

Topic 2: Monitoring and data transmission from surveys in times of crisis

It was the first economic crisis under the conditions of the Slovak Republic. It has taught us what is happening in individual sectors and how are they intertwined.

Up to 2000, the situation in Slovakia was influenced by political decisions and by the larger share of the public sector. The situation has improved after banks privatisation. The years 2004-2008 were very successful due to a foreign capital and Slovakia has become a serious player in the European area. We managed to catch up with the neighbouring countries and commonly join the European Union.

On Point 1:

Upon obtaining the data file for the Consumer survey, the verification of its representativeness belongs among the first processing steps. If the file meets the verification criteria and two independent processings make the same result, there seems no reason to doubt the right choice or wrong aggregation.

If there are any unexpected results in the sectoral survey, an analysis of those enterprises who failed to respond, has been made. If there are larger enterprises among them, the completion of the questionnaire is repeatedly urged.

Such additional explanatory information requires having the necessary supporting documents directly from the responding enterprises which can best explain the given situation. Since 2003, the SO SR in the business survey templates requests the respondents to describe in a short comment their feelings about the current and future situation.

On Point 2:

Since the realization of the Business Consumer Surveys in Slovakia, the economy has experienced a major transformation with several reforms generally accompanied by a decrease and by a subsequent increase of confidence. Neither the length nor the level of the cycles was equal. Therefore a turning point could be hardly predicted based on the simple view of the existing data.

In sectoral surveys, in the case of disagreement, the specific reporting units are contacted and the data provided by them in the survey are verified.

The first record of the financial crisis was observed in the respondent comments in October 2008. It was the first month of 2008 when the Services confidence indicator (SCI) substantially decreased. The published information stated:

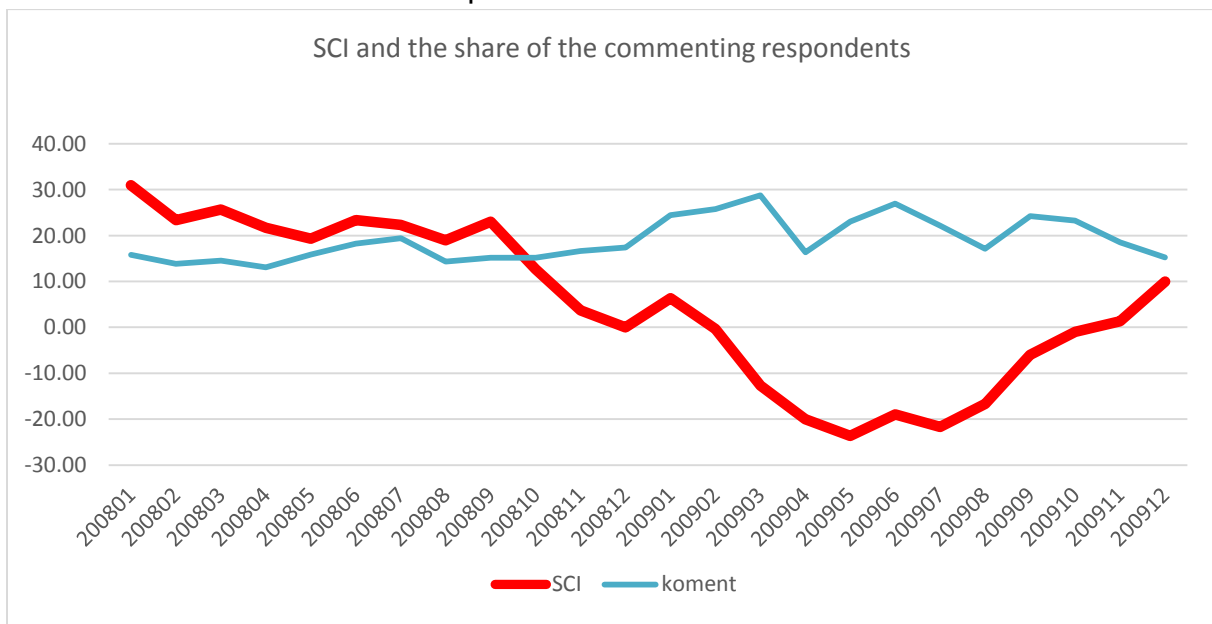
“ Compared with September, the Services confidence indicator decreased by 10,3 percentage points as a result of decreased balances of all the three entering indicators” This basic information was supplemented in the published text by the following comment:

“The most significant factors limiting the business plans in services have been “other barriers” (29%) within which respondents reported most often: **impact of the global financial crisis**,....changeover to Euro,insufficient demand (10%), financial constraints (9%) and shortage of employees (4%).

The SO SR's information users obtained an information on the increasing concern at the financial crisis before its outbreak. In November 2008, the number of enterprises did not experiencing any limiting factors, decreased by 16 percentage points. Concern over the impacts of the financial crisis was again identified as the most common limiting factor. The decrease of confidence continued also in December with the unchanged structure of the respondents feelings.

At the same time, an interesting fact has been noted with the growing concerns of respondents. With the forthcoming end of the 2008, there was a growing share of enterprises providing a comment to the template. In the current period (up to 10/2008), there was approximately 15%, by the end of 2008 up to 18% and in the first half of 2009, the share of the commenting respondents increased almost to 30%.

On the basis of the above, thanks to the comments, the unexpected irregularities in the development of the business indicators can be identified beforehand, mainly in case of the most influential enterprises.



On Point 3:

Reporting of the survey results may be sensitive not only in times of crisis but also during the pre-election battle. It has happened in the past that the favourable results were presented as an improvement prior to the elections and in the discussion to the article it was stated that the results may have been manipulated on the government order, which was an utter nonsense. Therefore in sensitive moments which shall also include the crisis, the use of more neutral terms such as increase/decrease is preferred instead of the evaluation terms improvement/deterioration.

The structure of the economy of the Slovak industry is dependent on the demand for vehicles. It has been noted for example in July 2016 compared with the previous year, during company holidays when the decrease of the industrial production by 16,4% has been recorded.