



## IMD World Competitiveness Ranking: Survey and hard data

*By Arturo Bris, with José Caballero*

---

Following up on feedback from several readers, in this criterion of the month we explore the IMD World Competitiveness Ranking's core components: its hard and survey data elements. We divide our overall ranking into these components and rank both sets of data individually for the years 2015 and 2016. The objective is to observe variations in the data in a one-year period. We must emphasize, however, that the two core rankings should not be compared with each other nor with the overall ranking. Rather they should be considered as complement to each other leading to a richer picture of the competitiveness of countries.

Country	Survey data ranking		Hard Data ranking	
	2015	2016	2015	2016
Argentina	60	54	57	56
Australia	21	19	15	17
Austria	28	25	24	20
Belgium	24	21	22	27
Brazil	57	57	54	55
Bulgaria	56	49	48	43
Canada	5	11	6	11
Chile	31	33	42	42
China Hong Kong	1	1	2	2
China Mainland	34	35	9	6
Colombia	49	50	52	52
Croatia	59	60	56	53
Czech Republic	26	29	30	28
Denmark	4	3	14	16
Estonia	29	28	33	33
Finland	16	17	27	24
France	41	37	23	23
Germany	15	15	10	10
Greece	45	56	55	57
Hungary	53	55	39	36
Iceland	23	24	29	21
India	37	30	50	49
Indonesia	39	42	47	50
Ireland	14	10	17	7
Israel	17	20	26	25
Italy	47	39	35	34
Japan	27	26	25	19
Jordan	35	34	59	59
Kazakhstan	25	43	38	47
Korea Rep.	38	46	13	15
Latvia	40	41	46	40
Lithuania	20	23	36	38
Luxembourg	7	13	8	8
Malaysia	9	14	18	22
Mexico	43	45	41	44
Mongolia	54	58	58	60
Netherlands	10	7	19	12
New Zealand	12	9	21	26
Norway	8	8	11	14
Peru	50	52	53	54
Philippines	36	32	49	48
Poland	30	36	32	32
Portugal	33	40	40	39
Qatar	19	16	7	13
Romania	46	47	44	45
Russia	52	51	34	35
Singapore	3	4	3	3
Slovak Republic	48	38	45	41
Slovenia	55	48	37	37
South Africa	51	53	51	51
Spain	44	44	31	31
Sweden	11	6	12	9
Switzerland	2	2	5	4
Taiwan	18	22	4	5
Thailand	32	27	28	30
Turkey	42	31	43	46
UAE	6	5	20	29
Ukraine	58	59	60	58
United Kingdom	22	18	16	18
USA	13	12	1	1
Venezuela	61	61	61	61

On the one hand, hard data lag a minimum of one year behind survey data. In this sense, indicators developed through survey questions (e.g., creation of firms) assess the impact of related hard data indicators (e.g., start-up days and start-up procedures). We thus consider hard data as indicators of competitiveness inputs and survey data as indicators of competitiveness outputs. On the other hand, our survey has been designed to assess fundamental aspects of competitiveness for which hard data are not available (e.g., image abroad of the country) but that are necessary to build a robust assessment of competitiveness.

With this in mind, it is worth noticing that, as expected, fluctuations in the survey data (when comparing the 2015 data to that of 2016) are largely greater than shifts in the hard data for the same period. Shifts in hard data result from any revisions of the indicators' definition, or from recalculations of previous estimates, by data providers (e.g., IMF). To the extent that this is so, it is difficult to control for the impact of such changes. Fluctuations in survey data may be indicative of the level of optimism/pessimism that prevails in different countries during particular periods of time. In this sense, survey data capture specific socio-political and/or economic events that underline the outlook of respondents and which are to a large extent neglected (if not impossible to capture) by the hard data.

To control for optimism/pessimism's effect in survey data, in 2015 we incorporated survey questions designed to capture that effect. However, to ensure a fair degree of robustness, it is necessary to employ a time-series of the "controlling" questions in order to trace patterns in the data. We have

thus planned to begin assessing optimism/pessimism in our survey in 2017.