1.4. Compelling Reasons to Consider XBRL

You've probably already heard a lot of the hype and maybe even some of the compelling things that XBRL can do for you:

- Making business information exchange better, faster, and cheaper
- Making financial reporting more transparent and discoverable
- Explicitly articulating business meaning and thus enabling the exchange of that meaning between humans or between business systems
- Improving data integrity
- Integrating business systems
- Saving government agencies money and making them more efficient

But all those reasons may seem esoteric and perhaps even too far-fetched for most people to get their heads around. We want to provide you with some pragmatic, down-to-earth ways that XBRL can be good for you today. The following sections highlight what XBRL can do for you. (Better yet, the rest of the book fills in the details.)

1.4.1. Making life easier

Computers are great at handling routine, repetitive tasks for you. They do the hard, boring, complex work for you precisely as you tell them to do it. Here are some of the ways XBRL can make your life easier today:

- **Document domain knowledge**: People have a lot of knowledge about different business domains locked up in their heads. Documenting that knowledge within an XBRL taxonomy is quick and easy with XBRL. The semantic meaning will then be useful to others, not just you. You can see the value of documentation by examining the domain knowledge documented by other domains, such as financial reporting knowledge documented in the IFRS or US GAAP XBRL taxonomies.

- **Improve an information-supply chain**: Start with something simple and easy, but try to put together an information-supply chain making use of XBRL to solve a problem where you're using human intervention to make the connections between the links today.

- **Create and demand linked data**: Linked data is simply connecting one set of data with another set of data to make both data sets more useful. A new mantra of Sir Tim Berners-Lee (inventor of the Web) is "Linked data! Get out there and make it, be sure to demand it!" Create some linked data; if it makes sense, use XBRL. Or, use someone else's linked data. (See [http://www.ted.com/index.php/talks/tim_berners_lee_on_the_next_web.html](http://www.ted.com/index.php/talks/tim_berners_lee_on_the_next_web.html).) Contribute to the Semantic Web!

    To avoid having to type these long links, go to [www.dummies.com/go/xbrl](http://www.dummies.com/go/xbrl). This takes you to a landing page where you can click the link you need.

- **Build an internal semantic Web**: Just as there is the Internet and intranets, there will be a Semantic Web and internal-use (that is, private, limited access) semantic Webs. A semantic Web is an approach to creating a web of information that is more like a computer-readable database (but still usable by humans) than a bunch of human-readable pages of information, which a computer doesn't understand. Build an internal semantic Web, using XBRL because it's one of the more mature semantic Web technologies, and find out what the technologies can provide to your organization. Building an internal semantic Web can potentially give you an edge over your competition.


• **Work with business partners to create an extranet-type semantic Web:** This suggestion is the same idea as the building an internal semantic Web, but with business partners instead of within your organization.

### 1.4.2. Saving time and money

Say that you’re one of those frugal folks. You really don’t care about the Web or XBRL, but you do care about saving time, and saving time is saving money. Here are some of the ways you can employ XBRL to save money on tasks you probably already perform:

• **Improving integrity of information:** When you create a business report, try to leverage XBRL to improve the integrity of your business information by allowing XBRL to help you check computations and reportability rules to make sure that things add up and that you’re properly providing all the correct information. Helping business information creators be sure their information “ticks and ties” is an often missed benefit of XBRL.

• **Collaborating with business partners:** If you’re receiving information via fax, spreadsheets, or some other nonautomated means, try automating the process (no matter how small) by using XBRL.

• **Making business systems interoperable:** Rekeying information is an inefficient and error-prone process, but it's amazing how much rekeying still takes place. Prior to XBRL, the cost of automating some processes exceeded the potential benefits. XBRL flips that cost model on its ear. Today, you can achieve for pennies what would cost hundreds of dollars before XBRL existed.

• **Looking for good investments:** Scour the Web for companies that may have been overlooked in the past. Let search engines help you discover these investments. More and more companies are reporting their financial information by using XBRL, so take advantage of it!

• **Analyzing information:** Rather than gathering information into your analysis models by rekeying information, try to automate the process and grab the information you want to analyze from an XBRL instance.

• **Making your system more flexible:** XBRL makes your systems more flexible because XBRL was built to allow for changes to your information. XBRL isn’t a fixed standard chart of accounts; XBRL is built to be dynamic, and flexibility is built into XBRL. You can leverage this flexibility within your system.

### 1.4.3. Helping you complete projects faster

At times, you might simply have a tactical need to improve a process or help a business project move along faster. XBRL vendors, and many companies using XBRL, are looking to make completing projects faster and easier by

• **Leveraging a global standard:** One of the major benefits XBRL provides is leverage. The global standard XBRL may not always provide everything you need to completely create an end-to-end solution to any specific problem in and of itself, but it does offer significant leverage. XBRL provides is the common components that you need in creating many different types of solutions. Building these common components by using the global standard XBRL provides significant leverage to these similar, common problems, therefore arriving at a solution faster, easier, and cheaper.

• **Empowering your workers:** Every employee today is a knowledge worker, powered by information. Workers depend on the information in your business systems. Much of this information has been stored in spreadsheets and other mediums that make reusing that information extremely challenging. XBRL changes all that. XBRL enables workers to collaborate on how they use, analyze, and relate to business information and related processes.

• **Standardizing information exchange between systems:** Many times, the information format doesn't really matter. When it doesn’t matter what format you use to exchange information between business systems, use a standardized (often referred to as canonical) format like XBRL that offers a one-to-many type of exchange that works for many problems, rather than building one-to-one solutions for each specific information exchange between systems.

• **Building a system, not a point solution:** Rather than building one point solution after another (a solution that solves a specific problem but not related ones), build a system that allows for the easy of creation of a category of business information.
Using a standardized information architecture can facilitate a wide range of process enhancements.