

# Simplifying Start-Up

South Carolina cuts the hassle out of obtaining business licenses, permits and registrations.

Among the challenges a new business owner must face, dealing with government is one of the more tiresome. At least that's true if the government is still operating in a paper-based world. The owner must determine which permits, licenses and registrations the business requires, make phone calls or visits to get the right forms, and then complete them, often filling in the same information numerous times. Then the owner returns the forms and waits days or weeks for certificates and authorizations to arrive.

Fortunately for businesses in South Carolina, those hours of effort and tangles of red tape have faded into history. Today an owner just needs to visit the South Carolina Business One Stop (SCBOS) Web site to conduct the transactions required to start a business or meet ongoing obligations.

The need for such a system was clear when state officials began to develop SCBOS. "It was just amazing how many places the business owners had to go to conduct these transactions," said Mike Garon, senior administrator and CIO of the South Carolina Department of Revenue. Even when they put in the necessary time and effort, business owners sometimes got hit with penalties simply because they didn't know they needed a particular license. A study conducted 10 years ago and substantiated again in 2007, found that a more efficient licensing and registration process would save a business 47 hours of work on average, and would save the state's business community \$7 million a year.

Initially government officials developed a Web page that offered links to agency sites where entrepreneurs could apply for the licenses, permits and registrations that pertained to their particular businesses. But owners still had to move from site to site, following each agency's procedures individually. A list of links didn't make their lives much easier.

South Carolina started building SCBOS in 2005, with funding from the state's Depart-



ment of Revenue. The state worked with TIBA Solutions, a Microsoft-Gold Certified partner, to create a system that would vastly simplify the way business owners obtained licenses, permits and registrations.

"It's business driven," Garon said. "We developed it totally from the business consumer's perspective."

## On-Screen Interview

To use SCBOS, a business owner registers at the site and then goes through an on-screen interview, answering a series of questions. The answers help determine which licenses, permits and registrations the business requires. The user's responses also provide the information needed to process those forms.

Behind the scenes, the system routes the user's responses to the relevant government agencies. Each agency uses its own IT to gain the necessary approvals, execute the transaction and return the result to SCBOS.

In most cases, the agency mails the license or other document to the business owner the next business day.

SCBOS also computes the agency fees for each registration, license or permit, calculates a total and takes payment via credit card or electronic funds transfer. It uses the same kind of shopping cart and checkout procedures found on commercial e-commerce sites.

Agencies that currently participate in SCBOS include the Secretary of State, Department of Revenue, Department of Health and Environmental Control, Employment Security Commission, Department of Labor, Licensing and Regulation, Department of Consumer Affairs and Clemson University's Department of Plant Industry, the agricultural extension service.

Although the hub-and-spoke architecture allows each agency to process applications on its own, as far as the business owner is concerned, SCBOS looks and feels like

one, seamless service. A single sign-on lets the user transact business with all seven agencies, and once he enters a piece of information, it becomes available to any partner agency that needs it. There's no need to re-enter the same data repeatedly, which saves time and reduces the chance of error.

### Integrated Whole

"South Carolina Business One Stop creates synergies that benefit the business owner, making government appear to be an integrated whole, rather than disparate silos," said David Friedline, director of e-government solutions at TiBA Solutions in Greenville, S.C., "and creating synergies is at the heart of the Citizen Service Platform."

The Microsoft Citizen Service Platform is a framework of tools and practices for state and local governments. Applications built on the Citizen Service framework make it easier for governments to interact with citizens, while leveraging the investments they've already made in Microsoft products.

One advantage of using the Citizen Service framework is that the Microsoft technology stack lets agencies with disparate, incompatible back-end technology exchange data, Friedline said. Agencies with modern computer platforms receive data in real time in their relational database systems. Agencies with mainframes at the back end receive information in batches for processing overnight. Agencies without back-end systems use a Web browser to view and print applications. After processing the paper, employees

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return to the browser to indicate that the permit is accepted, rejected or pending.

Besides conducting the transactions required to start a new business, owners of existing businesses use SCBOS to meet ongoing obligations. For example, Friedline said, a very large national retailer is renewing its Sunday Alcohol Beverage Permits, which require weekly renewals, through SCBOS from its headquarters in the Midwest, rather than at each store. Businesses also use SCBOS to file sales tax and in 2009, they will be able to use it to pay unemployment insurance premiums.

### Encouraging Business Growth

Giving businesses a simpler and faster way to interact with government supports one of South Carolina's major priorities: to encourage business growth by making it easier to go into business in the state.

Garon tells of a business owner in Florida who wrote to report his experience with the system. "I was looking to move to another state," the owner told state officials. "I was looking at South Carolina, and when I saw SCBOS, it was so easy for me to set up a business there, I decided that's where I'm going to go."

Along with cutting red tape for business owners — the system's primary goal — automating and expediting these transactions also has made the partner organizations more efficient, Garon said. In addition, SCBOS is paving the way for more collaboration among South Carolina's agencies. "Because of the service-oriented architecture and the fact that we had to build front-end systems that go across all agencies, all of a sudden, agencies have started working very closely together," he said. "That's going to change the whole way we operate."

The key to the success of SCBOS is that throughout its development, agency officials put business owners' needs front and center and made a commitment to fulfill those needs, Garon said. This is evident from the SCBOS user survey results that show 97.3 percent of all respondents would use SCBOS again and 94.1 percent would recommend it to others. "That's the most satisfying thing from my perspective," said Garon, "that when you focus on the real consumer, it's amazing what you can do to make things happen."

## Microsoft

For further information on Microsoft Citizen Service Platform please visit [www.microsoft.com/uscsp](http://www.microsoft.com/uscsp)

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