70% Of Global Business Leaders And Finance And Accounting Professionals Lack Confidence In The Data Used To Make Financial Forecasts

- Research from BlackLine shows that six in 10 C-level executives are concerned that their company's forecasts fail to provide an accurate picture of future performance

- More than a quarter of global respondents concerned that a mixture of remote and office-based working could lead to further inaccuracies

LOS ANGELES, LONDON, SINGAPORE and SYDNEY, Feb. 2, 2021 /PRNewswire/ -- A global survey of C-suite executives and Finance and Accounting (F&A) professionals commissioned by accounting automation software leader BlackLine, Inc. (Nasdaq: BL) has revealed that less than a third (29%) of respondents are confident that the financial data they use for financial analysis and forecasting is accurate – even though a third (33%) indicate they are now under more pressure to provide an accurate picture of company performance because of the COVID-19 pandemic.

The survey of 1,300 business leaders and F&A professionals in seven markets (US, Canada, UK, Germany, France, Singapore, Australia) was conducted by independent researcher Censuswide and examined the impact of COVID-19 on a randomly selected sample of large organizations. Findings suggest that while businesses now recognize the critical role financial data has to play in informing business strategy and continuity, poor visibility and a lack of access to real-time data is hindering companies' ability to respond to volatile market changes.

When asked about the impact the pandemic has had on their organization, four in 10 (42%) respondents globally said their organization has become more focused on financial scenario planning and stress testing because of the ongoing impact of COVID-19. A similar number (40%) said that F&A is increasingly being called upon by their boards of directors to help with scenario planning, highlighting the growing importance of financial insights as companies try to move from crisis mode into recovery.

However, more than a quarter (28%) of respondents are worried that their F&A departments are not able to provide data quickly enough for their company to respond to unpredictable market changes. A mixture of remote and office-based working over the next 12 months could make this even more challenging; more than one in four indicate that hybrid working models will make it more difficult for F&A teams to collaborate (27%) and that this could lead to inaccuracies in financial data (27%).

Additionally, more than a quarter (27%) of C-suite executives admit that they have no visibility into financial scenario planning or stress testing at their organization, suggesting that key business leaders could be making decisions based on an incomplete picture of their organization's financial health.

This lack of visibility is undermining trust in the data used for key financial processes and planning, particularly among the C-suite. Only around half (56%) of C-level executives said they are completely confident in the accuracy of their company's financial data, compared with seven in 10 (71%) C-suite respondents surveyed in 2018. When F&A professionals were asked the same question, only 30% agreed they were completely confident in the accuracy of their company's financial data (compared to 38% of those surveyed in 2018).

When respondents who did not completely trust the accuracy of their organization's data were asked why, the main reason (cited by close to four in 10 (37%)) was their continued reliance on clunky spreadsheets and outdated processes that leave F&A teams in the dark until month-end. More respondents felt this was a problem in 2020 than in 2018 (28%), suggesting that digital transformation initiatives in F&A still have a long way to go.

"In addition to the significant implications for people's health and wellbeing, the COVID-19 pandemic continues to have a considerable business impact on organizations across the globe," said BlackLine CEO Marc Huffman. "As the situation continues to evolve, companies must rethink and reconfigure how they operate to ensure they are planning carefully for different outcomes and using robust and comprehensive data to make rapid, intelligent decisions. Companies that are able to do this will be better positioned to survive and even thrive over the coming months."

"Many companies are still struggling with visibility and access to real-time financial data, but there is also widespread recognition that this needs to change," continued Mr. Huffman. "Our research suggests that businesses leaders have recognized the value in having robust financial information and are ready to act."

Results show that the pandemic has created a renewed urgency around digital transformation and investment in technology. Close to a third (32%) of those surveyed said developments over the last year have made people at their company value real-time access to financial data more and a similar number (31%) said there is now more urgency to redesign core business processes.

Furthermore, when it comes to the best practices that will help companies to remain competitive over the next year, technology that enables better management and visibility over financial data has a pivotal role to play. Just over a third (34%) said that investing in their company's data analytics capabilities will help their organization retain a competitive edge and the same number are considering implementing or scaling automation solutions to help increase the accuracy and reliability of their organization's financial data.

More information, including a detailed whitepaper on the research, can be found here.

Notes to Editors:
The survey was conducted by independent research firm Censuswide, with 645 C-level and 655 F&A professionals in seven markets (US, Canada, UK, France, Germany, Australia and Singapore). The survey included a breakdown of respondents by job title. Respondents worked at a randomly selected sample of large organizations with minimum annual revenues as follows:

- UK: 50m GBP
- France: 50m EURO
- Germany: 50m EURO

- Singapore: 20m SGD
- Canada: 75m CAD
- US: 150m USD
- Australia: 20m AUD

The survey was conducted online between Nov. 25th and Dec. 2nd, 2020.

About BlackLine
Companies come to BlackLine (Nasdaq: BL) because their traditional manual accounting processes are not sustainable. BlackLine's cloud-based solutions and market-leading customer service help companies move to modern accounting by unifying their data and processes, automating repetitive work, and driving accountability through visibility. BlackLine provides solutions to manage and automate financial close, accounts receivable and intercompany accounting processes, helping large enterprises and midsize companies across all industries do accounting work better, faster and with more control.

More than 3,200 customers trust BlackLine to help them close faster with complete and accurate results. The company is the pioneer of the cloud financial close market and recognized as the leader by customers at leading end-user review sites including Gartner Peer Insights, G2 and TrustRadius. Based in Los Angeles, BlackLine also has regional headquarters in London, Singapore and Sydney. For more information, please visit blackline.com.

View original content to download multimedia:http://www.prnewswire.com/news-releases/70-of-global-business-leaders-and-finance-and-accounting-professionals-lack-confidence-in-the-data-used-to-make-financial-forecasts-301220078.html

SOURCE BlackLine

Ashley Dyer, PR Director, BlackLine, 818-936-7166, ashley.dyer@blackline.com