Session 1 – Firm Surveys



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WORLD ECONOMIC FORUM

Centre for the New Economy and Society

Executive Opinion Survey



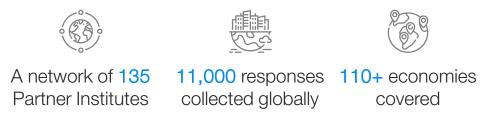
SURVEY OVERVIEW



Executive Opinion Survey

Established in 1979, Executive Opinion Survey is the longest running and most extensive survey of business executives worldwide.

A unique source of data



The Executive Opinion Survey provides proxies for critical aspects of socio-economic development for which statistical data is missing because it is either impossible or extremely difficult to measure on a global scale. Across its questions the survey provides insights into the following themes: Infrastructure and Tourism, Dynamism and Capacity of the private sector, Dynamism and capacity of the public sector, Enabling environment, Talent and employment, Innovation ecosystem, Managing risks, and Industrial policy.

Extensively used across publications and by experts

The survey is used widely in leading reports - across the Forum's flagship reports, insight pieces and activities and by numerous international and nongovernmental organizations, think tanks and academia for empirical and policy work. It reflects the business leaders' perceptions on key topics and focuses the attention of policy makers and the public at large to areas which need urgent reform.

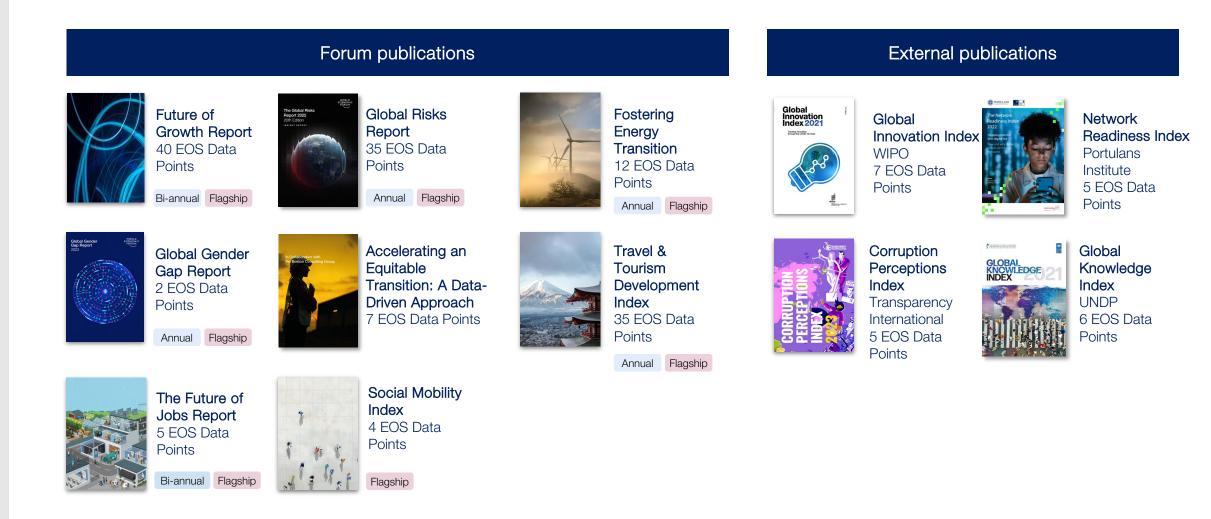
Other use cases by leading experts include:

- IMF (e.g. Article IV consultation, World Economic Outlook)
- World Bank/IFC (e.g. World Development Report, Worldwide Governance Indicators)
- Transparency International
- World Intellectual Property Organization (Global Innovation Index)
- UNDP
- Davis Institute for National Security and Foreign Policy, the Heritage Foundation, Index of Economic Freedom
- Mo Ibrahim Foundation, Portulans
 Institute Network Readiness Index, APEC
- BMW, Morgan Stanley. Oliver Wyman

SURVEY OVERVIEW



Main survey data use cases in 2023-24 publications



3

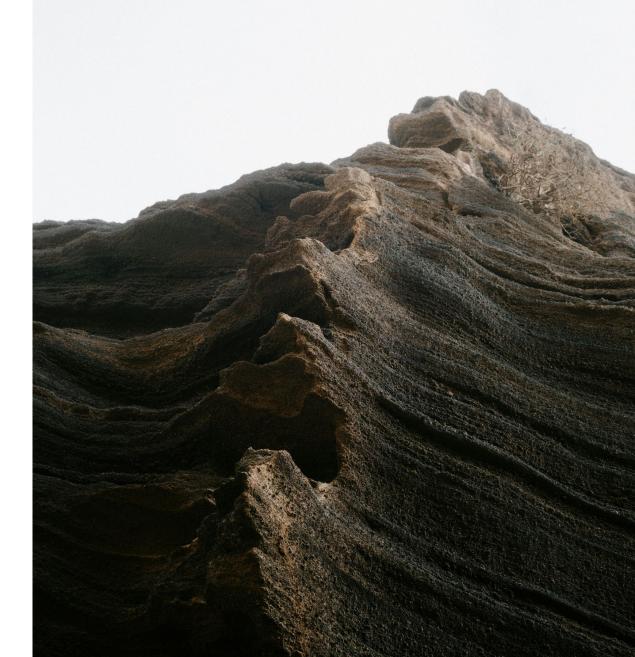
Partner Institutes Community Meeting



Executive Opinion Survey 2024

The Executive Opinion Survey (EOS) is:

- Unique in size (11,000 respondents)
- Unique in coverage (over 120 economies)
- Mainly collected digitally (95+% digital-first responses)
- Allows to capture key socio-economic indicators for which statistical data is non-existent or unavailable on a global scale and in a timely manner.
- Continues to contribute to the Forum's mission to be a source of insight into building prosperous, inclusive and equitable economies and societies that create opportunity for all.
- Is a key element for all Forum's flagship reports and helps generates significant engagement with government officials across the world who look to the reports as a key global asset and source of information.





66

The Partner Institutes Network community consists of 121 organizations – primarily universities or research institutes, business associations, and competitiveness councils who act as ambassadors of the insights produced on a regional level and help administer the Executive Opinion Survey in their local economies.

Current composition of the Partner Institutes community



Business associations and chambers of commerce	34
Universities and research institutes	56
Business organizations and consultancies	10
Ministries and parastatals	20

Type of organisation:

- Top university or business school in the country
- Top think tank, research or academic institution
- Business association

In certain cases, the Forum will also engage with the following organisations:

- Businesses
- Consultancies
- Competitiveness councils

Partner Institutes must be independent from government.



Three inter-dependent factors ensure survey quality



Administration Process

Quality of survey administration through the Partner Institutes Network

Results Validation

Data cleaning processes that discard low-quality responses and address perception bias



Score Consistency Across Economies

Harmonization of country scores across geographies



1. Administration Process: Respondents Sampling

1. Selection of Partner Institutes	2. Sampling	3. In-field administration methods	4. Respondent anonymity
Over 80% of Partner Institutes who administer the survey have no known state affiliation and no known interest to in any way influence the results of the survey.	All partner Institutes are given clear survey sampling guidance at the beginning of the process which details approaches to sampling the sectors of one's economy, firm size, regional coverage, and seniority of respondent. When adequately staffed we iteratively check that sample throughout the administration period.	The majority Partner Institutes distribute the survey primarily through the Qualtrics platform and individuals complete the survey through a link they receive and complete in their own time. This allows us to create a highly managed environment to fill out the survey. Interviews are primarily used by University, Research Institutes, Think Thank and Industry Association partners.	The features of the our digital survey administration platform means that the majority of respondents are guaranteed full anonymity of their responses. The technical set up of the platform allows us to ensure that the institutes can administer the survey but they cannot see the data. GDPR- compliant contracting means institutes are legally bound by the high level of confidentiality rules.

• Proofing respondent-level EOS dataset is done according to well-tested and expert-reviewed methods.

- The Qualtrics platform allows us to benchmark key metrics related to data irregularities such as IP addresses, time taken to respond and other features.
- Over time we are reducing the number of state-affiliated Partner Institutes and where one is in place, we manage the relationship with great care to ensure impartiality.
- The set up of Qualtrics user accounts allow a firewall between respondent answers and Partner Institutes
- Contract with Partner Institutes outline strong GDPR standards.
- Interview-based in-field administration methods are only encouraged when economies have very low digitization but discouraged otherwise.



The response monitoring and treatment are structured into two parts:

Manual Automated tests and filtering tests and checks 1. Completeness 1. Duplicate respondent check 2. Test responses 2. Seniority 3. Seniority, other 3. Irregular responses 4. Irregular responses check 3.a. Variance 3.b. Speeders 4.a. Responses from same IP address and low variation 3.c. Outliers 4.b. Responses that have identical answers 3.d. Personal completions 4.c. Examine paper survey that look irregular



3. Score consistency across economies

Some economies' scores are corrected for potential cultural bias. It has been evidenced that individuals in different countries use different score ranges in perception surveys, informed by different cultural norms. This is referred to as acquiescence response bias. The survey review process includes a tried and tested way of correcting for that bias by comparing the average country EOS-score level with average "hard"-score level. EOS scores are then adjusted towards a common regression line against the comparative hard data.

- Example1: People from country A never use extremes (1/7), while people in country B only work with a 3-7 scale.
- Example 2: People from country A compare themselves to the top economies, people from country B compare themselves to their regional average).



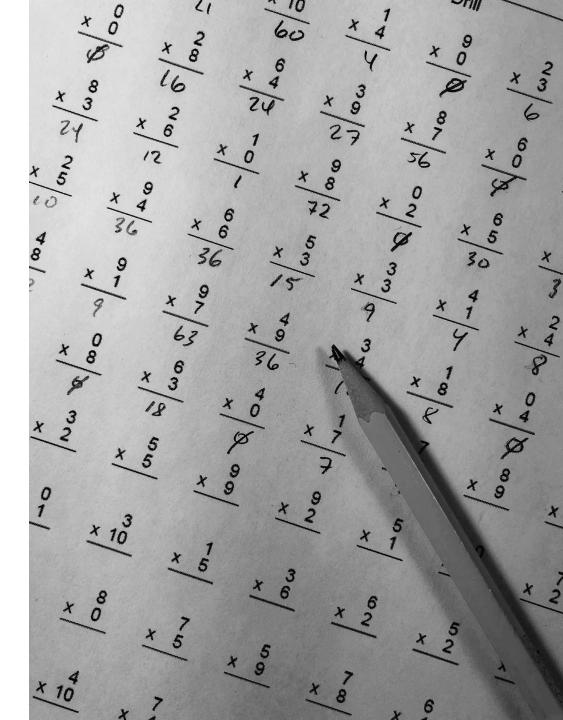


Use of weighted averages in the final data

For each economy and each Survey question, the final score is a weighted average of scores based on two years of data collection. The weighted average approach serves three distinct purposes.

- 1. It makes results less sensitive to the specific point in time when the Survey is administered.
- 2. It increases the amount of available information by providing a larger sample size.
- 3. Because the Survey is typically carried out during the first half of the year, the average of the responses of the two editions better aligns the Survey data with many of the hard data indicators which are typically annual.

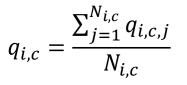
The weighted scheme used to compute the final country score is composed of two overlapping elements. On the one hand, the calculation aims to give equal weight to each individual response across the two years, preventing a country's sample that is much larger in one year from overwhelming the smaller sample from the other year. On the other hand, the older sample is discounted to emphasise the most upto-date information.





Calculation of weighted averages

Country scores are aggregated using a simple average of valid responses. All individual answers carry the same weight. If q i,c,j is the answer to question i in country c from respondent j and; N I,c is the number of respondents to question i in country c, the average of a Survey indicator i for country c, denoted q i,c , is computed as follows:



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If an economy's score c for question i in year t are weighted by a weight w, the weighted score for an economy, is computed in the following way:

$$q_{i,c}^{t-1,t} = w_c^{t-1} \times q_{i,c}^{t-1} + w_c^t \times q_{i,c}^t$$

The weights for each year are determined as follows, taking into account the number of responses by year, the number of respondents for country c in year t:

$$w_c^{t-1} = \frac{0.4 + \frac{N_c^{t-1}}{N_c^{t-1} + N_c^t}}{2} \quad w_c^t = \frac{0.6 + \frac{N_c^t}{N_c^{t-1} + N_c^t}}{2}$$

In the case of Survey questions that were introduced in year t for which, by definition, no past data exists, full weight is given to the year t score. For newly covered countries, this treatment is applied to all questions. For countries whose year t data were discarded, the results from the previous editions of the report are used instead.

As a final adjustment to score computation, some economies' scores are corrected for potential cultural bias. It has been evidenced that individuals in different countries use different score ranges in perception surveys, informed by different cultural norms. This is referred to as acquiescence response bias. The Survey review process includes a statistical way of correcting for that bias by comparing the average country Survey-score level with average "hard"-score level. Survey scores are then adjusted towards a common regression line against the comparative hard data. WORLD ECONOMIC FORUM

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What Businesses Experience

Jorge Rodriguez Meza Manager, Enterprise Analysis Unit



Motivation

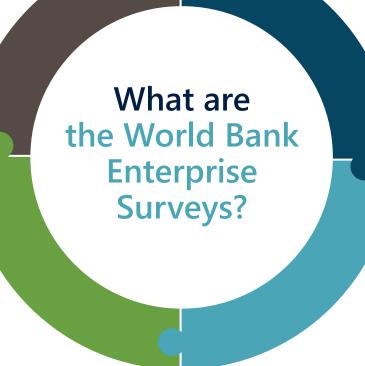
Transparency

Publicly available granular data, creating a global public good

Comparable across economies and time

Global methodology since 2006

- 372 surveys
- 160 economies
- 225,000+ interviews



Establishment-level surveys

Interviews with top managers or owners of private firms

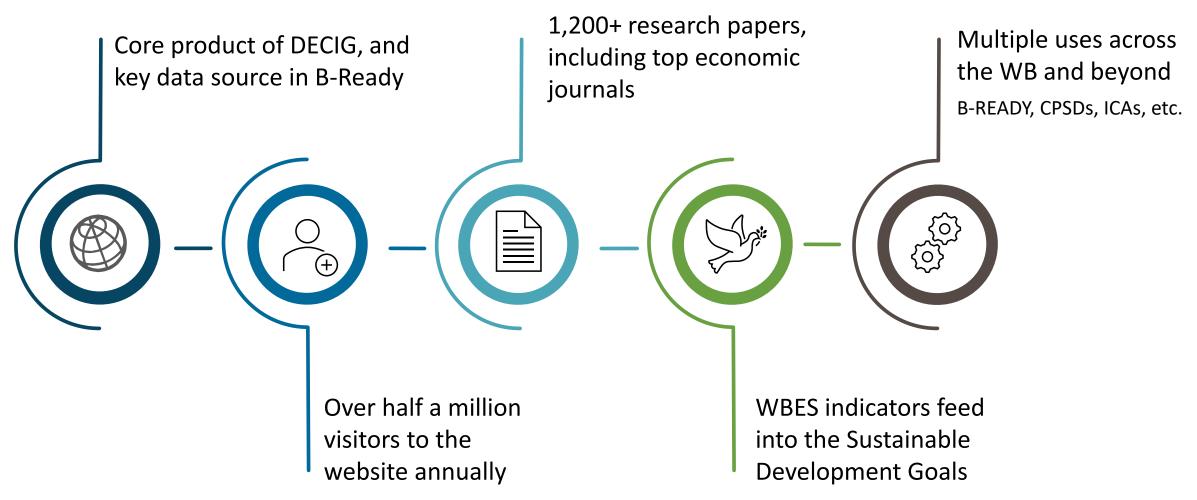
Representative at different

levels

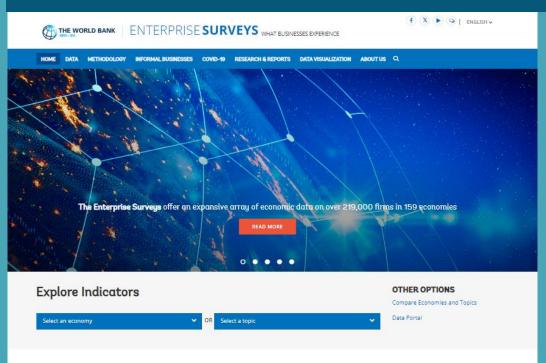
- National
- Subnational
- Sector
- Firm size

The global WBES started in 2006 as an effort to understand what businesses experience

Today:



All data (granular and aggregated) are available in the WBES website...



World Bank Enterprise Surveys (WBES) are nationally representative firm-level surveys with top managers and owners of businesses in over 150 economies, reaching over 170 in upcoming years, that provide insight into many business environment topics such as access to finance, corruption, infrastructure, and performance, among others. Our comprehensive data and analytical reports enable easy comparisons across economies and time. The information collected through our surveys is publicly available at the economy and firm level. The Enterprise Analysis team also conducts targeted surveys that provide an even deeper understanding of the business environment in areas such as micro enterprises, which are too small for the WBES, and informal sector, where representative samples of unregistered businesses are obtained through an innovative sampling strategy, and other topics, such as COVID-19, Green Economy and Innovation. Explore our indicators by economy or topic, browse our surveys, or access the granular data on the WBES data portal.

Highlights







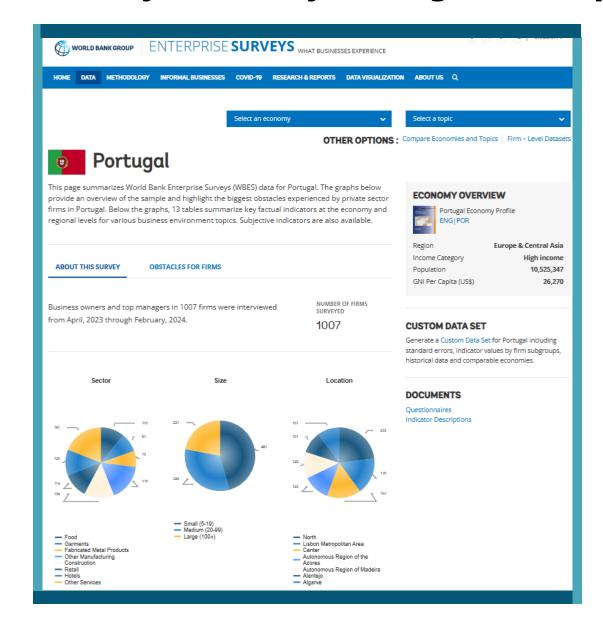
New firm-level surveu

Launch of new data

Explore current and

Access the WBES

...with every economy having its own page...



...and table of indicator results

BUSINESS See only the indicators used in B-READY			
REGULATIONS TAXES FINANCE INFRASTRUCTURE AND CLIMAT	E GENDER	TRADE COMPETITIO	N AND PUBLIC PROCUR
iew Data by Firm Subgroups			
Indicator	Portugal	Europe & Central Asia	All Economies
Senior management time spent dealing with the requirements of government regulation (%)	13.2	8.5	8.6
Days to obtain an operating license	50.5	39.6	30.9
[B-READY] Days to obtain a construction-related permit [median]	120	52.5	38.1
Days to obtain an import license	21.7	18.6	17.8
[B-READY] Days to receive payment under government contract	52.5	42.8	53.1
[B-READY] Percent of firms visited or inspected for health or safety	16.6	31.7	31.3
[B-READY] Percent of firms with a report issued for health or safety inspection	83.3	83.8	67.5
Percent of firms identifying business licensing and permits as a major or very severe constraint	18.7	9.6	12.6
Percent of firms identifying access to land as a major or very severe constraint	10.5	10.8	17.2

Overview of indicators: Scope

15 topics



Overview of indicators: Scope

15 topics

WBES indicators used in WGI: 15 indicators across multiple topics



WBES indicators in WGI, by WGI topic

Political Stability & Absence of Violence

- % firms identifying political instability as a major or very severe constraint
- % firms identifying electricity as a major or very severe constraint
- % firms identifying transportation as a major or very severe constraint
- % firms identifying tax administration as a major or very severe constraint





- Senior management time spent dealing with requirements of government regulation
 - % firms identifying customs & trade regulations as a major or very severe constraint
- % firms identifying labor regulations as a major or very severe constraint
- % firms identifying crime, theft and disorder as a major or very severe constraint
- Perceptions of courts as independent and impartial in resolving commercial disputes
- % firms identifying the courts as a major or very severe constraint
- Perceptions of arbitration as a reliable alternative to courts for resolving commercial disputes
- Perceptions of mediation as a reliable alternative to courts for resolving commercial disputes



- Bribery incidence (percent of firms experiencing at least one bribe payment request)
 - % firms identifying corruption as a major or very severe constraint
 - % firms expected to give gifts to public officials "to get things done"

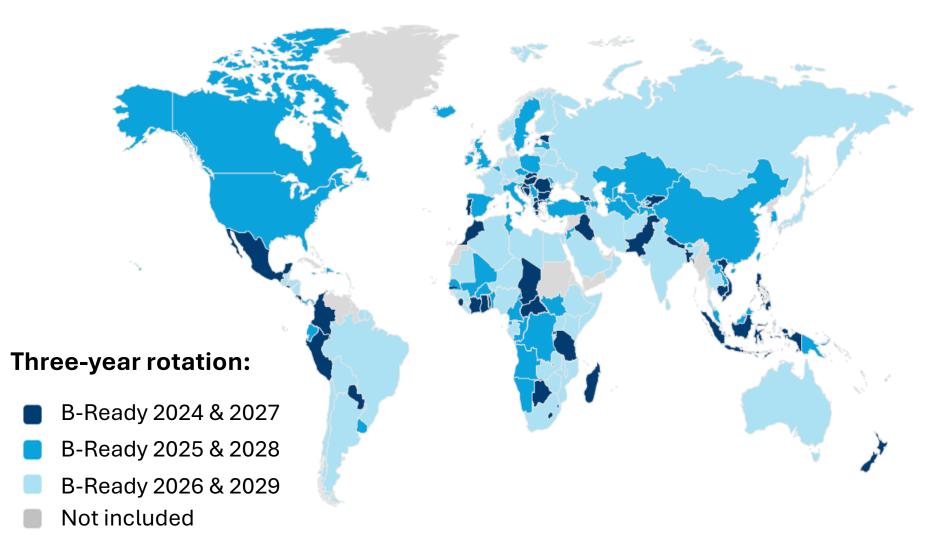


Government

Effectivenes

Rule of law

Geographic Coverage



Disclaimer: Economy borders do not necessarily reflect the World Bank Group's official position. This map is for illustrative purposes and does not imply the expression of any opinion on the part of the World Bank, concerning the legal status of any country or territory or concerning the delimitation of frontiers or boundaries.



Respondent Profile

- Owners and top managers of businesses around the world
- Selection Criteria:
 - > Formal (registered) firms, with 1% or more private ownership
 - > 5+ workers
 - Manufacturing and Services



- Global Methodology since 2006 based on stratified random sampling, representative at:
 > Subnational location
 - Sector
 - > Size

Data collection

Carried out by market research firms with experience in survey logistics

Vendors hired via the WB standard procurement process and are directly trained by the WBES team

Interviews are implemented in person or via videoconference in Survey Solutions, in the local language(s)

Each interview lasts around 60 minutes

• Quality Assurance

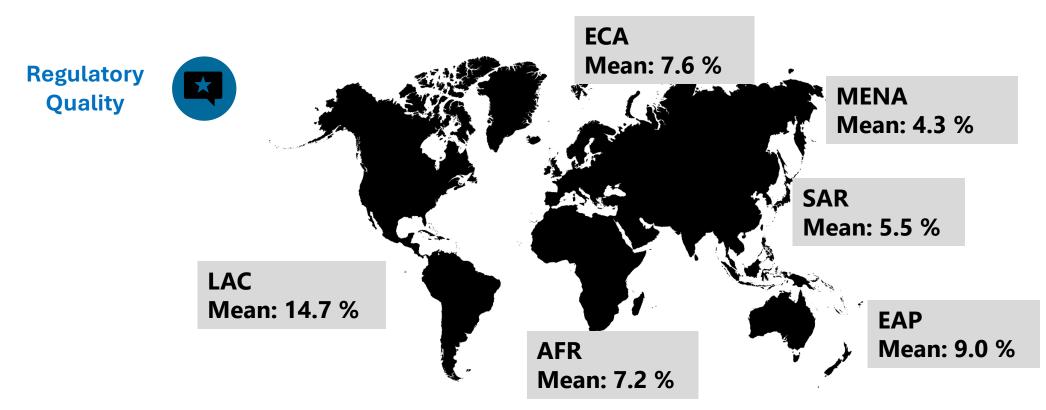
- Standard methodology with high precision of estimates through stratified random sampling
- Survey design targets are calculated for a determined level of precision at the country level
- WBES team carries out data quality controls, which include:
 - Sample management
 - Checks on logic contradictions
 - Outliers
 - ✓ Skip patterns

Key insights from WBES indicators in WGI

Factual



Time tax varies significantly across regions

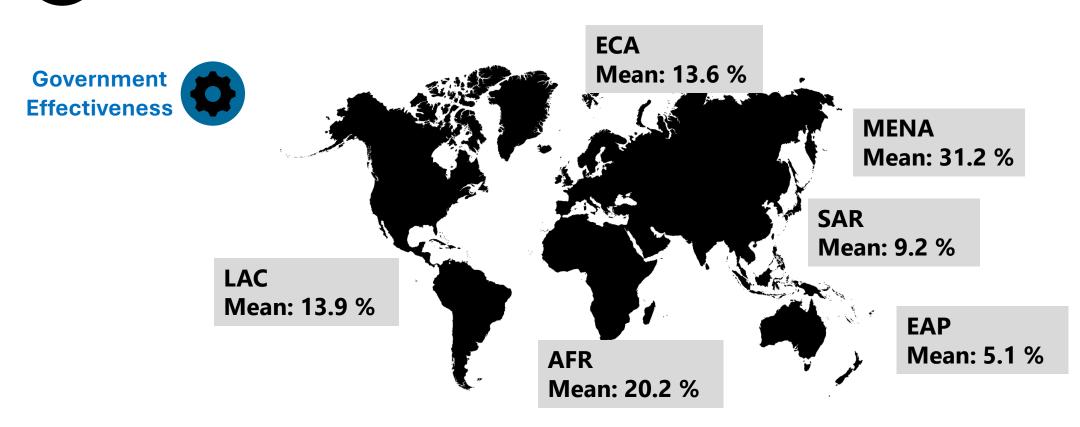


* Using the latest rollout of WBES

Key insights from WBES indicators in WGI

Perception-based

Perception about tax administration also varies significantly across regions



* Using the latest rollout of WBES

Key insights from WBES indicators in WGI

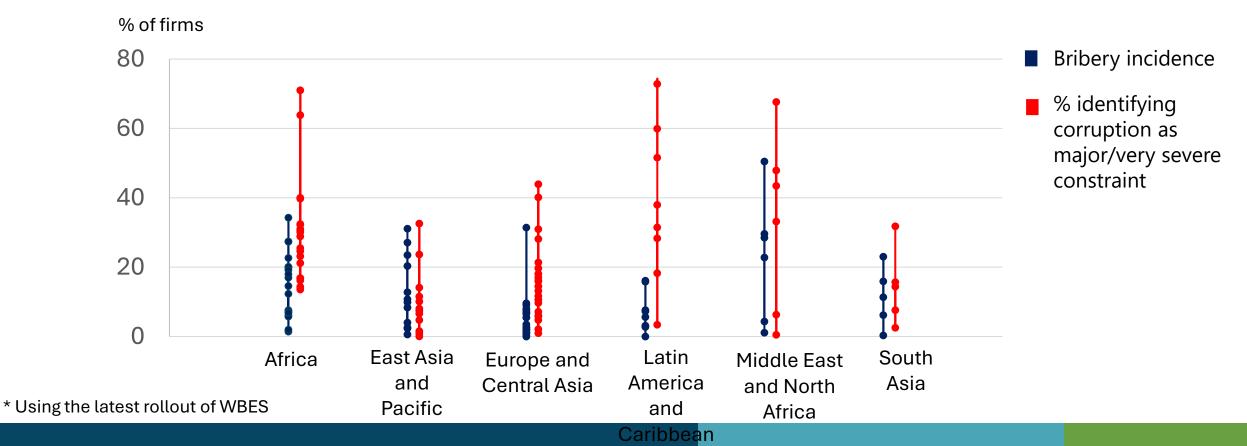
Perception-based and factual



Analysis of both perception and factual indicators provides a more nuanced perspective of the business environment

Corruption





Thank you



DEVELOPMENT ECONOMICS • GLOBAL INDICATORS

https://www.enterprisesurveys.org



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The IMD World Competitiveness Center Executive Opinion Survey: Methodology

Arturo Bris—Director

José Caballero—Senior Economist

March 14th, 2025



About IMD

IMD is a top-rated business school. For decades, we have consistently been highly ranked by the most influential business publications across our Degree and Executive Education programs.



Executive Education

In the 2023 Financial Times Executive Education ranking, we came #6 worldwide in the combined ranking for open and custom programs. We have been in the top six combined ranking every year for 24 years, and in the top seven for custom programs every year since the ranking was first created in 1997.



MBA

The Financial Times has ranked our MBA program #1 worldwide in 2024 on the criteria of Faculty with PhD, international faculty and international students, and #2 for international mobility. In the same ranking we scored 87% on aims achieved, and 8.96 out of 10 for overall satisfaction. Bloomberg has recognized our MBA as the Best European MBA program for 2024-2025. Our MBA is the #1 international one-year MBA program according to *Forbes* (2019), and in the top ten in Europe according to *Poets&Quants*.

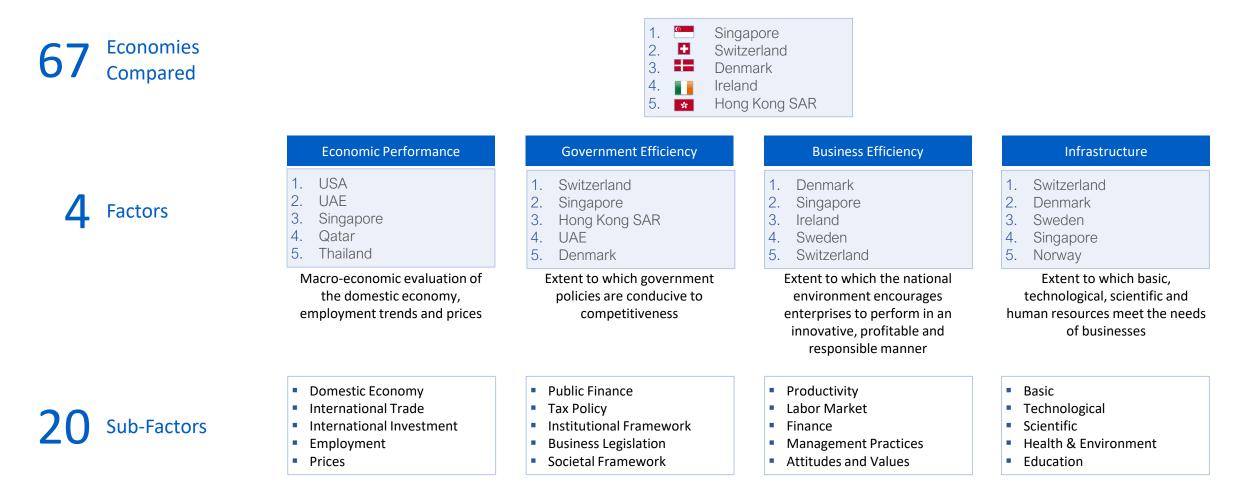


Executive MBA

In the 2023 Financial Times Executive MBA ranking we were ranked #1 worldwide in international faculty and faculty with doctorates (100%), #5 in international students and #2 in work experience. Our overall satisfaction score was 9.57 out of 10.

IMD World Competitiveness Ranking 2024

Assesses the extent to which an economy fosters an environment in which enterprises can generate sustainable value creation

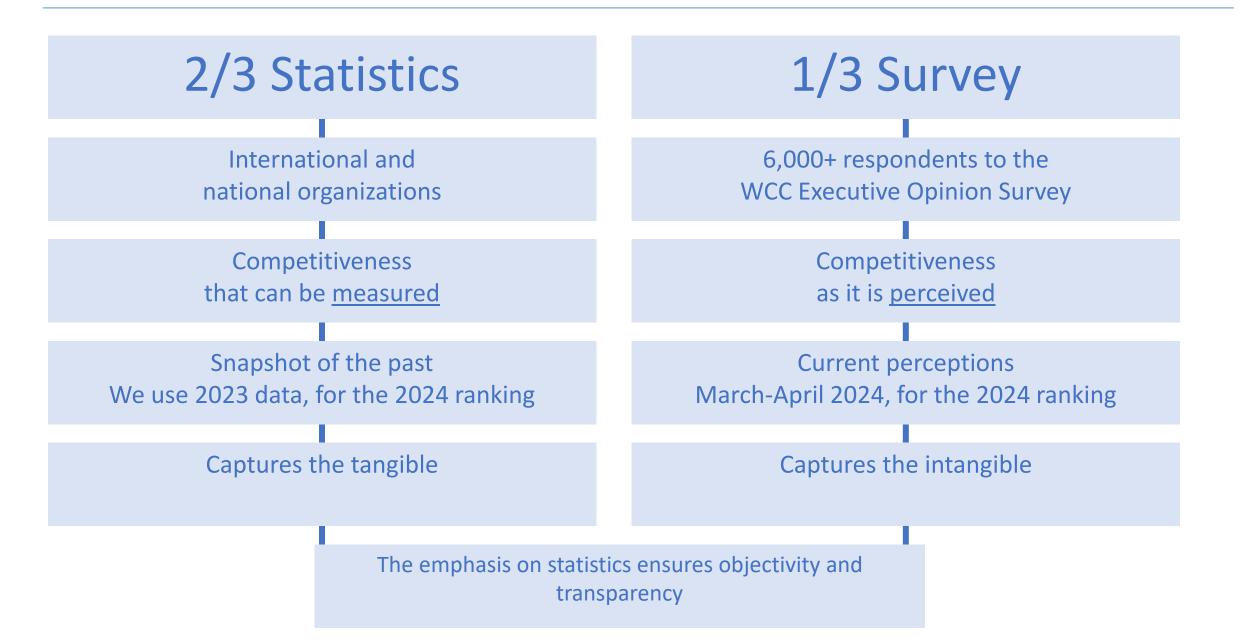


56 Ranked Criteria

164 ranked statistics + 92 Survey = 256 ranked criteria + 80 background criteria

Statistics and Survey

IVD / World Competitiveness Center



Design

- Clarity
 - Simple language tailored to the target respondents
 - Simple sentence constructions.
- Minimize biases
 - Use neutral language to avoid leading questions
 - Ensure anonymity because of the sensitivity of topics.
- Consistency
 - Rare changes to instrument
 - Although, reduced the number of questions because of falling rates of responses and complaints from respondents.

Scale

Survey questionnaire is on the scale 1-6

The results are then rescaled from 0 - 10, with the highest value implying a very positive perception, the lowest value the most negative.

Resilience of the economy to economic cyc	les						
	1	2	3	4	5	6	
is weak	\bigcirc	\bigcirc	\bigcirc	\bigcirc	\bigcirc	\bigcirc	is strong

Domestic Economy - Growth	1.1.19
RESILIENCE OF THE E	CONOMY 2024
Resilience of the economy to economic cycles is strong	SURVEY DATA
Ranking	survey [0-10]
01 Switzerland	8.48
02 Denmark	8.11
03 Saudi Arabia	7.88
04 Singapore	7.83
05 Taiwan (Chinese Taipei)	7.63
06 Indonesia	7.52
07 Qatar	7.50
08 China	7.46
09 Norway	7.46
10 India	7.44
11 Netherlands	7.21
12 USA	7.19
13 UAE	7.18
14 Israel	7.16
15 Ireland	7.13
16 Sweden	7.07
17 Australia	6.89
18 Luxembourg	6.51
19 Belgium	6.50
20 Hong Kong SAR	6.45

Sample

- Survey opinion data are drawn from our annual Executive Opinion Survey, a 92-point questionnaire sent to top and middle-level executives worldwide.
- Respondents are senior executives with an international outlook. They have lived and worked in the country for a <u>minimum of 12 months</u>.
 - We strive to sample a representation of the major industries.
- Selected from amongst IMD's senior executive alumni as well as our <u>Partner Institutes</u> own lists.
- 6,500+ respondents to the WCC Executive Opinion Survey.

WCC Executive Opinion Survey



Distribution and Data Collection

- Method
 - Online (Qualtrics)
- Email distribution
 - IMD executive network and Partner Institutes lists
- Monitor and manage rate of responses
- Data collection
 - Reponses are directly sent to WCC

Validation

- Responses are checked for
- 1. Completion rate >75%
- 2. Not too negative =>1.2
- 3. Not too positive =<5.6
- 4. Variance \rightarrow not more than 85% identical answers
- Algorithm performs tasks of rejecting invalid responses
- We conduct analyses with and without outliers to understand their impact on results

Thank you!

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IMD www.imd.org

IMD World Competitiveness Center

IVD / Real learning Real impact https://www.imd.org/centers/worldcompetitiveness-center/

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Managing Director

PERC's Process for Studying Perceptions of Corruption in Asia

Robert Broadfoot

Managing Director

Political & Economic Risk Consultancy, Ltd.

info@asiarisk.com

Why PERC Developed Its Index

- Structure for reports
- Recognize biases distinguishing our analysts
- Provide a way to monitor and communicate changes in opinion/analysis over time



Evolution

- Started out as one variable among many defining country risk.
- Strong positive reaction prompted us to treat it has an annual topic
- Switched from asking our own analysts to surveying business audience in countries being analyzed. (US and Australia) somewhat different history)
- Modified survey to suite market and wound up with three basic question structure.



The Three Focus Questions

- How bad do you think corruption is in the country in which you are working?
- Has the problem increased, decreased, or stayed the same over the past year?
- What aspects of corruption in the country in which you are working stand out to you as being particularly important?



Respondent profile and data collection:

- Return to respondents of previous surveys
- Memberships of business chambers
- Audiences at conferences
- Face-to-face interviews during consulting assignments

ECONOMIC RISK CONSULTANCY LTD

• Changes/sifts with necessity

Quality Assurances

- Absolute none in terms of measures to mitigate biases
- Know generally who is responding but not how seriously they have given thought to the questions.
- Benchmark by face-to-face meetings with numerous lawyers, accountants and other forensic experts, police and anti-corruption agencies. Also study their published results.



Key messages:

- Information manipulators shape perceptions in both directions.
- Perceptions of corruption are no less important than the reality of corruption, BUT
- In general, both the perception and reality of corruption are deteriorating



Remember, the "A" in AI stands for "artificial."

- Huge implications for both the reality of corruption and how it is perceived.
- Raises the risk that we, the producers of corruption indicators, might start being seen more as being part of the problem.

