

CONFERENCE OF EUROPEAN STATISTICIANS

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Approved

Item 6 (a) of the Provisional
Agenda

VALUE OF OFFICIAL STATISTICS

**Note by the United Kingdom
in cooperation with Austria, Canada, Mexico, OECD and UNECE**

*In October 2014, the Bureau discussed follow-up to the 2014 CES seminar on “What is the value of official statistics and how do we communicate that value?”. The Bureau asked a group of countries and international organisations, led by the United Kingdom, to prepare a proposal for the way forward. **The Bureau reviewed the proposal and agreed with the proposed next steps.***

I. BACKGROUND

1. In April 2014, the Conference of European Statisticians (CES) held a seminar on “What is the value of official statistics and how do we communicate that value?”, and agreed on a number of follow-up actions, including:

(a) There is a lot of potential and interest to continue work related to the value of official statistics. There are things that the global statistical community can do together to make a paradigm shift from product to market orientation in communicating official statistics. The existing expert groups should be used for this purpose as much as possible;

(b) The UNECE High-level Group (HLG) for Modernization of Statistical Production and Services was asked to review possible actions to share best practices and develop common tools and solutions in this area;

(c) There is a need for developing a common language and terminology related to the value of official statistics and its communication;

(d) Measuring the economic value of official statistics through collection of examples and case studies would be useful.

2. In October 2014, the CES Bureau discussed follow-up to the recommended actions and agreed that a road-map should be developed to explore the key aspects to be covered in further work on communicating the value of official statistics. The Bureau members raised the following points about possible further work:

(a) The overall aim of this work would be to achieve a recognition of the value of official statistics by stakeholders;

(b) A common strategy, tools and marketing techniques for communicating the value of official statistics would be useful. These can include indicators to measure the value of official statistics, and a collection of case studies of calculating its economic value;

(c) Using an external evaluation and engaging people outside official statistics to promote its value may increase the credibility of these measures;

(d) There is a lack of comparable information on the cost of producing official statistics that could be used in the discussions on value of official statistics. Work on methods for calculating the cost of producing official statistics could be launched.

3. A group composed of the United Kingdom (chair), Austria, Canada, Mexico, OECD and UNECE held two web conferences to consider the issues raised during the October 2014 Bureau meeting and make a proposal for the way forward.

II. WHY IS THIS WORK NEEDED?

4. International work on estimating and communicating the value of official statistics has become ever more important to:

- Work within budget constraints imposed on many national statistical offices.
- Clearly convey the reasons why investment in official statistics should be made.
- Defend the relevance of official statistics in the increasingly competitive information industry.
- Define in the presence of Data Revolution what is the business of Official Statistics.
- Pool together the good practices developed by statistical offices to enable learning from each other.
- Identify and develop better ways to explain official statistics to get people to understand their true value.

5. For effective communication, statisticians need to agree on:

- How to measure the value of official statistics.
- How to assess the overall impact of official statistics on the society.
- How to market/publicise official statistics and their value in a convincing manner.

6. Joint work would be helpful for advancing the measurement of the value and impact of official statistics which are difficult to define and quantify. It takes time before the impact of official statistics on the quality of government policy and the related effect on people can be observed. Work on estimating and communicating the value of official statistics should build on work already done to avoid duplication.

III. RELATED INITIATIVES

A. Under the Conference of European Statisticians

7. **Communicating the value of official statistics:** a number of activities are carried out under CES, namely:

(e) The **HLG Modernisation Committee on Products and Sources**, has a work stream led by Richie McMahon (CSO Ireland), dealing with communicating and marketing the value of official statistics. The group updated a paper¹ originally drafted for the CES seminar on the value of official statistics in April 2014. The paper reflects on the unique

¹ www.unece.org/fileadmin/DAM/stats/documents/ece/ces/ge.45/2014/papers/Corien_Brouwer.pdf

values of official statistics and the weaknesses, describes some national practices, and discusses branding of official statistics. The paper also proposed a wider survey of national statistical offices to gather information about marketing the value of official statistics. An explorative survey of National Statistical Offices on outreach, communication, promotion and marketing activities will be conducted in the first quarter of 2015. The survey will be followed-up by a more targeted survey where further information is collected on specific projects/activities. This will be coordinated between the HLG Modernisation Committee and the Work Session on Communication of Statistics. These surveys will be helpful in gathering good practices in communicating and marketing the value of official statistics. The goal is to establish an inventory of current and planned projects to foster exchange of experience;

(f) The regular **Work Sessions on Communication of Statistics**, currently chaired by Michael Levi (US Bureau of Labor Statistics), bring together communication experts to share ideas and experience. An expert meeting to be held in Washington, in April 2015, will discuss for one day the topic of "Building and Maintaining the Credibility of Official Statistics" to demonstrate the value of statistics to respondents. The same expert group has discussed other topics related to communicating the value of official statistics, such as improving statistical literacy and building credibility²;

(g) A new cross-cutting **Task-Team on Communicating Statistical Modernisation** was created in the context of the UNECE HLG for the Modernisation of Statistical Production and Services, and is expected to start work in February 2015. This group focuses solely on improving the communication of modernisation initiatives within statistical organisations and the official statistical community. This Task-Team might provide a useful "sounding board" for any new initiatives relating to communication;

(h) Some countries are using the **Generic Statistical Business Process Model** (GSBPM) as a tool to estimate the cost of official statistics. The current leaders in this respect include Estonia and Ireland. One advantage of this approach is increased international comparability of cost break-downs. An extension to the GSBPM to cover the non-data activities of statistical organisations is also being developed. These non-data activities should also be included when estimating the costs of official statistics. The new Generic Activity Model for Statistical Organisations³ (GAMSO) will help in this respect.

B. Other related experience among the group members

8. Countries have developed good practices in communicating the value of official statistics. International organisations have also worked in this area, e.g. on estimating the costs of producing official statistics and the related response burden. Currently, there is little information on countries' experience and how effective their initiatives have been.

9. **The OECD Value for Money project** tried to make a systematic assessment of the organization's costs (or inputs) and (the impact of) its outputs. To measure the output and its impact in monetary terms proved to be very complicated, if not impossible. In the end, it was decided to develop a systematic list of indicators based on directly observable measures for the output of the OECD, and to gather and further develop case studies quantifying the economic effect of OECD outputs.

² Materials of the relevant sessions are available at: for 2012: www.unece.org/index.php?id=28542#/ and for 2008: www.unece.org/index.php?id=14436#/

³ www1.unece.org/stat/platform/display/GAMSO

10. **Austria communicates the value of official statistics** to the media with concrete examples relating to its outputs. For example, Statistics Austria introduced a register-based methodology for the population and housing census. As a result, this census round was much less costly than the previous one. The cost savings were communicated to the media with a very good response. Another example that was promoted to the media was the personal inflation calculator, launched some weeks ago. It was so popular among users that the server got overloaded. Austria is monitoring some indicators to assess the value of their products, but does not invest in mass media campaigns.

11. **Canada communicates the value of official statistics** to its citizens by ensuring its data holdings are broadly used, known and cited by influencers. This is done through regular client consultations; the national Statistical Information Service; the Official Release program; engagement with academia and researchers through the Research Data Centres Network; the popular StatCan website (25 million visits annually) with its Open Data portal and information of appeal to targeted audiences; comprehensive Media Relations services which results in 6000 citations a year in mainstream media; outreach to businesses and community organizations; the well-attended *Talking Stats* event series where the Chief Statistician – joined by panels of experts – discuss statistical findings on different themes with the public; and a strong presence in social media with the StatCan Blog, the Blog for researchers, Twitter, Facebook, and YouTube channels. The success of the communication activities and channels is measured with a defined set of performance indicators to gauge the level of reach, take-up rate, and engagement with the Canadian public.

12. **Mexico uses innovative methodology to measure** in monetary terms the market value of official statistical and geographical information used by the media. These data are used for an added value indicator to identify the preferences of the general public by sectors. INEGI also carries out positioning campaigns as part of their systematic and professional interaction with the media and to strengthen the society's confidence in official statistics. Surveys to measure public trust in INEGI's statistics are conducted. INEGI applies an Open Data Policy (approved in 2014) and emphasizes the provision of information free of charge: "INEGI's business is not to sell information, but to ensure that the information is used". Rather than promoting directly the value of official statistics, INEGI has in place mechanisms that prove the value and relevance of official statistics, for example the Quality Assurance System which is made visible to users. Use of innovative communication tools is an important part of this work, including posts in social media, call centers, account managers promoting INEGI's statistics to strategic users, services providing microdata access and state of the art web pages, upcoming video press releases, etc. Specific attention is paid to strategic users of statistics, for example, by providing tailored training programs on the use of statistics. For example, in January 2015, 280 workers of the Federal Audit Institution of Mexico were trained, and by the end of 2015, a total of 2,000 workers from the Institution will be trained.

13. **In the United Kingdom, measuring the impact of official statistics** is an important issue. Experience shows:

- The importance of knowing the full and true costs of particular statistics and blocks of statistics so as to assist prioritization and show the efficiency of the statistical system within necessarily constrained resources.
- The importance of knowing the benefits of particular statistics so as to better communicate the value of these statistics.

- The need to communicate the existence and implications of statistics so as to maximize their value to decision makers within the economy and society.
- The desirability of measuring the impact of official statistics so as to guide future production and dissemination methods towards an optimal outcome.
- The need to be able to demonstrate the benefits and impact of official statistics so as to guide the allocation of national resources towards statistics commensurate with the benefits they yield.

14. While work is going on in the UK on all of these issues, the problems to be faced are tractable but non-trivial. Agreeing on methods for cost estimation internationally would be valuable, saving the need to reinvent wheels and also enabling some level of comparability.

IV. STRANDS OF FURTHER WORK

15. Existing CES activities, described in Section III A., provide an important basis for advancing the work on communicating the value of official statistics. These existing work strands should be brought together and combined with countries' remaining challenges in order to form a road-map and priorities on the way forward in estimating and communicating the value of official statistics.

16. Further work to achieve recognition of the value of official statistics has affinity with the formulation of the Fundamental Principles of Official Statistics, developed by the CES and endorsed by the UN General Assembly in 2014. The following general approach is proposed:

- Initial work to identify and agree on the **key issues** generally faced in the valuation of official statistics and their marketing.
- Assemble **evidence of good practice** in these key issues.
- Form a **synthesis** of the key issues faced and good practices **for mutual learning and development of a common framework**, bearing in mind that implementation needs to be tailored to countries' circumstances and needs.

17. The overall strategy or work programme for estimating and communicating the value of official statistics could consist of three work strands:

- **Work strand 1:** Improving the marketing of the value of official statistics.
- **Work strand 2:** Valuing the costs or inputs of producing official statistics.
- **Work strand 3:** Valuing the impact of official statistics. Analyzing both the inputs and outputs of official statistics would enable measuring the efficiency of compiling official statistics.

Work strand 1: Improving the marketing of the value of official statistics

18. So far, the focus of current CES activities in this area has been on the communication and outreach of official statistics rather than specifically on communicating the value of official statistics. The following steps would help to strengthen the focus on the value of official statistics:

(a) Establish what is going on internationally and nationally to decide what needs to be done. This would require collaboration with the HLG Modernisation Committee on Products and Sources in the planned HLG follow-up survey to collect information on ongoing activities relating especially to communicating the value of official statistics;

(b) Identify and share good practices on communicating and marketing the value of official statistics using the HLG survey. Create an inventory or a knowledge base of good practices, as planned by the Modernisation Committee;

(c) National statistical offices have communication strategies some of which include actions to promote the value of official statistics. Based on these, develop common priorities and tools for communicating the value of official statistics.

Mechanism:

19. **HLG Modernisation Committee on Products and Sources** would be best placed to deal with the communication and marketing aspects of the value of official statistics.

20. **Work Sessions on Communication of Statistics** would provide a platform for sharing experience on communicating and marketing the value of official statistics.

Work strand 2: Valuing the costs or inputs of producing official statistics

21. It has been difficult to develop comparable measures of costs of producing official statistics. The following steps would help to assess the possibility to value the costs of producing official statistics in a more consistent and internationally comparable way:

(a) Share information on existing good practice in using GSBPM for cost estimation. Using the GSBPM and its extension, GAMS0, for estimating the costs of statistical production seems to be a promising tool for deriving more comparable cost measures;

(b) Additional countries could test the use of GSBPM and GAMS0 for cost estimation based on the lessons learned in Estonia and Ireland;

(c) Draft practical advice on estimating the costs of statistical production based on the lessons learned during the testing phase.

Mechanism:

22. **HLG Modernisation Committee on Standards** is in charge of developing GSBPM and GAMS0 and would be best placed to carry this work strand forward.

Work strand 3: Valuing the impact of official statistics

23. Measuring whether official statistics deliver outputs that have an important impact on society would provide substantive arguments for promoting official statistics. The following steps would enable assessing the possibility to value the impact of official statistics:

(a) Establish what is going on internationally and nationally to quantify the value of official statistics and collect information on any good practices;

(b) Review examples of how other industries are measuring and communicating the value of their output;

(c) Develop a common framework to measure and understand the benefits and impact of official statistics on society;

(d) Develop indicators to measure the value of official statistics. This could include simple measures, such as number of hits on websites that provide statistical data and services; and number of citations to released statistics and statistical publications. On the other hand, more complex indicators could be developed, e.g. on policy decisions influenced

by statistics and for cost-benefit analysis related to investing in official statistics. This could include assessing the possibility to put an economic value to official statistics, e.g. the monetary value of carrying out a population census;

(e) Encourage testing of the indicator framework in countries and collect and analyse the data to find evidence of the value of official statistics and any correlations between good governance and investment into official statistics;

(f) Draft a convincing narrative that can be used for better communicating the value of official statistics. Such a narrative could be discussed and endorsed by the Conference.

Mechanism:

24. **Phase 1: Create a Task Force on valuing the impact of official statistics** since no group is currently working on these issues. The current group led by the United Kingdom could constitute the Task Force and draft the terms of reference to cover the above steps (a) to (d) with the following activities:

- Define what is meant by the value of official statistics and what is it that the users really value in official statistics⁴.
- Liaise with the other CES groups to ensure cohesion, avoid duplication and generate a stronger focus on the value of official statistics in the related activities.
- Review the current practices, measurement frameworks and indicators that may exist in statistical offices for the purposes of valuing their impact.
- Collect examples of how other industries are measuring and communicating the value of their output.
- Assess the feasibility of developing a framework with a set of indicators that could be implemented by countries for valuing the impact of official statistics.

25. The Task Force would provide their first findings later in 2015.

26. **Phase 2:** Based on the outcome of the Task Force work, carry out a pilot testing of the possible **framework and a set of indicators** in countries. Collect and analyse the information and develop a convincing narrative showcasing the value of official statistics.

V. PROPOSAL FOR THE BUREAU

27. **The Bureau discussed the issues raised in this note and agreed with the proposed three work strands, including the creation of a Task Force led by UK.**

28. The three work strands are suggested to exist in parallel. The new Task Force would closely collaborate with the other two work strands and coordinate all CES activities on the value of official statistics.

⁴ Building value should be based on responding to users' preferences including continuous improvement of technology use, innovation, user orientation, real time information, free access, problem solving, simplicity, certified quality, security, confidentiality, strategic partnerships etc.