

**Detailed Report for publication in the media channels of ICV, GCC, Shanghai De Chen and other event partners of 2020 Sino-German Controlling Forum**

**Navigation Business in Difficult Times:**

**2020 Sino-German Controlling Forum was held successfully as off-line event again in Suzhou/China**

from: Dr. Zhen Huang

Shanghai, September 30<sup>th</sup>, 2020

No one could predict that 2020 would be the year of COVID-19. Not only the public health sector, but the entire economy has been suffering seriously. While we observe encouraging signs of recovery and stabilization in China, there are still many hot spots in other parts of the world, impacting market demand and supply chains. In addition to this, accelerated tensions in the relations between the USA and China have increased concerns of many decision-makers and investors. Can we still experience business in China like in the last decade? Or do we have to prepare for a new normal in the upcoming years?

The motto of 2020 Sino-German Controlling Forum which took place in Suzhou on September 11<sup>th</sup>, 2020, was "**Navigating Business in Difficult Times**". It provided a good platform for information, communication and experience sharing for finance & controlling managers & professionals as well as non-controlling business executives, who are interested in the question how to enhance controlling and risk & crisis management and navigate business in an environment with more challenges.

Picture 1: Quick shot on the plenum of the 2020 Sino-German Controlling Forum



Source: Organization team of 2019 Sino-German Controlling Forum

More than 90 participants coming from the Sino-German business community attended the Forum. Thanks to relatively good management of the COVID-19 pandemic in China in the last

months, the one-day conference could be held successfully just as it was in the past years and as one of the large off-line events of Sino-German business community in China.

Picture 2: Part of VIP Speakers and Moderators of 2020 Sino-German Controlling Forum



From left to right: Dr. Zhen Huang (Corporate Performance One / Shanghai De Chen), Mr. Aaron Wang (Eaton Group), Ms. Jing Tang & Ms. Bei Zhao (Porsche China), Mr. Chaoting Chen & Mr. Francesco Ingarsia (Schaeffler Greater China), Ms. Jie Shen & Mr. Michael Muell (Schaeffler Greater China), Mr. Michels Volker (Jungheinrich), Mr. Arjan van der Oort (Boehringer Ingelheim), Mr. Alexander Prautzsch (PwC China), Mr. Xin Li (Volkswagen Group China) & Ms. Dr. Sigrid Winkler (German Chamber Shanghai),

Not in the picture are the VIP speakers: Ms. Shirley Wang (Deloitte China) & Ms. Claudia Maron (DATEV eG / ICV Germany, who participated in the Forum as online speaker in the afternoon hours)

Source: Organization team of 2019 Sino-German Controlling Forum

The Forum was opened by Ms. Dr. Sigrid Winkler, Executive Chamber Manager of German Chamber of Commerce (GCC) in China | Shanghai.

Picture 3: Ms. Dr. Sigrid Winkler (GCC) during her opening speech



Source: Organization team of 2019 Sino-German Controlling Forum

The keynote speaker in the morning hours was **Mr. Xin LI**, Head of Corporate Finance, Head of Brand Controlling Volkswagen Passenger Cars & Head of Finance Skoda at Volkswagen Group China (VGC).

Picture 3: Keynote Speaker Mr. Xin LI from Volkswagen Group China



Source: Organization team of 2019 Sino-German Controlling Forum

Mr. Li highlighted the specific VUCA situation of Chinese passenger car market and the very importance of controlling for management transparency and business efficiency in Corona/post-Corona era. He provided a short introduction into Integral Planning & Simulation Project (IPSP) of VGC, which should create a powerful digital platform for integral planning, forecast and reporting based on SAP HANA data. He pointed out that the journey towards integration and digitalization is not an easy one due to high complexity and diversity of the world of VGC. In economic difficult times such as we are currently experiencing, controllers should be able to quickly provide transparency for decision makers and help them to take corrective actions more effectively. Higher requirements on controlling work call for transformation of finance & controlling. Besides system change/digitalization, one should not forget the importance of structure/resource allocation, skills/business understanding and change of roles and attitudes of controllers.

Following the keynote presentation session, two parallel workshops were available for the participants in the morning hours.

The first workshop was led by **Mr. Arjan van der Oort**, CFO at Boehringer Ingelheim and **Ms. Shirley WANG**, Partner for Financial Advisory Services at Deloitte China. Their topic was digitalization for financial forecasting and Robotic Process Automation (RPA) for tax. Based on

project initiatives at Boehringer Ingelheim in China, they shared their experience and views on how to overcome the shortcoming of traditional approaches using digital tools.

Picture 4: Mr. Arjan van der Oort (Boehringer Ingelheim China) and Ms. Shierly Wang (Deloitte China) in the workshop “Digitalization Initiatives for Financial Forecasting and Tax at Boehringer Ingelheim in China”



Source: Organization team of 2019 Sino-German Controlling Forum

The second workshop in the morning hours was focusing on the credit work and collection skills in difficult times. The workshop speaker was **Mr. Aaron WANG**, who is Order-To-Cash (OTC) process leader and senior credit manager at the US company Eaton (China) Investments Co., Ltd. In his presentation, Mr. Wang discussed with the participants about different practical approaches related to credit control and credit risk management in Chinese business environment. In his view, a qualified specialist for credit control and collection must not only have profound financial knowledge but sound business understanding and good communication skills.

Picture 5: Mr. Aaron WANG from Eaton Group China in the workshop “Cash is King – How to Improve Credit Work & Collection Skills”



Source: Organization team of 2019 Sino-German Controlling Forum

In the afternoon hours, there were three parallel workshops available for the participants:

**Ms. Bei ZHAO**, Director of Accounting at Porsche China and her colleague **Ms. Jing TANG**, Senior Manager of Data and Risk Management at Porsche China shared their experience and lessons learnt on the journey of digitalization in finance at Porsche China. After a short introduction into “Mission D” (D for Digitalization), the vision and project initiatives of Porsche China for digitalization, they showed their project work on BI and data management and discussed with the participants about opportunities and limitations of RPA for daily finance and tax work.

Picture 6: Ms. Bei ZHAO (right) & Ms. Jing TANG (left) in the workshop “Digitalization in Finance: First Experience & Lesson Learnt at Porsche China”





Source: Organization team of 2019 Sino-German Controlling Forum

**Mr. Michels Volker**, Head of Controlling APAC at Jungheinrich China, presented the SPEED program which was a project initiative of Jungheinrich focusing on lean production with extremely short lead times. Although the program has been very successful, he pointed out that one can ask if such programs may be the best possible answer to today's dynamic environment in China nor not. In his view, business leaders and controllers should frequently rethink the question of "doing the things right vs. doing the right things" and push their organization to achieve more adaptability which is as important as efficiency in current market environment characterized by high volatilities and uncertainties.

Picture 7: Mr. Michels Volker from Jungheinrich in the workshop "SPEED vs. Adaptability at Jungheinrich: Paradigm Shift in Dynamic Times?"



Source: Organization team of 2019 Sino-German Controlling Forum

**Ms. Jie SHEN**, Supervisor for Accounts Payable, and her colleague **Mr. Michael Muell**, SAP FI Consultant at Schaeffler Greater China shared their experience and insights on the topic of digital dashboarding and KPI reporting. Taking AP-related KPI reporting and management as an example, both speakers demonstrated how automation and digitalization can help team members in gaining new insights into their daily work and in setting reasonable targets for performance improvement. The workshop was moderated by Mr. Chaoting CHEN who is Senior Director of Schaeffler Greater China responsible for Shared Financial Service Center.

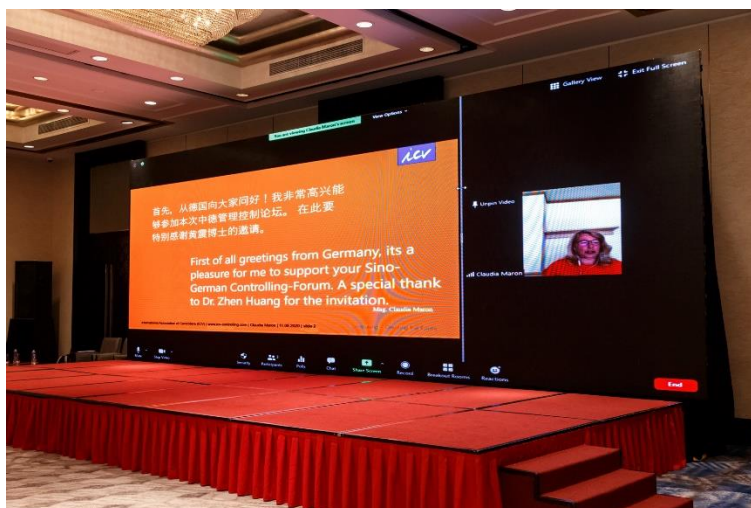
Picture 8: Mr. Michael Muell (left) and Ms. Jie SHEN (right) in the workshop "Gaining New Insights – Dashboarding @ Schaeffler"



Source: Organization team of 2019 Sino-German Controlling Forum

One of the highlights of 2020 Forum in the afternoon hours was the keynote speech provided by Ms. Claudia Maron, Head of Governance at DATEV eG and Board Member of International Association of Controllers (ICV): Thanks to online meeting technology of ZOOM, Ms. Maron joined the Forum as online speaker. Based on survey results of ICV/WHU and working paper from ICV Think Tank, she reported how CFOs and controllers in German-speaking countries evaluate the current situation of their companies, what companies can do in different phases of crisis management, which roles controllers can/should take for crisis management and which major future trends of controlling are expected by survey participants in German-speaking countries.

Picture 9: Online presentation of Ms. Claudia Maron via ZOOM in the afternoon hours



Source: Organization team of 2019 Sino-German Controlling Forum

While German/European companies seem to still focus management attention on crisis management due to continued instable situation of COVID-19 pandemic there, most companies in the Sino-German business community seem to have returned to normality thanks to relatively good management of the pandemic in China. More than 60% of the surveyed Forum participants have been shifting their attention to other risk factors. On first place is the impact of increasing geopolitical tensions between the USA and China on future business. This is one of the interesting findings of the 2020 Controlling Survey which is the annual ad-hoc survey among all Forum participants. In this year, 62 participants in total took part in this quick online/mobile survey. The preliminary results collected from the first 52 respondents (until 15:00 of the Forum day) were presented by Dr. Zhen Huang, management consultant & trainer and moderator of the Forum.

Picture 10: Dr. Zhen Huang (management consultant and trainer, forum moderator) during the presentation of the preliminary result of 2020 Controlling Survey in the afternoon hours



Source: Organization team of 2019 Sino-German Controlling Forum

As in the past years, the final session of the Forum was the Panel Discussion in which most speakers of the Forum took part. The discussion was moderated by Mr. Alexander Prautsch, Director at Tax Services of China Tax & Business Advisory Services of PwC. All speakers see digitalization as the major future trend for finance & controlling. One discussion point was the different business and controlling environment in China and in German-speaking countries where HQ of many participants' company are located in. More two-way communication and intensified staff exchange with HQ are important for improving mutual understanding and cooperation. And enhanced controlling and risk management call for better qualified local controllers. In this context, right role perception and attitude, sound business understanding, and communication skills are equal or even more important than financial knowledge.

Picture 11: Panel discussion in the afternoon hours of the Forum day





Source: Organization team of 2019 Sino-German Controlling Forum

The 8th installment of the Sino-German Controlling Forum was jointly organized by **Shanghai De Chen Enterprise Management Consulting Co. Ltd.** and **German Chamber of Commerce in China | Shanghai**. It was supported by the **International Association of Controllers (ICV)** and **CA Controller Akademie** from Germany as well as by **Taicang Round Table TRT**, **DUSA European Association Suzhou**, **Changzhou International Managers Forum**, and **Wuxi International Chamber of Commerce**. **Schaeffler Greater China** sponsored this year's event.

\*\*\*\*\* End of the Report \*\*\*\*\*