
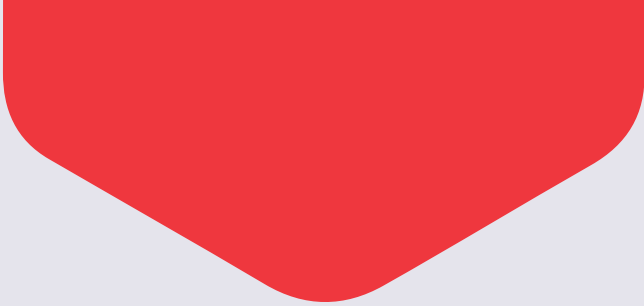




# The Next-Gen Finance Team's Guide to a Faster, Smarter Close







## **Financial close is tough. But it's a recurring, repeatable process. And every finance team has the same goal: to close faster, smarter, and more accurately. So, why be bogged down with slow, manual processes every month?**

A quick, streamlined financial close gives you the insights you need to work—and react—in real time. Rather than being stuck in the past, reconciling transactions and matching credit and debit statements, you can focus on value-add tasks that will impact tomorrow's decisions.

To succeed, next-gen finance teams dealing with complex company structures, evolving financial regulations, and multiple systems of record need to follow a blueprint for a more effective and efficient financial close.

That's what you'll find in this guide—**our 3-step blueprint for a faster, smarter close**, including the processes, best practices, and technology you need to change the way you close your books, and go beyond the status quo to deliver more value.






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# **Why financial close continues to be a challenge for the Office of the CFO**



There's a clear performance gap between companies who can close in **less than 6 days**, and those who take an average of 12 days ([AICO](#)). And when it comes to quarterly or annual close, next-gen finance teams spend between nine and sixteen days less than the average ([AICO](#)).

This is because many companies are still stuck trying to close the previous month when the next close cycle rolls around. It's no surprise then that 92% of finance leaders in America and Europe said that they were not satisfied with the quality of their month-end close ([Trintech](#)).

When your close is continuously challenging, it's an indication that you can structure it differently for better efficiency. These tasks must be done every month but moving ahead with clunky processes and broken formulas in spreadsheets is taking time away from value-add work.

This desire for a faster, smarter close is further complicated by the fact that finance teams must now go beyond traditional close management activities to close the books on data related to lease accounting (IFRS 16/ASC 842), ESG, insurance contracts (IFRS 17/ASC 944), and tax provisions ([Wolters Kluwer](#)).

**“Driven by increasingly complex company structures, evolving financial regulations, and multiple systems of record as well as the rise in remote working, organizations now need more efficient, compliant, and collaborative management of their financial close and consolidation processes.”**

– 2023 Gartner Magic Quadrant for Financial Consolidation & Close

As finance teams grapple with their expanding responsibilities, the divide between those who can close quickly, and those who struggle with a prolonged close, becomes more apparent.

No matter how long your close takes, **our 3-step blueprint for a faster, smarter close** will show you how you can deliver more value in your role as a finance leader by automating manual processes.

Let's dive into our **3-step blueprint for a faster, smarter close!**

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**See how ServiceMaster shortened their close from 3 days to half a day with Prophix One.**

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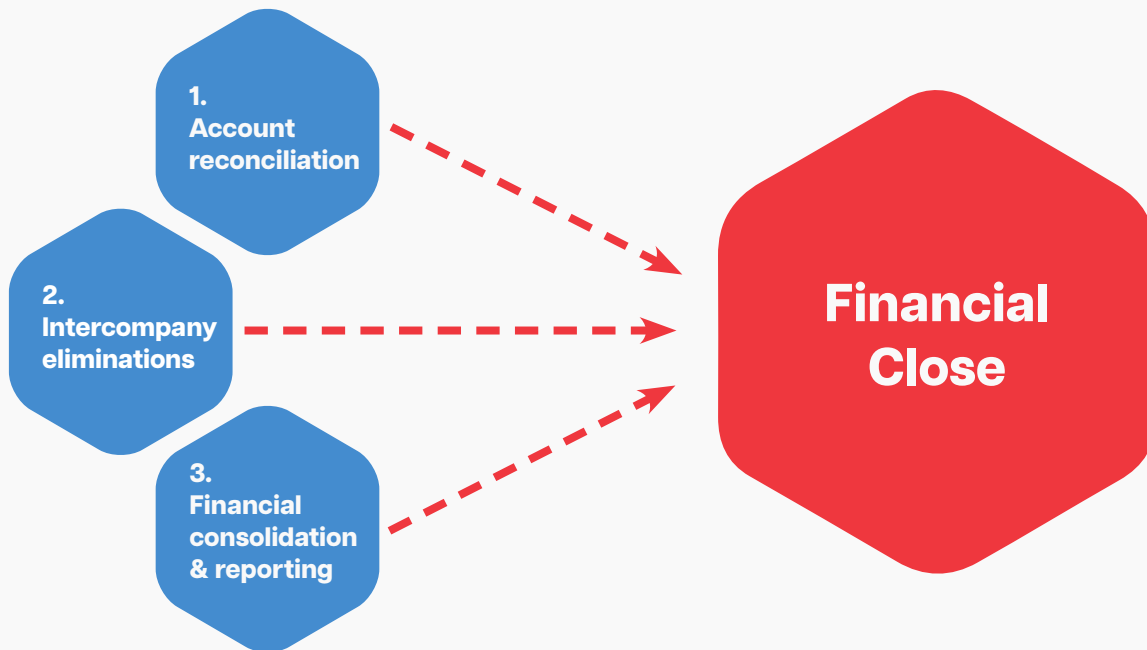




# **3-step blueprint for a faster, smarter close**

## Close is predictable—so why make it harder?

Just as a skyscraper relies on a solid foundation, your financial close relies on one too. Account reconciliation, intercompany eliminations, and financial consolidation and reporting are the foundational elements of this process.




When these processes are functioning optimally, they serve as the framework for your month- and year-end close, ensuring:

- 🔴 **A faster financial close:** Streamlining processes from the outset reduces barriers, saving time and accelerating the close cycle.
- 🔴 **Smarter operations:** By incorporating data-driven insights and automated processes, you can enhance decision-making and minimize errors.
- 🔴 **More accurate outcomes:** Addressing potential pitfalls early ensures accuracy in your financial reporting and operations.



**“Before Prophix One, we had a really tough reconciliation process on a specific account that used to take my team hours at the end of the month. That account is now balanced by the minute whenever the process is run.”**

- Andy Pereira, Director of Finance, ServiceMaster



Our **3-step blueprint for a faster, smarter close** is your roadmap to navigating your financial close with precision. It will transform your close process from a headache to something you look forward to completing every month.

Here's how each step of our **blueprint for a faster, smarter close** paves the way for greater accuracy and efficiency:

**1** **Identify bottlenecked processes.** Pinpoint the bottlenecks within your account reconciliation, intercompany eliminations, and financial consolidation and reporting processes. In this step, focus on spotting dependencies, error-prone processes, and areas where time and efficiency are lost, laying the groundwork for improvements in the next step.

**2** **Optimize for efficiency.** Transform deficiencies into opportunities by automating predictable and repetitive processes. This is also the perfect stage to evaluate or even upgrade your finance technology to better integrate account reconciliation, intercompany eliminations, and financial consolidation and reporting, for enhanced visibility and collaboration.

**3** **Focus on growth.** Shift your attention to growth by embracing your role as a finance leader. Use insights from your financial close to uncover new opportunities and drive financial performance. In this step, empower your team to develop their skillsets and pave the way for ongoing improvements.

The goal of our **3-step blueprint to a faster, smarter close** is to simplify and streamline your entire close process—from reconciliation to reporting—in one place.

Now, let's turn our attention to the first step of our close blueprint—identifying bottlenecks within your processes. This will not only help you solve your challenges, but it will be what sets you apart from the competition.





### 3-STEP BLUEPRINT FOR A FASTER, SMARTER CLOSE

# Step 1: Identify bottlenecked processes

Step 1 of our **3-step blueprint for a faster, smarter close** is identifying where your bottlenecks are, and what is likely to introduce errors into your process.

And the most effective way to do this is to evaluate each of the foundational close processes: account reconciliation, intercompany eliminations, and financial consolidation and reporting—for any dependencies or rework that are causing you to lose time and efficiency.



**“**We close our books in four days each month, [but it] has taken about 10 years to get to that state. Prior to that, it was anywhere up to two weeks. When we implemented Profix One, [there was an] opportunity to work towards a shorter close. We were at 5-6 days, and last year, I accelerated it to be 4 days. Our year-end close, we did in 21 days—audit included. So, we were presenting results to our board of directors within 30 days of our year end.”

– Heather Hospodar Cooper, Director of Finance, Accessible Media Inc.

These checklists are your go-to resource for completing the first step of our **3-step blueprint for a faster, smarter close**. Review the challenges below to pinpoint bottlenecks in your processes, providing you with a clear starting point for the next step of the blueprint: optimizing for efficiency.



### Quick tip:

If you check any of the boxes below, you have an opportunity to close faster and smarter!

## Account reconciliation

Do you experience any of these challenges?

☐

Lack of automated processes and inadequate reconciliation leading to increased compliance and regulatory risks.

☐

A lack of transparency that prevents efficient resource management.

☐

Human errors in spreadsheets resulting in inaccurate decision-making and unreliable financial reports.

☐

Reliance on spreadsheets and unstructured processes causing challenges with scaling operations and managing workloads.

☐

Absence of tracking, collaboration, and structured workflows, causing operational inefficiencies.

☐

Managing multiple spreadsheet versions leading to data security concerns and reduced trust.

☐

Monthly reconciliation difficulties leading to errors and delayed audits.

☐

Losing supporting documents resulting in inefficiencies.

☐

Data entry issues and foreign currency mismanagement causing mismatched charges and higher costs.

## Intercompany eliminations

Do you experience any of these challenges?

☐

High volumes of decentralized data and transactions causing processing delays, inefficiencies, and financial inconsistencies.

☐

Disparate accounting systems and lack of a collaborative environment causing communication delays, omissions, and lack of visibility over process progress.

☐

Manual data gathering and manipulation leading to time-consuming, error-prone processes and fragmented data management.

☐

Different communication methods and language barriers leading to misunderstandings and a lack of accountability for submitted figures.

☐

Inability to match transactions resulting in frequent exchanges between local accountants and headquarters.



## Financial consolidation & reporting

Do you experience any of these challenges?

- |  |   |
|--|---|
| <input type="checkbox"/> Tight regulatory reporting deadlines and manual processes leading to missed compliance milestones and low confidence in reported results. | <input type="checkbox"/> Time-consuming report creation and maintenance limiting time for analysis and reducing productivity.             |
| <input type="checkbox"/> Differences in local and group accounting standards causing increased audit challenges and costs.   | <input type="checkbox"/> Difficulty in creating meaningful reports resulting in unclear communication of business trends.                 |
| <input type="checkbox"/> Difficulty adapting to changing consolidation structures resulting in decisions based on outdated and inaccurate data.                    | <input type="checkbox"/> Concerns over data security and collaboration causing inconsistent access to information and potential breaches. |

In a complex, multi-step process like financial close, there is a small margin for error. One wrong formula or data entry error in account reconciliation, intercompany eliminations, or financial consolidation and reporting can disrupt the entire process.

Over time, the process breaks down, which is why, for many companies, close takes upwards of 10 business days every month ([CFO.com](https://www.cfo.com)). Imagine the time you could earn back if this process were simpler!

In step 2 of our **3-step blueprint for a faster, smarter close**, we'll cover optimization opportunities that will help you eliminate your bottlenecks, automating and accelerating your financial close.



### 3-STEP BLUEPRINT FOR A FASTER, SMARTER CLOSE

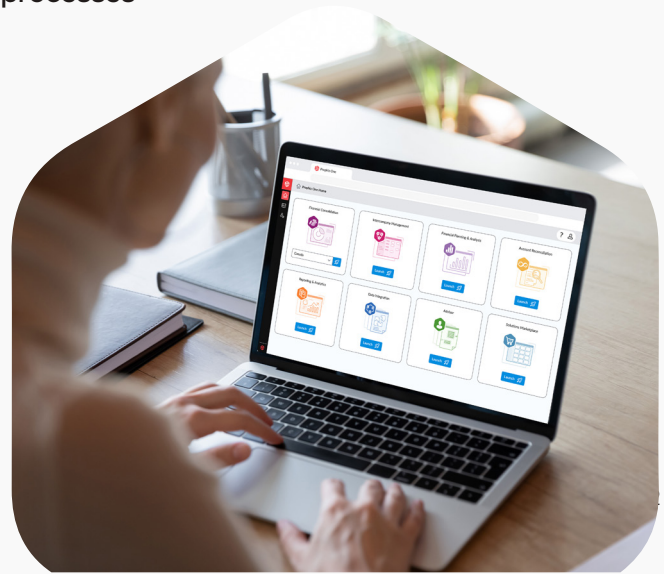
## Step 2: Optimize for efficiency

Once you understand where your dependencies lie, and what challenges you face, you can approach step 2 of our **3-step blueprint for a faster, smarter close** with a clear goal in mind.

Step 2 is all about optimizing your existing processes to simplify and streamline the way you approach your financial close. You can implement these improvements with your existing finance solution, whether that's Excel or a combination of several systems.

However, if you want to take advantage of further optimizations that improve the efficiency of your close, finance technology, like a financial performance platform, has been purpose-built to share data, workflows, and insights across your account reconciliation, intercompany eliminations, and financial consolidation and reporting processes. A platform offers a unified experience that will help you and your team:

- **Enhance decision-making** speed and accuracy for better insights
- **Empower data ownership** and accountability
- **Increase confidence** in your data
- **Drive strategic business decisions** with frequent financial consolidation
- **Improve productivity** with fewer disconnected processes





Review the opportunities for each foundational process below to learn how to optimize for efficiency as part of a faster, smarter, and more accurate financial close.

## Account reconciliation

### Manual reconciliations → Structured workflows

**Challenge:** In your account reconciliation process, you lack automation and structured workflows, leading to compliance risks and operational inefficiencies. Human errors, data management issues, and a heavy reliance on spreadsheets also exacerbate these difficulties, resulting in inaccurate reports, delayed audits, and security concerns.

**Optimization opportunity:** Automate your balance tracking to quickly identify reconciled and unreconciled amounts. This helps to reduce time spent and resources needed for account reconciliation by minimizing errors and lessening the workload for your team. Improved efficiency can also boost team productivity and morale.

**Close even smarter with finance technology:** A financial performance platform improves account reconciliation with automated balance tracking and centralized data management, ensuring quick identification of discrepancies. Real-time updates facilitate seamless collaboration and maintain audit readiness by securely storing reconciliation details and documents.





## Intercompany eliminations

### Decentralized data → Automated transaction matching

**Challenge:** If you're managing intercompany eliminations with disparate accounting systems, you may experience processing delays and financial inconsistencies due to high volumes of decentralized data. Manual data gathering can also lead to inefficiencies and errors, making it difficult to match transactions accurately. These challenges, coupled with communication barriers, can compromise visibility into your financial close.

**Optimization opportunity:** Implement automated matching capabilities, data collection, and integration processes to streamline your intercompany eliminations. By automating these tasks, you can manage high volumes of decentralized data and transactions, mitigating processing delays and inconsistencies. This strategy not only improves productivity but also ensures accurate data collection and integration, enhancing visibility across the elimination process.

**Close even smarter with finance technology:** A financial performance platform provides real-time data integration and automated workflows, facilitating quicker transaction matching and minimizing the need for frequent exchanges between entities and parent companies. By centralizing data management and integrating with key systems, you can reduce manual intervention, improve cross-entity visibility, and support faster, more confident decisions across your organization.



**“Before Prophix One, our team had to consolidate multiple spreadsheets across 100+ projects to track production and revenue—each file built and maintained manually. Now, with connected systems and centralized access through Prophix, we can forecast based on actual data and share consistent, accurate reports company-wide.”**

– Marty Gardner, CFO, Wilson Construction



## Financial consolidation & reporting

### Regulatory hurdles → Data governance

**Challenge:** If you're managing financial consolidation and reporting with manual processes, you might struggle to meet compliance milestones, leading to low confidence in your reported results. Differences in local and group accounting standards can increase audit challenges and costs, while the lack of real-time analysis forces reliance on outdated data, potentially skewing strategic decisions.

**Optimization opportunity:** Automate your currency translation and reporting requirements to enhance data governance and reduce audit time and costs. Establish systems that easily adapt to multi-GAAP requirements, allowing your finance team to drill down into your data and provide transparency to auditors. By creating dynamic reports and automating data collection and maintenance, your team can shift their focus from report creation to analysis.

**Close even smarter with finance technology:** A financial performance platform can streamline report distribution and create personalized dashboards in real-time. This ensures that your stakeholders have access to dependable, up-to-date information, enabling confident decision-making. With a dedicated finance platform, you can transform manual processes into automated workflows, improving your analytical capabilities and helping your organization stay ahead in strategic planning.



**“As organizations seek to streamline and automate the many processes within the finance department, the ability to address multiple tasks—from financial close and consolidation to financial planning—within a single platform and centralized source of data, will have a significant positive impact on productivity.”**

– Craig Schiff, President & Lead Analyst, BPM Partners

There are numerous opportunities to optimize for efficiency as part of our **3-step blueprint for a faster, smarter close**. And by leveraging finance technology, like a financial performance platform, you and your team can close your books with capabilities designed to automate and accelerate the process.



## 3-STEP BLUEPRINT FOR A FASTER, SMARTER CLOSE

# Step 3: Focus on growth


Now that you've identified your bottlenecks and optimized for efficiency in step 1 and 2 of our **3-step blueprint for a faster, smarter close**, you can shift your focus to growth in step 3.

Growth means prioritizing your professional development and embracing your role as a leader by supporting your team's and business's goals. This step is your chance to mentor others in becoming a next-gen finance team, because growing—both as a business and as individuals—is the key for financial success.

During your financial close, you can work with your team's strengths to:

- **Improve team communication** – Conduct pre- and post-month-end close meetings to enhance your close process. A pre-close meeting helps clarify responsibilities and address past issues, while a post-close meeting reviews successes and challenges with the goal of refining future processes.
- **Build strong relationships** – Work together with those who manage budgets and accounts to keep information accurate and get early alerts on financial changes. Building these relationships helps your finance team deal with changes smoothly.
- **Continually standardize processes** – Address inefficiencies in account receivables, budget approvals, and your finance system to keep things running smoothly. Stay organized throughout the month to streamline workflows and remove productivity obstacles.





And with more time to dedicate to other strategic priorities after achieving a smarter, faster close, you can position yourself as a strategic partner to the business, making the most of your seat at the table by:

- Developing forward-looking projections and creating detailed forecasts, including “what-if” scenarios, to better prepare for the future.
- Collaborating with internal business partners to support initiatives that drive growth and optimize resource utilization, enhancing profitability.
- Conducting thorough analyses of business opportunities, including mergers and acquisitions, to uncover potential advantages.
- Continually improving processes to enhance efficiency and adaptability, making the organization more agile and competitive.

With our **3-step blueprint for a faster, smarter close** that you can action immediately, you are well positioned to create wins for your entire finance team, drive continuous innovation, and do your best work as a finance leader.



**“Throughout my career, Prophix One has had a huge impact on my ability to produce reliable and timely results, and, in many cases, answer questions before they’re asked. Prophix has earned me recognition from colleagues, who have then recommended me for promotions or other opportunities within the organization.”**

– Denise Feece, CFO and COO,  
Sequel Wire and Cable



**“The number one thing I would tell a finance leader who’s thinking about Prophix One, is that it’s been a transformational tool for us. It has really been a tool that has helped us to identify areas where we can improve our efficiency, and it’s helped our team members to be more engaged in value-add activities.”**

– Jonny Harmer, CFO,  
USA Properties



# Put your financial close blueprint into action

Using our **3-step blueprint for a faster, smarter close**, you have the action plan you need to identify your bottlenecks, optimize for efficiency, and focus on your team's growth.

By streamlining your account reconciliation, intercompany eliminations, and financial consolidation and reporting processes, you can accelerate your financial close and use the insights to make smarter decisions that benefit your entire organization.

And with more time for growth, you can embrace your role as a next-gen finance leader by focusing on professional development, empowering your team, and supporting your business's goals.

**Go beyond the status quo and deliver more value in your role and for your business with a faster, smarter, and more accurate financial close.**

**Explore a better way to close with Prophix One, a Financial Performance Platform.**



# About Prophix®

Ambitious finance leaders rely on Prophix® to plan smarter, move faster, and lead with greater control. Prophix One™, a Financial Performance Platform, connects planning, budgeting, forecasting, reporting, reconciliation, and consolidation in one unified experience.

With a complete suite of scalable solutions, AI-powered automation, and data you can trust, Prophix helps teams eliminate manual work, improve accuracy, and deliver insights that drive business results. Backed by nearly 40 years of experience, more than 3,000 active customers partner with Prophix to simplify complexity and stay ready for what's next. [www.prophix.com](http://www.prophix.com)

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