

PERFORMANCE TARGET DOCUMENT FOR THE YEAR 2007

The Ministry of Finance and Statistics Finland have agreed about the following performance targets concerning the year 2007 and about the agency's activities within the framework of the long-term targets set for the public responsibility of the state administration:

1 Strategic policy of the agency for the years 2007-2011

1.1. Public responsibility

1. Statistics Finland ensures the relevance and high quality of its data so that they meet essential domestic information needs and fulfil Finland's international commitments.

Statistics Finland produces within its basic financial framework the statistics and services required by the legal acts and obligations of the European Union valid in 2005 and by essential domestic needs, and implements the necessary updates and reviews of statistics.

2. Statistics Finland ensures with the Ministry the sufficiency of financial resources for expansions of activity required by any new obligations imposed by the European Union and other international agreements or national needs, and for improving support services and offsetting possible changes in the applied cash basis principles.

3. Statistics Finland acts so that the extent of public knowledge about it and its trustworthiness, as well confidence in the quality of its statistics continue to remain good. Response motivation shall also be sustained among data providers by ensuring that their data are protected at all stages of data processing. Data suppliers will be encouraged to start submitting their data electronically.

4. Statistics Finland employs all its available means to contribute to the development of the international, and especially the European statistical system so that statistics are improved in a co-ordinated manner avoiding overlapping and by means of simplification and cutting down on the number of existing statistical regulations. Spread of knowledge about the strengths and good practices of Finnish statistical expertise shall be promoted in international statistical co-operation. Statistics Finland will be among the leading national statistical institutes in meeting international obligations.

5. Statistics Finland develops the national statistical service as a high-quality organisation that functions efficiently and uniformly, and promotes within it the application of the European Statistical Code of Practice.

1.2. Outputs and quality management

6. Statistics Finland improves the quality of statistics by means of statistical methodology and by concentrating on the mutual coherence of statistics. Total quality of activity will be improved through application of the Finnish quality award (EFQM) framework.

7. Statistics Finland develops products and services with a customer-oriented approach in co-operation with other producers of official statistics in Finland and with other stakeholders while taking into account both national and international data users. Services to the public will be extended by making statistical data intended for general use accessible as a free self-service. This will be implemented within the limits of the Decree on the Charge Criteria of the Performance of Statistics Finland and the framework of financial resources.

1.3. Operational efficiency

8. Statistics Finland improves its productiveness, ensures that it operates economically and allocates its resources in the best possible manner.

9. Statistics Finland finalises the transfer of its information systems to the open environment that is necessitated by the construction of a production model based on the data warehouse thinking, and introduces into wide use the tools developed within the production model project.

1.4. Management and development of intellectual resources

10. Statistics Finland develops its activity as a learning organisation and implements its Personnel 2010 programme. Core competences will be kept up-to-date and the skills of human resources developed through goal-oriented training and on-the-job learning. Statistics Finland preserves and amplifies the scientific expertise that is necessary for the performance of its basic task and safeguards knowledge sharing when a growing number of present employees reach retirement age towards the end of the planning period.

11. Statistics Finland enhances the well-being of its work community, organisation of work and work atmosphere co-operatively, as well as sustains internal synergy and promotes professional supervision and leadership in accordance with its Management policy.

12. Statistics Finland ensures its competitiveness as an employer and continues to develop its remuneration and awarding system to make it increasingly motivating and supportive of set strategic goals.

2. Activities of Statistics Finland within the framework of the targets set for the public responsibility of the administration of state finances

13. Statistics Finland maintains and develops the relevance and high quality of its databases so that they will serve as well as possible the needs of both the financial administration of the state and other key national users needing statistical information while at the same time fulfilling Finland's international obligations.

14. Statistics Finland contributes to the improvement of productivity both by rationalising its own activity and by participating in the productivity project of the Ministry of Finance by developing statistics on the productivity of the public sector.

II Targets for the operational effectiveness of Statistics Finland in the year 2007

Besides by the growing statistical requirements of the European Union and the European Economic and Monetary Union, the operating environment continues

to be shaped by more general influences, such as globalisation and advancing information technology. New legal acts that the European Union is preparing in the field of statistics concern increasingly social statistics rather than economic statistics. The EU will be contributing increasingly less to the funding needed in the development of new statistics. Besides for broadened scopes and descriptions of statistics, demands are also made for their faster completion and higher quality. Both nationally and internationally, great expectations are placed on free accessibility of statistics.

A number of public sector reforms are taking place in Finland, and especially the project on the productivity of the public sector and the restructuring of municipal services will have a bearing on the national statistical service and statistical descriptions.

While reviewing and developing statistics, Statistics Finland endeavours to combine domestic obligations and those imposed by the European Union as well as possible, and advocates methodological independence in the compilation of statistics within the European Union (subsidiary principle) so that the relevance, quality and costs of data production could be optimised and unreasonable increase of data supply burden prevented.

Measures:

1. Statistics Finland produces the statistics and services required by the legal acts and obligations of the European Union and by national needs, implements the necessary updates and revisions, and covers from its operating expenditure the costs that will transfer under national funding in 2007 as per EU regulations. The scope of statistics on public sector productivity will be broadened and their production speeded up.
2. Possibilities of widening the data collection, dissemination, and information system services of Statistics Finland to the rest of the national statistical service and the state administration will be investigated. Purposeful organisation of the national statistical service will be studied jointly with the National Board of Customs in 2007.
3. Operating strategy and measures of output performances will be reviewed.
4. High profile, trustworthiness and reliability are to be maintained at least at their present levels. Proportions of answers in the 2005 Public Image Survey, % of respondents: familiarity 81, reliability 86, and impartiality 71 per cent.
5. Obligations imposed by the European Union shall be fulfilled among the leading member states.

III Performance targets for Statistics Finland's activities and measures for improving productivity in 2007

Outputs and quality management

1.1. Performance outputs and public service goods

1. Production of the statistical and service outputs listed under II and III.1 of Appendix 1 will be continued. The volume of databases will increase from the previous year and the growth in the volume of web-based services will continue, as also will that of international reporting and legislative work in the

EU. The volumes of other performance outputs, e.g. archiving of statistics, library services, international consulting, are estimated to remain unchanged. Within charged services, the number of printed publications will fall, but others are estimated to stay at their present levels.

1.2. Service capacity and quality

Work on improving the quality of products and services, as well as service capacity will be continued with a review of the range of offered services and by converting standard services into web-based ones. Data from essential social statistics will be offered as a free public service at least to their present extent.

1. Data are to be released at the times stated in advance.
2. The production of statistics will be speeded up.
3. Customer satisfaction will remain at least at its present level.
4. Review of the data service from the free StatFin database will be finalised.
5. Accessibility of data required by social research will be improved.
6. Data quality will be improved by focusing on the mutual coherence of statistics by means of programme management, commencement of internal quality audits of statistics and by increasing exploitation of statistical analysing methods, as well as by implementing the principles of the European Statistical Code of Practice. Practical implementation of the Code of Practice will be audited in 2007 according to the procedure approved by the European System of Statistics.
7. Measures aimed at the improvement of total quality will be taken basing on the evaluation report received as feedback from participation in the Finnish Quality Award competition.

2. Operational efficiency

2.1 Cost-effectiveness and productivity

1. The unit costs of producing statistical data and the share of fixed costs of total costs shall be held at the 2006 level. Between 2006 and 2008, productivity is estimated to go up by an average of two per cent per year.
2. Total costs will be approximately EUR 53.5 million, of which the share of products and services will be EUR 28.7 million and that of databases EUR 24.8 million.
3. The target in charged service activities is average cost coverage of 100 per cent over the three years from 2006 to 2008.
4. Development projects partly funded by the European Union, as well as joint projects with other state authorities and with partners not financed from the state budget shall be implemented through co-financing. The total amount of such financing available is EUR 2.4 million. According to budget, the rate of cost coverage in 2007 will be 51 per cent.

5. In accordance with the productivity programme of Statistics Finland, the focus in development will be shifted from individual projects to continuous improvement of processes through strengthened process management. Information systems will be integrated so that multiple usability of collected data can be increased. Transition to the open environment compliant with the production model will be made by the end of 2008 by which time the mainframe will also be abandoned. Use of electronic means will be increased in direct data collecting.

6. Productivity gains shall mainly be used to finance any necessary revisions of statistics required by the European Union in 2007, quality improvements, as well as to keep statistics and systems up-to-date, and to cover general cost increases and purchases in accordance with the ICT financing plan.

7. At least the present standard of data security will be sustained through training, guidelines and by making security audits. Continuity of services will be ensured by identification of critical areas of the operating environment.

2.2. Measures to improve the productivity of support services

1. The efficiency of internal administrative services will be improved by updating systems, investigating possibilities of outsourcing or hiring, and by making the necessary decisions, digitising present manual processes and improving the reporting of human resources management and financial administration.

2. Interlinking of financial administration tasks with the service centre will be investigated further in 2007. Certain tasks were moved to the service centre as of the beginning of December 2006.

3. Along with the policy lines of the Ministry of Finance, the procurement process will be rationalised by increasing utilisation of Hansel's services. The target in category c is 100 per cent.

3. *Management and development of intellectual resources*

1. Updating of the core competence areas of the competence strategy will be completed, areas of focus for development will be identified and the personnel's development plans will be reviewed as necessary. A training programme in statistical skills will be started. With a growing number of personnel approaching retirement, knowledge sharing will be safeguarded by encouraging internal mobility and by employing professional recruitment procedures.

2. Leadership and supervisory work will be developed in line with Statistics Finland's Management policy by provision of coaching in work supervision and guidance. Career path models will be created for supervisors and experts.

3. Job satisfaction will be maintained at least at its present level. The target level for 2007 is 3.5. Well-being of the work community will be improved co-operatively through implementation of the targets of the national *Kaiku* programme. Measures required by the equality plan will be implemented.

4. Remuneration system will be developed towards a pay policy that supports well the attainment of set strategic goals. Preparations will be made for the introduction of a performance-based pay system.

5. Possibilities of making local agreements that comply with civil service employment contracts and legislation will be studied in co-operation with the personnel.

IV Resources

Appropriations from the 2007 state budget total EUR 41,655,000.

Estimated EUR 8,142,000 will be carried forward to 2007, and will be used to initiate production of the new statistics required by EU regulations and to cover the costs of producing the statistics required by the EU which will transfer under national funding. The stock of deferrable appropriations is estimated to return to the normal level of a sum corresponding one month's expenditure in 2008.

The estimated number of personnel in 2007 will be 925, representing a decrease of 27 staff-years from 2006. The estimated number of staff-years in charged activities will be 127. Appendices 2 and 3 contain statements of the framework of resources for the operating and financial period.

V Validity and follow-up of the agreement

This agreement is to remain valid until the end of 2007 under the precondition that it does not contravene decisions of the Parliament or the Government.

Fulfilment of this performance target agreement is to be examined in joint follow-up meetings of the Ministry of Finance and Statistics Finland, to be held in June and October. Follow-up examination concerning the whole year is to take place in April 2008.

Indicators relating to performances and other key parameters are attached hereto as Appendix 1.

Helsinki, 19 December 2006

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