

Inland Revenue

## Business Transformation Programme

### Business Solution Blueprint – Enterprise Support Services

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Enterprise Support Services Design Workstream  
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## About this Document

This deliverable provides an overview to the Enterprise Support Services Framework, Enterprise Support Services Application Architecture and High Level Design Approach. It then looks at each service and provides a summary analysis to the key challenges and considerations to each service as well as its impact to the overall solution.

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# 1 Executive Summary

The Business Solution Blueprint will define the highest order articulation of what the Business Transformation (BT) Programme delivers. It is a business-led high level view of the Programme that spans change enablement, policy, business process, application and technology.

This Executive Summary will discuss the fundamental characteristics of the Enterprise Support Services (ESS) business solution architecture that Inland Revenue (IR) will need to realise the vision for transformation. It also provides a succinct summary of the future-state and includes an overview on the impact this future-state will have primarily on IR’s staff and stakeholders.

Finally, this Executive Summary shows how to navigate the comprehensive Blueprint to find additional detail in areas of specific interest.

Of importance to note is that the delivery of this future state architecture for Enterprise Support Services is a pre-requisite for much of the cultural and organisational changes that are required for the entire Business Transformation to be successful.

## 1.1 Foundation of the Future-State

The future state Enterprise Support Services architecture will enable delivery of changes necessary to transform IR into a highly responsive and adaptive organisation. At a high level, the changes from current state to the future state will be realised through four architectural characteristics, outlined below:

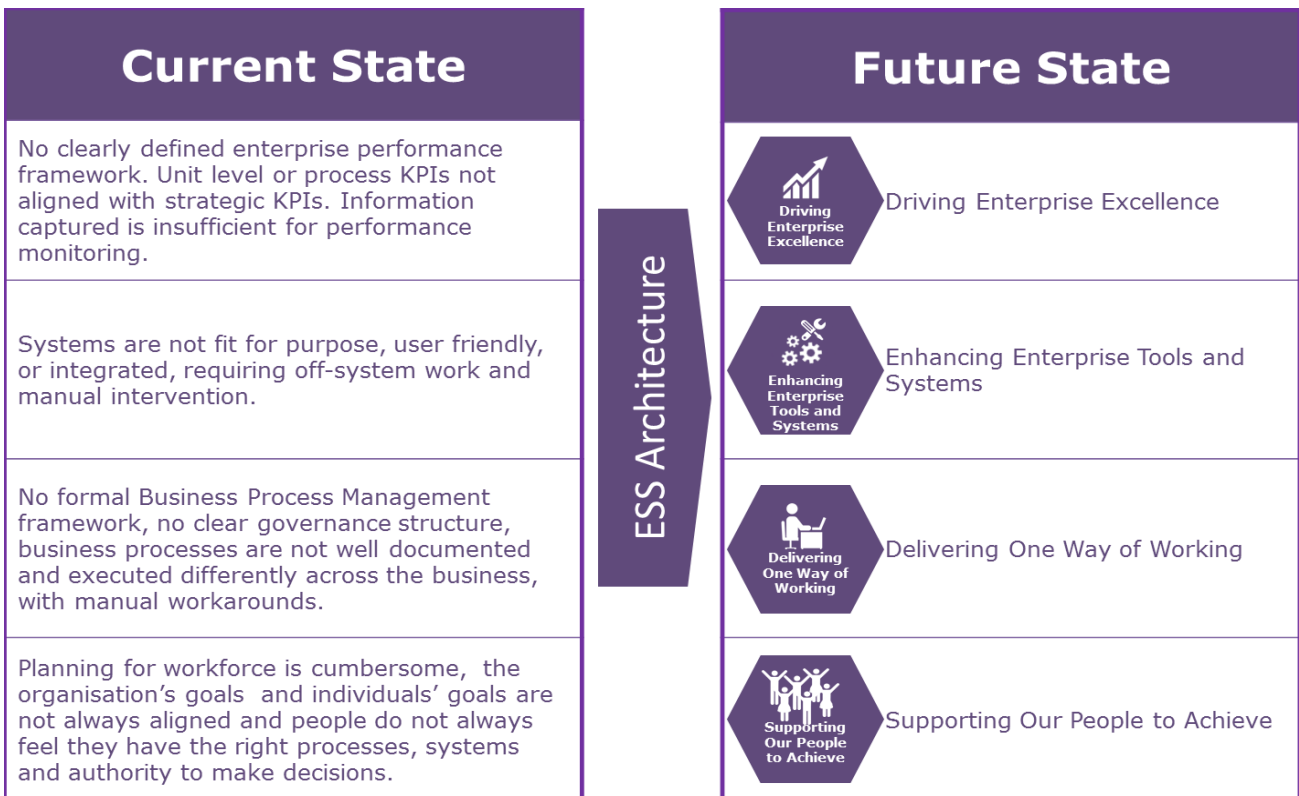


Figure 1. Future-State of the Enterprise Support Services Architecture

*NOTE: The characteristics represented and explained within this document summarise key themes and concepts that exist throughout the underlying design. They exist as a summarisation and communication tool and are neither inclusive of all design content nor are traceable to underlying design inputs.*



The following sub-sections summarise the key features of the four future-state characteristics and their impact on IR's operations and resources.



### 1.1.1 Driving Enterprise Excellence

#### *How does the architecture support this?*

The ESS architecture will help drive enterprise excellence by providing the following.

- **An enterprise performance management framework** that will drive efficiency into the process of managing enterprise performance. The framework includes an iterative model that defines operational KPIs and targets in line with strategic KPIs, enables business planning, resource allocation and budgeting to achieve strategic objectives, and uses the monitoring and variance analysis to make informed decision and finally to refine strategic targets.
- **A consolidated view of organisational performance** that will provide Senior Management with a line of sight across individual operations and business units with leading and lagging performance indicators to help achieve the strategic objectives.
- **An integrated solution** that will capture and report information from business units, programs, projects and processes that makes up the strategic KPIs. This will be supported by multi-level exception reporting enabling timely and proactive decision making and modelling of decisions.
- **An integrated planning, budgeting and forecasting process** that will help manage multi-year budgets with inputs from business and programs/project plans and resource allocations that have been developed in line with the strategic objectives.

#### *What is the benefit<sup>1</sup>?*

Improving the capability to drive enterprise excellence will deliver a number of benefits including the following.

- **Increase efficiency of IR operations.** Integrated analytical reporting with self-service functionality will lead to reduced effort in preparing reports and reduced time to identify problem areas, thereby enabling the Leadership to decide and course-correct in time, to improve effectiveness of the operations.
- **Improved investment (portfolio) management.** Improved analytical reporting and decision-making will lead to more clarity on the future state of the organisation, enabling better investment prioritisation.

The following example is intended to show one of the possible applications of this ESS architecture feature and should be considered for illustrative purposes only.

#### **Driving Enterprise Excellence: An Example**

Charles, an ELT member, notices on his reporting dashboard that the Portfolio Office has a projected budget over-run with four months to spare in the current fiscal year. The report shows that 70% of the programmes and projects are incurring a higher spend, due to excessive use of third-party contractors.

He asks his team to investigate the increase in the ratio of contractors to employees. After a quick analysis his team informs him that the Technology team is encountering an increase in attrition and has been unable to recruit employees, especially because of higher demand for people with higher technology skills in the market.

Armed with this information, Charles calls for a meeting with other ELT members and proposes that as a stop-gap measure, a proven implementation of market based remuneration be applied to this group. As a longer-term action, he suggests that steps are to be taken to promote IR's employee value proposition within the organisation.

<sup>1</sup> The bulleted benefits have been sourced from the Transformation Briefing Pack. Refer to Section 4.4.3



### 1.1.2 Enhancing Enterprise Tools and Systems

#### *How does the architecture support this?*

The ESS architecture will enhance the enterprise tools and systems, to improve automated information sharing between the systems, by providing the following.

- **Modern tools and systems** that will allow the enterprise support processes to be transformed to meet the needs of IR for the future.
- **A digital first approach** that will support supplying and utilising information electronically wherever possible making it easier to access information from one source, and to workflow documents.
- **An improved user experience** through better integration, improved flexibility and updated tools.
- **Integrated and common approach** that will reduce manual effort, data error risk and improve the ability to report across processes.
- **Access to near real time data and better data accessibility** will provide opportunities for added value, better insights and improved value for money.

#### *What is the benefit<sup>2</sup>?*

- **Increase efficiency of IR operations.**
  - Data will be available for integrated reporting giving greater confidence and integrity for reports which will also take less time to generate.
  - Integrated tools and systems will enable accurate and timely reporting of financials and non-financials to internal and external stakeholders.
  - Leveraging a common integration framework will reduce the total cost of ownership as the organisation will not need to maintain skills to support multiple technologies. This will also achieve economies of scale with licensing.
  - Adopting a digital first approach will reduce the total effort by recording directly in the integrated system. The process will be completed in a shorter time and the risk of data entry mistakes when entering information from written forms will be removed.
  - Better management of finances and contract spend will lead to operational savings.

The following example is intended to show one of the possible applications of this ESS architecture feature and should be considered for illustrative purposes only.

#### **Enhancing Enterprise Tools and Systems: An Example**

Brian is a successful applicant for a role at IR. He receives and accepts his offer electronically. All personal details of Brian are transferred from the recruitment system to the HR system. Brian is sent an on boarding message from his new manager, Angelique, welcoming him to IR and provides key information about the role, the team, the department, location and day-one processes.

This will allow Brian to complete some of the required training online from day one. Facilities Management, IT and other parts of the organisation have been automatically notified of Brian's start date and on-boarding requirements have been completed, enabling Brian to be immediately productive in his role.

<sup>2</sup> The bulleted benefits have been sourced from the Transformation Briefing Pack. Refer to Section 4.4.3





### 1.1.3 Delivering One Way of Working

#### *How does the architecture support this?*

The ESS architecture will assist delivering one way of working by providing the following.

- **A robust process governance structure** that will be aligned to the organisation's strategy and goals that will enable processes to be managed with improved performance.
- **Common processes** that will support the reduction of business risk and improve quality and enable stronger performance.
- **Simplified, standardised and integrated** business processes that will enable uniformity of operating in the organisation, improve understanding of processes, make it easier to get things done and reduce training needs for staff moving to different groups.
- **A single organisation hierarchy** that will be used across enterprise-wide systems for workflow for faster approvals and as a single source of truth for organisation hierarchy.

#### *What is the benefit<sup>3</sup>?*

Integrated and simplified leading processes will have the following benefits.

- **Increased efficiency of IR operations.** Processes will be designed to be consistent and to minimise the number of steps and manual processes leading to greater efficiency. Position movements within the organisation will not require the person to learn the process variations of the new business unit.
- **Better Solution Design for Changes.** With proper governance structure in place and simplified processes with minimal system customisation, a continuous improvement approach can be promoted and realised, reducing the potential for new process workarounds or manual processes.
- **Reduced risk profile.** A higher level of process compliance will reduce the overall risk profile of the business.

The following example is intended to show one of the possible applications of this ESS architecture feature and should be considered for illustrative purposes only.

#### **Delivering One Way of Working: An Example**

In the future when Tom, who works in ICT Operations, is seconded to a different business unit and wishes to purchase a good or service he is able to follow the same process he used previously. Using the easily accessible online repository of business process documentation, Tom learns of the minor variations of the purchasing process between the different categories of goods and services to be procured.

While executing the process for a specific category of goods, Tom realises that the process variation for that category does not actually meet the needs. He talks to other people, who purchase other goods in the same category, and confirms that the variation does not actually suit the category. Using the online process repository, he raises a request to make the necessary changes to the process variation.

The request is then evaluated by the process owner, for accuracy and completeness, and for impacts on other related processes and people, and is discussed and approved in the Business Process Management governance meeting. The process documentation is updated with the variation and all related parties are informed of the change.

<sup>3</sup> The bulleted benefits have been sourced from the Transformation Briefing Pack. Refer to Section 4.4.3



#### 1.1.4 Supporting Our People to Achieve

##### *How does the architecture support this?*

The ESS architecture will enable attracting, developing and engaging a workforce fit for the future by providing the following.

- **Talent management processes** that will support the identification, recruitment, development, performance, engagement and exit of our workforce.
- **Common processes and improved systems** that will minimise administrative and manual activities, thereby allowing people to focus more on value-added activities.
- **Extended self-service functions** that will provide access to the structured information needed by staff and managers in managing their business.
- **Clear accountabilities and responsibilities** for our people that will assist in improving performance.

##### *What is the benefit<sup>4</sup>?*

- **Increase efficiency of IR operations.** Improving the workforce planning will reduce the time and effort and give greater certainty to budgeting and staffing decisions.
- **Improved perception of IR and All-of-Government.** By introducing modern talent management processes, IR can have greater confidence that the total efforts of the organisation's members will be aligned to the objectives stated at an executive level. The workforce will be able to manage their career more proactively leading to greater levels of engagement. This may have an additional benefit of improving the reputation of IR as an employer of choice and therefore improve the ability of IR to attract and retain key talent.
- **Increase efficiency of IR operations.** By ensuring there is a correct, robust and sustainable organisation structure with supporting processes and controls, the business will be able to maximise the use of system enabled workflow to route approvals to the correct person. Support for mobile workflow approvals will further enhance the efficiency of processes.

The following example is intended to show one of the possible applications of this ESS architecture feature and should be considered for illustrative purposes only.

#### **Supporting Our People to Achieve: An Example**

Angelique uses a common tool to review the staffing requirements for her business unit in the next two to five years. This is done using a common catalogue of jobs and competencies. The identified resource requirements are included in the business plans, which in turn inform the budgeting process. Budgets are then developed with this information.

Once approved the budget is translated into changes to the organisation structure and will influence the planning for recruitment. Once recruited staff members are inducted in the process called out in the example for "Enhancing Enterprise Tools and Systems". New talent management processes give greater clarity and self-service capabilities for people such as Brian to take charge of their own career pathway including self-development and feedback through an integrated learning system.

<sup>4</sup> The bulleted benefits have been sourced from the Transformation Briefing Pack. Refer to Section 4.4.3



### 1.1.5 Overview of the Impact on IR's Operations and Resources

Shifting from the current state to the ESS future-state architecture will impact IR's employees, stakeholders, operations, resources and third parties, with new ways of working, such as the following.

#### **Improved and extended use of self service**

- Increased self-service will require managers and their teams to use new tools and rely on, consume and analyse the information provided in the reports, instead of on others to perform these tasks. This increase in self-service will result in a reduction of manual work, manual validations and support requests. For some people this will require a change in mind-set, as they might be used to relying more on people rather than systems.

#### **Streamlined automated processes**

- Streamlined and highly automated processes with in-built audit trails and validations will lead to greater compliance and mean less manual workarounds and less opportunity to create local process variations. This in turn will lead to greater efficiency and enable staff to move around the organisation more easily due to having consistent processes and ways of working.

#### **Capability and work type shift from transactional to analytical**

- Automation, self-service, improved information, integration of systems and processes and better management of data will result in better information and provide an opportunity to create intelligence and more value from the information. This in turn will see a reduction in the need for transactional data input work in support areas and will increase the need for higher level skills in interpreting information, providing more holistic views and advice for business managers. This will require new skill sets in data analysis, partnering and up skilling in the use and support of new tools. It will also mean a shift in the resource mix for many support areas.

#### **Clear governance, accountabilities, roles and responsibilities**

- A notable theme emerged around the need to clarify both existing and any new roles and governance arrangements. The lack of clarity in areas such as procurement, risk, projects, health and safety, enterprise reporting, process management and budgeting is driving inefficiency in IR. This clarification involves providing better information on the accountabilities, roles and responsibilities between the various business units.

#### **Move to collaboration and partnering models in support areas**

- Combined with all of the above, support areas will look to provide better partnering relationships with business managers and externally with other government agencies and business partners to the benefit of the organisation. This would be delivered through uplift in capability and structures to support a business partnering concept.

#### **Cultural shift from "working for my business" to "working for IR"**

With the move to one way of doing business, extended self-service, business dashboards, system integration and standardised processes there is a need for managers and their people to manage their business unit well within the context of what is best for IR. This will require new ways of thinking and operating for some people, which needs to be supported by key organisational processes such as budgeting, performance management and job expectations.

For review purposes, it is recommended that the reader focuses on three key sections of this document. Other sections can be reviewed time permitting. The following diagram provides an overview of these three key sections of the Enterprise Support Services Blueprint.




Key Areas of Interest	Where to find the detailed content
<p><i>How the Business Processes from the Target Operating Model will support the Enterprise Support Services architecture in the future covering:</i></p> <ul style="list-style-type: none"> <li>• <i>Future Characteristics</i></li> <li>• <i>Architectural shifts</i></li> <li>• <i>Enabling Solutions</i></li> <li>• <i>Pain Points</i></li> <li>• <i>Value Drivers</i></li> </ul>	 <p><b>Business Process Architecture</b></p> <p><b>Section 3.1</b></p>
<p><i>How the Business Processes map between the Application Component Reference Model and the future state architecture.</i></p>	 <p><b>Mapping to the Application Component Reference Model</b></p> <p><b>Section 3.3</b></p>
<p><i>How Business Processes will be grouped to develop scope initiatives that will better support the organisations need for greater flexibility in the future.</i></p>	 <p><b>Scope Initiatives</b></p> <p><b>Section 3.5</b></p>

Figure 2. Executive Summary Reading Guide