

Unum Optimizes Sarbanes-Oxley Compliance Processes with Oracle Governance, Risk, and Compliance Manager



Unum
Chattanooga, TN
www.unum.com

Industry:

Employee Benefits

Annual Revenue:

\$10.5 billion (FY06)

Employees:

10,000

Oracle Products & Services:

Oracle Universal Content Management
Oracle Governance, Risk, and Compliance Manager

Key Benefits:

- Reduced the number of SOX-related documents stored by eliminating redundant data.
- Compliance preparation time decreased, as external auditors can view documents over the intranet.
- Executives can easily view the status of compliance activities and identify where the highest risks exist.
- Improved ability to resolve compliance issues in a timely fashion.

"Using Oracle Governance, Risk, and Compliance Manager has helped us focus on significant risks and true key controls. This has improved our ability to resolve compliance issues in a timely fashion."

– Danny Waxenberg, Assistant Vice President for Internal Controls, Unum

Although Unum may not be a household name, the company represents a critical safety net to millions of American and United Kingdom workers who rely on Unum to protect their income in case of an accident or disability. Unum is the No. 1 provider of group and individual income protection insurance in the United States and United Kingdom and is the leading provider of voluntary workplace benefits, long-term care and life insurance.

With economic pressures and demographic trends creating fundamental changes in the employee benefits market, Unum embarked on a continuous improvement plan in 2005 to increase operational effectiveness across its principal subsidiaries and better position the company to capitalize on new opportunities. In addition to streamlining its business processes, Unum sought to better manage the financial risks associated with the business and become more efficient at being compliant with Sarbanes-Oxley.

"We chose Oracle Governance, Risk, and Compliance Manager (formerly Stellent Sarbanes-Oxley Solution) in 2005 as the centerpiece of our SOX compliance efficiency efforts, to automate the process and gain an enterprise perspective of the compliance efforts across our principal subsidiaries," says Danny Waxenberg, assistant vice president for internal controls at Unum.

Minimizing Risk across the Enterprise

Keeping business content secure and accurate is essential for a company like Unum, given the highly regulated and litigious nature of the insurance industry. Unum chose to standardize its content using Oracle Universal Content Management (formerly Stellent Universal Content Management) in 2001. Workflow requires contributors to route all content for approval and guides employees through the proper underwriting processes, while the version control and automatic content expiration features maintain secure, accurate records.

The scalability, security, and collaborative features of Oracle Universal Content Management prompted Unum to consider using Oracle Governance, Risk, and Compliance Manager (Oracle GRC Manager) in 2005. The company was previously using desktop applications such as Microsoft Word, Excel, and Visio to support its compliance requirements under Sarbanes-Oxley.

“In addition to our subsidiary in the United Kingdom, Unum operates another subsidiary in South Carolina and maintains field offices across the nation,” explains Waxenberg. “Using desktop tools like Excel to manage compliance across all our business units was just not sustainable from both a resource and cost perspective. We needed an automated tool that would give us enterprise-wide visibility into the entire SOX compliance effort.”

Streamlining Compliance Documentation, Communication

Waxenberg and his team first used Oracle GRC Manager to define organizational maps and manage and categorize processes, controls, risks and objectives. When it came time to migrate data into the Oracle application, Unum had identified more than 3,000 compliance documents. Using Oracle’s web-based, central repository has enabled Unum to eliminate redundant information and consolidate compliance documentation to approximately 1,400 items.

“Oracle Governance, Risk, and Compliance Manager enables us to distribute Sarbanes-Oxley compliance activities to employees across Unum, helping us become more efficient which in turn allows us to recognize a compliance return on investment.”

Danny Waxenberg
Assistant VP, Internal
Controls, Unum

Over 400 employees across various Unum departments, regions, and subsidiaries are involved in supporting the company’s compliance efforts. Maintaining communications with those employees, external auditors, and executives was one of the most time-consuming aspects of Unum’s SOX compliance efforts. Using the workflow and version control functionality in Oracle GRC Manager has helped streamline communications flows among Unum’s executives, SOX compliance and accounting groups, internal and external auditors, and business process owners.

The workflow engine in Oracle GRC Manager automatically circulates documents to executives, internal auditors, accounting and compliance managers, and business process owners. Workflow also notifies personnel when a compliance task must be performed or documentation must be reviewed and approved. Version control allows users to easily identify the most current version of a document, while previous versions are automatically archived for review and audit purposes. Change control management features provide audit trails to track the history of compliance documentation.

Taking Ownership of Compliance

Oracle’s web-based interface gives auditors, consultants, and business process owners quick access to the latest compliance and financial documentation. “During external audits, we spend less time making internal preparations, as external auditors can view documentation on the intranet through the company’s network connection,” explains Waxenberg.

That same web functionality has enabled Unum to distribute ownership of SOX compliance tasks to business users, who now own full responsibility over documenting and managing business processes. “Distributing responsibility and document maintenance to end users has not only raised awareness of corporate governance policies across Unum, but also freed my staff and me to focus on other activities related to SOX compliance.”

“Using Oracle GRC Manager, our enhanced gap analysis to identify risks lacking controls has helped us focus on significant risks and true key controls,” concludes Waxenberg. “This has improved our ability to resolve compliance issues on a timely basis.”

Why Oracle?

Unum was using FileNet to fulfill its content management needs, but needed a system that had a browser interface that would support its growing intranet. The company also sought a solution to help it manage its Sarbanes-Oxley compliance processes, especially around the documentation, testing, and reporting on key internal controls under SOX Section 404.

“Oracle Universal Content Management easily merged with our new security infrastructure and provides us with a scalable framework that supports our thousands of intranet users and growing number of content contributors,” states Dan Amsden, systems project leader, Unum. Unum’s success using Oracle Universal Content Management for its multi-site intranet prompted executives to deploy Oracle Governance, Risk, and Compliance Manager as well.

“We discovered that Oracle’s software suite has an endless number of uses,” Amsden concludes. “Our biggest challenge is making time to implement all of the applications we know can enhance our business processes.”

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