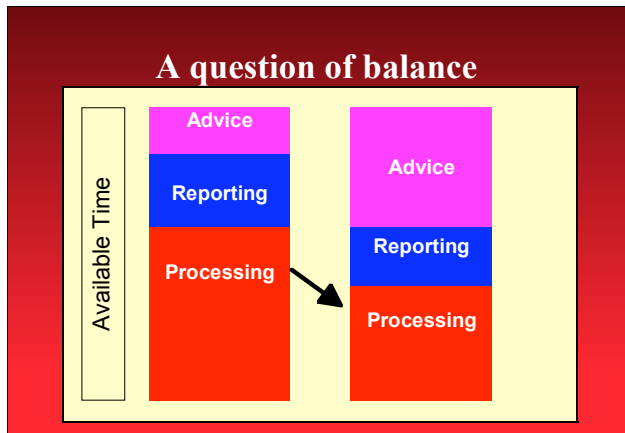


## Have you got the balance right?

By David Parmenter

Much valuable management and accounting function time is invested across the country in processing and reporting rather than advice.



Do you have an accounting function that is shackled to its office meeting processing and reporting requirements?

**The Problem.** How to redress the balance when there are system constraints, people constraints, and demands from senior management.

From the waymark solutions studies organisations are finding ways to become more proactive and advice orientated.

### The steps you can take

- hold an off-site meeting for accounting staff
- cut out 1 day a quarter out of month end
- join a better practices study
- streamline the budget processing routines
- train the accounting staff in BPR techniques
- reward good interfaces and staff performance

**Hold an off-site meeting for accounting staff.** A successful method that has been used by study participants is to get the accounting team off-site for a six monthly key result area (KRA) meeting. The CFO prepares the first cut of the KRAs for the accounting team which support the operating plan. During discussion these are broken down, developed, and taken on by individuals in the team. The benefits of this approach is that the team members are fully aware of each others KRAs and there is a greater degree of ownership to “make it happen”.

**Tackle the month-end reporting process immediately.** A benchmark of reducing the reporting timeframe by a day a quarter is certainly achievable

within system constraints. One participant\* who reports in 3 working days commented that their accounting team believe that they can do it quicker. There will be an subsequent article looking at this issue.

**Join a better practices study:** Participation will help you with: identifying /confirming which areas may require review; introducing leading ‘better practices’ into your organisation; and recognising the strengths in your accounting functions. In addition you will have access to successful formats which can be replicated easily.

**Streamline the budget processing routines:** Plan now to change the budget processes to save the accounting function and budget holders time. One participant manages to complete this process in about two weeks as they are already forecasting out for six quarters four times a year. Thus they extract the four quarters that make up the next financial year and simply add the extra detail required.

**Train the accounting staff in BPR techniques** Successful business process re-engineering(BPR) can be carried out by in-house staff providing they have been educated in the techniques. One participant\* has trained most of the staff in the organisation and they are expected to start a BPR project at the end of the training session.

**Reward good interfaces and staff performance.** We all appreciate recognition especially when you do not have to wait for it. Some participants have found some clever ways that work such as handing out of film tickets, meals, etc to accounting staff who have gone the extra mile. One accounting function gives a bottle of wine a month to the first complete submission. This simple thank you has provided the appropriate environment for timely submissions from budget holders.

### Last words

- start measuring the time spent on advice, reporting and processing
- set a goal for a small % increase of time spent proving advice each month
- celebrate success

\*Waymark solutions limited run better practice studies throughout the year. David Parmenter is the managing director. Waymark solutions specialise in better practice studies for support functions including accounting, human resources and information systems. They have a large database of better practices which study participants can access.  
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