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Jefferson Wells, APQC Research Uncovers Key Initiatives That Turn Sarbanes-Oxley Compliance into a Strategic Advantage

November 7, 2007

When the Sarbanes-Oxley Act (SOX) was introduced, the compliance strategy for many companies was simply to apply a short-term fix and meet requirements. Five years later, more and more companies are seeking ways to turn compliance into a competitive advantage. Jefferson Wells, a rapidly growing, global provider of accounting and finance-related services, was the Research Champion for a cutting-edge APQC research study that uncovered several key initiatives that will help companies leverage compliance investments into improved business performance and shareholder value.

Today, Jefferson Wells is prereleasing the results of the research study titled, "Leveraging SOX to Optimize Shareholder Value." The APQC best practices report includes details of several key initiatives that help companies leverage compliance into a strategic advantage and is now available for download from the Jefferson Wells Web site at www.jeffersonwells.com.

"Having performed more than 4,000 Sarbanes-Oxley engagements for our clients, our Jefferson Wells team was perfectly positioned to translate our SOX expertise into valuable quantitative and qualitative input for the research study," said Rebecca Albarelli, solutions director of finance operations for Jefferson Wells. "It has been our experience that the companies that take full advantage of their compliance efforts have reduced costs, improved competitiveness, increased process efficiency and reduced overall business risk. It's great to see this research study validate our own findings."

As the Research Champion in the APQC study, Jefferson Wells worked with compliance leaders from the study's best-practice partners: Intel, Marathon Oil, Microsoft and WellPoint. These successful, multi-billion dollar companies served as examples of companies that recognized early on that SOX could yield benefits beyond compliance. This research uncovered several initiatives that leading companies implemented to leverage compliance into a competitive advantage. Below are eight of the key initiatives that Jefferson Wells and APQC recommend companies implement. More details about these initiatives and the other key findings are available in the full research report.

8 Key Initiatives to Leverage Compliance into a Strategic Advantage

- 1. Become an Early Adopter.** By not delaying compliance, companies can better leverage resources, implement continuous process improvements and develop enterprise risk management methodology.
- 2. Have an Opportunistic Approach.** By approaching SOX as a broader business opportunity to improve processes rather than an ad hoc tactical problem, organizations can manage risk holistically across the organization and improve compliance and business performance.
- 3. Integrate Processes.** Rather than simply having an "audit cop," companies should bring governance, risk management and compliance (GRC) together to create a strategic partnership within the organization that will create a sustainable process.
- 4. Account for Change.** By embedding SOX into the business plan, companies will ensure compliance programs are sustainable and can continuously evolve with changing business requirements.
- 5. Empower Process Owners.** Approaching compliance as a business process will empower process owners to ensure they play a key role in the compliance process and understand how it fits into the overall business plan.
- 6. Identify Annual Metrics.** As with any business process, identifying annual metrics and particularly significant cost drivers will help the organization ensure the compliance process is on track.
- 7. Utilize a Variety of Methodologies.** To successfully leverage compliance for ongoing process improvements, companies should consider Business Process Management, Total Quality Management, Performance Improvement, Benchmarking and Knowledge Management methodologies.
- 8. Realign Roles and Responsibilities.** Define the role of each individual and ensure responsibilities are in line with companywide processes.

"While many organizations focus on the requirement to be SOX compliant, this APQC research reveals that best-practice organizations not only improved the compliance process but took a leadership role in the organization, thereby leveraging and enhancing their roles as strategic business partners rather than mere 'compliance police,'" said Sebastian Francis, market developer, APQC.

Jefferson Wells also will participate in several APQC-sponsored Webinars. Details on dates, times and registration will be posted on the Jefferson Wells Web site, www.jeffersonwells.com, as they become available.

About APQC

A global resource for process and performance improvement, APQC helps organizations build better ways to work, adapt to change and succeed in the marketplace. APQC discovers improvement methods, identifies benchmarks and best practices, disseminates findings and connects individuals. Founded in 1977, the member-based nonprofit serves more than 500 organizations in all sectors of business, education and government. For more information, visit www.apqc.org or call (800) 776-9676 or (713) 681-4020.

About Jefferson Wells

Jefferson Wells is a global provider of professional services in the areas of risk, controls, compliance and financial process improvement. The firm specializes in internal audit, technology risk management, tax, and finance and accounting. The firm serves clients, including Fortune 500 and Global 1000 companies, through highly experienced, salaried professionals working from more than 50 offices worldwide. Jefferson Wells is an independently operating, wholly owned subsidiary of Manpower Inc. (NYSE: MAN). www.jeffersonwells.com