Bureau of Economic Analysis
Director Steve Landefeld

First Quarter
Balanced Scorecard Performance Review

February 2013
Highlights

**Action Item: Status of BEA’s Lease**

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

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

Timeliness
- Accelerated releases

Employee Engagement
- 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)

**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

**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

**Real Property Cost Savings**

<table>
<thead>
<tr>
<th></th>
<th>Millions of Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual lease cost</td>
<td>4.4</td>
</tr>
<tr>
<td>New lease at market</td>
<td>7.4</td>
</tr>
<tr>
<td>New lease with reduced footprint savings</td>
<td>6.7</td>
</tr>
</tbody>
</table>
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

Cumulative Progress Toward Annual Goal

<table>
<thead>
<tr>
<th>FY2011 Q1</th>
<th>FY2011 Q2</th>
<th>FY2011 Q3</th>
<th>FY2011 Q4</th>
<th>FY2012 Q1</th>
<th>FY2012 Q2</th>
<th>FY2012 Q3</th>
<th>FY2012 Q4</th>
<th>FY2013 Q1</th>
</tr>
</thead>
<tbody>
<tr>
<td>0%</td>
<td>0%</td>
<td>10%</td>
<td>20%</td>
<td>30%</td>
<td>40%</td>
<td>50%</td>
<td>60%</td>
<td>70%</td>
</tr>
</tbody>
</table>
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
  o Expanded use of Census Bureau Services Annual Survey (SAS) data that replace less accurate composite indicators for transit, ground, and pipeline transportation output
  o 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

![Accuracy Index](chart.png)
**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

---

![Percent of On-time Delivery of Statistics](image)

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

- 13 On Time
- 2 Accelerated

---

Science and Information
**MEASURE:** Percent quarterly progress toward addressing employee engagement issues highlighted by EVS

**STATUS**
- Scored a “Best Place to Work” (ranked 48th 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](image-url)
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

Response Rates for Direct Investment Surveys

Economic Growth
**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**

![Graph showing electronic filing of international surveys](chart.png)

**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**
- Quarterly Target
- Quarterly Citations

**Page Views of BEA Blog**
- 2012 Q3
- 2012 Q4
- 2013 Q1
**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

<table>
<thead>
<tr>
<th>Step</th>
<th>SF-52 to HR; Draft JOA</th>
<th>Hiring Manager Approve JOA</th>
<th>JOA on USAJobs</th>
<th>Receive Apps &amp; Notify</th>
<th>Eval Apps, Rate, Rank, &amp; Notify</th>
<th>Issue Certs &amp; Notify</th>
<th>Review Apps &amp; Interview</th>
<th>Tentative Job Offer, Accept, Security Info</th>
<th>Docs to OSY, Fingerprint, eQIP</th>
<th>Official Job Offer, Accept, &amp; Notify</th>
<th>EOD</th>
<th>Av Total FY13 Q1</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>BOCHRD</td>
<td>BEA</td>
<td>BOCHRD</td>
<td>BOCHRD</td>
<td>BOCHRD</td>
<td>BOCHRD</td>
<td>BEA</td>
<td>BOCHRD</td>
<td>OSY</td>
<td>BOCHRD</td>
<td>Applicant</td>
<td>95.40</td>
</tr>
<tr>
<td>2</td>
<td>Average # of Calendar Days</td>
<td>8.63</td>
<td>0.88</td>
<td>1.88</td>
<td>11.25</td>
<td>12.75</td>
<td>0.75</td>
<td>27.88</td>
<td>3.00</td>
<td>4.75</td>
<td>1.13</td>
<td>28.38</td>
</tr>
<tr>
<td>3</td>
<td>Census Standard for Average # of Calendar Days</td>
<td>5</td>
<td>1</td>
<td>1</td>
<td>10</td>
<td>14</td>
<td>1</td>
<td>30</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>14</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>YTD Hiring Actions</th>
<th>FY13 Q1</th>
<th>FY12 Q4</th>
<th>FY12 Q3</th>
<th>FY12 Q2</th>
<th>FY12 Q1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total # of Complete Hiring Actions</td>
<td>Within 80 Days</td>
<td>+/- previous quarter</td>
<td># Hires</td>
<td>+/- previous quarter</td>
<td># Hires</td>
</tr>
<tr>
<td>#</td>
<td>%</td>
<td>Av Days</td>
<td>+/- previous quarter</td>
<td># Hires</td>
<td>Av Days</td>
</tr>
<tr>
<td>8</td>
<td>25%</td>
<td>95.4</td>
<td>36.56</td>
<td>8.00</td>
<td>58.84</td>
</tr>
</tbody>
</table>

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

![Teleworked Hours Chart](image_url)

**Workforce Excellence**
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)

Colors indicate whether the milestone is on/off schedule
**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

---

**Organizational Excellence**
**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:

<table>
<thead>
<tr>
<th>2012 Q1</th>
<th>2012 Q2</th>
<th>2012 Q3</th>
<th>2012 Q4</th>
<th>2013 Q1</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
</tbody>
</table>

**% of POA&Ms Closed on Time**

<table>
<thead>
<tr>
<th>2012 Q1</th>
<th>2012 Q2</th>
<th>2012 Q3</th>
<th>2012 Q4</th>
<th>2013 Q1</th>
</tr>
</thead>
<tbody>
<tr>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>N/A</td>
</tr>
</tbody>
</table>