A Note Concerning...

THE BLS RESPONSE ANALYSIS SURVEY OF MANUFACTURING ESTABLISHMENTS

In any statistical undertaking as large and complex as that of the Department of Labor's Bureau of Labor Statistics' program on employment, hours, and earnings, there are potential sources of error. The monthly estimates of employment, weekly hours and hourly earnings, by industry, for the Nation, the States, and local areas are based on data in monthly reports covering well over 150,000 industrial and commercial establishments. This is the largest monthly reporting sample of establishments in the world. In this large network of reports and estimates, errors could arise from imprecise instructions on the schedule used for the collection of data, mistakes in reporting, and other sources.

Many control procedures have been instituted by BLS over the years to minimize errors in the employment, hours, and earnings series, and these procedures are now being formalized into a system of quality control. The first large unit of new work to be undertaken in this formal program of quality control is a study of the response patterns of manufacturing establishments. A response analysis survey is now being made of almost 450 firms selected to represent the sample of over 40,000 manufacturing establishments who report on employment, hours, and earnings each month. The survey consists of personal interviews conducted by professional staff members of the Bureau's Division of Manpower and Employment Statistics. A questionnaire, respondent's interview guide, and procedures manual were developed for use in the survey.

Estimates of employment, hours, and earnings can be no better than the original data upon which they are based. It is obvious that the respondents must have a clear understanding of the definitions used and the precise nature of the data requested. Accurate reporting also requires that concepts and definitions used in the program be consistent with the characteristics of industry so that the information requested is readily available from records usually maintained by business establishments. The immediate objectives of the response analysis survey, therefore, are: (1) to determine how well the concepts and definitions on the schedule are understood; (2) to determine quantitatively the extent and importance of deviations in reporting from the instructions on the schedule; and (3) to provide information on the recordkeeping practices of American industry which underlie the data reported to the BLS.

Results of the survey may eventually lead to clarification of the definitions on the BLS manufacturing schedule, and perhaps even to changes in concepts and instructions to bring them into line with the kinds of information that business records can provide.

During December 1955 and January 1956, teams of interviewers conducted almost 50 pretest visits, mainly in New Jersey, Maryland, Virginia, and Georgia. The pretest indicated that it is possible to collect the kind of information needed on reporting and recordkeeping practices in manufacturing establishments. Problems encountered by interviewers formed the basis for determining the specific method of approach and for developing an interviewers' manual.

Interviewing the 450 establishments selected for the response analysis survey began in early April 1956 and was concluded in June. When the data have been tabulated and analyzed, highlights of the findings will be published in Employment and Earnings.

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