



TEAM COMMONWEALTH

HOUSING AND ECONOMIC DEVELOPMENT & MASSIT

USER INSIGHTS

BACKGROUND



TEAM



Artyom Anikyev | HKS '19

Experience in Civil Service in Russia



Brian Etienne | HBS/HKS '19

Experience at McKinsey and Birch Hill Equity Partners



Julia Gutierrez | HKS '17

Experience at the Office of the Governor of Texas



Nisha Swarup | College '18

Experience in software engineering & product management



Kate Welsh | HBS '17

Experience at TED Conferences and Wolff Olins

CLIENTS

HOUSING AND ECONOMIC DEVELOPMENT

- ▶ Promote regional economic growth
- ▶ Connect citizens to economic opportunity
- ▶ Improve Commonwealth's competitive position by lowering key business costs

MASSIT

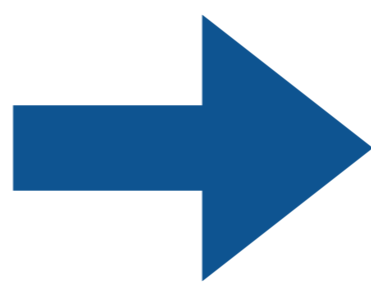
- ▶ Improve UX of top service
- ▶ Deliver best-in-class services that meet constituents needs and expectations
- ▶ Deliver clear, up to date content
- ▶ Help stakeholders have a smooth transition

**HOW MIGHT WE BETTER ENCOURAGE
AND BETTER ENABLE PROSPECTIVE
ENTREPRENEURS TO START A
BUSINESS IN MASSACHUSETTS?**

MassIT and HED

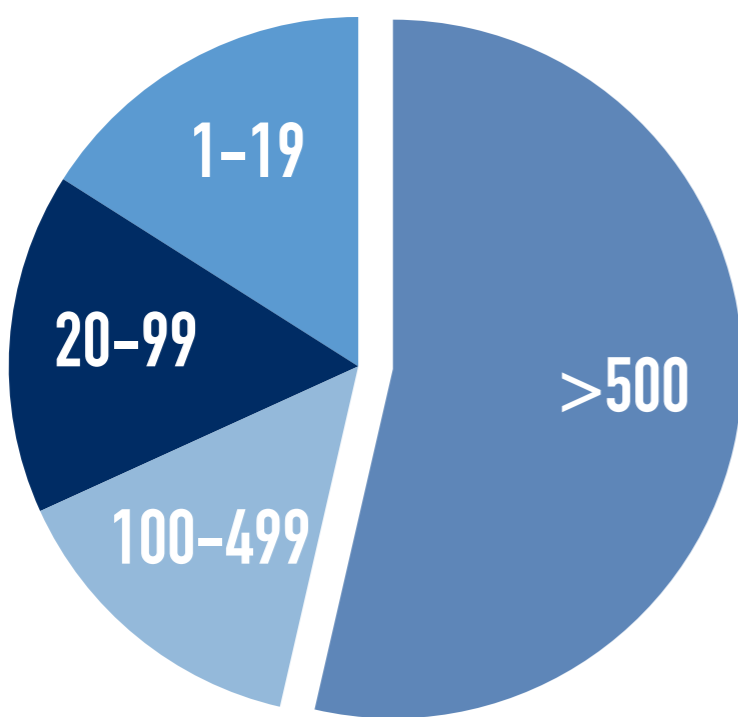
BUSINESS ECOSYSTEM

620 K small businesses
1.4 MM people employed

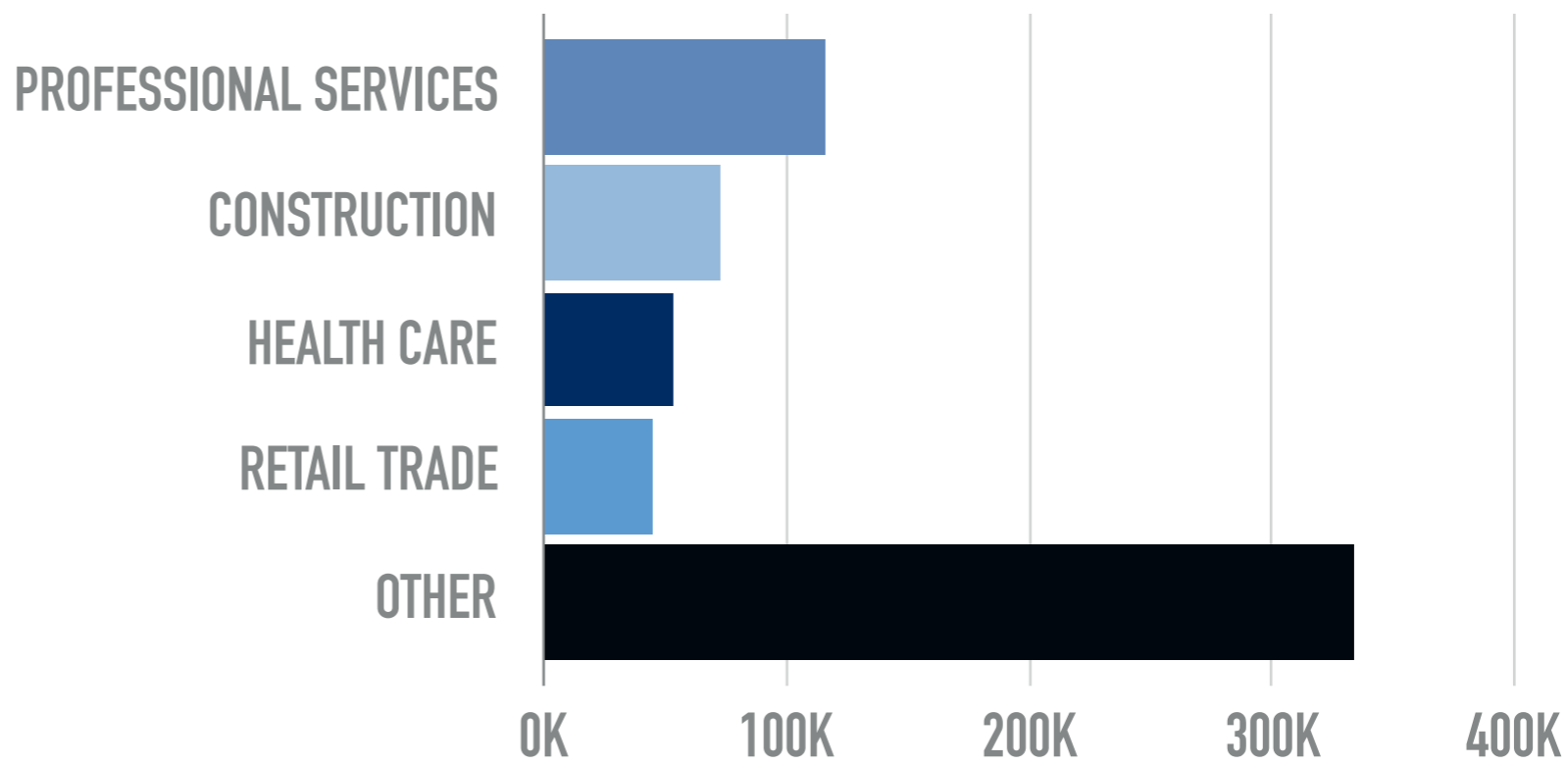


98% of businesses in MA
46% of employees in MA

EMPLOYMENT BY FIRM SIZE



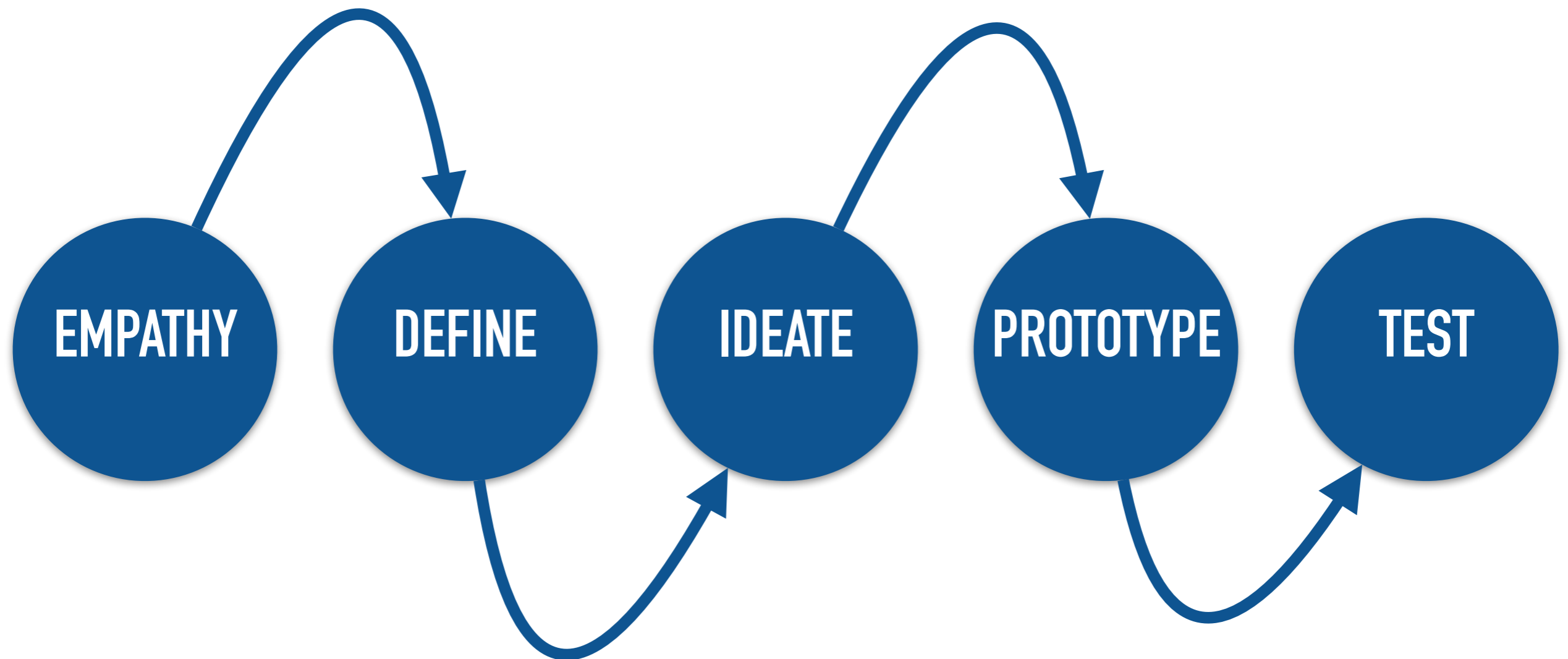
MA FIRMS BY INDUSTRY



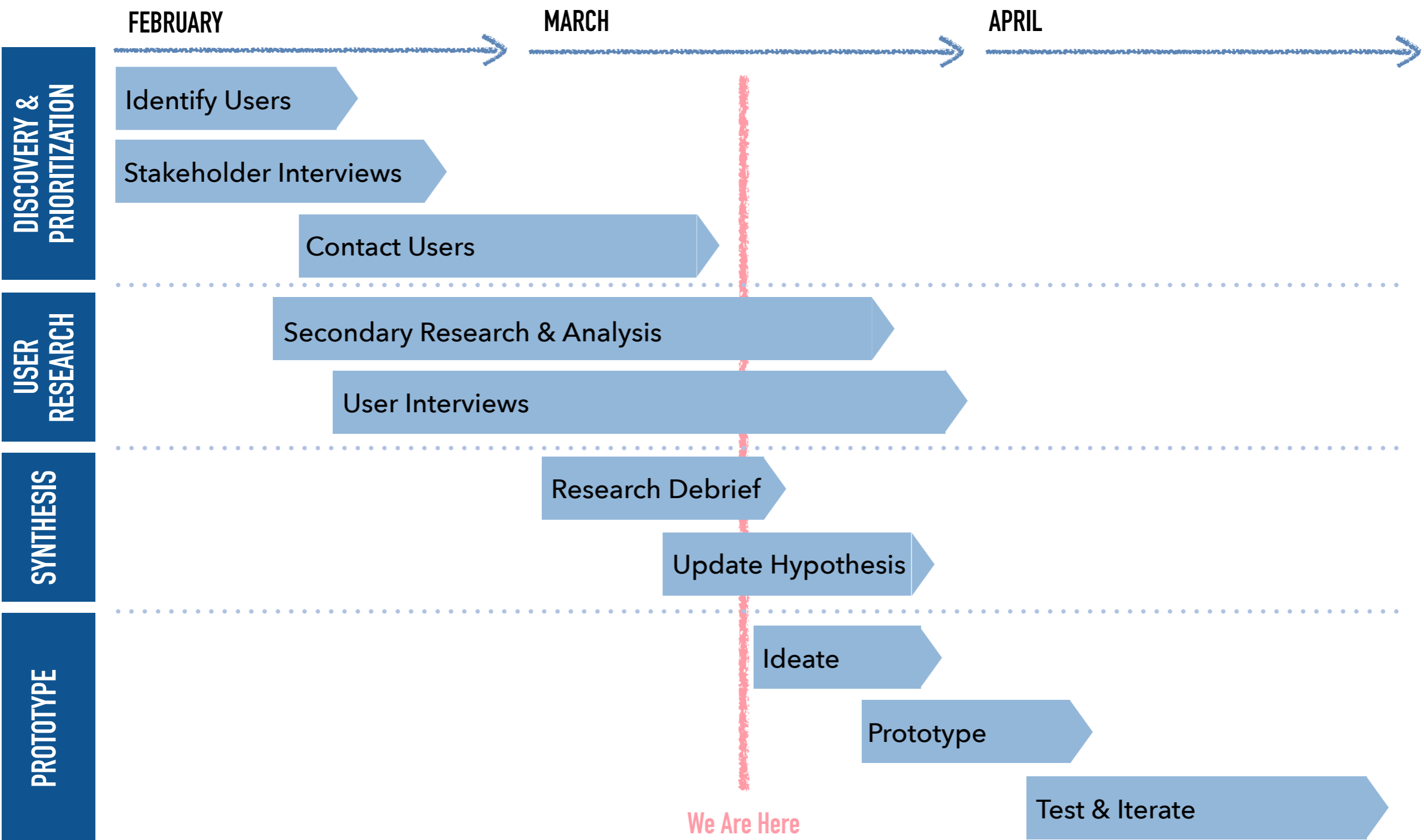
PROCESS



DESIGN THINKING



OUR PLAN



RESEARCH METHODOLOGY

We used our big questions to identify
who we needed to talk to and how

RESEARCH METHODOLOGY

OUR MAIN QUESTIONS

Who are our users?

What do our users *need* to do?

Where do our users 'fail' in the process?

How do our users interact with EOHED?

What resources do users currently utilize?

How are our users different from each other?

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WHO WE ASKED

EOHED

MassIT

Other Mass. Departments

Entrepreneurs

Small Business Support Organizations

RESEARCH METHODOLOGY

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RESEARCH METHODS

Contextual Interviews

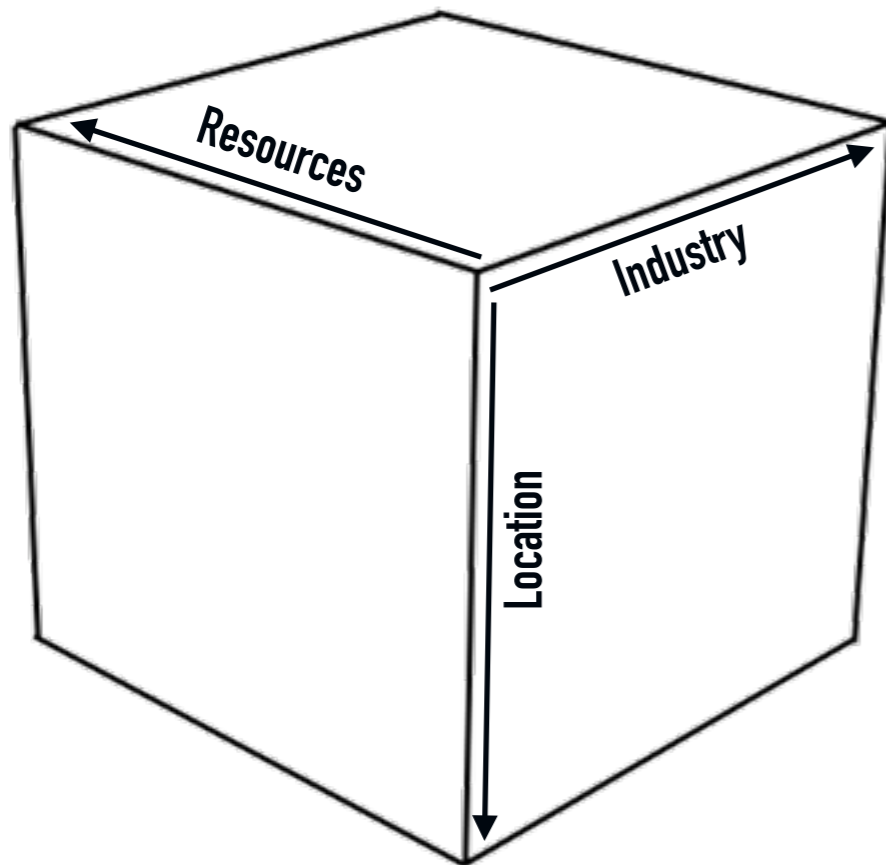
Expert Interviews

User Interviews

Secondary Research

USER IDENTIFICATION

USER SOURCING DIMENSIONS



SOURCES OF USERS

Small Business Administration (SBA)

Local Chambers of Commerce

UMass Amherst
Small Business Development Center

Regional Economic Development
Organizations

Local Massachusetts Office of
Business Development offices

Personal Networks

CONTEXT



WHO WE TALKED TO

ENTREPRENEURS

Early stage

- ▶ Former yoga teacher turned medical device entrepreneur
- ▶ Utilities contractor with focus on sustainability
- ▶ Former accountant with aspirations to lead the next SoulCycle for rowers

Established

- ▶ Owner of recently opened brewery
- ▶ Owner of long established small town flower shop

GOVERNMENT STAKEHOLDERS

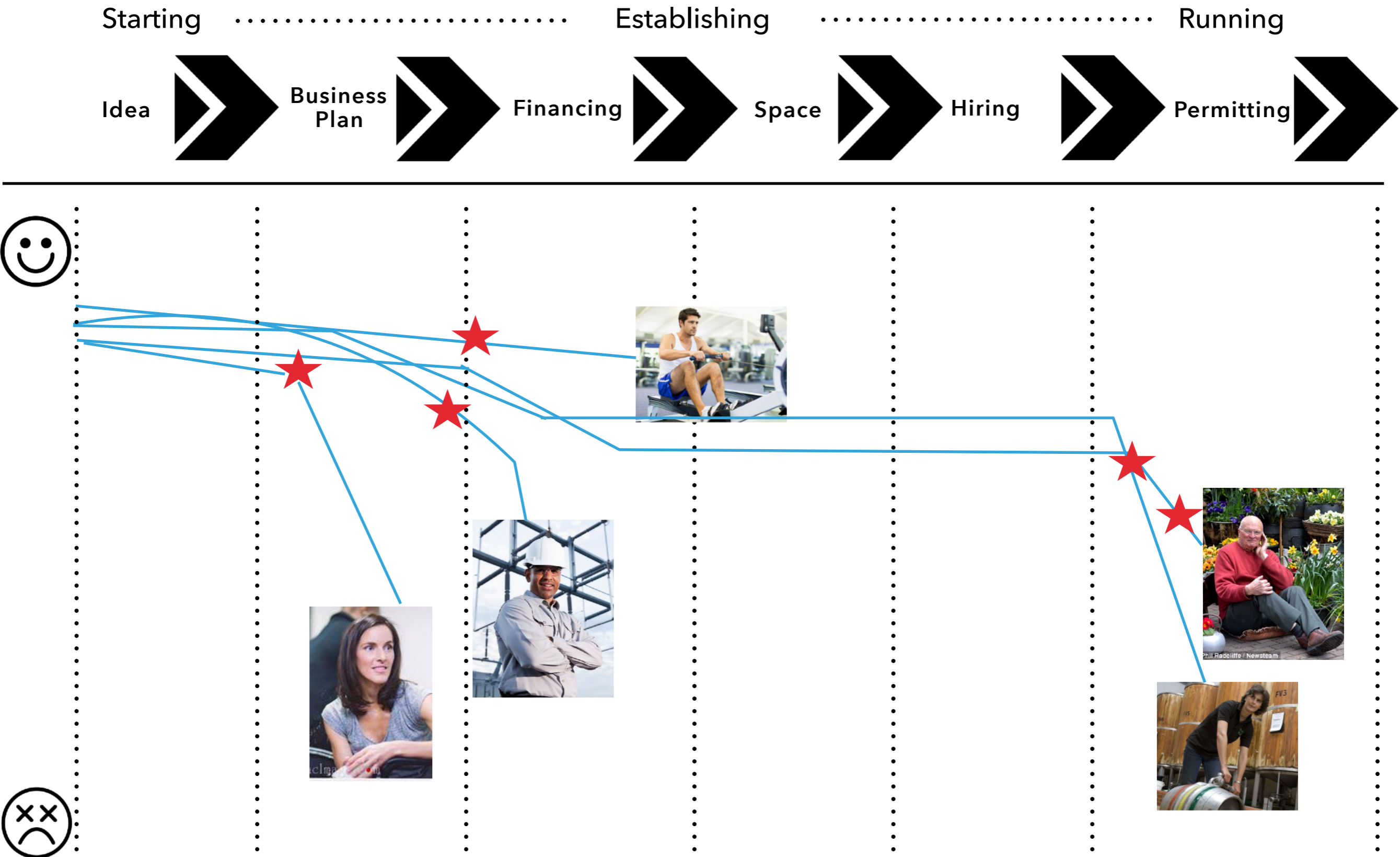
Housing and Economic Development Mass IT

- ▶ Helena: Deputy Assistant Secretary of Innovation, Entrepreneurship and Technology
- ▶ Tonia: Regulatory Ombudsman
- ▶ Harlan: Director of Design & Service Innovation

EXPERTS

- ▶ Evelyn: regional head of Small Business Administration
- ▶ Karen: former head of Small Business Administration
- ▶ Andres: member of the East Boston Merchant's Association

MAPPING THE USER JOURNEY

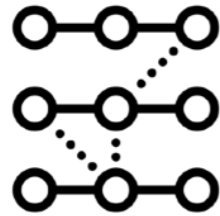


INSIGHTS





Users invest significant time, energy, and resources in learning.



There is no single touchpoint for information.



Users rely on networks for . . . everything.



Government isn't a user's first call.



Users fear penalties for breaking rules they don't know about.



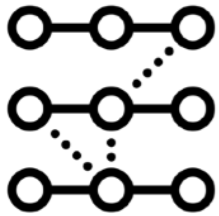
Users invest significant time, energy, and resources in learning.

- ▶ Users spend lots of time researching administrative activities like financing, facilities and regulations.
- ▶ Users with business training/experience can more easily understand what they need to do but still spend significant time identifying funding sources, service providers, etc.
- ▶ Users are confident doing these things themselves but those that can afford to will hire advisors to accelerate the process.

AS SOON AS I FIND OUT ABOUT IF I WON MY BID, THE FIRST THING I NEED TO DO IS SORT OUT ALL OF MY LEGAL, HR, AND ACCOUNTING STUFF.

I USED TO BE AN ACCOUNTANT, SO I KNOW WHAT KIND OF FINANCING I WANTED, BUT IT WAS STILL HARD TO FIND SOMEONE TO GIVE IT TO ME.

I HIRED CAMBRIDGE RESTAURANT ADVISORS BECAUSE THEY DO THAT FOR A LIVING. FOR \$10,000 THEY DO EVERYTHING [LICENSING, ZONING, SANITATION].



There is no single touchpoint for information.

- ▶ Users do not use government support resources since there are too many to keep track of, and no clear understanding of which resource to use.
- ▶ Users can't find a government person to answer all or even most of their questions.
- ▶ Coping with multiple requirements is onerous; users want these services to be integrated into a single touchpoint.

EVERY MONTH YOU GO TO MASSTAXCONNECT... AND ONCE A QUARTER YOU GO TO PUT IN YOUR INFORMATION ON THE EMPLOYEES TO THE SECRETARY OF STATE WEBSITE... TOWN OF LEXINGTON SENDS A FORM SO COMPLEX THAT YOU NEED A BUSINESS SCHOOL DEGREE TO UNDERSTAND AND FILL IT OUT AND THEY ARE ONLY TAXING MY PHONE... IT SHOULD ALL BE INCORPORATED.

EACH WEBSITE OF THE GOVERNMENT AGENCIES TELLS WHAT YOU NEED TO DO TO GET THEIR LICENSE, BUT NOBODY TELLS WHAT ALL THE LICENSES ARE... THERE IS NO SINGLE PERSON WHO CAN ANSWER YOUR ONGOING QUESTIONS.



Users rely on networks for... everything.

- ▶ Users build formal and informal networks to gain access to advice, capital, and even suppliers.
- ▶ When users have a question that requires specialized expertise, they “outsource” it to a friend or trusted advisor.
- ▶ Networks are perceived to be a competitive advantage.

I TALKED TO PEOPLE I KNEW AT MIT, WHO POINTED ME TO VENTURE CAFE. THROUGH VC CAFE I MET PEOPLE WHO GAVE ME FREE MARKETING ADVICE. THEN I FOUND A LAWYER THROUGH THE WOMEN IN BUSINESS CONFERENCE.

WHEN I WAS THINKING ABOUT REGISTRATION, I FIGURED I WOULD JUST CALL UP ONE OF MY LAWYER FRIENDS.

IF YOU DON'T TALK TO PEOPLE YOU WON'T GET AHEAD. HOW ELSE WOULD I HAVE KNOWN WHERE TO GET MY PROTOTYPED PRICED? THAT'S NOT ADVERTISED ONLINE.



Government isn't a user's first call.

- ▶ When users look for help, they typically start with other entrepreneurs or small business groups.
- ▶ At early stage, users don't seek out government resources - but they often end up being directed towards them.
- ▶ Once a user is up and running, they have a more transactional (and burdensome) relationship with the government. The advice/mentorship role no longer exists.
- ▶ Users do trust government to provide them unbiased info.

I JUST WALKED INTO MY BANK AND SAID "I'M STARTING A BUSINESS, WHAT DO I DO?"

I WOULD RATHER TRUST THE GOVERNMENT THAN A BANK OR ANOTHER BUSINESS FOR ADVICE.

THE ONLY TIME I TALK TO THE GOVERNMENT IS TO PAY TAXES OR FEES.



Users fear penalties for breaking rules they don't know about.

- ▶ Users live in uncertainty and are not sure if they have checked all the boxes.
- ▶ Users worry about getting fined because of something they didn't know they had to do.
- ▶ This feeling of uncertainty does not end once their business is running - it's ongoing.

I WAS ALREADY OPEN FOR BUSINESS FOR SEVERAL YEARS AND THEN SOMEBODY CAME FROM THE STATE AND SAID THAT I NEED A CERTIFICATE DISPLAYED, WHICH WAS SENT TO ME AFTERWARDS.

WE JUST TRIED TO HOST A TRIVIA NIGHT AND GOT THIS EMAIL FROM THE CITY SAYING, "YOU DON'T HAVE A TRIVIA LICENSE, YOU WILL GET SHUT DOWN IF YOU HOST ONE." ARE YOU KIDDING ME?

TO THIS DAY I'M STILL WORRIED THAT WE MISSED SOMETHING. IS THE ABCC (MASSACHUSETTS ALCOHOLIC BEVERAGES CONTROL COMMISSION) INSPECTOR GOING TO SHOW UP TO OUR DOOR AND ASK "WHY DO YOU NOT HAVE THIS PERMIT?"

NEXT STEPS



- ① **Continue interviews with target user groups to confirm insights**
- ② **Update findings**
- ③ **Translate findings into solutions**
- ④ **Prioritize solution for prototyping**