

Better performance thanks to digitization

The finance function at Deutsche Bahn is following a comprehensive strategy for digitization and change. The goal is to improve the quality of steering within the business, to increase their own efficiency and excellence in order to ultimately make a contribution to the success of Deutsche Bahn. Wolfgang Heinrichs, who heads up the group program “FINANCE 4 DB” explains in an interview how the CFO organization is changing and how the whole group is benefiting from this.

DIGITIZATION IS RADICALLY CHANGING ALL THE BUSINESS AREAS OF DEUTSCHE BAHN. HOW DOES FINANCE 4 DB ALIGN YOUR FINANCIAL FUNCTION TO THIS TRANSFORMATION?

HEINRICHS / FINANCE 4 DB is driving digitization and the shared changes to the finance function to improve performance. We are pursuing twin goals: On the one hand, supporting the operational management of the business in a more targeted manner, by using performance-oriented reporting and forecasting tools and evaluating data in real time. On the other hand, we can improve the efficiency and excellence of our own processes by substantially simplifying and combining our array of processes and systems.

HOW DO YOU ACHIEVE THESE AMBITIOUS GOALS?

HEINRICHS / We are taking a holistic approach. That is why we have defined four areas for action which provide the framework and prescribe the sequence of our activities. Processes & structures, Methods & instruments, Roles & self-awareness and Skills & collaboration. In terms of content, we started with a comprehensive survey of the current situation, and used this to identify detailed focus projects, in order to achieve a visible improvement in the core financial processes.

WHICH PROCESSES ARE YOU TACKLING FIRST?

HEINRICHS / We will initially concentrate on three focus projects. For Procure-to-Pay and Plan-to-Steer, our guiding principle is a consistent end-to-end process approach. In our third focus project, we will seek to improve quality and increase efficiency by designing an integrated data platform. Over the next few months, we will collaborate with group management and the business areas to develop detailed plans and then implement these rapidly, starting in Q1 2019.

HOW IS YOUR HOLISTIC APPROACH VISIBLE?

HEINRICHS / In our focus projects, we always work on all four of the fields of action we defined. This means modern IT methods and tools support the process improvements we identified. Parallel to the process and IT landscape, the roles and skills of the people working in the finance function are changing, as well as the way in which they collaborate within modern working environments. All these developments are brought together and described in a comprehensive target.

HOW DO YOU MOTIVATE AND CREATE ENTHUSIASM AMONG YOUR EMPLOYEES FOR A PROGRAM WHOSE RESULTS THEY WILL ONLY SEE IN Q1 2019?

HEINRICHS / We are working in parallel on 'speedboats', where we exploit the potential of digitization in the short-term for ourselves. These include, for example, connecting the procurement portal to an external marketplace provider, which means that the product portfolio expanded from 1.5 million items to 25 million items. Invoices are thereby posted directly, without creating work for the Shared Service Center, and processing cycles are significantly reduced. Another speedboat used RPA technology in the treasury area to reduce manual work by two hours per day, which frees up colleagues to work on other activities that create value. These individual digitization projects make the benefits of transformation visible, and build acceptance at this early stage.

WHAT DOES FINANCE 4 DB MEAN TO EMPLOYEES IN THE FINANCE AREA?

HEINRICHS / They will continue to grow themselves and their skills and increase their importance within the company. Thanks to using simple, intuitive applications – some of which may work like apps – IT systems will become more user-oriented. In terms of content, group-wide governance in the areas of standardization, automation and transparent data structures is just as relevant to employees as the development of data science skills. They are preparing for these tasks using digital teaching modules, keynote speeches and training days. In addition, we support stronger networking within the finance function, and within DB's own digitization ecosystem. We expect managers to actively create transformation, by providing space for agile working and making more active use of digital communication channels.

WHERE WILL YOUR FINANCIAL ORGANIZATION BE IN THREE YEARS TIME?

HEINRICHS / I predict an innovative, change-oriented and customer-oriented department. Currently the transformation process initiated by FINANCE 4 DB is, however, still in its infancy. During this initial step, it is crucial for me that we change our own fundamental attitude to change itself on our way towards this goal. Because the impending change is a balance of opportunities and commitments. ■