

Automating High-Volume Reconciliations

How BlackLine Transaction Matching
Expedites the Month-End Close

ExecutiveSummary

A company's month-end close can be significantly delayed by transactions that must be matched and reconciled—manually. Without some level of automation, this process is inefficient, error-prone, and takes a significant amount of resources.

CFOs and accounting teams are experiencing impressive ROI—\$2.67 on every dollar spent, according to Nucleus Research—and value from BlackLine Transaction Matching, which can accurately reconcile millions of transactions in minutes.

The solution identifies unmatched transactions that require further investigation, and can be used for any use case and transaction type that requires matching.

BlackLine Transaction Matching saves time, improves control and visibility, speeds up the month-end close, and deploys the accounting team much more effectively so they can focus on exceptions.

The Need for a Reconciliation Solution

Many CFOs and Finance VPs at organizations requiring a high volume of reconciliations are asking their accounting teams to explore and adopt electronic reconciliation systems as an alternative to slow manual reconciliation processes. Typical goals include:

- Speeding up the time to close by eliminating delays and errors from manual reconciliations
- Quickly and accurately reconciling a high volume of transactions, including complex one-to-many and many-to-many financial transactions
- Increasing visibility and control over the monthly close process
- Focusing the accounting team on value-added activities as opposed to manual reconciliations
- Providing a foundation for growth and scalability

The Benefits of BlackLine's Solution

BlackLine imports transactional and financial data from multiple sources, enables users to define rules to manage reconciliations, and has a sophisticated matching engine that automatically matches millions of records in minutes.



After the matching engine runs, there are completed matches, and exceptions are identified where a match was not able to be completed. This frees the accounting team to focus solely on the exceptions. Users may find that 99% or more of their transactions are automatically matched and reconciled, leaving just 1% to be resolved manually.

The most common use cases for BlackLine Transaction Matching are around intercompany transactions and cash accounts like bank reconciliations, credit card transactions, AR, and AP. But Transaction Matching is equally adept at matching non-financial transactions.

- **Faster month-end close.** Eliminates delays from manual reconciliation with fast and accurate reconciliation for millions of complex transactions.
- **Greater visibility and control.** CFOs have more control over the closing process because of increased visibility into transactions and reconciliation.
- **Earlier problem identification.** By running matching regularly, unmatched transactions are continuously identified for resolution, instead of waiting until month end.
- **Greater organizational efficiency.** By reducing or eliminating manual matching, companies can save dozens of hours each month. Team members can focus on exceptions and other value-added activities.
- **Scalability.** Manual processes are limiting and not scalable. BlackLine supports numerous use cases, both financial and non-financial, that require matching a high volume of transactions.



Zendesk's Story: Adding Business Value With BlackLine

San Francisco-based Zendesk builds software for better customer relationships. When the company went public in 2014, it was growing rapidly. But the company's growth brought challenges.

Along with its paid customer accounts, employee headcount was shooting up and Zendesk's IT group was planning to add new cloud applications for CRM, HR, and other functions to its NetSuite ERP system. Meanwhile, the accounting group was still using mostly manual processes for reconciling accounts during the monthly close.

The company brought in BlackLine to automate its transaction matching, account reconciliation, and task management processes in 2014. Since then, Zendesk has shortened its month-end close by two days and their billing team saves 40 hours per month.

Their paid customer accounts have jumped to 94,000; employee count has grown to 1,600; and annual revenues have grown past \$300 million. BlackLine's automated processes have become even more valuable to their monthly close processes and Zendesk's accounting group.