



Inland Revenue  
Te Tari Taake



# Our Corporate Strategy – *Information & Intelligence*

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# Information & Intelligence: Executive Summary

## What is our strategic approach for information & intelligence?



Our decisions and actions – for delivering today and shaping our future – are intelligence-led

### What does that mean?

Being information harnessed and intelligence-led means we...

- Value our organisational knowledge and the experience of our people
- Use our information and intelligence as an asset
- Can better realise value
- Target and prioritise what we do
- Make confident decisions based on relevant information
- Know we are achieving our objectives

### Why does that matter?

Being able to harness our information, and become intelligence-led, will allow us to deliver a better customer experience through improved understanding of customers and their context. We will be able to target our services to reduce the compliance burden while at the same time increasing compliance. We will adapt and respond to our changing environment allowing us to more effectively deliver outcomes and support wider government objectives.

## How will we implement this approach?

### Recognise information and intelligence as a strategic asset

- Have an internal culture that respects richer and more managed information
- Maximise the value of our information by following good information management practices
- Share information with each other, across government and with business partners to deliver better services for customers

### Utilise information and insights to create actionable intelligence

- Build capability to effectively manage information and create actionable intelligence
- Develop processes and techniques to extract intelligence and continually learn from our information assets
- Create an advanced analytics platform that enables seamless data flow and self-service analytics

### Use intelligence to achieve sustainable outcomes

- Build a culture where intelligence-led decision making is part of our DNA
- Ensure intelligence is available and accessible to support informed and proactive decisions
- Consistently measure and evaluate our activities to focus on what works

This will enable us to develop information and intelligence capability that is...

**Self-learning** – we constantly learn from our activities improving government, business and customer value and enhancing performance

**User-friendly** – users and customers can access and contribute information to deliver better intelligence and inform decisions

**Timely** – right time delivery to support Inland Revenue's policy, strategic and operational requirements

**Superior** – decisions informed by contextually rich information, rigorous processes and robust technology

**Secure** – information and intelligence is available to those who need it, without affecting privacy and customer rights

## What are our main vehicles for change?

Programme	Initiative	Description of contribution
BT	Organisation Design	Implementation of organisational structure requirements including the establishment of the Information and Intelligence Hub.
	Implementation of the Intelligence Led Blueprint	Development of processes, tools and architecture to enable intelligence-led working.
BT/BAU	Implementation of functional strategies	Implementation of the functional strategies will deliver information management practices, information sharing processes and integrated business intelligence and analytics capabilities.
	Customer Value Programme	Development of people, platform, process, and data capabilities.
BAU	Culture Approach	Development of an intelligence-led culture.
	Corporate Strategy Set	Delivery of customer, people, collaboration, policy, and digital capabilities.

## How will we measure our success?

Source	Measure	Description
Performance Management Framework	We use information and insight to improve potential future revenue	<ul style="list-style-type: none"> <li>• Year on year forward receipts baseline</li> <li>• Case study ROI for specific interventions</li> </ul>
Information & Intelligence Strategy	Functional Strategy Delivery	The target future states identified in the supporting functional strategies are delivered.

# Purpose and Strategic Alignment

## Purpose and Scope

The purpose of this document is to outline our strategy for becoming an **information harnessed and intelligence-led** organisation. It sets out the approach that we will use to implement the Strand, and the foundational enablers needed to support it. This is intended to be an enduring artefact which will guide us as we transform.

The Information & Intelligence Strand has been developed to harmonise Inland Revenue’s information and intelligence-led artefacts creating a **holistic perspective of information and intelligence**, and how it delivers value and better outcomes for New Zealanders. The Strand provides guidance as to how Inland Revenue will realise the value of its information and intelligence assets as a strategic resource.

## Strategic Alignment

This Strand is a key enabler of our **three strategic objectives**:



Grow voluntary compliance by making it easier for people to get it right



Reduce compliance costs



Make Government policy changes faster and more cost effectively

It sets out the approach we will follow in order to deliver these objectives and how we will:

1. **Make more intelligent use of information** by using analytics and insights to continuously improve our services and design for the right outcomes
2. **Fit tax and social policy seamlessly into people’s lives** by building understanding of our customers and their key events, to enable compliance to be designed right from the start
3. **Link our systems across government agencies and the private sector** by sharing and accepting information and intelligence

The Strand utilises the six shifts outlined in **Inland Revenue’s Future State Organisation** and aligns with the **Target Operating Model** business capabilities, with strong links to the themes within Understand Risk, Understand Customers, Profile and Account for Customers, Manage Data, Manage Information, Knowledge & Intelligence, and Manage Change.

The Strand also draws on the **Compliance Model**, which sets out our approach to facilitating compliance and how we interact with customers. It has been informed by and aligns to the Intelligence-led Blueprint that guide the Business Transformation Programme, and harmonises existing functional strategies such as the Information Management Strategy, the Business Intelligence and Analytics Strategy, and the Information Sharing work.

The Information & Intelligence Strand forms part of Our Corporate Strategy, and closely links with the other five strands:



The **People Strand** is a key enabler – setting out how we will develop and maintain the workforce with the skills, knowledge, experience and attitudes required to meet our goals.



The **Digital Strand** also plays an important role, as our technology infrastructure will shape the design of the customer experience and support an analytics capability to inform customer understanding.



The **External Collaboration Strand** sets out how we will collaborate, engage and share information across government, service providers, and other partners to deliver seamless experiences and the right outcomes for customers.



Intelligence and analytics are an input into customer understanding. The **Customer Strand** supports the approach to effectively building, sharing, and using customer and performance information.



The **Policy Agility Strand** supports an agile and integrated process of decision-making and advice based on the use of information and intelligence.

# Our Intelligence-led Future



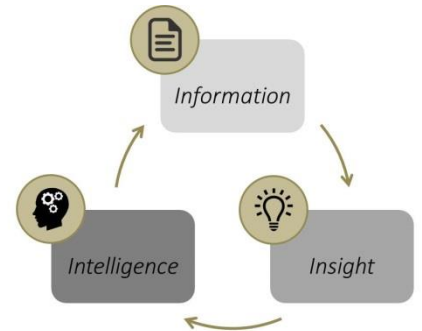
**Our decisions and actions – for delivering today and shaping our future – are intelligence-led**

## What does being intelligence-led mean?

The information we collect and the insight and intelligence we generate through the knowledge and experience of our people is a strategic asset. It allows us to understand our customers, our operating environment and our performance. It can be used to direct our strategic, tactical and operational activity and can be shared with others to unlock benefits for Government and society.

By harnessing our information and using insight and intelligence to inform our actions we can:

- Better realise opportunities and predict the value of our actions
- Improve our ability to target and prioritise our activities and services
- Be confident that the decisions we make are based on complete information
- Continuously learn and adapt our activities to achieve objectives
- Measure and evaluate the effectiveness of our actions.



## What will it achieve?

Being an information-harnessed and intelligence-led organisation will have benefits for customers, Inland Revenue, the Government and society.



Improving how we create, use and share information and intelligence will:

- ✓ Enable us to deliver an improved customer experience through advanced systems and policies resulting from an increased understanding of our customers
- ✓ Reduce compliance cost and effort – through the delivery of cohesive Government services and the reduction of duplication
- ✓ Improve compliance by enabling us to make it easier for customers to get it right from the start
- ✓ Enable us to quickly and effectively respond to non-compliance
- ✓ Increase our ability to deploy people and resources (financial, physical, and ICT) and effort into targeting opportunities to create value – being more effective and increasing the Government’s return on investment
- ✓ Enable informed decision-making on Inland Revenue’s short, medium and long-term future
- ✓ Assist with the delivery of robust advice to Government on policy and other matters
- ✓ Enable other Government departments and business partners to provide value and better outcomes to New Zealanders by utilising our information for strategy development and decision-making.

# Approach

## How do we harness information and become intelligence-led?



# Implementation

## Recognise information and intelligence as a strategic asset

To operate as an organisation that recognises and uses information and intelligence as a strategic asset, we require information to be managed in a way that aligns with our organisational values and strategic direction. To do this we need to:

Have an internal culture that supports richer and more managed information

Everyone plays a role in turning information into a strategic asset. There are a large number of structured and unstructured data sources available for staff to access as required, including information from our customers, our people, government agencies and business partners. We will have a culture of collective ownership, where our people understand the value in identifying information (whether it be from interactions, feedback or experiences), then protecting and curating it appropriately.

Maximise the value of our information by following good information management practices

We will have high quality information to better inform decisions and improve intelligence-led activities. We will adhere to governance and processes to effectively capture, store, manage and dispose of our data and information. This will add value and ensure the right information is available to the right person in the right format at the right time.

Share information with each other, across government and with our business partners to deliver better services for customers

Customers expect us to use their information better in order to provide intuitive and personalised services. We will do this in a way that adds value while maintaining their trust and confidence. We will collaborate across a wider ecosystem, including overseas if necessary, to appropriately share and collect information from other agencies and business partners, using this broader perspective to improve services and solve problems.

**Key Enablers**

- Information collection processes include relevant context and meaning to support analytics
- Adaptable information sharing processes allow for rapid integration of new and emerging data sources
- Culture of use and enhancement
- Technology to support good information management practices and information sharing
- Establishment of the Information and Intelligence Hub and supporting information sharing agreements



# Implementation

## Utilise information and insights to create actionable intelligence

Being information harnessed means that we derive intelligence we can then action by asking questions, seeking insights and applying purpose to our information. Our ability to harness information is dependent on integrated people capability, learning processes and analytics platforms. This requires us to:

### Build capability to effectively manage information and create actionable intelligence

We will continue to develop and enhance our internal capability to manage and manipulate information, derive intelligence and apply that intelligence in all levels of decision making – investing in the skills, knowledge, techniques and experience required to achieve our outcomes.

Where the need arises, we will add highly specialised analytics capability, industry experience and best practice to increase internal capability.

### Develop processes and techniques to extract intelligence and continually learn from our information assets

We will design processes for continuous learning. Our analytics processes and intelligence delivery will be dynamic, iterative and responsive to change – keeping pace with our changing environment. Our processes will integrate the knowledge and experience of our people, with advanced analytics techniques to generate intelligence.

We will use feedback loops to continuously adapt and learn from our activities so that we can refine our analytics techniques to improve our effectiveness and targeting of value for customers, Inland Revenue and government. This will include techniques to collect and share information, define customer segments, identify value opportunities, as well as design, test and validate interventions based on the desired outcomes.

### Create an advanced analytics platform that enables seamless data flow and self-service analytics

We will implement technology infrastructure that will support:

- Analysis, manipulation and enrichment of information to identify insights, patterns and predictive models
- Analytical tools that are easy to use and turn insights and models into operational actionable intelligence
- A flexible service model, based on proven industry standards, that enables secure enterprise-wide data management, information sharing and easy access to information and intelligence
- The use of information and intelligence to support delegated and agile decision making
- Customer lifecycle orientation – enabling proactive customer assistance, automation and targeted interventions to improve the customer experience.

### **Key Enablers**

- *Leadership that facilitates the connection between data creation, management, analysis and decision making*
- *Governance systems and processes that facilitate the development and use of intelligence*
- *Technology platform that support diverse information and intelligence requirements, secure and easy access, and delivers a single-view-of-customer*
- *People with the required skills, knowledge and experience to manage and derive intelligence from available information assets and insights*
- *Information and Intelligence Hub appropriately integrated with external data sources and Inland Revenue's analytics platform*
- *A culture of continuous learning that values testing and validation to learn what works*
- *Continuing investment in technology and platforms that recognises the essential value of information and intelligence for New Zealand*



# Implementation

## Use intelligence to achieve sustainable outcomes

Being intelligence-led means we understand the impact of what we do and how to achieve the outcomes we seek. We will apply intelligence within our decision making processes to maximise value and influence the design and delivery of policy, systems, products and services. We will:

### Build a culture where intelligence-led decision making is part of our DNA

We will have a culture of natural curiosity, where we use information and intelligence to realise value and make informed decisions. We will have the confidence and courage to act on the information and intelligence gathered from across the wider ecosystem to deliver value for customers, government and Inland Revenue.

We will make decisions using relevant information and intelligence as part of our normal activity, from front-line staff to senior decision makers. Disciplined use of our information and intelligence will provide a wider system view of risk, opportunity and value - that is represented in our decision making processes, application of resources and culture of accountability.

### Ensure intelligence is available and accessible to support informed and proactive decisions

We will build a seamless flow of data – independent of function, service, product or source. We will reduce the complexity and improve the transparency of our information and intelligence assets so that the needs of users are met – providing access to the right level of detail to support everything we do, from customer interactions to policy advice.

We will ensure that our staff are empowered to use information and intelligence, and that it's available for use by those closest to internal and external customers. We will develop our internal capability to make reasoned and informed choices through analysis of risk, utilising lessons learned, and an ingrained understanding of customer and Inland Revenue's objectives.

### Consistently measure and evaluate our activities to focus on what works

We will measure in a way that ensures accountability and delivery of business outcomes. We will demonstrate the effectiveness of our intelligence delivery and decision making processes through continuous testing, validation, and relevant metrics that evaluate our actions and drive the right culture and behaviours.

We will use agile and iterative work practices to continuously learn and adapt – integrating the insights and results of our actions to inform intelligence delivery. This will allow us to be more effective, improve customer experience and demonstrate value.

### **Key Enablers**

- *A technology platform that allows easy access, use and sharing of information and intelligence*
- *People with the skills and experience to apply information and intelligence in their normal decision making processes*
- *A culture that encourages continuous learning, curiosity, and reinforces accountability*
- *Information sharing arrangements that deliver the right information to inform our decisions*
- *A flexible and agile organisation that can respond effectively to emerging insight and intelligence*
- *Measures that accurately demonstrate the outcomes we have achieved and the value of our actions*
- *Performance environment that incentivises and rewards the right behaviours.*



# Delivery

## Vehicles for delivery/change

Programme	Initiative	Description of contribution
BT	Organisation Design	KDD 1 - The processes, technology and capability to understand customers' lifecycles and intelligence to support increasingly proactive customer experiences.
		KDD 3 - Establishment of an Information & Intelligence Hub which will consolidate information from across the organisation and embed customer insight into the organisation.
		KDD 9 - People capabilities to manage information and knowledge, analyse information, model scenarios and generate insights and intelligence (linked to the implementation of the Workforce Strategy).
	Organisation Design Blueprint – Chapters on Organisational Capability, Accountabilities & Responsibilities, People Capabilities, Culture, Leadership, Organisation Outcomes and Governance	
	Implementation of the Intelligence-Led Blueprint	Development of processes, tools and architecture to enable intelligence-led working.
BT/BAU	Information Sharing Work Programme	Strategic, tactical and operational Initiatives to share information safely with other government agencies.
	Customer Value Programme	Development of an advanced analytical platform, closed loop learning process, customer-centred managed information, and enhanced ways of working to maximise customer value.
BAU	Tax Administration Act changes	Improved legislative foundations for information sharing.
	Implementation of the Culture Approach	Development of an intelligence-led culture where all staff have access to insights and can make decisions where appropriate.
	Corporate Strategy	Delivery of Customer, People, External Collaboration, Policy Agility, and Digital Strands.
	Implementation of functional strategies	Implementation of the functional strategies will deliver information management practices, information sharing processes and integrated business intelligence and analytics capabilities.

## Measures of success

Successful implementation of our Strand will result in an information and intelligence capability that is:

- Self-learning** – we constantly learn from our activities improving government, business and customer value and enhancing performance
- User-friendly** – users and customers can access and contribute information to deliver better intelligence and inform decisions
- Timely** – right time delivery to support Inland Revenue's policy, strategic and operational requirements
- Superior** – decisions informed by contextually rich information, rigorous processes and robust technology
- Secure** – information and intelligence is available to those who need it, without affecting privacy and customer rights

The following measures show how the strategy is a contributor towards achieving Inland Revenue's mission and vision:

Source	Measure	Description
Performance Management Framework	We use information and insight to improve potential future revenue	<ul style="list-style-type: none"> <li>• Year on year forward receipts baseline</li> <li>• Case study ROI for specific interventions</li> </ul>
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## Strategic Risks

The high-level strategic risks for the Information and Intelligence Strand are outlined below. These are underpinned by consideration of the risks with the Strand in the implementation, delivery, and post-delivery stages as well as unintended consequences of the Strand.

1. The investment in people and platforms is insufficient.
2. Inland Revenue is too slow in its implementation of the Strand and does not stay abreast of developments in information and intelligence.
3. The required culture change is not embedded in the organisation.
4. Legislative or administrative restrictions impact on the ability to deliver the Strand.
5. Inland Revenue changes in a way that is not aligned with the documented strategic direction.
6. Too much information impedes staff decision making and results in less trust from customers.