

Joanna Dynowska

University of Warmia and Mazury, Olsztyn, Poland

Zdzislaw Kes

Wroclaw University of Economics, Wroclaw, Poland

CHANGES OF THE CHARACTERISTICS OF THE POSITION OF CONTROLLER BASED ON AN ANALYSIS OF JOB OFFERS IN YEARS 1996-2008

Abstract: The purpose of the conducted research was to analyse controller job offers appearing on the Polish labour market. Thanks to the research the information on the changes in the nomenclature applied for designating the position of controller and as to the tasks comprising controller's duties within over 10 years was obtained.

Keywords: job offers, controlling, controller, tasks of a controller.

1. Introduction

Enterprises, in order to adapt to changing conditions, may take advantage of numerous modern tools making their operations more efficient. One of them is controlling which facilitates taking decisions and managing the organisation.

Controlling appeared in Polish enterprises relatively recently, i.e., at the end of the 1990s. Initially it did not win much interest but the increasing employment of this concept has been observed for several years now.

The growing need for employees for the position of a controller is a consequence of the development of controlling and implementing it in Polish enterprises. Thus, determining controllers' duties as well as their tasks, role and objectives in an organisation becomes important.

2. Methodology of research

The major purpose of the research was the evaluation of changes of the characteristics of the position of controller based on an analysis of job offers for this position or one similar to it appearing on the Polish market. The subject of the research were recruitment advertisements for controlling positions (controlling means here offers in which the

words “controller” or “controlling” were used in the name of the position and the scope of duties for this position included elements of tasks which are typical of controlling tasks, i.e., planning, controlling, analysing data for management assistance).

Conducting research in accordance with the basic objective required formulating the following research hypotheses.

1. Changes in nomenclature of the position of controller in years 1996-2008 consisted in abandoning the usage of English-based names and popularising the word “controller” (English spelling).

2. Controllers are currently expected to fulfil tasks which are more specific to controlling than in the initial phase of the development of controlling in Poland.

Job offers appearing in the Polish press in the years 2007-2008 and statistical data concerning job offers from the years 1996-2006 were used in the research. The analysis was carried out for five periods. The research covered the year 2007, in which 49 advertisements were analysed, and 2008 with 41 job offers for the position of a controller or similar ones. The obtained results were compared to similar research conducted in the years 1996-1997, when 32 job offers [3], in 1999 (50 advertisements) [1] were analysed, and in the years 2005-2006, 79 job offers [3] were analysed.

The results of the analyses were presented in tables including the number of job advertisements in which a given value appeared together with its percentage share in the overall number of advertisements.

3. Names used in designating the position of a controller

Table 1 presents the designation catalogue used for the position of controller. In the years 1996-1997 the designations “financial controller” and “controller/assistant controller” constituted the greatest percentage (27.8%). A controller was relatively often (16.7%) described as “dyrektor finansowy” (“financial manager”) and “financial manager”, more rarely (11.1%) as “specjalista ds. finansowych” (“financial specialist”). Thus, the research shows that at that time foreign language designations were dominant. In 1999 more polonised names of controllers’ positions appeared on the labour market. A significant percentage in those designations belonged then to: “analityk finansowy” (“financial analyst”) (27.5%), “financial analyst” and “specjalista ds. controllingu” (“controlling specialist”) (9.6% each).

The years 2005-2006 were a period dominated by the designation “kontroller/kontroler finansowy” which appeared in half of all advertisements. It was also a period when no foreign language designations appeared. That is a result of choosing Polish equivalents by entrepreneurs. The analysis of advertisements placed in 2007 proves that the designation “kontroller/kontroler finansowy” was being replaced by the designation “analityk finansowy” whose share constituted as much as 71.4% of all advertisements. The large percentage of this designation as compared to other designations results from the fact that, according to employers, such a designation of

Table 1. Names used to designate the position of controller based on advertisements in the Polish press

Designations of the position of a controller	Years 1996-1997		Year 1999		Years 2005-2006		Year 2007		Year 2008	
	Advertisements no.	% in overall adverts number	Advertisements no.	% in overall adverts number	Advertisements no.	% in overall adverts number	Advertisements no.	% in overall adverts number	Advertisements no.	% in overall adverts number
Analityk (analyst)	–	–	–	–	2	3.7	1	2.0	–	–
Analityk finansowy (financial analyst)	–	–	14	27.5	7	13.0	35	71.4	8	19.5
Controller/assistant controller	5	27.8	3	6.1	2	3.7	–	–	4	9.8
Dyrektor finansowy (financial manager)	3	16.7	–	–	2	3.7	–	–	–	–
Financial analyst	–	–	5	9.7	–	–	–	–	2	4.9
Financial controller	5	27.8	3	5.3	–	–	2	4.1	4	9.8
Financial manager	3	16.7	0	0.9	–	–	1	2.0	–	–
Kontroler/kontroler finansowy (controller/financial controller)	–	–	4	8.8	27	50.0	8	16.3	2	4.9
Specjalista ds. analiz ekonomicznych (economic analyses specialist)	–	–	1	2.6	–	–	1	2.0	–	–
Specjalista ds. analiz i planowania (analyses and planning specialist)	–	–	1	1.8	–	–	–	–	–	–
Specjalista ds. controlling (controlling specialist)	–	–	5	9.7	14	25.9	–	–	20	48.8
Specjalista ds. finansowych (financial specialist)	2	11.1	1	1.8	–	–	1	2.0	1	2.4
Specjalista ds. rachunkowości zarządczej (management accounting specialist)	–	–	0	0.9	–	–	–	–	–	–
Other	–	–	13	25.1	–	–	–	–	–	–

Source: own work on the basis of [1, p. 21; 3, p. 303; 6, p. 36].

the position of a controller did not cause aversion of other employees, unlike the designation “kontroller/kontroler finansowy”.

In 2008 the designation “analityk finansowy” of the position of controller lost its significance for the designation “specjalista ds. controllingu” (48.8%). Such a state of affairs could have been an effect of popularising knowledge about controlling and the role of a controller in Polish enterprises.

During the whole period covered by the research (1996-2008) the designation of the position of controller was characterised by a large diversity. This diversity might have been a result of a strong correlation between the position of a controller and duties assigned to it, since in relevant designations elements connected with economic analysis, finances of an enterprise, control, management accounting as well as economic analysis were observable. The choice of a given designation depended largely on the scope of tasks the person in that position was supposed to perform. Taking into account the names of the analysed position in individual years and the fact that they reflect the scope of duties to some extent it may be stated that in the period from 1996 to 2005 tasks of a controller concerning finances of an enterprise were dominant, whereas from 2005 to 2008 the duties of a controller were divided into tasks related to finance and strictly controlling tasks.

The nomenclature of the position of controller reflects the influence of borrowings from the English language which led to two names of one position: in English (e.g. financial analyst) and in Polish (“analityk finansowy”).

Another practice, apart from borrowings from English, is polonising the word “controlling” and replacing it with the word “kontroling” and a specific language calque “kontroller”, which, for the reason of the English spelling of the word being introduced into the dictionary of the Polish language, is incorrect [2, p. 27] but, as practice shows, widely used. Additionally, accepting the term “kontroling/kontrolling”, which is frequently associated with control, implies narrowing the tasks of a controller merely to controlling functions, which means orientation of their operations on the past, while the controller’s attention should be oriented to the future, so that they are able to provide information constituting the basis for taking financial decisions.

4. Tasks of a controller

Specifying the scope of tasks of a controller, which is presented in Table 2, completes the depiction of the position of controller in light of job advertisements. Observations made in the years 1996-1997 reveal that what employers most frequently required from controllers were preparing, drafting, or participating in creating budgets (37.5%) and supervision over accounting (34.4%). During that period most controllers also prepared reports and economic and financial statements (28.1% each) which are indispensable when taking executive decisions by the management, as well as those prepared for external recipients of an enterprise. In 1999 the requirements of

employers focused mainly on conducting economic and financial analyses by controllers (27%). Another task entrusted with controllers in enterprises was preparing budgets (21.2%). The percentage share of other tasks was low in relation to the overall number of job advertisements.

The research conducted in the years 1996-1997 and in 1999 indicates that controllers' tasks were mainly oriented on supervision over accounting, external reporting, and economic and financial analyses, which implies that at that time the role of a controller came down to the role of a chief accountant. Budgeting and consulting for the management staff, in turn, were duties belonging to the current tasks of a controller (Table 2).

The research conducted in the years 2005-2006 indicates that evaluating and consulting for management staff constituted the greatest percentage in the total number of advertisements (64.6%). The reason for such a great share of that task was the increase of awareness among enterprises as to the specialised knowledge of controllers, which is necessary for detailed analyses. Subsequent tasks which were frequently mentioned by employers at that time were budgeting (59.5%) and budget control (34.2%). What results from the observation of the tasks which appeared most frequently in job offers is that at that time controllers' tasks concerned mainly planning and control, that is areas on which controllers' activity in enterprises ought to focus (Table 2).

It follows from the research conducted in 2007 that the share of tasks changed significantly compared with the years 2005-2006. In that period the most frequent tasks of a controller were economic and financial analysis (42.9%) and budgeting (36.7%). Such tasks as external reporting (28.6%) and cost control (22.4%) constituted a large share. The analysis of offers of 2007 discloses that employers required controllers mainly to concentrate on tasks consisting in providing the management with precise information as to the condition of the enterprise, rarely to concentrate on consulting.

The last research period in which controller tasks appearing in job offers were analysed was the year 2008. The most frequently appearing controller task was financial planning and forecasting (41.5%). Other tasks often placed by employers in advertisements were as follows: economic and financial analysis (39%), budgeting and cost control (24.4% of all advertisements each). Given controller tasks appearing in job advertisements it was found that today controllers perform tasks related to both planning and controlling in an enterprise, which corresponds to the task scope presented in the relevant literature [4, p. 33; 5, p. 142; 7, p. 77; 8, p. 229].

The conducted research indicates that controller tasks increasingly seldom include performing functions related to financial accounting. In the years 1996-1997 supervision over accounting appeared among controller tasks in the case of 34.4% of the analysed job offers, whereas in 2008 that percentage share amounted to only 12.2%. This means clear distinction between functions performed by controlling and financial accounting. The controller's attention is focused on internal aspects of

Table 2. Scope of tasks performed by a controller on the basis of advertisements in the Polish press

Tasks of a controller	Years 1996-1997		Year 1999		Years 2005-2006		Year 2007		Year 2008	
	Advertisements no.	% in overall adverts number	Advertisements no.	% in overall adverts number	Advertisements no.	% in overall adverts number	Advertisements no.	% in overall adverts number	Advertisements no.	% in overall adverts number
Investments analysis	1	3.1	1	2.2	9	11.4	9	18.4	3	7.3
Sales analysis	-	-	-	-	2	2.5	3	6.1	3	7.3
Internal audit	3	9.4	2	3.9	3	3.8	-	-	1	2.4
Budgeting	12	37.5	11	21.2	47	59.5	18	36.7	10	24.4
Budgets control	4	12.5	3	5.3	27	34.2	10	20.4	8	19.5
Costs control	7	21.9	2	4.6	6	7.6	11	22.4	10	24.4
Supervising accountancy	11	34.4	-	-	15	19.0	3	6.1	5	12.2
Evaluating and consulting for the management staff	9	28.1	-	-	51	64.6	2	4.1	3	7.3
Financial planning and forecasting	5	15.6	2	4.5	19	24.0	10	20.4	17	41.5
Economic and financial analysis	1	3.1	14	27.0	16	20.2	21	42.9	16	39.0
External reporting	1	3.1	-	-	5	6.3	9	18.4	8	19.5
Internal reporting	9	28.1	-	-	16	20.2	14	28.6	9	21.9
Implementing and developing the financial and accounting system	7	21.9	-	-	-	-	-	-	-	-
Managing financial liquidity	7	21.9	-	-	8	10.1	5	10.2	6	14.6

Source: own work on the basis of [1, p. 23; 3, p. 303; 6, p. 45].

organisation’s operation, which permits concentrating effort on seeking manners to increase the enterprise’s operation effectiveness.

For the purpose of demonstrating the correctness of the hypothesis on controller’s task scope herein, the data concerning controlling tasks are collated in Figure 1. That collation was prepared based on data summarised in Table 2. Categories listed there are divided into two parts: controlling tasks and other tasks. Tasks of the latter group included: internal audit, supervision over accounting, internal reporting, implementation and expansion of a financial and accounting system. The remaining categories were recognised as being directly within the interest of controlling. A debatable category in this division remains external reporting which may comprise financial, statistic reporting or reporting for the purposes of trade in securities, but also reporting for owners. In connection with the lack objective premises as to how to classify that scope of activities, it was arbitrarily assigned to the other activities, not directly related to controlling.

Upon grouping the indicated scopes of tasks in two categories, their percentage shares were calculated, adopting the total quantity of all occurrences of each of the scopes of tasks in the given research period as 100%. In addition, trend lines were set for both data series with the use of the least squares method of (see Figure 1).

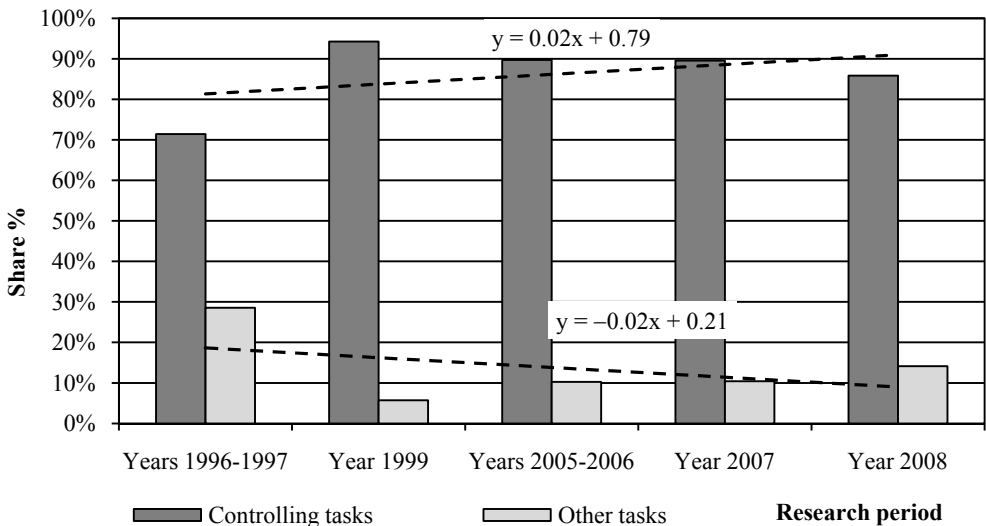


Figure 1. Correlations between controlling tasks and other tasks

Source: own work on the basis of [1, p. 23; 3, p. 303; 6, p. 47].

While analysing the correlations between tasks in Figure 1, it can be argued that in the years 1996-1997 almost 70% tasks performed by controllers were directly classified as controlling tasks, whereas the remaining 30% as tasks unrelated with

controlling. That relation, as indicated by the calculations, changed in favour of controlling tasks, assuming extreme values in 1999. The growth trend for controlling tasks and the decrease trend for the remaining tasks was maintained over the entire analysed period. Therefore, it can be assumed that the hypothesis providing that today controllers are required to perform tasks more specific to controlling than in the initial phase of the development of controlling in Poland is true.

5. Summary and final conclusion

The conducted research reveals the increase in employers' need for employing controllers, which is demonstrated by the growing number of job offers appearing on the Polish market. Designations used for the position of controller and tasks a controller performs depend to a great extent on the development level of controlling in a given enterprise.

To sum up, in the years 1996-1997 the most frequently used designation of the position of controller was: "controller/assistant controller" and "financial controller". In subsequent years, in turn, a trend consisting in departing from English-based designations in favour of Polish designations of that position was observed. In subsequent analysed periods the most frequently appearing designation in job offers were: "analityk finansowy" (financial analyst), "kontroler finansowy" (financial controller) and "specjalista ds. controllingu" (controlling specialist). Among those three designations "analityk finansowy" was the most frequently used one. As indicated by the analysed data, currently the position designated "specjalista ds. controllingu" is the most entrenched description of the position in the practice of Polish enterprises.

The image of a controller in an enterprise was supplemented by indicating the catalogue of controller's tasks. The job offer analysis reveals that the most important tasks were: budgeting, evaluation and consulting for management staff, and economic and financial analysis. A considerable number of advertisements featured also tasks related to budget controlling, financial planning and forecasting, as well as internal reporting. The conducted analyses disclose that controllers devote their time mainly to performing tasks related to planning than related to controlling (exception: 1996-1997).

The conducted research indicates that the hypothesis concerning designations used for designating the position of controller in the analysed enterprises is confirmed. English-based designations were superseded by the Polish name "specjalista ds. controllingu", which has prevailed recently among the analysed enterprises.

The scope of tasks defined based on the conducted analyses proves that controllers perform more activities regarded as controlling tasks, whereas the percentage share of other tasks in their scope of tasks has been gradually decreasing. Such an order of tasks performed by controllers confirms the second hypothesis.

Based on the conducted research on the functions and tasks of controllers in enterprises it can be argued that the profile of a Polish controller has begun assuming a more specialised form. This should be conducive to better management assistance in the aspect of changing conditionalities of the ongoing market struggle.

References

- [1] Goliszewski J., Rozwój controllingu w Polsce na podstawie ogłoszeń o pracę, *Controlling i Rachunkowość Zarządcza* 2002, nr 6.
- [2] Kes Z., Controlling w strukturze organizacyjnej przedsiębiorstwa, [in:] E. Nowak (Ed.), *Controlling w przedsiębiorstwie. Koncepcje i instrumenty*, ODDK, Gdańsk 2003.
- [3] Kotowska B., *Zapotrzebowanie na controllera w Trójmiejskich przedsiębiorstwach – wyniki badań empirycznych*, Prace Naukowe AE we Wrocławiu nr 1174, AE, Wrocław 2007.
- [4] Nowosielski, S., Controlling w literaturze i praktyce, *Przegląd Organizacji* 1998, nr 12.
- [5] Pietrzak G., *Miejsce controllingu w strukturze organizacyjnej przedsiębiorstwa*, Prace Naukowe AE we Wrocławiu nr 947, AE, Wrocław 2002.
- [6] Sobieska A., *Funkcje i zadania controllera w przedsiębiorstwie*, Bachelor thesis, Uniwersytet Warmińsko-Mazurski, Olsztyn 2008.
- [7] Vollmuth H., *Controlling. Planowanie, kontrola, kierowanie*, Placet, Warszawa 1996.
- [8] Weber J., *Controlling-Entwicklung*, Schäffer, Stuttgart 1998.

ZMIANY CHARAKTERYSTYKI STANOWISKA CONTROLLERA NA PODSTAWIE ANALIZY OFERT PRACY W LATACH 1996-2008

Streszczenie: Celem przeprowadzonych badań było dokonanie analizy pojawiających się na polskim rynku ofert pracy controllerów. Dzięki tym badaniom uzyskano informacje na temat zmian w nazewnictwie stosowanym do oznaczenia stanowiska controllera oraz w zakresie zadań należących do jego obowiązków w ciągu ponad 10 lat.