The Modern Accounting **Playbook**

The Leading Solution for an Efficient & Controlled Close

Every organization needs to be able to close the books accurately and on time, but the ERP systems used to run and automate the operational side of the business fall short when it comes to account reconciliation.

SMBs with ambitions to scale and grow need to be able to shake off the cumbersome manual burden of the month-end close.

The Whole Story About ERPs

While Enterprise Resource Planning (ERP) systems used to only be available to the largest of enterprise organizations, that's no longer the case. Today, the benefits of ERPs are both affordable and accessible to Small and Midsized Businesses (SMB) as well.

This has been enabled largely by the rise of SMB-focused cloud-based providers such as NetSuite, which have brought the functionality of enterprise systems to the mid-market with added flexibility and ease of use.

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Deploying ERPs in the cloud takes away the lengthy implementation times and high operational and maintenance costs of the earlier generations of enterprise ERP rollouts. With no hardware costs, a subscription payment model rather than an inflexible up-front license fee, and the ability to scale up or down in terms of the number of users, Cloud ERP applications have become a powerful tool for SMBs.

But this is not the whole story. Although offerings such as NetSuite can track all the transactions that are necessary to operate an SMB—sales, accounts receivable, accounts payable, etc.—there is still a need for manual intervention when it comes to one task: closing the books.

This is a universal requirement regardless of the size of your organization, the sector in which you operate, or the reporting period you operate against. It's a process that needs to be completed typically at month end, then on a larger scale at quarter end, with the biggest challenge coming at year end.

Crucially, while cloud ERP vendors talk about their end-to-end capabilities, this isn't something that their offerings are able to handle. Organizations are usually dealing with a mostly manual set of tasks involving Excel, emails, Dropbox, and a lot of time from the accounting team.

In a typical SMB, in order to reconcile what the bank says you have to hand and what the accounts say, there's a need to export data into one or more spreadsheets outside of the ERP system and for the accounts team to go through everything to check for discrepancies. At the end of what can be a lengthy process, there will be a record of the differences, which is then posted as a journal entry.

To complicate matters further, if there are multiple people from the accounts team working on this, there's little or no visibility across what each member is doing at any one time. This also creates a reliance on communication between them, usually by email.

Additionally, the end result of all this has to be signed

off by management, but that approver is working in the dark during the reconciliation process with no knowledge of how far along it is and whether things are being handled correctly.

All of this is necessary, but essentially not value-added activity for the finance team who could be engaged in more useful strategic work. The goal of having one person delivering a journal entry, someone else reviewing it, and a third person signing off remains elusive. What's needed is an automated financial close.

Complementing Your ERP with Purpose-Built Technology

BlackLine provides the missing element that cloud ERP offerings cannot deliver, complementing ERPs like NetSuite with purpose-built accounting technology that:

- Manages the flow of financial data between systems
- Reconciles balances from multiple sub-systems
- Meets regulatory and compliance requirements
- Enables accurate and complete closings

We work with over 3,000 companies and have a proven track record supporting accounting and finance professionals in enterprises around the world.

Examples of BlackLine in practice include:

A global oil and gas company that became a BlackLine customer in 2009 with account reconciliations and task management. This organization needed to integrate all its global entities to process transactions, validate them, clear out open items, send invoices to customers, and finally, get paid. Since BlackLine began working with the firm, it has added more and more account reconciliations users.

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A Fortune 200 household products manufacturer first became a customer in 2006, with account reconciliations and task management. In 2018, the accounting leadership team was tasked with drastically reducing annual FTE time by 150,000 hours. To achieve this transformation, the firm added automation around journal entries, high-volume reconciliations, variance analysis, and controls and compliance to deliver the necessary enhanced visibility and automation.

A large agricultural company moving its financial applications to the cloud as part of their wider digital transformation journey began working with BlackLine with a small number of account reconciliations users. Since then, user growth has ramped up more than 20 times over the past nine months. Benefits delivered to date include centralization of data, greater visibility and transparency, and overall improvements in their reconciliation process. This company believes that BlackLine will be able to reduce their manual workload by as much as 60%.

All these end users had invested in their ERP to track operational transactions. But for account reconciliations, their finance teams now don't go into those systems at all, instead tapping into BlackLine which delivers the one source of truth for all close processes.

Beginning Your Modern Accounting Journey with BlackLine MAP

Just as ERPs have expanded from the enterprise to the SMB, BlackLine is able to bring the benefits of the automated close enjoyed by larger organizations to the mid-market in the shape of the Modern Accounting Playbook (MAP). Building on the experiences of thousands of customers, MAP delivers an expertly-curated playbook for your organization's finance transformation journey, supporting both existing financial requirements and future growth as the business scales.

The foundation of MAP is Core, or the essentials for a streamlined and automated close. Core delivers visibility into close tasks, best practice templates for account reconciliations, and pre-set rules for bank transaction matching.

The full Core offering includes:

- Standardized reconciliations and rules-based automation for simplified and accelerated reconciliations
- Pre-set close tasks and alerts, role-based workflows, and dynamic dashboards to keep up with day-to-day demands and future expectations
- Automated GL and bank data extracts, and pre-set matching rules to reconcile transactions automatically and save time
- Embedded controls and automatically documented audit trail for less time-consuming audits
- Custom training paths and resources to ensure teams ramp up quickly and effectively

There are clear benefits for F&A
professionals at every level.

Preparers
gain a complete pre-close certification checklist and workflow, as manual inputs are reduced and replaced by automation to enable timely financial results.

Approvers
are able to access packaged close activities from a centralized system that locks down controls and ensures segregation of duties.

Accounting Managers & Controllers
can tap into dashboards and reports that provide transparency and visibility into financial operations, both current and future.

CFOs & Finance Directors
are able to mitigate risk and manage business complexity while gaining efficiency and generating cost savings.

For more information, visit **blackline.com/modern-accounting-playbook** and get in touch with us today.

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