

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 in the process of transforming from a bureaucratic and administrative agency to an entrepreneurially focused organization, whose vision is to ensure effective, efficient, and responsive performance to its client base. Under the newly approved FY 2002 reorganization, MBDA core competencies and employee skills will be aligned with the execution of departmental goals, objectives, and initiatives. MBDA created four business units: the Office of Business Development; the Office of Legislative, Education, and Intergovernmental Affairs; the Office of Management; and the Office of Information, Technology, Research, and Innovation.

MBDA was created, through an executive order in 1969, as the only federal agency mandated to encourage the economic competitiveness and development of minority-owned businesses. To accomplish this, MBDA provides assistance to socially and economically disadvantaged groups that own or wish to start or expand their businesses. The disadvantaged groups that MBDA serves include African Americans, Native Americans, Puerto Ricans, Spanish-speaking Americans, Eskimos, Aleuts, Asian Indians, Asian Pacific Americans, and Hasidic Jews.

Policies and strategic initiatives that will enhance the ability of minority business enterprises to compete in the U.S. and global economies will be developed and implemented at the national office in Washington, D.C. MBDA currently funds 32 minority and native American business development centers, six minority business opportunity committees, and two business resource centers. The core competency of MBDA is to develop and implement entrepreneurial initiatives. These initiatives include:

- Developing a team approach to program management and the execution of MBDA policies
- Improving the opportunities for minority-owned businesses to gain access to the entrepreneurial marketplace
- Improving opportunities for minority-owned businesses to pursue financing
- Developing comprehensive education and outreach programs to enhance the awareness of the public and private sectors about the mission and vision of MBDA
- Establishing an entrepreneurial focus for all of MBDA's organizational resources to include human capital, e-commerce, and financial management.

This will be accomplished through the national enterprise centers (formerly Regional Offices) and regional enterprise centers (formerly District Offices), where regional direction of the enterprise development strategies will be provided. These multipurpose business centers will be focal points for creating and sustaining synergy between public and private sector business development programs and ensuring the delivery of high-quality state-of-the-art business development services.

Priorities

MBDA strives to achieve entrepreneurial parity for minority businesses by actively promoting their ability to grow and compete in the U.S. and global economies. 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.

MBDA will address the challenges presented by this opportunity gap by achieving the following strategic goals:

- To develop an entrepreneurially innovative market-focused entrepreneurial economy
- To improve the opportunities for minority-owned businesses to pursue financing
- To improve organizational effectiveness, responsiveness, and efficiency.

A component of the President's Management Agenda is human capital reforms. The strategic focus will be on employee skills and the retraining and hiring of expertise to be more effective and responsive to the execution of goals, objectives, and initiatives of the department and challenges of the minority business community. Under the approved reorganization, MBDA will more effectively use its resources currently in place to acquire and develop talent and leadership. This will help MBDA to determine what statutory changes are needed to enhance management flexibility; permit more performance-oriented compensation; correct skills imbalances; and provide other tools to recruit, retain, and reward a high-quality workforce.

To leverage resources, MBDA developed the minority business Internet portal (MBIP) to standardize the delivery of high-quality information for and about minority businesses over the Internet. This new system builds upon the successes of the Phoenix and Opportunity System, which effectively matches minority vendors and subcontractors to private and public organization seeking resources.

The MBIP supercedes the current MBDA web site, integrating the features of the old system with a range of new tools and services. Also, the Phoenix and Opportunity System will be accessible through the MBIP.

As the magnitude of MBDA online materials increases, the risk of information overload also increases. To mitigate this challenge, industry developed technologies for profiling users, or identifying user interests and customizing the presentation for them. By profiling the users of the MBDA, visitors will be supplied with information targeted to their interests: news tailored to their industry, events in their region, opportunities meaningful to their business size, and so on. The usefulness of a portal is a multiple of both its extensiveness and its relevance. Enterprise-wide Geographic Information Systems, MBDA's extensive metadata library, and intelligent search algorithms enable the profiling and additional features expected of today's more sophisticated business web users.

Targets and Performance Summary

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

	FY 1999 Target	FY 1999 Actual	FY 2000 Target	FY 2000 Actual	FY 2001 Target	FY 2001 Actual	FY 2002 Target	FY 2003 Target
Dollar Value of Contracts Awarded to Assisted Minority-owned Businesses	\$0.6 B	\$0.6 B	\$0.6 B	\$1.2 B	\$0.7 B	\$1.6B	\$1.0 B	\$1.0 B

Performance Goal 2: Improve the opportunities for minority-owned businesses to pursue financing

	FY 1999 Target	FY 1999 Actual	FY 2000 Target	FY 2000 Actual	FY 2001 Target	FY 2001 Actual	FY 2002 Target	FY 2003 Target
Dollar Value of Financial Packages to Assisted Minority-owned Business	\$0.7 B	\$0.7 B	\$0.9 B	\$0.2 B	\$1.0 B	\$0.6B	\$0.4 B	\$0.4B
Number of Financial Packages Received by Assisted Minority-owned Businesses	858	755	858	556	925	1,155	1,000	1,000

Performance Goal 3: Improve organizational effectiveness, responsiveness and efficiencies

	FY 1999 Target	FY 1999 Actual	FY 2000 Target	FY 2000 Actual	FY 2001 Target	FY 2001 Actual	FY 2002 Target	FY 2003 Target
Number of National Strategic Partnerships (Nongovernment)	New	New	New	New	New	New	6	10
Number of Interagency and Interdepartmental Initiatives and Agreements (Federal, State, and Local Government)	New	New	New	New	New	New	6	10
Average Annual MBIP Hits	New	New	New	New	New	New	50,000	75,000
Average User Time for MBIP	New	New	New	New	New	New	13 minutes	15 minutes
Number of Vendor Contract Matches (Phoenix and Opportunity System)	New	New	New	New	New	New	40,000	50,000
Number of Employees Training Hours (Base Full-time Equivalent: 94)	New	New	New	New	New	New	3,384	3,384

Resource Requirements Summary

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

Information Technology (IT)

Full-Time Equivalent (FTE)

Performance Goal 1: Develop entrepreneurially innovative market-focused economy

	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Available	FY 2003 Base	Increase/ Decrease	FY 2003 Request
Business Development	8.82	9.5	8.5	4.77	4.18	0	4.18
Advocacy, Research, and Information	6.18	6.6	5.9	3.34	2.93	0	2.93
Total Funding	15.0	16.1	14.4	8.11	7.11	0	7.11
IT Funding ¹	0.9	0.9	0.9	0.7	0.7	0	0.7
FTE	58	61	54	33	33	0	33

Performance Goal 2: Improve the opportunities for minority-owned businesses to pursue financing

	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Available	FY 2003 Base	Increase/ Decrease	FY 2003 Request
Business Development	8.1	8.3	8.0	6.4	6.5	0	6.5
Advocacy, Research, and Information	5.6	5.5	5.5	4.5	4.6	0	4.6
Total Funding	13.7	13.8	13.5	10.9	11.1	0	11.1
IT Funding ¹	0.6	0.6	0.8	0.5	0.5	0	0.5
FTE	38	40	36	42	42	0	42

Performance Goal 3: Improve organizational effectiveness, responsiveness and efficiencies

	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Available	FY 2003 Base	Increase/ Decrease	FY 2003 Request
Business Development	New	New	New	5.9	6.7	0	6.7
Advocacy, Research, and Information	New	New	New	4.1	4.4	0	4.4
Total Funding	New	New	New	10.0	11.1	0	11.1
IT Funding ¹	New	New	New	0.8	0.9	0	0.9
FTE	New	New	New	45	45	0	45

Grand Total

	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Available	FY 2003 Base	Increase/ Decrease	FY 2003 Request
	28.7	29.8	27.9	29.0	30.3	0	30.3
Direct	28.4	29.5	27.6	28.7	29.8	0	29.8
Reimbursable ²	0.3	0.3	0.3	0.3	0.5	0	0.5
IT Funding ¹	1.5	1.5	1.7	2.0	2.0	0	2.1
FTE	96	101	90	120	120	0	120

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/Internet

FY 2003 Performance Goals

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

(This goal has been reworded since the publication of the FY 2000 Annual Program Performance Report and FY 2002 Annual Performance Plan. This goal was previously worded as: "improve opportunities for minority-owned businesses to have access to the marketplace.")

Corresponding Strategic Goal

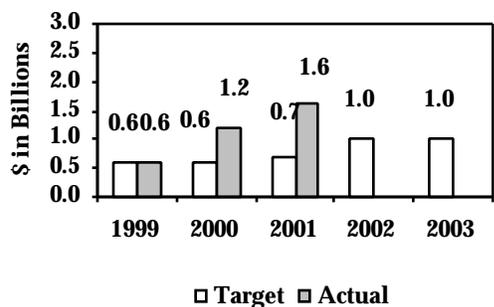
Strategic Goal 1: Provide the information and the framework to enable the economy to operate efficiently and equitably.

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.

MBDA utilizes electronic tools to increase the availability of business development resources to all minority-owned firms, regardless of size, industry type, or geographic location, and to facilitate the expansion of ready-to-grow firms in the domestic, international, and new technology growth markets. MBDA has initiated a high-speed network strategy to link portions of MBDA-funded networks into a single virtual organization. The minority business Internet portal (MBIP) includes the Phoenix and Opportunity System, a component that electronically matches business opportunities with registered vendors. MBDA's goal is to create and maintain a state-of-the-art environment to deliver continually updated information to minority businesses allowing access to resources anywhere in the country, and provide the best available assistance in any given subject area at any time. Using this strategy, the agency could increase its client base 50 fold, from 6,000 to 300,000, and plans to assist the minority business community in obtaining more than \$10 billion in procurement and financing electronically.

Measure 1a: MBDA Assisted Dollar Value of Contracts Awarded to Assisted Minority Businesses Enterprises



Data Validation and Verification:

Data source: Internet link from MBDA headquarters to client delivery sites
Frequency: Collect realtime and report quarterly
Data storage: The performance database management system running on an Oracle platform
Verification: A 100% client verification survey
Data limitations: Responsiveness to client verification survey
Actions to be taken: Follow up notices to noresponsive clients

	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
Target	\$0.6B	\$0.6B	\$0.7B	\$1.0B	\$1.0B
Actual	\$0.6B	\$1.2B	\$1.6B		
Met/Not Met	Met	Met	Met		

Explanation of Measure

MBDA exceeded its target in fiscal year 2001. The dollar value of contracts awarded is an important factor in measuring the success of businesses. MBDA uses the information to show the following results:

- The assistance provided to the minority business community
- The dollars invested in the minority business development centers, Native American business development centers, and the minority business opportunity committee programs and the return on those dollars.
- The success of minority-owned businesses obtaining contracts to provide goods and services, both domestically and abroad.

The immediate goal of the measure is to establish an environment for wealth creation. The focus will be on the long-range impact on gross business receipts.

FY 2001 Program Evaluation for Performance Goal 1: Develop an Entrepreneurially Innovative Market Focus Economy

The business development program is funded with \$9.6 million a year. After generating \$1.6 billion in contracts, the return on investment exceeds \$165 for every one-dollar invested. The program met its objectives and the requirements of the goal by improving opportunities for minority-owned businesses in the marketplace.

Cross-cutting Activities

Intra-Department of Commerce

MBDA is engaged in the following intradepartmental activities with:

- International Trade Administration--to assure that minority-owned businesses are included in department trade missions and other international trade opportunities along with having access to the management and technical assistance services of the export assistance centers.
- National Institute of Standards and Technology and National Oceanic and Atmospheric Administration--to include minority-owned businesses in programs involving new and emerging technology such as aquaculture. Manufacturing technology enhancements are leveraged by working with the manufacturing extension program centers.
- Census Bureau--to expand the survey of minority-owned businesses annually, to conduct research on the emerging minority marketplace, and to provide market information about the fastest growing consumer segment.
- Economic Development Administration (EDA)--to collaborate with EDA to establish Business Development Centers where EDA has funded infrastructure projects.

Other Government Agencies

MBDA has established intergovernmental partnerships with:

- The Small Business Administration--to ensure that minority-owned small businesses benefit from the existing management and technical assistance services available to other businesses.
- The Export-Import Bank--to have access to export financing and export markets on minority trade initiatives.
- The U.S. Agency for International Development--to have access to export markets for referral of trade opportunities to minority businesses.

Government/Private Sector

MBDA has implemented a memorandum of understanding with Higher Markets, Inc., a business that centralizes contract opportunities offered by colleges and universities nationwide. These opportunities are automatically placed into the Phoenix and Opportunity system for potential matches with minority business enterprises.

Private sector corporations contribute more than half of the cost of the annual minority enterprise development week (MED Week) conference. MED Week, an annual event that has been held throughout the country since 1982, promotes business growth through a variety of networking opportunities and constitutes a forum that allows minority businesses to:

- Participate in workshops and seminars on issues of importance to the minority business community
- Gather information about available business opportunities
- Network with governmental and private sector purchasing officials
- Market their goods and services through the purchase of exhibit booths
- Receive Congressional and Presidential recognition for significant achievements.

External Factors and Mitigation Strategies

During the 1990s, MBDA experienced the sharpest decline in its budget authority and appropriations. Specifically, between 1996 and 1998, MBDA lost 34% of its national staff and had more than a 50% reduction of its funded organizations. MBDA's presence in many parts of the nation was either terminated or severely reduced. Therefore, the strategy is to structurally put in place a process and system to rebuild MBDA. Its objectives are to re-establish local grassroots enterprise engines and to foster the development of a purposeful, entrepreneurial workforce and economy consistent with the mission of the U.S. Department of Commerce and the Bush Administration's overall theme of opportunity. The major challenges are:

Low E-commerce Participation Rates

- In 2000 it was estimated that there were 275 million Internet users and nearly 4 million unique web sites. Forecasters at the U.S. Department of Commerce suggest that business to business e-commerce may reach the \$300 billion mark in 2002 (Forrester Research estimates total e-commerce to reach \$1.3 trillion in 2003).¹ The new Internet-based companies, and even traditional firms, that are producing goods and services are changing their business habits and processes. They are establishing e-commerce operations and procedures in an attempt to lower costs, improve customer service, and increase productivity. Furthermore, driven by the current e-business imperatives and increasing choices by customers, the digital economy is rapidly becoming the new global economy.

Achieving Entrepreneurial Parity- The Opportunity Gap

- The state of minority business in 1997 would have looked radically different if parity had been achieved. 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.

New Business Practices

- Corporate purchasing practices are undergoing a radical change that requires minority suppliers to alter their strategies. Supply-chain management; ISO 9000, an international standard for organizations recognized in the public and private sectors; and business-to-business e-commerce demand that minority businesses also adopt e-commerce technology, be willing to partner with other firms, and re-engineer their processes. MBDA will advocate informing and convincing minority firms of the need for these changes and will provide access to the management and technical assistance resources of new strategic partners such as the electronic commerce resource centers and manufacturing extension program centers.

¹ MBE Participation in Electronic Commerce (Tomas Rivera Policy Institute) Electronic Commerce DOC Emerging Minority Marketplace The New Realities for Minority Business Digital Economy 2000 (DOC/6/00) Washington Post 2/22/01 (RJ Samuelson) - May 31, 2001.

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

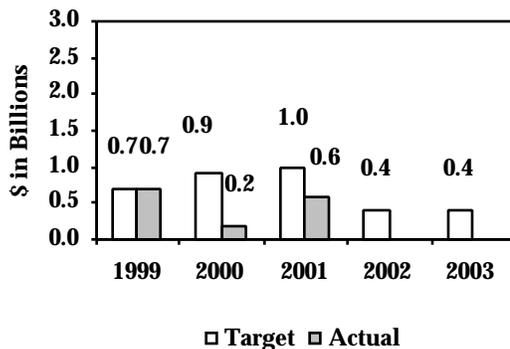
Corresponding Strategic Goal

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 Minority Business Development Agency (MBDA), it is estimated that minority business enterprise demand for equity capital exceeds \$144 billion per year. Minority business enterprise's 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 difficulties 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/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.

Measure 2a: Dollar Value of Financial Packages to Assisted Minority-owned Business



Data Validation and Verification:

Data source: Internet link from MBDA headquarters to client delivery sites

Frequency: Collect realtime and report quarterly

Data storage: The performance database management system running on an Oracle platform

Verification: A 100% client verification survey

Data limitations: Responsiveness to client verification survey

Actions to be taken: Follow up notices to nonresponsive clients

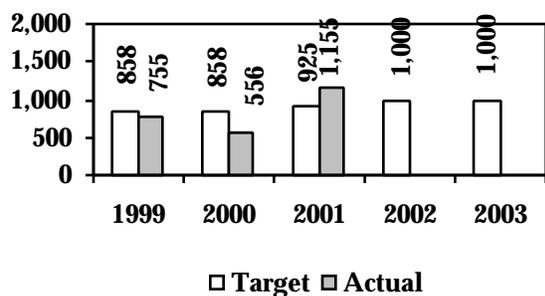
	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
Target	\$0.7B	\$0.9B	\$1.0B	\$0.4B	\$0.4B
Actual	\$0.7B	\$0.2B	\$0.6B		
Met/Not Met	Met	Not Met	Not Met		

Explanation of Measure

Based on prior actuals and overall trends, the \$1 billion goal in FY 2001 was overly aggressive. In fact, MBDA has concluded that the targets for the dollar value of contracts and the dollar value of financing have inadvertently been reversed. In re-examining the actual dollar value of financing for FY 2001, the trend would suggest a more realistic target of \$0.7 billion versus the \$1 billion target reflected.

Based on this re-evaluation, the targets for FY 2002 and 2003 are more consistent with past performance.

Measure 2b: Number of Financial Packages Received by Assisted Minority-owned Businesses



Data Validation and Verification:

Data source: Internet link from MBDA headquarters to client delivery sites

Frequency: Collect realtime and report quarterly

Data storage: The performance database management system running on an Oracle platform

Verification: A 100% client verification survey

Data limitations: Responsiveness to client verification survey

Actions to be taken: Follow up notices to nonresponsive clients

	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
Target	858	858	925	1,000	1,000
Actual	755	556	1,155		
Met/Not Met	Not Met	Not Met	Met		

Explanation of Measure

MBDA exceeded its target. MBDA's web-enabled performance reporting system captures verified information concerning the number of loans, bonds, and procurement packages delivered by MBDA's funded organizations to minority business enterprises. The implementation of the minority business Internet portal continues to increase the number of clients seeking and acquiring business development services through MBDA's funded organizations.

FY 2001 Program Evaluation for Performance Goal 2: Improve Opportunities for Minority-owned Businesses to Pursue Financing

In FY 2001, MBDA did not meet the target for the dollar value of financial packages because of the overly optimistic target level. MBDA has reviewed its target levels for the next two years and has adjusted them accordingly. Program accomplishments included the generation of \$600 million in financing for the minority business community.

Cross-cutting Activities

Intra-Department of Commerce

MBDA will collaborate with the Economic Development Administration to create jobs and businesses involved in the development of private enterprises in targeted economically distressed communities and areas.

Other Government Agencies

MBDA has collaborated with the National Economic Council, the Department of Treasury, the Office of the Comptroller of Currency, the Federal Reserve Bank, and the Department of Housing and Urban Development on the New Markets program and the Department of Commerce's capital access task force. MBDA has worked closely with the California State Treasurer's office on the pilot securitizations program in California. MBDA also works with the Small Business Administration in a variety of areas including provision of information about Small Business Administration loan guarantee programs to MBDA's clients and funded network Business Development Centers in connection with the Department of Commerce's capital access task force and minority business coordinating council to

- Develop the New Markets program
- Provide for the provision of sureties for small businesses and minority business loans that are occurring in California.

Government/Private Sector

MBDA has partnered with numerous private sector entities such as the Minority Business Roundtable, the Joint Center for Political Studies, and the International Franchising Association to produce a report on issues related to access to financing for minority enterprises. These reports will be utilized to enhance discussions concerning the development of programs and the revision of federal and private sector regulations that will increase the availability of financing for minority business enterprise.

External Factors and Mitigation Strategies

The following are external and mitigating strategies for MBDA:

- The availability of debt financing is limited for minority business enterprises. Restrictions related to credit scoring requirements may perpetuate historical barriers to a free flow of capital.
- It is estimated that the demand for equity capital exceeds \$144 billion per year, while demand for debt financing is approximately \$1 billion. As the minority business community continues to grow, there will be increased capital demand over the next 20 years.
- The overall health of the economy and prevailing interest rates may influence the number and dollar value of financial packages that can be obtained by all businesses, including minority-owned businesses.
- MBDA will make every effort to ensure that information on financing opportunities is made available to minority-owned businesses through its funded network of organizations and its minority business Internet portal. In addition, MBDA will hold a number of meetings to discuss regulatory reforms that need to be made in order to increase financing opportunities.
- MBDA will hold several meetings with venture capital firms to discuss increasing the amount of venture capital available for minority business enterprises. In addition, the annual

minority enterprise development week conference will have an investor's showcase where minority business enterprises will have the opportunity to present business ideas to venture capitalists.

- MBDA will make extensive use of the Internet along with electronic presentations in this effort. Moreover, MBDA will promote and help establish strategic alliances and joint ventures to provide financing opportunities for minority-owned businesses.

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

Corresponding Strategic Goal

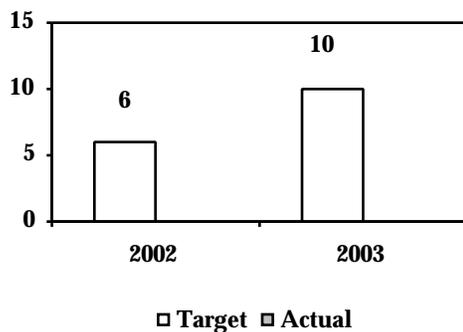
Strategic Goal 1: Provide the information and the framework to enable the economy to operate efficiently and equitably

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 transform from an administrative culture to an entrepreneurially focused one.

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 the Government Performance and Results Act reporting. This system also facilitates user access, while maintaining (and in some cases increases) security measures. MBDA integrated its Intranet, Extranet, and Internet into one easily accessible Internet portal.

Measure 3a: Number of National Strategic Partnerships



Data Validation and Verification:

Data source: Internet link from MBDA headquarters to client delivery sites

Frequency: Collect realtime and report quarterly

Data storage: The performance database management system running on an Oracle platform

Verification: A 100% client verification survey

Data limitations: Responsiveness to client verification survey

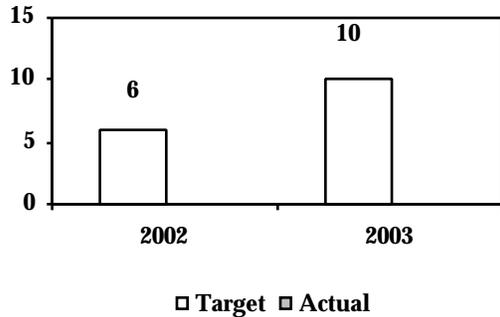
Actions to be taken: Follow up notices to nonresponsive clients

	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
Target	New	New	New	6	10
Actual	New	New	New		
Met/Not Met					

Explanation of Measure

This is a new measure. MBDA's success will be based in part on leveraging its resources through strategic alliances that are concerned with minority business development. The number of effective partnerships that are secured will maximize and broaden outreach efforts.

Measure 3b: Number of Interagency and Interdepartmental Initiatives and Agreements



Data Validation and Verification:

Data source: Internet link from MBDA headquarters to client delivery sites

Frequency: Collect realtime and report quarterly

Data storage: The performance database management system running on an Oracle platform

Verification: A 100% client verification survey

Data limitations: Responsiveness to client verification survey

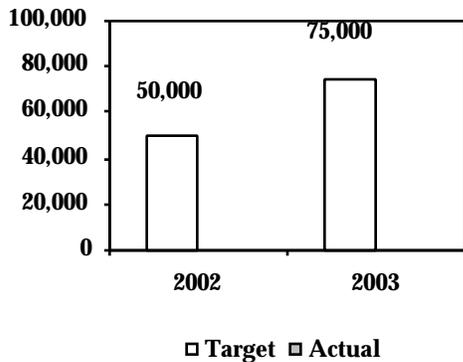
Actions to be taken: Follow up notices to nonresponsive clients

	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
Target	New	New	New	6	10
Actual	New	New	New		
Met/Not Met					

Explanation of Measure

This is a new 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.

Measure 3c: Average Annual MBIP Hits



Data Validation and Verification:

Data source: Internet link from MBDA headquarters to client delivery sites

Frequency: Collect realtime and report quarterly

Data storage: The performance database management system running on an Oracle platform

Verification: A 100% client verification survey

Data limitations: Responsiveness to client verification survey

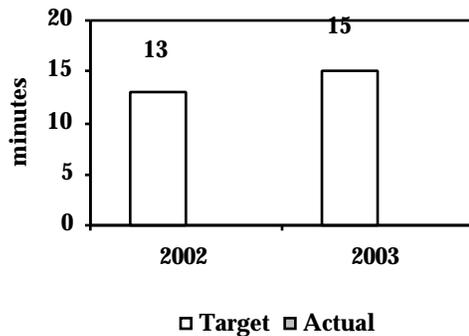
Actions to be taken: Follow up notices to nonresponsive clients

	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
Target	New	New	New	50,000	75,000
Actual	New	New	New		
Met/Not Met					

Explanation of Measure

This is a new 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.

Measure 3d: Average User Time for MBIP



Data Validation and Verification:

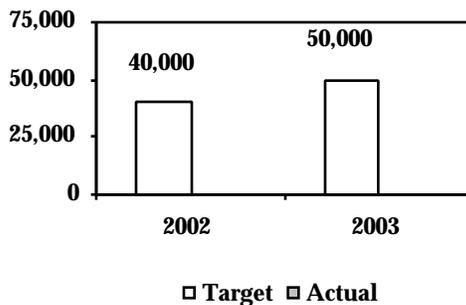
Data source: Internet link from MBDA headquarters to client delivery sites
Frequency: Collect realtime and report quarterly
Data storage: The performance database management system running on an Oracle platform
Verification: A 100% client verification survey
Data limitations: Responsiveness to client verification survey
Actions to be taken: Follow up notices to nonresponsive clients

	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
Target	New	New	New	13	15
Actual	New	New	New		
Met/Not Met					

Explanation of Measure

This is a new 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.

Measure 3e: Number of Opportunity Matches



Data Validation and Verification:

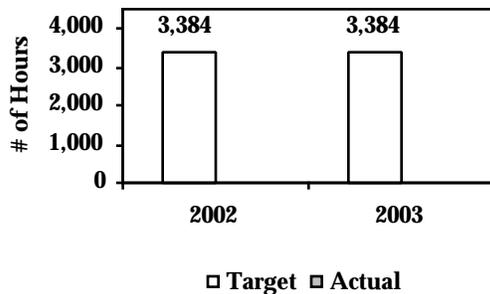
Data source: Internet link from MBDA headquarters to client delivery sites
Frequency: Collect realtime and report quarterly
Data storage: The performance database management system running on an Oracle platform
Verification: A 100% client verification survey
Data limitations: Responsiveness to client verification survey
Actions to be taken: Follow up notices to nonresponsive clients

	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
Target	New	New	New	40,000	50,000
Actual	New	New	New		
Met/Not Met					

Explanation of Measure

This is a new measure. The Phoenix and Opportunity system electronically matches minority businesses with contract opportunities. The number of matches correlates positively with how successful MBDA has been in providing information concerning contracts to the appropriate minority business enterprise.

Measure 3f: Number of Employee Training Hours



Data Validation and Verification:

Data source: Internet link from MBDA headquarters to client delivery sites

Frequency: Collect realtime and report quarterly

Data storage: The performance database management system running on an Oracle platform

Verification: A 100% client verification survey

Data limitations: Responsiveness to client verification survey

Actions to be taken: Follow up notices to nonresponsive clients

	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
Target	New	New	New	3,384	3,384
Actual	New	New	New		
Met/Not Met					

Explanation of Measure

This is a new 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. To effectively implement the agency's mission, MBDA will require the continual training and retraining of its employees.

FY 2001 Program Evaluation for Performance Goal 3: To Improve Organizational Effectiveness, Responsiveness, and Efficiencies

MBDA is in the process of transforming itself from an administrative agency to an entrepreneurially focused organization. This transformation will be guided, in part, by the President's Management Agenda, as measured by the balanced scorecard. This performance goal will ensure that MBDA is developing and implementing the necessary systems and processes.

Cross-cutting Activities

Intra-Department of Commerce

MBDA will utilize the resources offered by the Department of Commerce to ensure the most effective transformation from an administrative to an entrepreneurial agency. MBDA will do the following:

- Acquire best practices concerning financial processes in cooperation with the National Institute of Standards and Technology
- Develop automated procurement and contracting system with the National Oceanic and Atmospheric Administration
- Ensure effective human capital initiatives through the International Trade Administration, which serves as the human resource office for MBDA.

Other Government Agencies

MBDA will reach out to other federal government agencies, such as:

- The Office of Personnel Management to stay current with the latest and most effective programs for enhancing human capital.
- The U.S. Department of Agriculture and the U.S. Department of Treasury to provide information regarding the latest and best training programs for budget, debt management, and finance.

Government/Private Sector

MBDA may utilize the service of private sector companies to obtain state-of-the-art information technology and other administrative tools.

External Factors and Mitigation Strategies

By FY 2003, 40% of MBDA's workforce will be eligible for retirement, which could create a significant exodus of skills. MBDA will mitigate this factor by engaging in an extensive training and recruitment program focusing in the areas where employees will be retiring.

