



WORLD BANK GROUP

Business Ready (B-Ready)

Methodological Workshop

Overview

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Outline

Overview

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1. Title and output

- **Title: Business Ready (B-READY)** – WBG’s new corporate flagship on business environment
- **Output:** A quantitative assessment of the business environment for private sector development (not only the ease of doing business for individual firms)
- **Annual** frequency and for a large set of economies **worldwide**
- Contributing to WBG twin goals of **eliminating poverty + boosting shared prosperity**

2. Development purpose

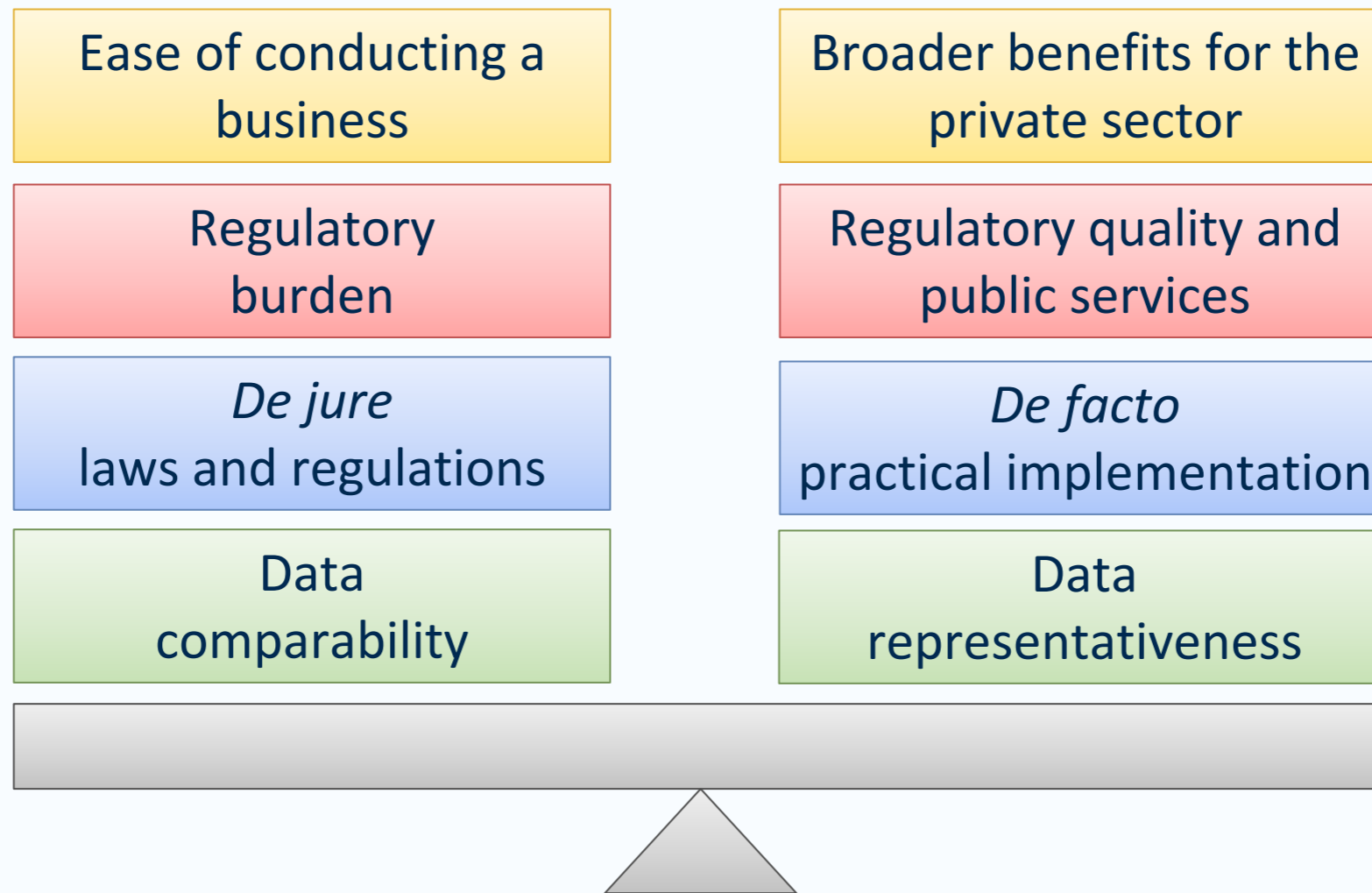
- **Reform advocacy:** Promote economic reforms, opening the door for knowledge sharing/policy dialogue for governments, civil society (including the private sector), WBG, and other development institutions
- **Policy advice:** Inform specific policy advice, covering a wide spectrum of areas relevant to firms and markets and showing how and by how much economies lag behind good practices
- **Development research:** Support social and economic research on drivers and consequences of private sector development



Source: B-READY team.

3. Approach – Seeking to strike the right balance

- Improving on *Doing Business* by providing a more balanced approach in assessing the business environment



Source: B-READY team.

4. Scope – Three pillars under each B-READY topic

B-READY measures the regulatory framework, public services, and efficiency for firms and markets



Regulatory framework

Rules + regulations that firms must follow as they open, operate, and close a business

Examples:

Business Entry: mandatory verification of company name; paid-in minimum capital requirement

Dispute Resolution: procedural rules to conduct in-court litigation; referring cases to alternative dispute resolution mechanisms



Public services

Government-provided facilities for compliance with regulations + business-enabling public institutions and infrastructure

Examples:

Business Entry: e-payment of incorporation fees; public access to companies' information

Dispute Resolution: e-services in commercial dispute resolution; publication of performance reports on court activities



Efficiency

Efficiency with which regulatory framework + public services are combined in practice

Examples:

Business Entry: time for company name verification; cost for company registration

Dispute Resolution: time to enforce courts' decisions; cost of a court trial



5. Topics

- Topics are organized following the life cycle of the firm and its participation in the market



Source: B-READY team.

- The selection of the ten topics is guided by the principles of relevance, value-added, and complementarity
- Within each topic, B-READY will include data on three important considerations for the modern economy: **digital adoption, environmental sustainability, and gender participation**

6. Data collection – A combined approach to improve comparability and representativeness

- Improving on *Doing Business* by providing a more balanced approach in assessing the business environment

Expert Consultations

- Data from experts who regularly deal with relevant legal arrangements, public services, and institutions providing those services
- Obtain *de jure* and *de facto* information
- Primarily rely on data from experts in the private sector

World Bank Enterprise Surveys (WBES)

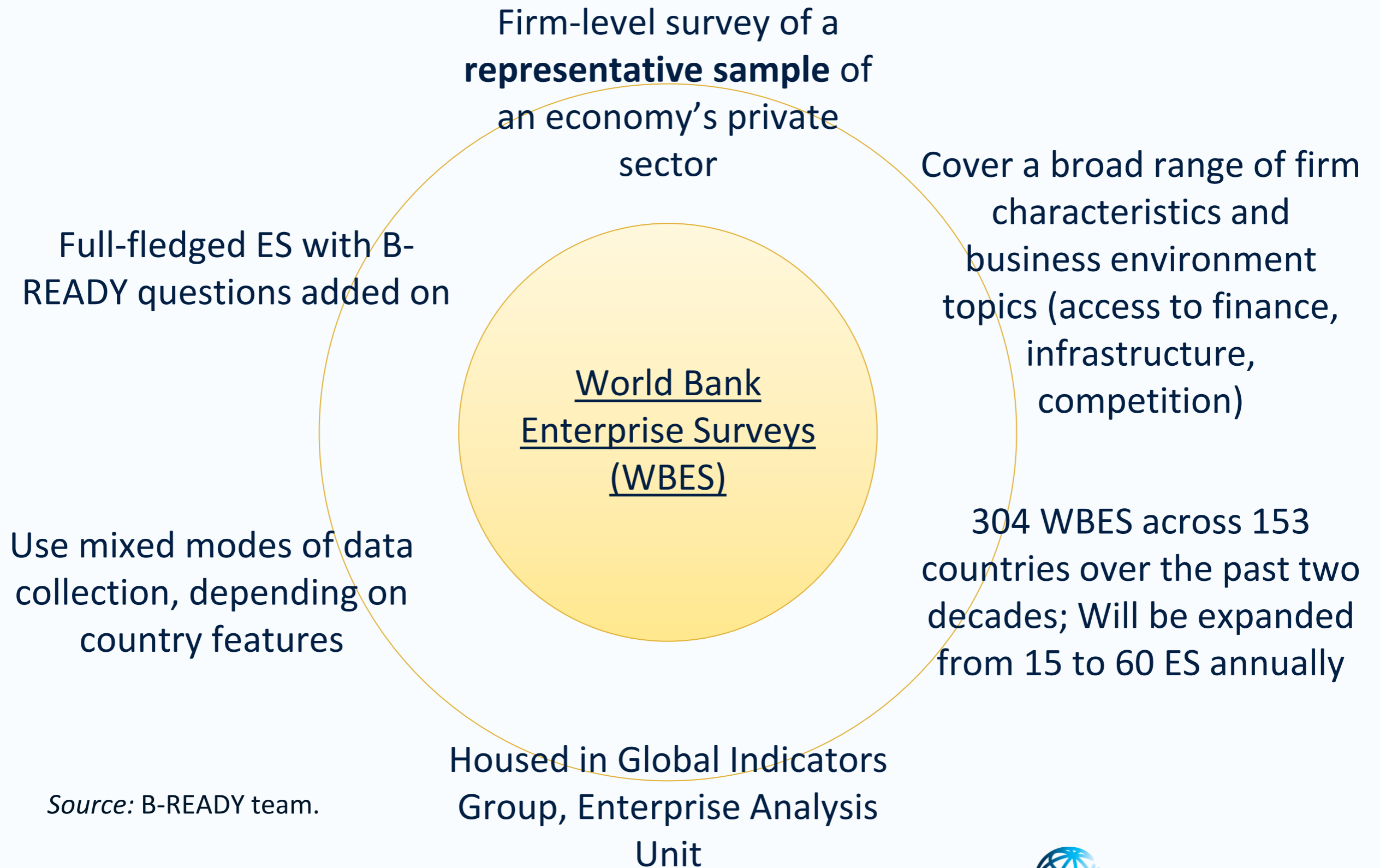
- Improving on *Doing Business* and enriching the value of the project, B-READY will collect data from a representative sample of actual, formal firms
- Focus on *de facto* information
- Data collection embedded as module in [World Bank Enterprise Surveys](#) (WBES)

6. Data collection – Expert consultations

Expert Consultations:

- New, robust approach to screen and select potential experts based on their professions, areas of specialization, knowledge, and experience
- Select 3-5 private sector experts per questionnaire per economy for most economies (2-5 for economies with less than 1M inhabitants)
- Experts' quality is continuously assessed during data collection
- Remunerate private sector experts for completing questionnaires
- Broad parameters are used in expert questionnaires to ensure data comparability and representativeness (e.g., location, sector, type and size of transactions)

6. Data collection – Expanded WBES

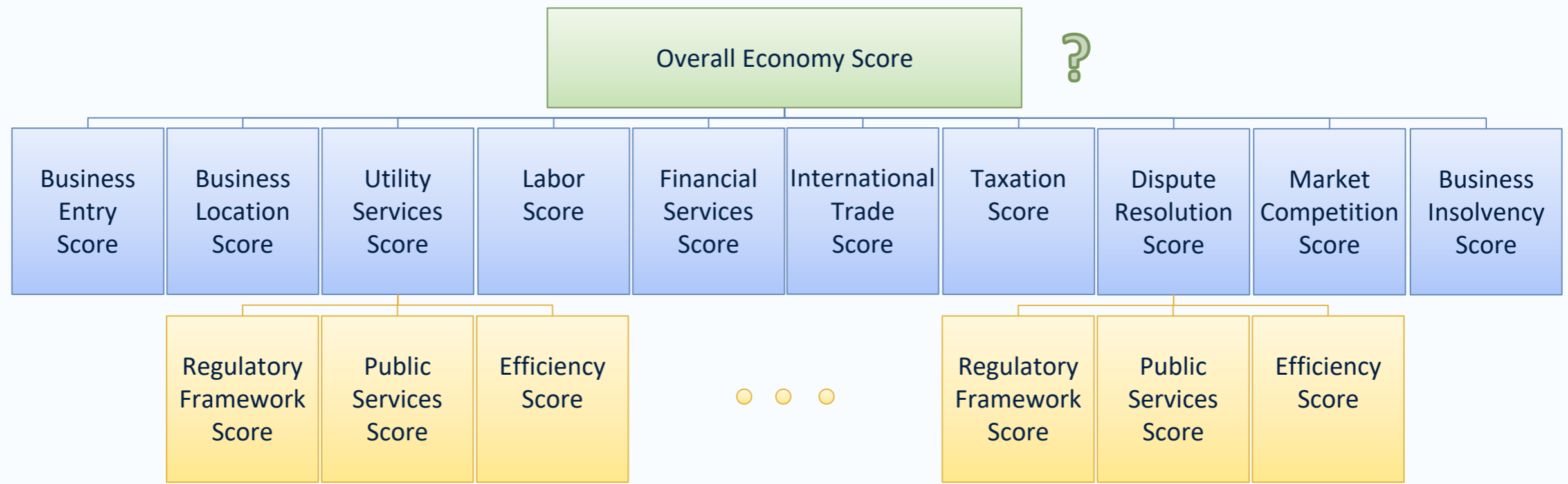


Source: B-READY team.

7. Data validation – Using governments' inputs

- The team collects contact information of the government focal point for each questionnaire through the WBG Board of Directors
- Expert questionnaires are sent to the government focal points to collect their inputs
- Government questionnaires are optional and will be used as a reference in the data validation process (not as direct inputs)
- In case of divergence between the private and public sector responses, the team will follow up with private sector experts to review their answers. They may decide to revise their answers or keep their answers the same
- The final private sector responses will be used as the direct input in the scoring calculation

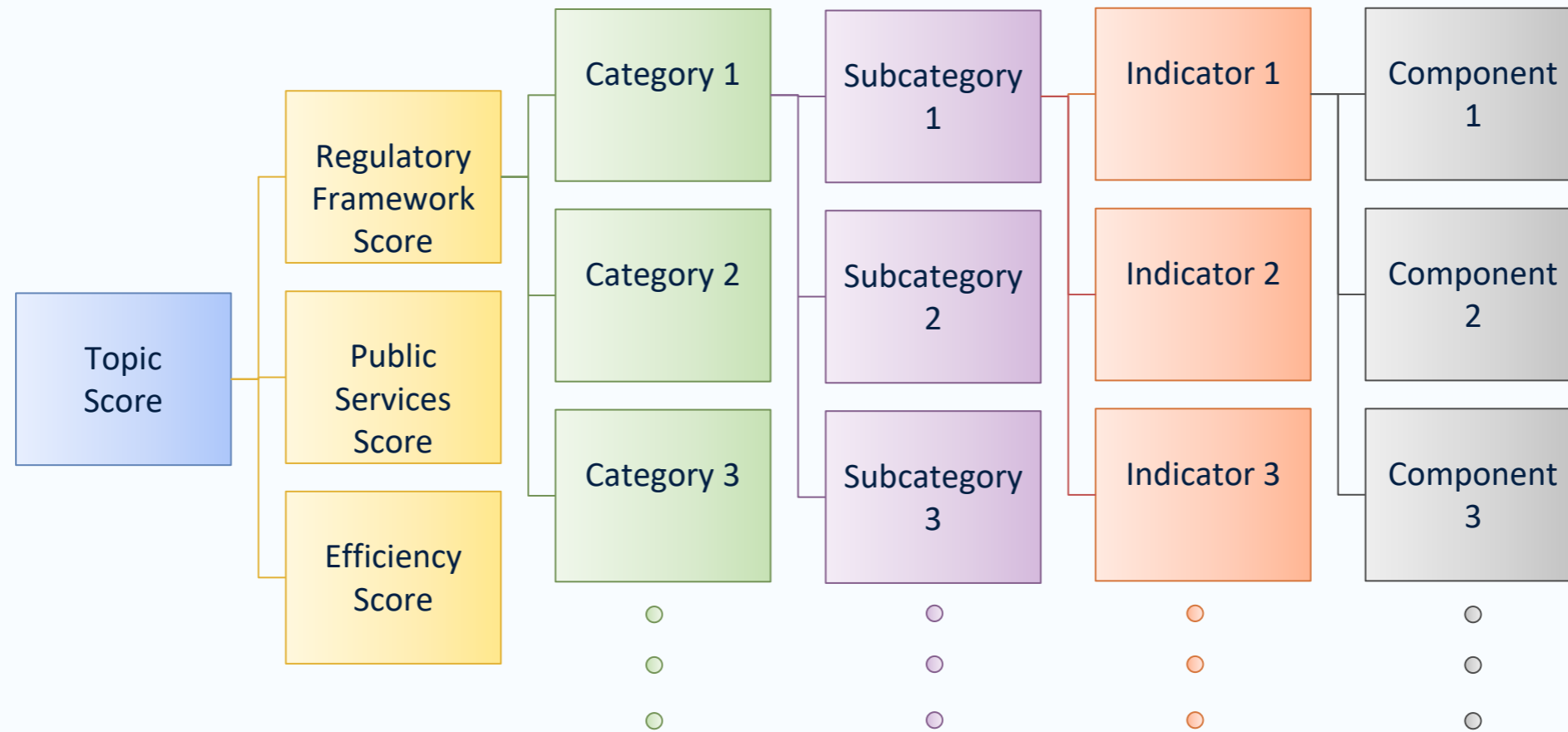
8. Preliminary scoring – Structure for each topic



Source: B-READY team.

- A single numerical score for each topic, calculated as the average of the pillar-specific scores
- Scores for each of the 3 pillars will be obtained from points assigned at the indicator level, considering the perspectives of entrepreneurs (***firm flexibility***) and broader private sector development interests (***social benefits***)
- The allocation of points to firm flexibility and/or social benefits is based on academic literature, well-founded good practices, and guidance from a technical advisory group

8. Preliminary scoring – Structure for each topic



Source: B-READY team.

- Each pillar is divided into categories—defined by common features that inform the grouping into a particular category—and each category is further divided into subcategories
- Each subcategory consists of several indicators, each of which may, in turn, consist of several components
- Relevant points are assigned to each indicator and subsequently aggregated to obtain the number of points for each subcategory, category, and pillar

8. Preliminary scoring – Utility Services example:

Pillar I

- Pillar I – Quality of electricity, water, and Internet regulations

1.1	Regulation for deployment of utility connections and quality of supply
1.1.1	Regulatory monitoring
1.1.2	Utility infrastructure sharing and efficient digital connectivity
1.1.3	Mechanisms on service quality assurance
1.2	Regulations on safety of utility connections
1.2.1	Professional certifications
1.2.2	Inspection regimes
1.2.3	Liability regimes
1.2.4	Cybersecurity
1.3	Environmental regulations for sustainable provision and use of utility services
1.3.1	Sustainable provision and use of electricity
1.3.2	Sustainable provision and use of water
1.3.3	Sustainable wastewater practices
1.3.4	Sustainable provision and use of internet

Source: B-READY team.

8. Preliminary scoring – Utility Services example:

Pillar II

- Pillar II – Quality of governance and transparency of utility services

2.1	Monitoring reliability and sustainability of service supply, and safety of connections
2.1.1	KPIs to monitor quality, reliability and sustainability of service supply
2.1.2	KPI transparency
2.1.3	Monitoring of safety of utility connections in practice
2.2	Transparency of utility services
2.2.1	Transparency of tariffs and tariffs settings
2.2.2	Publication of connection requirements
2.2.3	Publication and announcement of planned outages
2.2.4	Complaint mechanisms and transparency of complaint processes
2.2.5	Sex-disaggregated customer surveys
2.3	Interoperability of utility services
2.3.2	Interoperability at the utility level
2.3.3	Electronic applications
2.3.4	Electronic payments

Source: B-READY team.

8. Preliminary scoring – Utility Services example:

Pillar III

- Pillar III – Efficiency of utility service provision in practice

3.1	Electricity
3.1.1	Time to obtain a connection
3.1.2	Cost of connection and service
3.1.3	Reliability of supply
3.2	Water
3.2.1	Time to obtain a connection
3.2.2	Cost of connection and service
3.2.3	Reliability of supply
3.3	Internet
3.3.1	Time to obtain a connection
3.3.2	Cost of internet connection and service
3.3.3	Reliability of supply

Source: B-READY team.

8. Preliminary scoring – Pillars I and II

Pillar I (Regulatory Framework) & Pillar II (Public Services):

- Points are awarded at the indicator level (0-2), considering the perspectives of entrepreneurs (*firm flexibility*, 0-1) and broader private sector development interests (*social benefits*, 0-1)
- Aggregation of points:
 - Points per pillar = Sum of points assigned to the pillar's categories
 - Points assigned to each category = Sum of points of all its subcategories
 - Points assigned to each subcategory = Sum of points of all its indicators
- Points for the pillar are rescaled to the 0-100 range

8. Preliminary scoring – Utility Services example:

Pillar I: Quality of electricity, water, and Internet regulations

Preliminary Scoring

		No. of indicators	FFP*	SBP*	Total Points	Rescaled Points
1.1	Regulations for efficient deployment of utility connections and quality of supply	12	12	12	24	44.4
1.1.1	Regulatory monitoring	6	6	6	12	22.2
1.1.2	Utility infrastructure sharing and efficient digital connectivity	3	3	3	6	11.1
1.1.3	Mechanisms on service quality assurance	3	3	3	6	11.1
1.2	Safety of utility connections	9	9	9	18	33.3
1.2.1	Professional certifications	2	2	2	4	7.4
1.2.2	Inspection regimes	2	2	2	4	7.4
1.2.3	Liability regimes	3	3	3	6	11.1
1.2.4	Cybersecurity	2	2	2	4	7.4
1.3	Environmentally sustainable provision and use of utility services	10	2	10	12	22.2
1.3.1	Sustainable provision and use of electricity	3	1	3	4	7.4
1.3.2	Sustainable provision and use of water	3	1	3	4	7.4
1.3.3	Sustainable wastewater practices	2	n.a.	2	2	3.7
1.3.4	Sustainable provision and use of internet	2	n.a.	2	2	3.7
Total		31	23	31	54	100

Note: Scoring will consider the perspectives of entrepreneurs (*firm flexibility* points) and broader public interests (*social benefits* points). Source: B-R18DY team.

8. Preliminary scoring – Pillar III

Pillar III (Efficiency):

- Points are awarded at the indicator level by applying the proximity-to-frontier approach, rescaling to the 0-100 range

- Aggregation of points:
 - Within each pillar, equal weights are assigned to the pillar's categories
 - Within each category, equal weights are assigned to all its subcategories
 - Within each subcategory, equal weights are assigned to all its indicators

8. Preliminary scoring – Utility Services example:

Pillar III: Efficiency of utility service provision in practice

Preliminary Scoring

		No. of indicators	Rescaled Points
3.1	Electricity	5	33.3
3.1.1	Time to obtain a connection	1	11.1
3.1.2	Cost of connection and service	2	11.1
3.1.3	Reliability of supply	2	11.1
3.2	Water	5	33.3
3.2.1	Time to obtain a connection	1	11.1
3.2.2	Cost of connection and service	2	11.1
3.2.3	Reliability of supply	2	11.1
3.3	Internet	5	33.3
3.3.1	Time to obtain a connection	1	11.1
3.3.2	Cost of connection and service	2	11.1
3.3.3	Reliability of supply	2	11.1
	Total	15	100

Note: Each indicator in Pillar III ranges from 0-100.

Source: B-READY team.

9. Integrity and transparency

Data Transparency

Granular data used for scoring will be made publicly available

Reliable Data Management

Reliable and safe IT systems for data collection, management, and storage

Data collection and reporting are governed by **highest possible standards**

Ethics Compliance

Ethics and compliance function embedded in the team to address conflicts of interest and undue pressure

Secure Protocols

Manual and Guide
Methodology Handbook

Source: B-READY team.

10. Rollout – Coverage expansion and methodology refinements

B-READY 1 (Spring 2024)

about 60 economies
with new data from
expert consultations

about 60 economies
with new data from WBES

B-READY 2 (Spring 2025)

about 120 economies
with new data from
expert consultations

about 60 economies
with new data from WBES

about 60 economies
with WBES data collected
in B-READY 1

B-READY 3 (Spring 2026)

about 180 economies
with new data from
expert consultations

about 60 economies
with new data from WBES

about 60 economies
with WBES data collected
in B-READY 2

about 60 economies
with WBES data collected
in B-READY 1

- These three data collection exercises and reports will be B-READY's piloting phase
- They will lead to the production of the baseline for the complete B-READY dataset

11. Key milestones during 1st B-READY

Timeline	Milestones
Feb-Mar 2023	Started data collection through WBES
Mar 2023	Tested IT tools and questionnaires for expert consultations in six economies (Ghana, Jordan, Mexico, Nepal, Romania, Singapore)
May 1, 2023	Published Manual and Guide and Methodology Handbook
May 2-18, 2023	Conduct six two-day regional workshops on B-READY methodology and one two-day workshop in Washington DC
May 15-Jun 9, 2023	Conduct online Q&A sessions for topic-specific methodology questions
May 2023	Start data collection through expert consultations (private sector experts and governments)
Nov 2023	Target completion of data collection for both expert questionnaires and WBES
Jan-Feb 2024	Bank-wide review (BWR) of first B-READY dataset and report
Spring 2024	Launch the 1 st edition of the B-READY data and report



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Thank you

Q&A

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Annex. Data validation – Triggers for review

- In particular, the team will request private sector experts to review their responses when:
 - Divergence between private sector experts' median response and governments' responses
 - Divergence between private sector experts' median response and WBG Country Management Units' inputs
 - Divergence among private sector experts' responses for experience-based questions
 - Divergence between private sector experts' median response and available evidence (e.g., relevant legal basis, publicly available services)
 - Divergence from last cycle's published response (for 2nd report onward)