

Deloitte Australia Delivers Huge Cost Savings with UBmatrix

Deloitte Digital is the digital delivery business of Deloitte Australia, which serves a wide variety of clients in the areas of audit, assurance and advisory, taxation, corporate finance and consulting. Deloitte Australia, with revenue of more than \$625 million, is a member of Deloitte Touche Tohmatsu, one of the world's leading professional services organizations. Deloitte Digital's mission is to digitize and automate aspects of the Deloitte's professional services and then deliver those services online.

The Business Challenge

Deloitte Digital set an ambitious goal: reduce the amount of time and money it takes to prepare a set of accounts and tax returns for the typical Deloitte client.

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Peter Williams
CEO
Deloitte Digital

What was the problem? Traditionally, clients would deliver their financial information to Deloitte from disparate sources, including a variety of spreadsheets and accounting packages. Deloitte would then take the client data and manually transfer it into its own systems—an error-prone process that provided very little value but required a tremendous amount of effort. The potential for error was compounded as data was handed off internally between different analysts, partners and systems. "We were spending too much time cutting and pasting data out of spreadsheets and transposing it into other systems," explains Peter Williams, CEO of Deloitte Digital. "The lack of interoperability was driving up costs and introducing inefficiencies."

The company turned to UBmatrix and XBRL as way to easily convert all client data into a standardized format, no matter where it came from. XBRL, or eXtensible Business Reporting Language, is a globally accepted data standard for financial reporting. "We knew if we automated the conversion process, we could slash costs and increase speed and accuracy," Williams says. Deloitte had a second motivation for improving the way it did business. The Australian government was on the verge of announcing a new program called Standard Business Reporting, which would allow organizations to save time and money by filling out and submitting government reports like Income Tax Returns as XBRL-based documents.

"XBRL is at the heart of this new government program," Williams says. "It was essential for us to get ahead of the curve."

The UBmatrix Solution

Deloitte leveraged the full UBmatrix product suite—including the UBmatrix Processing Engine, Taxonomy Designer, and Enterprise Application Suite—as part of its pilot effort to prepare financial reports using XBRL-based solutions.

UBmatrix helped Deloitte build an XBRL gateway that ingests client data from any system, converts the data into a common XBRL format using mapping tools, and then creates an instance document that can be zapped off to government regulators as a complete XBRL-based report.

What's more, because the information is now standardized at the data level, it can be reused an infinite amount of times. "We now have one source of truth, which is accurate at all times and can be sliced and diced according to business and government reporting needs," Williams says. Ultimately, this is leading to reduced effort, lower preparation costs, and improved interaction with regulatory agencies that are adopting the Standard Business Reporting program.

Why did Deloitte select UBmatrix products? "Their products have more flexibility and are easier to use than anything else on the market," Williams says. "We looked at other systems, but they didn't seem to have what we needed. UBmatrix really knows its stuff. It helped us get up and running quickly. We saw real value almost immediately."

The UBmatrix Impact

Already, the XBRL solution is delivering huge cost savings. In the initial prototype testing, Deloitte was able to reduce processing time for the preparation of financial reports and regulatory returns by up to 70 percent.

UBmatrix is also helping Deloitte be an even more effective organization. One of the biggest advantages of XBRL is that it features a built-in business rules engine for comparing and contrasting financial data. For example, if one company with \$100 million in revenue spends an average of 20 percent on marketing, and another company of the same size spends 60 percent on marketing, the system can automatically raise a red flag, allowing Deloitte to investigate inconsistencies and ultimately improve the audit process.

Once the UBmatrix system is fully implemented, Deloitte may consider offering its XBRL gateway to smaller accounting firms as an on-demand software service that they can tap into whenever needed.

"The great thing about UBmatrix is that they work with us to figure out every issue and support us as we stretch the boundaries of what is possible," says Williams. "For us, that's made all the difference."

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