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THE ROAD TO PROFESSIONALISM, PRECISION, AND OBJECTIVITY

Algirdas Šemeta
Director General
Statistics Lithuania

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1. Introduction

Statistics Lithuania, central statistical office to the government of the Republic of Lithuania is a public institution, which employs methodological principles recommended by international organizations to compile, process, analyze, release and disseminate statistical data about economic, social, demographic and environmental changes. Statistics Lithuania has also been authorized to coordinate statistical activities of line ministries and other institutions and considered a backbone of the Lithuanian Statistical system.

Statistics Lithuania has covered a long and challenging way during different historical changes in Lithuania until it reached the current status and became a professional, objective institution providing good quality statistics on which policy makers and society at large make important decisions.

By this paper I will overview the development of the Lithuanian Statistical System (LSS) trying to reflect on the steps covered and important decisions taken in the due course which influenced the development and made the LSS function efficiently. The paper will also deal with the current and future challenges posed for the LSS being an EU member and in relation to the new challenges in the World's statistical systems.

2. A glimpse backwards – The main historical moments of the Lithuanian statistics

The historical development of Statistics Lithuania is closely related to the ups and downs in the country's historical development.
The very beginning of the Lithuanian statistics reaches the first half of the **XVI century**. Already in the year 1528, a total census of the land owners was conducted. When Lithuania became a part of the Czar Russian Empire (1795), statistics was governed by the rules existing in Russia. Another important stage of statistics development was the beginning of the XIX century which in the country marked an independence of the State. The real road to professionalism, precision, and objectivity of statisticians started on **6 September 1919** when **General Department of Statistics** was established. At that time, statistics was decentralized

across different institutions and the Department was responsible only for general, financial, trade, industry and population accounting. In 1921 it was centralised and the **Central Statistical Bureau** was established which has been delegated the following functions: to elaborate statistical activities action plans; monitor the implementation of statistical works; follow statistical development in foreign scientific literature and adapt the most advanced statistical methods in Lithuanian statistics; collect, check and manage statistical documentation; disseminate news on statistics in the press; produce statistical publications; and provide public administration institutions with statistical data.

In 1940, with the outset of the soviet occupation, Lithuanian statistics became a part of the soviet statistical system, and all the methodology, principles of organization of work and design of questionnaires were under the control of the statistical office of the Soviet Union. The basic task of statistics in the planned economy in the Soviet period was to provide data on execution of plans.

The Lithuanian Statistical Office was responsible for collecting and verifying data before sending them to Moscow. The basic shortcomings of the social-economic statistics were the absence of national accounts, analysis, time series, etc. Unfortunately, economic, social and other statistics were more accounting rather than statistical science and gained the political shade very much.

Therefore, after regaining the independence **in 1990**, the whole Lithuanian statistical system had to undergo a lot of changes. This was not an easy task for the Lithuanian statisticians. There has been a minimum understanding about the sample surveys since all the surveys in the soviet period were exhaustive; lack of knowledge about the National accounts, statistical business register, other statistical standards, classifications and methodologies used in the European countries. The organisation structure of Statistics Lithuania was not adequate for the new requirements and a new type of statistics to be produced. It had neither methodological division nor dissemination division or IT development.

At this stage, Lithuania's new historical stage in relation with the expansion of Europe came into the view. Between 1992 and 1995, joint EFTA/Eurostat cooperation programmes for the Statistical offices of the three Baltic States were established. They contributed to the first steps of reorganising statistical work with an aim to transfer from the soviet to the European statistical standards. Preparation for the accession to the EU marked a new period and practice of working together again in the statistical family, however for sure maintaining completely different cooperation principles. This was an important stage in the development of the Lithuanian Statistical System since it introduced completely new issues related to the European methodologies for statistical surveys as well as different experience and practise in the organization of statistical offices as well as statistical activities.

The Law on statistics was passed in 1993 which already included International and European statistical principles; however at that time they were not introduced in practice and correctly interpreted by statisticians.

In 1995, the Baltic States and Eurostat signed a common declaration and a real development work started, which has been mainly directed towards analysis of the EU requirements, legislation in statistics and based on the experience of the EU member states trying to adapt to the Lithuania Statistical System. More focus has been given to the production of statistics itself and not very much to users and their needs. Important steps were undertaken for switching from exhaustive to sample surveys, introducing national accounts, revising data processing stages, etc. All these activities required immense efforts of the statisticians, however it has been rewarding since in 2000 in the negotiations of Lithuania and the EU on

Lithuania's accession, the statistical chapter was closed with the conclusion that Lithuania is ready to adopt European statistical legislation, classifications and standards and apply in practice.

Afterwards, before Lithuania became a full member of the EU, the statistical work continued finalising implementation of different surveys and collecting new statistics. Naturally, in the view of this process it has been clear that an efficient work done by statisticians should be strengthened by better organisational structure of the Statistical office itself and more focus should be given to data quality.

Development of the **Statistical Information System started in 1999**. Its objective was to insure timelines of data compilation, processing, release of statistical information. To fulfil this objective, a reengineering of the IT structure and equipment introducing PCs and training people was an urgent need for the Lithuanian statistics. To ensure data collection, processing, analysis of carried out statistical surveys as well as preparation of information and its release to users, taking into account changes in statistical needs, the components of the information system were continuously advanced, supplemented with new properties and functions. Statistical data collection has been partly automated.

The Strategy of Statistics Lithuania 2002-2004 marked a revolutionary period in terms of the reorganisation of the whole statistical system. It has been the first document defining priorities and working out guidelines for the medium-term perspective. The Strategy has been worked out following the so-called working principle "from the bottom to the top" involving specialists of all levels. It was designed mainly for preparation for the EU accession, i.e. taking on board the EU statistical requirements and standards, more efficient cooperation with external partners like respondents and users. The document was focused on the development, upgrade of qualifications of personnel as well as maintaining quality control in statistics. The restructuring of the infrastructure of the Lithuanian statistical system merging small regional statistical offices into bigger clusters and allocating them data collection and processing task in order to release more capacity for the headquarters staff to work on methodological and quality issues has been an issue of priority. At that time, Lithuania being a small country had too many statistical offices: 10 County statistical offices and 48 small regional offices. Therefore, it has been a challenge to find the way for using scattered resources more efficiently.

The first strategy was successfully completed and it has been followed by the **second strategic document for 2005-2007** which posed more ambitious goals in the development of the Lithuanian Statistical System, making organisational structure more process-oriented, and statistics as such.

3. From the current perspective

Currently, Statistics Lithuania is in the final year of **the Strategy 2005-2007** implementation which put more emphasis on impact of new demanding requirements for statistical operations, statistical quality issues beginning with the adaptation of the European quality dimensions, European Statistics Code of practise, introduction of Total Quality Management system as well as the objective to apply for the ISO 9000 – 2001 quality certificate.

During the strategic period basic objective was to create a quality management system and instil it in statistics gradually. Detailed analysis of the core processes (statistical data production, user services) and supporting processes (human resource management, strategic planning and monitoring, external relations organisation, IT management, etc) reflected the existing gaps and drawbacks which enabled to identify measures for there elimination.

Different measurement units are being established to estimate each quality dimension, which are determined in the stages of the statistical production processes. In order to ensure the quality of statistical data, descriptions of each process of statistical surveys are standardized. Inventory of the processes and procedures have been completed and it facilitated documenting the stages of the processes. With the help of training programmes on quality established in Statistics Lithuania, quality work becomes an everyday task and activity for all personnel since it is related to the quality improvement of the final output of Statistics Lithuania to be disseminated to the end user.

Users received a lot of attention in the Strategy 2005-2007. Better links and cooperation with different users were on the agenda which stimulated creation of the statistical Output data base, regional statistics data base. Coping with the increasing statistical demands and avoiding excessive burden on respondents posed a new challenge to maintain balance providing users, including policy makers with the quality statistics and at the same time avoiding increased statistical **burden on respondents**. A work on reducing burden on respondents has been seriously taken by Statistics Lithuania. A number of measures have been applied, e.g. introduction of e-questionnaires, deleting some of the indicators from the questionnaires, eliminating indicators which are recurrent through several surveys, and last but not least looking for other sources for obtaining statistical data rather than conducting statistical surveys, one of them being administrative data sources.

Lots of efforts have been undertaken to solve these issues using also advanced **IT technology** and creating an integrated information statistical system. The key objective was to reorganise statistical information system into the integrated data collection, processing and dissemination system, managed by unified metadata, resorting to utilisation of the latest technologies, ensuring the security of the data managed in the system. The currently developed statistical Output database will be integrated into the uniform data collection, processing and dissemination systems, thus ensuring automated preparation of aggregated information. Standardisation and integration of the components of the statistical information system is opted for: metadata, statistical registers and primary databases. Uniform requirements for metadata, describing statistical data and processes of their processing are being formed. A uniform base of corporate metadata repository is foreseen to store information on all statistical surveys, indicators and data processing processes.

Growing user needs for statistical information necessitate more attention towards analysis of relevance and grounding of activities already in the planning process, **identification of priorities, negative priorities** and elaborating criteria for their justification. The planning process is being restructured by integrating the planning and monitoring systems; improving financial analysis. To improve effective distribution and use of financial resources, a budget planning methodology has been improved and financial analysis intensified. Internal audit and assessment of work load become an integral part of the monitoring process. Well functioning work load estimation system gives a possibility to measure labour cost of all statistical process stages, estimate distribution of employees by functions and plan and use financial resources more efficiently.

Confidence in official statistics expressed by the society during the recent years has continued as an indicator of efficiency of the activities carried out by Statistics Lithuania. Taking into account data dissemination principles, such as impartiality of information, confidentiality, timeliness and others, users are ensured equal access to statistical information produced by Lithuania and the EU. In order to secure the user feedback, a Customer database is being developed, which will enable to identify user target groups, become aware of their

needs and better meet them as well as to more rapidly inform them about novelties and changes in statistics. **User satisfaction surveys** are executed on a regular basis. They are targeted to different users groups, such as general public, public institutions, mass media, research institutions, etc. and most often conducted by independent companies which carry out public opinion surveys in Lithuania. The recent results of them if compared with the ones obtained few years ago clearly reflect the growing confidence in Lithuanian statistics and more numerous numbers of users who base their analysis and decisions on statistics provided by Statistics Lithuania. The surveys results are used for further improvement of services provided for users as well as development of the dissemination policy itself.

Resorting to possibilities provided by information technologies, the **dissemination and promotion system of statistical information** turn more user-friendly. Statistics Lithuania enters a new stage by implementing free dissemination policy. The website offers free access to about 80 publications of different periodicity. The website holds not only pure indicators. More detailed methodologies of data calculation, quality descriptions of indicators, quality reports of the surveys are disseminated together with statistical indicators. The website also includes the Central Classification database, introduction of which leads to better co-ordination of the development of new classifications and their application in Lithuania, alongside securing coherence of data in different registers and information systems of other institutions. Advancement of dissemination and promotion of statistical information is conducted in regional statistical offices aiming at better service of users in municipalities with fresh statistical information. Regional statistical offices are supplied with basic publications and given access to databases. The consistently introduced new free dissemination and promotion policy exerts a positive impact on user needs, thus encouraging confidence in statistical information and its quality as well as increased number of users. As a result of all initiatives and intensive work undertaken in terms of providing better service for users, the recent surveys reflect that the number of users' access to Statistics Lithuania website doubled if compared with the previous years.

Human resource development has been always on the agenda in strategic documents of Statistics Lithuania. Training of personnel was of the utmost importance, especially in the reform process and transformation from the soviet standards to the European requirements. Skills and competence have been also gained through participation in the EU and international fora and different training courses.

The organisation structure of Statistics Lithuania has been adapted accordingly in order to fulfil all the tasks planned and challenged (Annex 1). **Statistics Lithuania is professionally independent institution** which has a decision making power concerning methodologies related to calculation of statistical data; processing as well as dissemination methods and **tools.** It is run by Director General and four deputies who are responsible for macroeconomic, business, social statistics and dissemination and IT management. Quality issues are undertaken by Quality manager and Methodology and Quality division. Official statistics work programme division is responsible for strategic planning and monitoring process at Statistics Lithuania. It produces Annual Work programme of official statistics and is responsible for maintaining contacts with other institutions producing official statistics in Lithuania (Annex 2). Senior management committee meets monthly and discusses major development issues related to the improvement or new statistics. Statistical Council, the members of which are representatives from different user groups and research institutions come together few times a year to provide input on strategic documents, official work programme, major statistical surveys, like censuses or other development projects elaborated

by Statistics Lithuania. Union of Statisticians is a forum which organises seminars, analytical reviews of different statistical issues as well as users' needs. Statistics Lithuania organises round table discussions with users and respondents presenting information on statistical requirements, exchanging views with all parties involved. It is important to note that a good cooperation is established with the scientific and research institutions promoting the use of statistics for research purposes. Statistics Lithuania employs very professional and competent staff. Over 80 of them have a university education degree in economics and statistics. Annual training programmes are drafted based on the needs of statistical divisions on general issues, methodological issues in concrete statistical topics, etc.

4. A way forward

During the 17 years of Lithuania's independence, Statistics Lithuania has become an up-to-date institution running the State statistics and providing information on changes in all areas of life. Many indicators are presented by regional and administrative-territorial breakdown of Lithuania. The role of statistics in the framework of activities of administrative and scientific institutions has risen and affects law-making and decision-taking when working out by-laws and forecasting social and economic development as well as foreseeing measurers to be taken to solve the occurring problems. Statistical data have become accessible for the public at large and the persons interested in the changes our society has been undergoing.

Meanwhile, considering data reliability no doubts remain for the majority of people, that there is no other institution in Lithuania, capable of counting the population of the country, their composition, income, increase in earnings, changes in prices and the total standard of living as a result. No any other institution could compile good quality data about the volumes of output and services, domestic or foreign trade or calculate macroeconomic indicators, volumes of gross domestic product and its structural changes.

However, new challenges coming in the view are the basic driving force for further development of the Lithuanian Statistical System. Globalisation process, development of the IT, changing national and EU policies bring all statistical offices to a joint cooperation and efforts in meeting new statistical demands effectively at short delivery terms, maintaining professional independence and quality of statistical information. It marks a new stage and requires competent statistical capacity for sorting out statistical priorities by developing more efficient cooperation with those who formulate statistical requirements on grounding the demands, conducting cost-benefit analysis in order to avoid nice-to- now situation. Recently, the EU has been very productive generating new statistical legislation which was as a reaction towards new demands. Thus, a challenge to simplify existing regulation will be on the agenda for the whole Europe. Exchange of statistical information between the MSs without violating confidentiality rules and respondents' interest will make a possibility to avoid additional data collection. Further analysis has to be made concerning a possibility to use administrative data sources, including such big exercises as Population Censuses, instead of collecting statistical data from households and entities. Extracting data directly from the business accountancy systems, European surveys and samples, more statistical analysis less efforts to data collection, more regional statistics so that every small administrative unit bases its decisions on statistics; transmission of practise and experience for less developed countries as well as active involvement in the EU work and development projects are the issues to be considered in the nearest future. All these and other goals will be reflected in the **Strategic document of Statistics Lithuania for 2008-2012** which is under elaboration currently. The document is elaborated using different tools and methods in order to involve more personnel and cover all general and statistical issues as well as strategic statistical policies in Europe. As an input to the strategic guidelines, a self-assessment survey of the top management of Statistics

Lithuania has been conducted in line with the EFQM methodology which resulted in a number of recommendations and proposals seen from the top management point of view. The SWOT analysis and brainstorming exercises conducted by the staff, give a possibility to formulate more accurately strategic guidelines for the coming five year Strategy document stemming from different levels of the Statistics Lithuania personnel.

To fulfil these tasks infrastructure of Statistics Lithuania will be further strengthened and adapted accordingly focusing on human resource development, efficiency and effectiveness of the whole Lithuanian statistical system.

ANNEX 1

STATISTICS LITHUANIA ORGANIZATION CHART
1 January 2007

Statistical Divisions

Service Divisions

STATISTICAL COUNCIL — **DIRECTOR GENERAL** — SENIOR MANAGEMENT COMMITTEE

QUALITY MANAGER

ECONOMICS AND FINANCE

EUROPEAN AFFAIRS AND INTERNATIONAL COOPERATION

LEGAL

PROGRAMS OF OFFICIAL STATISTICS

PERSONNEL

PUBLIC RELATIONS

INTERNAL AUDIT SERVICE

FIRST DEPUTY DIRECTOR GENERAL	**DEPUTY DIRECTOR GENERAL**	**DEPUTY DIRECTOR GENERAL**	**DEPUTY DIRECTOR GENERAL**
ECONOMIC SURVEY DIVISION	METHODOLOGY AND QUALITY DIVISION	LABOUR STATISTICS	IT DEVELOPMENT DIVISION
ENERGY STATISTICS	FINANCIAL SERVICES STATISTICS	DEMOGRAPHIC STATISTICS	INFORMATION SYSTEMS MAINTENANCE DIVISION
ENTERPRISE STATISTICS	PRICE STATISTICS	LIVING STANDARD STATISTICS DIVISION	DISSEMINATION OF STATISTICAL INFORMATION
INDUSTRY STATISTICS	NATIONAL ACCOUNTS	SOCIAL PROTECTION AND HEALTH STATISTICS DIVISION	Library-Bookshop
CONSTRUCTION AND INVESTMENT STATISTICS		EDUCATION AND CULTURE STATISTICS DIVISION	MAINTENANCE SERVICE
TRANSPORT AND SERVICE STATISTICS		EMPLOYMENT STATISTICS	TERRITORIAL STATISTICAL OFFICES (5)
DOMESTIC TRADE STATISTICS			
ECONOMIC ENTITIES REGISTER DIVISION			
FOREIGN TRADE STATISTICS			
AGRICULTURE AND ENVIRONMENT STATISTICS			

THE GOVERNMENT OF THE REPUBLIC OF LITHUANIA

STATISTICS LITHUANIA

Statistical Council

Territorial offices

OTHER STAKEHOLDERS

Eurostat

NSI of other countrys

EU institutions

International organisations

Public organisations and associations

Academic bodies

Statistical Union

OTHER PROVIDERS OF THE OFFICIAL STATISTICS

The Ministry of Environment

The Ministry of Finance

The Ministry of Culture

Bank of Lithuania

The Ministry of Social Security and Labour

The Ministry of Transport and Communication

The Ministry of Health

The Ministry of Education and Science

The Ministry of Justice

The Ministry of Economy

The Ministry of Interior

The Ministry of Agriculture

Other State institutions

USERS

State and local self-government institutions

Eurostat

EU institutions and international organisations

Mass media

Population, public and non-governmental organisations

Business representatives

Academic society

DATA PROVIDERS

Economic entities

Households

Administrative resources