

Triennial Assembly: Proposed Contribution to the Topic: Business Statistics

Discussion Topic: What Business Data are we missing?

Themes: Innovation, Real Time Data; Collaboration

We're suggesting a breakout session focussed on "**What Statistics about Business would Economists prefer to see?**"

Introduction:

Better Statistics CIC was originally known as the Campaign for Better Business Statistics, which had been formed as a result of a long-held belief by the principals that official statistics underestimated the economic contribution of small businesses and the self-employed. Subsequently, our engagement with various business organisations has endorsed the notion that UKSA is unaware of important ideas circulating in part of the business world. Our idea for this session is to open up some of those ideas for further consideration.

Background Briefing Material

There is considerable background material that could be reviewed for this session including:

The ONS Business Statistics data (Annual Business Survey etc) and the recent [Business population estimates for the UK](#), showing a decline in private sector businesses over the past 12 months.

Productivity work of [Professor Bart-van-ark](#) and Van Reenen's work on Management Practices, also the ONS [Regional Productivity estimates for the UK](#).

Topics for Discussion:

BSC's opinion that official data undervalued the contribution of smaller businesses had been given further credence by the Bean report of 2016 which had identified a weakness in measuring the growth and value of the gig-economy. A fact that emphasises that the world of business does not stay still for any length of time.

The discussion is therefore intended to focus on real-time business data that provides proper indicators of change within the private sector, representing the primary driving force for the UK Economy.

Accordingly, the speakers suggested below will provide thought provoking papers on the following topics:

- **Measuring Productivity** – gains in productivity are not abstract; wherever they occur they must represent real efficiency change in real businesses. Hence the focus has to be on measurement and that needs to be done for each aspect of the business, whatever the activity. The evidence needs to be in firm-by-firm performance data.
- **Economic Contribution of Micro Business** – much of the dynamism of an economy is observable by the creation of new businesses which, by definition, start off small. Losses exceeded gains by almost 60,000 businesses over the last year. Do we need a gains and losses survey?
- **Focus on the Private Sector Labour Market** – there has been much talk about the difficulties with the Labour Force Survey and we assume that will be dealt with elsewhere. Our speaker will concentrate on the labour market for the private sector and the requirement for more granular data by occupation and area.

Conclusions would also identify other areas of user interest for information and determine issues to be reported on in future years.

Proposed Facilitator/ Speakers:

- Productivity: **David Stroll, Director Opagio**
- Micro-Business: **Ian Cass, Chair Forum of Private Business and the MicroBusiness Alliance**
- Private Sector Employment: **Simon Howard, Strategy Consultant (previously Chair Ince Group PLC).**

Session to be chaired by: Vicky Pryce, Advisor Better Statistics CIC

Selected comments from BSC Associates Survey Responses

Business is the driver of the economy and there is a paucity of reliable (real time) information available to businesses and policy makers alike.

Getting better statistics out of the small and micro business sectors

New methods and techniques have been successfully developed to support managerial practice decisions at operational levels within firms for growing productivity from the bottom up.

The weekly, quarterly and annual GVA and Total Factor Productivity data series from firm level performance reporting from this new source need to be further tested to explore how far the data can be diffused and aggregated across sectors to strengthen the usefulness of current national bi-annual survey-based productivity data sets published by the ONS.

The quarterly measurement of TFP performance by firms and the aggregation of these at national and sectoral levels of the economy

We need to find ways to reach small and micro businesses and to craft surveys suited to these businesses, small and micro business is not big business only smaller!

