



STATE OF HAWAII

OFFICE OF ENTERPRISE TECHNOLOGY SERVICES

Hawaii Information Consortium RFI Response

RFI for Internet Portal Manager and Service Provider

For Public Inspection

SUBMITTED TO

Derek Ichiyama
State Portal Program Manager
Office of Enterprise Technology Services
1155 Punchbowl Street, Room B20
Honolulu, HI 96813
derek.t.ichiyama@hawaii.gov

SUBMITTED BY

Hawaii Information Consortium, LLC
201 Merchant Street, Suite 1805
Honolulu, HI 96813



Date of Submission: August 9, 2017



Hawaii Information Consortium, LLC
201 Merchant Street, Suite 1085
Honolulu, HI 96813

Office: 808-695-4620
www.egov.com

August 9, 2017

State of Hawaii
Office of Enterprise Technology Services
1155 Punchbowl Street, Room B20
Honolulu, HI 96813
Attn: Derek Ichiyama, State Portal Program Manager

Subject: Hawaii Information Consortium, LLC, response to RFI for Internet Portal Manager and Service Provider

Dear Mr. Ichiyama:

Hawaii Information Consortium, LLC (HIC) respectfully submits for consideration this response to the State of Hawaii, Office of Enterprise Technology Services, Request for Information (RFI) for Internet Portal Manager and Service Provider. We have carefully reviewed the RFI and answers to questions in preparing this response.

We are eager to work closely with the State as it leverages the self-funded model to further transform the Internet portal program. The State and HIC have been in lockstep as partners for over 17 years to establish, evolve, and grow the current, successful internet portal manager program. We look forward to earning the right to continue to be the State's partner to make government more efficient and accessible to all.

In this response, HIC has leveraged both our Hawaii-specific subject matter expertise as well as the vast experience of the NIC family of companies that supports more than half the states in the U.S. to provide these responses. HIC's RFI comments are based on real-world know-how derived during our years supporting Hawaii's digital government platform and are driven by best practices that only a company with 28 successful state portal implementations and 25 years of digital government focus could deliver.

HIC is proud of what we have developed in partnership with the State since 2000 and looks forward to working collaboratively with ETS to continue to help the State better serve constituents. We welcome the opportunity to participate in defining the future approach to deliver innovative services and create efficiencies for Hawaii.

Thank you for your consideration of HIC.

Sincerely,

A handwritten signature in black ink, appearing to read "Burt Ramos".

Burt Ramos
General Manager
Hawaii Information Consortium

Table of Contents

EXECUTIVE SUMMARY 1

SPECIFIC QUESTIONS FOR RESPONDENTS 4

Executive Summary

Hawaii Information Consortium (HIC) is a trusted partner to the State of Hawaii, serving as the State's Internet Portal Manager and Service Provider since 2000. During that time, we have worked tirelessly in partnership with the State to deliver hundreds of websites, services, and other solutions that have created enormous efficiencies for the State – all under the self-funded model. We have carefully reviewed the RFI and have a clear understanding of the State's desire to continue to expand and enhance the portal for the benefit of the public and the state by increasing the functionality, ease-of-use, and flexibility of the portal for the public. HIC is committed to provide the process, standardization, and management practices that provide the transparency and information necessary for ETS to successfully manage the portal vendor.

Delivering on the State's Objectives

Achieving this goal will require a single, locally-based private sector partner with specialized domain experience, funding model expertise, and a deep understanding of how the State of Hawaii and its local governments operate. What the State is seeking will not be available solely through a software solution or platform provider – but rather through a vendor who can successfully deliver all aspects of the transaction-based digital government platform and leverage its relationships with other service providers to deliver on the technical, operational, and financial goals for the portal. HIC is uniquely positioned to deliver on this vision and has already begun to work with the State to evolve the portal program, including:

- **Process improvement and standardization:** Continuing to define a clearly defined interaction sequence between the State of Hawaii ETS, government agencies, the Access Hawaii Committee, and HIC. The establishment of new processes and organizations within the State of Hawaii requires collaboration to document and educate agencies. HIC will continue to work with the State to improve our process, communication, and the overall program management approach to more closely align with the State's expectations.
- **Portfolio management:** We will continue to aid ETS in its effort to clearly define its digital platform, inventory the services and websites that are currently in operation, maintain successful system operations, and perform regular upgrades.
- **Best practice implementation:** We will work with the State of Hawaii ETS to review, prioritize, and update aging administrative directives, identify and document potential high risk systems, and enable a variety of relevant and cost-effective solution development and maintenance project options.
- **Moving away from one-off technical solutions:** HIC will continue to establish platform and architecture standards with ETS in order to maximize reuse and broaden our ability to reuse code for projects with similar functions.

Proven Ability to Innovate for Hawaii

Since HIC's inception in 2000 when we were first selected through a competitive bid to deliver digital government services to Hawaiians via the State's web portal, we have been exclusively focused on one mission – making it easier for the citizens and businesses of the State to use technology innovation to interact with government. This focus over the 17-year partnership with Hawaii has made the State a national leader in digital government. Today, through our partnership, the State of Hawaii provides more than 120 in-demand and secure digital government services that are available 24 hours a day. We do this

by actively partnering with our customers to provide living, evolving services that are elegantly designed, easy to use, and require no maintenance from the agencies we serve. We provide the best digital government services in the country, as shown by the dozens of awards received by the State of Hawaii over the last few years – including the Center for Digital Government's Best Government Website (Best of the Web) in 2014.

Since January 1, 2015, we have collaborated with the Access Hawaii Committee and the State of Hawaii to produce 39 new applications/services, 17 new websites or major website updates, and 46 major application upgrades.

We are excited to do even more for the State and to align our technology platform with the State's to provide a single technology vision for Hawaii under ETS's leadership.

Expanding on today's successes and delivering innovation in the years to come will require the unmatched expertise possessed by HIC and our NIC affiliates, including:

- **Proven Domain Experience that Results in Low Risk** – HIC is ready with an experienced Honolulu-based team of digital government technology and marketing experts who are within walking distance of the Capitol and who will be dedicated to the statewide portal initiative. HIC's team has the unrivaled domain experience to not only continue delivering the existing services without glitches or interruptions, but to also leverage long-term positive working relationships throughout State government as well as our broad digital government domain expertise to quickly deliver innovation in partnership with Hawaii agencies.
- **The Backing of the Nation's Leading Digital Government Provider** – HIC isn't just a locally based organization that delivers digital government solutions to the State; it is part of the NIC family of companies, a network of teams performing similar work for more than half the states in the U.S. As part of this network, Hawaii will continue to benefit from the innovation developed through NIC in each of the states, as well as enterprise solutions like payment processing and security platforms developed at the corporate level through our parent organization, NIC.
- **Innovative Digital Government Services** – We believe this opportunity is about more than just providing new operational processes and standardizations. We recognize that the State's portal provider must be able to tap into a deep portfolio of proven solutions in order to rapidly deliver innovative services to Hawaii that will allow citizens and businesses to access Hawaii government easily through multiple online channels and highly secure transactions. NIC pioneered the development of mobile services to government through native mobile app development, as well as development of web services that leverage responsive frameworks that allow usability on any device. HIC can deliver for Hawaii cutting-edge services like Gov2Go, a personal assistant for government that is powered by an enterprise platform and enables a user to consolidate needed services from across State agencies, use stored personal and payment information to speed up the process, and initiate scheduled transactions with government, such as renewing a license or permit.
- **Funding Model Expertise** – NIC partnered with government to pioneer the self-funded model in 1992 and continues to use this approach to successfully expand the digital government programs of 28 states. Working in close collaboration with the State, HIC has reinvested revenue generated by services to not only provide ongoing support, maintenance, and enhancements of the more than 120 digital government services, but to also deliver a steady stream of new in-demand digital government services each year. While many vendors claim to be able to deliver services through this approach, only NIC has mastered the complexity of this multifaceted approach and successfully used self-funded

for 25 years to deliver 13,000+ services to thousands of agencies. HIC also has a deep understanding of how to use the self-funded approach across Hawaii to benefit state and local government.

- **Industry-leading Payment and Other Security Practices** – HIC is a leader in leveraging innovative PCI-compliant Software-as-a-Service payment processing specifically designed for use by government agencies. HIC can continue to provide the State of Hawaii access to secure payment services such as online, point-of-sale, kiosk, and mobile payments. In 2016 alone, HIC and NIC securely processed more than 350 million payment transactions totaling \$26 billion on behalf of our government partners. Further, HIC benefits from NIC's strong forward-leaning security posture, including a large monitoring and threat intelligence operation that ensures Hawaii's digital government program is secure.

Transforming the Digital Government Program

HIC's solutions for Hawaii have deep, citizen-centric roots derived from our 17 years of specialization in Hawaii and are driven by NIC best practices that only a company with dozens of successful state portal implementations could deliver. By drawing upon the unparalleled experience and resources of our parent company, NIC, we are confident that no provider or team of providers can match our ability to transform Hawaii's digital government footprint by introducing both enterprise-wide services balanced with customized solutions that meet the State's exact requirements for digital service innovation and work within the State's technology roadmap.

HIC has the required expertise on staff, the Hawaii-specific domain expertise, and financial capability to concurrently deliver new program management solutions and innovative technology solutions, while also evolving the enterprise and dynamic service platform for the State of Hawaii. No other provider has the proven expertise to build, manage, promote, fund, and expand the subsequent online services that will meet known and unknown requirements for future government services. We have detailed our approach in this response and look forward to earning the opportunity to continue this successful partnership.

Specific Questions for Respondents

6. Specific Questions for Respondents

The State requests that respondents answer the following questions in their responses to this RFI:

- a) From your past experience, has the State identified all the major components necessary to pursue an RFP for a new Internet portal provider? If not, please provide information on other necessary components.

We believe the State has effectively utilized this RFI to provide information on the current state of the portal and the direction and improvements that the State wants to make with an RFP or through the current portal provider.

We are proud that we contributed to several of the State of Hawaii's digital government accomplishments. We are excited to do more for the State. We have heard the State loud and clear and understand that Hawaii wants to make key changes. In particular, we are poised to deliver:

- More consistent creativity pipeline of new and innovative ideas that take advantage of code reuse and more process efficiency and productivity
- A refreshed business model that generates additional cost savings, quantifiable ROI, and new revenue to the State
- Enhanced operational and financial transparency into projects, pipeline and finances

We are confident that we are uniquely positioned to take the best practices of the existing Hawaii operations model – a locally-based staff dedicated solely to the State of Hawaii and well-versed in the existing services – and marry it with the demands of the new model requested in the RFI – more innovation, a new CMS platform, a refreshed and new business model, and a renewed focus on enhanced transparency.

In any future RFP, the State will want to ensure that the RFP is written to provide an accurate and comprehensive description of the types of services the State is seeking and includes solid evaluation criteria to ensure that the State will get the benefit of a qualified private partner proficient in the required services and experienced with the transaction-based model. In particular, we suggest that the State probe potential vendors on the following essential elements of a successful portal provider as part of a vendor's capabilities:

- **Previous Experience** – The more specific the requirement for previous experience, the better. It would be a waste of time and resources for the State to receive proposals from small, inexperienced firms that may not be able to deliver on the enterprise scope of services. Most states have made it a mandatory requirement to show previous experience on enterprise state portals for at least three customers of equal scope and using the same business model. This specific requirement meant that bidders could not fudge their experience and made it difficult for unqualified companies to bid as prime.
- **Comprehensive Description of Current Environment** – The State will want to put together a comprehensive description of the suite of services that will be required of the vendor under the new contract. The RFI is an excellent foundation, but is missing many of the details, such as the number of customers, the number of applications that are part of the portfolio, and the precise specifications of what is involved in day-to-day operations, maintenance and administration. Prospective bidders

should see the breadth of services that are required under the state's transaction-based, self-funded model. HIC can assist in developing a well-documented list of portal services. This will serve the state's interest by helping filter out unqualified bidders.

- **Compliance with PCI Standards and Comprehensive Security Management** - Bidders should be required to demonstrate that they are currently compliant with the payment card industry security standards and can manage a comprehensive security program for a high-profile government portal and services. Not only should bidders be able to describe their implementation of the Payment Card Industry standards, but they should also be able to present their approach to an enterprise security program that will be managed on behalf of the State.
- **Business Model/Pricing/Revenue** - How the bidders approach the issue of pricing will be critical to their success in operating under the transaction-based, self-funded model. Recently, RFPs have asked for a narrative from each bidder on how they would operate the transaction-based funding model on behalf of the State. If bidders have the required prior experience operating under the self-funded model, they should be able to paint a vivid picture of how they can provision a transaction-based model that will pump transaction-based funding into new services across the Hawaii enterprise, while also generating cost savings and additional revenue to the State.

b) *Are there potential problems and risks that the State may encounter during this project?*

HIC has analyzed the ideas and potential tactics for the portal presented in the RFI and has identified several areas of potential problems or risk.

Transition Risks

HIC's parent company, NIC, has extensive experience transitioning management and operations of portals and their associated portfolio of services from the government and from incumbent vendors. These types of transition services are a key part of our contracted service offering. Accordingly, HIC is very familiar with the risks and problems that can occur during such a large service and technology transition.

Transition risks come into effect starting at the procurement stage of the project. The complexity of the portal and its expansive portfolio of services is very difficult to communicate at a meaningful level of detail in an RFP and other procurement activities. Moreover, it is also difficult for responding vendors to fully digest and understand the true level of complexity associated with the work. This lack of complete understanding makes it difficult for vendors to properly estimate the level of effort and type of skills sets required for the transition. Accordingly, it is a risk that vendors could either significantly underestimate the required budget, resource allocation, and schedule for the service transition or overcompensate for the unknown and inflate their timelines and transition costs. This could also result in massive disruption of key citizen and business services, the State homepage or other informational services that the Hawaii users depend on. Furthermore, while a vendor focuses on transition, new and innovation services that may be in demand now are put on the backburner.

Due to the scale of the transition and the difficulty in planning for such a complex endeavor, there is a risk that the quality of the transitioned services may not meet expectations, especially if trying to conform existing services to a platform that is not flexible or easily enhanced to meet the unique needs of state

agencies. Because so many applications and websites are migrated or redeveloped simultaneously during a transition period, individual projects may not get the attention that they need to ensure a quality outcome. Since transition deadlines are usually fixed and project resources finite, the State risks transitioned services being less capable and less reliable than the pre-transition services. Also, if the vendor is falling short on transition, the State may need to step in to maintain critical services, creating a resource challenge. Though these risks can certainly be managed, they are challenging to mitigate especially if the incoming vendor does not have prior experience conducting similar service transitions and supporting comparable projects, and has made invalid assumptions about the complexity of the transition during transition planning.

PMIS Risks

Though an enterprise Project Management Information System (PMIS) such as that described in the RFI can yield significant benefits at the program, portfolio, and project management levels, there are risks that such a system might adversely impact work level management. State agencies and vendors contracted by the State utilize several different work management methodologies. For instance, one vendor may use a waterfall methodology to manage project work while another may use an Agile methodology. Moreover, an agency or vendor may apply different work management methodologies to different projects depending on the size, complexity, and delivery schedule of a particular project. The PMIS selected by the state needs to be flexible enough to effectively accommodate a variety of work management methodologies, or agencies and vendors may have difficulty managing day-to-day work using the PMIS or may be forced to use a suboptimal delivery methodology just to accommodate the PMIS tool's capabilities.

One strategy that the State can use to mitigate this risk is to use an enterprise PMIS technology for program, portfolio, and high-level project management, but allow agencies and vendors to use other tools to manage the work associated with projects. This approach allows best-of-breed tools to be utilized for specific projects based on the project's unique constraints and the chosen delivery methodology. To still obtain the benefits that a PMIS provides for the enterprise, the state could establish requirements that these work-level project management tools integrate with the PMIS so that an enterprise view of the project state for all projects across the enterprise can be provided by the PMIS. Executed correctly, this strategy will allow for effective enterprise visibility and management while allowing delivery teams to use the optimal methodology and toolset for work management.

Unified Technology Platform Risks

Over the last decade, businesses and governments are increasingly moving away from custom-developed, self-hosted applications and toward the use of broadly capable, hosted platforms to deliver applications to their constituents, customers, and employees. These platforms offer an advanced starting point for service development and greatly reduce the effort required to maintain and operate these services. NIC has invested significantly in vetting these technologies to determine how best to use these platforms to improve service delivery to our government partners. Our experience with unified application development platforms has revealed risks that should be considered when implementing a platform strategy and provider.

One of these risks is degradation of the overall user experience when using applications deployed on the platform. We have observed through our experience and research that platforms that are capable of doing many different things often present users with heavy, cumbersome user interfaces. Most of the

application platform technologies in wide use today have their roots in the enterprise. Poor user experiences can be better tolerated by internal users who can undergo training and who use the same applications every day to perform their job function. These enterprise platform technologies have in recent years been increasingly used to provide external facing services, though. The resulting user experience has often been poor. External users are less tolerant of cumbersome user interfaces and the poor user experience associated with them. Constituents want and expect online government services that are simple, attractive, and easy-to-use. If a unified application platform cannot provide a satisfying user experience for a given application, online adoption rates for that application will suffer as customers return to non-electronic channels.

HIC intimately understands the broad spectrum of services that must be provided by an effective enterprise portal. We also understand that each government partner is unique, operating under statutory, process, and policy constraints that vary greatly from state to state. Unlike a private business that operates within a narrow business domain, government extends horizontally across many different business domains. This makes it difficult to utilize a single platform to effectively provide all the different types of services required for the portal.

To mitigate these risks, the State may wish to consider using multiple platforms for building the next generation Hawaii portal. This approach allows the state to use a broad, general application platform for developing most of their services but gives the state the ability to use more focused platforms for specific business domains that can yield more effective solutions. Additionally, the risk that the user experience will suffer from using a unified application platform can be mitigated by recognizing the limitations of the application development tools provided by the platform and choosing to use technologies outside of the platform to build external facing applications that leverage the core platform at an API level. This allows an optimal user experience to be provided while still gaining benefit from the common underlying platform.

c) Based on your review of the requirements described, can you describe the strengths, weaknesses, opportunities and threats associated with a solution(s) you suggest?

We are encouraged by the State's ongoing interest in leveraging the transaction-based approach to deliver digital government services and welcome the opportunity to provide more insight on how we will leverage our expertise to further enhance the State's Internet portal.

In addition, we are eager to work in lockstep with the State as it elevates and standardizes the technology platform, processes, and results it wishes to harness across the IT enterprise. We are excited by the potential outcomes these efforts can deliver and recognize the State is in the early phase of a long-term journey. Based on our experience operating in similar state IT environments across the country, we welcome this evolution and look forward to bringing our vast national experience to bear to assist the State as it moves forward.

Strengths

As Hawaii's Internet portal provider for the last 17 years, we offer many strengths that will continue to benefit the State. We believe that Hawaii's internet portal is an essential solution for agencies and constituents. We understand that effectively managing the moving parts that comprise the State's

transaction-based portal is complex, which may explain why no other vendor currently manages a self-funded state portal. If it were simple, everyone would be doing it.

Despite the complexity this business model naturally creates, our experienced, sensitive, responsive, and savvy Honolulu-based team supports the State's portal needs with distinction and commitment. We recognize that successful management of Hawaii.gov requires vast domain expertise, a deep understanding of Hawaii State government and how it conducts business, extensive positive working relationships throughout government, and a foundation of trust that will enable the State portal to evolve in lockstep with the enterprise IT platform.

Our strengths and domain expertise have helped bring Hawaii.gov from a conceptual website in 2000 to the comprehensive solution that occupies a position of national prominence today – and we believe we are best-positioned to further enhance the Internet portal solution in the future by working in conjunction with the State. In this RFI, the State is asking for a team that knows how to deliver results and is able to be flexible as the platform evolves. Our commitment is to continue to serve the State, deliver the results that agencies and citizens want, and elevate the sophistication of our operations in a manner that the State expects.

Weaknesses & Opportunities

We recognize the State and its Internet portal are at an inflection point, and now is the time for us to evolve from a flexible and exploratory approach to a higher level of operating maturity and discipline that aligns with the State's elevated IT trajectory and performance expectations. We view this as a blended weakness and opportunity, because we have already begun to evolve our systems, processes, and technology approach to generate more consistent delivery of digital services – and we are excited by how this will create long-term value for the State as we move forward together.

This higher degree of IT operating sophistication – and being part of a much larger government technology enterprise – is both a familiar and comfortable place for NIC. Most of the state portals we support have operations similar to what the State has described in the RFI, and our company has a great deal of experience successfully transitioning to, evolving, and thriving in these environments. We are eager to leverage our national expertise and strategic partnerships with world-class technology companies to continue to support the State's IT direction. We recognize this is still in an early phase and much more is to come, and we are enthusiastic about what is coming in the future.

We also look forward to a deeper level of integration between the State portal and the larger IT enterprise. Hawaii.gov is a valuable resource that will become even more relevant as it becomes more embedded in the fabric of the State's technology platform. We believe the end result is that the enhanced benefits sought by the State in this RFI will be realized, which will add further value to the State, increase the quality of digital services provided to Hawaii citizens and businesses, and build on the portal's long-term track record of success.

Threats

Maintaining the transaction-based business model is a sound strategy for the State. We have identified two risks that can be easily mitigated by deploying a thoughtful operating approach:

1. Keeping up with the rate of change in technology is a challenge for any organization, public or private, and regardless of the business funding model used. The transaction-based model is not only self-sustaining in the sense that it provides dollars to operate and maintain the portal and its services, but it provides a dynamic and increasing revenue stream outside of traditional general fund appropriations, which often do not keep pace with constantly-evolving technology demands. Under the model, as the number of services grows, revenue increases and is reinvested in citizen and business services. The dynamic transaction-based revenue stream is an important supplement to traditional State IT budgets and has allowed many states to expand their digital government programs aggressively. In the self-funded environment, reinvestment is necessary to ensure that resources are available to evaluate and, when appropriate, test emerging technologies that are most appropriate to support the State's digital government mission. In addition, the enhanced structure and process-driven platform the State is implementing will ensure that emerging technologies are carefully vetted and align with the IT goals, technologies, and processes. This will create a more dynamic and responsive portal environment that embraces appropriate innovation that serves constituents where they congregate and on the devices they use – while reducing the risk of pursuing one-off technologies that are difficult to support over time. We support this approach and look forward to continuing to work with the state on staying current with appropriate and relevant technological advances.
2. Technology and talent go hand-in-hand. We recognize that technical platforms, systems, and processes are essential components of the State's evolving IT strategy. We also understand that technology cannot properly serve any state without the know-how, experience, and deep understanding of committed experts. Our commitment is to continue to support the State's IT goals by providing motivated, passionate experts who know how to deploy great digital government solutions. This is especially important in the context of working within the multifaceted transaction-based model, which is more than just application development. Testing, hosting, security, payment management, training, marketing, public relations, customer service, usability, design, reporting, and analytics all work in unison to provide a best-in-class Internet portal solution, and we are committed to providing this team now and in the future to help the State meet its evolving objectives.

d) *Can you provide a preliminary plan and timeline on how the existing services could be migrated to a new vendor without interrupting services?*

As the incumbent portal provider, HIC's migration plan would be different than any other incoming vendor. There would be no risks associated with interruption of service, cost, or time necessary to establish the team, domain knowledge, relationships, process, and operational procedures to support a complex endeavor such as the State's Internet portal and digital government services. We think the best approach for the State is to opportunistically migrate systems to a standardized approach during normal refresh cycles, as well as aligning new solution architectures/designs with the state's platform and technical roadmap. This way the State is not saddled with another large IT project that needs to be closely managed and monitored, but rather can manage small discrete transitions of existing assets while focusing on new services and delivery mechanisms using the state's technical standard.

Assuming HIC will migrate applicable services to a standardized platform, our team will follow a process-driven approach to perform the necessary tasks. HIC will be able to shorten the timeline for the analysis

and evaluation of the existing services, given our familiarity and access to the developers and resources who built, operate and support those services today. Our approach will generally execute on the following tasks:

1. Work with the state to implement/establish the platform
2. Develop/Determine platform APIs/integration points
3. Document development standards, architectures and approaches for the new platform
4. Implement a test automation and Continuous Integration & Deployment practices for the platform
5. Evaluate existing services for feasibility and transition level of effort
6. Create a transition approach for each service that will migrate to the new platform
7. Supplement existing team with additional platform technology experts, as needed
8. Develop an overall transition timeline and plan for all transition activities
9. Perform service by service migration
10. Evaluate platform with each migration and enhance/augment the platform to meet the state's needs
11. Have a robust QA and testing approach throughout the transition
12. Train state staff, operations staff, and support staff on the new platform
13. Implement a modern DevOps approach with improved operational practices

e) *Can you provide any ideas or suggestions about how such problems and risks should be addressed in an RFP for Internet portal services?*

HIC has several ideas and suggestions for a future RFP that will improve the vendor offering and mitigate the discussed risk areas.

Referenceable Experience in Mastering All Dimensions of Portal Service Delivery

HIC recognizes that a successful digital government solution is about more than just technology. Hawaii's successful digital government solutions are supported by providing specialized solutions requested by the State, including policy and legal advocacy, cloud and vendor hosting, infrastructure and application development expertise, IT service management, marketing and communications programs, proven customer service, world-class design and usability, security, payment processing, and a flexible financial model. An incoming vendor should possess all of these capabilities as well as the depth of understanding of how Hawaii state government operates, proven successful long-term business relationships with State agencies, and the proven ability to deliver customized solutions that will allow Hawaii's digital government program to grow and thrive.

Dedicated, Honolulu-Based Team

A digital government program such as the State of Hawaii's cannot be successful with providers that parachute in experts from other states or countries for a brief period and frequently deploy personnel to simultaneously work on projects for multiple clients. The state should require any vendor to be based in Honolulu and focused exclusively on serving the State.

Increased Project Oversight

To successfully deliver new service management capabilities aligned with best practices and a strategic enterprise approach to portal service management and supporting enterprise tooling platform the vendor will require positive and strong oversight roles from AHC and ETS. HIC recommends the state consider evaluating the management approach from the State side and document that approach fully in any corresponding RFP.

We feel that increased collaboration between the vendor and the state will improve transparency, management, and overall satisfaction with the portal program. A strong partnership will also allow the vendor and the state to address some of the management issues within a self-funded model such as project prioritization, resource and funding availability, and any project issues.

Require Innovation

In the last five years, the relationship between entities that provide digital services and users who consume those services has shifted dramatically. According to Forrester Research¹, customers are more empowered and are thus shaping the business strategy of delivering them services. Customers expect high-quality, personalized, digital experiences, and this new approach to developing and delivering services. Forrester Research coined the shift to a customer-led market “the age of the customer.”

Developing services for a customer-driven market requires innovative ways of developing technologies to meet consumers’ needs, which includes some important tenets:

- Customer research grounded in user experience
- Best practices on delivering superior digital services
- Technology research that results in new customers and retains them
- Access to shared knowledge base to establish best practices and share lessons learned

The State should not settle with a vendor that just deploys to a common platform, forces its customers to conform to an overly-prescriptive, single-threaded technology, or implements basic services for agencies. It is important that the vendor can bring new approaches to delivering services and can rapidly adapt to changing technology while still aligning with the state’s technology vision. One way is to look for a company that has the partnerships with industry leaders in new technology practices and has continually brought these technologies to government. It is important that the selected vendor has solutions for innovating in a platform based, high integration environment.

Marketing & Adoption

One concept that was not mentioned in the RFI but is a critical component of any digital government program is marketing and adoption. Digital government is only successful if the convenient online services are used by citizens and businesses. Getting the word out is important. The portal vendor should have experience developing, implementing, and managing marketing campaigns for state digital government services and portals. This should include tactics such as traditional advertising, social media campaigns, and public relations events that help drive awareness of digital government services and ultimately increase the number of online transactions.

¹ <https://go.forrester.com/age-of-the-customer/>

f) *In order to determine the feasibility of developing a new Internet portal solution, can you provide a "ball park" cost estimate associated with the proposed solution(s) identified in your response, including start-up costs, implementation costs, maintenance, etc.? The information will be used for planning purposes only and should not be construed as part of any future RFP solicitation.*

The current approach of leveraging a single vendor with a proven skill set will best serve the State of Hawaii in the future because there is no cost. The start-up costs, implementation costs, maintenance costs, and other costs will continue to be at no cost to the State.

The benefits associated with leveraging the current vendor include:

- No interruption to the 2017 work in progress
- Reduced risk of major disruptions/outages during the 2018 gubernatorial election year
- Modifications or tweaks to the existing workflow and/or process can be implemented immediately
- Exciting new services and enhancements can be developed and implemented immediately
- FY2018 and FY2019 projects and priorities can be planned and scheduled
- A 3 - 5-year portal plan can be reviewed and finalized with the State of Hawaii ETS and the Access Hawaii Committee in early 2018 and executed in short order

g) *As an alternative to using or relying on just one vendor for the solution, are there possible solutions using a combination of vendors, where the State would interface with a main vendor and the others would be subcontractors or independent contractors? If so, please describe.*

HIC appreciates the State's interest in exploring additional ways to potentially extract maximum value from its Internet portal provider relationship. We believe strongly that the current approach of leveraging a single vendor with a proven skill set will best serve the State in the future for a number of reasons.

The proposed scenario of deploying multiple vendors runs counter to the many goals outlined by the State in this RFI, including:

- Increasing consistency and standardization across State IT implementation processes
- Aligning the portal operation more closely with State's enterprise IT operations
- Improving transparency, accountability, and communications between the vendor and the State
- Enhancing the overall quality and security of digital service delivery

The process of adding multiple vendors and subcontractors to the Internet portal provider program will create several new risk factors for the state, including:

- **Vendor Confusion:** A well-known adage in the technology industry is that it is far easier to maintain proper controls over a vendor program when there is "one throat to choke" rather than many cats to herd. It's not uncommon to hear IT leaders questioning which vendors support a specific part of a platform because there are so many providers to keep track of. Maintaining standards and adhering consistently to State objectives becomes incrementally more difficult with each new provider that is added to the mix.

- **Lack of Alignment with the State:** Coordination, communication, and reporting requirements and oversight complexity will increase with each new vendor added to the solution. This elevates the State's risk exposure to misunderstandings, communication gaps, implementation problems, and other disconnects between strategic vision and tactical execution that get lost in translation within interactions between the State and its vendors.
- **Delays:** Constituents are demanding that new digital government solution be delivered at ever-faster speeds, which places a greater emphasis on streamlined processes that limit the State's exposure to handoffs and potential points of failure – all of which could lead to project delays. A single vendor can provide the tightest degree of interaction and ultimately the fastest delivery timeframes. Conversely, each additional vendor added to the equation will increase the number of handoffs and will also negatively impact the speed of project
- **Negative Impacts to Existing Enterprise Services:** With the State's current Internet portal provider relationship, several highly sensitive enterprise solutions – including payment management, hosting & maintenance, customer service, and security – are managed by a single vendor to ensure delivery continuity and alignment with State processes and priorities. Potentially dividing up these key services among multiple vendors could place consistency at risk and have the unintended consequence of elevating the State's risk exposure.
- **Decreased Quality:** HIC and NIC know first-hand that delivering digital government solutions through a transaction-based model is difficult. It is a complex solution with dozens of essential interconnected components – including application development, hosting, design, marketing, customer service, citizen insights, payment management, security, reporting, and analytics. All of these elements must work in unison in order to deliver the highest quality digital services to the State's constituents. Removing an essential component and potentially reassigning it to another vendor that does not understand the complexity of a transaction-funded portal will have a negative impact on the quality of digital services that the State provides to its constituents.

h) Do you have any additional comments/information that you feel would be beneficial to the State in deciding on a solution for the services outlined in this RFI?

The HIC team currently provides an ever-growing list of digital government services to the State. We are providing this list of services, so that the State is aware of the depth and breadth of the services that comprise the State's digital government program. We would like to continue to provide this wide range of functions as the State's partner, and we think we are uniquely qualified to continue to deliver this overwhelming value to the State.

If the State elects to issue an RFP, at a minimum, the RFP should address the following services and select a partner that can fire on all cylinders.

- **Website Design & Development:** A full lifecycle service that includes website design, prototyping, development, quality assurance, user acceptance testing and deployment. All leveraging tools provided through HIC.

- **Creative & Branding Services:** Our highly-experienced team of creative service staff can provide website and graphic design, user interface design, print design, digital animations and videos, 360-degree video production, and more.
- **Application Development:** Leveraging the latest development technologies and practices, and having developed more than 120 online applications for the State of Hawaii, the application development team can assist any agency with digitizing or improving a process through digital means. The full lifecycle service includes project management, business analysis, user interface design & development, backend/service design & development, quality assurance testing, security testing, load testing, user acceptance testing and deployment. While almost any process can be digitized and streamlined through our services, some examples include: electronic filing, online payments, public outreach and interaction, mobile inspections, event registration, online ticket sales, customer support, online training solutions, and more.
- **Application Operations and Maintenance:** The State boasts an impressive list of digital government services that will continue to need to be maintained and enhanced. Citizens, businesses, and government agencies rely on these services 24 hours a day and seven days a week. The portal provider must have hands-on experience operating and maintaining dynamic services based on a variety of different technologies, and do so in a manner that does not disrupt current operations.
- **Policy Expertise:** Often, digital government is about making thoughtful yet difficult policy decisions to move away from traditional government ways of doing business to a digital-focused delivery method. The State will require a partner who can foster positive and productive relationships with agencies and the legislature while helping to define a positive and forward-looking foundation for adopting new technology and providing a service in the way users expect to interact with a service, regardless of whether it is public or private sector.
- **Marketing and Adoption:** HIC is not only a world-class software provider, but also a company that has been anticipating citizen needs and developing marketing programs to drive higher demand for the past 17 years. It is no coincidence that we have some of the most heavily trafficked websites and services in the industry. And the only way for the self-funded model to flourish is to find a partner who knows how to recruit, retain, and reactivate new and existing end users. HIC has consistently operated branding, marketing, and adoption programs that generate results.
- **End User Customer Service and Agency Technical Support:** Whether it involves questions from citizens about the state bird or how to buy a fishing license online, HIC provides offers numerous channels of customer support. HIC also provides technical support and training for agency users. For example, we provide training and support for our many payment processing services.
- **Online, Over-the-Counter, and Mobile Payment Processing:** Either through applications developed by HIC, or third-party applications via APIs to our payment platform, agencies can quickly and easily accept online, over-the-counter, or mobile payments from their constituency conveniently and securely.
- **Security Management:** HIC creates, regularly updates and implements a security management plan for the Hawaii digital government program. This plan allows us to assess and evaluate our security posture and maintain our certification as a PCI Level 1 Service Provider. The security management plan includes methods for resolving concerns about physical site, environmental, computer hardware and software security. It also dictates our handling of data, telecommunications and storage security policies. HIC's security approach is layered with local, national and third-party oversight creating a robust methodology second to none.
- **Customer Invoicing Solutions:** An alternative to customers paying for goods or services immediately through a credit card or eCheck, HIC's customer management system allows agencies to provide services to regularly returning customers who will then be billed monthly for activity performed.

Many services available through the portal offer this service today, and those customers who have already setup an account can leverage their existing credentials and billing profiles. Incoming vendors should have experience and a solution for managing these customers with their specific requirements such as compliance with DPPA.

- **Interactive Voice Response (IVR) Solutions:** An IVR solution allows customers to dial a phone number and receive automated assistance via voice or key tone responses. From providing a number for customers to determine status of a filing or transaction, to allowing them to pay a statutory fee over the phone, HIC's IVR solutions provide yet another convenience to the constituent while reducing calls or walk-ins to an agency.

These services are part of the digital government program for the State of Hawaii and provided a no cost under the self-funded model.