

Activity plan for 2010 - Risk assessments

Statistics Norway

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Preface

Activity plan 2010. Risk assessments presents overarching risk assessments associated with the Activity plan and main initiatives in 2010. Priorities and initiatives for the work in 2010 have been compiled in the publication *Activity plan 2010 Statistics Norway*. A publication dedicated to internal budget allocation is also in preparation.

Activity plans for each of Statistics Norway's departments are also available, along with risk assessments for individual areas.

Oslo, 17. February 2010

Frøydis Langmark
Chair of the Board

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Risk assessment for Statistics Norway 2010

Statistics Norway's primary aim is to meet society's need for official statistics and compile key analyses based on these statistics.

Achieving this aim is dependent on a number of factors, such as effective statistics production, quality, and society's confidence in Statistics Norway being objective and not misusing data. These conditions are summarised in the European guidelines on statistics. Consideration to quality in all areas is also highlighted in Statistics Norway's central strategy documents and plans.

The following key factors are important to Statistics Norway's activity:

- Effective and quality assured statistics production and research
- Effective dissemination solutions
- Effective ICT systems
- Effective financial management
- Effective purchasing routines
- Effective personnel management
- Effective security routines

Statistics production and research are core activities in Statistics Norway, but the other factors are also crucial to our success. Some of these will therefore be included as critical success factors in the risk assessment of core activity. However, these still need to be considered separately in order to facilitate a more detailed follow up where required. Effective and relevant expertise is vital to our success in all areas, and will therefore also be included in most of Statistics Norway's risk assessments.

Risk assessments have been undertaken of the statistics production, development of the new ssb.no, ICT, financial management, purchasing and security. A more detailed risk assessment has also been carried out in connection with the ICT solutions for parts of the financial statistics that were transferred from Central Bank of Norway to Statistics Norway. Further assessments are available for the Population and housing census 2011 and the Agricultural census 2010.

- 1 **Statistics production**
- 1.1 **Statistics production in general**
Risk of inadequate expertise, deficiencies in financing/user-financed assignments, problems with ICT systems, organisation/cooperation and data access
- Sub-areas**
- 1.2 **Securities statistics**
Risk of operational stoppages on old systems, data-entry omissions
- 1.3. **Input data system for banks and financial institutions**
Risk associated with the system using software that Statistics Norway is not qualified in
- 1.4 **Population and housing census 2011**
Risk of the quality of data on dwelling addresses, housing and employment being sub-standard
- 1.5 **Agricultural census 2010**
Risk of incomplete dissemination solution (see ssb.no), lack of access to new administrative data, loss of expertise, sub-standard quality with regard to question formulation and reporting solutions
- 2 **Dissemination - new ssb.no**
Risk of incomplete technical solutions, lack of resources, incomplete content development, information architecture, coordination and management, in addition to inadequate publishing routines
- 3 **ICT**
Risk of lack of expertise, undocumented old systems, underestimated projects and lack of resources in association with the balance between project work and operational tasks, in addition to a lack of adherence to management model
- 4 **Financial management**
Risk of insufficient expertise and staffing, accounting errors, inadequate routines, missing information and failure to meet deadlines
- 5 **Purchasing**
Risk of breach of regulations, irregularities, bad contracts and a lack of purchasing expertise
- 6 **Security**
Risk of inadequate information security, data security, crises, fire, burglary and lack of security expertise

The main features of the risk assessments are summarised in a template, in addition to a risk map according to the Government Agency for Financial Management's system. The template contains a column with a description and explanation of risk, a column for the ranking given in the risk map and a column for remarks on initiatives and follow-up of any previous initiatives. Changes in the risk profile in relation to assessments for 2009 are indicated with arrows in the risk map.

Some initiatives are linked to specific projects. In cases where such projects have an approved project plan, the completion date is given in this column. Completion dates for initiatives that are linked to key development projects such as the Population and housing census 2011, the Agricultural census 2010 and the new ssb.no due for completion in 2010, are governed by the progress of these projects. Persons responsible are indicated in the project plans.

Most of the initiatives are permanent, and this is implied for the initiatives with no completion date. The departmental directors are responsible for the initiatives in the individual subject areas. For statistics production as a whole, this applies to all departmental directors in statistics-related areas, while the IT director is responsible for ICT-related initiatives in all departments.

1. Statistics production

1.1. Statistics production as a whole

Goal: To maintain the ongoing production and dissemination of statistics with a level of quality that is at least equal to the current level.

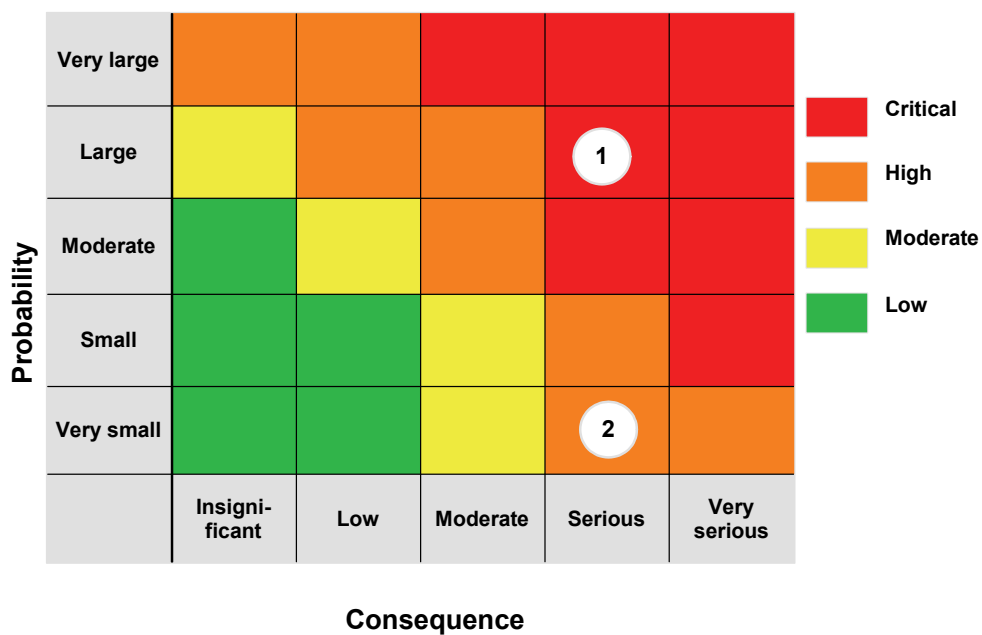
	Risk	Level	Initiative/follow-up
1	<p>Expertise</p> <p>➤ Risk of lack of capacity with regard to necessary expertise</p> <p>Particularly applies to expertise linked to ICT systems, such as JAVA expertise related to development and expertise in the operation of some older systems, such as the systems for statistics that were transferred from Central Bank of Norway. See separate risk assessments for ICT and for some of these systems.</p>	High	<p>a. Follow-up of expertise strategy, with recruitment initiative at universities and university colleges, and training of new employees</p> <p>b. Standardisation that will make Statistics Norway less vulnerable with regard to expertise, is stimulated through portfolio management</p> <p>Recruitment initiatives have reduced the need for new employees, but this has not had an effect on the expertise situation to date (see below).</p>
2	<p>Financing</p> <p>➤ Risk of deficiencies in financing, particularly in relation to user-financed assignments</p> <p>The budget for assignment revenues in 2010 is on a par with 2008 and 2009, but below the level of 2007. In addition, salary costs have increased more than estimated.</p>	Moderate	<p>a. Vacant posts shall primarily be filled by internal restructuring. External job announcements must be approved by the Director General.</p> <p>This and other special initiatives were implemented in autumn 2009 after a projection that showed a negative deviation in relation to the budget. This has resulted in the accounts as a whole (items 01 and 21) showing a positive development in the second half of 2009. The initiatives are assessed on an ongoing basis to ensure they do not conflict with other goals, such as those relating to expertise.</p>

1.2. Securities marked statistics

Goal: To develop and present coherent securities market statistics that are in line with central international statistics standards, and which are a good source for the national accounts/balance of payments.

Change: Compared to the risk profile in 2009, the risk of a lack of back-up in the production of securities statistics has been reduced.

	Risk	Level	Initiative/follow-up
1	<p>ICT systems</p> <p>➤ Risk of insufficient maintenance of ICT systems</p> <p>Lack of maintenance and repairs to or delays in introducing new systems can lead to operational stoppages for a number of the securities statistics, and the worst case scenario is that data is not delivered on time.</p> <p>Current solutions, which were transferred from the Central Bank of Norway, use software that Statistics Norway does not support and has limited expertise in.</p>	Critical	<p>a. The programming of a new technical solution for securities statistics was initiated in 2009. Part of this will replace the current system for statistics from the Norwegian Central Securities Depository.</p> <p>Completion date: 31.03.2010</p> <p>b. Solution to replace the current solution for depository and fund statistics.</p> <p>Completion date: 30.06.2011</p> <p>c. Adequate expertise in the old systems is ensured internally and/or externally. In 2009, external assistance had to be sought on one occasion in order to keep the systems operational.</p> <p>Completion date: To be safeguarded until initiatives a and b are in place</p>
2	<p>Reporting</p> <p>➤ Risk of deficiencies in the supply of third party information</p> <p>The securities statistics are largely based on third party information. Incomplete delivery of such data from some major respondents could therefore have serious consequences for the statistics, since the alternative, i.e. direct reporting, is not possible in practice due to the scope and resources this will require.</p>	High	<p>a. Close cooperation with the individual respondent on format and delivery</p>



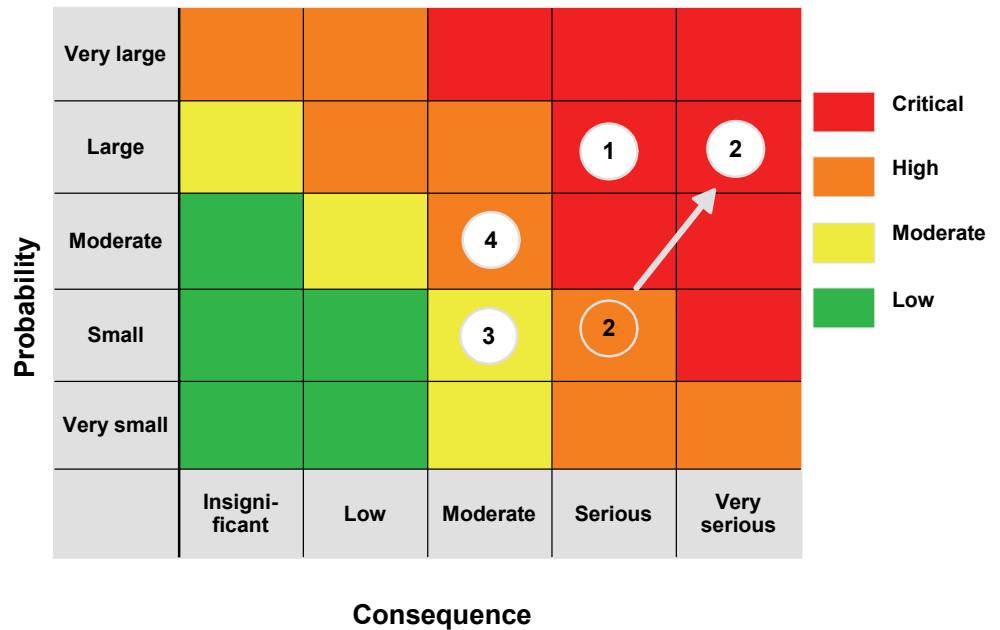
1.3. Input data system for banks and financial institutions

Goal: To receive data of good quality from banks and financial institutions for use in the national accounts, macro indicators and publishing in Statistics Norway, and for the ongoing supervision of the financial institutions by the Financial Supervisory Authority of Norway.

Change: Risk linked to the system's vulnerability to changes in infrastructure has been raised from high to critical.

	Risk	Level	Initiative/follow-up
1	<p>Technical changes</p> <p>➤ Risk of lack of maintenance and possibility of technical changes</p> <p>The system was transferred from Central Bank of Norway and uses software that Statistics Norway does not support or have expertise in. Only a very limited number of staff have the expertise to make changes, and the maintenance is currently dependent on an external consultant who has terminated his agreement with Statistics Norway.</p>	Critical	<p>a. The long-term solution is a new system, see comments below the table.</p> <p>b. Obtain a new external consultant or such like who can maintain the system.</p> <p>c. Initiatives for obtaining and maintaining an overview of any new technical needs in the current system, until the new system has been implemented.</p>
2	<p>Changes to infrastructure</p> <p>➤ Risk of the system being unable to support changes in Statistics Norway's ICT infrastructure</p> <p>The system is vulnerable to changes in infrastructure outside the system, e.g. when replacing the e-mail server and operating system, because none of the necessary software upgrades etc. have been installed.</p> <p>This risk has been raised. In 2009, the system was out of operation for periods, partly because the section responsible was not familiar with the changes in infrastructure, such as a new firewall.</p>	Critical	<p>a. Ensure that the section responsible is given sufficient information on changes in Statistics Norway's infrastructure that can affect the system</p>
3	<p>Client program</p> <p>➤ Risk of problems when using client program</p> <p>The input data solution is based on a client program that is downloaded by the respondents, and is vulnerable to changes since changes require the user to have a certain degree of technical expertise.</p>	Moderate	<p>a. Document and convey changes to the respondents</p> <p>b. Phase out client program in a new technical solution</p>
4	<p>Reporting</p> <p>➤ Risk of problems with the systems due to changes in the reporting</p> <p>Frequent changes and new requirements for reporting from banks and financial institutions require a robust system that supports changes.</p>	High	<p>a. The new system that is developed must be robust in relation to changes in the data structure</p>

The initiatives in the table are mainly short term pending the development of a new system, which is the most important initiative for reducing all the risks in the long term. The InnFin project has been initiated in order to establish a new system that will use Altinn II as a portal. The project is likely to be a pilot for establishing a framework solution for receiving large volumes of data/file extractions in Statistics Norway. At the start of 2010, the project awaits approval to progress from the planning stage to the development stage in Statistics Norway's prioritising of development projects (portfolio management).

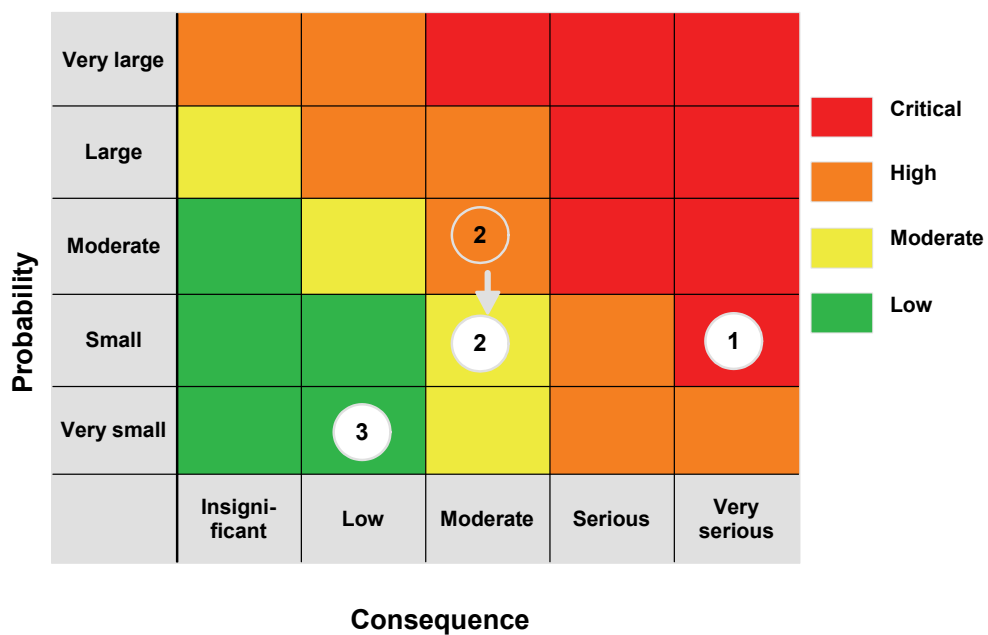


1.4. Population and housing census 2011

Goal: To assemble and present data for the Population and housing census 2011 that meets international and national requirements, bearing in mind that the census is solely based on register data.

Change: Risk of sub-standard quality housing data has been reduced from high to moderate (but no change with regard to the risk of poor quality dwelling addresses).

	Risk	Level	Initiative/follow-up
1	Dwelling addresses ➤ Risk of poor quality dwelling addresses	Critical	a. Follow-up of cooperation with the Norwegian Tax Administration and the Norwegian Mapping Authority b. Support from the Ministry of Finance to set targets for coverage c. Initiative to make it obligatory to include dwelling numbers on relocation notices d. Convey information on dwelling numbers and stimulate increased use e. Utilise supplementary data sources and imputation in order to improve the quality of data for use in statistics Special initiatives (particularly in Oslo and Bergen) improved the quality in 2009.
2	Housing data ➤ Risk of poor quality housing data	Moderate	a. Follow-up of the Norwegian Mapping Authority b. Data that is difficult to obtain is estimated from other sources c. Good dwelling addresses improve the quality of data on the residents, see initiative under 1 d. Utilise supplementary data sources and imputation (for use in statistics)
3	Employment data ➤ Risk of poor quality employment data	Low	a. Statistics Norway is clear in its requirements in consultations b. Back-up solutions to be discussed if the quality of register data is sub-standard

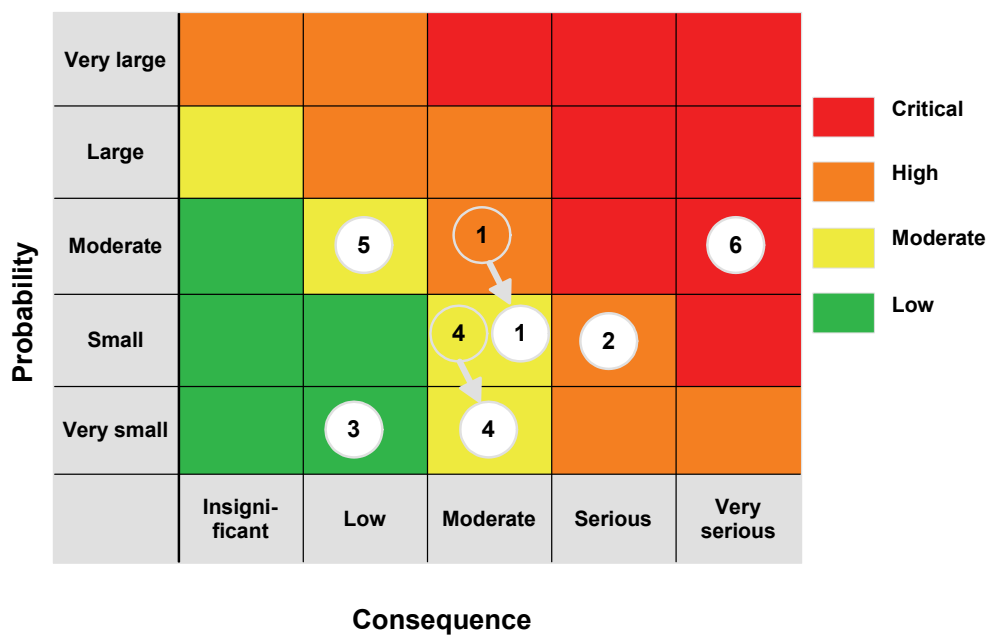


1.5. Agricultural census 2010

Goal: Conduct the Agricultural census 2010 with a satisfactory level of quality, and publish preliminary figures by the end of the year.

Change: Compared with assessments carried out in 2009, the probability and thereby the risk of lack of expertise and poor question formulations in the survey have been reduced to moderate.

	Risk	Level	Initiative/follow-up
1	Expertise ➤ Risk linked to dependency on key personnel	Moderate	a. Documentation c. Use standard solutions, for data audits for instance d. Ensure that several members of staff know the routines e. Information Documentation, information and establishing back-up, together with the probability that the loss of key personnel is now regarded as reduced, has led to the risk here being reduced from high to moderate in the past year.
2	Data quality ➤ Risk of lack of access to good quality register data This can lead to registers planned for use not being used. Late arrival of data can also be problematic.	High	a. Effective planning and mapping b. Good contact and agreements with register holders
3	Reporting solutions ➤ Risk of data not arriving when it should, and containing errors	Low	a. Thorough planning and testing b. Use existing and known solutions c. Establish good guidelines
4	Question formulations ➤ Risk of poor question formulations resulting in insufficient answers	Moderate	a. Use the experiences from the pilot survey b. Use available question expertise in Statistics Norway c. Test any new questions
5	Non-response ➤ Risk of non-response in the survey	Moderate	a. Make the utility value of the census known b. Simple questionnaires c. Questionnaire accessible in various channels
6	Dissemination solution ➤ Risk of new ssb.no and the associated production routines not being ready	Critical	a. Planning b. Ensure access to resources c. Test solutions d. Cooperate with dissemination expertise

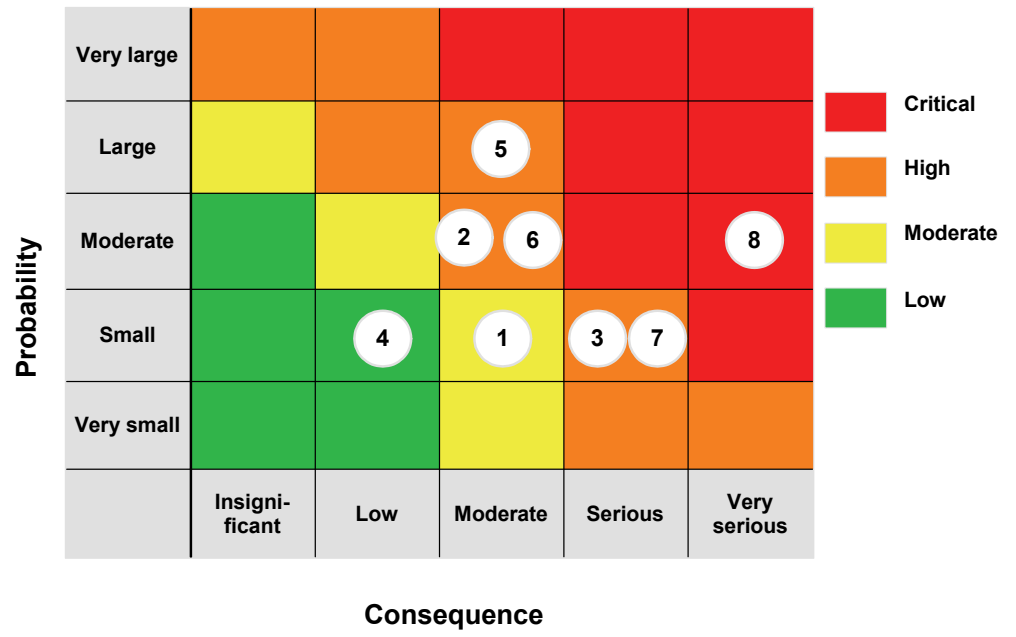


2. New ssb.no

Goal: To develop ssb.no with a new user interface, revised and user-friendly structure, new services for broad dissemination and new publishing solutions.

	Risk	Level	Initiative/follow-up
1	<p>Management</p> <p>➤ Risk of inadequate project management</p> <p>Project owner and project manager's ability to make decisions based on a holistic approach to solutions and processes</p>	Moderate	<p>a. Regular meetings in the project organisation (steering group, project group etc.)</p> <p>b. Portfolio management ensures prioritisation in relation to other projects</p> <p>c. Important decisions in the directors' weekly meeting</p>
2	<p>Coordination</p> <p>➤ Risk of inadequate coordination</p> <p>Many people will be involved and will work on defined areas, and the need for coordination is growing. The project has increased from 1 man-year in 2007, via 5 man-years in 2008 to 11 man-years in 2009. There will be a further increase in the number involved in 2010, in addition to more external consultants.</p>	High	<p>a. Prototyping</p> <p>b. Use of wiki tool for knowledge sharing</p> <p>c. Daily coordination meetings in the teams, and weekly coordination meetings between the teams</p>
3	<p>Resources</p> <p>➤ Risk of lack of access to resources</p> <p>In addition to extra resources of NOK 14.3 million in 2010, the project requires a considerable in-house effort, which also applies to Statistics Norway's subject areas when the publishing solutions are reorganised.</p>	High	<p>a. Regular follow-up meetings with all affected parties</p> <p>b. Clarify the consequences of using Scrum methodology: resources involved will only be able to work on ssb.no during certain periods</p>
4	<p>User needs</p> <p>➤ Risk of user needs not being given enough consideration in the efforts aimed at the information architecture</p>	Low	<p>a. User testing</p> <p>b. Piloting</p> <p>c. Users/business resources take part directly in the development teams</p>
5	<p>Conversion</p> <p>➤ Risk of the conversion of content from the current ssb.no to the new ssb.no causing disruptions or loss of quality</p> <p>The aim of the project is to devise a</p>	High	<p>a. Initiate the <i>conversion</i> sub-project so that the conversion work can start in good time</p> <p>b. Use the reference group subject areas as</p>

	solution that supports previously published content, as well as content published after the launch date.		test users c. Training in new publishing tools
6	Publishing routines ➤ Risk of problems linked to the introduction of new publishing routines	High	a. Regular work seminars with the reference group b. Good documentation c. Training
7	Technical solutions in general ➤ Risk of problems linked to the introduction of new technical solutions, such as CMS (Content Manager System)	High	a. Building expertise, partly by means of external consultants b. Identify the need for different source systems such as the Statistics Register, publication database, subject database etc. in conjunction with other systems aimed at covering related needs
8	Technical solutions in general ➤ Risk of insufficient integration of the statistics bank in the new ssb.no. The statistics bank is designed to automatically provide key figure tables and/or graphs in ssb.no or external websites.	Critical	a. Close follow-up of Scrumteam for statistics bank-related tasks b. Strengthen this team with technical resources, both internally and externally c. Provide business resources in order to be involved in specifying solutions, testing and documenting

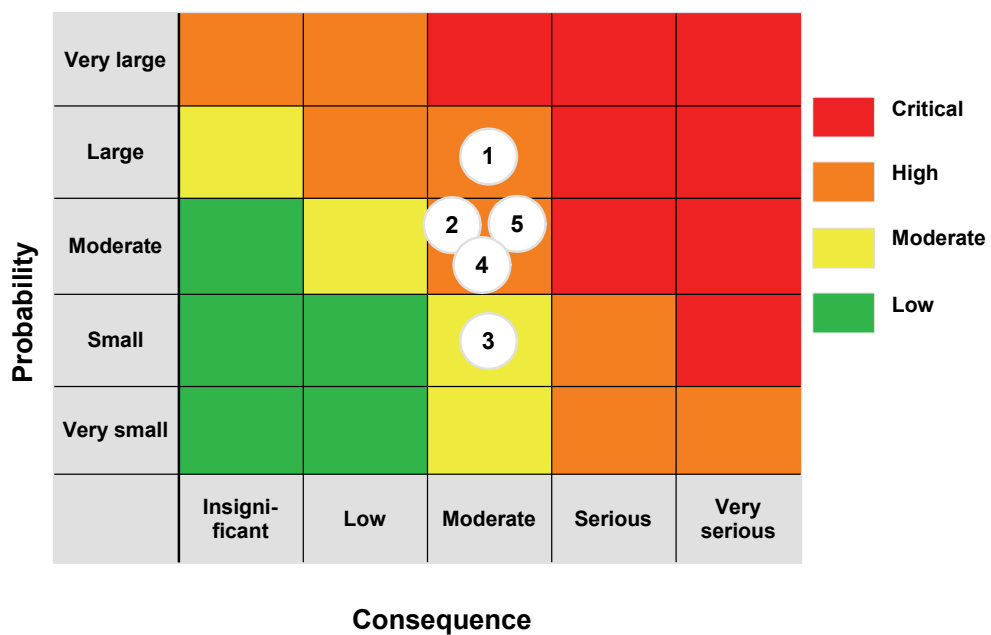


3. ICT

Goal: Satisfactory ICT infrastructure in Statistics Norway

Change: Compared with the risk assessment carried out in January 2009, there is no change to the risk profile, but the critical success factors were redefined as a result of a review. The initiatives that were initiated are either complete or included in the assessment for 2010.

	Risk	Level	Initiative/follow-up
1	<p>Skills gap</p> <p>Risk of gap in skills between what is needed to master “old” systems and what is needed to master the new systems</p>	High	<p>a. Carry out training initiatives</p> <p>b. Outsource external assistance</p>
2	<p>Underestimated projects</p> <p>➤ Risk of the development work being underestimated</p> <p>Experience shows that the ICT work in development projects is often underestimated. Keeping developers in projects for longer than planned can delay both the administration and other projects.</p>	High	<p>a. Use the planning expertise available</p> <p>b. Follow-up the delivery, and obtain an overview of any overruns as soon as possible</p> <p>c. Portfolio management of projects has been introduced to improve prioritisation and follow-up</p>
3	<p>Operation vs. development</p> <p>➤ Risk of operational tasks affecting the development work</p> <p>Many members of staff are involved in both administration and project work. Administration often needs to be given priority, and this can delay projects.</p>	Moderate	<p>a. Shield personnel from administration in periods</p> <p>b. Have back-up for all administration jobs, so that more personnel can resolve the same tasks. SLAs are being prepared for these tasks.</p> <p>See above on portfolio management.</p>
4	<p>Documentation</p> <p>➤ Risk of insufficient expertise in undocumented old systems</p> <p>Many systems are old, undocumented and we have insufficient expertise in them since the departments have made themselves dependent on a single member of staff.</p>	High	<p>a. Standardise systems</p> <p>b. Aim to have overlapping expertise in all areas</p> <p>Document the work we do on systems that will not be phased out straight away.</p>
5	<p>Management model</p> <p>➤ Risk of lack of adherence to management model</p> <p>Possibility of unnecessary bureaucracy, but also possibility of bypassing the intention of the management model, resulting in a lack of prioritisation and use of resources across the main priorities.</p>	High	<p>a. Review and follow up roles and tasks for section and resource group managers</p> <p>b. Follow up and adapt SLA.</p> <p>c. Motivate the staff in relation to the model</p>

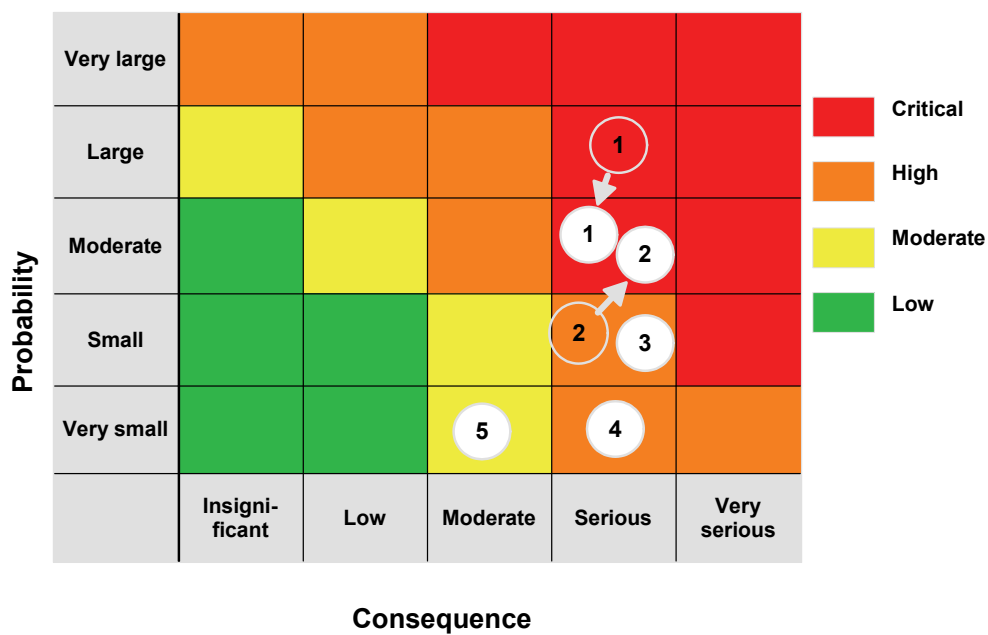


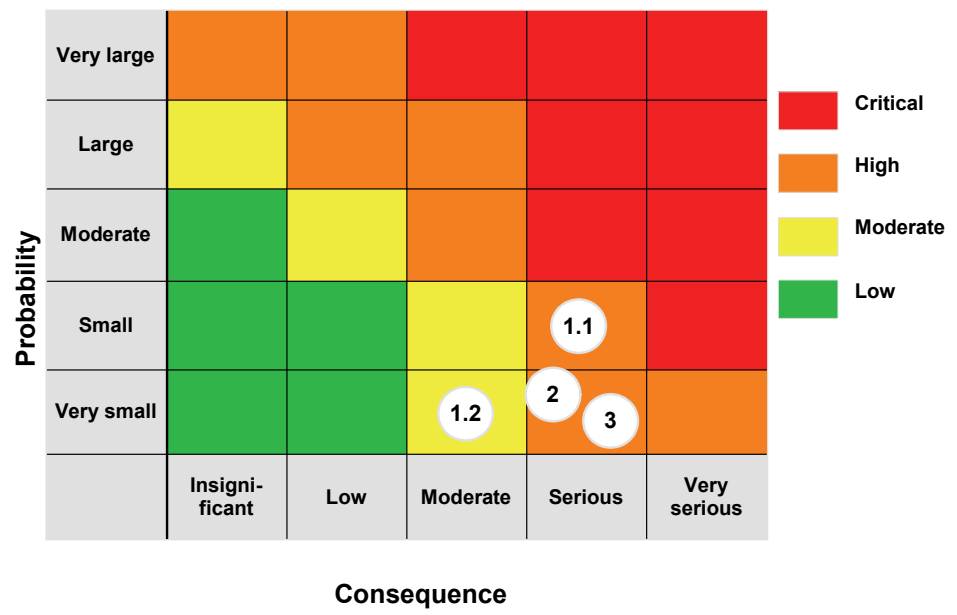
4. Financial management

Goal: Reliable and clear financial management

Change: Risk of extra work in Statistics Norway due to lack of capacity in the Government Agency for Financial Management has been increased from high to critical. Risk of insufficient expertise and staffing is still regarded as critical, but the probability of failure in this area has been reduced from large to moderate.

	Risk	Level	Initiative/follow-up
1	Expertise and staffing ➤ Risk of insufficient expertise and staffing	Critical	a. Continue to focus on skills development and working environment After the reorganisation in 2009 and new appointments, the probability of failure in this area has been reduced from large to moderate.
2	Errors ➤ Risk of errors and poor solutions in Statistics Norway due to lack of capacity in the Government Agency for Financial Management ➤ Risk of errors after reorganisation in Statistics Norway Personnel/wages and financial management were placed in different departments in the reorganisation.	Critical	a. Continued close follow-up and cooperation with the Government Agency for Financial Management and other national bodies b. Close cooperation with personnel/wages, with regular meetings for reconciliation, development etc.
3	Routines ➤ Risk of tasks being carried out incorrectly or not at all as a result of inadequate routines, or routines not being followed	High	a. Maintain routine descriptions b. Remind personnel that routines must be followed
4	Information ➤ Risk of tasks being carried out incorrectly as a result of a lack of information ➤ Risk of incomplete information after reorganisation in Statistics Norway	High	a. Good information internally in the financial administration and in Statistics Norway in general, partly through use of the intranet b. Close cooperation with personnel/wages as in point 2
5	Deadlines ➤ Risk of reporting deadlines not being met	Moderate	The initiatives above also cover this point.





6. Security

Goal: Satisfactory security in Statistics Norway

Change: Compared to the risk profile in 2009, the risk of insufficient security expertise has been reduced from critical to high (small probability and serious consequence). This also applies to the risk of insufficient data security, while the probability of a security crisis is now considered to be very small (small in 2009).

	Risk	Level	Initiative/follow-up
1	<p>Information security</p> <p>➤ Risk of insufficient information security</p> <p>This applies to the inadvertent distribution of sensitive information (including to the media), disloyalty and theft of equipment containing sensitive information (PCs, memory sticks, telephones etc.).</p>	Critical	<p>a. Improve systems for processing sensitive information, cf. introduction of Secure infrastructure</p> <p>Completion date: the project is included in the portfolio, but has been temporarily postponed</p> <p>b. Consider alternatives to storing personal sensitive data with personal ID numbers</p> <p>c. Ongoing control that the need-to-know principle is being adhered to for access permissions</p> <p>The Secure infrastructure project has unfortunately been postponed due to portfolio priorities.</p>
2	<p>Data security</p> <p>➤ Risk of insufficient data security</p> <p>This applies to serious viruses, hacking, changes to data in external web services, loss of internal ICT infrastructure and loss of Internet access via web servers.</p>	High	<p>a. Introduction of secure infrastructure</p> <p>b. Regular updating of program/infrastructure linked to security</p> <p>c. Regular logging of employees' use of critical systems</p> <p>d. Regular review of logs and monitoring of traffic.</p>
3	<p>Security crises</p> <p>➤ Risk of the organisation not being well enough prepared for security crises</p>	High	<p>a. Regular review and updating of the security plans (emergency plans, security handbook etc.)</p> <p>b. Regular security exercises</p> <p>Completion date: an exercise will be carried out by the end of 2010</p> <p>The risk is considered to be reduced somewhat since the plans were subject to a comprehensive update in 2009.</p>

4	Fire > Risk of extensive fire	High	a. Use a security firm b. Improve the expertise of staff c. Regular fire exercises The information on the intranet has been improved and is more easily accessible.
5	Break-ins > Break-ins with the theft of material goods without access to sensitive data	Low	a. Follow up the systems for access, locks and alarms
6	Expertise > Risk of insufficient expertise This primarily applies to insufficient expertise in security among personnel, both in order to avoid breaches of security and to follow up any such breaches.	High	a. Training course for new employees b. Information on the intranet c. Information at departmental meetings An obligatory e-learning course has been completed, with sessions that were accessible via e-mail. This is considered to have improved the security expertise.

