

**SUPPORTING STATEMENT
U.S Department of Commerce
Minority Business Development Agency
Online Databases: Customer Relationship Management
(CRM)/Performance, Phoenix, and Opportunity
OMB Control Number 0640-0002**

A. JUSTIFICATION

This request is a revision to currently approved information collection and to extend the Office of Management and Budget approval.

1. Explain the circumstances that make the collection of information necessary.

As provided in Executive Order 11625 (issued October 13, 1971), the Minority Business Development's Agency's (MBDA) primary mission is to increase the growth and global competitiveness of minority-owned firms. To this end, MBDA awards cooperative agreements for the delivery of strategic business development consulting services directly to minority entrepreneurs.

The purpose of the Online Customer Relationship Management (CRM)/Performance, Phoenix, and Opportunity databases, respectively, are to provide an electronic system for (1) entering and tracking the program performance accomplishments of MBDA's cooperative agreement recipients (CRM/Performance), (2) entering non-client business profiles of Minority Business Enterprises (MBEs) (Phoenix), and (3) matching contract opportunities with qualified MBEs captured in the Phoenix database (Opportunity). The three electronic databases are maintained and accessible via the Internet.

The revision introduces the new Customer Relationship Management database.

2. Explain how, by whom, how frequently, and for what purpose the information will be used. If the information collected will be disseminated to the public or used to support information that will be disseminated to the public, then explain how the collection complies with all applicable Information Quality Guidelines.

CUSTOMER RELATIONSHIP MANAGEMENT (CRM)/ PERFORMANCE DATABASE

Specific uses of the CRM/Online Performance Databases include:

- The documentation of actual performance accomplishments of each funded center (*i.e.*, MBDA grant recipient) compared with stated goals in the respective cooperative agreement with MBDA. The CRM/Performance Databases permit tracking of each

center's goals using a number of general and specific variables. The flexibility of the databases permits new variables to be added as needed.

- The verification of the summary performance accomplishments cited in the narrative reports. Based on the results, performance data and other qualitative information obtained during MBDA quarterly monitoring will determine whether a specific cooperative agreement should be terminated or other actions are needed to improve program performance.
- Tracks weekly/monthly/quarterly/annual program performance. This enables the Agency to identify and address performance problems in early stages.
- Identifies the minority business clients receiving agency-funded business development services, the kind of assistance each client receives, and the impact of that assistance on the growth and profitability of the client firms.
- Generates special reports analyzing program activities and services by business types, industry trends, geographic profiles, successful capital and marketing opportunities, and other program elements.
- The system permits client identification using a unique computer-assigned identifier for each funded center. The identification is related to all client data fields. These data fields include number of clients assisted, types of assistance, number of hours of assistance, dollar value of all secured transactions, as well as the number of other variables available for analysis with respect to each client and funded center.

The purpose of this collection is to establish a framework for assessing and evaluating a project's performance. MBDA requires this information to monitor, evaluate, and plan Agency programs which effectively enhance the development of the minority business sector. Using the information collected, MBDA produces recurring and ad-hoc reports on its funded centers, client service activities, and programmatic accomplishments. Because MBDA's major funded activity is client service, the reports generated are a primary agency reporting and planning mechanism.

The data collection activity includes program performance accomplishments of each funded center consistent with the terms and conditions of the cooperative agreement and provides MBDA with the grantee's actual accomplishments at the end of each reporting period. MBDA staff enters the grantee's yearly performance goals at the time of award.

MBDA program analysts have the capability to monitor progress of projects on a day-to-day basis rather than waiting until semi-annual reports be submitted. The online, real-time interface permits reporting entities to have full-time access to the database for internal management. This standardizes the reporting methodologies throughout the system. This system has removed several steps from the reporting process, with attendant savings in paperwork-burden hours.

The CRM/Performance system documents "successes" in an accurate and definitive fashion. Each contract, loan, job created or retained and other minority business benefit is captured

chronologically in the database so that a progress history of each client can be tracked throughout the life of the client's association with MBDA.

The increases in number of employees, size, number and type of contracts, increase in capitalization, export and domestic market data, advancement in certification, North American Industry Classification Standards and Standard Industry Industrial Codes-related information, and other growth and programmatic criteria is collected. The CRM/Performance database is designed to meet the goals and objectives of the Government Performance Results Act (GPRA), and the technological construct of the system ensures accurate, timely reporting and ensures the strict security of privacy-protected data while maintaining a focus on the reduction of paperwork burden to the public.

MBDA estimates that the overall cost savings and paperwork reduction enabled by the Online CRM/Performance Database is significant as compared to collecting such information via paper submissions. The information collected is for MBDA internal analysis and programmatic decision-making and is not generally disseminated to the public.

PHOENIX AND OPPORTUNITY DATABASES

The Phoenix database is a listing of minority-owned enterprises doing business in the United States. The Opportunity database contains public and private contract opportunities. The system matches contract opportunities with eligible minority companies listed in the Phoenix database. The information entered in the Phoenix database is used to assist minority enterprises with marketing of goods and services.

The purpose for collecting this information is to enable entities with an interest in contracting with a minority firm to identify potential minority contractors according to various criteria. MBDA uses the Phoenix database in conjunction with the Opportunity database to refer listed minority companies contracts and other opportunities via email and fax.

The Opportunity database matches contract opportunities with eligible minority companies listed in the Phoenix database. Specific information on the Opportunity form, such as "keywords" and standard industrial codes (North American Industry Classification Standards, National Institute of Government Purchasers, etc.), are compared with like information contained in the Phoenix database of minority companies. When a match is made, the eligible minority companies are notified of any contract opportunity via email. These systems reside on the Agency's Oracle database that is compliant with the U.S. Department of Commerce e-system criteria and available to the service-provider network via the Internet. During periods of extraordinary need, MBDA may initiate a temporary database to assist minority business enterprises register for unique contract opportunities.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological techniques or other forms of information technology.

The subject information collection is captured electronically via MBDA's Internet-based platform and through the MBDA website, where data is gathered from all MBDA clients, funded centers, and providers of potential contract opportunities. MBDA makes every effort, through training and publications for the online database, to educate the user community on the use of this system and to minimize the amount of time organizations spend on data entry. The CRM/Performance system enables input on a daily basis. The Agency is able to track funded organizations' performance from their desktops.

Information required can be entered via the Internet into the system real-time, i.e., whenever a new client is registered or assistance is provided. A secure password system permits companies to access their Phoenix record at any time to submit and record changes.

MBDA has an integrated World Wide Web site and intranet portal to provide information to the public, the Department, and other interested entities. Minority business growth is tracked by increases in employment, export sales, contract size increases and industry. Because the database organizes information in a standard format, it can be used, and shared, with data from other sources (Census, Labor Department, etc.) to measure various elements of evaluative interest.

Since the previous PRA submission to the Office of Management and Budget (OMB), MBDA has developed and implemented an online template through which funded centers submit their required programmatic Semi-Annual and Year-End Narrative Performance Reports. The streamlined online reporting system has served to further reduce the paperwork burden on our funded centers.

4. Describe efforts to identify duplication.

The requirements in the CRM/Performance System do not duplicate other MBDA program reporting requirements. In developing the system, the Agency took great care in ensuring that data redundancies were eliminated to the greatest extent possible. The use of several "pick lists" was incorporated so that rather than having to re-enter client and source data under different areas, users have the ability to select from pre-populated tables. The entry of posted transaction data was also streamlined by implementing functionality that allows deal data entered under the "Pipeline" section to automatically transfer to the "Awarded Transaction" section once the deal is tagged as "Complete." This prevents the user from having to re-enter data in fields for data points that are common for both "Pipeline" and "Awarded Transactions" entries.

The Phoenix and Opportunity databases collect information independent of each other. This data is then collected between the two databases and connections are derived that match the company that has a work opportunity with the minority business seeking opportunities in that specific area of the market. The required information gathered must be entered within very defined data fields in order to accomplish the job match. This specific information is not collected elsewhere.

5. If the collection of information involves small businesses or other small entities, describe the methods used to minimize burden.

MBDA provides standard guidelines for entering information into each database. These guidelines apply to all client service programs and impose equal burden on all respondents. The collection effort is required “across the board” and affects all companies working with MBDA. All databases are online to facilitate the ease of collection through the use of the Internet.

6. Describe the consequences to the Federal program or policy activities if the collection is not conducted or is conducted less frequently.

The data collected through the CRM/Performance database is used to regularly monitor and evaluate the progress of MBDA’s funded centers, to provide the Department and OMB with a summary of the quantitative information that it requires about government supported programs, and to implement the GPRA. This information is also summarized and included in the MBDA Annual Performance Report, which is made available to the public. If the collection were not conducted, MBDA would not have the ability to adequately track program performance. This would hinder the Agency’s ability to report on its attainment of goals, to gauge the success of the grant fund recipients, and to ensure that federal funding dollars are being well allocated.

If the information were collected less frequently, the information would not be as timely which could result in missed opportunities to proactively identify programmatic deficiencies and to work with grant recipients to resolve them. This monitoring via the CRM/Performance system assures time and work schedules are met in accordance with cooperative agreement requirements. MBDA requires Semi-Annual and Annual Narrative Performance Progress Reports from its funded centers. Should a problem arise with compliance, less frequent submissions would diminish the opportunity for project monitors to make a timely response with corrective action. The CRM/Performance database is critical, and without this database programmatic deficiencies could remain unchecked prior to the process for making recommendations for renewal funding, and would adversely impact the delivery of quality services to MBDA’s constituency.

The Phoenix and Opportunity Database have no frequency expectations. Their use is predicated on the opportunities that arise and the emergence of new minority businesses that seek opportunities via this system.

7. Explain any special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines.

There are no special circumstances that require this collection to be conducted in a manner inconsistent with the general information collection guidelines. MBDA requires the regular (within 72 hours from time of service) entry of data by its funded organizations.

The information is used as a management tool in determining the justification for the refunding of its projects, their real-time accomplishments and the appropriateness of needed intervention prior to the required on-site monitoring visits by MBDA regional office staff.

8. Provide a copy of the PRA Federal Register notice that solicited public comments on the information collection prior to this submission. Summarize the public comments received in response to that notice and describe the actions taken by the agency in response to those comments. Describe the efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

On April 3, 2012, a Federal Register Notice (77 FR 20010) was published soliciting public comments. No comments were received.

9. Explain any decisions to provide payments or gifts to respondents, other than remuneration of contractors or grantees.

There are no payments of gifts to respondents.

10. Describe any assurances of confidentiality provided to respondents and the basis for assurance in statute, regulation, or agency policy.

There is no assurance of confidentiality provided to respondents of this information collection. However, MBDA will not release information on collected through the CRM/Performance system, other than in connection with a Freedom of Information Act (FOIA) request and then only to the extent that the requested information is not protected from disclosure under FOIA. The data collected through the Phoenix and Opportunity systems are shared with matched MBEs and opportunity sources, which is the primary purpose of these systems and disclosed to respondents during the registration process. MBDA also notes that the security functions of the CRM/Performance, Phoenix and Opportunity systems enable the administrator to open and close access to information as directed by management and as necessary to respond to outside threats.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

MBDA collects information regarding the minority status of persons receiving services from the Agency and from its funded centers. This information is collected via a self-certification in order to ensure that MBDA is operating within the parameters of Executive Order 11625 and 15 C.F.R. part 1400. MBDA also notes that data may be entered into the Opportunity system without regard to the minority status of the opportunity provider.

12. Provide an estimate in hours of the burden of collection of information.

It is estimated that 2,633 respondents will participate in

Phoenix Database: 377 hours
 Opportunity Database: 542 hours
 Legacy Performance 366 hours
 CRM/Performance Database: 3,231 hours

TOTAL RESPONSES: 23,015
TOTAL BURDEN HOURS: 4,516

Phoenix

<u>No</u>	<u>Process</u>	<u>No. of Responses</u>	<u>Function time/client (hr)</u>	<u>Hrs</u>
1	Client Profile (single entry)	2,516	0.15	377
2	Client Profile (batch entry)	0	0.15	0
Sub Total		2,516		377

Opportunity

<u>No</u>	<u>Process</u>	<u>No. of Responses</u>	<u>Function time/client (hr)</u>	<u>Hrs</u>
1	Source Profile (single entry)	2,168	0.25	542
2	Source Profile (batch entry)	0	0.25	0
Sub Total		2,168		542

Legacy Performance

<u>No</u>	<u>Process</u>	<u>No. of Responses</u>	<u>Function time/client (hr)</u>	<u>Hrs</u>
1	Client Intake	378	0.08	30
2	Client Profile	378	0.25	95
3	Needs Analyzer	168	0.75	126
4	Task Order	266	0.08	21
5	Service Provided	651	0.02	13
6	Outcomes	360	0.05	18
7	Workshop/Seminar/Training	92	0.06	6
8	Non-Client Services	2	0.05	0
9	Strategic Partner	10	0.03	0
10	Narrative Report (Semi 1st & 2nd)	12	3.5	42
11	Final Narrative Report	6	2.5	15
Sub Total		2,323		366

CRM/PERFORMANCE

<u>No</u>	<u>Process</u>	<u>No. of Responses</u>	<u>Function time/client (hr)</u>	<u>Hrs</u>
-----------	----------------	-------------------------	----------------------------------	------------

1	Create Account	4,560	0.08	365
2	Create Service Request	5,340	0.12	641
3	Create Awarded Transaction	3,852	0.03	116
4	Create Pipeline Deal	1,248	0.08	87
5	Semi-Annual Report	651	3.5	1,302
6	Year-End Report	360	2.5	720
Sub Total		16,011		3,231

Each respondent may not necessarily use each of the three databases. Some may use just one, while others may use a mix of more than one.

13. Provide an estimate of the total annual cost burden to the respondents or record-keepers resulting from the collection (excluding the cost of any hour burden shown in Question 12).

This collection of information does not include any cost burden to respondents.

14. Provide estimates of annualized cost to the Federal government.

CRM/Performance Database:	MBDA staff	\$388,624
	MBDA IT Contractors	<u>\$500,000</u>
	Cost to government	\$888,624
Phoenix Database:	MBDA staff	\$ 0
	MBDA IT Contractors	<u>\$ 50,000</u>
	Cost to government	\$ 50,000
Opportunity Database:	MBDA staff	\$ 0
	MBDA IT Contractors	<u>\$ 50,000</u>
	Cost to government	\$ 50,000

Total Cost: \$988,624

15. Explain the reasons for any program changes or adjustments.

Program Change Increase:

In Fiscal Year 2011 MBDA developed and implemented a new Customer Relationship Management (CRM)/Performance Database to reflect the requirements of the redesigned MBDA Business Center program. The streamlining of certain administrative and reporting requirements for the new program are reflected in the system, and resulted in a decrease in the overall estimate of burden hours for users under the new program structure. The Native American Business Enterprise Center program will continue to utilize the original Performance, Phoenix and

Opportunity databases until the program is redesigned, which is planned for completion during Fiscal Year 2012. **(INCREASE: 16,011 Responses; 3,231 Burden Hours)**

Adjustment Decrease:

Decrease in number of respondents from previous submission, and relative burden hours.
(DECREASE: -39,755 Responses; -6,508 Burden Hours)

16. For collections of information whose results will be published, outline the plans for tabulation and publication.

Data from the Performance system is collected primarily for internal review purposes and to monitor and evaluate the MBDA-funded organizations. This data is also summarized and reported to the Department and to OMB as part of the GPRA reporting process and is also summarized in the MBDA Annual Performance Report (which is made publicly available). Reports concerning the characteristics and performance of the MBDA-funded centers will include statistical tables and charts generated from the Performance databases. The data is generally presented in aggregate format.

17. If seeking approval to not display the expiration date of OMB approval of the information collection, explain the reasons why display would be inappropriate.

The appropriate OMB control number and expiration date will be displayed.

18. Explain each exception to the certification statement.

No exceptions to the certification statement apply.

B. COLLECTONS OF INFORMATION EMPLOYING STATISTICAL METHODS

Not applicable.