

HAPPINESS INDICES



Paul Frijters – UQ+ ANU

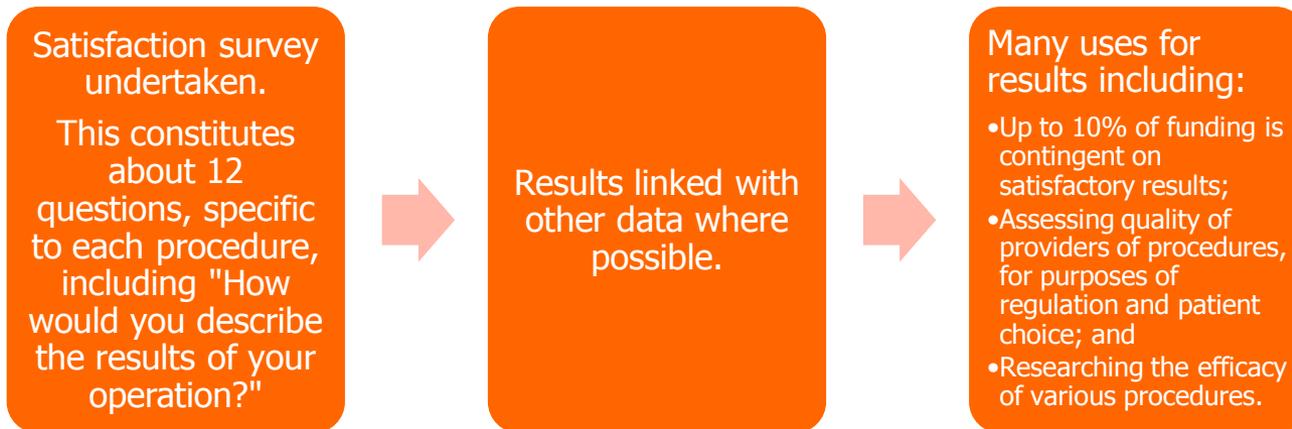
Content

- ⌘ 1. The rise of satisfaction measures in social life.
- ⌘ 2. The emerging world of private happiness indices.
- ⌘ 3. 'Official indices'.
- ⌘ 4. Which one will win?

The rise of satisfaction tools

Health Services

- **Patient Reported Outcome Measures: PROMS – UK Surgical Procedure Questionnaire**
- **Four common surgical procedures:**
 - **Hip replacements;**
 - **Knee replacements;**
 - **Groin hernia treatment; and**
 - **Varicose veins treatment.**



Health Services

- ⌘ Similar techniques being used elsewhere.
- ⌘ In Victoria, Australia, patients admitted to public hospitals are asked to complete a 28 question survey, including answering the question:
“Thinking about all aspects of your hospital stay, how satisfied were you?”

Finally, these questions are about YOUR OVERALL HOSPITAL EXPERIENCE.

	 Very dissatisfied		Neutral		 Very satisfied	
23	Thinking about all aspects of your hospital stay, how satisfied were you?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Not at all	A little	Some-what	Quite a bit	Great deal	
24	How much do you think you were actually helped by your stay in the hospital?	<input type="checkbox"/>				

		Too long	Too short	Right amount
25	Was the length of time you spent in hospital...	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Aged Care Facilities

- ⌘ Some aged care facilities use questionnaires to assess their performance.
- ⌘ In the U.S. these are often conducted by private contractors.
- ⌘ The surveys measure a large range of variables, with several asking about overall satisfaction.
- ⌘ The use that is made of these surveys is largely up to the institutions themselves.

Aged Care Facilities

home sitemap

Make DNA
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3542 DR Utrecht T 030-820 March 63
E info@zorgdna.nl

ZorgDNA

Home > Solutions >

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Quick insight into quality with clear reporting

As a caregiver, you want your time, energy and resources to your customers spend. That's why ZorgDNA quickly understand your use of measuring quality of care and clear reports at a competitive price. care is customized. So are the solutions of ZorgDNA. Whether for research, advice or guidance: the journey is always tailored to your specific situation.

In the Netherlands companies such as ZorgDNA will undertake customer satisfaction surveys of aged care providers, as well as other groups.

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The number of votes cast on this post

The post's rank, determined by the

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A post. This one is a link to an external website



Adam Smith's The Wealth of Nations A | Karen McCreddie

Item condition: **Brand new**
Time left: 14d 15h (25 Nov, 2011 02:57:56 AEDST)

Quantity: 3 available

The Wealth of Nations A | Karen McCreddie

9.38
Approximately AU \$14.59

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Item number: 120799684801

Item location: Leicester, Leicestershire, United Kingdom

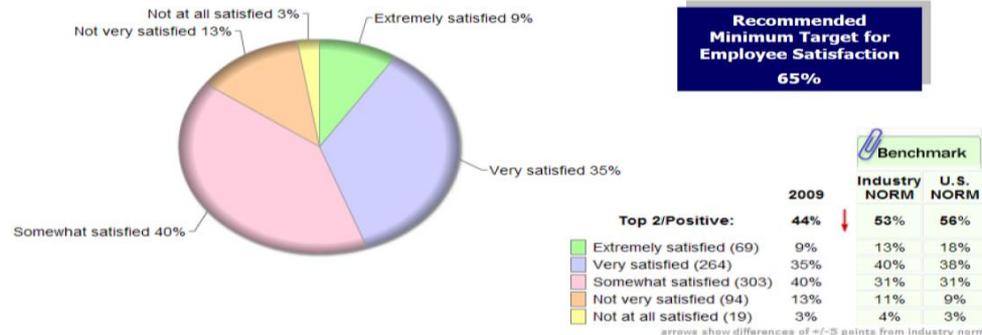
Posts to: Europe, Asia, United States, Australia, Canada

Job Satisfaction and Employee Retention

- Satisfaction surveys are often used in employee evaluations.
- They are used to gain an insight into the happiness of employees and to develop methods of retaining staff.

Overall Satisfaction

Employees' overall job satisfaction is low relative to both the industry and U.S. norms. Only 44% of employees are extremely or very satisfied with their job at this time. This level of overall job satisfaction is far short of Insightlink's recommended minimum of 65%.



Marketing and Customer Satisfaction

- ⌘ Many companies and agencies engage in customer satisfaction surveys.
- ⌘ The results allow them to improve products and services.

Has your enquiry been addressed?

Your feedback will be used to monitor response levels of tourism operators in Queensland.

1. Have you received a response to your email enquiry?

Yes
 No (please go to Question 4)

2. What was the approximate response time to this enquiry?

Less than 12 hours
 12-24 hours
 1-2 days
 More than 2 days

3. Please rate how satisfied you were with the response you received.

	Very Unsatisfied	Unsatisfied	No Opinion	Satisfied	Very Satisfied
Timeliness	<input type="radio"/>				
Usefulness	<input type="radio"/>				
Professionalism	<input type="radio"/>				

4. Have you made or do you intend to make a booking after visiting queenslandholidays.com.au?

Yes
 No
 Not sure

Please provide any other comments regarding your experience with queenslandholidays.com.au

Conclusion

- ⌘ Subjective feedback is starting to be an organising principle because of the low cost of information creation and aggregation:
 - ☑ The volume of information and feedback is now enormous.
 - ☑ We cant cope so we look at aggregate subjective feedback of others.
 - ☑ Happiness is hence like a quick vote.
 - ☑ To some degree, the world of happiness academics is now reacting to these forces, no longer leading it. The real leaders are private.

The world of private happiness

- ⌘ In Australia, as elsewhere, happiness statistics has become a cottage industry.
- ⌘ Invariably, one is looking at some aggregate of
 - ☑ Money
 - ☑ Life satisfaction
 - ☑ Health
 - ☑ Anything else they can find statistics on.

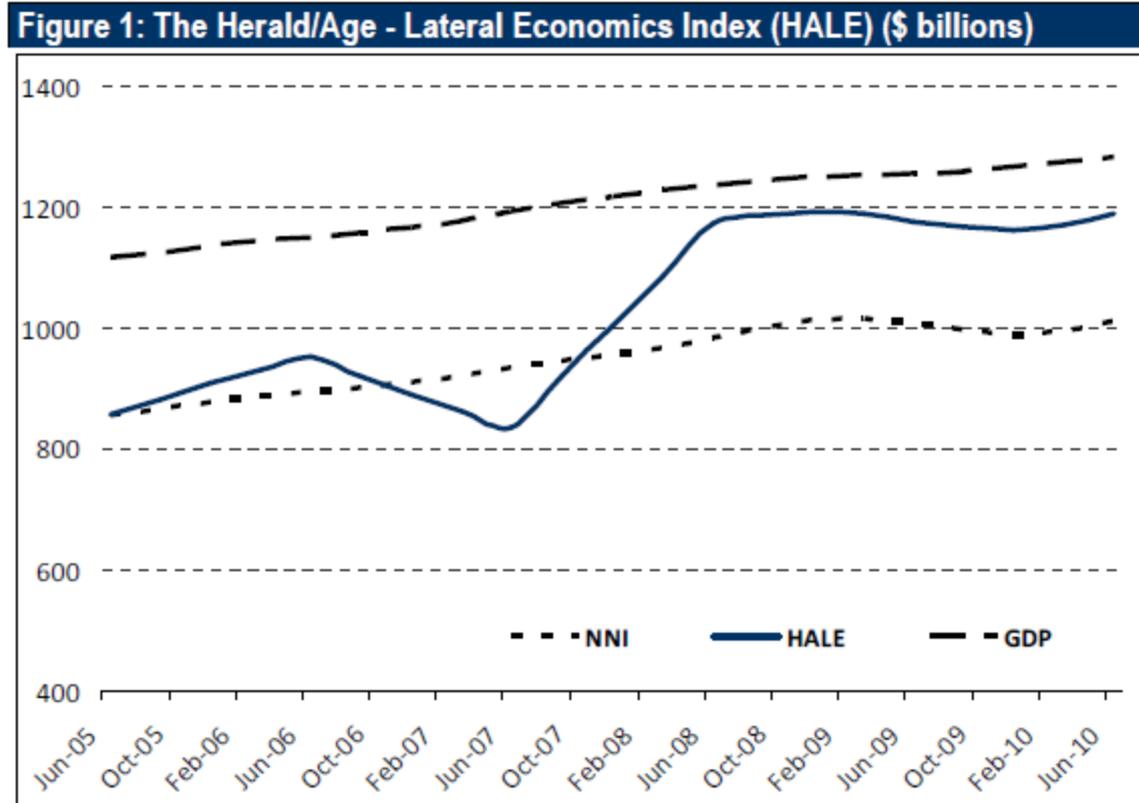
Exhibit 1

⌘ Australian happiness map Courtesy from 'govhack'. Salient detail: this is almost the same map as for regional income, its main ingredient.



Exhibit 2

⌘ The *Herald/Lateral Economics* index of wellbeing



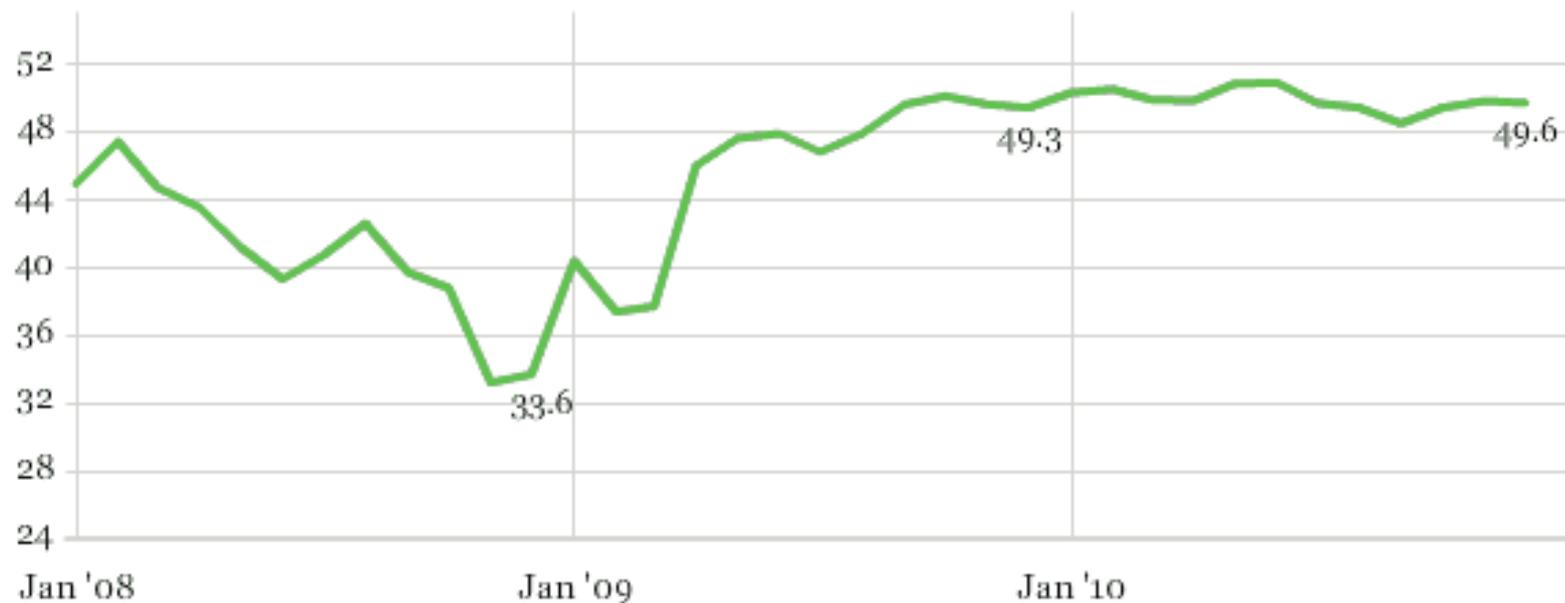
This thing is an index of the usual suspects. I read the whole ‘technical report’ and couldn’t find the weights. That hasn’t prevented this thing from being journoed on though.

And the private front runner

⌘ Gallup, by a mile. Enormous coverage and scope, lots of sub-indices. Even the official statistical agencies are now playing catch-up to Gallup.

The main US index: the US Gallup polls

Life Evaluation Sub-Index Score by Month, 2008-2010

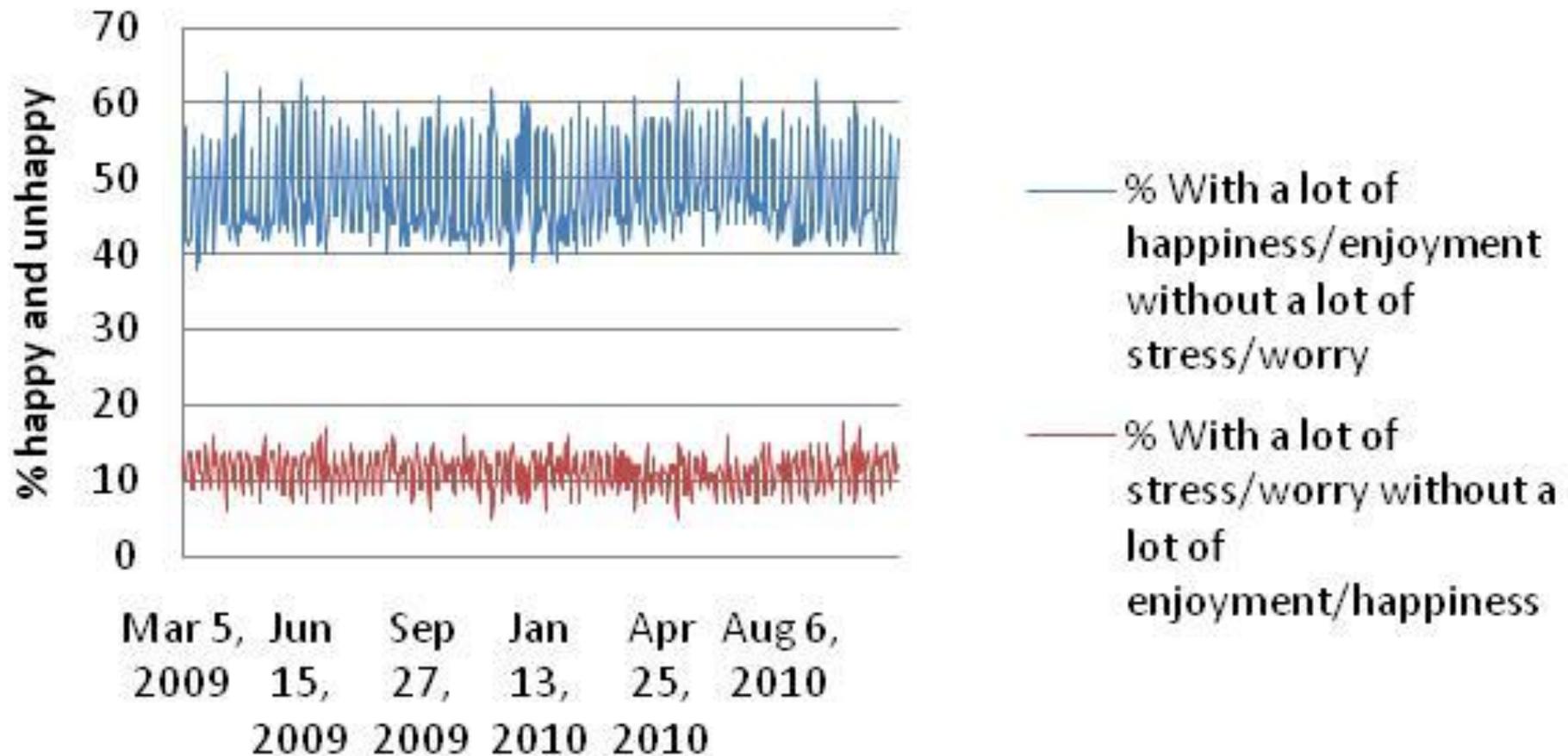


Gallup-Healthways Well-Being Index

GALLUP®

Example of sub-indices

Gallup Mood in the US index



So at the moment

- ⌘ Gallup has happiness by day, week, region, country, sub-domain, gender, etc.
- ⌘ Wellbeing in the eyes of the public is what Gallup says it is.
- ⌘ The official indices don't come close.
- ⌘ But dont count them out yet. Institutions have the power of the state behind them.....

Indices in the wings.....

- ⌘ Measures that academics talk about but are not in the public domain much, though they are also in the mix.

Episode satisfaction and DRM

(Krueger (ed, 2009), Chic Uni Press; Kahneman et al, Science 2004, 2006; Knabe et al. EJ 2010)

- ⌘ What is this? Labour intensive happiness measures that are after a discounted stream during the day.
- ⌘ They ask respondents to rate each time interval in terms of the quality of the experience (0-10 scale again, making it an *episode satisfaction*).
- ⌘ Aggregate the day by using the duration as weights to the episode satisfactions.

Snapshots of the questions....

On the next pages , we ask you to please break down your day yesterday in single episodes. Give each episode a brief name (e.g. „working“, „having breakfast“ or „shopping“) and write down the approximate times at which each episode began and ended.

Number	Episode Name	Time it began	Time it ended
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

DRMs discussed

⌘ What do they find?

- ☑ People have a higher degree of happiness during activities with their loved ones than at work....
- ☑ But they feel sadder during those leisure activities if they feel losers at work (the authors term this a 'saddening effect'), in particular when they are unemployed.
- ☑ Yet, they get the wrong results: neither income nor employment sufficiently matter on aggregate, which does not accord with choices.
- ☑ Also, non-response and partial response is huge in such studies.
- ☑ And of course the subjects are non-random (easily available students).
- ☑ So its well behind the pack at the moment.....

What are the official ones for?

⌘ Relevant for:

- ☑ Politicians. Aggregate indices might become a measure of performance of a government as well as an index they will want to manipulate.
- ☑ Statisticians. A new market for surveys.
- ☑ The public.

Aggregate indices

⌘ Some already available indices:

- ☒ Qualys: quality adjusted life years. Example: life expectancy * aggregate happiness. Other example: life expectancy * expert-rated aggregate health.
- ☒ Mish-mash: a weighted average of things that sound good. Example: 2010 human development index (UN) = geometric aggregate of life expectancy, years of schooling, and Gross National Income. Other example: Basic Capabilities Index, Green GDP, Environmentally-adjusted GDP.
- ☒ Gross National Happiness index: aggregate of various indicators of 'wellness'.
- ☒ Governments of Britain\Canada\France have announced they want to take it seriously. Many countries already measure such things (Croatia, New Zealand, Oz)

Examples of the official ones

⌘ Canada's Index of Wellbeing

⌘ Bhutan's GNH

⌘ OECD better life index. Includes New Zealand.

⌘ <http://www.oecdbetterlifeindex.org/countries/new-zealand/>

⌘ Bhutan makes up the weights based on the hunches of the minister.

⌘ The OECD allows you to choose your own weights!

⌘ Weights of what? Health, money, education, 'civic engagement'. All that good stuff.

Discussion \ opinions

- ⌘ 1. Only those indicators with big institutional backing have a chance, hence the game is to get institutional support, not academic credibility per se. For instance: Gross National Happiness has so far mainly been supported by Bhutan and the UN, and is currently getting some interest from Brazil. Kahneman is pushing for DRMs and is lobbying politicians.
- ⌘ 2. National institutions are increasingly interested in such indicators. Statistical agencies are chomping at the bits to measure them, but there is also political support to have national indices (eg. the European initiative or the Australian Treasury mission statement).
- ⌘ 3. The big requirements for successful indicators are political:
 - ⊞ They have to be costly to construct and cannot be too simple in design (so that it takes an agency to collect and so that uneducated outsiders can believe in them);
 - ⊞ The index has to relate to intuitive drivers of well-being, i.e. go up with income and health, go down with wars and environmental disasters. This is why DRMs have trouble.
 - ⊞ In many countries, the inherent subjectivism has to be somewhat hidden from view.

Futurology: what index will win?

- ⌘ From a theoretical point of view, simply life sat* life expectancy is easiest to interpret and defend. However, it is too simple.
- ⌘ Several indices are likely to co-exist for a long time, but I would expect a dominant one to emerge for EACH problem.
- ⌘ Hence I expect a dominant index to measure the wellbeing of a country in terms of what a government can do.
- ⌘ Another one to be dominant in terms of what its health service delivers.
- ⌘ Another one to be dominant for 'economic wellbeing'
- ⌘ Etc.
- ⌘ Why a dominant one? Migration, the internet, travel: we want to be able to compare.

Methodology?

- ⌘ For the main 'government-responsible wellbeing index', I expect....
- ⌘ As with GDP, IQ, inflation, and health, I expect the winning index to be a weighted average of a set of objective-looking variables that are measured over time. The weights would change over time and be different for different purposes (rural happiness, child happiness, consumer happiness).
- ⌘ As with IQ, inflation, and health, the weights will probably be anchored to some final outcome, which could be just average life satisfaction, average satisfaction from DRMs, or stated preference as to who someone wants to be: weights will be chosen to best-predict average satisfaction or the choice of vignettes (5 more years of life versus more education). This means you get a rolling prediction based on variables measured frequently, with periodic updating of the weights.
- ⌘ Since the ultimate use in this case is political popularity, the weights might be anchored to voting behaviour.

Conclusions

- ☒ Its the wild-west of happiness indices at the moment. A new one coming out every week.
- ☒ It is lead from the bottom up: demand from society to reduce the complexity of life into simple 'satisfaction' scores.
- ☒ Public agencies are way behind the 8-ball on this one. Gallup leads the issues and the rest is hobbling behind.
- ☒ Yet, over time, when these things become more and more important, expect 'official ones' to win, probably anchored to outcomes of ultimate importance to governments, like getting voted in.