

## **COUNTRY EXPERIENCES IN THE OPTIMIZATION OF THE ORGANIZATIONAL AND FUNCTIONAL PROCESSES (I)**

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*Contents: Introduction. 1. About the CRA. 2. Strategic context. 3. Case Study: Discontinuing Counter Service. 4. Conclusion. Annex*

### **INTRODUCTION**

The global economic crisis of 2008-2009 had a significant impact on tax administrations around the world. As governments around the globe sought to increase revenues and reduce expenditures, many revenue bodies underwent significant streamlining and cost cutting as part of broader government-wide exercises to help meet reduced spending targets. At the same time, as primary revenue generating organizations, governments looked to tax administrations to establish new and innovative ways to strengthen the tax base. Faced with having to do more with less, tax administrations had little choice but to consider ways to optimize, if not transform, their operations. This was also true for the Canada Revenue Agency (CRA) where new challenges—and new opportunities—demanded tough choices and major changes to how the Agency operates and delivers services.

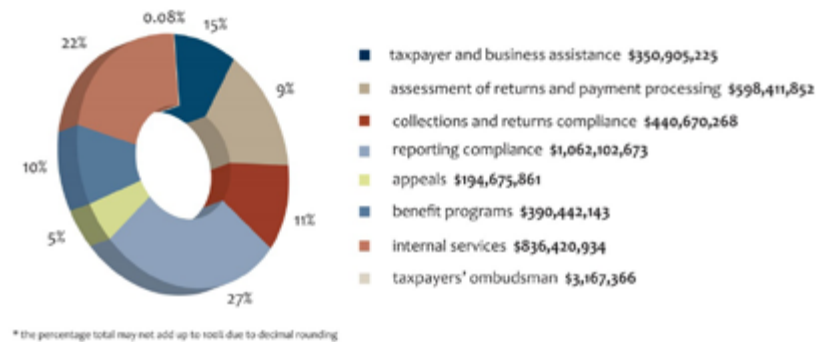
In light of these common challenges, tax administrations can look to their international colleagues for insight and best practices for getting the most out of their precious resources. It is in this context that this paper discusses Canada's, and more specifically, the CRA's approach to optimizing organizational and functional processes. The paper begins with an overview of the strategic context for change in the years following the financial crisis. A case study on the discontinuation of counter service is provided to illustrate the CRA's approach to business transformation and what we believe are some key success factors and lessons learned over the course of the process.

## 1. ABOUT THE CRA

The CRA is responsible for the administration of tax, benefit and credit programs on behalf of federal, provincial and territorial governments, and First Nations in Canada. In executing this mandate, the CRA directs its main efforts to the provision of taxpayer services and the enforcement of compliance. These activities are carried out by way of an organizational division of responsibility between headquarters branches and regional administrations. Policies, procedures and multi-year program work plans are established by headquarters branches whereas regions are responsible for program delivery and field operations conducted through the CRA's tax services offices (TSOs) and tax centres (TC). Workloads are further segregated within the regions as lower volume, high complexity programs that often include interactions with taxpayers (e.g., audit, collections, appeals) are managed out of TSOs whereas high volume, low complexity activities with little taxpayer interaction (e.g., return and payment processing) occur in TCs.

The Agency is normally funded for any workload change that results from the institution of new or enhanced programs by client governments but receives no budget adjustments for the growth in the volume or complexity of tax and benefit transactions or non-salary price increases. Rising costs for increasing volumes and file complexity, for ongoing systems maintenance, and for any new internal priorities must be funded through internal reallocations of the Agency's existing budget. The chart below provides an overview of the CRA's current (post reduction) operating budget, which totals to approximately \$3.876 billion.

**Figure 1**  
Overview of 2014-15 Planned Spending<sup>1</sup>



<sup>1</sup> Summary of the Corporate Business Plan 2014-2015 to 2016-2017  
[http://www.cra-arc.gc.ca/gncy/bsnss\\_plns/2014/smry-fn-tbl-eng.html#fntbl](http://www.cra-arc.gc.ca/gncy/bsnss_plns/2014/smry-fn-tbl-eng.html#fntbl)

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## 2. STRATEGIC CONTEXT

### 2.1. The CRA's Approach to Service

The CRA has long recognized the value of service in a self-assessment tax system because with the right tools and information, most taxpayers will voluntarily comply with tax laws. In order to take advantage of constant technological innovation and changes in taxpayer expectations, the CRA continually improves and enhances its service offerings to keep pace with the demand for services that are fast, efficient, and convenient. At the same time, the CRA's longstanding approach has been to direct taxpayers to the most affordable and accessible channel to meet their service needs. Ideally, this results in improved service, greater levels of voluntary compliance and lower administrative costs for both the CRA and taxpayers.

For many years now, the CRA's service approach, like many other tax administrations around the world, has emphasized electronic delivery as a way to meet taxpayers' growing expectation to self-serve online while at the same time efficiently managing service demand and costs, and this emphasis has increased over time. The CRA was a pioneer in Canadian e-government and over the years, the Agency has made substantial improvements to its web presence and e-services suite. Through website redesign, the Agency expanded online content and improved navigation to help taxpayers get the information they need at their convenience. Many transactions can be conducted online through the CRA's secure e-service portals and electronic filing and payment services, and both the range of e-services and the accounts specific information that is available electronically to taxpayers and their representatives continues to expand. During 2012-2013 alone, the CRA added or enhanced 25 online services for individuals and businesses. Taxpayers are responding as uptake continues to increase year over year. For instance:

- In 2000, the CRA introduced NETFILE which enabled individual taxpayers to electronically file their return. In 2012-2013, 76% of individuals filed electronically.
- In 2002, the CRA implemented electronic filing services for GST/HST returns and for corporation returns. In 2012-2013, 70% of corporation returns and 64% of GST/HST returns were filed electronically.
- In 2003, the CRA launched My Account for individuals. Approximately 10% of individuals have signed on to the service and have an account. In 2012-2013, Canadians made 6.7 million logins (an increase of 14.8% over the previous year) and more than 546,000 individuals accessed the portal for the first time.

- In 2006, My Business Account was launched. Currently 1.9 million businesses are using this service either directly or indirectly through a representative. In 2012-2013, close to 2.7 million logins were made.
- Represent a Client was also launched in 2006, enabling authorized representatives who manage the tax affairs of other individual and business taxpayers to do so online. Representatives accessed 8.2 million individual and business accounts in 2012-2013.<sup>2</sup>

The CRA's telephone service has been, and continues to be, an important and popular means for taxpayers to communicate with the CRA. Over the last 15 years the CRA has modernized its telephone services. Investments in call centre technology and channel integration, conversion to national 1-800 networks, consolidation of 49 call centre sites to 9, and implementation of industry call centre management practices have improved the accessibility and quality of our telephone services to all parts of Canada while maximizing resources and applying industry best practices. On average, the CRA's call centres respond to over 16 million agent answered calls and over 6 million calls answered by automation annually.

The CRA's network of 49 TSOs, which are located mainly in urban centres across Canada, are key points of program and service delivery in the field, including until recently, general taxpayer assistance. At these locations, taxpayers in the vicinity have historically been able to access information (such as forms and publications) or services (for instance, enquire about tax matters or make payments) on a walk-in basis, although by 2007 walk-in advisory service had been replaced by service by appointment as part of early modernization efforts. Even with the implementation of service by appointment, from 2007 until the eventual discontinuation of on-site assistance in 2012 and 2013, TSO payment counters remained open and locations were equipped with print materials, telephone kiosks, drop boxes for correspondence and self-stamping machines for those taxpayers wishing to self-serve in person.

## **2.2. Budget Reductions – An Opportunity**

While Canada emerged from the economic crisis in a relatively strong position, efforts were nonetheless required to rebalance the federal budget and return to a sound fiscal position following the provision of almost \$30 billion in economic stimulus in 2009. This return to balance was premised on controlling direct program spending by

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<sup>2</sup> All 2012-2013 data is sourced from the Annual Report to Parliament 2012-2013 <http://www.cra-arc.gc.ca/gncy/mnml/2012-2013/p2-ssmt-eng.html>

federal departments and agencies, rather than raising taxes. However, from the outset, the challenge was to implement spending reduction measures without compromising the delivery of priority services to Canadians.

Through Budget 2010, the government announced a three-year freeze on the operating budgets of federal departments and agencies which triggered the implementation of a number of permanent cost containment measures across government, the CRA included. Most focused on improving the efficiency of internal operations however this 'belt-tightening' reduced fiscal flexibility within departments, setting the stage in part for more ambitious changes to come.

The following year, the government's Budget 2011 launched the Deficit Reduction Action Plan (DRAP), which required over 60 federal organizations—including the CRA—to review their expenses with a view to achieving a collective total of at least \$4 billion in ongoing savings by 2014-2015. DRAP was not designed as a blunt cost-cutting exercise, but rather departments and agencies were asked to look at the efficiency and effectiveness of their programs and operations to ensure value for money, and importantly, to rethink business processes and service delivery platforms. The government's expectation was that organizations would better align spending with the priorities of Canadians: in the words of the President of Canada's Treasury Board "Our deficit reduction action plan is an opportunity to modernize how we do business—to get government right and ensure the economy can continue to grow and create jobs, and that we continue to invest in the priorities of Canadians."<sup>3</sup>

Results of the DRAP review were announced in Budget 2012. Almost \$5.2 billion in ongoing savings were identified from a range of initiatives designed to refocus government programs, make it easier for Canadians and businesses to deal with the federal government, and modernize and reduce the government's back office. As one of the federal government's largest institutions, the CRA was also identified as having a key role in reducing the deficit through an annual spending reduction of \$253 million (or 6.9% of its review base) by 2017-2018. This was in addition to the spending freeze implications mentioned earlier.

Signalling transformation again, Budget 2013 announced a number of whole – of - government initiatives designed to further advance the

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<sup>3</sup> *The Honorable Tony Clement, President of the Treasury Board. "Treasury Board President reaffirms commitment to reduce government spending and return to a balanced budget." August 29, 2011 (<http://www.tbs-sct.gc.ca/media/nr-cp/2011/0829-eng.asp>)*

modernization of government administration and improve service, including steps to better and more broadly leverage technology to transform how citizens interact with government. Budget 2013 also announced an additional ongoing savings of \$60.6 million per year by 2015-2016 through efficiencies at the CRA headquarters operations, and committed the Agency to augment revenues by \$550 million per year by 2014–2015.

Most recently, Budget 2014 reinforced the government's commitment to control the size and cost of government operations including confirming the re-introduction of a two-year freeze on departmental operating budgets, beginning in 2014–15.

### **2.3. CRA Response to Government Priorities**

From its earliest days, the CRA has demonstrated a capacity for innovation and the Agency continually looks for new ways to execute its mandate more efficiently and effectively. Over the years, the CRA has introduced new programs, services and management practices that adapt our business to the changes taking place in society and the shifting needs and expectations of Canada's taxpayers and our government clients.

In 2010, against the backdrop of emerging fiscal pressures, forthcoming transformation, and wider societal drivers, senior management set out to renew the CRA's strategic direction to guide the Agency over the short to medium term. As part of this process, the CRA's major business lines were examined with a view to exploring what could be done differently to achieve better results (and conversely, what could be eliminated or reduced).

What resulted was a shared view of the future and a common vision for business transformation: Vision 2020, a suite of nine strategic directions intended not as a prescriptive solution for foreseeable challenges but rather as a roadmap for success in the coming years (see Annex 1). Together, these strategic directions laid the groundwork for the Agency's approach for contributing to government deficit reduction.

Having them in place enabled CRA management to position discussions on immediate spending reduction measures within the broader context of the Agency's future plans and ensure that major changes to the CRA's business were informed by a long-term strategic view.

Given the climate of fiscal urgency and the government's appetite for modernization, the CRA viewed the deficit reduction exercise to

be as much an opportunity for driving business transformation as to generate pure cost savings, and the intent to develop a transformation plan was established early on. Beginning with cost containment, CRA management established a process to develop and consider options for addressing budgetary constraints, and this approach was carried forward to DRAP. Resources were rapidly mobilized across the Agency to develop proposals, then business cases, for potential transformation initiatives which were then brought forward for management consideration. To provide a shared context for this work, the Agency established a set of guiding principles which were used to conduct the review, which were as follows:

1. Protect activities associated with government priorities and the Minister of National Revenue's mandate.
2. Maintain the Agency's capacity to fulfill its legislated responsibilities such as assessing tax returns, making benefit payments, and resolving objections and appeals.
3. Respect the public's preferences for reasonable service levels from government.
4. Build on and reinforce the transformative direction of the Agency, and assess reduction possibilities based on the Agency's future direction.
5. Minimize the impact on CRA employees in order to maintain the future strength of the workforce to manage the expected continuing annual growth in the volume and type of transactions.
6. Continue to leverage technology improvements to reduce existing costs or avoid future costs.
7. Examine opportunities from an enterprise perspective rather than exclusively by function or business line.

As part of this review, the Agency recognized that its first priority was to identify and capture all efficiency and administrative savings where such reductions would have no, or at least minimal, impact on service to the public and on tax revenues collected. The Agency's second priority was to reduce corporate support activities as much as possible. After that, it was necessary to accept that the residual spending reductions would have to focus on activities where the level of effort would be scalable and there would be program impacts. However, where program output reductions were inevitable, a risk-based model was applied to minimize the overall impact of reductions.

In 2012-2013, the CRA introduced a set of short- and medium-term initiatives—the transformation agenda—through which it would meet its spending reduction commitments announced in Budget 2012 while at the same time modernize. In keeping with the CRA's strategic directions, this agenda emphasized the acceleration of e-services

uptake and broader service delivery transformation that would see the CRA make significant changes to its service offerings.

In the context of this transformation agenda, the CRA announced in 2012 its first transformation initiative: the discontinuation of payment and enquiry counter service from its 49 local TSOs. This initiative is described in more detail below.

### **3. CASE STUDY: DISCONTINUING COUNTER SERVICE**

#### **3.1. The Business Case for Counter Closures**

As previously mentioned, starting in 2007, taxpayers needing to discuss tax issues could make an appointment for a face-to-face meeting at their local TSO, or visit a location to make a payment or access a number of other walk-in services. However, in monitoring service use at the TSOs, the CRA observed a number of trends that made the cost of maintaining these 'counter services' an increasingly less desirable option, especially in light of strategic considerations and overall budget pressures.

In the lead up to their closure, demand for counter services was shown to be not only low but also in decline. With visits decreasing from some 1.6 million in 2006 to 450,000 in 2010, walk-in payments and enquiries represented only a small fraction of total volume (6% of all payments and 1.3% of all enquiries). Further, out of a population of some 29 million taxpayers, less than 30,000 appointments were booked in the final year of counter operation and workloads were insufficient to fully occupy the more than 200 employees providing counter services (to the extent that during periods of low demand, staff were assigned to other workloads). In contrast to the average cost of \$7 per telephone enquiry, counter service operating costs were high: internal data put the cost of an average in-person appointment at \$68 for individuals and at \$133 for businesses.

Further, and not insignificantly, the lack of service in non-TSO communities did not fully align with the CRA's philosophy of providing accessible service (in contrast to online or telephone services which can be accessed regardless of location).

Ultimately, the model was deemed unsustainable. On October 1, 2012, payment and enquiry counters were closed at 28 TSOs, and the remaining 21 counters closed on October 1, 2013. With service discontinued, taxpayers wishing to make payments at payment counters would instead need to do so through alternative means

(e.g., online through the CRA's My Payment service, via their financial institution, or by mail).

Likewise, taxpayers seeking advisory services or wanting to make a simple enquiry would be redirected to the CRA website or the 1-800 enquiry lines for answers to their tax questions. External drop boxes remained available for taxpayer correspondence and payments at sites where they previously existed.

### **3.2. Implementation**

In preparing to close the TSOs to the public, the CRA took steps to strengthen the support tools available to their telephone agents who were expected to face additional demand, and to prepare third parties that were known to be frequent users of the payment and enquiry counters. As counter services were discontinued, the CRA enhanced its call centre operations to assist callers who wanted to meet with the CRA in person. Agents also provided support to taxpayers needing to order forms and publications online or find information on the CRA website.

The CRA also leveraged its existing partnership with Service Canada, a federal department that offers a range of whole-of-government services through service centres located in most cities across Canada. Service Canada was able to provide access to telephone and internet kiosks and increase support to Canadians accessing CRA online services at their centres.

To ensure a smooth transition from the provision to discontinuation of face-to-face services, counter closures were implemented in two phases (2012 and 2013 as noted above). To carry this out, the CRA established a Project Team whose primary responsibilities included:

- Validating Phase 1 (2012) and Phase 2 (2013) locations

In collaboration with regional representatives, the Project Team identified locations with smaller taxpayer populations for Phase 1 and larger offices with higher taxpayer visit volumes for Phase 2.

- Establishing a strategy for service delivery changes

To accommodate exceptional situations where there was a *need* for a face-to-face meeting to resolve taxpayer issues—not merely a preference on the part of the taxpayer—a dedicated team of call centre agents was formed to resolve as many taxpayer queries as possible by telephone and, where not possible, to facilitate meetings at local offices.

- Developing external communications plans

A multi-faceted approach to communications was taken to ensure the sufficient and timely provision of information to taxpayers. Communications products offered alternative service options and informed taxpayers about CRA's electronic services.

These products included:

- A Service Options Guide (see Annex II)
  - Informational handouts and pre-closure signs in CRA offices (see Annex III)
  - Question and answer sheets for call centre employees
  - Notices on local offices "Contact us" web pages
  - Stakeholder messaging aimed at people with disabilities, seniors, new Canadians and businesses
- Identifying and mitigating project implementation risks

For both Phase I and Phase 2, the Project Team worked with the CRA's risk specialists to identify and assess risks and determine controls to mitigate them. These risks were subsequently monitored over the course of the initiative.

- Engaging internal stakeholders

To facilitate the effective flow of communication with respect to the initiative and mitigate implementation problems, the Project Team worked closely with multiple headquarters and regional contacts on all aspects of the initiative.

### **3.3. Results**

The discontinuation of counter service was the first initiative implemented under the CRA's transformation agenda and upon completion was considered a success, achieving annual cost savings of \$12 million.

Taxpayers demonstrated less opposition to the closures than expected, and only a minimal number of complaints were received.

During the implementation of each phase, caller feedback collected by telephone agents showed that counter closures had minimal or no negative impact to taxpayers.

Further, strengthening telephone service to minimize demand for appointments enabled the CRA to achieve a 98.55% decrease in

taxpayer meetings in Phase 1 sites for the period of October 1 – December 31, 2012 (compared to the same period in 2011). Only 24 taxpayer meetings have taken place since the closure of Phase 2 sites in October 2013.

The Project Team also conducted a series of feedback meetings with internal stakeholders and received positive feedback from regional officials with respect to implementation and communication with Headquarters.

Finally, as the number of services available online increased, as did take up, the CRA experienced no difference in compliance levels in areas of Canada that did not have access to payment and enquiry counters. This indicated that taxpayers were able to operate and meet their tax obligations without these services being offered face-to-face.

### **3.4. Success factors**

The counter closure initiative drew its success from a range of factors. First, broader trends in society combined with the political appetite for change gave rise to the right conditions for major business transformation, and more importantly, the presence of CRA's robust online and telephone services positioned the Agency well to modernize its in-person services.

Still, context alone did not account for success and the CRA was able to draw on its experience in implementing major projects to shape its approach. This included having the following in place:

- Dedicated resources

Establishing the Project Team enabled staff to focus exclusively on implementation without competing demands from regular workloads.

- A well-defined governance structure with appropriate levels of reporting

In addition to the Project Team, the CRA also established local teams and Regional Directors of Transformation to facilitate the regional aspects of implementation. This structure was situated within a broader branch and Agency transformation governance structure to ensure effective coordination and management of the full suite of transformation initiatives (see Annex IV).

- Flexible implementation plans

A TSO implementation plan that established responsibilities and timelines was developed and distributed to internal stakeholders, and was updated during implementation as required. The Project Team also worked with the Regional Directors of Transformation to tailor implementation to regional needs.

- Effective coordination and collaboration with internal stakeholders

Over the course of implementation, weekly conference calls were held with internal stakeholders to ensure timely communication and discussion of key matters. A single point of contact was also established to maintain the integrity of internal communication processes.

- A systematic process for managing risks and monitoring impacts

Ongoing monitoring of key impact indicators (e.g., taxpayer reaction, effect on call centres, number of exceptional meeting requests, visitor volumes) enabled the Project Team to reassess plans in real time as required. As well, with the two-phased approach, the Project Team was able to re-evaluate risks and adapt existing strategies and tools in advance of the second phase.

- Timely communication and effective dissemination of information to the public

Proactive communication on impending service changes and alternative service options helped minimize the impact on taxpayers. Public-facing employees were equipped to assist taxpayers understand and accept the service changes, and where possible, the CRA engaged external stakeholders (tax intermediaries, other federal departments) to advocate these changes or provide information on its behalf.

- A focus on the taxpayers' service needs

Although telephone and online services provided a suitable alternative for many taxpayers, the Agency recognized that these options, particularly electronic services, would not work for some. Therefore, measures to accommodate certain face-to-face meeting requests were an important factor in the success of the project.

### **3.5. Lessons Learned**

While the implementation of the counter closures was considered a success overall, the experience did give rise to some important lessons with universal appeal, as follows:

- Consider a phased approach

Closing smaller sites first allowed for a more manageable roll-out and importantly, provided an opportunity to gauge public reaction and evaluate and adapt strategies, procedures and communication materials as necessary before the second phase.

- Be prepared to adapt

As the counter closure initiative was part of a larger suite of transformation initiatives being deployed across the CRA, control over certain elements of project implementation such as high-level communications and approval processes rested elsewhere. This required agility and adaptability on the part of the Project Team to keep implementation aligned with changes in direction and focus as well as on track.

- Leverage relationships

The ongoing collaboration and cooperation of all stakeholders was invaluable to implementation. While much consideration was given to formal collaboration with internal stakeholders and traditional external partners early on, more widespread engagement with other groups, including local external stakeholders, was built in as the initiative progressed.

### **4. CONCLUSION**

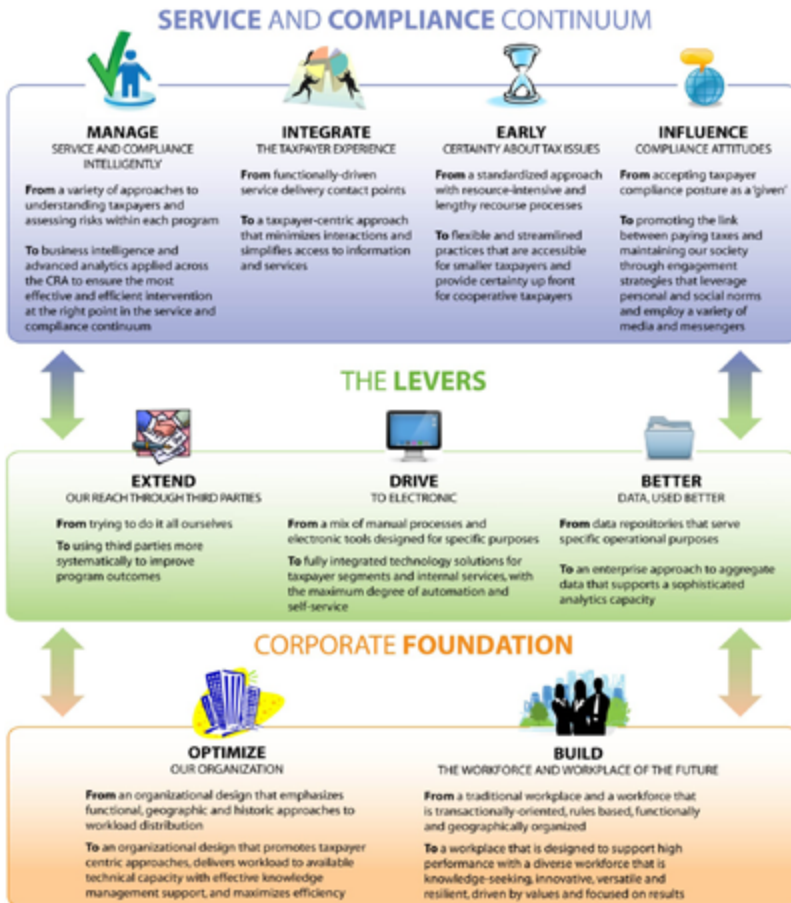
The government's resourcing model for the CRA has required it to be an organization that has continuously devoted considerable effort to identifying and implementing productivity improvements. The Agency has supplemented its continuous pursuit of improvement and increased productivity with frequent reviews of programs to validate their continued relevance, effectiveness and public policy value. This was demonstrated most recently through the establishment of the CRA's transformation agenda.

The fiscal challenges of recent years have at the same time given rise to new opportunities to modernize tax administration in Canada to better align with significant changes taking place in society. For the CRA to contribute to government deficit reduction, the realignment and modernization of services meant that inevitably, some would be discontinued. This was the case with the CRA's payment and enquiry counters which were closed as part of the Agency's transformation agenda, enabling the CRA not only to generate savings but also move closer to its vision.

Major changes to business operations come with significant risks and operational challenges. However, with sound project management, effective stakeholder engagement and a strong focus on meeting taxpayers' service needs, these initiatives can be implemented successfully.

Annex I. CRA Strategic Directions

# VISION 2020: CRA STRATEGIC DIRECTIONS



## **Annex II. Service Options Guide**

### **Notice of Service Changes**

The payment and enquiry counter services at this office will be discontinued as of October 1, 2013.

#### **How do I...**

##### **Make a payment?**

Pay electronically through your financial institution's Internet or telephone banking service.

Take your remittance voucher directly to a financial institution. Pay online using the CRA's My Payment service through participating financial institutions.

Mail your payment along with your remittance voucher to:

Canada Revenue Agency

875 Heron Road

Ottawa ON K1A 1B1

For more information, go to [www.cra.gc.ca/payments](http://www.cra.gc.ca/payments).

##### **Request a form?**

Go to [www.cra.gc.ca/forms](http://www.cra.gc.ca/forms).

Call 1-800-959-8281 for individuals and trusts, or 1-800-959-5525 for businesses.

##### **Change my address?**

You can update addresses online via My Account, by calling 1-800-959-8281, by mail, or by fax.

Go to [www.cra.gc.ca/newaddress](http://www.cra.gc.ca/newaddress).

##### **Apply for child benefits?**

Go to [www.cra.gc.ca/benefits](http://www.cra.gc.ca/benefits) or call 1-800-387-1193.

<b>Get tax and benefit information?</b>	
<b>For myself:</b>	
	Quick Access
	<a href="http://www.cra.gc.ca/quickaccess">www.cra.gc.ca/quickaccess</a>
	My Account <a href="http://www.cra.gc.ca/myaccount">www.cra.gc.ca/myaccount</a>
	Videos <a href="http://www.cra.gc.ca/videogallery">www.cra.gc.ca/videogallery</a>
	TIPS (Tax Information Phone Service) 1-800-267-6999
	Individual Enquiries 1-800-959-8281
	Benefit Enquiries 1-800-387-1193
	GST/HST credit 1-800-959-1953
	TTY (Teletypewriter) 1-800-665-0354
<b>For my business:</b>	
	My Business Account
	<a href="http://www.cra.gc.ca/mybusinessaccount">www.cra.gc.ca/mybusinessaccount</a>
	Videos <a href="http://www.cra.gc.ca/videogallery">www.cra.gc.ca/videogallery</a>
	Business Enquiries 1-800-959-5525
<b>For my clients:</b>	
	Represent a Client
	<a href="http://www.cra.gc.ca/representatives">www.cra.gc.ca/representatives</a>
<b>Get a statement of income and deductions?</b>	
	Go to <a href="http://www.cra.gc.ca/myaccount">www.cra.gc.ca/myaccount</a> or call 1-800-959-8281

### **Annex III. Posting at Local Offices**



**Service Changes**

The Canada Revenue Agency (CRA) will no longer provide payment and enquiry counter services at this location as of October 1, 2013.

Explore the CRA's full range of tax and benefit services online at [www.cra.gc.ca/electronicsservices](http://www.cra.gc.ca/electronicsservices).

### **Annex IV. Agency Level Transformation Governance**

#### **Structure**

To implement its transformation agenda and related spending reduction measures, the CRA established a separate governance and project management framework to ensure that efforts were coordinated and that the Agency remained on track. This new structure complemented the Agency's existing governance structure, specifically the CRA's executive-level Agency Management Committee (AMC) and the CRA's Board of Management (the Board).

First, the CRA put together the Agency Transformation Office (ATO), a centralized project management office responsible to coordinating Agency-wide implementation of the transformation agenda.

An executive-level steering committee, the Transformation Agenda Assistant Commissioner Steering Committee (TAACSC), was also established. Comprised of heads of the CRA's branch and regional operations, this committee was put in place to guide and oversee implementation including identifying and resolving cross-functional considerations and ensuring overall integration of all elements of the transformation agenda. Importantly, detailed discussions undertaken through this forum ensured that further discussions at AMC were optimized to focus on key issues and decision making.

Finally, most branches and regions established their own transformation offices to ensure the smooth implementation of transformation activities falling within their responsibility.

### **Reporting**

The CRA's governance approach featured frequent and ongoing reporting, and a number of different reports were used to update TAACSC, AMC and the Board on the full transformation agenda. Among these were the What's Ahead (30-60-90) monitoring report that was tabled at TAACSC monthly showing activities completed for the reporting period as well as what was planned in the next 30, 60 and 90 days. Also included was the monthly DRAP Report (and later Targeted Review Tracking Report) and Dashboards that were used to brief the CRA Commissioner and the Board respectively on the status of each of the initiatives.

