

**Standard Report**  
**on**  
**Methods and Quality**  
**for**  
**COMMUNITY INNOVATION SURVEY (CIS)**

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This documentation applies to the reporting period: 2012 – 2014 inclusive

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## **1 Overview**

The Community Innovation Survey (CIS) 2012-2014, also known as Innovation in Irish Enterprises (IIE) is a biennial survey of innovation activities of enterprises in Ireland and other EU Member States. The survey covers Industry and selected Services sector enterprises with 10 or more persons engaged.

The survey is carried out under Commission Regulation (EC) No 1450/2004 implementing Decision No. 1608/2003/EC and the Statistics (Community Innovation Survey) Order 2015 (S.I. No. 165 of 2015) made under the Statistics Act, 1993. The 2012-2014 edition of the survey collected the information with relevance to this three-year period.

## **2 General Information**

### **2.1 Statistical Category**

Primary Statistical Survey

### **2.2 Area of Activity**

Science and Technology – Community Innovation Survey (CIS)

### **2.3 Organisational Unit Responsible, Persons to Contact**

Structural Business Statistics, Business Statistics Directorate

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### **2.4 Objectives and Purpose**

The Community Innovation Survey (CIS) is a survey of the innovation activities of enterprises with the primary objective of gathering information on rates of innovation for enterprises. The survey collects information about product and process innovation, as well as organisational and marketing innovations and other key variables during the three year period 2012-2014 inclusive. Most questions cover new or significantly improved goods or services or the implementation of new or significantly improved processes, logistics or distribution methods.

The 2012-2014 CIS was the 9th edition of the survey. The first four editions of the survey were carried out by Forfás. However, in the National Statistics Board Strategy for Statistics 2003-2008, the Boards articulated a medium-term strategy to support the development of Ireland's statistical system. In particular, the Board in conjunction with a CSO Expert Group produced a 'Policy Needs for Statistical Data on Enterprises' report in November 2005.

[http://www.nsb.ie/media/nsbie/pdffdocs/policy\\_needs.pdf](http://www.nsb.ie/media/nsbie/pdffdocs/policy_needs.pdf)

This report included a specific recommendation (recommendation 13) that the Community Innovation Survey should be jointly conducted by the CSO and Forfás. The 5<sup>th</sup> (2004-2006), 6<sup>th</sup>

(2006-2008) and 7<sup>th</sup> (2008-2010) editions of the survey were thus jointly conducted by CSO/Forfás. Since the 8<sup>th</sup> (2010-2012) edition, the CSO now solely conducts the CIS.

## **2.5 Periodicity**

Biennial

## **2.6 Client**

The Community Innovation Survey (CIS) is carried out under Commission Regulation (EC) No. 1450/2004 implementing Decision No. 1608/2003/EC.

## **2.7 Users**

- Eurostat
- Department of Jobs, Enterprise and Innovation (formerly Forfás)
- Other Departments
- Other agencies and interest groups
- General public

## **2.8 Legal basis**

The Community Innovation Survey (CIS) is carried out under Commission Regulation (EC) No. 1450/2004 implementing Decision No. 1608/2003/EC. The CIS 2012-2014 is conducted under the Statistics (Community Innovation Survey) Order 2015 (S.I. No. 165 of 2015) made under the Statistics Act 1993 and the survey is carried out under the agreed set of international rules as laid out in the Organisation for Economic Co-operation and Development (OECD) Oslo manual.

## **3 Statistical Concepts, Methods**

### **3.1 Subject of the Statistics**

The primary subject of the Community Innovation Survey (CIS) is to collect information regarding innovation statistics.

### **3.2 Units of Observation/Collection Units/Units of Presentation**

The survey is issued to those enterprises with 10+ persons engaged in NACE (European Industrial Activity Classification) Revision 2 sectors 05-39, 46, 49-53, 58-63, 64-66, 71-73

A total of 4,645 forms were issued in the 2012-2014 edition of the survey. The CSO's Central Business Register (CBR) is used to generate the list of enterprises in the survey.

Results are generally expressed as performing enterprises as a percentage of the enterprise population. In addition, monetary amounts are used to present results related to research and development expenditure.

### **3.3 Data Sources**

- CSO Business Register data
- CSO Structural Business Statistics (SBS) data
- CSO/DJEI Business Expenditure on Research and Development (BERD) survey data

### **3.4 Reporting Unit/Respondents**

Reporting unit – Results aggregated to NACE 2 digit sectors according to the coverage detailed in section 3.2. Respondents - Enterprises with 10+ persons engaged.

### **3.5 Type of Survey/Process**

Census: All enterprises with 50+ persons engaged.

Stratified random sample: 10 to 50 persons engaged (It should be noted that a census is conducted for certain strata in the less than 50 persons engaged category where the number of enterprises in the strata is low.)

Enterprises with less than 10 persons engaged are not surveyed.

## **3.6 Characteristics of the Sample/Process**

### **3.6.1 Population and Sampling Frame**

The survey population is made up of all enterprises in NACE Rev 2 sectors 05-39, 46, 49-53, 58-63, 64-66, 71-73 with 10+ persons engaged. The sampling frame is the CSO's Central Business Register.

### **3.6.2 Sampling Design**

The core target population is as per under Commission Regulation (EC) No. 973/2007 in accordance with Annex 1V – namely those enterprises with at least 10 persons engaged in NACE Rev 2 sectors 05-39, 46, 49-53, 58-63, 64-66, 71-73.

A full list of all relevant enterprises is generated for this coverage using the CSO's Central Business Register. This population is then subdivided into strata which were 2digit NACE by employment size class: namely enterprises with 10 to 49 persons engaged, 50 to 249 persons engaged and 250+ persons engaged.

A census is conducted of all enterprises with 50 or more persons engaged, while a census is also conducted for certain strata in the less than 50 persons engaged category where the number of enterprises in the strata is low.

Finally a sample of enterprises is taken for those remaining enterprises with 10 to 50 persons engaged who are not included in the census. Neyman allocation is used to select the sampling fraction in each of these remaining strata and the average sampling fraction is approximately 50%.



The actual enterprises selected are selected using random selection.

### **3.7 Survey Technique/Data Transfer**

The 2012–2014 survey was only available for completion on the CSO website as an e-form. This data is captured by the CSO's Data Management System (DMS), where it can be viewed and amended as required. SAS programs are used for the transfers and management of the survey.

See section 4.3 for edit techniques used.

The survey form can be viewed at

[INSERT LINK](#)

### **3.8 Questionnaire (including explanations)**

The Community Innovation Survey (CIS) collects information about product and process innovation, as well as organisational and marketing innovations and other key variables during a three year reference period.

The principal variables collected relate to:

- Product Innovation;
- Turnover from new to market and new to firm product innovations;
- Process Innovation;
- Ongoing and abandoned innovation;
- Innovation activities and expenditure;
- Innovation co-operation;
- Organisational Innovation;
- Marketing Innovation;
- Intellectual property rights and licensing;
- Innovations with environmental benefits.

### **3.9 Participation in the Survey**

Statistics (Community Innovation Survey) Order 2015 (S.I. No. 165 of 2015) made under the Statistics Act, 1993 and with EU law.

### **3.10 Characteristics of the Survey/Process and its Results**

As detailed above, the Community Innovation Survey 2012-2014 collected specific data relating to the core topics of product and process innovation, as well as organisational and marketing innovations, with the principal variables listed in section 3.8.

The survey is conducted as a census of those enterprises with 50+ persons engaged and as a random stratified sample of enterprises with 10 to 50 persons engaged. Data from respondents is grossed using the CSO's Central Business Register and aggregated results are then published.

The Community Innovation Survey (2012–2014) publication was issued in July 2016 and is available at:

- Community Innovation Survey: NACE Sector <http://cso.ie/shorturl.aspx/109>
- Community Innovation Survey: Persons Engaged <http://cso.ie/shorturl.aspx/110>
- Community Innovation Survey: Nationality of Ownership <http://cso.ie/shorturl.aspx/111>

### 3.11 Classifications used

As per Commission Regulation (EC) No. 1450/2004 NACE REV 2 is used for the Community Innovation Survey (CIS) Survey. The relevant sectors from this classification are:

NACE Rev. 2	
Sections and Divisions	Description
B (05-09)	Mining and quarrying
C (10-33)	Manufacturing
D (35)	Electricity, gas, steam and air conditioning supply
E (36-39)	Water supply; sewerage, waste management and remediation activities
G (46)	Wholesale trade, except of motor vehicles and motorcycles
H (49-53)	Transportation and Storage
J (58-63)	Information and communication
K (64-66)	Financial and insurance activities
M (71-73)	Architectural and engineering activities; technical testing and analysis; scientific research and development; advertising and market research

Please see the following link for details of NACE coding:

<http://www.cso.ie/px/u/NACECoder/NACEItems/searchnace.asp>

### 3.12 Regional Breakdown of Results

Results are not broken down by region. The results (at 2 digit NACE level) are available at a national level only.

## **4 Production of the Statistics, Data Processing, Quality Assurance**

### **4.1 Data Capture**

The 2012–2014 survey was only available for completion on the CSO website as an e-form. This data is captured by the CSO's Data Management System (DMS), where it can be viewed and amended as required. SAS programs are used for the transfers and management of the survey.

### **4.2 Coding**

The CSO's Central Business Register (CBR) is used to activity code the surveyed enterprises. No questions are included on the form with regard to enterprise activity. When the survey is completed, the CBR number of the enterprise is captured and linked to the activity code of the enterprise as per the CBR.

### **4.3 Data Editing**

The data received from the survey e-forms is uploaded into DMS and edited on-screen. Multiple edits rules are set up on the DMS to check for inconsistencies in the companies' returns. Edit programs are run also on SAS software to perform checks on consistency of returns between separate questions and for an examination of returns with monetary amounts for research and development related expenditure.

The edits carried out include:

1. Where an enterprise indicates that it was engaged in product innovation new to market but did not indicate the percentage of turnover attributed to new or improved goods and services that were new to market.
2. Where an enterprise indicates that it was engaged in product innovation new to the firm but did not indicate the percentage of turnover attributed to new or improved goods and services that were new to firm.
3. Enterprises who indicates that they carried out some aspect of research and development but who did not indicate their expenditure on research and development.

A listing of all the failed edits is sorted by enterprise number and printed. The image of the form is called up on the PC screen and the reason for the edit failure is identified on the form. Each failed edit is checked for any scanning errors and for any comment on the form that may explain the failure. A limited number of returns from the previous survey data (CIS 2010-2012) are manually compared to some returns for consistency purposes.

It should be noted that to reduce response burden automatic updates are used in general but if the edit failure cannot be resolved locally using automatic updates, then the enterprise is contacted to attempt to resolve the issue. Once all errors are amended a copy is made of the clean dataset. Reports are run during the survey period recording the number of forms returned by NACE group and employment size and to ensure that there is a response in every strata used for grossing so that it will be possible to gross all strata. In addition, reports are run to estimate the number of edits outstanding.

#### **4.4 Imputation (for Non-Response or Incomplete Data Sets)**

There is no formal imputation for non-response. However, use is made of imputation for both unit and item non-response on a manual basis for data held, for example, from the previous CIS 2010-2012 survey and the BERD 2013/2014 survey for previous returns. In the absence of any other missing data, missing values are estimated using averages from other responding enterprises by NACE and employment size. The grossing factors are verified by comparing the grossed values for turnover and employment to the results of the 2013 Census of Industrial Production (CIP) and Annual Services Inquiry (ASI).

#### **4.5 Grossing and Weighting**

Grossing is performed using SAS software. Grossing factors for the CIS are calculated using the inverse of the number of valid respondents divided by the relevant population from the CBR. Grossing is calculated for strata of 2-digit NACE by employment size class. There are 3 grossing factors used: the number of enterprises, persons engaged and turnover. The factors

which are calculated are then applied to the survey results in order to gross the data up to the relevant populations.

Weighting is not used for the derivation of results.

#### **4.6 Computation of Outputs, Estimation Methods Used**

Published results are aggregated to National level, with a limited number of tables produced at 2-digit NACE sectoral level groupings in situations where confidentiality would be breached.

Estimation is not used for the derivation of results

#### **4.7 Other Quality Assurance Techniques Used**

The sample is selected from the latest version of the Central Business Register (CBR). Duplicate enterprises, companies that have ceased trading or who have stated that they are unable to provide the necessary data are removed from the sample.

## **5 Quality**

### **5.1 Relevance**

The Community Innovation Survey (CIS) is carried out under Commission Regulation (EC) No. 1450/2004 implementing Decision No. 1608/2003/EC. Data are collected in accordance with

Section 33 of the Statistics Act 1993, and the survey is carried out under the agreed set of international rules as laid out in the OECD Oslo manual.

The main users of the CIS 2014 results are:

- Eurostat
- Department of Jobs, Enterprise and Innovation (formerly Forfás)
- Other Departments
- Other agencies and interest groups
- General public

Results are primarily used to inform policy makers with regard to data on innovation indicators.

## **5.2 Accuracy and Reliability**

### **5.2.1. Sampling Effects, Representativeness**

A representative sample is taken of all enterprises with 10 to 49 persons engaged and a full census of enterprises with 50+ persons engaged is also taken. Some editing of the sample takes place to remove duplicates or enterprises that have ceased trading.

Eurostat determines the target population. The core NACE categories generally remain consistent across each survey. The CIS 2012-2014 was the 5<sup>th</sup> time CSO ran the survey and the CSO rotated the sample for those enterprises with 10-49 persons engaged in order to reduce the response burden on these smaller enterprises. Every effort is made to ensure that there are a sufficient number of responses in each cell to be representative of the sample and to ensure that confidentiality is maintained.

### **5.2.2. Non-Sampling Effects**

No sampling effect as the survey is a mixture of census and sample.

#### **5.2.2.1 Quality of the Data Sources used**

The random stratified sample is taken from the Central Business Register. No other data sources are used.

#### **5.2.2.2 Register Coverage**

The sample for this survey is taken from the Central Business Register (CBR). Forms are issued to all enterprises with at least 50 persons engaged and a stratified random sample is conducted for those enterprises with 10 to 50 persons engaged. It should be noted that a census is conducted for certain strata in the less than 50 persons engaged category where the number of enterprises is low.

Coverage errors – There may be some multiple listings (duplicates) and ceased companies when the sample is first taken from the Central Business Register. They are removed from the sample when discovered. Therefore, coverage is restricted to the required NACE categories only.

#### **5.2.2.3 Non-response (Unit and Item)**

Unit non-response – The response rate for the Community Innovation Survey 2012-2014 was approximately 69%. The main reasons for unit non-response are as follows:

1. Company Gone-Away from the address on the survey form
2. Duplicate – company receive two forms with different reference numbers
3. Company has ceased trading
4. Form returned blank
5. There is a query about the survey form
6. Company refuses to respond

The section investigates these issues and resolves them as appropriate e.g. ringing the company for confirmation of information, removing the company from the survey, etc.

Item non-response – Item non- response is not formally measured in the survey. Where a part of the form is not completed the following is done:

1. An attempt is made to automatically update the form using edit checks.
2. A manual check to see if the variable was captured in the last running of the survey for the particular enterprise in question and if the answer can be reused.



3. Reference is made depending on the variable in question to see if information is available from the latest Business Expenditure on Research and Development (BERD) survey.
4. Missing values estimated using averages from other responding enterprises by NACE and employment size
5. Contact enterprise to confirm the details on the survey form.

#### **5.2.2.4 Measurement Errors**

Measurement Error is not formally calculated for the survey. However, the following should be noted:

- (a) Questionnaire - We ensure that the questionnaire is clear with definitions provided as appropriate. The majority of questions are tick box style questions which makes the form easier to complete.
- (b) Data collection method – electronic form (e-form). Neither method is unlikely of itself to be a source of measurement error and because of validation which are part of the e-form this method of return is likely to reduce potential errors (telephone interviewing is not used).
- (c) Interviewer - Field interviewers are not used by the survey.
- (d) Respondent – Survey data can contain sensitive and confidential information. The introduction on the form makes reference to Section 33 of the Statistics Act, 1993 guaranteeing the confidentiality of all data returned to ensure that respondents are not reluctant to provide accurate information.

#### **5.2.2.5 Processing Errors**

- (a) Data Capture Errors are likely to be a low risk as e-forms are used.
- (b) Data Edits are run which check for the following:
  - That all the relevant questions have been answered
  - There is internal consistency in answers within the form

If the edit cannot be resolved locally, then the enterprise is contacted to confirm the returned data. The return is manually changed if required.

(c) NACE Code and NACE division are linked to the enterprise number as part of the original register information. This means that the possibility of a NACE misclassification error is very low.

#### **5.2.2.6 Model-related Effects**

There is no formal imputation for non-response. However, use is made of imputation for both unit and item non-response on a manual basis from data held by CSO for previous returns (e.g. CIS 20010-2012 and BERD 2013/2014), and from other available resources such as the CSO/DJEI Business Expenditure on Research and Development (BERD) survey data.

In the absence of any other source for missing monetary amounts in the case of research and development expenditure, missing values are estimated using averages from other responding enterprises by NACE and employment size. The grossing factors are verified by comparing the grossed values for turnover and employment to the results of the 2013 Census of Industrial Production (CIP) and Annual Services Inquiry (ASI).

### **5.3 Timeliness and Punctuality**

#### **5.3.1 Provisional Results**

No provisional results are provided.

#### **5.3.2 Final Results**

The Community Innovation Survey (2012–2014) publication was issued in July 2016 and is available at:

- Community Innovation Survey: NACE Sector <http://cso.ie/shorturl.aspx/109>
- Community Innovation Survey: Persons Engaged <http://cso.ie/shorturl.aspx/110>
- Community Innovation Survey: Nationality of Ownership <http://cso.ie/shorturl.aspx/111>

### **5.4 Coherence**

Turnover and employment figures generated by the grossing exercise are compared to results from the Census of Industrial Production (CIP) and the Annual Services Inquiry (AIS) for those

NACE codes where results were available. Where results deviate from expected results, data is reviewed and updated if required. In general, there are no directly comparable results available for comparison, and there are no directly comparable short term results.

## **5.5 Comparability**

History – The Community Innovation Survey (CIS) for 2004-2006 survey was carried out using the business classification NACE Rev 1.1. The business classification used for CIS 2006-2008, CIS 2008-2010, CIS 2010-2012 and CIS 2012-2014 was NACE Rev 2.

As a result, a break in series was declared between results of the CIS2006-2008 and previous results from the CIS and no conclusions should be drawn regarding the direction or scale of any real changes between CIS 2004-2006 (CIS5) and CIS 2006-2008 (CIS6).

CIS 2006-2008 (CIS6), CIS 2008-2010 (CIS7), CIS 2010-2012 (CIS8) and CIS 2012-2014 (CIS9) are based on NACE Rev.2 and are therefore comparable. In addition, as a standardised survey is carried out across all member states of the European Union, results can be compared and cross referenced against other states.

## **5.6 Accessibility and Clarity**

### **5.6.1 Assistance to Users, Special Analyses**

Survey information and the survey form are available to users on the CSO website:

<http://cso.ie/shorturl.aspx/108>

Specific user requests are acceded to where possible, and where confidentiality issues do not arise.

### **5.6.2 Revisions**

N/A

### **5.6.3 Publications**

#### **5.6.3.1 Releases, Regular Publications**

CIS data from 2008 onwards is available on the CSO's Statbank:

- Community Innovation Survey: NACE Sector <http://cso.ie/shorturl.aspx/109>
- Community Innovation Survey: Persons Engaged <http://cso.ie/shorturl.aspx/110>
- Community Innovation Survey: Nationality of Ownership <http://cso.ie/shorturl.aspx/111>

#### **5.6.3.2 Statistical Reports**

N/A

#### **5.6.3.3 Internet**

See 5.6.3.1 above for links.

#### **5.6.4 Confidentiality**

In line with Section 33 of the Statistics Act, 1993 all data are treated as strictly confidential. In order to ensure confidentiality, results are produced at NACE sectional level. Appropriate confidentiality checking is run on data and as per the usual CSO requirements.

## **6 Additional documentation and publications**

### **CSO:**

CIS data from 2008 onwards is available on the CSO's Statbank:

- Community Innovation Survey: NACE Sector <http://cso.ie/shorturl.aspx/109>
- Community Innovation Survey: Persons Engaged <http://cso.ie/shorturl.aspx/110>
- Community Innovation Survey: Nationality of Ownership <http://cso.ie/shorturl.aspx/111>

**Statcentral:**

<http://www.statcentral.ie/viewStat.asp?id=202>

**Eurostat:**

Data which is submitted to Eurostat can be viewed at:

<http://ec.europa.eu/eurostat/web/science-technology-innovation>