



Measuring well-being for public policy. Problems and possible solutions

Tessa Peasgood
T.Peasgood@sheffield.ac.uk
Centre for Health and Well-being in Public Policy (CWIPP) & School of Health and Related Research, University of Sheffield



Outline

- Role of objective measures of WB and how objective and subjective indicators of WB relate to each other
- 3 challenges in measuring SWB and ways forward
- Discussion possible Index of Well-being



1. SWB influenced by expectations

- SWB may be influenced by expectations and adaptation such that SWB not complete measure of WB.
- e.g. an individual may be denied a certain key outcome (such as not being able to have close friends), yet they adapt to this situation and rate their lives as going well.
- In individual interests to adapt and be happy with their lot BUT capability still restricted



If my expectations are

- I don't deserve better
- I can't expect to achieve as much as
 - those born to higher income groups
 - those without a disability
 - those of different, race / religion / colour / sexuality / gender



When are subjective judgments insufficient?

- Assessments faulty if they are not "autonomous" and "informed" Sumner (1996)
- Hard to judge
- If based on beliefs of in-equality and unequal worth



Need: objective data on

- Inequality of opportunity and discrimination
- Individuals perceptions of control, freedom, equal-worth, opportunity
- But still need some objective data
 - Income, health and inequality likely to be biggest contributors to opportunity



2. Scales in SWB questions may be used differently - concern over inter-temporal and interpersonal comparability.

- Is my 8/10 same as yours?
- Something odd going on with top of the scale in life satisfaction



Using the top of the scale?

BHPS, wave 14

	6/7	7/7
Household income (net, equivalised)	£456	£383
No qualifications	14%	33%
Widowed	6%	12%
Problems walking	7%	15%
Registered disabled	5%	11%



- Need greater understanding on how people interpret scales
 - How they use the scales at different times in their life.
 - How peoples understanding of a good life changes throughout life
- Need panel data – control for individual differences in how we use scales



3. Current SWB may not predict future SWB.

- Monitoring WB one of main reasons for collecting data
- Identifying need (low levels WB)
- Early warning system
 - Be aware of any declining trends in WB for particular groups
 - Be aware of decline in factors which are associated with future WB



Need: data on causes of SWB

- Some are subjective e.g. trust
- Some objective e.g. hours worked
- Need this at appropriately disaggregated level
- Data on factors associated with SWB will help understanding of causes of WB and possible inequality of WB.



Some predictors of SWB

- Physical health (e.g. obesity), Mental health and Resilience
- Employment, and unemployment:
 - job satisfaction, job security
- Security
- Freedom and control
- Trust, community involvement and belonging
- Relationships
- Income
 - Subjective judgment on income and social status, financial security, access to emergency funds, ability to pay bills, debt, and wealth
- Time use
 - TV and computer use, activities, socialising



Need: good data on causes of future SWB for children

- As above
- Also:
 - Education attainment e.g. literacy, enjoyment of learning
 - Behavioural problems



Need: objective data on behaviours indicative of low WB or low future WB

- Drug and alcohol dependence
- Suicide and attempted suicide
- Relationship breakdown and social isolation
- Exclusions school, drop out college and uni
- Stress levels – IB from stress, stress related health conditions



- Particularly important to have good data where an attribute may not be positively correlated with other attributes of WB which are already collected (e.g. income)
- Social capital, obesity



Possible Index of WB

- Adjusted GDP, values in £
 - Difficult to see how can incorporate SWB
- Weighted QoL or WB



Index of Sustainability & WB?

- Sustainability and current WB are separate concepts.
- Could improve current WB at expense of the environment (e.g. China)
- Need to keep data separate not conflate two separate issues.



Criteria for an Index of WB

- Should include or correlate strongly with subjective and objective attributes of WB which society values
- Simple as possible
- Clear timescale for each dimension



Uses for index WB

- UK trends in WB
- Identify need - Sub-group comparisons e.g. small area level
- May need to be different



Index WB for society

1. Median household income
2. Life expectancy
3. Equality of life expectancy e.g. the difference between the top and bottom income deciles
4. Percentage with a mental health problem (age 10+)
5. Evaluative: Life satisfaction e.g. mean score to "Overall, how satisfied are you with your life nowadays?" (age 10+)
6. Eudemonic: Worthwhile e.g. mean score to "Overall, to what extent do you feel that the things you do in your life are worthwhile?" (age 16+)
7. Hedonic experience: Did you smile or laugh a lot yesterday? (Yes/No) (age 8+)



Index of WB – small area

1. Rank of household income (country wide)
2. Rank of life expectancy
3. Percentage with a mental health problem (age 10+)
4. Evaluative: Life satisfaction e.g. mean score to "Overall, how satisfied are you with your life nowadays?" (age 10+)
5. Eudemonic: Worthwhile e.g. mean score to "Overall, to what extent do you feel that the things you do in your life are worthwhile?" (age 16+)
6. Hedonic experience: Did you smile or laugh a lot yesterday? (Yes/No) (age 8+)



How to derive weights?

- ONS "we want to develop measures based on what people tell us matter most"
- Score according to perceived importance e.g. out of 10
 - Quality of life profile (Uni of Toronto),
 - PWI (Cummins) originally used them, but dropped them



Importance weights are

- difficult to interpret
- undesirable psychometric properties and
- unnecessary because extreme scores on the domain satisfactions are associated with higher importance weightings
(Trauer and Mackinnon, 2001; Wu and Yao, 2006; Hsieh, 2004).
- In BHPS being divorced or never married compared to being married strongly increases the relative importance of income compared to other domains.
- ?direction of causality - does success in personal relationships lead them to be judged as more important?
- Does that matter if we just want to reflect societies current values?



Understand societies preferences from ranking exercise of representative sample of the public

- OALY style
 - With levels of attainment attached to the dimensions
 - Individual chooses society they think is better
 - More removed from own experience (*similar to the original position*)
- Derive weights to attach to each dimension via statistical analysis of ranking responses



Society A versus B

1. Median household income: £28,000 or £15,000
2. Life expectancy: 80 years, 75 years
3. Equality of life expectancy e.g. the difference between the top and bottom deciles: 12 years, 4 years
4. Percentage with a mental health problem: 20, 8
5. Evaluative: Life satisfaction e.g. mean score to "Overall, how satisfied are you with your life nowadays?" (age 10+): 7.5/10 8.5/10
6. Eudemonic: Worthwhile e.g. mean score to "Overall, to what extent do you feel that the things you do in your life are worthwhile?" (age 16+) 6/10, 8/10
7. Hedonic experience: Did you smile or laugh a lot yesterday? (Yes/No) (age 8+) Yes = 20%, Yes = 40%



Rescale each domain (0-100)

- Relative to previous years
 - e.g. Canadian Index of WB, uses change from 1994 (set at 100) for each component of a dimension.
 - Small area – ranking for income and life expectancy



Transparency of weights

- Report methods of weight derivation
- Subject to review and discussion
- Sensitivity analysis with different weights.



End-note

- If commit to measure SWB and WB index need also to commit to enhancing our understanding of measures through continued research