

# Strategic Planning: Exploring a New Model

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*Board of Equalization*

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# Presentation Points:

- Strategic Planning:
  - Why is strategic planning important?
  - What were our drivers?
  - How did we respond?
- IT Strategic Planning:
  - How did we start?
  - What did we do?
  - How does it all fit together?
- What did we learn?

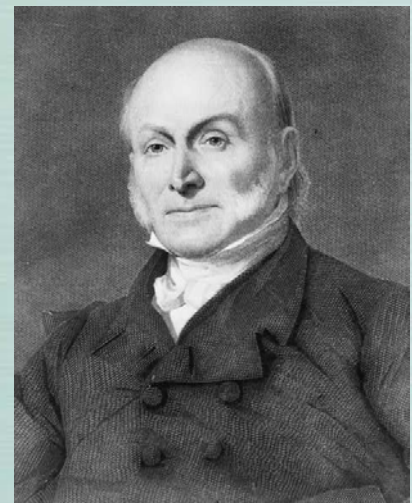
# Strategic Planning

# Why is strategic planning important?

- Great leaders have a vision.
- We need to know where we are going before we get there.
- Day-to-day distractions can get in our way.

*“If your actions inspire others to dream more, learn more, do more and become more, you are a leader.”*

John Quincy Adams



*“Plans are nothing; planning is everything.”*

Dwight D. Eisenhower



## What is the Board of Equalization (BOE)?

- The BOE collects over 34% of the State's total revenues. The tax programs administered by the BOE are concentrated in three general areas:

Sales and Use Taxes  
Property Taxes and  
Special Taxes and Fees

# Lay of the Land at BOE

## Operations:

- What's next?
- Outdated plan
- Budget issues
- Facilities
- Engaged Board
- Succession planning

## Technology:

- Review indicated deficiencies (i.e. governance, outdated plan)
- Uncertainty of legacy systems
- Should we be "Google-like"?
- Influential Advocates Missing

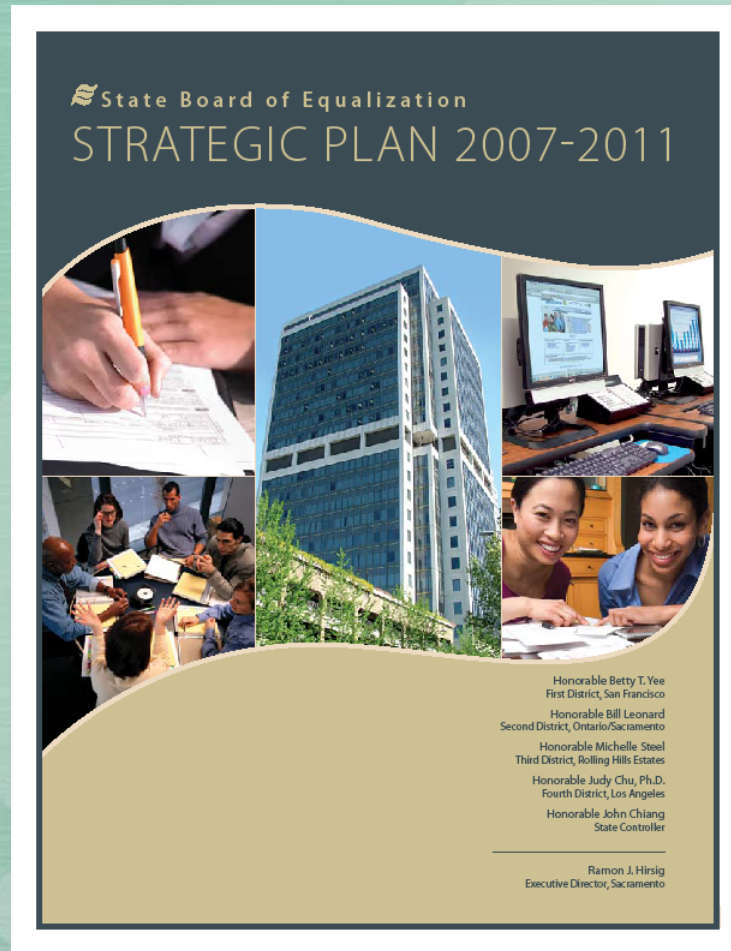
# Outside Influences

- Our taxpayers wanted change.
- Our sister agencies – Franchise Tax Board and Employment Development Department – wanted to do more together.
- State CIOs (Clark Kelso and Teri Takai) supported our involvement in Executive Branch initiatives.
- Governor and Legislature approved technology changes (i.e. eServices).

# Honoring Our Past

- Developed a 15 year Information Technology Strategic Plan (VISTA)
- Commitment to integrated data systems (Integrated Revenue Information System), “One Stop Shop”
- Mission of the BOE remains unchanged since the first Strategic Plan in 1983.

# BOE's Strategic Plan



# Strategic Plan: Mission Statement

The mission of the State Board of Equalization is to serve the public through fair, effective and efficient tax administration.

# Strategic Plan: Executive Director Message

“Technology presents us with opportunities to reach more people, more efficiently in more timely and creative ways. This plan spells out how we will use technology to improve how taxpayers interact with the Board of Equalization.”

# Strategic Plan Vision

1. Increase the level and quality of *on-demand* service
2. Develop a staff that cares deeply about our core values of Fairness; Effectiveness; Efficiency
3. Provide expanded protection of taxpayer rights
4. Increase efficiencies of tax and fee collections
5. Respond quickly to new tax and fee programs
6. Integrate our services internally

# Living the Strategic Plan

*The plan is only as good as its execution.*


Each year, Executive Team members will develop 3-year implementation plans jointly identifying:

- Specific actions to achieve overall goals
- Objectives of agency and individual programs.


Annual process will require:

- Regular status reports
- Formal evaluation reports of overall success in previous year.

# BOE's Business Plan

 State Board of Equalization

## 3 YEAR BUSINESS PLAN FISCAL YEAR 2008-2011



Publication 416  
11-1-08

Honorable Betty T. Yee First District San Francisco	Honorable Bill Leonard Second District Ontario/Sacramento	Honorable Michelle Steel Third District Rolling Hills Estates	Honorable Judy Chu, Ph.D. Fourth District Los Angeles	Honorable John Chiang State Controller	Ramon J. Hirsig Executive Director
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# BOE's Business Plan

- Work plan resulting from adoption of the Strategic Plan.
- Provides a “global view” of BOE.
- Allows interested parties to:
  - Look across the organization as a whole
  - View how the various departments interact

# BOE's Business Plan

- Offers objectives, potential measures of success and key deliverables
- Guides BOE staff in conducting Board business
- Is a living document that will change with new information or priorities
- Has common underlying goals:
  - Maintenance and enhancement of taxpayer rights
  - More efficient collection of revenue due

# Business Plan Goals

*Derived from the Strategic Plan:*

1. Maximize voluntary compliance
2. Improve Tax efficiencies
3. Improve Education, Outreach and the Protection of Taxpayer Rights
4. Create an Enhanced Technological Infrastructure
5. Invest in a Skilled, Motivated and Diverse Workforce



# Information Technology Strategic Planning

## Traditional approach encompasses:

- Developed by department's IT organization
- Includes vision and mission statements
- SWOT analysis
- Tactical goals and objectives
- Associated IT tactical plan

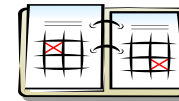
## Why would this approach not meet BOE's needs?

- Does not provide the occasion for change.
- Does not demonstrate leadership.
- Does not engage the business areas.
- There is a tendency for the plan to become obsolete and meaningless.

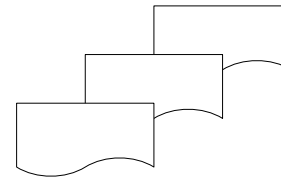
# Non-traditional approach

- Pre-planning:
  - Revisited our past.
  - Developed our values & guiding principles.
- Hired a partner -- Sabot Technologies

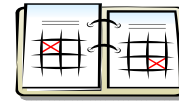
## 2020 TSD Track Define Core Values and Guiding Principles



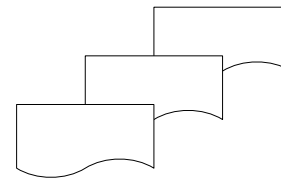
Session 1:  
2020 team  
identifies TSD  
Core Values



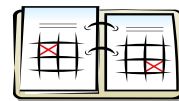
**Publish, review  
and refine TSD  
core values**



Session 2:  
2020 team finalizes  
TSD Core Values  
and develops guiding  
principles



**Publish, review  
and refine TSD  
guiding principles**



Session 3:  
2020 team finalized TSD  
guiding principles.  
Completed a SWOT  
analysis & ranked TSD  
opportunities

# Futures Day

- Kick-off event
- Technology & business leaders
- Set the tone for change

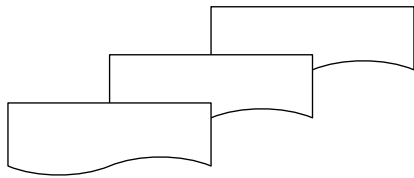
*“... Great societies are built by those who are willing to plant trees under which they will never sit ...”*

Stuart McKee  
National Technology Officer  
U.S. Public Sector  
Microsoft Corporation

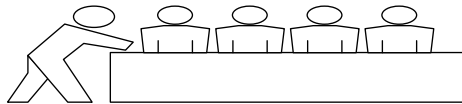


# 1<sup>st</sup> Step: Focus on the Business

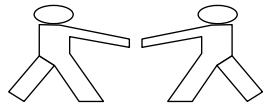
## 2020 Business Track Interview Deputy Directors and Executive Staff



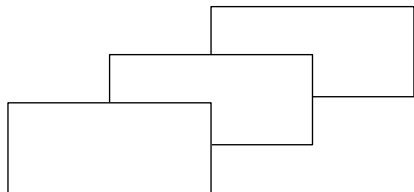
Develop interview  
questionnaire



Schedule individual  
Interviews with  
Deputy Directors  
and Executive Staff



Conduct the interviews  
and document the  
results

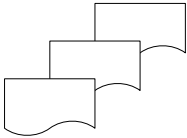


Analyze the interview  
data. Derive high level  
key points, as well as,  
identify low hanging fruits.  
The resulting analysis  
serves as the foundation  
for the Vision narrative.

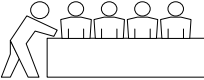
# Future Day

Phase I


## 2020 Business Track Interview Deputy Directors and Executive Staff



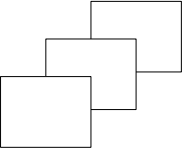
Develop interview questionnaire



Schedule individual Interviews with Deputy Directors and Executive Staff

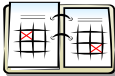


Conduct the interviews and document the results

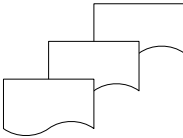


Analyze the interview data. Derive high level key points, as well as, identify low hanging fruits. The resulting analysis serves as the foundation for the Vision narrative.

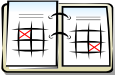
## 2020 TSD Track Define Core Values and Guiding Principles



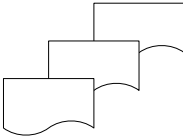
Session 1:  
2020 team identifies TSD Core Values



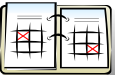
**Publish, review and refine TSD core values**



Session 2:  
2020 team finalizes TSD Core Values and develops guiding principles




**Publish, review and refine TSD guiding principles**



Session 3:  
2020 team finalized TSD guiding principles. Completed a SWOT analysis & ranked TSD opportunities

## *Marketing and Communication Component*

### Vision Narrative



Draft Vision narrative based on themes captured from the business interviews and the TSD core values and guiding principles



## 2<sup>nd</sup> Step: Create Vision

- Vision statement paints a picture of what we want the world of BOE to be:

*Ed's PA received a hologram message which announced in a pleasant voice "you have an incoming message update from your **BOE @ Glance** dashboard" "Display the message please" asked Ed, speaking in the general direction of the on-board computer. A semi-transparent holographic image was displayed in the lower portion of the windshield presenting a 3D image of a dashboard with various gauges and dials. Ed quickly glanced at his **BOE @ Glance** -- noting that all indicators showed normal operations with green status indicators. "This is our end of week update" said Ed. "Check this out, it is pretty slick" as they turned their attention to the hologram.*

## 3<sup>rd</sup> Step: Develop Concepts

- Picture leads to strategic concepts
  - Themes

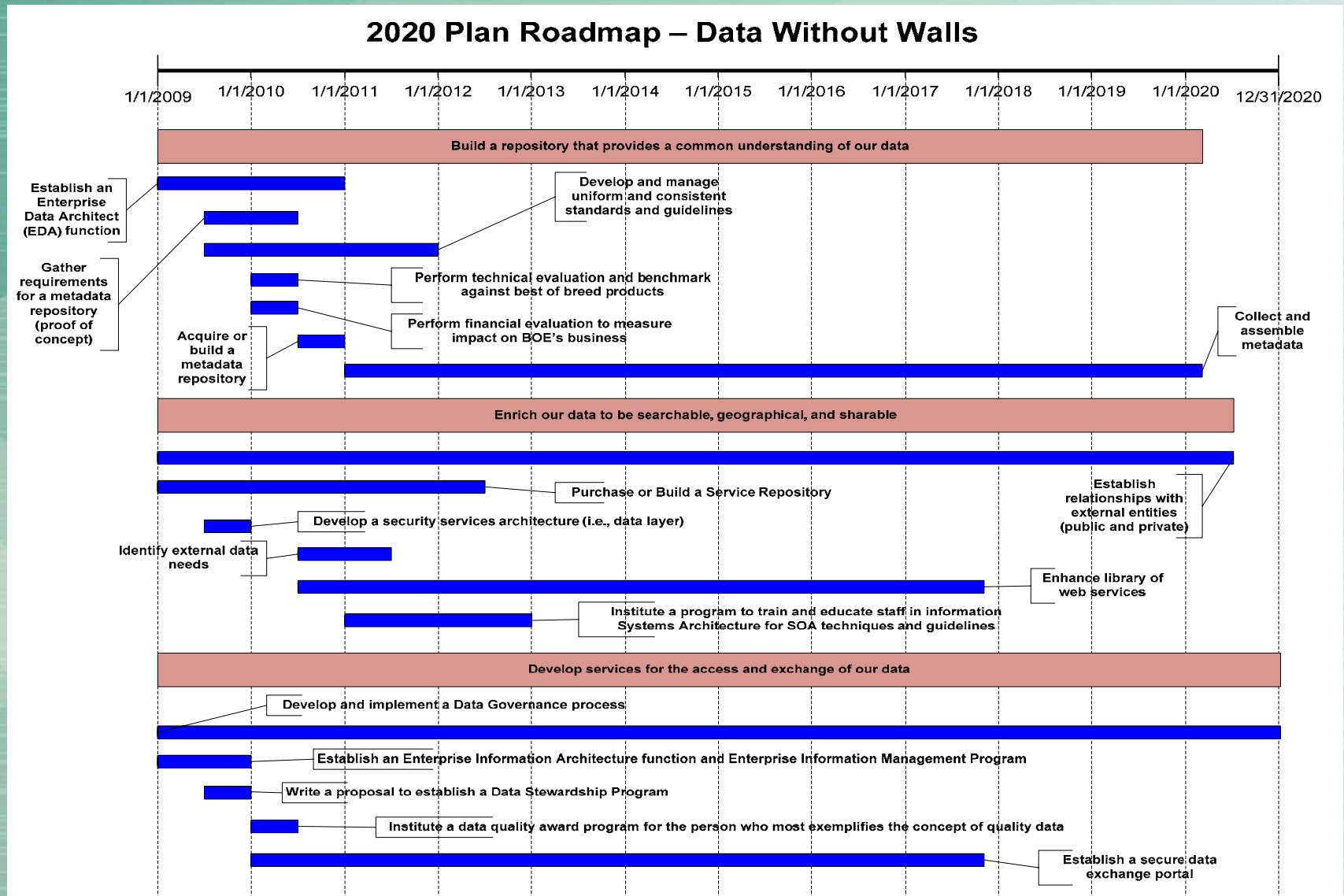
Title	Tag
Becoming Digital	AnyWay, AnyTime, AnyPlace
Data Without Walls	Unlocking the full potential of our data
BOE @ Glance	Managing through business intelligence
BOE MyWay	Putting the taxpayer in charge
BOE Works	Tools for the people who make us succeed

# 4<sup>th</sup> Step: High Level Actions

- Strategic concepts lead to actionable goals

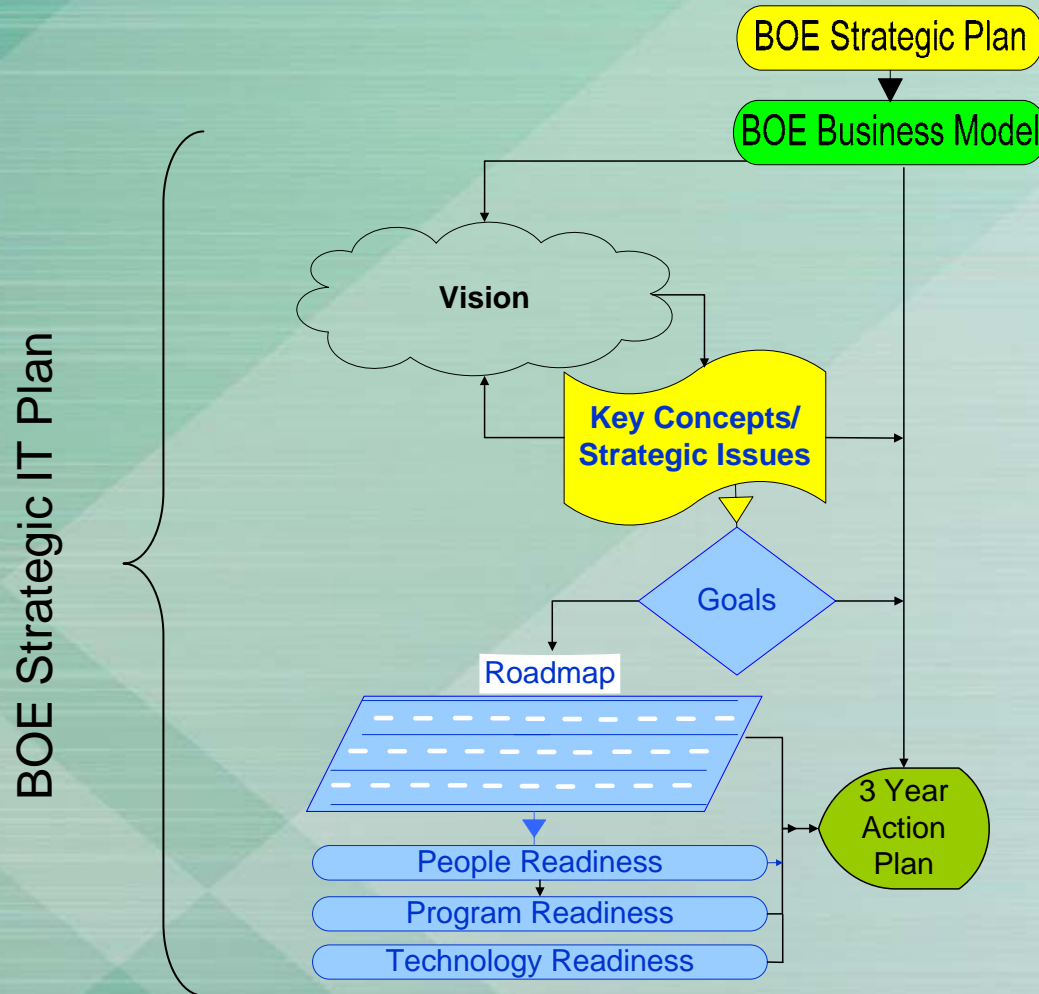
Strategic Concepts					
	Becoming Digital	Data Without Walls	BOE@ Glance	BOE MyWay	BOE Works
Goals	<p>Develop architecture and standards</p> <p>Capture incoming data in digital form</p> <p>Convert existing paper to digital form</p>	<p>Build a repository for understanding of data</p> <p>Enrich data to be searchable, geographical, and sharable</p> <p>Develop services for access and exchange</p>	<p>Construct data warehouse and provide analytical tools</p> <p>Create business oriented views and reports</p> <p>Permit ad hoc "what if analysis"</p>	<p>Provide a customizable website for taxpayers</p> <p>Support different communication methods</p> <p>Offer taxpayers useful information</p>	<p>Modernize look and feel of current systems</p> <p>Provide a mobile work environment</p> <p>Give employees self-service access</p>

# 5<sup>th</sup> Step: Identify Activities to Support Goals



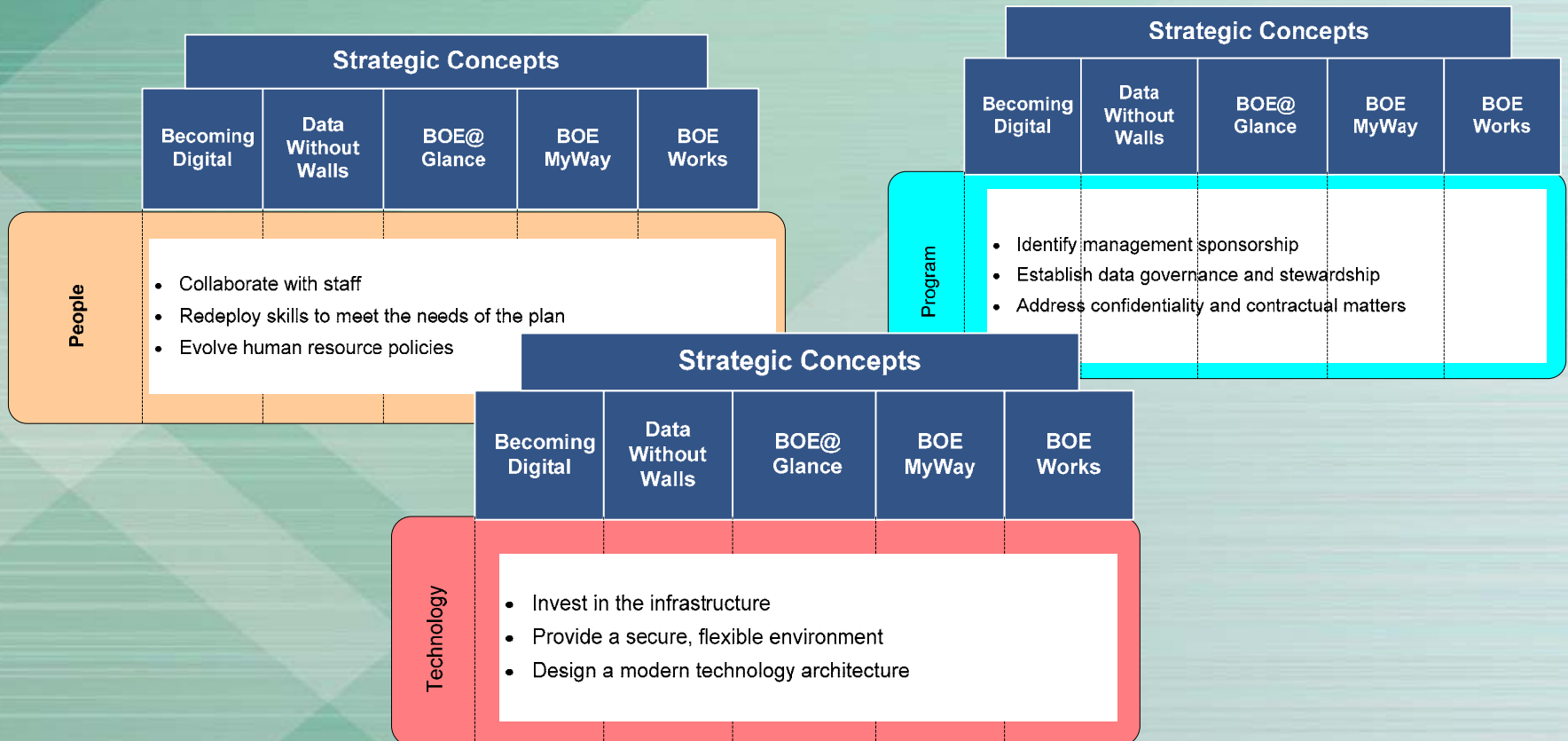
# Strategic IT Plan

“Leverage technology to drive forward-thinking change at the BOE”

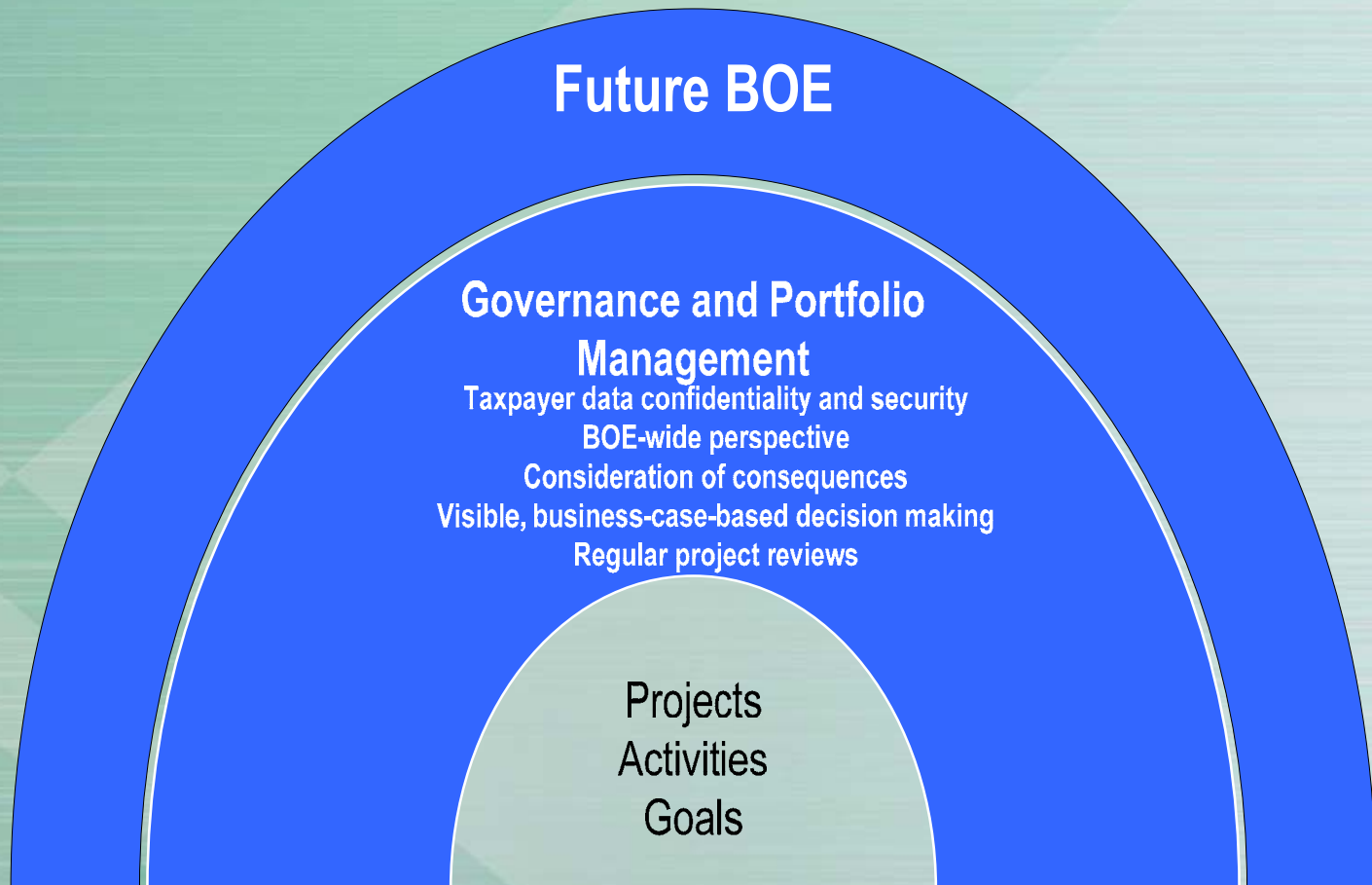


# 6<sup>th</sup> Step: Readiness & Implications

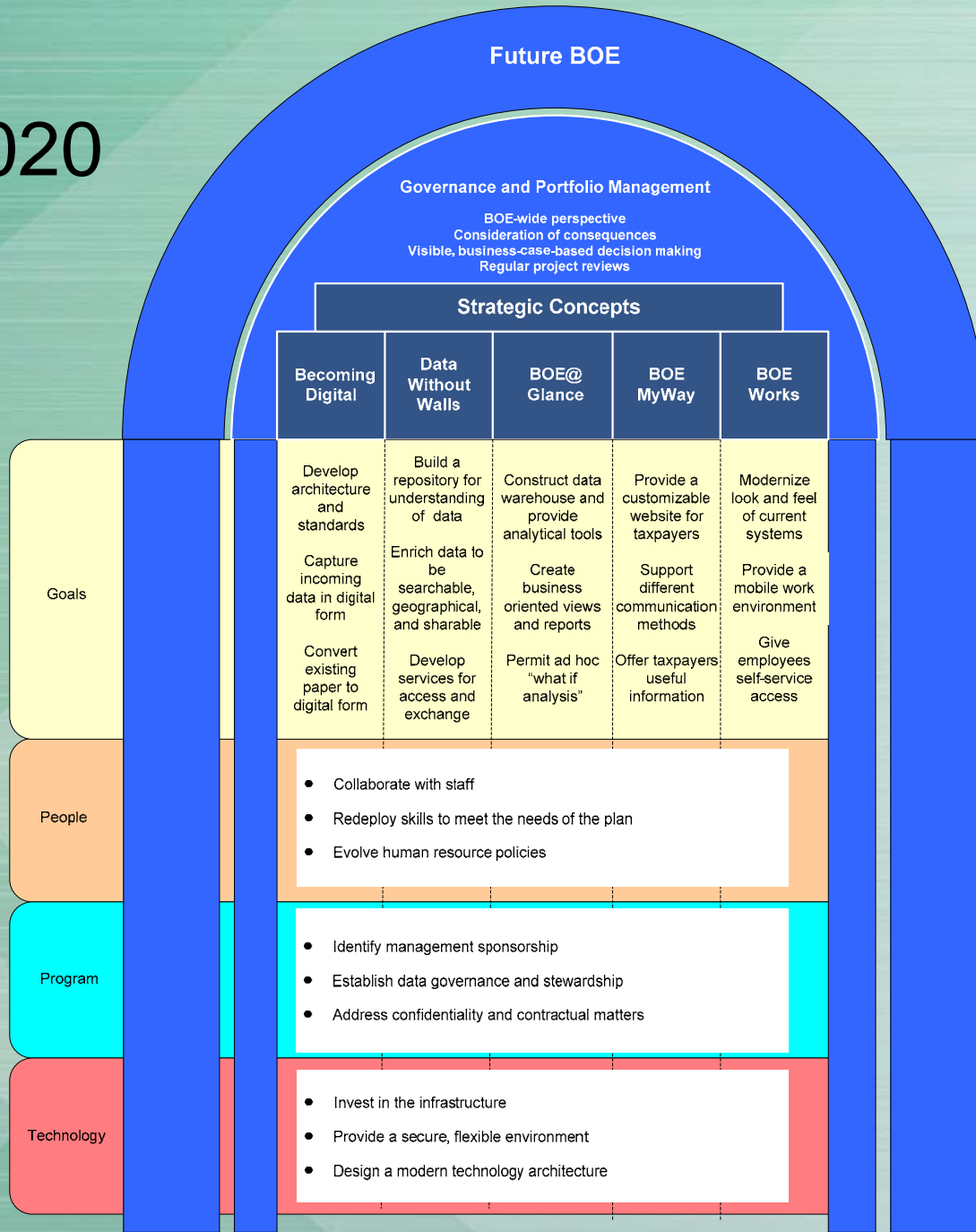
- Identify the people, program & technology factors
- Implications



# 7<sup>th</sup> Step: Fold-in Governance



# BOE's 2020 Plan

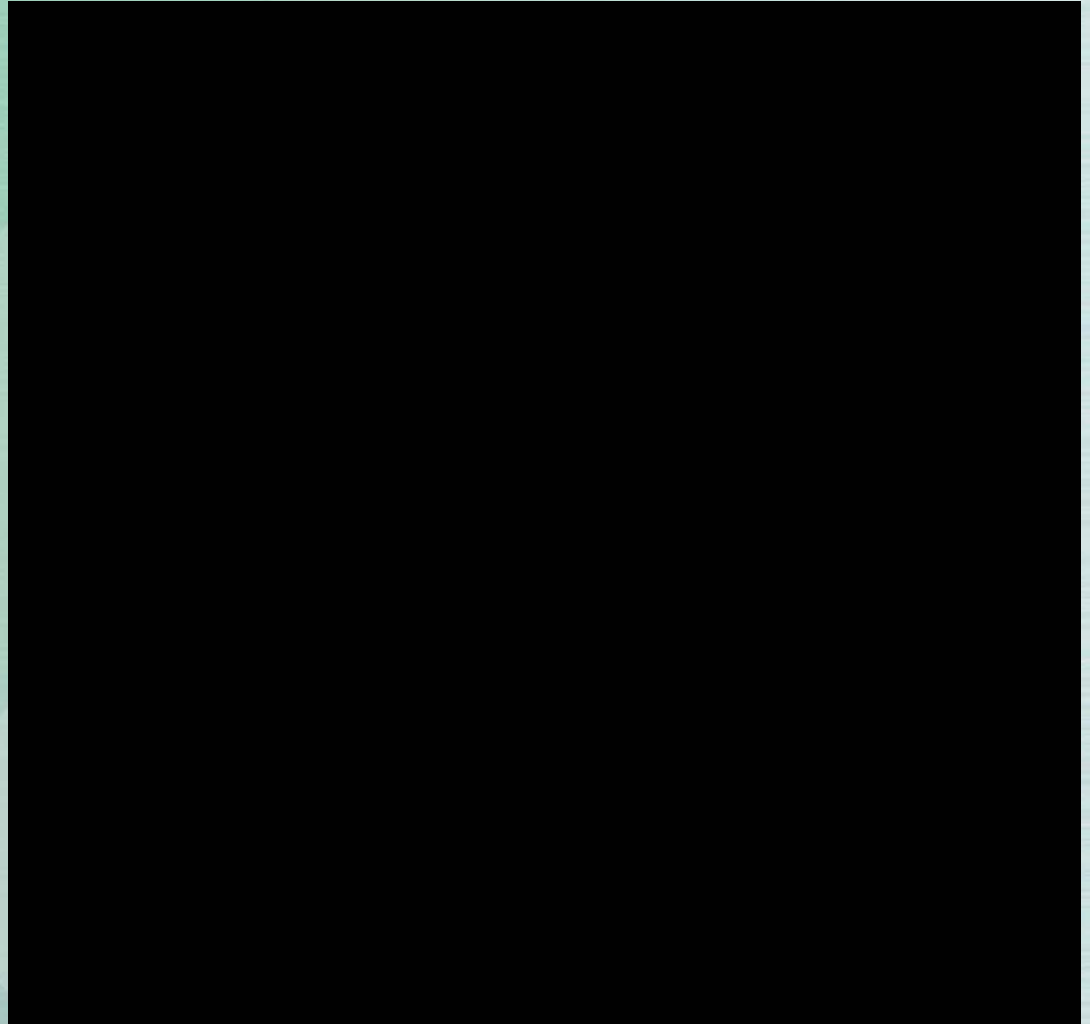


# Final Event

- “Our Future – Integrating Tax Administration & Information Technologies”
- Business leaders embracing the 2020 plan.

*“When life hands you lemons,  
make lemonade.”*

Honorable Bill Leonard  
Member, Second District  
Board of Equalization



# Lessons Learned

- Have a clear vision of your goals
- Establish realistic short and long range plans
- Keep it simple
- Obtain necessary support
- Be relentless in your pursuit
- Turn obstacles into opportunities
- Don't neglect the details
- Challenge the status quo
- It takes a team
- Be optimistic and enthusiastic

*“There is nothing wrong with change, if it is in the right direction”*

Winston Churchill



*“The truth is that our finest moments are most likely to occur when we are feeling deeply uncomfortable, unhappy or unfulfilled. For it is only in such moments, propelled by discomfort, that we are likely to step out of our ruts and start searching for different ways or truer answers.”*

M. Scott Peck, M.D.

The Road Less Traveled

Questions?