




OFFICE OF INSPECTOR GENERAL
EXPORT-IMPORT BANK
of the UNITED STATES

REPORT ON PERFORMANCE METRICS
FOR OPERATIONAL EFFICIENCY
PHASE ONE

March 27, 2012
OIG-INS-12-01



To: Fred P. Hochberg, President & Chairman
Alice Albright, Executive Vice President and Chief Operating Officer

From: Osvaldo L. Gratacós, Inspector General 

Subject: OIG Report on Ex-Im Bank's Performance Metrics for Operational Efficiency (Phase One), OIG-ING-12-01

Date: March 27, 2012

I am pleased to provide you with a copy of the final evaluation report issued by the Office of Inspector General (OIG) on Ex-Im Bank's Performance Metrics for Operational Efficiency (Phase One), Report No. OIG-INS-12-01, dated March 27, 2012.

We found that:

- Ex-Im Bank lacks a systematic approach to soliciting and measuring customer feedback on its performance and the overall level of customer satisfaction;
- although Ex-Im Bank has made substantial progress in improving transaction responses within the Small Business Group and short-term products, greater focus should be placed on tracking and managing the transaction response times in the long-term credit programs; and
- Ex-Im Bank has not published comprehensive performance objectives, standards for acceptable performance, and metrics to measure progress as required by the Government Performance and Results Act of 1993.

In total, we made eight recommendations to improve Ex-Im Bank's operational efficiency and customer service to bring Ex-Im Bank in line with Export Credit Agencies' best practices. Management concurred with the findings and recommendations.

We appreciate the courtesies and cooperation provided to the OIG staff during the process. If you have any questions about this report, please call me at (202) 565-3908.

Attachment

Cc w/ Attachment: Ravi Arulanantham, Senior Vice-President, Strategy

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EXECUTIVE SUMMARY

As part of its broader mission to evaluate Export-Import Bank (Ex-Im Bank) performance, policies, and procedures, the Office of Inspector General (OIG) conducted an evaluation of Ex-Im Bank's performance metric policies, with a particular focus on transaction response time and the measurement of customer satisfaction. Performance metrics allow management to track progress toward its objectives in a transparent manner. In addition, they provide insightful data that can be utilized for a variety of purposes: to inform resource alignment, highlight potential problems and take corrective action, develop strategy, and to incentivize performance.

The impetus for conducting this evaluation was two-fold. First, Ex-Im Bank's accelerated growth during the past four years resulted in the growing perception among certain stakeholders that transactions may be taking longer to process and approve. Second, given this observation, the Ex-Im Bank OIG is interested in benchmarking Ex-Im Bank's performance against Export Credit Agency (ECA) best practices related to operational efficiency and customer service.

The evaluation consists of two phases. Phase One entails a review of Ex-Im Bank's metrics for operational efficiency and a comparison of those metrics with other ECA practices based on an OIG survey of twelve ECAs (ECA Survey). Phase Two consists of an Ex-Im Bank customer satisfaction survey to be conducted by OIG Ex-Im Bank commencing in April, 2012. The customer survey will provide valuable feedback on customer priorities and Ex-Im Bank's perceived performance.

Data for the Phase One evaluation are drawn from four principal sources: (i) a review of Ex-Im Bank internal reporting systems and related management reports; (ii) interviews with Ex-Im Bank staff; (iii) interviews with a select group of ECA peers; and (iv) a broader survey of ECAs on performance metrics administered by Ex-Im Bank OIG. The survey targeted ECA peers and addressed the selection and measurement of performance metrics for operational efficiency, recently introduced initiatives to improve customer service, and how institutions balance competing agendas of timely customer response with the need to complete satisfactory transaction due diligence.

Our ECA Survey showed that performance metrics for customer service often focus on transaction response time, availability and knowledge level of staff, information requirements for applications, and customer relationship management systems. In fact, according to our ECA survey, transaction response time is the single largest determinant of customer satisfaction. Therefore, we have made it a focus of this evaluation.

Although our evaluation compares Ex-Im Bank's operational efficiency metrics with those of other ECAs, we are mindful that other countries have different ECA business models ranging from lenders of last resort to quasi-market players to industrial policy institutions. Moreover, the operational objectives, risk appetites, pricing and financial drivers associated with each of these models may differ. As a result, these ECAs may vary from

Ex-Im Bank in various degrees including governmental objectives, institutional priorities, budget levels and staff resources.¹

Nevertheless, in our view, benchmarking Ex-Im Bank with its peers provides insights on best practices in the competitive ECA sector. Many of these best practices derive from two overarching themes: the use of a balanced score card approach to performance measurement incorporating both quantitative and qualitative metrics; and the use of customer feedback to inform resource allocation, customer service levels, and performance measurement.

During this Phase One evaluation, we found that Ex-Im Bank lacks a systematic approach to soliciting and measuring customer feedback on its performance and the overall level of customer satisfaction. Indeed, Ex-Im Bank has not conducted a comprehensive customer survey since 2004. Soliciting customer feedback in a timely and systematic manner provides valuable insight as to customer priorities, perceived performance, areas for improvement, and informs future resource allocation.

Our ECA survey shows that other ECAs are proactive and survey their clients on a regular and systematic basis. President Obama has recently emphasized such customer service focus by issuing Executive Order 13571, which requires federal agencies (and requests independent agencies) to develop customer service plans and standards that implement best practices from the private sector.

We also found that Ex-Im Bank has not published comprehensive performance objectives, standards for acceptable performance, and metrics to measure progress as required by the Government Performance and Results Act of 1993. Our survey shows that other ECAs have implemented and published agency-wide performance metrics that address both quantitative and qualitative factors. In addition, we found that Ex-Im Bank currently measures its operating efficiency in largely quantitative terms--citing the volume of exports financed, number of jobs supported, and revenues per employee--but does not address important qualitative issues such as the level of customer satisfaction.

Finally, we found that although Ex-Im Bank has made substantial progress in improving transaction responses within the Small Business Group and short term products, greater focus should be placed on the tracking and management of the transaction response times in the long-term credit programs. Although the preponderant share of Ex-Im Bank customers reside within the short term credit programs and Small Business Group, long-term credit programs account for over eighty percent of Ex-Im Bank's total outstanding portfolio.

We made several recommendations to improve Ex-Im Bank's operational efficiency and customer service to bring Ex-Im Bank in line with ECA best practices. In general, we

¹ For more information on differences between Ex-Im Bank and other G-7 ECAs, see U.S. Government Accountability Office, February 2012, *U.S. Export-Import Bank: Actions Needed to Promote Competitiveness and International Cooperation*, GAO-12-294, <http://www.gao.gov/products/GAO-12-294.pdf>.

recommend that Ex-Im Bank develop a systematic approach to defining and measuring customer satisfaction, such as an annual customer survey and a customer service plan, and participate in dialogue with other ECAs on customer service best practices. In addition, we recommend that Ex-Im Bank develop, implement, and publicize consistent performance standards and metrics throughout the agency and actively monitor performance in accordance with the GPRA Modernization Act of 2010.

We also recommend that Ex-Im Bank management implement a balanced score card approach and incorporate both quantitative and qualitative metrics. Finally, we recommend that Ex-Im Bank solicit customer input on its operational performance, revisit its metrics and customer service levels to reflect customer expectations, and implement appropriate response targets for long-term credits.

I. BACKGROUND

Ex-Im Bank is the official export-credit agency (ECA) of the United States. Its mission is to support the financing of U.S. goods and services in international markets, thus promoting job creation in the United States. Ex-Im Bank accomplishes this task by assuming the credit and country risks that private sector financial institutions are unable or unwilling to accept. Concurrent with this mission, Ex-Im Bank must safeguard taxpayer resources by ensuring a reasonable assurance of repayment. Ex-Im Bank's principal programs are loan guarantees, direct loans, export credit insurance, and working capital guarantees. As a federal agency, Ex-Im Bank's programs are backed by the full faith and credit of the U.S. government.

Over the last five years, Ex-Im Bank has witnessed a substantial increase in new business with total new authorizations amounting to \$32.7 billion for FY 2011.² In addition, the level of employee efficiency – the average dollar amount of authorizations per employee – has more than doubled while the number of authorizations per employee increased from 6 to 10 during the same period. Concurrent with this growth, Ex-Im Bank has successfully implemented measures to enhance its response time performance in the Small Business Group and short term products. As a result, response time performance in the Small Business Group and short-term products showed a consistent improvement in 2010 and 2011.

Notwithstanding this progress, response time performance in the long-term structured portfolio has been mixed as Ex-Im Bank staff and IT budgets have not kept pace with the growth in new business. Indeed, the number of long term guarantees and loans processed in FY 2011 rose almost 25% over 2010 levels without a corresponding increase in staff or IT budgets. As a result, certain Ex-Im Bank stakeholders have expressed concerns about the approval times and process. For example, Donna Alexander, President of the Bankers' Association for Finance and Trade and the International Financial Services Association (BAFT-IFSA), testified in Congress last year that Ex-Im Bank "program processing inefficiencies are generally manifested by inordinately long processing times for transactions and ultimately can compromise some deals. This is particularly true of some small business transactions, where the costs related to lengthy processing periods can cause difficulties in completing transactions."³ Ex-Im Bank OIG also continues to receive anecdotal evidence from stakeholders that internal processing inefficiencies are resulting in longer processing times for certain transactions.

In FY 2010, Ex-Im Bank began implementing its Strategic Plan reinforcing its ability to accomplish its mission, serve a prominent role in the National Export Initiative⁴, and meet

² *Ex-Im Bank Authorizes \$3.4 Billion in Financing at Fiscal Year-End Supporting Over 20,000 U.S. Jobs*, September 30, 2011, Ex-Im Bank Press Release, <http://www.exim.gov/pressrelease.cfm/5BFB12B0-CCF4-B6E4-0546FC19AA3BE72D/>

³ Ms. Alexander's testimony can be found at <http://financialservices.house.gov/uploadedfiles/052411alexander.pdf>.

⁴ President Obama announced the National Export Initiative in his 2010 State of the Union Address and set the goal of doubling U.S. exports by the end of 2014.

its Congressional mandates in future years. Ex-Im Bank's vision is to create and sustain U.S. jobs by substantially increasing the number of companies it serves and expanding their access to global markets. The strategic plan consists of three primary goals:

- expand awareness of Ex-Im Bank services through focused business development and effective partnerships.
- improve ease of doing business for customers.
- create an environment that fosters high performance and innovation.

Through implementation of its strategic plan, Ex-Im Bank hopes to get more U.S. companies to export to more countries and more customers, and thereby create more jobs in the United States.

ECA Focus on Operational Performance

Although ECAs may pursue different philosophical tenets and national policies, negotiations among G-7 ECAs have led to a convergence in program features, particularly with respect to sovereign transactions. The resulting Organization for Economic Co-operation and Development (OECD) Arrangements (OECD, 2011) establish a common framework for core financing elements, risk ratings, and minimum pricing levels. The underlying objective is to provide a level playing field for exports and to encourage competition among exporters based on the quality and price of goods and services, rather than on the most advantageous government-sponsored financing terms.

The convergence in programs has engendered a greater focus on operational performance and customer service levels to enhance ECA competitiveness. From the standpoint of the ECAs, performance metrics for customer service often focus on the following areas:

- Transaction response time, including the speed of application processing, decision-making, and claims processing
- Availability and knowledge level of staff to answer questions
- Information requirements and supporting documentation for applications
- Customer interface with IT platform (including the on-line application process, availability, and quality of information, etc.)

Performance Metrics

Performance metrics allow management to track progress toward its objectives in a transparent manner. In addition, they provide insightful data that can be utilized for a variety of purposes: to ensure resource alignment, highlight potential problems and take corrective action, develop strategy, and to incentivize performance.

GPRA established the framework for results-oriented planning, measurement, and reporting in federal government agencies. The GPRA Modernization Act of 2010 significantly revised the performance framework for federal agencies creating a more defined performance framework by defining a governance structure and by better connecting plans, programs, and performance information. The new law requires more

frequent reporting and reviews (quarterly instead of annually) that are intended to increase the use of performance information in program decision-making.

Executive Order on Improving Customer Service

The importance of operational efficiency and customer service was recently underscored by President Obama's Executive Order 13571, entitled "Streamlining Service Delivery and Improving Customer Service." Building upon earlier Federal initiatives, the order requires Federal Agencies (and requests that independent agencies, such as Ex-Im Bank⁵) to develop customer service plans and standards required by the GPRA Modernization Act of 2010 and to learn and implement best practices from the private sector. In addition, agencies are to benchmark their performance against both internal standards and those of the private sector. Finally, the order requires agencies to establish a "signature" initiative for using technology to transform customer service.

II. EVALUATION OBJECTIVES

As part of its broader mission to evaluate Ex-Im Bank performance, policies and procedures, Ex-Im Bank OIG conducted an evaluation of Ex-Im Bank's operational performance with a particular focus on transaction response time and customer service satisfaction. . Response time is an important metric as it contributes to the Bank's overall competitiveness and is a critical factor in Ex-Im Bank's clients' ability to generate new export business.

The evaluation consists of two phases. Phase One entails a review of Ex-Im Bank's metrics for operational efficiency and a comparison of those metrics with other ECA practices based on an OIG survey of twelve other ECAs (ECA Survey). Phase Two consists of an Ex-Im Bank customer satisfaction survey to be conducted by Ex-Im Bank OIG in April, 2012. The customer survey will provide valuable feedback on customer priorities and Ex-Im Bank's perceived performance.

The objectives of Phase One are:

- To determine ECA best practices related to operational performance and the measurement of customer satisfaction.
- To assess the adequacy of Ex-Im Bank practices related to operational performance and the measurement of customer satisfaction.
- To benchmark current Ex-Im Bank practices and performance metrics against ECA best practices.
- To highlight the areas where Ex-Im Bank performance falls short of ECA best practices and to provide recommendations.

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Section 5 of Executive Order 13571 states that "independent agencies are requested to adhere to this order." EO 13571 can be found at <http://www.gpo.gov/fdsys/pkg/FR-2011-05-02/pkg/2011-10732.pdf>.

Data for the evaluation are drawn from four principal sources: (i) a review of internal reporting systems including Electronic Reporting System (ERS) and related management reports, (ii) interviews with Ex-Im Bank staff, (iii) interviews with a select group of ECA peers and (iv) a broader survey of other ECAs on performance metrics for operational efficiency and best practices. The survey focused on ECA best practices, such as the selection and measurement of performance metrics for operational efficiency, recently-introduced initiatives to improve customer service, and how institutions balance competing agendas of timely customer response and the need to complete satisfactory transaction due diligence.

Survey respondents included twelve ECAs: Export Development Canada (EDC), SACE, Euler Hermes, Ex-Im Bank, Finnvera, Atradius, UK Export Finance (formerly ECGD), Export-Import Bank of Korea (K-Exim), Export Guaranty and Insurance Corporation (EGAP), EKF, EKN, and New Zealand Trade and Enterprise (NZTE). In preparing the survey, Ex-Im Bank OIG sought input from various internal product groups as well as other ECAs.

III. FINDINGS AND RECOMMENDATIONS

Phase One of the evaluation produced several findings and attendant recommendations which are outlined below and divided into two categories: Customer Satisfaction and Performance Objectives and Metrics for Operational Efficiency.

A. Customer Satisfaction

Finding A: Ex-Im Bank lacks a systematic approach to soliciting customer feedback on its performance and the overall level of customer satisfaction. Indeed, Ex-Im Bank has not conducted a comprehensive customer survey since 2004.

Soliciting customer feedback in a timely and systematic manner provides valuable insight as to customer priorities, perceived performance, areas for improvement, and informs future resource allocation. Our ECA Survey shows that agencies should be proactive and survey their clients on a regular and systematic basis. In particular, the ECA survey confirmed the relative importance of customer service with all ECA's responding that customer satisfaction was either "very" or "extremely" important in achieving organizational objectives.

A systematic approach to defining and measuring customer satisfaction is critical as differences in definition and data collection procedures within an organization may generate ambiguous results. Despite the challenges, customer feedback on operational performance provides valuable insight on the alignment of resources and customer needs.

ECA survey respondents cited several practical suggestions on soliciting customer feedback. First, embedding the feedback solicitation in the overall customer experience, i.e., at the end of the transaction. This increases the response rate and results that are more accurate. Second, using focus groups to inform survey design. Third, cross-validating the results of survey analysis with focus groups and select interviews. Finally, utilizing annual

surveys to determine the current and future needs of clients—an important initiative given the challenging economic environment.

As mentioned above, President Obama's recent Executive Order 13571 requests that independent agencies develop a customer service plan to streamline service delivery and improve customer experience. To this end, the OIG recently authored a customer satisfaction survey in conjunction with Ex-Im Bank to be conducted in April, 2012. The customer survey will provide valuable feedback on customer priorities and the perceived performance of Ex-Im Bank.

Recommendations:

- 1) Ex-Im Bank should develop a systematic approach to defining and measuring customer satisfaction. An important component of this initiative is to implement a customer survey on an annual basis to validate the priorities of its customers and to solicit feedback on Ex-Im Bank's performance.
- 2) Ex-Im Bank should develop a customer service plan in accordance with Executive Order 1357 on improving customer service.
- 3) Ex-Im Bank should participate in an inter-ECA dialogue on operational performance and customer service to learn more about ECA best practices.

Management Response:

Please refer to Appendix D; Page 32.

B. Performance Objectives and Metrics for Operational Efficiency.

Finding B: Although Ex-Im Bank tracks certain key performance indicators, to date, Ex-Im Bank has not published comprehensive performance objectives, standards for acceptable performance, and metrics to measure progress in its credit programs in accordance with GPRA.⁶ Our ECA survey revealed that an ECA best practice is the implementation of agency-wide performance metrics that address both quantitative and qualitative factors.

With regards to transaction response time, while Ex-Im Bank tracks such time for its short-term and Small Business portfolio, it lacks transaction response targets for the long-term loan and guarantee programs. These programs account for over 80% of the total dollar volume of Ex-Im Bank authorizations. Ex-Im Bank has recently started to generate a list of long-term transactions that have reached 100 days in the system. This list is provided to Ex-Im Bank's Chief Operations Officer (COO) on a recurring basis and gives the COO and other senior managers the opportunity to see transactions that have reached this milestone.

Beginning in February 2012, under the GPRA Modernization Act of 2010, Ex-Im Bank must, among other requirements, prepare an agency performance plan to establish performance goals and indicators, describe how the goals will be achieved and measured, and describe major management challenges the agency faces along with planned actions to address such challenges.

Recommendation:

- 4) Ex-Im Bank should develop and implement consistent performance standards and metrics throughout the agency and actively monitor performance in accordance with the GPRA Modernization Act of 2010. Such performance metrics should be published and progress tracked on Ex-Im Bank's website in the interest of greater transparency.

Management Response:

Please refer to Appendix D; Page 32.

⁶ This finding was also cited in an OIG memo dated December 2, 2010 to Ex-Im's General Counsel. The memo highlighted that Ex-Im was not issuing an annual Performance and Accountability Report under the Report Consolidations Act of 2000. The General Counsel responded that Ex-Im would be in compliance with GPRA in FY 2012.

Finding C: Ex-Im Bank currently defines its operating efficiency in largely quantitative terms—citing the volume of exports financed, number of jobs supported, and the number of authorizations per employee. While these measures are key to Ex-Im Bank’s mission, they do not address important qualitative issues such as the level of customer satisfaction, or the level of perceived relevance to Ex-Im Bank clients.

As noted above, Executive Order 13571 places particular emphasis on developing customer service plans and standards that implement best practices from the private sector. Our ECA survey revealed that an ECA best practice is to include both quantitative and qualitative measures, such as customer satisfaction levels, as metrics in agency performance plans. For example, certain ECAs implement a balanced scorecard approach and incorporate customer satisfaction as an important metric for the appraisal process. Other qualitative measures used by other ECAs include:

- Net Promoter Score: This metric seeks to determine the degree to which ECA clients would recommend it to a fellow exporter.
- Measure of Significance: A macro variable that measures the level of significance of the ECA to a client’s operations.
- Quality of Service: A variable that relates to the perceived level of quality of a service provided.
- Knowledge Level and Availability of Staff: A variable that requests clients to rate the knowledge level and availability of staff to answer questions.

Recommendations:

- 5) Ex-Im Bank management should redefine its performance measures and implement a balanced score card approach, incorporating both quantitative and qualitative metrics in its agency performance plan.

Management Response:

Please refer to Appendix D; Page 32.

Finding D: Ex-Im Bank customer service metrics for response time largely reflect internal policies and constraints, with insufficient input from customers. Absent a consistent approach to solicit feedback, Ex-Im Bank management may only be privy to anecdotal comments and not to comprehensive customer priorities.

Our ECA survey revealed that customer service metrics for response time should be established in accordance with the needs of the customer base. ECA survey respondents commented that performance metric targets for response time are set in consultation with the client and based on feedback from periodic customer surveys. Several ECAs highlighted the importance of transparency and communication throughout the transaction as effective tools to manage customer expectations. As one respondent noted, “We maintain a close dialogue with clients throughout the transaction to communicate policy guidelines and to understand their timing constraints.”

Further, we found inconsistent approaches to measuring customer response time at Ex-Im Bank. Certain product groups wait for a complete application before tracking response time while others may start earlier but “stop the clock” while waiting for customers to respond to information requests. In addition, product groups may use different milestones to measure response time, including the following cycles: application to letter of interest, application to credit approval/authorization, application to final delivery or closing, etc. Although differences in program features may suggest different approaches, operational performance metrics should be consistently defined and implemented throughout Ex-Im Bank.

Recommendations:

- 6) Ex-Im Bank should solicit customer input on its operational performance and revisit its metrics and customer service response time levels to reflect customer expectations.
- 7) Ex-Im Bank should develop a uniform response time cycle to effectively measure performance.

Management Response:

Please refer to Appendix D; Page 32.

Finding E: Ex-Im Bank needs to improve the monitoring of transaction response time for long-term guarantees and direct loans. As noted above, the CEO of BAFT-IFSA noted how various stakeholders believe that long transaction times can compromise deals. Similarly, Ex-Im Bank OIG continues to receive anecdotal evidence from stakeholders that internal processing inefficiencies are resulting in longer processing times for certain transactions.

Transaction response time contributes to Ex-Im Bank's overall competitiveness and is a critical factor in its clients' ability to generate new export business. Although revenues per employee have risen, response time for long-term products has suffered as Ex-Im Bank staff and IT budgets have not kept pace with the growth in new business. As a result, certain Ex-Im Bank clients have complained in the past about the approval times and process. Interviews with Ex-Im Bank product managers confirmed that customers' feedback suggests the need to improve the response time of at least one of the following processes: application process, decision-making, and claims processing.

Our ECA survey revealed that ECAs view response time as an important factor in the ability of customers to win additional export business and to enhance competitiveness. In addition, respondents felt strongly that response time is an important driver of customer satisfaction and represents a shared responsibility with the client. When asked in which areas clients request better customer service, ECA survey responses identified transaction response time as the most frequently cited. Others included information requirements, availability, and knowledge level of staff, and client interface with the agencies' IT platform.

Data on Transaction Response Times

Although Ex-Im Bank has made substantial progress in its efforts to implement response time metrics within the Small Business Group, the long-term loan and guarantee activities lack precise metrics. Ex-Im Bank has recently started to generate a list of long-term transactions that have reached 100 days in the system. This list is provided to Ex-Im Bank's COO on a recurring basis and gives the COO and other senior managers the opportunity to see transactions that have reached this milestone. Actual response time for long-term loan and guarantee activities as measured by "Average Days to Decision" has increased since FY 2009.

In addition, there is substantial variance in the mean monthly scores for response times as indicated below. For the purpose of this analysis, the Inspector chose "average days to decision" rather than "average days to authorization." The former includes transactions that were not approved and/or unassigned.

A review of Ex-Im Bank's ERS information reporting system illustrates the following response time performance per division:

Long- and Medium-Term Guarantees — New Business

Long-term guarantees represent 63.5% and 63.1% of Ex-Im Bank's total dollar outstandings at FY 2010 and FY 2011 respectively. Average days to decision rose from 126 days in FY 2009 to 186 days in FY 2010, and totaled 140 days in FY 2011. There is also substantial variation in the mean monthly scores in FY 2011 ranging from 91 days to a high of 308. At present, Ex-Im Bank has not clearly defined internal response time metrics for long-term guarantees, nor are there other metrics for operational efficiency. Medium-term guarantees account for only 2.0% of the total portfolio for FY 2011.

Long- and Medium-Term Loans — New Business

Average days to decision for long-term loans rose from 92 days in FY 2009 to 260 days in FY 2010. Although the 2011 average declined from 2010 levels, it is still well above the 2009 average. In addition, there is substantial variation in the mean monthly scores in FY 2011 ranging from 128 days to a high of 302 days. As with long-term guarantees, Ex-Im Bank has not set an internal response time metric for long-term loans. Long- and medium-term loans comprise 18.8% of total FY 2011 Ex-Im Bank dollar exposure.

Export Credit Insurance

Insurance products account for approximately 10.4% of the total portfolio, with short-term insurance products accounting for the bulk of the volume. Export credit insurance consists of three categories: Short-Term Multi-Buyer activity, Single-Buyer activity and Special Buyer/Issuing Bank Credit Limits (SBCL's/IBCL's). The Trade Credit Insurance division (TCI) processes most of the Multi-Buyer and SBCL/IBCL activity. The TCI division has set an overall turnaround time of under 15 days as the customer service level.

To this end, TCI has implemented several measures to boost performance:

(i) supplementing staff by two permanent underwriters and four underwriters in the field; (ii) modifying performance appraisal goals to reflect cycle time objectives; (iii) simplifying processes, incorporating more automated decision-making of smaller transactions; and (iv) systematizing manager review of stale cases on a weekly basis. TCI management confirmed that it has implemented these measures and has met the following performance standards in 2011.

TCI PERFORMANCE LEVEL TARGETS

Policies	“Fully Effective”	“Excellent”	“Top Performer”
New & Amend ST Multi-buyer Policies (incl. delegated auth.)	15 work days	10 work days	7 work days
ST Express Export Credit Insurance (no delegated auth.)	10 work days	7 work days	5 work days
Multi-buyer Policy Renewal	Prior to expiry	Prior to expiry	14 days before expiry
Buyer Credit Limits < \$300,000 (new)	7 work days	6 work days	5 work days
(renew)	5 work days	4 work days	3 work days
\$300,001- \$1MM	10 workdays	8 work days	6 work days
\$1MM - \$10MM	20 work days	15 work days	10 work days

Working Capital Finance (WCF)

WCF accounts for approximately 10% of the total FY 2011 authorizations. Transaction response times are delineated in terms of how the transaction credit is approved with three primary categories: Delegated Authority Transactions, Fast Track Transactions, and Non Delegated Authority. Of the three, Delegated Authority accounts for 90% of total volume. These transactions are approved and funded by other banks under the program, with notice provided to Ex-Im Bank. As such, Ex-Im Bank’s performance does not directly affect delivery of credit to the customer.

Fast Track Transactions also fall under the delegated authority program but fall outside the standard approval guidelines. These transactions are generated by a small group of experienced lenders and must be reviewed by Ex-Im Bank within a ten day period. Finally, Non Delegated Authority Transactions must be underwritten by Ex-Im Bank. This involves a full credit analysis with longer response times. However, they represent only 6% of total WCF transactions in 2011.

WCF reached its targeted objective of an all-in turnaround time of 25 days by year end 2011. To this end, the division implemented several measures. First, the division hired two additional relationship managers to improve response times for non-delegated authority transactions. Second, WCF implemented a tighter weekly reporting mechanism. The latter helps management identify and resolve problems in a timely manner. According to WCF management, quicker resolution of outstanding issues should result in an overall improvement in turnaround times.

Recommendations:

- 8) Ex-Im Bank should implement improved monitoring procedures and appropriate response time targets for long-term guarantees and loans. Metrics should reflect the inherent complexity of long-term structured financings and should be established in consultation with clients to better understand their priorities.

Management response:

Please refer to Appendix D; Page 32.

IV. SCOPE AND METHODOLOGY

The scope of the program evaluation consists of three phases, each with specific deliverables.

Phase I: Planning, Research, and Compliance

- Design and organize the program evaluation. Key deliverables include the scope, methodology, objectives, timetable, and points of inquiry.
- Obtain IG sign off.
- Draft ECA survey on operational efficiency; review with Ex-Im Bank staff.
- Communicate with internal staff and external contacts regarding the survey.

Phase II: Research and Analysis

- Review current Ex-Im Bank policies and procedures related to operational efficiency, including steps Ex-Im Bank is undertaking to improve its response time performance.
- Review historical response time performance per product line (short and medium-term programs).
- Interview Ex-Im Bank product managers.
- Interview other ECA's.
- Conduct ECA survey.
- Compile and analyze survey results including basic descriptive statistics.
- Determine ECA best practices.
- Benchmark Ex-Im Bank performance against ECA best practices.

Phase III: Verification and Final Report

- Validate the results of the study and produce a final report.
- Present survey results and discuss with participants.
- Advise management on a future course of action; provide practical suggestions to improve performance measurement.

APPENDIX A- ECA SURVEY RESULTS ON PERFORMANCE METRICS FOR OPERATIONAL EFFICIENCY

September 2011

- 1) To what degree do the following phrases accurately describe your organization’s approach to setting performance metrics for operational efficiency? Please select a value from the following range: 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10 (with 10 = most accurately describes); don’t know: NA

	RANGE	MEAN
Performance targets vary from product to product	1-10	8.4
Performance targets reflect ECA best practices	NA	NA
Performance targets are in line with ECA peers	NA	NA
Performance targets reflect the needs of our client base	3-10	7.5
Performance targets are included in the management objectives	7-10	9.2
Performance targets are critical to achieving operational efficiency	3-10	7.2
Performance targets largely reflect our internal policies and constraints	5-10	7.5

Most ECA respondents confirmed that performance metric targets reflect internal policies and constraints but also the needs of their customer base. Mean score for both was 7.5. Second, practically all ECA’s commented that performance metric targets are included as management objectives with a mean score of 9.2. Several ECA’s referenced different performance targets across product lines. Finally, several highlighted the importance of transparency and communication throughout the transaction as effective tools to manage customer expectations.

Select ECA Comments follow:

“We maintain a close dialogue with clients to communicate policy guidelines and to understand their timing constraints.”

“We have set Performance metric targets in line with business strategic development.”

“On a broad level our Financial Objectives are set by Treasury...one of these financial objectives demands that we generate enough premium over time to cover all risk and administration costs. We report against these annually in our Annual Report and Accounts. At the same time our organization is also

set administrative expenditure limits, spread over three years...based upon a review of operational efficiency and effectiveness. “

“We have up to now no real dedicated people to look at this product by product or division by division, however, given that we are reorganizing the business for the future we will have people in charge for that throughout the organization.”

“We use seven performance metric targets spread across our balanced scorecard.”

- 2) How important is customer satisfaction to achieving your organization’s overall objectives?

Please select one value:	Frequency	Mode
Extremely important	4	
Very important	7	Very
Somewhat important		
Less important		

The importance of customer service resonates well with ECA’s. Indeed, the survey results confirmed the relative importance of customer service with all ECA’s responding that customer satisfaction was either “very” or “extremely” important in achieving organizational objectives. That said, there may be occasions when internal policies conflict with customer requests. Several ECA’s commented that they have created dedicated units to resolve potential client service issues.

Select ECA Comments follow:

“Over the past years, we have established a separate Customer Care Unit, specifically in response to the importance it gives to customer satisfaction; the satisfaction of our clients is amongst our main corporate objectives. Our Customer Care includes services such as a toll-free number and a dedicated email address for information enquiries.”

“This is our absolute main goal for exporters and banks as well as our guardian authorities.”

“There are instances where we must decline an application, which can conflict with the customers’ position. We attempt to be as transparent as possible when assessing client needs to keep their expectations as realistic as possible.”

- 3) Please rank the relative importance of each operational factor as a driver of customer satisfaction. Please select a value from the following range: 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10 (with 10 = most important); don't know: NA

	Range	Mean
Overall transaction response time	7-10	9.0
Speed of application processing	7-10	8.6
Speed of decision making	7-10	8.6
Client interface with IT platform/ on line application process	1-10	6.1
Availability of information on web site	5-10	6.4
Information/documentation requirements for applications	4-10	7.5
Speed of Claims processing	3-10	7.5
Availability and knowledge level of staff	7-10	8.6
Other, please specify		

Among the potential drivers, transaction response time, speed of application, decision making and availability/knowledge level staff rank the highest.

Select ECA Comments follow:

“The importance of each of the above factors should be assessed in respect to the transaction type (e.g. for complex transactions, the availability and knowledge of staff is more relevant than that of transaction response time as a measure). With respect to information/documentation requirements for applications, we give importance to the transmission of information quality, rather than the parameter of receipt of an official application form. This provides for a more flexible approach in dealing with the client, as the review of a transaction is initiated as soon as the relevant information is made available. The process would overall require that an application be provided, but our review is conducted even prior to having received one.”

“We have just recently simplified our application forms in order to satisfy customer demand.”

“We do not offer an online application platform. This recognizes that the majority of our clients are SME's and one-to-one education is critical to support exporters offering finance or to meet buyer requirements.”

- 4) How often does your organization measure customer satisfaction regarding operational efficiency by utilizing a systematic approach including surveys and/or questionnaires?

Please select one value:	Frequency	Mode
Once a year or more	5	X
Every two years	2	
Every three years	1	
Every four to five years		
Ad hoc basis	2	
We do not use survey techniques		

Customer feedback on operational performance provides valuable insight on the alignment of resources and customer needs. Methodology used to measure customer satisfaction differs among the various ECA's. On one end of the continuum, several institutions employ an anecdotal approach and measure customer satisfaction infrequently. On the other end, five ECA's commented that they measure customer satisfaction at least once a year, while two replied every two years.

Best practices dictate that ECA's act proactively and survey their clients on a regular and systematic basis. ECA respondents cited several practical suggestions. First, to imbue the solicitation for feedback in the overall customer experience, perhaps at the end of the transaction. This increases the response rate and may result in results that are more accurate. Second, to use focus groups to inform survey design. Third, to cross validate the results of survey analysis with focus groups and select interviews. Finally, to utilize annual surveys to determine the current and future needs of their clients—an important initiative given the challenging economic environment.

Select ECA Comments follow:

"A customer satisfaction survey is conducted on an annual basis. The results drawn from the survey are included within the MBO."

"We are doing a customer satisfaction survey nearly every 3 years, however, this is not focused on operational efficiency only"

"Our last survey (administered in 2010) sought responses from exporters, banks and industry representative organizations. The purpose of this survey was two-fold. It was designed to assess the current and expected needs of exporters and banks during the financial crisis (i.e., aimed to gauge exporter

and banks product needs); and secondly, sought feedback on our operational efficiency.”

“We initiated a yearly customer satisfaction survey approach in spring 2011. Next measurement will be in the fall of 2012.”

- 5) To what degree do the following statements accurately reflect your agency’s experience with transaction response time? Please select a value from the following range: 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10 (with 10 = most accurately describes); don’t know: NA

	Range	Mean
Response time is an important factor in the ability of our clients to win additional export business.	5-10	7.5
Response time contributes to our overall competitiveness.	5-10	7.9
Response time is actively monitored.	1-10	7.8
Response time is closely linked to our IT capabilities.	1-10	6.1
Response time is closely linked to individual accountability and the allocation of responsibilities within our organization.	1-10	6.4
Response time largely meets the expectations of our customers.	7- 9	8.1
Response time is a shared responsibility with the client. Clients must submit a complete an accurate application on a timely basis.	1-10	7.8

ECA’s view response time as an important factor in the ability of customers to win additional export business and to enhance ECA competitiveness. On a 1-10 scale, mean scores were 7.5 and 7.9 respectively. In addition, ECA’s felt that response time meets the expectations of our clients as evidenced by a mean score of 8.1 Finally, most ECA’s view response time as a shared responsibility with the client with a mean score of 7.8.

Select ECA comments follow:

“We regard timeliness of application assessment (aka ‘handling time’) as an important part of customer service. At the time an application is received, we inform our clients of the estimated timeframe for the assessment and formal outcome of their application. We seek to inform our clients if the process for assessing their application is delayed (i.e., if the assessment of their application is delayed because it is taking longer than usual to obtain financial statements from an overseas buyer).”

“transaction response time is closely linked to our IT capabilities,” specifically for small and medium sized enterprises...Transaction response time is dependent on all actors, so we do not attribute it to individual responsibility. It is on a case by case basis.

“Our organization does not currently formally collect and report on response times, but relies on the local management to maintain appropriate levels of performance. It did pilot a set of performance metrics a few years ago, which supplied some limited data on response times, but these were discontinued.”

“Our organization has various internal guidelines for response times, which mainly depends on the transaction structure and relevant product. The median response time and timeframe varies, for instance should a transaction be channeled through our online platform or should it rather require more thorough risk assessment for complex structures.”

6) Which of the following time frames is more commonly used to measure internal response time?

	Frequency	Mode
From submission of complete application to delivery of initial letter of interest.	0	
From submission of complete application to final credit approval.	2	
From submission of complete application to delivery of proposed terms and conditions.	1	
From submission of complete application to transaction closing.	4	X
Other—please state:	2	

Approaches to measuring response time differ among ECA’s and among products within the same organization. Some ECA’s wait for a complete application before tracking response time; others start earlier but “stop the clock” while waiting for

customers to respond to information requests. In addition, ECA's use different milestones including application to letter of interest, application to credit approval/ authorization, application to final delivery, etc. Certain ECA's use multiple milestones with distinct service levels for each product. From a best practice perspective, it is important to remember that the customer's view may not be point to point, but rather the "totality of the experience."

Select ECA Comments follow:

"We also monitor and measure the preliminary evaluation service, which is done through our online platform. The time frame measured is from submission of preliminary request to preliminary response provided."

"From submission of application (complete or not) until delivery of offer"

"We measure and track each of these, but our service standards are based on the one selected."

- 7) Have you been encouraged by your customers to provide better customer service? If yes, in which area?

	Frequency	Mode
Information requirements for applications	4	
Documentation for application processing	5	
Access to on line application process	5	
Speed of application processing	6	X
Speed of decision making	5	
Speed of Claims processing	5	
Availability of staff to answer questions	4	
Knowledge level of staff	5	
Availability of information on web site	1	
IT platform	2	
Other, please specify	2	

In terms of customer feedback, practically all ECA participants have been encouraged to improve the response time of at least one of the following processes: application process, decision-making, and claims processing.

On the other hand, the results from question five suggest that ECA's believe their response times "largely met the needs of the clients" with a mean score of 8.1. Additional areas often cited by clients include:

- (i) information/ documentation requirements, and
- (ii) knowledge level of staff to assist clients.

Select ECA Comments follow:

"In the past we have been encouraged to streamline and simplify the text of our insurance policies and guarantees"

"At present, our main focus is actually on the customers who are not in contact, or who may be unaware of our organization. We are engaged in a marketing program to raise awareness of our organization and its products and services among potential customers, particularly SMEs."

- 8) To what extent is employee performance dependent upon the degree to which operational efficiency metrics are met?

Please select a value from the following range:	Range	Mean
1, 2, 3, 4, 5, 6, 7, 8, 9, 10 (with 10 = most important); Don't know: NA	1-10	6.7

Although virtually all ECA's commented on the importance of customer service, five responded that this metric is either not used or has less importance in the annual appraisal process. This may be due in part to the inherent difficulty of measuring customer satisfaction objectively. Second, management may define success parameters largely in quantitative terms—touting the volume of exports financed, number of jobs supported, and revenues per employee. While these measures are important, they do not address the underlying issue of customer satisfaction.

Best practices suggest including customer satisfaction levels as a metric for performance appraisals and incentive compensation. For example, certain ECA's implement a balanced score card approach and incorporate customer satisfaction as an important metric for the appraisal process.

Select ECA Comments follow:

"Customer Satisfaction is among a number of factors that affect how employee performance is assessed. These are incorporated in the overall MBO but are not per se a factor that drives the individual employee performance. Other various factors, including sound underwriting practices are amongst the main drivers."

- 1) “Our Underwriters are the key drivers of the process and have to coordinate with all other associated in charge.”

“New suite of KPI’s included, i.e., managerial metrics for 2011/12 which measure ‘handling times’ and transactions per underwriter”

“We focus on skill sets.”

- 9) To what extent is operational efficiency defined by the following factors? Please select a value from the following range: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 (with 10 = most important); Don’t know: NA

	Range	Mean
Qualitative (compliance with policy issues, due diligence, loss experience, etc.)	6-10	7.9
Quantitative (speed, number of applications processed, etc.)	5-10	6.0
Both Qualitative and Quantitative factors	5-10	8.6

Select ECA Comments follow:

“We have five overall company targets that are measured quantitatively and two that are measured qualitatively. These targets do to an extent reflect operational efficiency within the company. Especially since all overall company targets are cascaded down through the organization. Each department has three qualitative and three quantitative targets that contributes to the realization of the overall targets.”

- 10) Please describe any operational measures/performance metrics that you have recently introduced as well as initiatives to implement them. Comments follow:

“We prepare a variety of monthly internal reports, which provide an overview of the operational efficiency such as the processing of transactions. Such reports include breakdown by geography, response times, product type and other similar indications.”

“At year end (2011) our aim is that 25 percent of all applications will be submitted via on-line (15 percent at end of May).”

“Management for the respective division is charged with tracking performance. We have no internal operational measures which are tracked by a central group.”

“We have introduced a yearly customer satisfaction survey and an employee satisfaction survey every second year. Based on the measurements, new targets are identified and specific improvements to ensure that the targets will be reached.”

“We have recently implemented key performance indicators for 2011/12 including:

- Claims, provisions & Expected Loss/Total Actual Exposure
- Claims, provisions, movement in EL/profit before tax, provisions and claims & movement in EL
- Claims, total provisions & Expected Loss/Notional cash balance
- Operating Expense/Earned premium plus applications fees
- Operating Expense (ST-TCG) / Number of ST-TCG transactions (\$ actual)
- Operating Expense (ECG, W/C and Bonds) / Number of ECG, W/C and Bond transactions (\$ actual)
- Revenue Growth
- Growth in Total Exposure and undrawn commitments
- NPAT, claims, provisions and EL movement/Average Exposure”

- 11) What is your approach towards balancing competing agendas of timely customer response and the need to complete satisfactory transaction due diligence, credit analysis and policy compliance?

“The organization and division of various tasks in the whole transaction processing phase is separated between different departments, which overall provides a balanced approach in the underwriting of transactions. Sound underwriting practices are the backbone and principal element of our business model. As such, our internal processes have been designed in such a way as to ensure that the two competing agendas as mentioned in your question are not detrimental to one another. We have internal operative instructions that outline the complete process, including the division of responsibilities that much play the role of a system of checks and balances. Furthermore, regular meetings and information sharing software assist to process information and transactions in a timely, efficient and compliant manner.”

“We are determined not to waive proper due diligence etc.”

“Our focus in the past three years has been on process and systems efficiency and effectiveness, without any compromise on due diligence or credit analysis. “

“There are no specific guidelines other than keep the customers happy and be as accurate as you can, however, we have off course some standardized forms like our credit reports which need to have an acceptable level of accuracy before getting released.”

“We set clear expectations regarding due diligence required and the timeline for execution. i.e., timelines and information requirements are product-specific. For example, for the ST trade credit insurance assessment information has been streamlined and there are sub-delegations in place to quicken the approval

process. Guarantee documentation and information requirements has also been streamlined.

We also clearly communicate our requirement that transactions will not be underwritten if counterparties cannot be appropriately assessed.”

“No policies on timely customer response. Focus is primarily on overall customer satisfaction for which yearly targets are set and on proper credit analysis and policy compliance.”

APPENDIX B – AVERAGE DAYS TO DECISION MONTHLY AVERAGES

		Average Days to Decision														
Fiscal Year Type	Month Product	FY11										FY10			FY10	FY09
		09	08	07	06	05	04	03	02	01	12	11	10			
New	Medium-term Loan					70	56				238			335	56	
	Long-term Loan	275	197	128	133	250	203	302	250	259	129	99	272	260	92	
	Medium-term Guarantee	31	60	61	93	69	70	109	61	65	74	55	105	97	80	
	Long-term Guarantee	183	135	104	91	97	114	89	143	308	51	234	103	186	126	
	Short Term Insurance	20	20	17	20	20	19	19	21	30	23	23	21	31	34	
	Medium-term Insurance	32	61	50	38	69	51	54	82	90	45	48	49	55	85	
	Short Term Working Capital	30	60	71	46	61	41	54	59	50	52	39	1	41	47	
	APS Medium-term Closed	35	164		63					165			141	88	21	6
	APS Medium-term Pending									120						
	APS Long-term Closed	42	45	148	143	178	135	254	362		143	159	137	220	142	
	APS Long-term Pending									156				78		
SBCL- New	Short Term Insurance	7	8	6	7	6	4	5	6	6	8	10	9	12	11	
Amendment	Medium-term Loan					70					91			136		
	Long-term Loan	199	79	159	106	439				78		129	279	377	238	142
	Medium-term Guarantee	11	6	21	-12	14	36	124	1	185	52	7	5	106	30	
	Long-term Guarantee	58	178	68	71	174	151	98	164	358		43	72	192	108	
	Short Term Insurance	3	4	3	3	3	4	2	3	4	5	5	7	6	4	

		Average Days to Decision													
Fiscal Year	Month	FY11									FY10			FY10	FY09
		09	08	07	06	05	04	03	02	01	12	11	10		
Type	Product														
	Medium-term Insurance	5	7	16	6	7	10	5	8	11	8	6	3	12	13
	Short Term Working Capital	44	35	81			74	43	29	57	51	39		36	41
SBCL-Amendment	Short Term Insurance	5	6	5	5	5	5	5	6	8	7	9	9	10	10
Renewal	Short Term Insurance	39	43	33	34	26	33	29	36	32	41	43	40	46	43
	Short Term Working Capital	27	64	78	51	36	27	66	86	72	58	24		41	36
SBCL-Renewal	Short Term Insurance	3	3	3	3	3	4	5	5	5	4	7	7	5	6

Source: Ex-Im Bank ERS Report; October 2011

APPENDIX C – PRODUCT VOLUMES

(in millions)

	FY 2011		FY 2010	
Outstanding Guarantees	\$47,844.0	53.7%	\$43,857.8	58.2%
Outstanding Loans	8,109.7	9.1%	6,447.0	8.6%
Outstanding Insurance	2,444.8	2.7%	2,377.6	3.2%
Outstanding Claims	1,677.6	1.9%	2,318.2	3.1%
Total Outstanding	60,076.1	67.4%	55,000.6	73.1%
Undisbursed Guarantees	13,585.1	15.2%	7,971.1	10.6%
Undisbursed Loans	8,622.7	9.7%	4,753.3	6.3%
Undisbursed Insurance	6,868.1	7.7%	7,488.9	10.0%
Total Undisbursed	29,075.9	32.6%	20,213.3	26.9%
Total Exposure	\$89,152.0	100.0%	\$75,213.9	100.0%

APPENDIX D – MANAGEMENT RESPONSE



EXPORT-IMPORT BANK
OF THE UNITED STATES

March 16th, 2012

Mr. Osvaldo L. Gratacós
Inspector General
Office of the Inspector General
Export-Import Bank of the United States
811 Vermont Avenue NW
Washington, DC 20571

Dear Inspector General Gratacós,

Thank you for providing Ex-Im Bank management with the Office of the Inspector General (OIG)'s Report on Performance Metrics for Operational Efficiency – Phase One.

Bank management agrees with many of your suggestions. We have instituted a performance management architecture that is consistent with guidance received from OMB and is right-sized given this agency's resources. You will be happy to know that we have implemented or are in the process of implementing several measures in line with this performance management architecture and the suggestions in your report:

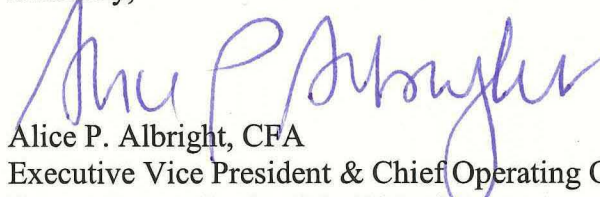
- The Bank has a 5-year strategic plan with goals, has implemented metrics to track progress towards these goals, and conducts monthly performance discussions based on these metrics. In fact, this month we will be publishing some of these metrics on our website to promote transparency.
- In addition to closely monitoring the turn-around time on all our high-volume programs (which are in the short- and medium-term areas), we have instituted a 100-day Stale Deal List which is reviewed weekly to ensure that any transactions in the bank for over 100 days are on-track. This review identifies and resolves any bottlenecks that may be holding up a transaction (including in the long-term program).
- We have embarked on a Total Enterprise Modernization effort to upgrade our systems (processes and technology) and make them more efficient, more customer oriented, and in-line with the needs of the market. We are also investing in additional personnel who will focus on better understanding the customer experience at Ex-Im through surveys and other means. We intend to use this feedback to shape how we undertake our business.
- As you know, the Bank publishes an annual Competitiveness Report. Management has broadened the scope of the FY2012 report to consult with a wider set of clients and parties in the export finance world to determine how Exim's policies compare to market

needs and to get a read on customer satisfaction. The FY 2013 report will build on the FY 2012 effort and will include a broader survey of Exim's customers as part of its annual assessment of competitiveness.

The report cites anecdotal evidence from stakeholders regarding inefficiencies in transaction processing. Bank leadership holds a weekly meeting of the Operations Committee to review relevant data and key issues. We would appreciate getting the detailed anecdotal evidence that you reference so that we can address the issues noted. Please supply this feedback to me so that I can share it with the Operations Committee.

Thank you again for the OIG's efforts to improve Ex-Im Bank's performance metrics and customer service. The Bank appreciates your hard work and your input. We look forward to continuing to work closely with your office.

Sincerely,

A handwritten signature in blue ink, appearing to read "Alice P. Albright".

Alice P. Albright, CFA
Executive Vice President & Chief Operating Officer
Export-Import Bank of the United States

CC: Fred P. Hochberg
Chairman & President

Ravi Arulanantham
Senior Vice President, Strategy


James Cruse
Senior Vice President, Policy & Planning

ACKNOWLEDGEMENTS

This report was prepared by Mark S. Thorum; Assistant Inspector General for Inspections and Evaluations (acting). Other Export Import Bank staff who provided technical assistance include:

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