Reducing time spent on transaction matching by 87%, from 16 hours to 2

“We’re matching approximately 2,000 line items every month using BlackLine...We’re saving two days because the matching process no longer has to be done manually.”

Senior Financial Management Analyst, Nonprofit Medical Center

The Challenge

At a large nonprofit medical center, staffed by more than 2,000 physicians and nearly 3,000 nurses, the reconciliation and monthly close process requires more than just matching bank account and credit card transactions. Patient refunds must also be reconciled to ensure both financial and regulatory compliance, while taking into account the complex world of insurance and claims.

The medical center’s manual transaction matching process was both exhausting finance employees and increasing the potential for errors. Complicating matters, the organization had to match transactions from six different sources, including their ERP and Epic. “We’d been using the same spreadsheet-driven process for 15 years,” said the center’s finance director. “But the process was very manual and tedious, and employees were burning out.”

In addition, because staff was spending significant time working with high volume, multi-line spreadsheets, few resources were available for truly critical work, such as analysis and resolving operational issues. That had the finance director—and auditors—worried: “We wanted staff to be able to focus on value-added activities.”

INDUSTRY
Healthcare

REGION
North America

ADOPTION DATE
2015

ERP
PeopleSoft v9.1

NUMBER OF USERS
20

PRODUCTS USED
Account Reconciliations, Task Management, Transaction Matching

BUSINESS IMPACT
Saved two days on transaction matching every month, automated matching of over 1,500 credit card transactions, spent 87% less time on refund-related matching, simplified reconciliations of specific bank accounts, eliminated unauthorized changes to spreadsheets, ensured scalability of matching process without increasing people hours—or errors.
Why BlackLine

The opportunity to update the close process came after a series of retirements and transfers, and the addition of a new vice president of finance who challenged the team to strengthen and streamline their financial controls. The finance department mapped out a new strategy, which included the purchase and implementation of software that would automate transaction matching of all six data sources.

Medical center leadership interviewed industry leaders in finance controls and automation software, selecting BlackLine for several key reasons, including BlackLine’s commitment to advancing and growing its solutions. But it was BlackLine’s sales approach that made the company stand out among competitors: “The BlackLine team really took the time to understand our concerns. Then they were able to demonstrate how they could address our specific concerns.”

Ease of use was also a crucial factor. The finance director didn’t want staff to have to steal time from the close process to learn a new, complicated piece of software—and relearn the software as updates became available. In reality, BlackLine was so easy to learn that the team used it to close the month a mere two weeks after implementation. “It’s so straightforward,” the finance director said. “We were already using BlackLine in January to close December’s books.”
The Results

Saved two days on transaction matching every month.
Two medical center finance employees use Transaction Matching regularly. While one employee still occasionally relies on the VLOOKUP function in Excel, the second has eliminated manual matching entirely from his workload. “We’re matching approximately 2,000 line items every month using BlackLine,” said the finance director. “We’re saving two days because the matching process no longer has to be done manually.”

Automated matching of over 1,500 credit card transactions.
Finance also relies on BlackLine to streamline and improve the accuracy of complicated credit card matching. “Our AP department uses a credit card to pay some of our vendors. But because it’s a credit card account and not a bank account, the only report we get from the bank is the credit card statement,” said the medical center’s senior financial management analyst and BlackLine system administrator. “With Transaction Matching, we simply take this statement and match it to the GL report.”

Eliminated unauthorized changes to spreadsheets.
From a risk management perspective, the medical center’s previous reliance on spreadsheets was an audit disaster waiting to happen. With Transaction Matching, all data is stored in a single database and entries are tracked for any auditing or reporting needs. “Unauthorized changes to spreadsheets aren’t an issue anymore,” the finance director said.

Ensured scalability of the matching process without increasing people hours—or errors.
The finance director knew that as the patient load increased, the transaction process would have to be automated to ensure staff could keep up while avoiding burnout. With BlackLine, the team can now easily manage a steadily increasing volume of transactions without increasing hours or errors: “BlackLine has given us a foundation for growth and scalability.”