

Speaking notes for HL Seminar on Strategic Partnerships

Opening Key Note:

Why are partnerships so important in the current context?

Anil Arora, Chief Statistician of Canada (20-25 minutes)

Good morning everyone. It's a pleasure and an honour to kick off this seminar by discussing why strategic partnerships are so important in this current context.

The Conference of European Statisticians has recognized the importance of this element of success in our work as leaders by creating a group to follow on the work done in 2016. The Bureau noted that the work in this area should be focused, so as to lead to useful, practical outcomes.

So why is this work so important at this point in time? The world of information has transformed dramatically in the last few years, and continues to do so at an ever faster pace. The data industry has been expanding at breakneck speed. 90% of all the data today was created just in the last 2 years. Data providers are multiplying, traditional entities are redefining themselves and their business models based on data, and a growing number of businesses are engaged in data analytics and big data trying to help many cope and thrive in this data revolution. Make no mistake about it, we are in the midst of a data revolution, and data are sexy and in huge demand. We know first-hand, that methods and tools to analyze and gather data are constantly evolving, making more and more information available for use in real time. We have reached a point where not only do citizens and businesses want to be informed, they also want to get their hands on good quality information in real-time and in easy to use formats on mobile technologies anywhere. This in turn is forcing National Statistical Offices to re-think our role. I am not sure if we ever had a monopoly on data, but if we as National Statistical Offices can't provide the information that our users need when they need it, they will turn to other sources, and they are. And, unfortunately, not all produce the same high-quality statistics

that we do, and not all users are aware of the limitations or the quality of what they are consuming.

We have experienced and adapted to new technologies, citizen attitudes, principles, sophisticated statistical methods, and standards in fulfilling our traditional roles as providers of high quality statistics. Given the data revolution however, many of us are increasingly being asked to take on non-traditional roles such as that of the story teller, the data integrator, the quality assessor, or the provider of standards and secure data architecture. Because of the earned strong reputation of NSOs, we are being asked to take the lead in facilitating a more responsible use of data in an era of fake news, alternative facts, and post-truths. In a sense, we are being asked to take a leadership role on a larger portion of the data-statistics-evidence-information-and decision making spectrum. Without it, I believe we run the risk of simultaneously being data rich and information poor.

As National Statistical Offices, we have also been given a hugely important yet challenging role in supporting the data needs of Agenda 2030 and the Sustainable Development Goals. No country is at the point of being able to report on 100% of the indicators, not even the most sophisticated among us. Agenda 2030 has brought a sense of humility and camaraderie between statistical offices. It is an opportunity to bring producers and consumers together around an important cause, and demonstrate the critical role of NSOs and the relevance of our science and craft.

We cannot, and I would argue, should not meet these challenges alone. Gone are the days when we as NSOs sat in our 'ivory towers', and thought that we could satisfy our users by using data we collected ourselves, used methodologies that didn't have to be transparent or understood but within our own four walls, and had the implicit and explicit trust of our policy makers and citizens. Sensors, devices, the Internet of Things, webcrawlers, webscrapers, satellite and geospatial data, bots are equally and sometimes even better at collecting or harvesting data. The proliferation of technology and analytic tools along with social media and the syndication of ONE now competes effectively with many of the functions of an NSO. In this context, Partnerships take on a whole new meaning and level going forward.

Now don't get me wrong, in the majority of our NSOs we have fostered very important and fruitful partnerships for a long time, such as those with sub-national levels of government, academia, NGOs, IT providers and some external data and service providers. However, we need to start thinking of partnerships in a more strategic way, and through a modern lens, capitalizing on the data revolution and the opportunities afforded by Agenda 2030.

Innovation is pushing every sector of the economy and society. New business models based on data are challenging companies and enterprises that have been profitable for decades if not centuries. Public attitudes and assurances required of governments are changing rapidly with technology. Methodologies for data linkage, integration and anonymization are quickly evolving, as are machine learning techniques and concrete applications of artificial intelligence. We are not immune and we cannot take our traditional role and reach for granted. If we do not seize the day and begin thinking differently about creating partnerships, National Statistical Offices run the risk of being left behind.

Let me be more specific about the kinds of partnerships I have alluded to.

Firstly,

1) Partnerships with policy makers

In a world where information can come from a multitude of sources within and outside of NSOs, legislators and policy makers have an important role to play, while respecting the independence of an NSO. This type of partnership is essential to bring to light new and emerging policy demands and new opportunities for statistical data, for example blending traditional and new sources of data, building in data requirements for NSOs in regulations, as part of funding agreements between levels of government and with other sectors or elaborating quality profiles to describe how different data can be used for different purposes. In Canada, we have been asked to evaluate the effectiveness of horizontal government grants and contributions towards the outcomes achieved by specific sectors of the economy. Our data are playing an ever more important role in informing policy

decisions and in communicating to citizens the effectiveness of policy through a results and delivery framework.

Secondly,

2) Partnerships with data and service providers

Most statistical offices have partnerships with either data providers or with service providers to be able to fulfil their mandate. Specific requirements for effective partnerships will invariably be tailored for different groups or partners. These partnerships need to operate in accordance with the UN Fundamental Principles of Official Statistics and core principles of NSOs, such as the protection of confidentiality and privacy. Having the necessary strong legislative basis for such partnerships is crucial.

In the context of an NSO, supplier/recipient partnerships refer to partnerships with data owners in the public sector (but increasingly in the private and third sectors) that supply NSOs with their transactions data, customer data, management information or volumetrics as input to producing official statistics. Additionally supplier/recipient partnerships can also refer to partnerships with IT service providers and the procurement of IT infrastructure of hardware and software necessary to operate a modern NSO.

Partnerships with citizens – who are either respondents, or who accept to “share” their information with statistical offices – are also included in this category. Citizens are increasingly aware of their data, and want control over who sees it and why – with earned “license” – trust”. Strategic partnerships in this regard can be achieved through various consultation mechanisms, and through partnerships with actors, where NSOs work with Information Commissioners / Privacy and Data Protection Supervisors, representatives of key sectors of society, and other producers of data used. For example, for the SDG indicators, to provide assurance to the public, government and parliament about the correctness of the information used to make key decisions and report on tangible results.

Thirdly,

3) Open innovation partnerships

The third category of strategic partnerships involves working closely with another organization that is not the end user, but important in advancing our objectives. This type of partnership can benefit NSOs with sources of insight, advice, technical and methodological understanding, and innovative approaches to data. Sharing knowledge can create win-win opportunities for the advancement of all partners, focusing on areas such as development of methodologies, tools, new products or new data ecosystems (such as geospatial data or data emanating using the Internet of Things).

Partnerships can be created with academia or the scientific community to co-develop new methods, advance data analysis and visualization techniques, to co-develop new systems to achieve interoperability between components, and with data protection authorities to develop systems according to principles, such as privacy by design.

And fourthly,

4) Co-creation partnerships

In this type of partnership, organisations work with the end-user towards a mutually beneficial outcome. In the case of NSOs, examples could include working with data consumers such as civil society, chambers of commerce and banks. This category of partnership is created with different groups: academics, government and non-government research groups, international organisations, other NSOs, or with the media to enable the dissemination of official statistics through a variety of tools that facilitate their effective and responsible consumption through telling effective stories with our data.

(Results from the questionnaire)

I would now like to turn to the issues you identified that most concern you as Senior Statisticians. Last September, the group responsible for planning this workshop sent a survey to all National Statistical Organizations to gather input to shape concrete discussions. The survey was intended to collate reflections from senior level staff on partnership work in statistical offices in order to identify common themes. Both top level management and managers who have had operational experience with strategic partnerships were asked to provide input. 30 survey responses were received. Here is what you said:

While all 4 types of partnerships were noted as important to NSOs, **data supplier / recipient partnerships** and **creating partnerships with policy makers** were noted to be of high priority by the majority of respondents

In terms of partnerships with **policy makers**, it was noted that it is necessary to acquire political support to facilitate both the bureaucratic and financial processes. Difficulties experienced with this type of partnership included: maintaining an impartial public image / neutrality, managing expectations, balancing resources/requirements / demands, and communication issues.

In terms of the importance of **supplier /recipient partnerships**, you mentioned that as response rates decrease and the need for data grows, it becomes more important to create “win-win” partnership between data suppliers or recipients. Without data suppliers, we cannot produce valid data products, but without data users who derive value from these products, we cannot prove the impact of our work to the public.

Areas of difficulty experienced with this type of partnership include confidentiality and security, response burden, accessibility, and data quality.

It was felt that **open innovation partnerships** are crucial to enhance skills and knowledge. Responses noted that innovation partnerships enable NSOs to remain relevant in a rapidly changing modern data context, and without innovation we risk stagnation and loss of relevance.

Areas of difficulty expressed with this type of partnership included the challenge of incenting open innovation with non-government players. It was mentioned that it can be difficult to demonstrate the benefits where the results of collaboration may not necessarily bring a direct benefit to them (such as profit) but may instead accrue to the general public. It was also noted that providing equal access to partnership opportunities that involve the private sector can be complicated and time-consuming.

The importance of **co-creation partnerships** was underlined. Since the use of official statistics is directly dependent on end-users, improving partnerships with users should be a priority.

Examples of areas of difficulty experienced by this type of partnership were many, including: satisfying different and changing user needs, setting priorities, establishing trust, data privacy, strict protocols for data transfer, the decreasing willingness of data suppliers to provide data, lack of co-operation, and the ability to disseminate data at various levels, since the statistical comprehension and usage level of end-users can vary considerably.

(Areas most challenging for organisations)

According to the questionnaire, the most challenging area for NSOs with respect to partnerships is financial and human resources. Large staff turnover/rotation of knowledgeable staff along with reductions/stagnant budgets were noted as the most significant challenge to building partnerships.

Policy and legislative restrictions along with partner asymmetry were the next most frequently specified areas of challenge to building effective partnerships. These were followed by confidentiality (data privacy among established and potential partners) and difficulties in data sharing (issues with IT security).

(Most common challenges)

You were also asked about your most common challenges. The top three areas identified were confidentiality and difficulties in sharing data, followed by identifying potential partners and managing expectations of partners.

In terms of confidentiality and difficulties in data sharing, rules around data access, data transfer, data security protocols, legislation and the refusal of partners to share

anonymized information that may compromise their business or final users were mentioned often.

Staff knowledge in terms of their ability to identify and justify the appropriate level of security level required to share data with partners and to understand ethical and privacy considerations was also a common challenge. It was also noted that with new digital data sources, traditional solutions of statistical disclosure control are limited and need to evolve.

In terms of identifying potential partners, the most common challenges were direct contact, procurement processes and protocols, convincing them to be interested in working with the statistical sector and building a strategic alliance, difficulty identifying users and use of data at a local level and prioritizing potential partners based on concrete needs.

Managing expectations of the partnership was also identified as a challenge. Often there are high expectations from partners, and vision and objectives may not be the same. It is important to understand limitations of the partnership, and have balance between what is important for the different partners and what would work better at a broader level. There is often a desire to have access to privileged (micro) data. Some examples were provided where partners assumed they would be given immediate access to confidential microdata without the usual approval processes.

Other common challenges included legislative or policy restrictions inhibiting what the partner can “donate” to the partnership, the disconnect between IT security laws/regulations and statistical data confidentiality laws/regulations, insufficient financial resources and skilled staff on the side of the statistical office, getting the message across that official statistics are produced and disseminated in a professional and independent fashion, strictly based on technical considerations, not political ones, and building trusted relationships with new partners under a changing political climate that conflicts with the partner’s goals. It was also mentioned that policy makers and agency executives can be wary of losing control over a project or partnership if it is led by someone else.

The questionnaire also asked the flip side - what makes a **productive relationship**? The top responses were:

- use of MOUs / legal templates / formal agreements
- available resources
- positive attitude to share and cooperate
- regular meetings
- strong support from senior management
- the reputation of the manager in charge of the project
- meeting timelines and deadlines
- a comprehensive database of information and an audit trail of comments and feedback on the interactions

I'd also like to share with you some of the **lesson learned** that were cited in the survey

- It is absolutely necessary in many respects for NSOs to develop strategic partnerships and co-operation on the basis of win-win with the partner (be it industry, academia, private data sources or technology leaders)
- Partnerships with other NSOs / academia are extremely beneficial
- There is a need to be pro-active, know what you want from the partnership; aim for comparable commitment/investment by project partners to ensure comparable engagement; mutually agree to cooperate, or collaborate, to advance mutual interests
- Ensure there is a strong legal basis : MOUs are key to the success of a project – everyone is on the same page and this leaves little room for misunderstanding
- A strong human resource base is invaluable

- Above all, be patient with your partners, understand that a (potential) partner does not know a lot (if anything) about official statistics, try to find and offer things that can bring a benefit to a partner.

As you can see, the agenda for this seminar has been structured to discuss these very important topics you deemed relevant in our current context.

Today we will be discussing amongst ourselves, and tomorrow we will have participation from our partners from a select group of **academia, non-governmental organizations as well as the private sector.**

The session is structured to explore opportunities and lessons learned from partnerships with policy makers, supplier/recipient partnerships (with a focus on citizens), open innovation/strategic and co-creation partnerships as well as partnerships in the context of geospatial information.

Let me leave you with these three points to consider throughout the seminar:

- 1) How can we best convince non-traditional partners of the value of an intended partnership with an NSO (what's in it for them / win-win)?
- 2) How can we collectively forge a clear path forward to seize partnership opportunities while at the same time address the practical concerns of statistical offices engaging in partnership work?
- 3) What do we have to do as leaders to support our staff in building the perspectives and competencies to make the creation and nurturing of partnerships a standard element in our daily routine?

I think we all recognize the importance of forming strategic partnerships that allow us to advance our individual organization's objectives, as well as that of the global statistical community. I very much look forward to an interesting, provocative and productive discussion, focusing on some concrete areas for future work.

Thank you.

