

FORUM ON TAX ADMINISTRATION

Tax Administration: Towards sustainable Remote Working in a post COVID-19 Environment

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The COVID-19 pandemic saw a significant shift among most tax administrations to remote working by many of their staff. As tax administrations consider the shape of the post-COVID workplace, many are examining the options for some degree of continued remote working for employees on a longer-term basis. This note explores some of the key issues that tax administrations may wish to consider in designing remote working policies, processes and guidance to help ensure that, where applicable, longer-term remote working is sustainable for both the tax administration as a whole as well as individual employees.

This note does not provide recommendations for particular measures as the circumstances of each administration will vary. Instead, the intention is that the information in this note will help to stimulate thinking in tax administrations as to where changes or additions to existing strategies could be beneficial, including through examples of actions taken or planned by Forum on Tax Administration members.



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Executive Summary

In response to the COVID-19 pandemic, many tax administrations have had to close offices and move to extensive remote working by staff, requiring rapid adjustments to many tax administration processes as well as the development of new policies and practices. For many, this shift coincided with the tax filing season, a peak time for contacts with taxpayers and for returns processing. Most tax administrations quickly took steps to ease administrative burdens on taxpayers impacted by the pandemic and, in many countries, provided assistance to the wider government in the delivery of economic support packages for those affected by COVID-19. It is a sign of the resilience of tax administrations that despite these significant challenges, tax administrations continued to carry out their core functions effectively, supported by the widespread and successful adoption of remote working.

Many tax administrations are now starting to consider the shape of the post-COVID workplace, and the opportunities for both the tax administration and staff that might arise from maintaining a degree of remote working and flexible working going forward. These can include:

- **Improving work/life balance.** Remote working can offer greater flexibility to staff, in particular reducing or removing the need to commute and allowing some adjustments in the timing of the working day. This can be of particular benefit to those with caring responsibilities or those who wish to work part time, and can become an attractive part of the overall employment offer to staff. It can also make the administration a more attractive employer to talented people who are not geographically located close to the tax administration office, and help administrations retain their staff.
- **Enhanced resilience.** Remote working can also give the tax administration a more flexible workforce, able to adapt swiftly to business continuity shocks or rapid changes in demands and priorities. One aspect of this is that employees can more easily support other parts of the administration which may be located elsewhere that require additional resource. It may also be possible to expand taxpayer service offerings beyond the traditional working day, if it fits with employee working patterns. In addition, having some staff remote working can mitigate risks from events that can affect physical locations (for example, power outages, short-term disruptions and natural disasters).
- **Cost reductions.** After staff costs, building maintenance costs can form a significant part of a tax administration's current and capital expenditure. By moving to remote working, a reduced need for office space might allow tax administrations to reduce the carbon footprint of the buildings they require. This may also bring environmental benefits resulting from reduced commuting.

However, realising those benefits is not without challenges, and it may not be possible or necessarily desirable to simply 'roll-over' the operating model changes that were developed at great speed to facilitate the shift to remote working in the early stages of the pandemic. Where tax administrations conclude that



going forward there are benefits to maintaining a greater degree of remote working compared to the pre-pandemic situation, a more fundamental examination of policies and practices is worth considering to ensure that the operating model is sustainable in the long term. These include, among other things:

- access to appropriate information technology and associated remote IT support arrangements;
- an appropriate work environment both for staff health and safety and to meet security and data protection requirements;
- potential revisions to employment policies and contracts, which may be predicated upon office-based working;
- a supportive organisational culture which takes account of the different attitudes employees may have towards remote working as well as different opportunities to remote work;
- mechanisms to ensure an inclusive, collaborative and creative culture when employees are not able to physically interact in the same way, including through the informal contacts that are made more possible in the office environment;
- consideration of how best to manage performance, including ensuring that remote working does not have adverse impacts on careers or create stigma;
- having staff welfare support arrangements adapted for the issues that might arise from continued remote working (including the risks from a potential lack of distinction between work and personal life); and
- consideration of the issues around communication and engagement with taxpayers, ensuring that not only is their data secure when dealing with a remote working tax official, but also that they receive the same level of professionalism and service.

Depending on the context, none of these challenges are insurmountable as is shown by the successful experiences with remote working over many years among some tax administrations. (See for example, Annex A on the experiences of the Finnish Tax Administration). They do, however, require careful consideration given that they can represent fundamental changes from the status quo prior to the crisis around which existing policies and practices have been developed. The purpose of this note, therefore, is to help tax administrations in their considerations of the issues involved in moving to a different balance in remote working opportunities over the longer-term that is sustainable for employers, employees and taxpayers. The report is arranged over six chapters.

- Chapter 1 considers some of the ‘hard’ barriers around **information and communication technology** that can make it challenging to introduce widespread remote working for staff in a secure manner.
- Chapter 2 explores the **employment policy questions** that administrations will need to work through given the differences between office work and remote working.
- Chapter 3 examines **organisational culture**, and how a tax administration might maintain a collaborative culture when people are physically distanced. It also considers how tax administrations may respond to different attitudes employees may have to flexible working, and how new staff can join the organisation effectively in a remote working environment.
- Chapter 4 looks at the various **performance management issues** that arise with remote working, especially when individuals have less physical contact with their managers and other tax administration staff and when many aspects of work and the working environment may be less visible. It also considers the challenges of maintaining staff motivation in the longer term.
- Chapter 5 examines the possible **impact on taxpayer services** from remote working and possible policies and procedures that administrations may wish to put in place.



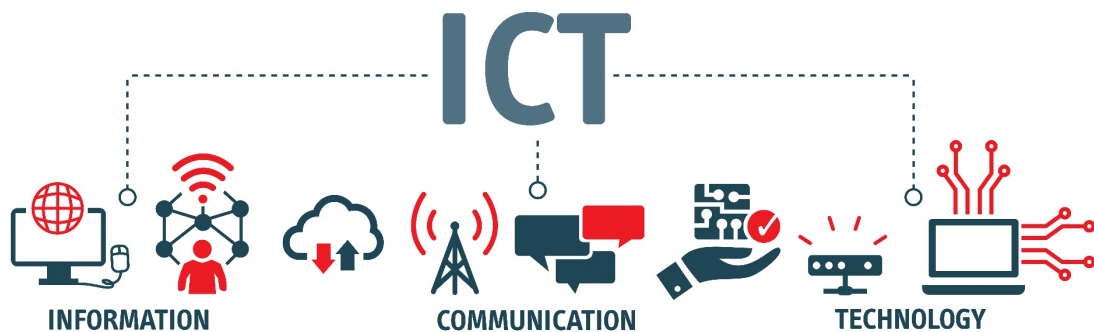
- Chapter 6 looks at how to ensure **staff well-being** when teams are more fragmented and the boundaries between work and private life less clear. It also considers the physical well-being of staff, who may not have home working arrangements suited to longer-term remote working.

Annex A contains the Commissioner Conversation between Commissioner Fernando Barraza of the Chilean Tax Administration and Commissioner Marku Heikura of the Finnish Tax Administration. This looks at some of the issues involved in developing the extensive remote working possibilities available within the Finnish Tax Administration.

Finally, to support tax administrations as they consider the risks around these challenges, a tool has been developed based on the Risk Exposure and Tolerance Assessment tool created by the Canada Revenue Agency, and pre-populated with some suggested risks. This tool provides a highly adaptable framework through which tax administrations can explore the risks that moving to remote working may create, and the associated mitigation strategies. A copy of this tool can be found at <https://www.oecd.org/tax/forum-on-tax-administration/publications-and-products/risk-exposure-and-tolerance-assessment-tool-RETA.xlsx>.



1 Information and communication technology



Reliable information and communication technology (ICT) systems are indispensable for tax administrations to run their operations and carry out tasks (internal and external) smoothly. ICT systems touch all parts of a tax administration ranging from the administration's:

- computer systems (IT equipment, software, networks, etc.);
- internal and external communications systems (telecommunication, data transmission, etc.); and
- information systems (data collection, processing, storage and retrieval).

Any failure in those systems may have far-reaching consequences, particularly when they cannot be fixed within short timeframes. In the worst case, this may lead to significant reputational damage, increasing tax compliance risks, and reducing taxpayer trust in the administration.¹

Prior to the pandemic, some tax administrations were adapting gradually to remote work practices, but the pandemic accelerated this shift. The 2021 OECD report *Tax Administration: Digital Resilience in the COVID-19 Environment* (OECD, 2021^[1]) highlighted that as the pandemic progressed the ICT capacity for remote working increased significantly, but remained challenging. This did not mean that during the pandemic tax administrations were not operational, but rather that the delivery of the full spectrum of taxpayer services and compliance activities was challenging.

Tax administrations implemented many innovative solutions to respond to this rapid shift, which sometimes required close working between tax administration experts and third-party vendors. This chapter identifies

¹ For more on how to manage reputational risk in the context of COVID-19 see Chapter 8 of the 2020 report *Enhancing Reputational Risk Management* (OECD, 2020^[7]).



three key challenges that tax administrations need to resolve to help make any shift to greater remote working more sustainable:

Employee's access
to ICT devices

ICT support

Information security

Challenge 1: Employee's access to ICT devices

During the pandemic, many officials began working from home full-time, and for many administrations, going to the office became the exception. However, not every administration was prepared for this sudden shift and some had troubles providing staff with the necessary ICT equipment or remote access to the internal ICT environment.

Much of the improvements in capability were thanks to the quick reactions of tax administrations, with the OECD report on digital resilience (OECD, 2021^[1]) highlighting that two-thirds of administrations reported that they made system changes to enable a rapid move to remote working and purchased or rented additional IT equipment for staff.

Box 1.1. Country examples – employee access to ICT

Australia - Differentiated options to enable working from home

To assist in mobilising their workforce in response to the COVID-19 pandemic, the Australian Taxation Office (ATO) purchased 2 000 lower spec/lower cost laptops, that were then configured using device management software to act like a 'thin client', only allowing staff to connect to a Remote Desktop Access solution. 1 800 of these laptops were deployed nationally within the first 3-6 months of the pandemic specifically to employees who had no or limited access to IT equipment at home. These were made available in conjunction with monitors, headsets and smartphones as required by the needs of the individual staff member's situation and work requirement. This solution was particularly beneficial to the frontline/call centre staff, which has a higher percentage of casual employees, who in turn were less likely to have access to the necessary IT equipment of their own to work remotely.

ATO has allowed staff to retain this equipment in the short term, which has been beneficial with subsequent COVID outbreaks and snap lockdowns, allowing the workforce to return rapidly to work from home arrangements without the logistical challenges of re-issuing equipment.

Hungary – Improved access to telephony

The National Tax and Customs Administration of Hungary (NTCA) offers all its employees a mobile telephone service at a reduced cost by leveraging a contract the NTCA already has with a telecommunications company. Thank to this, staff members may call each other free of charge using their own mobile phones, which makes it a very popular facility among NTCA employees. During the pandemic, this "NTCA fleet" tariff meant that the large number of employees who were remote working could contact each other at no cost, which helped maintain effective communication between colleagues. Another advantage was that the telephone call was usually more reliable than Internet (Wi-Fi) based solutions.

Italy – Recycling devices

Past practice was that desktop and laptop computers which were no longer needed by the tax administration were usually reassigned to other parts of government. During the crisis, however, these



computers have been reconfigured with new operating systems and software, to distribute to tax administration officials so they can safely connect to the tax administration systems whilst working at home. This solution allowed about 4 100 employees to work from home using these devices provided by the administration, instead of their personal ones, saving time and costs.

Sources: Australian Taxation Office (2021), Hungary - National Tax and Customs Administration (2021) and Italian Revenue Agency (2021).

As tax administrations consider their post-pandemic work environment, it is important that they consider how to supply employees the right ICT tools and equipment to make work both sustainable and productive. This could include:

- **Home working kits.** As employees join and leave the organisation, procedures will need to be put in place to ensure that appropriate equipment is available to employees who require it, and that there are systems in place to return equipment. The development of home working kits, that may include a laptop (which is also capable of being used within the administration's offices), keyboard, monitor etc., can help provide a standardised solution to these issues. For employees who have difficulty accessing the Internet, a tax administration could supply or fund 'mobile Wi-Fi hotspots', which can use mobile data networks, to provide an effective solution to connectivity issues.
- **Employee choice.** Tax administrations may find it more efficient to allocate funds and establish procedures/protocols so employees can select and purchase equipment directly to improve their working environment, for example, a monitor, keyboard, mouse or printer. This has the advantage of employees identifying the solution which works best for them. Whilst the need to review and check claims for such purchases may create additional administrative burdens for employers, this may be more effective than having to deal with the logistical challenges of distributing large amounts of small pieces of equipment. It may also give more flexibility to respond to any global equipment shortages caused by a wider shift to remote working.
- **Use of employee devices.** 'Bring Your Own Device' (BYOD) solutions that allow employees to access tax administration systems through virtual private networks (VPNs) using their own ICT equipment, can provide a rapid and cost effective solution to address ICT issues. In this respect, some tax administrations have also reported that in their jurisdictions employees can claim tax deductions if they purchase home working equipment. However, this is not without risk and administrations need to consider developing clear criteria for BYOD policies that take into consideration the trade-off between keeping the network secure and high levels of productivity.

Box 1.2. Australia – Enhanced ICT capability to allow working from home

The ATO has given greater access, resilience and capacity to its remote working capabilities. Prior to the pandemic, there were limitations on the amount of staff who could effectively work from home. Now almost all staff have been provided with remote working capabilities and most staff have two types of access. This has included increasing access to online meetings and collaboration tools to support the ability of staff to work together from home or from the office. Longer term, the ATO continues to look at ways to enhance their remote working IT equipment and infrastructure capabilities.

Source: Australian Taxation Office (2021).



Challenge 2: ICT support

Effective remote working that maintains both the productivity of employees and taxpayers' confidence in the reliability of the tax administration's systems is only possible with an effective, secure and reliable ICT infrastructure. As administrations consider the post-pandemic work environment, changes may be needed to ensure that regular updates and fixes can be done remotely and that the ICT infrastructure, including technical assistance, is sufficiently resourced to support more frequent remote working. Having an effective ICT system also helps to maintain employee well-being and reduce stress.

Areas that tax administrations may wish to consider include:

- **Greater investment in remote ICT support.** This investment may be needed to recruit additional staff or service providers with skills in providing remote support, or even field support. There may also be a need for secure software functionality that allows support staff to see remote workers' screens and makes it possible to monitor and manage their laptops remotely (including shutting down access to the administration's systems where required for security reasons);
- **Rewriting guidance for ICT support staff to adjust it to the needs of remote working.** Existing procedures may be based upon a detailed technical knowledge, or be based around an engineer being physically present. ICT support that is done remotely may require a more customer service style approach, which could involve retraining support staff to this new way of working, and also rewriting existing guidelines to be more accessible to non-specialist staff. Consideration might also be given to the availability of support at different times of day, given that staff may change working times, as well as the timing and notification of automatic updates, including the possibility of staff choosing when those updates take place;
- **Investment in 'self-service' approaches.** As the sophistication of ICT develops, it may be possible to allow employees to run necessary updates and fixes to their supplied ICT. This could include giving employees choices about when ICT updates are delivered, as long as the update is completed by a certain deadline, to reflect new working patterns, or allowing employees more choice about which software is installed on their machines.

To make changes to address broader ITC system issues, tax administrations have previously reported moving to more agile methodologies and embedding them within the internal systems. Such agile methodologies are generally based on co-creation between business and ICT departments with joint decision making, adaptation and testing to a tight timetable. This has allowed for rapid deployment and development of ICT solutions, and some tax administrations have reported their intention to continue using such methodologies post pandemic. This approach may be helpful in allowing tax administrations to respond quickly to the challenges which might arise in the remote working environment.

Challenge 3: Information security

Information security is core to a tax administration's work, and one of the immediate challenges of the pandemic was ensuring that remote working did not breach administration's security protocols, including legal requirements around data privacy and data protection. Working from unsecure locations, such as the employee's home, creates greater risks of exposure of confidential information through possible weaknesses in the systems used to connect to the administration, the vulnerability to theft of equipment or information, and the possibility of non-tax administration staff seeing or hearing confidential material.²

² For more information on privacy and disclosure risks in the COVID-19 environment see the 2020 report *Tax Administration: Privacy, Disclosure and Fraud Risks Related to COVID-19* (OECD, 2020^[5]).



For example, at the start of the pandemic, many tax administrations turned to video and tele-conferencing solutions to help maintain internal and external communication. However, there were questions about the security of those services, and whether they were sufficiently protected for confidential discussions. The OECD Digital Resilience report highlighted that more than 80% of tax administrations identified video or tele-conference services to be secure enough to allow for confidential discussions (OECD, 2021^[1]). This has helped build a sustainable infrastructure to facilitate ongoing communication after the pandemic.

As the move to more sustainable remote working grows, tax administrations may wish to consider:

- **Revision of their confidentiality agreements/protocols with staff to account for new ways of working.** This is particularly important for maintaining trust in the tax system and to reassure taxpayers that confidentiality is maintained. This may include revising protocols on access to, and storage of sensitive documents to prevent unauthorised viewing, copying and/or removal of files. Central to this will be the issuing of guidance, and further remote e-training, around privacy and security risks, and best practices. Special attention may be given to considering what types of data are accessible in remote working arrangements, and whether some sensitive tax data should be excluded.
- **Home working security assessments.** It may be appropriate to ask staff to do a risk assessment of their remote work environment using a common checklist (which could be recorded centrally) and to record mitigating actions taken. This will serve both as an educational and awareness-raising tool for staff and allow the tax administration to have greater oversight on the security implications of remote working and to issue appropriate guidance. It is also essential to provide for a secure connection between the employee's home and the tax administration's systems, such as via a virtual private network (VPN) connection, and to define ways of extending the secure practices from the office environment to the home environment in regard to antivirus protection, software updates, patching, system robustness, and the management of removable media such as USB sticks. This may include reinforcement of the mechanisms for remote authentication, for example with "Two-Factor Authentication".
- **Investment in software.** Software can provide a clear defence against security breaches, and allow for more careful monitoring of access to systems to detect unusual sign-ins or activity. It can also be used to prevent personal devices, such as printers or USB sticks, from accessing tax administration systems. Additionally, tax administrations may want to consider more regular assessments and tests of potential IT vulnerabilities, and taking adequate measures to deal with identified issues in a timely manner.
- **Employee monitoring.** Additional protections to help monitor remote working activity may also be considered. Some administrations have reported using key tracking software that allows the keystrokes made by employees to be recorded centrally and tracked back when suspicious activity is identified. This would need to be carefully handled with employees to ensure that their privacy concerns were addressed. The Commissioner Conversation between the Chilean and Finnish Commissioners in Annex A explores this issue in more detail.
- **Secure access to documents.** Another critical part of information security is the protection of the various documents that taxpayers often need to supply as part of their interaction with a tax administration. Ensuring that there is a digital document solution that can give staff secure access to relevant papers, regardless of where an employee is located will be an important consideration in establishing a sustainable remote working plan.
- **Security awareness and incident reporting.** To bring all the above elements together, it is important to consider how to ensure that employees have adequate awareness of the required security practices as well as the existing security risks applicable to working from home. This includes also awareness of the need to report incidents in home working environment and of how to obtain support for dealing with them.



To support tax administrations in securing confidentiality and adequate data safeguards, the Global Forum on Transparency and Exchange of Information for Tax Purposes (Global Forum) published a Confidentiality and Information Security Management Toolkit (OECD, 2020^[2]) with guidance on the implementation of various technical and organisational controls. In addition to that, the Global Forum has been collecting information from its members on good practices they have employed in providing a secure environment for remote work. The findings will be presented in a forthcoming report, which will supplement the aforementioned toolkit.

Box 1.3. Canada – Digital mailroom

The Digital Mailroom Project (DMP) was an initiative underway prior to the pandemic to provide the Canada Revenue Agency (CRA) with an integrated enterprise-wide digital content delivery solution (digital mailroom) that programme areas can leverage to transition from a paper-based process or enhance an existing digital process. Information resources (paper and digital) are converted into a standard digital format in which the digitised information resource will replace the physical source record. The result of this digitisation process is a digital record stored and managed in an electronic document and records management system (EDRMS) referred to as the Document Management Portal. As a result of the pandemic, digitisation capability has been accelerated in order to better enable remote work on paper-based workloads. It provides employees electronic access to a paper document, transforming the way they work a particular file.

Source: Canada Revenue Agency (2021).



2 Employee policy implications



Employment policies are an important part of the relationship between employer and employee, and often form part of the terms and conditions of someone's employment. They define the expectations that an employer and employee have of each other and set out the processes for monitoring the effective implementation of those policies.

Whilst many tax administrations did have remote working policies prior to the pandemic,³ these policies were often not created in anticipation of widespread and prolonged remote working. As a result, many tax administrations rapidly created new practices and eased existing policies to respond to the challenges of the pandemic, and to give staff certainty around the expectations placed upon them. These policies were often adapted to respond to the frequently changing demands of the pandemic.

Post-pandemic, as greater consideration is given to longer-term remote working, tax administrations could consider revisiting employment policies to ensure that they are still fit for purpose and that the immediate responses created for the pandemic are suitable for longer-term use. Such a review could help to ensure that there are clearly defined parameters between employer and employee for remote working, and that the policies are fair regardless of whether one works in the office or at home. Not only could this allow tax administrations to signal a shift to post-pandemic working practices, but it could also formalise and reset the procedures and processes that have built up during the pandemic where necessary.

³ See Annex A – Table A.48 of the OECD report Tax Administration 2019 (OECD, 2019_[7]).



Changes of this nature may require reassessing long-standing practices, which may have been developed in partnership with trade unions and other employee representative groups, so it is important to consider consulting these groups through any such process. These consultations could explore issues such as working hours, overtime, sick leave practices and health and safety concerns.

This chapter explores three policy challenges relevant to moving to greater remote working, by considering the impact on both office-based staff and remote working staff. They are:

Reassessing
expectations

Contractual
obligations

Duty of care

Challenge 1: Reassessing expectations

Employment policies can cover all aspects of an organisation's relationship with its staff, from recruitment to resignation and retirement. In an environment where remote working is more common, and where the expectations of work have changed, many of the long-standing administrative policies may need to be re-examined. For the organisation, a particular challenge will be ensuring the policy is flexible enough to reflect whether the workplace is either remote, in a tax administration's office or a combination of the two, and is fair to employees regardless of their workplace. Areas to consider could include:

- **Workplace behaviour.** Employment policies frequently cover how an employee is expected to behave or interact with colleagues. It may also cover areas such as dress codes or expectations around professional conduct. In an environment which may be perceived as more informal (for example, the home), the organisation will need to consider whether changes to policies should be made or, if not, how best to communicate and reinforce existing policies.
- **Timekeeping.** One of the advantages for employees who are working remotely is flexibility around working hours, giving more opportunities to balance work/life pressures, and tax administrations may have given extra flexibility to employees during the pandemic so they can help with caring duties. However, in the post-pandemic this flexibility will need to be carefully balanced with the needs of the employer, and other colleagues who may require input from flexibly working colleagues. Policies will need to be drawn up that carefully balance those competing requirements, so that all parties have clarity on working hours, and if needed, that hours worked are appropriately recorded.
- **Inclusivity.** Post-pandemic working could see the development of hybrid working, with many administrations allowing employees to be working some time in the office and some time at home. This will create policy challenges to ensure that all employees feel they have equality of opportunity regardless of their location. This could include formal opportunities such as applying for new positions or promotion.

Just as important though are the softer opportunities. Of particular importance will be the management of meetings as use of video conferencing becomes more embedded into hybrid working practices. Employers will need to consider protocols around use of cameras, and how those present in a meeting room interact with those present remotely to ensure inclusivity and an equal status between remote and in-person participants.



Box 2.1. United States – Offering Employees a “MaxiFlex” Work Schedule

Among several alternative work schedules, the Internal Revenue Service (IRS) offers employees a solution called Maxiflex, which refers to the maximum flexibility this schedule affords. Full-time employees are responsible for 80 hours of work each two-week pay period. Under Maxiflex, employees complete these 80 hours by working during “core hours” (9:30 a.m. to 2:30 p.m. local time, hours that most of the agency and team are working) on at least eight of the ten workdays in a two-week pay period. Outside of the core hours, the employee can vary the number of hours worked on a given workday or workweek.

This version of the Maxiflex schedule was in use prior to the COVID-19 pandemic. The requirement for full-time telework affects caregivers greatly, and these caregivers are disproportionately women. In response to this, the IRS modified the Maxiflex option by lowering the number of core hours and number of days they are required. Now, employees on Maxiflex are required to work just two core hours on as few as two days per pay period, ex. 9:00 a.m. to 11:00 a.m. on the first Monday and second Thursday. The remainder of the time, the employee decides when to work the hours. This can include time before or after normal work hours and even on weekends, allowing caregivers time to tend to young children and those attending school.

Source: United States – Internal Revenue Service (2021).

Challenge 2: Contractual obligations

Linked to employment policies are the contractual obligations between employer and employee. These contracts may include important protections and rights for both parties that support an effective relationship. A change to more remote working may impact on these existing obligations and create new ones, so it is important that careful consideration is given to the impact on employment contracts.

It is not uncommon for employment contracts to be tied to a particular place of work, and the rights emanating from that contract may depend on being in a defined workplace. Tax administrations may need to consider the implications of regular remote working on these definitions, and what reforms may be required. This may create opportunities for administrations to pursue more geographically mobile contracts which could allow the rapid deployment of resources to different parts of the administration as required.

One area that may merit particular consideration is salary, and any associated allowances. Some tax administrations may have residual entitlements to additional salary and allowances depending on the geographical location of the workplace. There are clear implications for these entitlements if the workplace is remote or in a hybrid location. This topic is an area that needs careful consideration with employee representative groups.

Challenge 3: Duty of care

Workplace health and safety is a core part of the employer’s responsibility to employees, and tax administrations may wish to carefully consider how they meet their employer responsibilities when an employee may not be physically present in the employer’s workplace. Particular attention may need to be paid to:

- **Home working environment.** Tax administrations pay frequent attention to the working environment in the administration’s offices to ensure that it is suitable for employees. This may



include special chairs or desks to help prevent musculo-skeletal injuries. Tax administrations may need to pay attention to ensuring remote workers similarly have equipment that meets any legal obligations regarding the provision of ergonomic equipment. The provision of this equipment in a remote working environment may be problematic for the administration to manage, so consideration could be given to funding employees to provide themselves directly with the equipment they require. Administrations may also wish to consider how best to assess the risks present in the home working environment. This could for example, be through a self-assessment done by the employee, supported by appropriate guidance, or through a guided assessment by an expert (which may include remote viewing of the home environment).

- **Access to occupational health services.** Tax administrations may need to check if employees are entitled to the same occupational healthcare services regardless of where they work, and also consider what happens if an employee has an accident while teleworking. It will be important to make clear what is covered by the employer's insurance or the employee's own insurance.
- **Burnout.** Whilst many advantages have been identified to remote working, many tax administrations report that there are concerns around monitoring employee workload and stress, which in turn can lead to burnout or other health conditions. Tax administrations may need to ensure that they have systems in place to monitor this, and may want to consider using formal monitoring software. Reports generated by monitoring solutions can be used by managers to understand when and how long team members are working each day, what they are working on and how long that takes. It may thus allow managers to identify and address work overload, staff disengagement and signs of burnout or other health issues. Additionally tax administrations may wish to consider additional support services. The Belgian tax administration, for example, employs 'resilience coaches' who will assist co-workers when they experience stress or difficulties balancing work-life priorities. The coaches can also be used to draw up a personal action plan with the ultimate goal of increasing resilience. They can easily be contacted even during remote working. For colleagues in need of a more thorough approach, the tax administration also provides psychological support for those struggling with the fast-imposed changes.

Box 2.2. Ireland – Protecting office based employees during the pandemic

Whilst health restrictions meant that a significant cohort of Revenue staff were working from home, a relatively small number of Revenue staff continued to work on-site in essential roles. To ensure Revenue offices were safe, appropriate measures were implemented through a *COVID-19 Response Plan*. Liaising with the Health Service Executive, Health and Safety Authority and other Government Departments, Revenue developed a coordinated approach to virus prevention in the workplace. Measures introduced as part of the response plan include induction training, social distancing in those workplaces where essential staff were based, provision of personal protective equipment, enhanced cleaning and sanitisation procedures, and the implementation of special protocols to help staff dealing with possible COVID-19 cases.

Source: Ireland - Office of the Revenue Commissioners (2021).



3 Towards a sustainable, location independent, organisational culture



Creating and maintaining an effective, collaborative working culture is at the heart of successful organisations, and traditionally that has often been driven by people being physically present together. That permits the dynamic connections and collaborations, including across different teams and units, that can lead to innovative solutions to problems. The pandemic was a shock to that culture as employees had to adjust rapidly to widespread remote working. It is testament to the strength of the culture of tax administrations that faced with these challenges, many have been able to take on significant new



responsibilities as part of wider COVID-19 citizen and business support tasks, as well as maintaining an effective tax administration function.

The post-pandemic challenge for tax administrations is how to make any shift to greater remote working sustainable, maintaining an effective organisational culture when staff may meet less often. Careful consideration should be paid to the culture of the organisation to ensure that regardless of where an employee is located, they understand the culture, and the organisational norms. This chapter considers the challenges a tax administration might face as it moves towards regular remote working which include:



Challenge 1: Fostering collaboration

Successful working culture is more than just meeting current objectives. It depends on the creativity of people working together formally and informally to innovate and find better ways of doing things. At the heart of this dynamic process has often been the unexpected collaborations or informal discussions that have helped connect organisations in different ways. Faced with the challenges of mass remote working tax administrations have adapted their systems to help employees to continue to work together effectively, although this may not always extend to cover the more informal interactions possible in an office environment. However as tax administrations consider moving to more permanent remote working patterns, it might be important for them to consider:

- **Embracing digital collaboration tools.** Numerous tools and platforms exist that can facilitate new ways of collaborating. These can help cross the barriers created by physical distancing and take account of different working patterns. Tax administrations may wish to consider further software investment to facilitate this or repurpose existing tools to allow for greater collaboration.
- **The value of informal collaboration.** Formal collaboration tools and techniques can help drive better solutions for the tax administration and for the taxpayer. However, it would be an error if tax administrations solely relied on these techniques to encourage a collaborative culture, as informal collaboration and discussion can be equally as powerful. Tax administrations may therefore consider how they can encourage informal discussion, the equivalent of a 'watercooler chat' in an office when teams may be physically distant. The digital collaboration tools can help deliver this, but it is important that organisations give permission for them to be used in this way and that time is made available. Other techniques that can be used include 'random coffee discussions' where employees are randomly paired with peers and are encouraged to discuss different aspects of their work, and encouraging cross team participation in team meetings, again to get different perspectives on issues.

Tax administrations might also want to consider creating opportunities for periodic in-person meetings which can help employees establish and build relationships with their peers. This could include incorporating socialising opportunities such as shared lunches and coffee breaks to increase opportunities for relationship-building.



Box 3.1. Country examples – Increasing collaboration

Ireland – Supporting collaboration

Following the announcement of health restrictions, Revenue took immediate action to put in place arrangements to support staff to securely work remotely, including providing technical software and communications solutions, which has continued to be enhanced. These solutions included:

- enabling a telephone dial-in facility for video conference meetings, facilitating staff in areas with poor broadband connectivity to access meetings via telephone
- implementing features to allow Revenue call centres to reopen whilst also allowing call centre staff to operate remotely
- piloting a software solution that allows staff to make and receive calls across the internet via the Revenue virtual desktop, rather than via handsets
- rolling out a webinar-based broadcast platform, enabling stakeholder engagement, conferences, training courses and workshops to continue in a remote working environment.

United Kingdom – Using new collaboration techniques

In the United Kingdom (UK), Her Majesty's Revenue and Customs (HMRC) was at the centre of the UK government's economic response to the COVID-19 pandemic. HMRC played an essential role in supporting businesses, families and the UK economy through the pandemic, including financially supporting the UK's most vulnerable people.

During the pandemic, most of HMRC's workforce were asked to stay home if possible, a move which saw over 90% of employees move from office-based activity to home working. Within days HMRC transformed the way they support employees to work effectively during these challenging times.

HMRC continuously improved and evolved the response as the pandemic continued. Software allowed for real-time collaboration and publication of people policies, health and wellbeing guidance and support tools that were responsive to changes in the management of the pandemic at both a national and at an organisational level. Supplementing this, communities were created on HMRC's social media platform encouraging connectivity and discussion across the organisation.

Sources: Ireland - Office of the Revenue Commissioners (2021) and United Kingdom – Her Majesty's Revenue and Customs (2021).

Challenge 2: Inclusivity

As mentioned earlier, inclusivity is one of the key challenges for effective and sustainable remote working. Creating a culture that allows all employees to contribute regardless of their location is beneficial for the well-being of employees but also for the organisation. Remote working creates risks that employees become trapped in silos or do not expand their network, potentially leading to more limited thinking and solutions. Tax administrations may wish to consider how they can encourage more cross-team fertilisation to create better solutions. The techniques highlighted in earlier chapters, such as agile project working, can help.

As well as the softer, social, side of inclusivity, it may also be important for tax administrations to consider the office environment and how that can work effectively when teams are likely split between the office and remote working, and are relying on video conferencing technology to communicate.

To respond to this, tax administrations may need to consider re-engineering office space to take advantage of the reduced need for desks to provide more 'break out' spaces to allow for effective communication such



as video or telephone conferencing. This may also require equipping existing meeting rooms with enhanced conferencing equipment (e.g. microphones and speakers) and supplying employees with high quality headsets. This can also help improve collaboration.

Box 3.2. Inclusivity – country examples

Finland – Take care campaign

Finland launched the 'Take Care Campaign' to provide information and tools to maintain resilience, well-being and sense of togetherness within remote teams. This includes:

- Virtual events for staff and management (e.g. virtual workplace wellbeing days, virtual management days)
- The use of an application that gives the possibility to book a workstation in an office as no offices have designated work desks, and to see the booking status at the office so that an employee can be certain they can work in the office if their situation requires it. This helps make an effective work environment as employees can also see free meeting rooms, and rooms which can be used for calls with other team members.

Indonesia – New ways of thinking about the work environment

Indonesia is developing new ways of thinking about the work environment by examining how to create a collaborative environment, rethinking the co-working/open space, creating a green tech-based office, using a digital environment. All the initiatives are designed under the program of Activity-Based Workplace (ABW). The objective is to establish an effective work-life balance, that has a convenient and collaborative working space, and minimises the costs associated with a fixed office.

ABW allows staff to choose the most suitable working environment and tools depending on their activities and assignments. Considering every task requires a different approach (solo work, collaboration, training) and staff are not forced to work in certain room layouts or within cubicles, but can choose the ways that work best for them.

Sources: Finnish Tax Administration (2021) and Indonesia – Directorate General of Taxes (2021).

Challenge 3: Responding to different employee attitudes to remote working

Tax administrations have reported that employees have many different attitudes towards returning to work:

- Some may want to be in the office full-time, preferring the office environment and interactions;
- Some may want to work remotely full-time and appreciate the work/life balance that remote working offers as well as the removal of the need to commute to the office;
- Some may want to have the flexibility to alternate between working at home and working in the office.

It is also important to note that attitudes may vary depending on the life stage that someone is at as well as family circumstances and responsibilities outside of work. For example, younger employees may value the 'social' side of work more and appreciate the dynamism of office working as it can help with their individual learning and development. Those with families or caring responsibilities, on the other hand, may place a greater weight on flexible working. In addition, attitudes may change over time including as the external environment or personal circumstances and preferences change. A number of administrations are carrying out regular surveys to gauge whether and how views are changing in order to ensure that any changes in policies are responding to current concerns.



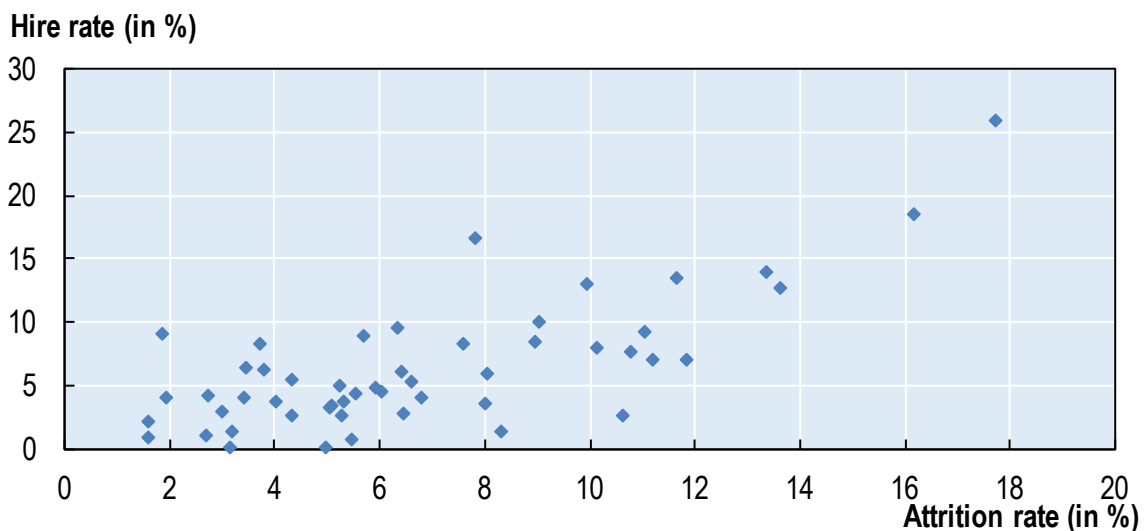
Much of these considerations can be accounted for in the development of clear employment policies as set out earlier. In considering these policies, tax administrations may wish to pay particular attention to issues of fairness (and perceived fairness) between those with different preferences. Of course, administrations will also need to consider how best to balance the preferences of employees with the needs of the tax administration itself.

Importantly, though, employees will need to see that different attitudes are respected and treated fairly even where the outcomes may not fully align with their preferences. This will be considered in more detail in a later chapter which examines performance monitoring. However, it is important that the challenges of inclusivity highlighted earlier continue to be borne in mind regardless of a changing mix in remote working patterns so that location does not adversely affect important issues like career progression.

Challenge 4: On-boarding new staff

Editions of the OECD's Tax Administration Series have shown that staff turnover rates in tax administrations are on average around 7% with some administrations showing rates well above 10% (see Figure 3.1). This means that within a few years an organisation can change a lot, and many of the assumed or embedded practices and established culture can wither if not carefully maintained and passed on to new recruits. Tax administrations may therefore wish to consider carefully how new staff are hired and inducted into the organisation when they may not physically meet colleagues, as without this new staff may struggle to understand the culture of the organisation, leading them feel disconnected from their new teams, with associated impacts on morale, performance and retention.

Figure 3.1. Tax administration's attrition and hire rates, 2017



Note: Attrition rate = number of staff departures/average staffing level. Hire rate = number of staff recruitments/average staffing level. The average staffing level equals opening staff numbers + end-of-year staff numbers/2

Source: OECD (2019), Tax Administration 2019: Comparative Information on OECD and other Advanced and Emerging Economies, Figure 4.16, <https://dx.doi.org/10.1787/74d162b6-en>.

Tax administrations could also consider how they can adapt existing processes or make use of technology to take account of the potential impact of remote working on organisational culture. For example, to guide new employees, the Belgian tax administration developed an on-boarding app which is shared with new employees prior to their arrival in the organisation, so they can discover their new professional environment



and learn more about certain topics. In addition, administrations may also wish to consider the creation of additional support networks, interest groups and mentors to help people adjust to a new organisation

Box 3.3. Canada – Virtual hiring procedures

Early in the pandemic, Canada Revenue Agency (CRA) realised it needed to still hire staff at its normal volumes, while dealing with the logistical impacts of COVID-19. Traditional hiring approaches had many face-to-face interactions throughout the process, from assessing candidates right up to equipping employees with tools and resources they need to begin their new job.

The Virtual Hiring Project was quickly launched to address this need, and so established a horizontal group with members from CRA's functional branches, as well as front line managers in the regions. This group tackled over 20 specific challenges related to virtual hiring, spanning technology, security, safety, standardised tests, staffing, and other topics. Many of the specific solutions created by members of this group have changed the way in which the CRA hires and on-boards new employees.

Source: Canada Revenue Agency (2021).



4 Maintaining performance



There is a growing body of evidence that widespread remote working during the pandemic has not resulted in reduced productivity, but in fact may have boosted it. There could be various reasons for this including staff converting time previously spent on commuting into working hours, productivity increases due to better work/life balance, or staff increasing efforts as they wanted to support citizens and businesses. There are ongoing questions, though, about the sustainability of those gains as tax administrations move to post-pandemic working environments. Previous chapters have highlighted that there are risks to maintaining performance as the working practices of an organisation shift, and employees may become trapped in 'silos' which might reduce the creativity of the organisation, and managers may not be able to easily assess staff well-being issues affecting performance such as isolation, burn out or mental illness.

Effective performance management is critical to tackling this. However, the existing performance management systems may not account for remote working. (This may have been an issue particularly during the pandemic as remote working may have happened in the middle of an appraisal period and may have disrupted existing management practices such as regular performance discussions.) Performance management where a significant number of the workforce are fully or partially remote working may create challenges for tax administrations around:



Fairly evaluating
performance

Creating more flexible approaches
to managing performance

Challenge 1: Fairly evaluating performance

Managing and evaluating performance is a delicate task and it becomes even more challenging as regards remote workers, particularly when employees might have different working patterns, for example as a result of caring responsibilities. Traditional performance management approaches have often relied on observation, and feedback from peers, managers and colleagues, which may be difficult when someone is less physically present. Additionally, output-based performance evaluation may be more difficult to undertake when managers cannot physically interact with their teams. To assist with this tax administrations could consider:

- **Using performance management software.** A number of tools exist that may be helpful with managing and evaluating performance of remote workers, ranging from tools that allow self-recording by the employee of time taken on tasks, hours worked etc., to more automated tools to record work done using a computer. Such automated tools can track keystrokes, record working time (including measuring active and non-active time), emails, applications used, and take screenshots. They can, however, carry risks around employee privacy, particularly where staff members are using personal devices at home or allow the use of official equipment for private use, for example, during off-time. When using such tools, the administration should, therefore, be transparent and inform staff what is being installed, how the tools work and what they are trying to achieve as well as how to bypass the tools in appropriate circumstances (for example the personal use of employee-owned devices).

In using such tools, administrations can also consider that there may be administrative tasks that cannot be performed on a computer. For example, audit related work might require reviewing paper documents, so any monitoring system may need to allow the staff member to indicate such offline work.

Whilst adopting these tools is not without challenges to ensure it is accepted by employees, they may greatly assist managers. Reports produced by such monitoring solutions could be used by managers to understand when and how long team members are working each day, what they are working on and how long that takes. It may thus allow managers to identify and address work overload, staff disengagement and signs of burnout.

- **Improving the capability of managers.** Administrations may want to consider the impact of workload that managing staff working remotely may have on managers, and how they can assist these managers with tools and support mechanisms to facilitate employee management. This may include providing managers with special training on how to interact with team members that work remotely. Some staff working remotely may feel excluded from certain interactions and may fear being disadvantaged compared to colleagues that go back to the office (for example fearing that not being seen at the office may lower career chances). Such perceptions may significantly affect staff well-being and hamper performance.

Challenge 2: Creating more flexible approaches to managing performance

Often organisations will have an annual performance appraisal cycle. This can create a culture where performance management is only formally addressed at a set time of the year, which can become more



challenging when employees are working remotely, as they may not receive the regular informal feedback that is possible within an office environment.

Tax administrations may want to consider adjusting appraisal approaches for remote working to encourage more regular and open feedback between managers and their staff. This would allow for transparent discussions where issues can be raised and solutions found. It may also help to maintain and build staff motivation, job satisfaction and productivity.

To facilitate this relationship, administrations may wish to provide staff and managers with guidance, examples of good practices and training as regards:

- Holding regular meetings (via phone or virtual; in teams or one-on-one; work related or simple small talk, etc.);
- Having open discussions / communication, including how to resolve conflicts;
- Creating professional development plans; and
- Providing upward and downward feedback.



5 Impact on services to taxpayers



A constructive and trusting relationship between tax administrations and taxpayers is at the heart of an effective tax system which depends heavily on voluntary compliance. Tax administrations have invested in these relationships over many years, and whilst the pandemic created new pressures, many tax administrations have reported that they were able to maintain and improve taxpayer trust through the way that they adapted to the crisis, the tone and style of interactions with taxpayers and by taking taxpayer-centric approaches.

However, as attention turns to post-pandemic working environment, it is worth considering how the pandemic has influenced expectations for taxpayer engagement as ways of interacting with them have changed, often moving to a virtual environment, including tax administration's service offerings. For example, government lockdowns, subsequent moves to remote working and the closure of offices has reduced face-to-face interaction to zero in many countries. To a certain extent, telephone or email interactions may have replaced this in-person interaction but for some people it may not feel the same.

As a result of the pandemic, the concept of remote working is now well established, and tax administrations may need to consider how this new environment has changed the relationship between tax administration staff and taxpayers. This could create a number of challenges for tax administrations to address as well as presenting new opportunities.



Box 5.1. Country examples – reducing impacts on services to taxpayers

Australia - Seamless work from home/office transition in telephony

The ATO has enhanced their telephony capability, which supports frontline contact centre workforce, by introducing a work from home (WFH) / work from office (WFO) toggle where staff only need one click to let the system know they are working from home, and to deliver calls through their smartphone to their headset. The system recognises when they return to working from the office and automatically delivers the call to their headset through their desk-phone. This capability allows the workforce to rapidly return to work from home or return to the office arrangements without impact to their duties.

Chile – Remote Support and Tax Control (RTSC)

Prior to the pandemic, Chile was developing strategies on how to communicate with taxpayers in a different way, and COVID-19 accelerated this process. RTSC is part of this as it provides a way of interacting with taxpayers using a remote service model, i.e., any help or support to taxpayers in resolving tax differences, as well as tax inspection and control, are accomplished remotely, without requiring taxpayers to be present at a tax administration office. This helps optimise taxpayer's time due to agile procedures being applied to resolving requests and addressing inspection processes, leading to higher levels of efficiency and productivity in the tax administration. With the participation of more officials, Chile aims that at the end of 2021, 80% of their actions will be remote, and by year 2022 they aim to reach 95% coverage. In addition, other benefits include reduced commuting and waiting times for taxpayers; avoiding duplicated requests from taxpayers and providing taxpayers with more flexible hours to engage with the tax administration.

Sources: Australian Taxation Office (2021) and Chile – Servicio de Impuestos Internos (2021).

This chapter does not consider some of the widespread innovative approaches that tax administrations have adopted during the pandemic, which are covered in other publications including the OECD report *Tax Administration 2021* (OECD, forthcoming^[3]) and in a proposed series of forthcoming notes highlighting new ways of working. Instead, it explores the challenges of establishing a new relationship with taxpayers as they interact with a tax administration in different ways, and how to make the transition to remote working seamless from a taxpayer's point of view. These challenges include:

Helping taxpayers understand the new opportunities

Effectively engaging with taxpayers when working remotely

Building effective feedback loops with taxpayers

Challenge 1: Helping taxpayers understand the new opportunities

It is important to recognise that taxpayers may have different attitudes and understanding of any new opportunities. Some may not be comfortable transacting digitally, some may have concerns about security and some may not possess sufficiently powerful hardware to facilitate easy transactions. It is critical therefore that tax administrations consider investing in educating taxpayers about the available options for communicating with them or for self-service, as having a well-designed and comprehensive suite of service and communication tools available does not help if taxpayers do not know about them or do not know how to use them. Tax administrations may want to consider:



- **Communication campaigns to promote new service offerings.** Using the tax administration's existing communication channels (for example website, social media, email campaigns, push notifications), a tax administration could promote the new communication and service options, including by explaining the benefits and limitations of those channels.
- **Clear guidance on using those channels.** As some of these channels may be new to some taxpayers, the administration could also prepare leaflets and / or short video tutorials explaining how to use the available tools. This could also cover issues around software or hardware requirements as well as providing more detailed guidance on the protocols the tax administration will follow when using those channels.
- **Reassuring the digitally excluded.** It is important to note that not all taxpayers are able or feel comfortable engaging with a tax administration using digital channels. This will need careful consideration to ensure that tax administrations account for these groups in their communications, potentially reinforcing that existing channels are still available.
- **Directly addressing any security concerns.** As highlighted previously, taxpayer confidentiality is a core concern for taxpayers. Tax administrations may wish to address this directly with taxpayers producing clear and transparent information on how they handle data, the protections that have been put in place for remote working and how taxpayers can raise concerns on data security.

Box 5.2. Italy - "Less waiting. More safety, punctuality and efficiency" campaign

To promote new services, Italy launched a communication campaign to increase the use of digital services and to promote the new ways of engaging the tax administration. Italy used several communication tools: dedicated webpages on the institutional website, social media campaigns, social help desks, press releases, tax guides, leaflets, posters, webinars and video conferences.

Source: Italian Revenue Agency (2021).

Challenge 2: Effectively engaging with taxpayers when working remotely

Since the beginning of the pandemic, many tax administration staff have interacted with taxpayers whilst working remotely. This even allowed some administrations to offer taxpayers communication and service interactions at times that would not have been available in the pre-pandemic working environment.

As part of plans for the post-pandemic working environment, tax administrations are now exploring the possibility to continue with such service and communication offerings. Based on the availability and willingness of tax officials, this may allow the tax administration to get closer to a situation where inquiries can be answered outside of office hours or even 24/7. In moving to such a service on an ongoing basis tax administrations may want to explore how to create a professional and seamless experience regardless of where the employee is located. Tax administrations will need to consider:

- **Ensuring a professional environment.** Working from home is not always easy, and there may be background noise and other disturbances that may not give a professional appearance. While taxpayers may have accepted this during the pandemic situation, it is worth exploring how to minimise such disturbances going forward, particularly given that taxpayer interactions with the administration can be at times of stress. Understanding that taxpayers want to be taken seriously, it is therefore important to create a professional environment while interacting with others.
- **Providing training and guidance to staff members on how to interact with taxpayers while working remotely.** To assist tax officials with this, tax administrations could consider providing



social skills training for video and phone interactions and detailed guidance. For video calls, tax administrations may also need to consider additional training on body language and how to respond appropriately to a variety of non-verbal cues. It is also worth considering how to support employees who are working remotely when they encounter complex issues, or difficult behaviours from taxpayers.

Box 5.3. Country examples – Effectively engaging with taxpayers when working remotely

China – New ways of engaging taxpayers

The State Taxation Administration (STA) of the People's Republic of China has provided taxpayers with extensive and targeted consultation services using a variety of virtual channels, including mock interviews, video demonstrations, cartoons and social media to continue to deliver services to taxpayers during a period of remote working. Numerous online services at a national level have also been delivered, in addition to the many hosted by different regional levels of tax authorities. These services include:

- *Created a dedicated Webpage and QR codes:* A webpage on COVID-19 issues was added to the official website of the STA and supported by QR codes which link to latest updated measures and policies undertaken to tackle COVID-19. These generated 2.517 million page views and 1.166 million scans of QR codes in 2020.
- *Responded to questions through one-to-many online interviews:* three online interviews were delivered and tax officials have answered 4 000 customised questions via online communication.
- *Published responses to frequently asked questions:* 322 frequently asked questions and responses regarding tax policies were published to help taxpayers find answers quickly.
- *Compiled a series of e-books:* A series of e-books were published on the interpretation of tax policies and measures to tackle COVID-19.
- *Recorded and published tax lectures:* Tax experts were invited to record 17 tax lectures that authoritatively explained key points of tax policies.

Georgia: E-hearing of tax disputes

During the pandemic, the Georgia Revenue Service (GRS) introduced remote, electronic tax dispute hearings where taxpayers were offered the chance to have a remote hearing for their ongoing disputes. This option was further embedded when taxpayers had the possibility to indicate in advance their willingness to participate in a remote hearing for new dispute resolution proceedings.

The solution ensures the business continuity of tax administration processes, the safety of involved parties during the pandemic, as well as saving the time and financial resources of taxpayers. Central to effective implementation was to ensure a smooth, efficient and effective system, also taking into account concerns and requirements relating to data protection and confidentiality. GRS decided to build a system using a video-conferencing platform that allowed taxpayers to connect both via computer as well as phone. Taxpayers receive reminders of hearings through their personalised web pages as well as via SMS, which also provides detailed instructions on how to use the platform. The e-hearing system has now been incorporated into the tax code of Georgia, meaning it will be maintained after the pandemic is over.

Portugal – Improving communication with taxpayers to facilitate compliance

The pandemic accelerated an existing project that aimed to increase digital contact with taxpayers and economic operators by using new media channels and simplifying procedures. In order to minimise the



need for face-to-face assistance services, the Portuguese Tax and Customs Authority (AT) invested in the following:

1. Improved taxpayer assistance channels, including:
 - a. **e-Front Office assistance** – that provided a secure channel for written questions and for receiving and processing requests from taxpayers. These were answered within an average period of 3 working days
 - b. **Telephone assistance** - Implementation of a virtual assistant to record missed calls and subsequent contact by the services
 - c. **Face-to-face service by appointment** – Appointments could be booked through the telephone answering service, the tax administration portal and e-Portugal channels
 - d. **Virtual assistant** - chat integrated with AT employees to clarify questions for taxpayers regarding the current PIT campaign.
 - e. **Use of digital platforms** for meetings with taxpayers and economic operators; and the creation of social media channels for the tax administration.
2. Reforming procedures to make them simpler and easier including,
 - a. Greater flexibility of international payments, refunds and tax residence certificates;
 - b. Customs procedures to respond to the national need to import protective equipment;
 - c. Customs procedures regarding the production, storage and sale of alcohol for industrial purposes or antiseptic therapeutic and sanitary purposes.

Sources: People's Republic of China – State Taxation Administration (2021), Georgia Revenue Service (2021) and Portugal - Autoridade Tributária e Aduaneira (2021).

Challenge 3: Building effective feedback loops with taxpayers

For many tax administrations, moving to these new ways of engaging with taxpayers will be stepping into uncharted territory. As a result, it is inevitable that service improvements will need to be identified and issues from a taxpayer relationship perspective will need to be resolved. To facilitate this, tax administrations could:

- **Create user groups.** By engaging with taxpayer associations and other stakeholder groups, issues could be identified quickly and potential solutions can be co-created so that the good relationships that tax administrations have built over many years, as well as during the pandemic, are not unnecessarily damaged.
- **Create digital feedback loops.** Ongoing service quality, and monitoring taxpayer satisfaction with new services is critical to successful deployment of new taxpayer services. By using taxpayer satisfaction surveys, for example, through simple, anonymised survey style questions at the end of each taxpayer interaction, tax administrations can gather data on the taxpayer experience, and identify possible service improvements.



6 Ensuring well-being for staff

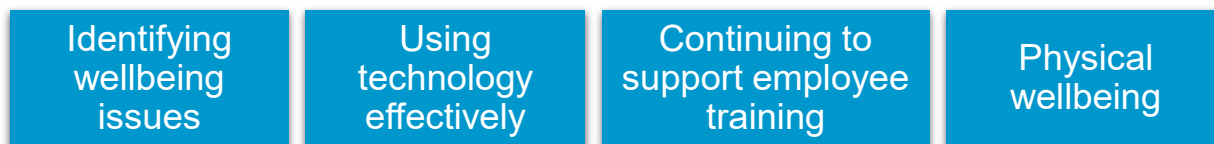


For an organisation, staff well-being is imperative to remain an efficient and effective organisation. During the pandemic, remote working may have had some positive impacts on well-being as people were shielded from transmission risks, including through not having to commute, and there was often more flexibility in working hours.

As organisations consider moves to more regular remote working, as previously mentioned, issues may arise as a result of officials being unable to disconnect from work, something that could be caused by a (perceived) expectation of being always available, or the remote working environment being unsatisfactory as private life disruptions interrupt working hours. Furthermore, people may start to miss the 'buzz' of collaboration, leading to stress and feelings of isolation. Additionally, over time anxiety might increase that not being physically at the office might create the feeling of being left out or overlooked for career progression. These issues can be compounded if staff do not have an appropriate working equipment and infrastructure, potentially leading to the development of musculo-skeletal issues and other chronic illnesses.



Left unaddressed these issues could have serious implications on staff well-being, ultimately impacting on the overall performance of the tax administration. This creates challenges for tax administrations as they aim to make remote working more sustainable. This chapter considers how a tax administration might address challenges related to:



Challenge 1: Identifying wellbeing issues

Tax administrations will have pre-existing metrics and techniques to monitor the organisation and to help managers identify well-being issues. Widespread remote working may challenge these existing frameworks, and necessitate changes to them. To address this, tax administrations could consider:

- **Monitoring employee self-discipline.** This might capture the ability for staff to work independently, by examining how a tax official might complete a number of tasks in a specific time. Measuring outputs in this way can help to identify employees who are struggling with remote working, and could provide early warning signs of the emergence of bigger issues. However, under widespread remote working, consideration will also need to be paid to other pressures which may impact employees such as caring responsibilities and individual working environments.
- **Ensuring effective communication.** Clear communication is critical to effective remote working given the absence of the prompts and feedback possible in the office environment. Managers may wish to consider the areas where a lack of clear communication can have the biggest impact on staff well-being in a remote working environment and make appropriate adjustments. This might include where there is a lack of regular engagement with colleagues, not informing colleagues of delays and issues affecting the completion of tasks, inefficient meeting preparations and vague instructions. Managers may wish to consider a combination of hard metrics (e.g. punctuality for meetings, regularity of engagement etc.) as well as softer measures around collecting feedback on concerns about the clarity of communication. Tax administrations may also want to consider apps and other employee assistance tools to help employees self-manage their wellbeing.
- **“Temperature check” surveys on employee attitudes.** Tax administrations may wish to consider regular anonymous ‘temperature checks’ of employees on key issues e.g. stress levels, job satisfaction, supportive management. Whilst they have limitations, and are only a snapshot in time, they can over time build this up into a picture of employee attitudes, and provide early warning of issues.
- **Inclusivity.** As remote working becomes more common practice, tax administrations will also need to monitor carefully the impact of remote working on gender balance. Remote working when done well can provide more opportunities to balance caring responsibilities with work. Traditionally women have taken on more of the caring responsibilities, but it is important to make sure that this does not impact on equality of career opportunity. Tax administrations should consider how they monitor this and may want to consider working with gender equality representatives to develop guidance for managers on how to ensure equal opportunities for all officials.⁴

⁴ For more information on the impact of COVID-19 on gender equality see the letter of 14 September 2020 on *Gender Balance and COVID-19* written by the FTA Chair, Mr. Bob Hamilton, and the Commissioner of the Inland Revenue Department New Zealand, Ms. Naomi Ferguson (OECD, 2020_[7]).



Box 6.1. Country examples – responding to wellbeing issues

Argentina – Legally protecting equality, gender balance and inclusivity

As a result of the COVID-19 pandemic, Argentina put in place the “Compulsory, Preventive, Social Lockdown” with a view to preventing and reducing the spread of the virus throughout the country. This meant that citizens were forced to manage both work and care responsibilities as citizens were required to stay at home. This meant that pandemic both deepened and made more visible a hidden inequality - the crisis of care.

The cancellation of schools, and the closure of day centres and other care services for the elderly or disabled concentrated the burden of care on families, especially on women. To help tackle this, and give more rights to women who faced these caring challenges, Argentina enacted the Telework Law which provides for equal pay, rights and obligations for employees working remotely or in-person as well as the right to digital disconnection and sufficient time for care tasks. This gave workers who have responsibility for children up to 13 years old, elderly or disabled persons, the right to working hours compatible with their care tasks.

In addition, the Federal Administration of Public Revenue has created a new Directorate to improve the development, implementation and assessment of tax policies on gender, equality, diversity and Human Rights matters. The Directorate is currently creating networks among the Agency’s staff in different provinces, promoting their participation in meetings and discussions aimed at developing policies and raising awareness on the ways of organising care throughout the country.

Ireland – Encouraging a wellbeing culture

Revenue created a Staff Survey in May 2020 that contained five specific questions that measured staff’s wellbeing. Recognising that the period of national health restrictions may have impacted on the wellbeing of colleagues, the data from this survey was used to develop ‘RevWell’, a bi-monthly bulletin which launched in July 2020. ‘RevWell’ has highlighted a number of initiatives and support mechanisms that are being championed by Revenue’s National Wellbeing Network, made up of representatives from all sixteen Revenue Divisions.

The initiative contains useful information about how to look after mental and physical health and also includes information about the Civil Service Employee Assistance Service. The biggest challenge of remote working, reported by Revenue employees has been the lack of social contact and one of the aims of ‘Revwell’ is to reassure staff who may feel isolated.

Italy – Psychological support

Thanks to the presence of the psychologist among the Revenue Agency’s staff, the Italian tax administration was able to provide psychological support for mental wellbeing by creating a specific “listening desk” for all those colleagues who felt the necessity to share their fears, their uncertainties, their anxieties and emotional fragility arising from the crisis. The “listening desk” offers the possibility to book a session with a psychologist in full respect of anonymity and confidentiality.

New Zealand – Using wellbeing surveys

In the early stages of the pandemic, New Zealand implemented a new and regular wellbeing pulse survey. It was designed to understand how employees were feeling about their wellbeing and day to day work experience. The insights feed directly into their manager’s dashboard, which was used to enrich 1:1 conversations with their team members. Whilst this was not specifically a gender balance initiative, this led to leaders having a greater understanding of the experiences and challenges their



people face e.g. caring responsibilities which largely fall on women and the impact this has on them and their work.

Singapore - Promoting Mental Wellbeing of Employees

The Inland Revenue Authority of Singapore (IRAS) made available a professional counselling service to staff as an avenue for those who need support to cope in a time of great change during the pandemic. Senior management set the tone in staff engagement through fireside chat sessions, and raised awareness among middle managers in looking after staff well-being. At the same time, pulse surveys were conducted to obtain insights into wellbeing and for example, whether staff felt they have received sufficient support from the organisation amidst the challenges brought on by COVID-19. A November 2020 survey revealed that 96% of survey respondents felt IRAS has provided sufficient support.

Sources: Argentina – Federal Administration of Public Revenue (2021), Ireland - Office of the Revenue Commissioners (2021), Italian Revenue Agency (2021), New Zealand – Inland Revenue Department – Te Tari Taake (2021) and Inland Revenue Authority of Singapore (2021).

Challenge 2: Using technology effectively

Much of the drive to increase remote working has been facilitated by technological advances. It is important that tax administrations recognise the limitations of that technology, consider which technology fits best for different tasks and how breaks from technology / videoconferencing are important to promote well-being. Without this employees can begin to experience feelings of always 'being on', making it harder to disconnect from work. To tackle this, tax administrations may wish to consider:

- **Introducing opportunities for breaks.** Office-based working has many natural small breaks, such as moving between meeting rooms or small chance interruptions to talk to colleagues, as well longer breaks over lunch. These natural small breaks may not be so present when remote working, and employees can feel a sense of 'video conferencing fatigue' as they are relentlessly moving between tasks and appointments. Technology can be used to set limits on lengths of meetings so that officials have a break between tele-meetings, giving them space to recharge. As an example, defaults can be set so that an hour long meeting booking actually only allocates 50 minutes in electronic calendars, providing natural breaks in calendars. In addition, administrations may wish to consider how lunch breaks can best be respected, for example by noting the lunch break in calendars, ensuring that meetings do not take place at that time and taking account of the lunch break when setting deadlines.
- **Highlighting preferences.** One of the challenges of remote working is that colleagues may not be aware of each others' working preferences, constraints or working patterns. Highlighting those preferences in simple ways such as email signatures, and repurposing out-of-office replies can help colleagues be aware of the needs of others.
- **Allow multi-location remote working.** The development of mobile app versions of desktop software means that employees can access their digital workspace in a wide variety of environments. Tax administrations could consider policies that allows employees to use mobile apps so they are not tied to a single desk, and could for example participate in meetings whilst walking outside. In this respect, tax administrations could also allow employees to work at multiple offices, such as ones nearer to their homes. However, this will need careful management as not all types of meetings and tasks are suitable for multi-location remote working, but handled correctly it could have a positive impact on well-being.



Box 6.2. Japan – Working at multiple offices, known as “satellite offices

During the pandemic, the National Tax Agency (NTA) of Japan offered its employees a new working arrangement for their working location. This allows employees to work at different offices that are nearer to their homes, called “satellite offices”. Working from satellite offices started at a limited scale in 2016, primarily for employees at local offices of a Regional Taxation Bureau. In May 2020, to prevent COVID-19 infection, the NTA has made this arrangement available to all NTA staff. Now employees with caring responsibilities can work at satellite offices, improving their work-life balance thanks to shorter commuting time. Moreover, the NTA upgraded its internal IT system to improve efficiency under the new arrangement. Since January 2021, regardless of whether they work from their main office or satellite offices, employees have access to their secured internal database.

Source: Japan - National Tax Agency (2021).

Challenge 3: Continuing to support employee training

Increases in remote working could make employee training and development more challenging to deliver, but finding solutions to these issues is critical to addressing well-being issues. Training creates a feeling of progression and development that can help employees feel positive about their future career options. To address these issues tax administrations could consider:

- **Investing in virtual training.** Increased remote working can make it more difficult to conduct in-person training. As a result, tax administrations could move their training programmes into a virtual environment. This can be live-training or pre-recorded videos/webinars. While moving to a virtual training environment may have some up-front cost, it may save cost in the longer term, along with other advantages such as staff being able to learn at their own pace, and the number of people that can take a course may not be limited. In addition, an increase in options for virtual training may help give more flexible timing options than is possible with in-person training, helping resolve the issue of training clashing with emerging priorities. It is possible therefore, that well-designed virtual training, complementing in-person training, may lead to an overall increase in training undertaken.
- **Introducing informal training opportunities.** Tax administrations could consider using more informal approaches to encourage greater collaboration between employees. For example mentoring between different employees can help employees learn from each other, and also encourage a culture of self-reflection. Furthermore, these informal techniques could be used by employees to share skills on common experiences, such as working remotely, which can also help build support networks and closer connections amongst colleagues.

Box 6.3. Country examples – Supporting employee training

China – New opportunities for e-learning

To support employee training, the State Taxation Administration (STA) of the People’s Republic of China has provided its staff with multiple opportunities for e-learning. These include:

- *Providing business training via a multi-purpose learning, training, test and evaluation platform and mobile application developed by STA:* In 2020, 176 online training workshops have been delivered via this platform for 25 000 tax officials at all levels on key topics such as epidemic prevention policies, tax and fee reductions, and social insurance contributions.



- *Encouraging training:* The STA headquarters provided additional guidance to support training, and tax authorities at the provincial level encouraged staff to take self-study, group-study and other flexible training formats.
- *Developed new training models and innovative learning methods:* The coverage of the learning platform was extended and online and offline training was integrated.

Hungary – New digital training approaches

For training, 2020 was the year of digital transformation, and the pandemic showed that re-thinking and re-structuring traditional training methods was vital. This included the development of a sophisticated multimedia training development kit and a new webinar system providing real time online education which has been integrated into existing training systems. With these developments, Hungary gained a new and complex e-learning toolkit, which can be used to develop new digital training processes.

Portugal - An approach to a major corporate goal: providing “just in time” training

The Portuguese Tax and Customs Authority (AT) has developed from 2017 onwards a suite of videoconference training rooms where trainees from all over the country would gather to work with local facilitators and a central trainer. As an improvement to this very successful training experience, in January 2020, the first steps were taken to add a webinar solution to their toolkit.

From mid-march 2020 close to 80% of the workforce had moved to remote working and the access to the remote training facilities proved invaluable. The implementation of a training programme based mostly on webinars (and e-learning courses) has enabled the training department to work more closely with the tax administration business areas to deliver adequate training on a variety of topics, more “just in time” than ever. There is an ongoing learning process of all stakeholders about how to improve the use of this tool with different teaching approaches, including sessions where learners can work in small groups in virtual rooms to address specific case studies.

Sweden – Using virtual reality in training

The Swedish Tax Agency has initiated a project to see what can be gained from working with virtual reality in our in-house training. The project was initiated before the pandemic and COVID-19 has accelerated the need for web-based in-house training courses within the tax administration. The virtual reality element provides possibilities to practice different situations without traveling. It also provides a possibility to experience stressful and challenging situations in a safe way.

Sources: People’s Republic of China - State Taxation Administration (2021), Hungary - National Tax and Customs Administration (2021), Portugal - Autoridade Tributária e Aduaneira (2021) and Swedish Tax Agency (2021).

Challenge 4: Physical well-being

Mental well-being and physical well-being go hand-in-hand. As highlighted earlier, as remote working becomes embedded administrations will need to consider the impacts of working at home on the physical well-being of employees. For example, the desk and chair arrangements may not be as effective as in the office. Solutions can include providing equipment, or funds to purchase equipment as suggested in Chapter 2, though careful consideration will need to be provided on the suitability and specs of the equipment purchased, and tax administrations may want to consider including guidance on this.



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Annex A. Commissioner conversation

This Annex replicates an interview between Commissioner Fernando Barraza of the Chilean Tax Administration (Servicio de Impuestos Internos) and Markku Heikura, Director General of the Finnish Tax Administration (Vero) about the considerations for successful remote working. The interview has been published on the website of the OECD's Forum on Tax Administration as part of a series of "Commissioner Conversations".

These conversations can be accessed via: www.oecd.org/tax/forum-on-tax-administration/publications-and-products/commissioner-conversations/#d.en.556685).

Considerations for successful remote working: Interview between Commissioner Fernando Barraza and Director General Markku Heikura

Fernando Barraza (FB): It is my great pleasure to be able to interview Mr. Markku Heikura on Vero's long experience with teleworking, something that has become the new reality for many tax administrations. We know from recent FTA meetings on COVID-19 that a number of administrations are in a broadly similar position to us that is coming from something of a standing start, while others, like Vero, have been using teleworking arrangements more routinely for some time. By way of background, in Chile until the Labour Code was modified on 26 of March 2020, there were no legal rights to agree with workers to work in remote form, although for public officials there is a pronouncement from the Controller General of the Republic that allows them to perform their functions outside the offices assigned for their work purposes. Therefore, this new reality has required a big change in our way of working and we needed to implement the legal system and the practical details for our officials with great speed.

Topic: The introduction of teleworking

FB: Markku, perhaps I could begin by asking you about the origin of teleworking in Vero which I believe began in 2012.

Markku Heikura (MH): Many thanks, Fernando, for this invitation. We are delighted to share our experiences. I will begin by stating that teleworking is in line with our values: building trust, working together, and embracing new ways of working. We have, over a long period, aimed at organisational agility in our operations. Back in 2011, some of our units took part in a "National Teleworking Day", which sparked general interest in the issue. In 2012, our in-house translators began to pilot teleworking on an ad-hoc basis, with the permission of their supervisor.

FB: Did you have particular goals or benefits in mind when developing your teleworking model?

MH: Teleworking was in the interest of the Finnish Government, and that was our starting point. We saw significant benefits both for Vero as an organisation and also for our employees. We realised we could improve the efficiency of work in accordance with Vero's strategic goals, develop ways of working that are less dependent on time and place, and of course enhance the well-being of our employees with more



flexibility to balancing their private and work lives. We also took into account the environmental aspect, as teleworking tends to reduce CO2 emissions via decreased commuter traffic.

FB: Did you introduce teleworking in a “big bang” or was it gradually introduced?

MH: The model was originally developed by our HR Unit in co-operation with IT and security, in close consultation with staff and unions. We introduced the model gradually within our HQ in 2012. Later, we extended the practice to all of our tax offices nation-wide. I would like to come back to our values here, as I believe the choices we make as an organisation either breathe life into our values or cause them to gather dust in a desk drawer.

In 2012, we also piloted and introduced a new concept for our work environment. In brief: open office with zones for different types of work. As both new concepts were rolled out at the same time, we of course monitored the data on working hours closely, only to learn that levels of working hours did not change and the number of sick leave days actually decreased. As part of our rules, teleworking is not an automatic right, and employees can be called into the office if necessary, either for work purposes or if the supervisor sees that the employee is not able to comply with jointly agreed rules or perform effectively.

FB: That is interesting that you say that there is no automatic right to teleworking. How then do you reach agreements with employees on teleworking agreements?

MH: In Finnish labour law, the principle is that the employer decides where employees work. Our employees know that teleworking is dependent on situations and may vary from one week to the next. This is well understood, and we have not really had any problems with it. Our employees have used the right to telework one to three days per week in a variety of ways; some regularly, some in intervals. In the present COVID-19 environment, we strongly recommend that all employees telework five days per week.

FB: You mentioned that you worked closely with labour unions. Could you describe the main points that you had to resolve?

MH: We did everything gradually: testing, reviewing and adjusting based on results and findings. Our consultations were ongoing with the labour unions throughout the process. We discussed regulations and monitored the data on working hours and sick leave days. As the numbers did not imply any cause for concern for Vero or the unions, we moved on with extending the practice.

The topics we have discussed were, among other things, overtime payments, work safety issues, laptops, monitors, ergonomics in terms of desks and chairs, internet connections and how to best monitor working hours in practice. We don't always agree, but we seek understanding through open discussions. Building an environment of trust does not mean giving up on technical arrangements necessary for Vero to do resource planning or monitor working hours.

FB: Is there any governing regulatory framework?

MH: At the outset, the regulatory framework for teleworking was based on the framework agreement signed by European labour markets on 16 July 2002, and later on the Ministry of Finance's rules adopted in 2015. Nowadays, teleworking is included in the Finnish Working Hour Act (as of 1 January 2020).



FB: Have you made further adjustments to the model over time?

MH: We have concluded a number of different pilots to test how we can best utilise teleworking. In one of these pilots, a group of employees tested the daily rhythm of three days of teleworking and two days at the office, while another group tested more flexibility in the daily time frame for teleworking, from 6.00am to 7.00pm. In 2016, in continuation of our open office concept, we introduced a policy of no designated desks at the office. As a result, our premises can no longer fit in all employees at the same time, meaning that a part of our staff in fact needs to be outside the offices teleworking, travelling, or on leave.

FB: Are there some functions and tasks that are not susceptible for teleworking?

MH: Any tasks that can be performed with a laptop by accessing one's workstation are suitable for teleworking. Of course we also have a number of tasks, which are not suitable for teleworking, such as customer service in the walk-in offices, digitalising incoming paper mail, tax audits based on paper material, some IT related tasks, for example updating databases or systems maintenance, and of course discussions between a supervisor and employee such as performance reviews.

We have advised supervisors to come into the office regularly to meet their staff and other managers. It is noteworthy that paper-based tax audits are becoming quite rare, and customer service shifts on the phone and chat applications can be done remotely.

FB: I am sure you get this question a lot, but did you get extra budget to implement teleworking?

MH: Indeed, this comes up frequently and the answer is rather straightforward. There was no need for extra investments. We started to replace desktop computers with laptops over ten years ago, and by 2015 everyone in our administration was equipped with a laptop. A teleworker needs to have a mobile phone. For online meetings we have been using Skype for Business, and it is now being replaced with MS Teams. All of these developments we would have needed in any case.

It is the employee's responsibility to acquire and cover the costs of an internet connection for the home office or other teleworking location. The employee is also responsible for the work facilities and any necessary home office equipment. As regards secure remote access, we use the service provided by the Government ITC Centre. We pay based on the volume of the usage.

Topic: Practical Considerations**FB: Perhaps I could now turn to some of the more practical issues that need to be considered. Maybe I can start with the obvious privacy and security implications in a teleworking environment. Did Vero employees sign a confidentiality agreement in order to telework?**

MH: All Vero employees sign a confidentiality agreement when they enter the administration. In the past, we also required the supervisor and employee to sign a written contract on teleworking. As we realised this mainly increased bureaucracy without adding any value, we adjusted the practice. An oral agreement has been sufficient from 2020 onwards. As of now, we consider teleworking a regular way to work, and it does not require any special arrangements. I should add that employees are not allowed to take any confidential papers home from the office. Our reality is becoming increasingly paperless, as all tax returns and appendices are now in digital form, making it possible for all desk audits to be conducted remotely.



FB: Do you have any special systems for detecting breaches in the teleworking context?

MH: Our Security and Risk Management Unit utilises software, such as MS Defender, to detect unusual sign-ins. We have learned that teleworking does not produce any more detected issues than occur in the office environment. If a problem is detected, a safety failure procedure begins and our data protection officers assess the situation. Administrative action is taken if necessary. As a rule, one cannot connect to Vero's IT environment with anything other than Vero's laptops and mobile phones. The use of personal devices, for example private printers or USB keys, is technically prevented. Our taxation system (Gentax) also records every single movement and keystroke made by employees, so steps can be traced back if needed.

FB: How do managers monitor what work is done given that there is perhaps less visibility than in the office environment?

MH: We believe visibility as such does not guarantee efficiency or results. Thus, we monitor the results of teleworking in the same way as we do for work done in the office.

FB: How do you supervise how many hours employees work or whether they are available at any particular point in time?

MH: In the early years, teleworkers were required to work with fixed hours from 8:00 to 16:20. As we learned more from our teleworking pilots, we started to allow more flexible hours. All employees monitor their hours, and everyone is expected to keep their Microsoft Outlook calendar updated. Our online tools allow us to be in contact with one another at all times.

FB: Would you be able to say a little more about how the working hour monitoring system works?

MH: This is an important question and I will try and give a detailed answer. Everyone at Vero uses a working hour monitoring system called Kieku. It is a commercial software solution, which includes processes for HR and finances. The system is based on SAP's and CGI's software products such as SAP Fiori, SAP CATS, CGI timeadmin. As a rule, when people start and finish the work day or take a lunch break or other private break, they log it in real time in their own work stations.

When hours are logged in on a daily basis, they also need to be allocated, for example to tasks or projects. It is done in the same system. The hours are allocated to one or several tasks or projects, this could be for example three hours to project A, two hours to project B and so on. The allocation should be done once a week and the supervisors check the hours monthly.

The Kieku system is only accessible in Vero's secure mobile environment, which can only be accessed via the secure remote access service, Pulse Secure. Kieku does not use login tracking or georeferencing.

FB: When teleworking, I guess it is possible that employees work longer hours sometimes than they would in the office, for example because they do not need to commute. Does Vero pay overtime hours or are there other forms of compensation?

MH: Yes, we pay for the overtime, but only if it is agreed beforehand with the supervisor. In general, we rarely need to resort to overtime, as our flexible hours are a good buffer in peak times. Our regular working hours are 7 hours 21 minutes a day and 36 hours 45 minutes a week. People can start flexibly between 06:30 and 09:30 and finish between 14.30 and 19.00. We have allowed some extra flexibility on Monday mornings and Friday afternoons, and even more flexibility in the summer vacation season. During the COVID-19 crisis, we decided to widen the flexible working hours from 06.00 to 23.00 in order for our staff



to maintain a better work-life balance in what has obviously been a difficult situation. As a rule, our employees are very capable of self-guiding their work within the offered timeframe.

FB: Are there special insurance considerations for employees who are teleworking in their own homes?

MH: All employees are entitled to the same occupational healthcare services regardless of where they work. If an employee gets into an occupational accident while teleworking, it is covered by the statutory accident insurance or the person's own accident insurance, depending on the type of accident.

Topic: The people side

FB: Please could I ask a few questions about how you dealt with skills and motivation issues for staff. Maybe I could start with asking what kind of training you provided for managers and employees.

MH: This is not an entirely new issue for us, as we have many offices throughout Finland and supervisors often work in different locations than their team members. We continuously train our managers to lead remotely, facilitate discussions and do competence development via Skype and MS Teams. We familiarise and coach all our new employees to the administration.

In 2020, we did, however face a new situation, as we needed to familiarise and remotely coach all those that we employ as extra temporary help in the summer period, and then have them work remotely as well. They received their laptops and mobile phones in the office, and are now teleworking without any problems.

Our general principle is that an employee who knows how to work in the office also knows how to work at home: we do everything on computers and we are a paperless office. The basic instructions related to teleworking are available in our Intranet. The only additional task in reality is to open the secure line to access one's workstation. The workstation's support menu contains key operating instructions, which are available without signing in.

FB: Is there a working protocol to supervise teleworking?

MH: Teleworking is based on mutual trust between the supervisor and the employee. We monitor the results of teleworking in the same way as we do for work done in the office.

Some of our employees have jobs where they are in contact with their colleagues regularly, thus enjoying a range of social contacts, but some jobs are more independent. Therefore, our managers chat regularly with everyone to monitor how people are doing in terms of wellbeing and workload.

FB: How do you measure the satisfaction levels of teleworking employees?

MH: In the early years, we conducted several surveys on the benefits, risks and drawbacks of teleworking. Teleworking has been perceived very positively all along. It increases wellbeing at work and reduces sick leave days, and it helps our employees to balance their private and work life responsibilities. The only risk that has arisen is alienation from colleagues, which is why we ensure supervisors contact their teams regularly. Nowadays, we no longer conduct surveys on teleworking per se, as it is very much business as usual for us.



Topic: Technology issues

FB: Were there any particular issues related to the laptops provided to the employees for teleworking purposes, for example around procurement options and insurance?

MH: We started to replace desktop computers with laptops over ten years ago and by 2015 everyone in our administration was equipped with a laptop computer. We do not have any special insurance in addition to the normal warranty. The model is the same whether you work in the office or at home. Only a few cases are not covered by the normal warranty and it is not cost-effective to get special insurance. We have not witnessed any increase in loss or damage due to teleworking.

FB: What kind of remote access do you use to enable teleworking?

MH: We utilise a secure remote access service provided by the Government ITC Centre. We pay for that based on the volume of usage. The system is the same for all government workers in Finland. Using the secure remote access service, employees can access their workstation in exactly the same way as they would in the office.

Closing remarks

FB: Based on your experiences what do you see as the key elements for successful teleworking?

MH: I would highlight three things. Firstly, teleworking is based on mutual trust, which should be seen as a normal way of working, not a special arrangement. Secondly, supervision, meeting arrangements and their methodology needs to be redesigned as the tools and ways of working are different when teleworking. Thirdly, the ability to telework depends heavily on the extent of digitalisation within the tax administration. In Vero, all of our taxation solutions are fully digitalised and all tax returns are in digital form. All administrative routines are done by computer. As a rule, we handle no paper in our offices and all of our archives are digitalised.

FB: Thank you so much for giving so generously of your time. Do you have any final words of advice to tax administrations wanting to improve their ability to telework?

MH: It has been a great pleasure. Thank you for your insightful questions. If I sum it up in a few words I would say: first look at the potential benefits for your organisation and staff. If possible, start with small and controllable pilots. Be open about the results. If the results are encouraging, then gradually expand. As for us, we see no going back to the old ways of working.



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