

YEARLY ACTIVITY PLAN (YAP) – FY 09 – FY11

Division/Attached	Research and Economic Analysis (READ)
Program Name:	
Program ID:	BED130FA

I. PROGRAM PLANNING

Problem, issue or opportunity statement: Describe the problem, issue and/or opportunity your program is attempting to respond to.

- Good data and analyses are essential to business and government planning/policy. However, stakeholders will not use the data to the fullest extent unless data is timely, reliable and meets their needs. Today there is such an abundance of data that the real challenge is to provide people with the tools to find the right information. DBEDT (through READ) is the principal supplier of that information in Hawaii but keeping up with the growing demand is a challenge. Providing businesses and policy makers with the information they need to adjust to changes in the global economic system requires a continuous review and update of the kinds of information we collect. In many cases, the new data needed are not readily available.
- The state, legislature, counties and others have targeted or proposed the targeting of numerous “new industries” as promising sources of new economic growth that should receive public assistance and resources. However, information and statistics regarding the nature, potential and even size of these industries is inadequate to verify their potential or guide state policy. In fact, there are inconsistent information on the size and impact of these industries. Moreover, the state’s ability to measure its effectiveness in assisting these activities and other economic development efforts suffer from a lack of data on program outcomes.
- Technological improvements make it possible to use fewer resources for our current reports and to take on the new challenges.

Need and partners: Provide quantitative evidence to show the scope and nature of the problem or opportunity you are working on. Identify partners you will be working with to address the problem, issue and/or opportunity. Describe why government should be part of the solution.

- While economic information & analysis are crucial to business and government planning, it is too costly to collect, process, analyze, and interpret information on an individual basis. Over the past decade or so, the private banks have all closed their economic research sections and stopped most of their activities in this area. With access to timely and accurate information increasingly critical and the private information sector cutting back, government must fill the gap. Additionally, structural barriers, fear of releasing information to competitors and other barriers often requires government to collect the information.
- Technology exists to automate data retrieval.
- Key partners include other DBEDT and other State agencies including the HTA, the University of Hawaii, the federal government, and industry groups. It will also be necessary to contract with research firms, data warehouse and hosting vendors.

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Desired results (outputs, outcomes and impacts): What will success look like? Describe what you expect to achieve in the short-term (0-2 years) and long-term (2-6 years).

Short term:

1. On-going outputs:
 - a. Produce current reports on time according to the schedule listed on our website.
 - b. Provide technical assistance and fulfillment of requests for data
 - c. Continue to meet with client advisory groups and conduct customer satisfaction surveys to get feedback and improve products
 - d. Additional update to Input-Output report, from once every 5 years to an additional report after 2.5 years
 - e. Respond more quickly to economic impact studies as requested and improve our economic modeling capacity
2. New outcomes:
 - a. In this fiscal year, three additional reports presenting energy data and energy analysis
 - b. More timely quarterly reports on tourism data, especially on visitor satisfaction, expenditures, and developing markets
 - c. Outputs will include a series of reports defining and measuring selected emerging industries, including but not limited to: Ocean Science, Biotech/Life Science, Astronomy, Technology & Information, Film/Creative Media, Diversified Agriculture, Aquaculture, and Specialty Tourism.
 - d. Second annual report on the impact of DBEDT programs on growth industries.
 - e. New Reports of Quality of Life Indicators and Sustainable Wage
 - f. Finalize new website and automated data warehouse which will provide a multitude of data and reports to users, customized to each user's need by a series of simple filters.
3. Short term outcomes:
 - a. Increased use of existing resources
 - b. Improve DBEDT's reputation for reliability
 - c. Development of data that has support of industry partners

Longer-term:

1. Work closely with other state departments to standardize and coordinate data collection efforts.
2. Continuous review, improvement and revision of current reports to ensure quality and relevancy.
3. Industries more able to anticipate and react to trends and major economic events
4. Stable/sustainable growth for Hawaii's industries
5. Improvement in Hawaii's standard of living

Influential Factors: List the factors you believe will support or hinder your ability to impact the problem or opportunity.

- Continuation of funding of key new programs and ability to fill vacant positions.
- Staff support of new initiatives.
- Staff support from Energy program
- Strong support from industry and State partners and alignment regarding what needs to be measured and how best to measure it.

Strategies: List the "best practices" that have helped other programs achieve the kind of results your program promises.

1. The "best practice" among Federal agencies and other information web sites is to allow users to create their own, custom tables and reports from a comprehensive database. Initiating such a program for DBEDT's economic information would serve a much greater range of users and save time for staff because they would no longer have to create and format as many tables. It would also provide access to a wider range of data for users. This would allow READ to spend more time on analysis and responding to immediate needs/issues. READ successfully made the case last year for this initiative and is in the process of working with the vendor to set up this new system.

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2. Forming stakeholder groups to comment on on-going projects and conducting regular surveys to get feedback from users can help to identify new areas of need.
3. Searching for and following best research practices.
4. Standard staff meetings to check on progress, solve problems quickly and to ensure that everyone in the team understands what is expected.

Assumptions: State the assumptions behind *how* and *why* the change strategies you have identified will work. Use 'If - then' statements, i.e. "if _____ then _____ happens."

- Data driven decision making leads to robust plans that prepare the industry and policymakers for future growth, market shifts, and unforeseen events.
- Application of state-of-the-art electronic data warehousing will be embraced by data users and result in increased utilization of data and effectiveness of the program.
- Analysis of data is more important as data availability grows.

II. PROGRAM IMPLEMENTATION

Resources: Describe the resources available to support your program.

1. Reduced Hawaii Tourism Authority funding for tourism research will present challenges. New statistician position from FY09 budget is in process of recruitment.
2. Act 148 (2007) appropriation for FY 09 limited to one filled economist position to address emerging industry research. Position is requested to be added to FY10-11 biennium budget.
3. The program has refocused some existing resources to address new priorities, including the conversion of a librarian position to economist and the restructuring of a current branch to better manage new priorities.
4. Loss of one senior economist position for economic research and modeling in the FY 10-11 budget will also create challenges to the program.
5. Statistician from Energy program on loan to assist with the production of new energy reports, to be supplemented with one additional statistician from Energy program if approved in budget.
6. Funding has been committed for data warehousing program hosting through January 2010, Subsequent hosting will depend on availability of funds in FY 10-11.

Activities: Describe each of the activities you plan to conduct within your program.

Issue and manage contracts for primary data collection (surveys)
Produce tabulations and economic analyses for all economic sectors
Quarterly forecasts and other special analysis projects
Provide technical assistance and data requests and reference and information services
Launch and maintain data warehouse
Establish a users advisory group and conduct online feedback surveys

Outputs: For each program activity, identify what outputs you aim to produce.

Issue and manage contracts for primary data collection (surveys):
10 signed contracts

Produce tabulations and analyses:
Daily passenger count: 365 updates
Data Book: Release in August, about 800 tables
QSER: 4 issues a year
Monthly Visitor Highlights: 12 issues a year

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Monthly Air Seats: 12 issues a year
Monthly Economic Indicators: 12 issues a year
Monthly Energy Trends: 12 issues a year
Quarterly Visitor Expenditure Report: 4 issues
Quarterly Developing International Markets: 4 issues
Quarterly Satisfaction Report: 4 issues
Annual visitor research report
Annual visitor plant inventory report
Annual visitor activity report
PUMA (income, employment, education, housing) study update: annual
Migration study update: annual
Federal Report update: annual
County Trend Report update: annual
Innovation sector reports (Emerging Industries Benchmark report, Innovation Indicators report update, studies of technology and creative industries activity, update of 2008 Technology Profile Study, annual information on Act 148 information elements
Honolulu Consumer Spending by Income Class update
Patterns of Hawaii Merchandise Movement by Water
Innovation Indicators Report
Quality of Life Indicators Study (in progress)
Second year report on impact of DBEDT programs on growth industries (complete)

Economic forecasts and other special analysis projects
Quarterly economic outlook and forecast
Input output model update (every 3 years)
REMI model energy impact analysis
Hawaii Travel & Tourism Satellite Account update
Assistance to Dept of Transportation

Provide technical assistance and data requests
Respond to more than 1,350 annual requests from users of visitor data
Respond to more than 2,600 annual requests for assistance and information through our library (reference and information service).
Respond to media requests, Approx 80 per year
Present information to business and other industry groups

Establish and maintain data warehouse and DBEDT website
Update data series, work with vendor, upload on web, set up web pages

Establish a users advisory group and conduct online feedback surveys
Annual user survey
Quarterly meeting of visitor user group

Outcomes: Identify the short-term (0-2 years) and long-term (2-6 years) outcomes you expect to achieve.

Short-Term Outcomes:

- Development of data that government and industry both support, to allow for productive dialogue on how to better pursue targeted industry growth and development
- Increased use of data and research for planning and marketing
- Increased understanding of Hawaii's innovation initiative and growth industries by policy makers and stakeholders through reports.

Long-Term Outcomes:

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- Accelerated growth of emerging industry clusters and tourism, based on better public policies and private sector marketing and assistance efforts
- Programs better able to justify their positive impact on economic development through data
- Local, state and businesses able to promote Hawai'i's visitor industry effectively [maintain or increase visitor arrivals and visitor days]

Impact: Describe the lasting impact you anticipate.

- Programs and industry assistance efforts that are driven by data, analyses and that produce valuable results.
- Accelerating growth in innovation industries resulting from better information, policies and assistance programs.
- Increase in business' and policy makers' ability to anticipate and effectively react to trends and major events.
- Improvement in economic performance, wage levels, and increased productivity.
- Improvement in Hawaii's standard of living

III. PROGRAM EVALUATION

Indicators: Describe what SMART ('specific; measurable; action-oriented; realistic; and timed') indicators can be collected that would convey the status of your program.

1. Customer satisfaction survey (number satisfied and more than satisfied with READ products)
2. Measure change in knowledge and understanding of targeted industries (measured through survey of users and stakeholders)
3. Number of articles citing data and reports (indicator of maintaining reputation)
4. Number of website page views and hits (indicator of awareness and use)
5. Measure change in service quality ratings: timeliness, accuracy, accessibility, responsiveness (measured through survey of users and stakeholders)

ALIGNMENT

Is your program linked to DBEDT's six strategic objectives?

