



Perception of regulation reduction

Interpretation of Survey Results

OECD Workshop Perception Surveys

Herman Schippers

Istanbul | June 21th 2010



Contents

1. Surveys & outcome
2. How does deregulation influence perception?
3. Very simple working model of deregulation influencing perception
4. Interpretation of survey results



Perception surveys in the Netherlands

3 survey types, conducted repeatedly

Conclusions:

- Outcome comparable
- Outcome stable over time
- Familiar with reduction measures

Which factors possibly influence the perception of our reduction programme?



Perception surveys in the Netherlands

2008: 2nd Zero base measurement

Questions on perception on a forced choice scale
(± 3000 interviews)

2008, 2009 & 2010: specific perception survey asked for sentiment
(± 1000 interviews)

2009 & 2010: micro perception survey
In depth small scale survey
(N= 10 - 15)

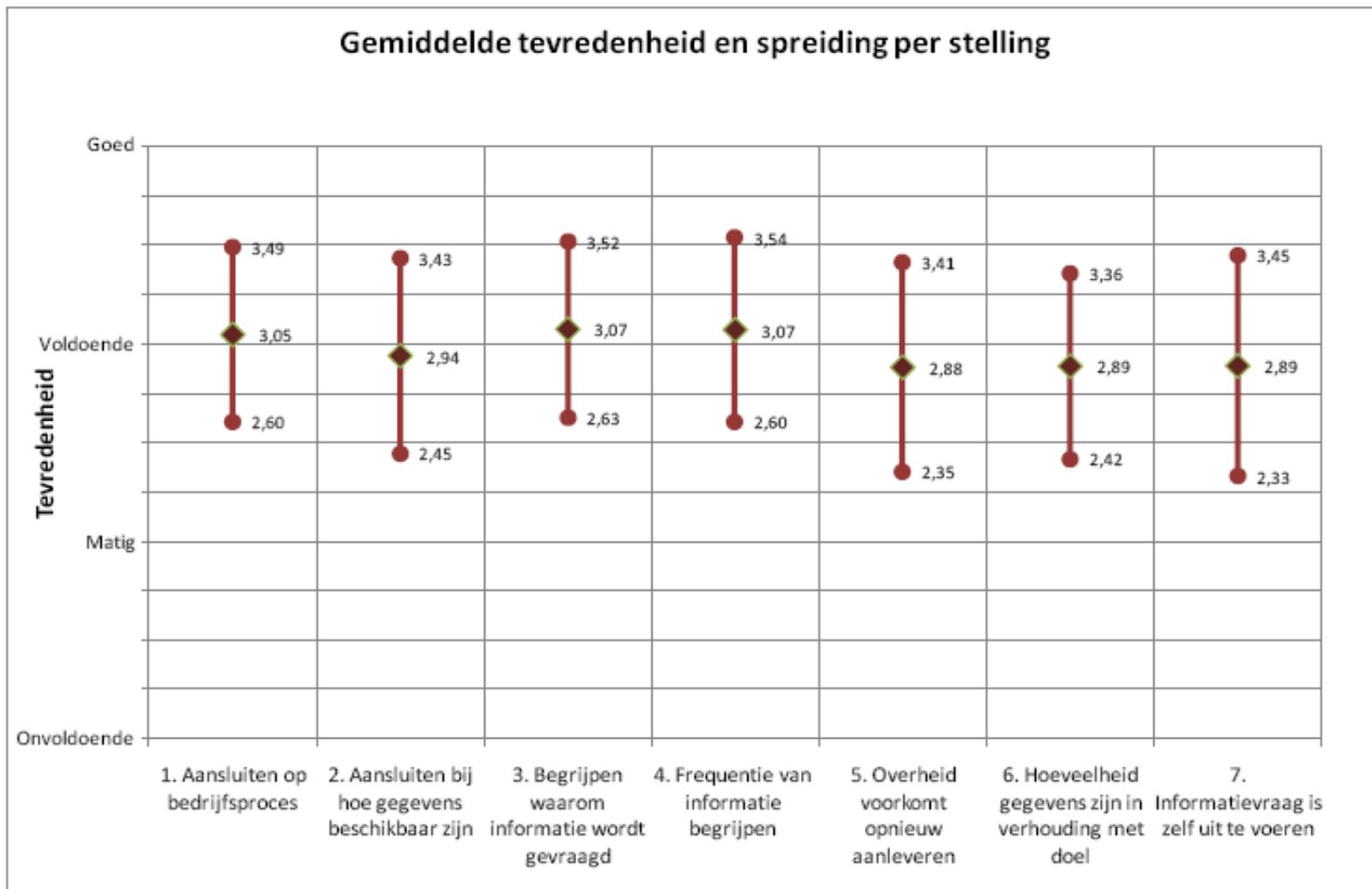


Perception surveys: Outcome

- Zero base measurement 2008:
3.1 – 2.9 – 3.1 – 3.1 – 2.9 – 2.9 – 2.9
(4 = good; 3 = satisfactory; 2 = moderate; 1 = bad)
- Macro perception survey '08 – '09 – '10:
Unnecessary IO'S: 33% - 33% - 31%
Hindrance of regulation : 41% - 39% - 39%
High level of changes: 48% - 43% - 45%
- Micro perception survey
Measures are recognized, sometimes appreciated
Reduction program ok, still a lot has to be done



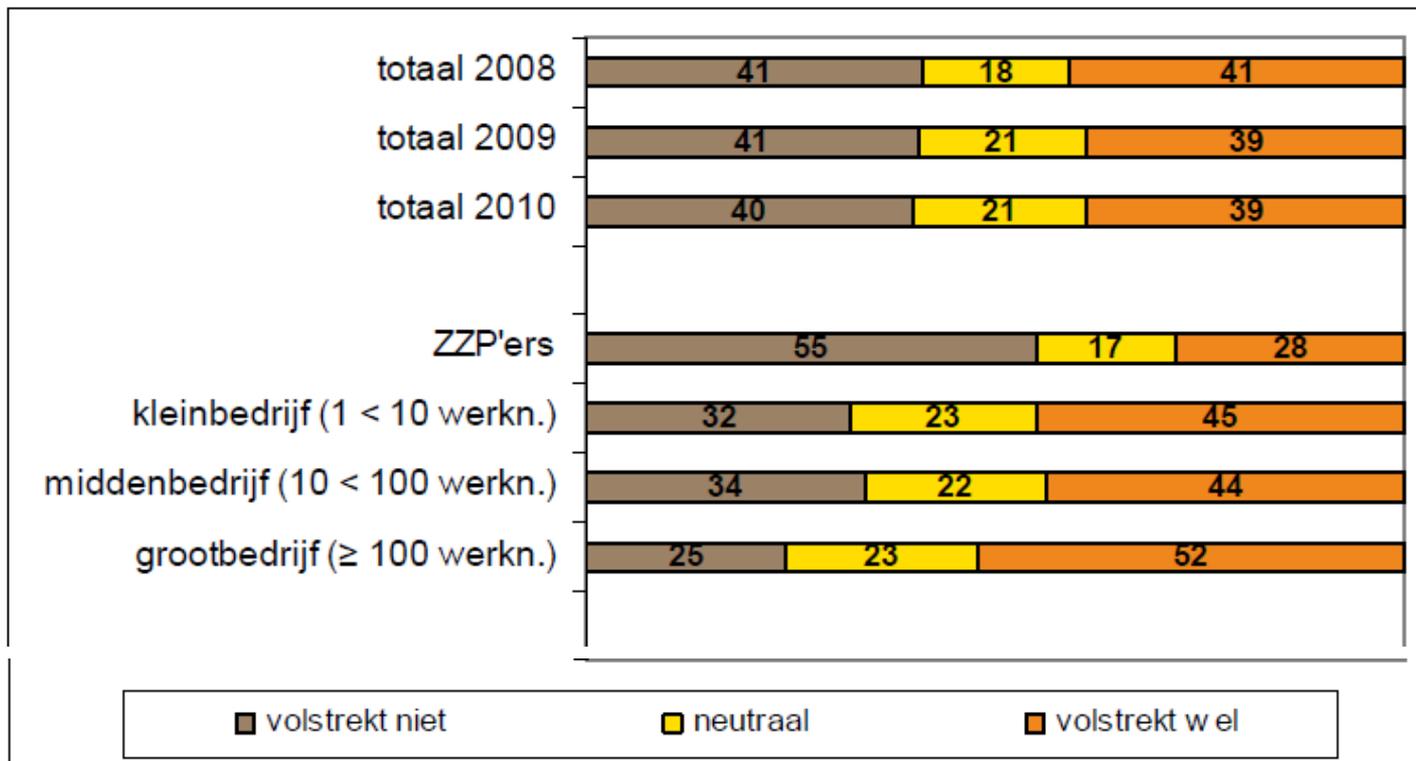
Perception surveys: Zero base measurement





Perception surveys: Macro Monitor

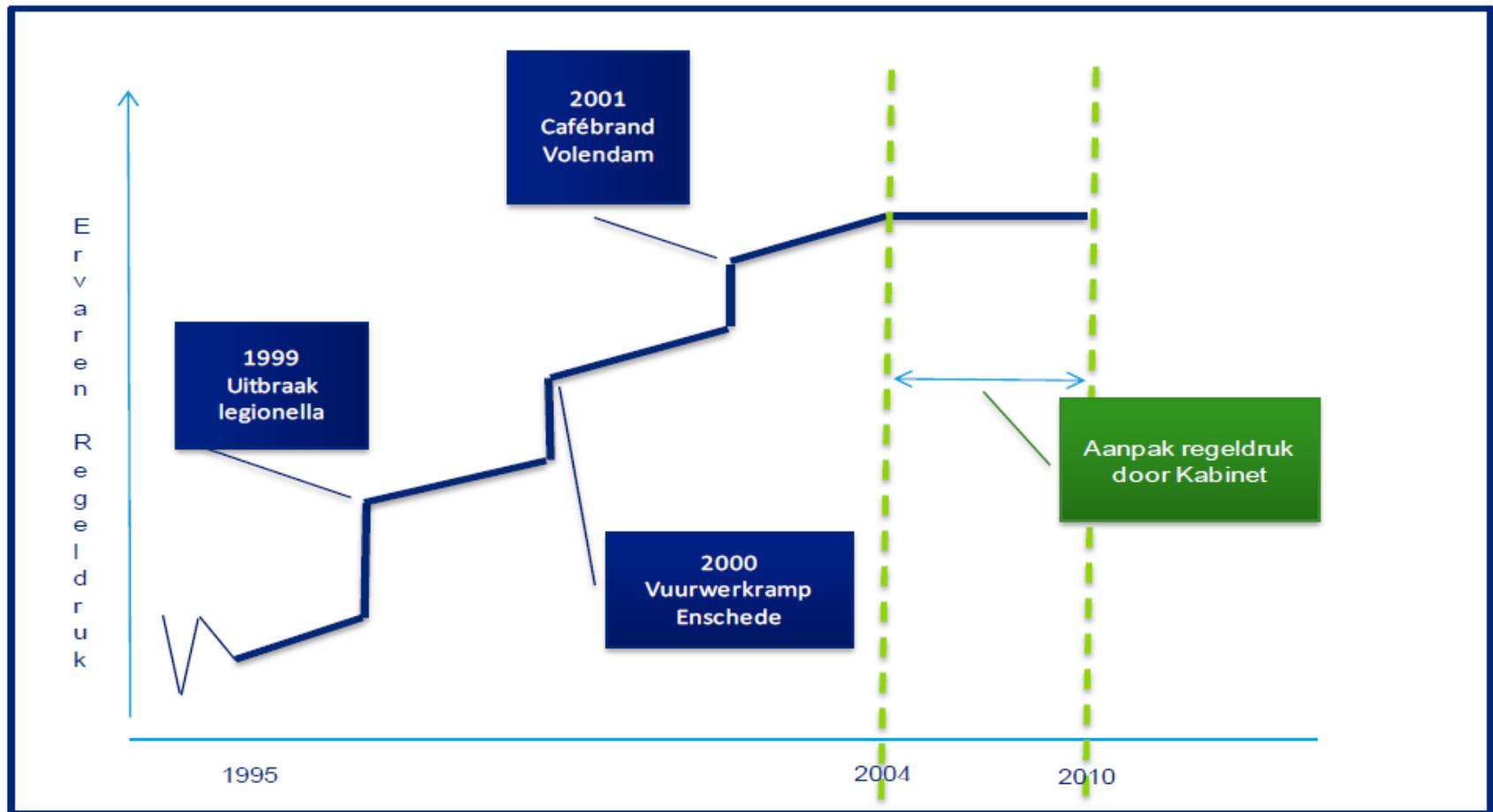
Figuur 2 Mate waarin men zich als ondernemer belemmerd voelt door regeldruk



Bron: Stratus marktonderzoek bv



Perception surveys: Micro monitor



Figuur 1: Door ondernemers ervaren ontwikkeling van regeldruk



How does deregulation influence perception?

1. Hardly any doubt on the rationale of deregulation and reducing cost of regulation *And:*

2. A broad reduction program is executed

But:

3. Some uncertainty still remains about the noticeably or tangibility of reduction measures

So:

4. Use a simple model to lead us to a hypothesis for the perception of reductions



Very simple [deregulation → perception] model : macro

1. Cost of regulation can hamper economy and competitiveness of a country

Therefore:

2. Reducing the cost of regulation supports economic growth and competitiveness

So:

3. Entrepreneurs will be welcome each measure to reduce cost of regulation (for this and other reasons)

And:

4. Perceive all of these measures as a benefaction

Don't they?



Very simple [deregulation → perception] model : micro

1.Reducing the cost of regulation supports economic growth and competitiveness

So:

2.Business will flourish and perceive deregulation as a blessing

But also:

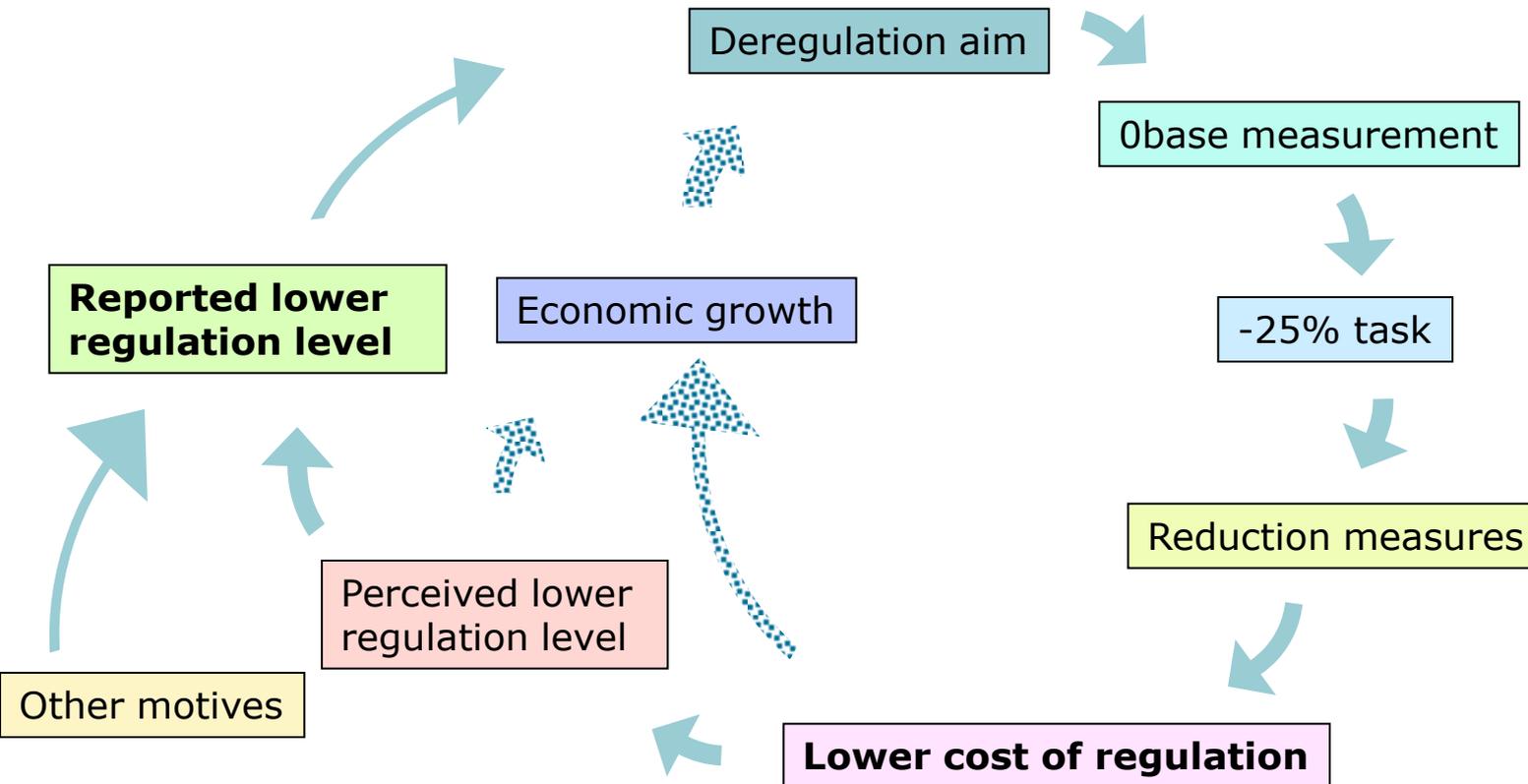
3.Entrepreneurs will encounter more (new?) competition from abroad

And:

4.More room for entrepreneurship gives way to challengers



Very simple [deregulation -> perception] model





Perception investigation 1: Macro

1.Reducing the cost of regulation supports economic growth and competitiveness

So:

2.Business organizations will endorse the deregulation program and its results as a blessing

But they will also:

3.Impatiently wait for the benefits to become true as soon as possible

And:

4.Ask for even more and better reductions

How to investigate perception in this context?



Perception investigation 2: Micro

1.Reducing cost of regulation stimulates competitiveness

So:

2.Businesses will encounter new competition

And:

3.Benefits of deregulation can work out as profit for intermediates

And:

4.Businesses will ask for more deregulation as they have learned this as an opportunity

How to investigate perception in this context?



Perception survey: Macro & Micro (1)

1. Macro: questionnaire (3 times):
Sentiment on regulation is stable
2. Communication campaign on realized reduction
Positive outcome
(more positive when familiar with campaign)
3. Micro: in depth investigation (2 times)
Familiar with reduction measures
Sentiment on regulation is stable
Some deregulation evaluated positive, others less



Perception survey: Macro & Micro (2)

Leaves us with these questions:

- Do we measure the sentiment on cost of regulation? Or what?
- Did the reduction program reduce the cost of regulation? Or not, or not yet?



Perception survey outcome - 1

Possible causes for tenacious sentiment:

1. Rules and regulation are always negative, relieving it is a non-event (like the inconspicuousness of a relieved pain)
2. Stock of hampering regulation much bigger than the domain acted upon when reducing cost of regulation
3. Perception of entrepreneurs with a negative attitude to government will not change when that same government reduces regulation (the same for positive attitude)
4. Benefit of deregulation comes true only much later or is taken as a profit at intermediates

Perception monitors not yet good or deep enough?



Perception survey outcome - 2

Possible gap causes in the model:

1.No direct relation between cost level and perception

Reduction of cost of regulation \neq

Knowing / noticing that reduction \neq

Change in opinion on burden of regulation \neq

Telling about that change of opinion \neq

Reporting on that change

and:

2.Perception of entrepreneurs with a negative attitude to government will not change when that same government reduces the regulation (Message OK, messenger NOK)

and:

3.For reducing the cost of regulation a change is necessary, any change is a hindrance itself



Questions?

Contact:

H.Schippers@rr.nl