

Oracle Tutor and the Role of Process Documentation in Corporate Governance

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EXECUTIVE OVERVIEW

Recent financial scandals have damaged investor, customer, supplier, and employee confidence. To reinstate and rebuild trust, government and regulatory agencies are creating and enforcing new regulations for corporate governance that you can't afford to ignore. In the United States, the first of these — the Sarbanes-Oxley Act of 2002 — has profound consequences for your business:

- Corporate responsibility for financial reports
- Personal liability for accuracy of your numbers
- Disclosure of internal controls and processes
- Aggressive deadlines for financial reporting

Companies failing to meet the new requirements will face exorbitant fines, negative press, and potential de-listing from stock exchanges. Moreover, personal liability requirements may result in executives' imprisonment.

Governance scandals are not limited to American companies. European and Asian scandals have also resulted in legislation that tightens corporate fiscal responsibility. In addition, these regions are facing the need to change from local Generally Accepted Accounting Principles (GAAP) to International Accounting Standards (IAS) for their external reporting. IAS changes the way in which many transactions and balances are governed, as well as introducing new disclosure requirements.

Compliance with these new corporate governance regulations will affect your day-to-day operations, including corporate policies and procedures, culture, and information systems. With heavy reliance on software applications to run your company's operations, dependable business procedures for employees who use these information systems should be a cornerstone of your corporate governance strategy.

INTRODUCTION

Companies need to communicate effectively to employees what is expected of them as they perform their jobs. Documented end-user procedures are the best way to communicate job performance expectations and are a significant part of a company's readiness to meet new standards for corporate governance. Integration

of all of your business procedures and how well they are supported by cohesive business applications merits serious consideration. While documented procedures alone cannot enforce corporate governance, they are a necessary component of compliance. Increasing the visibility of, and improving the control of your business practices through documentation will better prepare your organization for the remainder of the Sarbanes-Oxley attestation audit process. Documented business procedures are the first step in corporate governance!

Are your company's documented business procedures up to the task?

MAKE DEPENDABLE PROCEDURES AN INTEGRAL PART OF YOUR SYSTEM

Documenting and maintaining company-wide procedures is an intimidating but necessary activity.

PAIN POINTS WHEN WRITING PROCEDURES

What makes writing and maintaining procedures such a daunting activity?

- Company employees owning the processes are not writers.
- Procedures are hard to write and take hours/days to complete from scratch, even more difficult when the procedures are integrated across the organization, and not specific to one silo.
- Writers assigned to the activity cannot agree on a consistent format or layout.
- Communication and feedback time between departments is slow and cumbersome.
- Procedures are not sensibly distributed to the relevant employees, resulting in employees who are overloaded with too much (irrelevant) information, or none at all.
- Documents are hard to keep up-to-date.

With these pain points in mind:

- How can companies possibly get their businesses documented within the timeframe needed for certification?
- How can companies spend a minimum amount of money to document procedures? (The costs to outsource the writing of company-wide procedures are extremely high!)
- How can companies reduce the costs associated with maintaining their process documentation?
- How can companies communicate to employees and train them on their corporate governance strategy?

THE ORACLE TUTOR SOLUTION

Oracle Tutor's integrated set of procedures and software tools offer companies a solution to quickly document, deploy, and maintain critical business procedures and training materials to help employees achieve compliance. Oracle Tutor is comprised of the following components:

Tutor Model documents are complete documents that provide a starting point. Document “owners” edit the models instead of creating documents from scratch.

Tutor Software tools are used to keep documents up-to-date and to distribute them on a need-to-know basis.

- Author, with Microsoft Word, is the tool used to create and edit individual documents quickly and easily.
- Publisher is the tool used to (1) ensure document integrity through the generation of a wide range of cross-reference reports, (2) package process documents in desk manuals (online or printed) by job title, (3) build student and instructor guides by job title or topic.

The Tutor method defines all aspects of the documentation process:

- The content, format, and layout of the different document types
- The relationship between documents
- The process by which documents are created and maintained
- The process by which documents are distributed and used for training and reference purposes

Oracle facilitated [Procedure Editing Workshops](#), assist in the documenting process with the following results:

- Your company uses internal resources (far less expensive than hiring consultants to write your procedures for you).
- Oracle consultants train your staff and create a plan that will allow for quick, easy execution, and reduced number of hours to complete.
- Conflicts of interest are eliminated. Should your company decide to change auditors in the future, your options won't be as limited and the documentation is “owned” by your company – rather than the auditing firm walking out the door.
- Attestation is faster and cheaper since all documents are standardized in a common format and completely integrated.
- Documents are considered 'live', that is, changes can be done internally on an on-going basis, without having to pay expensive auditing consultants to come in to "re-do" them.

The primary challenge for companies faced with documenting procedures is to realize that they can do their corporate governance documentation in-house, with

existing resources, using Oracle Tutor. There are over 1000 Oracle Tutor customers worldwide that have used Tutor to create, distribute, and maintain their business procedures. This is easily accomplished because of Tutor's:

- Ease of use by those who have to write procedures (Microsoft Word based authoring)
- Ease of company-wide implementation (complex document management activities are centralized)
- Ease of use by end users who have to follow the procedures (play script format)
- Ease of access by remote users (web-enabled)

For more information on **Oracle Tutor**:

Please see <http://oracle.com/applications/tutor/>

Please see <http://www.oracle.com/education/index.html?tutor.html>

TUTOR AND ORACLE COLLABORATION SUITE

Oracle Tutor's documentation is Microsoft Word and HTML based. It can be used as a stand-alone product, or integrated with document management solutions to automate control of the document update process. Oracle Collaboration Suite provides these capabilities:

- Store your business process documentation in the Oracle Database for inclusion in standard database management activities
- Control over who edits and publishes documents, including locking the document and identifying the person when someone is editing the file
- Versioning and storing of previous states of each document

For more information on **Oracle Collaboration Suite**:

Please see <http://www.oracle.com/ip/deploy/cs/>

TUTOR AND ORACLE INTERNAL CONTROLS MANAGER

Although Oracle Tutor can be used as a stand-alone product, it integrates seamlessly with the Oracle eBusiness Suite's Help System, as well as with Oracle's Internal Controls Manager (OICM), a comprehensive tool for executives, controllers, internal audit departments, and public accounting firms. Oracle Internal Controls Manager allows for the complete testing and monitoring of the Risks and Controls associated with an organization's business process activities.

For more information on **Oracle Internal Controls Manager**:

Please see <http://oracle.com/applications/financials/>

PEOPLESOFT 8.9 INTERNAL CONTROLS ENFORCER

Oracle's PeopleSoft Internal Controls Enforcer enables companies to combat the cost of ongoing compliance by automating the management and enforcement of internal controls, ensuring that they remain in place with continuous monitoring, enabling better visibility and management of compliance projects, and driving accountability deeper throughout the organization.

For more information on **Oracle's PeopleSoft Internal Controls Enforcer**:

Please see

http://www.oracle.com/applications/peoplesoft/financial_mgmt/ent/module/enforcer.html

CONCLUSION: HIT THE ROAD RUNNING WITH ORACLE TUTOR!

Oracle Tutor “significantly eases the generation and documentation of most, if not all, necessary project documentation, including education training material, owner's manuals, and process documentation. Oracle's latest version of Tutor proved to be an invaluable time- and money-saving tool” says Jim Kerr, implementation manager at Hesta Corporation, an Oracle IT solutions consultancy. By integrating a company's custom business procedures with Oracle applications and dramatically simplifying the procedure writing, updating, and distributing process, Oracle Tutor effectively enables companies to hit the road running when implementing their corporate governance strategy.

For more information on **Oracle Tutor**:

Please see <http://oracle.com/applications/tutor/>

Please see <http://www.oracle.com/education/index.html?tutor.html>

Oracle Tutor 



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