

IOTA PAPER

Strategic Planning Unveiled From PESTEL to (POWER) SWOT

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Introduction

The *FPS Finance in Belgium* is a large organisation with more than 20,000 employees. Moreover, its core missions are diverse. The seven different general administrations organise their own core business: to levy, collect, recover and refund taxes in a fair and timely manner; to facilitate legal trade and protect society by carrying out targeted controls on import, transit and export of goods; to contribute to the prevention and fight against fraud, tax evasion and offences within our areas of competence.

This holding company structure makes the creation of a strategic plan challenging. That strategic plan represents a series of commitments between the *Minister of Finance and the Federal Public Service Finance*. It outlines the key directions in which the organisation aims to evolve and specifies its strategic ambitions. The duration of this plan is aligned with the political legislature, spanning five years.

The strategic planning process at the *FPS Finance Belgium* is structured into three key phases: analysis, planning, and implementation. This comprehensive approach involves rigorous analysis, informed decision-making, and decisive action, ensuring that our strategies are both effective and sustainable.

This article delves into the strategic planning process at the *FPS Finance*, highlighting the critical analysis phase. It explores the frameworks employed and provides insights on effectively engaging stakeholders during this essential stage.

Analysis phase

The analysis phase is the foundation of strategic planning, aimed at gathering necessary information to inform future strategies. A variety of tools were employed to assess internal and external factors that shape *FPS Finance's* mission and direction.

Key activities and tools:

- › Environmental analysis: **PESTEL**
- › Stakeholder involvement: **workshops and interviews**
- › Internal & external factors: **SWOT**
- › Prioritisation: **POWER-SWOT**

The following sections provide more detail on these key tools and activities.

PESTEL-analysis

Understanding external societal dynamics and identifying trends across various domains is essential for defining an effective strategy. A **PESTEL** analysis, which examines **Political, Economic, Social, Technological, Environmental** and **Legal factors**, provides valuable insights into the external landscape. Information was gathered primarily through literature reviews and was used to identify trends that could impact the *FPS Finance*.



Stakeholder involvement

Understanding global trends is essential, but it is equally critical to remain attuned to the needs of key stakeholders, such as employees, partners, and citizens. Their active participation in the strategic planning process provides valuable insights that contribute to the development of the strategic plan, enabling the *Executive Committee* to make well-informed decisions about the organisation's direction.

Engaging stakeholders in decision-making brings diverse perspectives and expertise, deepening the board's understanding of critical issues. This integration of viewpoints facilitates the identification of challenges and opportunities, leading to strategies that are focused and relevant to all involved.

By aligning the strategic direction established by the *Executive Committee* with stakeholder needs, the organisation fosters greater coherence and success. Stakeholders played a crucial role in key processes such as **SWOT** analysis, **POWER-SWOT**, and **OGSM** frameworks. The following sections will explore these tools and illustrate how stakeholder engagement has been integral to their implementation.

SWOT-analysis

The **SWOT** (**S**trengths, **W**eaknesses, **O**pportunities, **T**hreats) analysis was employed to evaluate both internal and external factors affecting the *FPS Finance*. Engaging stakeholders in this process provided a realistic assessment of the organisation's current position and future potential.



Strengths



Weaknesses



Opportunities



Threats

Engaging stakeholders

Brainstorming sessions were conducted with employees, focusing on three key exercises:

1. Societal Relevance

- To emphasise societal relevance and ensure employees awareness, each brainstorming session began with a playful yet thought-provoking question: "What would our society look like without FPS Finance?"
- This exercise highlighted the indispensable role of FPS Finance and fostered a deeper understanding of its impact on society.

2. SWOT

- Multiple sessions were organised where employees participated in an exercise to identify strengths, weaknesses, opportunities, and threats based on their daily work. This input served as the foundation for a SWOT analysis at the organisational level.
- This collaborative exercise provided valuable insights from the bottom up, ensuring that the analysis was comprehensive and inclusive.

3. Future vision

- Building on the discussions of societal value and the SWOT analysis, employees were invited to contribute to a vision for the future of the FPS Finance.
- This forward-thinking exercise helped map out potential strategic directions from the employees' perspective and identified areas for potential growth within the organisation.

Additionally, interviews with external stakeholders (e.g., professional associations of accountants, auditors, and the logistics sector) provided external perspectives that complemented internal findings, leading to a well-rounded SWOT analysis that informed the Executive Committee's strategy.

Outcomes and insights

All findings were analysed, resulting in a comprehensive report that incorporates both qualitative and quantitative research methodologies. The report included:

- Qualitative Research: feedback from internal brainstorming sessions and external interviews offered valuable qualitative perspectives.
- Quantitative Research: data from internal satisfaction surveys and external reputation surveys provided essential quantitative insights.

The report presented a SWOT analysis based on the gathered input, which was subsequently developed into a final SWOT submitted to management. From this analysis, several potential strategic initiatives were identified for the organisation to pursue.

Engaging both employees and partners through these methods provided a well-rounded understanding of our current position and strategic needs. Key outcomes included:

1. **Enhanced awareness:** the societal relevance exercise increased awareness among employees about the critical role of the FPS Finance in society.
2. **Comprehensive analysis:** the collaborative **SWOT** analysis ensured that all relevant factors were considered, providing a robust foundation for strategic planning.
3. **Strategic direction:** the future vision exercise, combined with insights from partners, helped clarify the strategic direction and areas for future development.

POWER-SWOT

Following the **SWOT** analysis, the expertise of top management was essential for prioritising strategic challenges. The **POWER-SWOT** framework was utilised to identify the most critical themes by evaluating their impact, feasibility, and probability. This prioritisation process is crucial, as it narrows the focus to key issues that will shape the FPS Finance's future.

- Theme Prioritisation: a maximum of three themes per domain are selected, ensuring a focused and manageable strategy.
- Scoring Methodology:
 - Strengths & Weaknesses: each theme is scored based on its impact and feasibility.
 - Opportunities & Threats: themes are evaluated by their impact and probability.

Outcomes and insights

As a result of this exercise, a **POWER-SWOT** analysis was drafted to identify the key themes that top management deemed important, which will serve as the focus for the next strategic plan.

Current status in strategic planning FPS Finance: Leveraging the OGSM framework

Once priorities were established, the **OGSM** (**O**bjectives, **G**oals, **S**trategies, **M**easures) framework was employed to structure the strategic plan. This framework ensures that a clear objective is defined, measurable goals are set, strategies are formulated and key performance indicators (KPIs) are established. This phase guides the organisation toward achieving its strategic objectives while aligning actions and resources effectively, providing the *Executive Committee* with a clear roadmap for success.



Conclusion

The strategic planning process at the *FPS Finance* combines thorough analysis with broad stakeholder involvement to craft a focused and effective strategy for the future. Tools such as **PESTEL** and **SWOT**, provided a comprehensive view of internal and external factors, helping to identify key opportunities and challenges. The active participation of employees and external stakeholders enriched this process, ensuring that the strategic plan is well-grounded in both operational insights and broader societal needs.

By prioritising key themes through the **POWER-SWOT** framework, top management was able to hone in on the most critical areas for the next strategic plan. The application of the **OGSM** framework ensures that these priorities are translated into actionable objectives, strategies, and measurable outcomes. This structured approach positions the *FPS Finance* to navigate future complexities while maintaining alignment with its core missions, ensuring sustainable growth and continued societal impact.

The strategic direction established through this process not only reflects the organisation's internal strengths but also responds to the evolving external landscape, setting a clear path forward for the *FPS Finance* in the coming years.

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