carry out different tasks simultaneously. Shows good judgement when coordinating the resources required.
3	Coordinates personnel resources and controlling processes so the organisation's goals and/or the controlling goals are achieved.
4	Successfully coordinates and uses his comprehensive know how about professional and methodological relationships in controlling for the development of employees and colleagues.
5	Successfully coordinates, develops the employees, and actively and proactively helps to shape the controlling and business organisation.

Project management (P/S; L; S)	Ability to run projects successfully

Explanation:
Project management is the ability to simultaneously plan, coordinate and monitor several projects of a company. It includes being economically responsible for the project and the project manager requires leadership skills.

Competence characteristics:

- Manages complex change processes successfully and safeguards a timely implementation of the changes.
- Convincingly steers group processes.
- Systematically coordinates the course of various change processes in controlling.

Exaggeration of competence:
Prefers project-related group work also in cases where individual work would be appropriate.

Key:
P/S: Hybrid of professional and methodological competence and socio-communicative competence L: Output category Leadership
S: Process-specific competence

Particular relevance – Main processes
Strategic planning, Management support, Enhancement of organisation, processes, instruments and systems

Reason for selection – Strategic planning:
Strategy work is based on change processes that can be organised and implemented within change management in the form of projects. In strategy work, controllers are again and again put in charge of individual projects. Increasingly, controllers are also responsible for the total strategic programme management, which requires pronounces project management competence.

Reason for selection – Management support:
Controller often lead internal consulting and reorganisation projects and have to cover the planning and control tasks related to them professionally.

Particular relevance – Main processes Strategic planning, Management support, Enhancement of organisation, processes, instruments and systems
Reason for selection – Enhancement of organisation, processes, instruments and systems: The enhancement of controlling is based on change processes that can be organised and implemented within change management in the form of projects. As change processes can take a long time, implementation within the enhancement of the controlling field has to be organised in the sense of a multiple project management.

Market knowledge (P; KA; S)	Ability to acquire knowledge about markets and to act accordingly
Explanation: Market knowledge encompasses all factual and methodological knowledge for the preparation and execution of sales and the according sales requirements. This includes knowledge of basic factors such as products, prices, distribution and communication, as well as knowledge on competitors and market players. An understanding of the „laws" of markets, specific market development, and the factors critical to success for a market is an important requirement for success.	
Competence characteristics: • Properly prepares operational decisions based on the required detailed knowledge of sales, marketing, advertising, competitors, suppliers, etc. • Keeps up to date on market developments and possesses the relevant information sources. • Is a recognised discussion partner for the management in all market matters.	
Exaggeration of competence: Gets bogged down by detailed analyses, interferes excessively in market matters, departs from his core role as controller	
Key: P: Professional competence KA: Output category Know how & Application S: Process-specific competence	

Particular relevance – Main processes **Strategic planning, Forecasting, Management reporting, Management support**
Reason for selection – Strategic planning: In order to participate in strategic planning, the controller has to acquire extensive knowledge on the markets the company is active in. Relevant for the controller are all parameters of the environment, customer/market and competition analyses and the related methods of analysis. Pronounced market understanding combined with extended financial knowledge enables controllers to competently asses strategic options, make recommendations for action and detect market movements and deviations early.
Reason for selection – Forecasting: Profound market knowledge is necessary for a conclusive forecast affecting net income. The controller uses the relevant earnings drivers (natural resource prices, sales figures, sales prices, etc.) to define earnings-enhancing measures and to analyse and control market processes using the required methodological knowledge. The market is a central information source for the forecast. Unexpected market movements are taken into account in the forecast through nominal value adjustments.
Reason for selection – Management reporting: Similar to forecasting, in reporting the controller needs a thorough understanding of the market, particularly when interpreting the reporting results and during causal analysis, but also for the controlling talks building on this.
Reason for selection – Management support: Internal consulting must take place independent of the specific problem of the consulting project or consulting situation based on sufficient knowledge of the relevant markets.

Example: Scaling Market knowledge (P; KA; S)	Ability to acquire knowledge about markets and to act accordingly
1	Is willing to deal with the market.
2	Is able to correctly assess market information and include it in the decision-making process.
3	Possesses the appropriate knowledge and information sources to autonomously analyse the market.
4	Properly prepares operational decisions based on the required detailed knowledge of sales, marketing, advertising, competitors, etc.
5	Is a recognised discussion partner for the management in all market matters.

Appendix B: Know-how catalogue

The know-how catalogue includes the descriptions of all knowledge areas that can be derived from the *IGC* Process Model (see Chapter II.1–3).

B.1   Level 2 – Business process controlling

Know-how catalogue	Professional controller knowledge across processes
Business Administration	Business administration basics along the whole value chain (R&D, production, distribution etc.)
Accounting	Booking of transactions Generally Accepted Accounting Principles and valuation criteria Annual accounts and tax accounts Balance sheet, P/L and cash-flow statement as an integrated system Showing transactions in the balance sheet, P/L and cash-flow statement Annual accounts KPIs
Cost Accounting	Cost type accounting, cost-center accounting, internal cost allocation Absorption and direct costing Standard costing Comparison of planned and actual figures and variance analysis Cost information relevant for decision-making Approaches for cost design and cost management
Capital and Financial Budgeting	Net present value method Annuity method Internal rate of return method Financial risk management Liquidity planning Cash-flow management: working capital management, asset management, capital management

Know-how catalogue	Professional controller knowledge across processes
Operational Planning and Budgeting; Forecasting	Elements of corporate planning Interplay of performance budget, planned balance sheet and cash-flow statement Planning process Forecasting process
Management Reporting	Foundations of reporting Visual design options Business KPIs Reporting process
Strategy Planning and Implementation	Basics and methods of strategic management Strategy process
IT Tools	Excel Basis and Excel Advanced Databases (SQL, Access, etc.) Analysis tools

B.2 Level 3 – Main processes

Know-how catalogue	*IGC* main process Strategic planning
Current business strategy	Knowledge of strategic management/the strategic management process in the organisation Knowledge of the current business strategy (vision, goals, measures), of the market and customers, the competition, the strengths/weaknesses, cost structures, etc. Knowledge of current trends and changes in the competitive environment and their effects Knowledge of essential external information sources for strategic planning

Know-how catalogue	*IGC* main process Strategic planning
Strategic concepts and planning tools	Knowledge of the structure and function of the key strategic concepts and analysis methods (portfolio, SWOT, basic strategies, environment and industry analysis, customer and competitor analysis, product lifecycle, VRIO, learning curve, BSC, etc.) Knowledge of strategic planning approaches (value driver-based planning, simulations) Application-oriented knowledge about creative techniques for developing strategic options Empirical strategic knowledge (assessment of the advantages and disadvantages of strategic actions/reactions) Knowledge about the organisation of strategic planning Knowledge about structuring and adjusting single actions of an overall strategy
Tools for assessing the strategy	Strategic value and risk management Risk return approaches for risk assessment Financing strategy and financing methods (growth financing, etc.)
Methods for strategy implementation and strategic communication	Knowledge on successful communication and implementation of strategic goals and plans Knowledge on the effective establishment and moderation of strategy workshops Knowledge about methods for continuous coordination (strategic programme management/project management office) Organisational development and change management approaches

Know-how catalogue	*IGC* main process Operational planning and budgeting
Process design	Knowledge of operational planning and budgeting building blocks as well as of the process's prior specifications and plans (strategic planning, strategic medium-term planning) Knowledge of key steps in operational planning and how they interface with various processes and organisational units Workflow management techniques for optimising plan creation Knowledge of effective establishment of planning workshops and discussions
Planning tools Integrated planning	Knowledge of the different planning approaches (zero base vs. incremental, top-down vs. bottom-up, etc.) Knowledge of key analysis and planning tools Methods for taking into account budgeting risks and uncertainties Knowledge of integrated planning (including integration of profit, financial and balance sheet planning)
Integrated performance management	Knowledge of performance indicators and systems of indicators for integrated performance measurement and management Holistic understanding of the performance of key controlling factors as well as earnings and value drivers Approaches for performance increase (particularly revenue and cost management, working capital management, value and risk management)
IT tools	Analysis tools Workflow tools Planning software Reporting software cockpits/dashboards, etc. for planning reporting

Know-how catalogue	*IGC* main process Forecasting
Current business development	Knowledge of current market and business developments (e.g. economic downturn, resource prices, etc.) Understanding of strategic and operational business performance drivers and knowledge of the measures planned and already implemented by the management that affect performance
Planning and forecasting tools	Knowledge of tools such as forecasts, projections Knowledge of mathematical-statistical and business analysis procedures to help make short- and long-term prognoses (e.g. sales opportunities or market potentials). Simulations and scenario techniques, qualitative forecast procedures (e.g. Delphi method, relevance tree procedure, trend forecasts, etc.), explorative data analysis, and predictive, quantitative analysis methods.
Accounting and reporting	Knowledge of external and internal accounting (monthly statement, accruals, provisions, assessment, etc.) Knowledge of the processes related to the forecast, such as management reporting, operational planning and budgeting, project controlling, risk management, etc. Data analysis: Knowledge of different analysis tools to condense data into information, such as deviation analysis
IT tools	Knowledge of ERP systems IT tools for handling large and complex data sets (database software, analysis software including analysis applications for mass data, spreadsheets, etc.) IT tools for timely evaluation and forwarding to the appropriate units (reporting software)

Know-how catalogue	*IGC* main process Cost accounting
Process and system	Knowledge of accounting and its partial processes and information Knowledge of an organisation's complex causes and effects and the dependencies as a basis for the appropriate establishment of cost accounting given the actual situation Knowledge of advantages and disadvantages of cost accounting systems (e.g. partially or wholly integrated) and the related costs and benefits
Managerial vs. external evaluation	Knowledge of the fields of application for the information gained using cost accounting (IFRS, local GAAP, offer calculation, etc.) and knowledge of different calculating systems Integration of different calculating systems for bridging purposes
Leadership orientation	Knowledge of agreed goals and how they act as an incentive regarding cost accounting (e.g. for profit centre and cost centre managers) Knowledge of the conception and implementation of cost accounting (e.g. as responsibility accounting) and its impact on management behaviour
IT tools	Knowledge of ERP system and of the cost accounting system as well as the preceding and subsequent systems Knowledge of the data flows in the organisation in order to ensure data quality; knowledge of who has to gather which data at which position Knowledge of performing plausibility checks with system help

Know-how catalogue	*IGC* main process Management reporting
Process and tools	Function of reporting systems: Knowledge about coordinating different reporting types with each other and with the management's information requirements in the course of business activity Reporting tools: Coordinating the report content with the information requirements (which quantitative and qualitative indicators are suited for which reporting purpose?) Performance indicator systems, value driver systems, value driver logic in the organisation
Data	Data management: Knowledge of collecting, adjusting, determining plausibility, and consolidating company data for reporting Data analysis: Knowledge of different analysis tools to condense data into information, such as deviation analysis; knowledge of the organisation's data structures
Decision support	Knowledge about facts internal and external to the organisation that are contextually relevant for causal analysis Knowledge of decision accounting methods and decision support in order to be able to choose among measures to approve
IT tools	Knowledge of ERP system Database software Analysis software Reporting software

Know-how catalogue	*IGC* main process Project and investment controlling
Projects – process and tools	Process of project controlling Project-related accounting and function of project accounting Tools for integrated project planning (services, schedules, resources, costs) Project-related comparison of planned/target-actual values and expectations Knowledge of creation and preparation of project-based decision templates and business cases
Investments – process and tools	Process of investment planning and control, knowledge of the interfaces with related processes Investment accounting procedures, consideration of uncertainties and risks, evaluation of investments in consideration of sustainability aspects Methods for the evaluation and depreciation of assets Liquidity planning Knowledge of creation and preparation of decision templates and business cases
Data	Organisation of ongoing performance recording in projects Depiction of projects and investments in the ERP system Data analysis: Knowledge of different analysis tools to condense data into information, such as deviation analysis (costs vs. progress)
IT tools	Knowledge of ERP system Database software Project management and controlling software Programme management software Reporting software Spreadsheets

Know-how catalogue	*IGC* main process Risk management
Process and legal framework	Knowledge of the legal framework and „soft law" rules in the areas of governance, compliance, risk management and internal control systems Knowledge of procedural-organisational and structural-organisational design for an efficient RMS/ICS Basic understanding of the COSO Enterprise Risk Management System Design of business processes at the intersection of compliance, risk, and performance
Risk analysis, evaluation and reporting	Basic mathematical and statistical knowledge for modelling and evaluating risks Knowledge for identifying and evaluating holistic business risks beyond resource, interest and currency risks Knowledge for identifying/interpreting cash flow and fair value risk, knowledge for using Cashflow-at-Risk (CFaR), Earnings-at-Risk (EaR), and Value-at-Risk (VaR) models Basic knowledge about accounting and reporting of risks (e.g. hedge accounting, IFRS 7)
Risk-adjusted planning and risk control	Knowledge about taking risks in strategic and operational planning into consideration Knowledge of the key strategic methods for risk control (portfolio, business model, etc.) Basic knowledge of types and function of hedging strategies
IT tools and knowledge management	Knowledge of IT-assisted risk modelling, conduct of sensitivity analyses and simulations (SPSS, Excel, Crystal Ball, etc.) Knowledge about systematic creation and documentation of risk policies Knowledge for effectively conveying and communicating risk management policies Software for risk-adjusted planning and risk reporting

Know-how catalogue	*IGC* main process Personnel controlling
Tools for controlling and personnel controlling	Basics of accounting Capital budgeting and cost accounting Statistics and analysis procedures for the evaluation of available data and integration into reports Personnel KPIs and KPI systems Qualitative and quantitative personnel planning Simulations
Decision support	Understanding of the organisation and personnel strategy Performance management systems, particularly the calculation of performance bonuses, profit sharing and its impact, impact of leaves of absence also from a cost perspective, and applying this knowledge in HR and personnel work Evaluation tools: Professional knowledge of procedures for self- and external assessment of the organisation, processes, instruments, and systems, as well as definition and quantification of evaluation criteria for personnel controlling services
Knowledge management	Knowledge of causal relationships of personnel work and deriving action recommendations for the management Understanding and application of personnel work tools and a strategic view of personnel work Integration of knowledge about labour and collective bargaining law and works constitution into personnel controlling, and adherence to them
Optimisation and IT tools	Knowledge about evaluating, analysing, and optimising processes; knowledge for performing process cost calculation and process cost optimisation Knowledge of methods for internal cost allocation Knowledge of database software, spreadsheets, computerised payroll services, BI systems and reporting and analysis software

Know-how catalogue	*IGC* main process Management support
Entrepreneurial thinking	Cross-functional knowledge of different departments in the organisation (e.g. marketing, sales, logistics) Understanding of the products or services sold in one's own company Understanding of the organisational structure and of the profitable use of resources within and outside the company Understanding of the requirements from the customers' perspectives
Processes and structures	Knowledge of relationships and procedures across areas and functions, and of the balance of power Knowledge of the organisation's strengths and weaknesses as well as of the potentials for optimisation Know-how of process management and reorganisation
Goals and goal system	Knowledge of current goals, the goal system, and the players on all levels Knowledge of the function of decision-making processes and decision-making behaviours of the management; understanding of the mechanisms for enforcing decisions
Consulting and management tools	Knowledge of consulting tools and methods (e.g. PEST/SWOT analysis, diversification and risk matrix, etc., creativity techniques, etc.) Reporting tools (business intelligence solutions) and data management including the software required for business consulting, SAP, Microsoft Office suite and others Change management approaches

Know-how catalogue	*IGC* main process Enhancement of the organisation, processes, instruments & systems
Approaches for performance increase in controlling	Knowledge of integrated performance measurement and management systems for different elements of controlling (e.g. process-oriented performance measurement system) Quality management know-how: Knowledge of basic methods and procedures for evaluating controlling performance Evaluation tools: Professional knowledge of procedures for self- and external assessment of the organisation, processes, instruments, and systems as well as definition and quantification of evaluation criteria for controlling services Project management Capital budgeting
Best practice approaches, innovations, client requirements	Knowledge of best practice approaches in other organisations, benchmarks Knowledge of key professional, instrumental and other trends and developments Knowledge of the internal clients' controlling requirements
Knowledge management and cooperation	Development of policies and standards and documentation and further development of the controller organisation's know-how (e.g. controller guide) Conveyance and communication of new policies and standards, carrying out trainings to inform employees about new requirements in controlling, accounting, financial management, etc.
Change management	Change management: Knowledge for creating implementation plans (personnel and IT requirements) Coordination of organisational, IT-based, and system-specific requirements for the controlling innovation with the existing system
IT tools	Software knowledge in the following areas: ERP system, database software, analysis software, spreadsheets

Abbildungsverzeichnis