

# EOS JOURNAL

THE MAGAZINE FOR CLIENTS OF THE EOS GROUP – ISSUE 01.2016

## **GLOBALLY POSITIONED**

How a corporate head office adds value to the entire organisation

---

## **GLOBALLY INFORMED**

EOS now provides multinationals with the perfect debt collection solution

---

## **GLOBALLY COMPETENT**

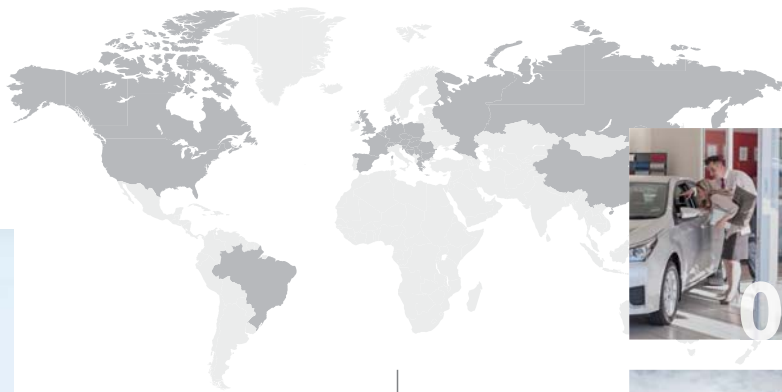
What's important when dealing with business partners and colleagues from other cultures

---

Focus

Think global,  
act local





**Hans-Werner Scherer**  
Chairman of the EOS Group's  
Board of Directors

Dear reader,

The motto 'think global, act local' originated in the world of climate protection. Businesspeople have long since adopted this credo for themselves. International companies, for example, have to adapt to the varying realities of local markets and issue visions that subsidiaries and branch offices around the world can understand and follow. In the cover story on page 10 you can read more about the role that corporate head offices play in orchestrating group strategy, and how this role is currently changing.

As a global corporation, EOS understands the needs of multinational companies very precisely in the area of receivables management. Multinationals tend to manage debt collection centrally on behalf of all their offices around the world. When searching for a service provider, these firms require local collection expertise at all their locations combined with global reporting facilities. EOS now meets these requirements optimally. Learn more about our new solution on page 13.

The world of work is becoming increasingly international, and not just in large corporations. Workers frequently encounter different cultures when dealing with colleagues and business associates – learn more about how they can best adapt to these changes on page 14.

I hope you find this edition of the EOS Journal an enjoyable read.

Yours sincerely,

Hans-Werner Scherer



# Inhalt

02	Editorial
02	Contents
02	Publication details
03	News
04	Credit specialists from the top flight Cetelem is Spain's number-two loan provider. The bank has improved its debt collection processes with EOS
07	Cross-border money Many companies see international receivables management as a challenge
08	The bridge builders Nothing happens in Macedonia without the support of the Stopanska Bank. EOS Matrix plays a key role in its stability
10	Gateways to the world How the role of parent companies within global corporations is changing
13	Local debt collection with a global overview EOS now provides the optimal solution for international corporations with central receivables management
14	Do you speak Global? Yes means yes. Or does it? Anyone who works in an international environment will encounter cultural differences
16	The Paris of the East Bucharest is overlooked by many city sightseers. High time to take a look at the insider's tip

## Publication details

**Publisher** EOS Holding GmbH; V.i.p.d.P.: Lara Flemming **Address** Steindamm 71, 20099 Hamburg; Tel.: +49 40 2850-1222; Fax: +49 40 2850-1551 **Production** JDB MEDIA GmbH; Tel.: +49 40 468832-27 **Editorial staff** K. Günther (resp.), M. Baack, U. Feldhusen, K. Hebler, A. Hessler, U. Maris, C. Reuscher **Graphics** I. Sellentin (AD), S. Georgi **Image editing** J. Poppe (head), U. Dinse **Printing** D+L Printpartner GmbH

**Photos:** Alamy/Mauritius Images (p. 16), AleksandarGeorgiev/iStock.com (p. 17), Andrei\_Badau/iStock.com (p. 18), Bastian/Caro Fotoagentur (p. 18), Bloomberg/Gettyimages (p. 09), C. Müller/plainpicture (Titel, p. 02, 11), Cecilia & Thierry Ruedin-Gonzalez (p. 03), Christian o. Bruch/laif (p. 12), Costin/iStock.com (p. 17), Daniel Mihaltescu/AFP/Getty Images (p. 19), ddp images (p. 19), dundanim/iStock.com (p. 17), EOS (p. 02), Gemma Ferrando/Westend61/Corbis (p. 04), Ivan Varyukhin/iStock.com (p. 02, 17), JONATHAN ALONSO DELGADO (p. 04), Monty Rakusen/Cultura/Corbis (p. 12), PR (p. 03, 04, 09, 11, 15, 16, 18), picture alliance/akg-images (p. 18), picture alliance/Anka Agency International/ERIC Nathan (p. 17), picture alliance/dpa/Robert Gheiment (p. 19), RossHelen/iStock.com (p. 02, 08), p. Raccanello/Bildagentur Huber (p. 19), Sebastian Volmert (p. 13), skynesher/iStock.com (p. 03), quavondo/iStock.com (p. 15), zerocreatives/Westend61/Corbis (p. 02, 05, 06)



# Averting bankruptcy

At the alpha.forum in Zurich, legal experts explained the latest trends in risk management.



**Expert in legal matters:**  
Professor of Law  
Rodrigo Rodriguez

The tenth alpha.forum in Zurich, Switzerland, in 2015 was devoted to the topic 'Excessive debt and abusive bankruptcies – how to prevent them?' Event organiser Alphapay, a Swiss subsidiary of the EOS Group, had invited Professor of Law Rodrigo Rodriguez from the Federal Office for Justice to act as speaker. He explained the major changes that are being planned via two legislative revisions in Switzerland. These deal with capital loss and excessive debt and seek to prevent the abuse of insolvency proceedings.

Another lecture was given by Daniel Bucklar, Head of the Legal Unit at Alphapay. He explained how insolvency proceedings unfold and, in particular, what debt collection companies and their clients should consider when insolvency proceedings are initiated against a debtor.

Following the two presentations, Michael Joho, Co-Managing Director of Alphapay and EOS Switzerland, held a panel discussion with the speakers. 'The alpha.forum was very popular. The 115 participants largely included partners and clients of EOS Switzerland and Alphapay,' he concludes. ■



**Managing risk together:** Analysts Emilio Salvador from Spain (left) and Vasil Vasilev from Bulgaria, in Hamburg

## The personal touch

International exchanges strengthen EOS expertise in risk management.

Expert exchanges enable EOS to combine local and global debt purchasing expertise in a more efficient way. In order to weigh the opportunities and risks of a debt purchase, the EOS subsidiary that is planning the purchase works closely with the Risk Management team at head office in Hamburg, Germany. First, analysts at the EOS subsidiary assess the value of the portfolio using their knowledge of the specifics of their home market, including debt collection and entitlement strategies. Then, the Risk Management team at EOS head office reviews the portfolio using its analytical expertise and, if appropriate, recommends the purchase. To obtain even more accurate results, some analysts work at the Hamburg head office for several months: 'Through personal conversation, we get an even better understanding of each other's approaches,' explains Claus Wieland, Head of Risk Management at EOS. 'This helps us to calculate realistic and fair prices – which also benefits the seller.' ■

## EOS sells Bürgel shares

In December 2015, the EOS Group sold its 49.9 per cent stake in the German credit agency, Bürgel. The co-owner, credit insurer Euler Hermes, also withdrew from the joint venture. Bürgel is therefore now wholly owned by the global credit agency group CRIF, based in Bologna, Italy. However, EOS will continue to build on Bürgel's expertise. 'We will keep on working with Bürgel in the future,' emphasised Klaus Engberding, Managing Director of EOS Group and responsible for Germany.



**Signed and sealed:** EOS has withdrawn from its involvement with the Bürgel credit agency

SPANISH FINANCING EXPERTS

# Credit specialists from the top flight

When Spaniards want to finance a big purchase, they often turn to Cetelem. The Iberian market's number two provider always processes loan applications in a particularly responsible manner. Its debt collection service provider, EOS Spain, conducts itself similarly.



It all began with a Renault 11. The car with the signature convex window in its hatchback was considered a desirable mid-range model for style-conscious motorists in the 1980s. In 1988, one such driver in Spain became the proud owner of this rather boxy sedan and went down in the annals of Cetelem España – his car loan was the first contract agreed by the newly founded credit specialists, then called Fimestic.

Although those beginnings may seem modest in the incipient consumer market, just four years after it was founded, it had reached its break-even point. In 2002, Fimestic changed its name to Cetelem and established itself as a big name in the Spanish consumption sector. Cetelem's profits rose to 248 million euros before tax in 2015. According to the National Association of Credit Institutes (ASNEF), Cetelem España is number two in the Iberian market with a share of 12.8 per cent. Car loans are still one of the bank's key areas. In 2015, the loans accounted for over 34 per cent of the volume of business.



**Pilar Bastante Pareja**

Head of Collection at Cetelem España, BNP Paribas group



Outsourcing part of our debt collection operations helps us to reduce costs.

In addition to cars, Spanish consumers often take out loans to finance home renovations and all manner of long-lasting consumer goods.

**Buying a Harley with Cetelem**

Consumer and credit card loans make up a very significant share of Cetelem's volume of business. In 2015, Spaniards had in their wallets more than one million Cetelem credit cards. In addition, the financial institution also grants revolving credits, both with and without a credit card. One of the key success factors for Cetelem is its co-operation with retail trade: 'We work with more than 10,000 points of sale, including the automotive industry – this helps consumers as they purchase using our financing products', explains Pilar Bastante, Head of Collection at Cetelem España. For example, anyone who applies for financing to buy a Harley Davidson or a Volvo through the manufacturer in Spain will obtain credit from Cetelem.

For the financing specialist, it is very important to always grant credit respon-





**Money for four-wheeled dreams:**  
Cetelem relies on retailers as financing partners



**Lofty ambitions:**  
Cetelem's headquarters in Madrid

**CETELEM SPAIN**

- In 1988, the credit specialist was founded under the name Fimestic.
- Since 2002, the bank has operated under the name Cetelem, a BNP Paribas brand.
- In 2015, Cetelem España granted credit totalling more than EUR 1.7 billion.
- Cetelem works in Spain with more than 7,000 points of sale and more than 3,000 car dealers.
- More than 1,200 employees assess some 2.5 million clients in Spain.

**01 Wedding celebrations:** Cetelem grants many loans for family festivities

**02 Expert team:** Specialists at Cetelem support clients who find themselves in financial difficulties

sibly. In pursuing this strategy, Cetelem has clearly managed to get through the financial crisis better than many of its competitors. 'Three things are essential for us: when completing a loan, we inform the client clearly and comprehensively about the details of their credit agreement. We adjust the loan offer to meet the client's actual needs. Finally, we support each client throughout the contract term – even in difficult times,' says Ms Bastante.

Cetelem's expert teams assess holders of credit in financial difficulties. 'We offer clients different solutions. For example, we

may reduce monthly instalments or postpone a partial payment to the final stage of the loan', clarifies the manager.

**Close ties to BNP Paribas**

If clients fall behind on their repayments, Cetelem responds quickly. 'We have outsourced some early phase debt collection management to four service providers', states Ms Bastante. Since 2011, one of these has been EOS Spain. 'Benchmarking between multiple collection specialists enables us to optimise our recovery rates,' she explains.

One reason why EOS was awarded the contract was the Group's previous successful work with Cetelem's parent company in other countries: 'The co-operation between the EOS Group and BNP Paribas positively influenced our decision', says the specialist in debt collection.

Over the years, both companies have expanded the partnership. In the beginning, EOS Spain dealt with approximately ten per cent of the total volume of early phase cases. 'The current portfolio ►



**Cetelem branches:**  
Comprehensive consulting for borrowers



**Green Man:** The mascot is Cetelem's trademark

## STRONG BRAND

Under the Cetelem brand name, BNP Paribas Personal Finance grants credit to 27 million clients in 28 countries.

that we give to EOS amounts to nearly 25 per cent of the total,' says Ms Bastante.

The results speak for themselves: 'In 2015, our success rate was 60 per cent', comments Víctor Artés de Arcos, Head of Sales at EOS Spain (see the interview on the right). Cetelem sees many benefits in co-operating with EOS: outsourcing saves on costs, as the company does not need to increase its personnel, and encourages the companies to compare notes on best practices. 'We do not need to invest large amounts in the latest technology, such as debt collection management software, either. We are also able to increase our competitiveness by focusing more on areas that are part of our core business,' explains Ms Bastante. She knows that Cetelem is in safe hands with EOS Spain: 'After five years of working together, we can only say positive things about the outstanding team at EOS.'



Info <http://es.eos-solutions.com/en>  
Learn more about EOS Spain



**Víctor Artés de Arcos:**  
Head of Sales  
EOS Spain



**Rafael Real:**  
Financial Account  
Manager  
EOS Spain

## INTERVIEW

# 'Complex alarm system'

Víctor Artés de Arcos and Rafael Real explain how EOS Spain consistently processes debt collection cases on time and in a way that brings the highest chance of success.

### What kind of work do you do for Cetelem?

**Víctor Artés de Arcos:** We handle around 3,500 cases per month for Cetelem. On average, a team of six serves this client at any given time. They have extensive knowledge about managing receivables from financial institutions. They also specialise in processing the type of particularly young receivables that we receive from Cetelem.

### How do you proceed with the management of these receivables?

**Rafael Real:** We receive cases between the sixth and the last day of the month. On the first day of the following month, we hand the entire portfolio back to Cetelem. We have a complex alarm system, which ensures that we always take care of new incoming cases in a timely manner. The system specifies which cases are to be processed and by when. For example, it indicates when a phone call to the debtor is due or in which cases we should send a text message. In addition, we can see how many debtors we have contacted, how many contacts are still pending, which payment agreements were reached and whether the debtors are adhering to them.

### How do you ensure that the good reputation of your clients is constantly maintained?

**Víctor Artés de Arcos:** With training courses and the quality assurance of EOS Spain, we make sure that our practices consistently meet the high demands of our clients. Cetelem checks our work weekly in this respect.

## EOS SPAIN

- Founded in 1996 under the name Acción de Cobro.
- In 2009, the EOS Group took over the debt collection specialists, which have operated under the name EOS Spain since 2011.
- A total of 175 employees work at the company's head office in A Coruña and its offices in Madrid and Barcelona.
- EOS Spain works on behalf of around 30 clients from the banking, financial services, automotive industries and utility companies.

**EOS SURVEY: INTERNATIONAL RECEIVABLES MANAGEMENT**

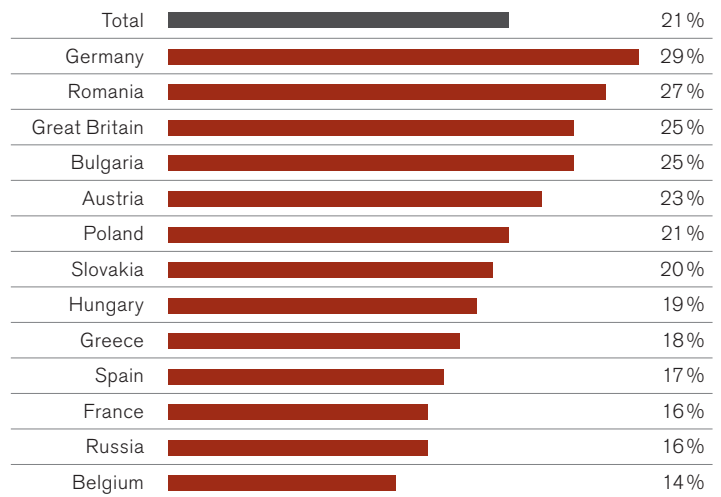
# Cross-border money

Around one-fifth of European companies expect to issue more foreign invoices in the future. However, many companies face difficulties in international debt collection.

On average, European businesses issue 13 per cent of their invoices abroad. 21 per cent of companies expect this proportion to increase by 2017 (see chart to the right). At the same time, they view cross-border transactions with scepticism. On average, 50 per cent of international companies restrict their payment terms for clients in other countries due to the fear of bad debts. This is shown by the special report on the subject of cross-border receivables in the representative EOS Survey 'European Payment Practices' 2015, for which the market research institute TNS Infratest surveyed 2,800 decision-makers from 13 countries. The respondents considered the biggest challenge in international receivables management to be the laws and legal systems of other countries. 41 per cent of companies regarded the collection of outstanding sums beyond their borders to be problematic without the assistance of external service providers (see chart below). 'In addition to different legal systems, international business is strongly influenced by cultural differences, language barriers and geographical distances,' says Hans-Werner Scherer, Chairman of the EOS Group's Board of Directors. 'Cooperation with specialist debt collection companies gives companies the necessary security to do business abroad successfully.'

## Foreign receivables are increasing

One-fifth of businesses in Europe (21 per cent) expects the proportion of foreign receivables to rise in the next two years. In Germany, this figure is 29 per cent – higher than in any other European country.



Underlying question: Please estimate the development of foreign receivables for your company over the next two years. Top 2 values on a scale from 1 ('will increase significantly') to 5 ('will decrease significantly'). Basis: All respondents (n = 2,800). Source: EOS Survey 'European Payment Practices' 2015

## This is how companies assess their cross-border receivables

European companies see uncertainties in international business – half of them restrict payment terms for foreign clients. Around four out of ten companies consider the settlement of foreign receivables to be difficult without external support.



\*Number applies only to companies with current foreign receivables. Underlying question: To what extent do you agree with the following statements? Top 2 values on a scale of 1 ('agree completely') to 5 ('disagree completely'). Basis: All respondents (n = 2,800). Source: EOS Survey 'European Payment Practices' 2015



## A BANK WITH HISTORY

# The bridge builders

Established in 1944, Stopanska Bank is the oldest financial institution in the Republic of Macedonia. For over twelve years the bank has cooperated with EOS Matrix in Macedonia. All these years the know-how of EOS has been a significant contributor to the implementation of the bank's debt collection strategies.

With its twelve mighty stone arches, the centuries-old stone bridge Kamen Most spans the Vardar river in Skopje. The emblem of the Macedonian capital connects the northern town with the modern centre on the south side.

And like this landmark, the Macedonian Stopanska Bank forms a bridge between tradition and modernity. 'Over the decades, Stopanska Bank has been a reliable and proud financial partner of the industrial and infrastructural development of the country. Since the year 2000, with the strategic support from the bank's dominant shareholder, the largest South-Eastern European Banking Group National Bank of Greece, we have become a modern bank that not only covers the banking services needs of the clients but at the same time generates new needs among them for further cooperation,' says Toni Stojanovski, Chief Risk Officer and Executive Board Member of Stopanska Bank.

## Social responsibility for the people

As Mr Stojanovski explains 'Stopanska's policy for continuous financial innovations made the bank a financial educator of citizens and corporations in using modern banking services and products.' With the largest branch and ATM network throughout the country, Stopanska Bank has become the bank of choice for each family in the country and for the majority of companies. The bank is very pleased that it has been part of the community it works with and in that sense, part of the excellent financial results achieved all these years. 'We are extremely proud that we continue building on the corporate social responsibility that has touched almost every aspect of daily life, and has been felt in almost every corner of the country. We help build, renovate and equip hospitals, medical teams, playgrounds, and sports clubs, both locally

## Solid foundation:

Stopanska Bank is a stable financial pillar that in the following decades will support the rapidly developing and growing homeland



and nationally, as well as cultural events with enormous heritage and value for the people, for the arts and artisans, modern technology and innovation, etc. The brand of Stopanska Bank, for every citizen, household and corporate entity in the country means good tradition, trust, reliability, corporate social responsibility and innovation,' says Mr Stojanovski.

## Reliable financial partner

The Republic of Macedonia, a small and open economy, could be easily affected by the shocks from economic crises in its region

## STOPANSKA BANK

- Macedonia's largest bank was founded in 1944 in Skopje.
- In 2000, the National Bank of Greece took over the leading Macedonian credit institution.
- Today, Stopanska Bank's clients include over one million private customers and more than 50 per cent of Macedonian companies.
- The bank has around 1,100 employees serving the needs of its customers in 65 branches throughout the country.





01



02



**Katerina Bosevska:**  
Managing Director of EOS Matrix in Macedonia



**Toni Stojanovski**  
Chief Risk Officer and Executive Board member of the Stopanska Bank



The cooperation with EOS Matrix has been established on the highest professional standards.

**01 An increasing mood for spending:** For all money matters, Macedonian families put their trust in the Stopanska Bank

**02 One of Stopanska Bank's branches:** The bank's motto is 'always on your side'

and the EU. However, the fundamentals of the economy and the overall banking system are very sound, absorbing the external shocks without losing the stability and the pace of economic growth. 'In that respect, Stopanska Bank was and will continue to be one of the most important contributors. Most importantly, in dealing with uncertainties and challenges in past years, Stopanska Bank has kept the image of a trustful and reliable financial partner to the overall community. Over the years the bank has succeeded in delivering the best historical results to its stakeholders,' continues Mr Stojanovski.

**Cooperation with EOS**

As the Executive Board Member of the Stopanska Bank says, for the past twelve years 'the cooperation with EOS Matrix has been established on the highest professional standards between two companies on the market, aiming to keep the credit portfolio quality as one of the main pillars of Stopanska Bank's success. Real partners share in the good times and the bad, with full understanding for the challenges and needs of the partner. We can say that is exactly the case in our cooperation with EOS Matrix.' ■



<http://mk.eos-solutions.com/en/>  
Information about EOS Matrix in Macedonia

**INTERVIEW**

Accompanying change

EOS Matrix in Macedonia is a longstanding partner of the Stopanska Bank. Managing Director Katerina Bosevska discusses this special working relationship.

**You've been working with Macedonia's largest bank for over twelve years. What are the main challenges?**

Working for the bank with the most customers in Macedonia requires us to react very flexibly to customer requests. For instance, the technical solutions used by the Stopanska Bank have changed over the years. We needed to adapt to these changes to ensure we could provide the best possible debt collection service.

**Can you give an example of such a technical adaptation?**

In late 2014, Stopanska Bank introduced QUALCO, a quality control system that ensures fast and secure data exchange with collection agencies and law firms. We then adjusted our systems and work processes to meet the requirements of QUALCO and also restructured our teams. This has enabled us to strengthen our cooperation.

**What goals have you set yourself for further cooperation?**

Our partnership will continue to improve and grow. We are planning to jointly implement new services, such as debt purchase, in the near future.

## THINK GLOBAL, ACT LOCAL

# Gateways to the world

How much control should group head office exert? How much freedom do local sites need? How can all sides work best together? A look at the latest trends in multinational companies.

Two-thirds of the earth is covered by water, and the remaining third by auditors from corporate head office.' Norman R. Augustine, former manager at the aerospace group Lockheed Martin, was forthright in expressing his opinion of emissaries from headquarters. Resentment among branch offices towards the parent site is a relatively common phenomenon. One often-heard allegation is that head office simply spends the money earned by the subsidiaries; it is also frequently accused of making decisions without any knowledge of local conditions in the international offices.

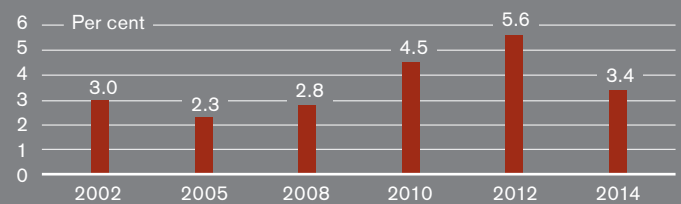
One current development in particular must have these critics rubbing their hands in delight: the tendency towards downsizing the head offices of international companies. This is the conclusion of a study for which the consulting firm Roland Berger surveyed more than 130 European multinationals. The latest edition of the survey, which has been carried out since 1999, reveals a clear change: 'For many years, we witnessed a strong tendency towards centralisation of capacities and roles in multinational companies. Lately, we have seen the opposite tendency – roles and responsibilities are being distributed more globally,' says Tim Zimmermann, Senior Partner at Roland Berger. Thus in 2014, the proportion of the total workforce based at head office was two per cent lower than in 2012 (see chart above).

## Decentralising for faster growth

This development within companies is closely linked to the global economy. 'During an economic downturn, companies are put under increased pressure. Many then seek to centralise their operations even

## GROUP HEAD OFFICE: LESS IS BECOMING MORE

On average, the relative number of staff members at head office is decreasing. The graph shows the ratio of staff members working at head office compared to the total workforce.



Source: Roland Berger, From Headquarters to Ahead-Quarters, 2014

further in order to reduce costs. However, in good times they tend to decentralise to be closer to their clients in the respective markets. This helps to generate growth,' explains Mr Zimmermann. Decision-makers or business units in situ are better able to acquire knowledge of regional markets. Take Adidas, for example. The German sporting goods manufacturer wants to expand its business in the US market by targeting its products more directly to US tastes. As a result, an American, Paul Gaudio, has led the company's global design team from Portland in the US since 2014, and Adidas is also working closely with a design studio in the hip New York borough of Brooklyn.

## How do head offices create added value?

Despite this, corporate headquarters still have their place and certain business areas should definitely remain based there. These include legal guardian functions such as



**Home base:** Head offices organise global cooperation within the group



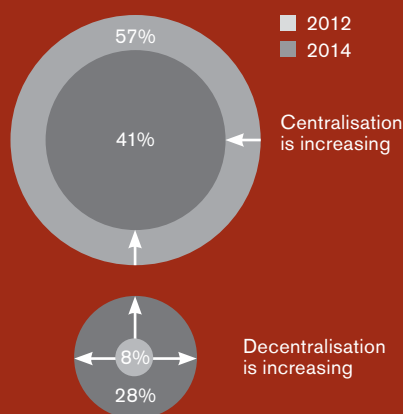
**Tim Zimmermann**  
Senior Partner at  
Roland Berger



During growth phases, a focus on clients and local circumstances is very important. For this reason, companies are currently decentralising rapidly.

### TREND: BE ON SITE

41 per cent of companies expect increasing centralisation. From 2012 to 2014, the proportion of companies experiencing a trend towards decentralisation increased by 20 percentage points to 28 per cent.



Source: Roland Berger, From Headquarters to Ahead-Quarters, 2014

compliance, internal audits, group reporting, taxation and global cash management.

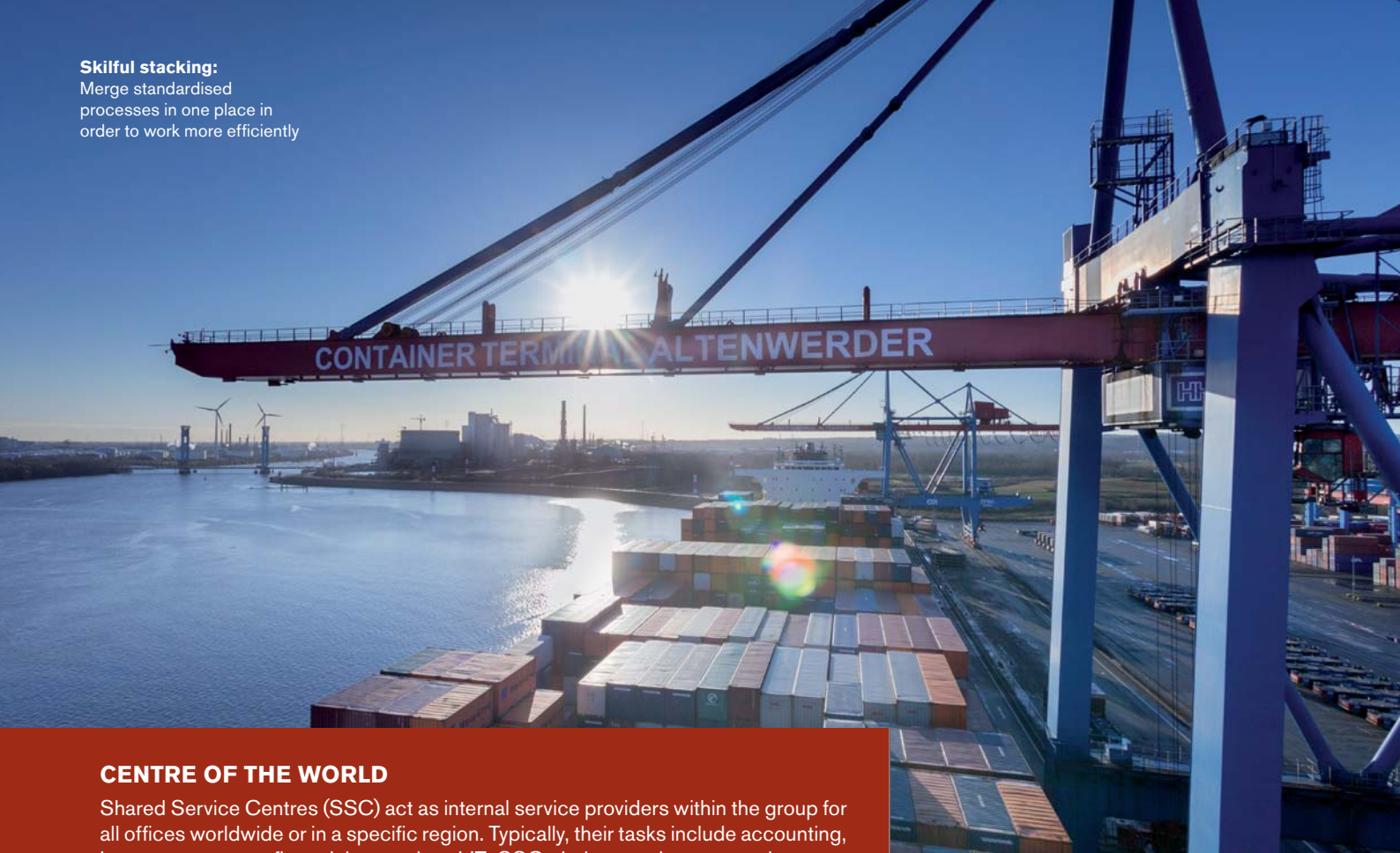
In general, the number of requirements being placed on companies' headquarters is increasing. 'The head office should create added value for the entire company,' says Zimmermann. The experts at Roland Berger have identified six competencies that can help group headquarters to add value to the company as a whole:

- Define the group's strategic orientation
- Enable global collaboration
- Provide the necessary implementation expertise
- Drive innovation
- Develop the skills of employees and managers
- Master complexity

Head office should also decide how specific corporate areas could be ►

### Skilful stacking:

Merge standardised processes in one place in order to work more efficiently



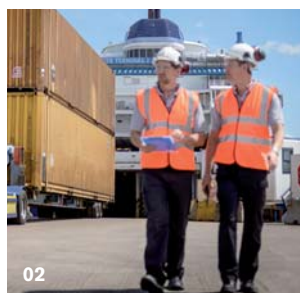
## CENTRE OF THE WORLD

Shared Service Centres (SSC) act as internal service providers within the group for all offices worldwide or in a specific region. Typically, their tasks include accounting, human resources, financial control and IT. SSCs help to reduce costs, increase transparency and improve process quality.

managed more efficiently. Often-used solutions include so-called Shared Service Centres (SSC), which manage highly standardised processes as an internal service provider (see box above). 'Shared Service Centres have the advantage that, by combining processes, a significantly higher volume can usually be processed with fewer resources than with many individual, decentralised units,' says Michael Wolff, Professor of Management and Controlling at the University of Göttingen, Germany.

### A trend towards group-wide debt collection

For example, SSCs often take over receivables management for all subsidiaries worldwide. These central units may then look for an outsourcing partner. 'We are witnessing a trend towards outsourcing, in which multinational companies are seeking to hand over their receivables management operations for all their locations worldwide to a single service provider', says Hans-Werner Scherer, Chairman of the EOS Group's Board of Directors. 'The challenge is not just to ensure that receivables management is of the same high quality in all countries: clients also expect a global reporting facility. In order to meet these re-



#### 01 Outsourcing:

Centralised units are seeking outsourcing partners

**02 Side by side:** Shared Service Centres can act as internal service providers for all locations

quirements, EOS now offers a completely new solution,' says Mr Scherer. Stefan Cohrs, Head of the Cross-border Center at EOS, helped to develop this solution: 'It's generating great interest among many companies' (see interview on page 13).

Head offices increasingly act as interfaces, explains Mr Zimmermann: 'They create the frameworks, set the goals, define the tasks to be outsourced, and orchestrate all of this in line with an overarching strategy. In particular, head office decides where the resources are allocated.' If the division of responsibilities between headquarters and the locations worldwide is working properly, all sides will benefit. ■

## MORE INFORMATION

■ Study by the consultancy firm Roland Berger on the significance of corporate head offices:

<http://bit.ly/11Y0Bfg>

■ An investigation by Deloitte into concepts and trends relating to shared services organisations:

<http://bit.ly/1Rk5NNf>



## INTERVIEW

# ‘Local debt collection, global overview’

When multinational corporations outsource their receivables management, they require both local debt collection and central reporting. Stefan Cohrs, Head of the Cross-border Center at EOS, discusses a new solution that offers both.

**Mr Cohrs, with its new product for Shared Service Centres, EOS is responding to the needs of global corporations in receivables management. What is unique about the EOS solution?**

We developed this solution for international corporations that manage or control their global receivables management via a central unit. This could be either a Shared Service Centre or a corporate head office. These units manage the debt collection cases for all branches. If these companies want to outsource parts of their receivables management, they need a service provider who can manage debt collection locally in all countries in which the client is present. The challenge for the service provider lies primarily in providing the client with a global reporting solution, because its head office needs an overview of the current progress of receivables management for all regions. Our new product for Shared Service Centres enables us to comply with all of these requirements. We can work on cases in all countries in which the client is based and provide its head office with a global reporting facility.

**How does the solution for Shared Service Centres work in concrete terms?**

Suppose that the client's head office or Shared Service Centre is located in Germany, and all outstanding receivables for its subsidiaries worldwide are managed from there. If the client commissions us to carry out debt collection, all relevant case data are transferred to the EOS subsidiary in Germany, which will then upload the data to our EOS Global Collection platform. We originally created the platform for international debt collection. In cross-border cases, it forwards the relevant data from the creditor's country to the EOS company or partner company in the debtor's country; the EOS network then recovers the debt from there. We have further developed the



**Stefan Cohrs:** The Director of the EOS Group's Cross-border Center and his team have developed a new solution for Shared Service Centres

platform for Shared Service Centres. For these, it distributes the data to the countries in which it needs to be processed. For example, the EOS Global Collection platform forwards the debt collection cases from the client's French subsidiary to EOS Credirec in France, while cases belonging to the client's Austrian branch are sent to EOS ÖID in Austria, and so on. The cases are processed by the EOS network's experts in all participating countries. It is local debt collection in many different countries that is managed centrally.

**How is reporting handled?**

In two ways. Firstly, the local EOS companies are in direct contact with the client's office in their country. In Austria, for ex-

ample, EOS ÖID can communicate with the client's Austrian company and provide it with reports. At the same time, each company reports their current status back to the EOS Global Collection platform – for example, when they sent a letter, made a phone call or received a payment. The platform collects all the information and makes it available to the client's head office. Thus, the client's offices in each country and the central unit responsible for receivables management are always kept up to date.

**How do clients transmit the data?**

Various options are available, including sending Microsoft Excel files. Clients who use SAP can also use this for the Shared Service Centre product. They will then be able to view the respective statuses via SAP.

**In how many countries does EOS offer the Shared Service Centre solution?**

We cover 180 countries. Just as for cross-border debt collection, we work together with carefully selected partners who manage recoveries in countries where no EOS company exists.

**What are the benefits of the new product for clients?**

The Shared Service Centre solution increases transparency. As an example, companies can see the number of outstanding claims for each country. In addition, they are always aware of the current status of receivables management cases – at all locations and for the entire group. This is very important for an assessment of the financial situation and for consolidated financial statements. Furthermore, the solution improves the overall workflow – local experts employ proven debt collection strategies, which means that the clients get their money faster and can therefore concentrate on their core business. ■

**INTER-CULTURAL EXPERTISE**

# Do you speak Global?

Our working environment is becoming increasingly multinational. It is therefore all the more important to be familiar with country-specific customs – this is the only way to prevent embarrassing faux pas.

**Y**es means yes. Or does it? Actually, it depends. In Japan, China and South Korea, the friendly reply ‘Yes, we’ll give it a try’ is clearly understood as a flat-out rejection. If there is a word for ‘No’ in the respective languages, it is almost never heard. The prevailing opinion is that this would be an affront to one’s opposite number – an absolute no-no in Asian cultures, which place enormous value on understanding and harmony.

For multinational companies, intercultural teams, clients and business partners around the globe, working life is increasingly characterised by internationality. It is not only the top managers who work abroad; many employees in middle and lower management levels work with colleagues from other countries. In order to cooperate successfully, it is advisable to adapt to foreign cultures and understand their backgrounds and characteristics. Intercultural competence, i.e. the ability to interact with people from other cultures appropriately, is becoming more and more important.

In a study by the market research institute IW Consult, 80 per cent of respondents rated intercultural skills as an important or very important factor behind the success of international activities. They also considered knowledge of the respective country’s business culture, everyday life and communication practices to be indispensable.

**Looking inwards**

Intercultural skills can be learned. The first step is to reflect on one’s own cultural background, because the thought patterns and values with which we grow up influence our actions. What is particularly important to

**INTERNATIONAL TEAMS: FIVE TIPS FOR A SUCCESSFUL PARTNERSHIP**

- Build understanding of different views concerning time-perception and authority.
- Set down common principles and rules for the entire group of companies.
- Encourage all participants to ask questions and share knowledge, regardless of their position.
- At the end of each meeting, repeat what was said and summarise the results.
- In order to prevent dominance by native speakers, provide language training for those without a sufficient command of the working language.

working people? What should the relationship between managers and employees be like? What do I expect from a perfect partnership? Only those who are aware of their own characteristics can recognise those of their counterparts. The consequences of this understanding? People are able to assess the behaviour and working practices of their foreign counterparts from their own perspective and in relation to the respective cultural backgrounds.

Country-specific differences are numerous. For a general overview, however, they can be divided into three categories:

**1. Direct versus indirect communication.**

Cultures differ in terms of their conversational habits. These differences most clearly come to light when overcoming difficulties or expressing criticism. For example, while northern Europeans tend to talk about problems directly, Asians never express themselves concretely for fear of jeopardising the relationship between the parties. It is thus important to find a common denominator, be a good listener and pay attention to the nuances.

**2. Individualistic versus collectivistic cultures.**

In North America and Western Europe, individual freedom and self-determination are seen as valuable assets. Employees are traditionally trusted with a high level of responsibility and hierarchies are less rigid. By contrast, in collectivist cultures, such as Asian, Arab or Eastern European countries, group interests tend to be given highest priority. Employees usually expect a more authoritarian style of leadership and hands-on control from the boss.



**Making progress:**  
Cultural understanding  
is needed



**Andreas Bittner:**  
Expert in intercultural  
skills

**3. Monochrome versus synchronous time perception.** Depending on the country, the clocks tick differently. Northern Europeans usually do their jobs in a monochrome manner, i.e. sequentially. Deadlines are viewed as binding and are generally adhered to. In Southern Europe, Latin America and Arab regions, people have a more relaxed relationship with time. Often, several projects are carried out in parallel and face-to-face meetings are more important than rigid adherence to deadlines. 'So if a foreign business partner is running late, you should not judge this right away. Instead, take time to consider how to deal with this more calmly in the future,' explains Andreas Bittner, an expert in intercultural communication (see interview). After all, healthy and respectful professional relationships are the nuts and bolts of business success.



<http://entm.ag/1OWXD4>  
Tips for intercultural communication

## INTERVIEW

# Show a real interest

Andreas Bittner, Co-Managing Director of the IFIM Institute for Intercultural Management, explains what is important when dealing with foreign colleagues and business partners.

### **What are the typical challenges when dealing with colleagues and business partners from other cultures?**

There is no general answer to this question – in Japan, the pitfalls are different to those in France. However, as an example, Northern Europeans often struggle when dealing with cultures with steeper hierarchies. Their highly matter-of-fact communication style is often not well received, as it is seen as a lack of interest in the other party.

### **How can we learn intercultural skills?**

Training methods should not only impart knowledge of abstract concepts and

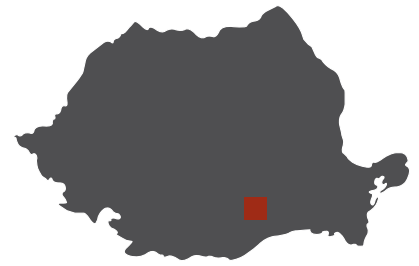
procedures in the foreign culture, but also show you how to successfully negotiate these factors. Ultimately, emotional barriers often need to be broken down. For example, an employee who considers small talk to be a waste of time will never master this art.

### **What makes it easier to work with foreign colleagues?**

It is important to constantly remind oneself of the following principle: behaviour that might at first seem implausible based on one's own work experience is usually based on sound reasoning in the other culture. ■

**BUCHAREST**

# The Paris of the East



So far, the EU's sixth largest city has been largely ignored by the major tourist guides. The reason for this cannot be its lack of beauty – Bucharest is young, vibrant and rich in culture.

Anyone who assumes he has visited all of Europe's top cities may well be mistaken. There is one worthwhile destination that rarely makes it into the traveller's itinerary. Bucharest, the secret jewel among European capitals, offers striking architecture, a cosy old town with many restaurants and bars, as well as art, music and a young cultural scene. Of course, it also has a long and rich history, dating back to its first mention in documents from 1459. According to legend, the place was named for its founder, the shepherd Bucur, whose name means 'you are happy'. The town quickly became established as an important commercial centre, and the 'Leipziger Quar-



ter' around Strada Lipscani in the old town, today a popular shopping street, harks back to that time. The cityscape abounds with traces of the country's convoluted history – from occupation by the Ottomans, Austrians and Russians to the communist era under dictator Nicolae Ceauşescu, which plunged the country into extreme poverty.

**Arches and boulevards**

'One of the special attractions of Bucharest is the architecture,' says Georg Kovacs, Managing Director of EOS KSI Romania. Swedish by birth, he has been living in the city for twelve years. 'Many contrasting styles



**Parcul Herăstrău:**  
Georg Kovacs particularly enjoys relaxing here

**BUCHAREST'S GREEN OASIS**

Built around the lake of the same name, the 1.1-square-kilometre Parcul Herăstrău has been luring Bucharest citizens and visitors to the north of the city since 1936. With a summer theatre, play areas and restaurants, the park offers plenty of entertainment – but also quiet corners for relaxation.



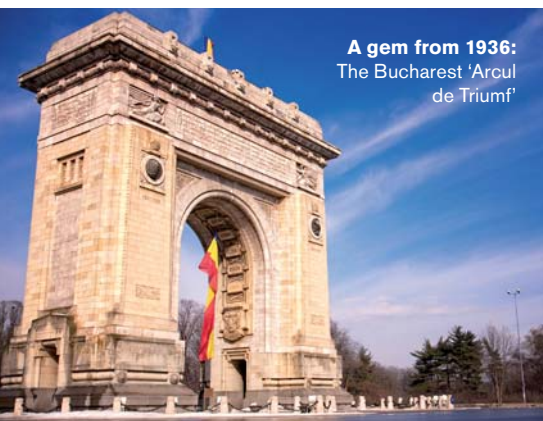
**Georg Kovacs**  
Managing Director of EOS KSI Romania

In 2002, Georg Kovacs founded KSI Kasolvenzia Romania in Bucharest. The EOS Group took over the company in 2005. Since 2004, Mr Kovacs has managed the debt collection specialists together with Adrian Boghiu. Today, the company employs around 700 people at thirteen locations.

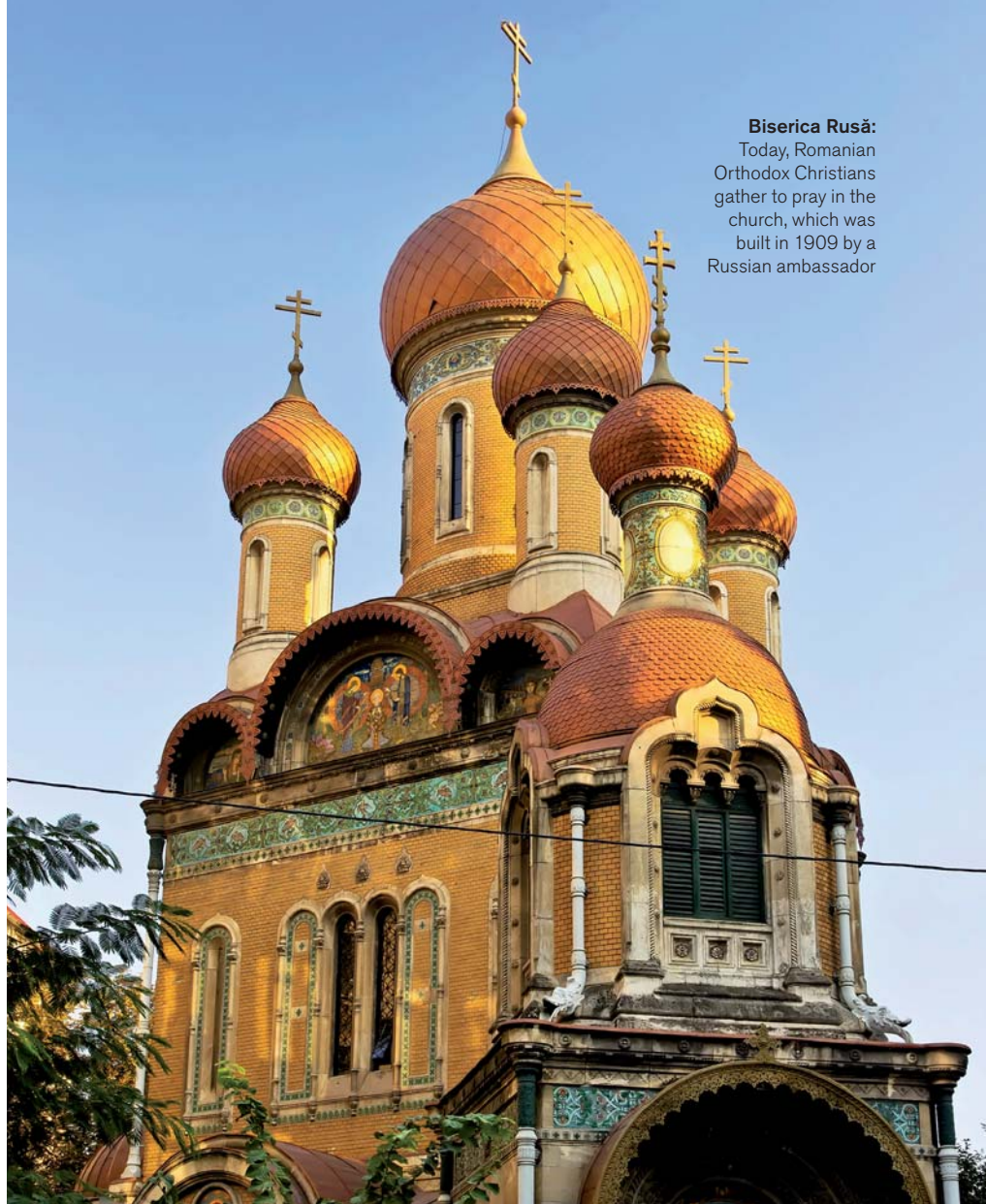




**Memorialul Renasterii:**  
The 'Monument of Rebirth' commemorates the victims of the 1989 revolution



**A gem from 1936:**  
The Bucharest 'Arcul de Triumf'



**Biserica Rusă:**  
Today, Romanian Orthodox Christians gather to pray in the church, which was built in 1909 by a Russian ambassador

meet here. Modern structures made of steel and concrete share the skyline with historic buildings from the 18th and 19th centuries in the old town. Right in the middle is Bucharest's 'Arc de Triomphe', from which all the major boulevards lead outwards in a star shape, and to which the city owes its nickname, 'Little Paris' (or 'Micul Paris' in Romanian).

At first glance, the comparison with the French capital does not appear obvious. However, like Paris, Bucharest's old town is criss-crossed by kilometre-long boulevards containing elaborate fountains. The Boulevard Unirii is around 60 metres longer than its Parisian role model, the Champs Elysées.

#### Record-breaking palace

One of the most impressive structures is certainly the Palace of the Parliament. Built in the 'gingerbread style' by Ceauşescu – or rather by his 700 architects and

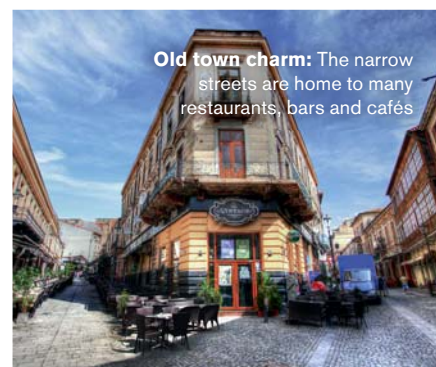
20,000 workers – the seat of government claims the world record as the largest civil administration building. More than 7,000 rooms, four restaurants, three libraries and a large ballroom are contained within a total area of 365,000 square metres. Those interested can visit the building via daily guided tours.

The city's aristocratic pomp is largely provided by the Royal Castle Palatul Regal. The seat of the royal rulers until the abolition of the monarchy in 1947, today it is home to the National Art Museum. Besides Romanian paintings, the museum contains works by Italian, Dutch, Spanish and Russian artists, as well as Late Byzantine icons and sculptures of modernity. Overall, Bucharest is home to more than 40 museums, 19 theatres, an opera and an operetta house – culture lovers are spoiled for choice.

Those who are more interested in daily life in the city, shopping, eating well ▶



**Monumental:** The Palace of the Parliament, built in the 1980s by dictator Ceauşescu



**Old town charm:** The narrow streets are home to many restaurants, bars and cafés



**Rich in tradition:**  
Artistically decorated  
ceramic tableware is  
a popular souvenir



**01 Hanul lui Manuc:**  
Traditional dishes in the  
caravanserai

**02 Award-winning  
luxury:** The Epoque Hotel  
in the city centre

**03 Generous expanses:**  
Boulevards create  
cosmopolitan atmosphere

**04 Transport:** The first  
horse trams paved the way  
for today's modern  
transport system

and going out, are in good hands in the old town and the Lipschani Quarter. 'There are cosy cafés and restaurants, clubs and pubs with live music – this is the best place to enjoy the city's nightlife,' says Mr Kovacs. The fact that this nightlife is so vibrant is also due to the many young people who live in Bucharest – with 16 public and twelve private universities in addition to numerous academies, the city is the academic centre of Romania. Furthermore, the city of 2.2 million inhabitants is relatively wealthy compared to the rest of the country.

#### Lake with silhouette

For those seeking a little respite from the culture and nightlife, Bucharest also offers a number of urban parks. The oldest is the 17-hectare 'Gradina Cişmigiu' dating from the 18th century. Three lakes, a rose garden and a French garden all give the park a unique charm. The largest green space, the 'Parcul Herăstrău', is located in the north of the city – this is Mr Kovacs' favourite. The EOS Managing Director likes to regroup there after hectic working days, enjoying the view across the large lake to the city skyline beyond. ■



**Information**  
[www.tourism-bucharest.com](http://www.tourism-bucharest.com)

## ON THE MOVE: GOOD TO KNOW

### FOOD AND DRINK

Romanian dishes are heartily rural and influenced by Balkan, Austrian, German and Hungarian cuisine. Meals are often followed by the national drink, *Țuică*, a twice-distilled plum brandy. Traditional Romanian food in a historic setting can be found in the medieval Hanul lui Manuc ([www.hanulluimanuc.ro](http://www.hanulluimanuc.ro)), the city's oldest surviving former caravanserai. It also provides hotel rooms.

### MONEY MATTERS

The national currency of Romania is leu (notes) and bani (coins). Tipping (ten per cent) is common in hotels, restaurants and taxis.

### ACCOMMODATION

From luxury hotels to backpacker hostels, Bucharest offers a wide variety of accommodation. Luxurious rooms are available in the historically inspired Hotel Epoque ([www.hotelepoque.ro](http://www.hotelepoque.ro), double rooms from EUR 110), while the clean, modern design of the Hotel Christina will also appeal ([www.hotelchristina.ro](http://www.hotelchristina.ro), double rooms from EUR 60). The Umbrella Hostel offers convenience and style ([www.umbrellahostel.com](http://www.umbrellahostel.com), double rooms from around EUR 18).

### SHOPPING

Visit the Piața Unirii and the Strada Lipschani to discover true shopping pleasure. The boulevards and alleys offer typical Romanian wares such as ceramics, linen and woodcarvings, as well as modern boutiques and shops.

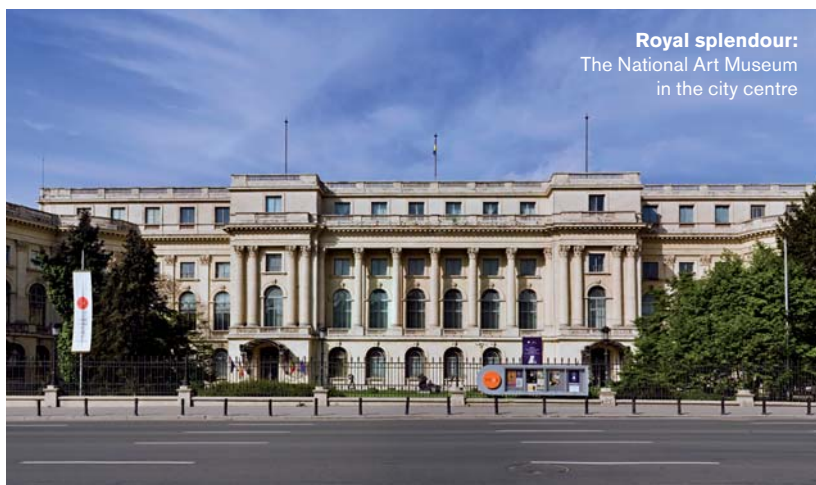
### GETTING AROUND

The public transport system is very well developed. The subway network covers the whole city, and trams and buses provide easy and convenient access to all major destinations. Further information, including special tickets for tourists, is available from: [www.ratb.ro](http://www.ratb.ro)

# BUCHAREST FOR EXPLORERS



## HOTSPOTS



**Royal splendour:**  
The National Art Museum  
in the city centre

### NATIONAL ART MUSEUM IN THE PALATUL REGAL

The Bucharest Royal Palace, home of the National Art Museum, is of dual historical significance. The last Romanian king, Michail I, lived there until 1947, and in December 1989, dictator Ceaușescu flew from the building's roof in a helicopter as he fled from his furious people. Today, the museum's 70,000 exhibits attract art fans from all over the world. [www.mnar.arts.ro](http://www.mnar.arts.ro)



### ATHENAEUM

Home of the State Philharmonic Orchestra. Even the building itself is fascinating – a fresco inside shows historical highlights dating back to Roman times.

[www.fge.org.ro](http://www.fge.org.ro)



### MODERN ART

Every two years since 2005, the Romanian capital transforms itself into a centre for contemporary art. The Bucharest Biennial showcases both renowned and (as yet) unknown artists.

[www.bucharestbiennale.org](http://www.bucharestbiennale.org)



### VILLAGE LIFE

Historic houses, churches and mills from all over Romania have been recreated to provide an insight into Romanian rural life at the 'Dimitrie Gusti National Village Museum'.

[www.muzeul-satului.ro](http://www.muzeul-satului.ro)



### NATURE IN FOCUS

Founded in 1834, the Grigore Antipa Museum of Natural History contains more than two million exhibits, including one of the largest butterfly collections in the world. Set aside plenty of time if you want to see everything!

[www.antipa.ro](http://www.antipa.ro)

### OPERA AND BALLET AT THE HIGHEST LEVEL

Founded in 1919, the National Opera of Bucharest has been providing top-class opera and ballet ever since, with a total repertoire of more than 150 productions. [www.operanb.ro](http://www.operanb.ro)

### BEER AND MORE

The Caru' cu Bere is an institution. Translated, the name means 'Beer Coach', which frankly says it all. The pub has been serving top quality beers and delicious food since 1879.

[www.carucubere.ro](http://www.carucubere.ro)

### STROLLING AND SHOPPING

Every Sunday morning, the banks of the Dambovită river transform into the city's most unique shopping mile. Besides bric-a-brac, knick-knacks and antiques, flea market fans may also find one or two very special treasures at the 'Tâlcioac'.

### BUCHAREST FASHION

Designer Carmen Secareanu is a well-known name on Romania's fashion scene. Her designs, which are partially made of ecological materials, are available to buy in the city centre.

[www.carmensecareanu.com](http://www.carmensecareanu.com)

### ART SCENE CAFÉ

'The Institute' offers much more than just a café – it is also a meeting point for members of Bucharest's culture and art scene. In addition to the café, there are varying exhibitions and a library, as well as concerts and readings. 104-106 Știrbei Vodă St.

[www.institute.ro](http://www.institute.ro)

### INSIDER TIPS

Anyone interested in discovering the new Bucharest beyond the tourist attractions will find plenty in this guide: [www.likealocalguide.com/bucharest](http://www.likealocalguide.com/bucharest)



Is success  
a question of  
cash flow?

Or a question  
of ideas?



**A successful company needs both:** a cool head for calculating and a passion for the matter at hand. This belief is reflected in our guiding principle: 'EOS. With head and heart in finance'. This principle flows through to our work for your company. Our services minimise your level of payment default risk, improving your cash flow. This means that you benefit from increased security, have more resources for new ideas and remain successful in the long term. You can find out more about our services at [www.eos-solutions.com](http://www.eos-solutions.com)