

# Washington Business Hub: Project Post Implementation Report [Biennium 6/30/2013-2015]

## 1 PROJECT BACKGROUND

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### SB 5718

In 2013, SB 5718 was passed, finding that “regulatory agencies were directed through an executive order in 2006 to develop a one stop business portal, but that a one stop business portal has not yet been developed.” The legislature further directed the Office of the CIO to lead a collaborative effort to produce a high-level technology architecture for a business portal, and guide its development. In 2014, this effort was funded by the legislature, granting \$737,114 GF-S in the 2014 supplemental budget to continue work on building a state business portal.

The goals of the project include improving the state’s business customer experience with a customized, more efficient and more effective way to reduce the time it takes businesses to conduct their interactions with the state with the result of increased compliance with state regulations. This document summarizes the outcomes of the 2013-2015 biennium work.

## 2 CHARTER & DELIVERABLES

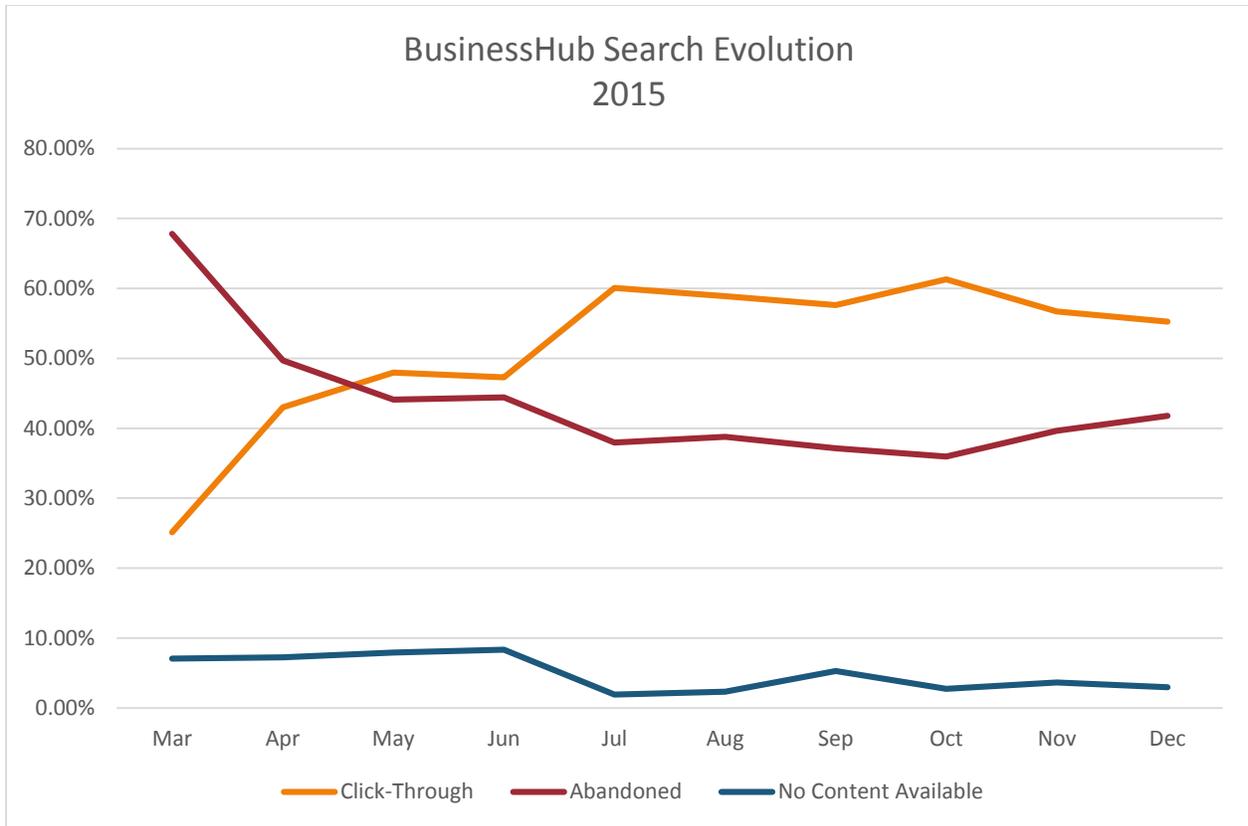
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### 2.1 CHARTER

The Project Charter establishing Governance was not completed in the first biennium and requires additional work as the biennium ends. The Project Charter is currently in draft 3 with a single signer—Secretary of State. With the 2015-2017 biennium, Governance will be reinvigorated via the Charter, which will identify the right structure for Executive Steering that is established via the Project Charter.

### 2.2 KEY DELIVERABLES 2013 – 2015 BIENNIUM

- **Q3 2014** – Initial customer needs assessment and customer research completed.
- **Q1 2015** – Implementation of Federated Search Product, Inbenta, which aggregates content from Department of Commerce, LNI, ESD, SoS, and Department of Revenue is installed.
- **Q2 2015** – Two dozen unique FAQ’s installed to improve search for customers.



- **Q3 2015** – Business.wa.gov site was redesigned with new look and feel. Twenty-four pages of fresh content launched.
- **Q4 2015** – Usability testing established product benchmarks as follows:
  - **Customer Satisfaction**
    - 60% of users described their experience as either Very Easy or Moderately Easy to find the information they are looking for.
    - 60% of users described the information they find as either Very Helpful or Moderately Helpful.
    - 65% of users said they will use the website in the future and 40% said they will recommend the website to others.
  - Efficacy benchmarks for important use-cases in customer **finding, retrieving, and understanding** of information were established as follows:
    - Benchmark for user success was 59%
    - Benchmark for user success in understanding information was 69%
    - Benchmark for average time on task was 4 minutes and 58 seconds.
  - Customer selection versus abandoned content to demonstrate search results.
    - Benchmark for **content selection** is 61% of content is clicked and should improve with this investment.
  - Number of questions answered and unanswered for customers.

- Product benchmark for **unanswered questions** ranges between 5-8%.
- **Compliance metrics** called for by legislation 5718 will be established for the 2015-2017 biennium.

### 2.3 PROJECT ROI 2013-2015 BIENNIUM

The project objectives set by 5718 and the product benchmarks established in the 2013-2015 biennium can be used to calculate a rough ROI for the V1 prototype (in production since 10/1/2015) with the application of some assumptions.

The project spent 737K for the 2013-2015 biennium and launched a v1 product increment in October of 2015. As is typical of technical projects, the Business Hub’s project costs for 2013-2015 biennium were front-loaded with customer research & development initiatives and needs assessment that included extensive customer interviewing, implementation of a proof of concept for an innovative search design, and brand design and testing—all valuable learning and information to the project. Front-loaded Investment costs like these (which average anywhere from 8-10% for technical projects) are difficult to assess for potential return on investment as risk and opportunity for reward/loss is at its highest at the beginning of project investment and view of project outcomes are dimmest. So while these costs are included, it’s worth calling out that even the most successful product development efforts usually show a negative ROI in first stages.

The following costs were incurred for primary deliverables and other increments of value included in the V1 prototype, which had as its objective ***fast and easy information retrieval for users classified as prospective and new business owners or business owners that have been in business for less than two years:***

Customer Research & Development: <b>145K</b>
Search Implementation and Proof of Concept: <b>60K</b>
Brand Design: <b>25K</b>
Site design and prototyping: <b>175K</b> (An additional 100K was spent in the second biennium, as well.)
Content Development: <b>95K</b>

The team’s v1 prototype was in production by October of 2015. End-user usability testing was initiated to identify customer response and establish its potential business value. Relevant efficacy benchmarks that are inputs to v1 ROI calculations include:

- Benchmark for user success in **finding information** was 59%
- Benchmark for user success in **understanding information** was 69%
- Benchmark for **average time on task was 4 minutes and 58 seconds.**

The nearest comparable product to the Business Hub v1 product is the state’s **Small Business Guide**. The purpose for the guide is the same as the purpose for the Business Hub v1 product—to answer questions for small businesses, so using the guide’s benchmarks is an approach to calculating ROI for the 10/7/2015

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2013-2015 product. When this lens is applied to the calculation of ROI, the tests showed the V1 prototype demonstrates a step back from earlier increments of the product when measured against the most important use-cases. The team felt it was important to take a deeper look at the earlier prototype as a viable opportunity for a sensible pivot and a new path for development and thus reskinned it and tested it again against common use-cases, hypothesizing the Small Business Guide reskin would perform better than BizHub Product v1.

DATA SUMMARY from Usability Tests				
	<b>SBG – ORIA Feb 2015</b>	<b>SBG – BizHub Product 0 Feb. 2015</b>	<b>Product v1 [Different Content] Oct. 2015</b>	<b>SBG – Bizhub v2 Prototype Site Jan. 2016</b>
<b>Effectiveness</b>				
Success in finding	68%	78%	59%	74%
Success in understanding	49%	64%	62%	80%
<b>Efficiency</b>				
Average time on task	6:32	6:23	4:58	4:29

### 2.3.1 Key Assumptions

Business owners \*self-identify their time is worth an average of \$100 per hour.

Average business.wa.gov site visits per day by business owners was 350 throughout the biennium.

Average time on task in usability testing showed an improvement of 1 minute and 34 seconds from Feb 2015 SBG to Product v1 in October 2015.

Assuming a business owner completes a task, **this reduction in time it takes to complete their business with the state** has a quantifiable value per the self-identified average value of a business-owner’s time of \$100 per hour. Each research task completed saves the business owner \$2.50 of time.

Due to low average session time of 3 minutes versus an average 5 minutes seen in usability testing, we’ll assume only 60% of business owners visiting the site complete their research. ***This is a good assumption because it matches the success in finding rate assessed in usability testing.*** This allows us to assess the number of business owners completing task at an average 210 per day, with total incremental cost savings for business owners realized of \$525 per day when the v1 product launched.

*\*Several studies, including SBA site this number as average/mean/median, etc.*

### 2.3.2 ROI

Thus,

$[\$191,625 \text{ (annualized cost savings for business owners)} - \$887,000 \text{ (cost to produce V1)}] / \$887,000 \text{ (cost to produce v1)} = (78.4\%) \text{ ROI.}$

In conclusion, due to the narrow scope of the first biennium’s product, the need to front-load much expense for research and development, and the project’s loss of opportunity to pivot earlier, the

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project's ROI will remain concerning until transaction-based / dashboard based use-cases can improve cost savings for business owners.

## 3 PROJECT MANAGEMENT PRACTICES

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### 3.1 LEAN START UP AND AGILE

The 2013-2015 biennium outlined intent for the Business Hub portal project to follow throughout all phases of development Lean Startup principles to reduce the amount of time needed to deliver customer value. Project delivery method was Agile/SCRUM and values were articulated as follows:

- **LEARN** customer needs and pain points
- **BUILD** prototypes and product increments that provide customer visible value
- **MEASURE** effectiveness through continuous engagement of the customer.
- **REPEAT** the Learn-Build-Measure process, minimizing the time to deliver customer value.

### 3.2 SIGNIFICANT PROJECT DELIVERY ISSUES:

- Regular cadence of customer touchpoints via low-fidelity prototyping was sacrificed by project management in favor of pursuing sunk-cost development to meet high-profile deadlines. The outcome was a product was developed that was not adequately user-tested prior to implementation into production. Outcomes included:
  - Plain-talk content did not interest customers during usability testing.
  - Complex site designs inhibited customer finding and understanding of information.
  - Search FAQs were interpreted as google advertisements and thus ignored by customers.
- Product benchmarks were not established early as a “north star” of improvements by project management, thus the team was unable to use them to pivot scope/features when needed.
- Multiple work-streams agreed to during Scrum created focus issues and project delays.
- Resources were not dedicated resources, which also created focus issues from context-switching and project delays.

## 4 APPENDIX:

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### 4.1 QUALITY ASSURANCE REPORTS

External Quality Assurance Reports can be found [here](#) and on the OCIO Project Dashboard.

### 4.2 LESSONS LEARNED

#### 4.2.1 Method:

360 feedback for the Washington BizHub project's 2013-2015 biennium was collected via a lessons learned project survey. The survey was distributed via email on 9/4/15 to a broad audience for the project, including executive sponsors, internal IT oversight consultants and the project's external quality assurance vendor, project contractors/vendors, steering committee members, project stakeholders, and core team members. 38 surveys were sent out and 12 responses were received by the requested due date of 9/10/15. Broad work categories surveyed included: Project Communications; Product Delivery and Planning; Technical Delivery and Management; and Important "Other" Work, which included perceptions of triple constraint project management.

Each category examined included several sub-topics, which respondents assessed for project performance by ranking the work area as "needs improvement," "acceptable," and "exceeded expectations." A weighted average of 1 - 3 was calculated for each feedback area. Respondents were also asked their top three recommendations to the team for improvement and their top three suggestions for the team to continue with or add to current practices.

In addition to the survey, the core BizHub team also participated in a Start - Stop - Continue session and identified their top candidates for improvement for the 2015 - 2017 biennium.

#### 4.2.2 Objective

The goal of this effort was to prioritize changes for the project from all three feedback methods and use this material as an input to **the Post Implementation Review Process**, which will be published to the OCIO Project Dashboard. The table below captures the first fixes identified, along with the plan for fixing the issues.

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### 4.2.3 Respondents:

Three project steering committee members gave feedback. Two contractors, and five core team members participated as well, including project sponsor and manager. The project also received feedback from a few unidentified respondents.

### 4.2.4 Project Communications Feedback: Key areas needing improvement are: Governance, Status Reports, Project Planning Documents, and interactions with customers.

	Needs Improvement	Acceptable	Exceeded Expectations	Total	Weighted Average
Team "Esprit De Corps"	27.27% 3	63.64% 7	9.09% 1	11	1.82
Steering Committee Meetings	9.09% 1	72.73% 8	18.18% 2	11	2.09
Governance Process	54.55% 6	45.45% 5	0.00% 0	11	1.45
Stand-Ups	25.00% 3	66.67% 8	8.33% 1	12	1.83
Sprint Planning	25.00% 3	66.67% 8	8.33% 1	12	1.83
Sprint Demos	8.33% 1	50.00% 6	41.67% 5	12	2.33
Project Planning Documents	36.36% 4	63.64% 7	0.00% 0	11	1.64
Team Collaboration Tools	8.33% 1	50.00% 6	41.67% 5	12	2.33
"Right-sized" documentation	10.00% 1	70.00% 7	20.00% 2	10	2.10
Status Reports	45.45% 5	27.27% 3	27.27% 3	11	1.82
Interactions with Sponsors	20.00% 2	50.00% 5	30.00% 3	10	2.10
Interactions with Customers	33.33% 4	50.00% 6	16.67% 2	12	1.83
Interactions with Stakeholders	20.00% 2	40.00% 4	40.00% 4	10	2.20
Interactions with Vendors/Contractors	16.67% 2	50.00% 6	33.33% 4	12	2.17

**4.2.5 Product Delivery & Planning:** Key areas needing improvement are: Product Meets Business Objectives, Product Backlog, Product Roadmap, Product ROI, Product Specifications/Requirements, and Product Measurements.

	Needs improvement	Acceptable	Exceeded Expectations	Total	Weighted Average
Product Vision	16.67% 2	41.67% 5	41.67% 5	12	2.08
Product Backlog	50.00% 6	41.67% 5	8.33% 1	12	1.08
Product Road map	50.00% 6	41.67% 5	8.33% 1	12	1.08
Product ROI/Value	50.00% 6	41.67% 5	8.33% 1	12	1.08
Product Specification/Requirements	50.00% 6	50.00% 6	0.00% 0	12	1.00
Product Testing	33.33% 4	50.00% 6	16.67% 2	12	1.50
Product Quality	41.67% 5	50.00% 6	8.33% 1	12	1.25
Product Meets Business Objectives	58.33% 7	33.33% 4	8.33% 1	12	0.92
Product Measurements	50.00% 6	41.67% 5	8.33% 1	12	1.08
Product Acceptance	45.45% 5	36.36% 4	18.18% 2	11	1.27

**4.2.6 Technical Delivery & Management:** Key areas needing improvement are: deployments & rollouts, technical implementation, technical practices, and resource management.

	Needs Improvement	Acceptable	Exceeded Expectations	Total	Weighted Average
Technical Practices	50.00% 6	41.67% 5	8.33% 1	12	1.58
Resource Management	50.00% 6	41.67% 5	8.33% 1	12	1.58
Technology Selection	33.33% 4	66.67% 8	0.00% 0	12	1.67
Technical Implementation	58.33% 7	41.67% 5	0.00% 0	12	1.42
Deployments and Rollouts	66.67% 8	25.00% 3	8.33% 1	12	1.42
Technical Success	41.67% 5	50.00% 6	8.33% 1	12	1.67
Test Planning and Testing	41.67% 5	41.67% 5	16.67% 2	12	1.75

**4.2.7 Other Important Stuff, including management of triple constraints: Scope, Budget, Time/Schedule:** Key areas needing improvement are: procurement, on-time delivery, and product within scope.

	Needs Improvement	Acceptable	Exceeded Expectations	Total	Weighted Average
Procurement	54.55% 6	36.36% 4	9.09% 1	11	1.55
Contract Management	25.00% 3	58.33% 7	16.67% 2	12	1.92
Vendor Selection	25.00% 3	66.67% 8	8.33% 1	12	1.83
Vendor Management	8.33% 1	66.67% 8	25.00% 3	12	2.17
Risk Management	9.09% 1	90.91% 10	0.00% 0	11	1.91
Change Control	41.67% 5	58.33% 7	0.00% 0	12	1.58
On Time Delivery	58.33% 7	33.33% 4	8.33% 1	12	1.50
Within Budget	20.00% 2	50.00% 5	30.00% 3	10	2.10
Within Scope	45.45% 5	36.36% 4	18.18% 2	11	1.73
Meets Legislative Objectives	20.00% 2	60.00% 6	20.00% 2	10	2.00

#### 4.2.8 Start-Stop-Continue

Start/Stop/Continue	Idea	Top 3 Suggestion?	Product Owner Action
Start	ROI Measurement	Top 3	Start with Project Implementation Report & Continue Practice Against Features
Start	Develop a Definition of Done for the Project	Top 3	Start with UBI agency agreement, then validate with executive governance
Start	Measure by Customer Value	Top 3	After "stake in the ground" governor unveiling, begin this practice
Stop	Limiting our customer value to technical products	Top 3	Hold a brainstorm session (or) purpose to practice with UBI partners about things customers want
Stop	Making date driven decisions that cause artificial/bad judgment	Top 3	Need to get a better system of estimation and release management in place to facilitate improved target dates-mediation with stakeholders
Stop	Doing offsprint work within a sprint	Top 3	This is an individual decision under holacracy currently, dedicated BizHub team might fix this
Stop	Building too much without customer validation	Top 3	Usability testing scheduled for October and ongoing engagement desired
Continue	Pairing/Swarming for development and estimations	Top 3	At kaizen per QA, continue
Continue	Fostering psychological safety to build trust	Top 3	At kaizen per QA, continue
Continue	Continue measuring happiness - allows quick pivots	Top 3	At kaizen per QA, continue
Continue	Early testing	Top 3	
Start	External Architecture Validation	Received votes	
Start	Continuous QA	Received votes	
Start	Test our vision and where we are at with our vision	Received votes	
Stop	Scrum/sprints until we have additional resources	Received votes	
Stop	Missing key artefact meetings	Received votes	
Stop	Our current estimation system	Received votes	
Stop	Split team focus	Received votes	
Continue	Commitment to process improvement	Received votes	
Continue	Using a CMS	Received votes	