

Request: The Census Bureau plans to conduct additional research under the generic clearance for questionnaire pretesting research (OMB number 0607-0725). We will be conducting interviews in service of case studies for the Business Unit Harmonization Project (BUHP) for the Economic Directorate.

Purpose: The Business Unit Harmonization (BUH) team was tasked by Census management with researching business units on the Business Register to recommend options for a set of harmonized units that best align with the operating structure for the majority of companies. The purpose of this would be to allow responding organizations to provide survey data according to units that more closely align with their organizational structure, when responding to the Economic Census. The current practice asks for responding organizations to report by establishment, which can be burdensome if the organization does not track their data at the establishment level.

Two phases of the BUH research project have been conducted, and these interviews would serve as part of a third phase. During the pilot phase, the Phase 1 team analyzed 52 of the most complex companies and concluded that one reporting unit structure will not meet the needs of all companies researched. In the second phase of the BUHP, the team focused the research on “typical” multi-unit companies on the Business Register in order to determine a harmonized business unit for a majority of responding companies, while continuing to meet the existing measurement objectives. (A “complexity score” was created during Phase 2, using a formula that incorporates the number of locations the company has, the number of EINs it has, the number of states that the company operates in, and the number of industries it operates in. A “typical” multi-unit company is one that did not have a very high or very low complexity score, which eliminated large multi-unit companies with hundreds or thousands of locations operating across many industries, and also eliminated companies that had very few locations and operated in only one industry.)

Findings from the second phase found that the approach has the potential to be successful and that many of the companies expect that their burden would be reduced by adapting to this new reporting format, but Phase 2 research did not ask any companies to attempt to answer questions by the new business units, so many findings remained hypothetical in nature

The intent of Phase 3 is to continue research from Phase 2, and to get more substantial information from companies regarding their capabilities to report by these new business units, which are now referred to as “Kind of Activity Units,” or “KAUs.” These KAUs, simply put, are NAICS codes, but will be identified as KAU in the context of the surveys. KAUs will be identified for each company based on current data from the Business Register. The ultimate goal of Phase 3 is to finish with a plan for implementing the use of KAUs as the new reporting unit for Census Bureau business surveys. The case study interviews that will be a part of Phase 3 will get direct feedback from survey participants about their ability to provide the information according to this new format. Additionally, we hope to gain insight regarding revised wording to existing questions that have to do with companies’ inventories.

Staff from the Data Collection Methodology & Research Branch within the Economic Directorate of the Census Bureau will be working with staff from the Economic Directorate to

conduct these case study interviews. We will interview respondents from up to 25 different companies via in-person interviews in the Mid-Atlantic region (Washington, DC, Maryland, Virginia, and potentially Pennsylvania, New Jersey or Delaware). Other interviews may be conducted by phone with respondents from companies outside of the mid-Atlantic region, on a supplementary basis.

Method:

Case study interviews will take place over the phone or in-person. The interviews will follow a pre-written interview protocol (attached). Prior to the interviews, participants will be given a list of sample questions that are typical of Census Bureau surveys (also attached), and asked to provide answers to these questions at the KAU level, to the best of their abilities, with estimates being acceptable. The purpose of this activity will be to find out what difficulties respondents have in providing the numbers when they make an earnest attempt to retrieve the data from their systems.

While the interviews will mainly focus on the efficacy of the KAU, a brief portion of each interview will be dedicated to cognitive interview-style questions that focus on revised wording to existing inventory questions. The revised wording that will be tested reflects an attempt at “harmonizing” the phrasing across questionnaires. As such, the inventory questions that are a part of the sample survey will be tested in terms of the respondents’ ability to provide this information at the KAU level, as well as their cognition of the questions.

Subject area specialists from Economy-wide Statistics Division (EWD) or Economic Indicators Division (EID) will participate in most, if not all, of the interviews. They will assist in cases where additional clarification of the subject matter is required, and provide information on the purpose and uses of the survey. Interviews may be audio recorded with the participants’ permission, to aid researchers in accurately reporting findings and recommendations.

Survey Population:

Potential respondents to these interviews will be chosen based on specific criteria that indicates they will be most impacted by the proposed changes to the reporting unit structure. These companies are considered to represent the “most typical” multi-unit organizational structure. The dimensions used to assess the organizational structure are the business size (as measured by payroll), number of establishments, number of states where they have establishments, the number of unique employer identification numbers (EINs) they have, and the number of industries they operate in.

Sample selection:

We will contact potential interviewees via phone, explain the nature of our research, and ask them to participate in our study. The sample of participants will be those who are recent respondents to a Census Bureau economic survey, constitute a “typical” multi-unit company (as defined in the Purpose section of this letter), are able to be contacted, and who agree to participate in the study. Participants will be informed that their response is voluntary and that the information they provide is confidential and will be seen only by Census Bureau employees involved in the research project. We will not be providing monetary incentives to participants in

this study. Once interviews are scheduled, researchers will send respondents a confirmation via email, and may conduct reminder calls a few days before the meetings.

Timeline:

Recruiting for these interviews will begin in June 2018, lasting through September 2018. The interviews will take place between July and September 2018.

Burden Hours:

We anticipate that each interview may include up to two participants. We estimate that, on average, the interviews will take one hour. We will also ask respondents to complete sample survey questions with the assigned KAUs, and that completing the sample questions will take 2 hours per company.

We further estimate that it will take 5 minutes for each successful recruiting call. We estimate that each unsuccessful recruiting call wherein a potential respondent has a conversation with us and declines to participate will take one minute. We estimate that there may be up to 10 such recruiting calls.

At estimates of 20 interviews X 2 hours (40 hours) for completing the questions, 20 interviews X 1 hour X 2 participants (40 hours) for the interviews, 5 minutes X 20 successful recruiting calls (1 hour and 40 minutes), and 1 minute X 10 unsuccessful recruiting calls (10 minutes), our estimated total public reporting burden is 81 hours and 50 minutes.

Enclosures:

Enclosed are:

- the sample protocol that we will be using for the respondent debriefings (Attachment A)
- the sample questions (Attachment B)
- the consent form (Attachment C).

Contact:

The contact person for questions regarding data collection and statistical aspects of the design of this research is listed below:

Kenneth Herrell
Data Collection Methodology & Research Branch
Economic Statistical Methods Division (ESMD)
U.S. Census Bureau
Washington, D.C. 20233
(301) 763-2197
Kenneth.Herrell@census.gov

cc:

Ron Jarmin	(DIR) with enclosures
Nick Orsini	(DIR) “ ”
Carol Caldwell	(ESMD) “ ”

Diane Willimack	(ESMD)	“	”
Amy Anderson Riemer	(ESMD)	“	”
Carma Hogue	(ESMD)	“	”
Danielle Norman	(PCO)	“	”
Jennifer Hunter Childs	(ADRM)	“	“
Jasmine Luck	(ADRM)	”	“
Mary Lenaiyasa	(PCO)	“	“