

# **Bureau of Economic Analysis**

## **Director Steve Landefeld**

First Quarter  
Balanced Scorecard Performance Review

February 2013

# Highlights

***Action Item: Status of BEA's Lease.....Slide 3***

***Improving Statistics.....Slide 4***

- Prototype BEA/BLS Industry-level Production Account
- Prototype quarterly GDP by Industry statistics
- Improved territorial GDP statistics

***Accuracy.....Slide 5***

- Analysis of revisions to International Economic Accounts
- Revision of Annual Industry Accounts

***Timeliness.....Slide 6***

- Accelerated releases

***Employee Engagement.....Slide 7***

- Results of 2012 FEVS

## **ACTION ITEM:** Status on BEA Lease

**TARGET:** \$750K/year based on space reduction in 2016

**ACTUAL:** TBD

## **STATUS**

- Lease expires June 2013
  - Projected savings from 15,000 sq. ft. reduction in reconfigured/new space
  - Moving/reconfiguring requires substantial funding (minimum \$8-\$9M out of total budget of \$90+M)
- **WHAT'S NEW:**
  - **GSA is negotiating a three-year extension at < \$50/sq. ft.**
  - **Will compete new long-term lease beginning fall 2013**
  - **Will occupy reconfigured/new space in 2016**

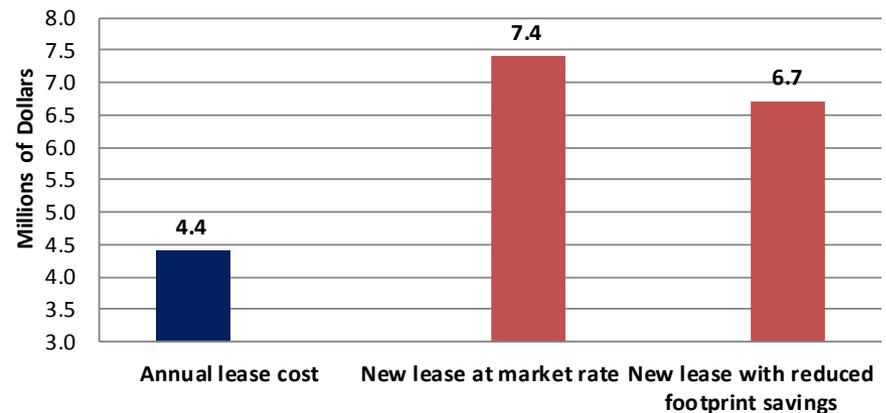
## **RISK**

- Extended lease cost will be approximately \$0.6M in FY13 and \$2.9M in FY14
- Current negotiated utility rates likely to increase
- GSA requires commitment to move/reconfiguration costs prior to competition

## **MITIGATION**

- Add supplemental to FY15 budget request
- Work with ESA and GSA to fund move/reconfiguration
- Pursue most cost-effective solution over life of lease

**Real Property Cost Savings**



**MEASURE:** Percent of quarterly progress toward annual milestones for improving national, international, regional, and industry economic statistics

**TARGET:** Annual Target = 100%

**ACTUAL:** Cumulative Quarterly Progress = 35%

### **STATUS**

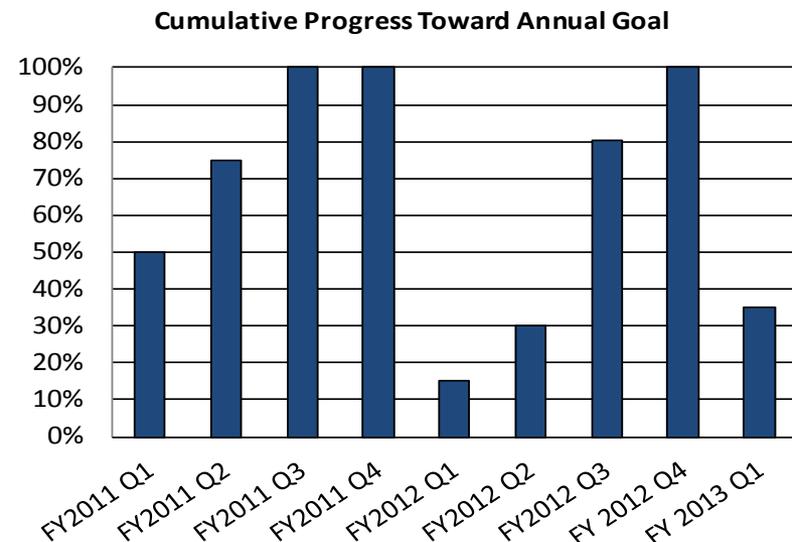
- Released prototype BEA/BLS Industry-level Production Account that provides new details on industry sources of aggregate economic growth
- Released prototype quarterly GDP by Industry statistics for 2009-2012Q2 that are consistent with quarterly expenditure-based GDP
- Released updated and improved statistics on GDP for the U.S. territories that included a new “industry” dimension as well as new detailed consumer spending statistics

### **RISK**

- Impact of budget cuts to BEA, Census, BLS, and other statistical agencies on accuracy of economic statistics

### **MITIGATION**

- Collaborate with ESA, Census, and other statistical agencies to focus scarce resources on highest priority core statistics



**MEASURE:** Quarterly Accuracy Index

**TARGET:** >83%

**ACTUAL:** 87%

### STATUS

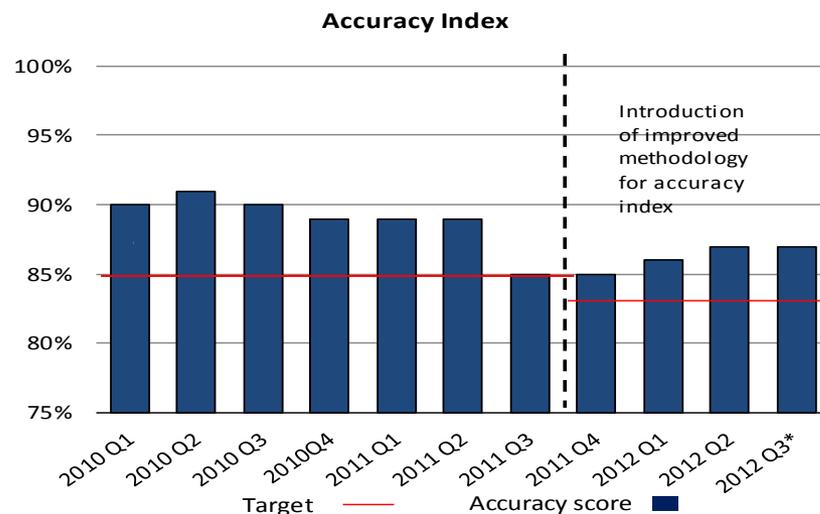
- Maintained reputation for most timely and accurate GDP data in world
- Released new analysis on the accuracy of BEA's international statistics in a *Survey of Current Business* article, "An Analysis of Revisions to BEA's International Economic Accounts" as part of efforts to regularly report on accuracy and revisions to BEA statistics
- Released 2012 annual revision of Annual Industry Accounts
  - Expanded use of Census Bureau Services Annual Survey (SAS) data that replace less accurate composite indicators for transit, ground, and pipeline transportation output
  - Introduced BLS producer price indexes for specific air transportation services, replacing aggregate price index for general transportation fares

### RISK

- Lowered accuracy of advance GDP estimates during recessions and early stages of recovery

### MITIGATION

- Address potential biases and noise in statistics
- Collaborate with Census, Federal Reserve Board, BLS, IRS, and other data suppliers to address gaps revealed by recession



\*Latest quarter for which revised data are available.

**MEASURE:** Percent of on-time delivery of statistics

**TARGET:** 100% of 15 releases on time

**ACTUAL:** 100% on time, with 2 accelerations

**STATUS**

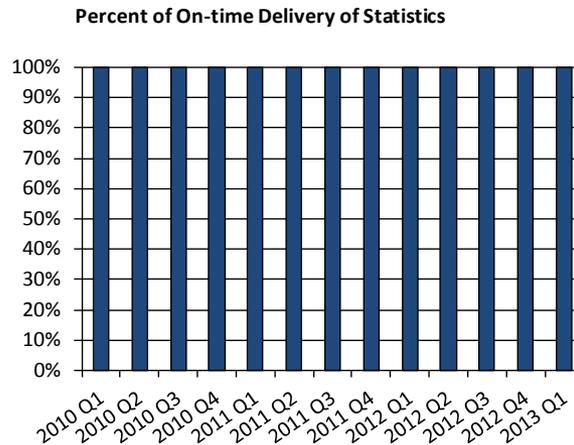
- Issued all 15 data releases on time
  - Despite the government shutdown due to Hurricane Sandy (10/29), successfully released personal income and outlays for September on time
- Accelerated releases:
  - 2009-11 statistics of Personal Income and Employment for local areas by 5 months
    - Available to local governments in time for use in upcoming FY 2013-14 budget cycle
  - 2012 Annual Industry Accounts release by 1 month
  - On schedule to accelerate monthly U.S. International Trade in Goods and Services by 5 days

**RISK**

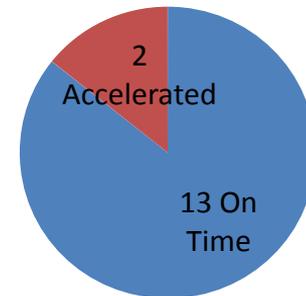
- Continued progress on IT modernization essential to maintain on-time delivery of statistics
- Future budget cuts to Census and other federal data providers could impact timely receipt of source data that are vital inputs to many key statistics

**MITIGATION**

- Reallocate base funding to update IT systems



**Timeliness of Data Releases:  
15 Releases in Q1**



■ Releases on Time ■ Accelerated Releases

## **MEASURE:** Percent quarterly progress toward addressing employee engagement issues highlighted by EVS

### **STATUS**

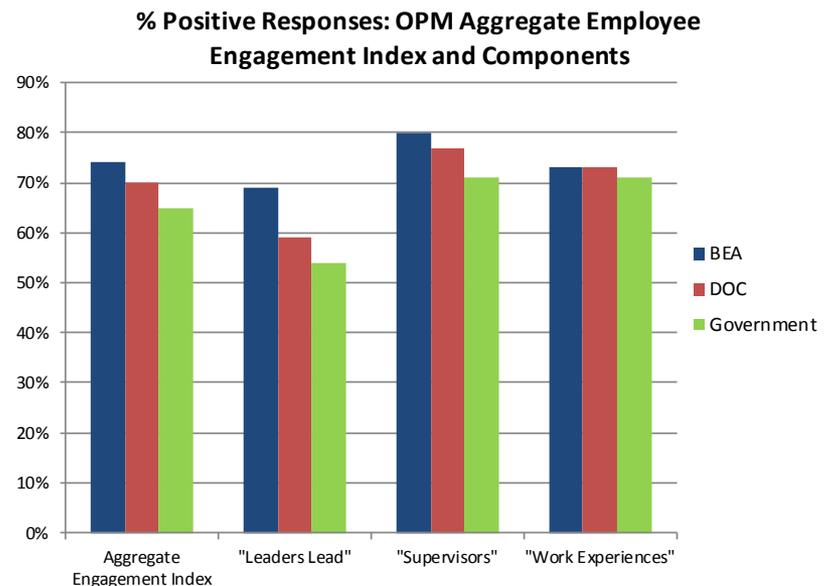
- Scored a “Best Place to Work” (ranked 48<sup>th</sup> out of 292 agency sub-components)
- Achieved second highest score within Commerce, and exceeded government-wide scores for employee engagement (see chart)
- Achieved 75% response rate on 2012 Federal Employee Viewpoint Survey
- Exploring quarterly survey to measure employee satisfaction and engagement
- Will measure progress toward addressing issues found in EVS results (received in December)

### **RISK**

- Reduced morale caused by budget reductions, reorganizations, pay and hiring freezes, limited bonuses, and low public impression of federal employees

### **MITIGATION**

- Send positive message that employee satisfaction and engagement are important and critical to BEA’s success



**MEASURE:** Expanding accounts: % annual strategic plan milestones completed in current quarter to better measure health care, innovation, and intangibles

**TARGET:** Annual target = 100%

**ACTUAL:** Cumulative Quarterly Progress = 37%

### STATUS

- Continued efforts to estimate the impacts of incorporating alternative health-care price indexes on real GDP by Industry for the health sector
- Published the results of research that explored (1) alternative sampling methods, (2) primary drivers of medical care expenditure growth from 2003-2007, and (3) effects of treatment shifts on inflation rates in health care spending.

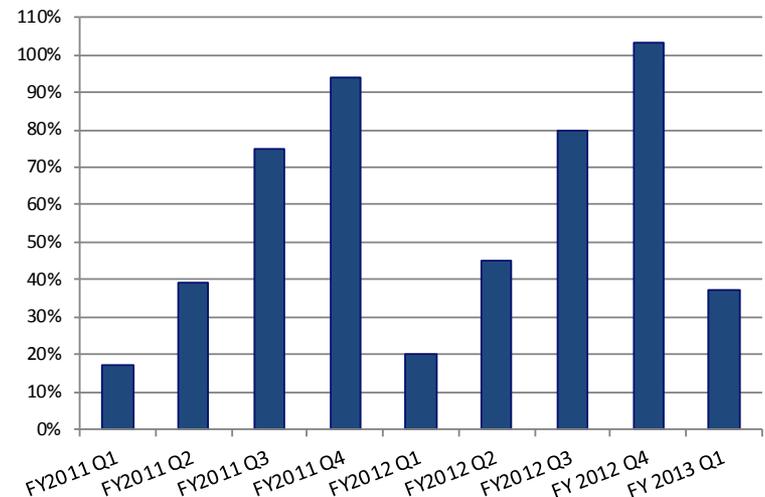
### RISK

- As BEA approaches implementation of work on innovation, resources currently devoted to IT modernization will need to be reallocated back to these projects
- Progress is dependent in part on continued successful collaboration with BLS and Census

### MITIGATION

- Worked with ESA and OS to address budget constraints to allow reallocation of resources to support health and innovation implementation and other statistical priorities, as well as IT modernization
- Engage with other agencies on plans and progress in support of innovation statistics

Cumulative Progress toward Annual Goal



**MEASURE:** Combined response rate for two quarterly direct investment surveys  
**TARGET:** 80%  
**ACTUAL:** 80%

## STATUS

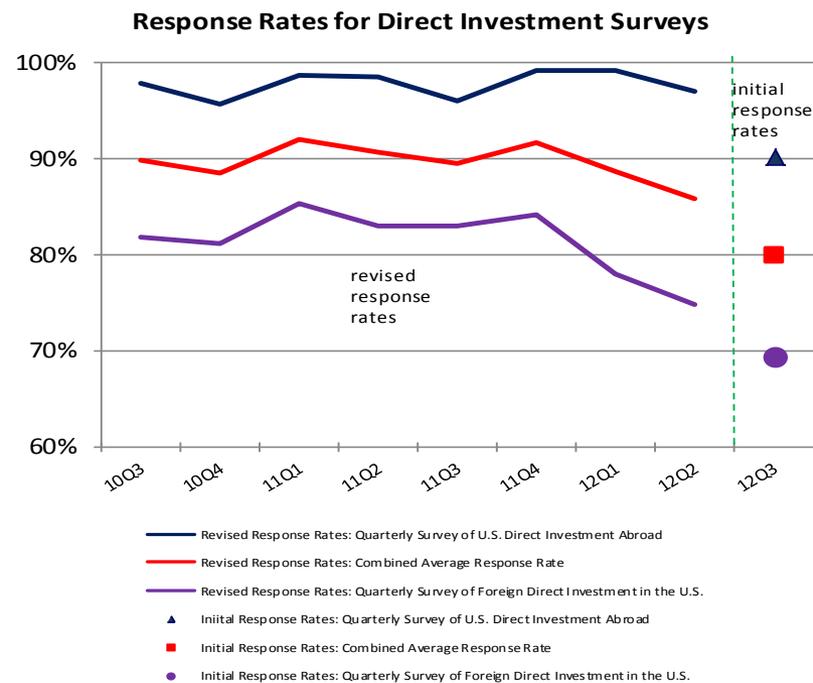
- Recorded 80% initial response rate (and a value-weighted response rate of nearly 100%)
- Will attain even more complete coverage by the time revised estimates are published

## RISK

- Low response rates during economic downturns, especially from smaller and less successful firms

## MITIGATION

- Maintain regular contact with survey respondents to boost compliance



**MEASURE:** Percent electronic filing of international investment and services surveys

**TARGET:** 80%

**ACTUAL:** 85%

### STATUS

- Efforts to expand e-filing helped to exceed target
- E-filing is key to improving accuracy, reducing response burden, and improving timeliness
- For the survey of U.S. direct investment abroad, achieved a 97% e-filing rate
- New survey system improvement team's efforts to improve surveys may have benefits for e-file rates
- Continued evaluation of e-filing and possible transition to Census Bureau's Centurion system

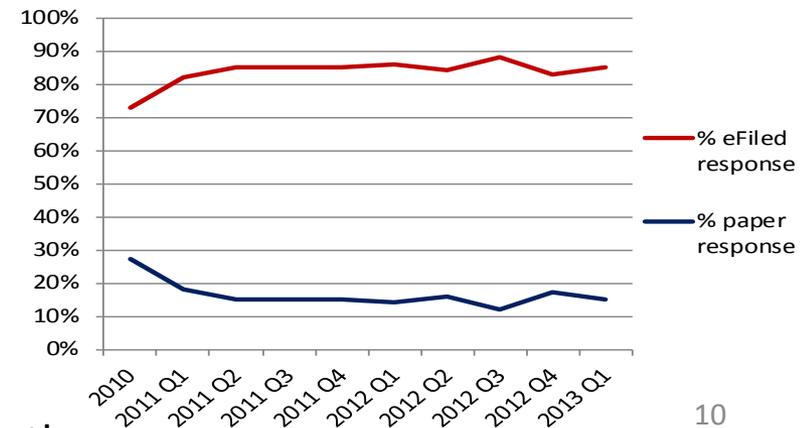
### RISK

- E-filing rates may suffer among small firms, where costs of converting from paper are higher and benefits lower

### MITIGATION

- Reach out to survey respondents to maintain and raise e-file rates
- Partner with ITA and Census to promote e-filing at trade shows and other events

Electronic Filing of International Surveys



Economic Growth

**MEASURE:** Major market news citations

**TARGET:** 3700 citations per quarter

**ACTUAL:** 4,291

**STATUS**

- BEA and Census statistics, with National Weather Service, among DOC’s most visible products
- BEA Blog and Twitter feeds increasingly important in communicating with users; BEA Blog page views increased by 49% from the previous quarter
- 235 print publications across U.S., including all national and regional daily and weekly publications and trade journals

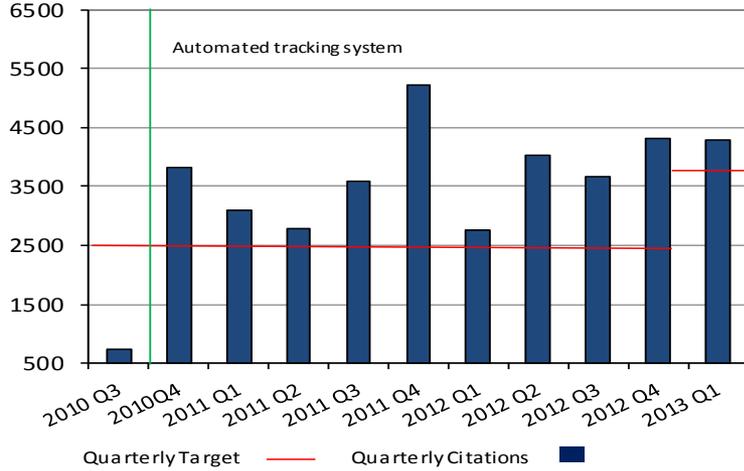
**RISK**

- Less accurate reporting on economy without continued outreach to media

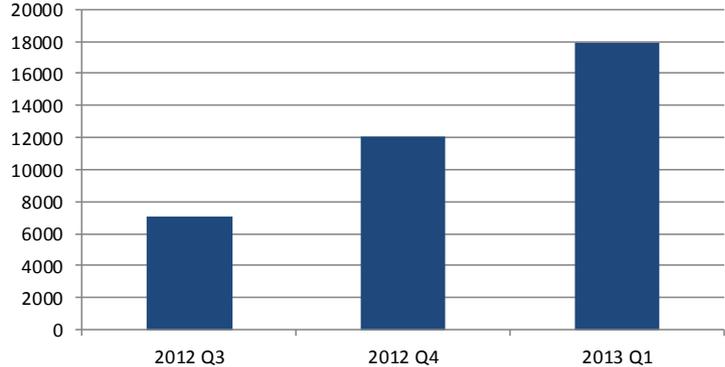
**MITIGATION**

- Work closely with media to help them understand wealth of detail, uses for, and meaning behind economic statistics

**Number of Market News Citations**



**Page Views of BEA Blog**



**MEASURE:** Customer Service / Satisfaction with BEA products: Web site customer survey

**TARGET:** 84% of responses “above average”

**ACTUAL:** 89% of responses “above average”

### STATUS

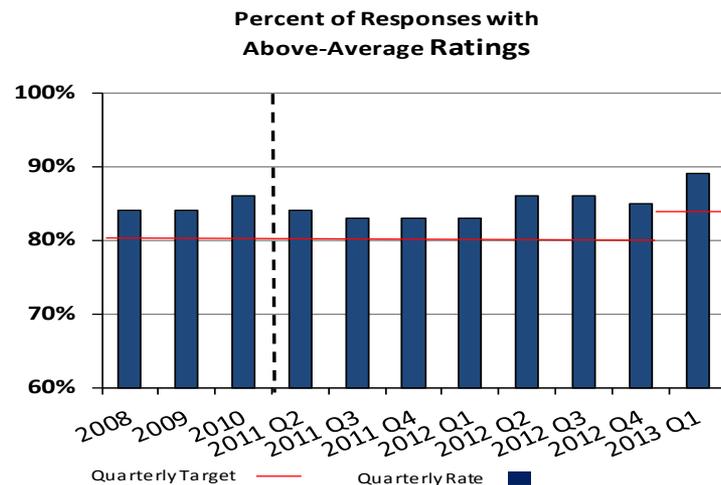
- Enhancements to iTables, including quicker display of larger data sets
- Continued outreach to users
  - Presentations to Center for Regional Economic Competitiveness (CREC) on enhancements to bea.gov and effective use of iTables (both to be available on Web site)
  - Presentations to BEA and Federal Economic Statistics Advisory Committees on improving measures of income and income distribution

### RISK

- Eroding Web site usability and customer satisfaction if not updated in response to changing technologies and user needs

### MITIGATION

- Continued participation in CREC presentations for data users
- Create more web presentations allowing self-service training for customers



Note: On a 1-10 scale survey, with 1 = very dissatisfied and 10 = very satisfied, the percentage reflects a rating of 6 and above.

**MEASURE:** Average time to fill career positions

**TARGET:** 80 Days

**ACTUAL:** 95.4 Days

Average Number of Days												
	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	*Step 9	*Step 10	*Step 11	Av Total FY13 Q1
	SF-52 to HR; Draft JOA	Hiring Manager Approve JOA	JOA on USAJobs	Receive Apps & Notify	Eval Apps, Rate, Rank, & Notify	Issue Certs & Notify	Review Apps & Interview	Tentative Job Offer, Accept, Security Info	Docs to OSY, Finger-print, eQIP	Official Job Offer, Accept, & Notify	EOD	
	BOCHRD	BEA	BOCHRD	BOCHRD	BOCHRD	BOCHRD	BEA	BOCHRD	OSY	BOCHRD	Applicant	
Average # of Calendar Days	8.63	0.88	1.88	11.25	12.75	0.75	27.88	3.00	4.75	1.13	28.38	95.40
Census Standard for Average # of Calendar Days	5	1	1	10	14	1	30	1	2	1	14	80

YTD Hiring Actions			FY13 Q1			FY12 Q4			FY12 Q3			FY12 Q2			FY12 Q1		
Total # of Complete Hiring Actions	Within 80 Days		Av Days	+/- previous quarter	# Hires	Av Days	+/- previous quarter	# Hires	Av Days	+/- previous quarter	# Hires	Av Days	+/- previous quarter	# Hires	Av Days	+/- previous quarter	# Hires
	#	%															
8	2	25%	95.4	36.56	8.00	58.84	-7.45	13	66.29	12.21	7	54.08	-31.42	12	85.5	-4.83	2

Note: Steps 9 through 11 are performed concurrently; thus, the average number of days from offer to EOD is less than the sum of the steps. In some cases, step 1 occurs after EOD.

**MEASURE:** Quarterly number of teleworked hours

**TARGET:** Increase in teleworked hours

**ACTUAL:** Year over year increase

### STATUS

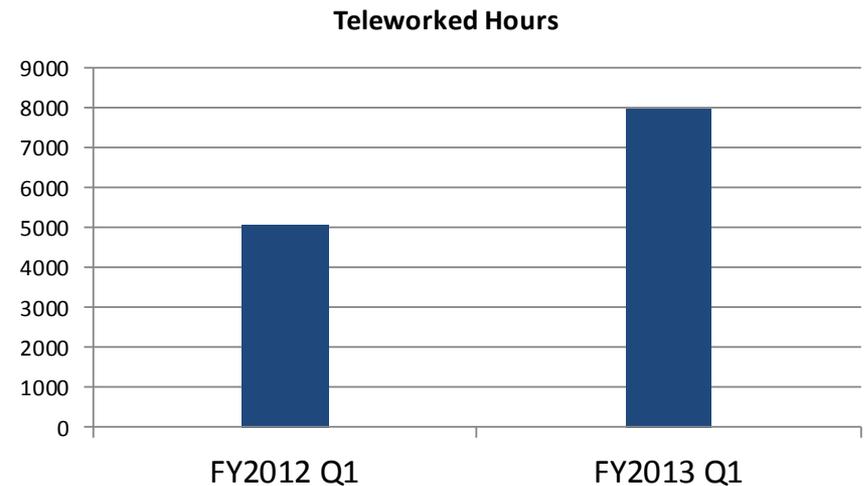
- Telework policies, applications, and training links provided on BEA's Intranet
- Telework hours increased by 57% from Q1 of FY 2012 as result of revised policy and enhanced remote access portal
- 7993 teleworked hours in Q1
- Positive feedback that enhanced remote access portal improves telework experience

### RISK

- Reduced morale caused by budget reductions, reorganizations, pay and hiring freeze, limited bonuses, and low public impression of federal employees

### MITIGATION

- Send positive message that employee satisfaction and engagement are important and critical to success



## **MEASURE:** Succession Planning

### **STATUS**

- Annual OHRM approved succession plan in place
- Completed training needs assessment for FY13
- 48 participated in Mentoring Program; graduation January 2013
- Piloted supervisory track within Mentoring Program
- Exploring use of OHRM succession planning tool per 2011 Succession Plan
- Working with OHRM to expand use of CLC and online courses

### **RISK**

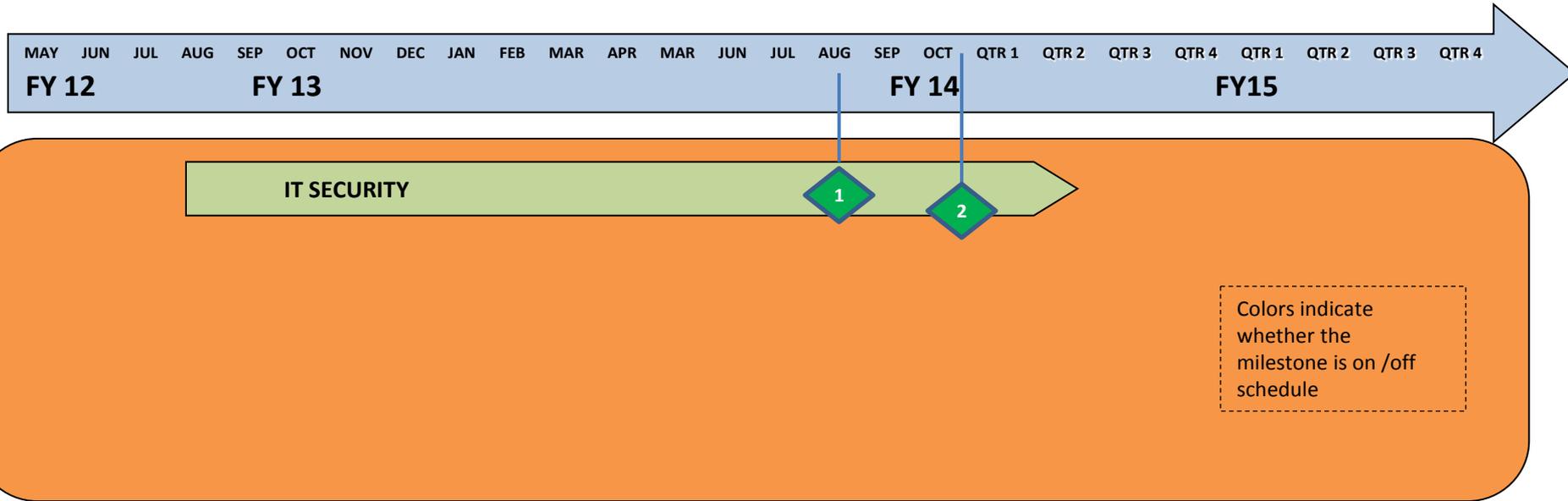
- Constantly changing economy
- Relevance of economic accounts
- Sustained expertise and employee satisfaction

### **MITIGATION**

- Sustain Bureau knowledge
- Limit turnover
- Position emerging leaders to succeed

# IT Portfolio Management Schedule

*For Near Term Shared Service Candidates*



## IT Security

1. Install Enterprise Continuous Monitoring and Operations (ECMO). (August FY2013)
2. Fully Implement ECMO. (October 2014)

**MEASURE:** Cyber Security: technical security controls “TOP 5”

**TARGET:** 100% of moderate/high impact systems with “top 5” fully implemented

**ACTUAL:** 100%

**STATUS**

Technical security controls that comprise “Top 5”:

- 1 of 1 system has CM-6 (Secure Configurations) in place (100 %)
- 1 of 1 system has RA-5 (Vulnerability Scanning) in place (100 %)
- 1 of 1 system has SI-2 (Flaw Remediation) in place (100 %)
- 1 of 1 system has CP-4 (Contingency Plan Testing) in place (100 %)
- 1 of 1 system has SC-7 (Boundary Protection) in place (100%)
- 1 of 1 system has all Top 5 implemented (100%)

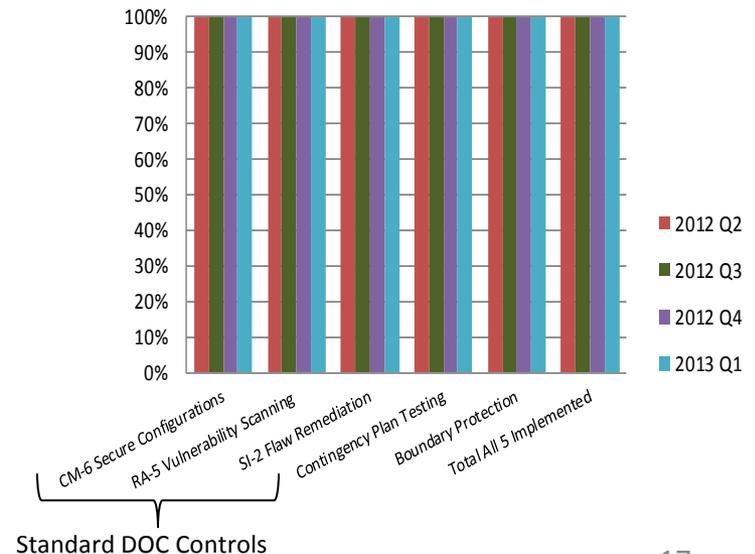
**Related Special Project**

- Application Whitelisting
- Filtering
- Data Leakage Protection

**Significant Developments**

- Independent assessment found top 5 controls to be designed correctly, operating effectively, and producing intended results

Percentage of Moderate/High Impact Systems with "Top 5" Fully Implemented



# MEASURES: Plan of Action Milestones (POA&Ms) and Authorization to Operate

**TARGET:** 100% of systems with valid ATOs; 100% of POA&Ms closed on time

**ACTUAL:** 100%

**Performance Measures:**

- Percentage of systems with valid Authority to Operate (ATO)
- Percentage of Plan of Action and Milestones (POA&Ms) closed on time
- Number of POA&Ms that are Open, Delayed

**Targets:**

- 100% of systems with valid Authority to Operate (ATO)
- 100% of Plan of Action and Milestones (POA&Ms) closed on time

**STATUS**

0 total POA&Ms Open at the beginning of the quarter  
 100% of systems with valid ATO / 1 total # of systems = 100% with valid ATO  
 # of total POA&Ms open at the beginning of each quarter:

2012 Q1	2012 Q2	2012 Q3	2012 Q4	2013 Q1
1	1	1	1	0

