

IBCS Annual Conference 2018, The Breakout Session 4

How to talk about IBCS to different groups of stakeholders?

The main goal for this session was to develop a set of arguments for IBCS concept useful during meetings with different IBCS stakeholders.

Such steps are necessary to achieve this goal:

- 1 IBCS stakeholders mapping to The Power Interest Matrix to unify attitude
- 2 Creating a list of Frequent Asked Questions and answers
- 3 Creating a list of important questions to ask different groups of stakeholders
- 4 Collecting arguments for IBCS concept accordingly to each group of stakeholders

1 Mapping IBCS stakeholders enables to build successful relationship and to convince stakeholders about the validity of the concept.

General usage of the Matrix of IBCS stakeholders

Mendelow’s power / interest matrix helps to map stakeholders and to understand what attitude to take during IBCS meetings.

Level of Interest	
Power	Low
	High
High	Keep satisfied 4
	Engage key players 1
Low	Put minimal effort 3
	Keep informed 2

- + **Engage key players:** stakeholders with high level of interest and power are the major drivers of change①. They could stop management plans if not satisfied. Their participation in the planning IBCS project is vital. IBCS Certified Consultant, therefore, needs to communicate plans to them and then discuss implementation issues. Frequent face-to-face meetings are recommended.
- + **Keep informed:** stakeholders are interested in the IBCS but lack the power to do anything②. Management needs to convince opponents to the IBCS that plans are justified. Otherwise they will try to gain power by joining with parties with high power but low interest④. Communication via public Q&A sessions is possible.
- + **Put minimal effort:** lack of interest and power makes these stakeholders open to influence③. They are most likely than others to accept what they are told about IBCS and follow IBCS instructions. Communication via public Q&A sessions is possible.
- + **Keep satisfied:** the key here is to keep such stakeholders satisfied④ to avoid them gaining interest and moving to the “key players” box①. This could involve reassuring them of the outcomes of the IBCS project well in advance. Frequent face-to-face meetings are recommended.

Company
Owners/
Investors

Data Warehouse
Team

IT Infrastr
Team

IT / BI Tools
Developers

Academia

Management
Board

CEO CFO CIO ...

Data scientists

Board of Directors

Sales Director, Production
Logistics, SC, Head of IT,
Head of HR, ...

Developer
of reports

^{IT}
Advisors/
Cons.

Stock Exchange
Analysts

Potential
External
Comm

Business and
Financial
Controllers/FP&A

Business
Managers

Specialists of
Investor Relations

Architects

End ~~Extern~~
Users/
consum

Financial
Analyst

Business
specialists

Specialist of
PR

Regulators

BOCS - A

General mapping of IBCS stakeholders is complicated by the fact that individuals may be part of different stakeholder group at different companies and at specific point in time.

First mapping of IBCS stakeholders into groups*

for future development
and discussion

Level of Interest			
		Low	High
Power	High	Keep satisfied	Engage key players Company Owners / Investors Members of the Management Board Board of Directors Business Controller Financial Controller
	Low	Put minimal effort Team of Data Warehouse Maintenance	Keep informed IT Infrastructure Team Business specialist Financial Analyst

List of IBCS stakeholders*:

- Company Owners / Investors

Members of the Management Board:

CFO

CEO

CIO

CXO

Board of Directors:

Sales Director

Production Director

Logistic/Supply Chain Director

Head of IT

Head of Controlling

Head of HR

... Director

Business managers

Business specialist

Business Controller

Financial Controller

Financial Analyst

Developer of reports

Data scientist

Team of Data Warehouse Maintenance

IT Infrastructure Team

IT Architects

Tool developer
- Regulators

Advisors (internal / external consultants)

Stock Exchange Analyst

Specialist of Investor Relations

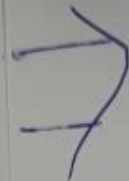
Specialist of Public Relations

Academies

IBCS Association

End external IBCS reports users

* Done and discussed by participants during the Breakout Session



Interest

Keep satisfied

Engage
key players

Management Board

CEO CFO CIO Business and Financial
Company Controllers/FPCA

Owners: Board of Directors
invest

Sales Director, Production
Logistics, SC, Head of IT,
Head of HR, ...

HIGH

Power

Minimal effort

Keep informed

LOW

Data Warehouse
Team

IT Infrastructure
Team

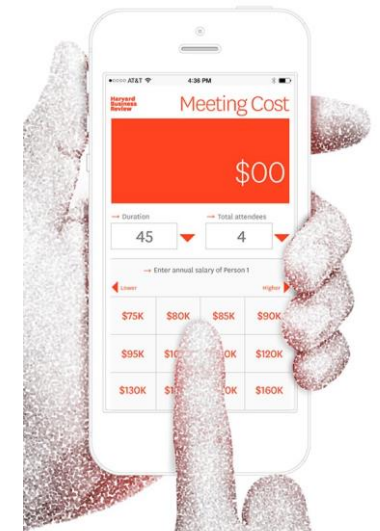
Business
specialists

Financial
Analyst

	Information Systems (IS)	Controlling	Management	Board of Directors
	Develop systems and provide data	Analyze data & create messages	Evaluate the messages and take decisions	Overseeing decisions & Govern effectively
Quality Improvement	1	2	3	4
Reaction Time reduction	5	6	7	8
Cost Reduction	9	10	11	12

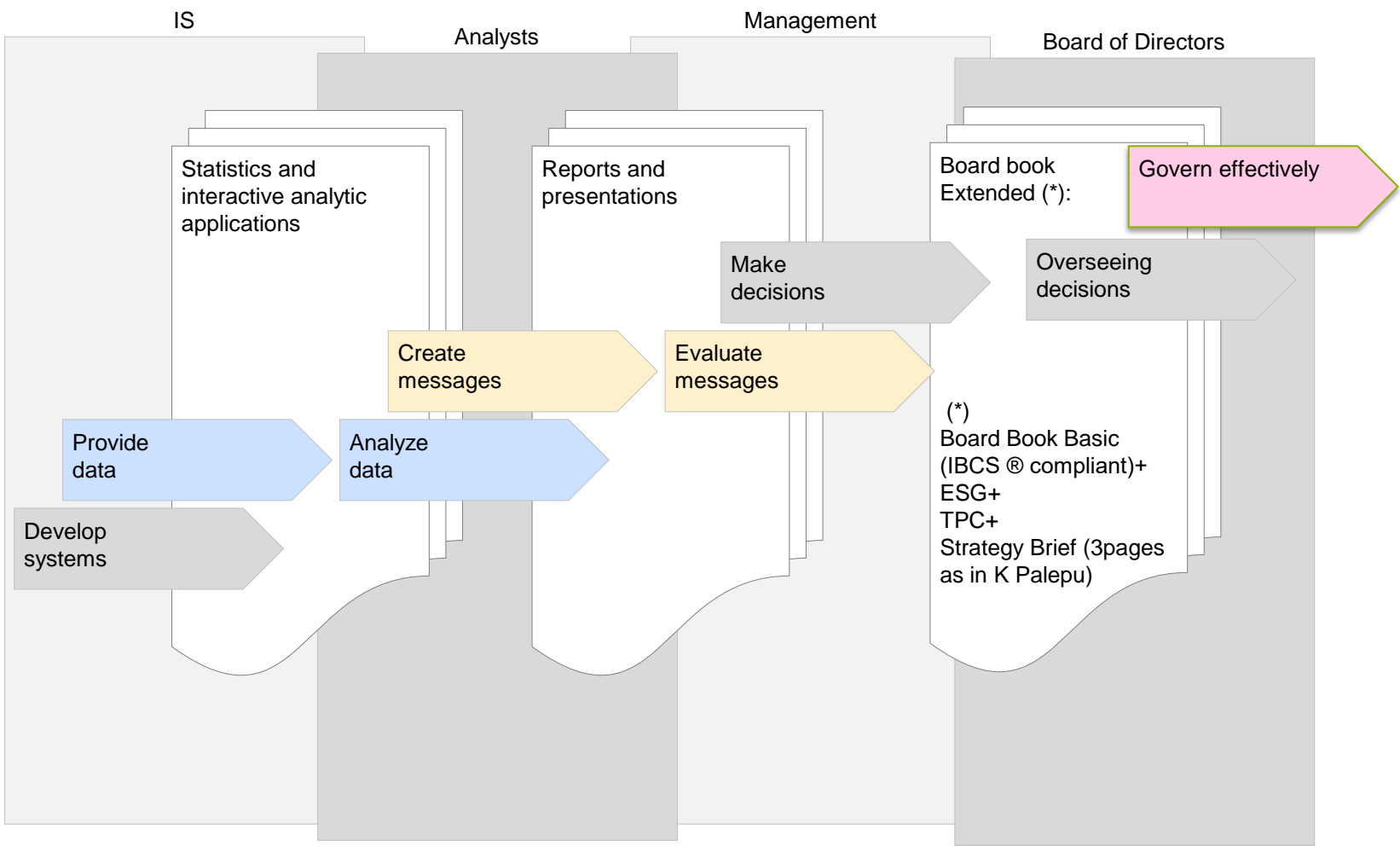
Calculate the cost of your meetings:

<https://hbr.org/2016/01/estimate-the-cost-of-a-meeting-with-this-calculator>



Reports and presentations convey a message, whereas statistics don't

- Reports, presentations, and statistics in the process to support decision making and overseeing decisions. From IT to the Board of Directors.



The R+A+A+R Model©: AGENDA

Roles+Agenda+Reporting Model : Aligning Roles, Agenda, Analysis & Reporting for the Board of Directors

Annual Board Agenda						Roles:Board Functions
Annual Strategy Meeting						
Strategy Initiatives Monitoring	Strategy Execution Monitoring	Strategy Execution Monitoring	Strategy Initiatives Monitoring	Strategy Execution Monitoring	Strategy Execution Monitoring	1 Strategy
T+P+C (Training+ Processes+ Cust.Value)		T+P+C		T+P+C	T+P+C Budgeting+ Planning	
Results	Results	Results	Results	Results	Results	2 Results (Performance Reports)
Annual Accounts Preparation	Audit Report Reading	AGM Preparation		Pre-closing	Interim Audit	
	Board Training	CEO Succession	Managing team development	Board Training		3 Succession CEO, Board Training and Managing team development
					Board Evaluation	4 Evaluation
Risks Review		Compliance	Risks Review	Compliance		5 Compliance & ERM
Ene-Feb	Mar-Apr	May-Jun	Jul-Aug	Sep-Oct	Nov-Dec	

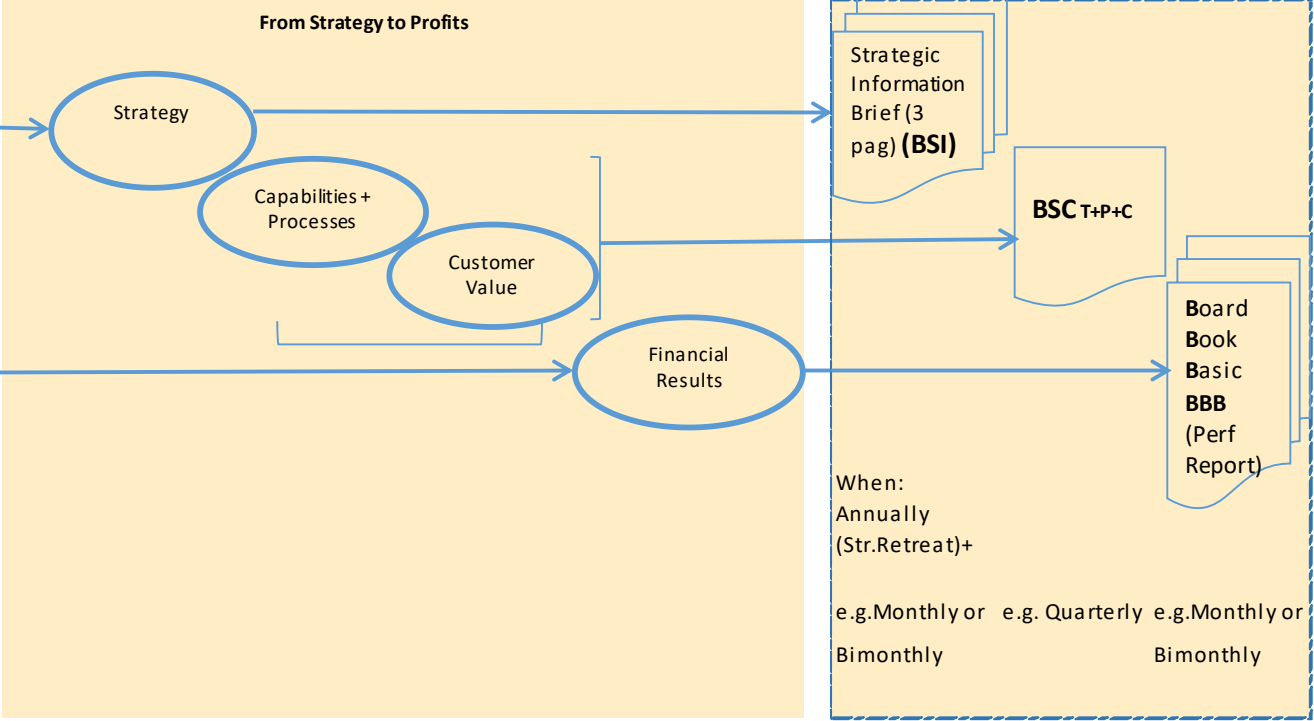
The R+A+A+R Model©:Xavier Subirats

ROLES

ANALYSIS

REPORTING DOCUMENTS DELIVERABLES

BBE: Board Book Extended



Source: Palepu, Krishna. A variation of the Balance Score Card framework (BSC) by Robert Kaplan & David Norton

2 Frequent Asked Questions collected in one place help to clarify IBCS concept and to prove the value of IBCS for reports and presentations.

List of FAQ to discuss and develop

+ Q: Is IBCS completely new concept?

+ A: No, 200 years ago people started to work on that. It is just collected by IBCS society. IBCS worked on structuring all these together.

+ Q: I prefer tables and IBCS is mostly about charts, isn't it?

+ A: IBCS has standards for tables too. Tables and charts are types of objects. IBCS concept says: use appropriate object types. Tables do not compete with charts. Use tables when looking up data. They are clear, honest and they have a high information density. Tables do not want to highlight, typically they do not want to visually convey a certain message. Tables do not compete with charts but charts cannot be replaced by tables.

+ Q: Tableau/SAP/... has its own visual standards. We have Tableau/SAP/... so we have standards.

+ A: For music reading we also have different software. And writing by hand, using standard music notes, music will always sound the same. The architects of BI have to know standards for information communication.

+ Things meaning the same should look the same.

+ Things not looking the same cannot mean the same.

+ Q: Our software is not doing your IBCS concept.

+ A: Ok, IBCS is for visualization, for semantic rules. There is a portfolio of technical tools suitable to different software that are certified by IBCS.

+ Q: We have our dashboards. We have our BI. Do we really need IBCS?

+ A: Dashboard is not a report. There is no message in the dashboard. And report without a message is just statistics. The dashboard is just a map for reporting and presenting. And IBCS is for reporting and presenting.

+ Q: Isn't it difficult to see data and variances on charts starting scale always in zero?

+ A: When you start scales not in 0, then your eyes do not see the truth.

+ Q: Why not pie charts? Why pie charts are forbidden?

+ A: They are not forbidden but there are arguments for better charts than pie charts.

+ They seem to be ok for MS but when you close your charts you don't remember.

+ Very difficult to compare i.e. PY and AC. And management information is mostly built on comparisons.

+ Pie charts show just detection of Market Share. And only detection is boring. When you compare detection, this become more interesting. And it is more interesting if you explain. The most interesting is when you suggest. It is not possible to suggest anything based on pie charts.

+ Use pie charts only if you show part of whole. If this is your message (i.e. regions on the geographic map as part of whole) then use pie charts.

+ Q: Isn't it easier to understand not condensed information?

+ A: Present it step by step!

+ Q: Why not to use bullet points in presentations?

+ A: Avoid all forms of text slides in presentations. Texts should either be recited or written in a handout. A few exceptions to this rule are specific texts being discussed such as definitions, quotes, etc. In general, all forms of lists (bullet points) should appear only in the written handout, not projected on the screen. True, if someone sees and hears something simultaneously, he remembers it better than when he just hears it, but bear in mind texts are not considered something merely to be seen – they must be read and understood.

+ Q: IBCS charts are so simple. This kills controllers' creativity.

+ A: Controllers should use their energy to create new ideas for business development, for better decision making, and not for creating colourful reports. Reporting is only for decision making.

+ Q: Do exist any other standards for reporting?

+ A: ...

+ Q: ...?

+ A: ...

for future development
and discussion

3 Key Performance Questions (KPQ) asked to different groups of stakeholders can be very strong arguments for IBCS concept.

First proposal of list of IBCS KPQ*

- + Do you spend a lot of time on business review meeting? Who takes part in such meetings?
- + Is it difficult to find free time at CEO calendar and his/her attention during the meeting?
- + Have you already got any book, any manual for your reports standardization?
- + „Mirror, after all, who has the most beautiful dashboard in the world?”
- + What are the differences between the internal and the external reporting?
- + Should the annual report also follow the IBCS notation?
- + What are the main obstacles regarding the annual report? (The auditors prefer actual year left, prior year right. And this is a mess if you use diagrams).
- + ...
- + ...

for future development
and discussion

4 Use different properly selected arguments while talking to different groups of IBCS stakeholders. IBCS society needs this for building IBCS value all around the world.

Template for IBCS set of arguments, for future development and discussion in IBCS society

Level of Interest

Low

High

Power

High

<p>Keep satisfied</p> <p>Time -> look at the benefits matrix of notation standards</p> <p>...</p> <p>...</p>	<p>Engage key players</p> <p>Time -> look at the benefits matrix of notation standards</p> <p>Q: IBCS charts are so simple. This kills controllers' creativity.</p> <p>A: Controllers should use their energy to create new ideas for business development, for better decision making, and not for creating colourful reports. Reporting is only for decision making.</p> <p>...</p> <p>...</p>
<p>Put minimal effort</p> <p>Look at IBCS notation manual</p> <p>Time -> look at the benefits matrix of notation standards</p> <p>Follow International Business Communication Standards 1.1.</p> <p>Look at IBCS poster</p> <p>...</p> <p>...</p>	<p>Keep informed</p> <p>Time -> look at the benefits matrix of notation standards</p> <p>Q: We have our dashboards. We have our BI. Do we really need IBCS?</p> <p>A: Dashboard is not a report. There is no message in the dashboard. And report without a message is just statistics. The dashboard is just a map for reporting and presenting. And IBCS is for reporting and presenting.</p> <p>...</p> <p>...</p>

Low

for future development
and discussion

