Strategic Lean Project Report

RESULTS WASHINGTON

Business Licensing

Agency: Department of Revenue

Partners and Customers: Department of Labor and Industries (L&I) partnered in this workshop. While customers did not participate, the Department of Revenue used feedback received by the business licensing call center.

Project Impact

Revenue and L&I improved the business licensing process for businesses that apply for a license at an L&I field office. Customers who file online while at a field office will now get their business license 5 days sooner than they would with a paper application, which takes 10 days.

As a result, customers can begin to do business sooner.
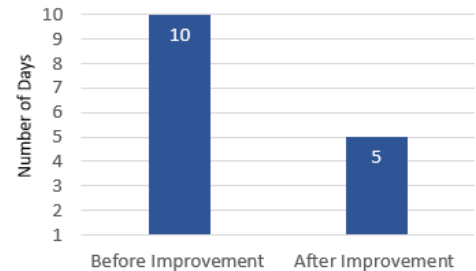
Project Summary

About 30 years ago, Revenue and L&I partnered to allow businesses to begin the process of getting their business license with either agency.

Each month, about 500 business owners go to an L&I field office to apply for a business license. There is often an urgency when a business goes into a field office to apply for a license.

In 2016, Revenue implemented its new business licensing system, changing the application process. As a result, L&I could no longer process applications themselves, so paper applications were mailed and payments transferred to Revenue weekly.

The prior process had a 20 percent error rate.

It took 7 – 10 business days to process a paper business license application when a customer submitted it at an L&I field office, compared to our target of 6 business days, which we wanted to reach by 11/23/2018.

A cross-agency team improved the process by:
- Streamlining the process and providing clear and defined explanations of the workflow and the roles of front counter employees.
- Encouraging customers to apply online at the field office so L&I employees can help customers through the online application.
- Providing examples of completed business licensing applications for customers and staff.

Project Results

Quality

Decreased errors **from** 20% **to** 6%.

→

Each month, error rates dropped. As the process stabilizes and more applications are submitted online, error rates will continue to fall. Online applications are typically error free.

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Time

Decreased the time it took the Department of Revenue to process each online application, **from** 16 minutes **to** 4 minutes.

→ *There were 216 online applications during the pilot months and two months of statewide implementation. The changes saved Revenue 43.3 hours of processing time. This does not include L&I's time savings, which two employees estimate was as much as 33 minutes per online application.*

Customer Satisfaction

Decreased the number of days it takes customers to receive their business license **from** up to 10 business days **to** 5 days business days.

→ *216 (31%) customers received their business license at least 5 days sooner.*

Project Details

Date improvement project was initiated: 6/18/2018
Project Contact: Cyndee Baugh   **Email:** Cyndeeb@dor.wa.gov   **Phone:** (360) 596-3631
Report reviewed and approved by: Vikki Smith, Director