

# Thriving in the Age of Change

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## CPE Credit

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# Moderator



**Steve Shannon**

**Director**

**Partnership Marketing, Business Development**

**IMA**

# Featured Presenter



**Michael Shultz**

**Director**

**Strategic Accounting & Solutions Marketing**

**BlackLine**

# Michael Shultz's Biography

- Michael is an accounting leader. As BlackLine's Director of Strategic Accounting and Solutions Marketing, he combines nearly 20 years of accounting experience in auditing (Big 4), consulting, and financial reporting management to guide companies on their path to modern finance.
- Michael earned his Bachelor's degree in Accounting with a Finance Minor from the Krannert School of Management at Purdue University in 1997. Today, when not writing bios in third person, Michael travels the world sharing his experience and presenting innovative approaches to increase productivity and optimize the close.

# Learning Objectives

*Upon completing this webinar, you will be able to:*

1. Employ best practices, resulting in a better utilized, more efficient organization that focuses on risk management, compliance, and data analytics.
2. Describe how to transform the way accounting departments work by reducing less-rewarding tasks, resulting in better attraction and engagement of top talent.
3. Recognize the power of automation and how it strengthens accounting organizations.

# CHANGE IS HAPPENING ALL AROUND US.

And it did not just start in March 2020

# Polling Question 1

Were you experiencing or going through any transformation efforts at your company prior to the Covid-19 pandemic?

- a) Yes
- b) No
- c) Not sure



# Polling Question 1 Results (Placeholder)

# Shift to Business Partnering

2019 FSN Survey of Finance Executives



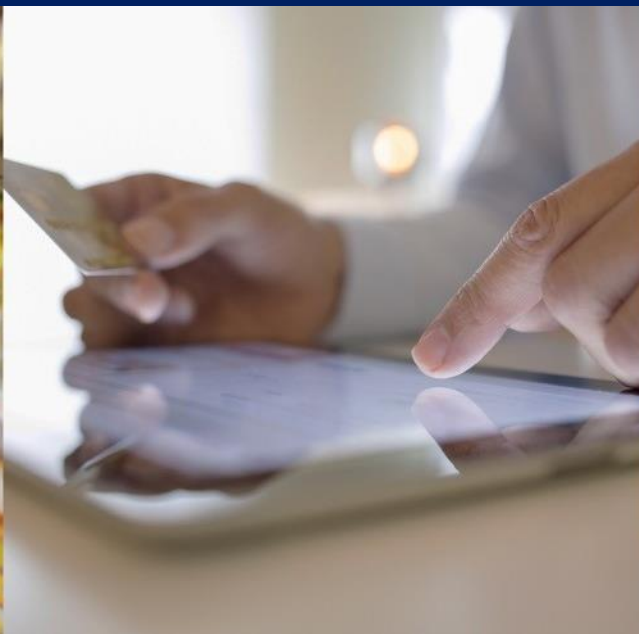
**78%** Are overwhelmed by too much poorly managed data

**35%** Are barely involved in commercial decision making

**71%** Agree lack of automation hinders business partnering

**81%** Are looking to future technology to assist

The way we shop



The way we relax

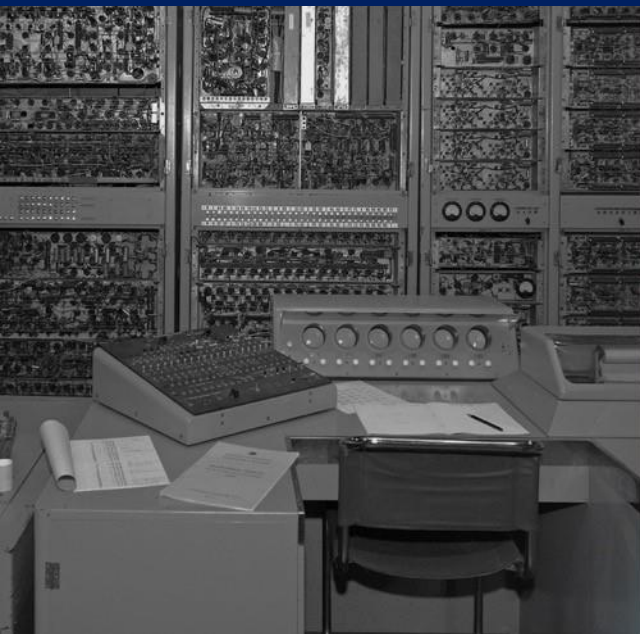
The way we learn

The way we celebrate

The way we look out for one another



The way we work





# Structural change to the way we work

**46%**

disrupted by manual tasks that could no longer be carried out in the office

**41%**

disrupted due to difficulty sharing paper documents

**36%**

disrupted by limited access to on-prem solutions while working from home

# Layer in a pandemic... if you were not prepared



"It's been a pretty hard five months. It's a complex, hard job that is now requiring more effort."

Bill Eisig, Assurance Managing Partner  
BDO USA



"A firestorm erupted, and a dark cloud descended over us..."

...everyone in Finance executed their daily tasks, closed the books, and filed the financial statements on an entirely remote and virtual basis, something they had not done previously. It was a surprise to me just how well we performed."

Scott Settersen, CFO  
Ulta Beauty



"For me, it was an eye-opener. It gave me the opportunity to reacquaint myself with the finance team and spend more time dedicated to the business and to them. I love being a 'virtual CFO.'"

Mark Partin, CFO  
BlackLine

# Accounting Staff Pains

Many  
Systems



Limited  
Visibility

Inconsistent  
Process



Lack of Ownership  
and Control

Detailed  
Spreadsheets



Risk of  
Inaccuracy

Manual  
Effort



Poor  
Allocation of  
Time

Disengaged  
Work

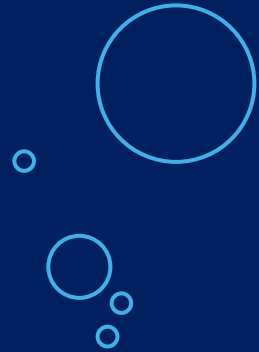


Talent  
Retention

# Management Pains



The rising tide  
of intelligence is  
changing the nature  
of the work we do.







How will the roll of accountant  
**transform** in the coming years?



# What is transformation?

What is transformation?

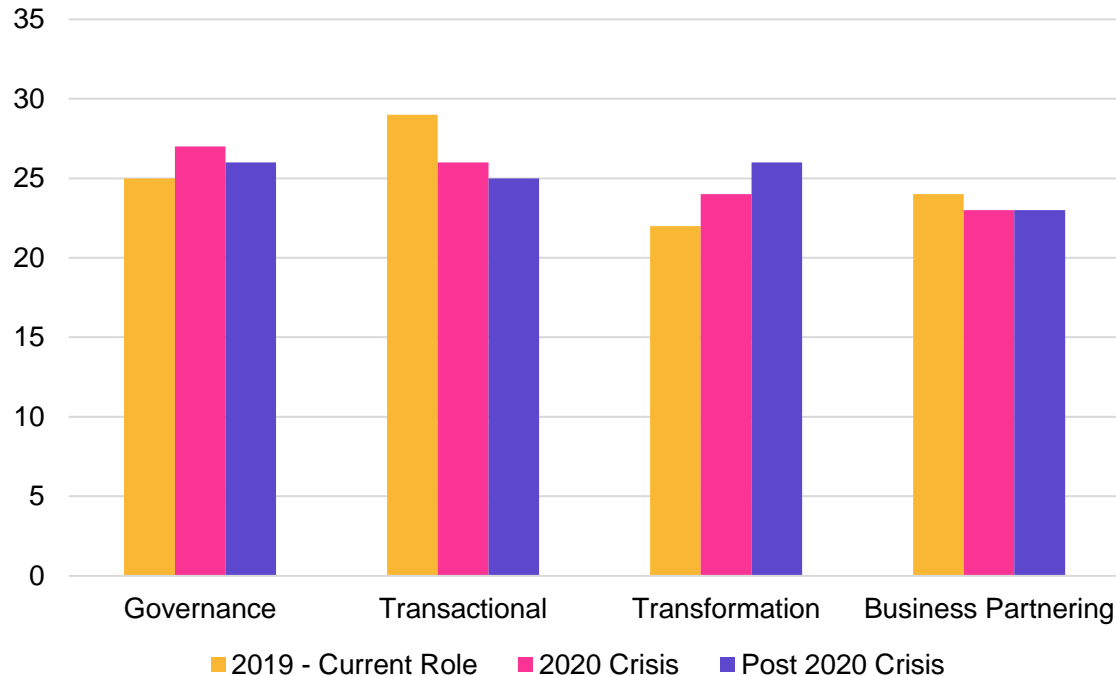
TECHNOLOGY + PRODUCTIVITY + INNOVATION =  
**TRANSFORMATION**

# We must Thrive with the opportunity to shift.



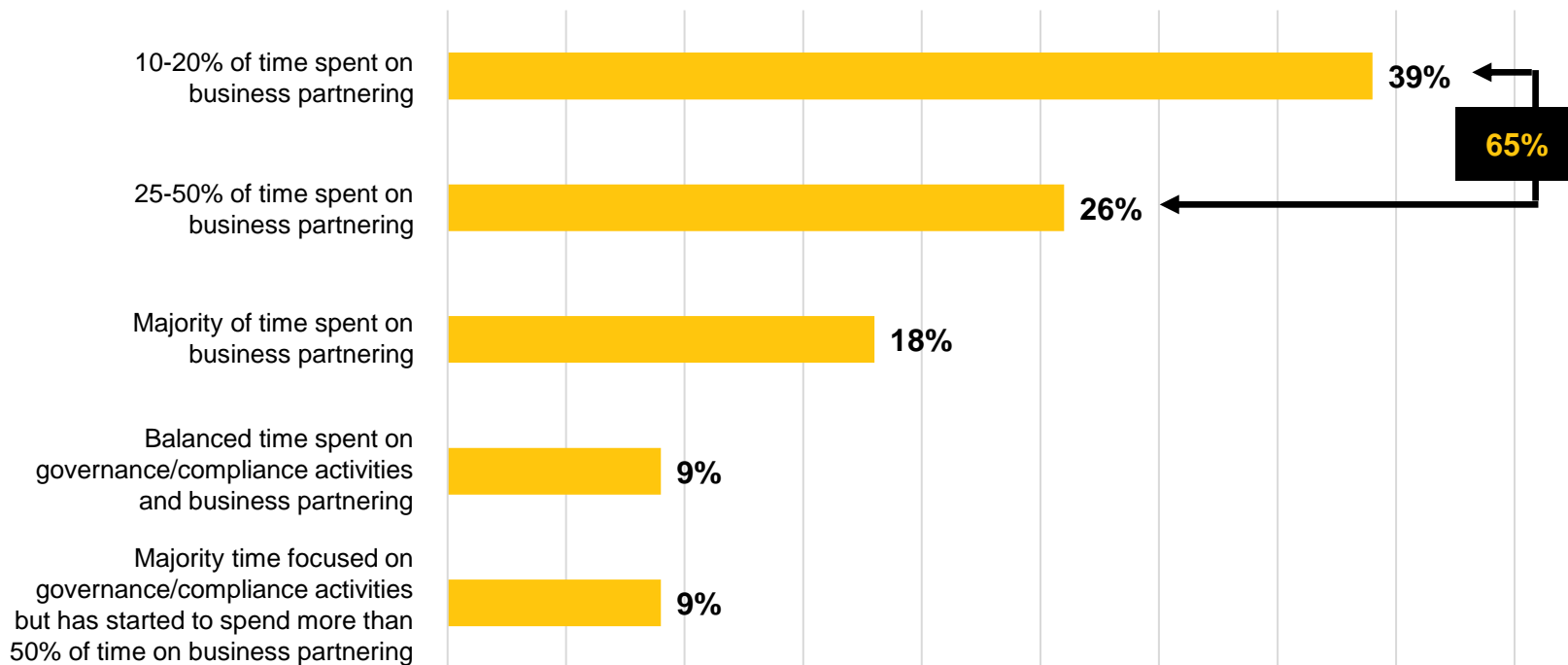
Repetitive tasks	→	Optimizing process
Building reports	→	Analyzing results
Hunting for data	→	Handling exceptions
Facing inward	→	Advising outward
Accounting risk	→	Business risk

# Where are CAOs spending their time?



Source: KPMG – CAO journey: 2020 was a bump in the road

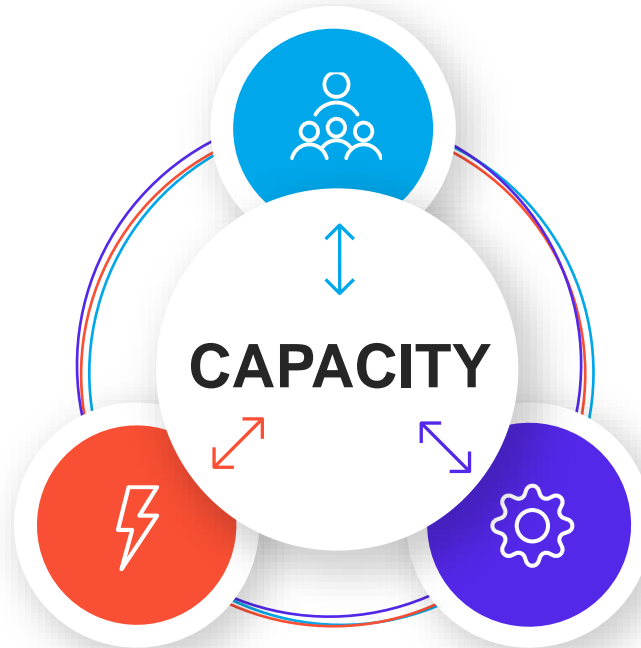
# Leadership's view of the CAO's time spent on business partnering?



Source: KPMG – CAO journey: 2020 was a bump in the road

## Align to the CEO

You cannot align as well to the CEO if you spend all your time mitigating risk, and/or, if your processes are heavily reliant on manual work.



### Manage Risk

If you are too reliant on manual or disconnected work, you will require an enormous amount of effort to mitigate risk. This takes away from doing the work that aligns best to the CEO.



### Optimize Business Processes

If your processes are not optimized, you cannot execute effectively, or efficiently. This makes it impossible to align to the CEO and mitigate risk.



# Polling Question 2

Are you being asked to do more, or do you have competing priorities?

- a) Yes, it has been a challenge
- b) Yes, but I have been dealing with it
- c) No, do not see this as an issue
- d) Not sure

# Polling Question 2 Results (Placeholder)

How do you  
close the gap?



# 69%

**of CAOs say transformational work is necessary, because ongoing business change requires active accounting input.**

Source: CAO Rising, KPMG

How can we Thrive?

Modern Accounting is:

**Unified.**

**Automated.**

**Continuous.**

Modern Accounting is:

Unified.

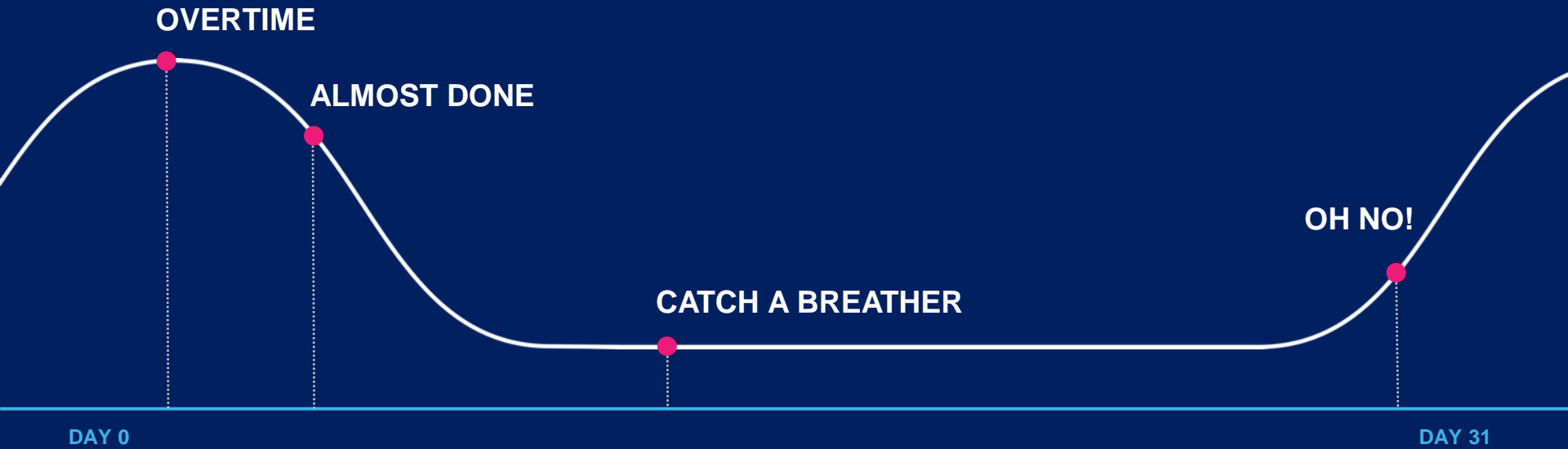
Automated.

Continuous.

## **Modern Accounting is Continuous Accounting.**

By embedding automation, control, and period-end tasks within day-to-day activities, **you** can change the rigid accounting calendar to more closely mirror the broader business.







☁ The BlackLine Accounting Cloud  
enables financial close collaboration from anywhere.

## Record

Primary ERP  
Other ERPs  
Sub Ledgers  
Credit Card Data  
Point of Sale Data  
Open Items  
Bank Data



- Manage financial close tasks
- Ensure balance sheet integrity
- Drive accountability through visibility
- Record journal entries
- Reconcile transactions
- Perform and certify key controls
- Support audits and reviews



## Report

Financial Consolidation  
External / SEC  
Reporting  
Planning and Analysis  
Management Reporting

# Debt Example

Issue 10-year note

**Legacy Close after debt recorded:**

120+ JE's & 120+ Recons  
Done day 2 – SALY

**Digital Financial Close:**

Details entered at issuance  
Tool completes the rest

# Prepaid Exp Example

\$1.2M to IT vendor – 12 months

## Legacy Close:

12 JE's & 12 Recons

## Digital Financial Close:

Details entered 1x on template

Tool completes the rest

# Polling Question 3

Do you think moving away from the rigid close calendar and adopting continuous accounting would be beneficial to your workload?

- a) Yes, this would be amazing
- b) Yes, but not sure how to manage the change
- c) No, but I will keep this in mind
- d) No, we do something similar now
- e) Not sure

# Polling Question 3 Results (Placeholder)

# Rebalancing the Equation

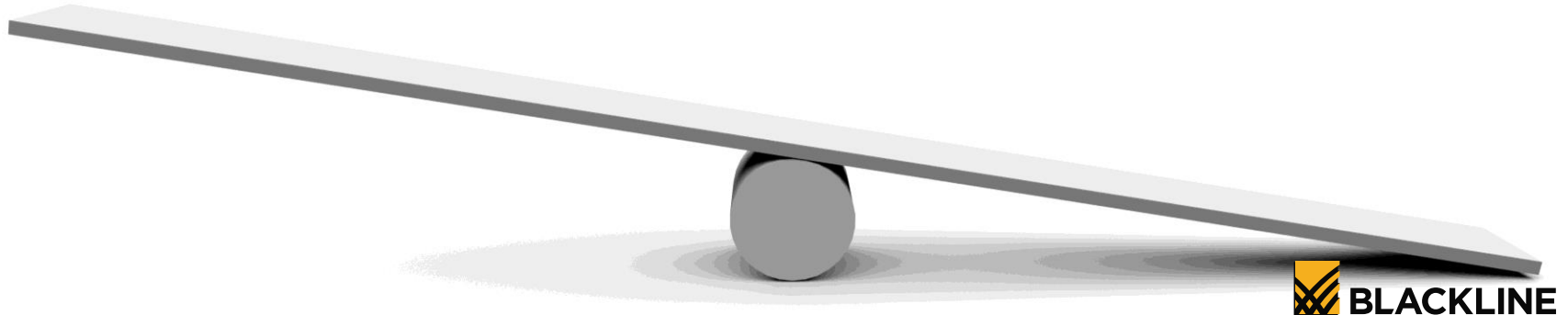


## Manual Accounting

- Reconciliations
- Journal entries
- Data extracts
- Transaction matching
- Hunting the details

## Modern Accounting

- Data analysis
- Business partnering
- Investigating variances
- Reducing risk
- Digital transformation



# 1

**Document all close activities in the cloud**



Document and centralize all close tasks, and streamline meeting- and email-heavy processes

# 2

**Collaborate virtually**



Assign ownership and timelines of key tasks online, and manage audit PBCs for collaboration

# 3

**Drive accountability through visibility**



Use reports to track status of work by owner and due date, proactively identify bottlenecks

# 4

**Ensure continuity and control**



Incorporate policies and procedures, workflow, and segregation of duties to embed resiliency

# 5

**Centralize supporting details**



Add supporting documentation and comments to tasks and reconciliations for a single source of truth

# 6

**Reduce time waiting  
on close tasks**



Automatically send and track approvals based on thresholds, exceptions, or any other dependency

# 7

**Shift to auditor  
self-service**



Enable auditors to login and access reconciliations, tasks, and supporting detail from anywhere

# 8

**Monitor results  
regularly**



Review dashboards and KPIs routinely to identify trends, resolve issues, and keep focus on priorities

# 9

**Execute accounting  
continuously**



Rethink your close calendar to avoid likely delays by closing select accounts prior to period-end

# 10

**Automate for  
efficiency**



Save time by using rules to automatically certify more than half of your accounts every month

# The Real World

**Modern Accounting:**  
Focus on exceptions  
and analysis,  
not routine tasks.



*Coca-Cola*

**55% cut in  
manual  
processes,  
saving \$600K**

**Modern Accounting:**  
Embrace digital  
transformation to drive  
business value.



**Automatically  
reconciles  
40 million  
transactions  
every month.**



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TECHNOLOGY



INDUSTRIAL AND ENERGY



HEALTHCARE



SERVICES



FINANCIAL SERVICES



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**3,400+**

Customers  
in 130+ countries

**\$BL**

**Built for  
Sustainability**

Listed on NASDAQ  
October 28, 2016



**Gartner Leader**  
4 Years Running  
**Deloitte's Fast 500™**  
10 Years running  
**2.67x Average ROI**  
Nucleus Research



**75+**

Strategic  
Partners



**290,000+**

Users

**FORTUNE 500**

**37%**

Fortune 500

**FORTUNE 50**

**56%**

Fortune 50



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Tokyo

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Pleasanton



# Polling Question 4

Are you looking forward to going back to the office?

- a) Yes, it will be nice to get out of the house
- b) Yes, but not sure when this will happen
- c) No, it has been nice to have the flexibility
- d) No, I'm not sure I am ready for that just yet

# Polling Question 4 Results (Placeholder)

HOW WILL YOU

# THRIVE?



# Questions & Answers

*Use the Q & A Panel to send your questions to our panelists.*



**Steve Shannon**  
**Director of Partnership Marketing,**  
**Business Development**  
**IMA**



**Michael Shultz**  
**Director**  
**Strategic Accounting & Solutions Marketing**  
**BlackLine**

# Thank You to Our Featured Presenter!



**Michael Shultz**

**Director**

**Strategic Accounting & Solutions Marketing**

**BlackLine**

# Final Reminders

- ▶ **Complete the Evaluation survey**– 2 options
  - On your screen
  - Evaluation Survey icon at the bottom of your console
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