New Technologies Driving Tax Department Efficiencies

New technologies have emerged in strides over the past few years in manufacturing as its efficiencies are realized. MAPI had an opportunity to connect with **Bosch** to discuss its automation journey in the tax function.

Deanna McCann, Director, Tax, at Robert Bosch North America, shared that Bosch wanted to allow tax professionals to focus their talent, and by implementing RPA, self-service data preparation, analytics tools, and other solutions, the team was able to focus on strategic activities such as tax governance, planning, and compliance, rather than chasing down data, formatting, and preparation.

To make these changes, first, they had to **connect vision with culture.**

Bosch has a collaborative culture; one that continually seeks improvement and to optimize its resources. This includes developing its tax professionals. Understanding the aspects of the department's inner workings explains how Bosch was able to prioritize its automation journey and the implementation of various tools. To meet the department's goal of best using its talent, the department developed a multi-year roadmap with a clear vision of how it planned to become more agile, optimized, and aligned to meet today's challenges. The alignment between the department's collaborative culture and its vision for the future helped crystallize how technology could further both aims.

Escape headwinds by engaging across functions and within departments

In 2017, the North America regional tax department prepared its IT roadmap and established a tax technology team. The strong working relationship grounded in the multi-year effort enabled the journey, allowing the tax department to escape headwinds that many others experience.

Another key aspect McCann credits with driving success was the leadership's position to share the excitement around the future and the challenges with the rest of the team. The head of the department outlined the vision for the future, shared the expectations, and encouraged everyone to play a part in building that future. Moreover, McCann says they didn't rely on the opinions of a few experts. The leadership actively sought to crowdsource ideas from the entire department. **"The whole tax department was engaged. It wasn't just the tax technology team. It wasn't just the management team learning about tools. All of the training, the learning, the time away from daily tasks to learn how to use these tools—everyone was included."**

Doing so allowed them to engage those closest to the processes who could then think through and identify processes that could benefit adding in tools. This allowed them to get the department's buy-in from the outset. For McCann, this was one of her biggest learnings from the experience. As she explains, getting everyone engaged early on allowed them to have much more success.

Balance freedom and controls to uncover relevant use cases

As the department introduced automation tools it not only provided training to the team but also afforded the team the freedom to "play" and identify their own use cases in line with the overarching goal of creating efficiency and improving standards and internal controls. To that end, the department leadership asked everyone within the department to think of possible use cases. The suggestions were documented. Some of these ideas were implemented and completed. Others were not, but that was not the expectation. The tax department's leadership did not expect every idea would result in a completed case. Instead, the department wanted to provide a measure of freedom for the team to decide what each individual wanted to work on and prioritize based on their particular needs.

Leadership encouraged working in teams but did not pair people up in the department. In keeping with the autonomy the department was trying to foster, they allowed teams to form organically. Teams began to coalesce around specific areas of tax. Other teams formed around specific use cases that cut across tax areas, such as piloting a chatbot tool. This particular use case brought together associates who under normal circumstances would not cross paths during the workday. Lastly, the teams were encouraged to involve associates outside the tax department, so that lessons-learned and expertise could be shared across the regional organization.

The tax department at Bosch believes **freedom is what helped their organization identify so many use cases, but the freedom was tempered with controls**. Use cases were documented. This helped the organization identify numerous use cases and to record metrics in a Use Case Tracker. From this, the department was able to create its main metric: "annualized time savings." The tax department continues to strive to strike the balance between oversight and freedom. While it allows the team to prioritize use cases based on benefits to team members, the department is also layering in more controls and standards for documentation to ensure efficiency, effectiveness, and accuracy in their processes.

Carve out time for strategic thinking and cross-pollination

As part of the tax department's efforts to provide resources for the team's continued success, they developed training that brought the team together. These training exercises grew to include other departments within Bosch. Eventually, it morphed into a three-day event of over 150 people from across departments within the organization aimed at learning about the tools. As a result of the event's success, and to keep the momentum going, tax leadership decided they would regularly schedule automation days. These monthly, day-long "Automation Days" take place in a large conference room where everyone (within tax and outside of it) is invited to attend.

Attendees are asked to put their day-to-day responsibilities aside and to spend the day focusing on automation and use cases. Leadership aimed to create a fun learning environment where throughout the day teams from across the company work together and share how they are using the tools. Occasionally, outside speakers are invited to share deeper subject matter expertise.

What is the other benefit besides more strategic thinking? The cross-pollination of ideas. During the three-day event, there were close to twenty different teams working together, which inevitably led to information exchange. **These "Automation Days" are not only a team-building event but provide teams the space to perform strategic thinking and share best practices.**

This is a practice that external providers recommend to clients. As McCann notes, "it wasn't as though our IT roadmap included a checkbox to schedule monthly Automation Days. It evolved into that. We ask people to think beyond what they are doing from a day-to-day, week-to-week perspective. Automation is important, and we have to be able to set some time aside to give people permission to set down the tax returns for the day."

Given the current COVID-19 pandemic, Bosch has shifted its Automation Days virtual. The virtual meetings are scheduled for half-days every other week and are open for all to attend. While the setting is different, the team continues to share and enhance Bosch's automation efforts.

Automation transforms more than processes

For Bosch's tax department the changes and impact extend beyond processes and tech-savviness. **The department's automation journey has changed the department's approach to work and how the department evaluates talent.** In looking back and contemplating what she's most proud of since her department's technology implementation, McCann answers that it is the openness to possibilities.

For them, it unlocked a "gateway into this new automation world for tax and, even beyond that, for corporate professionals." In the years since the department embarked on its journey, McCann sees the changes in the type of talent they are looking for--those with a passion for tax but also a passion for learning and technology. It is a shift that has taken root. One where a heavy focus on subject matter expertise for talent is lessening. Instead, the department is growing to value a prospect's willingness: willingness to work in teams, willingness to bring ideas to the table, willingness to try new tools.

Many thanks to Deanna McCann and the Bosch North America team for sharing their lessons learned!

> "Automation is important, and we have to be able to set some time aside to give people permission to set down the tax returns for the day."