An Overview of the Improved 2017 Economic Census

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The Economic Census

• U.S. Government’s official five-year measure of American business and the economy
• Conducted every five years, for reference years ending in “2” or “7”
• Authorized under Title 13 U.S.C., Section 131
  • Response is required by law
  • Responses are kept confidential and only can be used for statistical purposes
Data from the Economic Census

• Provides the nation with the most comprehensive, detailed, and authoritative data about the structure and functionality of the U.S. economy
• Important for industries, communities, and businesses, providing factual support for legislation, policies, and business decisions
• Used by government agencies, policymakers, analysts, and business organizations for planning and development
• Provides the foundation for the National Income and Product Accounts (NIPAs) and supports Gross Domestic Product (GDP) estimates
• Benchmarks, weights, or source data for key indexes of...
  • Producer prices
  • Industrial production
Data from the Economic Census

- Provides critical support for the Census Bureau’s other economic programs
- Serves as the benchmark for principal economic indicators and other current business surveys
- Improves business survey frames through comprehensive updates to the Business Register
Components of the Economic Census

Four Key Components

- **The Economic Census**
  - Core Coverage of employer businesses in 18 industrial sectors (950 detailed industries)
  - Total Employer Establishments = 7,490,000
  - Total mailed = 3,850,000
  - Data products cover nearly 21,000 geographic areas, including the 50 States and the District of Columbia, lower geographies, and U.S. territories
  - 7,900 goods and services products to be released under North American Product Classification System (NAPCS)

- **The Economic Census of the Island Areas**
  - Puerto Rico
  - American Samoa
  - The Commonwealth of the Northern Mariana Islands
  - Guam
  - The U.S. Virgin Islands

- **Survey of Business Owners (included in the Annual Business Survey for 2017)**
  - Selected economic and demographic characteristics of businesses (employers and non-employers) and business owners classified by gender, ethnicity, race, and veteran status

- **Commodity Flow Survey**
  - Statistics on the shipment of commodities in the manufacturing, mining, and wholesale trade sectors and in selected industries in the retail trade and services sectors
  - Co-sponsored by the Bureau of Transportation Statistics, Department of Transportation
An Efficient 2017 Economic Census

- Move to 100% electronic collection
- Reduce overall burden for respondents
- Automate operations to increase productivity
- Improve economic census data products to reflect our ever-changing economy
Move to 100% Electronic Collection

• Response will be paperless, with a paper option available only for smaller single-location businesses in the U.S. territories
• Easier and faster way to respond, reducing burden, improving coverage and data quality
• Tested paperless collection strategies across industry sectors in annual programs
• Utilized focus groups, cognitive testing, randomized experiments, and lessons learned
Reduce Overall Burden for Respondents

• All electronic collection reduces reporting burden
  • 800+ different electronic reporting paths, tailored to specific industries

• Account manager program
  • 200 account managers
  • 1,800 large companies
  • 891,000 establishments

• Reduction in the single-location establishment sample size across all industries
Automate Operations to Increase Productivity

• Leveraging Census Bureau enterprise systems for content development, data collection, and data dissemination
  • One-stop shop for businesses to report via secure online portal for a common reporting approach across surveys
  • New electronic instrument
  • Enterprise-level dissemination platform enables data users to do more with the data that the Census Bureau publishes
• Autocoding of write-in responses
• Paradata available to assist in identifying future improvements
Improve Economic Census Data Products

- Utilized public advisory committees, key federal data users, industry associations, and companies to develop questionnaire content to reflect today’s economy
- Cognitive testing of new content
- New industry specific content such as self-service technology, retail health clinics, and distance learning
- Efficient methods for data editing and review
- Improved quality measures including new response rate metrics and variances for product estimates
Improve Economic Census Data Products

• Incorporation of North American Product Classification System (NAPCS) product categories
  • Comprehensive, market- or demand-based, hierarchical classification system for products
  • Based on three North American countries’ agreement
  • Promotes improvements in the identification and classification of service products
  • Detailed look at goods and services produced by industry and economy-wide
• Development of Hot Deck Imputation (HDI) methodology for missing product data
Managing Challenges

• Maintain/improve data quality of the 2017 Economic Census

• Improvements impacted time, resources, and scope
  • Utilized project management tools and techniques
  • All aspects of survey life cycle were evaluated and considered for improvement/efficiency; review of the change and impact on quality and cost
  • Formal lessons learned to be conducted for each survey life cycle process
Additional Challenges Arose....

- FY17 and FY18 Funding Levels
- Hurricanes Irma and Maria
Current Status

• Classification letters mailed February 1
  • 320,000 letters to a sample of small businesses
  • Request principal kind of business only
  • Due date of March 15
• Long form letters scheduled to mail on May 1
  • 3.5 million letters mailed to multi-location businesses and some smaller companies
  • Comprehensive data collection
  • Due date of June 12
• First data release (First Look) scheduled for September 2019
• All data releases completed by December 2021
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