

Understanding R&P's Function

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This document was first published in three parts, beginning in the February 2008 issue of *Wyoming Labor Force Trends* (<http://doe.state.wy.us/LMI/0208/toc.htm>), to detail the purposes of a statistical agency.

As noted in *Principles and Practices for a Federal Statistical Agency*, “A federal statistical entity is a unit of the federal government whose principal function is the compilation and analysis of data and the dissemination of information for statistical purposes” (Martin, Straf, & Citro, 2005). The document outlines important principles and practices that a federal statistical entity should uphold. It is suggested that statistical agencies across all states should follow the same principles and practices (Gallagher, 2007).

Research & Planning (R&P) is an exclusively statistical entity with the purpose of compiling and analyzing data and making such information available to other government agencies, the public, businesses, and nongovernmental groups. R&P does not administer any worker training, insurance, or regulatory programs.

Mission

A statistical entity should have a clearly defined and well-accepted mission. The mission should define the entity's responsibility for collecting, measuring, and analyzing data, as well as how the entity will provide the data and collection methods to the public.

The mission of R&P includes the following three sections:

“Our Organization: R&P is a separate, exclusively statistical entity.

“What We Do: R&P collects, analyzes, and publishes timely and accurate labor market information (LMI) meeting established statistical standards.

“Our Customers: LMI makes the labor market more efficient by providing the public and the public's representatives with the basis for informed decision making.”

Relevance to Public Policy

One of the important principles for a state statistical entity is relevance to policy issues: “A [state] statistical entity must be in a position to provide information relevant to issues of public policy” (Martin et al., 2005). It is the entity's responsibility to be informed about public policy and state programs and to provide objective information to both private and public groups. This must be done while maintaining neutrality on political issues. A statistical entity's independence is one of its strongest assets.

For example, R&P's *Occasional Paper No. 1: Evaluation of Federal Training & Education Programs* (<http://doe.state.wy.us/LMI/Occasional/No1/toc.htm>) addresses public policy issues including the Workforce Investment Act and Temporary Assistance

for Needy Families. Another article useful to policymakers and other interested parties is “Demographic Effects of Wyoming’s Energy-Related Expansion” by Sylvia D. Jones in the April 2007 issue of *Wyoming Labor Force Trends* (<http://doe.state.wy.us/LMI/0407/a1.htm>).

An entity also has the responsibility to hold government accountable by “obtaining, protecting, and disseminating the data that allow the accurate assessment of the influence of government policies on the public’s well-being” (Duncan, Jabine, & de Wolf, 1993). By keeping in contact with a wide range of data users, including government agencies, elected representatives, statistical agencies in other states, and interested members of the public, a statistical agency such as R&P remains aware of research needs, uses for data, and other avenues of study.

An illustration is R&P’s *Wyoming Career Explorer 2006-2007*, which was created especially for young people in the state and includes detailed information for a specific audience in the fact sheet “Exploring Math & Science Careers in Wyoming” (<http://www.doe.state.wy.us/LMI/Education/ExploreFlyer.pdf>).

Collaboration and Research

An essential practice is ongoing development of more useful data. This includes updating collection methods and continually gathering new data. Collaboration with various users of a statistical entity’s data helps the entity become more efficient, keep up-to-date on essential issues, increase relevance to users, and make data available equally to all members of the public.

An entity also should communicate with other experts and professionals to share data concepts and statistical methods. This includes cooperating with other in-state agencies and statistical entities in other states to increase the value, effectiveness, and accuracy of the entity’s information.

Additionally, an active research program is vital. Research should be conducted to create background for presenting analytical results, to reveal needed improvements in data collection, and to identify limitations of the data. By producing the monthly publication *Wyoming Labor Force Trends*, R&P continually shares research results and data analyses.

As an additional example, some R&P employees also participate in research with other agencies. Carola Cowan, Bureau of Labor Statistics (BLS) Program Supervisor, is part of the BLS industry coding team that includes members from national and regional BLS offices as well as several state agencies. The team is concerned with the North American Industry Classification System (NAICS) and the Annual Refiling Survey, part of the Quarterly Census of Employment and Wages. These programs work in conjunction with BLS, seeking to ensure that NAICS descriptions of firms are accurate and to improve NAICS coding consistency across all states.

Trust and Confidentiality

Every state statistical entity should maintain “a relationship of mutual respect and trust with respondents who provide data and with all data subjects whose information

it obtains” (Martin et al., 2005).

A statistical entity must not use data in a way that discloses individuals. Data are used to reveal statistical trends, not to identify certain persons or firms. It is also important that data providers are aware of the level of confidentiality they will be afforded. Microdata (records of individual data subjects) cannot be made public because they would compromise the confidentiality of the persons or firms who provided the data.

R&P endeavors to offer confidentiality to data providers. For example, R&P conducts a succession planning survey of Wyoming state employees to analyze compensation, satisfaction, and other job-related factors (http://doe.state.wy.us/LMI/SP_report.pdf). In the cover letter accompanying the survey, respondents are assured confidentiality, although anonymity is not possible during the data compilation process. Those who collect and analyze the data must be able to match survey responses with specific administrative records to produce accurate results. The cover letter also references Section 309 of the Workforce Investment Act (see 29 USC sec. 491-2 (a)(2) at <http://doe.state.wy.us/LMI/section309.htm>), detailing the ways in which confidential data are used.

Treating data providers with fairness and confidentiality includes informing providers of data collection methods, the purposes of the data, and the ways in which the data will be used. Providers also should be notified whether their participation is mandatory or voluntary.

Credibility and Full Disclosure

Credibility is an essential attribute of any statistical entity. “A [state] statistical entity must have credibility based on a relationship of mutual trust with those who use its data and information” (Martin et al., 2005). Those who obtain data from the entity must be able to rely on accuracy of the data and credibility of the entity. In addition, the entity must be free from political bias.

The entity also should be candid about the sources of its data and any limitations of that information. By disclosing research and analysis methods, the entity ensures that its audience will understand possible limitations of the data. With this knowledge, the public is able to make clear determinations about how to use the data.

R&P strives to list in detail the data sources used for analysis. In illustration, Dr. Mark A. Harris does so in the “Background and Methodology” section of “Need a Nurse? Examining Labor Sources for Health Care” in the December 2007 issue of *Wyoming Labor Force Trends* (<http://doe.state.wy.us/LMI/1207/a1.htm>).

A statistical entity should broadly circulate its data in a timely manner to the widest possible audience. By describing the data in layman’s terms, an entity fulfills its purpose of not only providing data, but also making it accessible to all users. R&P publishes monthly news releases of employment and industry data, as well as quarterly releases of payroll and employment news and other occasional updates (<http://doe.state.wy.us/LMI/releases.htm>).

Independence

Maintaining independence is necessary for a statistical entity. This enhances credibility and allows the public, government officials, and others access to objective, unbiased information. Data providers will likely be more willing to share information with the knowledge that the entity will use it for statistical purposes and will not share confidential or individually identifiable data for administrative, regulatory, or law enforcement purposes (see 29 USC sec. 491-2 (a)(2) at <http://doe.state.wy.us/LMI/section309.htm>). Administrative uses include wage records, tax audits, and license records. Administrative records can be used for statistical purposes, in conjunction with other research and data, but statistical data are not appropriate for administrative use.

Independence also means that the entity has authority over the circumstances regarding collection of data, means of analysis, and release to the public, as well as the ability to release data without clearance from another agency. For example, R&P sets its own time frame for sharing information by providing news release dates to the public (<http://doe.state.wy.us/LMI/0108/a7.htm>).

R&P is not restricted to gathering certain types of data or seeking specific results. Because a statistical entity should be independent, even from those persons or agencies with which it shares data, the entity is not obliged to produce anything but the most accurate, complete data.

Standards and Experience

Maintaining high-quality and professional standards is another responsibility of a statistical entity. This includes using up-to-date statistical theory, seeking to increase skills among staff members, and communicating statistical information in ways that are understandable to experts and nonexperts alike.

References

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