



BUSINESS RESILIENCY IN FINANCE

AUDIO TRANSCRIPT

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Melissa Burgum [00:00:14] Hi, I'm Melissa Burgum, Accenture Assistant Controller, and I'm happy to be here today with Richard Clark, Accenture's Chief Accounting Officer and Corporate Controller. Accenture Finance has been on a journey to ensure we have a really strong business resiliency plan in place, one that ended up being put to a real-life test with the Covid-19 pandemic. Today, we'll take a look at that plan and understand how it's protecting Accenture's people, clients and our operations. Thanks for joining us today, Richard. Richard, we're hearing a lot about business resiliency. Can you tell us in your own words, what does business resiliency mean to you and to Accenture?

Richard Clark [00:00:49] Thanks, Melissa. When I think about business resiliency, it's really the ability of an organization to recover from difficulty, adapt to change and really persevere when an unexpected disruption occurs. It's really a journey of continuous improvement that we've been on really since 2017. Back in 2017, we had monsoons in Chennai and typhoons in the Philippines and our business services, our controllership and finance function was disrupted as part of that. So, we really stepped back and said how do we handle these disruptions? While we had disaster recovery, how really resilient were we if they were of a more severe nature at some point in the future?

So, when we thought about it, it really included a lot of different parts of the enterprise, a governance component strategy, business services, security, change management and disaster recovery component. So, in response to the incidents we had in 2017, we set out to create a formal business resiliency strategy and a plan to protect our company, our people and our overall operations. And that's proved extremely helpful, particularly in light of Covid-19 that just hit us this past year.

Melissa Burgum [00:02:16] Yes, I'm very happy we have that plan in place when Covid19 hit. I would imagine a global pandemic wasn't likely on the list of unforeseen disasters when Accenture created its business resiliency plan. Can you share how your team went about creating this plan?

Richard Clark [00:02:31] We started by really developing a detailed strategy with a dedicated business resiliency team. We share service centers spread across nine countries. We needed to map out processes by center because they're not all consistent. Next, we had to prioritize what processes are essential versus what processes could be deferred for a period of time. Some processes are key daily, some key monthly or quarterly. And then we really had to define our resiliency plan to determine what actual processes needed to occur, depending upon the timing of potential disruptions. Knowing that it wouldn't happen overnight, our controllership organization, which includes our 11 service centers, is made up of 7000 people. One of our big keys was collaboration, working across multiple organizations at Accenture like risk, security and asset protection. We laid out a



plan and we were rigorous in how we rolled it out and tested it. We practiced by shutting down shared service centers and entire countries. Initially, these shutdowns were planned and, as our business resiliency matured, we would do surprise shutdowns and further testing of our business resiliency.

Melissa Burgum [00:03:50] Well, with an organization of our size, I'm sure it took a lot of planning. Can you walk us through the various stages of the program?

Richard Clark [00:03:56] Sure. I mean, first, really, it's around organization and governance. We use the ISO Business Continuity Planning Framework as our structure, and we established a governance model over business resiliency. We needed to change the mindset and really instill the mindset in everyone in the controllership group about the importance of business resiliency and their role in business resiliency. So, we took the time to define roles and responsibility. The second key part was a document review. The program team reviewed every controllership activity to determine what was critical and when. And the next stage was incident response planning, really preparing an extensive location and recovery strategy for all of our shared services location. This showed us, for example, that we needed to accelerate access management rights for critical systems during an incident. Often, we had the capacity to provide resiliency services, but security access prevented us from utilizing that capacity.

Melissa Burgum [00:05:06] After we made it through those stages, what came next?

Richard Clark [00:05:09] Really it was testing and more testing, and that's really what made it successful. We tested at the facility level. We tested at the country level. We tested at the regional level. There's a difference between testing at a shared services center and then testing it in our countries, because we still do have local controllership teams that are in country that perform vital parts of the close process, both on a monthly and quarterly basis. So, as I said earlier, the first part of the testing was planned and then we moved to it being unannounced and that really helped us fortify our ability to be responsive and to really add to our capability of business resiliency.

Melissa Burgum [00:05:53] Sounds like quite the rigorous, rigorous process. How did the people involved feel during this time?

Richard Clark [00:05:59] I think by taking the time in the beginning to really involve everyone in Controllership in the definition - first, inventorying what processes we do by center that helped people - we got everybody together. We talked about what they did, when they did it during the month, the criticality of that to the business. Then we moved on to look at backup or what we refer to as a resiliency manager. So, I'm a manager in the Philippines and I'm going to be the backup person for a manager in Dalian, China. I built a relationship with that person to understand what they did in the criticality of their role and what company codes they supported and what countries they interacted with. So, it really allowed me to expand my breadth of knowledge of Accenture by being a resiliency manager. That created a lot of pride in our people, really a lot of collaboration that started through the business resiliency project. But then it really continued on into what we called 'one controllership', really having one global controllership function regardless of location, not being onshore and offshore country versus shared services. Really a one controllership mindset and how, as one controllership, we would be prepared from a business resiliency perspective to protect Accenture no matter what unknown happens in the future.

Melissa Burgum [00:07:31] That's a good point, I find that cross training is very good, not only for Accenture, but also for all of our people. To close out, what are the key takeaways that you would give to other companies trying to establish a business resiliency plan? Any other lessons learned? You mentioned the security access, but are there any other lessons learned for other companies?

Richard Clark [00:07:50] Yeah, I mean, I think one would be to establish a dedicated business resiliency team for strategy and testing. We built an incredible amount of skills on that team. The first time we did testing it took us three months to develop the test plan. We can develop a test plan today in three to five days. The feedback after the testing to the teams of what went well,



what needs to be improved is really helpful and, the business resiliency team is really well positioned in order to provide that. Having that team also is the first point of entry when we have a business disruption. It's the first point of contact that I go to to make sure that they're activated and they're implementing the strategy and the plan that we've previously agreed to and tested. Second would be defining what processes and subprocesses are key and when they're key. If journal entries don't get processed midmonth in a particular service center, that's not a disruptive process for me. If it's quarter end and I'm closing the books in preparation for earnings, journal entry processing is key and needs to be executed and executed in a very outstanding fashion. So, what the process is and when it's important was really helpful. I think knowledge sharing with other corporate functions in highlighting the interdependencies. Security was a big one, as we talked about. When we were faced with Covid-19, first thing we did was notify the security team that they needed to be accessible 7/24 because of the time differences between our workforces. For resiliency purposes, we needed that security team to provide access to backup resiliency managers twenty-four hours a day. So that was key. You know, we actually set up some backup processes where...in our facilities, we have a lot of people that support the actual facility themselves, being able to keep the lights on, keep the facility running...we trained those individuals in backup processes for accounts payable. So, during Covid-19, where people are working from home, those individuals, those support services in our facilities, they actually don't have anything to do right now because everybody's working from home. But we have extra capacity that we're using to support our payables and procurement process that we had pre trained and tested over years. Having that additional several hundred bodies in order to provide resiliency is really important. I think aggressive testing. You know, I'm a firm believer in surprise testing both upstream and downstream. And I think about also dependency on our vendors as we are more and more in the cloud with our enterprise systems. Our SAP system is in the cloud. We do our billing through cloud solutions using ServiceNow. We use Salesforce. We're really more and more

dependent on our vendors. So, understanding what our vendors business resiliency strategy was and, again, when it's key for us. Because not all vendors are equal. Not all vendors are as important at midmonth versus the end of month versus quarter end. So those would be, I think, the key things I would highlight for people.

Melissa Burgum [00:11:22] Thanks. This has been really helpful. Thank you for sharing our story. I know I learned a few things. I'm sure this is very helpful for our listeners and they learned some things too. So, thanks again.

Richard Clark [00:11:33] Thank you.

Narrator [00:11:34] Thank you for joining today's podcast. Be sure to subscribe to the Accenture Future Ready Finance Podcast series on Apple podcasts or Spotify.

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