

**“From Silo Thinking to System Thinking:
the National Statistical Coordination Committee”**

Keynote Address

By

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Colleagues in Government, esteemed Guests from the private sector, the media and the community at large: Good morning.

I am very pleased to provide the keynote address for today’s launch of the National Statistical Coordination Committee or NSCC.

Government structures are often associated with the so-called "silo effect." This is not a good impression, or I must say, this is never a good impression as applied to government. It refers to a palpable lack of the spirit of building each other for the common good. This phenomenon has many symptoms, foremost of which is the lack of communication and understanding of a common vision and shared goals and objectives. Ultimately, this leads to departments, ministries and statutory authorities perceiving themselves as competitors rather than complementary providers of public goods and services. Competition for scarce resources, particularly the budget, arises. With imperfect coordination and oversight of related functions, inefficiencies crop up and when these can no longer be controlled, the “silo effect” can be harmful, if not fatal.

Common examples of these inefficiencies all over the world abound, but perhaps one of the most unfortunate ones is the 2003 Columbia shuttle disaster in the United States. To quote an article by management consultant Len Rosen, “it is said that the senior flight safety decision-making processes at NASA led to the 2003 Columbia shuttle disaster. Those outside of the inner circle raised alarms about a potential danger from falling foam debris but the inner circle in its silo ignored the concerns. In the report that followed this disaster, the conclusions referenced the silo thinking at NASA as contributing to the death of eight astronauts and the loss of the spacecraft.”¹

I pray that we in the Cayman Islands Government will not experience such dramatic loss before we wake up to the necessity of combatting the spread of “silo thinking.” We need to counter this with “system thinking.” Scriptures provide us with a clear picture of what this should look like when the apostle Paul described the church of our Lord Jesus Christ in 1 Corinthians 12: 14b to 22: *“the body is not made up of one part but of many. Now if the foot should say, “Because I am not a hand, I do not belong to the body,” it would not for that reason stop being part of the body. And if the ear should say, “Because I am not an eye, I do not belong to the body,” it would not for that reason stop being part of the body. If the whole body were an eye, where would the sense of hearing be? If the whole body were an ear, where would the sense of smell be? But in fact God has placed the parts in the body, every one of them, just as he wanted them to be. If they were all one part, where would the body be? As it is, there are many parts, but one body. The eye*

¹ Len Rosen, “Tear Down Knowledge Silos with Enterprise Social Networks” CMS Wire, <http://www.cmswire.com/cms/enterprise-20/tear-down-knowledge-silos-with-enterprise-social-networks-006887.php>

cannot say to the hand, “I don’t need you!” And the head cannot say to the feet, “I don’t need you!”

From this illustration, we learn that the first thing we need to do in combatting silo thinking in government is to recognize that we are one body or one system, and we therefore need to be conscious of the consequences of our decisions and actions on the whole government, and even beyond to the whole community. Our financial challenges have made this compelling call more urgent at this time more than any other. When one department overspends, the entire ministry’s purse is subject to a cutback. When one ministry overspends, the entire government’s budget undergoes a similar adjustment process. On one hand, when a department delivers its outputs beyond expectations, the ministry becomes more effective, earning trust among the community not only for itself but for the entire government.

This is why I think that the National Statistical Coordination Committee or NSCC is a good model of system-wide thinking. Its terms of reference was submitted to Cabinet and we noted it on the 26th of February 2013.

It is high time to have a NSCC in the Cayman Islands Government. In many countries, public sector agencies with functional statistical units or personnel engaged in the collection of data are formally linked together **as a national statistical system**. According to a handbook published jointly published by the Organization for Economic Cooperation and Development, the International Monetary Fund and the International Labour Organization, a national statistical system is the “ensemble of statistical organizations and units within a country that

jointly collect, process and disseminate official statistics on behalf of national government.”

In addition to the Economics and Statistics Office (ESO), several agencies within the public sector of the Cayman Islands gather and collate official statistics. However, these agencies do not yet constitute a national statistical system. These are not yet linked through a common legal or functional program for official statistical activities. These activities consist of the setting of methods, techniques and procedures in the conceptualization, collection, processing, analysis and dissemination of official statistics.

The key benefits from a national statistical system include the following:

One, we can achieve *consistency* of concepts and definitions, methods and classifications in relevant data collection and dissemination activities across agencies in the public sector. This can be accomplished through the promotion and practice of the United Nations Fundamental Principles of Official Statistics and other international standards, methods and classifications.

Second, we can also achieve *efficiency* in the production and use of official statistics through the sharing of data, infrastructure and capacity-building resources such as training.

Coordination to improve efficiency in delivering official statistics is particularly important in the light of the increasingly limited financial and human resources in government. In addition, there are growing requests for statistics from international users. For instance, a few months ago, the Economic Commission for

Latin America and the Caribbean (ECLAC) issued a mandatory survey called “Global Survey ICPD Beyond 2014,” with reference to the International Conference on Population and Development in 1994. Many of the departments and ministries were called upon to assist the Cabinet Office to facilitate the compliance of the Cayman Islands, which took some time to complete.

For these reasons, I am pleased that my term as Premier of the Cayman Islands Government includes today’s launch of the NSCC. My fervent hope is that this will be a good seed that will sow system-wide thinking and practice in official data collection and dissemination. May it also be a good model for other sectors in government so that we can have consistent and efficient services for the good of the people of the Cayman Islands.

I therefore call on all departments, ministries and statutory authorities to join the NSCC. I note that membership is voluntary, dependent on the willingness of the agencies and subject to their primary mandates. Your membership and active participation will be your great contribution to the cause of reducing the ill effects of silo thinking in government in general and to statistical development in particular.

Good day, and may the Lord bless the NSCC for his glory and the good of our people.