



Securing  
tomorrow today  
Driving efficiency  
and cost control  
through effective tax  
management

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# Introduction & rationale



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## Fit for Growth



# It is critical to address both size and shape in a Fit for Growth programme

## Size and shape

- Organizations have a choice to make when faced with challenging conditions
- The temptation is to respond defensively, cost-cutting indiscriminately
- But business leaders need to think strategically, ensuring that their organizations have the right capabilities to deliver the business strategy they seek to deliver
- To use a human analogy, getting in shape is not just about losing weight – it is also about toning muscles and improving flexibility

	“Size”	“Shape”
Key question	<ul style="list-style-type: none"> <li>• What capacity (FTEs)?</li> </ul>	<ul style="list-style-type: none"> <li>• What level of capability?</li> <li>• How are they organized?</li> </ul>
Includes	<ul style="list-style-type: none"> <li>• Not just staff                             <ul style="list-style-type: none"> <li>◦ Agency and temporary workers</li> <li>◦ Contractors and consultants</li> <li>◦ 3<sup>rd</sup> party providers</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Not just structure                             <ul style="list-style-type: none"> <li>◦ Governance arrangements</li> <li>◦ Performance arrangements</li> <li>◦ Capabilities</li> <li>◦ Cultural norms</li> </ul> </li> </ul>
Articulation	<ul style="list-style-type: none"> <li>• Simple: headcount and numbers</li> </ul>	<ul style="list-style-type: none"> <li>• Complex: concepts and models</li> </ul>
How size and shape interact	<ul style="list-style-type: none"> <li>• We need to reduce heads</li> <li>• How does that impact staffing requirements?</li> </ul>	<ul style="list-style-type: none"> <li>• How are we going to act differently to achieve this?</li> </ul>
Focus	<ul style="list-style-type: none"> <li>• Cost reduction</li> </ul>	<ul style="list-style-type: none"> <li>• Organization design</li> </ul>
Example actions	<ul style="list-style-type: none"> <li>• Recruitment freezes</li> <li>• Redundancy programs</li> </ul>	<ul style="list-style-type: none"> <li>• Organization design projects</li> </ul>

Poor structures are the root cause driver of many issues impacting businesses today – because duplication, lack of accountability and unclear interfaces across organizational boundaries can significantly impact performance, cost and morale

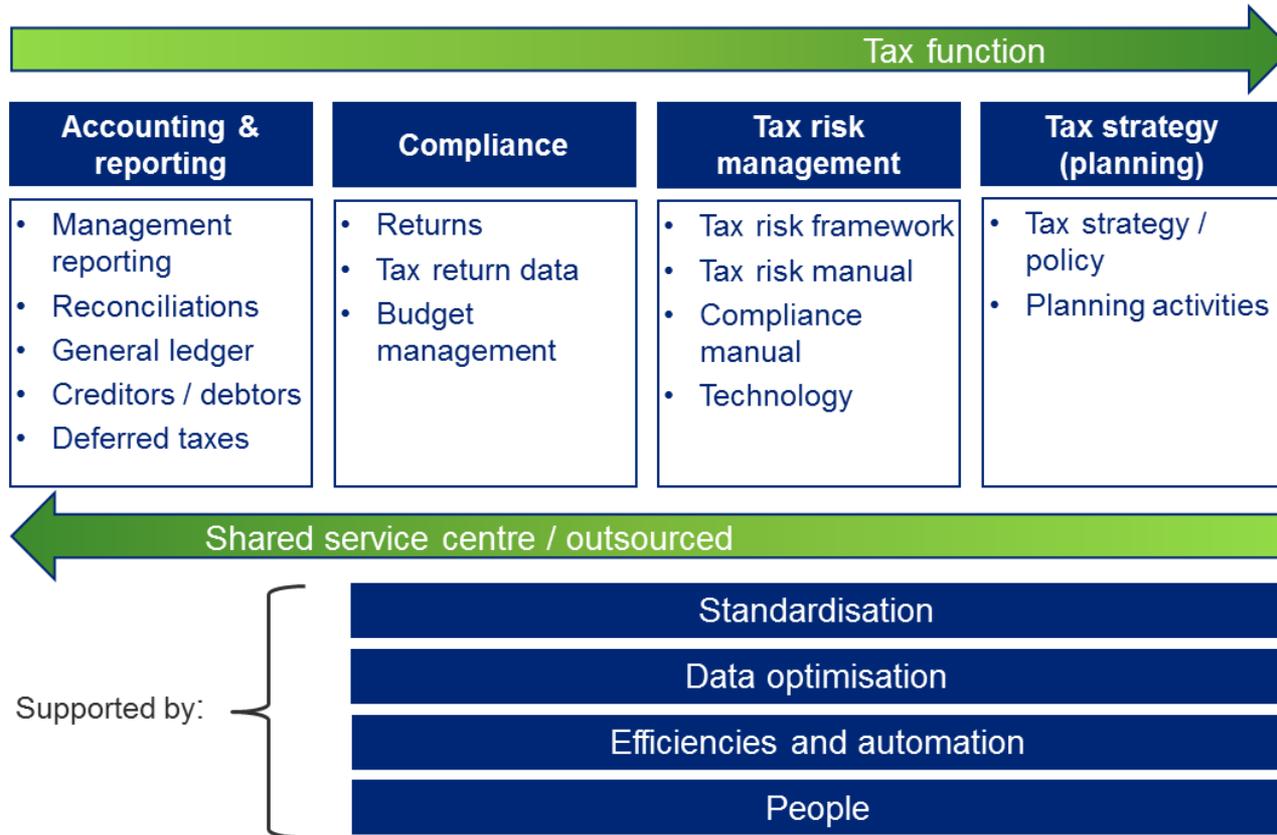


Good organization design demands a robust and proven methodology

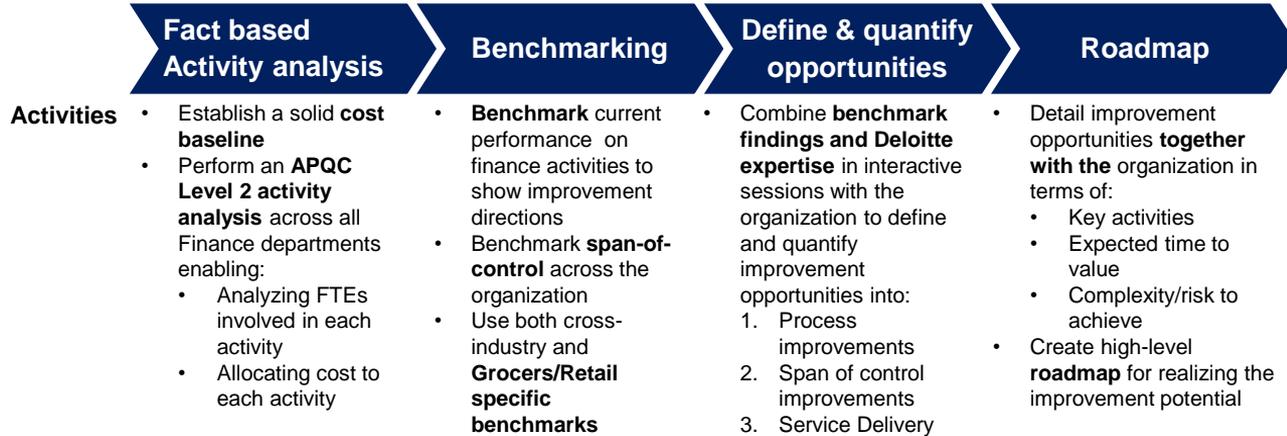
Organization design should address the key question “what capabilities does an organization need to execute its strategy, and how should these capabilities best be ‘grouped’ organizationally?”

The overall journey, from inception through design through to implementation, must be supported by effective change management from the outset

# What are the tax drivers for organizational design



# To identify potential savings, a thorough approach combined a detailed cost baseline, external benchmarks and improvement ideas



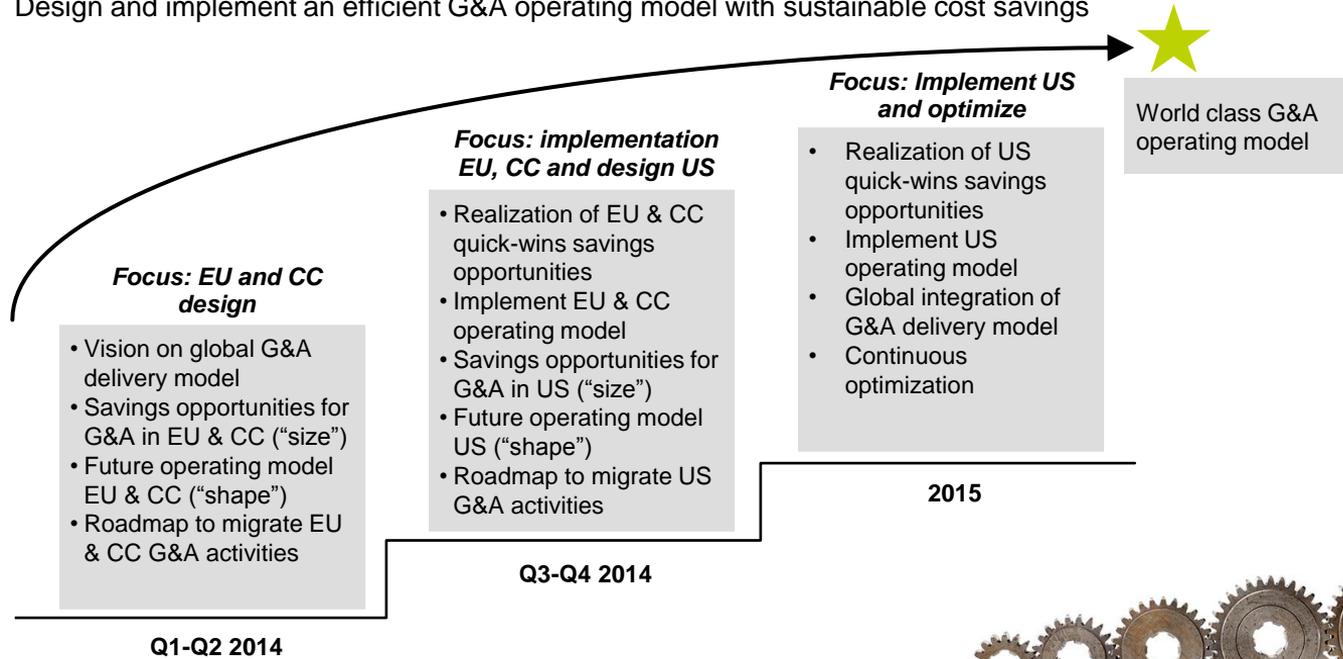
## Sample Output



# To realize the objective of the Fit for Growth program a geographical phased approach has been taken

## Overall Fit for Growth objective:

Design and implement an efficient G&A operating model with sustainable cost savings



# Steps performed and parameters for insight on improvement ideas

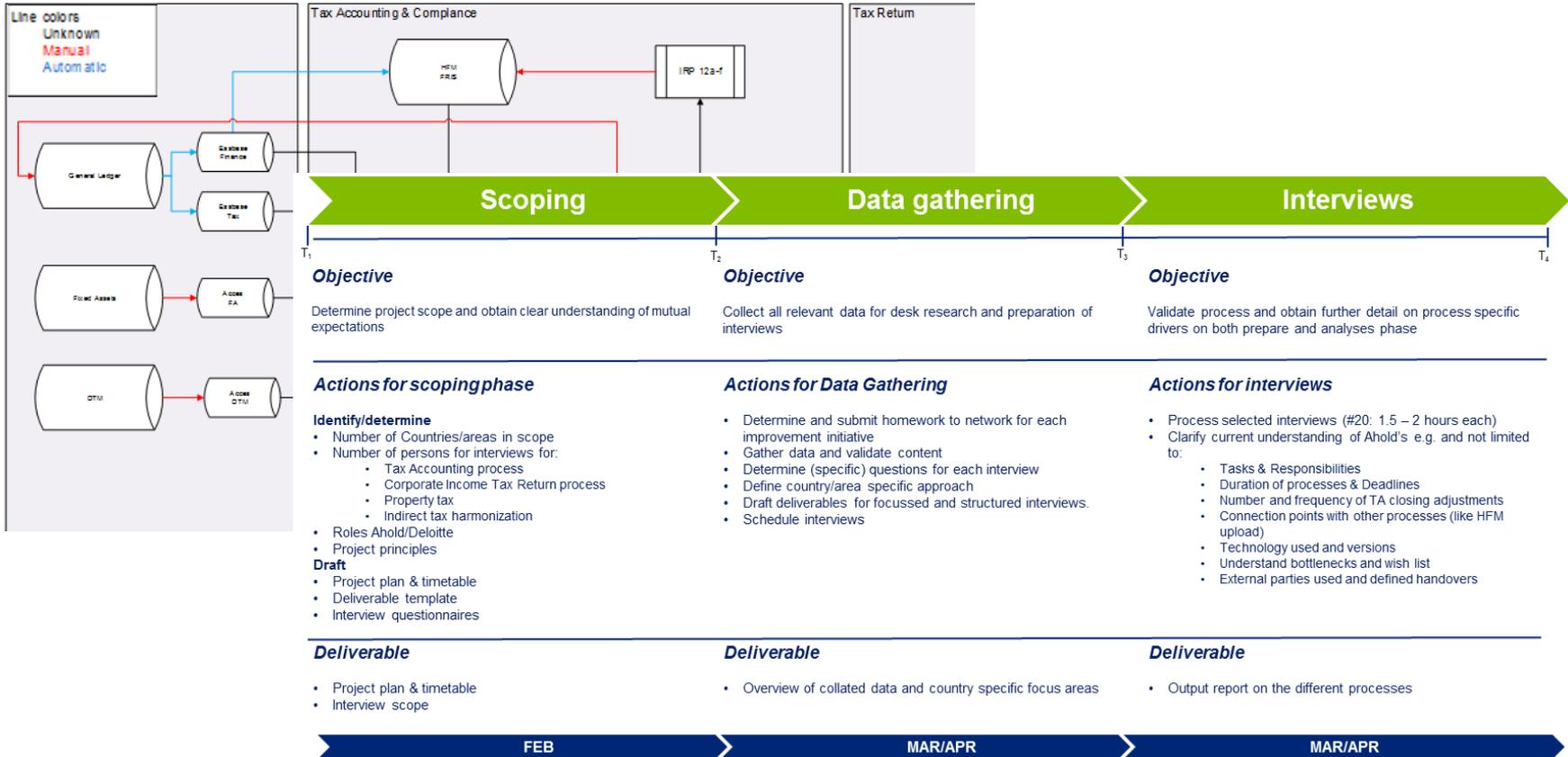
Step 1: Perform feasibility study/interviews to validate the identified and prioritised improvement ideas and create insight into the key findings for improvement on the **As-Is position**. For example:

- Integrate, automate and standardize the global Tax Accounting process and the Tax Reporting process to create more synergy

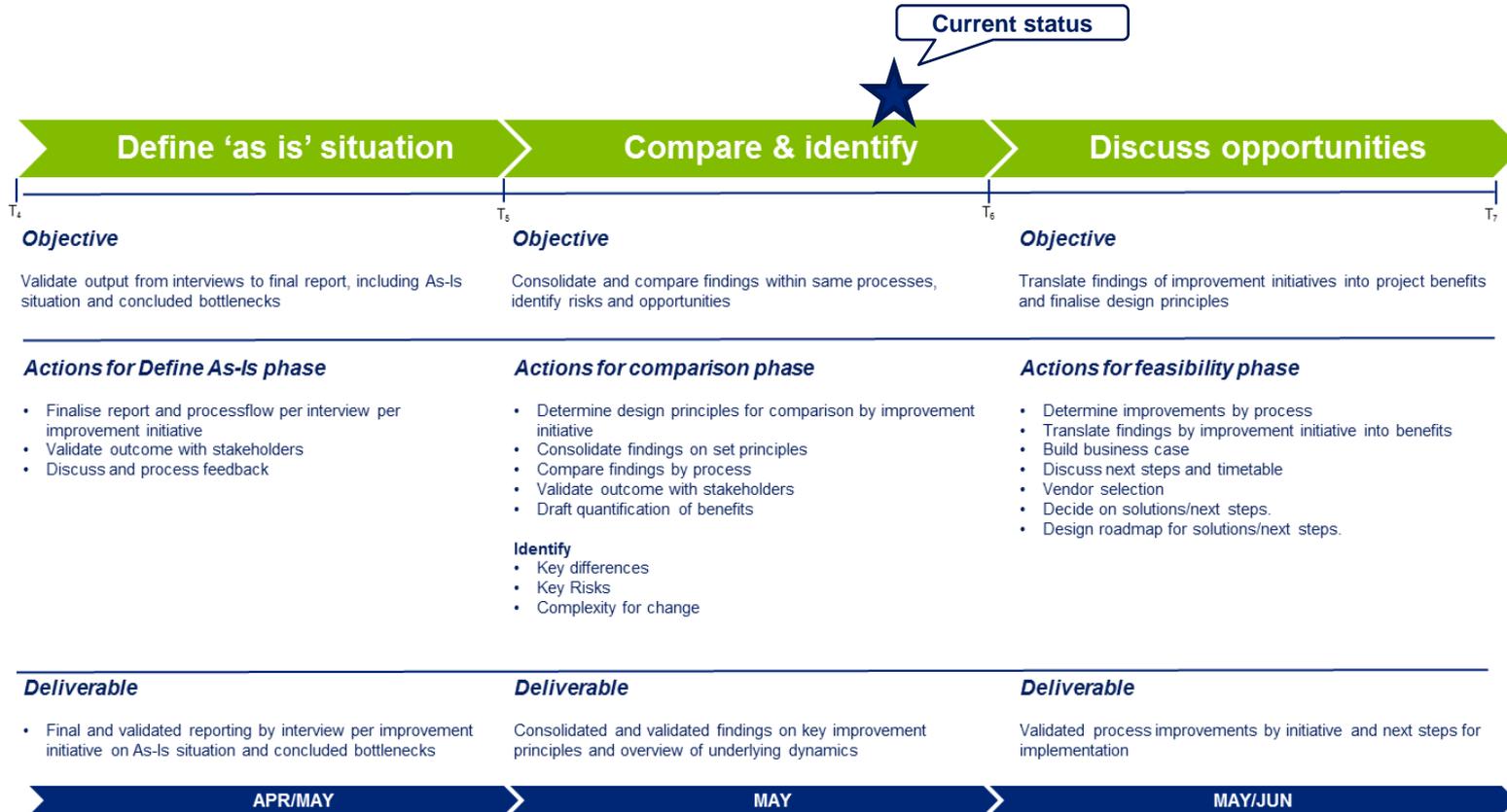
Step 2: Define the area for improvement on the following parameters: **Reduction** of work, **Transfer** of work or improvement through **Automation**

Step 3: Determine benefit and define short/medium/long character for implementation as well as potential impacting factors or dependencies (work in progress)

# Define clear timetable, governance and deliverables



# Define clear timetable, governance and deliverables (cont'd)



Questions?



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