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HOLISTIC RESPONSE MANAGEMENT OF BUSINESS SURVEYS

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ABSTRACT

For a number of years, Statistics Canada has been taking incremental steps to improve its survey programs through the use of tax data substitution, content fine tuning and earlier data releases. These initiatives, which have reduced costs and response burden, and improved timeliness, were done relatively independently in response to internal and extraneous pressures. However, a vision has recently evolved which integrates these initiatives and others into a cohesive “holistic” strategy of how Statistics Canada should manage its survey response. The approach is to focus survey collection and analysis on the large, complex enterprises where tax data is insufficient to meet the needs of the Canadian statistical system. Over the next several years, we will be rolling out a number of initiatives aimed at reducing response burden for these large businesses while improving the quality of the data we receive from them.

This presentation will outline the planned strategy including:

- The creation of an Enterprise Portfolio Manager (EPM) Program responsible for managing relationships, collection and data quality from Canada’s largest enterprises;
- the establishment of a Strategic Response team to assist non-EPM businesses that are critical to the statistical program to provide required;
- plans for an integrated series of databases containing all Statistics Canada’s data holdings in a centrally designed and common architecture; and
- a “single window reporting” mechanism to collect virtually all of an enterprise’s financial data electronically.

1. INTRODUCTION

1.1 Executive Summary

As a result of Industry Statistics Branch (ISB) offsite meetings in the summer of 2003 and 2004, and considerable discussion surrounding them, a vision has begun to crystallize as to how we should be strategically managing large and small business response. The scope of this management was seen as being broader than ISB, essentially covering all business surveys conducted in the Business and Trade and the System of National Accounts (SNA) Fields. The following summarizes the basic elements of the strategy under a number of categories.

1.2 Relationship Management

Statistics Canada (STC) will manage its relationship with Canada’s largest businesses so as to minimize the burden associated with data enquiries, ensure the collection of required data in timely and quality manner, and demonstrate the relevance of Statistics Canada information. This would be undertaken by establishing:

- An Enterprise Portfolio Management (EPM) function responsible for managing all aspects of our ongoing relationship with (initially) Canada’s 350 largest businesses, including organizational profiling, survey reporting arrangements and formal agreement on expectations from both parties, issue resolution, coherence analysis and eventually data collection. Ultimately, this program could be further expanded to take on corporate certification and micro analysis of the data for each of these EPM enterprises.

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- An ongoing activity whereby STC senior management will make contact at least annually with industry and trade associations and the chief executive officers (CEOs) or chief financial officers (CFOs) for subset of EPMs and other businesses critical to our statistics (list to be determined), to build relationships which demonstrate their importance to us and how the use of STC data or services could potentially help their organization.
- A small Strategic Response Unit (SRU) in Enterprise Statistics Division (ESD) aimed at helping strategically-identified delinquents below the EPM level to respond to STC's data requirements. Focus would be on obtaining cooperation across surveys for the enterprise as opposed to Operation and Integration Division (O&ID)'s and Survey Operations Division (SOD)'s standard follow-up of collection units. The universe from which delinquents are selected for action by this unit needs to be defined, but would likely be the highest priority enterprises in each industry – province cell, as identified by subject matter areas in consultation with the SNA.

Our relationship with smaller, non-critical businesses (both complex and simple) will continue as today, with primary contact coming through collection divisions. Complaint resolution for specific surveys will continue to be available via subject matter divisions. Where a complaint covers more than one survey division, special survey arrangements will continue to be coordinated through the respondent relations function in ESD, which will be situated in the Strategic Response Unit.

Respondent relations materials for the Unified Enterprise Survey (UES) will continue to be produced where it can be demonstrated they are effective in improving response and where required to communicate legal elements such as confidentiality and data sharing provisions. The respondent research capacity in ESD will be limited due to the reorientation towards obtaining the cooperation of other critical businesses. What research is done will be restricted to improving gaining knowledge of respondent behaviour to help us improve response.

Under the strategy, we will explore ways of feeding back survey data to businesses covered by the EPM and SRU as a means of demonstrating good faith and the relevance of STC's survey programs

1.3 Data Collection

The focus of our collection activities will be on complex businesses. Simple businesses will normally be exempt from financial data collection as tax records will be used. However, a thin sample of these simple businesses might be required to obtain non-financial characteristics to help us model more detailed estimates required by the SNA and other key users.

- Profiles for all EPMs will be kept current with at least annual updates. Critical units below the EPM level (as identified by the complexity of the enterprise in Business Register Division (BRD)) will continue to be regularly profiled in reaction to signals, by BRD through its CIP (Complex In-house Profiling) program. Required profiling and updating of the Business Register (BR) will be accomplished in a timely manner consistent with the timeframes of current and annual surveys. This timing will be negotiated between the various parties.
- Testing of a "single window reporting" mechanism will take place in an attempt to collect virtually all of an enterprise's data electronically. The first leg of this, now being tested, will involve collection of financial data by mapping each enterprise's accounting data to the Chart of Accounts to generate / model the detailed financial data required by the agency in lieu of business surveys. A second leg will be to incorporate a similar mechanism to collect non-financial data. This would seemingly require organizing the agencies' non-financial data into a standard in a similar way as was done for financial data in the Chart of Accounts. Single Window Reporting will be initially unrolled for EPM enterprises and other priority businesses below the EPM level whose data are critical. Experimentation with the use of XBRL technology will also be undertaken and used in conjunction with single window reporting if it proves feasible in minimizing costs for respondents and STC. Data collected through this approach will be shared across divisions and the SNA.
- Other complex businesses will increasingly be encouraged to make use of standard electronic data reporting (EDR) options, including the Secure Internet Response Site (SIRS) website.

- A series of formal “respondent contracts” will be negotiated with each EPM and SRU business respondent on the information we would require from them and when / how we would request it. As resources permit, this contract approach will extend to all complex businesses. A plan will be in place slotting the timeframe for contract negotiations with EPM and other businesses.
- An escalation process will be in place to obtain responses from delinquent businesses. This will involve a three-stage approach for enterprises deemed a priority for our statistical program for which our collection arms are not able to obtain response. The progressive steps in this process are (1) making a dedicated effort to provide assistance via the EPM, Subject Matter Key Provider Manager (KPM) and SRU programs; (2) having STC senior management (director and above) contact CFOs / CEOs of a priority subset of the remaining delinquent companies; and (3) legal prosecution under the *Statistics Act* or *Corporations Return Act* of those remaining enterprises where senior management deems appropriate. A formal process will be in place to establish escalation criteria, review critical non-respondents, and to determine which businesses to escalate to the management and prosecution levels.

1.4 Data Coherence and Certification

- In addition to responsibilities for managing relationships with large, complex businesses and for profiling them, the EPM program will ultimately be charged with not only undertaking coherence analysis for EPM enterprises but also for the STC certification of the micro data for each of these enterprises. The process for certifying micro data will be jointly determined by the EPM Program, subject matter divisions (SMDs) and the SNA.
- In undertaking coherence analysis and micro data certification, the EPMs will work closely with each company and keep subject matter divisions and the SNA current. Publication timeframes will be respected when producing certified data. Subject matter divisions will continue to be responsible for defining data requirements / content, macro data analysis, the creation / revision of its data series, and analytical writing / research. Data revisions by SMDs will be done in consultation with the relevant EPMs and the SNA.

1.5 Tools and Infrastructure

To support these activities, it is anticipated that the following elements will be in place:

- A simplified Business Register that will focus collection on the business structure as the enterprise sees itself. All surveys will be hooked to the BR and use the Chart of Accounts financial variables.
- An integrated series of databases containing all the information available for all enterprises in Canada, including frame, data, survey schedules, reporting history, contacts and contact history. These data bases will be centrally designed and have a common architecture.
- Widely distributed tools which seamlessly access these databases to support relationship building and maintenance, data collection and analytical activities. These tools will be used by the subject matter divisions, collection divisions, EPMs, and the Strategic Response Unit to better understand and proactively manage response and burden.

While these tools may not be absolutely essential for us to achieve our strategy, they will greatly increase our efficiency and timeliness in doing so. Under our current technical environment, some activities may be too arduous to realistically undertake on a current basis. Activities where we would be severely constrained without significant improvements to our existing tools / infrastructure include generating questionnaire inventories and responses to surveys by enterprise, and undertaking coherence and data certification beyond the UES for EPM units.