
Case Study: Powering a Global Energy Company to Compliance



By Dustin Hindman

The Challenge

Come January 2019, new standards from the International Financial Reporting Standards (IFRS), and the Financial Accounting Standards Board (FASB), will change how organizations must recognize their lease assets and liabilities, and how they disclose information about their leasing arrangements. At a global energy company, leadership realized that its internal resources were short on the time and skill sets needed to address the complexities of its current lease accounting program and get a new compliance solution up and running on time. Knowing Point B's track record across more than 500 regulatory and compliance initiatives, the company engaged us to provide the project leadership and software selection expertise to meet the deadline.

Fueled by project leadership

Point B brought the global company our expertise in compliance and regulatory change, together with the project leadership to guide the new lease accounting initiative towards success. From start to finish, we added value by finding ways to transform a mandatory risk management effort into something more: a strategic business win.

Structured for success

Structure was key to setting the stage for success. We developed an end-to-end approach to meeting the new accounting standards and designed a project plan anchored by well-defined work streams.

Involving the right people was also key. Our client's initial efforts had relied on its accounting team, who lacked the bandwidth and skills to keep the project moving. We centralized the project within the company's SEC reporting organization, established an executive steering committee, structured and led a core team to drive it forward. We took a strong change management focus, which was crucial to gaining buy-in across the organization.

Our client valued the independent perspective that Point B brings to every software selection process. We developed the solution architecture and led the software selection work stream. We identified the best software vendor for the company's needs, which steered our client away from its preliminary choice. In the process, we analyzed spend data and financial disclosures to identify all commercial agreements that contained leases and embedded lease obligations. And we established a game plan to leverage existing internal resources to address Sarbanes-Oxley Act controls, audit plan and accounting policy changes.

On time—and on strategy

It's not unusual to underestimate what it will take to meet a new compliance mandate. In the rush to meet deadlines, optimizing the solution can fall by the wayside. Point B provided the structure and project leadership for our client to meet a tight deadline, while improving the accounting and arrangements of its leasing activities around the world.

Find out how Point B can help you achieve your vision. Visit pointb.com or contact us at insights@pointb.com.