



Automating Core FIU Business Through Digital Transformation

*The Journey
Continues!*

Building greater business value through user-centric design,
agile product development and process automation

Our Journey...

In 2021-2022, FINTRAC launched its Digital Strategy which aimed to solve critical business problems and drive core business value.

Q3 2020-2021

Digital Strategy developed In collaboration with the Business Sectors (10 concept cases)

01

April 2021-2022

Began implementation of the first iteration of the Digital Strategy 1.0

02

DS 1.0 : 2021-2022

Achievements included new FINTRAC digital architectures and governance, new digital capacity & skillsets, new fast track and agile processes, new cloud-based security controls, new remote accesses, major system upgrades, new apps, major FINTRAC staff onboarding.

03

Digital Strategy 2.0

Year two of the digital strategy has begun with more business value and achievements on the horizon.

04

Launched two business modernization programs for our core businesses (Compliance and Intelligence), using a product management approach. Also launched a new digital office product team to serve internal staff.

Most importantly, good adoption of a new digital mindset.



The Evolution of FINTRAC's Strategy and Product Management - Phased Approach

We are here...

- Design and launch a client-centric digital strategy, aimed at building business value and solving specific business pain points
- Integrate business value propositions for key target segments
- Introduce product management at the strategy level

Digital Strategy

- Develop FINTRAC specific Product Management Framework which will see the development of a;
 - Product Principles
 - Product Leadership
 - Product Visions
 - Product Roadmap
 - Product Teams
 - Dedicated Time & Funding
 - Product Process
 - Modern Technology

Product Management Framework

- Develop a Product-driven Business Model, aimed at serving client target models
- Establish and assign Product Leadership
- Build awareness of Product Model and Leadership

Product Model Development

- Draft a product-based organizational structure
- Plan a matrixed product team to learn and apply theory in practice
- Draft agile processes and concept of operations

Product Organization Structure

- Launch first matrixed product team
- Create backlogs
- Draft product visions
- Draft product roadmaps
- Service and Product Design / Catalogue
- Prototype first product features
- Onboard other matrixed product teams, as available
- Adjust concept of operations

FINTRAC Product Management Beta 1

- Adjust from lessons learned
- Continue to formalize operating model (roles, positions, classifications, budgets, processes)
- Continue to prototype products and prove-out business value
- Adjust concept of operations

FINTRAC Product Management Beta 2, 3...

- Achieve first stages of business automation and sector modernization
- Deliver and measure business value

FINTRAC Product Management 1.0

CHANGE MANAGEMENT

Who is our Client Target Segment?

What is Product Management?

What are the big elements we need in place to start product management?

What is a Product Owner, Product Manager?

What does a Product Team look like?

Where do I fit in a Product-driven organization?

How does a Product-Driven organization operate?

How do we practically do product management?

How do we improve our maturity of product management?



DIGITAL STRATEGY - Creating a strategy to address our new reality

Using the momentum from our covid business challenges, we took the first steps in transforming FINTRAC into a digital organization.

1 IT STARTS BY BUILDING A STRONG BUSINESS RELATIONSHIP – LISTEN ACTIVELY!

Conduct broad business consultations and seek to understand their critical pain points

2 FOCUS ON CRITICAL PAIN POINTS

Draw out the acute pain points that hinders on the core business model, focus on the problems that limits an organization's ability to build future business value

3 IDENTIFY BUSINESS VALUE OPPORTUNITIES

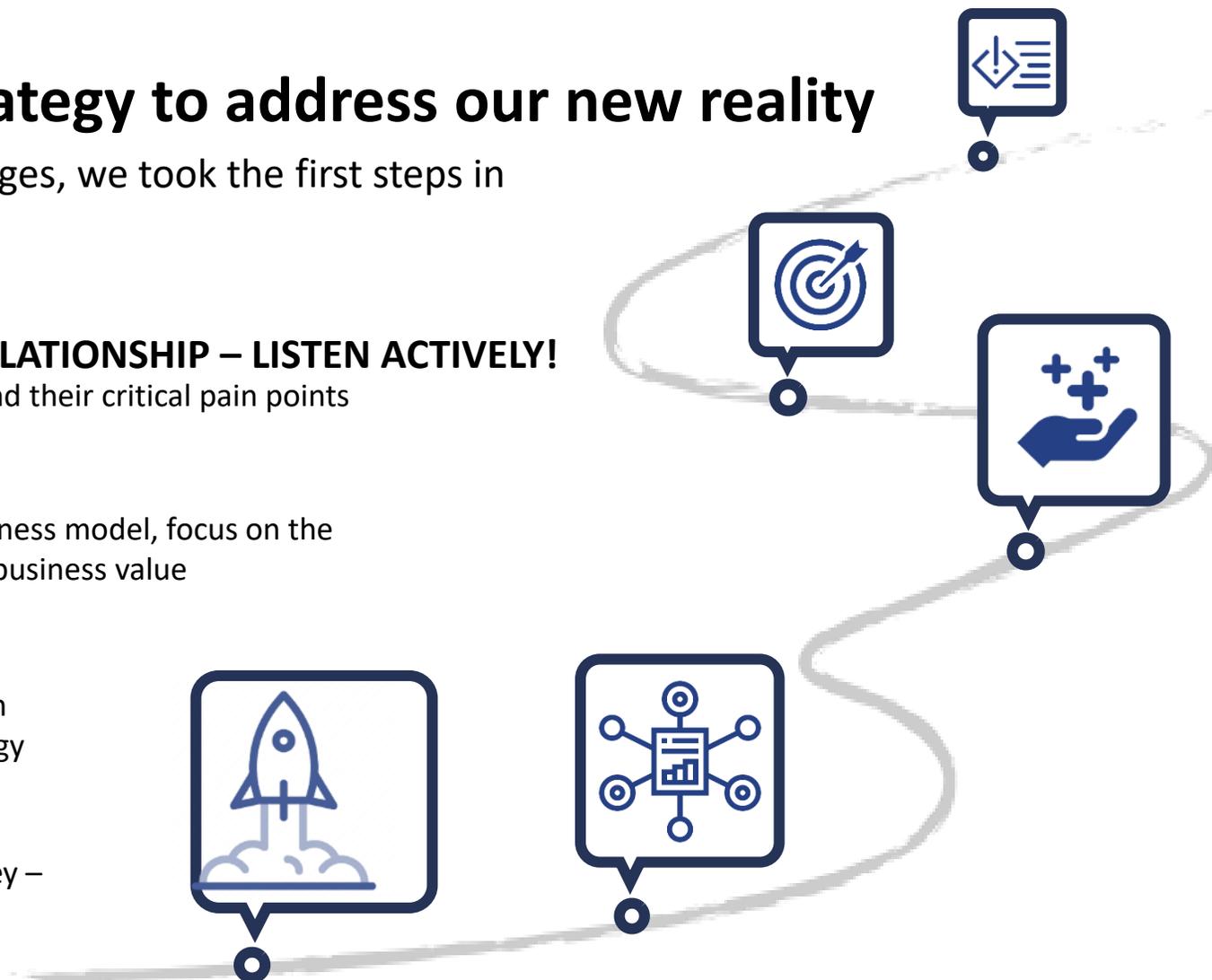
Prioritize those opportunities that can potentially transform key business value proposition, leapfrogs through technology

4 BUILD THE DIGITAL FRAMEWORK

Adopt purpose-built strategies to kick-start our digital journey – start small, big impacts, solve key problems

5 LAUNCH THE FIRST STEPS...

Build something, anything, learn from it, adapt. Repeat and improve.



FINTRAC Digital Strategy Framework

ESTABLISHING DIGITAL FOUNDATIONS

establish foundational digital capacity, processes and infrastructure



Product Management



Digital Architecture



Continuous Security



Upgrade Core Assets

1

AUTOMATING CORE BUSINESS

speed up core business through digital automation and analytics

Reporting Entities



Legs & Regs, Compliance Modernization

Law Enforcement & National Security



Intelligence Modernization

2

BUILDING A DIGITAL OFFICE

create a better work experience by building a digital office

FINTRAC staff



Enterprise Collaboration Platform



Enterprise Resource Platform

3

Created a purpose-built strategy to drive business value

Built 3 product teams to serve key target segments





PRODUCT MANAGEMENT FRAMEWORK

What we needed to start Product Management at FINTRAC?



A Product Vision(s) – started with our Digital Concept Cases and continue to evolve our product visions and goals



A Product Roadmap – began building prioritized backlog to automate core business



Product Team – establish cross-functional teams that will work together to prototype our first digital products



Dedicated Time & Funding – providing product teams time to learn, prototype, fail and reiterate in a safe environment, secured enough funding to get us started



A Product Management Principles – drafting rules and guidelines to help us along way and keep us on the right path



Product Leadership – assigned product leadership at an early stage



Product Process – capture the agile and UX design process - as we iterate through our first product prototypes, we will capture and refine to meet FINTRAC's needs

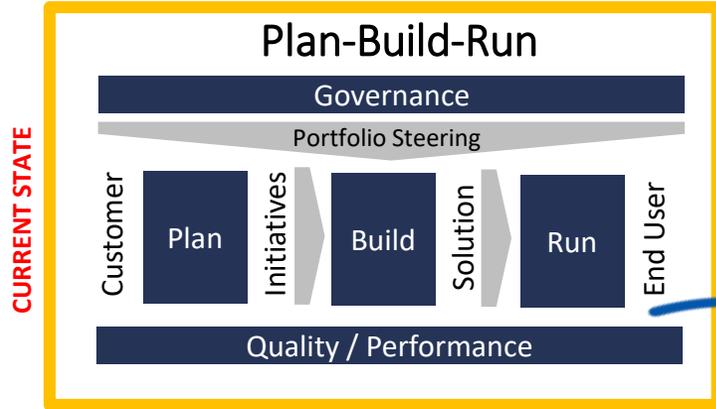


Modern Environment / Technology – we are building cloud-based development environments to start modernization

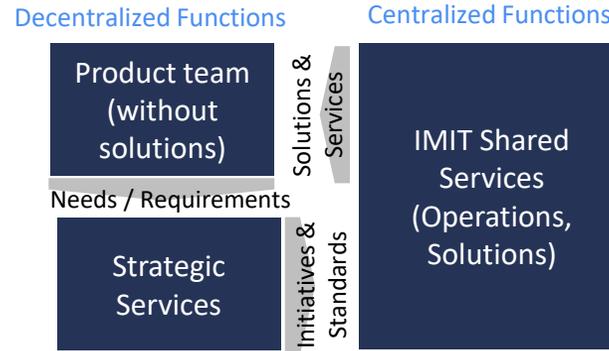


PRODUCT MODEL DEVELOPMENT – move from a “plan-build-run” business model and adopt a hybrid product management model to address business priorities.

Centralized
(IMIT / Business Silos)



Hybrid
Functional/Product Aligned



Decentralized
(Product Silos)

Line of Business, Product, or Geographically Functionally Aligned

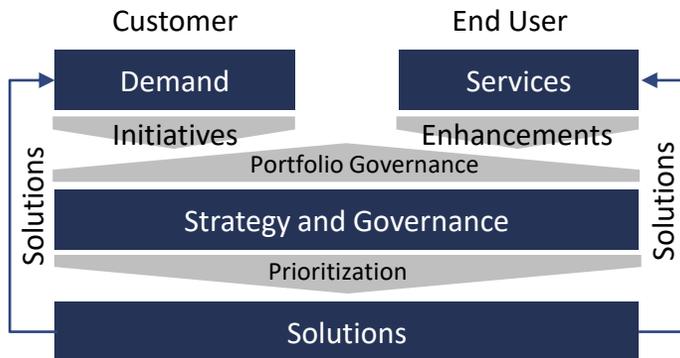
Decentralized X number of product families



Centralized Functions

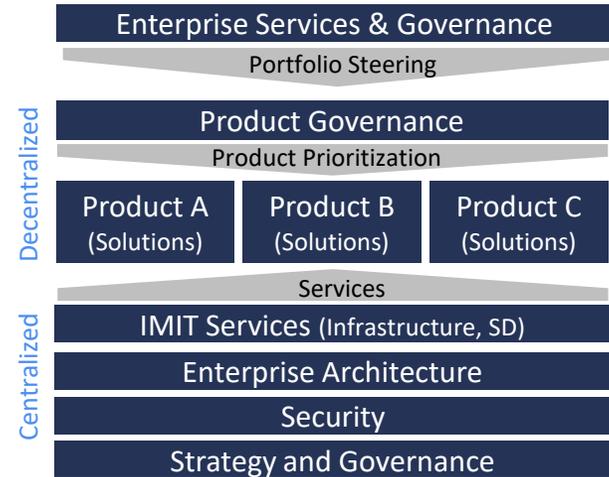


Demand-Develop-Service



TARGET STATE

Product-Aligned Operating Model





Organizational Design – Targeted Client Segments and Product Families

The digital strategy aims to build value in three unique business areas.



Modernizing Compliance and Building Value for Reporting Entities

- Heavily focused on UX research with key target segment
- Focused on re-designing services and building roadmap to meet target segment needs
- Beginning to prototype on modern platforms



Transforming FINTRAC's Intelligence Services

- Pathfinder for product management model
- Already has a great understanding of pain points and user needs
- Focused on speeding up core business through automation
- Beginning to prototype on modern platforms and agile procurements



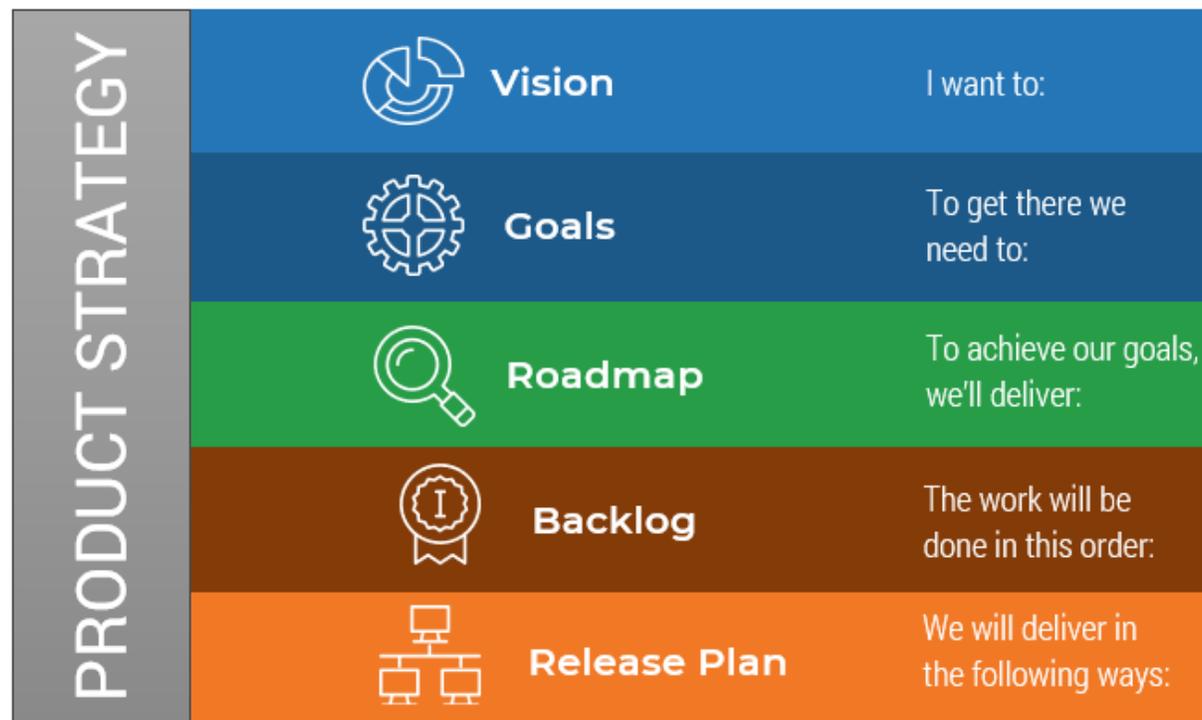
Building a Digital Office for FINTRAC employees

- Product family focused on serving the entire organization
- Contains some centralized services
- Focused on establishing three new digital platforms to increase collaboration and help FINTRAC manage its people and finances better.



FINTRAC Product Management - Beta 1 (Today)

Evolving product management model by prototyping product management





Challenges

Common challenges faced in our current journey

- Change Management
- Product Management – theory vs practical
- Learning new tech stack while adopting a new business model
- Multidisciplinary Teams



Questions and Answers



Appendix



Understand your government business model.

KEY PARTNERS

Partners required to achieve your mandate.

As government, who do you partner with to assure reliable services, which vendors can help you innovate or which departments do you strategically ally with to achieve your mandate? Identify your network of suppliers and partners that help you achieve your mandate.

KEY RESOURCES

The most important assets to achieve your mandate.

As government, what are the key resources required to build value for your target client segment? Identify your most important physical, financial, intellectual and human resources to achieve your mandate.

COST STRUCTURE

The costs to operate your organization.

As government, is your operational cost structure designed to drive value for your target client segment effectively? As public fund stewards, is your cost structure efficient? Identify how major costs are consumed and how they align to your value proposition and mandate achievement.

KEY ACTIVITIES

The things you do.

As government, what are the most important internal and external services you perform to achieve your mandate? Identify your government services.

VALUE PROPOSITION

Value delivered to citizens and client segment.

As government, what problems are we trying to solve for the public, how are your client segments satisfied with your public service? Using the value proposition canvas, identify how your government services are adding benefits and creating pain relievers for your client segments.

CLIENT RELATIONSHIP

The relationship you have with the people you serve.

As government, do you have a relationship with the public or with your regulated target segment? Identify which ones are established and how they are integrated with your business model.

CLIENT SEGMENT

The people you serve.

As government, who are the external facing groups that we serve? Which group are you mandated to regulate? Identify these groups into distinct target segments, based on their common needs or regulatory requirements.

CHANNELS

The way you connect to people.

As government, are your client channels user friendly, and do they delivery value to your target client segment? Identify your external and internal facing systems (APM) as well as any touchpoints (email, fax, ect) that connect you to your clients.



MANDATE ACHEIVEMENT

Your motivation and your return on investment.

As government, our mandate is not to make profit but to serve the public. Identify your criteria of success regarding your public mandate.



Understand your the value you produce for your partners and key client target segments.

