Chapter 1. Wrapping Your Head Around XBRL > Looking at XBRL in Different Ways

1.2. Looking at XBRL in Different Ways

One of the most confusing things about XBRL for those new to it is that it means so many different things to different people. Business reporting is a broad area. We want to cover all the bases in this book, so we want to be careful to include all the different views of what XBRL is. Depending on the situation, you can look at XBRL as

- A freely available, market-driven, open, global standard for exchanging business information
- An XML language
- A global consortium of more than 600 members
- A means of modeling the meaning of business information in a form comprehensible by computer applications
- A mandate from regulators from around the world
- A revolution for small investors, the most important shareholder initiative in a decade, and a leveler of the investment playing field
- A global agreement on business information concepts, relationships, and business rules
- One of the more successful Semantic Web metadata formats (we explain more about the Semantic Web in the upcoming section "Making life or easier")
- A better approach to exchanging business information
- A new way for companies to distribute their financial and other relevant business information

The fact is that all the preceding statements are true; they appeal to different audiences who have different focuses on different aspects of business information and the process of exchanging that information. The business community is generally concerned with making business information exchange the most effective that it can be at the minimum cost. Depending on your role in the business community, the term "effective" can have different meanings. Everyone understands what "minimum cost" means, however. (In Chapter 5, we look more at how XBRL affects different kinds of users.)

We do want to get one thing straightened out: When people look at XBRL, they think of business reporting because, well, business reporting puts the "BR" in XBRL. In reality though, XBRL is actually broader than what most people think of when you say "business reporting." From our perspective, XBRL is really more about describing business information and enhancing that information's exchange across internal or external business systems. One aspect of business information exchange is business reporting. For example, exchanging data or information between two business systems (computer to computer, no humans involved) isn't really seen as business reporting by many. However, that type of business information exchange is definitely within XBRL's scope. So basically, business information exchange includes what many know as business reporting. Business reporting is a subset of business information exchange. In this book, we use the term business information exchange, which includes but is not limited to business reporting.