

Appendix – Current State (Voice of the Customer)

Appendix – Current State Inventory (Voice of the Customer)

A key component of the Zero Based Budget Review included reaching out to a representative share of the WaTech customer base to gather feedback relating to customer satisfaction and future demand. The intent of this process was to document feedback from existing customers, as well as perceived advantages and deficiencies in current service offerings. Given the diversity of WaTech clients across a hundred plus Washington State agencies, both large and small, the Gartner team had numerous discussions with both WaTech leadership and the WaTech Customer Account Managers to identify a balanced and demonstrative list of agencies to interview.

The process of gathering customer feedback began by hosting six customer focus groups based on pre-identified technology areas of concentration and performing interviews with roughly twenty agency CIO's and key staff. In performing these interviews the Gartner team explored customer themes relating to their perception of feature and service levels, perception of price considering WaTech value add and customer plans for future usage. The resulting documentation of these interviews are contained in our report, however Gartner did not associate any comments with specific customers, nor did Gartner validate any of the customer feedback for accuracy.

From the Gartner perspective, a key benefit of gathering customer feedback includes helping WaTech identify potential service gaps, as well as gaps in potential customer understanding of WaTech's services that will need to be addressed to expand the existing customer base. It was equally important for the integrity of this report that Gartner communicate the voice of customers, both current and potential. Our discussions were intended to reflect customer perception and thus may not always reflect a fully accurate picture. Discrepancies between potential customer perception and WaTech's perspective presents an opportunity for WaTech to better communicate with and educate this group of agencies.

The Voice of the Customer section follows the formatting of the Current State Inventory.

1. Telephony Services

(3341) Centrex

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

Customers of the Centrex service provided largely positive feedback around service definition and service quality:

- Several customers stated that they view the support technicians as responsive
- A couple customers stated that they had recently stood up new services at new buildings and they reported that cutover to the new service was a relatively smooth and well-coordinated process.

Perception of Price Considering WaTech Value Add

While customers stated that the Centrex service largely meets their needs, there was a lot of feedback provided around the recent price increase:

- Focus group participants stated that they view the service as expensive. They believe the recent price increase took the existing average rate and roughly doubled it to more than twice the market rate (they stated that they believe they are able to go directly to CentryLink and receive a rate of \$20/line).
- Several agencies stated that they believe it is unclear as to whether or not WaTech is intending to stay in this business, and that WaTech might be using the price hike to reduce usage. Several of these agencies stated that they would go ahead and begin purchasing service directly from carriers.

Customer Plans for Future Usage

Most agencies stated that in the near term they planned to conduct audits to identify inactive lines and lower bills. Many of the agencies participating in the focus group and interviews stated that they intend to migrate away from the service given the recent increase in price. Many of these agencies stated that they intend to purchase services directly from carriers (like CentryLink) in order to keep their costs down.

(3342) Private Branch Exchange

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

Agencies provided positive feedback on the PBX/VoIP service:

- Several customers stated that they believe PBX/VoIP telephony personnel try to engage with customers as effective partners, and they believe that many of these WaTech staff have good technical skills.
- A few customers stated that they have been pleased with the responsiveness of the PBX/VoIP telephony team.
- One customer stated that they rarely have issues, and when they have had service issues its been the support vendor's fault rather than WaTech's.
- Another agency stated that they believe WaTech has always had great service, and as they are now looking to move to VoIP, WaTech has acted as a good partner in helping them define a plan for conversion and in providing some of the potential savings back to them in the form of a lower quoted rate (around 10% savings as quoted).

Agencies also expressed some frustration with the existing PBX and VoIP services:

- A couple agencies stated that their PBX solution is a 20 year old platform, and stated that while WaTech has bolted on SIP trunking and a few other things on top, they view Telephony as WaTech executes it as past end of life. These agencies stated that they do not believe WaTech is looking out ahead far enough and they need to refresh their strategy in regard to telephony services.
- Several focus group participants stated that they believe Skype for Business has been deliberately crippled so that WaTech can effectively protect the PBX business
- Several agencies expressed a desire to see WaTech contract out the PBX refresh rather than complete it slowly overtime, only as current staff are able to make time to complete migrations.
- A couple agencies cited poor service quality as a challenge with PBX/VoIP. That they experience a large number of dropped calls, and also stated that they do not receive any sort of availability reports on this (service degradation is not reported effectively even though they have reliability issues). They also stated that WaTech won't acknowledge all outages they cause and often won't provide root cause details unless prompted. These agencies want a clear promise of good quality service and do not feel that is what they are getting today.
- One agency referenced a VoIP project with a cutover process that was not smooth (citing WaTech's failure to communicate across siloed groups that was visible to the customer). This agency stated that WaTech needs better communication between WaTech service tiers.
- One agency stated that there are some areas where the service provider role is not well defined, e.g., reconciliation and E-911 forms for moves, adds, and changes requests. This agency expressed some frustration with the fact that WaTech is offering a "managed service" but the agency paying for the service still must invest significant staff time above and beyond WaTech's support.

Perception of Price Considering WaTech Value Add

Several agencies provided feedback on PBX pricing given value added:

- Participants in the focus group session stated that WaTech's pricing model wasn't always clear to them. Participants cited situations where WaTech had provided different per seat quotes when they had requested the same number of seats on the same PBX, in the same building).
- Participants in the interviews and focus groups stated that the rate model doesn't meet their needs given that it doesn't include phones and does not include all equipment

refresh (e.g., an agency is responsible to fund their own upgrade from version “X” to “Y” but once they get up to version “Y” then WaTech states that they will include the upgrade from then on).

- Some agencies stated that the carrier approach to rolling the capital costs into the monthly fee was more attractive than WaTech’s approach of charging for it separately.
- Participants in the focus group also expressed frustration that WaTech won’t let the agencies port phone numbers to a new carrier – many of these agencies stated that WaTech owns the DID numbers and they are using that to “handcuff” them into staying (30 day self-referrals on their answering machines is the stop gap for phone number cutovers).
- Some agencies participating in the focus group and interviews stated that they view this service as at risk of losing customers. That it is an area where WaTech would need to make substantial investments in order to retain current customers.

Customer Plans for Future Usage

About a half dozen agencies interviewed stated that they are finalizing plans to reduce their footprint or move away entirely from the PBX/VoIP service. Most of these agencies stated that they intend to move away from the service within the next two years (placing potentially over a million of revenue at risk):

- One agency stated they are evaluating purchasing VoIP services directly from a carrier (e.g., CenturyLink) because they are viewed as a cheaper option. This agency stated that they would prefer to use WaTech but they believe WaTech needs a telecom strategy (and they believe agencies should get to participate in developing that strategy).
- Several agencies said they are already planning to transition away from WaTech’s service and will cut over to their own PBX. One of these agencies stated that they did an exhaustive search, and WaTech is a little too expensive so they decided to do it themselves. This agency stated that the requirement to pay WaTech’s contracted support vendor for moves, adds and changes at a lot of the sites added too much to the cost.
- One agency that said they are planning to move to an in-house solution stated that beyond the cost savings, another driver is the opportunity to establish better integration across voice service and the ability to implement a unified communications strategy.

A couple of existing customers stated that they plan to continue leveraging WaTech’s services and one stated that there is a possibility that they may expand their footprint with WaTech rather than leveraging a carrier managed VoIP service (though they were still working to finalize the decision).

- Several agencies stated that they hope to take advantage of a move to a new facility to move over to VoIP.
- Several of the agencies that stated they intended to keep WaTech as their provider stated that they would like to see WaTech improve rate transparency and offer more standardized rates. One of these agencies highlighted a quote from WaTech that reflected a cutover to VoIP which would not include a lower rate for the agency.

(3321) Switched Long Distance

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

Customer feedback on the service definition was largely positive:

- Nearly all customers interviewed stated that the current long distance billing process meets their business needs.
- Many customers stated that they like the user pin feature of the service.

Perception of Price Considering WaTech Value Add

Customers stated that they believed WaTech's 100% price premium was too high to be justifiable (participants in the focus group believe they can get some long distance services directly from the carrier at a rate of 2 cents per minute when WaTech sells the same service at 4.5 cents per minute).

Customer Plans for Future Usage

Several customers stated that they view the long distance service almost as a value added feature of PBX. A couple of these customers stated that when they move away from WaTech's PBX service they may also discontinue long distance as well.

(3331) Conferencing

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

Agency feedback on conferencing services was primarily focused on pricing, however, one large agency was concerned that the WebEx conferencing service does not accommodate sensitive data.

Perception of Price Considering WaTech Value Add

Focus group participants provided the feedback that conferencing services are perceived to be expensive (both WebEx and voice teleconferencing) compared to other external options.

Customer Plans for Future Usage

Numerous participants in the focus group and interviews stated that they are primarily using other conferencing services rather than paying for WaTech's fee for service offerings. Those potential customers stated that they have no intention to use WaTech's services in the future. Many existing customers stated a desire to reduce their service usage footprint in the future, though also acknowledged that they have little ability to pull back accounts from business users.

(3332) Directory Assistance/Telephone Information

L. Customer Satisfaction and Future Demand

Customers participating in the focus group and interviews did not understand what the directory assistance bill was related to and didn't understand why they are being charged for the service.

2. Data Network Services

(3480) Network – Core, Transport and Connectivity

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

Three of the large agencies participating in interviews and focus groups are limited users of WaTech's Data Network services, leveraging WaTech for internet connections, connections to other government agencies through the PGN, and some remote office connections. Many of the other large agencies, as well as medium-to-small sized agencies are more dependent on WaTech's Data Network services, typically leveraging WaTech to connect most or all of their offices. Despite the different usage patterns, feedback was largely consistent across agencies of all sizes.

Many customers expressed the opinion that the WaTech Data Network services do not meet their business requirements for availability and performance.

- Agencies with life-safety (public safety, first responder, health care, etc.) requirements and agencies with important office locations outside of the State Metropolitan Optical Network (SMON) capitol campus service area, reported the most issues.
- Agencies stated that circuits are frequently down for short periods (i.e., multiple times a day in some cases), and that multi-day outages have occurred periodically at many sites.
- Several agencies who must support after hours operations, stated that limited network command center staffing during the night shift does not meet their business requirements as there are significant delays while on-call personnel are contacted and often remediation of the issue is deferred to the next day.

Many customers shared their perception that the network team seems to never have enough resources with the right skills to support their projects/resolve their technical issues in some key areas despite having a large team. Examples provided by these customers as evidence for this included:

- WaTech does not provide regular or frequent status reports on estimated timing for planned vendor circuit installations.
- WaTech is not coordinating the ongoing installation of replacement routers at the provider edge with the contracted support vendor in spite of the fact that WaTech's responsibility for vendor coordination at the provider edge is explicitly called out in the Service Level Agreement.
- Instances when WaTech network engineers had to make repeated site visits in order to configure a new service that the agency engineers considered to be a routine task.
- Excessive amount of time required to diagnose the root cause of network issues.
- Long delays in communicating outages to impacted customers during incidents (which a couple customers speculated may be due to limited understanding of how customers are combined into trunks on the network).

Agencies stated that WaTech's process for procuring carrier circuits leads to suboptimal outcomes for agencies. The main issues repeated frequently were:

- WaTech pools circuit procurements so some agencies must wait a couple months for a sufficient number of additional agencies to submit requests before any action is taken.
- WaTech goes out to competitive bid for every new circuit procurement rather than leveraging a master services agreement.
- WaTech selects the circuit that is in WaTech's financial interest as an allocated service provider over the interest of the agencies (i.e., agencies believe that WaTech selects the lowest bidder which is perceived to contribute to quality issues, selects the lowest monthly recurring cost regardless of wait time required for installation of new last mile fiber and any one-time installation fees given any amount above \$5,000 is the responsibility of the agency, and they do not give weight to the fact that agencies sometimes see the selected technology, like microwave, to be an unacceptable substitute).

Some agencies stated that WaTech is a poor business partner in network delivery. The examples most frequently cited include:

- WaTech's decision to change routing protocols from EIGRP to BGP without discussion and input from agencies.
- WaTech's decision to move to an allocated chargeback model which limits agency flexibility to control network spend within a biennium.
- WaTech's decision to use a prior base year as the year zero for the new allocation model which erased two years of effort some agencies had expended in consolidating offices to reduce network spend, codified some billing errors in the base chargeback rates and added 31% to the base year cost without explanation.
- WaTech's practice of throttling bandwidth to the baseline defined bandwidth limit without regard for agency business requirements.
- WaTech does not conduct site surveys or pre-configure routers delivered to the customer site, choosing instead to rely on agency staff to do their work for them.
- Exclusion of new backup circuits from the allocation.

Agencies stated that the Data Network services do not meet some of their requirements for service features, some examples cited by these agencies include:

- Inability to support multi-cast.
- Possible limitations with Quality of Service.
- Uncertainty around the actual level of redundancy built out in the Quincy Data Center.
- Firewall solution that was not architected and built to a specification that would enable agencies to use the next generation capabilities such as decryption and content inspection, and several stated that this feature and others were features they would like to use.
- Failure to define an agency interconnection standard, or reference architecture.
- Rollout of a high bandwidth private connection to the cloud (cloud highway) that fails to include Office 365 as a part of the initial rollout, with uncertainty around pricing that small agencies say may end up excluding them from using the feature.

A couple agencies stated that while they shared other agencies perceptions about the procurement process and communication challenges, once a circuit is in place they viewed the service as sufficiently stable to meet their business requirements.

Perception of Price Considering WaTech Value Add

The large agencies all expressed a preference to continue providing their own core network services, but acknowledged that partnering with WaTech is sometimes unavoidable (e.g., in order to receive funding, or to reach specific sites). These agencies see only limited value add at best, and in the worst case as an extra layer of management that detracts value, and they perceive WaTech to be a very expensive network provider.

One large agency stated that they had completed their own benchmark to compare their delivery cost to WaTech and found that they deliver network services at half the price, another stated that WaTech is about twenty percent higher cost.

Some medium to small size customers stated that they do not want the responsibility of managing their own network and believe that WaTech's shared service delivery of the WAN provides value to the state as a whole. However, even these customers stated a perception that WaTech's pricing is high, and many expressed the concern that the allocation chargeback approach further curtailed value given reduced agency flexibility and ability to control spend.

Customer Plans for Future Usage

Agencies stated that they anticipate growth in their use of WaTech's WAN core and transport services, particularly given the movement to public cloud services and increased movement to VoIP and video conferencing services.

WaTech's currently tracked pipeline reflects this anticipated increase.

(3466) Cloud and Office VPN

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

Customers reported several issues with the Cloud and Office VPN service:

- Customers reported that up until recently, the office VPN service did not meet the use case requirements for a backup circuit, rather than a full office VPN solution with DHCP configured.
- Customers also stated that the service has not been architected for sufficient bandwidth for current usage much less future growth, it's only a 100M circuit and customers report that WaTech is throttling bandwidth.
- A few customers stated they plan to remain with the service but view the bandwidth as a limitation that needs to be addressed, and a few other agencies stated they have dropped the service due to service issues.

Customers also provided positive feedback on this service:

- A few customers stated that they had not experienced any substantial service issues and stated that the service currently meets their business requirements.
- Several agencies stated that they appreciate the fact that the Office VPN is currently not included in the Data Network allocation, viewing it as a welcome alternative and lower priced option.

Perception of Price Considering WaTech Value Add

Most customers stated that while the recent out of cycle price increase caused budgetary challenges for them, the service is more attractive than the network allocation and stated that these services provide value on an enterprise level. As with WAN Data Network Core and Transport services, these customers clearly state that this is something they would not want to be responsible for as an agency and feel it is an appropriate enterprise-wide shared service provided by a central service agency.

Customer Plans for Future Usage

Existing customers stated an intention to continue using WaTech for their Office and Cloud VPN service needs, despite current design challenges. A couple customers of the Data Network allocation stated that they are currently planning, or starting to plan, a migration from the allocation to the Office VPN service given budget constraints.

3. Access & Security Services

(3541) Remote Access Services

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

Most agencies are current customers of WaTech Remote Access services in some capacity (i.e., authentication, SSL-based VPN and/or Citrix Edge). Customers stated that the SSL-based VPN remote access service meets their requirements. Customers who have transitioned from hard to soft tokens (or to certificates) have provided feedback that the transition went well and that the new solution meets their needs. In particular, customers noted that the request fulfillment turnaround for new certificates is relatively quick at a day or two.

However, several agencies stated that WaTech does not understand agency requirements for developer/contractor remote access (e.g., virtual desktop) and it has become more difficult for agencies to architect their own solution due to the security design review process challenges. Several agencies mentioned that they maintain their own Citrix environments (to provide access to various Agency legacy applications which are no longer compatible with their current network or desktop configurations) as they have perceived the WaTech Citrix service to be on the edge of deprecation for some time.

Perception of Price Considering WaTech Value Add

Customers expressed frustration that they believed the SSL-VPN service was originally positioned by WaTech as a permanently “free” service that was included as a feature of the network service covered under the preexisting rates. Customers reported that WaTech appeared to make the decision to begin charging for this service arbitrarily and without communication to customers.

Customers noted that detailed billing to differentiate divisional usage was not provided and expressed frustration with the fact that WaTech bills are based on who has access to the service (as defined by an active directory security group) rather than by actual usage. Some agencies stated that they had rolled out the service broadly while it was still cost effective to do so, and it was burdensome (damaging to their end user/business relationships and WaTech’s reputation) to pull the service back after WaTech began charging for it.

Customer Plans for Future Usage

Customers stated that they intended to continue leveraging WaTech remote access services.

A few agencies stated that a modern Virtual Desktop Infrastructure /Remote Control type solution is something they would be interested in if offered at a competitive price with appropriate service level commitments (performance, currency, responsiveness, etc.).

(3540) Security Gateway Services and (4671 / Formerly 3540) Security Gateway Support

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

Customers provided mixed reviews of the Secure Access Washington service. Many customers felt that WaTech had made some improvements to the service features and that it meets most requirements. In spite of the improvements, several customers highlighted a few challenges:

- SAW does not provide a very good user experience, and when feedback is provided WaTech does not provide any details on how user experience feedback might be accommodated in future feature rollouts, and instead highlights that the solution architecture limits ability to address any concerns.
- Authentication and multifactor were tightly coupled services built in a way that they must be used together as a part of a proprietary vendor solution, and multiple agencies have requested a fix for this problem for years.

Several agencies stated that the other proxy services (that are currently delivered through the F5 server, or are planned for migration to the F5 server) seem to work fairly well. While a couple larger agencies also stated they maintain their own separate reverse proxy servers so leveraging WaTech's service would be redundant, small to mid-sized agencies stated that they were glad to have WaTech's service available so that they do not have to maintain the expertise.

Customers did highlight a few challenges with the F5 proxy services:

- Information related to the service is not always distributed to users of the service (e.g., major cutover to a new technical solution was not communicated effectively).
- WaTech didn't complete detailed requirements analysis before making decision to change the underlying architecture for some proxy services, and customers aren't clear whether the change impacts availability of certain features.
- WaTech didn't support migration of existing configurations into the replacement solution, instead pushing this burden to each customer agency.
- Help desk tickets are not always escalated or routed correctly (an example was provided for the F5 Web Application Firewall where a ticket had been opened and pending for weeks). Customers stated that they believe lack of clarity regarding roles/responsibilities of various WaTech sub-groups may be a contributing factor. They stated that this should not be visible to them, nor should noticing and sorting it out be their responsibility or require their involvement.

Perception of Price Considering WaTech Value Add

Several agencies stated that they perceived a secure gateway service to be a valuable service provided by WaTech and it is not an area where they look to comparison shop.

However, an agency that rolled out the new LexisNexis multifactor feature complained about unbudgeted expenses that stemmed from WaTech's decision to charge for the feature mid-budget cycle.

Customer Plans for Future Usage

Agency use of some Security Gateway services is mandated by OCIO policy 141.10 for specific use cases. Several agencies expressed frustration at perceived self-dealing by the OCIO given that the solution is a flawed proprietary solution that does not meet all agency requirements, and there are other competing solutions available on the market. Agencies grandfathered in to an exception to the mandate stated they are trying to avoid adoption in the future. Other existing customers signaled that they would continue to use the service.

(4672 / Formerly Security Infrastructure Allocation) Security Infrastructure Support – VA, SIEM, and DNS

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

Agencies provided substantial feedback on the SIEM (Logging and Monitoring) and Vulnerability Assessment tool services. Most agencies are paying for security infrastructure via the network allocation, but only handfuls are customers today. No feedback was provided for DNS.

Participants in the security focus group provided a majority view on security service delivery challenges at WaTech: initial efforts to acquire security tools for delivery as a service did not adequately involve customers and did not involve a formal requirements elicitation phase, compounding the problem later was the fact that the bulk of security staff either went to OCS or left the WaTech organization when the OCS was created, therefore the Computer Services Division inherited a mess that was understaffed (note WaTech recently reassigned these services to the internal WaTech CISO and organizational changes are still in flight).

Agencies expressed frustration at delayed implementation and customer onboarding for both the SIEM and VA tools. Several agencies referenced the fact that they are in violation of federal requirements and that they are at risk of an audit, and expressed frustration that they do not have budget available to go to market for their own tools since they are already paying WaTech for services they can't use.

SIEM Tool Service:

Customers expressed frustration at the timeline for implementation since it's been over eight years since the first committee was formed, and they are on their second deployment after an initial failed effort, and customer onboarding has been substantially delayed, with some agencies noting that they have been waiting over three years to onboard to the SIEM tool.

Customers stated that not only are delays frustrating but the service is not designed in a way that meets all of their requirements. The service offered by WaTech does not meet all 141.10 requirements which states that agencies are supposed to keep 10 years of backup but barely has any disc space is included.

Agencies also expressed concern that they do not get visibility into the packet capture. They have to buy that separately. However, if you log into the tool and you do not have network data, a few agencies expressed the opinion that it is almost pointless.

Customers also stated that the solution was not architected appropriately. One customer who is already using the service stated they have been waiting for months for rules to configure alerts

(given the solution is a single tenant deployed as a multi-tenant) and WaTech only has one resource supporting.

VA Tool Service:

Agencies expressed disappointment with the multiple rounds of Vulnerability Assessment tool deployments. Not only has implementation and ultimately customer onboarding been delayed but earlier deployments were canceled with limited communication and customers who were using the tool at that time were frustrated by the deprecation of a service without discussion or assessment of the impact on their business.

Most agencies stated that they view the Vulnerability Assessment procurement and implementation as a large failure. They do not believe the tool meets requirements (web application scanning, multi-tenancy deployment). Some agencies questioned why WaTech did not just acquire Qualys as SaaS solution (for multi-tenant option that includes web application scanning) rather than trying to implement it on premise in the first place.

Agencies also expressed frustration with the fact that they were going through an RFI process to evaluate several products in 2017 to replace TripWire, when the WaTech finance group stopped the effort because of lack of funding given WaTech is still paying for Tripwire for several more years.

Perception of Price Considering WaTech Value Add

Agencies expressed some concern about the move away from a separate stand-alone security infrastructure allocation, as they will now lose visibility into it.

Several agencies expressed that adding the WaTech hosting fee as an extra fee-for-service expense the agencies are responsible for paying for the Vulnerability Assessment tool on top of the allocation they are already paying is not affordable.

Customer Plans for Future Usage

Several agencies stated that they have acquired, or are in the process of evaluating, alternative options for SIEM and VA tools.

Several agencies stated that they were provided guidance by the OCS one to two years ago that if they needed the VA tool within the next 18 months, they should go out to market and buy their own. Some agencies that are still waiting to onboard on the Vulnerability Assessment tool stated that any further delays would mean they would have to go to market and purchase their own solution.

No customer feedback provided regarding agency plans for future DNS usage.

(1165) Wireless

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

Customer feedback on the wireless service was primarily positive but included some mixed reviews. Most customers reported that WaTech was able to turn up the service at new sites quickly, and once new sites are established, the service quality is high (reliable connectivity,

sufficient bandwidth, etc.). A few customers noted that the WaTech teams worked effectively together (project management, network, and wireless as separate supporting groups).

However, a couple customers cited challenges with flawed site installation plans and the fact that the burden fell on the customer to reconfigure the site to optimize performance.

Perception of Price Considering WaTech Value Add

Customers also had mixed opinions on service pricing. All customers expressed frustration at the off cycle service price increase, the apparent lack of appreciation for impact on agency budgets, and the limited communication around the change. Some customers were not aware of the rate increase until it was brought up during interviews and focus groups. Customers noted that equivalent behavior from a vendor would likely result in a terminated contract.

A few customers saw the \$50 per month access point fee (increased from \$35 per month) plus one-time installation fee as still a relatively good value. While other customers stated that they thought the pricing was high compared to the value delivered and compared to the market (one customer mentioned they believed a cost of over a thousand dollars was excessive for a site survey where no technician ever physically visited the site and instead provided a limited evaluation of building plans).

Customer Plans for Future Usage

While customers expressed a lot of concern regarding rate increases seemingly occurring overnight (and a few questioned whether it was appropriate for WaTech to have to assume profitability within 18 months), relatively few customers indicated that they were seriously evaluating alternatives, or that the increase would affect their future consumption of the service.

4. Server Hosting Services

(4790) Private Cloud

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

Existing customers and potential customers expressed a range of viewpoints on the Private Cloud that were directionally consistent but not always entirely in agreement.

Existing customers stated that the Private Cloud generally meets their requirements, though there are only a handful of customers with significant usage today and this usage tends to have a larger test/development vs. production component. Customers did express some minor annoyances and expressed frustration with an onboarding process that can be long and labor intensive.

- One customer specifically mentioned that the burden to coordinate across multiple WaTech teams, including, OCS, Project Management, Network, Firewall and the Server Group fell largely on them. This has been exacerbated by high rates of staff turnover/attrition. Customers reported that the onboarding process could sometimes take many months.
- Another customer expressed the concern that while performance was adequate for their development environment, WaTech does not offer secure remote access solutions for the remote developer use case that meets all of their needs.

Among customers and potential customers, the Private Cloud has developed a reputation as an unstable platform.

- Focus group participants reported hearing about multiple outages, some extending half a day to multiple days when Private Cloud was rolled out. These participants stated there is an overall lack of assurance that severe outages and service disruptions would be prevented in the future (e.g., these participants specifically called out the lack of well-defined service level targets and reports that indicate consistent reliability). Some potential customers stated that these challenges led them to cancel or postpone adoption.
- One customer who had worked with WaTech to migrate a test environment to the Private Cloud indicated that it is unclear whether the Private Cloud will meet the production workload requirements. This customer believed that SQL performance tests run on the Private Cloud raise questions about the architecture and whether the platform has been designed in a way that will meet their performance requirements when transaction load increases.

The focus group discussion also highlighted the lack of a TOS/SLA that clearly defines the service and associated service levels (features, availability, responsiveness, redundancy, Mean Time to Repair, communication protocols – particularly around outages, incident tracking and prioritization and root cause analysis, etc.).

- Focus group participants expressed concern that the Private Cloud had been marketed as having certain features that it turned out were not available yet, notably SQL Server

support, and integrated Disaster Recovery. Several participants referred to these features as “vaporware” and wondered what else might be missing.

- Numerous agencies stated that they believe that the current service features and processes will not sufficiently meet their business needs. These agencies referenced concerns about insufficient network/firewall automation, performance issues with SQL server, lack of pre-approvals from OCS, uncertainty regarding support for Operating System patching, monitoring and break/fix.
- Several agencies stated that they have deployed, or are in the process of deploying, their own “private cloud” type of virtualized server infrastructures (e.g., Nutanix, etc.). Several of these agencies stated that they had evaluated the Private Cloud as a part of their decision-making process but did not have sufficient information to be confident it would meet their needs. Many of these agencies have chosen to host their own “private cloud” environments in the SDC and QDC for convenience, superior resilience and DR.

Other Agencies report that they are deploying applications to public cloud options (i.e., AWS or Azure) or are actively exploring these or similar external hosting or SaaS options.

- These agencies referenced concerns about long-term viability and sustainability of the service given WaTech’s perceived lateness to private cloud, a lack of confidence in current service design and management, frequent performance issues and the impact of WaTech financial difficulties on staffing and service quality—now and in the future.

Perception of Price Considering WaTech Value Add

Both current customers and potential customers viewed the Private Cloud pricing to be high.

During explanations as to why they did not use the service, several non-customer agencies acknowledged that prices have come down but stated that they are still not price competitive when compared with cloud options. A couple agencies cited the following estimates:

- “3-5 times” more than what it would cost if implemented internally by the agency (e.g., implementing their own Hyper V, leveraging Nutanix environment, etc.)
- The price for the State’s private cloud is “double” the price of leasing virtual machines from AWS. Although agencies participating in the focus group acknowledged that there are additional costs associated with going to the public cloud, including the cloud highway/cloud VPN, data egress, backup, archiving etc., that makes direct price comparisons between public and private cloud less straight-forward.

However, many cited that their decisions were not driven primarily by pricing. Potential customers that do not plan to adopt the service often cited the perception that the Private Cloud as an immature offering. Potential customers that say they are strongly considering using the Private Cloud often stated a preference for leveraging the shared State solution, given the opportunity to contribute to economies of scale and drive better outcomes for the State.

The focus group also discussed concerns about potential price instability, as the original discussion around Quincy DR Private Cloud pricing was that it would be half the price, and then ultimately it turned out that it would be full price. The focus participants stated this was another example of WaTech promising one thing and then delivering something different.

Customer Plans for Future Usage

Most existing customers stated a longer-term plan to get to the public cloud, but without offering details such as specific applications or a roadmap. A majority of non-customer agencies indicated they plan to either completely bypass WaTech Private Cloud services and opt for

public cloud solutions (such as AWS or Azure), or use a colocation model in which they purchase physical servers hosted within the SDC and independently manage their own virtualization/ private cloud environments.

(4722) Server Hosting Provisioning, (4723) Services Secure Web Hosting, and (4785) Server Support Services

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

Existing customers expressed dissatisfaction with the quality of the current service. In particular, customers referenced performance issues and insufficient troubleshooting and communication around outages. Customers stated that they frequently are not provided notification of an outage, or root cause analysis in sufficient detail to have confidence that the service was fully restored. Customers were also frustrated with the lack of tangible and measurable SLAs.

Existing customers also expressed concerns about the impact of layoffs on the quality of services being provided and future service viability. These customers directly stated that discontinuing these services and support would cause a significant impact. Given that, some customers stated that they have accelerated or have executed plans to move away from these services based on WaTech informal and formal end-of life-service messaging. One large agency reported that it had planned to migrate a significant amount of its services to the Private Cloud, but is now pursuing an agency purchased/managed solution to be co-located in the SDC as they believe the Private Cloud is not a mature offering and will not meet all of their requirements.

Perception of Price Considering WaTech Value Add

Existing customers perceived pricing to be high, and stated that “SLA-based pricing” was developed to include future growth upfront, but in the end, did not provide any advantage of elasticity of scale over time.

The focus group discussed the fact that many years ago they were told that virtualization would be cheaper than physical hosting, but in the end, it turned out that was not true, these focus group participants felt that customer agencies received no real cost reduction from virtualization.

A non-customer agency that previously considered a WaTech managed server offering for physical servers (as recently as within the last two years) stated that WaTech cost quotes provided were nearly three times higher than a private sector vendor was. The agency was not clear on the cost driver as it was an equipment quote that did not include ongoing support, and the equipment specified in each quote was identical.

Customer Plans for Future Usage

WaTech has communicated to existing and potential customers that this service is end of life. One of the largest current customers stated plans to migrate off this service in the near term. Not all existing customers plan to migrate to the Private Cloud as a replacement, and expressed frustration that they have been told they will have to migrate off in the near term but they believe WaTech is not offering a mature replacement offering.

(4231) Platform & Connectivity Service

L. Customer Satisfaction and Future Demand

Given that Platform & Connectivity is not a statewide offering, there was no customer feedback provided regarding this service during interviews or focus groups.

5. Storage Hosting Services

(4589) Server and Mainframe Storage (SAN/NAS)

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

A handful of customers leverage the SAN storage as a part of the mainframe and managed server environments. Customers did not comment directly on the features and service levels for WaTech Server and Mainframe Storage support.

Perception of Price Considering WaTech Value Add

Several agencies cited WaTech's heavy investment in what was previously considered high performance, higher cost storage technology (e.g., EMC Software, Drive Arrays and Fiber Channel SAN technology) together with lack of scale (WaTech's overall storage footprint is quite small) made WaTech's storage costs prohibitively expensive as a standalone offering, especially when compared with alternatives readily available on the market.

Customer Plans for Future Usage

Potential customers stated that they have no intention of leveraging standalone WaTech storage in the future. Existing customers stated that they planned to continue leveraging the storage as long as they continue leveraging associated WaTech services (e.g., Mainframe, Hosting Services, etc.).

(4593) Nearline Storage (WaServ Vault)

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

Customers stated that the fine-grained multi-tenant approach to archival provided by vault is a key feature of the service.

Multiple customers cited concerns about vault storage instability and lost data, with one customer stating that issues prevented them from fulfilling public disclosure requests.

Perception of Price Considering WaTech Value Add

No customer feedback was provided regarding Nearline Storage costs.

Customer Plans for Future Usage

Existing Nearline Storage customers stated that they view the service to be critically important and plan to continue using it. Many customers are concerned about potential impacts to the

vault service with the pending migration and rollout of email into Office 365. Some agencies stated with confidence that Microsoft does not meet their vaulting and archiving requirements.

A large potential customer stated that they intend to continue acquiring their email archival solution as a part of the Microsoft 365 suite.

(4595) Backup

Perception of Features and Service Levels

In general, feedback gathered during focus groups indicated that current WaTech Backup service support levels do not consistently meet customer needs and requirements. Customers cited a few concerns:

- Backup solution ran out of capacity.
- Backup administrator left and there was not a backup in place (one resource deep in a key service).
- No process defined for self-service testing of backups (requires submission of a ticket) and it can take a day to restore a single file.

Perception of Price Considering WaTech Value Add

Customers viewed the service as on the pricey side vs. internal and externally managed/cloud solutions that are available. One customer clarified their view that it is expensive as sold by the gigabit without storage optimization features (e.g. de-duplication, advanced compression, etc.).

Customer Plans for Future Usage

No feedback provided regarding agency plans for future usage of WaTech Backup services.

6. Mainframe Hosting Services

(4562) High Capacity Computing

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

Current customers of the s390 mainframe hosting service stated that the service is currently meeting their application hosting requirements. However, they are concerned that much of WaTech's staff are eligible for retirement, and NATURAL/Adabas and COBOL programming skills are not easy to replace and the applications/institutional knowledge that these staff have amassed cannot be replaced. Customers are also worried about losing the benefit of the close coordination with WaTech staff, given WaTech's plans to slowly turn support over to a vendor (starting with the hardware and then the applications and operational services, as existing software contracts expire). Customers worry that they will see a significant deprecation of service as the staff turns over and they are serviced through a generic mainframe outsourcing contract by resources who do not know their systems and context well.

Customers stated that WaTech's struggle to recover costs, along with the continuing decline in demand for mainframe services, is a major source of concern and leads them to question the ongoing stability and viability of the service.

Perception of Price Considering WaTech Value Add

Customers have a long history of using this service and expressed that they have long been satisfied. Some customers reported that the service has degraded some over the past couple of years, given staff reductions/retirements.

Customers focused feedback on concern about price instability related to the proposed outsourcing approach, as well as potential price increases related to declining demand. Customers are concerned about becoming the last supported customer, who must bear the full cost of the mainframe and related staff.

Customer Plans for Future Usage

Most customer agencies stated that they do anticipate migrating off the WaTech mainframe. Given the One Washington project timeline, customers understand there will be a much smaller user base within the next 5 years which puts pressure on other remaining customers to identify their own timelines. Other customers have been working on intermediate plans to re-platform their applications to gain control of the cost while executing a longer term full replacement effort.

Customers expressed deep-seated concerns about ending up one of the last agencies to migrate off the mainframe. Agencies perceive near-term risk to the longevity of the service once one or more of the remaining major systems with substantial footprint migrates off the WaTech s390 mainframe; the agencies believe those remaining will face increased risk, and earlier timing for major migrations could jeopardize the service before all agencies have a chance to migrate off.

7. Colocation Hosting Services

(4803) State Data Center Facility Services

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

Existing and potential customers of the colocation service have very different views on the service. Existing customers tend to cite the professionalism of the data center operations staff, cleanliness of the facility, and ease of access (while still remaining in line with HIPAA and other key security framework standards) as attractive features of the service.

However, existing customers did mention a couple service design issues. For example, for the Quincy Data Center (QDC) in eastern Washington, customers mentioned the service is lacking quick and easy access to onsite support personnel to perform tasks that can't be done remotely, an early adopter mentioned WaTech failed to provide an equipment cage for sensitive equipment when it had been negotiated upfront, and a couple agencies mentioned uncertainty around WaTech's longer term inclusion of the rack elevation planning and cabling support as a part of the base service.

In spite of the largely satisfied existing customer base, some agencies continue to pursue waivers to avoid consolidation into the SDC; agencies who have not migrated yet tend to reference concerns about loss of control that would come along with decommissioning their own data centers, doubts about the long-term viability of the service, and perceived high potential for price instability and increasing future costs.

Perception of Price Considering WaTech Value Add

In terms of rates for this service as it is currently defined, most customers agreed that WaTech colocation service is affordable. In addition, many customers recently completed their own benchmarking against a variety of commercial providers, and these customers agreed that while power is more expensive in Olympia than other areas, the overall price of WaTech colocation services is fairly aligned to market prices. However, a couple agencies expressed concern that WaTech is not charging for the rack elevation planning and cabling support because they have not yet determined the cost model for this service offering, but this will be another fee for service charge that will be added at a later time.

Non-customer agencies sometimes cite their estimates for high cost of potentially complex migrations, as well as the high price of recurring colocation rental payments, as major deterrents for migration. Many of these waived agencies have existing data center footprints in their own facilities and state they have the staff, resources, and budgets to continue maintaining their own facilities or eventually move to the cloud.

Customer Plans for Future Usage

Many agencies with waivers in place today have stated that they will continue to submit waiver renewal requests, as they perceive the costs associated with planning the migration as a larger investment than they would like to make at this time. Several agencies (of varying size and footprint) have already defined plans to bypass the SDC by moving directly to secure public

cloud providers (e.g., Azure or AWS) from existing agency data center locations. However, a couple agencies stated they are actively planning migrations to the SDC and they anticipate moving this biennium.

8. Desktop Hosting Services

(8111) Desktop Support

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

During interviews, existing customers stated that current features do not meet all their business needs, for example, customers referenced that a Virtual Desktop Infrastructure solution would be more appropriate for meeting their remote/field-based workforce needs.

Additionally, customers stated they were not clear on what features are included, and sometimes how they are differentiated from other WaTech services, e.g., customers were not clear whether the \$3,500 per year price would fully fund their refreshes and believed there might be overlap between managed firewall and desktop services.

For existing customers, delivery quality rated high, e.g., customers stated that prior refreshes went smoothly, and that support is high touch.

Perception of Price Considering WaTech Value Add

Even with the recent price reduction, agencies characterized the WaTech desktop support service as expensive. Non-customer agencies of varying size and IT-need frequently cite the perceived high price of WaTech desktop support as a deterrent for adoption. A small non-customer agency conducted its own recent benchmarking against commercial providers and found that the price of the WaTech desktop support service is not aligned with market prices.

Customer and non-customer agencies alike consistently acknowledged that WaTech desktop support has the potential to add-value for small agencies that may lack the internal resources needed to support their own desktop needs. However, agencies were uncertain whether it makes sense for WaTech to remain in the business given the availability of alternative, more efficient contracted options, and raised the possibility that WaTech should evaluate becoming a trusted broker or advisor to smaller agencies seeking desktop support, rather than a desktop provider.

Customer Plans for Future Usage

A couple of the larger customers felt that they could perform the desktop services at a lower cost internally or with the support of a contracted vendor. Also, some non-customer agencies stated they would continue to either self-support their desktop needs or continue existing contracts with commercial providers; these agencies also tend to reference WaTech's relatively unaffordable prices.

For some other agencies though, the recent price reduction was sufficient to pique their interest in the service. However, a couple of these agencies expressed concern about whether there is sufficient delivery resource capacity for WaTech to take on more customers, without negatively impacting delivery quality.

9. Collaboration Services

(4721) Active Directory & (4724) Identity Management

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

Most agencies are current customers of WaTech Active Directory (AD), apart from a couple large agencies. Existing customers identified the service as a valuable, core enterprise function, and they stated the quality of the service meets their basic requirements. However, customers frequently cited WaTech's inability to agree to a defined technical architecture for integrating existing domains within the Office 365 tenants, as well as WaTech's stated preference for a single, shared Office 365 tenant, which several customers strongly oppose, as an ongoing challenge.

Additionally, a couple of agencies stated that WaTech does not put sufficient emphasis on AD Federation Services, and another couple of agencies expressed concern about staff depth, noting they believe WaTech only has one resource focused on AD and the email Vault solution.

Perception of Price Considering WaTech Value Add

Customers did not focus their feedback on AD service costs. The few customers that did provide feedback related to price, focused their comments on the additional fees for Azure AD Premium to meet future requirements (e.g., self-service password reset and multi-factor authentication) in the migration to Office 365; while all customers are paying for this new feature, only a few are using it.

Customer Plans for Future Usage

Many existing customers stated plans to move to Office 365 for email (Exchange Online), SharePoint (SharePoint Online), Skype (Skype for Business), and potentially Mobile Device Management (MDM via the Microsoft product Intune). A key dependency for moving to Office 365 is synchronizing the WaTech hosted Enterprise Active Directory service with Azure, using a Microsoft feature called Azure AD Connect. The Active Directory team has performed a partial domain sync using Azure AD Connect in the shared Office 365 tenant; however, most customers expressed a preference for dedicated Office 365 tenants.

(4730) Shared Services E-Mail

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

During interviews and focus group sessions, most participating customers stated that current delivery outcomes do not meet their business requirements for email services. Customers referenced a pronounced drop in delivery quality over the past year; many stated that there have been frequent service degradations impacting their customer base. Customers emphasized that these quality issues are current and ongoing, citing recent outages within weeks, and in some cases days, of the interview date. Customers stated that they believe WaTech has immature change management processes as WaTech has provided them with

details on specific instances when outages were caused by unauthorized changes, others cited inappropriate delays in refreshing hardware and migrating to Office 2016, many agencies also stated that they believe the backend solution for email was not originally sized correctly.

Customers also stated that WaTech's communications during email outages is typically insufficient to enable effective customer and stakeholder management. Most customers stated that WaTech often fails to provide accurate, consistent, or timely updates during outages. A couple of customers highlighted that they no longer escalate to the WaTech service desk for email incidents specifically, given these communication limitations in combination with the frequency of outages. However, a couple of agencies did state that the Services Status Dashboard (support.watech.gov) provided some improvement, particularly for identifying planned outages.

In addition, customers stated that WaTech typically does not provide clear and concise technical explanations of root cause following an outage or degradation of service; customers cited insufficient availability of root cause information as a factor contributing to their lack of confidence in WaTech's understanding of service delivery problems, and frequent concerns that an underlying problem is not actually resolved and incidents related to the problem are likely to recur. Additionally, many of the agencies stated that they had challenges getting WaTech to listen to their concerns and partner with them to identify a root cause.

In terms of service features, many customers stated that the current solution does not meet their business requirements. They are ready to begin planning to move to Office 365, but WaTech has not provided a clear strategy to enable this migration. Many customers stated that they would expect WaTech to be able to work with all the different agencies to synchronize email addresses across State Government, regardless of any agency's level of compliance with current Active Directory mandates. These customers stated that they believe WaTech is choosing to delay implementation of a universal Global Address List until agencies complete migration into the State Active Directory forest, to increase leverage to move all agencies into a single forest. Additionally, a large agency stated that the service features do not meet their requirements as WaTech's office productivity solutions only support category 1 and 2 data (which is publicly releasable data).

For the advanced Mobile Device Management service (an additional fee beyond the basic version included in the standard email mailbox fee), agencies stated the feature set was limited and the support was insufficient. Given that, agencies stated that their perception is that the service is under-resourced.

Perception of Price Considering WaTech Value Add

A couple larger agencies referenced that while the original consolidation of email was intended to save the state money by eliminating the need for support staff within the agencies, the service ultimately ended up being designed around what WaTech was able to support, and the rest of the responsibilities were distributed back to the agencies – notably the administrative responsibilities that they perceived to be resource intensive – but by the time the service details and provider responsibilities were finalized, the agencies had already lost the FTEs who had been responsible for those administrative duties. One of the reasons these large agencies stated that they perceived email to be low value at the given price point, is that they retained much of the administrative duties, and by their calculations, the cost for the portion of the service that WaTech provides is higher than what they could deliver for themselves.

Additionally, many customers, from all sizes and types of agencies, highlighted their perception that they are paying twice for Email services. These costs include paying for Microsoft Office 365 licenses, (Office 365 includes cloud-based email services) which most customers are

currently unable to use until WaTech provides a migration plan, while also paying WaTech for the ongoing use of the enterprise, on-premise Email System. Customers who purchased Office 365 licensing plans for the purpose of upgrading Office desktop licenses via the Microsoft cloud delivery model expressed frustration with the inability to migrate to other Office 365 services, such as Exchange Online, while continuing to pay for existing WaTech Email services.

Customers called out the vault email storage solution as a WaTech value-added feature of the service that enables agencies to configure granular agency-specific retention policies and perform responsive public records act searches. Given that Office 365 may not meet all requirements to replace the vault solution, WaTech customers want to quickly identify potential resolutions so they are able to migrate off the WaTech email service in a timely fashion.

Customer Plans for Future Usage

Most agencies plan to discontinue the use of the WaTech provided email services and migrate to Exchange Online, a component of Office 365. The time-frame for migration is unclear as WaTech must first complete an upgrade to Exchange 2016 and other issues related to migration must be resolved either by WaTech or by the customer. These issues include:

- Resolving the single vs. dedicated Office 365 tenant issue, including domain sync using Azure Active Directory Connect.
- Developing a migration plan and determining any costs/charges, resources/support required of WaTech or customer to complete the migration.
- Identifying requirements for email archive/e-discovery solution, as needed
- Identifying email related security configurations within Office 365 (e.g. spam filtering/quarantine, phishing detection/prevention, content filtering, data loss prevention, & etc.).
- Determining what residual email support, if any will be required by each customer following migration (note, distinct levels of support may be required depending on what O365 model the agency selects and how it wants to be supported by WaTech).

(4742) Skype Services

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

During interviews and focus groups, many participating customers stated some level of dissatisfaction with the WaTech Skype service, particularly around unreliability of voice and video conferencing. For example, there were numerous examples provided that highlighted incidents where users were unable to connect to calls or conduct video conferences and were forced to turn towards other options such as WebEx or other traditional telephony and video conferencing services. However, during the focus group discussion, there was general agreement that these issues may stem as much from limitations of the Branch Office VPN solution as from Skype itself. A few agencies stated during interviews that the service had been working well for them, without any substantial issues.

Agencies noted that some needed features are missing. A large agency stated that the service does not meet their requirements as WaTech's office productivity solutions only support security category 1 and 2 data. Additionally, agencies participating in the focus groups stated that the inability to federate (email addresses/identities) outside of agencies that use the Enterprise Active Directory (including other state agencies as well as non-state entities) was a pain point, and expressed skepticism, that configuration limitations constrained the ability to federate with external entities and WaTech chose to federate with Microsoft.

Perception of Price Considering WaTech Value Add

Many existing customers view the WaTech premise-based Skype service as more expensive than cloud-based offerings, particularly given market trends of bundling communication and collaboration tools within a larger package of services (such as Office 365). WaTech customers believe that if they were to migrate their existing WaTech services to their current E3 Office 365 licensing they would reduce their overall cost and experience increased service reliability.

Additionally, a couple of agencies stated that when the service was originally created, there was no separate charge and no stated plan to charge separately for it. Therefore, they started rolling out the service across the agency. Later, when WaTech added a separate charge, these agencies started curtailing expansion efforts or even rolling back usage as they perceived it to be expensive or lacked the budget to support keep it available to employees who may not use it immediately.

Customer Plans for Future Usage

Although moving to Office 365 is dependent on a variety of factors (e.g., Office 365 tenancy architecture, Azure AD Active Directory sync, Skype user migration approach, and Network connectivity to the Cloud), many existing customers stated they are waiting to move to Skype for Business Online – a component of Office 365 – before increasing consumption of Skype.

Additionally, several agencies noted that they are already using a variety of cloud-based collaboration and messaging tools (e.g. slack, etc.), as a low cost, reliable, multi-platform enabled alternative to WaTech's service offering.

(4365) Office 365 License Activation

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

Most customers who are a part of Enterprise Active Directory who have been engaged in ongoing discussion around architecture and service design, expressed concern that features of a single tenant will ultimately be dictated by the customer with the most restrictive requirements; these customers cited their inability to utilize their desired Office 365 features due to dependencies on the Office 365 tenancy model (including Azure AD connect) as key points of frustration and dissatisfaction. For example, there were numerous examples provided by customers who – despite paying for licenses – cannot consume specific Office 365 features and services such as tele-work.

These agencies also expressed concern that plans for ensuring compliance with data retention and discovery (e.g., file share indexing, and email vaulting) have not been resolved. And agencies with specific compliance requirements expressed concern that WaTech stated they are unable to accommodate Data Loss Prevention (DLP).

Perception of Price Considering WaTech Value Add

The ability to license and upgrade Office applications using Office 365 is a component of the Office 365 license. In terms of cost, many customers who currently pay for Office 365 licenses, but prefer a dedicated Office 365 tenant, are dissatisfied and unhappy that they are unable to use Office 365 services due to tenancy, yet they continue to pay for services they cannot use.

Customer Plans for Future Usage

Most existing customers confirmed plans to migrate to Office 365 (with a couple of exceptions noted below); they plan to move to the cloud licensing model for upgrading Office applications, as it can provide a greater level of patching compliance and reduced effort to maintain user Office deployments. However, these agencies stated that they still hope to move to a hybrid model rather than a single tenant. The agencies that shared this view stated that they do not see a continued role for WaTech in this service in the future.

A couple current customers offered a dissenting view, that they prefer the on-premise solution, and plan to delay adoption of Office 365 for as long as feasible.

Non-customer agencies stated that they are hoping to continue avoiding WaTech Office 365; these agencies tend to reference arguments over tenancy models (shared vs. multi vs. hybrid), an apparent lack of a migration plan or roadmap from WaTech, and a lack of confidence that Office 365 can be successful as reasons for not adopting the service.

(4741) Enterprise SharePoint

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

There is limited use of the WaTech SharePoint shared service today. Many agencies either host their own SharePoint farms, are waiting to utilize SharePoint Online or are utilizing alternate solutions. A couple of agencies stated that WaTech was too late in implementing their solution and that most agencies had already moved forward with their own solutions before WaTech came to market, which contributed to low adoption.

An agency that uses the service but plans to migrate to SharePoint Online expressed frustration that WaTech does not plan to provide any migration support.

Perception of Price Considering WaTech Value Add

Given market trends of bundling collaboration tools within a larger package of services, such as Office 365, most customers view the WaTech SharePoint shared service as more expensive than cloud-based offerings. Some customers believe that if they migrate their existing WaTech services to their current E3 Office 365 licensing they believe they would reduce their overall cost. These customers cited the current combined cost of SharePoint services and associated storage as high relative to value delivered.

Customer Plans for Future Usage

Most customers are waiting to move to SharePoint Online, a component of Office 365, before increasing consumption of SharePoint services, however the move to Office 365 has dependencies on Office 365 Tenant architecture, Azure Active Directory sync, SharePoint migration approach and Network connectivity to the Cloud.

(4744) Secure FTP

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

There was little customer feedback provided regarding Secure FTP features and service levels. Customer responses indicate this service is utilized as needed to address specific technical requirements for file exchange, particularly related to the enterprise mainframe applications. Customers stated that it meets the minimum requirements.

Customers also stated that SFTP is embedded deeply in many of their internal and external data sharing jobs and workflow. Consequently, replacing SFTP with any alternative file transfer solution would be a long, large, complex undertaking requiring significant coordination with many agencies.

Perception of Price Considering WaTech Value Add

There was no customer feedback provided regarding Secure FTP costs.

Customer Plans for Future Usage

Agencies that currently use the service for enterprise application file exchange stated that they plan to continue using the service. However, they also stated that while their preference would be to use a more modern solution to integration (like web services), even if WaTech were able to offer a replacement service, the complexity of the current environment and the criticality to operations would translate into a long lead time for migration from this service.

(4727) Email ListServ (Retired Service)

L. Customer Satisfaction and Future Demand

There was no customer feedback provided regarding Listserv, as this service has been discontinued.

10. Project Management Services

(2120) Project Management

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

WaTech service owners who employ project managers in support of internal and agency-facing projects within their service areas provided most of the feedback. Agencies who have had exposure to project managers through WaTech internal projects within the services they consume and pay for also provided some commentary. The only agency that directly purchases project managers as a service in support of agency-specific projects, Board for Volunteer Firefighters and Reserve Officers, was not interviewed since WaTech has well over 100 customers it was not possible to interview all customers for this inventory (Gartner attended a CIO Forum to request volunteers, and then collaborated with WaTech to expand the volunteer list to create a representative sample of customers across multiple variables, including: agency size, funding sources, and mission-driven needs, e.g., compliance requirements.) A couple of agencies that evaluated the service for support of agency-specific projects before declining to utilize the service also provided their perspective on the offering. Both WaTech service owners and agency representatives, provided similar feedback.

Customers stated that specific project managers have attributes that they value:

- personal characteristics and capabilities (e.g., initiative, work ethic, drive to make the project successful, and commitment to delivering results),
- knowledge of state government business and operations, and
- knowledge of WaTech product lines or internal operating models

However, customers pointed out that only a few project managers had all the attributes they were looking for and stated that some project managers had material deficiencies in one or more areas. All customers stated that their satisfaction is highly dependent on the resource assigned, and that their demand is specific to individual PMs. Customers cite this as a problem because they only want to work with more capable PMs and are sometimes forced to choose between undesirable alternatives. Current WaTech internal customers reported that they would consider the following in the event that the right PM is not available:

- delay a project until the right PM is available
- assign PM activities to technical resources who may lack strong PM skills
- manage the project without a designated PM
- use a contract PM (hard to justify, within WaTech with underutilized PMs available) or
- engage the less capable PM, knowing that they will consume budget and also consume lots of management tracking/assistance time

All of these options have negative impacts on agencies, services and costs.

Potential future agency customers shared concerns that WaTech's service isn't well aligned for agency-specific projects. In particular they felt that the service does not include an effective mechanism for holding WaTech PMs accountable for progress or delivery quality. These

agencies stated that contracting with external providers offered advantages that are not included as a feature of WaTech's offering:

- An ability to replace PMs who are underperforming or who are perceived to be a poor fit, when/if required (given contractual definitions, and depth of provider resource pool).
- An ability to hold contracted PMs accountable for results, which could include withholding payment for services, which do not meet expectations.
- An ability to access project managers with specific technical skills and specific implementation experience across a wider range of projects and environments
- Higher PM productivity and an ability to require additional support (longer hours, weekend work, etc.) as needed to keep projects on schedule.

Perception of Price Considering WaTech Value Add

Most of the current customers of this service are internal WaTech Service Owners. Since this service became a stand-alone offering that they must purchase through internal sales (rather than through direct control through division-based and overhead-based staffing) Service Owners reported that their demand for PM services has decreased. These Service Owners reported that they are only willing to pay the internal sales rate (\$140 per hour) for PM support where it is absolutely necessary, particularly given ongoing budget pressures.

These Service Owners stated that wherever they identify opportunities to eliminate low value-added PM support they try to reduce cost by eliminating billable PM activities such as:

- support provided in areas where the current PM resource pool does not have sufficient technical depth to lead and provide value beyond administrative support.
- support provided by less skilled, motivated or successful PMs.
- support for miscellaneous activities that do not actually require project management expertise.

Most Service Owners stated that cost reduction through elimination of PM support may have been appropriate in areas where PMs were being used for administrative work. However they feel that the cuts went too far in areas where genuine project management work was subsequently assigned to technical resources who lacked project management skills or aptitude. As a result, some projects may have stalled while project management responsibilities were sorted out, and in some cases may have had less than optimal outcomes.

A few agencies stated that WaTech cross-team responsibilities for service delivery are not always clear to them and at times infighting between groups becomes visible even when a PM is assigned. However, agencies provided several examples where they were having challenges with a WaTech technical implementation until a WaTech project manager was assigned, at which point they experienced rapid progress and ultimately successful project completion. These agencies stated that they viewed participation of WaTech PM's (not hiring WaTech PM's directly) as a critical component of the services that they buy and consume from WaTech.

For agency-specific projects though, nearly all agencies use their own PMs or obtain project management services through third party vendors whose hourly rates are often lower than WaTech's. At \$150 per hour these potential customers stated that they view WaTech's price to be on the high side for very skilled PMs (a benchmark which they say many WaTech PM's do not meet), and that therefore they do not view that rate as competitive.

Even though some WaTech PMs may add value that is in line with their price, these agencies said there are many other competing providers who can provide the service at an equivalent or

lower price, and these alternative providers offer other value-added features including greater flexibility and agency control.

Customer Plans for Future Usage

WaTech Service Owners stated that they plan to continue using PM services, but do not currently intend to increase their usage substantially.

Potential customers stated that they will likely continue to seek services from the market, which can – as stated by many of these agencies – provide better project management skills and experience for targeted projects at an equivalent or lower cost with high levels of accountability (via stringent contracts and SLAs). These agencies stated that if WaTech could lower prices, provide greater flexibility for agencies to select best fit PMs, and provide greater accountability for performance, they might be more interested in leveraging WaTech's service in the future.

11. Application Support and Development Services

(8310) Enterprise Systems

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

Customer agencies did not provide feedback on enterprise systems, only the application Business Owners provided comment.

Business Owners pointed out that WaTech's organization model changed within the last couple of years. While they used to have fully dedicated development and support teams, they now work with a dedicated group of developers but only receive part-time support from business analysts, project managers, and solutions architects. When WaTech first changed the delivery model, the Business Owners reported that they went through a rough patch during which use of new/different resources with insufficient institutional background and application knowledge resulted in noticeable loss of productivity, inferior application enhancements, and major challenges successfully completing major application development projects. Business Owners noted some recent improvements but cited ongoing challenges that still require significant improvement.

Business Owners stated that they believe the shared resource model causes WaTech internal (cross-organizational) management challenges that are highly visible to the Business Owners. The Business Owners noted that the move by WaTech to the shared resources model coincided with a realignment of these resources across three different management teams, and primary business objectives of some teams do not seem to fully align with each other or with those of the Business Owners. Business Owners report that WaTech's repeated efforts to reorganize and ongoing challenges with turnover (attrition, re-assignment, replacement, onboarding/training, etc.) causes confusion and impacts staff morale, which noticeably affects service quality.

Business Owners also reported skills gaps and a lack of clarity around roles and responsibilities. These include:

- Skills gap between most experienced business analysts, with uneven experience, skills and abilities across the business analyst team readily apparent. Inexperienced BAs have required a lot of job shadowing, partnering more experienced analysts with more junior resources. The less experienced BAs at times add to the workload, both for WaTech and for the Business Owners' staff. (Business Owners cited situations where business analysts struggled to document system requirements and that struggle placed a greater burden on the customer to define the requirements. Though one Business Owner stated that they were hopeful that analysts would mature in time given the depth of expertise of the current business analyst manager.)
- Testing of enhancements by WaTech has become cursory with a lack of clear roles and responsibilities for testing enhancements between the Business Owner's and the WaTech.
- Staffing for testing has been greatly reduced, as the team used to include a couple full time skilled QA analysts/testers.

- WaTech may be short of SQL skills.
- Lack of strategic analysis around the business cycle, and understanding current business needs to be able to help manage the portfolio and provide meaningful, proactive functional and technical advice.
- The training and change management resources that the Business Owners previously relied upon went to WaTech as part of the merger, but WaTech stopped providing the service (e.g., WaTech used to have a training division but it was apparently eliminated as part of one of the reorgs or “efficiency” efforts). Business Owners stated that it is burdensome to take on this responsibility, as they are not staffed for it.

Perception of Price Considering WaTech Value Add

Agencies expressed that the Enterprise Systems Fee allocation is a bit of a black box. Application Business Owners expressed concern that so many applications had been added to the allocation that it had diluted its original intent and created a lack of transparency into application support costs.

Customer Plans for Future Usage

Customers leverage many of the applications covered under the Enterprise Systems Fee as a mandatory part of meeting their jobs (HR, Budget, Finance, etc.). Business Owners anticipate continuing to leverage these applications until (and if) they are replaced by One Washington ERP.

(8413) Governor’s Apps Support (OFM Enterprise)

L. Customer Satisfaction and Future Demand

No feedback was provided regarding costs of OFM Enterprise support, which covers application and development work on a small set of applications under the Governor’s Office.

(8411) DES Systems Support

L. Customer Satisfaction and Future Demand

DES Systems Support is no longer provided by WaTech. No customer feedback provided on DES Systems Support.

(8840) JINDEX

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

Customers stated that the service provided by WaTech is adequate to meet their requirements.

Perception of Price Considering WaTech Value Add

Customers did not provide any feedback on pricing.

Customer Plans for Future Usage

Customers stated that they intend to continue utilizing the JINDEX service.

(8213) E-Time

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

Customer agencies report that the E-Time projects are agency-led efforts rather than WaTech-led. One customer stated that WaTech played an important role in application integration (i.e., integration to other WaTech supported HR applications), but assessed that WaTech did not have the ability to successfully manage the project. Because of that, the customer hired a project manager from outside of WaTech to work onsite at WaTech but take direction from the customer agency directly.

Perception of Price Considering WaTech Value Add

Customers did not provide comment on the price of this service.

Customer Plans for Future Usage

Beyond the two agencies currently leveraging the service, no other agencies provided comment on plans for adopting E-Time.

(8214) Mainframe Testing

L. Customer Satisfaction and Future Demand

No customer feedback provided on Mainframe Testing service.

12. Web, Video and BI Services

(8682) Web Platform/ Design

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

The majority of customers and potential customers interviewed stated that they view this service positively. Customers expressed that the delivery team is professional and that they are generally satisfied with the quality of the service delivered.

However, a couple of customers and potential customers expressed a few concerns.

- The most frequently cited concern was around staffing and ability to scale. Customers expressed concern that it may not be feasible to sustain future growth and new project volumes without negatively affecting service quality. For example, one current customer stated that while the team is great to work with they do not believe that they can meet the size and demand of their websites.
- Another complaint centered on the service levels, particularly regarding delayed response to outages (the example cited occurred in the afternoon during the business day but the incident was not acknowledged until the following day).
- Other potential customers reported that they weren't certain whether the current service meets security or site content management requirements, and it's something they would need to evaluate further before selecting WaTech as their provider.
- Potential customers also stated that they perceived sites designed by WaTech to be relatively simple and that they were not sure that the team would be able to accommodate requirements for more advanced graphics development or greater complexity of designs.

A couple customers also expressed frustration with the deprecation of the prior service. The legacy web hosting service was maintained on a platform that was end of life and customers reported that WaTech did not begin communication around the need to discontinue the service early enough. It was also reported that cutover to the new offering was costly for existing customers who had to pay for site redesign work, and the monthly fee was doubled in some instances.

Perception of Price Considering WaTech Value Add

Feedback on pricing was mixed. Many existing customers reported that WaTech web platform service is affordable and adds value, while other existing and potential customers stated that they perceived the service to be more expensive than some external third party providers. A couple potential customers stated that they had selected other third party providers due to pricing.

Customer Plans for Future Usage

Customers and potential customers both stated that an enterprise grade web design and hosting service is something they believe is a good candidate for WaTech to deliver. Agencies largely reported that they do not have the skillset in house, and do not want to maintain

expertise, and would rather purchase the service from WaTech or another third party. Existing customers stated that they plan to continue using the web platform service. Several non-customer agencies expressed an interest in potentially consuming the service in the future.

WaTech Collected Customer Feedback Data

WaTech collects feedback on this service leveraging the Net Promoter Score survey. The survey for this service had 23 respondents across a dozen agencies plus internal WaTech respondents. Of the customers responding, 71% were promoters of the service, 21% passives, and 8% detractors of the service.

The Net Promoter survey asks three questions:

Q1. How likely are you to recommend this service to a friend or colleague? (1 being very unlikely and 10 very likely)

Q2. What is the main reason for the score you just gave?

Q3. What one thing could we do to make this service even better?

The survey responses collected by WaTech during calendar year 2018 are provided in the table below (these responses are provided verbatim and have not been edited for spelling, grammar or clarity):

Q1.	Q2.	Q3.
8	I appreciated the efforts to get our website up before the end of the fiscal year. However, we had asked for documentation to assist us in future updates and personnel transitions but we never received. Ultimately it is not a huge issue because we've not needed it to date.	A clear route to request assistance that ensures requests are completed. I requested some assistance informally through email, and have not received follow up. Other times I have received rapid assistance and support. I would encourage some consistency for better customer service.
1	Hosting fees and maintenance fees are cheaper elsewhere/ maintaining the new site is more cumbersome than the old site.	Lower your maintenance and hosting fees to be competitive with private sector vendors.
10	Exceptional service and support from the WaTech Web Team. Highly knowledgeable and helpful staff.	How do you improve "exceptional"? Keep doing what you're doing!
10	The team at WaTech with which I work is always positive, supportive, and helpful.	[Blank]

10	Out of all the departments I have dealt with at WaTech over the years, This team is the easiest to deal with along with being the most knowledgeable about their services. Not once have I been brushed off to some other random department with someone that doesn't understand the problem. If another department gets involved, they deal with them instead of putting the burden on me. I appreciate that.	I think you are doing fine as-is. I can't think of anything that needs changing from my point of view at the moment.
10	Our project lead was good at keeping us on task and pushing us to meet deadlines. We were on a tight project deadline because our old site was being taken offline within a few months. Staff made sure we made this deadline and had a successful launch. They jumped right in when any issues arose.	[Blank]
10	Quick responses, good follow through, friendly customer service	New employee quick overview (one page or less) of what WaTech does vs IT
10	This team stepped up and made what seemed impossible happen. The team knows what they are doing, they are very responsive to questions, and the work was always done on time with very little errors.	Knowing what is being billed was the only area that we struggled with. If a copy of what is being billed could be sent to the project manager, it would help better track payments.
8	Prompt service meeting my need	Better points of contact for services. This one was difficult for me to find.
10	The service has been fantastic, as our bank of hours end with our contractor we plan to switch to the full version :)	Most of it is pretty intuitive, but are there any guidebooks or tutorials for using all of the features? Thank you guys! Your work on this platform made a huge difference for us! I appreciate you!
9	Responsiveness/helpfulness with requests and problems	Train me on how to create blocks/modules/templates in Drupal. In other words, "teach me to fish" instead of "bringing me a meal."

10	We are extremely pleased with our new website and the service provided regarding its planning, launch and on-going support.	A yearly check-in to see how things are going and any new products or extensions available.
10	Dan and Wendy have made the process of moving off AWS and to the Watech servers very easy. Dan is friendly, responds quickly, he is helpful and can plain talk things into non techie terms (not all teckie types come with this skill).	[Blank]
10	Overall quality of service.	Can't think of anything off the top of my head.
8	The platform is robust and excellent for a normal agency website. For a project site or a web app I might recommend something else.	Easier hosting of web apps in PHP, Ruby or Python -- Heroku or similar
9	Relative ease of use!	[Blank]
9	The team ingrates user experience into the web development in a way that gives us a lot of confidence we're getting something that meets our users' needs.	When a request comes in, it helps to clarify the details with the customer. Sometimes I'll send in a request and it may not be urgent, but when the developer gets to it, there's perhaps not as much communication at the outset as there could be. The end product is usually great, but sometimes doesn't quite match our needs. A little communication before doing all the work would make a big difference. That's the one thing.
7	[Blank]	Better communication. Respond to requests (eg. quote, what services we're getting, TOS, etc.)
8	Very responsive, good service	We are new to working with WA Tech. No improvement feedback yet.
10	Wendy and Dan have been extremely helpful and responsive to our needs in building and sustaining our Drupal website.	Hire more Wendys and Dans!!

10	All service is done well and timely.	[Blank]
10	Staff at DES is very helpful and really listen to our concerns.	[Blank]
5	Resources seem stretched very thin at WaTech. The staff works very hard, but is clearly stretched across multiple websites for multiple agencies, making response time for non-emergency improvements lengthy.	Add more developers to make response time more nimble.
10	The facility and services provided are awesome. Very helpful to our work.	I wish...[stakeholders]...could figure out how to make this a part of the services...[the agency]...receives. I do not think we can afford it without a grant but every project should include this in the work.

(8610) Formerly Access Washington (Defunded)

L. Customer Satisfaction and Future Demand

Agencies interviewed expressed frustration that the state made a substantial investment in Access Washington but had ultimately not gotten much value from it. A couple agencies stated that WaTech has failed to acknowledge lessons learned or hold key leaders accountable.

(8610) Usability Lab

L. Customer Satisfaction and Future Demand

No customer feedback provided regarding Usability Lab.

(8681) Usability Experience (UX)

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

A few potential customers expressed some frustrations with this service:

- OCIO policy had established an unfunded mandate for accessibility services (while agencies acknowledged the importance of ADA compliance and that upgrading websites to ensure compliance is something they should do, they stated they do not have the budget available to tackle the issue). It was implied that the intent behind this policy was to drive further WaTech accessibility compliance business.
- While usability and accessibility may be a good service, agencies stated that they viewed this service as a boutique offering where state agency maturity just isn't there yet.
- Agencies expressed dissatisfaction with the required subsidizing for User Experience and Accessibility vs. other priorities.

Perception of Price Considering WaTech Value Add

Agencies stated that they viewed this service as expensive (it is a high-end offering whether acquired from WaTech or another provider), and while they generally might be doing some of the right things, they just do not see much value in continuing the service. Many of the agencies interviewed stated that this is a boutique offering that is not a core part of WaTech's mission.

A large potential customer stated they considered purchasing the UX service support but they found it to be less price competitive than anticipated.

Customer Plans for Future Usage

Agencies who do not yet consume UX services did not state an intent to consume the service in the future.

(8215) Agile Business Analysts

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

Customers provided feedback on the Business Analyst resource pool as a whole, but not specific to the Agile Business Analysts service. This feedback has been captured under the Enterprise Systems Customer Feedback section.

Business owners (Enterprise Systems) expressed the concern that the business analysts resources that they are funding are being used to deliver this service and that training, recruiting and career development within this group is focused on supporting this unproven new service versus meeting their needs.

Perception of Price Considering WaTech Value Add

Customers highlighted their perception that business analyst rates are not price competitive compared to third party providers. Customers stated that there are comparable options available from vendors at lower costs.

Customer Plans for Future Usage

Potential future customers did not indicate that they plan to use this service in the future.

WaTech Collected Customer Feedback Data

WaTech collects feedback on this service leveraging the Net Promoter Score survey. The survey for this service had two respondents across a two agencies. Of the customers responding, 100% were promoters of the service.

The Net Promoter survey asks three questions:

Q1. How likely are you to recommend this service to a friend or colleague? (1 being very unlikely and 10 very likely)

Q2. What is the main reason for the score you just gave?

Q3. What one thing could we do to make this service even better?

The survey responses collected by WaTech during calendar year 2018 are provided in the table below (these responses are provided verbatim and have not been edited for spelling, grammar or clarity):

Q1.	Q2.	Q3.
10	The service was fast, high quality, and collaborative. I have already recommended the service to colleagues.	If I had the forethought, I would have had a VSTS Project set up to avoid having to port over the user stories. Other than that, it was great!
10	We received the service that we needed. The deep technical knowledge in various technologies that are used in the industry outside of WA state is something we do not have. This was very helpful in analyzing the RFP responses we received.	It took us a bit to understand the layout of the services you provide. This could have been more defined. But you more than made up for this, by listening to our needs very patiently.

(8652) Business Automation as a Service

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

One customer stated that believed they had received great value out of this service. The customer was impressed with the skills and knowledge of the WaTech experts, the speed of the rapid prototyping (about two weeks), high touch customer service, and ultimately perceived the end product to meet their business requirements.

A potential customer stated that they had explored leveraging WaTech for developing a medium sized application. However, when engaging in preliminary requirements discussions WaTech stated they would not be able to deliver something that would meet the agency's needs due to the complexity and scale of what was needed. This potential customer stated a perception that the service can only satisfy the most basic application development requirements and provides somewhat limited value at this time.

Perception of Price Considering WaTech Value Add

The customer interviewed stated that they were impressed with the value delivered and that they viewed the service to be affordable and price competitive.

Customer Plans for Future Usage

Several agencies stated that they do not view Business Automation as a Service to be a critical part of WaTech services offerings. They stated that they perceived this service to be more of a niche offering that they fear WaTech would have difficulty sustaining or growing.

The current customer stated that they would consider engaging with WaTech for future small-scale development efforts given the success of the initial pilot project.

(8211) Data Management Services

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

No customers of the database administration portion of the service provided comment.

Potential customers provided some comments on the services offerings and what they would potentially like to see from the service:

- Some of the agencies participating in the focus group stated that WaTech's Power BI support services are not particularly attractive given that customer agencies must join the shared tenant to take advantage of the support.
- Several agencies stated that they would like to see WaTech provide agencies with access to Informatica as a tool as a service offering (agencies noted that WaTech configured Informatica as a part of a failed portal project).
- One agency stated that they could potentially see value in leveraging WaTech for data warehouse/ data mart services but were not sure whether WaTech would be able to address their security requirements.
- Several agencies stated that they would like to see WaTech build the web services calls to help move away from the SFTP service for enterprise system integration, but they stated they do not believe WaTech has the resources to offer that. They also cited a previous WaTech attempt to improve statewide data integration and data architecture,

but that different agendas across various stakeholder groups made it difficult for WaTech to make any real traction.

Perception of Price Considering WaTech Value Add

There was no feedback provided by customers or other agencies regarding the price of the newly emerging data management service.

Customer Plans for Future Usage

There was no feedback provided by customers or other agencies regarding plans for future usage.

(8650) Video Production Services (E-Gov/ Other Services)

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

Customer feedback was generally positive. Customers interviewed cited staff professionalism and expertise as valued features of the service, but there are concerns about how this service would be sustained if this single individual were to take another role or leave state service.

Beyond the customer interviews and focus groups conducted by Gartner, WaTech uses a structured survey approach (Net Promoter) to collect customer feedback continuously. Customers from over a half dozen agencies provided overwhelming positive comments and universally high ratings for this service.

Perception of Price Considering WaTech Value Add

Current customers stated that Video Production is a high quality service that is delivering high value to those who need it.

A couple of potential customers viewed Video Services as a highly specialized offering not clearly aligned to WaTech's role as an IT Shared Services provider and questioned whether it is necessary to provide the service on an enterprise-wide scale. They also referenced concerns about the long-term viability of the service, and the need to subsidize the service with revenue from other service offerings.

Customer Plans for Future Usage

Current customers stated that they would purchase more of the service in the future and would recommend the service to other agencies.

A couple potential customers interviewed stated that they do not have a strong business requirement for video services, which is the primary driver for not consuming this WaTech service.

WaTech Collected Customer Feedback Data

WaTech collects feedback on this service leveraging the Net Promoter Score survey. The survey for this service had thirteen respondents across a half a dozen agencies plus internal WaTech respondents. All of the respondents were promoters of the service.

The Net Promoter survey asks three questions:

Q1. How likely are you to recommend this service to a friend or colleague? (1 being very unlikely and 10 very likely)

Q2. What is the main reason for the score you just gave?

Q3. What one thing could we do to make this service even better?

The survey responses collected by WaTech during calendar year 2018 are provided in the table below (these responses are provided verbatim and have not been edited for spelling, grammar or clarity):

Q1.	Q2.	Q3.
10	Not only was the end-product better than our vision, I have, in fact, recommended this to others.	Sure, if the cost were exactly zero that would be great, but otherwise, the service the end product but by far THE PEOPLE were exceptional. The talent, the professionalism, the personalities made the process enjoyable, thought provoking and respectful.
10	There are really two main reasons. Firstly, the video produced was amazing. It evoked an emotional response for the viewer that made them feel like impressed and moved by the subject matter. Secondly, having participated in other video production work, your ability to interview me and get at the heart of the value and compelling story was extremely helpful.	If you could figure out how to create such an emotional and connected response from the viewer in a more low-fidelity way (quicker and less expensive) that would be amazing.
10	Easy to work with and professional crew. Adept at making interviewees feel comfortable.	N/A
10	Teamwork approach, energetic, and respect for time all given.	Offer cookies.
10	Marilyn and her team were excellent at trying to understand what we were looking for and partner to have an excellent final product.	Can't think of anything.

10	Video is of enormous value to my program. It visually conveys subjects that are challenging to comprehend and leaves a memorable impression on the viewer	The internal procurement process can be challenging and often requires repeated justification about the value of the video program.
10	The editing of the videos is excellent and turns out a video that has an enormous impact on the viewer.	Can't think of anything at this time.
10	Quality and effectiveness of the end product; professionalism of the team	n/a
9	Excellent, professional service & outstanding work product.	Cost is a little on the higher side compared to the competition.
10	Professional work and attitude from start to finish.	Nothing.
10	I had total confidence in Marilyn and her crew. I had never managed this kind of project before and it turned out to be a breeze because of Marilyn and company.	I cannot think of anything.
10	Mad talent	More time for us to do more-which is magical thinking
10	WaTech has been great to work with. Marilyn is flexible and has worked to produce a video that suits all our needs.	Nothing. WaTech has been easy to work with and responsive. Thanks!

13. GIS Location-Based Services

(8710) Geospatial Portal

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

The customers that provided feedback stated that they are satisfied and typically cited the portal quality, the geospatial data provided through the portal, and recent progress made by the GIS Senior Program Manager to improve the service and coordination across agencies.

However, agencies noted limitations in WaTech's depth of expertise and staffing levels and stated that the state's real expertise was located within the individual agencies.

Perception of Price Considering WaTech Value Add

Agencies did not provide any feedback on the Geospatial Portal allocation costs.

Several customers stated that the Geospatial Portal provides a lot of value to the State of Washington and agencies with geospatial data and infrastructure needs.

Customer Plans for Future Usage

Customer agencies signaled their intention to continue using the service. Non-customer agencies (i.e., agencies that do not currently pay into the Geospatial Portal allocation) did not provide any feedback regarding plans for future usage.

(8711) Washington Master Addressing Service – WAMAS

L. Customer Satisfaction and Future Demand

No customer feedback provided for WAMAS.

(1230) Geospatial Initiatives / GIT Committee

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

Customer agencies that did provide feedback cited the committee's success in improving cross-agency collaboration in solving statewide GIS problems, standardizing GIS practices and policies, and the perceived level of influence given to customer agencies on the committee as attractive features of this initiative.

Perception of Price Considering WaTech Value Add

None of the agencies provided feedback on pricing for the GIT Committee or other geospatial initiatives.

Customer Plans for Future Usage

Participating agencies signaled their intention to continue participating on the GIT committee. Non-participating agencies did not provide any feedback regarding their intention to participate in geospatial initiatives such as the GIT committee in the future.

(1240) WA Geographic Council – WAGIC

L. Customer Satisfaction and Future Demand

No customer feedback provided for WAGIC.

14. Office of the CIO Services

(1200) Office of the CIO

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

Customers stated that enforceable Statewide IT policies are necessary and that the State CIO/OCIO is the correct body to promulgate and enforce them. Customers perceive many OCIO issued policies to be non-controversial and stated that they are working fine. However, many customers said the OCIO policymaking process is non-transparent and the OCIO generally fails to build consensus among agencies before enacting policies. Customers stated that the OCIO does not often seek individual or collective customer input when formulating policies and standards; when it does, many customers stated that they believe that it ignores any feedback that does not reinforce its pre-determined direction. Customers provided a few examples:

- For recent changes to policy 141.10, OCIO set a customer comment deadline in December 2017 despite the fact that the OCIO adopted the changes in November.
- OCIO does not log objections to agency policy proposals, document a clear rationale that enables an agency to understand why the OCIO did not act upon their policy proposal or suggested change, and does not provide details on how to appeal a decision to the correct forum or individual prior to the OCIO finalizing the policy.
- OCIO sponsors a few working groups and other forums where it could gather feedback. However, customers reported that the OCIO does not frequently participate in some of them and does not consistently leverage them for input into the policymaking process.

Customers characterized OCIO policy language as alternatively either too vague to be meaningful, requiring interpretation by the OCIO and the agencies which often leads to disagreement and delay, or so specific that it forces agencies to adopt specific solutions, often solutions provided by WaTech. Customers also report that OCIO policy is sometimes reactive rather than proactive, meaning that the OCIO puts in place policies, standards, and strategic guidance after agencies have already adopted practices, tools, or solutions that may not be compliant with the new policies. Agencies stated this either results in ineffectively vague policies intended to avoid rework or unfunded mandates for agencies to change their practices and deploy different architectures and technologies.

Several customers stated that the process for granting waivers and exceptions to policies was non-transparent and a couple customers perceived it to be arbitrary with favorable outcomes for large agencies, politically connected agencies and agencies with stronger ties to the OCIO. Several customers stated that rulings on policy exceptions should include detailed rationales made available to all Agencies.

Most customers expressed the perception that a significant amount of OCIO policymaking is designed to operate as a forcing mechanism to drive agencies to adopt WaTech Solutions. Most customers stated they believe that having the OCIO statewide policymaking responsibilities within the same organization as the WaTech shared services provider responsibilities makes it difficult or impossible for the CIO to put the needs of individual agencies, and the long-term needs of the state, ahead of WaTech short term financial interests. Customers offered some

examples of this practice: the mandated use of Secure Access Washington, the shared Office 365 tenant, the State Government Network and the State Data Center.

Customers expressed confusion around the organizational alignment of all of the CIO's executive offices (Office of Cybersecurity, Privacy Office, and the Office of the CIO), stating that it is not clear whether they are still WaTech and who is directing who.

While customers stated that project oversight is important and the OCIO could play a key role helping agencies to avoid IT project missteps, customers perceive current OCIO project oversight services to be weak, ineffective, and overly burdensome. Several customers stated concern about the level of effort required to comply with oversight requirements, particularly when many of the projects are less complex or related to routine business processes (like data center migration or hiring new personnel) that are not well suited to the standard oversight process.

Customers stated three root causes of ineffectiveness related to oversight staffing.

1. Oversight personnel lack experience and have gaps in key knowledge areas (familiarity with large, statewide projects and/or with large IT projects in general). This is in stark contrast to what was available several years ago. Customers believe OCIO has lost these experienced resources and has not replaced them with resources of equivalent caliber.
2. Oversight personnel lack familiarity with agency business models, project/program requirements and delivery capabilities, which is necessary to enable valuable insights regarding risk and benefits preservation/realization. This is also, in contrast to what was available several years ago when the OCIO aligned oversight resources to portfolios of agencies within a specific business area (e.g., public safety).
3. Too few resources spread across too many complex projects, resulting in a high level "check the box" process, which does not identify or address the true risks associated with a project.

In some cases, the agencies reported that the time necessary to train the OCIO oversight analyst on their business, as well as the project goals, challenges, desired outcomes and solution approach consumed so much of the project leader's time that it actually increased rather than decreased the overall risk.

Customers stated that third-party oversight is important. Most agencies stated that they utilize independent QA consultants; these agencies stated that they also want the OCIO to provide strong oversight in conjunction with the external QA process. However, today's oversight offering is backwards looking (problems have already occurred) and high level (problems are missed until very late in the project process). Customers stated that they believe these oversight roles need to be consistently staffed (same resources over multiple projects) with knowledgeable, experienced staff who have the context and acumen to work collaboratively with senior agency executives and program leaders and their external QA consultants to expose and help mitigate key risks which could take a project off track. The current high-level "check the box" approach does not achieve this, and customers perceive it to be a distraction in many cases. Customers would like to see WaTech invest and improve in this area.

Beyond feedback provided on oversight and policy development, several agencies stated that they would like to see the Technology Business Management Program (centered on the Apptio software tool to enable IT cost transparency) reexamined, as they perceive it to be burdensome without much business value.

Finally, a couple customers expressed concern that OCIO is not providing clear strategic guidance to state agencies. These customers stated that OCIO is not fulfilling their legislative mandates related to enterprise architecture; they are not setting the direction for the state.

Perception of Price Considering WaTech Value Add

The OCIO funding is appropriated by the legislature and funded via a customer allocation. Therefore, customers did not provide feedback on their perception of price.

Customer Plans for Future Usage

Customers did not provide feedback regarding their plans for future usage of OCIO services; agencies must consume OCIO oversight services for all projects within the IT project pool by statutory mandate.

However, several agencies indicated they would not proactively seek OCIO oversight where it is not mandated and would continue to treat engagement as a compliance exercise, similar to an audit, rather than as an opportunity to gain additional insights and perspectives that actually help reduce project risk.

(1210) 800 Mhz

L. Customer Satisfaction and Future Demand

There was no customer feedback provided for 800 MHz.

(1260) OneNet

L. Customer Satisfaction and Future Demand

There was no customer feedback provided for OneNet.

15. Office of Cybersecurity Services

(3570) Office of Cybersecurity

L. Customer Satisfaction and Future Demand

Perception of Features and Service Levels

All agencies are customers of the Office of Cybersecurity (OCS) and provided feedback on a few of the programs and services provided: SOC/Incident Response, CERT Vulnerability Assessments, and Security Design Review. Customers provided mixed feedback with some highlighting the value delivered and others highlighting their perception of some ongoing challenges. Nearly all agencies highlighted ongoing confusion about the role of OCS and the fact that they are not clear on whether OCS directs WaTech or vice versa.

SOC/Incident Response:

Some customers cited examples of when the SOC provided support for incident identification and response (e.g., identifying irregular traffic and hacked servers and providing expertise to mitigate) where the process worked smoothly and produced a good outcome. These customers stated that they were satisfied with the support provided by OCS in resolving the security incidents.

However, a minority group stated that the process did not work well for their agency. In particular, an agency cited frustration that they had requested support from OCS but had retained the role of incident commander within the agency, and in spite of that OCS controlled communications related to the incident to the governor's office in a manner they stated felt as if they were "playing politics."

Focus group participants expressed frustration with the timing of SOC notifications, and the quality of the information provided. For example:

- The Threat Detection Network Monitor tool generates alerts, but customers stated that they are not always provided a destination IP, and when they do receive one, it is typically the NAT address. These customers expressed frustration that they have to crawl through Firewall logs to identify the server, and instead of that manual effort, they stated they would like to see that information pulled automatically from the firewalls and provided to them with the notification.
- The SOC delays notification of security events in order to do the analysis first. Customers stated that this lag between the time the alert is received at the SOC and the information is passed on is not helpful, and they would like to get the alert right away. By the time they are notified, sometimes two hours later, customers stated it is not unusual for an infection to have spread to multiple servers.
- Customer agencies stated that they want OCS to share alerts for firewall egress immediately. They want OCS to provide the IP address and want OCS to forward the packet capture.

CERT Vulnerability Assessments:

Several agencies expressed confusion around the CERT Vulnerability Assessment service given they understood that OCS would no longer be a service provider organization following

the split from WaTech, the CERT Vulnerability Assessment is a service that seems to potentially overlap with WaTech's Vulnerability Assessment tool as a service.

Several agencies stated that the service seemed to be under-resourced with only one laptop with a pre-loaded Vulnerability Assessment tool, effectively limiting the team to sequential assessments. Agencies noted that it could take up to a 12 to 18 month timeline to receive the service. However, many noted that they received some useful recommendations, and were generally satisfied with the assessment deliverable, noting that there were no associated costs charged for it.

Agencies also provided feedback that the spearfishing component of the assessment is limited to two deployment approaches,

- a one-time assessment as a component of the CERT Assessment.
- a recurring monthly subscription.

Several agencies expressed the concern that monthly is too frequent and they would rather leverage the service on a quarterly or ad hoc basis.

Security Design Review:

A majority of customers stated that they see the value in the security design review process and they believe it is helpful to have a second set of eyes on planned designs. Agencies acknowledged that specialized security expertise is difficult to recruit and retain within government and that a central service that provides this expertise is valuable.

Agencies also stated that they see a real work ethic in the current Security Design Review team. However, the team was viewed as both a roadblock and a value-added service.

Agencies noted that initial reviews were narrowly focused on 141.10 compliance but OCS has gotten better about accepting other compliance frameworks equivalency to speed up reviews (e.g., FedRamp and some other higher certification would meet and exceed the requirements of 141.10) and have reduced some of the repeated overhead in multiple review cycles. Agencies noted that OCS is new, and that they believe the service will continue to mature and improve.

Customers cited some features of the service that they appreciated:

- Open consultations that provide insight into OCS interpretation and expectations ahead of time, that agencies stated help better prepare them for design reviews, and expedites the entire process.
- Investment in policy development with emphasis on the cost of security breaches.
- High quality of architects completing most design reviews.
- New expedited security review process for certain low risk changes.

Customers also cited some ongoing challenges:

- Design reviews that take far too long to schedule and then take a long time to complete, causing development bottlenecks.
- Lack of a sense of urgency in completing reviews.
- Insufficient governance: Agencies stated that they didn't believe there is anywhere disagreements or alternative options can be appealed to that are independent of what they perceive of as a tight circle of WaTech executives running the OCIO, OCS and most other Statewide IT governance functions.

- Different viewpoints between OCS and WaTech EA and other groups that spill into public displays of infighting.
- Challenges with getting different answers from different people within OCS at different times and points in the process (though this seems to be improving – agencies stated that internal coordination is improving).

Several agencies also stated that they believe OCS is completely risk averse and does not collaborate effectively to enable business leaders to evaluate and where accept some levels of residual risk. They provided several examples:

- Policy 141.10 is helpful but some aspects of it are problematic because it is non-specific and open to interpretation. However, OCS has positioned itself and the OCIO/CIO as the final arbiters and provide little transparency into the arbitration process when good faith disputes occur – interpretation is problematic when OCS uses it to imply that agencies have to use WaTech services.
- The largest point of contention was around internet access. Over a half a dozen agencies cited federal mandates, movement to the public cloud, remote office constraints, and high volumes of field work as driving requirements to architect appropriately secured solutions for leveraging alternative connectivity strategies rather than remaining dependent on all internet traffic routing through the State Data Center and stated that OCS was simply unwilling to partner with them to develop appropriate solutions.
- Instances of sacrificing “real security” to check the policy box (a couple decisions related to the bullet above were cited by customers as examples).

Perception of Price Considering WaTech Value Add

Most customers provided limited feedback on WaTech value compared to pricing; however, a couple agencies provided a substantive commentary.

One agency stated that they like the design reviews but OCS is not meeting their obligations which causes agency funding delays, which tacks on more cost to application projects due to extended schedules. The same agency suggested that OCS needed to become more proficient at identifying the areas of greatest value and more narrowly tailoring reviews to fit their ability to deliver at the available level of staffing.

Another agency stated that while they were generally satisfied with the CERT deliverable, they would have been frustrated if they had paid an external consultant directly for the equivalent service/deliverable provided.

Customer Plans for Future Usage

Customers did not provide feedback on plans for future usage. Many of these services are mandated.

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L. Customer Satisfaction and Future Demand

No customer feedback was provided for Forensics Investigation and Consulting, as this piloted service was discontinued in November 2018 due to low customer demand.