

Don't worry, be happy

Professor David Chan, director of Behavioural Sciences Institute at the Singapore Management University, who is leading work on subjective well-being here, shares his views below about its relevance for Singapore, particularly in public policy.

Q: What is subjective well-being?

Subjective well-being refers to individuals' evaluations and experiences of their lives in terms of how they think and feel, so it involves both cognitions and emotions. The cognitive component refers to life satisfaction, which is our own evaluation of the extent to which our needs, wants, expectations or preferences are met. The evaluations may be about general life satisfaction or specific life domains such as family and work.

The emotional component refers to life happiness, which is about the relative presence of positive emotions such as joy and feelings of accomplishment and absence of negative emotions such as anger and feelings of neglect. It is inherently subjective because it refers to how the individual thinks and feels about his or her quality of life. We can examine subjective well-being at levels beyond the individual, such as the team, organisation or national levels.

Q: Why has there been growing interest globally, over the past decade, in measuring a nation's subjective well-being, as distinct from the standard economic yardsticks of growth and progress?

The simple answer is that many nations are recognising that standard economic measures do not capture many of the important things in life. Until about a decade ago, economic indicators have been the primary focus of policy debates. But economic indicators, which measure some aspects of a nation's growth, are meant to assess and track a nation's progress for the ultimate purpose of increasing citizens' well-being.

It has been recognised for some time now that an exclusive or even primary reliance on economic indicators is insufficient, and sometimes can even be misleading as measures of a nation's progress and well-being of its citizens. Hence, instead of using only GDP (gross domestic product) per capita, the HDI (human development index) was developed and included in the United Nations reporting system as an indicator of a nation's progress.

The HDI is a composite statistic with component measures of life expectancy, literacy and education, and standard of living in economic terms. It is an improvement over a sole reliance on the GDP because the HDI goes beyond income and attempts to look at objective

social indicators such as education to represent human capabilities and functioning which are important aspects of a nation's progress.

However, in the last decade, many psychologists, sociologists and economists have correctly highlighted that these and other so-called objective indicators are not adequate as aggregate measures of citizens' well-being in that they do not directly assess how individuals think and feel about their lives.

The problem is not that these objective indicators are irrelevant; in fact, they are correlated with well-being. The problem is that the objective indicators are inadequate. First, they are only partially valid in that they at best capture some relevant aspects instead of the core of well-being. Second, they are partially invalid in that they also capture aspects of a nation that are distinct from citizen well-being. Numerous studies have shown that although material factors predict well-being at initial levels, after a certain level of material needs are met, further increments in economic growth are not accompanied by added well-being.

Other non-economic factors such as social relationships become more important predictors of well-being. This has been found both across and within nations. So in short, the increased focus on subjective well-being is consistent with going back to the core of what a nation's progress is about, which has to include both objective and subjective measures.

Q: But aren't GDP and hard economic indicators objective measures even though they may be imperfect, while trying to track well-being, which is inherently subjective; may they be fraught with measurement problems and difficulties?

First, we need to move away from the idea that an "objective" indicator is always better than one that is deemed "subjective". It depends on what you are using the indicator for. The validity of measurement is not a fixed property that belongs to the indicator. Validity is about whether the measure indeed measures what you intend to measure, and it is about the accuracy of the inferences that you draw from the scores on the measure.

In the context of indicators, the term "objective" simply refers to the fact that the source for the data on the indicator, such as GDP or years of schooling, is not dependent on what people think, feel or perceive.

If I want to know and track the job satisfaction levels among my employees, I would use a well-developed subjective measure to ask them directly how they think and feel about



Couldn't be happier: Many policymakers are beginning to realise the importance and practical use of measures of subjective well-being

their job, rather than relying solely on some objective indicators such as their salary or number of meetings they attended.

Second, across diverse research domains and different disciplines, it is well documented that adequately developed subjective measures of cognition and emotions are predictive of actual behavioural outcomes at both the individual and national levels.

The good news is that globally, many policymakers are beginning to realise the importance and practical use of measures of subjective well-being - which many organisational leaders have long recognised with their use of scientifically-developed measures of employee well-being and engagement.

Q: Are there any established predictors of subjective well-being?

Yes. Many studies, both within and across nations, have provided evidence that subjective well-being is associated with meeting basic needs, health, stable society, positive social relationships, trust in others, volunteering and good progress towards long-term goals. Some examples of personal attributes and skills that are important to well-being are resilience, self-efficacy and adaptability, which involves the ability to make effective judgment and responses in practical situations.

Q: Is there also keen interest in Singapore in work on subjective well-being?

Yes. There are many organisations in Singapore, in both the public and private sectors, that take a keen interest in their employees' subjective well-being and their perceptions. The more progressive organisations would not only conduct regular assessments but use the feedback to improve staff engagement and morale.

My own observation is that among both politicians and civil servants at various levels, there is an increasing recognition for the need to go beyond monetary incentives and conventional economic measures to better understand subjective well-being and enhance public policy formulation and implementation.

Q: Why would it be important for Singapore to "properly" track the subjective well-being of its people?

The general answer is that inadequate conceptualisation or measurement of well-being will lead to inadequate inferences, which in turn will lead to inadequate policies or interventions.

Issues of subjective well-being and perceptions of quality of life are practically important because they create both constraints and

opportunities for the effectiveness of public policies or organisational interventions in virtually all domain areas.

Q: But how does knowing an individual's level of subjective well-being help to develop more effective public or company policies?

The major part of an individual's well-being is subjective, that is, how the individual thinks and feels about his or her quality of life. Hence, subjective well-being is critical as it considers the full range of experienced quality of life and it does not pre-determine or assume what should be or is important for the individual's well-being.

In short, good well-being research will not only provide a more accurate reading of the pulse of the people but also help identify the predictors and consequences of well-being. So it helps directly in formulating and implementing public policies or organisational interventions.

Q: What do you say to those who believe there are other more important economic goals in Singapore than focusing our energies on studying subjective well-being?

In our National Pledge, we aspire to be united so as to achieve happiness, prosperity and progress for our nation. Happiness, prosperity and progress are all aspects of the well-being of our people. To be united requires social cohesion, and social cohesion is correlated with well-being.

To me, social cohesion at the societal level manifests itself in two ways. First, in terms of trust, tolerance and positive social relationships among individuals and groups in Singapore. Second, in terms of the social and psychological compact between the people and the government - which means it includes but goes beyond economic conditions and deliverables.

It is often said that economic prosperity is fundamental to Singapore. I don't think anyone disagrees but we must never lose sight that economic prosperity is one of several pillars. You need the economic pillar and it must not be trivialised, but I don't think you can support a house for very long with only one pillar, whether it is economic or non-economic.

So it is counter-productive to frame the issue as an adversarial contest between economic and non-economic variables. You need all the pillars, and to remember that the purpose of the pillars is to support the house for the people to call it home.

Q: Will an increased focus on subjective well-being shift attention away from economic con-

cerns? No good leader will ignore economic factors, but a good leader will not focus strictly on economic factors. By the way, given that a significant part of economic conditions is beyond the leader's control, an over-emphasis on economic concerns is not the best bet for developing an effective compact between citizens and government or between employees and senior management.

On shifting attention, well, the focus on subjective well-being will re-orient the priorities of societies or organisations away from a strict or over-emphasis on economic factors.

If income is rising but subjective well-being is stagnant or falling, then citizens, employees and organisational or political leaders may rethink their personal or national priorities.

Focusing on subjective well-being does not automatically produce solutions to problems but it provides valuable information. In economically developed countries, adequate measures of subjective well-being might even be more informative than economic indicators when formulating and implementing policies in many areas.

Moreover, we are not at all saying that subjective well-being measures should replace economic measures, but that subjective well-being needs to be seriously taken into account, in addition to economic measures.

Q: Would you say the recent General Election results are, in a way, a measure of Singaporeans' subjective well-being or satisfaction with the quality of life in the country?

(Laughs) Well, any election result is an aggregate outcome of the choices of voters at the ballot box with regard to the candidates or political parties who were contesting.

Various cognitive and emotional factors enter into the judgment and decision-making process in casting that vote, and of course the voter's evaluation and experience of his or her quality of life could have a significant influence, especially if the voter is drawing a direct relationship between his or her quality of life and the choice in the vote.

But two voters with similar levels of subjective well-being could vote differently, and voters making the same choice could have very different levels of subjective well-being.

So the election results is not a reliable and valid measure of Singaporeans' subjective well-being, but Singaporeans' subjective well-being is one of several important factors that could and would influence voting behaviour - and for that matter, many other important behaviours, judgments and decisions in life.



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- Prof Chan (above)