How To Assess Wellbeing

Globally, a huge groundswell of effort is being directed at assessing national or general wellbeing. In this article, we describe aspects of this evolving science. It emerged from the recognition that GDP is not a good measure of our satisfaction with life. Although there's no single 'wellbeing index' (like the GDP) and the approach is not without its critics, we applaud the commitment to national wellbeing research and policy.

Political will: Gauging wellbeing in the UK

It is possible to measure *general wellbeing* (GWB) even though it occurs in hard to define moments like feeling the beauty of our surroundings, the quality of our culture, or the strength of our relationships. Wellbeing is an important component of human life experience. As such, it deserves a place in political conversations about how to run a country.

Acknowledging this in 2006 UK <u>Prime Minister David Cameron stated</u>, "Improving our society's sense of wellbeing is... the central political challenge of our time". Effectively he challenged the view of GDP as the dominant indicator of how a country is faring. The PM asked the UK Office for National Statistics (ONS) to begin systematic measurement of national wellbeing. The ONS approach used two types of indicators: objective measures (e.g., education standards, income per capita) and subjective assessments that simply asked people how they felt. The ONS added four sentiment-based questions to the annual UK Integrated Household Survey, asking on a scale of 0 to 10:

- How satisfied are you with your life nowadays?
- How happy did you feel yesterday?
- How anxious did you feel yesterday?
- To what extent do you feel the things you do in your life are worthwhile?

Responses to these questions have been gathered each year since 2011-12 revealing a slight but consistent upward trend in national wellbeing for the past four years. Perhaps paradoxically, GDP declined in many countries since the GFC yet national wellbeing has quietly and gradually increased in several other places apart from the UK. Yet the public rarely hears about these improvements. Why? It may be that governments are reluctant to draw attention to indications of higher wellbeing when the global economy (admittedly, an aspect of wellbeing) suffered so significantly. It could look like political manoeuvring to mention positive shifts in wellbeing.

However based on this data the ONS is developing a set of national 'wellbeing indicators' to be sent out for consultation. If agreement is reached this initiative will be part of a similar international project, led by US economist Joseph Stiglitz, to work out how to measure wellbeing. Anything the ONS does is likely to fit in very closely with the OECD project, and a big European conference on the issue takes place in February 2016.

It's apparent that gathering and assessing evidence about which policies have most impact on wellbeing (as well as the impact of wellbeing on productivity) is a worthwhile endeavour. The UK's What Works Centre on Wellbeing focuses on these questions. <u>Comparisons</u> with wellbeing in other OECD countries are also becoming available.



NAB Australian Wellbeing Index

To facilitate making cross-country comparisons, the NAB Australian Wellbeing Index adapted the UK ONS approach about how people "think and feel about their own lives" for an Australian audience:

- 1. Overall, how satisfied are you with your life nowadays?
- 2. Overall, to what extent do you feel the things that you do in your life are worthwhile?
- 3. Overall, how happy did you feel yesterday?
- 4. Overall, how anxious did you feel yesterday?

These sentiment-based 'thinking and feeling' questions are a powerful way to discern wellbeing in the population for the reasons below.

Wellbeing is not an objective attribute

Clinical tests are available to measure the lung capacity of an asthma patient. These assessments yield reliable and valid data, by comparing an individual's lung performance with aggregated data from similar populations. Wellbeing, in contrast, is an attribute grounded in values and personal subjectivity. Therefore a different approach is needed.

Measuring personal experience

<u>Previously I wrote</u> that values are central to our perceptions of wellbeing. In fact, wellbeing is based on 'sentiment', since it expresses our personal inclinations rather than objective facts or rational thinking.

Sentiments (our points of view, feelings, attitudes, opinions, beliefs, ideas and thoughts) determine at least initially how we *decide* what we like, prefer, choose, or commit to. It may seem surprising but evidence shows human beings make significant life decisions and choices using values-infused sentiment rather than rational moments *simply because the decision or choice suits them*. Later, rational thought and more objective decision-making may override first reactions, or it may not, depending on whether the person considers how they arrived at their decision.

'Subjective' is the term that describes perspectives based on sentiment. It reflects a 'for me' perspective that can never be reduced to objective analysis or precise measurement. This way of seeing things is fundamental to human life and no one is exempt from its primary influence. The questions developed by the UK's ONS to assess how people felt are based in this 'for me' perspective.

What we gain from NAB Wellbeing Index data

Similar to surveys developed for the OECD and the ONS, the NAB Australian Wellbeing Index recognises that values, sentiments, and subjectivity are central to wellbeing. Therefore the survey uses such questions to elicit people's feelings about their emotional experience. 'Satisfaction with life' is an attitude; feelings are captured in 'happy', 'anxious', and 'worthwhile'. These aspects are fundamental components of wellbeing.



Since it's based in sentiment, any survey about personal wellbeing experience cannot yield objective data. We cannot know precisely what their experiences were, or what they meant to people. However when individual survey data is amalgamated it yields information about the population, providing reliable and valid information about how people feel in relation to their wellbeing. This knowledge is a sound platform to create public policy and relevant, targeted community-based interventions.

About the Author

Joanne Abbey PhD is Director/Organisational Psychologist with the <u>Centre for Corporate Wellbeing</u>. Her research investigated the meaning and outcomes of wellbeing at work. Given that 'culture is strategy', organisational wellbeing is a significant driver of personal and operational performance. Follow her on twitter @wellbeingsavvy.

