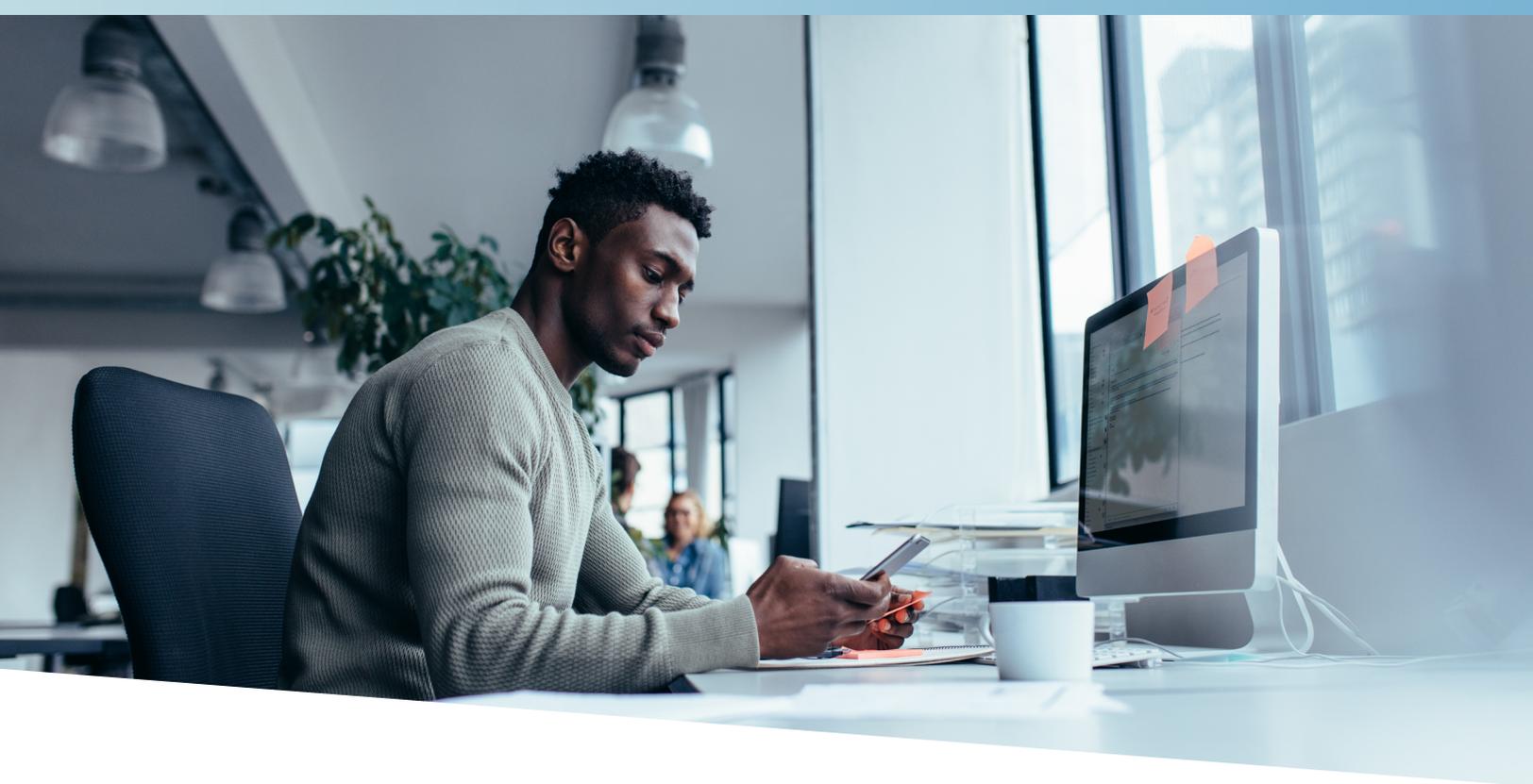**FinQuery**
Formerly LeaseQuery®

2026

The Controller's Guide:
Achieve Financial Transformation by Moving Beyond the Ledger

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Introduction

The contemporary corporate controller operates under a mandate that extends far beyond the traditional duties of financial reporting and compliance. Facing an increasingly competitive and complex global landscape, the accounting function must expand their focus on historical data to become a forward-looking partner that delivers insights crucial for strategic business decisions.

This expansion of a controller's role is part of the broader transformation of finance teams spurred by growing business demands and enabled by changing technology. The goal of financial transformation is to enhance efficiency, drive sustainable growth, and strategically align the finance and accounting function with the company's broader objectives. However, many transformation initiatives stall or fail to achieve their promised benefits because **organizations focus too heavily on change management without addressing the underlying source data problem.** This failure leads to the critical error of automating existing, broken processes, effectively making dysfunction faster and more pervasive.

The key limitation holding back financial transformation is not the talent within the finance team, but the fragmentation and mismanagement of core financial source documents. True financial integrity demands that accounting begins the moment a financial document or service agreement is signed. But for many organizations accounting is reactionary based on invoices or other documents. **The path to fundamental transformation must, therefore, start by resolving the primary bottleneck: fragmented financial source documents.**

The Evolving Mandate:
Controllers as Strategic Partners

The mandate for financial transformation is a direct response to macro-level forces, including higher expectations for faster month-end closes and the necessity for providing insights to support agile business strategies. **Stakeholders, including auditors and CFOs, demand detailed analysis and rapid access to information.** This external pressure is rapidly reshaping the controller's role.

Indeed, **86%** of financial controllers **anticipate a drastic change in their role over the next five years**, with **39%** specifically expecting their focus to **shift toward value creation**, according to a **2024 EY study**. Technology is the backbone of this expected change, designed to automate repetitive, transactional tasks and liberate human talent for strategic engagement. However, while the mandate to be strategic is clear, practical execution lags. The same study shows that only **21%** of respondents rank seeking out technological opportunities as a "top three" definition of creating value. Controllers often **gravitate toward focusing on value optimization, such as cost-saving strategies** (**46%**), rather than engaging in new growth opportunities like **using data insights to recommend strategic directions** (**34%**).

This inability of controllers to transition fully into strategic value creation is not a failure of skill or willingness, but a direct result of process inefficiency caused by underlying operational inefficiencies. **The current structure traps skilled finance professionals in reactive workflows, making it impossible to allocate time for forward-looking analysis such as rolling forecasts and scenario analysis.** This document bottleneck acts as a ceiling on strategic capacity, preventing the accounting function from fulfilling its modern imperative.

EY STUDY RESULTS

21%	rank seeking out technological opportunities as a "top three" definition of creating value
46%	gravitate toward focusing on value optimization, such as cost-saving strategies
34%	engage in new growth opportunities like using data insights to recommend strategic directions

86%
of financial controllers expect role to change drastically over next five years

39%
expect focus to shift to "value creation"

26%
expect future roles to demand very different or "unknown" skills

The survey did identify a set of financial controllers (25% of the overall sample), known as "confident controllers," who are already driving value creation through technology. Nearly two-fifths of this group (37%) lead on innovation, compared to 25% of other controllers surveyed.

Source: *https://www.ey.com/en_gl/cfo-agenda/dna-financial-controller-survey*

The Unseen Gap: Why Reactive Accounting Stops Your Transformation

The fundamental flaw in traditional accounting workflows is their inherently reactive nature. For many controllers, financial visibility is the prerequisite for effective control, and is delayed until an invoice finally arrives. This late start is the genesis of both operational inefficiency and regulatory risk.

The Inherent Risk of the Invoice-Driven Workflow

An invoice-driven workflow triggers a reactive, manual, and time-consuming scramble. Upon receiving an invoice, the accounting team must locate the original financial agreement, be it a contract, lease, or purchase order, to determine the correct accounting treatment, such as prepaid expense classification or accrual recognition.

This isn't merely an inconvenience; it introduces **substantial financial and audit risks.** Operating from the invoice, rather than the legally binding contract, creates critical control deficiencies during an audit. The reliance on retrospective documentation **increases the risk of paying fraudulent or incorrect invoices**, as the transactional entry precedes the validation of the commitment.

BLOG POST

4 Hidden Costs of Manual Prepaid & Accrual Accounting

Shifting Focus to Preventative Controls

The practice of relying on retrospective invoice data, instead of proactive contract data, guarantees the continuation of upstream process risk. This risk is rooted in the failure to secure and standardize data at its origin, irrespective of the sophistication of the ERP or general ledger (GL) system.

Modern risk mitigation must shift focus to preventative controls applied precisely at the source document: the signed agreement. By prioritizing the validation and structuring of the original contract data, the audit focus moves from reconciling GL entries to validating the automated, trusted flow of data from the source, thereby mitigating the risk inherent in manual, reactive processes.

The Bottleneck:
Fragmentation, Not Lack of Effort

The document bottleneck's defining characteristic is the sheer impossibility of tracking critical source data due to hyper-fragmentation. The contract data underpinning significant financial commitments, from software subscriptions and office leases to capital equipment financing, is scattered across silos within the organization.

This system fragmentation—forcing teams to pull data from separate ERPs, AP/AR modules, and close management tools—ignites a crisis of data integrity. As these technical silos proliferate, the organization struggles to establish a reliable, single source of truth. Without a centralized, high-fidelity source of truth, even the most advanced analytical technology can't provide accurate or meaningful insights. The resulting workflows, operating on limited or late information, are inefficient, difficult to scale, and structurally prone to bottlenecks.

Organizations often try to solve this fragmented landscape with costly, monolithic ERP upgrades. However, this strategy frequently fails because ERPs, designed for broad transactional processing, often lack the specialized depth required for intricate, regulatory-driven contract accounting. **When companies focus solely on implementing a new system without first defining the "why" and re-engineering the broken processes, they risk automating the existing dysfunction, making the financial chaos faster and more widely distributed.** This risk underscores the need for a specialized solution dedicated to managing source documents.

Prepaid Finder Checklist

The fragmented nature of contract data is a critical weakness in organizational governance that extends far beyond the controllership. **When finance lacks a central view of all agreements, they can't effectively advise on the company's total commitment or contracted spend leverage.** This means strategic decisions regarding spending and risk are made based on incomplete information, potentially resulting in structural inefficiencies and overspending. For instance, without centralized contract visibility, proactive cost avoidance, such as identifying and canceling unneeded services, is impossible until it's often too late, leading to tangible financial loss. Solving the document bottleneck is, therefore, a fundamental governance priority for the entire enterprise.

Reclaiming Data Integrity:
Accounting Starts at the Contract

To overcome the crisis of fragmentation, controllers must institute a fundamental shift in perspective. A modern, resilient financial foundation requires proactive management starting when the financial document is signed.

This perspective reframes the data integrity challenge entirely. Instead of engaging in the reactive, period-end task of reconciling discrepancies, the finance function must focus on ensuring data quality at its point of origin. This pre-emptive approach minimizes risk and significantly enhances control. **Reliance on fragmented documents and manual processes traps the accounting team in low-value, time-consuming work.** This burden not only restricts the ability of the team to engage in high-impact activities but also contributes to lower employee retention, as highly skilled professionals are forced to operate as data entry specialists rather than analysts.

The move toward operational maturity necessitates abandoning the invoice-driven scramble for a proactive, contract-driven approach. The table below illustrates the dramatic difference this strategic shift creates in financial control and efficiency.

Reactive vs. Proactive Accounting:
Shifting the Financial Starting Line

Workflow Status	Reactive (Invoice-Driven)	Proactive (Contract-Driven)
Data Starting Point	✖ Invoice or General Ledger Entry	✔ Signed Financial Agreement/Contract
Visibility Start	✖ After the fact (post-transaction), often too late to mitigate cost/risk	✔ At the point of origin (pre-transaction), enabling forward planning
Primary Risk	✖ Control deficiencies, incorrect payments, missed non-renewal deadlines	✔ Data standardization and platform adoption risk (managed through change management)
Effort Required	✖ Highly manual work, finding disparate documents across several systems	✔ Automated generation of complex accounting schedules (e.g., amortization)
Source of Truth	✖ Decentralized, fragmented spreadsheets and system silos	✔ Single, centralized, secure repository (the dedicated subledger)

Re-engineering the Foundation:
The Document-Centric Workflow

The contract-to-accounting workflow transforms an organization's approach from reactive, one that begins only when an invoice arrives, to proactive. This model provides financial visibility the moment a document is signed. This shift directly addresses the limitations of traditional accounting, which often operates on late or limited information and creates bottlenecks because source data is scattered across multiple systems.

Intelligent Automation for Core Financial Tasks

Applying the contract-to-accounting process and intelligent automation to core financial tasks eliminates the manual, spreadsheet-based management that previously consumed valuable time. For instance, automated solutions can handle the generation of amortization schedules, complex journal entries, and the disclosure reports essential for compliance with standards like ASC 842, IFRS 16, and FRS 102 lease accounting. **An automated contract-to-accounting platform, like FinQuery, is capable of providing an end-to-end connection directly to the ERP system, allowing a completed, auditable journal entry to be pushed with the press of a button.**

Overcoming Internal Resistance

Resistance to change is high when new tech disrupts routines, like a manual, invoice-based process. However, accounting teams can free themselves from reactive fire drills by re-engineering their workflow to use contracts as the source of truth.

A centralized platform like FinQuery makes this transition seamless. With FinQuery Inbox, teams don't learn a complex new process; they just use email. By simply forwarding leases, contracts, prepaids, and invoices to a dedicated address , they trigger automated data capture, directly removing the most tedious burdens of manual entry and immediately demonstrating value.

Fueling FP&A Transformation

Achieving the high-level strategic goal of moving beyond rigid annual budgets to embrace dynamic rolling forecasts is impossible without first automating the document workflow. Rolling forecasts require a continuous supply of high-quality data, which fragmented contract management simply cannot provide. **A contract-to-accounting platform like FinQuery, acts as the engine that powers this essential FP&A transformation.**

The Strategic Enabler: Implementing the Contract-to-Accounting Subledger
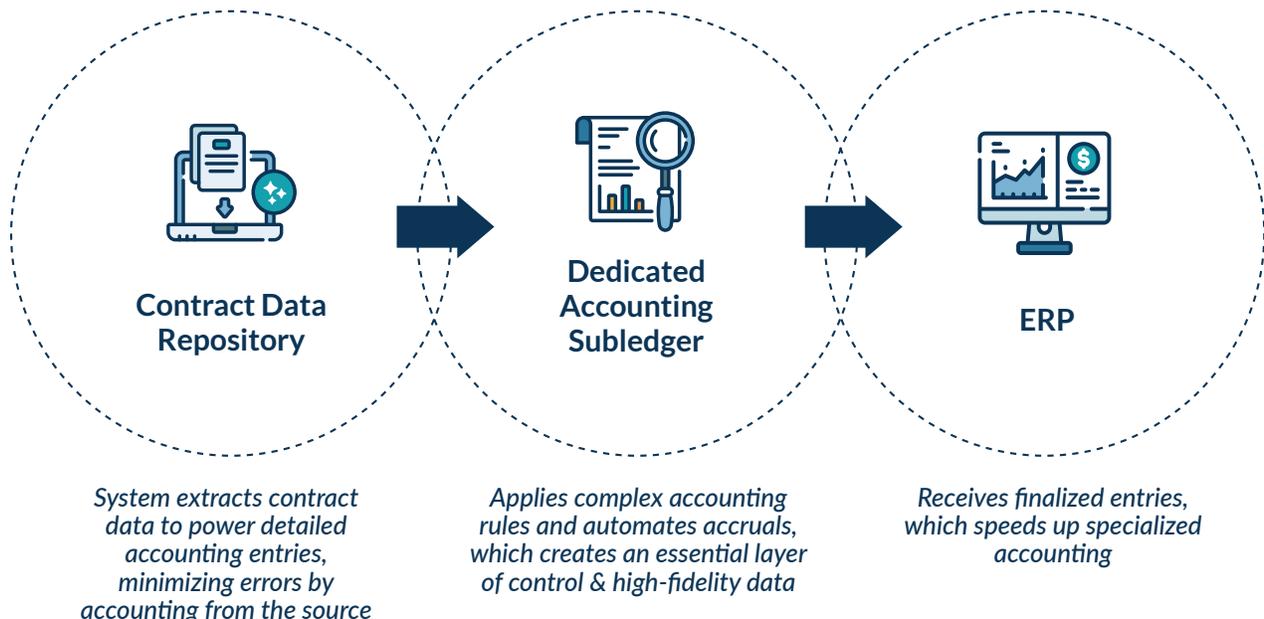
What is a Contract-to-Accounting Platform?

A contract-to-accounting platform is a dedicated subledger specifically designed for all business agreements and optimized for the controllership. It represents a significant expansion in the role of the controllership into more strategic support for the CFO.

A contract-to-accounting platform complements the capabilities of the ERP system and enhances overall financial reporting and controls. While the ERP serves as the central financial hub, integrating broad business functions, it frequently lacks the specialized depth required for intricate contract-specific accounting. The contract-to-accounting platform manages this complex, specialized accounting, such as the rules for lease accounting and tracking numerous accruals, at the source.

This strategic dual-system approach is highly effective: it **allows the ERP to continue serving its core functions while offloading the highly complex, contract-specific accounting to a purpose-built system.** By converting raw contract data into detailed accounting entries, the platform provides a new, essential layer of control and high-fidelity data that was previously missing or managed manually in spreadsheets. The synergy between the ERP and the subledger ensures that financial records align precisely with contractual commitments, producing a complete and accurate financial picture.

How a Contract-to-Accounting Platform Works
END-TO-END AUTOMATION

Contract Data Repository

Dedicated Accounting Subledger

ERP

System extracts contract data to power detailed accounting entries, minimizing errors by accounting from the source

Applies complex accounting rules and automates accruals, which creates an essential layer of control & high-fidelity data

Receives finalized entries, which speeds up specialized accounting

Proactive Compliance and End-to-End Automation

By leveraging intelligent automation, contract-to-accounting subledgers streamline and de-risk financial workflows, delivering dramatic efficiency gains. Companies using these platforms can reduce the effort for managing prepaids and accruals by around 80% and cut time spent on lease accounting by up to 60%.

Having the ability to easily move data from your sub-ledger to your ERP system is crucial for maintaining strong financial control. This capability establishes a vital review point of the activity and detailed data within the sub-ledger before seamlessly moving it to the ERP for posting.

This process greatly simplifies compliance by transforming manual journal entry creation into an automated process, where the sub-ledger generates accurate entries based on the activity occurring in the period. This ensures high data integrity and provides your team with confidence in the reported figures.

Reduce the effort for managing prepaids and accruals by around

80%

Cut time spent on lease accounting by up to

60%

Data Democratization and Enterprise Governance

Beyond efficiency and compliance, **a contract-to-accounting platform improves organizational governance by establishing a single source of truth for all business agreements in a secure, centralized repository.**

This centralization directly addresses the issue of data trapped in disparate systems or manual spreadsheets—a "black box" that is only accessible to a select few. The controller, acting as the steward of this platform, can then facilitate data democratization by providing secure, role-based access to contractual information for any team member across the organization without sacrificing security or controls.

Crucially, this enterprise-wide visibility allows departments like procurement, finance, and accounting to access the timely insights required to manage their budgets and contractual commitments effectively. This minimizes the risk of siloed spend and acts as a crucial check and balance against non-finance commitments, ensuring all departments operate within strategic financial guardrails.

"It definitely helps with getting through the end of month financial prep much quicker. I don't need to spend an entire day on prepaids. And that's lovely."

KELLY SWICK

SYSTEMS CONTROLLER

◆IMEG

View the Case Study

Your Roadmap to Starting Transformation Today

The path forward for the modern controller requires proactive leadership and a mental shift, recognizing that the role must expand beyond historical reporting to drive business growth. However, the journey, while potentially daunting, can be navigated successfully by focusing on the simplest, most effective starting point: using existing documents better.

The Critical First Step: Assessing Your Document Chaos

A mental shift must be immediately followed by tactical action, beginning with a comprehensive assessment of the organization's contract and document fragmentation. This means measuring:

Q   The number of systems currently holding contract data.

Q   The amount of labor spent on manual data retrieval and reconciliation.

Q   Organizational exposure to risks such as missed critical renewal deadlines or compliance violations.

By focusing on existing document inefficiencies—a known source of daily frustration—the controller transforms an abstract "transformation" goal into a manageable "optimization" initiative.

This provides an immediate, low-barrier entry point. The team doesn't need to centralize every legacy contract at once. **The practical advice is simple: as new contracts for leases or prepaids are signed, place them in the central repository.**

As your team touches an existing contract, send it in. This bypasses resistance because the value starts immediately, with the first document, long before the entire portfolio is centralized.

FREE GUIDEBOOK

What's the ROI on my lease accounting software?

Realizing Value—Building the Contract-First Business Case

Quantifying Value Beyond Cost Savings

The foundation of a persuasive business case for financial transformation is a clear definition of the problem: the operational inefficiency and risk exposure inherent in decentralized document management and reactive accounting. By centralizing the contract data, the business fundamentally addresses potential risk through improved insight and control directly driving quantifiable cost savings.

Centralization shifts enable a business to have a more proactive and strategic function. It gives finance teams a comparative view of rates and clauses across different business units and regions, instantly highlighting contracts with unusually high costs or low returns.

Crucially, this clear insight allows teams to prevent unforeseen financial penalties. For example, by having easy access to renewal or termination clauses, decision makers can receive preemptive flags for necessary actions like a required 90-day notice period to avoid auto-renewals. This strategic advantage allows the business to reach out preemptively to close out proper deals, preventing a subsequent liability increase from an unwanted contract or a termination penalty. This clear insight enables accurate budgeting and better negotiation preparation, leveraging internal data to secure favorable terms on amendments, and minimizing financial risk exposure.

FREE GUIDEBOOK

Getting the Go-Ahead: Making the Business Case for Lease Accounting Software

FREE GUIDEBOOK
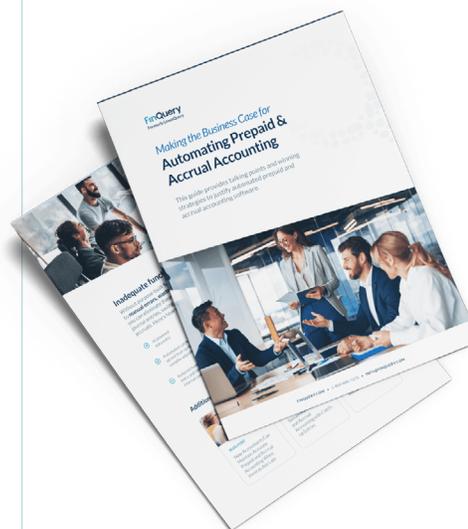
Making the Business Case for Automating Prepaid & Accrual Accounting

Enabling Strategic, Forward-Looking Insights

By ensuring a continuous supply of high-quality data derived directly from source documents, controllers can resolve the prerequisite challenge for moving beyond rigid annual budgets. Centralized, accurate contract data powers the strategic adoption of rolling forecasts—projections that are continuously updated, often monthly or quarterly. This continuous integration of high-quality data fundamentally enhances an organization's agility and responsiveness to disruptions.

Without a centralized repository and strategic notification system, an unexpected auto-renewal or missed exit deadline can force a company to recognize a large, unplanned increase in the liability toward the year-end. This lack of foresight creates tangible financial risk, potentially compromising loan covenants or negatively impacting debt-to-equity ratios. In contrast, an agile company utilizing a centralized system can proactively run reports on all upcoming renewals across the business. This foresight allows teams to strategize early to determine whether a renewal is advantageous or if relocating is a better decision and execute the necessary exit clauses well in advance, thereby mitigating future liability increases and preserving financial stability.

Robust scenario analysis—illustrating worst, base, and best-case potential outcomes—becomes a practical reality when based on verifiable, centralized contract commitments. This predictive edge allows management to envision a range of potential outcomes and proactively develop sophisticated contingency plans.

Case Studies in Document Transformation

Real-world transformations confirm that centralizing the management of underlying documents is the critical step to resolving operational, compliance, and audit challenges.

Eliminating Surprise Renewals and Cost Avoidance

The financial services firm **MountainSeed** struggled with a decentralized, manual contract management process using disparate spreadsheets, resulting in a lack of a single source of truth. They were trapped in a reactive state, often learning about contract renewals only after the non-renewal window had passed. By implementing a **centralized system**, the team gained a clear view of their contract pipeline. This transformation resulted in immediate cost avoidance, as the team identified and canceled two unneeded services in the first quarter alone, confirming the direct financial impact of moving from document chaos to structured control.

Achieving Audit-Ready Compliance and Efficiency

Both **Mingledorff's** and **Shoe Sensation** faced significant operational chaos and high compliance risk (specifically ASC 842) due to their reliance on manual Excel spreadsheets for tracking extensive lease portfolios. **Shoe Sensation**, operating over 200 retail locations, found this decentralized approach structurally unsustainable, leading to poor reporting and incorrect data.

The solution in both cases was the implementation of a comprehensive, centralized, automated system for lease accounting and management. This shift significantly reduced the time spent on lease accounting and provided auditors with easy, centralized access to all required data, which streamlined the audit process and enhanced confidence in their accounting practices. For Shoe Sensation, the accurate data and streamlined processes led to a successful, stress-free audit, and reporting time was reduced from tedious, error-prone hours to mere minutes.

While compliance mandates (such as ASC 842 and FRS 102) serve as powerful catalysts for transformation, the lasting business value realized in these cases is found in operational agility and cost avoidance unlocked by centralized documents. Controllers should position the investment not just as regulatory defense (an immediate necessity) but as an operational offense (a long-term strategic advantage), with both benefits stemming directly from document centralization. Furthermore, the experience of a company like **Shoe Sensation** proves that the document bottleneck is an acute scalability issue; **manual systems are structurally incapable of handling the complexity that accompanies aggressive growth, making the centralized subledger mandatory for future expansion.**

View our Case Studies with the following customers below:

Embracing Change Management and Partner Selection

The ultimate success of a document-centric transformation hinges on the people who must adopt the new processes. Controllers must embrace their role as change managers, planning for the team's upskilling and communicating the vision transparently: **the objective is to eliminate *"time-sucking, life-sucking"* manual tasks and enable the team to focus on proactive, strategic analysis.**

It is crucial to recognize that the failure to address the document bottleneck directly correlates with low employee retention and difficulty in attracting high-value talent. Investing in the contract-to-accounting platform converts tedious processes into streamlined, automated workflows. This investment acts as a critical human capital strategy, signaling to employees that management values their skills for strategic analysis over manual data entry.

When selecting a technology partner, the controller must seek one with proven experience and, ideally, accountants on staff. This specialized expertise ensures that the partner deeply understands the regulatory and operational requirements of the controllership. Such a partner can steer not only the technology implementation but also the essential process re-engineering and people training necessary for the successful transition to a contract-first accounting methodology.

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ASC 842 Software Comparison Guide
13 Questions to Ask

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Lease Accounting Software Comparison Guide

How Controllers Use FinQuery
for Financial Transformation

For controllers, financial transformation can begin with resolving the pain point of fragmented source documents. **Teams spend too much time chasing and reconciling data that's scattered across emails, spreadsheets, and file shares.** This reactive, invoice-driven model is inefficient and prone to errors.

Built by accountants, for accountants, FinQuery offers a dedicated, specialized subledger that centralizes and accounts for all financial agreements. Once a commitment is signed, FinQuery abstracts and consolidates the information, creating a complete, auditable system of record. Accounting moves from reacting to invoices to proactive and contract-driven with high-fidelity data and stronger controls.

Managing Complexity and Driving Automation

General ledger systems simply lack the necessary depth to handle intricate compliance rules and complex scenarios. FinQuery is designed for these challenges—from embedded lease detection and multi-currency translation to dual-standard reporting. This specialized automation takes on the high-volume, transactional burdens that bottleneck your month-end close, including dramatically speeding up prepaid and accrual accounting while minimizing errors.

Achieving Audit Certainty and Strategic Payoff

FinQuery delivers results in two key areas: **operational efficiency and audit confidence.** FinQuery protects your data and your team with structural safeguards like role-based access and secure data validation. But the critical win is the automated, end-to-end connection that pushes journal entries directly to your ERP. Auditors love this "untouched file" guarantee because it removes human error risk between the specialized calculation engine and the general ledger. That streamlined process strengthens SOX compliance and gives you back the time, and confidence, to truly lead.

FinQuery

FinQuery is an award-winning software company providing AI-powered solutions for lease accounting, contract management, and prepaid & accrual accounting.

Built for accounting and finance teams, FinQuery empowers more than 36,000 professionals to accelerate their close, streamline budgeting and forecasting, simplify complex accounting, and comply confidently.

Learn more at FinQuery.com