

DIGITAL AGE STRATEGIES BUILDING THE ENABLING PLAYBOOK

August 10th, 2016

FTA Technology Breakout
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Today's agenda

1 Digital mega-trends and implications

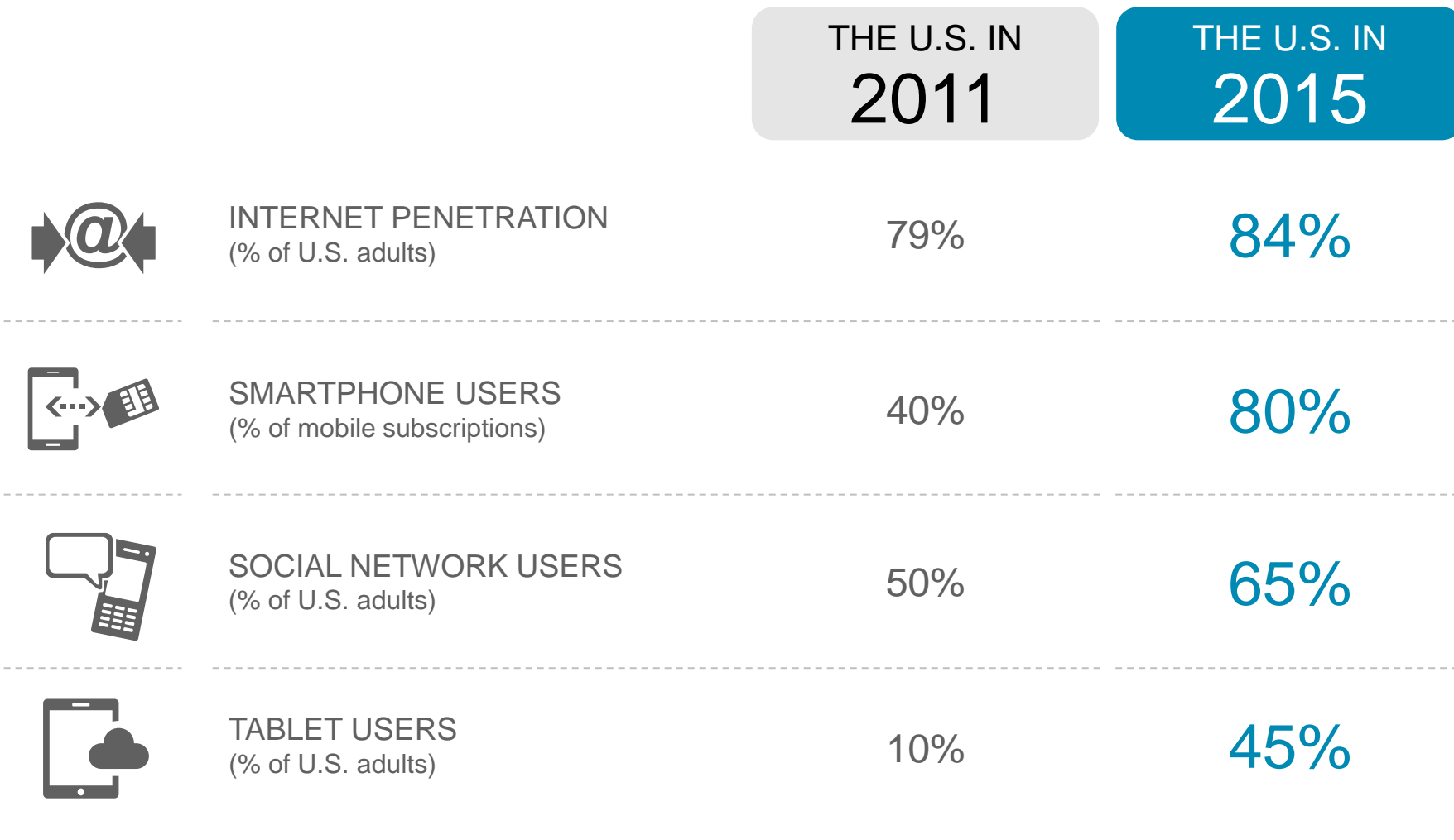
2 Building the digital playbook

3 Digital leaders vs. laggards

'Digital playbook' defined

A business strategy inspired by the capabilities of powerful, readily accessible technologies to deliver integrated business capabilities that are responsive to constantly changing market conditions

The world has changed dramatically in just the last five years



Five disruptive digital mega-trends are revolutionizing organizations

Customer-centricity



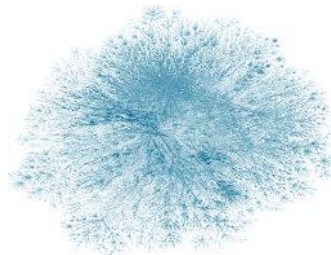
More empowered consumers, shift to self-service

Mobile & social



Online access anywhere, at anytime

Data & analytics



Insight to target customers, tailor services and improve operations

Cloud computing



Distributed computing power over networks

Internet of things

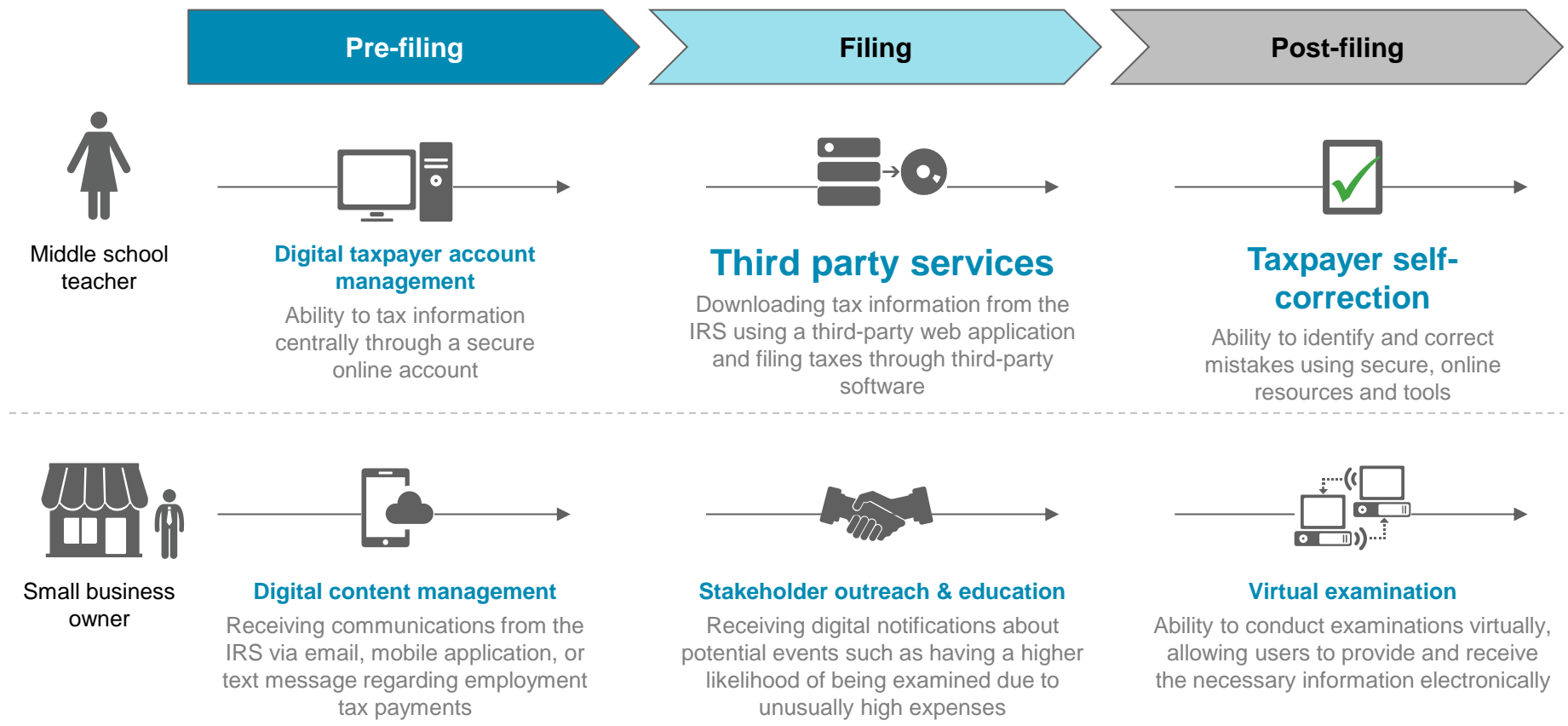


Virtual representation of real-world objects in internet-like network structure

Expectations for the quality of public services have increased - the potential for improvements in operational efficiency is substantial

The needs of tax payers and the overall tax community continue to evolve - digital is certainly not a foreign concept

Taxation Future State - Taxpayer journey snapshots



All in all, faster, better and cheaper

Audience poll



Which of the following best characterizes where your organization is today in the shift to digital?



Text **FTATECH16 to 22333** once to join

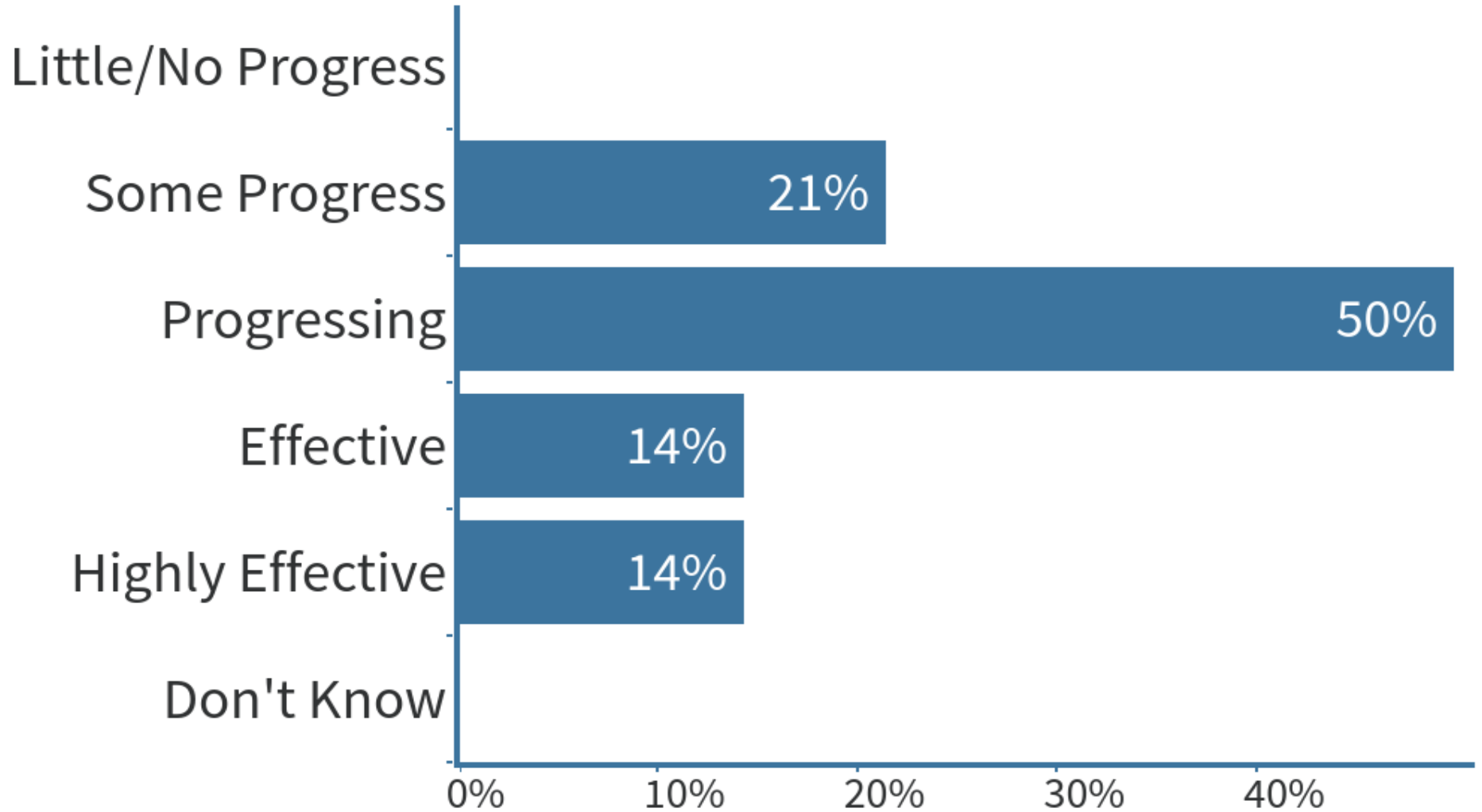
Choose one option (**1, 2, 3, ... 6**) and text your response to **22333**

OR go to PollEv.com/ftatech16

Option	Examples
1. Little/no progress	Multitude of manual and disjointed paper-based processes; legacy tech is pervasive
2. Some progress	Focus is on digitizing back-end legacy processes
3. Progressing	Emerging set of capabilities, yet don't touch all aspects of the organization
4. Effective	Small portfolio of digital initiatives touching on all trends
5. Highly effective	Digital considerations are core to every decision and investment; data driven org.
6. Don't know	Unclear where digital fits into the organizational picture

Which of the following best characterizes where your organization is today in the shift to digital?

 **Poll locked.** Responses not accepted.



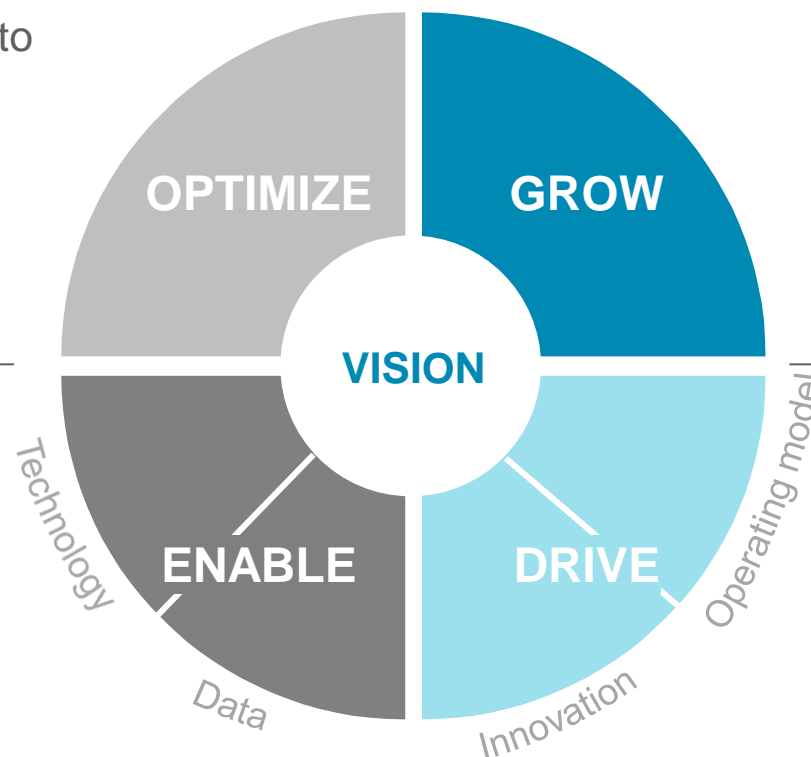
Digital intent vs. digital capabilities

A framework for building the digital playbook

DIGITAL INTENT

Use Digital as a key driver to **optimize operations** and propose an end-to-end **process transformation approach** (e.g. 'lean by Digital')

Build the digital agenda for **business growth**. Identify associated requirements and business case components.

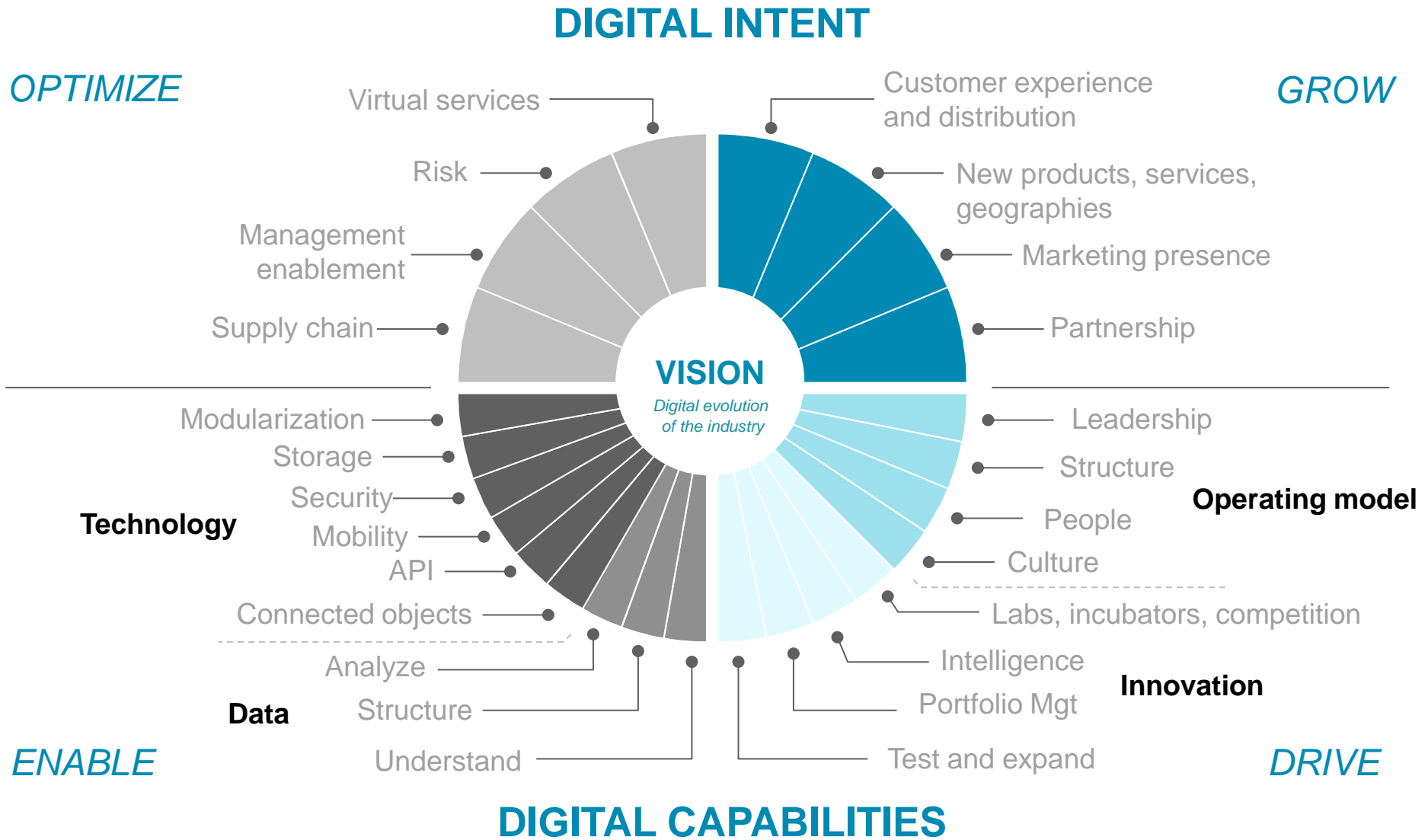


Define the required capability and the evolution of the **Technology and Data** operating model

Design the required vision, governance, **operating and innovation model** to leverage Digital potential

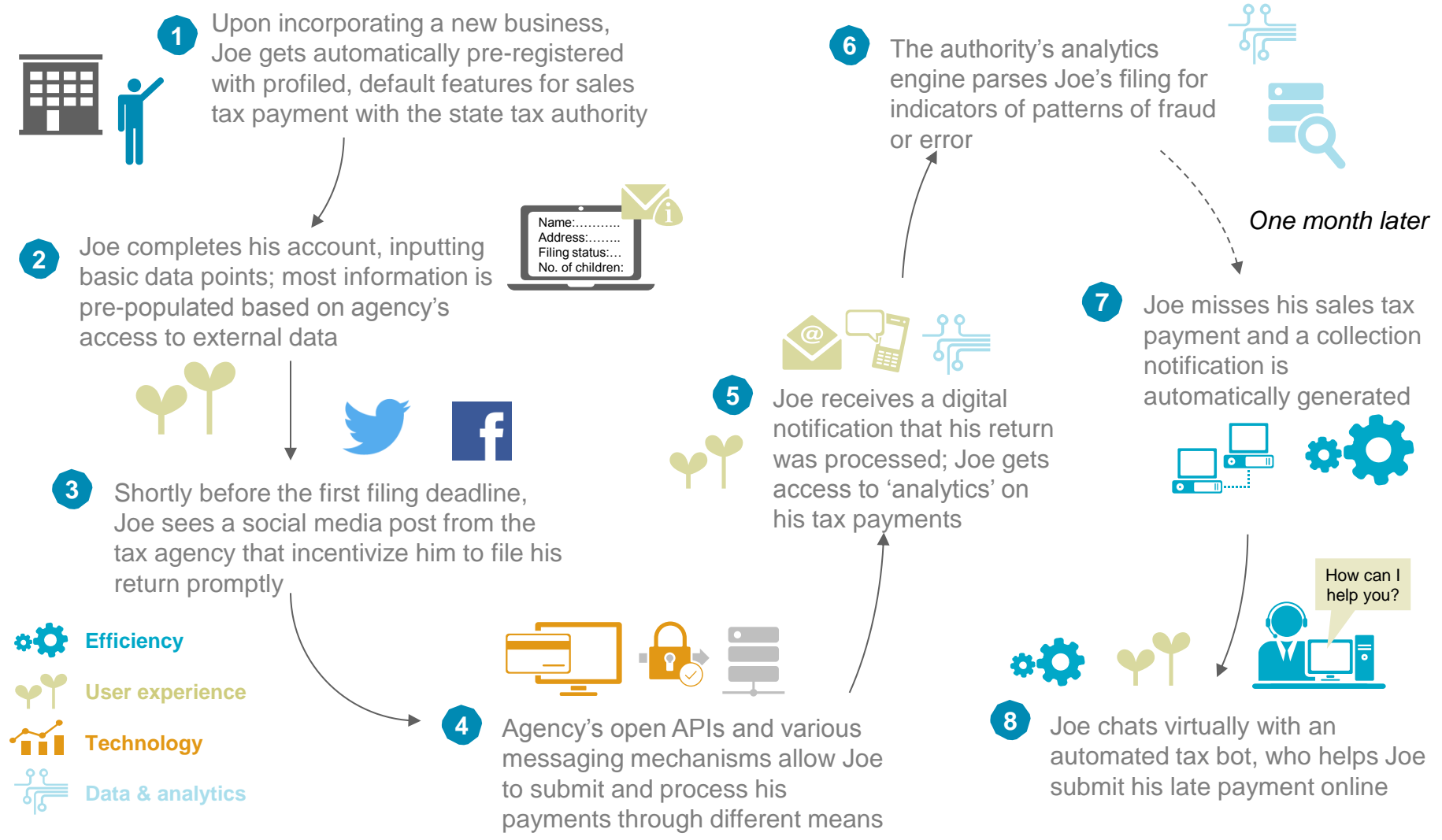
DIGITAL CAPABILITIES

An effective digital playbook involves prioritizing among strategic choices and their enablers



Digital capabilities come together to create streamlined taxpayer experiences, while improving compliance and efficiency

Illustrative taxpayer journey



Where digital efforts can make a real difference for state tax agencies

LEAN OPERATIONS

- Empowering front-line operators to make decisions & solve problems
- Real-time data collection, analysis
- Reduced administrative costs

ENHANCED TAXPAYER EXPERIENCE

- Intuitive and automated data collection platforms
- Predictive trouble-shooting
- Minimizing time-consuming human interactions

DIGITAL TAX ADMIN

IMPROVED COMPLIANCE

- Automated fraud analytics
- ID theft prevention
- Tailored compliance resolution

GREATER TRANSPARENCY

- Enhanced traceability
- Increased public understanding of taxation

DATA SHARING

- Collaboration across departments and agencies
- Deeper understanding of customer profiles & behavior

Audience poll



Which potential challenges pose, or will pose, the biggest barriers to executing your digital strategy?



Text **FTATECH16 to 22333** once to join

Choose one option (1, 2, 3, ... 8) and text your response to **22333 (up to 3 times)**

OR go to PollEv.com/ftatech16

Option	Response	Option	Response
1	Budget	5	Concern over increased fraud/cyber risk
2	Organizational barriers	6	Changing policy or administration
3	Lack of skilled technical resources	7	No clear digital strategy or plan
4	Contractor procurement & oversight	8	Other

Which potential challenges pose, or will pose, the biggest barriers to executing your digital strategy?

 **Poll locked.** Responses not accepted.

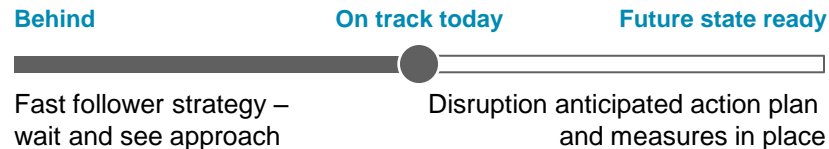


Digital leaders vs. laggards

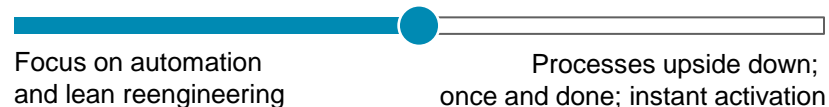
What is your self-assessment?



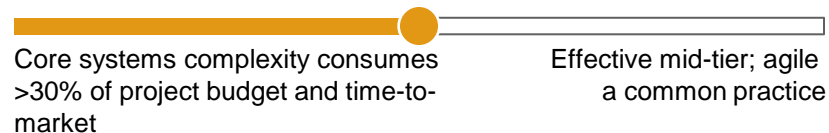
Clarity of vision



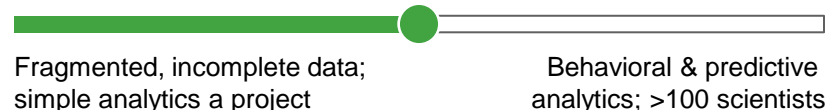
Digitize what you have



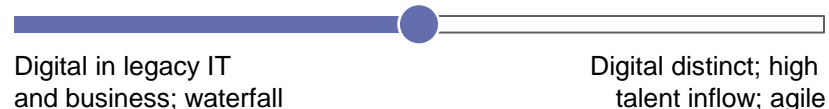
Decouple old & new technology



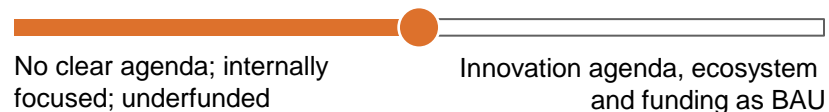
Put analytics on the front lines



Free the digital team



Innovate without borders



Questions?

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THANK YOU

