



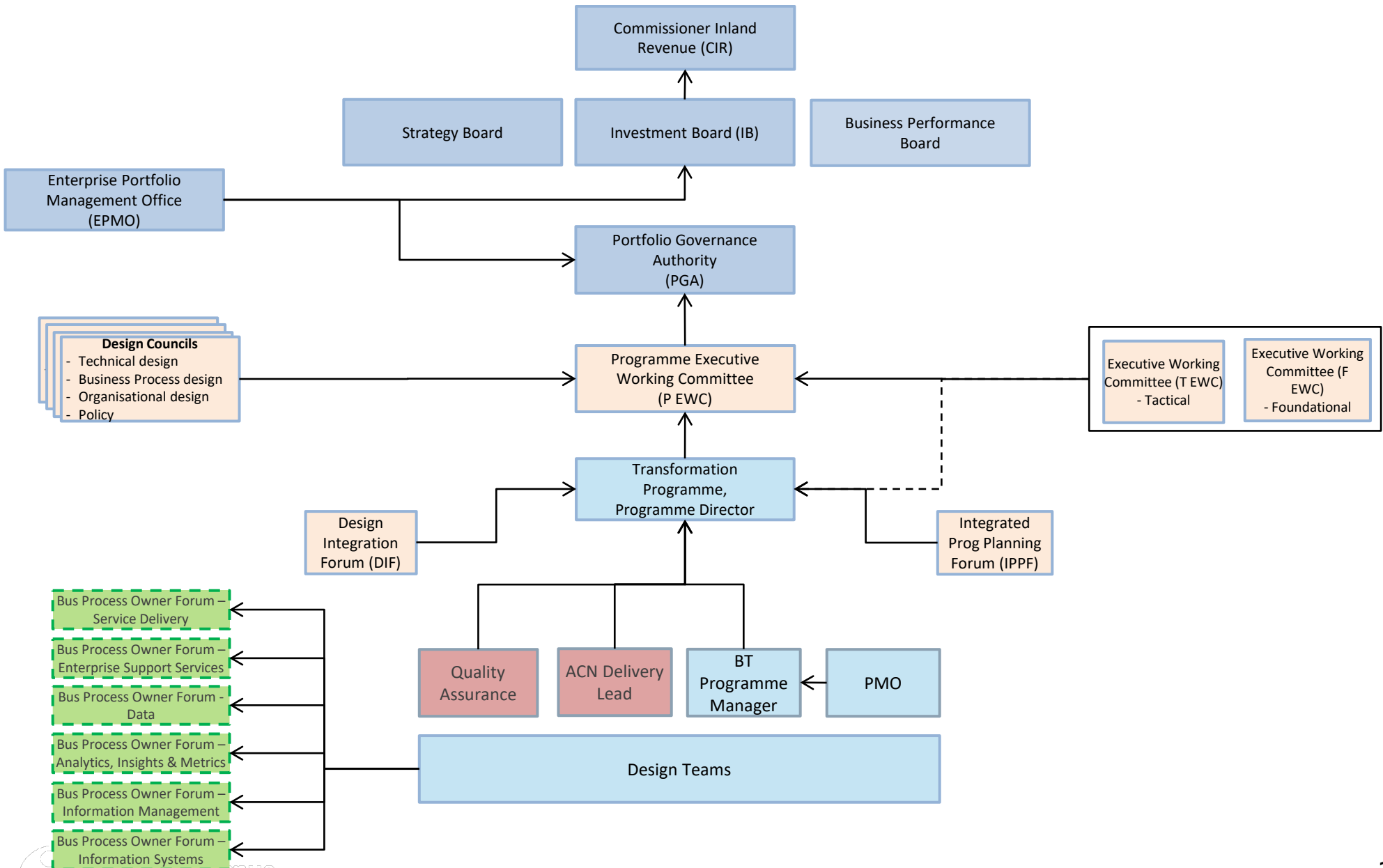
Inland Revenue
Te Tari Taake

Business Transformation



DIF, BOF & Design Council – proposed decision authority framework

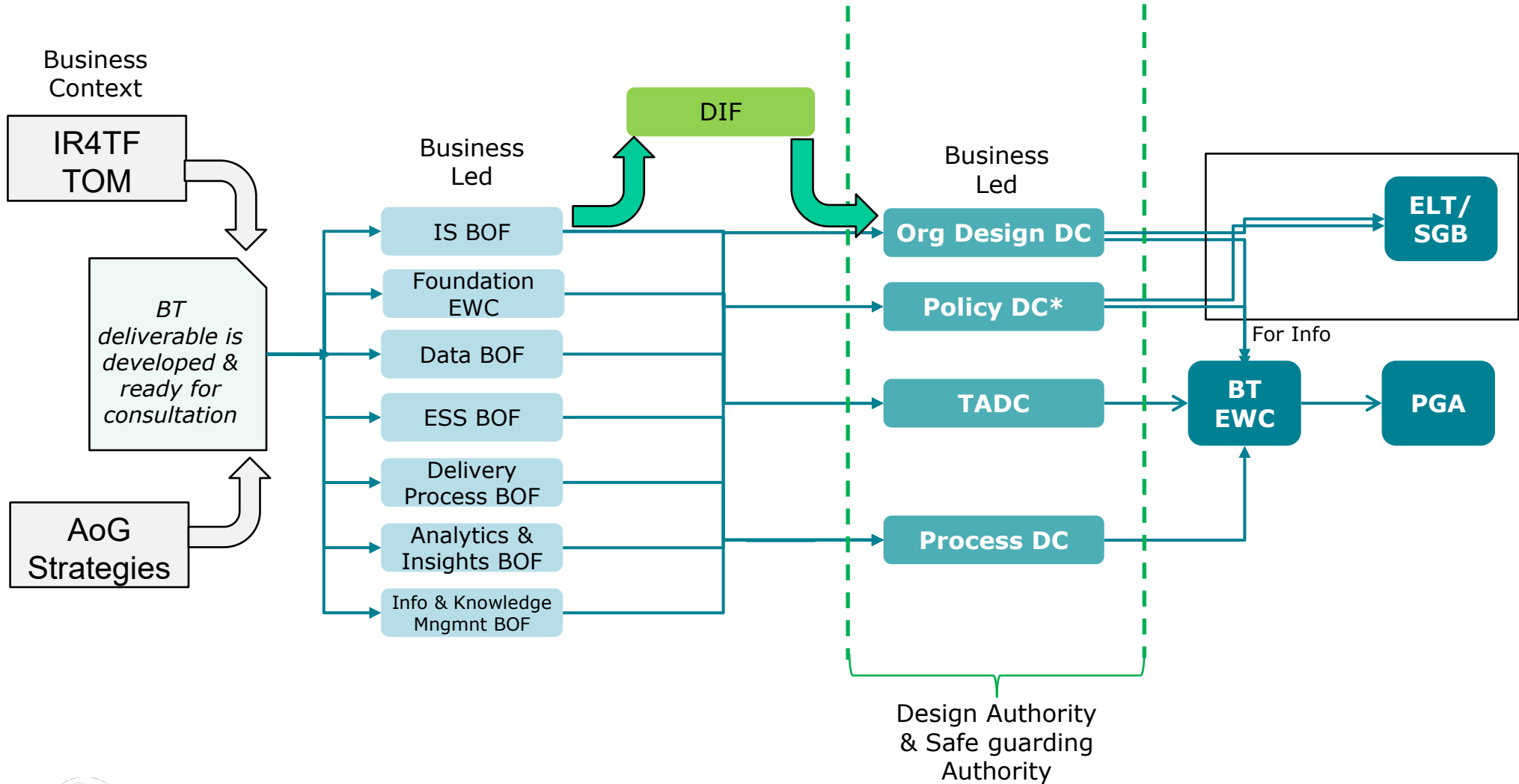
Transformation Programme - Programme Structure (with effect from 1st January, 2015)



Programme Design Endorsement & Approval Forums

Relationships between Governance forums

The governance structure reflects a balance of business ownership & leadership, coupled with professional support to facilitate the successful execution of the Design Phase.



*Not every deliverable going to the Policy DC must go through the DIF.

Programme Roles & Responsibilities – Governance

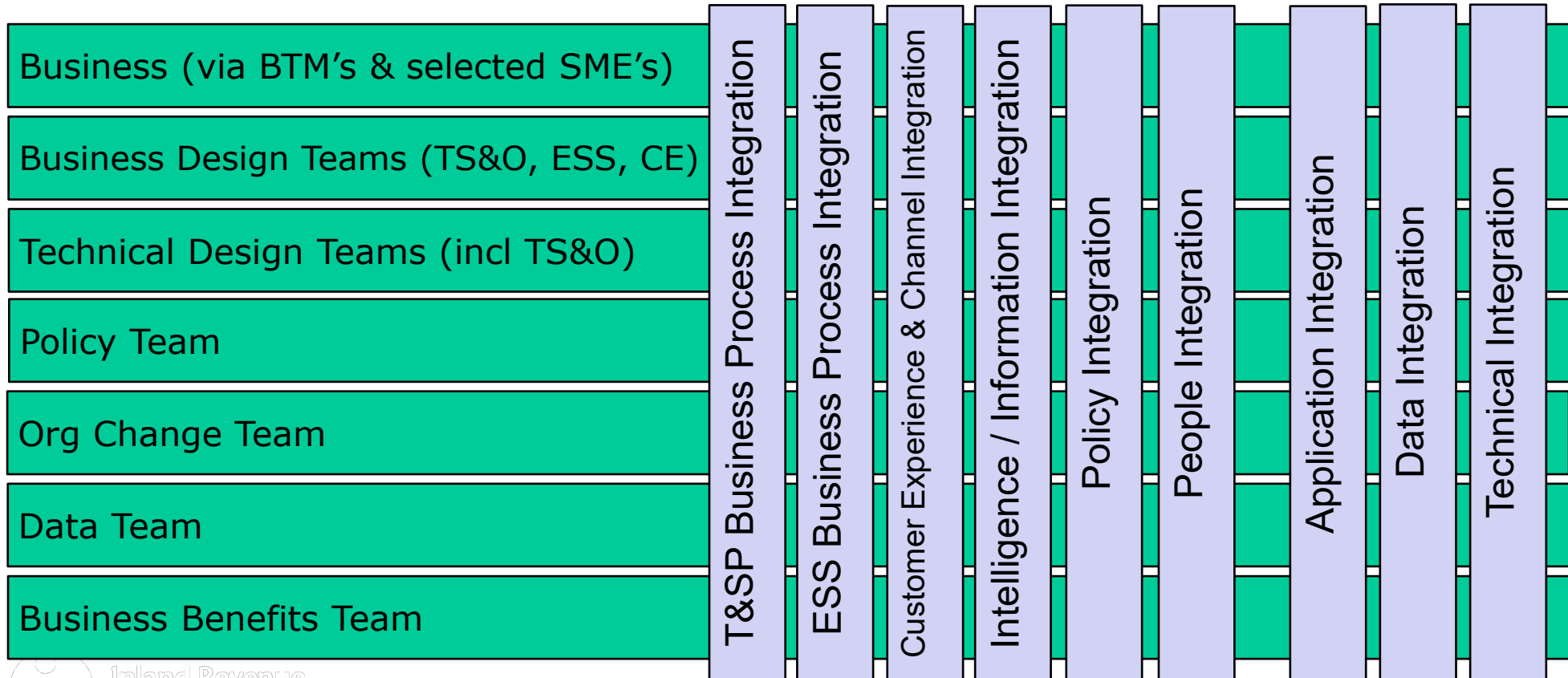
Group	Summary Description
Investment Board	<ul style="list-style-type: none"> • Chaired by the Commissioner, convened by the DC, Change. • Executive membership, including one external member. • Role is to ensure that IR's investment portfolio is aligned to its Strategic direction & delivers the benefits & capability required to support running, improving & changing the organisation.
Business Performance Board	<ul style="list-style-type: none"> • Chaired by the Commissioner, convened by the CFO. • Executive membership. • The Business Performance Board is responsible for determining & driving the organisation's operational priorities to ensure Inland Revenue delivers its business objectives.
Strategy Governance Board	<ul style="list-style-type: none"> • Chaired by the Commissioner, convened by DC, Policy & Strategy. • Executive membership. • The Board is responsible for determining the Strategic direction for Inland Revenue & overseeing its implementation to ensure the organisation is well placed to achieve its future.
Portfolio Governance Authority (PGA)	<ul style="list-style-type: none"> • Responsible for providing overall management oversight of the programme, including issue resolution, approval of scope changes, & approval of the Programme Charter & Execution Plan for the programme including the Tactical & Foundation Sub-programmes. • Overall responsibility for ensuring that the programme is fully resourced to enable it to meet its objectives.
Programme Executive Working Committee (EWC)	<ul style="list-style-type: none"> • Sponsorship for the initiative, including support, issue resolution, allocation of business resources, & approvals as per delegated authorities. • Will also coordinate the execution of the Tactical EWC & Foundation EWC.

Programme Roles & Responsibilities – BOF's & DC's

Group	Summary Description
Business Process Design Council	<ul style="list-style-type: none"> • Design Authority & approval of Future State Business Blueprint, incorporating Future State Vision, business process definitions, pain points, required capabilities & maturities, & business requirements. • It is noted that the approval of future state business processes that impact the organisational design & or the Tax Administration Act (TAA) will be referred to the ELT & the CIR for final ratification.
Technical Architecture Design Council	<ul style="list-style-type: none"> • Design Authority & approval of Future State Technical & Architecture Blueprint, incorporating Future State Architectural Principles, reference architectures, Solution Architectures, including architectures for integration, applications, data, security & authorisations, infrastructure, instance strategy, data migration & archiving, & applications support. • It is noted that the approval of future state Technical & Architecture decisions that impact the organisational design & or the Tax Administration Act (TAA) will be referred to the ELT & the CIR for final ratification.
Organisational Design, Design Council	<ul style="list-style-type: none"> • Design Authority & endorsement of the Future State Organisation Design, incorporating proposed modifications to organisational design, role categories, & any structural changes to enterprise HR policies & procedures. • It is noted that the approval of future state business processes that impact the organisational design & or the Tax Administration Act (TAA) will be referred to the ELT & the CIR for final ratification.
Policy Design Council	<ul style="list-style-type: none"> • Provide guidance in shaping the design of the policy proposals being considered to support transformation. Assists the DC Policy & Strategy in ensuring that advice provided to Ministers is comprehensive & Ministers are fully aware of the trade-offs.
Business Process Owner Forums	<ul style="list-style-type: none"> • Ownership of all IR Business Processes, & Data Quality & Data Governance processes. • Will ensure that the Future State business processes represent the optimum future state in terms of best practice relative to benchmarking research, & are fit for purpose to deliver the IR Target Operating Model & the "IR for the Future" Strategy.
Programme Design Integration Forum (DIF)	<ul style="list-style-type: none"> • Review & make decisions on integration issues associated with the Programme & make recommendations for the BOF's & Design Councils. • The Design Integration Forum will have the authority to ratify any decisions relating to designs developed by the Programme, within the authorities delegated via the approved Programme Charter.

End to End Integration – DIF Representation

Key role & responsibilities	Design Documentation Approach	Cadence
<p>BT's key design forum that deals with all integration issues including review & resolution within delegated authority. Makes key design recommendations to the BOF's & Design Councils. Ensures the design is integrated end to end across all areas of design.</p>	<p>Review design options papers / recommended design decisions prior to submitting to the BOF then to DC's. Agree Executive Summaries & Tables of Content for Design Deliverables. Design Review Workshops will be key to ensuring the integration.</p>	<p>Twice weekly as a minimum</p>



Governance Forums - Design Phase Roles & Responsibilities

Design Governance	Key role & responsibilities	Design Documentation Approach	Meeting cadence
Design Review Workshops	<p>The DRW's will include members of the ELT, PGA, EWC, BOF's, & Design Councils, as well as selected Tier 3 & 4 managers.</p> <p>The role of the Executive DRW will be to review the End To End business & operational design & ensure that it is fit for purpose & that it provides the required end to end coverage across the business.</p>	<p>These will comprise of facilitated design review workshops which will be structured to present an overview of the end to end design of the future state business & operating model.</p> <p>Design Review Workshops will be key to ensuring the integration.</p>	<p>Executive DRW's will be conducted with all Tier 1, 2 & 3 managers twice per year to coincide with the end of the High Level Design, & the Detailed Design.</p> <p>Smaller DRW's will be conducted with EWC, Design Council, & BOF members as required.</p>
ELT Quarterly Review Sessions	<p>As per the ELT Terms of Reference.</p>	<p>These sessions will comprise facilitated high level design review sessions with the ELT, which will be structured to present an overview of the end to end design of the future state business & operating model.</p> <p>Design Review Workshops will be key to ensuring the alignment with IR4TF & the TOM.</p>	<p>Will include all ELT members, & will be scheduled quarterly.</p>

Business Process Level Definitions

Business Design ↓ Solution Design	Level 0	Business Activity	The highest level grouping includes Strategy & Policy, Delivery, Service & Support & provides a point of reference for changes across the organisation.	Enterprise
	Level 1	Mega Process (Process Grouping)	This level defines different views of how processes are structured to deliver the business focus at Level 1. Processes may be structured from an end-to-end perspective in a given function (e.g. Collection & Revenue Management) or as an end-to-end value chain across organisational boundaries.	Business Group (E.g. PF&F, or Service Delivery)
	Level 2	Major Process (Core Process)	Comprises of process groups that are defined in detail in the business process flows at Level 3. These are normally carried out within a business unit or line of business & defines those activities that deliver desired outcomes to the business.	Business Unit (E.g. Customer Services, or Collections)
	Level 3	Process (Business Process Flow)	Contains process flows & describes the sequence or flow between sub processes. Each process at this level must add value to the business or be an essential requirement. Wherever possible, these processes will be product, customer & channel agnostic.	Business Unit Team (E.g. Call Centre)
	Level 4	Sub Process (Operational Process Flow)	This level defines in more detail the business process flows defined at Level 3. It includes detailed sub-process design with links to written procedures, business rules, application functions & technology. This level includes product variants & exception/error handling activities.	Team (E.g. CSR team 1)
	Level 5	Activity (Detailed Process Flow)	This provides further detail for the operational process flows & is specific to an individual operational role. Detail will be described in a procedure document or workflow.	Individual Role

Categories of Key Design Decisions & Supporting Documents

Business Strategies

- **Strategies developed at a cross functional Business level which are pan-IR**, that direct the future direction of IR (examples IR4TF, TOM). Will include key organisational wide design strategies, including Divisional / Business Unit strategies (examples include ICT strategy for the Enterprise, Omni-Channel strategy).

- Approved : Strategic Governance Board. ELT

Programme Delivery Strategies

- **Strategies developed at the BT Programme level & that persist for the life of the Programme**, which define the key business outcomes & requirements, & the approach for delivery of the required capability. Examples include strategies for data preparation, OCM delivery, training & user adoption delivery, knowledge management delivery, analytics & metrics delivery, procurement delivery, quality assurance, co-existence delivery, deployment delivery, communications delivery, business rules migration delivery, customer experience & enablement delivery, customer & party management delivery, as well as the Programme Charter.

- Executive Summaries :
 - Endorsed : DIF, BOF's.
 - Approved : Design Councils.
- Detailed Documents:
 - Endorsed : BOF
 - Approved : DIF.

Proposed Design Decision Delegated Authorities

Business component of Blueprints

- Key business objectives, future state operating model, including business processes, policy impacts, org design impacts, risks & controls, & expected impacts on business maturity & benefits.

- Confirmed : DIF
- Endorsed : BOF's.
- Approved :
 - Exec Summary : Design Councils, PGA.
 - Detail : BTM, Design Teams, BOF

Solution component of Blueprints

- The Blueprint section that details the key elements of the enabling solution, including technical architecture, application design, data design, & people capability designs.

- Confirmed : DIF
- Endorsed : BOF's.
- Approved :
 - Exec Summary : Design Councils, PGA.
 - Detail : BTM, WSL's, BOF

Key Design Decisions

- Decisions that affect any key elements of scope, business operating model (Level 1 - 3), programme benefits, implementation options, time line, & key Business Unit/Group strategies (e.g. Technical application & integration architecture, level 1-3 organisational design, Customer Experience / Omni-Channel design, Core Tax & Social Policy design, ESS design, data preparation & migration, co-existence, business release), policy.

- Confirmed : DIF
- Endorsed : BOF's.
- Approved :
 - Exec Summary : Design Councils, PGA (Note 1)
 - Detail : BTM, WSL's, BOF

Design Decisions

- Decisions that **do not affect** any key elements of scope, business operating model, programme benefits, implementation options, time line, & key Business Unit/Group strategies, & which provide the next level of detail (e.g. Level 4) business processes, technical, application & integration architecture, data architecture, role definitions).

- Confirmed & Endorsed : DIF
- Approved :
 - Exec Summary : BOF
 - Detail : BTM, BOF (Note will be subject to Policy LTS review)

- Decisions that **do not affect** any key elements of scope, business operating model, programme benefits, implementation options, time line, & key functional strategies, or level 3 or 4 designs, & which provide the next level of detail (e.g. Level 5) business processes, technical, application & integration architecture, data architecture, role definitions).

- Confirmed & Endorsed : DIF
- Approved :
 - Detail : BTM, WSL's, OCM Leads

Note 1 : Decisions that affect Policy and/or Org Design will be escalated to the Policy Design Council and/or ELT for ratification.

Note 2 : Design Council, BOF and DIF chair to approve on behalf of the associated forum subject to sufficient consensus.

Proposed Design Decision Options Analysis Criteria

The following Criteria will be used for design options analysis:

	Scope Impact on the Approved Scope	Benefits Impact on the Approved Business Benefits	Time Line Impact on the Approved Programme Time Line	Cost Impact on the Approved Programme Cost	Principles Impact on the Approved Architectural Principles, Reference Architecture , and/or strategies.	Risk Impact on the Risk Profile of the Programme	TCO Impact on the Total Cost of Ownership of the Programme	Org Change Impact on the complexity of the org change challenge on the business & customers.	Policy Impact on Policy
Option 1									
Option 2									
Option 3									

Negative Impact Positive Impact

- | | | |
|-----------|-----------|---|
| Low | Low | The impact on the area will be minimal, & will not materially negatively alter, or will positively impact, the cost/benefit profile of the Programme, as defined in the approved baseline. |
| Medium | Medium | The impact on the area will be moderate, & will negatively alter, or will positively impact, the cost/benefit profile of the Programme within the allowances defined in the contingency profile of the Programme baseline. |
| High | High | The impact on the area will be major, & will negatively alter, or will positively impact, the cost/benefit profile of the Programme beyond the allowances defined in the contingency profile of the Programme baseline. |
| Very High | Very High | The impact on the area will be significant, & will negatively alter, or will positively impact, the cost/benefit profile of the Programme significantly beyond the allowances defined in the contingency profile of the Programme baseline. |

COTS Fit-Gap Assessment Guidelines

Fit to Business Requirements	Level of Effort – Configuration	Level of Effort - Customisation
1 = Good (High) fit to stated business requirements	1 = Exist in the COTS with no change required	A = No customisation required
2 = Moderate (Medium) fit to stated requirements	2 = Exist in the COTS but requires moderate configuration	B = Exist in the COTS but requires Simple customisation such a simple codes changes, interface development, forms, reports etc.
3 = Poor (Low) fit to stated business requirements	3 = Exist in the COTS but requires complex configuration and/or specialist skills	C = Exists in the COTS but requires moderate customisation such a moderate codes changes, interface development, forms, reports etc.
		D = Exists in the COTS but requires high customisation including complex codes changes, interface development, forms, reports etc.
		E = Poor fit & as a result the functionality needs to be added to or removed from the COTS Product
		F = Core code modification required, third party solution required or change Business Requirement/Policy