

The ways and means of increasing the efficiency of the statistical office in communicating with users: INS Romania experience

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The economic and financial crisis in Romania

Irrespective of the elements we could bring today for arguing the place and the position held by Romania within the European Union, the basic indicators place Romania, under comparability conditions, unfortunately, to the bottom of the development scale, both in relation with the European average and with the level of the other 26 Member States. It is useless to add that the nowadays when crisis affected among the most Romania's economy, the desirable recovery and restarting the process of economic growth became even more difficult.

Romania has proved, however, many times along history, its capability of surprising others through spectacular revivals. Hopefully it would be the case once more, but the expectations should be supported and maintained through lots of efforts, first of all of qualitative nature, with the prevalence of investments in intelligence and knowledge within concerted efforts devoted to a large scale project institutionally, even governmentally assumed.

There are however possible comparative and competitive advantages/ opportunities Romania could use as resources to reach the goal in a closer perspective.

First of all, it has to be stressed the favourable conditions for the country under present circumstances that place it as a part of the European Union, a part of the European Union „train” with its well known „locomotives”, its „first class wagons” and other elements propelling them altogether towards the welfare „station”. As it is well known, the „platform” is always long enough to be accessed by passengers of all wagons at the same time.

A trump, that is a comparative advantage, is Romania's size by itself, being the seventh country in terms of population number and territory within the European Union. Moreover, the Romanian

population training level and capacity of efforts account for another advantage that should be neither neglected.

Though seeming a paradox, current discrepancies, including those of structural nature, could be turned into advantages, naturally to the extent to which the Romanians will be smart enough to overrun them by reconversion, re-skilling the human potential.

It is crucially necessary to focus and concert the creative efforts and commitment of population to intensify its commitment to better work, particularly by improving the quality of intellectual and professional undertakings assumed by all the members of the society.

Which is the role of the Romanian statistics?

For sure, the National Institute of Statistics could not stay away of these concerns, but on the contrary, has called up all efforts in view to revise the means and tools by adapting the portfolio of statistical data and information “supply” of the Institute to the political agenda, particularly to the segment established in the context of the governmental anti-crisis programme. The activities envisaged and put in place by the National Institute of Statistics could be framed into three major categories of actions:

- (a) intensifying the dialogue with Romanian society (mainly with the political environment) in view to capture the needs of relevant and timely statistical data;
- (b) strengthening the cooperation with other institutions (particularly with those of financial nature) in view to ensure the compatibility and coherence between the information systems managed by all these institutions;
- (c) strengthening the official statistics communication towards all user categories (including, and especially to mass-media).

(a) intensifying the dialogue with Romanian society (mainly with the political environment) in view to capture the needs of relevant and timely statistical data;

The article’s authors have chosen to place within this category of actions the National Project of Economic and Social Modernisation of Romania launched by the General Association of Romanian Economists.

The project has started, naturally, with a SWOT type analysis, a serious *brainstorming* analysis meant to define particularly the scale, including the limits of thematic approach, the necessary resources, firstly human resources, but also the financial and material resources, as well as the institutional framework.

In this context, it was appreciated as most desirable that the project’s concerns should be the structural crisis effects, of internal nature, rather than those of the global crisis and of depression, recognised as conjunctural factors. This project aims at national economy modernisation and is to begin with the historical past up to present times assessment in view to outline the future, based on Romania own efforts, first of all, and afterwards on the advantages of international context, having as starting point the assertion that Romania’s coming out of crisis would not happen when the international context would desire it. As already known, reaching such an objective as the envisaged one is a moving target, while the movement as phenomenon and dialectics feature extends over all. It is, however, different in terms of pace, scale and effect, the single alternative being the conjunction to its high intensity.

When speaking about advantages, however, one cannot neglect their opposites, meaning disadvantages, identified in most cases with assuming risks and with finding the solutions for their avoidance or alleviation. Such easily predictable risks could occur in the absence of coagulation and national consensus elements from the undertakings meant to be incorporated into the project with discernment, objectiveness and lucidity.

The National Institute of Statistics has joined those who appreciated this initiative as a generous and ambitious undertaking, indispensable in the current stage Romania is crossing over in its way towards the de facto integration into the European structures and for the pro-active participation of Romania in the international, even worldwide processes faced by the contemporary world. It is about the globalisation phenomenon, the achievement of objectives related to mega-trends outlined in the dynamics of economic and social life at planetary level, the climate changes and other phenomena and processes outlined in the medium term or perspective evolutions. As counterweight, the imperatives of coagulating the concerns and the intelligence and creativity endeavours of intellectual elites are to be taken into account. They meant to ensure the viability and the sustainability of scenarios and undertakings at world, regional, national level.

It is easily understandable that a core prerequisite of setting out scenarios, orientations, patterns, objectives, priorities and mechanisms depends to an overwhelming extent on statistical data availability, both at national and international level. This is quite natural, particularly from the standpoint that any strategy aiming at Romania's development can be only approached in consonance with the undertakings initiated especially at European level, with reference, for instance, to the components of 2020 Strategy. In terms of statistics, the National Institute of Statistics is drawing up a rich factual material, materialised in statistical data, made available to all data users, material to be used within the project.

As far as it can be assessed at this moment, however, it occurred as a necessity to complement current available data and information with other reflecting the main structures of the economy, to a higher degree of details and under special compatibility and comparability conditions. The decision of the INS was to revise, update and up grade its Multi-annual and Annual Statistical Programme to cope with the new societal demands.

The activity of the Institute was particularly oriented towards expanding the coverage of the programme towards social phenomena and processes faced by the whole society, especially:

- economic and social recovery, implicitly the evolutions aiming at overrunning the economic crisis;
- changes occurred in the society and necessary actions in the perspective of our country participation in ensuring sustainable Europe by accomplishing the objectives provided within Europe 2020 Strategy;
- improving the methodological concepts of the activity organisation system by means of refining data collection methods, of using modern processing means, of higher transparency and visibility in the process of statistical data and information dissemination;
- widening the use of administrative data sources under complementarity conditions in relation with the classical system of statistical surveys carrying out;
- improving statistical quality, corollary of the whole activity.

All these imperatives of the concerns entailed a major jump in consolidating the INS role and place as fundamental institution of Romanian society.

(b) strengthening the cooperation with other institutions (particularly with those of financial nature) in view to ensure the compatibility and coherence between the information systems managed by all these institutions;

Statistical production is preponderantly determined by statistical data requests. The reflection of information requests results from a long lasting consulting process between the official statistics producers and their users, while the results of this consulting are written in the Annual National Statistical Programme (ANSP).

The National Institute of Statistics is placed among the first fundamental state institutions which have drawn up and put in practice annual statistical surveys programme, based on complex structures of specific and inter-institutional activities, generated by own initiatives and proposals of partners from the National Statistical System. These programmes materialise the objectives and tasks of official statistics necessary for the assessment of outputs resulting from economic activity and social policies included in the governance programme and for meeting the information needs of the whole Romanian society.

The complex and diversified topics of ANSP cover all fields of the economic and social life, supplying the statistical data and information necessary for the assessment of activities carried out with various frequency (monthly, quarterly and yearly) and for defining the development programmes.

The programme was drawn up in accordance with the principles of European Statistics Code of Practice, in view to compile and disseminate harmonised official statistics, of high quality and in view to ensure the appropriate functioning of the National Statistical System as a whole.

Passing to a brief description of basic statistical fields where the collaboration with other institutions is well functioning, we should start with **national accounts**, where a series of major undertakings took place, such as the consolidation of macroeconomic indicators compilation, the compilation of quarterly accounts by institutional sector and the quarterly estimation of employment according to the European System of Accounts 1995. By passing to the quarterly compilation of Gross Domestic Product (GDP) seasonally adjusted, Romanian statistics complies with the EU norms and standards on assessing the economic growth on comparable basis, extremely important undertaking in measuring the recession process impact and implicitly the effects of recovery and crisis outrunning measures, as priority objectives of the government.

The current implementation of “*flash*” estimates compilation and publication estimates is inscribed in the same context, thus allowing for making available to users, first of all to government, of data related to GDP growth in a shorter time lag, respectively 40 days after the quarter end as against 75 days as previously.

In view to align Romanian statistics to the European Statistical System requirements, the non-financial quarterly accounts of institutional sectors were compiled for the period 1999-2010.

Likewise, the annual and quarterly estimation of employment, in accordance with national accounts definitions and methodologies, is to be pointed out, as indispensable prerequisite for the calculation of labour productivity during 2000-2010.

It is worth pointing out the collaboration between INS and the Ministry of Public Finances, the National Bank of Romania and the National Commission for Prognosis in the project of exceptional importance related to the compilation and reporting of governmental debt and deficit within the Excessive Deficit Procedure, information regularly transmitted to the European Commission (Eurostat), using them as a barometer of economic and financial performances of the EU Member States.

The international trade in goods statistics also had positive evolutions, with refinements aiming at meeting the quality, timeliness and relevance requirements adapted to users' needs.

Among recent results, it is worth mentioning the permanent quality update and improvement for the data included in the Statistical Register Intrastat, both based on direct information received from data providers and from additional data sources (territorial statistical directorates, Business Statistical Register, Trade Register, fiscal statements from the Ministry of Public Finances, Internet etc.).

It is well known that in the field of *short term indicators* statistics, the main objective was to timely meet users' requests, to which relevant, high quality statistics were made available, compliant with the European Union statistical norms and standards.

Structural business statistics provide the most complex information from the economic area, while the main objectives have been directed towards meeting the domestic and foreign users' requests, by ensuring the continuity of statistical indicators series and data quality, as well as towards the provision of information necessary in view to substantiate the policies aiming at Romanian economy development.

As for *social statistics*, one should stress from the very beginning the field placed at the crossroad of economics and social, namely labour market statistics.

The content of many press releases in this field was improved, the disseminated statistical indicators having attached comments on their scale and evolution, as well as meaningful metadata, for better understanding the economic events occurred on the labour market.

The information necessary for the assessment of phenomena taking place on the labour market, the measurement of economically active population – employed and unemployed – as well as the inactive population is obtained from the Household Labour Force Survey (HLFS).

In the field of *living conditions* statistics, the INS actions have been oriented towards the implementation of computation methodologies for comparable indicators in fields of interest at European level, redesigning some statistical surveys already existing and their adaptation to the newest European regulations and also the harmonisation with national legislation.

A major statistical survey within the National Statistical System was the *Family budgets survey*, together with the *European survey on income and living conditions - EU-SILC*, the *Life quality survey - ACAV* and *Population access to information technology and information - ITC at households' level*.

The National Institute of Statistics compiled a wide range of *price statistics* in view to meet the domestic and international users' needs. Most of price statistics are presented as temporal price indices, but spatial comparisons of prices are also available, either in absolute terms (average prices of main products sold on agro-food markets) or in relative terms (purchasing power parity). The main improvements in the field of price statistics refer to the publication, for the first time in Romania, of *price indices for residential properties and for services rendering*.

The whole statistical activity, the production of statistical data and information would not be possible within a statistical institute in the absence of *information technology* support, namely without a performing IT architecture.

Improvements in the information technology statistics within the National Statistical System materialised in upgrading and improving the IT infrastructure for compiling Romanian official statistics, able to support, under upper quality and timeliness conditions, the statistical surveys and works carried out within the INS. Many activities were accomplished in compliance with the strategy of public administration computerisation, through the management of IT statistical system within the INS.

(c) strengthening the official statistics communication towards all user categories (including, and especially to mass-media);

Statistical dissemination is the last stage of the statistical process. All the other actions, measures, procedures, undertakings and results have a somehow intermediate nature, their finalization being materialised in the dissemination results. They should certify the efficiency of the statistical activity, setting up the prerequisites for meeting users' needs, thus legitimating the reliability and prestige of the institution. Communication is crucial for effective data collection and dissemination; INS understands communication as a two way process: to better understand user needs and concerns and to convey brand image, product characteristics and benefits.

Having as steady objective of its activity the complete and timely production and dissemination statistical information, and effective communication, the National Institute of Statistics has oriented its data dissemination policy towards their increased timeliness and quality, widening and diversifying the disseminations forms; increased number, volume and coverage of statistical publications; the timely information of all statistical data users, by issuing, in 2010, over 200 press releases; improvement of data sources, including the use of administrative sources; widening and improving the databases, at the same time with facilitating their accessing; intensifying the electronic dissemination activity.

Another achievement in the dissemination of statistical data is the coordination of the editing of data and metadata on the site of the International Monetary Fund, in the SDDS-online system in which, besides the NIS, the National Bank of Romania, the Ministry of Public Finance and the Bucharest Stock Exchange take part.

The INS is promoting a good communication with mass media and through them with users help INS to win the cooperation of respondents (and of data users), which in thier turn will enhance quality of data and usefulness of data to users.

For the awareness and promotion of statistics among the users of statistical data, an important role played the implementation of the project granted by Eurostat for the sponsorship of the statistics communication - *Sponsorship in communication*, developed in collaboration with Bulgaria and Lithuania. The result of this project materialized in issuing a *Guide of recommendations* for building web sites for learning statistics, mainly by pupils and students, and for developing a survey in the Member States for reviewing the best practices in the field.

Which are the short term priorities of the National Institute of Statistics?

Among these priorities, the most important ones would be:

- Continuing the process of quality improvement of the existing statistical framework through:
 - o *absorption and implementation* to a higher extent, in terms of statistical process coverage and quality, the statistical Acquis Communautaire by implementing new statistical surveys;
 - o *extension and diversification of coverage and solutions* for data collection from primary data providers through:

- gradual replacement of printed questionnaires with the electronic ones, particularly addressing the legal units of statistical observation;
- large scale use of administrative sources for statistical purposes and the related diminution of statistical surveys number;
- The need of efficiently and timely provide pertinent information, adapted to the imperatives of monitoring from statistical quantitative standpoint the crisis effects; strengthening the cooperation with the institutions collaborating to the drawing up of fiscal notification (Ministry of Public Finances and National Bank of Romania) aiming at monitoring the budgetary deficit evolution as well as other economic and financial issues;
- Implementing and applying appropriate and efficient methods, at territorial statistical directorates level as well, continuing the improvement of statistical training level, particularly oriented towards the new undertakings and progresses achieved at European level in this field:
 - *setting up the e-Learning platform aiming at:*
 - running smart type courses, adapted to trainees level;
 - giving the trainee the opportunity of learning at his own pace and assimilation conditions;
 - monitoring the knowledge assimilation level by quick and pertinent test systems.
 - *organising courses related to official statistics matters* oriented towards widening the data users' knowledge, including key responsible persons from central and local administration;
 - *connecting the National Institute of Statistics to the operational programme of administrative capacity development* in view to assess local public administration performances;
- Extending the statistical activities towards the regional and local context, by means of sectoral analyses and turning into account the techniques and methods of disseminating statistical indicators on small areas;
- Promote proper use and interpretation of official statistics for better informed decision making; promote INS image, professionalism and central coordination body for official source;
- Develop strategies for effective communication and media relations;
- Improving and harmonising statistics in view to achieve a coherent and realistic picture of factors influencing the economic growth; shortening the period of releasing information on crisis effects, approaching from methodological standpoint the content of raw and adjusted series, theoretical research and attempts of applying, under the assistance of university-academic staff, some models for synthetically assessing the economic growth based on composite indicators; extending the time series over longer periods, etc.;
- Re-conceptualization of the National Institute of Statistics organisation from the perspective of data flows rationalisation, of the envisaged improvement of data collection, processing, analysis and dissemination methods, of primary data quality assessment, of other objectives included in the statistical programmes of the Commission and in the Multi-annual and annual national statistical programme;
- Focusing the statistical body efforts towards higher turning into account of statistical data and information; adopting pertinent and viable solutions in sensitive areas, such as consumer price index and inflation, assessment in compliance with EU standards the international migration, improving the surveys on labour market in view to capture phenomena and processes specific to the recession and

economic crisis period, improving the way of pursuing the evolution of real estate prices, improving the system of surveying living standard evolution, etc.

Abstract

The presentation will focus on new approaches adopted by the statistical office of Romania in answering to the most acute and difficult challenges occurred due to economic and financial crisis. The statistical office has been required to revise its means and tools practiced so far by adapting the statistical portfolio of outputs supply to the decision- making agenda, particularly set up in the framework of the anti-crisis governmental program. Among activities developed by the statistical office, several solutions were adopted: (a) intensify the dialogue with the political environment to capture the needs for more relevant and up-to date and timely statistics; (b) strengthening co-operation with other institutions bodies, primarily with those of financial profile to ensure the compatibility and coherence between the information systems managed by the above; (c) enforcing the communication of official statistics with all the stakeholders, including mass media.