

# Going Digital,

Delivering a Fully Electronic Registry

The registry people



Across both the public and private sectors, “Going Digital” has become a ubiquitous term. Most have a general appreciation for the improved aesthetics and user experience granted by the digital movement, however its value is often misunderstood, taken for granted or ignored as entities digitize under pressure to maintain relevancy. For those of us in the public sector, our actions, reactions and lack thereof are under real-time scrutiny 24 hours a day, seven days a week. Therefore, we must correctly identify the rationale for public facing undertakings and ensure achievement of the intended benefits. This is particularly true when bringing revenue generating Business Services Registries, which are vital to your economy, to the digital front.

### Enabling Businesses to Embrace Electronic Services

Business Services Registers have an obligation to act both as a regulator, by enforcing statutory compliance in each filing obligation, and as an enabler, to promote business growth, productivity and encourage new, emerging businesses. By implementing electronic business registries, a Business Services Register enables business formation and maintenance by incorporating compliance requirements into the application. The Internet, and the electronic services it makes available, promotes inclusion, efficiency and innovation. These technology advancements reduce Registry operational costs and increase accuracy and speed of service.<sup>1</sup>

### Going Digital Improves Productivity

“Going Digital,” as the Montana Secretary of State has done, is the first step toward improving productivity and efficiency. Beginning in September 2017, all businesses in Montana must file incorporation documents and annual reports online. The online application is user-friendly and streamlines the submission process by automating the statutory requirements for each filing type. In turn, all documents submitted are in full compliance with the applicable requirements due to the online submission process’ automated settings.<sup>2</sup> “When we do (this) efficiently, it makes it easier for businesses to create capital, to hire people,” says Secretary Stapleton, “but it also authenticates our businesses here in the state with others, not just in the country, but even around the world.”

Once a Business Services Division implements an electronic business registry, they must make it worthwhile by maximizing their productivity-enhancing technologies and the overall electronic business model to promote business growth and the economy. This concept, a measurement of global productivity and the growth rate of “Total Factor Productivity (TFP),” which tracks the efficiency gains of capital and labor, is something that the International Finance Corporation, a World Bank Group (IFC), recently

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<sup>1</sup> International Bank for Reconstruction and Development / The World Bank. “World Development Report 2016: Digital Dividends.” 2016, doi:10.1596/978-1-4648-0671-1

<sup>2</sup> Dennison, M. (2017, September 05). Montana goes to all-digital biz incorporation filings, from <http://www.ktvh.com/2017/09/montana-goes-to-all-digital-biz-incorporation-filings>

researched. According to IFC's studies, more advanced economies like the United States are currently experiencing zero or negative TFP growth.<sup>3</sup> The growth of productivity, or TFP, measures the effectiveness of converting labor and capital into a yield or output. Advancements in technology, like having a Business Registry become wholly electronic, is a main catalyst for productivity improvements.<sup>4</sup> The cause of slowed growth is complex, however, it has become clear that technology is only one of the tools needed. TFP likely needs coordination and advancement in the ways we relate to one another, the way we use technology and give consideration to human relations.<sup>5</sup>

The question becomes: Once a Business Registry Goes Digital, what can it do to keep productivity high? In Montana, Secretary of State, Corey Stapleton, implemented a "Things that Matter" statewide outreach tour to partner human relations with his online initiatives. The tour plans to visit each of Montana's 56 counties and allow time for human relations, meeting with students, business owners and election officials at each stop. The outreach tour is a byproduct of the "Going Digital" campaign; an initiative to increase TFP throughout Montana. How can your office improve its productivity rate? How can you promote your state's business growth?

### The Benefits of a Digital Office – Business Intelligence as a By-Product

Business Intelligence (BI) is not a new concept, however recent advancements and upgrades have streamlined its importance and allowed for improved use of data across industries. As any organization grows or modernizes, its data stores become more variable and daunting. With business intelligence, an organization can synthesize mass amounts of data from various data sources in a comprehensive manner, on-demand.<sup>6</sup> Business Intelligence goes beyond the capabilities of reports; reports run on a schedule and can inundate recipients with high volumes of output and little significant content. Business Intelligence can allow a Registry officer to synthesize data from various sources, on-demand, in a single tool. With recent upgrades to business intelligence, Registry officers can compile real-time data with a predefined cached time frame, providing meaningful insights on items that improve office productivity.

Business intelligence improves end user engagement while the data resides on the back end and is synchronized in a data warehouse. Today's business intelligence tools communicate with the warehouse and pull the data needed for any BI request on-demand. Information can be synthesized in a standing dashboard, allowing a registry office a quick glance at real-time data in a meaningful format to provide more a more flexible reporting and analytics solution.

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Corey Stapleton, Montana Secretary of State

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<sup>3</sup> Molders, F. (May 2016). Global Productivity Slowdown and the Role of Technology Adoption in Emerging Markets [Note 6]. International Finance Corporation, World Bank Group.

<sup>4</sup> Molders, 2016.

<sup>5</sup> Molders, 2016.

<sup>6</sup> Dennis, Amber Lee. "Case Study: A Business Intelligence Upgrade Keeps Ultra Mobile Operating at Light Speed." DATAVERSITY, 15 Dec. 2017. [www.dataversity.net/case-study-business-intelligence-upgrade-keeps-ultra-mobile-operating-light-speed/](http://www.dataversity.net/case-study-business-intelligence-upgrade-keeps-ultra-mobile-operating-light-speed/)

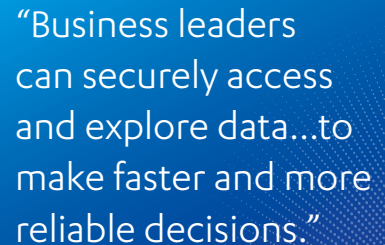
## How Does BI Benefit a Business Services Division?

### 1. Easy Analytics

- Analytical power at your fingertips that enables a Registry officer to produce targeted information on-demand
- Information can be easily shared among operational users, power users and executives to better allocate resources to respond to filing demands, coordinate outreach to address anomalies or track the productivity of Registry clerks through KPIs
- Easy to deploy, easy to learn, easy to use and easy to administer
- Understand your information more effectively and reliably in real-time

### 2. Self Service

- Registry officers can run their own reports on the KPIs that interest them
- Data can be used by anyone within the registry organization
- Front End tools provide personalized service more easily
- Business leaders can securely access and explore data—no matter where they are—to make faster and more reliable decisions.



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## What Key Application Concepts “Enable” an Electronic Registry?

- A **centralized management application** provides a 'one stop shop' for an administrator to manage registry accounts by access groups, group members, teams or by individual team member.
- **Security Roles** are established and can be removed, replaced, changed or added to suit the Registry's security policy.
- These play an important part in linking user security privileges to the items, or functions, and business services available specially to the respective users.
- Every registry business service within an application solution is subject to a **Workflow** process. The workflow controls the manner by which each business service is initiated, the subsequent 'flow' involved in completing it, and any associated fees, notifications and filings on the register that completion of the business service entails.
- A **Business Service** can be thought of as an online form or application that a user fills in and submits. In more abstract terms, it can be considered as a means by which a user interacts with the register.
- Business services within a solution vary based on the type of register. The data items captured depend on the entity being processed as part of the register (corporations, directors/officers, finance statement, registered agent, etc.).

- **Smart services** allow business users handling a use case or filing activity to be informed when a user already has a service, or filing activity, started and requests another service of the same type.
- **Compliance** is a tool that can be used to automate a typical recurring compliance process. It is based on the ability to implement an **automated** process – one that is typically a statutory requirement and has the appropriate ‘teeth’ to enforce what the system does automatically (e.g. mandatory annual reports).
- **Registration** - when something gets put on the register. It sets the scene for what is to happen throughout the process. This event **creates the first set of Compliance data**. At the Compliance Script has a reference point and a ‘Next Step’ in place to move along.
- **Maintenance** - when some data in the Dataset is amended, and as a result it changes how Compliance schedules itself.
- **Corrections to the Register** - changes something that is not necessarily ‘planned’ but Compliance needs to take note and possibly change how it schedules itself.

### What About Legacy Data?

Becoming an electronic Business Registry means that all the relevant data must be brought online from legacy applications, formats or locations. This can lead to unpredictable complications, challenges and additional costs. By following a data management methodology and process, legacy data becomes more reliable and confidence regarding data accuracy increases. Focus legacy data planning on the following points:

- **What’s Your Data Migration Methodology?** - To properly plan for data migration, every registry’s data must be subjected to an elicited review of all key information that defines legacy data. Each of these defining details must be mapped properly to a new table. High level data checks and specifications must ensure all known legacy data issues will be addressed by additional data rules. Finally, ample time must be allotted for data testing and validation to ensure the intended results are realized. Ensure your Data Migration Methodology explains the philosophy, common pitfalls, considerations and processes around data migration with particular reference to the end target. It is critical to allocate sufficient time and effort to focus on legacy data management.
- **Not Everything is Worth Collecting** – What data is of essential importance? Has your office considered if all the data retained must continue to be retained? If we take Uniform Commercial Code financing statements as an example, absent additional statutory requirement, Article 9 allows for data and images associated with all financing statements that are more than one year

past their lapse date to be disposed. Does your office retain filings in excess? When was the last time your retention schedule was reviewed and revised? Can any inclusions be reconsidered?

- **Tiered Storage** – A tiered storage solution enhances efficiency and speed more than simple archiving.<sup>7</sup> In a tiered solution, more important, or recent data can be prioritized in the first tier based upon the probability that it will be requested more often than older data, which could reside in a lower tier where it takes more time to retrieve.

## Let's Get Digital

“Don't Wait” is a major tenet of the Going Digital movement. Your constituents expect increased and improved digital engagement across all sectors, including public sector interactions. Change is hard and takes time, especially when it impacts a wide swath of people in a very public setting. However, the blueprint for success exists. With so many success stories, there are countless lessons learned and examples applicable to your situation. Reach out to your counterparts that have Gone Digital and hear their stories on the successes and struggles they dealt with on their path to modernization. We welcome an opportunity to discuss our experience in implementing over 20 electronic registries, including the world's first!

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<sup>7</sup> LaRock, Thomas. “4 principles of simplified data management.” GCN, 31 July 2014, [gcnc.com/articles/2014/07/31/4-keys-data-simplicity.aspx](http://gcnc.com/articles/2014/07/31/4-keys-data-simplicity.aspx)

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