

Close Like a Rock Star

The Power of Process (and Why We Sometimes Hate It)



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About SkyStem

SkyStem makes ART – a month end close and reconciliation software for the busy accountant that is affordable and easy to use.

Why Do We Care?



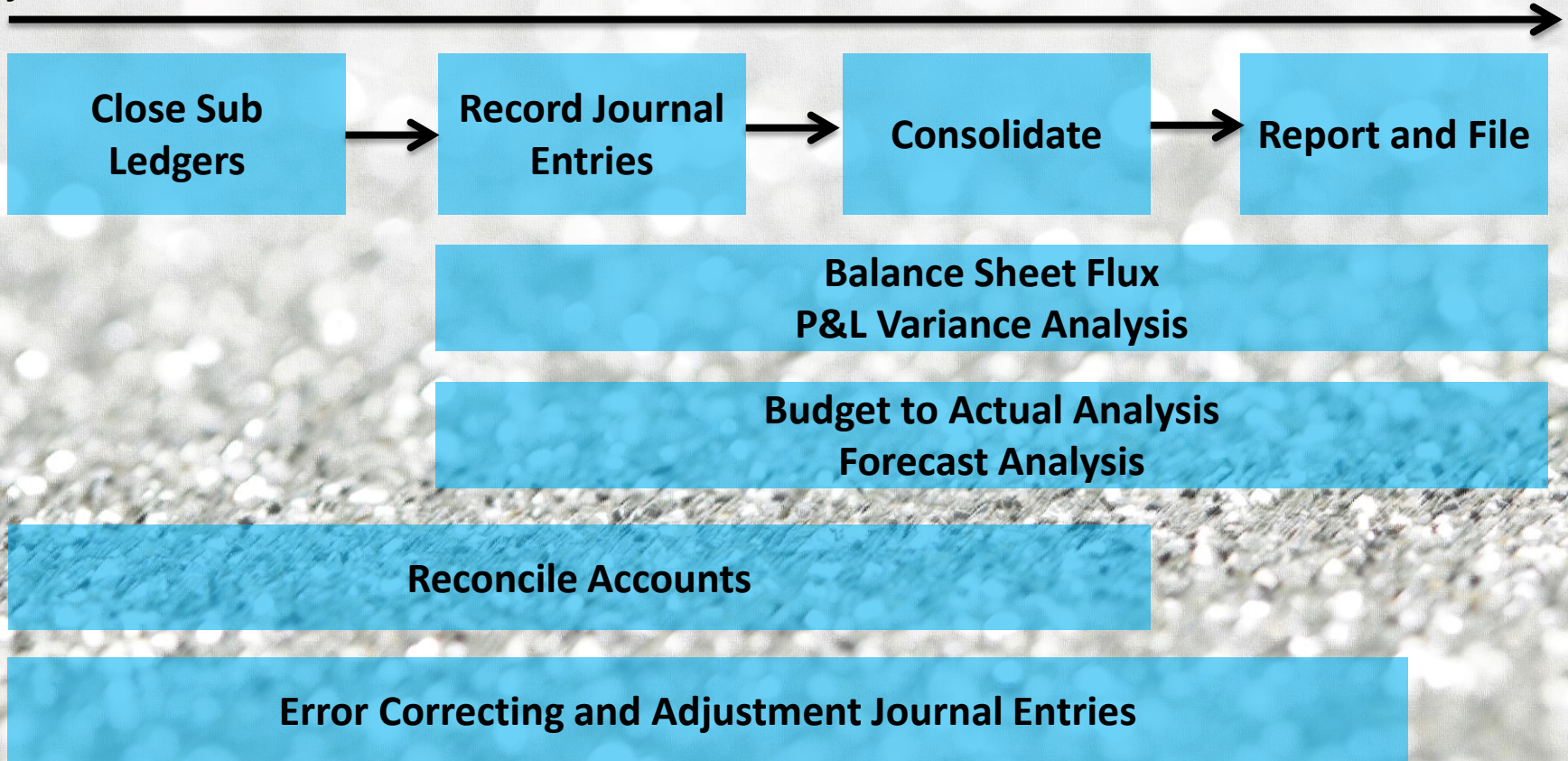
Minimize Effort Maximize Results

Signs of a Weak Monthly Close Process

Unpredictable
Poor Accountability
Lack Statistics
Less Auditable
Limited Continuity
No High Level Reporting
Adverse Event / Error

A Typical Close Process

Day 0



Improving the Month-End Close Process

Step 1 Set the Account Population

More Accounts Mean...

More Errors
More Reconciliations
More Management

When Chart of Accounts Structure Go Haywire

**New Offerings
Merger/Acquisition
Divestiture
Change in Technology
Loose Controls**

Improving the Month-End Close Process

Step 2 Determine Account Attributes



Lock Stuff Down

Assign Ownership





Risk Rank

Improving the Month-End Close Process

Step 3 Set Thresholds and Limits

Materiality, Unexplained Variance, % Fluctuation

BOUNDARIES



Researched Consistently Followed Documented Bought In

Improving the Month-End Close Process

Step 3 Set Goals and Measure

Milestones / Performance Metrics Examples

Subsystem Close
Overall Close
Reconciliation Completion Date
Prelim Financials
Flux Completion
of Non-Standard JEs

Milestones / Performance Metrics Examples

% of Work Done Before Day 0

of Man House Before Final TB

**Amount of Rework (JEs, Recs,
Others)**

Late Submissions

and Type of Unexpected Events

Improving the Month-End Close Process

Step 5 Identify Issues, Analyze Root Cause and Tweak Process



**Less About Fixing
Problems**

**More About Preventing
Problems**

Improving the Month-End Close Process

**If Process is So Great,
Why Do We Hate Sometimes?**

I AM SPECIAL





Birth of the Modern Checklist



More CPE Webinars to Come!

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Thanks! xoxo