



Minority Business Development Agency

Mission Statement

The Minority Business Development Agency is an entrepreneurially-focused and innovative organization, committed to minority business enterprise and wealth creation.

The Minority Business Development Agency (MBDA) is the only federal agency created specifically to foster the establishment and growth of minority-owned businesses in the U.S. The Department of Commerce's "Economic Information and Framework" theme is supported by the policies and programs that MBDA designs to increase minority business participation in the national and global economy.

MBDA is re-engineering its organizational structure into a new and vigorous direction of entrepreneurial management. If the nation's emerging businesses are to compete nationally and internationally in the rapidly changing global economy, MBDA, as the national lead agency for minority and emerging businesses, must be transformed from a historically administrative agency to a new and vigorous entrepreneurial organization.

An entrepreneurial organization is designed to *purposefully* engage in *systemic*, continuous, innovative, and performance improvement strategies. The fusion of innovation and entrepreneurship is critical in a systemic model to pursue purposeful and strategic opportunity.

MBDA's new entrepreneurial motivation includes the establishment of strategic public and private sector alliances that will move minority businesses beyond the historical focus on increased penetration and dependence on the federal government marketplace. MBDA's entrepreneurial vision challenges the entrepreneur to make sound business decisions, to accept risks as a factor of doing business, and to implement "best practice" models for sustainable growth.

MBDA will continue to leverage its resources for delivering business development services by utilizing electronic tools. MBDA services and electronic tools are accessible throughout the country via the Internet. The introduction of MBDA's Minority Business Information Portal in FY 2002 was a major step toward reaching a significantly larger client base. The Internet portal will be used by minority businesses to access Agency services and it will be the national center for referral of minority-owned businesses of all sizes to the vast network of public and private sector resources. MBDA will continue to provide specialized access to markets and financial capital for firms seeking substantial growth opportunities. Management and technical assistance, education and training will be provided by MBDA's network of Business Development Centers through its Minority Business Internet Portal (MBIP). Virtual Business Development Centers, Geographic Business Information Systems (GBIS) and the Phoenix/Opportunity System are accessible through the MBIP.

According to U.S. Census Bureau statistics, the number of minority-owned firms increased 41 percent between 1992 and 1997. Yet minority businesses account for only 14.6 percent of total businesses and 3.2 percent of business receipts and 4.4 percent of employment. The Census Bureau is projecting that 90 percent of the net U.S. population growth over the next fifty years will be in minority groups. Although minority-owned businesses experienced substantial growth between 1992 and 1997, there remain significant disparities between minority and non-minority firms. In order to address the disparities, MBDA has instituted a strategy and policy initiative of *entrepreneurial parity*. Entrepreneurial parity is defined as reaching proportionality between minority population percentage and percentage share of business development measures such as numbers of firms, gross receipts, and employment. The state of minority business in 1997 would look radically different if entrepreneurial parity had been achieved. In this scenario, the number of minority-owned businesses would have been almost twice the actual number, or 5.7 million firms, rather than 3 million firms. Entrepreneurial parity in minority-owned business receipts would have resulted in more than eight times the actual number, from \$0.6 trillion to \$5.1 trillion. Employment in minority-owned firms would increase from 4.5 million to 28.2 million if entrepreneurial parity were achieved.

The Business Participation Rate (BPR) is a measure of businesses in a specific population group for every 1000 persons in that group. The national BPR for non-minority groups is 91 firms for every 1000 people in the United States. For minorities, the BPR is 42 firms for every 1000 minorities.

While businesses of all size categories are important, the national minority business community needs to focus on becoming “growth firms” that can compete in an era of contract bundling and strategic partnering. Entrepreneurial initiatives, electronic commerce and a willingness to engage in strategic alliances and joint ventures will continue to be promoted by MBDA in the minority business community.

Priorities/Management Challenges

In FY 2002, MBDA started its transformation from an agency focused on the administration of business development programs to an agency *entrepreneurially-focused* and committed to the empowering of minority business enterprises for the purpose of wealth creation.

MBDA has been developing plans to address the Agency’s commitment to human capital. The Agency’s plans include the development of training initiatives for continuous improvement at MBDA. MBDA promotes succession planning to address the fact that 40 percent of MBDA’s workforce is currently eligible for retirement. Simultaneously, employee training and re-training requires innovative and cost efficient techniques.

MBDA has a tremendous task in the development of minority businesses. MBDA will capitalize on its available resources to maximize assistance. To assist in its efforts, MBDA leverages existing resources to extend its outreach further into the minority business community. MBDA utilizes private/public sector strategic alliances, Internet technology, research and innovation, its funded network of business development providers, and the vast internal assets at the Department of Commerce to expand its reach.

During FY 2002, MBDA diligently asserted the business case for its existence and the critical federal role that minority business development plays in the economic solvency of the nation.

FY 2002 Performance

In FY 2002, MBDA had three goals and nine measures. MBDA met all nine measures. In FY 2002, the President's Management Agenda was the benchmark for MBDA's reengineered performance goals and measurements. MBDA implemented its plan to transform from a primarily administrative agency to an entrepreneurially focused and innovative organization. This transformation was designed to leverage limited resources by strategically utilizing technology and innovative management techniques. MBDA also reviewed its target forecasting to ensure valid and obtainable targets based on expectation of its' funded network of business assistance providers. This resulted in the achievement of all performance targets in FY 2002.

MBDA's management approach utilized continuous improvement techniques and strategies to foster a team-oriented workplace culture. Through increased communications and customer relations management, MBDA has successfully completed the first phase of its entrepreneurial transformation.

By maximizing advocacy and outreach activities, MBDA has leveraged its available resources and has reached a larger percentage of the minority business community. This year, attendance at MBDA's National Minority Enterprise Development Week Conference increased over 50 percent. White House representatives, Cabinet-level officials, and industry executives joined hundreds of minority business enterprises to reinforce the impact of successful minority business enterprise on our nation's economy.

Targets and Performance Summary

See individual Performance Goal section for further description of each measure.

Performance Goal 1: Develop an Entrepreneurially Innovative Market-focused Economy

	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Target	FY 2002 Actual	FY 2002 Met	FY 2002 Not Met
Dollar value of contracts awarded to assisted minority-owned businesses	\$0.6B	\$1.2B	\$1.6B	\$1.0 B	\$1.3B	X	

Performance Goal 2: Improve the Opportunities for Minority-owned Businesses to Pursue Financing

	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Target	FY 2002 Actual	FY 2002 Met	FY 2002 Not Met
Number of financial packages received by assisted minority-owned businesses	755	556	1,155	1,000	1,512	X	
Dollar value of financial packages to assisted minority-owned business	\$0.7B	\$0.2B	\$0.6B	\$0.4B	\$0.4B	X	

Performance Goal 3: Improve Organizational Effectiveness, Responsiveness and Efficiencies

	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Target	FY 2002 Actual	FY 2002 Met	FY 2002 Not Met
Number of national strategic partnerships	New	New	New	6	6	X	
Number of interagency and interdepartmental initiatives and agreements (Federal, State, and Local Government)	New	New	New	6	6	X	
Average annual Minority Business Internet Portal (MBIP) hits	New	New	New	50,000	585,755	X	
Average user time for MBIP	New	New	New	13 mins.	14½ mins.	X	
Number of phoenix-opportunity matches	New	New	New	40,000	343,826	X	
Number of employees training hours	New	New	New	3,384	9,817	X	

Resource Requirements Summary

(Dollars in Millions. Funding amounts reflect total obligations.)

Information Technology (IT)

Full-Time Equivalent (FTE)

Performance Goal 1: Develop an Entrepreneurially Innovative Market-Focused Economy				
	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual
Business Development	8.8	9.5	8.5	4.6
Advocacy, Research, and Information	6.2	6.6	5.9	3.6
Total Funding	15.0	16.1	14.4	8.2
IT Funding ¹	0.9	0.9	0.9	0.6
FTE	58	61	54	31

Performance Goal 2: Improve the Opportunities for Minority-owned Businesses to Pursue Financing				
	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual
Business Development	8.1	8.3	8.0	6.7
Advocacy, Research, and Information	5.6	5.5	5.5	3.5
Total Funding	13.7	13.8	13.5	10.2
IT Funding ¹	0.6	0.6	0.8	0.7
FTE	38	40	36	40

Performance Goal 3: Improve Organizational Effectiveness, Responsiveness and Efficiencies				
	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual
Business Development	New	New	New	5.5
Advocacy, Research, and Information	New	New	New	4.4
Total Funding	New	New	New	4.9
IT Funding ¹	New	New	New	0.9
FTE	New	New	New	21

Grand Total	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual
Total Funding	28.7	29.8	27.9	28.3
Direct	28.4	29.5	27.6	28.2
Reimbursable ²	0.3	0.3	0.3	0.1
IT Funding ¹	1.5	1.5	1.7	2.2
FTE	96	101	90	92

¹ IT requirements: Operations, maintenance, and reengineering; IT funding included in total funding.

² Reimbursable funding included in total funding.

Skill Summary: Marketing, Finance, Research, Information Technology, and Internet.

FY 2002 Performance Goals

Performance Goal 1: Develop an entrepreneurially innovative market-focused economy

Corresponding Strategic Goal

Strategic Goal 1: Provide the information and the framework to enable the economy to operate efficiently and equitably.

Rationale for Performance Goal

The Minority Business Development Agency (MBDA) is an entrepreneurially focused organization that provides business development services to the minority business community via a combination of funded projects and e-commerce. Although an array of business development services are provided and measured, the obtainment of contracts and financing are major components of business development. MBDA monitors, verifies, and captures results in its performance database.

The identification and obtainment of market opportunities has a direct impact on the gross receipts of minority businesses. This key indicator of business success is measured to determine wealth and opportunities that contribute to overall economic security. A strategy of an “Entrepreneurially Innovative Market-focused Economy” leads to increases in innovation, productivity, wealth creation, and global competitiveness, which are necessary for sustained domestic economic growth and expansion.

FY 2002 Performance

MBDA continues to exceed its target related to the “Dollar Value of Contracts Awarded to Minority Business Enterprises.” Management focused its human capital and technological resources on identifying new domestic and global markets for the benefit of the minority business community and the nation. MBDA continues to operate its electronic bid matching system that has resulted in a sizable number of contract opportunities for minority businesses since its inception. The implementation of customer-focused performance standards, advocacy, and outreach efforts by MBDA staff and its strategic partners have increased the number of contract opportunities available in FY 2002.

Measure 1a: Dollar Value of Contracts Awarded to Assisted Minority Businesses				
	FY 1999	FY 2000	FY 2001	FY 2002
Target	\$0.6B	\$0.6B	\$0.7B	\$1.0B
Actual	\$0.6B	\$1.2B	\$1.6B	\$1.3B
Met/Not Met	Met	Met	Met	Met

Explanation of Measure

The dollar value of contracts awarded is a primary factor in measuring the success of MBDA's services to Minority Business Enterprises (MBE). MBDA measures the success of its programs using the following activities:

- Management and Technical Assistance provided to the minority business community
- Total number and dollar value of contracts awarded to minority businesses
- Number of clients served and hours of service provided
- The dollars invested in the Minority Business Development Centers (MBDCs), Native American Business Development Centers, and the Minority Business Opportunity Committee (MBOC) programs and the return on those dollars

The immediate goal of the measure is to provide contract opportunities to the minority business community. The focus will be on increasing the size of firms, employment, and gross receipts through the implementation of a strategy of entrepreneurial parity. This will bridge the gap for procurement and market opportunities between the public and private sector organizations and MBEs.

FY 2002 Performance

MBDA met its target. MBDA has transformed itself from an administration agency to an entrepreneurial organization. The agency has played a role in strictly adhering to scrutiny in meeting its performance measures using a team strategy, linked to continuous improvement, to motivate strategic partners and linked to continuous improvement to realize a greater return on investment.

MBDA also re-engineered the MBDC and the MBOC programs. For example, the MBDC program was redesigned to achieve maximum impact from the Internet-based electronic tools available on MBDA's Minority Business Information Portal. The combined result of these redesigns helped to increase the dollar value of contracts awarded to minority businesses in FY 2002.

Program Evaluation

MBDA's Reorganization Plan established an Office of Performance and Program Evaluation that will assess the success of all of its program initiatives and internal operations. This office will review and evaluate performance measurements, and develop and conduct a comprehensive, ongoing evaluation process to assess and improve the effectiveness of Agency programs.

Currently, MBDA conducts performance assessments periodically on each of its funded projects. A detailed, comprehensive source verification process is used to confirm the validity of data. The Strategic Planning process ensures that performance measurements continue to assess program effectiveness.

Performance Goal 2: Improve Opportunities for Minority-owned Businesses to Pursue Financing

Corresponding Strategic Goal

Strategic Goal 1: Provide the information and the framework to enable the economy to operate efficiently and equitably.

Rationale for Performance Goal

Historically, capital access programs for minority businesses have focused on debt capital. Based on a study commissioned by the Milken Institute for the Minority Business Development Agency (MBDA) in 2000, “Democratizing Capital for Emerging Domestic Markets,” it is estimated that minority business enterprise demand for equity capital exceeds \$144 billion per year. Minority business enterprise demand for debt financing is approximately \$1 billion. As the minority business community continues to grow, the demand for capital will increase over the next 20 years. MBDA is working to address these challenges by collecting and assessing information about the financing needs of the minority business community. The results will be disseminated to financial institutions, policymakers, and the minority business community. Additionally, MBDA is exploring innovative strategies and instruments to increase capital flow to minority communities along with working in public and private partnerships. Obtaining financing represents actual assistance by MBDA’s funded network contributing to the development of minority businesses. The results are monitored, verified, and captured in MBDA’s Performance database.

FY 2002 Performance

MBDA pursued new avenues in obtaining venture capital by creating the MBDA Equity Capital Access (MECA) program, which links MBEs with start-up and growth capital. This program, along with other activities conducted by MBDA, helped sharpen the focus of the Agency in addressing the lack of capital in the minority business community.

Measure 2a: Number of Financial Packages Received by Assisted Minority-owned Businesses				
	FY 1999	FY 2000	FY 2001	FY 2002
Target	858	858	925	1,000
Actual	755	556	1,155	1,512
Met/Not Met	Not Met	Not Met	Met	Met

Explanation of Measure

MBDA measures the number of financial packages that are awarded to minority business enterprises as a result of services provided by the Minority and Native American Business Development Centers (MBDC/NABDC) and MBOCs.

FY 2002 Performance

In September 2000, MBDA published unprecedented research reflecting minority entrepreneurs’ limited access to equity capital entitled “Minority Business Challenge.” In response to these findings, the agency created the MBDA Equity Capital Access (MECA) program to close this “equity gap.” The ideology of the MECA program was incorporated into the National Minority Enterprise Development (MED) Week 2002 Conference. This effort represented an enhancement of MBDA’s current capabilities in successfully linking minority entrepreneurs with start-up and growth capital. MBDA retained the Emerging Venture Network to conduct the program. MECA included:

- A nationwide business plan search for high-growth minority entrepreneurs
- A “boot camp” training program at MED Week 2002 for selected finalists
- A panel presentation and pitch session at MED Week 2002 for all participants

These programs were designed to highlight, educate, stimulate, and motivate the national community to focus on the lack of access to capital for MBEs.

Measure 2b: Dollar Value of Financial Packages to Assisted Minority-owned Business				
	FY 1999	FY 2000	FY 2001	FY 2002
Target	\$0.7B	\$0.9B	\$1.0B	\$0.4B
Actual	\$0.7B	\$0.2B	\$0.6B	\$0.4B
Met/Not Met	Met	Not Met	Not Met	Met

Explanation of Measure

Minority business enterprises must have access to capital in order to grow and create U.S. jobs. The dollar value of financial transactions that is a result of services provided by MBOCs and BDCs is a clear barometer of MBDA’s program success.

MBDA’s performance reporting system captures verifiable information concerning the dollar value of loans and bond packages delivered by MBDA’s funded organizations to minority business enterprises. The Minority Business Internet Portal continues to increase the number of clients seeking and acquiring business development services through MBDA’s funded organizations.

FY 2002 Performance

MBDA met its target. The dollar value of financial packages reflects the extent to which MBDA has impacted the ability of minority business enterprises to gain access to financing. In FY 2002, the dollar value of financing was positively impacted by management and technical assistance provided by the Minority Business Development Centers and Portal.

MBDA continued its efforts to provide research and policy that will have long-term impacts on the overall financial environment for minority business enterprises. Of particular note is the development of an Internet-based Loan Analyzer that will address the need for fast, reliable analysis of the credit-worthiness of minority-owned businesses.

During MED Week 2002, Treasury Secretary O’Neil, the White House Council of Economic Advisors, and the National Association of Investment Capital were all active in discussions on access to capital and other financial institutions to ensure full participation in the economy of the U.S., both domestically and globally.

Program Evaluation

MBDA's service providers sign three-year cooperative agreements that are renewed annually. The three-year agreements outline the number of contracts, the dollar value of contracts, the number of financial transactions, and the dollar value of financial transactions required on a quarterly basis during the contract period.

Each day, staff monitors input these measures into the Performance Reporting System. Feedback is provided concerning progress on a quarterly and as-needed basis. Each year renewal of the Cooperative Agreement is based on performance as it relates to achieving the goals. A comprehensive evaluation of the results of the performance of service providers is conducted semi-annually.

Performance Goal 3: Improve Organizational Effectiveness, Responsiveness, and Efficiencies

(This performance goal was not included in the FY 2002 APP; however, it was included in the FY 2003 APP with targets for FY 2002. Therefore, it is presented here with the measures that had targets for FY 2002.)

Corresponding Strategic Goal

Strategic Goal 1: Provide the information and the framework to enable the economy to operate efficiently and equitably.

Rationale for Performance Goal

The Minority Business Development Agency (MBDA) is committed to promoting the President’s Management Agenda. In order to accomplish this, MBDA has established new goals and objectives to expand its client base and to rebuild the agency.

In FY 2002, MBDA unveiled the Minority Business Internet Portal (MBIP). This electronic system extended MBDA’s ability to collect data to be used for Government Performance and Results Act reporting. This system also facilitates user access while maintaining (and in some cases increasing) security measures. MBDA integrated its Intranet, Extranet, and Internet into one easily-accessible, user-friendly Internet portal.

FY 2002 Performance

MBDA established this performance goal to address the President’s Management Agenda (i.e., e-Commerce and human capital) and the establishment of the MBIP. This goal also captures the number of public and private partnerships developed to assist in leveraging our internal and external assets.

In FY 2002, MBDA has developed an entrepreneurial and innovative focus to leverage limited resources by strategically utilizing technology and innovative management techniques. The leveraging of resources will result in increasing MBDA’s client base. To accomplish this, MBDA’s strategy is to begin developing partnerships with the public and private sectors.

During the fiscal year, MBDA also used the President’s Management Agenda as the benchmark for MBDA’s re-engineered performance goals and measurements. MBDA’s management approach utilizes continuous improvement techniques and strategies to foster a team-oriented workplace culture. Through increased communications and customer relations management, MBDA has successfully completed the first phase of its entrepreneurial transformation.

Measure 3a: Number of National Strategic Partnerships				
	FY 1999	FY 2000	FY 2001	FY 2002
Target	New	New	New	6
Actual				6
Met/Not Met				Met

Explanation of Measure

MBDA's success will be based in part on leveraging value-added resources through strategic alliances that enhance minority business development. The number of effective partnerships that are secured will maximize and broaden outreach efforts.

FY 2002 Performance

MBDA met its target. The following are two examples of MBDA's national strategic partnerships:

- National Director, Ronald Langston established a partnership with the Club de Empresas Exportadoras Espanolas in June 2002 to enhance the ability of U.S. minority businesses and Spanish businesses to jointly gain increased access to the global marketplace.
- In FY 2002, MBDA entered into a partnership with AT&T. AT&T is a major firm that markets to large businesses. By utilizing AT&T's supplier diversity process, MBDA has been able to enhance business opportunities for minority business enterprises.

Measure 3b: Number of Interagency and Interdepartmental Initiatives and Agreements				
	FY 1999	FY 2000	FY 2001	FY 2002
Target	New	New	New	6
Actual				6
Met/Not Met				Met

Explanation of Measure

MBDA is mandated to coordinate federal government programs that strengthen minority business efforts. By establishing interagency and interdepartmental initiatives and agreements, MBDA will ensure the maximum impact of all federal expenditures to increase minority business development.

FY 2002 Performance

MBDA met its target. MBDA has used its internal assets with the Department of Commerce to strengthen its outreach to include International Trade Administration (ITA), National Institute of Standards and Technology (NIST), and National Oceanic and Atmospheric Administration (NOAA) to leverage value-added resources on behalf of MBEs. In addition to these agencies, MBDA has partnered through its Economic Development Division with the Tennessee Valley Authority (TVA) across seven Southeastern states to form a partnership to ensure that minority-owned businesses are afforded full opportunity and access to TVA's tailored packages of technical, capital and managerial assistance. TVA has also established a link from its Web site to MBDA's portal.

Measure 3c: Average Annual MBIP Hits

	FY 1999	FY 2000	FY 2001	FY 2002
Target	New	New	New	50,000
Actual				585,755
Met/Not Met				Met

Explanation of Measure

It is critical that MBDA measure the utilization of MBIP because it is intended to deliver high-quality tools and services to the minority business community. MBDA, with other public and private entities, is attempting to measure the effectiveness of its Web site. For MBDA, one of the measurements used will be the number of hits received on the Web site. Although hits provide a quick reference for benchmarks, MBDA is currently investigating new processes to measure success and benchmark for empirical data.

FY 2002 Performance

MBDA exceeded its target. The number 585,755 represents “meaningful” visits to MBDA’s MBIP, meaning users actually went beyond the homepage and accessed various images and hyperlinks. All users are required to register and log on to the system in order to access the electronic business tools available on the portal, such as Resource Locator, Business Locator, Congressional Information System, NAICS Code Finder, Opportunity, and Phoenix systems. The large number of user sessions signifies that the minority business community is utilizing the electronic business tools and services. The FY 2002 target was an estimate based on limited available data. Future targets will be adjusted to reflect actual data realized for the first time in FY 2002.

Measure 3d: Average User Time for MBIP

	FY 1999	FY 2000	FY 2001	FY 2002
Target	New	New	New	13 mins.
Actual				14 1/2 mins.
Met/Not Met				Met

Explanation of Measure

The MBIP is designed to provide information for and about minority businesses. The number of minutes that each user spends on the MBIP indicates the extent to which the information provided is useful to the minority business community.

FY 2002 Performance

MBDA met its goal. The average user time on the MBIP signifies that for each visit on average, users spend 14 1/2 minutes per user session. This duration of time demonstrates that MBEs are not only accessing the MBIP, but are staying on the portal and using the electronic business tools.

Measure 3e: Number of Opportunity Matches

	FY 1999	FY 2000	FY 2001	FY 2002
Target	New	New	New	40,000
Actual				343,826
Met/Not Met				Met

Explanation of Measure

The Phoenix/Opportunity Database system electronically matches minority businesses with contract opportunities. The Phoenix/ Opportunity Database consists of two databases that allow minority businesses to register their capabilities on-line and vendors to post business opportunities on-line. The databases electronically match the capability with the opportunity. Notification is electronically performed by generated faxes to the business with the particular capability. The number of matches correlates with how successful MBDA has been in providing information concerning contracts to the appropriate minority business enterprise.

FY 2002 Performance

MBDA met its target. The Phoenix/Opportunity Database On-line bid matching system is available on the portal to benefit those minority businesses that may or may not be assisted through MBDA’s “bricks and mortar” operations, such as Regional and/or District Offices, MBOCs and BDCs. The number of matches identified through this system provides contract opportunities posted by private and public sector organizations seeking partnerships with minority businesses. MBDA serves as a clearinghouse for critical activities that result in successful growth of minority businesses and wealth creation in minority communities. The FY 2002 target was an estimate based on limited available data. Future targets will be adjusted to reflect actual data realized for the first time in FY 2002.

Measure 3f: Number of Employee Training Hours

	FY 1999	FY 2000	FY 2001	FY 2002
Target	New	New	New	3,384
Actual				10,000
Met/Not Met				Met

Explanation of Measure

The National Director has set forth a new organizational structure designed to obtain the goals, objectives, and strategies outlined in the Agency’s mission statement and business plan. To effectively implement the Agency’s mission, MBDA has initiated a “continuous improvement strategy” that will also require annual education and training of its employees.

FY 2002 Performance

MBDA met its target. In accordance with the President's Management Agenda, MBDA has made strong investments in human capital. These training opportunities strengthened the Agency, while enhancing overall service to the minority business community. MBDA hosted agency-wide conferences for staff and managers to assess current conditions, conduct open forum discussions, and determine the future direction for the Agency as a whole. As a result of these conferences, MBDA has assessed current skills, identified skills needed, and implemented an approach governed by best practices shared. Included in the training was mandatory portal training for all employees and three-part team-building workshops, which focused on:

- Respecting other team member differences, including diversity issues
- Becoming a better team communicator, including the issues of body language and dominating vs. passive team member communication
- Team conflict/disagreement management, including respecting people when you disagree with what they've said
- Team problem solving: The team problem solving approach is applicable for any future projects.

Program Evaluation

MBDA will continue to review each measure reflected under Goal Three. These evaluations will assess the success of all program initiatives and internal operations. As previously mentioned in the program evaluation of Measure 1a, MBDA will use these benchmarks to evaluate performance, and develop and conduct a comprehensive, ongoing evaluation process to assess and improve the effectiveness of the Agency's programs.

MBDA Data Validation and Verification

MBDA's Office of Administration and Financial Management (OAFM) oversees a review of all performance data at the end of each fiscal year. OAFM ensures that all data collected and reported is accurate and complete. OAFM also validates and compiles data for the Agency. This office verifies performance data reported by funded organizations through the Field Coordination Division (FCD) and Performance database. OAFM also reviews documentation used to support all data not reported through an automated system. OAFM and FCD prepare an initial report of performance data. The initial report is then analyzed for variances and trends. All variances and trends are investigated and used as benchmarks in determining future target adjustments. All findings and performance data are formulated and presented to the MBDA management team for review and approval. The MBDA Data Validation and Verification table can be found on the following page.

MBDA Data Validation and Verification

Performance Measure	Data Source	Frequency	Data Storage	Verification	Data Limitations	Actions to be Taken
Measure 1a: Dollar value of contracts awarded to assisted minority-owned businesses	Internet link from MBDA headquarters to client delivery sites.	Collect real-time and report quarterly.	The performance database management system running on an Oracle platform.	A 100% client verification survey	Responsiveness to client verification survey.	Follow up notices to non-responsive clients.
Measure 2a: Number of financial packages received by assisted minority-owned businesses	Internet link from MBDA headquarters to client delivery sites.	Collect real-time and report quarterly.	The performance database management system running on an Oracle platform.	A 100% client verification survey	Responsiveness to client verification survey.	Follow up notices to non-responsive clients.
Measure 2b: Dollar value of financial packages to assisted minority-owned business	Internet link from MBDA headquarters to client delivery sites.	Collect real-time and report quarterly.	The performance database management system running on an Oracle platform.	A 100% client verification survey	Responsiveness to client verification survey.	Follow up notices to non-responsive clients.
Measure 3a: Number of national strategic partnerships	Memorandum of understanding and agreements	Collect real-time and report quarterly.	Automated spreadsheet and database running on an Oracle platform.	A 100% verification survey	Responsiveness to verification survey.	Follow up notices to non-responsive clients.
Measure 3b: Number of interagency and interdepartmental initiatives and agreements (Federal, State, and Local Government)	Memorandum of understanding and agreements	Collect real-time and report quarterly.	Automated spreadsheet and database running on an Oracle platform.	A 100% verification survey	Responsiveness to verification survey.	Follow up notices to non-responsive clients.
Measure 3c: Average annual MBIP Hits	Web trends reporting	Collect real-time and report quarterly.	The MBIP running on an Oracle platform.	A database sampling	Responsiveness of database verification.	Follow up database inquiries.
Measure 3d: Average user time for MBIP	Web trends reporting	Collect real-time and report quarterly.	The MBIP running on an Oracle platform.	A database sampling	Responsiveness of database verification.	Follow up database inquiries.
Measure 3e: Number of opportunity matches	Web trends reporting	Collect real-time and report quarterly.	The MBIP running on an Oracle platform.	A database sampling	Responsiveness of database verification.	Follow up database inquiries.
Measure 3f: Number of employees training hours	Training requests	Collect real-time and report quarterly.	Automated spreadsheet and database running on an Oracle platform.	A 100% verification survey	Responsiveness to personnel to verification survey.	Follow up notices to non-responsive personnel.