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***PART THREE:  
INTERPRETATION AND DISSEMINATION  
OF SURVEY RESULTS***

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### **3.1. - Interpretation of Survey results**

Indicators developed from business-survey results using very simple procedures provide timely signals on activity, employment, and other economic aggregates of crucial importance to short-term economic analysis.

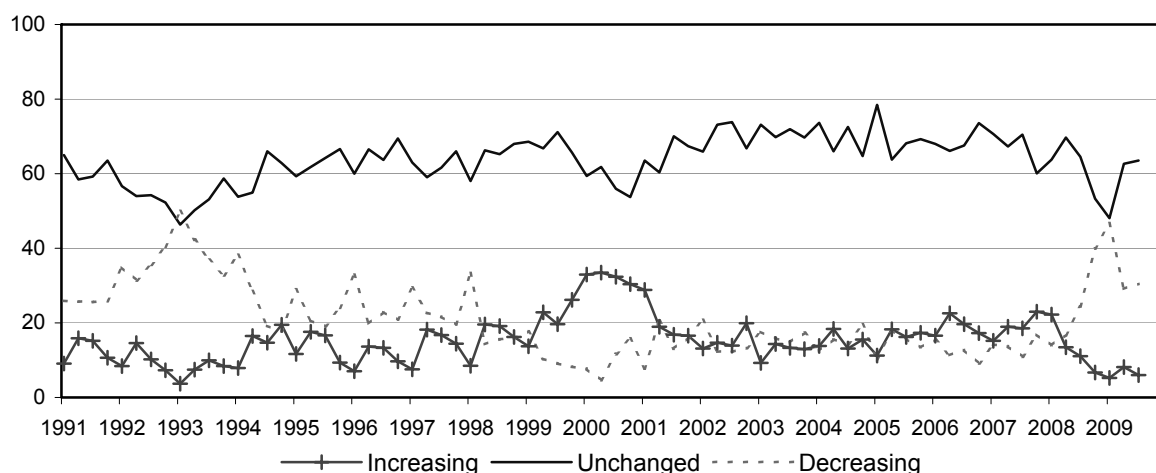
In this section we offer examples of such indicators and, more generally, suggest some “internal” and “external” guidelines for interpreting the results of the Building Crafts Survey:

- The “internal” guidelines consist in displaying the results in the most legible form possible (§3.1.1).
- The “external” guidelines allow the indicators introduced in §3.1.1 to be interpreted with reference to an exogenous measure of the aggregates on which the Survey is designed to provide leading information: turnover (sales) and employment in the building industry (§ 3.1.2).

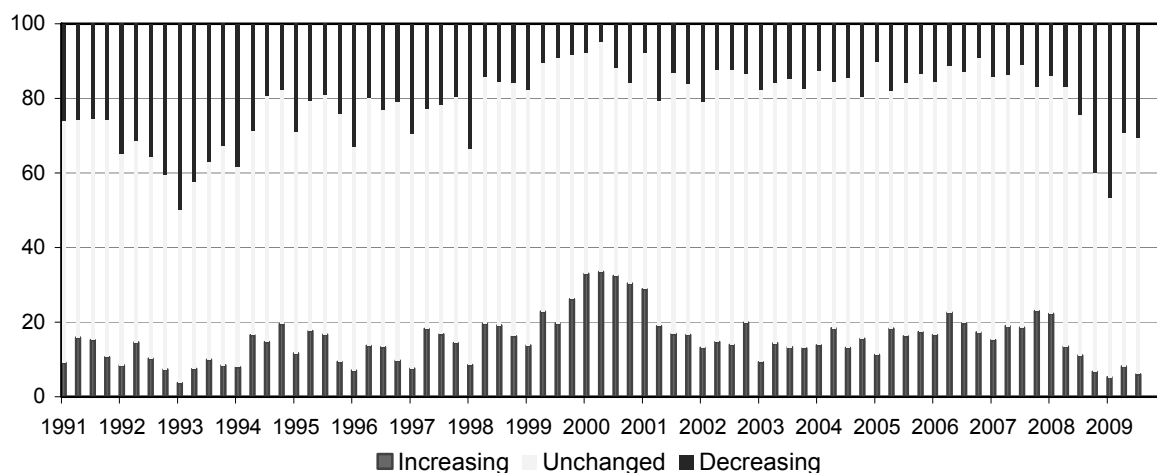
#### ***3.1.1. - Summary of surveyed enterprises’ responses to each question: balances of opinion***

For each qualitative question asked, the Building Crafts Survey provides a direct breakdown of enterprises into three groups: (1) enterprises giving a positive response (increasing, better, getting longer [for settlement times], etc.), (2) enterprises giving an “intermediate” response (unchanged, normal, etc.), and (3) enterprises giving a negative response (decreasing, worse, getting shorter [for settlement times], etc.). However, the simultaneous analysis of the changes in three percentages that sum to 100% is fairly inconvenient, whatever the visual representation chosen. This point is illustrated by Charts 1 and 2, taking the example of responses to the question on expected business activity.

**Chart 1:** Expected business activity (% of responses)  
“Curve” display

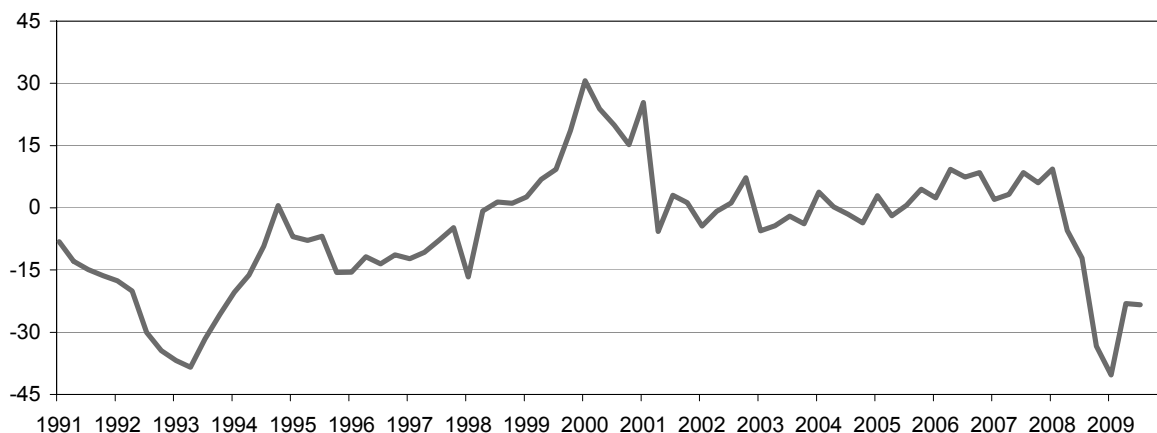


**Chart 2:** Expected business activity (% of responses)  
“Bar ” display



Experience shows that we can simply focus—with a limited loss of information—on the algebraic difference between the two percentages concerning the diametrically opposing opinions (increase and decrease). This difference—i.e., the balance of opinion—is more legible (see Chart 3 and §3.1.2)<sup>20</sup>.

**Chart 3:** Expected business activity (balance of opinion, SA)



It is important to note that a balance of opinion should not be interpreted as a direct indicator of the quarterly growth rate of the variable to which it refers. Only the changes in responses measured in several Surveys can give meaning to the balances. In themselves, balances of opinion are abstract numbers: they can only be interpreted by referring to earlier balances or to their long-term averages<sup>21</sup>. Correlatively, the interpretation of the balances must take account of the factors to which business owners refer when responding.

<sup>20</sup> The procedure for determining balances of opinion is discussed in detail in §2.4.2. For a justification of the concept of balance of opinion, see Fansten (1976).

<sup>21</sup> This is because most balances of opinion are long-term stationary series.

- Some business owners view their turnover as satisfactory when it is increasing faster than a given rate. Consequently, the qualitative indicator may be negative for positive turnover growth rates below that given value. More generally, the absolute value of balances may be affected by such “subjective biases”, which must be reduced by means of an appropriate method for reading the balances when interpreting the results.
- Some business owners fail to eliminate seasonal variations, hence the frequent need to observe seasonally adjusted (SA) series in order to assess the trends correctly (see §2.5).

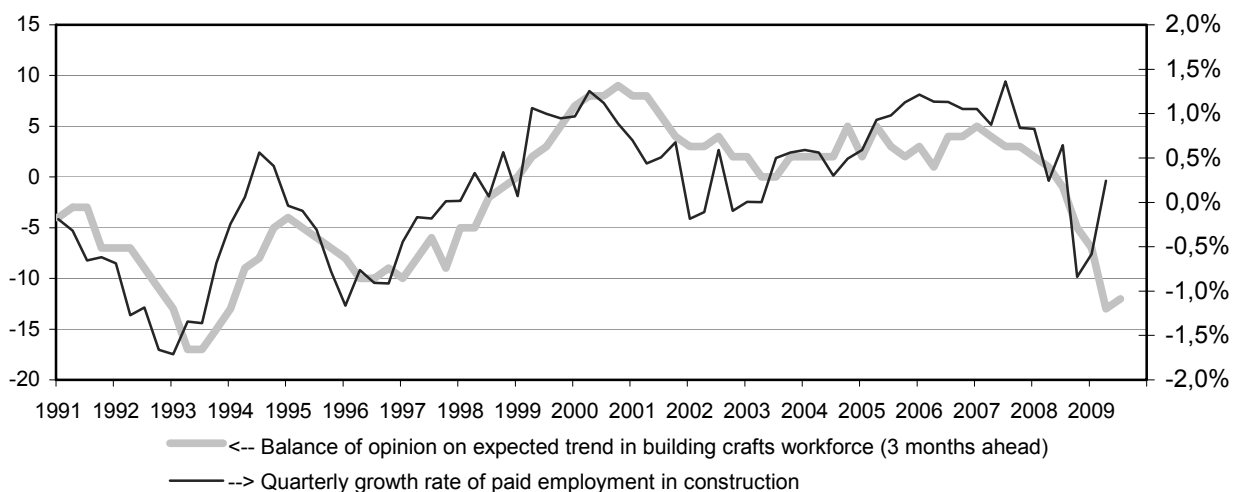
Lastly, the information yielded by a change in an opinion balance is all the more reliable as the percentages of enterprises having responded in positive or negative terms are sufficiently high. One must be cautious in interpreting a balance when the percentage of “intermediate” responses (unchanged, normal) is unusually large.

### 3.1.2. - The Building Crafts Survey as a timely indicator of activity in the construction industry

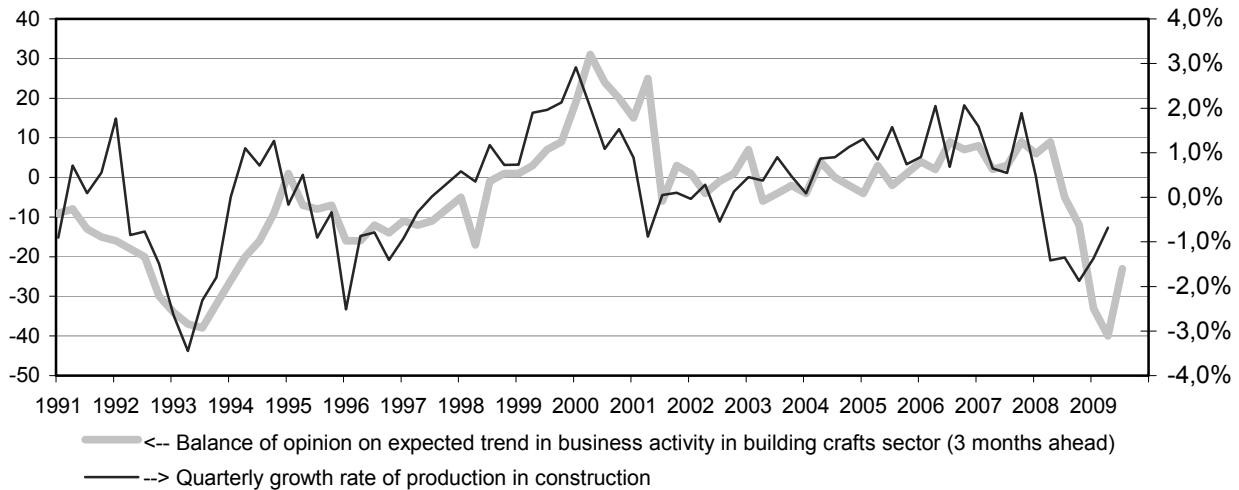
One of the main goals of the Building Crafts Survey is to collect timely information on activity in the construction industry. Hence the importance of verifying the existence of a high correlation between the Survey’s main results and selected economic aggregates representative of the industry.

This is effectively illustrated by Charts 4 and 5 below. The balance of opinion on expected workforce size in the construction industry is a fairly satisfactory proxy for that aggregate (Chart 4). Likewise, the balance of opinion on expected business activity accurately captures the annual changes in construction-industry production, (Chart 5). The building crafts sector accounts for some 46% of total building-industry turnover, and 40% of total construction-industry turnover.

**Chart 4:** Workforce size in construction  
and balance of opinion on expected trend in building crafts workforce



**Chart 5:** Construction production  
and balance of opinion on expected trend in business activity in building crafts sector



Exploiting the strong correlations illustrated in Charts 4 and 5, INSEE’s Business Surveys Division uses the Building Crafts Survey results to compile quarterly short-term forecasts of activity and employment in the construction industry for the serial publications entitled *Notes de Conjoncture* and *Points de Conjoncture* (English version: “Conjoncture” in France).

### 3.2. - Dissemination of Survey results

The results of the Building Crafts Survey are released in *Informations Rapides* and via the INSEE Macroeconomic Database (Banque de données macroéconomiques: BDM).

#### 3.2.1. - Informations Rapides

At the end of the month in which a Survey is performed, the main results are published in an issue of *Informations Rapides*, a series very widely distributed among economic journalists.

#### 3.2.2. - Personalised information feedback online

Since April 2008, survey respondents can access a personalised online information feedback service, which includes a record of their past responses and detailed results on their activity sector.

#### 3.2.3. - Contribution to Notes de Conjoncture

INSEE publishes its economic report entitled *Notes de Conjoncture* (in English: “Conjoncture” in France) three times a year in March, June, and December. A more concise *Point de Conjoncture* updates the June *Note* in October. Both publications present the Institute’s short-term forecasts. Construction-industry activity and outlook are discussed three times a year in the “Production” section of the *Notes*.

### **3.2.4. - Macroeconomic Database (*Banque de données macroéconomiques: BDM*)**

The main Building Crafts Survey results are available in the BDM ([www.insee.fr](http://www.insee.fr), “Bases de données / Indices et séries chronologiques” [“Databases/Indices and time series”] section). The series are available since 1990 in raw-data form; most are also available in seasonally-adjusted form. At present, the database contains about a hundred series for the building crafts. The BDM is the prime vehicle for public release of the Survey series. It is open to INSEE and non-INSEE users.

### **3.2.5. - Data available online**

The INSEE website ([www.insee.fr](http://www.insee.fr)) offers the public a very wide range of information. The section on short-term indicators [“Thèmes / Conjoncture / Indicateurs de conjoncture”] notably contains all issues of *Informations Rapides* (in the French version of the site), including the most recent publication on the Building Crafts Survey.

As a complement to its national indicators and analyses and its links to sites presenting European indicators, the INSEE website offers the public a set of analyses of current economic conditions in French regions, prepared by several of the Institute’s Regional Offices<sup>22</sup>.

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<sup>22</sup> [www.insee.fr](http://www.insee.fr), click on “Régions” and select the region you want in order to reach the home page of the corresponding INSEE Regional Office. Then click on “La conjoncture régionale” [Current regional economic conditions].

