American Enterprise Masters MAR with Wdesk

wdesk

At first, it didn't seem like American Enterprise Group would have any need for services offered by Workiva. When the company approached Sara Lehan, Assistant Vice President of Financial Reporting at the Des Moines-based insurance company, she thought, *Workiva does work for SEC clients, so what could they possibly offer us?*

It turns out, quite a bit.

Lehan's ten-person team was using word processing, spreadsheet, and presentation software to produce the company's financial and management reports and presentations. But those basic programs didn't format well, support collaboration, or produce professional results.

In 2013, American Enterprise resolved those problems when it started using Wdesk for Management reporting. "Wdesk takes the best features of those tools and incorporates them in a way that I've never seen before.

It makes them function together in a package that works better for what we're doing as a team," says Lehan.

"Wdesk has driven efficiencies and saves us a lot of time overall."

—STEVE **WILSON,** *Director of Internal Audit and Risk Management, American Enterprise Group, Inc.*

A comprehensive solution

Lehan and her team began using Wdesk for management reporting and then expanded to using the solution for annual statutory footnotes and audit reports. "All of these reports are linked together," Lehan explains. "The more of these reports we can pull into Wdesk, the more synergies we get and the more effectively we're able to use our time."

And, because Wdesk links data and allows many team members to work on one document simultaneously, version control is no longer a problem. "We are all working off one version—it's the final version. You know who has made changes, and it makes it easy to review as well," comments Lehan.

MAR made simple

Where American Enterprise really leverages the power of Wdesk is using the SOX solution for Model Audit Rule (MAR) reporting.

As a result of the 2008 financial crisis, regulators require smaller insurance companies to file annual risk assessment documents with the Department of Insurance. More paperwork will continue to be the norm for these insurance companies because regulators want to keep an eye on companies' finances, policyholder risks, investments, cybersecurity, and the IT systems used for reporting.

American Enterprise has filed MAR reports since 2010. It's an immense amount of work that encompasses testing and certifying controls, making quarterly presentations to the audit and risk committees, and filing annual reports with the Department of Insurance. At American Enterprise, the MAR process involves 13 business processes and 55 control owners.

Because American Enterprise is a private company, the MAR reporting team was able to see what public companies following SOX were doing before starting its own process. The first steps were to identify business processes and sub processes, document risks and risk levels, and tie controls to help mitigate those risks. The team also gathered input from people outside internal audit and risk management on how the process was built and implemented.

Susan Voss, Vice President and General Counsel, was a regulator before she joined American Enterprise. She knew all the requirements, but she'd never actually created the reports. When she came on board, the company's MAR program used word processing and spreadsheet software, and required scanning and creating PDFs for documentation, certification, testing, and reporting.

"I would say to anyone who is going into the private sector in insurance: 'Workiva has such an easy solution.'"

—SUSAN **VOSS,** *Vice President and General Counsel, American Enterprise Group, Inc.*

"What we had before was so cumbersome. I just dreaded it," says Voss.

And because the documents weren't connected, it was up to the team to keep track of changes carefully. "We have to attest that our data is accurate," notes Voss. "If we can't rely on the document programs we have, we're going to have major problems with regulators around the country because they are always going to be second guessing."

Transparency was also an issue. "In the old environment, there was a possibility language did not match or there was a discrepancy of some sort," says Steve Wilson, Director of Internal Audit and Risk Management. "And there were some frustrations around the system and what control and business owners could and couldn't see."

The team needed a better solution. Once again, Wdesk was the answer.

Now the MAR documentation, certification, testing, and reporting process is easier, more transparent, and customized to American Enterprise's controls.

"We were able to set up a risk control matrix in Wdesk, so each control owner was clear about the control and the risk associated with that control," explains Wilson. "We're a lot more efficient. It looks better, it gives you a better process, and it's a lot easier to visualize what you're doing because it's there in front of you."

The transition to Wdesk for MAR has been a positive experience for the external audit team and executive management. It's created a more fluid relationship and better understanding of the process between the teams.

AmericanEnterprise
GROUP INC.

IN BRIEF

Company:

American Enterprise Group, Inc., Des Moines, Iowa

Business profile:

The subsidiary companies of American Enterprise Group, Inc. manufacture and market a variety of insurance products, with a particular focus on Medicare supplement and complementary products.

Situation:

American Enterprise was already producing a range of complex financial reporting requirements. But then it was required to comply with the Model Audit Rule (MAR)—a new financial reporting regulation for insurance companies with a component similar to SOX, but for smaller insurance companies. The company needed a technology platform that provided greater transparency and flexibility while improving information accuracy and providing a positive experience for management and external auditors.

Solution:

Create an intuitive, flexible, and transparent MAR documentation, testing, certification, and reporting process with Wdesk.

Results:

- A single location for managing the entire MAR process

- Linked data for total confidence in data accuracy

- Enthusiastic support from internal teams, C-suite, and external auditors

For the reporting team, it's much easier to present documentation, indicate where exceptions lie, show status on certifications, and make recommendations to management and external audit when they are confident in the data and can focus more time on value-added tasks.

Management now has greater transparency into the process, can find information quickly, and can easily review and certify its controls.

Wilson says his favorite Wdesk feature from the internal audit side is the certification process, which makes it easy to copy and send the previous quarter's certifications and then track responses via a real-time dashboard. "There's a simple remind function for everybody. That feature has saved a lot of time."

Voss notes that the team is much more productive with Wdesk. "We're looking for people to do visioning, analytics, and a lot more thought-leader type work—not just filling in numbers in forms."

Security and "people first"

Beyond improving American Enterprise's MAR process, Wdesk provides a secure environment for the company's data while helping to uphold its brand.

The security of the cloud-based Wdesk platform was not a big concern for the IT team, explains Wilson. "We knew Workiva had a great reputation, and as long as a company understands a vendor, how its data is treated, how data is respected, and where data is stored, I think that says a lot as far as understanding the security of the platform."

He says the cloud access has been wonderful for his team because Wdesk is accessible anywhere, any time. "I can take my laptop with me—I can even be at the ball field when my son is playing, and I can do some work."

American Enterprise prides itself on its customer service. In fact, its motto is "People first." When it comes to service, American Enterprise has met its match in Workiva.

"The parallel I see between American Enterprise Group and Workiva is the attitude to treat the customer right," comments Wilson. "The training and customer support I've received from Workiva is phenomenal."

Echoing that sentiment, Lehan says that as American Enterprise expands its use of Wdesk, Workiva is ready to help.

"Every time we've had a potential new use for Wdesk, the Workiva team has been very good about helping us through that process," says Lehan. "One of the most unique things about Workiva is its willingness to work with its customers."

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