

Inland Revenue Transforms Business by ‘Growing Great Leaders’

Inland Revenue NZ

Best Advance in Leadership Development

September 2018



Company Background



Inland Revenue
Te Tari Taake

Headquarters	Wellington, New Zealand
Year Founded	1878
Revenue	In FY 2016-17, Inland Revenue collected \$70.1 billion in revenue to fund government programs.
Employees	6,500 employees (750 leaders).
Global Scale	Inland Revenue in 17 towns and cities throughout New Zealand
Customers/Output, etc.	All New Zealanders paying or receiving tax entitlements, including individuals, families, businesses, employers, nonprofit organizations and tax agents.
Industry	Taxation
Stock Symbol	N/A
Website	www.ird.govt.nz

Budget and Timeframe

Overall budget	NZ \$240,000
Number of (HR, Learning, Talent) employees involved with the implementation?	2.5 FTEs for design and development. 4.5 FTEs for logistics, launch and delivery.
Number of Operations or Subject Matter Expert employees involved with the implementation?	5 SMEs
Number of contractors involved with implementation	4 facilitators 1 event coordinator
Timeframe to implement	Nov. 1, 2015-April 1, 2016 (design and development); April 2016, delivery and embedding.
Start date of the program	April 1, 2016

Business Conditions and Business Needs

In 2014 Inland Revenue (IR) embarked on the largest transformation program in New Zealand’s public sector. This transformation was to run across the entire business to improve the tax system and to make it easier for New Zealanders to pay their taxes and receive their entitlements. It would impact systems, processes and would change the way that people performed their jobs.

Increasing leadership capability was a critical component of the business transformation program. IR needed to develop people leaders who could engage and motivate their people to deliver results in the current environment while leading the changes required for the future. Previously, leadership had leaned heavily on technical expertise and institutional knowledge. The future of the organization calls for a fundamental change in the focus of people leaders. It is one of the key cultural shifts needed in IR to achieve a business transformation that is described as a “once in a generation” change.

The IR People Leadership Strategy was made up of three significant priorities:

- Priority 1 — Embed the leadership framework.
- Priority 2 — Renew the people leadership offering.
- Priority 3 — Encourage people leadership collaboration.

The leadership development program project was initiated as the key deliverable within Priority 2. This was endorsed by the executive leadership team (Strategic Governance

Board) in May 2015. The program also supported delivery elements of Priority 1 and Priority 3.

In addition, the importance of building leadership capability within IR is reflected in the following strategic initiatives:

- The critical role of leaders in creating “IR for the Future” is reflected in the future state organizational design blueprint and the leadership chapter of the conceptual organizational model.
- Leadership development is considered a key lever in changing IR’s organizational culture and will require IR to develop leaders in line with IR’s future culture state.
- Inland Revenue with Inspire Group designed a new people leadership development program which was named “Te Kōhure — Growing Great Leaders.”
- The name Te Kōhure translates from Māori to the development of a tree or plant to maturity. The program was named this to symbolize the new programs growing IR’s leaders to be the best they can be.
- The program needed to address several business conditions and needed to reach 850 leaders geographically spread across New Zealand.
- Facilitated workshops needed to be well-planned so that time-poor leaders could go through the program as a team and cohort.
- The program needed to incorporate a blend of solutions so leaders could continue with their development when they were back in their day-day roles.
- Leaders needed access to tools to support the change with their teams. This needed to be accessed through a portal which clearly outlined the journey of the leadership development pathway.

In summary, the program of work for this project included two key components:

1. Leader Connect — Management Essentials Toolkit

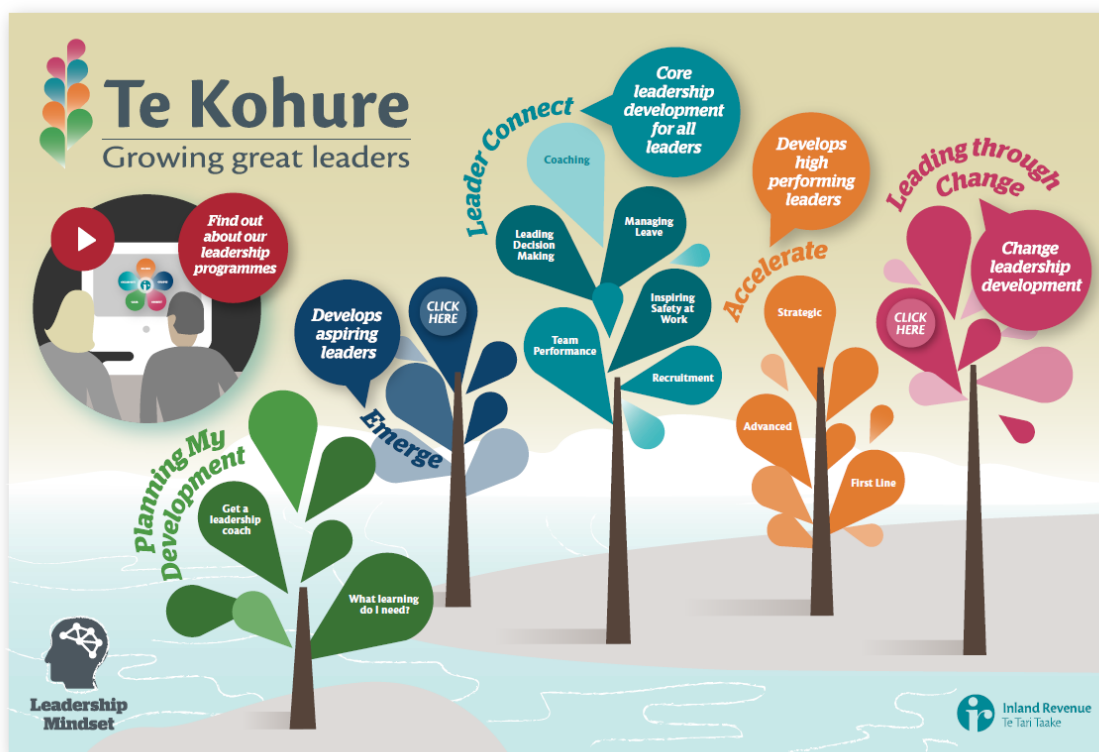
This develops the capability of people leaders to manage the employee lifecycle. Its aim was to enable leaders to build the understanding they needed about IR’s people processes and apply this knowledge to practical people management situations.

2. Accelerate — Leadership Programs

Two programs were developed, the Firstline and Advanced accelerate programs. These were designed to develop “good to great” people leadership capability at IR, enabling leaders to lead self, lead people, lead IR and lead with influence.

The Te Kōhure leadership portal, developed as part of this project, clearly showed the journey with live links providing access to the online tools they needed. The two components above formed part of the end-to-end leadership offering, including an emerging leaders program, leader connect toolkit, accelerate and leading change.

Figure 1: Te Kōhure: Growing Great Leaders Portal



Source: Inland Revenue NZ

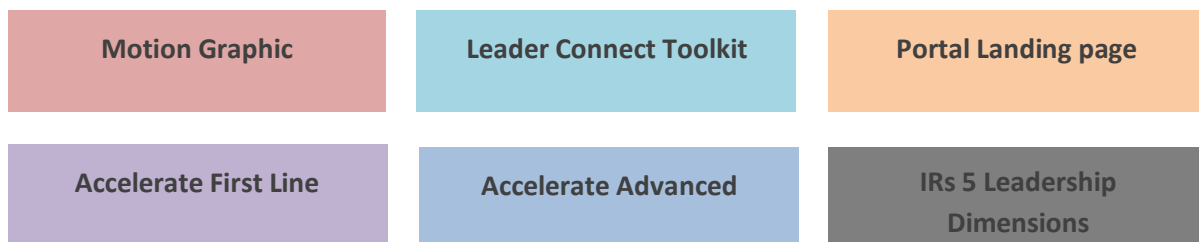
The sustainability of the design was very important and built deliberately so it could easily be updated and amended with new and up-to-date information as IR moves through its transformation journey.

Overview

The challenge was to create a blended learning solution that met the needs of all people leaders regardless of level and provided them with “easy-to-absorb” content and processes on key people practices, as well as giving them the soft skills with which to carry them out. The solution needed to show:

- An emphasis on raising capability and curiosity through fresh, fun and engaging blended learning that leaders can use immediately.
- An exploration of beliefs, mindset and strengths to understand where individual leaders can benefit from a toolkit but also how they can use their existing strengths to guide and support their peers (leadership labs).
- That the learning was sustainable and part of everyday vocabulary.

Figure 2: Inspire Group Designed and Developed a Blended Approach



Source: Inland Revenue

Motion Graphic

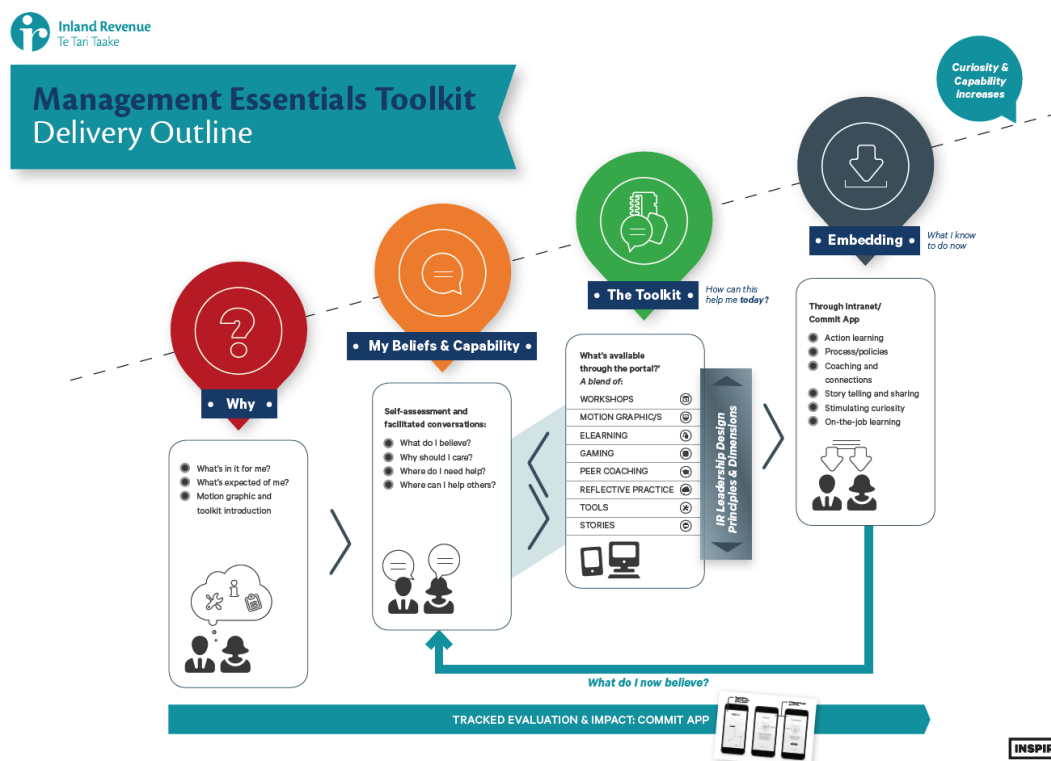
The intention of this piece was to engage the hearts and minds of leaders and encourage them to think about how they apply these dimensions to their every day as a way of being — not as something extra they needed to do.

Leader Connect — Management Essentials Toolkit

The Leader Connect online toolkit links through to IR’s learning management system (LearnIR) and helps leaders assess their leadership knowledge and skills and get up to speed quickly with IR’s people processes, as well as providing thought-provoking content to challenge and aid reflection. It is described as “bite-sized” learning that leaders can choose to engage with at a pace and time that suits. Learners have access to related information, processes, policy and guidelines, templates, articles and TED talks.

The online learning is augmented by two-hour, face-to-face “leadership labs” for each topic to help leaders develop and practice core coaching and soft skills they need as a leader at IR.

Figure 3: Management Essentials Toolkit Delivery Outline



Source: Inland Revenue NZ

The Leader Connect toolkit covers the five-key people practice topics.

Leaders used the toolkit content to self-assess their level of expertise for each topic and then upskill to take them to the next level. Leadership labs were designed for each topic so that once a need had been identified, a leader could book themselves in and start putting their new knowledge into practice. This dual approach allowed the leaders to experience convenient, self-paced learning and quickly bring it to life. They then concluded the process by completing the self-assessment again to see how much they had learned.

In addition to the five leadership labs, there was a two-day, face-to-face, coaching-on-the-go course (available for all people leaders) to provide a baseline for what is expected

of leaders at IR. This course covered the soft skills required of a leader, such as understanding:

- Managing vs. leading.
- Leadership approaches.
- Curious conversations — what are they and how to have them.
- Active listening.
- Coaching styles (supporting, coaching, delegating and directing).

A decision was made to keep the content of Leader Connect accessible to all IR staff, not just people leaders. This proves useful for non-people leaders who would like to develop toward a leadership role, as well as providing support for staff acting in leadership roles on a short-term basis. It provided transparency to what is expected of a leader and the challenges they may face in their roles. This transparency helped engender the move toward IR's future desired culture.

Accelerate Leadership Program

The Accelerate program focused on developing the IR leadership dimensions and leadership capabilities, including developing a “learning mindset,” “leading self,” “leading others” and “leading IR.” The program is mapped to the State Services Commission leadership success profile (a mandated profile which all chief executives in the New Zealand public sector have signed up to). Content is delivered in a series of days (5.5) over a period of nine months.

Accelerate programs are long term and run from several months to over a year. Participants engage in a range of leadership development activities, with a strong focus toward on-the-job and experiential leadership development combined with leadership assessment, collective leadership development (i.e., participant-initiated action learning and peer learning activities), coaching and some classroom-based workshops.

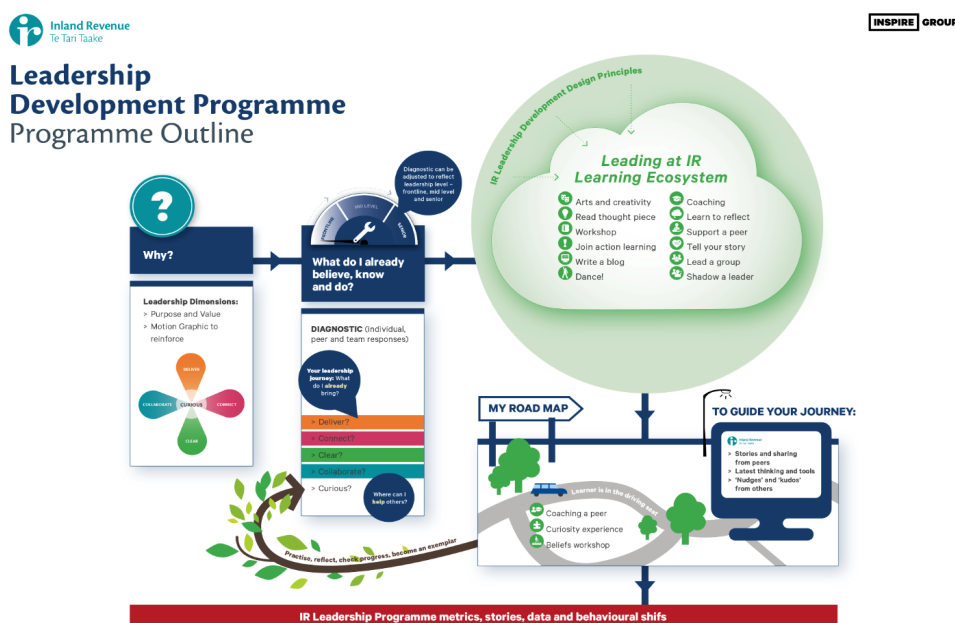
The target audience is high-performing people leaders and aims to develop them from “good to great” in their current roles.

There are three key levels to Accelerate:

1. Accelerate First Line — Aimed at first-line leaders (i.e., team leaders, project managers, etc.)

2. Accelerate Advanced — Aimed at mid-level leaders.
3. Accelerate Strategic – For senior level leaders (not designed by Inspire Group).

Figure 4: The Accelerate Approach Outline



Source: Inland Revenue NZ

All leaders complete a 360-degree assessment and debrief of their assessment as pre-work for the growth mindset session and leading-self session. Leaders attend face-to-face interventions, action learning groups and have involvement from their one-up manager throughout the learning process.

At the end of the program they complete the same 360-degree assessment to see how far along their development journey they have progressed.

The Accelerate program also is supported by a board game called "Collaborate." This is designed to be a fun and interactive way to bring the leadership dimensions to life. The seven copies of the game are for leadership teams wanting to play it at their off-site days and team building events.

The program in its entirety included several resources and support tools all making up part of the Leaders connect and the Accelerate programs. The total program includes the following:

- 6 Leader Connect online modules (“coaching on the go”).
- 5 leadership labs (two-hour, bite-sized sessions).
- Two-day “coaching on the go” workshop.
- Te Kōhure online leadership portal.
- Te Kōhure 90-second motion graphic.
- 2 Accelerate programs (First Line and Advanced).
- “Collaborate” board game.
- Facilitator guides.
- Participant workbooks and learning journals.
- Supporting collateral (i.e., conversation cards).

Impact

Almost two years on from launch, the program has just been updated in line with IR’s continuing transformation journey. The program continues to be impactful due to the blended, bite-size and just-in-time approach used. In February there were over 2,000 views of the motion graphic and 1,235 people accessed the decision tree to determine which leadership initiative they needed. This was a large project for Inland Revenue, investing \$240,000 and internal people and culture resource over 16 months. It was delivered on time and within budget. The response has been extremely positive.

As well as internally, the program is considered as “one of the best in the New Zealand public sector.” Other public-sector organizations in New Zealand are actively seeking engagement with Te Kōhure; it is being considered as a core design to the wider public sector in New Zealand under the auspices of the State Services Commission.

Design and Delivery of the Program

IR’s Design Principles

To ensure the new programs were fit-for-purpose, six key design principles were created to guide all leadership development. These principles were also reflected in IR’s organization-wide learning strategy.

The way the new leadership offerings have been delivered is a key mechanism for delivering on the learning strategy.

Figure 5: Design Principles



Source: Inland Revenue NZ

Project approach and scope

1. Discovery Phase and Problem Definition

- Consulted with business stakeholders on current.
- People-practice challenges and examined the key IR.
- Strategies that describe and outlined IR's future state.

2. Vendor Selection

- IR used the business transformation assessment panel of learning and development and leadership providers. Multiple vendors were engaged due to the size of the program, drawing on the strengths and niche areas of expertise of different providers.
- The vendors were engaged during the problem definition stage to be involved with stakeholders and project resources to design and develop the programs.

3. Co-Design with Business Stakeholders and Vendor(s)

- Design workshops were held with the vendor(s), stakeholders and project resources.

- A national learning and development team worked with vendors on the development of the program following the design workshops.
- Performance and culture working groups designed/tested/refined problem definition, suggested content, approach and design principles.

4. Delivery and Launch

- Separate communication plans for both the Accelerate programs (launched first) followed by Leader Connect.
- Application and selection processes for the Accelerate First Line and Accelerate Advanced cohorts run in conjunction with the HR business partners and their business leadership teams.

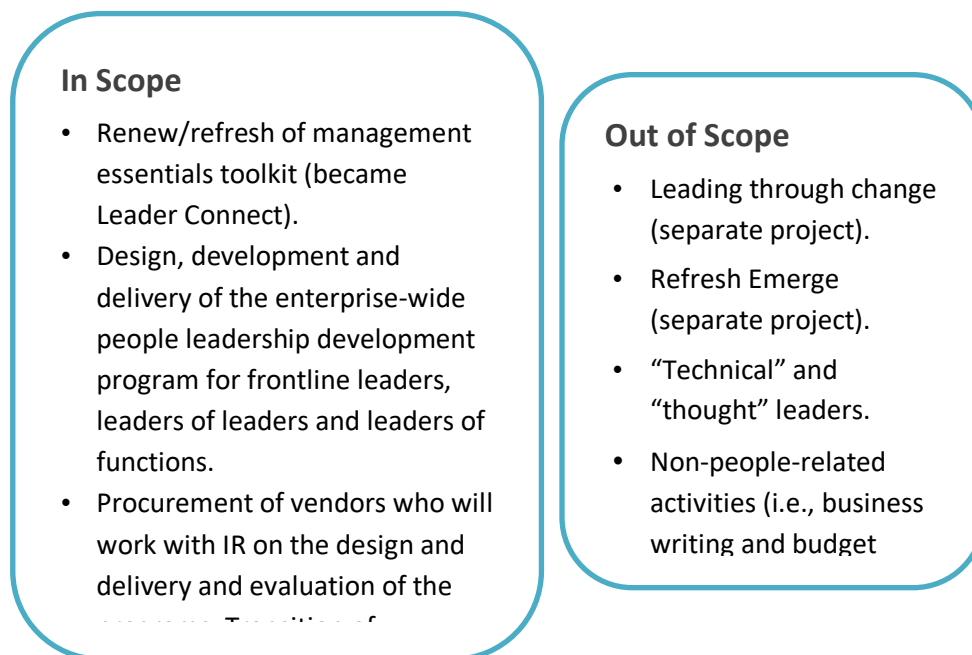
5. Evaluation, Reporting and Transition to BAU

- Leader Connect and the Accelerate program transitioned into the BAU leadership development offering.

6. Analyze Attendance and Evaluative Data for Trends and Themes

- Content management plan along continuous improvement principles.

Figure 6: In and Out of Scope Feedback.



Source: Inland Revenue NZ

As a result of key stakeholder engagement, feedback from past program participants and taking into account future strategic goals, Te Kōhure — Growing Great Leaders was designed and developed for every level of people leadership at Inland Revenue.

Adoption of the Program

Both the design and the delivery format of Te Kōhure — Growing Great Leaders program massively challenged previous, long-held views on what a leadership development program should look like in the New Zealand public sector. Experience was put before content with learners working together as soon as they entered the room to solve challenges relating to their leadership dimensions and finding out more about those in the room, all with minimal instruction and insight.

They brought their current challenges with them, used the time in the gatherings to apply the content and build their confidence to put their behavior change into practice when they were back in their role.

They had the backing of the managers who knew what they were going through and the support of their peers who were also there to hold them accountable for the commitments they'd made to the behavior change.

Time was given for discussions and thought-provoking conversations that would evoke insights and “aha!” moments from learners. Most importantly, they were introduced to having a growth mindset and challenged to change the way they approach situations, reflected on it and ultimately learn from what they and others were doing.

The success of the program enabled some of the biggest learning critics to see how they could be better leaders (and people). They would then become some of the strongest advocates for the program going forward.

Adoption

The Te Kōhure portal page is a leaders' one-stop shop for all things leadership. This portal is hosted on LearnIR (LMS) and contains all the information needed to support the leadership topics. It also is the place where leaders book on to courses.

The programs for Accelerate were not pitched as aspirational courses — so a real shift in mindset was needed, as well as involvement from their one-up manager to support them on their journey. All programs were designed so that the leader could opt in with the

support and inclusion of their one-up manager. No program is mandatory but attendance is encouraged. Two years down the track the goodness and credibility of the program has spread across IR and there are no problems filling cohorts.

Challenges

At the launch of Te Kōhure there was a lot of interaction between national learning and development and the business (together with the HR business partners) to ensure the right leaders were booking on to the right programs.

Given that the new offering was completely new to IR and a significant change from traditional courses that had been offered before, this level of interaction was essential to ensure that leaders who were “good” in their current role were signing up for the appropriate course.

To help support the significant change for leaders there was a leading change component running alongside the Te Kōhure — Growing Great Leaders program. This was a program for leaders that they dove into and used in conjunction with their change lead. This program was designed for just-in-time learning and assisted leaders as and when they needed it supported by their change lead.

Measurable Benefits

The work completed with the initial design of the Te Kōhure — Growing Great Leaders program in 2015 has set the foundation for the work that is happening today across the business in transformation. This means that the last two years of Te Kōhure have put leaders on the right path to support transformation and to achieving the design principles of leaders are in the driver’s seat of their development and making learning stick.

Te Kōhure and its set-up have opened the door for this to happen. Eighteen months on from the initial launch, IR already is seeing just how impactful the blended, bite-size and just-in-time approach has been for all their leader and staff.

Some of the measurable benefits provided are:

- All Accelerate participants completed a baseline 360-degree survey and another one post the completion of the program. All participants showed an improvement in their results across a range of components.

- Additionally, all leaders who participated in the Accelerate programs reported either resolution or significant positive movement on their individual self-identified “big issues.”
- In the two years since launch, there have been tens of thousands of “hits” on the Leader Connect pages.
- Leadership dimension game — Seven copies of the game were booked out in advance across IR (over and above the game used in the Accelerate workshops).
- Accelerate and Leader Connect started with an initially slow uptake in April 2016, as people were unsure about the “new” model of leadership development at IR. Engaging and talking with key stakeholders along with feedback and testimonials from peers who had already attended means that cohorts are now easily filled with a waitlist.

Overall since the launch in April 2016, IR have had 164 participate in the Accelerate programs and 272 leaders attend the bite-sized modules supporting Leader Connect totaling 436 participants under way or who have completed these program at various stages.

IR’s leadership dimensions were so well-adopted and understood they have transitioned to IR’s people dimensions for use universally from 2017.

Accelerate

Participants were asked for specific feedback for both Leader Connect and the Accelerate program, around:

- Selection criteria.
- Growth mindset – What it means.
- Make-up of the cohorts.
- Learner-based development.
- Impact of learning from peers.
- Involvement of the one-up manager.
- Opportunity of embedding the learning into roles once back in the business.

Accelerate First Line from IR Attendees

- “Linking the leadership dimensions into the course gave me a new appreciation for what they are, and how I can use them to motivate and lead both myself and

my team. I really liked the learner-based development. The group discussions with leaders from very different areas added richness to an already well-thought-out course. I appreciated that this course made me think about what being an authentic leader is, and how we can all work toward having a great, positive leadership culture within IR.” — Damian, team leader, customer services

Accelerate Advanced from IR Attendees

- “It was great to have the time and space to focus on my own development as a leader. The format encourages a lot of reflection and discussion and challenges you to think differently, particularly around tapping into your full potential as a leader. Very well-facilitated with excellent content targeted at actionable changes you can make back in your normal work environment.” — Paul, service manager contact management, customer services

Leader Connect — Management Essentials Toolkit

Specific feedback of the Leader Connect online toolkit was centered on the ease of finding everything in one place and the wealth of content. Feedback was focused on the development resources (i.e., TED talks and articles) that are deliberately designed to make leaders think and question “the way they do things” currently.

Feedback from the leadership labs was mixed. Marketing and information resources have already been adjusted so that participants are more aware of what a lab is and what it won’t do. (Specifically, that participants need to do the online work first to bring to the lab as the labs do not focus on content but on practicing and discussion).

Leadership Labs from IR Attendees

- “I have attended four leadership labs now. Not only do I learn great knowledge, tips and tricks with leading my team, I also get to meet some new and interesting people. It’s a great opportunity to network within IR.” — Gill, team leader, customer services

Leadership Lab — Building Performance

- “The ‘Building Performance’ session was very useful. It was interactive and drew a lot on the collective thoughts and ideas of those that attended for content.” — Haydn, specialist, investigation team leader

Leadership Lab — Recruitment

- “It was very good, and I was so pleased that I was told about it. Gave me some great ideas for our next recruitment, especially with planning of what skills I am needing. I feel very confident after this course.” — Megan, people manager, SD&I

Coaching on the Go from IR Attendees

- “Good engaging trainer. Created a comfortable environment for everyone to open up and discuss their experiences or situations. Lots of practical application. For me a good refresher on the GROW model and exposed me to other leadership models.” — Paul, business services manager, performance, facilities and finance

Overall

The Te Kōhure program has been a great success and touted as “the best end-to-end leadership program in the public sector.” There has been an incredible amount of anecdotal feedback from program participants, facilitators and from the Inland Revenue senior and executive leadership team.

Other public-sector agencies have replicated aspects of it for their leaders too. This is testament to the thought leadership and research that Inland Revenue together with Inspire put into these programs.

Inspire Group in partnership with IR will continue to deliver the training for Leader Connect, Accelerate Firstline and Accelerate Advanced through to the end of 2018.

At the end of 2018, the program approach and content will be reviewed as required to support the transforming nature of the business and to ensure it still is fit for the purpose and meeting the needs of their leaders.

Lessons Learned

Using the open home concept (wall-to-wall display of program concepts) to share program progress and ideas with leaders and key stakeholders worked well to gain engagement early on.

Engaging early on with subject matter experts and their involvement was key in allowing enough time for them to be involved over and above their “day job” — which was a huge



challenge for this project. For future development, a standalone project will be set up for each Leader Connect topic with the subject matter expert integral to deliverables.

Marketing the programs early on to gain buy-in and uptake once ready, the open homes helped with this; but come launch time, there was a huge amount of effort assisting with course selection and bookings (now no longer required).

As to liaison and sharing concepts with HR business partners to engage with the business, the challenge was sharing concepts without detail to gain understanding and feedback.

Future outlook

Te Kōhure was designed and developed with a three-year lifespan, at which point a full program review will be carried out to ensure the program is still meeting the needs of a transforming organization. IR and Inspire have a 3+1+1 contract to ensure the program continues to meet the needs of leaders at IR, gains momentum and continues to consistently support transformation.

About Brandon Hall Group

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