



# Measuring Well-Being: A Tool for Regional Progress

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### Brief

Well-being indicators are increasingly used as a tool for forming public policy in many cities and countries around the world. Well-being indicators are part of a strong worldwide trend in economic research, and are now well accepted as a central tool for estimating and promoting the well-being of societies. Moreover, they are acknowledged as effective tools for governments, local authorities and civil society.

People experience essential components of well-being in their city and surrounding area, which is why measuring well-being locally, and not only nationwide, is important. Consistent measurement of well-being does not determine the agenda of the political leadership, but rather enables the implementation of accurate and effective policy aligned with constantly changing reality. In peripheral areas, well-being indicators play an especially important role on several levels: focusing social investment, reinforcing communal solidarity, involving the public, encouraging transparency, and minimizing social gaps in relation to central areas, as well as within the local area. More specifically, well-being indicators can draw attention to local advantages and unique qualities as well as needs.

In the complex world in which we live, the rigid division of bureaucracy according to department or specialty doesn't offer sufficient solutions. Multi-systemic thinking is needed in order to provide solutions for social and other complex phenomena. The use of well-being indicators enables this and presents different domains focusing on the phenomena and their expression. As such, they bring different actors across sectors into shared and effective action. As a result of the accumulated experience in the use of well-being indicators throughout the world, local authorities are now able to adapt these indicators to their local needs and capabilities in order to significantly improve the well-being of their residents.

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### Well-being Indicators – a Tool for Determining and Evaluating Policy

In Santa-Cruz, California, U.S.A., the drug and alcohol abuse of youth was successfully reduced within eight years. The program dealing with this issue combined different systems: welfare, culture and leisure, education, as well as enforcement, and was later widely adopted across the United-States. In addition, by relying on data concerning health care of families without health insurance, a decision regarding a new policy was made, and within two years the program succeeded in increasing the number of children in the lower deciles who were eligible for universal health insurance by 3.7 times (Brutschy, 2008; ASR, 2012). These are only two examples out of numerous successes resulting from using well-being indicators in the last 18 years, in Santa-Cruz.

Measurement is used as an important tool for shaping policy and controlling it, especially well-being indicators. Constant measuring of main life domains of the citizens such as health, education, and transport, is becoming one of the main innovative tools for shaping regional and local public policy.

Using well-being indicators is part of a worldwide trend in economic research. The effectiveness of well-being indicators, as compared to other measures for estimating the well-being of the human society, is gathering strength in academic settings, and among decisions makers. Classical growth measures such as GDP (Gross Domestic Product) and capital growth are agreed upon as insufficient to evaluate the well-being of societies. Moreover GDP records the development of an economy in a country as a whole, and does not necessarily account for changes in well-being of smaller scales such as a region or a community. In 2009, an official report published by the French government created a meaningful change in the way the world sees well-being indicators. The report (which was written by some of the most important macro-economists in the world) determined that the GDP is not sufficient for assessing the progress of societies. One of its specific recommendations asserted that in order to assess the improvement in a country's well-being, one has to perform a systematic measurement of community and individual well-being, and not rely only on measuring the GDP and the economy as a whole. This has become the official view of the European Union and of the OECD as well (Wallace & Scmuecker 2013; Stiglitz et al. 2010; Aslam & Corrado 2012; OECD 2011).

Well-being indicators are dashboards for decision makers driving the policy car: every driver must know how to drive at the correct speed, when to fill up gas and oil, and when to take care of problems even before the vehicle gets stuck. Each item on the dashboard measures one aspect of the car's condition, and the data as a whole enables the driver to drive safely and arrive successfully at the destination.

The dashboard metaphor opens many well-being reports, such as the Well-being Report of Carver County, Minnesota U.S.A, and it is no coincidence. A growing number of "political drivers" (city mayors and prime ministers) are using well-being indicators as a major tool for promoting public policy at different levels: internationally, nationally and locally (OECD 2013; ACOLA 2013). There are dozens of models for well-being measures available in the world today, and all of them have a similar goal: creating public policy and evaluating it by constant systematic measurement of the residents' well-being and of their attitudes towards their well-being (OECD 2011).

Different tools have been developed around the world for measuring well-being. Each one of them is derived from a different perception of measurement, and from a different way of performing and acting upon it. Currently, there is no consensus about one type of measure, and throughout the years, dozens of methods were developed from hard data to comprehensive surveys, focus groups, and tracking of social networks. There are also different schools of thought regarding processing and presenting data:

some authorities present a variety of dashboards which include much data, while others endeavor to create indexes which weigh all the data into equations, and these equations produce ranking of well-being in different domains. Yet others try to form an equation which will measure the well-being according to one single number, as with the GDP.

Some cities measure only one domain connected with well-being, such as health, and measure it over a long period of time. Other initiatives present many aspects encompassing well-being. There are countries that operate systematic national indicator programs, and there are initiatives by civil and academic bodies, or various collaborations between them and the authorities. Usually, there is a preference (both nationally and regionally) for various dashboards, rich with data, in order to view both the details, and the bottom line. Decision makers prefer to work with multiple indicators for their unique needs, thus presenting the different data in order to highlight their successes over time (OECD 2011, Lawless & Lucas 2011, Larson 2010).

Indicators have been used as a tool for determining policy for a few decades, but usually the measurement is of the implementation of a specific policy and its products, rather than of the well-being of the residents. In other cases, you can find measurements of well-being, but not a comprehensive one. For instance, in the Israeli example concerning a network of healthy cities. Each authority that joins the network prepares a local health profile, and accordingly defines goals for reducing gaps in the health domain (Healthy Cities Network 2011).

Naturally, the process of measuring well-being demands a great deal of investment, yet a growing number of countries, cities, and municipalities are creating their public policy according to well-being indicators and the goals that derive from them. One can attribute this to the substantial effectiveness of the process itself, and of course to its products. This is how public policy which is data-based and connected to the community is formed.

Some countries have made well-being indicators a central tool:

In Australia, the Australian Bureau of Statistics publishes the MAP (Measuring Australia's Progress), which presents reliable and agreed up on well-being indicators in Australia. Published annually, the report includes data on the various domains of life such as welfare, health, education, personal security, etc. The MAP enables an evaluation of government policy regarding each goal, and a presentation that indicates whether each goal defined by the government was achieved. In Scotland, in 2007, a unique model was established, and launched by an inter-ministerial group for measuring well-being (NPF –National Performance Framework). Its intention is to examine residents' satisfaction. In a relatively short period of time, the indicators in Scotland have dramatically changed the way the government operates, as well as its specific policies. Currently, it aims to minimize in advance undesirable phenomena. The success, both in Australia and Scotland, is based on setting measurable goals at the heart of public activity, and on adapting bureaucracy to the desirable solutions, and not vice versa. Thanks to the multi-systematic perspective, the NPF in Scotland has managed to create different collaborations between various authorities working towards the same goal, such as connecting health, education and welfare authorities in order to promote public health (MAP 2012; Wallace 2013).

In spite of the relatively successful work of the MAP, Australia is aiming to develop local initiatives that will enable a wider follow up on well-being indicators at the regional level, based on the understanding that measuring well-being is a work tool relevant for the local government as well (ACOLA 2013; MAP 2012). In Scotland gathering regional level data has begun. In fact, in most parts of the world measuring well-being is aimed towards local and regional aspects.

### Measurement - why measure at regional and local levels

Residents experience their well-being at the regional level, i.e., their local area. Thus it is important to measure regional well-being, in addition to that of the country. In a survey conducted in Europe, citizens of all European countries attributed a greater meaning to regional well-being, as compared to the national level, and their personal well-being. Residents estimate their regional well-being according to services rendered to them locally. That is the case even when the budgets for education or health come from the government. It is especially apparent in noneconomic measures such as personal security, and sense of community and of belonging, though it is found on other measures as well. Consequently, the European Union, the U.K., the U.S.A. and the OECD, are all using regional measuring of well-being (Aslam & Corrado 2012; ACOLA 2013; Larson 2010; OECD 2013, Bagstad & Shammin 2012, Wallace 2013).

Mayors and leaders of municipalities do not govern over every aspect of life in their region, but they can influence it, or they can communicate the local needs to the national level. The city and the region are the levels at which citizens are provided with just about all the services needed. Often, it is also the place where these services are planned, hence the city and the region have to take part in planning the public policy appropriate to the local setting (Bradford 2005). At the regional level, unique phenomena that interferes with well-being can be identified and profoundly dealt with, in order to develop effective solutions. That is the region's advantage over national level where the regional situation is examined in "a bird's eye view"<sup>1</sup>.

Measuring regional well-being is not simple. It demands many resources and long term planning which the political system cannot always contain. In the past, the complexity of the process led to its halt in some places, or to focusing on one life domain such as health or education and so forth (Greenwood 2002). Another issue concerning the process of measuring was poor quality of data. Reasons for that can concern resources, using non-representative samples, or the fact that some of the national level data does not exist at the regional level. Currently, thanks to knowledge gathered worldwide, there are an array of methods designed to overcome the challenges of gathering information concerning well-being, which manages to create measures of regional well-being, including comprehensive credible dashboards (Wallace & Scmuecker 2013).

In the political system, one of the main concerns regarding well-being measures is the frustration that can arise if the measurement points at areas in which the municipality's capacity to change things is limited, such as health or education. Therefore, when starting a process of measuring well-being, the main challenge is to define the domains and the indicators that can be effective at the local level, and which can reflect success along the way. Another essential dimension to take into account is creating collaboration between different bodies such as government, local authorities, civil society, and the business sector, in order to enable an effective policy.

In Virginia, USA, well-being indicators are a political initiative performed at the regional level. The state encourages comparison between regions, and collaboration between the state, local, and regional authorities enables an improvement in well-being in each region, according to its unique needs, and not according to central government instructions.

In Canada, quantitative national measuring has been established since the 1980s. With time, the measurement has evolved to well-being measures. Along with that, understanding the meaning of regional measurement, a rich vast array of regional and municipal well-being indicators were developed. A program named VITAL SIGNS, for example, was designed to allocate local funds that promote policy according to the indicators. As independent bodies, the funds hold close contact with local authorities, and define social investment policy once every five years according to information gathered from the residents themselves (Wallace & Scmuecker 2013 OECD 2013).

1 for further information: <http://www.theinstitute.org.il/files/pictures/articles/mizuy2012.pdf>

### Well-being Measuring- A tool for Advancing Peripheral Areas

Professional measuring of well-being is of special importance for peripheral areas. In the inherent competition between peripheral and more central areas, measurement of well-being helps to narrow the gaps and highlight the peripheral regional advantages in the following ways:

**1) Focusing investments:** public policy is more complex and diverse than it ever was. Limited resources stress the great importance for the peripheral authorities to focus their investments. Measuring well-being enables focusing on domains in which residents can feel the improvement as most influential, identifying in which domains of life the residents feel a greater need for improvement and investment. In addition, last, but not least, measuring well-being enables identifying where one can decrease investment and when one can change it in light of changing reality or change in residents' needs. The ability to identify the features of needs and tend to them influences the effectiveness of well-being indicators, and of the policy resulting from it.

In the USA-Mexico border a combined project of measuring well-being by local government with universities from both sides of the border is taking place. The decision to conduct a joint well-being indicators project evolves from the mutual influence both sides have on each other. These indicators portray over time which life domains are mutually affecting both sides of the border, and how an increase or decrease on one of the sides can influence the other. In terms of policy, it informs the authorities to which domains they should attend in order to improve residents' lives (EPA 2012, Collins et al. 2005).

For example, health indicators on the Mexican side show higher satisfaction than on the American side, while personal security and trust in police officers show the opposite. This allows for mutual learning and improving.

**2) Collaboration, community and solidarity:** when parents, teachers, and social organizations provide information on the education system, they can see that information creates new policy; when a new regional clinic is established and the residents feel part of the process that has brought it about, an added value for well-being is created. All current studies indicate that involving the public is a vital component in measuring well-being, and that local use of well-being indicators reinforces the connection of the residents to the region and the community (ACOLA 2013, OECD 2011). Empowering the community is essential especially to peripheral areas, where solidarity and communal uniqueness are significant and influential. In a comprehensive comparison of different measures performed by Wallace and Scmuecker 2013, findings indicated that well-being indicators that were based on collaboration between municipalities and the public were more successful than other indicators chosen, with the important advantage of connecting the residents to a shared vision. Leadership and shared vision are the first step for every process of well-being indicators, enabling the process that connecting the area, and creates connections amongst them.

In the Headwater project, a regional initiative in Ontario Canada, well-being indicators start in the community, with activists gathering information from the residents and translating them to a continuous follow up. A process of this kind enables local authorities to develop solidarity and gain support from the public as they deal with issues raised by the residents themselves. For example, in 2008, when health was marked as one of the measures that concerned the residents most, the authorities increased the number of positions open for doctors by 44%, and invested more in health services. This success received a high profile and positive attention two years later (HCLA 2012).

In Santa-Cruz, USA, well-being indicators include a comprehensive process involving the public, in which goals for social improvement are set together with public representatives. For example, goals for 2015 were defined together with more than 1,000 residents and stakeholders in the county (ASR 2012). The grounded data and the strong legitimacy due to the scale of public involvement, enables stakeholders to promote legislation and new initiatives, turn to federal authorities for collaboration, and recruit additional budgets for the local authority (Brutschy & Zachary, 2008).

**3) Managing changes:** Measurement enables identification of social and cultural changes that influence the area, and points out problems that otherwise are not tended to. It creates a stream of knowledge for the political and civil leadership about preferences and attitudes of the resident. In the long run, indicators enable the marking of different trends and the development of multi-system tools for managing them. Keeping track of changes enables the identification of these trends in time, and in peripheral areas help authorities to react in time, before small problems evolve into big ones.

In the Vital Signs project in Canada, using well-being indicators helped the authorities uncover up-to-date problems that were not raised through other channels of communication with the public. That is how the political leadership discovered the public concern over the increasing level of violence in Toronto, and how the phenomenon of professional immigrants that do not find work in peripheral cities was revealed. Identifying these problems helped the local government develop regional coping methods, measure the productivity of these tools over time, and publically exhibit the success. These effective successes to duplicating the policy in other places as well (Wallace & Scmuecker 2013).

In Santa Cruz, USA, a new policy was implemented for the first time for dealing with homeless people, after a large increase in their number was noted. In another case, actions against rape were taken, a crime whose growing rates were discovered through data gathered from the public. The police did not identify the issue beforehand (ASR 2012, Brutschy & Zachary, 2008).

### Keys for Successful Regional Well-being Measurement

Over the years there were quite a few success stories resulting from well-being indicators. Based on the knowledge accumulated from these success stories, five keys can be identified, to create an effective measuring process.

1) In our complex reality, the strict bureaucratic division according to departments or expertise is no longer suitable. In order to find solutions for social phenomena, creative multi-system thinking is required. For example, when dealing with the phenomenon of disconnected youth, the solution is not found only in the education system, or with the police or the welfare departments, or civil society. There is a need for a holistic perspective and collaborations. In order to achieve that, a broad multi-system policy is needed. Using well-being measures enables exactly that, because the measurement focuses on the phenomena and their features, and is not necessarily limited to the perspective of one single authority (ACOLA 2013).

In Santa Cruz, USA, a 'hero' is designated for each well-being goal that is chosen. The hero is a person holding an official regional position, and is responsible for keeping track of the desired goal and fulfilling it, as well as serves as a link between all offices that take part in implementing the policy. While the designated hero belongs to a specific department, it is his/her responsibility to make sure that all departments will act as part of the joint policy, and not vice versa, thus creating a situation in which there is a defined and clear responsibility for each initiative, without the policy being subjected to regional/local government bureaucracy (ASR 2012).

2) **Vision, planning, and shared leadership:** In each of the measuring programs that had a successful influence, there was a combination of comprehensive planning with vision, and joint leadership of a wide range of groups and communities together with local government leaders. Harnessing many responsible bodies in society, and the community, is a key to the success of a well-being indicator process. That is the case both in focused intermediate-range process, and in long-range process. In this day and age, in which there is a growing demand for transparency and sharing with the public, process can benefit from civil involvement, and all involvement of this kind adds to the value of the measurement (Taylor et al. 2011, ACOLA, Wallace & Schmucker 2013).

3) **Focused measurement aids in shaping regional change and making it a success:** Taylor et al. review three successful regional plans across the USA. All three focus on measuring one domain of well-being – education, poverty and so on. None of them measured domains of life as a whole. The writer's hypotheses is that focusing helps the success of these plans by enabling the investment of the essential resources needed for professional measuring, and by developing effective, concentrated solutions.

In Cincinnati, Ohio, USA, five goals were chosen for improvement in the domain of education. The municipality, society, and professionals shared the decision. In light of the goals, 54 indicators were defined, that would reflect the desirable outcome. Schools, colleges, community centers, and other bodies evaluated themselves according to the indicators and a comprehensive, consistent policy was formed. Within three years, forty out of fifty-four indicators showed improvement. Not only did the measurement reflect the success, it also focused the system as a whole, in achieving the goals, and provided an updated view of the situation in real time (Taylor et al 2011).

4) **Round table and cooperation of different sectors:** different factors help reinforce initiatives for well-being measurements and their benefits: inclusion of civil initiatives and academic ones, involvement of community elements, and cooperation with the business sector. Well-being measures enable the creation of a vast network of connections, the gathering and passing on information, and the motivation for action. The mere fact of connecting different elements in the community through well-being indicators is an advantage of huge importance. Sometimes, when an academic body or a non-government body leads the process of well-being measurement, it is considered more credible, and is more influential, than when the process is led solely by government.

In the Canadian Index of well-being, designed by Waterloo University, the political leadership gave the university the responsibility to produce the index. The strong credibility of the academic institute made the carrying out of the policy following the measurement more legitimate in the eyes of the public. The political leadership gained some credit due to the academic involvement (Wallace & Schmucker 2013).

5) **Pooling of resources, and using existing national and academic information resources:** using credible information based on national well-being indicators, can be used to produce effective regional measures, and save resources. The means that can make the measurement more efficient, and turn it into an achievable regional project are: use of social networks, reliance on public systems such as the education or health systems, and collaboration with local research centers.

As we have demonstrated, the use of well-being measures is an increasing worldwide phenomenon that, apart from being an alternative means for measuring the economic growth and welfare of societies, is used as a tool for creating effective policy and implementing it. In peripheral areas, well-being indicators can have a major role in narrowing social gaps with regard to the center and within the region itself. Well-being measures highlight the regional benefits and illustrate the changes, as well as successes that occurred as a result of using them. They illustrate the work that has to be done for creating a better, viable life for all people living in the region.

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