



THE SYSTEM CFO SERIES  
HINDOL DATTA

FREE ASSESSMENT

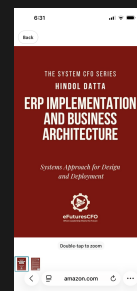
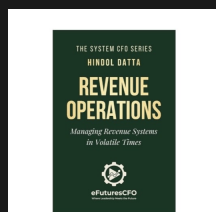
PILLAR 3: TACTICAL OPERATIONS | TOOLKIT #15 OF 37

# THE MONTHLY CLOSE EFFICIENCY DIAGNOSTIC

*Getting to a 5-Day Close Without  
Burning Out Your Team*

20-Question Diagnostic | 5-Page Assessment

Score Your Organization 1-5 Across Four Dimensions  
Identify Gaps and Build Your Action Plan



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Where Leadership Meets the Future

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## QUESTIONS 1-5

## Section A: Close Calendar and Task Management

*Do You Have a Close Calendar — or a Close Panic?*

*The monthly close is the most visible operational test of the finance function. A slow, error-prone close signals systemic problems — poor systems, manual processes, unclear ownership, and inadequate controls. A fast, accurate close signals a well-engineered finance function. The System CFO treats the close not as a monthly ordeal to survive but as a process to be continuously optimized toward speed, accuracy, and sustainability.*

## A. CLOSE CALENDAR AND TASK MANAGEMENT

1	A detailed close calendar exists — with every task, owner, deadline, predecessor dependency, and reviewer documented in a shared system (not just a spreadsheet or someone's memory).	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
2	Close tasks are sequenced optimally — dependencies are mapped so that upstream tasks complete before downstream tasks begin, eliminating idle time and preventing bottleneck cascading.	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
3	The close calendar includes time buffers for review and issue resolution — not every minute is scheduled, allowing for the inevitable adjustments without blowing the entire timeline.	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
4	Close task completion is tracked in real time — a dashboard or close management tool shows which tasks are complete, in progress, or at risk, visible to the entire finance team.	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
5	The close calendar is reviewed and optimized quarterly — tasks are evaluated for elimination, automation, or parallelization, and the target close timeline is shortened progressively.	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best

SECTION A SCORE: Total: \_\_\_\_ / 25      Average: \_\_\_\_ / 5



**QUESTIONS 6-10**

## Section B: Journal Entries and Reconciliations

*How Many Manual Journal Entries Are You Still Making — and How Many Should Be Zero?*

*Manual journal entries and reconciliations are the biggest time sinks in the close process — and the biggest sources of error. Every manual JE is an opportunity for misclassification, transposition, or omission. Every manual reconciliation is an opportunity for items to be missed or incorrectly cleared. The System CFO systematically eliminates manual entries through automation and reduces reconciliation effort through system integration.*

**B. JOURNAL ENTRIES AND RECONCILIATIONS**

6	The number of manual journal entries per close is tracked and declining — the organization knows exactly how many manual JEs are posted each month and has a plan to reduce them by at	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
7	Recurring journal entries are automated — standard monthly entries for depreciation, amortization, prepaid releases, accruals, and allocations are system-generated rather than	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
8	Balance sheet reconciliations are completed for all material accounts each month — with documented standards for what constitutes a complete reconciliation including aging of	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
9	Intercompany reconciliation is automated — balances between entities are matched systematically, discrepancies are identified by the system, and eliminations are generated	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
10	Reconciling items are tracked with aging and ownership — items older than 30 days are escalated, items older than 60 days require management review, and no reconciling item persists	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best

**SECTION B SCORE: Total: \_\_\_\_ / 25      Average: \_\_\_\_ / 5**

**QUESTIONS 11-15**

## Section C: Accruals, Estimates, and Flux Analysis

*Are Your Accruals Accurate — and Are You Catching Anomalies Before They Become Misstatements?*

*Accruals and estimates represent the judgment-intensive core of the close. Revenue recognition, bad debt reserves, warranty provisions, bonus accruals — these are the areas where errors are most consequential and most difficult to detect. The System CFO builds structured methodologies for estimates, validates accruals against actuals, and uses flux analysis to catch anomalies before they become material misstatements.*

**C. ACCRUALS, ESTIMATES, AND FLUX ANALYSIS**

11	Accrual methodologies are documented and consistently applied — each material accrual has a defined calculation method, data source, preparer, and reviewer with documented assumptions.	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
12	Accrual accuracy is measured by comparing estimates to actuals — each month, prior period accruals are trued up, and the variance between estimate and actual is tracked to improve	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
13	Flux analysis is performed on all material P&L and balance sheet accounts — month-over-month and budget-to-actual variances exceeding defined thresholds are investigated and	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
14	Revenue recognition follows a documented policy — with clear criteria for timing, measurement, and allocation across performance obligations, reviewed by someone other than the	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
15	Management review of close results includes analytical review — the controller or CFO reviews key ratios, trends, and relationships between accounts to identify anomalies that	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best

**SECTION C SCORE: Total: \_\_\_\_\_ / 25      Average: \_\_\_\_\_ / 5**



QUESTIONS 16-20

## Section D: Close Team Capacity and Continuous Improvement

*Is Your Close Process Sustainable — or Is Your Team Burning Out Every Month?*

A close process that achieves speed through overtime and heroics is not efficient — it is fragile. The System CFO builds a close process that is sustainable at normal work hours, with built-in redundancy so that the absence of any single person does not derail the timeline. The goal is not just a fast close but a fast close that the team can execute month after month without burnout.

### D. CLOSE TEAM CAPACITY AND CONTINUOUS IMPROVEMENT

16	The close process completes within normal working hours — the team does not routinely work evenings or weekends during close, and any overtime is treated as a process failure to be	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
17	Cross-training ensures no single person is a bottleneck — at least two people can perform every critical close task, and the backup has actually executed the task within the last	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
18	A close retrospective is conducted after each quarter-end — reviewing what went well, what caused delays, what errors occurred, and what specific improvements will be implemented	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
19	Close process metrics are tracked monthly — including total elapsed time, number of manual JEs, late task completions, errors requiring correction, and hours worked by the close	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
20	The organization has a defined target for close timeline reduction — a specific goal (e.g., from 10 business days to 5 business days) with a phased plan and milestone dates for	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best

**SECTION D SCORE: Total: \_\_\_\_ / 25      Average: \_\_\_\_ / 5**

**OVERALL ASSESSMENT SCORE**  
 Section A: \_\_\_\_ / 25    Section B: \_\_\_\_ / 25    Section C: \_\_\_\_ / 25    Section D: \_\_\_\_ / 25    TOTAL: \_\_\_\_ / 100    AVG: \_\_\_\_ / 5

**GAP TO GOAL**

# Gap-to-Goal Action Plan

*Bridging the Gap — Monthly Close Efficiency Diagnostic*

Transfer your five lowest-scoring questions. For each gap, define the target state, specific actions, owner, timeline, and success metric. Focus on highest-impact gaps first.

GAP #	Q REF	CURRENT	TARGET	SPECIFIC ACTION TO CLOSE GAP	OWNER	DEADLINE	METRIC
1	Q__	___/5	___/5	_____	_____	_____	_____
2	Q__	___/5	___/5	_____	_____	_____	_____
3	Q__	___/5	___/5	_____	_____	_____	_____
4	Q__	___/5	___/5	_____	_____	_____	_____
5	Q__	___/5	___/5	_____	_____	_____	_____

### ASSESSMENT SUMMARY

Completed by: \_\_\_\_\_ Date: \_\_\_\_\_

Overall average score: \_\_\_ / 5    Items scored 1-2 (critical): \_\_\_

Items scored 3 (developing): \_\_\_    Items scored 4-5 (strong): \_\_\_

Top strength: \_\_\_\_\_

Most critical gap: \_\_\_\_\_

One action this week: \_\_\_\_\_

### READY TO GO DEEPER?

This free assessment identified your gaps. The Premium System CFO Toolkits provide the frameworks, templates, and action plans to close them. Visit [EfuturesCFO.com](http://EfuturesCFO.com)





READY TO GO DEEPER?

## This Assessment Identified the Gaps. The Premium Toolkit Closes Them.

**PREMIUM: The Constraint Register and Bottleneck Tracker (12 Pages)**

The full premium toolkit includes the Theory of Constraints-based close optimization framework, bottleneck identification methodology, constraint exploitation and elevation strategies, close task dependency mapping, automation opportunity assessment, and the continuous improvement governance dashboard.

*Plus. Access the Super Exclusive 40-Page*

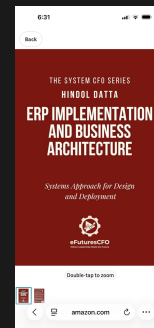
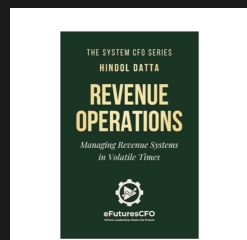
*System CFO Organizational Finance Assessment Kit*

### ABOUT THE AUTHOR

## Hindol Datta

25+ years as CFO and VP Finance | \$150M+ in M&A | CPA, CMA, CIA, PMP, CPIM

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