EY 2017 Revenue Recognition Survey

We surveyed both finance and IT executives from US public companies with revenues greater than $1b, speaking to over 300 senior leaders to get a rounded perspective on the current state of implementing revenue recognition changes.

EY
Building a better working world

What challenges are companies facing?

01 | Projects running behind schedule

71% of CFOs say revenue recognition programs are not yet complete

49% of CFOs not beyond establishing IT and business process requirements

34% of CFOs say they are at risk of falling behind schedule or have not yet begun

Top 4 reasons for running behind schedule

51%
Insufficient allocation of resources

46%
Lack of change in management capability

44%
Challenges interpreting the standard's technical requirements

42%
Insufficient financial resources allocated

02 | Data and IT issues proving difficult

47% are planning system changes

70% are finding assessing and making system changes "difficult"

03 | Manual workarounds may need to be developed

45% are having difficulties implementing or upgrading to a new system and may not have a system in place for the adoption deadline

Ways to move forward

01 Identify delivery challenges early and ensure finance and IT are on the same page

CIOs see delivering change across global or decentralized organizations as a critical challenge

CFOs see educating internal and external stakeholders and delivering effective communication and training as a critical challenge

VS

85%

of CIOs believe the IT team is providing the support and skills needed to meet these standards

60%

but this drops to 60% for CFOs

02 Put appropriate resources in place

54%

have seen budgets increase since program inception

48%

are hiring more people

40%

are making extensive use of consultants

03 Identify transformation opportunities through compliance

61%

say changes are an opportunity to drive transformation

43%

are too focused on getting the task completed to unlock broader business benefits

Top 3 optimization priorities for CFOs

Improved data quality and data-driven insights

Strategic cost reduction

Tax efficiencies