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Creating an integrated
reporting ecosystem with Deloitte & Workiva

May 24, 2022

Agenda

Reporting modernization – the basics

Building an integrated reporting ecosystem

Supporting key reporting areas with ecosystem technology

Getting started

Q&A

Current state reporting scenarios

Typical current state reporting efforts tend to be spreadsheet dependent

Today – many organizations are still highly spreadsheet dependent as part of their reporting process. This manual effort can result in reservations about the ability for Finance, Operations, or others to successfully operate in a digital environment

Examples of traditional spreadsheet activities	Examples of possible advantages and disadvantages of spreadsheet dependency		

✓ DATA EXTRACTION

✓ DATA CONSOLIDATION

✓ DATA TAGGING

✓ DATA WRANGLING

✓ MANAGEMENT REPORTING

✓ PLAN AND FORECAST MODELS

✓ COST ALLOCATION

✓ FINANCE ANALYTICS

👍 **Ease of use**: User friendly interface with the power residing in the hands of Finance users

Lack of IT dependency: Ability to drive data analysis without being a programmer or relying heavily on IT

Flexibility to customize: Tailored reporting and analysis to executive demand as organization shifts

👎 **Highly manual with limited controls and capabilities**: Difficult to deliver advanced functionality, prone to inconsistent data definitions/ hierarchies and lack of audit trail

Offline processing and embedded business rules: Lack of centralized business rules resulting in proliferation of potentially irreconcilable business logic and key person dependency
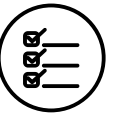
Proliferation and lack of scale: Highly customized reporting without a single version of truth and significant overhead to maintain with only incremental value delivered

While spreadsheet advantages exist, the increase in operational risk and data quality combined with the availability of technology and stakeholder demand for more timely insights make change inevitable

Reporting modernization – the basics

Improving both process and tech-based elements of the reporting process can help organizations focus on key areas such as data quality, risk reduction, and automation.

Why reporting modernization in 2022?

Improve auditability and transparency of metrics

More effective collaboration in both the US and globally to help streamline document hand-off, checklists, signoffs, and accounting workflow

Reinforce underlying data architecture and source systems utilized to ensure quality of data

Reduce time spent collecting and validating data

Centralize reporting development and change management

Illustrative elements of reporting modernization

Connectivity to Certified Data

Collaboration and Intelligent Workflow

Reporting Platform

These elements can improve…

- **Quality** – reducing re-work
- **Control** – reducing risk
- **Value** – providing deeper insights
- **Effectiveness** – automated and streamlined
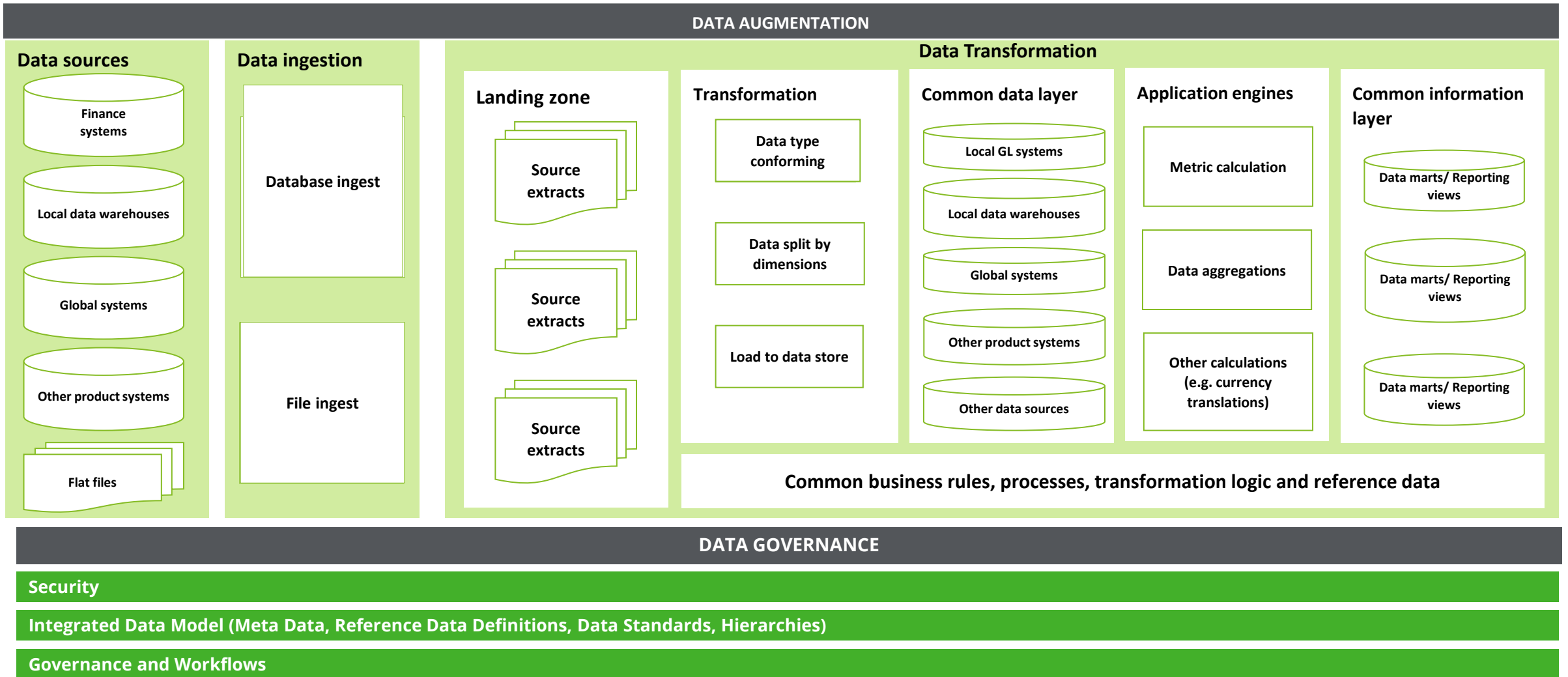
Illustrative reporting modernization framework

Reporting automation typically requires capabilities across the reporting value chain and data management
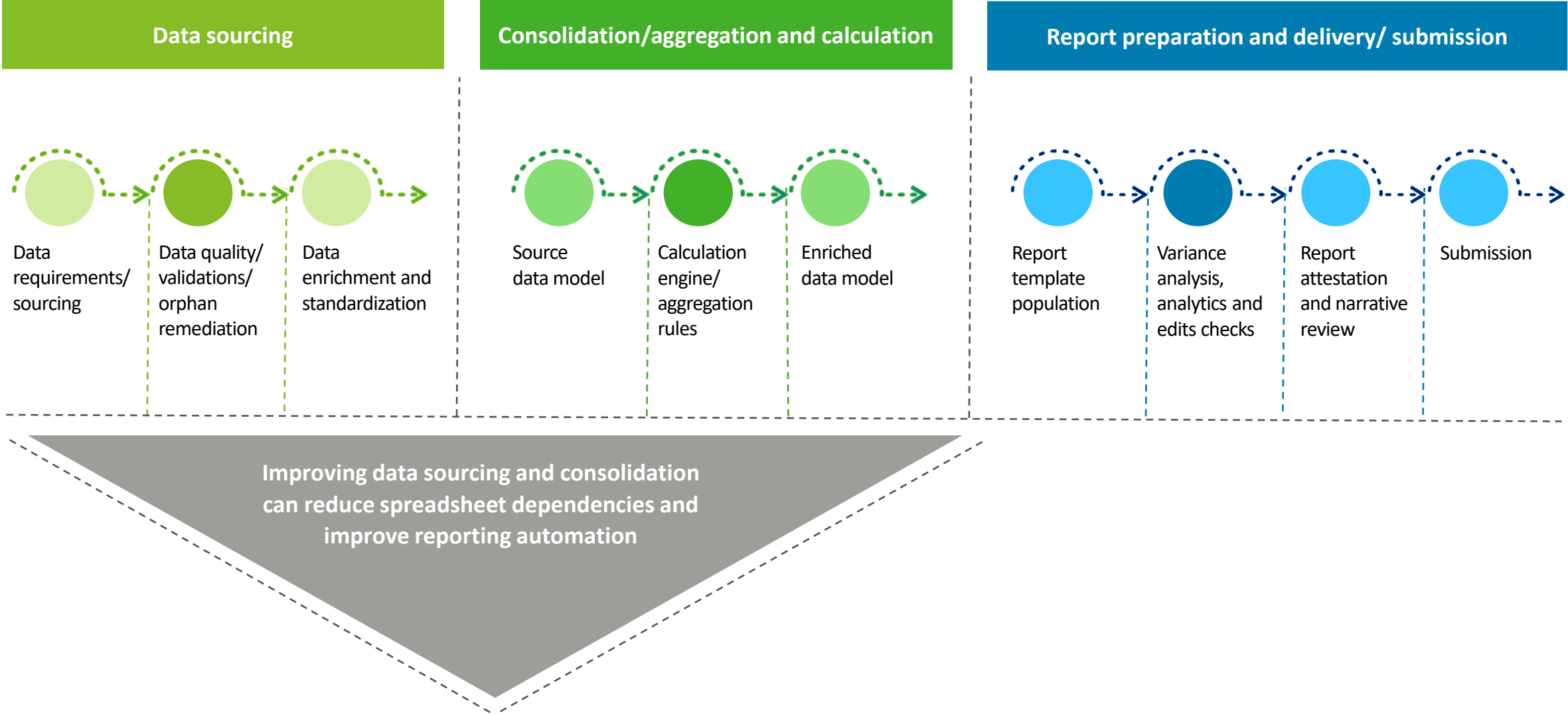
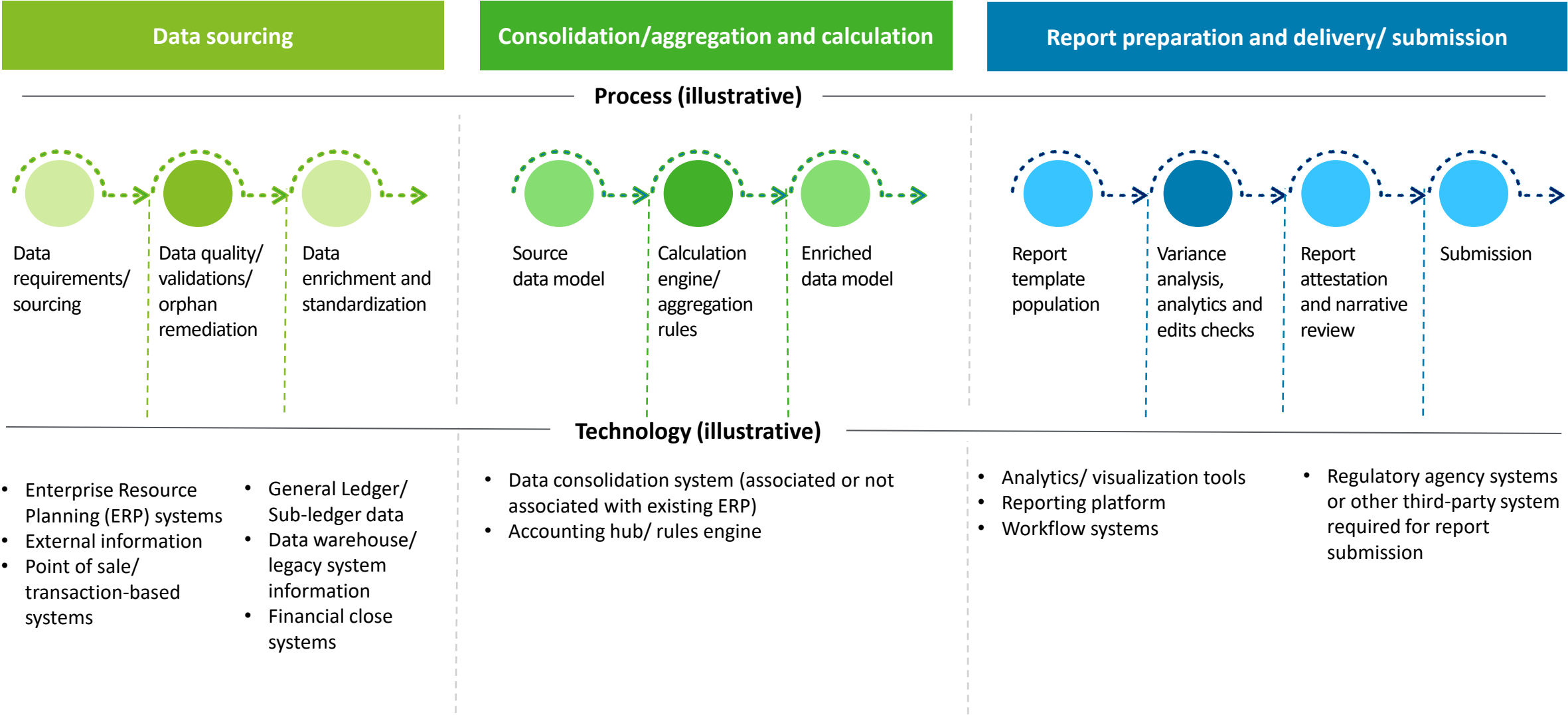# Replacing spreadsheet dependencies for reporting

Shifting away from spreadsheets requires the thoughtful enablement of key foundational capabilities from data ingestion and management, to an end user consumption layer enabled by through an integrated digital strategy and toolset
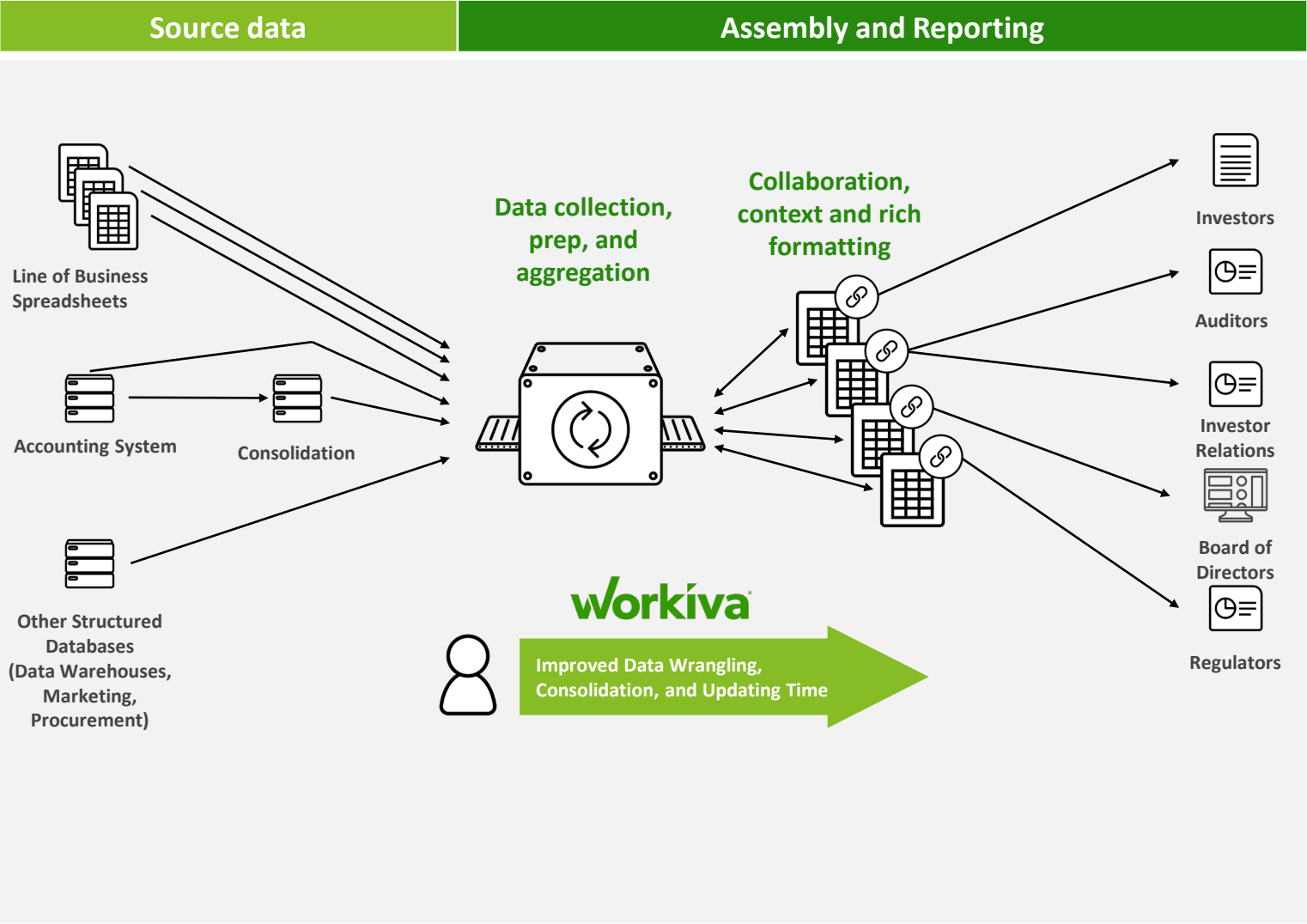
ILLUSTRATIVE DATA MANAGEMENT

DATA AUGMENTATION

Data sources

- Finance systems
- Local data warehouses
- Global systems
- Other product systems
- Flat files

Data ingestion

- Database ingest
- File ingest

Data Transformation

Landing zone
- Source extracts
- Source extracts
- Source extracts

Transformation
- Data type conforming
- Data split by dimensions
- Load to data store

Common data layer
- Local GL systems
- Local data warehouses
- Global systems
- Other product systems
- Other data sources

Application engines
- Metric calculation
- Data aggregations
- Other calculations (e.g. currency translations)

Common information layer
- Data marts/ Reporting views
- Data marts/ Reporting views
- Data marts/ Reporting views

Common business rules, processes, transformation logic and reference data

DATA GOVERNANCE

Security

Integrated Data Model (Meta Data, Reference Data Definitions, Data Standards, Hierarchies)

Governance and Workflows

Building an integrated technology ecosystem into reporting modernization

Below is a list of illustrative technologies that can be used across a reporting ecosystem

Data sourcing	Consolidation/aggregation and calculation	Report preparation and delivery/ submission

Process (illustrative)

Data sourcing
- Data requirements/ sourcing
- Data quality/ validations/ orphan remediation
- Data enrichment and standardization

Consolidation/aggregation and calculation
- Source data model
- Calculation engine/ aggregation rules
- Enriched data model

Report preparation and delivery/ submission
- Report template population
- Variance analysis, analytics and edits checks
- Report attestation and narrative review
- Submission

Technology (illustrative)

- Enterprise Resource Planning (ERP) systems
- External information
- Point of sale/ transaction-based systems

- General Ledger/ Sub-ledger data
- Data warehouse/ legacy system information
- Financial close systems

- Data consolidation system (associated or not associated with existing ERP)
- Accounting hub/ rules engine

- Analytics/ visualization tools
- Reporting platform
- Workflow systems

- Regulatory agency systems or other third-party system required for report submission

Automating reporting with technology

Source data	Assembly and Reporting

Line of Business Spreadsheets

Accounting System

Consolidation

Other Structured Databases (Data Warehouses, Marketing, Procurement)

Data collection, prep, and aggregation

Collaboration, context and rich formatting

Investors

Auditors

Investor Relations

Board of Directors

Regulators

workiva

Improved Data Wrangling, Consolidation, and Updating Time

Potential benefits of modernization

Access anywhere: Cloud based reporting technology facilitates access anywhere, anytime.

Streamlined document management: Full collaboration with complete control and visibility of changes, reviews, tasks and handoffs for in-person or globally remote teams.

Connectivity to source systems: Link your data directly to the source with automated refreshes.
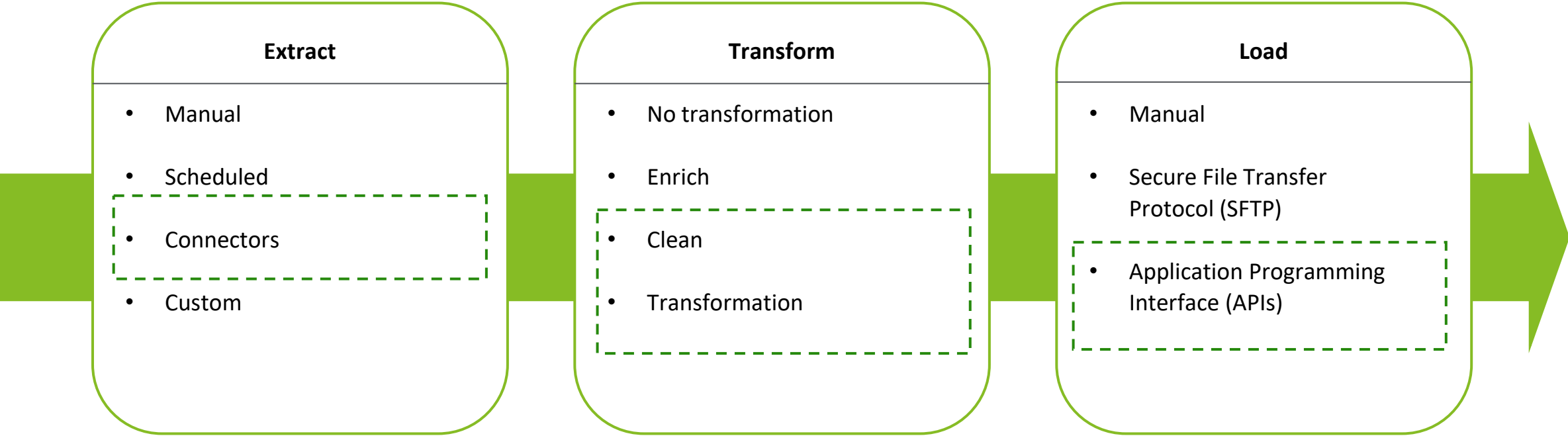
Maintain data architecture

Examples of reporting use cases to consider for an integrated reporting ecosystem

Financial	Regulatory	Statutory	Managerial	Industry-specific
• SEC disclosures • Annual and Interim financial reporting • Private financial reporting	• ESG – Environmental, Social, Governance • Tax • SOX/ Internal Audit	• Global statutory reporting • NAIC Insurance statutory reporting	• Board reports • Flash/ KPI reporting • Business unit and/or domain reporting	• Oil & Gas • Life Sciences/ Pharmaceuticals • State/Local, Federal • Consumer/ Retail

When considering different types of reporting use cases to modernize through an integrated reporting ecosystem - it is important to consider the broad data and system needs

	Financial	**Regulatory**	**Statutory**	**Managerial**	**Industry-specific**
Examples	• SEC Disclosures • Annual/Interim	• ESG • Tax • SOX/Internal Audit	• Global Statutory • Insurance Statutory	• Board • KPI/ Business Unit	• Oil & Gas • Life Sciences • State/Local Government • Federal Government
Examples of types of data needed	• Financial • Account info	• Key Operational metrics or KPIs relevant to regulatory reporting body • Financial	• Global financial details by country • Statutory filing information by entity/ reporting unit	• Key Operational metrics (internal) • Budget details (financial)	Depending on industry this could include key data for: • Investment details • Environmental impact • Supply chain details
Potential system integrations	• Point of Sale/ Transactional-based systems • ERP/ related GL data • Financial close system	• Data capture systems in the field • ERP/GL Data • KPI or goal-setting systems • SOX Controls system	• US and Global ERP systems and/or Global GL data • Tax/ Treasury systems	• Financial Planning & Analysis (FP&A) system • KPI or goal-setting system • Analytical dashboards	• Point systems by industry including data capture for field professionals and/or other industry-specific data
Example of additional considerations	• XBRL needs • Business unit specific needs • M&A based needs • Data rollforwards needed by period	• Changing regulatory requirements • Suggested data capture not currently required by regulators	• Global coordination/ standardization needs • In-country templates/ language requirements	• Desired end-state reports for board or executive leadership • Consolidation of reporting for Business unit leadership	• Changing industry reporting requirements (required or suggested)

Building connectors and integrations between systems

Extract	**Transform**	**Load**
• Manual	• No transformation	• Manual
• Scheduled	• Enrich	• Secure File Transfer Protocol (SFTP)
• Connectors	• Clean	• Application Programming Interface (APIs)
• Custom	• Transformation	

Recommended approach for improved efficiencies

Examples of lessons learned when automating reporting

Time savings is not always the primary driver for reporting automation.

Pilot projects can help you identify what may or may not be beneficial use cases for reporting automation more promptly.

Don't focus myopically on quantitative ROI benefits – qualitative benefits can provide greater value.

Consider how to cross-utilize existing reporting automation platforms for additional use cases not currently explored (cross-functional across Finance, Operations, Supply Chain, and more).

Remember to focus on the desired end result and how reporting automation can support the end user.

Working together to transform reporting automation

The synergy of Deloitte/ Workiva helps clients improve process and technology enablers in the reporting automation space.

Deloitte, Workiva, and our clients working in collaboration

Alliance

6+ years of Deloitte/Workiva marketplace relationship

3-year alliance relationship

Collaborative approach

Our close working relationship with Workiva enables us to effectively manage co-delivered outcomes

Global Access

Global teams across EMEA, APAC, LATAM, and North America

20+ countries

Involved in Deloitte – Workiva alliance

Flexible staffing

Enabling blended client and Deloitte team models

Offshore capability

to enable efficient service delivery, leveraging a global approach

100+

of Deloitte consultants who are certified implementers of Workiva modules

Point of view

Deloitte has a defined methodology and approach for implementing Workiva which leverages our backgrounds as advisors and accountants

Demonstrated methodology/ ROI

Our Workiva specialists comprise the requisite blend of accounting, finance and technology proficiency

Q&A

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