

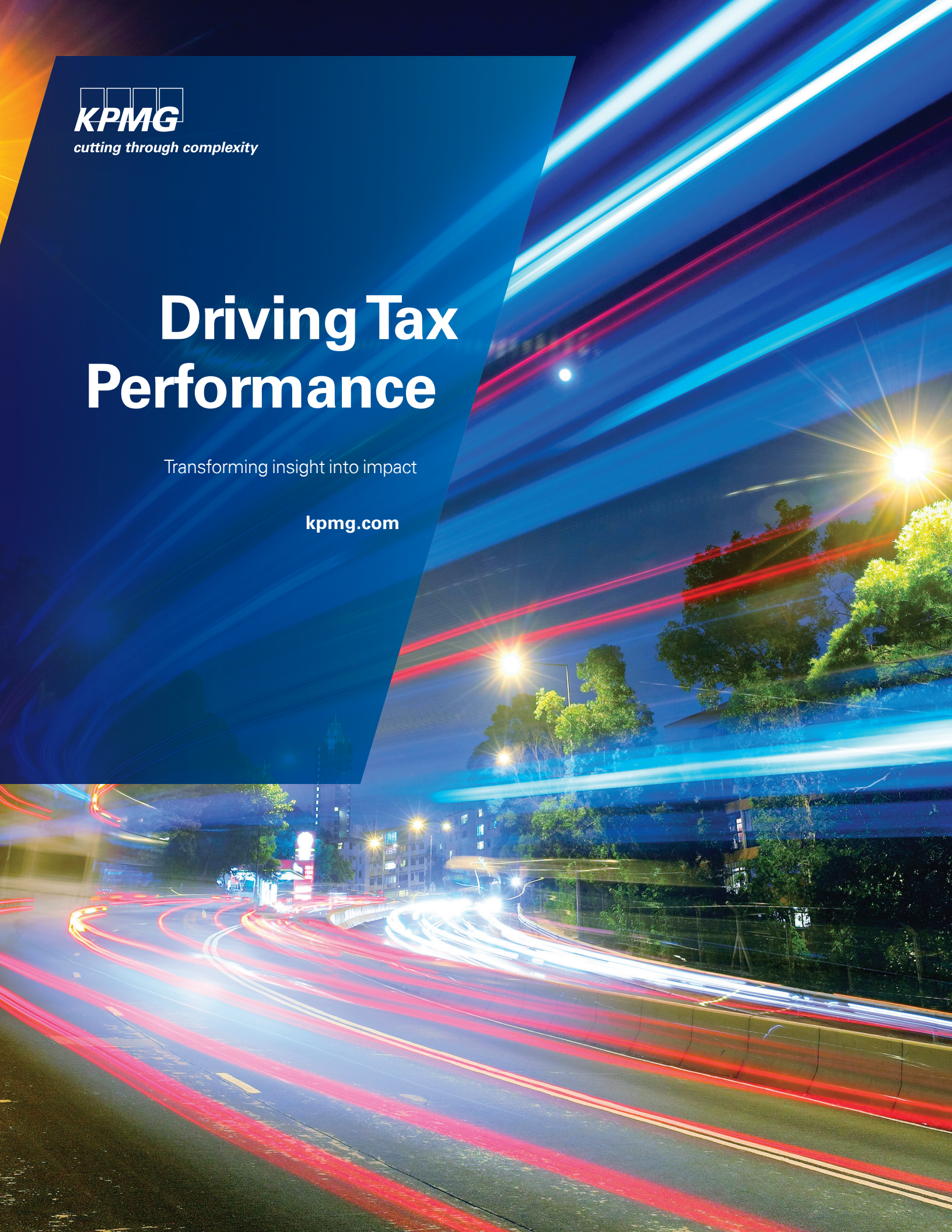


cutting through complexity

Driving Tax Performance

Transforming insight into impact

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A strategic approach to enhancing the role of tax

Almost every tax function faces ongoing challenges to improve and sustain performance, manage risk, and deliver value. That's where KPMG LLP's (KPMG) transformation professionals can help.

It might be a project to improve your corporate finance processes, the implementation of new enterprise technology, a management change, a reorganization, new business developments, or maybe just a "health check" to ensure everything is working the way it is supposed to work. Regardless of what may be driving a review of taxes in your organization, the result can be a greater focus on the performance and value of the tax department.

KPMG's Transformation professionals draw upon their experience in tax, compliance services, operations, technology, organization, benchmarking, and change management to help answer your questions, and to help you achieve the results and expectations of your stakeholders.



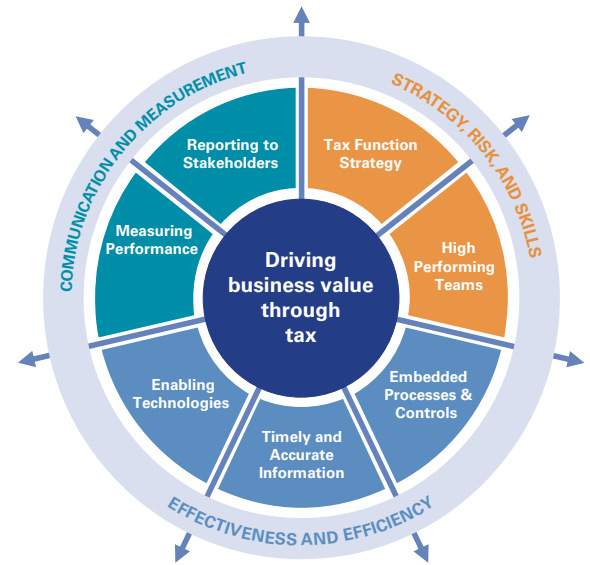


It helps to start with the right framework

The tax function in today's marketplace is influenced by forces on all sides. At KPMG, we believe that in order for the tax function to succeed, it has to take into consideration each of these influences and aspects of the company.

Our Driving Tax Performance (DTP) framework helps ensure leading practices are considered within the context of each company's strategic goals. The framework facilitates continuous improvement and provides for rebalancing as events change and new leading practices emerge.

The key focuses for the DTP framework are: *strategy, risk, and skills*; *effectiveness and efficiency*; and *communications and measurement*. Here is a closer look at how these key components can help drive tax performance.



Strategy, risk, and skills

A tax department strategy provides the business with a vision for the future—the right resource mix, effective technology, and leading practice processes. When all of these focus on supporting the goals of the tax function and the company, the strategy can:

- Guide and motivate high performing tax functions
- Facilitate communications with others in the business
- Direct the composition of staffing
- Show how risk and value should be balanced.



Effectiveness and efficiency

Complete and accurate tax data, well designed and consistently executed processes, and enabling technology are fundamental to high performance. Well implemented, the right processes and technology help:

- Provide tax results that are accurate the first time with minimal rework and last-minute corrections
- Make it possible to provide fast, nimble, and nuanced responses to requests for analysis
- Facilitate a common understanding of tax information and results among all tax process participants and drive tax planning.



Communication and measurement

Communicating with stakeholders in a clear, concise, and consistent manner benefits the tax function. The same is true of providing well-defined performance measurements. When done effectively, these:

- Give stakeholders a framework for understanding tax effects of business changes
- Provide a common understanding of tax trigger events and the associated communications protocols
- Provide mutually understood and agreed criteria for evaluation of tax function performance.

Continuous process improvement with Lean Six Sigma

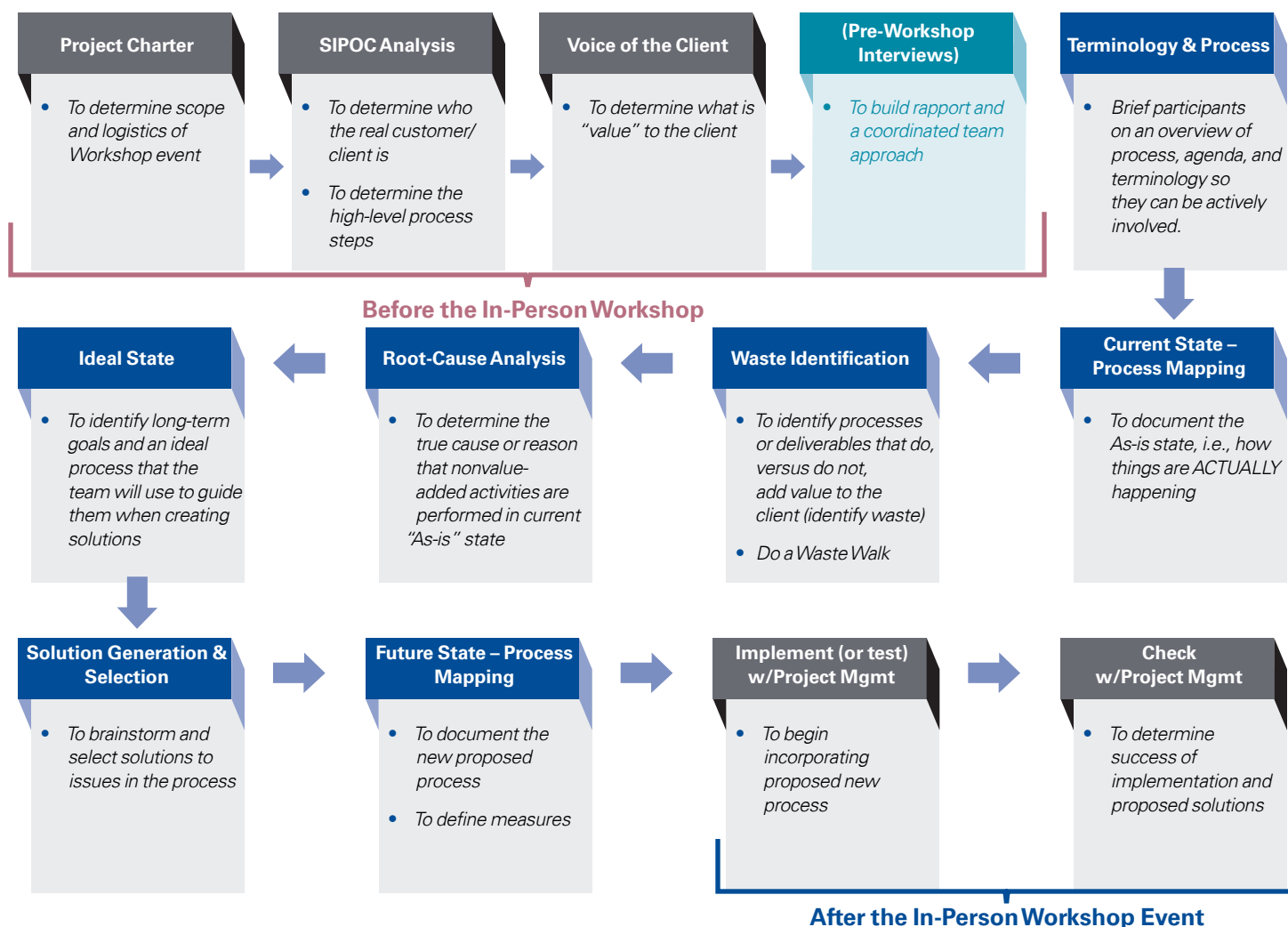
As part of our DTP framework, KPMG professionals can assist you with Lean Six Sigma Process Improvement reviews. Lean is a standard process and set of skills used to help identify and eliminate “nonvalue-added” activities, and Six Sigma is a process and set of tools used to identify and reduce variability and defects. While Lean and Six Sigma skills have traditionally been associated with the manufacturing industry, KPMG has developed a Lean Six-Sigma methodology designed to help identify waste and reduce variability and defects within our client’s tax departments. KPMG has made a significant investment in developing this methodology and in training and accrediting tax professionals, from associate to partner level, so they can help clients uncover technology efficiencies, process improvements, and opportunities to eliminate waste.

Key aspects of our Lean Six Sigma approach include the following:

- Document **current state** and look for enhancement opportunities
Deliverable: current state process map
- Design and document an enhanced **future state** to help ensure these opportunities are implemented
Deliverable: future state process map
- Facilitate yearly engagement reviews to promote the drive towards **continuous improvement**
Deliverable: process improvement work plan

KPMG’s Lean Six Sigma accredited professionals can facilitate these reviews with your team to help you drive value in your department—seeking ways to implement opportunities quicker, smarter, and more cost-effectively.

Structure of a KPMG Lean Six Sigma Workshop



How KPMG's Driving Tax Performance and Lean Six Sigma framework can help you to enhance the role of your tax function

KPMG can help you to assess:

STRATEGY, RISK, AND SKILLS	EFFECTIVENESS AND EFFICIENCY	COMMUNICATION AND MEASUREMENT
<ul style="list-style-type: none"> Alignment between your department and company leadership on the shared strategy for the tax function Whether you have sufficient department resources or skill set to meet tax function needs Your balance of value and risk 	<ul style="list-style-type: none"> Issues regarding quality or availability of data Processes and procedures that are documented at appropriate levels and standardized Quality and appropriateness of controls related to the tax functions Technology that processes data into tax relevant information 	<ul style="list-style-type: none"> Effectiveness of current stakeholder communications Effectiveness of current reporting procedures Metrics or KPIs appropriate for your department to measure success



How KPMG can team with you for success:

- Compliance Management Services** is a core competency of KPMG; if, for cost or skill reasons, you are considering changing your current compliance processes, we can help leverage our knowledge and resources toward developing a solution for your department.
- Tax Function Strategy** assists with developing a vision, mission statement, and strategy, and aligning the developed tax plan with overall corporate strategy and business goals.
- Tax Resource Planning** offers help in developing a resource plan to support a company's tax department strategy, including headcount analysis, skill requirements, career path, and succession planning.
- Tax Operations Benchmarking** uses relevant metrics to provide comparison and analysis of your department with those of peer companies in both industry and size.
- Tax Application Integration** services are focused on helping companies to realize the benefits of their tax technology investments. Our teams can assist with the design, configuration, and implementation of these technologies, including integration with upstream systems. Our teams have knowledge and experience with a number of systems including Corptax® and the ONESOURCE® suite. Additionally, KPMG is part of the ONESOURCE® Certified Implementer Program.
- Fixed Asset Transformation Services** provide assistance with the tax requirements, design, testing, rollout, and training for fixed asset systems, including the leveraging of ERP systems (e.g., SAP® or Oracle®) and tax bolt-on engines (e.g., BNA® or Sage®).
- Tax ERP and Hyperion Sensitization** provides assistance with the tax requirements, blueprinting, design, testing, rollout, and training related to financial accounting systems and their integration with other tax applications.
- Tax Intelligence – Enterprise Data & Analytics** services assist the tax function with the extraction, management, and analysis of large amounts of data from ERP and other financial or tax systems. The data is staged, transformed, and reformatted to provide an interface with tax applications or custom-built data analytic tools for reporting, analysis, and decision support.
- Tax Controls, Tax Risk Policy, and Procedures** provides assistance with documenting controls and tax risk policies that are aligned with the articulated strategy of the tax function. This may include documentation of defined categories of risk, respective risk tolerances, and associated operational guidelines and procedures. It may also include assistance with testing processes and controls for computing and reporting tax results, and helping to remediate past control weaknesses.
- People and Change Management** offers assistance with developing and implementing plans to manage change in the tax function, including communications, performance measurement, and reporting to stakeholders.
- Project and Knowledge Management** services assist with large-project management/implementations, project monitoring, data sharing, and collaboration software.
- Lean Six Sigma Process Improvement Reviews** provide a structured methodology to understand and document your current process, identify nonvalue-added activities, and develop process improvement implementation plans to help improve department efficiency and value.

Transform insight into impact

Every tax function faces a unique set of circumstances, constraints, and challenges. With its deep and expansive experience across all tax operations, KPMG's Transformation team provides insight into pragmatic and aspirational opportunities as well as hands-on assistance to help drive the performance and impact of the tax function.



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Some or all of the services described herein may not be permissible for KPMG audit clients and their affiliates

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