

Disclosure Management: Streamlining the Last Mile

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TO THE NEXT LEVEL OF BUSINESS REPORTING. AND BEYOND.



Discussion Items

Perceptions drive Implementation Approach

Standardize to Streamline

The Last Mile

Internal Silo's & Inhibiting Opacity

Empowering Consumers

Appendix - Resources

Perceptions drive Implementation Approach

- Compliance perception
 - add manual process and controls increasing cost/time (e.g. outsource)
- Standardization perception
 - automate /streamline processes and controls decreasing cost/time (e.g. build-in)

Supply Chain Standardization Examples:

- UPC/bar code
- Containerization
- HTML

Perceptions drive Implementation Approach

- XBRL is a freely available international information format standard
- Standardization for Reporting
 - External
 - Internal
- Standardization for Internal Infrastructure
 - Ledgers
 - Sub-ledgers
- What if you could access any information you needed with a plain language query?

Standardize to Streamline

- Info Access

manual/opaque → automated/transparent

- Assembly process manual

→ automated

centralized

→ decentralized

- Review process linear

→ contextual

distributed

→ collaborative

- Controls

manual

→ streamlined/automated

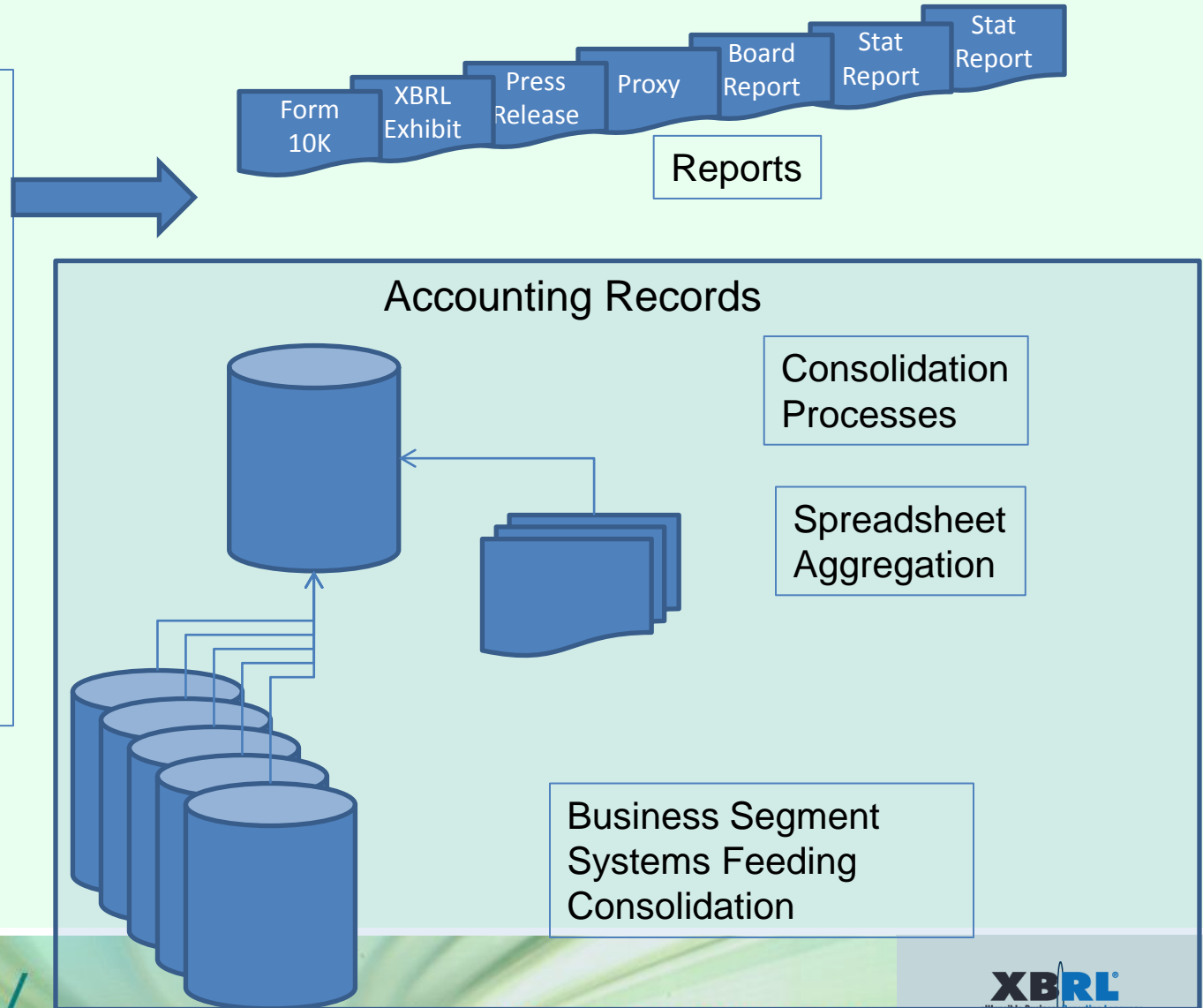
Siloed

→ collaborative/social

Typical Manual Last Mile

Reports are created via a series of access and rekeying efforts manually replicating information contained in the company accounting records.

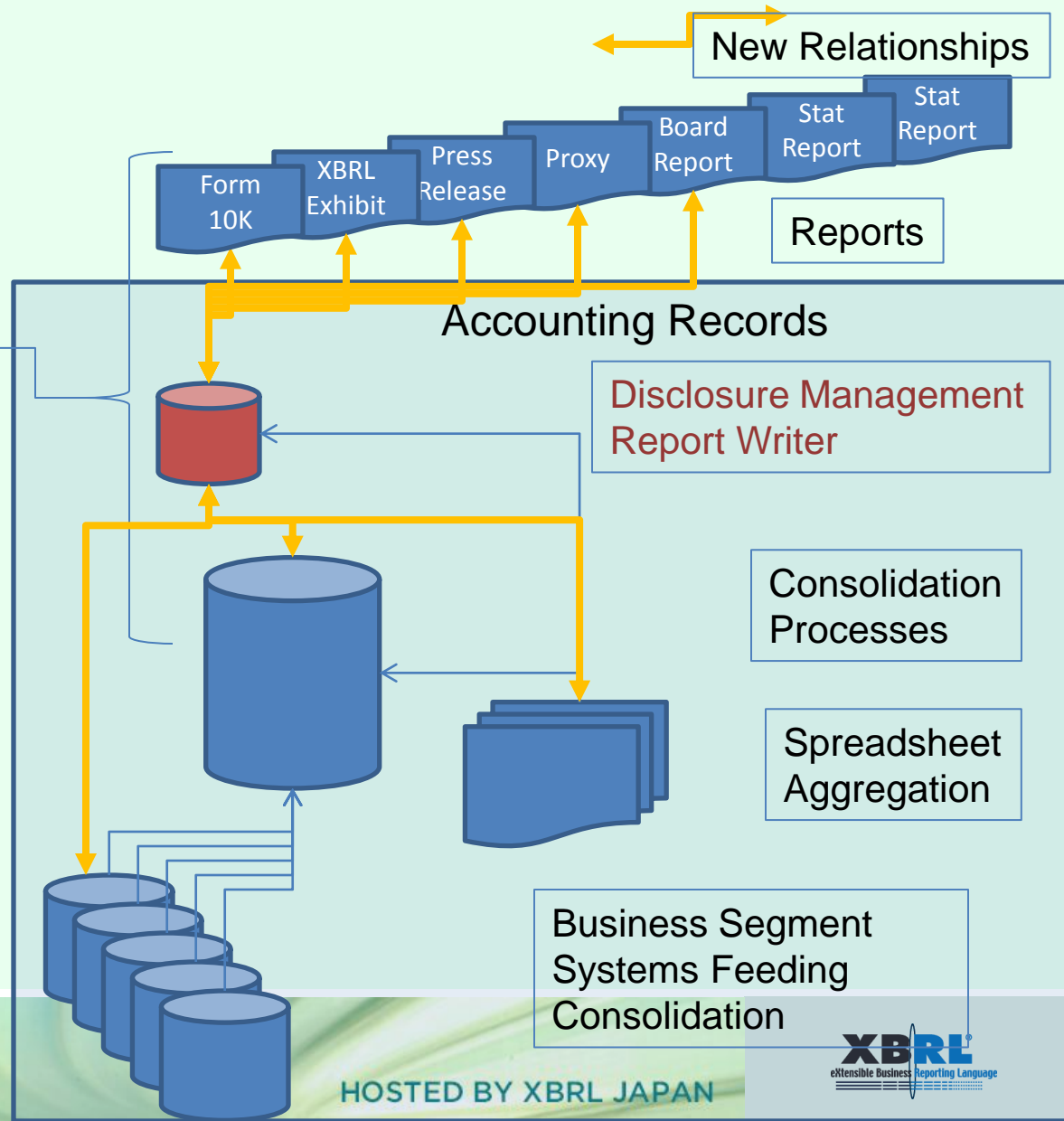
In a typical company process, there are 'no' to 'very limited' explicit connections between reported disclosures and company accounting records.



Disclosure Management - Streamlining the Last Mile

Mapping relationships between company report writer systems and the company report are explicit and access, reuse and some validation processes are automated within the built-in application. These explicit relationships exist between source system accounting records and company report.

Report Writer process controls are critical and may include: application access controls; control over mappings (both incoming and outgoing); log of changes; report versioning controls and audit trail; others?



Disclosure Management Common Process & Control Enhancements

- Automated Spreadsheet Assembly
 - Automated Report Assembly
 - Automated Report Validation
 - Automated Narrative Text Generation
 - Contextual Review Process
 - Automated XBRL Reports
 - Automated Benchmarking
 - Explicit References
 - Collaborative Review Processes
 - Virtual Service Center
- 25% to 50% cost and time enhancements
 - Control

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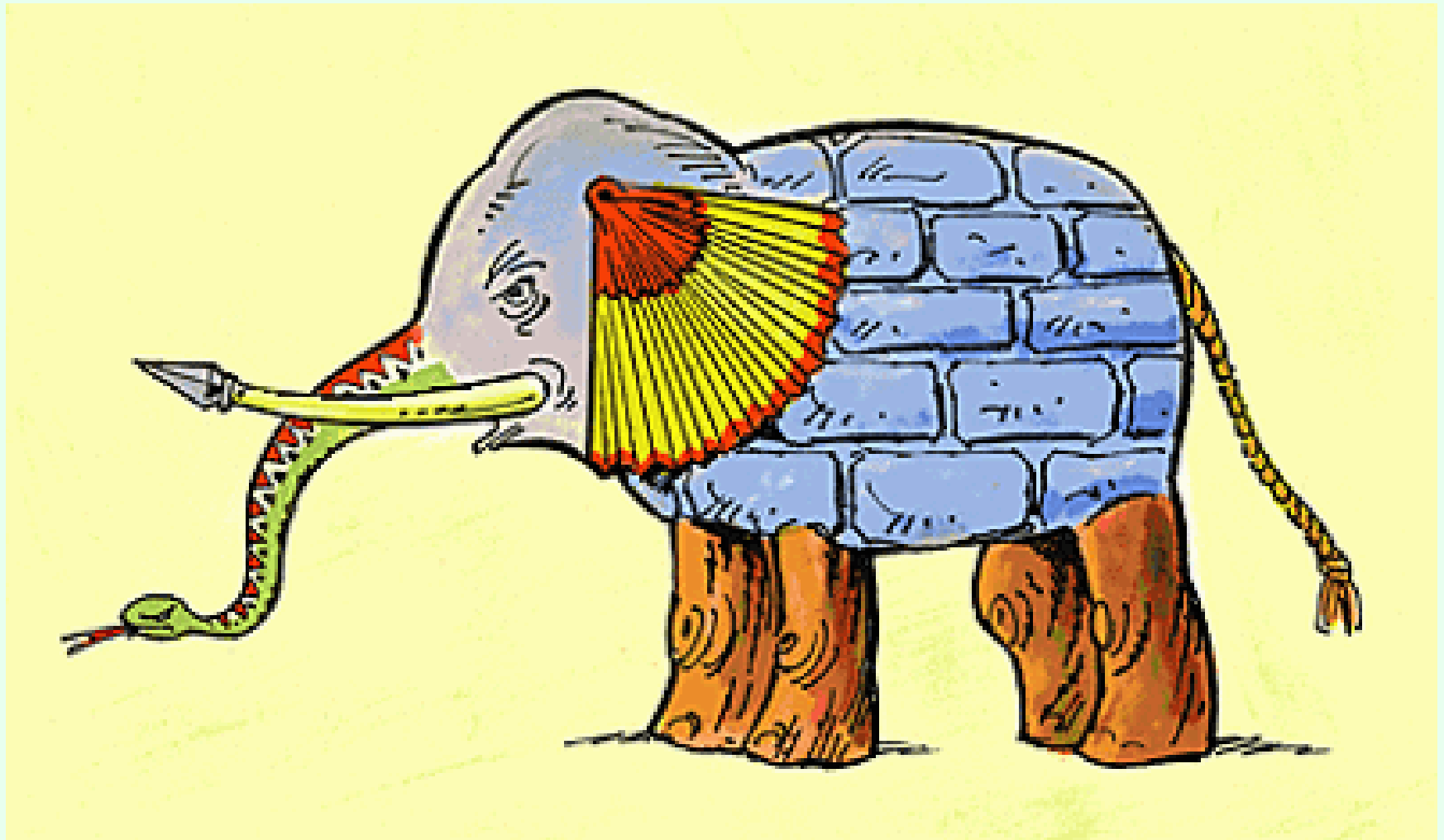
Disclosure Management Implementation Considerations

- Social process vs. ‘webmaster’
- Assembly automation enabling ‘flow through’ of source content updates
- Automation of analysis and validation rules
- Automation of content development
- Contextual review of disclosures
- Collaborative review of draft reports
- Multiple report presentation alternatives
- Transparency of supporting transaction level information
- Comparative analysis of peer disclosures
- Automated reference links
- Range of reports and professionals impacted

Internal Silo's & Opacity

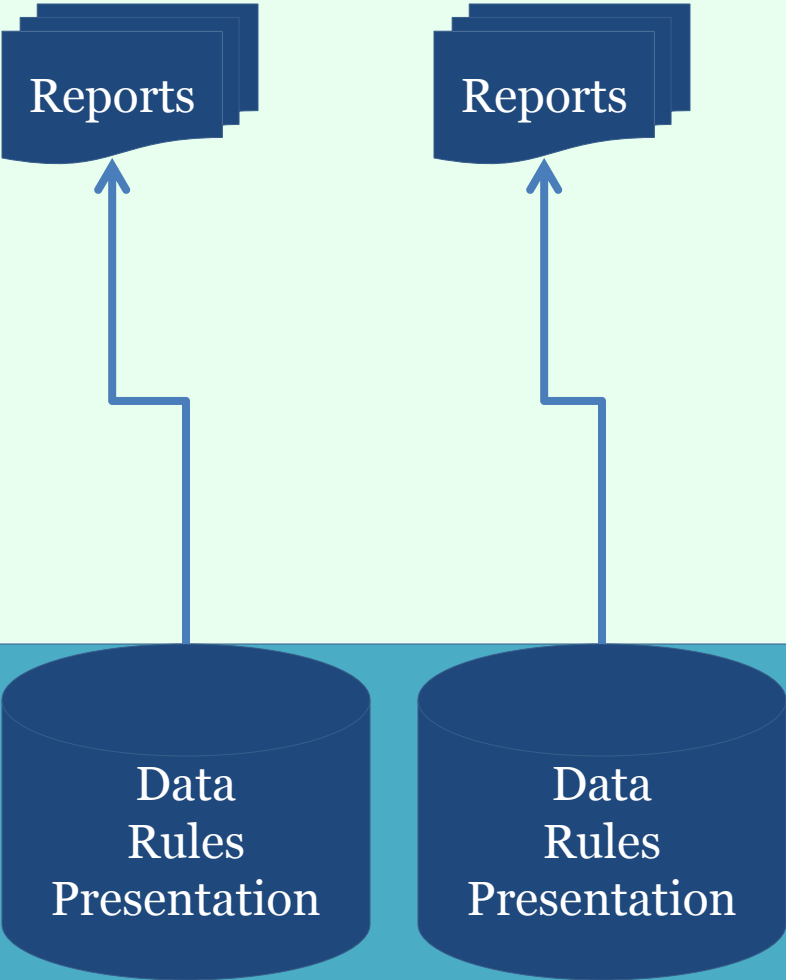
- Internal and external information opacity inhibits the holistic picture company executives need to effectively manage the business
- Reports reflect information from their system of origin and are often too narrow or are manually assembled and thereby either too expensive or untimely to be valuable for decision-making.
- Disparate internal company information silo's commonly include inconsistent definitions of commonly used terms — full-time equivalent, sick days, square foot, customer and others.
- Each internal information silo pushes its own version of the truth to management for decision analysis purposes.

Perceptions are Reality

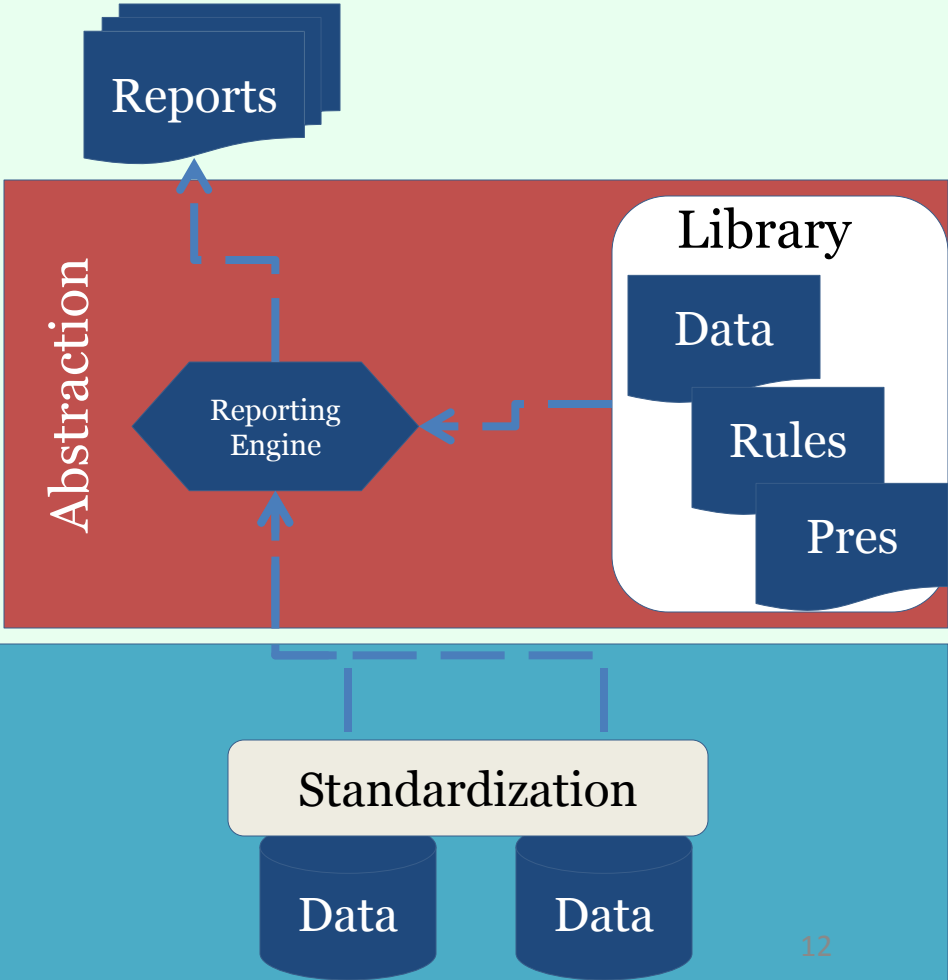


Standardization Empowers Consumers

Current Model - Producer Driven



Standardization Enables Consumers



General Benefits

- Greater access to and reuse of information from a wide range of both internal and external information sources
- More automated and streamlined assembly and review processes, eliminating pervasive manual assembly and review systems
- More transparent, reusable and collaboration of information, analytical concepts, presentations; enhancing process agility
- More relevant information available for management and stakeholder decision analysis
- Wider collaboration on relevant concepts providing a broader dialogue as suggested by International Integrated Reporting Committee (IIRC) and the World Intellectual Capital Initiative (WICI).

Process Enhancements

- Easy information access across all relevant systems lowering information reuse and systems maintenance costs
- Consumer-driven reporting and analysis
- Social or collaborative reporting and analysis processes that improve coordination across organizational business segments and information silos
- Improved agility of decision analysis processes
- Comprehensive assessments of information highly relevant to integrated reporting.

Implementation Considerations

- Coordination across a wide range of business segments, processes, information silos and internal groups.
- Understand corporate strategy drivers
- Assess core values and the resources required for delivery
- Assess critical company processes; customer, employee, vendor and community attributes; supply chain processes; and market, competitor and other external forces.
- Assess relevant information from across these comprehensive strategic areas (most difficult tasks for managers).
- This often requires a better, more holistic approach to company key performance indicators — those that are integrated into the company's long-term strategy for value creation across all stakeholders.

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Appendix

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ROI for Disclosure Management

- + License cost of software, dependent on factors including vendor, nature of implementation and number of seats.
 - + Implementation costs, using software license cost as an estimate
 - + Training time/costs, dependent on implementation approach
 - Outsourcing costs for XBRL tagging and related time for "pencils-down" allotments
 - Final format document costs including Regulator formatting fees/ typesetting fees/other printer costs (hard dollar costs for current expenses that could be removed)
 - Process enhancement costs (see listing of process enhancements areas)
 - Time/cost reduction multiplied by the number of reports assembled manually
 - Estimate a time line for increase in the number of reports processed through the Disclosure Management application (not just relevant to quarterly/annual reports)
- = Net Benefit/Cost (ROI)

Disclosure Management Differentiating Features

- Nature (client server vs. SAAS)
- Connectivity with full range of information sources (interoperability / consumption)
- Rules management (validation and analytical risk assessments)
- Collaborative workflows and controls (Administration across broadest range of professionals)
- Presentation management (disclosures reusable across broad range of reports)
- Reference management (disclosure relationships w/ policies, models, risks)
- Report Analytical assessments (collaborative nature of risk assessment rules management)
- Support (timely international support and range of languages)
- Technical compliance (with broadest range of technical standards)
- Taxonomy management (automated vs. manual; multiple vs. single)
 - Mapping (wizards that support peer benchmarking / company specific extensions)
 - Taxonomy support (timely support for range of taxonomies – e.g. Solvency II)

How to Differentiate Disclosure Management Features

Disclosure Management Development Priorities

- Query / Analytical Assessments
- Rules Management – collaboration, reporting
- Collaborative Workflow and Controls – across broad range of domains
- Publishing – templates, RSS management
- Registry Access (units)
- Interoperability – broad range of sources; XBRL Consumption
- Taxonomy Mapping – range of taxonomies, benchmarking
- Taxonomy Management – unused extension suppression, extension collaboration, languages
- Technical Compliance - Inline Specification (iXBRL), calculation support for reporting, relationship management (references)
- Legal Entity support – LEI standard

Some Relevant Vendors and Tools

Disclosure Management

- [IBM Cognos FSR](#)
- [Webfilings](#)
- [Rivet Crossfire](#)
- [Altova MapForce](#)
- [Corefilings Seahorse](#)
- [Oracle Disclosure Manager](#)
- [SAP Disclosure Management](#)
- [Tagetik](#)
- [Trintech Cadency Complete](#)

Analytical

- [Arelle](#)
- [Corefiling Magnify](#)
- [Fujitsu Interstage XWand](#)
- [XBRLCloud](#)

Other Resources & Articles

- [Disclosure Management: Streamlining the Last Mile](#)
- [How to Differentiate Disclosure Management Features](#)
- [FEI Magazine Article: “Benefits of Comprehensive Integrated Reporting”](#)
- [FEI Magazine Article: “The Time is Right for Standard Business Reporting”](#)
- [MACPA XBRL Global Ledger Case Study](#)
- [XBRL: Finding a better way forward - webcast archive](#)

Resources

Some freely available non-financial Taxonomies

[WICI](#)

[GRI](#)

[XBRL Global Ledger](#)

[MD&A](#)

[Corporate Actions](#)

[Mutual Fund Risk & Return](#)

[MicroFinance](#)

[GRC-XML](#)

[RSC Corporate Social Responsibility](#)

[Estimating Greenhouse Gases](#)

Thank you

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