



**MEP • MANUFACTURING  
EXTENSION PARTNERSHIP**

NATIONAL INSTITUTE OF  
STANDARDS AND TECHNOLOGY

## Hollings Manufacturing Extension Partnership Performance and Evaluation Approach

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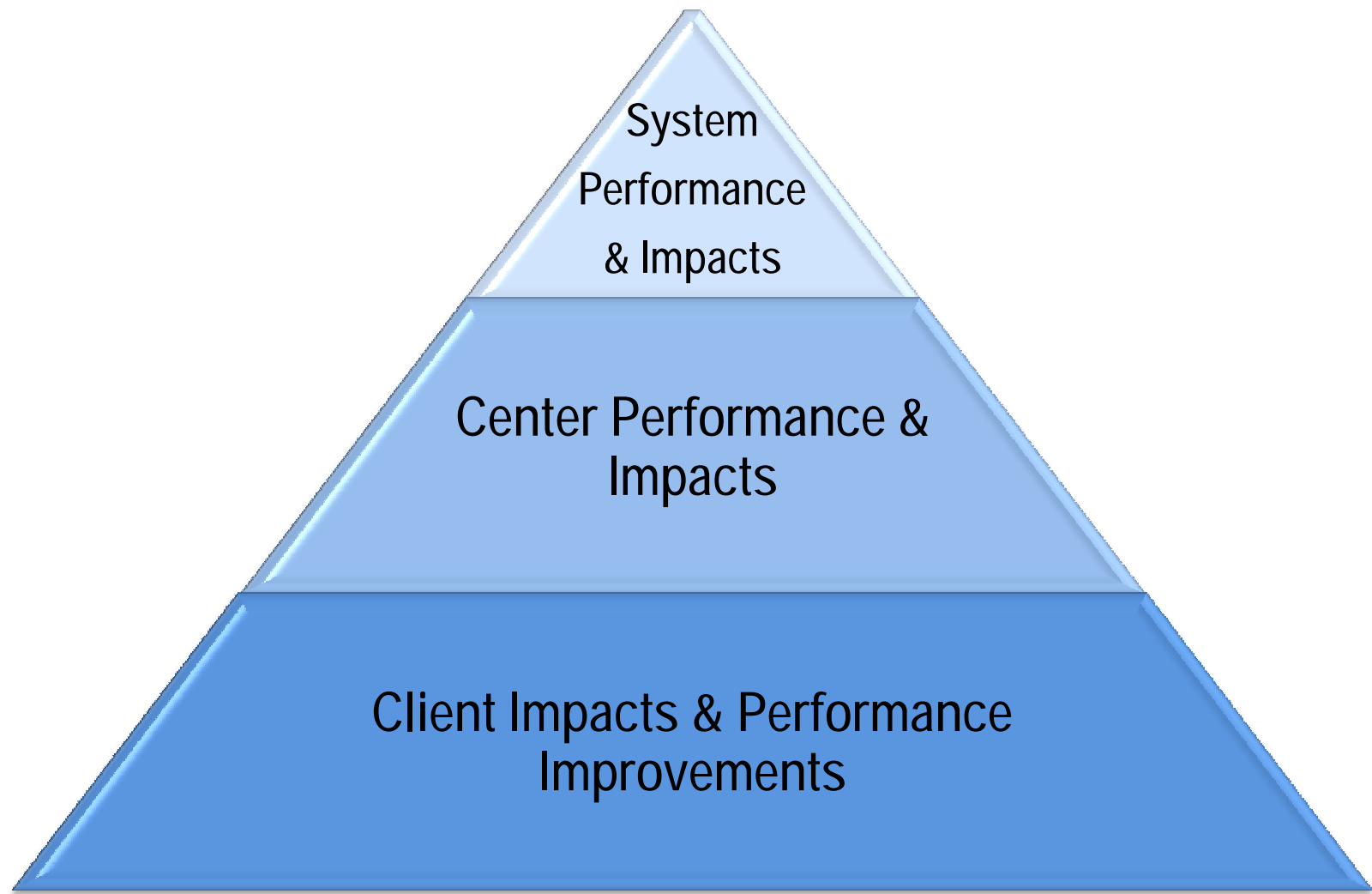
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# Today's Discussion

- Overall Approach
- Managing the Reporting and Survey Process
- Performance Snapshot
- From MAIM to CORE
- Research and Analysis
  - “Position MEP as a critical voice of U.S. manufacturing”

# Overall Approach

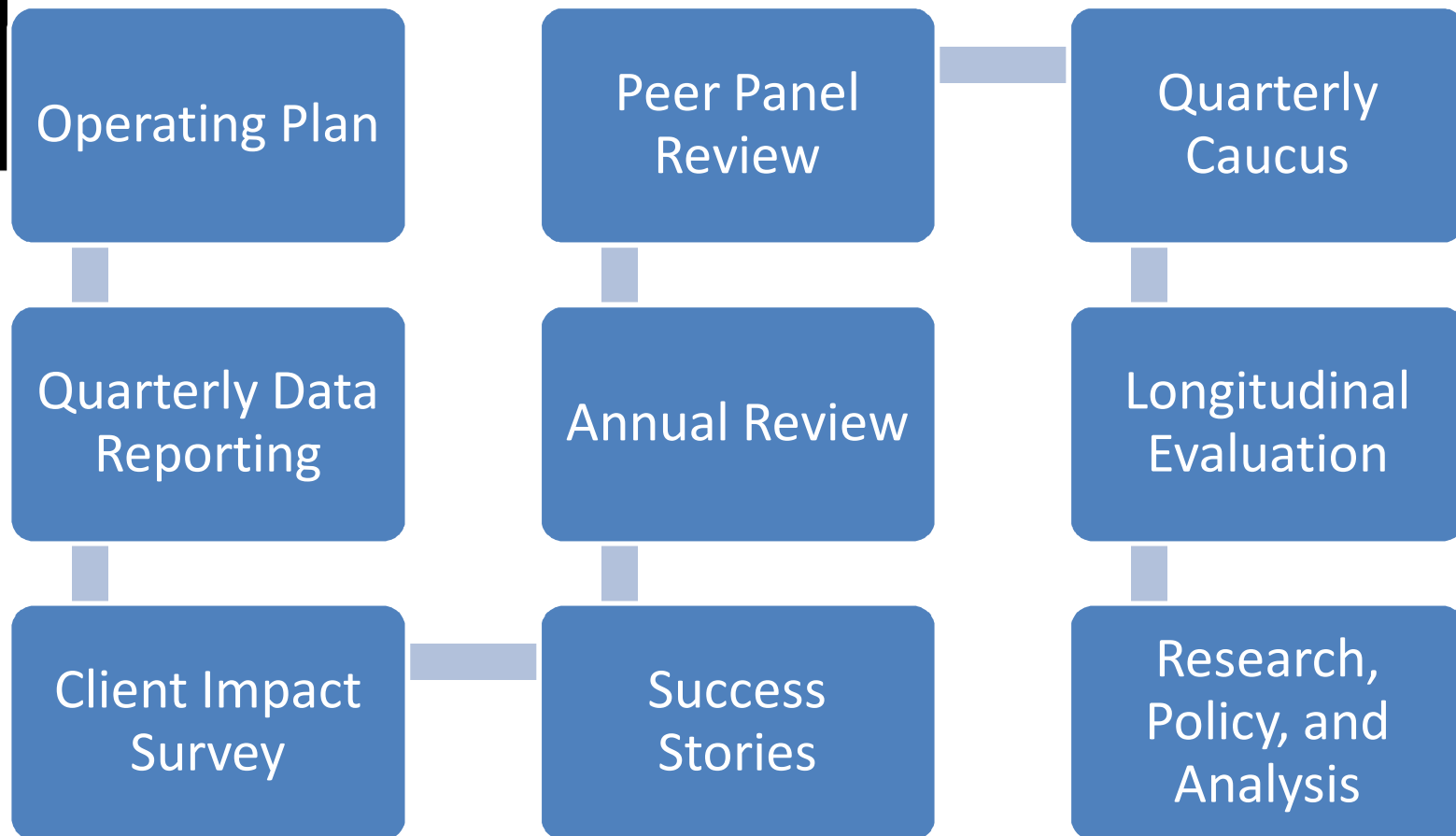
# Performance and Evaluation Approach



# Reviews of Our Approach

- MEP's evaluation system and performance measures has received positive reviews by OMB and the National Academy of Public Administration (NAPA, 2003).
  - OMB indicated the program is well-managed with regular reviews to assess performance and annual performance measures that represent indicators of competitiveness.
  - NAPA report found that the metrics MEP uses to evaluate programmatic performance and outcomes are "extensive."
  - NAPA highlights an SRI report which noted "...Methods used in MEP-supported evaluations...(cover) virtually the entire range of evaluation methods available...the significance of these efforts is not in the methods used or the results generated, but in the integration of evaluation into a longer-term, strategic framework."
- Worth noting that we are often asked by other agencies to describe our approach to performance and evaluation including our client survey approach and response rates, economic impacts, etc.

## Culture of Measurement and Accountability



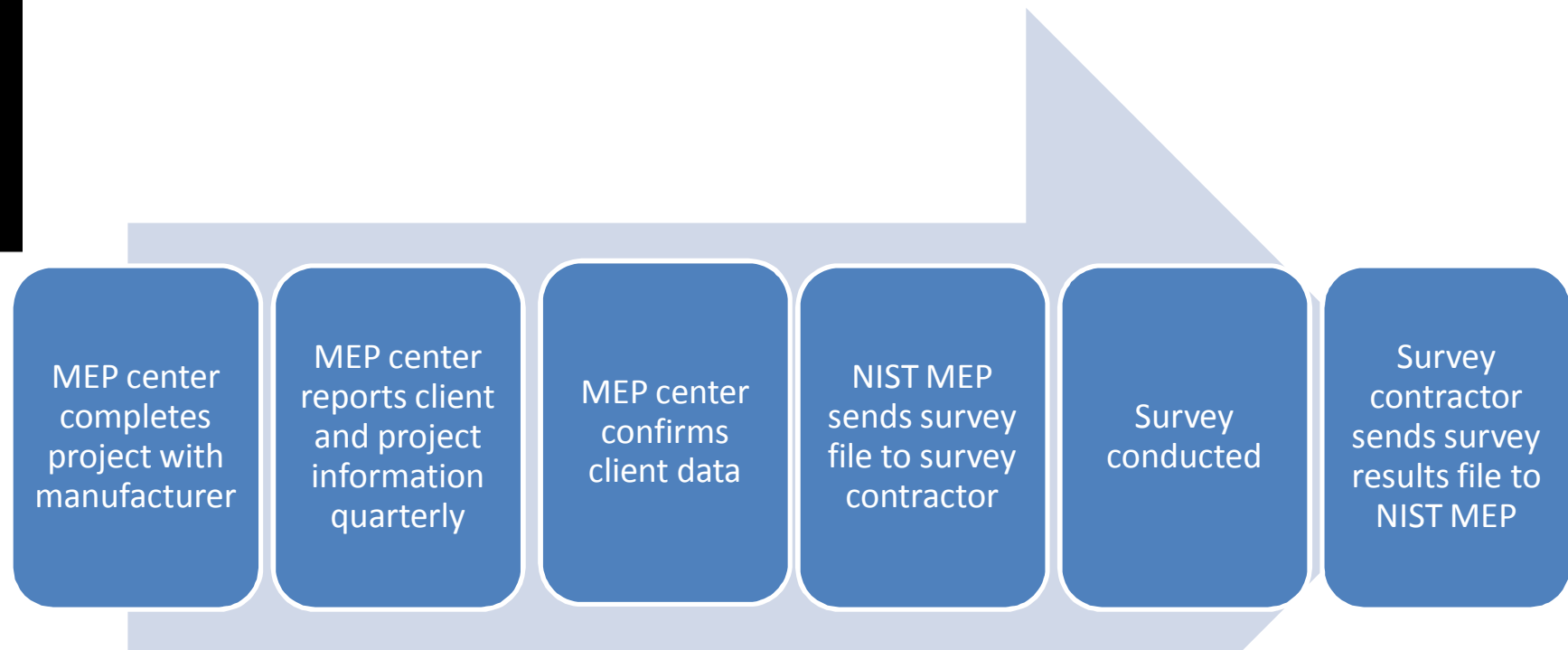
# Managing the Reporting and Survey Process

# MEP Program Evaluation: The Core Approach

- Quarterly Data reporting system
  - Clients, Hours, Project Code, Project Staff & Hours, Survey Contact Information, etc.
- Quarterly Survey
  - Conducted by a third party
  - 8,921 surveys attempted in FY 09
  - 7,648 respondents in FY 09
  - 85.7% response rate in FY 09
- Success Stories
  - 1 Narrative Story a Year per Center:
    - Template Provided
    - Challenge, Solution, Outcome
    - Priority should be given to Next Generation Strategy Areas



# From Reporting to Client Survey



**Delivering Measurable Results to Manufacturing Clients**

<http://www.nist.gov/mep/impacts-reports-research.cfm>

for full results and detailed data collection methodology

## MEP Client Impact Survey

- Conducted on a quarterly basis by an independent third party.
- Survey period is 4 weeks long.
- Center staff confirm client contact data and educate clients on the survey process to ensure a high response rate.
- Majority of surveys completed via online survey.
  - Respondents can call in and complete the survey over the phone if they wish.
- 2,000-3,000 surveys conducted each quarter with an average response rate greater than 80%.
- Clients are asked to quantify impacts in the areas of sales, jobs, investment, and cost savings, and customer satisfaction.

# Macro Level Changes to Survey and Reporting

- January 2012
  - Increased focus on growth and innovation
  - New markets, customers, products, and services
- Fiscal Year 2013
  - Significant Expansion to align with Next Generation Strategies
  - Innovation and Growth
  - Proactive and Reactive
  - Other
- More detail later in presentation

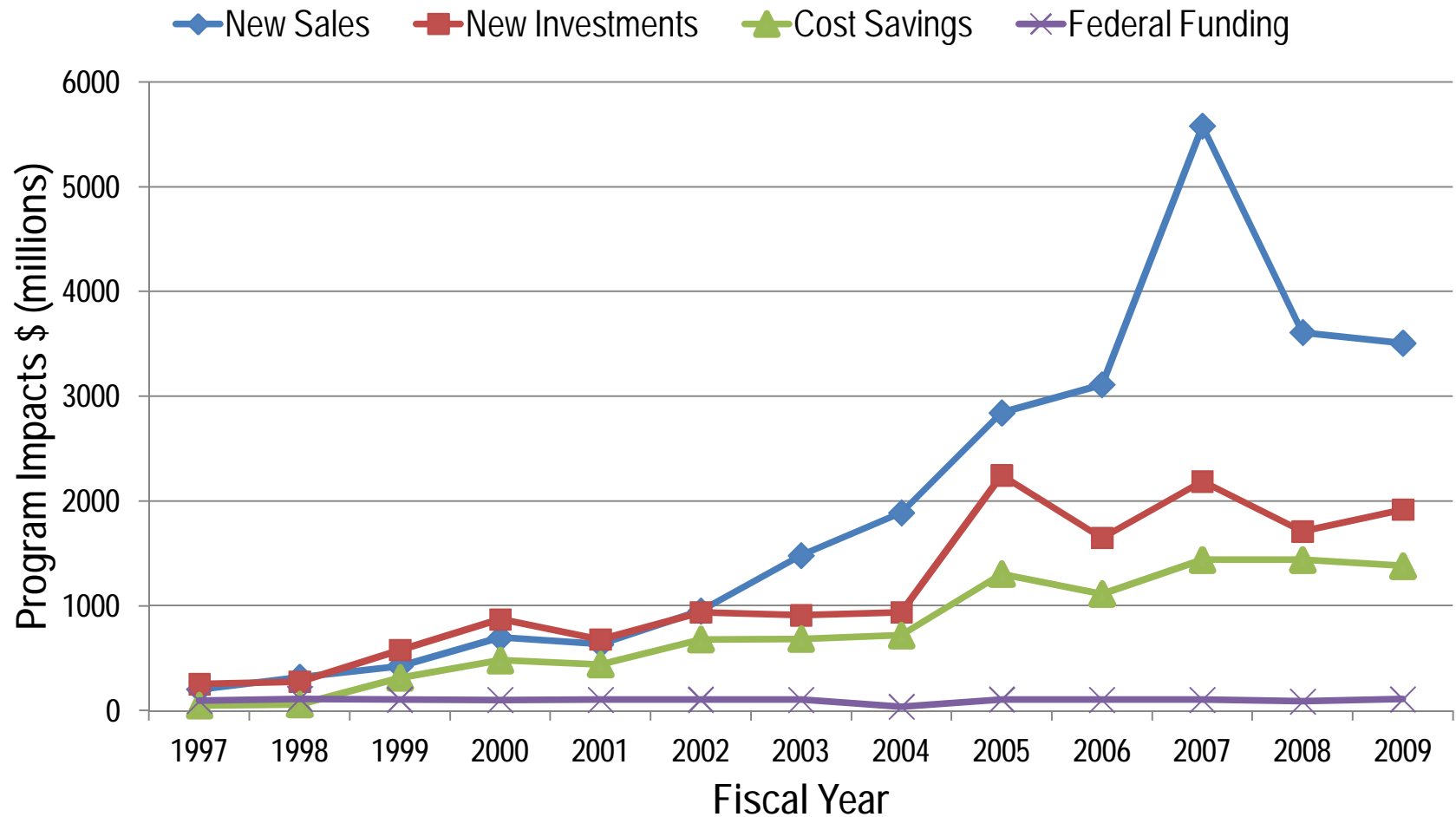
# Performance Snapshot

## Client Impacts Resulting from MEP Services – FY2009

- New Sales \$3.5 Billion
- Retained Sales \$4.9 Billion
- Capital Investment \$1.9 Billion
- Cost Savings \$1.3 Billion
- Jobs Created and Retained 72,075 Jobs

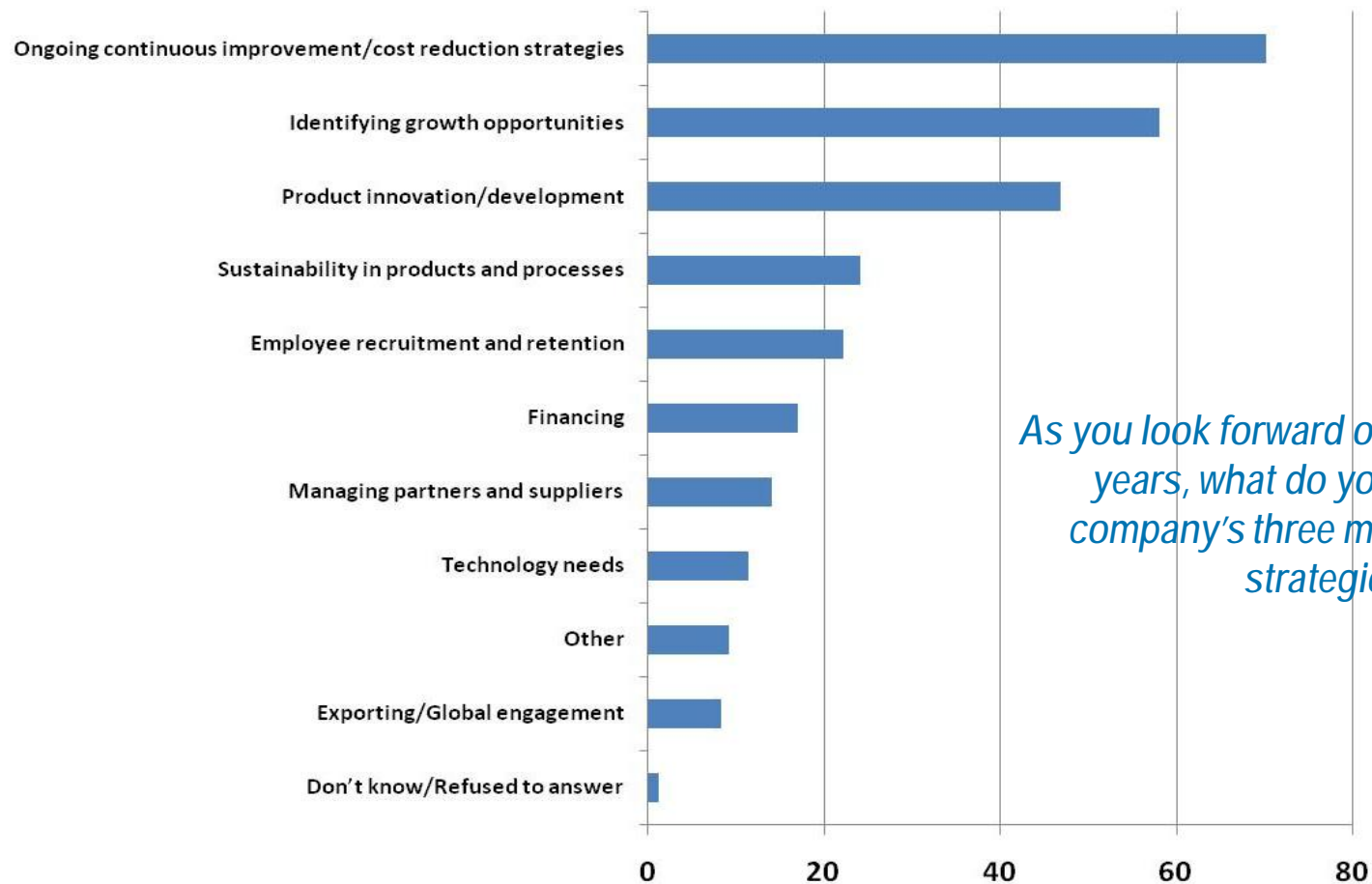


# MEP Program Impacts Over Time



## Client Challenges

Percent of Clients Identifying Specific Challenges



*As you look forward over the next 3 years, what do you see as your company's three most important strategic challenges?*

From

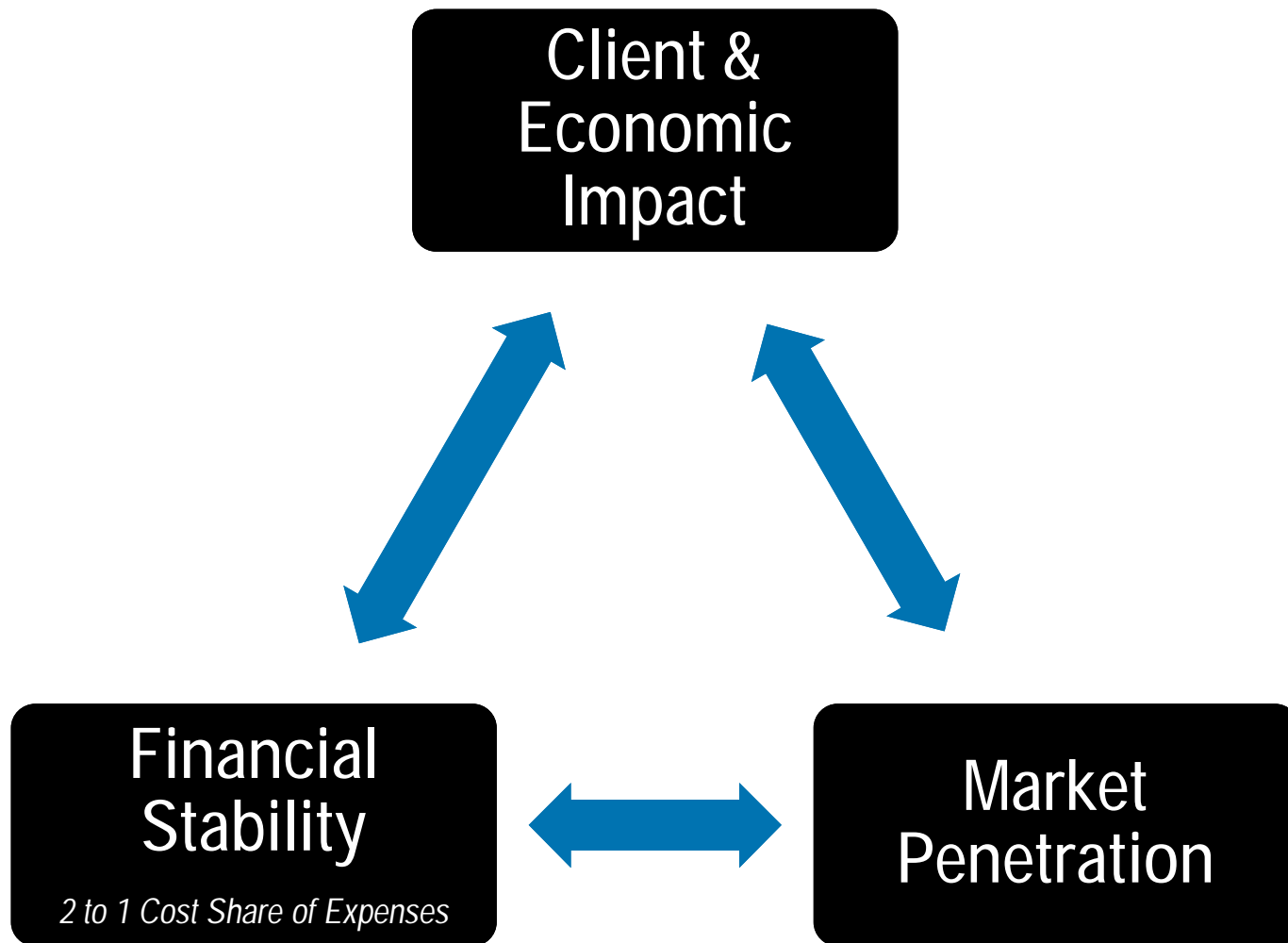
**MAIM** (Minimally Acceptable Impact Metrics)

to

**CORE** (Center Operations Reporting and Evaluation)



## Underlying Driver: The Center Balancing Act



# Current MEP Evaluation System – focused on outcomes and client impacts resulting from MEP services

## Client Assessment

- New Sales
- Retained Sales
- Capital Investment
- Cost Savings
- Jobs Created & Retained

## Center Assessment

- Minimally Acceptable Impact Measures [MAIM]
- Annual & Panel Reviews
- Operating Plan
- Quarterly Data Reporting

# Transitioning the MEP Evaluation System

- Balanced Scorecard
  - Activities in addition to outcomes and impacts
  - Quantitative and qualitative
  - Performance and investment
- Increased focus on growth through innovation
- Increased focus on market penetration
- Minimal performance is not sufficient for understanding and informing performance and investment
  - Introduce threshold levels to distinguish levels of performance and investment
- Maintain historical focus on the three-legged stool: market penetration, client impacts, financial viability
- We want to invest intelligently in centers that are strategic and high performing.

## New Survey Questions

- Did the services you received directly help your establishment...(check all that apply)
  - Get new customers
  - Enter new markets
  - Create new products / services
- What percent of (new/retained sales) is attributable to new customers, new markets, or new products/services?
- As a result of the services you received, has your establishment increased its investment over the past 12 months in new products or processes?

## SCORECARD: Center on a Page

### Center Diagnostics:

“What NIST MEP is saying....”

- Categories Aligned with Panel Review (Market Understanding, Business Model, Strategic Partnerships, Financial Viability and Investments, Strategic Alignment with NIST MEP)
- Largely Qualitative
- Threshold Levels
- % of Centers Grade

### Impact Metrics:

“What your clients are saying....”

- Increased focus on growth, investments in innovation, clients served, and reduced focus on cost savings
- 4 Quarter Rolling Average
- Contextual views on % Yes, Change over Time, and Median
- % of Center’s Grade

### Opportunities and Challenges:

“Insights and Anecdotes...”

- System and Center Operations insights on areas of concern and/or promising practices
- Changes in structure, leadership, staffing, finances, etc.

### Review Recommendations

“What your peers are saying...”

- Panel Review in Brief
- Center Review in Brief

## Timeline

- Finalizing and Piloting (now through late January)
- Center Update Meeting (late January)
- 2012-Q1 – Parallel current process + CORE
- 2012 Q2 – Continue parallel processes
- 2012 Q3 - Continue parallel processes
- 2012-Q4 – CORE in full implementation

# Better Understanding Client Engagement

NGS and Related	Initiative	Service Elements
Continuous Improvement	<ul style="list-style-type: none"> <li>House of Lean</li> <li>Lean Product Development</li> <li>Lean and Green</li> </ul>	<ul style="list-style-type: none"> <li>Training</li> <li>Assessment</li> <li>Technical Assistance / Project Delivery</li> <li>Leadership and Culture</li> </ul> <p>Additional Considerations:</p> <ul style="list-style-type: none"> <li>- Does the company have an innovation and growth plan of which this project is a part of?</li> <li>- Is this client considered proactive, reactive, or in transition?</li> <li>- Is the CEO or local firm leadership involved?</li> </ul>
Supplier Development	<ul style="list-style-type: none"> <li>ExporTech</li> <li>Buyer Requests for NIM</li> <li>Supplier Scouting</li> </ul>	
Sustainability	<ul style="list-style-type: none"> <li>E3</li> <li>Green Suppliers Network</li> </ul>	
Technology Acceleration	<ul style="list-style-type: none"> <li>Technology Scouting</li> <li>NIM Matches</li> </ul>	
Workforce	<ul style="list-style-type: none"> <li>SMARTalent</li> <li>MSCS</li> <li>Layoff Aversion</li> </ul>	
Other Related	<ul style="list-style-type: none"> <li>Access to Capital</li> </ul>	

# Research and Analysis



# Positioning MEP as a Critical Voice of U.S. Manufacturing

- Better using our own data to tell the story
  - State of the Centers – center differences, trends and in-depth correlation analysis
  - Longitudinal evaluation (MEP clients vs. non-MEP clients)
- Policy Papers
  - Benchmarking other Nation's Support of SME's (ITIF)
  - Growing Regional Economies through U.S. manufactured rail transit (various)
  - History of U.S. manufacturing and industrial policy (A.Reamer/GW)
  - Client Challenges (using MEP data)
- Case Studies
  - Navistar in MS, Council on Competitiveness
- Data Tools and Increased Data Linkages
  - NIM, Dun and Bradstreet, EMSI, C2ER Jobs Report

Questions?