



Revenue: Mission Critical Operations

We Get It. There's intense scrutiny on your business' topline. Across industries, revenue says more to your stakeholders than any other single financial metric. Investors measure value, customers and vendors assess scale, and employees measure company success, all on your company's ability to generate revenue. Revenue generation, though, has many obstacles beyond closing orders. Accounting rules are complex and constantly changing, regulatory requirements put big demands on systems, and managing to investor expectations requires excellent coordination and cross-functional communications.

About Accretive Solutions Revenue Optimization Practice

For 30 years and across dozens of industries, Accretive Solutions has assisted clients in establishing leading revenue accounting practices and policies. The Revenue Optimization Practice brings together best practices in revenue accounting, operations and automation,

Implementing business practices that maximize revenue

Building efficient cross-departmental teamwork

Ensuring compliance with current and evolving accounting

Automating and integrating revenue processes

Our team has led revenue initiatives for companies of all sizes and across industry segments. Our deep experience in operational process design, accounting controls and integrated ERP systems bring an unmatched breadth of capabilities to our clients. The results include clear, leverageable and compliant accounting procedures and efficient cross-departmental teamwork.

We Can Help

Workflow and Process Optimization –

Our revenue experts can evaluate your resources and design processes to ensure a swift, efficient and predictable path to reliable revenue. You benefit from efficient operations, reduced risk of surprises, clear cross-functional expectations and lower cost of compliance.

ACCOUNTING		
	MOVE FROM	➡ TO
Accounting closes	Slow, disjointed	➡ Timely
Accuracies	Prone to errors	➡ Reliable
Policy	Unwritten; informal	➡ Written; a clear and valuable tool
Audit process	Inefficient; costly	➡ Efficient

OPERATIONS		
	MOVE FROM	➡ TO
Internal communications	Frustrations; conflict	➡ Constructive; no surprises
Customer interactions	Unclear; subject to change	➡ Crisp; clear policies and issues
Contract reviews	All contracts; time consuming	➡ Exception terms; focused
Maximizing revenue	No; reactive	➡ Yes; proactive

SYSTEMS		
	MOVE FROM	➡ TO
Level of automation	Low; manual tracking	➡ High; automated tracking
Pipeline management	Manual; low collaboration	➡ Automated; timely collaboration
Revenue budgets	Crude; heavy assumptions	➡ Detailed; more predictable
Commission calculations	Difficult; high data manipulation	➡ Yes; proactive
Modeling scenarios	No; too manual	➡ Yes; structured data

Contracts Compliance, Review and Analysis

Well-designed form contracts are a competitive advantage. We can work with you to design form contracts that lead to more predictable revenue, more efficient negotiations and better business.

Policy Review and Development

The right revenue recognition policy is clear, comprehensive and up-to-date with changes in the business. We'll review your current policy and suggest improvements, or lead the design and implementation of a valuable policy when no formal policy exists.

Accounting Transitions

The required implementation date for U.S. accounting standard ASC §606 is fast approaching. We've been closely involved with the new standard since its release, and we stand ready to assess the impact on your business and to help develop an implementation plan that will ensure a smooth transition.

Interim Resources and Targeted Consulting

Our team of tenured consultants stand at the ready to help you with your most pressing business challenges. Whether it's peak quarter-end staffing, backfill during transitions or concluding on transactional accounting treatment, we can design an approach to meet your needs.

CASE STUDY: Develop, Implement, and Maintain Revenue Policies for a pre-IPO Software Company

CHALLENGE

An open-source software company, with plans to complete a near-term IPO, needed to develop a comprehensive revenue recognition policy that would address the unique complexities of the company's sales cycle and withstand SEC scrutiny in future public filings.

SOLUTION

Working directly with the Controller group over a period of two years, we developed the company's revenue recognition policy, and reviewed all significant customer arrangements to ensure the correct accounting for revenue. We proactively engaged the external audit team, and worked directly with sales teams to draft contract language that would result in less onerous revenue reporting outcomes for the company.

RESULT

We effectively developed and maintained the company's revenue accounting. Intensive due diligence efforts completed by a third-party in the months prior to the IPO resulted in no significant changes to previously-recorded revenue amounts, and the company successfully completed its IPO with no revenue comments from the SEC staff. Following the IPO, we worked closely with the newly hired revenue director to transition ongoing responsibility for revenue recognition to her team.

CASE STUDY: Perform SOX 404 Revenue Contract Reviews for Publicly-Held Equipment Manufacturer

CHALLENGE

A manufacturer of high-end medical equipment systems needed to ensure that its quarterly revenue recognition adhered to the policies and key controls established to ensure ongoing compliance with the company's SOX 404 program.

SOLUTION

We performed in-depth reviews of all quarterly revenue transactions, consistent with both the company's and external auditors' documentation requirements for SOX 404 controls. These reviews included a careful examination of every step of the sales order process, from customer quote, to contract execution, delivery, and installation.

RESULT

Our efforts identified potential accounting issues that the company was able to address and correct prior to the commencement of reviews by the external auditors. As a result, the company was able to assert the existence of an effective internal control environment for all periods in which we were involved.

We're here to help. With more than 30 years of professional services experience providing coordinated, cross functional team, we stand ready to help our clients address their most pressing challenges.

To arrange a business meeting with one of our experts, contact your local Client Development Manager.