Division/Attached Agency: R e s e a r c h   a n d   E c o n o m i c   A n a l y s i s   D i v i s i o n

Program Name: Research and Planning for Economic Development

Program ID: BED 130

I.   PROGRAM PLANNING

Problem, issue or opportunity statement: Describe the problem(s), issue(s) and/or opportunity(ies) your program is attempting to respond to. Identify the participants (individuals, companies, industry sectors, etc.) engaged in this problem, issue and/or opportunity.

- Sound business decisions based on data are even more important in changing economic conditions. Timeliness and input/discussion with users become more critical.
- 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.
- Technology has made it easier to present data in a way that provides more options to users, but READ still presents data in tables and reports. Funding was received in this year's budget to support the change.

Need and partners: Specify the need for government intervention. Provide supporting evidence. Identify any partners you will be working with to address the problem, issue and/or opportunity.

- Data are expensive to collect and once published can be used by everyone without diminishing its value. It is one of the best examples of public goods, which tend to be underproduced by the private sector. "Perfect and complete information" is also one of the six parameters for a competitive economy. In other words, the economy is most efficient when information is freely accessible.
- DBEDT has been tasked by SB709/Act 148 (SLH 2007) to build a base of information on emerging industries and to report on the effectiveness of economic development efforts. READ is tasked with fulfilling this mandate.
- READ will be purchasing software, working with the vendor, ICSD, and other DBEDT units to improve our web data presentation.
- READ will be working with a broad spectrum of associated interests and stakeholders in the develop information on tourism and emerging industries. We will continue meetings with users of our major products including the counties, economic development boards, and industry partners.

Desired results (outputs, outcomes and impacts): Identify desired results, what success will look like, by describing what you expect to achieve near (0-2 years) and long-term (2-6 years).

OUTPUTS:

- Create a new data warehouse and web-based analytical application to give users wider, more efficient, and easier access to DBEDT historical data. The new data warehouse will also allow the basic data to be updated as soon as the data are available.
- Continue to produce timely and relevant daily, monthly, quarterly, and annual research reports, provide technical assistance, update models, data fulfillment and economic analysis.
- 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, Specialty Tourism.*
- A report will be produced on the impact of economic development efforts. In the first two years, the program will focus on the establishment of metrics and developing an understanding of key industry clusters and their growth characteristics.
- New report on workers compensation
- Establish regular discussions with key users of various data and analyses to get more user input and additional ideas for other report products.
- Participate with Census Bureau to improve plan for 2010 Federal Census in Hawaii

OUTCOMES:

- Expanded use of the DBEDT website and data products, more citations in the media, and increased user satisfaction.
- Improved business and policy decisions based on better data access and understanding of Hawaii's economy.
- Increased support for well-performing DBEDT programs among stakeholders, administration and legislature due to data showing measurable program impacts.
- Legislative actions to improve economy based on new report and data products.
- Improved Hawaii resident participation rate in 2010 Federal Census of Hawaii

IMPACTS:

- Increase in number of high wage jobs
- Improvement in Hawaii's standard of living
- Increase in Federal funds due to more complete census count in 2010.

Influential Factors: List the factors you believe will influence your ability to impact the problem or opportunity. (Things that support success and barriers to success.)

SUPPORT:

- Program theory and process is adequately described for each DBEDT program activity. Alignment and cooperation of the stakeholders regarding the need to measure and assess outcomes is essential.
- Maintaining support of other state, county and Federal agencies, including ICSD, DLIR, TAX,

DCCA, DOA, DOT, US Census Bureau and others, as well as private sector entities such as the HSTC to continue existing reports and create new comprehensive data bases.

- Staff expressed great willingness to change and learn new techniques.
- Maintaining the integrity and credibility of the research activities are also essential to assure stakeholders that we are both technically competent and honest & objective in our research conclusions and recommendations.
- Continued support by the administration and legislature for the needed resources.

BARRIERS:

- Need to change current agency practices to obtain more relevant data, such as relating to exports.
- Position vacancies, which take an inordinate amount of time to establish, modify and fill.

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

- Partnering and inclusiveness
- Establishing trust, rapport and mutual benefits for other agencies to share data.
- Searching for and following the best research practices
- Establishing metrics that are actionable from a policy standpoint
- Placing a high priority on the accessibility, timeliness and accuracy of publications and presentations

Assumptions: State the assumptions behind *how* and *why* the change strategies you have identified will work.

- Data driven decision making leads to robust plans that prepare industries for future growth, market shifts, and unforeseen events.
- Stakeholders will respond positively if they are engaged and have an active role in the process.
- State of the art methods and models are more likely to provide results and engender confidence
- Information gathering that supports and drives policy should have the highest priority.
- Better data and analysis will lead to better policy decisions and improve economic well-being

II.   PROGRAM IMPLEMENTATION

Resources: Describe the resources or influential factors available to support your program.

- Act 148 appropriated $150,000 for FY08 and authorized two FTE economist positions to address this responsibility
- Increase in budget resources of $89,000 for data warehousing
- Refocusing some existing resources to address new priorities, such as converting a librarian position to economist and restructuring a current branch to better manage new priorities.
- Continued full support from the Hawaii Tourism Authority

- Capable, committed staff
- Positive partnerships with other public and private agencies, especially U.S. Census Bureau

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

1. Establish agreement with DLIR and TAX to get necessary data for initial measurement and analysis report on the targeted industries and work with industry groups to get agreement on targeted sectors.
2. Coordinate with DBEDT programs to get agreement on measures for the initial report on the impact of economic development programs.
3. Select a software package and have new data warehouse and web-based analytical application established by the end of 2007.
4. Put together new reports on indicators of economic well being, as well as other indicators requested by Act 148.
5. Continue to produce visitor, demographic and other economic data and models on a timely basis, but reformat most data to be compatible to the new system.
6. Continue to address key policy issues that affect Hawaii's economy and support changes.
7. Respond to requests from users and make most requested information available on web, establish users' advisory groups, establishment of regular meetings with users, and conduct online feedback surveys.
8. Begin work on 201o census planning.

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

1. Targeted Industry and Diversification Report (Web-based and perhaps a hard copy publication)
2. Performance Measurement Report (Web-based and perhaps a hard copy publication)
3. New data warehouse and web-based analytical application established
4. Small Area Economic Indicators, Patterns of Hawaii Merchandise Movement by Water
5. Production of all regular and new reports as scheduled with faster updating of data on web
6. Reports, bills, and testimony to legislature to support policy changes
7. Improved plan for 2010 Federal Census in Hawaii that will provide a more accurate count

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 public awareness and use of DBEDT data products as

evidenced by a targeted 25% increase in website page viewings and 10% increase in newspaper citations.

Increased understanding and support of DBEDT economic development programs by policy makers and stakeholders through surveys

Legislative action to improve Hawaii's economy

- Long-Term Outcomes: Accelerated growth of emerging industry clusters and tourism, based on better public policies and private sector marketing and assistance efforts

  Programs that are able to justify their positive impact on economic development through powerful data

  Becoming a one-stop data center for all types of economic related data

  Increase in Federal funds due to higher census counts

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.

III. PROGRAM EVALUATION

Focus Area: From your program logic model, list the components of the most important aspects of your program.

The program will have two areas of focus:

1. An external *focus* on understanding and measuring economic activity in the economy.

2. An internal *focus* on understanding and measuring economic development assistance programs in order to assess their contribution to economic activity.

Audience: Identify the key audiences for each focus area. Who has an interest in your program?

Focus Area 1: Industry, policy makers, workforce community, economic development & planning community.

Focus Area 2. Economic development programs, Administration, policy makers, outside stakeholders.

Focus Area 1: Is input solicited, welcomed and integrated into the research?

Do the data and analyses provide a useful picture of the industries' situations and potential

Is the information timely, accurate, and actionable? Can it readily drive decisions and policies?

Focus Area 2: Is READ's relationship with programs collaborative and helpful?

Does the program provide management & policy makers with adequate information about what is working and what is not, and what efforts need more time to show results?

Do the results and quality of the assessments raise the credibility of the department among stakeholders?

Information Use: For each audience and question you have identified, identify the ways you will use the evaluation information.

Focus Area 1: Answers will be used to improve collaboration, usefulness of data and action-ability of results. New reports may be produced based on feedback.

Focus Area 2: Answers will be used to improve collaboration with programs and improve the relevance of the evaluation measures and analysis.

Indicators: Describe what information can be collected that would convey the status of your program.

1. Number of articles citing data and reports (indicator of maintaining reputation and awareness and use).

2. Number of website page views and hits (indicator of awareness and use).

3. Number of workshop/conference participants given information on READ products/activities (indicator of awareness)

3. Measured change in service quality rankings: timeliness, accuracy, accessibility, responsiveness (measured through survey of users and stakeholders)

4. Measure change in knowledge and understanding of targeted industries and key visitor industry data (measured through survey of users and stakeholders)

IV.   ALIGNMENT

		How is your program linked to DBEDT's six strategic objectives?
1.	X	Workforce Housing **Program will report the results of HHFDC efforts.**
2.	X	Workforce Development (Human Resource Development) **The program will have a significant research focus on Human Resource Development, particularly workforce development efforts to identify skill needs of emerging industry.**
3.	X	"Energy For Tomorrow" **Program will report the results of the energy programs**
4.	X	"Global Links/Export of Goods and Services" **Program will report the results of the Global Initiatives**
5.	X	The Creation Of An "Innovation Infrastructure" **Program will provide research support**
6.	X	Improve Hawaii's Small Business Environment **Program will report the results of the Small Business Regulatory Review Board.**

If your program is not linked to any of the six objectives, explain why it is still important.