

Distr.  
GENERAL

CES/AC.71/2005/4 (Summary)  
28 January 2005

Original: ENGLISH

**UNITED NATIONS STATISTICAL COMMISSION and  
ECONOMIC COMMISSION FOR EUROPE (ECE)  
CONFERENCE OF EUROPEAN STATISTICIANS**

**EUROPEAN COMMISSION  
STATISTICAL OFFICE OF THE  
EUROPEAN COMMUNITIES (EUROSTAT)**

**ORGANISATION FOR ECONOMIC  
COOPERATION AND DEVELOPMENT (OECD)  
STATISTICS DIRECTORATE**

**Joint ECE/Eurostat/OECD Meeting on the Management of Statistical Information Systems (MSIS)**  
(Bratislava, Slovakia, 18-20 April 2005)

Topic (i): IT governance in statistical offices

## **PERFORMANCE MANAGEMENT AND IT GOVERNANCE AT STATISTICS FINLAND**

### **Invited Paper**

Submitted by Statistics Finland<sup>1</sup>

### **Summary**

#### **I. PERFORMANCE AGREEMENT BETWEEN THE MINISTRY OF FINANCE AND STATISTICS FINLAND**

1. Annual budgets are based on the plans and financial frameworks for the next four years. The Government ratifies the financial frameworks of its ministries annually for the next four years. The ministries then decide upon the corresponding financial frameworks for the agencies subordinate to them. The Government's proposal for the annual state budget is based on these financial frameworks. The parliament ratifies the annual state budget.

2. The annual performance agreement between the Ministry of Finance and Statistics Finland is based on the strategic plan and annual budget. The budgetary period is one calendar year. The system of planning and budgeting covers both the activities financed out of tax revenues and those financed from fees paid by customers or from other income (net budgeting system). Funds granted may be used within the current year or the next. Implementation of the performance agreement is monitored at four-month intervals.

#### **A. Performance agreement between the director general and the Directors of the units**

3. All Directors of units make their own performance agreement with the Director General of Statistics Finland. The annual agreement process is iterative: top-down and bottom-up. It is based on the performance and accounting report from the previous year, the annual state budget and the financial framework for the next four years.

---

<sup>1</sup> Prepared by Markku Saijets (markku.saijets@stat.fi).

4. Initially, the units make their proposals for the performance agreements for the next year and for the strategic plan and financial framework for the next four years. These are based on the preliminary frameworks given by the Director General. Prior to this, management discussions take place about the general performance and accounting framework for the next year. Once the proposals have been made there is a management planning and consolidation seminar between all Directors and important specialists.

5. When the performance agreement between the Ministry of Finance and Statistics Finland is signed (December), the Director General and the Directors of the units sign the performance agreements of the units (December – January).

## II. FROM STRATEGY TO ACTION

### A. Strategy planning at the agency level

6. The strategy planning of Statistics Finland is based on the balanced scorecard approach (Kaplan & Norton 1996). Figure 1 shows the success factors of Statistics Finland (or its strategic objectives).

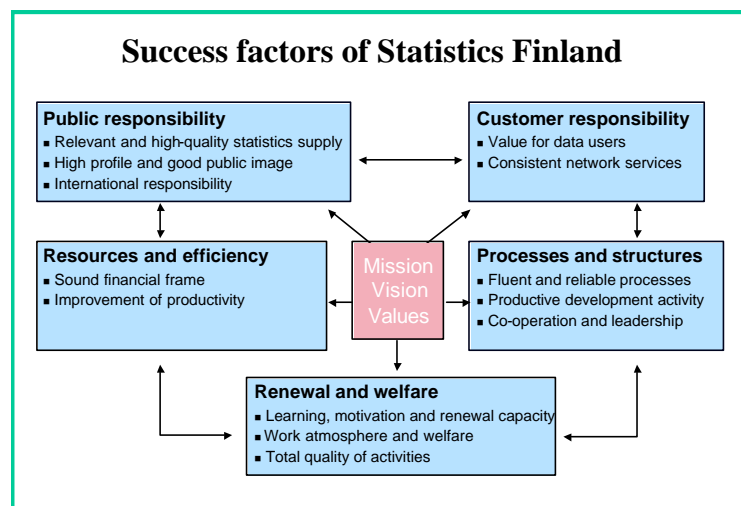


Figure 1: Strategic objectives of Statistics Finland

7. The mission of Statistics Finland is:

***Statistics Finland combines collected data with its expertise to produce statistics and information services for the needs of society, promotes the use of statistics and develops national official statistics;***

The vision of Statistics Finland is:

***Statistics Finland is a top unit in its field, recognised nationally and internationally for its high-quality data production and expertise, and for its co-operative and service capacity;***

The values are:

***Co-operation and mutual appreciation - Respect of the principles of statistical ethics - Innovativeness, continuous improvement of activity and know-how - Service orientation - Productiveness of activity.***

8. The important actions connected with this strategic planning model are:

Implementation of a New Production Model based on the Data Warehouse Approach and digitized production process; Customer relationship management; Development of web-based services; Quality and methodological improvements; Data security procedures; Introduction of new forms of learning (including e-learning); Project for the development of leadership and supervisory work; Improvements on internal communication (e.g. Intranet); and Further implementation of competence strategy. From the IT point of view the new production model is the most important and interesting.

**B. The strategy of the Information Technology and Statistical Methods Unit (IT Unit)**

9. The IT Unit manages almost all tasks that are connected with the information technology of Statistics Finland. Like all other units, the IT Unit makes a performance agreement with the Director General. Because the IT Unit administers almost all IT expenditure, it draws up and updates an ITC expenditure plan for the coming four years in connection with the Unit's performance agreement.

10. The mission of the IT Unit describes the duties of IT:

*The IT Unit guarantees that at Statistics Finland - applications function - classifications and concepts are in use - computers are running and PC support is near - data are secured, protected and in use - statistical methods are available;*

the vision of the IT Unit is:

*The IT Unit is a unit of IT professionals who are managed by coaching, it provides with its own excellence the necessary equipment/facilities for the excellence of Statistics Finland;*

and the values of the IT Unit are the same as the values of the whole of Statistics Finland.

**C. The basic strategic goals of IT for 2004 – 2008**

11. The basic goals are: development of leadership and supervisory work; development towards a unit of IT professionals; development towards a learning organization; promotion and support of the production model work.

12. To fulfil these strategic goals we have a 20-point programme where the details and responsibilities are defined.

**D. Know-how and IT**

13. The IT Unit has its own knowledge data system about the know-how of its IT people. The contents of this system are updated once a year. Every IT person updates his or her own data. After this, IT teams go together through the data of the team members. This way the contents of the system are not based on the personal opinions only.

-----