

TWINNING CONTRACT

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Support to the reform of the statistics system in Bosnia and Herzegovina



MISSION REPORT

Activity 2.B.3:
Reducing response burden on companies
Component 2: Business Statistics

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List of Abbreviations

BHAS	Agency for Statistics of Bosnia and Herzegovina
BiH	Bosnia and Herzegovina
CBBH	Central Bank of Bosnia and Herzegovina
EC	European Commission
EU	European Union
FBiH	Federation of Bosnia and Herzegovina
FIS	Institute for Statistics of Federation of Bosnia and Herzegovina
LIS	Local Statistical Institution
MS	EU Member State
RSIS	Institute for Statistics of Republika Srpska
RTA	Resident Twinning Adviser
SBS	Structural Business Survey
ToR	Terms of Reference

Executive Summary

During the mission, several topics have been discussed, relating to data collection, the administrative response burden and the perceived response burden. It is the assessment of the MS consultant that the work in BiH is of a high quality.

During the mission different materials and background materials was presented, in order to provide a common understanding of possibilities according to data collection and administrative burdens.

The materials presented was:

- Legal basis and Organization of Data Collection in Statistics Denmark
- Measuring the administrative response burden
- Business Survey Response Burden
- Policy for respondents
- Measuring the perceived burden

Some finding and recommendations has been discovered during the mission, which could be a possible input to the future work in BiH on data collection and response burden.

1. General comments

This mission report was prepared within the EU Twinning Project” Support to the reform of the statistics system in Bosnia and Herzegovina”. It was the FIRST mission to be devoted to administrative burdens within Component 2: Business Statistics of the project.

The purposes of the mission were:

- Introduction to measures and best practices in reducing response burden on companies
- Why it is important to understand the effects of surveys and other questionnaire completion on businesses
- Identification of the challenges in BiH
- Efforts to be taken in BiH to reduce response burden on companies
 - Data collection processes and data provider policy
 - Data collection tools and questionnaire design
 - Response burden versus perceived burden
- Introduction to measuring and monitoring of response burden
 - Introduction to the Standard Cost Model for measuring the response burden
 - Introduction to a model for measuring the perceived response burden
- First discussion on burden on companies for SBS

The consultants would like to express their thanks to all officials and individuals met for the kind support and valuable information which they received during the stay in Bosnia-Herzegovina and which highly facilitated the work of the consultant.

This views and observations stated in this report are those of the consultant and do not necessarily correspond to the views of EU, BHAS, FIS, RSIS, CBBH, Statistics Denmark, INSEE, Statistics Finland and Croatian Bureau of Statistics.

1. Assessment and results

It is the assessment of the MS consultant, that the work in BiH on data collection and response burden is very relevant and of a high quality. Some main findings have been discussed during the mission.

Data collection

1. The data collection in BiH is organized in three statistical institutions: BHAS, FIS and RSIS. BHAS is coordinating at state level, whereas data collection is carried out by FIS, RSIS and BD in accordance with EU recommendations
2. The statistical institutions have partial access to administrative data. Enterprises can be identified by unique 13-digit ID's, which allows the statistical institutions to use administrative data in the production of statistics.
3. Digital reporting has been considered, but is not applied.

Response burden on companies – administrative burden

1. Two studies have been carried out on the SBS survey in 2016 and 2017 in order to explore the use of administrative data and to reduce the response burden. The studies have been carried out in cooperation between BHAS, FIS and RSIS in order to produce the SBS survey in accordance with the EU recommendations.
2. The first study involved 12.000 enterprises, of which 3.000 enterprises with more than 20 employees received a detailed questionnaire, whereas 9.000 smaller enterprises received a brief questionnaire. Entrepreneurs were exempted from the studies.
3. The result of the 2016 study was a response rate on 85 per cent and an acceptable data quality. The respondents were asked to fill in the time to fulfil the questionnaire, which showed 2,6 hours for the detailed questionnaire and 1 hour for the brief. The response burden was calculated to one month work for 44 persons.
4. In 2017 the enterprises with less than 20 employees was replaced by administrative data or data from other surveys. Some variables from the administrative data could fit directly into the SBS survey, whereas some additional work was necessary regarding other variables.
5. The 2017 study showed a possible reduction in the cost of producing the SBS survey for the three statistical institutions. Furthermore, the 2017 study indicated a potential for reducing the administrative burden for the respondents.

Response burden on companies – perceived burden

1. The three statistical institutions (SI) have already done measures regarding the monitoring of perceived response burden. The structural business survey was taken as an example, which always contains a question about time to complete the questionnaire as an additional item to the main survey questionnaire.
2. The three SIs had contemplated before and also presented thoughtful questions during the meetings regarding the issues such as:
 - a. Which type of burden questions there are and what purpose each of them serve
 - b. Should the burden be monitored all the time, periodically or when there is a change in the instruments, procedures or subject matter of the data collection.

The SIs had not yet adopted systematically question or questionnaire improvement measures (e.g. pre-testing) but in the discussion local experts brought up observations regarding the questionnaire design and discussed on the special knowledge and skills needed for utilizing these methods.

3. Conclusions and recommendations

During the mission, some possible initiatives in BiH was discussed. Based on these discussions, some conclusions and recommendations were made.

Conclusions

Data collection can be organised in several ways, with one or more data collection units. The organisation of the data collection should ensure an appropriate and efficient data collection procedure. The data collection procedure should aim to reduce the cost of producing statistics as well as contribute to a uniform treatment of the respondents. Similar, it should contribute to a good overview of the surveys carried out and the burden on respondents.

Several issues according to the reduction of the response burden on respondents has been discussed. When constructing a survey, the questionnaires should only comprise questions, which are also used in the statistical production. Similar, the number of respondents in the sample should be reduces as much as possible. Information already known should either be considered excluded from the questionnaire or prefilled for information.

The aim to reduce the costs of producing statistics and reduce the burden on respondents should be spread to all of the relevant staff in the statistical institutions. This could be done by preparing a respondent policy, which informs the employees about the guidelines in the organisations in terms of collecting data and communicating with respondents

The assessment and reduction of perceived response burden are complicated tasks, and need a lot of co-operation between different specialists within the NSI. Yet, it is important that there would be an assigned specialist or a team of specialist who would have the ownership of the subject and could co-ordinate the activities and processes regarding it.

As this activities are not crucial in the production process of statistics and also taking account the available resources, it is probably better that the ownership would be assigned to a specialist or specialists that are already involved with the development of data collection and have comprehensive knowledge of a number of surveys. It is also good to underscore that the person or persons would not be just dedicated to this particular topic but it would be a part of their broader job description.

Recommendations

Data collection

1. It is important to have a strong legal act on the three statistical institution, in order to allow data collection and access to administrative data.
2. As data collection is carried out in different institutions, a harmonized setup for data collection could be considered.
3. In order to facilitate digital reporting, a password system or a digital signature could be considered.

Response burden on companies – administrative burden

1. The work on administrative burdens relating to the SBS has shown perspectives for reducing the response burden on enterprises. Thus, it should be considered to continue the co-operation setup between BHAS, FIS and RSIS on other surveys.
2. In addition to this, it should be considered to use administrative data for other surveys.
3. It should also be considered to ask respondents for the answering time in other surveys.

4. Over time, it should be considered to calculate the response burden for all surveys in BiH. This will indicate where possible reductions in the response burden might be possible.

Response burden on companies – perceived burden

1. It is good to continue the work already done with the monitoring of the perceived burden and extend the best practices gained from it to the other data collections. Also would be good to consider, which other dimensions (perceived, causes of, and motivation) of the burden should also be measured on BiH.
2. We encourage local experts to discover and try the qualitative methods on questionnaire and question improvement. These activities could be small-scale and experimental, and also done by the persons without long training on the subject.
 - a. To engage a variety of stakeholders (members of professional organizations, advisory committees, business associations, etc.) who are experts on the subject matter to review the questions and pinpoint the problematic ones.
 - b. To evaluate historical quality data, e.g. item-level frequency of edits and imputation
 - c. To pre-test an existing questionnaire with a convenience sample
3. To do qualitative follow-up interviews for a small number respondents with questionable data and debrief regarding their response and the problems they might have encountered.

Annex 1. Terms of Reference

Terms of Reference

EU Twinning Project BA 15 IPA ST 01 17

Component 2: Business Statistics

01-04 October 2018

Activity 2.B.3: Reducing response burden on companies

1. Result for the activity

- Knowledge gained how to measure, monitor and reduce response burden on companies

2. Purpose of the activity

- Introduction to measures and best practices in reducing response burden on companies
- Why it is important to understand the effects of surveys and other questionnaire completion on businesses
- Identification of the challenges in BiH
- Efforts to be taken in BiH to reduce response burden on companies
 - Data collection processes and data provider policy
 - Data collection tools and questionnaire design
 - Response burden versus perceived burden
- Introduction to measuring and monitoring of response burden
 - Introduction to the Standard Cost Model for measuring the response burden
 - Introduction to a model for measuring the perceived response burden
- First discussion on burden on companies for SBS

3. Expected output of the activity

- Knowledge gained on measures, best practices and methods for calculating response burden
- General understanding on different issues relating to response burden
- Suggestions made for efforts BiH should take in order to reduce response burden on companies
- List of ideas produced on efforts BiH institutions could take in order to reduce response burden

4. Participants

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