Deloitte.

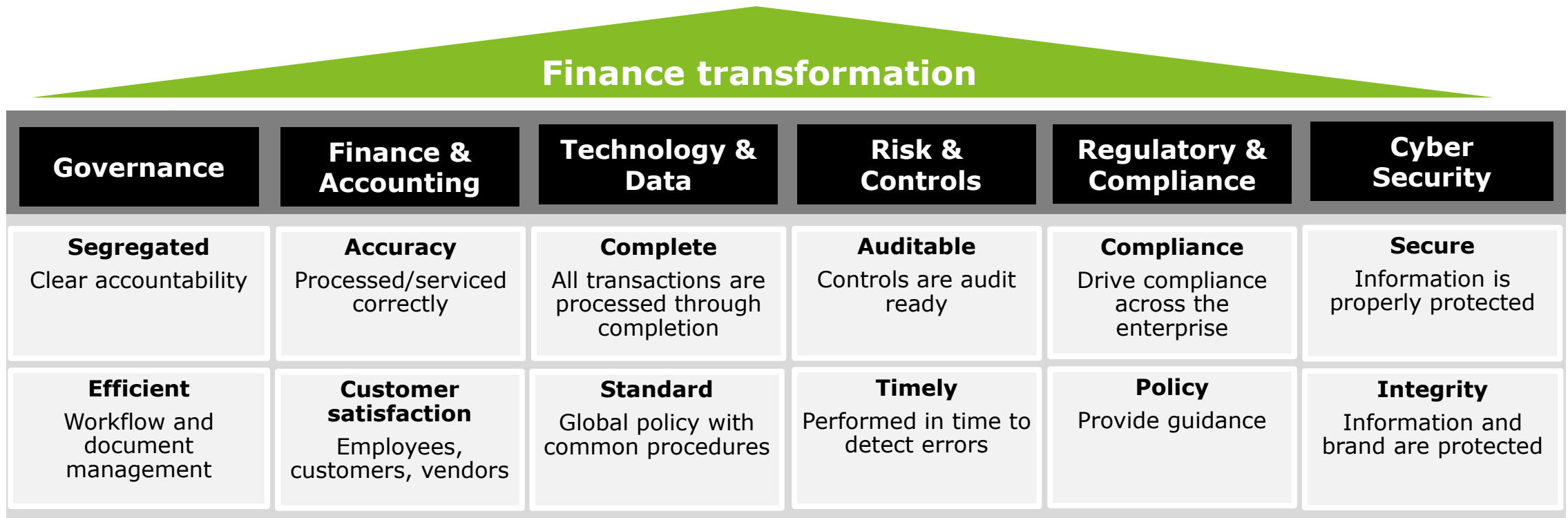**Creating an Ecosystem Environment with BlackLine, your ERP (Enterprise Resource Planning system), and other financial applications**

September 2021

Defining finance transformation

A finance transformation mindset is the expectation that organizations will maintain day-to-day business operations while also managing a changing technology and risk environment that impact the ability for finance to evolve alongside the core business

Finance transformation

Governance	Finance & Accounting	Technology & Data	Risk & Controls	Regulatory & Compliance	Cyber Security
Segregated Clear accountability	**Accuracy** Processed/serviced correctly	**Complete** All transactions are processed through completion	**Auditable** Controls are audit ready	**Compliance** Drive compliance across the enterprise	**Secure** Information is properly protected
Efficient Workflow and document management	**Customer satisfaction** Employees, customers, vendors	**Standard** Global policy with common procedures	**Timely** Performed in time to detect errors	**Policy** Provide guidance	**Integrity** Information and brand are protected

Digital transformation challenges in the market today

We see the market responding in a variety of ways to digital transformation challenges. These include organizations' desire to automate but concern of a lack of consistent return, challenges of working in a siloed environment, and difficulty in effectively automating cross-solution

No one solution can solve all problems – how to effectively automate cross-solution

Challenging to get all **business stakeholders aligned and breakdown silos**

Difficult to get a consistent return across automation platforms and financial systems
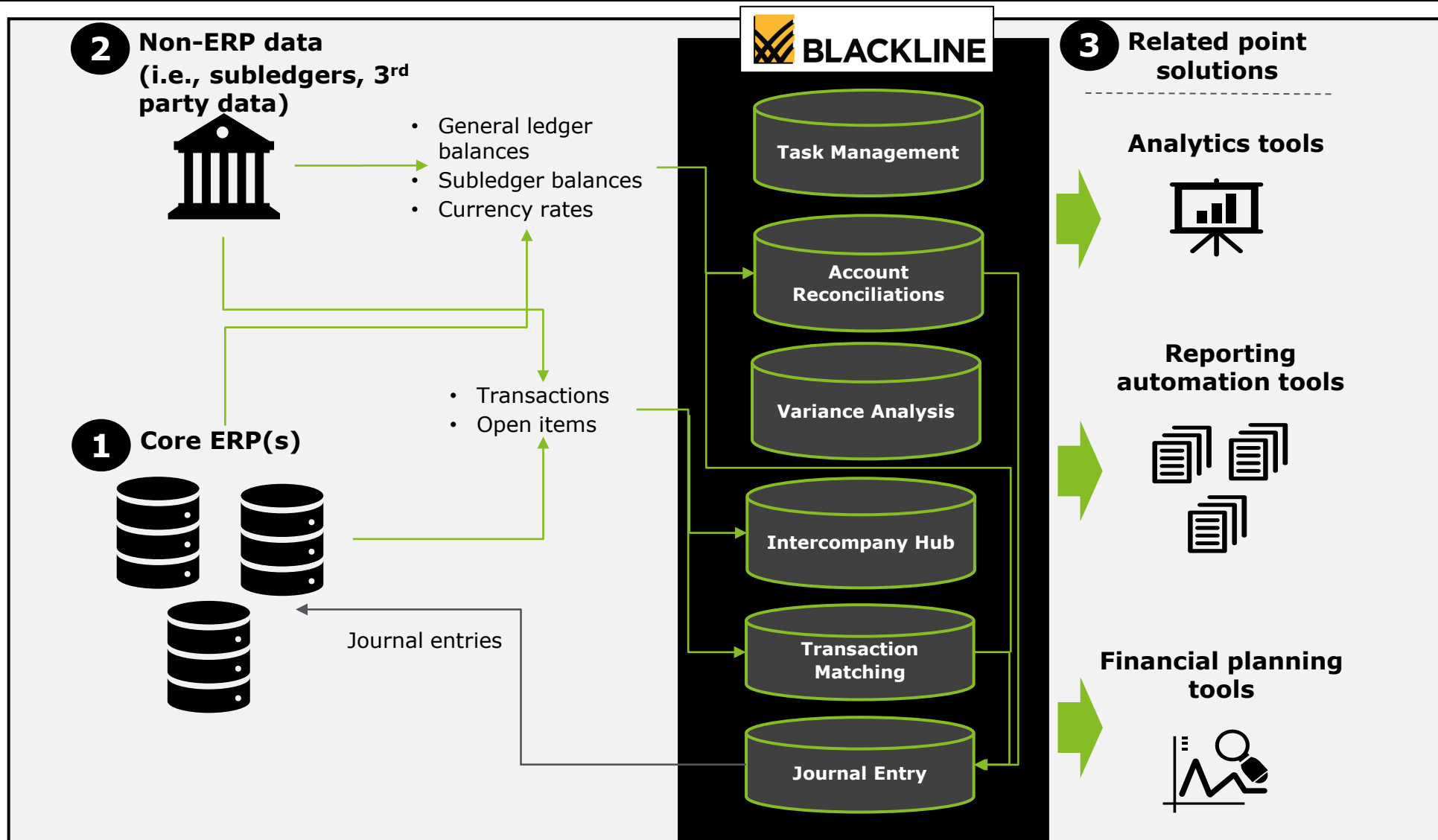
Digital transformation appears **extremely expensive and time consuming**

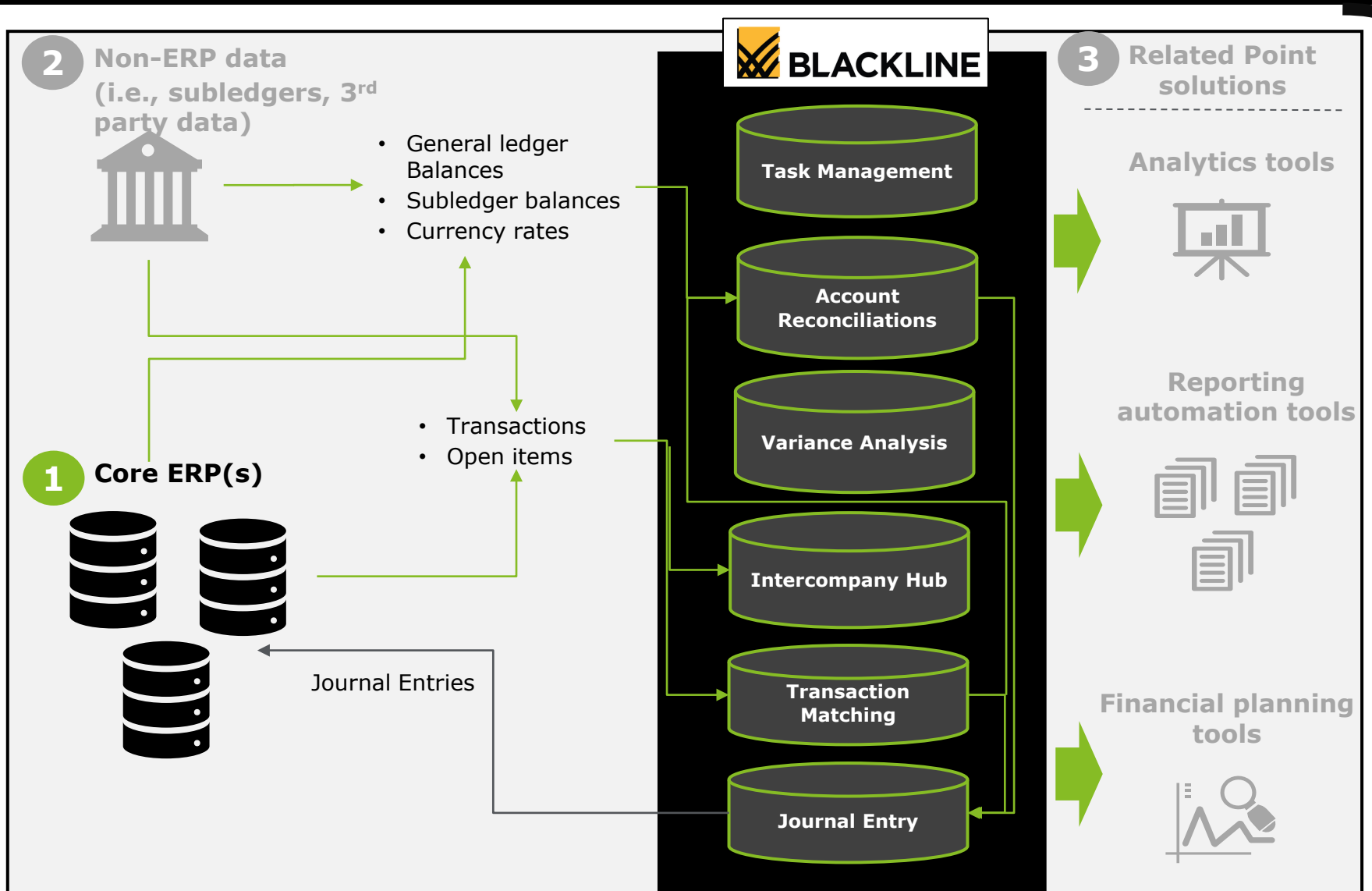**Transformation journey** can feel too **large and all encompassing** to be effective

Finding resources to support digital transformation alongside existing work is difficult

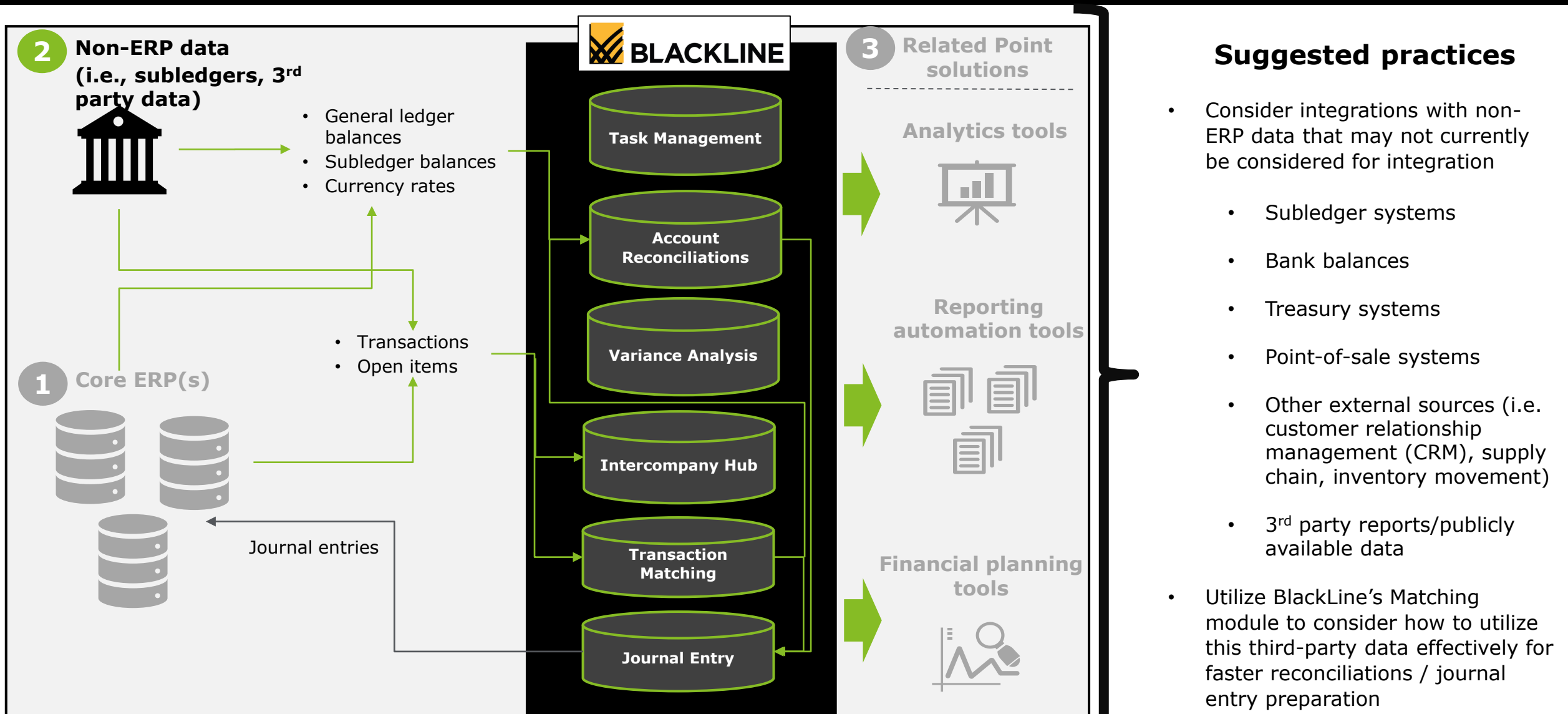# Creating an Ecosystem Environment between BlackLine and other systems

2 Non-ERP data (i.e., subledgers, 3rd party data)

- General ledger balances
- Subledger balances
- Currency rates

- Transactions
- Open items

1 Core ERP(s)

Journal entries

BLACKLINE

Task Management

Account Reconciliations

Variance Analysis

Intercompany Hub

Transaction Matching

Journal Entry

3 Related point solutions

Analytics tools

Reporting automation tools

Financial planning tools

1 - Core ERP(s) data integration

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BLACKLINE

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Suggested practices

- Consider Single ERP or Multi ERP environments

- Review ERP upgrade plan and future roadmap

- Determine any impending M&A activity that may impact integration

- Review the level of data in ERP vs. what is needed in BlackLine to confirm alignment and efficiency

- Coordinate with IT early to confirm integration with ERP system administrators

- Collaborate with ERP owners on how Chart of Accounts (COA) design impacts BlackLine

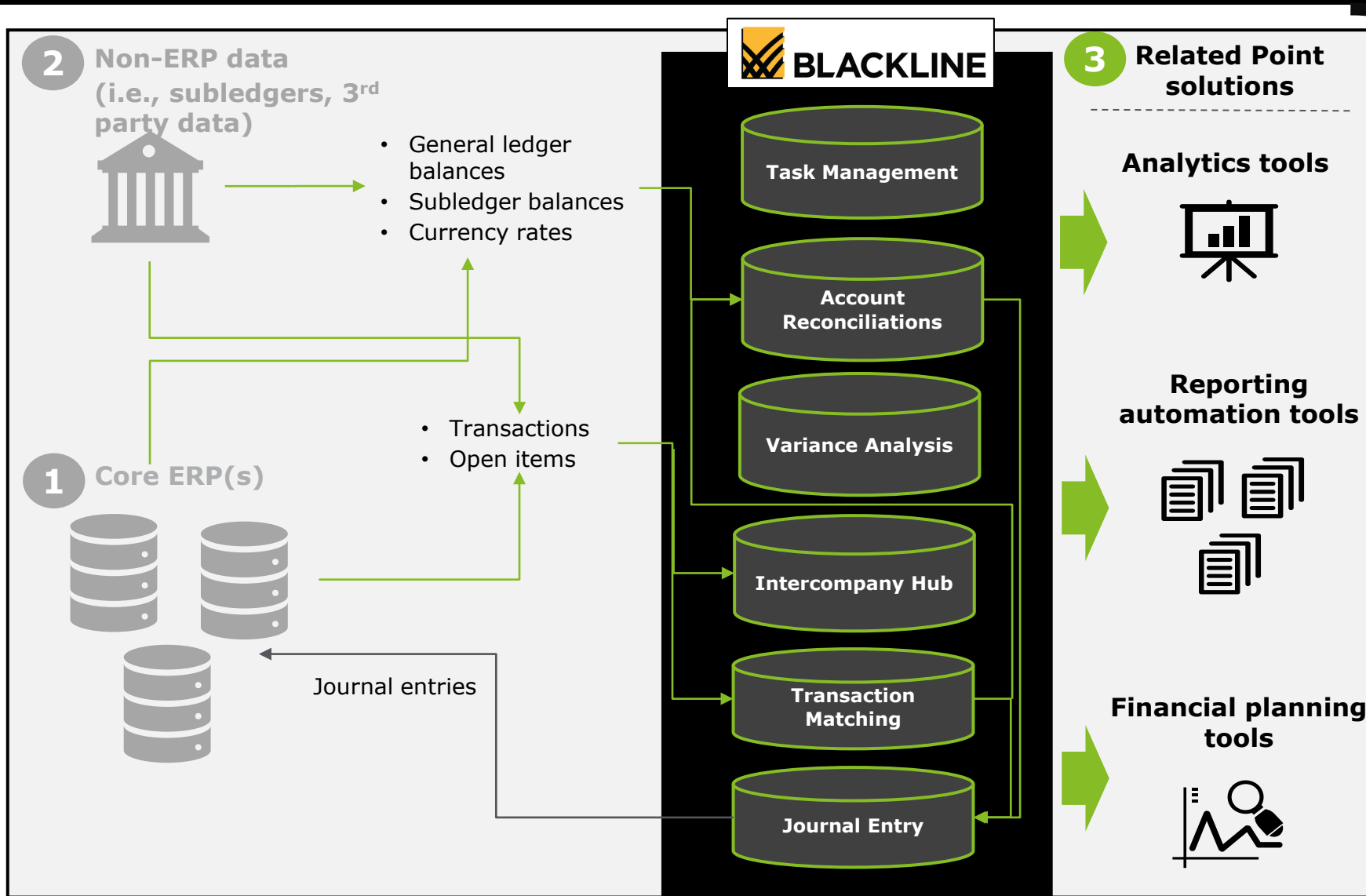- Review audit account substantiation needs between ERP and BlackLine

2 – Non-ERP data integration

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Suggested practices

- Consider integrations with non-ERP data that may not currently be considered for integration

  - Subledger systems

  - Bank balances

  - Treasury systems

  - Point-of-sale systems

  - Other external sources (i.e. customer relationship management (CRM), supply chain, inventory movement)

  - 3rd party reports/publicly available data

- Utilize BlackLine's Matching module to consider how to utilize this third-party data effectively for faster reconciliations / journal entry preparation

3 – Related point solutions - data integration

BLACKLINE

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Suggested practices

Analytics Tools
- Populate BlackLine data into analytics and **visualization tools** to do journal entry activity analysis, close management process review, and related **trend analysis**

Reporting Automation Tools
- Link with **financial reporting automation** tools across various reporting needs to confirm alignment and automation
  - Management Reporting
  - Financial Reporting
  - Regulatory Reporting

Financial Planning Tools
- Link with financial planning tools to confirm up-to-date financial close information is included in the planning process

Next steps: Operationalizing improved integration

When considering how to integrate BlackLine with your ERP and other applications, it is important to consider how the Extract-Transform-Load (ETL) process will be setup to facilitate appropriate connectors and testing. By considering the use of existing connectors, transforming underlying processes and using APIs, organizations can speed up the ability to connect and naturally improve automation

Core ERP(s) data

Non-ERP data

Related point solutions

BLACKLINE

Extract
- Manual
- Scheduled
- Connectors
- Custom

Transform
- No transformation
- Enrich
- Clean
- Transformation

Load
- Manual
- Simple File Transfer Protocol (SFTP)
- Application Programming Interface (APIs)

Recommended approach for improved efficiencies

- Task Management
- Account Reconciliations
- Variance Analysis
- Intercompany Hub
- Transaction Matching
- Journal Entry

Tips for efficient integration

Standardize
Standardize data sources to confirm data does not require complex cleansing before upload into BlackLine
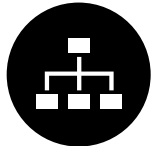
Think ahead
Consider business direction and planning and design the system to be flexible for future growth, capture any process enhancements or changes before system implementation including governance structure

Prepare
Prepare a change management and training plan. Allow adequate time and resources for getting users up to speed.

Designate
Designate a system ownership and maintain schedule and structure. Ask questions to determine what parts of the system may be maintained by the business.

Document
Document technical specifications, integrations, landscapes and design decisions for future reference

Stay tuned
Subscribe to webinars, newsletters and conferences from your solution vendor to capture system enhancements, leading practices and additional use cases

Deloitte Contacts

Tom Toppen
Managing Director
BlackLine Alliance
Controllership Technology
Deloitte & Touche LLP
ttoppen@deloitte.com

David Lloyd
Manager
BlackLine Alliance
Controllership Technology
Deloitte & Touche LLP
davilloyd@deloitte.com

Rachel Sutherland
Alliance Manager
BlackLine Alliance
Controllership Technology
Deloitte Services LLP
racsutherland@deloitte.com

Deloitte.

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