



Old ideas that are finally coming to fruition

The controller as change manager



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

1. Reducing the product assortment

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

2. New sources of revenue, new business models

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

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

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

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

4. Planning is more important than ever

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

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

