Methods and Challenges of Quality Measurement – Finland’s Experiences

24th Meeting of the Wiesbaden Group on Business Registers
Vienna, 15 -18 September 2014

Session 7: Measurement of the Quality of Statistical Business Registers - Practical experience

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Today’s presentation

Focus is on briefly presenting Statistics Finland’s methods and practices for measuring the quality of Business Register:

1. Quality Control Inquiry
   ✓ Direct data collection tool examining the timeliness and punctuality of location and industry information

2. Coverage Analysis of the Description Area
   ✓ A tool analysing the completeness and relevance of Business Register data

   ✓ Comparing data between statistics on a common software
Quality Control Inquiry (1/2)

- Quality control inquiry examines the correctness of industry and location information of small single-establishment enterprises that are outside Business Register’s normal annual inquiries

  - Variables covered: NACE section level, NACE subclass level, municipality of location, postal code, location address (street address), the classification of “single-establishment”
  - Sample size for the year 2013 inquiry was 1,561 units

- Inquiry is carried out as a part of Business Register's routine direct data collection and the responses are automatically part of our normal updating processes
Quality Control Inquiry (2/2)

- Quality control inquiry has been repeated annually since 2003

- Main target group of the compiled report is Business Register staff and experts engaged in business statistics micro data services

- In addition to Business Register quality overall, the quality control inquiry benefits especially the business statistics micro data services where data inquiries are on a very accurate level including variables not published in official statistics (e.g. street address and certain 5-digit NACE codes)
Reasons for the improvement in the street address quality:

✓ More efficient use of public data sources available
✓ Close co-operation with the users of micro data services; feedback
✓ Targeted checks for small units not updated for a certain period of time
Coverage Analysis of the Description Area (1/2)

- Coverage analysis of the description area is a tool used annually to monitor the completeness and relevance of Business Register data on legal units.

- The tool compares Business Register data content on legal units with the most central administrative data sources.

- The differences are reported both in terms of number of units as well as the sum of wages and salaries and the turnover proportions for the reference year. Additionally, analysis by legal form and size class is compiled.
Interest groups include especially Business Register staff, business statistics micro data services and National Accounts.

Examination by legal form and sector code makes it possible to target specific groups, for example:

- The coverage of *Foundations and funds* in BR has been expanded to better serve National Accounts’ needs
- In addition to the activity criteria used so far (employment and turnover) a new criterion of balance sheet total ≠0 is introduced. => e.g. *Holding companies* will be better covered by BR.
Integrated Business Statistics Production System

- Integrated business statistics production system is now in the implementation phase after a large revision project since 2010.

- System consists of a production database and a data warehouse, where all the central business statistics are connected.

- Integrated model provides all the statistics with the same data content in order to produce consistent business statistics. Concepts – such as turnover and NACE classification – were further harmonized in the development process.
Comparison between different statistics and different sources is more relevant and more convenient making quality control a more natural part of everyday work.

Quality of Business Register is more genuinely a common interest!
Thank you for your attention!

- Questions or comments?

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