

Relationship with survey data providers: the Bank of Thailand's experiences¹

Chatwaruth Musigchai²

Introduction

The Bank of Thailand (BOT) collects various economic and financial data by conducting surveys. Indeed, during recent years, surveys have played a major role in the BOT's data collection. The BOT conducts most surveys on a voluntary basis; thus, feedback from providers and an emphasis on mutuality and building trust in relationships with providers are key to satisfactory response rates and high-quality results. This paper discusses the BOT's responsibilities in this area, and offers an overview of its data collection survey activities, as well as describing some of the major concerns encountered during the survey process, which include the lack of a proper legal mandate, data inconsistency due to high staff turnover among providers, lack of incentives for providers to cooperate, etc. Concerns from respondents' perspectives are also described. These include burdens and resource constraints, data sensitivity issues, etc. Some strategies employed to strengthen and enhance mutual communication and relations with data providers are also discussed in detail. These cover matters such as on-site company visits, seminars and more informal events for providers, data confidentiality, etc. The concluding section outlines the BOT's future plans, which focus on increasing the efficiency of surveys through a relationship-building programme with key data providers, and options to address the problem of the lack of a legal mandate.

The role of the Bank of Thailand in data collection

One of the interesting features of statistical data collection in Thailand is our decentralised system. While the National Statistics Office (NSO) is endowed with full authority to conduct population censuses and demographic exercises, and the National Economic and Social Development Board (NESDB) is responsible for collecting data on social and selected economic variables, the Bank of Thailand (BOT) collects economic and financial data that are not compiled by any other agencies, or that are compiled with different data scope and coverage. Economic and financial statistics are available from several sources, including government records (eg trade data from the Customs Department), foreign exchange settlement data (ie the International Transactions Reporting System, or ITRS), data from monetary and financial institutions (MFIs), and reports from government organisations, including surveys on private non-financial enterprises.

As the country's monetary authority, the BOT has full access to MFI data, as well as to data on private companies engaging in foreign exchange-related transactions. At present, data collected from MFIs are submitted electronically to our internally developed Data Management System (DMS), while data pertaining to State enterprise and government sectors can be obtained from various full-coverage reports. However, the BOT's legal

¹ The views expressed herein are the author's and not necessarily those of the Bank of Thailand.

² Team Executive, Trade in Services Team, Data Management Department, Bank of Thailand.

mandate does not extend to financial data disclosure and submission from other private non-financial enterprises for statistics compilation purposes. This significantly affects our data collection practices, making these data very difficult to obtain, and hence requiring other collection approaches, such as surveys.

The Bank of Thailand's surveys

Since the financial crisis of the 1990s, the BOT has given increased attention to the availability of comprehensive, timely and reliable financial and economic statistics. There is an increasing demand for detailed data on a non-consolidated intra-sector level, and for industry breakdowns. Moreover, with all of the international guidelines to be implemented – eg the IMF's Special Data Dissemination Standard (SDDS) and the Report on the Observance of Standards and Codes (ROSC) – it becomes a major challenge for the BOT to comply with these standards. In addition, existing data collection approaches must be able to accommodate such requirements without compromising the detail, quality and utility of the data.

In recent years, there has been a clear overall shift towards a survey-based methodology in many countries. This is because surveys offer compilers an alternative data collection approach that, if properly designed, is more cost-effective, less burdensome for reporting agents and more able to meet demands for increasingly detailed data. Before the crisis, most BOT surveys focused principally on real sector statistics, such as survey series on agricultural and manufacturing products. Later, with financial liberalisation, some important economic and financial data became more difficult to obtain, and several surveys were conducted to assess these gaps. Lack of a proper legal mandate in relation to the non-financial business sector, however, obliges us to conduct our surveys on a voluntary basis. Some surveys are designed to obtain position data on financial account variables – eg the International Investment Position (IIP) Survey and the Survey on Foreign Investments Through Resident Custodians, Brokers and Sub-brokers – while others aim to capture “qualitative” or “opinion” types of data as input for the construction of selected economic indicator series (eg the Business Sentiment Survey). Some ad hoc surveys are also carried out on special topics. Examples are the Household Survey on Savings Behaviour and Financial Services, which is conducted in conjunction with the National Statistics Office.³

Concerns from respondents' perspectives

As most of our surveys on the non-financial sector consist of voluntary reports, maintaining constant two-way feedback and communication, and building relationships of mutuality and trust with data providers are key to satisfactory response rates and high-quality results. Each BOT survey form has a supplemental section for additional comments by respondents. These comments point to several concerns that providers have with our surveys. One of the major complaints relates to data sensitivity. Since most of the data sought tend to be difficult to obtain and rather sensitive, they are generally viewed as being outside the scope of the Central Bank mandate, and respondents sometimes hesitate to provide the data. This issue is quite clear, especially in some survey series involving financial position data (eg the International Investment Position Survey).

³ For a more detailed summary of the Bank of Thailand's data collection surveys, please see the attached table.

Providers also complain about the complexity of the questionnaires. In fact, the BOT has designed the survey form carefully to make it easy to understand. Nevertheless, most of the surveys do involve complex financial and economic variables, and require some basic understanding of economic concepts.

Providers also mention time and resource burdens. Extra resources must be allocated specifically to fill out the questionnaires (staff, budgetary resources, new software, etc). In addition, some providers complain of short deadlines for completing the form. This concern is particularly evident in surveys with relatively high frequency, such as the monthly survey on Business Sentiment.⁴

Concerns from the BOT's perspective

As mentioned earlier, the primary concern that has arisen for the BOT in relation to surveys is the institution's lack of legal mandate to collect information directly from businesses for statistical purposes. Proper regulations authorising the BOT to collect data for statistics is crucial for economic surveys, since it would enable the institution to assess and examine records, protect the confidentiality of the information reported and facilitate the publication of data, while allowing us to utilise our resources more efficiently.

Even, however, in the case of some Thai statistics compiling agencies that are in fact endowed with a full legal mandate to enforce data disclosure from businesses, response rate nevertheless remains, at times, far from 100%. A number of surveys conducted by Thai government agencies enjoy a full legal framework, but still achieve rather modest overall response rates. Investigation reveals that non-response tends to be due to the burdens imposed and to light sanctions for non-compliance, while the authorities are not allocated sufficient resources for intensive follow-up measures or hotline assistance.

We also find that providers sometimes lack incentives to cooperate, due to a lack of awareness of the significance of their contribution. Survey results suggest that, especially in some of the BOT's monthly survey series,⁵ a mere 30% of providers, on average, are willing to complete and return the survey form to the BOT by the deadline, leaving the overdue remainder to be dealt with through follow-up phone calls, fax reminders, etc. The response rate has proven significantly lower for survey series involving greater data sensitivity and more complex questions.

Frequent turnover of provider staff also affects the consistency of our survey results. This is the case, for instance, in the Survey on Business Sentiment and in the Hotel Survey. The BOT would need additional time and resources to establish relationships with new provider staff, and to offer them appropriate training.

Possible solutions and strategies to strengthen relationships with data providers

The BOT places great emphasis upon strengthening relationships with providers. Our experience indicates that face-to-face communication facilitates survey work. Accordingly,

⁴ Interview with staff members of the Real Sector Statistics Team, Data Management Department, Bank of Thailand.

⁵ Interview with staff members of the Real Sector Statistics Team.

the BOT has spent significant time and resources on enhancing the relationship between compiling personnel and providers, and makes regular visits to companies providing data, both in Bangkok and in provincial areas.

On-site company visits are not only an opportunity to get to know our providers in person, but also give us insight into what kind of economic data and information we could potentially collect from each provider, and whether the provider is capable of providing the data we seek. We also become familiar with their views on the Thai economy and business conditions, and learn what kind of economic data/reports they are interested in receiving from us. Sometimes we bring them complimentary items as a token of our appreciation for their considerate and consistent support in providing data.⁶ Also, during visits compilers answer questions from the providers regarding the survey forms. This on-site visit strategy is quite a significant contribution to our survey work, especially when we plan to launch new surveys, pre-test new forms, or need to identify new providers of data for existing surveys.

As for data sensitivity and confidentiality, we emphasise strongly that all data collection is conducted strictly for internal use and academic purposes, and that only aggregate data are published. Statements confirming this appear clearly on the front cover of each BOT survey form, and before each survey an official letter is sent, explaining the need for data collection, the type of data being collected, the frequency of the survey, etc, along with supplemental explanatory notes and guidelines for completing the questionnaire. Ultimately, providers trust in the institution's provisions regarding confidentiality and publication.

We also arrange comprehensive staff training sessions on a regular basis to ensure that each staff member can carry out the survey work efficiently. The training programmes address both "technical" and "soft" skills. The technical skills centre on the details of questionnaires, how to complete the forms, and the basic economics knowledge required to complete the questionnaire. The "soft" skills involve how to approach providers, conduct company visits, handle phone conversations, and follow up with automatic fax reminders, etc. Each year, the performance of the staff involved is assessed, based partly upon providers' satisfaction as reflected in feedback and internal surveys of BOT data users gauging user satisfaction.

We offer providers the convenience of different data transmission channels. There has been a clear shift away from traditional channels such as hard copy and fax, towards electronic transmission channels (eg email or uploading of survey forms to the BOT website).⁷

From time to time, we also grant special privileges for consistent providers. This consists of special services to facilitate providers' requests for specific data, foreign exchange control matters, economic updates and reviews, and even requests for commemorative banknotes on special occasions, among other things.

As for survey form design, we place top priority on minimising the burden to providers. We attempt to minimise the complexity of the questions and make minimal use of technical terms. The questionnaires are continually revised and updated to make them easier to complete, without compromising data quality. Meanwhile, each revised or new survey form is

⁶ In addition, we express our appreciation to consistent responders through commemorative plaque certificates, New Year's cards, diaries, etc, which are sent through the mail.

⁷ For more information regarding the BOT's survey forms, please visit http://www.bot.or.th/bothomepage/General/Survey/Survey_T.htm (available in Thai).

pre-tested⁸ to obtain feedback prior to implementation. Direct hotline assistance is also available to providers when they have additional questions about completing questionnaires.

The BOT realises the importance of providing a two-way channel for feedback, and considers feedback tremendously helpful. For each survey, aggregate results are compiled and reported back to providers to enhance awareness that their responses are a contribution to the Thai economy, and that survey results can guide them in future operations.⁹ The feedback also helps respondents understand that all data must be reported with great care and accuracy, since the BOT uses survey data for economic and monetary policy making, and misreported data can mislead policy makers and ultimately have adverse effects on respondents' operations.

The BOT also devotes very significant resources to hosting training seminars, workshops and, from time to time, a range of informal events (relating to semi-formal topics), both in Bangkok and in provincial areas. The events provide a meeting ground where the BOT and respondents can discuss their data contributions and get feedback from each other. Survey forms, economic developments, our ongoing economic survey work and upcoming plans are all subjects of dialogue. For instance, the recent "Visit BOT" project, conducted at the BOT itself, gave providers a chance to learn about the BOT's responsibilities and operations, financial regulations and foreign exchange controls, as well as providing an opportunity to lunch with the BOT's top executives.¹⁰

Future developments

As surveys have become more significant tools for the Bank of Thailand's economic data collection, our future plans will place more emphasis on increasing the efficiency of the survey process. There has been much discussion of the fact that survey effectiveness and relationships with respondents could be further enhanced by more intense contact with key data providers. A major focus is on a relationship building programme in which both providers and compilers take a long-term view of data reporting and data, as they learn, face to face, about each other's needs. Such a programme would create an environment in which we interact with each organisation on its terms – eg by using its language and information processes so as to minimise confusion and reporting burden. The programme also provides other benefits, such as addressing the staff turnover issue, effectively dealing with confidentiality concerns through personal communication, etc.

More importantly, the programme to strengthen contact with providers emphasises the development of a standard report format/survey template, along with a dataset related to respondents' data needs, so as to create mutual benefits for compilers and providers. For example, use of the XBRL¹¹ reporting format may serve as a solution for both the BOT and reporting agents, by enabling reporters to integrate requests from different authorities into a single application, improving cost effectiveness and contributing to the consistency of

⁸ The pre-testing of a new form is conducted by sending the form to pre-selected major data providers. Sometimes the pre-test is conducted during on-site visits, so that the compilers can answer questions that providers may have.

⁹ For more information regarding the survey results and general economic data, please visit <http://www.bot.or.th>.

¹⁰ Our next get-together event is planned tentatively for late 2007. The main participants will be senior officers from the BOT's data provider companies. The event's major objectives are to strengthen relationships with data providers, monitor their needs, obtain feedback and solicit their views regarding the Thai economy.

¹¹ The XBRL (eXtensible Business Reporting Language) format provides a standard language for defining and reporting common financial data.

data. Despite the advantages of a standard reporting format and supporting dataset, implementation may encounter problems, in that this will require substantial up-front investment in IT infrastructure. Payoffs, however, should offset such concerns in the long run.

Our future plans also call for addressing the legal mandate issue, for which we have explored several possible solutions. For instance, major emphasis has been placed upon revision of the Bank of Thailand Act (B.E. 2485) to officially assign the BOT the additional role of collecting and compiling selected economic and financial data series. Some proposals for revising the act have been made, and more time is required to complete the process. In addition, we are seeking cooperation from agencies with related missions whose legal frameworks might accommodate our survey exercises. In 2006, for instance, a memorandum of understanding (MOU) was signed by the BOT and the Department of Business Development (part of the Ministry of Commerce) to incorporate our International Investment Position Survey with the MOC's annual direct report form on companies' financial data (under the legal aegis of the Ministry of Commerce). The MOU strengthens the execution of our IIP survey by improving data coverage and lowering operational costs. The possibility of operating under the National Statistics Act (B.E. 2508) has also been given serious consideration, but bringing the act and our survey process into line with each other proved difficult and problematic, as a result of various protocols and the need for a royal decree. Nevertheless, a new draft of the National Statistics Act is in the works, though it would require official approval from the Ministry of Information and Communication Technology. Although the final status of this draft proposal remains unclear at present, the revised legal mandate, if fully approved, would greatly support our future survey work.

Appendix 1: Overview of the Bank of Thailand's surveys

Areas/ domains	Frequency/ conducted as from	Data collection technique	Population (type and size)	Selection criteria/number of respondents	Elements covered	Remarks
External debt and offshore lending/ deposits	Quarterly/1997	(1997 to Q4 2006) Census	Private non-bank enterprises with external debt (approx. 3,500 firms; company names obtained from ITRS records)	3,500	Resident borrowing abroad, foreign currency borrowings from domestic lenders, resident lending offshore, foreign currency and deposits, debt securities held by non-residents.	The survey captures detailed information on outstanding debt, with a detailed breakdown by instrument type, maturity, borrowing conditions and repayment schedule. For bank, government and State enterprise sectors, BOT collects external debt data via direct reports. Transactions data can be estimated from ITRS.
		(Q1 2007 to present) Cutoff tail		Companies with over US\$ 1 million in outstanding debt, ranked every quarter. 1,700 companies (including approx. 90+% of aggregate population value)		
Private-sector International Investment Position (IIP) Survey (Annual)	Annual/2002	(2002 to 2006) Cutoff tail	All private companies with foreign equity participation of more than 1% (approx. 20,000 firms)	Top listed and privately owned companies with high market capitalisation or NAV with foreign shareholdings (min. 35 million Baht for FDI and 10 million Baht for DI abroad). 1,600–2,500 firms (representing over 90% of aggregate population value).	Stock data on external claims and liabilities of private non-bank corporations, including retained earnings and off-balance sheet items (year-end position data).	Since 2002, the survey has been conducted on a voluntary basis. The initial population was derived from Ministry of Commerce records, with regular updating from other secondary sources prior to each survey. With the help of the legal framework for data reporting by the Ministry of Commerce, the IIP surveys from 2007 onwards will be conducted in conjunction with MOC's annual direct report form on companies' financial data. Transaction data could be obtained from BOP data and/or ITRS records.
		(2007 to present) Census		20,000		

Areas/ domains	Frequency/ conducted as from	Data collection technique	Population (type and size)	Selection criteria/number of respondents	Elements covered	Remarks
Private-sector International Investment Position (IIP) (Quarterly)	Quarterly/ Q1 2007	Cutoff tail	Same as in Annual IIP survey	Top listed and privately owned companies (same as in pre-2007 Annual IIP survey). Approx. 500 firms.	Same as in Annual IIP survey, with emphasis on equities (end-quarter position data).	<p>This quarterly supplemental survey will target only the largest companies, with a focus on equity data. Potential candidates for the quarterly survey include selected listed companies and large companies based on FDI and DI criteria.</p> <p>The survey results to be extrapolated to population Q-IIP position data using structure at previous year-end as benchmark, and transaction data estimated from ITRS for period covered by the survey.</p>
Survey on Foreign Investments drawing on resident custodians, sub-brokers and nominees	Annual/2002	Census	All resident custodians, sub- brokers and nominees that are members of the Thai Securities Depository Centre and engage in transactions on behalf of non-resident client accounts	43	The annual supplemental Foreign Investments survey of resident custodians, sub- brokers and nominees collects information on foreign interests in equity and debt securities not captured under the IIP survey.	<p>Since 2003, following the relaxation of BOT's foreign exchange controls, this survey was extended to also encompass other claims of Thai residents abroad, eg offshore assets, Thai investors' holdings of foreign debt securities and debt buybacks, etc.</p> <p>As of 2008, BOT plans to collect this information via direct reports from custodians, sub-brokers and nominees.</p>

Areas/ domains	Frequency/ conducted as from	Data collection technique	Population (type and size)	Selection criteria/number of respondents	Elements covered	Remarks
Business Sentiment Survey	Monthly/1997	Sample survey; fixed sample	Selected establishments registered with Ministry of Labour, Ministry of Commerce, Ministry of Industry and stock exchange (approx. 7,600 firms)	Criteria based on high registered capital and number of employees. Approx. 860 establish- ments.	Harmonised questionnaire on production, business conditions, employment, financial position, etc.	This survey is the continuation of the pre-1997 Commerce and Construction Sector Survey. Survey data are used to calculate the monthly Business Sentiment Index (BSI). Fixed units are preferred, to ensure time series data consistency. Those fixed units that respond poorly, or that regularly fail to respond, will be replaced by new units with similar characteristics, economic contribution and size.
Manufacturing Data Survey	Monthly/1987	Sample survey, random sample	Manufacturing businesses with high value-added in GDP. Names obtained from Board of Investment and Ministry of Industry	Approx. 440 factories.	Production, domestic sales, value added.	Survey is used to calculate Manufacturing Production Index (MPI) and Capacity Utilisation (CapU).
Hotel Survey	Monthly	Cutoff tail, <i>fixed units</i>	All major hotels in Bangkok and provincial areas. Names obtained from Thai Tourist Authority)	Major hotels with 4-star ranking or above. 175 major hotels.	Number of rooms, room rate, occupancy rate.	Calculation of Occupancy ratio. Hotel ranking system follows the Thai Tourist Authority's ranking.
Construction Area Survey	Monthly/1985	Census	All government units responsible for registration of construction permits	88	Areas of construc- tion, geographical location, types of buildings.	Data are used to compile Investment Index and Property Price index.

Areas/ domains	Frequency/ conducted as from	Data collection technique	Population (type and size)	Selection criteria/number of respondents	Elements covered	Remarks
Household Survey on Savings Behaviour and Financial Services	Ad hoc/ Q4 2006	Sample survey, fixed sample (by NSO)	All households	Criteria: pursuant to NSO survey, which conducts household sample surveys. Units are selected based on household average incomes & family size, and are partitioned by clusters and geographical locations, with weights assigned to representative units. 12,000 households. (Survey was conducted in 1 quarter)	Household income, expenditures, financial assets & liabilities, savings behaviours. Household response to external shocks such as natural disasters, sharp interest rate fluctuations, etc.	This survey is conducted in conjunction with the National Statistics Office (NSO). The sample includes approximately 40,000 households. NSO divides this survey into four quarters, with approximately 12,000 households surveyed each quarter (approx. 46,000 in the course of a year). Questions are different in each survey period, depending on particular issues of interest to the Bank of Thailand. Ad hoc, but with some plan to repeat every 2 years.
Trade credit	Annual/2007	Cutoff tail, units partially fixed (see criteria)	All private companies conducting import & export activities through Thai Customs Dept. in course of year (51,000 import firms and approx. 28,000 export firms)	The 500 largest firms (fixed) represent over 70% of population value (on both import and export sides), while another 1,000 sample units are partitioned in separate stratifications and are randomly selected. Approx. 1,500 selected samples.	Outstanding data on trade credits, import/export payment method.	Data collected in domestic currency.

Source: Data Management Department, Monetary Policy Group and Money Market Group, Bank of Thailand.