Consistency and Profiling of large enterprise groups within Statistics Netherlands

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Why a dedicated unit for large Enterprise Groups?

• Dominant role of large enterprise groups in statistical output
• Inconsistencies in micro data lead to:
  – inconsistencies between statistics
  – extra work for National Accounts
• Consistent data yield better quality
• Globalization increases complexity
Traditional statistical chains

- Observe
- Analyse
- Publish
- National Accounts

Consistency work

- SBS
- STS
- Prod-com
- SFEG
- Int. Trade
- Inv
- Etc
Traditional statistical chains

Observe

Analyse

Publish

National Accounts

Consistency work

SBS

STS

Prod-com

SFEG

Int. Trade

Inv

Etc

Centraal Bureau voor de Statistiek
Why a dedicated unit for large Enterprise Groups?

• Deal with large, complex enterprise groups in a separate process, which delivers consistent data on these units for a number of variables, suitable for direct use in other statistics, including national accounts.
• Better quality statistics
• Good knowledge of the business processes (even world wide)
The scope

- 330 non-financial enterprise groups, 2,550 enterprises, 11,200 legal units, 0.9 mln employees
- Enterprise groups selected by size and complexity
- Each check whether to change the population
To profile or not to profile

• Three groups of Enterprise groups
  • Large and complex groups (330)
  • Not large and complex (1900)
  • Enterprise = Enterprise Group

• Top Down Profiling
The approach

- Team work (each with his own role)
- Account managers are responsible for relationship management and consistent data
- Profilers maintain the structure of the enterprise groups in the business register
- Analysts edit survey data and assist in assessing the consistency
- International trade specialists
Profiling and account management absolutely necessary

- Joint Ventures
- Financial Special Purpose Entities
- Only activities abroad
- Economic ownership
- Merchanting
- Production abroad, finishing of goods, pay rolling
The approach

• Good relationship management is important for:
  – Delineating the right statistical units
  – Obtaining useful data on these units
  – Interpretation of the data
  – Solving and explaining inconsistencies
• Appropriate level of knowledge is required
• Enterprise groups appreciate it!
Results

• Inconsistencies are solved or explained early in the process leading to better statistics and National Accounts
• Good knowledge of the business processes of our EG’s
• EG’s appreciate it and are willing to discuss problems, solutions and explanations
• Inconsistencies are persistent if no action is taken
• Respondents Solutions are shared with statistical departments and incorporated in source statistics
Conclusions and future challenges

• It works: inconsistencies solved and explained
• Good relationship management helps
• Teamwork leads to better understanding of the business processes leads to better quality
• Globalization
• Dynamics of enterprise groups
• Changing guidelines (ESA 2010, BPM6) affect consistency
• Efficiency in our own processes
Thank you for your attention