UNITED
NATIONS

E

Economic and Social Council

STATISTICAL COMMISSION and ECONOMIC COMMISSION FOR EUROPE

CONFERENCE OF EUROPEAN STATISTICIANS

Forty-seventh plenary session
(Neuchâtel, Switzerland, 14-16 June 1999)

PERFORMANCE INDICATORS FOR INTERNATIONAL STATISTICAL ORGANISATIONS

Submitted by Eurostat[1]

A Background

I. The organisations

1.   There are three predominant international and supra-national organisations active in the field of European statistics: Eurostat, OECD and the Economic Commission for Europe. These vary widely in their memberships, organisational status, staff resources and fields of influence. Their main features are summarised in Annex A.

2.   In addition, there are many international bodies which have substantial impacts on European statistics, frequently in the setting of internationally agreed standards, definitions, methodologies etc. Examples include:

Interstate Statistical Committee of CIS	ECB
FAO	World Trade Organisation
ILO	World Customs Organisation
UNESCO	International Statistical Institute
World Meteorological Organisation	IMF / World Bank

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[1] Prepared by Yves Franchet, Director General.

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II. Memberships

3.   The overlap of national membership lists for the three organisations, already complex, will undergo major change with the proposed addition of a dozen or so applicant countries to the EU during the coming decade. If, as seems likely, the seven applicant states not already in OECD do not join, the membership lists of EU and OECD will diverge further. These relationships are shown schematically in Annex C.

III. Coordination of work

4.   The main forum for coordination of international statistical work in Europe is the plenary session of the ECE Conference of European Statisticians. The "Joint Programme Review", operating since the early 1990s, consists of Eurostat, ECE, OECD and exists to ensure that there is no duplication in data collection or work programs, meetings etc. Because of its success, it has had to meet less frequently in recent years. It reports annually to Conference of European Statisticians. This work centres on the preparation of the "Integrated Presentation", described as "an overview of the international statistical work that is planned to be carried out in the next two years by all the major international organisations that is likely to have an impact on ECE, EU and OECD countries."

5.   A second, wider, forum aiming to reduce duplication of international statistical work is the ACC (Administrative Committee on Coordination) Sub-Committee. This currently covers 25 international agencies with significant statistical activities, many but not all of them UN bodies. It meets every year and reports jointly to the UN Statistical Commission and its Working Group.

6.   Major strides have been made in this coordination effort over recent years, evidenced for example by the growing reliance on joint meetings organised by two or more organisations, and the growing use of joint questionnaires in place of separate similar questionnaires from different bodies. More, however, needs to be done, and an annual paper on joint data collection is presented each year by the three organisations showing recent progress and plans for improvement in the near future.

B   Choice of indicators

IV. Broad objectives

7.   Indicators in any organisation, to be of real value, must shed light on how progress is being made towards agreed objectives. We must therefore be clear on what these objectives are before moving on to the selection of individual indicators. In generic terms, for international statistical organisations, we can envisage several types of customer (member states,

applicant states, countries in transition, other international organisations, the press, the public, etc) and five basic types of output:

- statistical data (involving collection, processing and dissemination)
- classifications and methodology
- analysis and interpretation of data
- technical assistance
- facilitating the exchange of views and experiences on new ideas, applications of new technologies, identifying best practice, reporting achievements in Member States, etc.

8.   Cross-classified against these outputs, we can suggest a number of "quality" aspects, some relating to external user perceptions and others to internal operational features. Each of these can shed light on user impact or how the output was achieved. These will include:

- timeliness i.e. the relationship between actual delivery dates and promised delivery dates (e.g. calendars of data release for statistical outputs) or actual delivery dates and reference periods (e.g. the reference time period of statistical surveys)
- other data quality features (accessibility, completeness, etc)
- user satisfaction levels
- efficiency of internal work of the organisation
- staff satisfaction levels
- the avoidance of duplication of work with other bodies, whether international, national, agencies, academic or whatever.

V   Choice of indicators

9.   Choice of indicators for each of these features is often far from obvious. It may help to list the features we would look for in an ideal indicator:

- It should relate directly to an organisational objective which is clear and specific.
- It should lend itself to measurement of some kind - the more specific the better.
- It should be readily comprehensible to managers and staff in terms of practical application in the real world.
- It should be transparent to staff how their own efforts will influence the indicator.
- It must be "usable" i.e. it must shed light on matters which can be subject to corrective action, and must be available in a timescale that permits a speedy response.
- It should be associated with norms or standards or targets which help distinguish good or bad performance.

- Collection costs for constructing the indicator must not be excessive, in terms of expenditure or disruption to work activities.
- It must avoid the very real dangers of narrow or poorly defined indicators which can distort management action. In essence, the indicator must encourage practices and decisions which assist the organisation in achieving its corporate goals, and discourage those which do not.

C Current Eurostat work

10. The remainder of this paper will outline Eurostat's current plans and progress in this field. These developments have taken place within a larger office-wide quality initiative known as Qualistat. This draws heavily from the EFQM business model.

VI. Eurostat objectives

11. Eurostat's main objectives are set down in its corporate plan, which was issued in early 1998. This lists six objectives:

- providing a better service to the Commission
- providing a better service to other users of our outputs
- assisting the operation of the European Statistical System
- improving staff motivation
- improving the quality of our products and services
- improving internal productivity

12. Each of these is explored in detail in the corporate plan document.

VII. Why bother?

13. Before launching into construction of indicators, we wanted a clearer view on the purposes they were expected to serve. We concluded that Eurostat indicators were likely to be applied in several ways:

- As a means of measuring how far our corporate objectives were being met.
- To assist in the formulation of policy.
- To assist the planning and budgeting process.
- As a guide to corrective action when this is needed.
- To assist in coordinating work in different parts of the organisation.
- To provide a means of sending clear messages to staff on priorities, targets, achievements and progress towards objectives.

- To help our users judge the quality of the service they are receiving.

VIII. The Qualistat project

14. As mentioned above, the Eurostat work on indicators forms part of a wider quality initiative known as Qualistat. This recognises ten sub-projects, including the indicator work. A schematic outline showing the type of ongoing work in each sub-project is shown in Annex B.

15. It is clearly important that the ten elements should be fully integrated with each other and with the corporate plan document. For example, the business plans should incorporate agreed indicators on timeliness etc for each work area, and the indicators themselves will draw from other elements such as quality reports or partnership surveys. In this way the various elements will send consistent messages to staff on what must be done to meet our corporate goals.

IX. The indicators

16. Against this background, we drew up a list of 18 indicators for high level monitoring of Eurostat performance, categorised according to the corporate plan objective concerned and the effort needed to get each established. These are summarised overleaf.

Objective	Indicator	Status	Effort needed
1 Serving the Commission	satisfaction levels of Commission users - measured through user surveys in Rolling reviews	first 3 pilot reviews done	high
	usage of data e.g. New Cronos accesses	started	medium
2 Serving other users	client satisfaction levels - for paying users measured through telephone surveys, Data shop feedback etc	ongoing	high
	volume of press attributions	ongoing	low
	income of Data shops	ongoing	low
3 Contribution to ESS	satisfaction levels of ESS partners - measured in partnership surveys	pilot review done	high
	timeliness of data sent by MS to Eurostat	awaited	high
	satisfaction levels of participants at meetings - measured through individual meeting evaluation sheets	ongoing	medium
4 Staff motivation	staff satisfaction levels - measured through staff attitude surveys	survey due later in 1999	high
	staff absence rates	awaited	low
	staff turnover	ongoing	low
5 Improving quality or products and services	EFQM self-assessment exercise	done in 1997 - planned for 1999	medium
	quality reports completed	ongoing	high
	completeness of reference data base	ongoing	low
	timeliness of reference data base	ongoing	low
6 Improving internal productivity	logging achievements against annual programme	awaited	high
	timeliness of data release against dates of MS transfer to Eurostat	awaited	high

X. Reflections

17. My personal impressions looking back on the experience gained through this work fall into two categories: firstly that it is easy to under-rate the work needed to construct meaningful indicators, and secondly that the effort is worthwhile and the potential benefits substantial.

18. On the difficulties involved, it soon becomes clear that very simple notions are more complex than appears at first sight. Timeliness measures, for instance, can draw useful distinctions between delays arising in Member States and those arising in Eurostat. However, when it comes to a relatively simple concept such as "date MS data received in Eurostat", the complications start:

- How do we treat partial returns - is 90 per cent of the agreed data sufficient to qualify - suppose 85 per cent is on time and the remainder late?
- How do we treat data errors - does one minor flaw relegate the entire file as being unusable?
- How do we treat delays in Eurostat in checking incoming data - is this logged as Member State delay if it ultimately leads to revised figures?

19. Apart from practical problems of definition, it seems as so often that the Eurostat circumstances make the application of business models and concepts particularly difficult. Our underlying problems arise from several different sources:

- The basic product of statistical data does not lend itself readily to measurement of volumes. Whichever proxy is chosen, number of publications, number of data cells completed, number of user accesses to a data base etc, it is quickly seen to have serious weaknesses. The absence of reliable output data makes it more difficult to tackle most efficiency measures.
- The quality concepts surrounding our product are particularly uncertain. With the exception of timeliness, and possibly level of revisions, general users have difficulty recognising a "good" from a "bad" statistic. This can render the interpretation of user satisfaction results very problematic.
- Also, in line with most other service outputs, usage is confused by the fact that the output does not degrade with use, and may easily be sold on or incorporated into new products. Here the operations of host firms on-selling our data makes it difficult to know the size or nature of our true customer base.
- The unusual relationship between Eurostat, the Commission, NSIs, ministries, banks etc makes it all the more necessary to be clear which entity we are judging with particular indicators, particularly since

the user typically care little whether delays arose in one quarter or
another.

20. So, given the many problems quoted above, is the effort really
worthwhile? I answer yes on several grounds. Given the competitive
pressures which surround Eurostat's work, and the high profile nature of much
of many of our current activities, I see the need not only to improve but to
demonstrate clearly to others that we have done so. Indicators will help us
do this. Secondly, indicators do not exist in isolation, but form just part
of what must become a new way of working. Fully integrated with more
effective business planning and the other Qualistat advances, these can push
user interests higher up our agendas and reinforce a move towards managing by
facts rather than by hunch or intuition. In all these ways, indicators have
an important role to play, both for Eurostat as an organisation and for the
ESS as a whole. There is much more to be done in applying ESS wide
indicators and benchmarking tools to help identify and spread best practices.
I look forward to debating some of these matters further with heads of NSIs
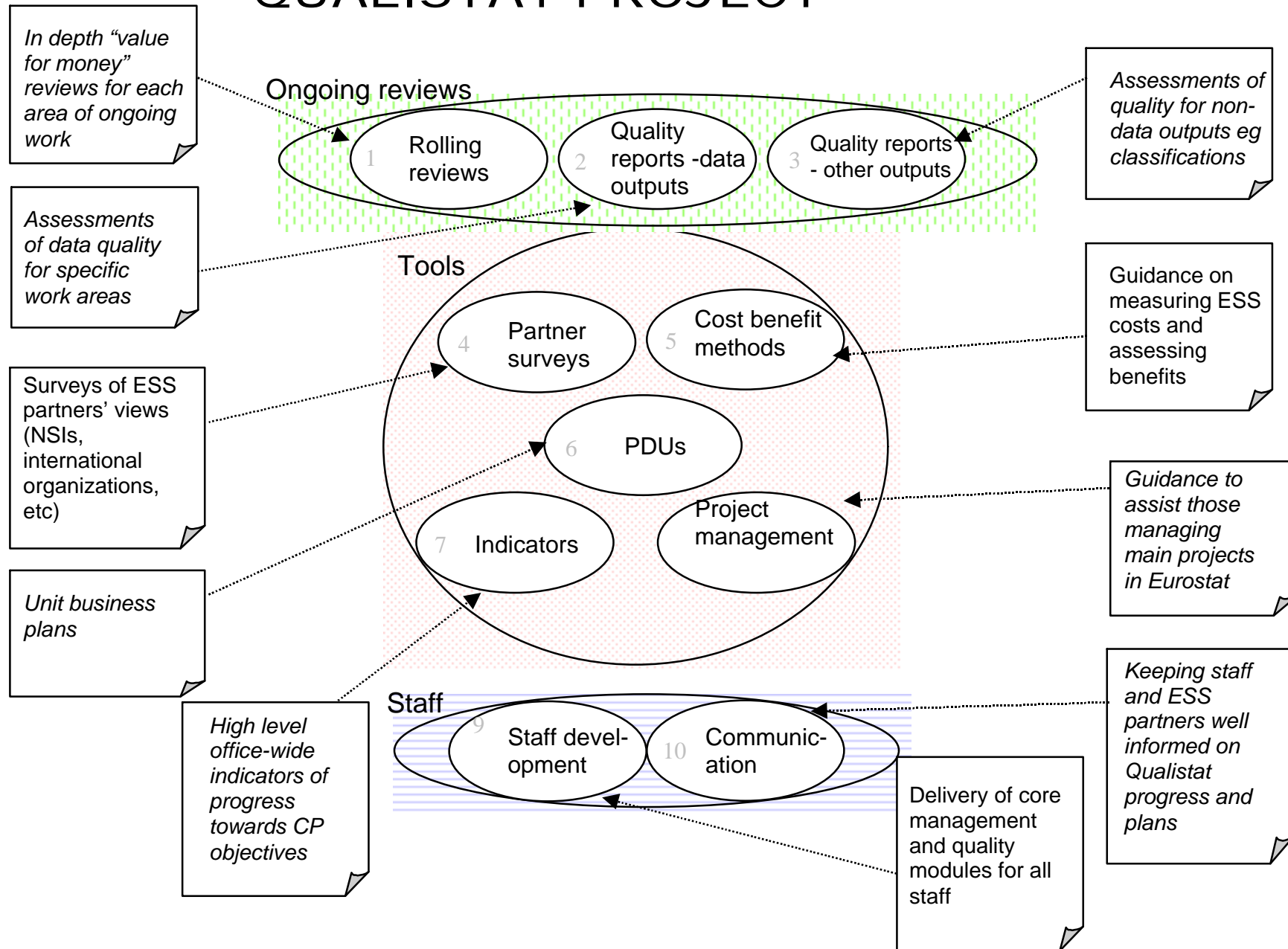when the SPC considers timeliness at its September 1999 meeting.

ANNEX A

Eurostat, OECD and ECE

	Eurostat	OECD	ECE/CES
Location	Luxembourg	Paris	Geneva
Status	A DG of the European Commission, a supra-national institution	Statistics Directorate forms part of OECD, a voluntary international body. Other statistical units exist in other substantive Directorates.	Statistical division of the Economic Commission for Europe (ECE), which is one of five regional Commissions of the UN
Staffing	Around 570 permanent staff plus 57 seconded staff mainly from NSIs plus a varying number of contract staff (50 to 100)	Around 45 professional staff in the Statistics Directorate. A further 100 staff in statistical units throughout OECD which has a total staff of some 2000	Around [25] permanent staff
Features	Has a comitology role through SPC in creation of European statistical legislation. Main emphasis is on collection of harmonised national data for Commission policy and administrative purposes. Links to ECB interests through the CMFB.	Main emphasis is on information needed for analysis of national policy issues. Work priorities are determined by Committees and Working Groups composed of Member government representatives.	Main statistical activity is organisation of the Conference of European Statisticians. Plenary session meets annually and is attended by heads of NSIs. Other meetings (some 25 pa) are attended by experts.
Member States	15 EU members plus 3 EFTA states to form EEA 10-12 Candidate Countries	29 market economy countries in Europe, N America, Japan, Korea, Australia and New Zealand. This includes 3 of the EU applicant states	55 countries including EU applicant states, CIS states, USA, Canada

QUALISTAT PROJECT

In depth "value for money" reviews for each area of ongoing work

Ongoing reviews

1 Rolling reviews

2 Quality reports -data outputs

3 Quality reports - other outputs

Assessments of quality for non-data outputs eg classifications

Assessments of data quality for specific work areas

Tools

4 Partner surveys

5 Cost benefit methods

Guidance on measuring ESS costs and assessing benefits

6 PDUs

Surveys of ESS partners' views (NSIs, international organizations, etc)

7 Indicators

Project management

Guidance to assist those managing main projects in Eurostat

Unit business plans

Staff

9 Staff devel-opment

10 Communic-ation

Keeping staff and ESS partners well informed on Qualistat progress and plans

High level office-wide indicators of progress towards CP objectives

Delivery of core management and quality modules for all staff

Membership overlaps

ECE (55)

EU (15)

USA, Canada
Turkey, Switzerland

OECD (29)

Australia
New Zealand
Japan
Mexico
Korea

Poland
Czech Rep
Hungary

Norway
Iceland

Estonia, Latvia
Romania, Bulgaria
Slovakia, Lithuania
Slovenia, Cyprus

Liechtenstein

Applicants (11)

EFTA

Albania, Andorra, Armenia, Azerbaijan, Belarus, Bosnia & Herzegovina,
Croatia, Georgia, Israel, Kazakhstan, Kyrgyzstan, Malta, Moldova, Russian
Federation, Monaco, San Marino, The Former Yugoslav Republic of
Macedonia, Tajikistan, Turkmenistan, Ukraine, Uzbekistan, Yugoslavia