



## Performance Shortfall Analysis

Shown below (sorted by strategic goal) are brief explanations of the reasons for significant deviations between actual and planned performance for those measures where there were significant performance shortfalls. Also provided are resolution strategies being implemented to ensure goal achievement in the future. These results are coded “red” in the measures tables beginning on page 237.

Strategic Goal 1		
Restoration and Improved Quality of Life for Disabled Veterans		
Measure	Target	Result
Compensation and Pension rating-related actions – average days to process	169	179 (R)
<b>Causes</b>	<ul style="list-style-type: none"> <li>The number of claims received continues to increase. VA received 891,547 claims in 2008, over 53,000 more than the 838,141 received in 2007.</li> </ul>	
<b>Resolution Strategies</b>	<ul style="list-style-type: none"> <li>VA hired nearly 2,000 additional employees to process claims in 2008.</li> <li>In May 2008, VA began to consolidate original and reopened disability and death pension claims to the three existing Pension Management Centers and completed the consolidation in September 2008.</li> <li>Through this consolidation, VA has already begun to realize efficiencies and greater effectiveness through specialization. The consolidation is expected to improve claims processing timeliness.</li> </ul>	
<b>Productivity Index</b>	90%	79% (R)
<b>Causes</b>	<ul style="list-style-type: none"> <li>Overall, the number of claims completed in FY 2008 increased by 9 percent. However, VA hired nearly 2,000 new employees to process claims in 2008. This significant increase in new employees decreased the output for VBA employees nationally.</li> <li>New staff undergoes extensive, curriculum-based training that occurs over several months, and it can take several years to become proficient in claims processing.</li> </ul>	
<b>Resolution Strategies</b>	<ul style="list-style-type: none"> <li>The additional staff hired in 2008 will become more proficient in claims processing in 2009, which will increase output as measured by the productivity index.</li> <li>Completion of the consolidation of the Pension Management Centers and the soon-to-be complete migration from Benefits Delivery Network (BDN) to Veterans Services Network (VETSNET) will increase efficiency and productivity.</li> </ul>	



<b>Strategic Goal 3</b>		
<b>Honoring, Serving, and Memorializing Veterans</b>		
<b>Measure</b>	<b>Target</b>	<b>Result</b>
<b>Non-rating pension actions – average days to process</b>	84	119 (R)
<b>Causes</b>	<ul style="list-style-type: none"> <li>The Pension Management Centers (PMCs) received two releases of Income Verification Matches (IVMs) to process in 2007. The receipt of these two releases negatively affected cumulative processing timeliness in 2008.</li> </ul>	
<b>Resolution Strategies</b>	<ul style="list-style-type: none"> <li>VA hired additional staff at the PMCs in 2007 and 2008, increasing this workforce from 443 in FY 2006 to 912 in FY 2008.</li> <li>In May 2008, VA began to consolidate original and reopened disability and death pension claims to the three existing Pension Management Centers and completed the consolidation in September 2008. This consolidation improves efficiency and effectiveness through specialization and is expected to improve claims processing timeliness.</li> </ul>	
<b>Compensation and Pension rating-related actions – average days to process</b>	169	179 (R)
<b>Causes</b>	<ul style="list-style-type: none"> <li>The number of claims received continues to increase. VA received 891,547 claims in 2008, over 53,000 more than the 838,141 received in 2007.</li> </ul>	
<b>Resolution Strategies</b>	<ul style="list-style-type: none"> <li>VA hired nearly 2,000 additional employees to process claims in 2008.</li> <li>In May 2008, VA began to consolidate original and reopened disability and death pension claims to the three existing Pension Management Centers and completed the consolidation in September 2008.</li> <li>Through this consolidation, VA has already begun to realize efficiencies and greater effectiveness through specialization. The consolidation is expected to improve claims processing timeliness.</li> </ul>	
<b>National accuracy rate (core rating-related pension work)</b>	93%	88% (R)
<b>Causes</b>	<ul style="list-style-type: none"> <li>Accuracy declined because newly hired staff is not yet fully proficient in analyzing claims. New staff undergoes intensive, curriculum-based training that occurs over several months.</li> <li>Once the training is completed, new staff is able to gain proficiency quickly. Accuracy will improve as more of the newly hired staff becomes fully trained.</li> </ul>	
<b>Resolution Strategies</b>	<ul style="list-style-type: none"> <li>In May 2008, VA began to consolidate original and reopened disability and death pension claims to the three existing Pension Management Centers and completed the consolidation in September 2008.</li> <li>This consolidation improves efficiency and effectiveness through specialization and is expected to improve claims processing accuracy.</li> </ul>	



<b>Strategic Goal 3, cont'd.</b> <b>Honoring, Serving, and Memorializing Veterans</b>		
Measure	Target	Result
<b>Productivity Index</b>	<b>90%</b>	<b>79%</b> (R)
<b>Causes</b>	<ul style="list-style-type: none"> <li>Overall, the number of claims completed in FY 2008 increased by 9 percent. However, VA hired nearly 2,000 new employees to process claims in 2008. This significant increase in new employees decreased the output for VBA employees nationally.</li> <li>New staff undergoes extensive, curriculum-based training that occurs over several months, and it can take several years to become proficient in claims processing.</li> </ul>	
<b>Resolution Strategies</b>	<ul style="list-style-type: none"> <li>The additional staff hired in 2008 will become more proficient in claims processing in 2009, which will increase output as measured by the productivity index.</li> <li>Completion of the consolidation of the Pension Management Centers and the soon-to-be complete migration from BDN to VETSNET will increase efficiency and productivity.</li> </ul>	

<b>Enabling Goal</b> <b>Applying Sound Business Principles</b>		
Measure	Target	Result
<b>Percentage of testimony submitted to Congress within the required timeframe</b>	<b>90%</b>	<b>58%</b> (R)
<b>Causes</b>	<ul style="list-style-type: none"> <li>Late receipt of program office drafts and unanticipated delays in the clearance process account for most, if not all, instances of late testimony delivery.</li> <li>VA's Office of Congressional and Legislative Affairs (OCLA) is responsible for coordinating requisite clearance for testimony among VA internal organizations and OMB prior to submission to Congress; however, OCLA does not have independent clearance authority.</li> </ul>	
<b>Resolution Strategies</b>	<ul style="list-style-type: none"> <li>Since August 2008, OCLA has employed an interim strategy designed to facilitate timeliness by providing each drafting, reviewing, and clearance authority with a complete timeline for action that culminates in the delivery of on-time testimony to Congress.</li> <li>This approach is yielding favorable, short-term results, and it will be continued in 2009.</li> </ul>	