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THE ROLE OF CONTROLLING IN TIMES OF CORONA CRISIS: EMPLOYEES' PERCEPTION

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ABSTRACT

Controlling represent company's bloodstream and in time of crisis, it comes to the fore since management strives for quality information's to make the right decisions under uncertain conditions. Those quality decisions come from joint cooperation between well-educated controllers who can develop the right solutions and managers who are goal-oriented and need those solutions promptly. This need is more emphasized in times of corona crisis since nothing similar has ever happened before. The authors of the paper examine the respondents' perception about the contribution of controlling in enabling companies' survival in time of corona crisis through the increase of business process efficiency, as well as through business operations reorientation and strategy adjustment which enabled maintenance and stabilization in the first days of the corona crisis and during partial lockdown in Croatia. In order to test the set hypotheses after the usual descriptive statistics the Kruskal- Wallis H test was used on a sample of 180 companies in Croatia. A statistically significant correlation was confirmed between the role of controlling; i) in increasing the efficiency of business processes; ii) in adjusting the business reorientation; iii) in adjustment of business strategy. All employees from different hierarchical levels are aware the contribution and effectiveness of controlling in the corona crisis. This research is the basis for further research on role of controlling in times of crises.

Key words: Corona crisis, company's efficiency, controlling, management, strategy adjustment

1. INTRODUCTION

Management and controlling became, over a time, two interrelated functions within the company. The main purpose of this relation is to help the company in gaining success, which is rather

challenging in today's business conditions. There is no doubt that controlling, as a management philosophy, contributes to the increase of efficiency and effectiveness of company's overall business, while management represents specific need of each company as a functional instrument of management that supports entrepreneurial processes in the company (Ziegenbein, 2008). Peter Drucker, known as the father of modern management, said that the only thing that distinguishes one company from another is the quality of its management on all organizational levels (Drucker, 2008).

Management represents the key function in the company. It is responsible for entire business success, for realizing the vision, mission and execution of company's highest goals. Therefore, management has to be well experienced and have a broad knowledge, which finally depends on few people gathered in management function.

On the other hand, controlling represents an advisory service for the management. It collects and analyzes numerous data from inside and outside the company and then reports to management in a clear way. The purpose of controlling is in making clear and better ground for quality business decisions in order for the company to better manage future events.

Through its activities, controlling unites quality, and defines the vision, mission and goals and represents an integrative activity of management (Rupčić and Datković, 2013). Controlling tasks are derived from the goals of the company. Those goals should be clear and measurable. Controlling coordinates activities towards the goal achievement using various methods and techniques of coordination, planning, analysis, control and information.

The relationship between controlling and management can be defined as follows: management is responsible for achieving successful business results, and controlling is responsible for providing transparency how this was achieved as well as for the whole process control. Controlling coordinates and integrates all managerial functions in all business departments. However, the final decision is always made by the manager, the controller can prepare it, coordinate individual activities and, if necessary, monitor their implementation. In this way, controlling can ensure an increase in the efficiency and effectiveness of management work (Rupčić and Datković, 2013).

As a management support, Osmanagić Bedenik (2007) states that the use of controlling is increasing on lower hierarchical levels, like its implementation in finance, production, procurement, sales, etc. (Osmanagić Bedenik, 2007). However, little research has been done on how the role of controlling in a company is perceived by employees' working in different hierarchical levels in times of crisis. Therefore, the intention of this paper is to address this gap.

Management uses strategic and operational controlling. The difference between strategic and operational controlling is in its target dimension. Strategic controlling is focused on creating the long-term success of the company and takes into account the threats and risks and assesses strengths and weaknesses to ensure the company's long-term success. It is focused on adapting to the changes in environment, and is based on innovation and business imagination, i.e. on new products and services, new market segments, new customers, new sales and procurement routes (Jakelić, 2013). While operational controlling is oriented towards analysing the existing company

resources in order to meet current business plans. It is based on the operational application of known technical and economic solutions and on the optimization of results with existing products and services with maximizing the satisfaction of customers wishes and needs.

Strategic and operational controlling use quantitative and qualitative information's. However, strategic controlling is more based on qualitative information (Ette, 2015). Although strategic controlling is oriented towards future results and goals, and operational towards current ones, they have common instruments of action, which include: plan, harmonization and coordination, analysis and control of goal execution, information and human resources management.

Corona crisis has shown how today's business environment is extremely dynamic, uncertain and unpredictable. Global connectivity and interdependence, simultaneous with the possibility of using ICT in business activities, represented a platform for creating an adaptive strategy for companies which then allowed them to achieve maximum efficiency in such hard conditions. While on the other hand, many companies did not cope well with the new situation.

This corona crisis has shown that, with the exception of human resources, also the quality and prompt information, and their integration into a company's knowledge system is important for coping with the crisis as well as improving the existing level of efficiency and effectiveness. In such conditions, also a connection with various stakeholders and quality management on all levels was the key for achieving the goals of the company.

We believe that employee's from different hierarchical levels in the company perceive differently the way how the company's goals are achieved. Since those goals are achieved with the use of different methods and techniques of coordination, planning, analysis, control and information, or with different tools of strategic and operational controlling.

The COVID-19 pandemic caused by SARS-CoV-2 viruses in late 2019 in China has spread rapidly to the entire world. As early as March 2020, almost the entire world was trapped in a new health and economic crisis. To preserve the health of the population, states introduced partial lockdowns that halted the operations of many industries. And activities that were not under strict measures also felt the effects of the corona crisis that occurred as problems with the purchase or sale of goods and services. Many companies had to adapt their operations to the new conditions of the corona crisis. In this adaptation, controlling department was the key. In their study, Losbichler et al. (2020, p.2) distinguishes four phases of crisis management as shown in Figure 1. Phase 1 aims to help businesses to survive after an unexpected shock caused by a corona crisis. For many companies, this phase lasted from mid-March to mid-June 2020. In Croatia, a partial lockdown for certain activities began in mid-March 2020, and the measure easing was done in three phases, from 27th of April the first phase, 4th of May, the second phase and 11th May, the third phase.

Further, phase 2 involves stabilizing the company's operations based on new circumstances. As the duration of the corona crisis could not be predicted and it is still questionable, the authors expected the duration of the second phase to be around three months, from July to approximately September 2020.

Phase 3 focuses on adapting business processes and models to new business conditions. At this stage, companies find new opportunities and try to identify and exploit new potentials. Ideally, the company should start this phase parallel with phase 2. Phase 3 should last about six months.

Phase 4 is dedicated to the actual restart of the company after or at the end of the crisis. And in this final phase, a longer initial phase is needed, which extends to several months. Currently, since the end of the corona crisis cannot be predicted yet, accordingly the beginning of phase 4 cannot be predicted.

Figure 1. The four phases of management crisis

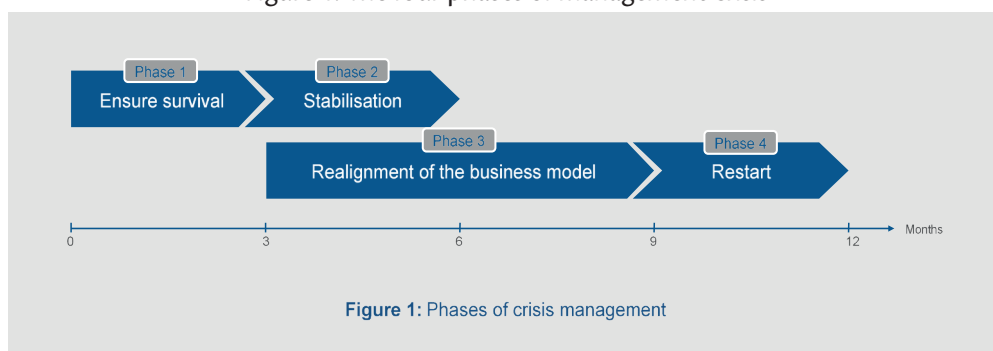


Figure 1: Phases of crisis management

Source: Losbichler et al. (2020:2)

The aim of this paper is to examine the perceived contribution of controlling, in this crisis conditions, in enabling company's survival in the first days of the crisis, as well as in times of partial lockdown and its role in maintaining and stabilizing business operations after easing the lockdown restrictions. This will be examined through: i) increasing the business process efficiency, ii) business reorientation and iii) strategy adjustment. Furthermore, we will examine whether there are differences in the perception of employees from different hierarchical levels within the company, in understanding the contribution of controlling as a management support in times of corona crisis.

2. THEORETICAL BACKGROUND

2.1 Management functions and the controlling function

There are numerous articles and research papers regarding management topic, which shows that management is a very complex category of interest to researchers. That is, a complex term, which refers to the holder of a certain functions, skills and is a scientific discipline and profession. "Management is the process of shaping and maintaining an environment in which individuals, working together in groups, effectively achieve selected goals" (Wehrich and Koontz, 1994, p. 8). The management goal is to achieve the highest possible business and financial result with less investments as possible. Modern, contemporary management implies a high degree of proactivity, balancing between focus and flexibility, i.e. openness to new perspectives, thoughtful and quick response to new opportunities, seeking opportunities in diversity and continuous and systematic learning (Rupčić, 2018).

Management theory has numerous management functions classifications. The four most common management functions are: planning, organizing, motivation and leading, and controlling. Recently, the personnel function, i.e. human resources management, has been added to these functions.

On the other hand, management organizational levels exist, so that managers can supervise a limited number of employees as effectively as possible, which may vary depending on the situation. The number of employees that are subservient to an individual manager, represents the managing area. A wider range of managing, ie a larger number of subordinates, implies a smaller number of levels and vice versa, a narrow range of managing represents a larger number of organizational levels. A narrow range of control is more appropriate for a higher organizational level, as opposed to lower organizational levels where it is more appropriate to apply a wider range of control, given the simpler tasks performed by executors at lower levels in the organizational hierarchy.

If management is viewed as a system from the aspect of its levels, it differs:

- strategic subsystem (Top Management, top level),
- coordinate subsystem (Middle Management, tactical or intermediate level),
- operating subsystem (Lower or First-line Management, operational or lowest level) (Rupčić, 2018:8-10).

Authority and responsibilities vary according to management levels, so top or strategic management differs greatly from the middle (operational) and lower (executive) management. And not only in terms of salaries, office equipment and various managerial privileges but also in terms of skills and knowledge expected from a certain level of managers. The strategic management subsystem represents the company and connects the company with the external environment, and the result is the company's exposure to great pressures, threats and influences from the environment. The strategic management level is oriented toward long term goals, the company future.

The strategic level most often refers to managers of the highest hierarchical level, consisting of members of the management board or executive directors (CEO's), who are responsible to the owners of the company. Responsibilities of the highest management level include defining business goals, strategy and making strategic and other important decisions related to the long-term survival and success of the company. Namely, the lowest level managers spend most of the time solving technical problems, quantity and quality of work, performing daily tasks, helping employees solve specific problems, consulting, etc. Middle-level managers usually coordinate organizational activities and report to managers at the top management level. Top-level managers direct the entire organizational activity and they are responsible for the company's business success.

The coordination subsystem of management has an integration role, and is responsible to the top management. Also, it is superior to the lower levels of management, i.e. the operational subsystem. The management coordination subsystem deals with the coordination of different organizational units. This management level refers to managers of "1st level", and consists of the heads of organizational units in charge of sales, accounting, procurement, etc. The responsibility of these levels is for individual departments and/or sectors, depending on the hierarchical structure of the company.

The tactical management level is oriented towards the near future, and its responsibility includes the implementation of a defined strategy and policy led by the strategic level, i.e. top management. The operational management subsystem is focused on the realization of direct tasks and goals defined from higher levels of the subsystem. The operational management level is also the lowest level, and it consists of managers responsible for the continuity and efficiency of goods production and providing services. This management subsystem is oriented on short term goals, i.e. it ensures smooth implementation of daily tasks.

The ability to identify critical control points is one of the basic managerial skills, so they must be defined in the most vulnerable part of the system, and they have to be measurable. The manager has to control critical points to make sure that the entire activity is going according to plan. Once selected, critical points represent the actual measure and expected effectiveness. Control points must be critical which means that they represent, better than other factors, plan realization. Critical monitoring points are identified on the basis of a number of indicators. Physical indicators are non-monetary indicators, and they are used in repetitive jobs where human labour is dominant - mainly in production. They are presented quantitatively, for example in working hours, energy consumption, manufactured products per unit of time or qualitatively, in material resistance, tolerance level and other. Cost indicators are always determined in money and they include a wide range of factors such as labour cost per hour, material costs per unit, sales, costs of fuel consumption. Monetary indicators refer mainly to capital investments, and the most reliable indicator is the rate of return on investment - ROI. Revenue indicators are determined as the value of sales expressed in terms of money, while intangible indicators cannot be expressed in money, but they significantly affect the efficiency and achievement of set goals. These include interpersonal relationships, enthusiasm, managerial ability, and teamwork (Brealey et al., 2007).

As already mentioned, controlling is a part of the management subsystem, whose task is to support management in defining goals, planning, control, information, organization and human resources management. The relationship of controlling and management can be seen as a relationship of cooperation and mutual complementarity. Management is the process of planning, controlling, organizing, informing, leading, managing human resources in order to achieve the goals of the company, while controlling is introduced to reduce the obligations and responsibilities of management in the process. Controlling objects represent management subsystems which are: the value system, the planning system, the control system, the information system, the organization system and the human resources management system. The task of controlling in all subsystems is the mutual harmonization and unification of these subsystems in order to increase the management efficiency and effectiveness. Thus, controlling and management have the same goals, however, the ways of achieving them are different (Renko and Halar, 2014).

Research paper by Labas and Rajsman (2020), on the role and perspective of controller development as a business partner of management in which they explore the perspective of controller development in companies in the Republic of Croatia. They state that the three main contributions to companies are reflected in the fact that members of controlling become an integral part of business, the function of controlling becomes increasingly valued and new opportunities open to controllers in the direction of executive or financial director positions. According to the research, the role of controlling

in medium and large companies is perceived by controlling as an internal partner to management and gives controllers an active role.

Ivančić (2021) analyzes how different hierarchical levels in large Croatian companies perceive the process of strategy implementation. The focus is on operational problems that most often occur during strategy implementation in companies between top management and other hierarchical levels which may occur in communication and feedback from lower levels of management to higher. It emphasizes the importance of understanding differences in the perception and interpretation of key factors in strategy implementation within a company. The results of the research showed that management hierarchical levels are not the only variable that influence successful strategy implementation within the company and that other variables should be included in future research.

Pedersen et.al. (2020) state that the covid crisis is unprecedented in the history of mankind and that there is no exact knowledge that would help understand its consequences. Businesses face enormous challenges and no relevant guidelines are available for dealing with the problems brought by the corona crisis in the business and private world. In this context, they have prepared a special issue on crisis management by establishing a strong focus on managerial implications for companies that do business with other companies that are derived from company marketing research. They focus on examples of managing industrial marketing with the aim of initiating a discussion of their practical implications on business, especially in times of crisis. They especially emphasize the continuous need for crisis management research from the perspective of marketing business, but also other specific knowledge such as controlling in order to help management.

In the research (Roška et al. 2021) conducted after the first partial lockdown in Croatia, 69.6% of entrepreneurs believe that the COVID-19 crisis will have significant consequences than the 2008/2009 financial crisis, regardless of whether they had or did not have had business interruptions unless there is timely and consistent support to entrepreneurs by the state.

Many activities would not have survived without state support during the corona crisis. A survey conducted in Croatia on 358 respondents on economic and tax support of entrepreneurs in Croatia during the corona crisis examined the differences in the opinions of management and employees (Roška, 2021). The surveyed participants were divided into two main groups: group 1, which represented 74.3% of owners, managers and bosses out of the total number of respondents, and group 2 with 25.7% of employees in private companies and public administration. Interesting research results are in terms of layoffs during a corona crisis which best reflect the differences between management and employees. 86.6% of respondents said they would not lay off employees, 63.9% from the first and 22.6% from the second group. Interestingly, none of the employees in public administration did even expect the possibility of layoffs. In the survey, managers and employees further rated government measures from 1 to 5. Group 1 (owners, managers and bosses) gave employee support measures an average score of 3.90, as opposed to employees who gave an average score of 4.18. Group 2 employees rated all government measures higher than group 1, the owners, managers and bosses.

Goretzki and Kraus, K., (2020) in their work investigate the balancing of diagnostic and interactive control systems. They state that companies are forced to adapt quickly to the new situation and must take appropriate measures. Management control systems (MCS) support managers in

facilitating the corona crisis and its consequences for the business. MCS such as planning, budgeting, costing, measuring performance are formal routines and procedures based on the information that management uses to maintain and change patterns in a company's activities. Managers need to find the right balance between a diagnostic and an interactive management system, and particularly controlling can help. Controllers need to take their role of business partner management seriously, especially in this time of the corona crisis, and help managers on different hierarchical levels to cope with an uncertain future and develop sensible strategies that will ensure financial results.

3. RESEARCH AIM AND METHODOLOGY

The aim of this paper is to examine the contribution of controlling in times of corona crisis through the increase of business processes efficiency, as well as through business operations reorientation or through strategy adjustment. The main goal was to examine respondents perception about the role and activities of controlling in maintaining and stabilizing business operations which enabled companies survival in the first days of the corona crisis and during partial lockdown in Croatia.

In order to prove the research objectives, four hypotheses were set as follows:

H1: Controlling ensured company's survival, in crisis conditions, by increasing the efficiency of business processes during the beginning of the corona crisis and lockdown, as well as maintained and stabilized company's business operations after easing lockdown restrictions.

H2: Controlling ensured company's survival, in crisis conditions, through business reorientation (introduction of online business, new distribution channels, etc.) during the first days of corona crisis and lockdown as well as maintained and stabilized company's business operations after easing lockdown restrictions.

H3: Controlling ensured company's survival, in crisis conditions, through business strategy adjustment during the first days of corona crisis and lockdown, as well as maintained and stabilized company's business operations after easing lockdown restrictions.

H4: There is a statistically significant difference in the perception about the effectiveness of controlling in the corona crisis, between employees' from different hierarchical levels.

For the purpose of the research aim, a questionnaire was developed based on the work of Losbichler et al. (2020). The questionnaire consisted of 28 questions. The first part of the questionnaire consisted of general questions related to the research sample characteristics and the second part examined respondent's perception about the role of controlling in the corona crisis. The Likert scale was used to prove the hypotheses. Respondents had to rate on the Likert scale from 1 (no contribution at all) to 5 (valuable contribution) how they perceived the controlling contributed to the survival, maintenance and stabilization of the business during the corona crisis.

The questionnaire was conducted online in May 2021, with the use of Croatian Chamber of Commerce base and all Croatian counties were included in the survey (20 counties). The companies in the research were selected randomly. The survey questionnaire was completed by 180 respondents, of which 140 respondents have formally implemented controlling in their companies.

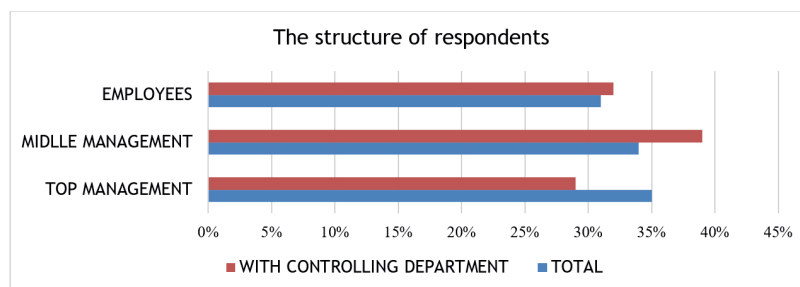
Most of the respondents, (30%) are from the City of Zagreb, 18% are from Koprivnica-Križevci County, 9% from Varaždin County, and 5% each from Virovitica-Podravina County and Dubrovnik-Neretva County. The lowest response rate is from Lika-Senj County, Osijek-Baranja County and Šibenik-Knin County (0.6% each).

Regarding the sample analysis according to the industry, 25.6% of companies are from manufacturing industry, 11.1% from service industry, 11.1% from wholesale and retail and motor vehicles repair industry, 10.6% from construction, 8.9% from finance and insurance, 5.6% from agriculture, forestry and fishing industry, 5.6% from transport and storage, 5.0% from information and communication, 3.3% from administrative and support service industry and other industries have less than 3%.

The size of the companies is determined by the Accounting Act (2020), article no. 5. The sample consisted of 13% of micro size companies, 30% of small size companies, 26% of medium sized companies and 31% of big size companies.

Figure 2 represents the structure of respondents. Total of 180 have answered the questionnaire while 140 respondents have formally implemented controlling in their company. Further from the total of 180 respondents, 35% of them are at top management level, 34% are at middle level management and 31% are employees without managerial responsibility. Respondents who have implemented controlling in their company, 29% are from top management, 39% from middle management and 32% are employees without managerial responsibility.

Figure 2. The structure of respondents



Source: Author's work

4. RESEARCH RESULTS

All variables in the research have Cronbach's Alpha greater than 0.8 representing very good reliability of the sample results. Since conditions (normality of data distribution) were not met for parametric test, a non-parametric test, the Kruskal-Wallis (H-test), was used to prove the set hypothesis. Kruskal-Wallis (H-test) is used to compare multiple independent data groups and it is based on ordinal scale.

Descriptive statistics of the tested variables are presented in Table 1. Variable PREZ indicates the survival phase in corona crisis, further variable STAB indicates business stabilization, variable PPROC indicates business process efficiency, variable PRLS indicates business strategy adjustment and

variable PREUS indicates business reorientation (introduction of online business, new distribution channels, etc).

Table 1. Descriptive statistics

Descriptive Statistics								
	N	Mean	Std. Deviation	Minimum	Maximum	Percentiles		
						25th	50th (Median)	75th
PREZ	140	3.3000	1.02276	1.00	5.00	3.0000	3.0000	4.0000
STAB	139	3.2662	0.99692	1.00	5.00	3.0000	3.0000	4.0000
PPROC	140	3.4357	0.96119	1.00	5.00	3.0000	3.0000	4.0000
PRLS	140	3.4357	9.76050	1.00	5.00	3.0000	4.0000	4.0000
PREUS	140	3.0571	1.11091	1.00	5.00	2.0000	3.0000	4.0000

Source: Author's work

The Kruskal- Wallis H test results (Table 2) show the significance of the test less than 0.01 for the variable PREZ (sig = 0.000) and STAB (sig = 0.000) which means that the null hypothesis is rejected and the alternative hypothesis is accepted. The data show that there is a statistically significant correlation between the role of controlling in increasing the efficiency of business processes and it's role in the survival of the business in the first days of the corona crisis as well as its role in maintaining and stabilization of company's business operations.

Table 2. Test Statistics Kruskal-Wallis H test

Test Statistics ^{a,b}		
	PREZ	STAB
Kruskal-Wallis H	79.743	71.038
Df	4	4
Asymp. Sig.	0.000	0.000
a. Kruskal Wallis Test		
b. Grouping Variable: PPROC		

Source: Author's work

According to the results of the analysis, hypothesis H1: „Controlling ensured company's survival, in crisis conditions, by increasing the efficiency of business processes during the beginning of the corona crisis and lockdown, as well as maintaining and stabilizing company's business operations after easing lockdown restrictions“ can be accepted.

The results of the Kruskal-Wallis H test (Table 3) show that the significance of the test is less than 0.01 for the variable PREZ (sig = 0.000) and STAB (sig = 0.000) which means that the null hypothesis is rejected and the alternative hypothesis is accepted. The data show that there is a statistically significant correlation between the role of controlling in adjusting the business reorientation and

ensuring business survival at the beginig of the corona crisis and further maintaining and stabilizing the company's business operations.

Table 3. Test Statistics Kruskal- Wallis H test

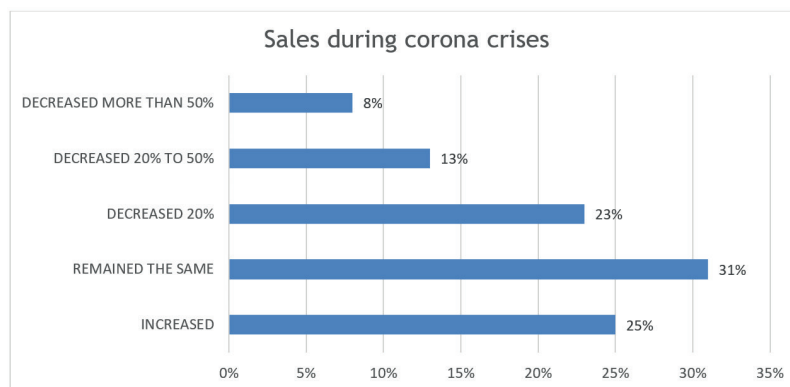
Test Statistics ^{a,b}		
	PREZ	STAB
Kruskal-Wallis H	56.996	66.260
Df	4	4
Asymp. Sig.	0.000	0.000
a. Kruskal Wallis Test		
b. Grouping Variable: PREUS		

Source: Author's work

According to the results of the analysis, hypothesis H2: "Controlling ensured company's survival, in crisis conditions, through business reorientation (introduction of online business, new distribution channels, etc.) during the first days of corona crisis and lockdown as well as maintaining and stabilizing company's business operations after easing lockdown restricitons« is accepted.

The results show that sales of goods and services increased in 25% of the surveyed companies, (Figure 3).

Figure 3. Sale of goods and services during corona crisis



Source: Author's work

The results of the Kruskal-Wallis H test (Table 4) show that the significance of the test is less than 0.01 for the variable PREZ (sig = 0.000) and STAB (sig = 0.000) which means that the null hypothesis is rejected and the alternative hypothesis is accepted. The data show that there is a statistically significant correlation between the role of controlling in business strategy adjustment in the first days of the corona crisis and further in mantaning and stabilizing business operations.

Table 4. Statistics Kruskal- Wallis H test

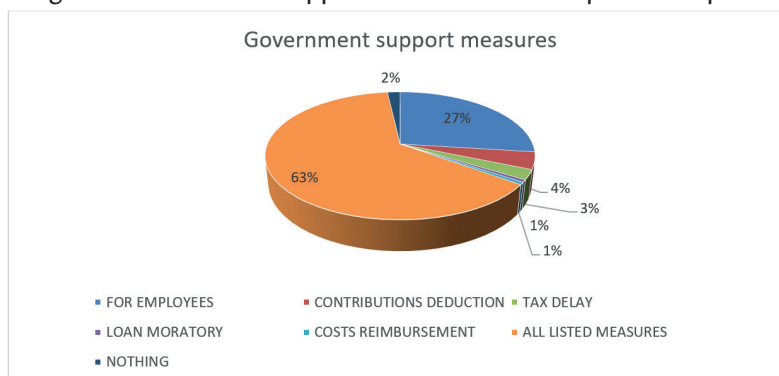
Test Statistics ^{a,b}		
	PREZ	STAB
Kruskal-Wallis H	68.423	64.315
Df	4	4
Asymp. Sig.	0.000	0.000
a. Kruskal Wallis Test		
b. Grouping Variable: PRLS		

Source: Author's work

Based on the data analysis, hypothesis H3: "Controlling ensured company's survival, in crisis conditions, through business strategy adjustment during the first days of corona crisis and lockdown, as well as maintained and stabilized company's business operations after easing lockdown restrictions" can be accepted.

During corona crisis, companies all over the world have received government support in form of certain economic, fiscal and monetary measures. In Croatia, most of the surveyed companies, 63.2%, stated that they used all available measures in accordance with the conditions they met (Figure 4). 27% percent have used or still use the employee support measure.

Figure 4. Government support measures for entrepreneurship



Source: Author's work

Controlling plays a significant role in aligning the business processes and strategies of companies in a corona crisis. Further we have analysed whether there are differences in the perception of employees' that work on different hierarchical levels in the company about understanding the role of controlling in a company which represents significant support to management in the corona crisis.

Table 5 represents descriptive statistics where the mean value is higher for variable PPROC representing the business processes efficiency, as well as for the variable PRLS representing the business strategy adjustment to new conditions caused by corona crisis.

Table 5. Descriptive Statistics

	N	Mean	Std. Deviation	Minimum	Maximum	Median
PPROC	140	3.4357	0.96119	1.00	5.00	3.00
PREZ	140	3.3000	1.02276	1.00	5.00	3.00
STAB	139	3.2662	0.99692	1.00	5.00	3.00
PREUS	140	3.0571	1.11091	1.00	5.00	3.00
PRLS	140	3.4357	0.97605	1.00	5.00	3.00
POZ	180	1.9667	0.81123	1.00	3.00	4.00

Source: Author's work

The results of the Kruskal-Wallis H test (Table 6) show that the significance of the test is greater than 0.01 for all examined variables, which means that we reject the null hypothesis. Therefore, there is no statistically significant differences in the perception of employees' from different hierarchical levels within the company in understanding the contribution of controlling as management support.

Based on the analysis, hypothesis H4: „There is a statistically significant difference in the perception about the effectiveness of controlling in the corona crisis, between employees' from different hierarchical levels” can not be accepted.

Tablica 6. Kruskal-Wallis Test

Test Statistics ^{a,b}					
	PPROC	PREZ	STAB	PREUS	PRLS
Chi-Square	2.754	4.918	2.875	4.379	5.049
df	2	2	2	2	2
Asymp. Sig.	0.252	0.086	0.238	0.112	0.080
a. Kruskal Wallis Test					
b. Grouping Variable: POZ					

Source: Author's work

5. DISCUSSION

The results of the research indicate that employees are aware of the significant role of controlling in increasing the process efficiency and creating new value along the business value chain. Also, process-oriented controlling allows company to redefine and align its business strategy to be agile and quick in dealing with internal and external disorders which arise almost on daily basis during corona crisis.

Further, the results indicate that controlling ensured company's survival, in crisis conditions, through business reorientation which considers introduction of online business or orientation on the new distribution channels, etc.

Interesting result that came from the research is that, that there are no differences in the perception about the role of controlling during corona crisis among employees' analysed from the aspect of different hierarchical levels. This indicates that employees from different hierarchical levels are aware of the heavy situation companies face and that joint cooperation between management and controlling on all organizational levels have to be significant and effective in order to increase companies' efficiency and respond to the difficult conditions they face.

Therefore, this paper confirms the notion that implemented controlling has ensured companies survival in the first days of corona crisis and maintained and stabilized company's business operations after easing the restrictions.

Since companies have never dealt with anything like corona crisis before, very challenging task for controllers stands in using the new metrics and perspectives about the environment analysis. Today, after 1,5 year of crisis duration, companies operate on a daily basis with the crisis, it seems that controlling will become an integral part of managing a company and every company that wants to stay competitive on the market should implement controlling as a mean of co-insurance against risk and wrong decisions.

6. CONCLUSIONS AND IMPLICATIONS

Management represents the first link in the organizational chain, which have a crucial role in resolving and managing crises in the company as well as nowadays in times of corona crisis. Controlling represents the bloodstream of a company, its current state of the art, as well as the hidden potential that has yet to be realized.

Earlier researches have shown that in Croatian companies prevails the use of operational controlling tools over strategic ones. This gap between operational and strategic controlling orientation and the new conditions emerged due corona crisis will redefine in the close future the relation between management and controlling where companies will have to work on developing strategic controlling.

The corona crises, has changed the way the risk is perceived and new conditions have drastically increased the use of ICT in business. With this fast demand for technology adaptation, organizations have many information's to handle in order to respond fast to external and internal demands. Strategic controlling can be a starting point of company's innovation since its role in a company lies on creating the future value of the company by assessing the markets, analyzing demand of all stakeholders, adopting new technologies and finding new ways of doing business in efficient and effective way.

One of the main limitations of this research is a limited number of respondents in this research. This research is the basis for further research the role of controlling in times of crises, not only in corona crises.

To be able to do that, process orientation is the key in integrating and managing business information's which is also proved by the research done because controlling had a significant role in increasing the efficiency of business processes in the surveyed companies. In such conditions companies have to have process-oriented controlling to be able to support main business processes which brings to the

transparency of data and leads to company's efficiency through coordination and integration. The role of controlling in the time of digitalization is becoming more and more pronounced and with this digitalization, the role of controlling will be in assuring good risk evaluation, forecasts, fore-sight scenarios and large data analysis so companies can build resilience and be agile to new crisis yet to come.

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ULOGA KONTROLINGA U VRIJEME KORONA KRIZE: PERCEPCIJA ZAPOSLENIH

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SAŽETAK

Kontroling predstavlja krvotok poduzeća i u vrijeme krize dolazi do izražaja, budući da menadžment teži kvalitetnim informacijama za donošenje ispravnih odluka u neizvjesnim uvjetima. Te kvalitetne odluke proizlaze iz zajedničke suradnje između dobro obrazovanih kontrolera koji mogu razviti prava rješenja i menadžera koji su usmjereni na ciljeve i kojima su ta rješenja potrebna odmah. Ta je potreba naglašenija u doba korona krize jer se ništa slično dosad nije dogodilo. Autori rada ispituju percepciju ispitanika o doprinosu kontrolinga u omogućavanju opstanka poduzeća u vrijeme korona krize povećanjem učinkovitosti poslovnih procesa, preusmjeravanjem poslovanja i prilagodbom strategije što je omogućilo održavanje i stabilizaciju poslovanja u prvim danima korona krize i tijekom djelomičnog zatvaranja u Hrvatskoj. Za testiranje postavljenih hipoteza korištena je deskriptivna statistika i Kruskal-Wallis H test na uzorku od 180 poduzeća u Hrvatskoj. Statistički značajna povezanost potvrđena je između uloge kontrolinga: i) u povećanju učinkovitosti poslovanja; ii) u preusmjeravanju poslovnih procesa; iii) u prilagodbi poslovne strategije. Svi zaposlenici s različitih hijerarhijskih razina svjesni su doprinosa i učinkovitosti kontrolinga u korona krizi. Ovo istraživanje temelj je za daljnja istraživanja uloge kontrolinga u vrijeme kriza.

Ključne riječi: korona kriza, učinkovitost poslovanja, kontroling, menadžment, prilagodba strategije