

# *Analyse Subjective Wellbeing*

## *-Based on Definition, Measurement, and Limitations*

Wenxin Zheng<sup>1,a,\*</sup>

<sup>1</sup>*School of Social Science, University of Manchester, Manchester, United Kingdom*

*a. wenxin.zheng@student.manchester.ac.uk*

*\*corresponding author*

**Abstract:** The literature on subjective well-being (SWB) is evaluated in three sections: definition, measurement, and limitations. Subjective well-being (SWB) is a branch of psychology that studies people's assessments of their lives. Researchers have been investigating the idea of employing subjective well-being measures for potential policy implications since the inception of happiness economics. Despite the growing body of literature on the issue, no unambiguous definition of subjective well-being or indices such as life satisfaction or happiness exists. These assessments may be purely cognitive (e.g., life satisfaction or marriage satisfaction) or may consist of the frequency with which people feel positive emotions (e.g., pleasure) and bad emotions (e.g., sadness, as evaluated by the experience sampling approach). Researchers in the discipline are attempting to comprehend not just undesired clinical situations, but also distinctions between persons in terms of long-term well-being. The paper provides a brief summary of studies on SWB defining, measurement, and limitations in SWB reporting.

**Keywords:** Subjective wellbeing, happiness, measurement, limitation

## **1. Introduction**

Subjective well-being (SWB) is an intersection subfield of economics and psychology that investigates people's perceptions of their lives [1]. A substantial body of research in behavioural economics and psychology reveals that people frequently make contradictory decisions, are unable to learn from their mistakes, are reluctant to trade, gauge their level of satisfaction by comparing it to that of others, and deviate in other ways from the conventional paradigm of the rational economic agent. Individuals' choices may not always represent their "true" preferences if they exhibit restricted rationality when it comes to maximising utility. As a result, it becomes less appealing to rely just on choices to determine what individuals seek. If they can be conducted reliably, direct reports of subjective well-being can help measure consumer preferences and societal welfare [2].

It is challenging to describe and much more so to quantify well-being. Subjective and objective indicators are the two main categories into which well-being metrics may be divided. First-class metrics including economic, social, and environmental indicators are used to gauge well-being. Cardinal measurements are used to assess people's well-being. Conversely, subjective well-being measurements directly reflect people's actual experiences or sentiments. They use ordinal metrics to gauge well-being [3].

Well-being has frequently been associated with a nation's material status as determined by its Gross Domestic Product (GDP). However, since GDP cannot fully account for all facets of human existence, it has become more and more apparent that additional measurements are required. To capture social and environmental components that the GDP was unable to include, new indicators and datasets were developed. These comprised metrics tracking success in school, health, and environmental deterioration. In recent times, researchers studying wellness have integrated insights from behavioural sciences and psychology, pushing the frontiers of economics. As a result, the body of research on subjective well-being—more popularly known as "happiness"—has taken off [3].

This paper begins with the introduction of subjective wellbeing. As well as the concept of subjective wellbeing in section 2 including the generally accepted definition of SWB, its relationship with happiness. After that, section 3 will discuss the measurement of SWB and its development. Then, section 4 will focus on how SBW can be applied and the limitations of it. Finally, section 5 will lead to a conclusion review about Subjective wellbeing.

## **2. Subjective Wellbeing (SWB)**

### **2.1. Wellbeing and Happiness**

Happiness has historically been determined by outside standards like morality or purity. Coan examined the various ideas about the perfect state that have prevailed throughout history and across cultural boundaries. Normative definitions conceptualise happiness as having a desirable attribute rather than as a subjective condition. Since they specify what is desired, these definitions are normative. This kind of happiness is measured by the observer's value system rather than the actor's subjective assessment. Tatarkiewicz provided a similar definition of happiness that emphasises the need for achievement to be measured against a benchmark [2].

The subject of what causes people to have positive life evaluations has been the focus of social science research. The phrase "life satisfaction" refers to this notion of subjective well-being that uses the respondent's standards to define what constitutes a good life. A similar definition of happiness is the harmonious fulfilment of one's aspirations and objectives. This notion of pleasure and SWB are associated if one is worried about the other person's evaluation of it [2].

A definition of happiness that indicates a greater proportion of positive affect than negative affect is the most similar to how the term is used in common speech. Pleasant emotional experiences are consequently emphasised in this notion of subjective well-being. This might indicate that one is prone to feel happy feelings whether or not they are present at the moment, or it could signify that the individual is experiencing a lot of happy emotions during this stage of life [2].

### **2.2. Definition of Subjective Wellbeing**

Dolan defines the term Subjective Wellbeing (SWB) as the feelings, sensations, and opinions that stem from people's deeds and cognitions, as well as their assessments of life's meaning and purpose [4]. These include not just an individual's psychological condition, which can encompass a wide range of mental health difficulties, but also their financial position, employment, and involvement in sports, cultural events, creative endeavours, and other activities. The outcome of judging SWB is influenced by a variety of discrete, contextual aspects, including our activities, surroundings, and attentional focus [5].

Subjective well-being may be defined by three criteria. It is subjective, to start. Campbell asserts that it is a matter of personal experience. It is noteworthy that definitions of SWB do not include required external criteria like wealth, virtue, comfort, or good health. While these circumstances are thought to have the ability to affect SWB, they are not thought to be an essential component of it [2]. Second, social scientists have focused on what causes people to view their life positively. If one is

concerned with the individual's appraisal of this, it definitely fits within the category of subjective well-being and is a notion associated to contentment. A third definition of happiness is a majority of good affect over negative affect, which is closest to how the term is used in ordinary conversation [2].

When an individual's expectations are positive and supportive of their life goal, and their physical and psychological needs are satisfied in the moment, they feel like they are in a state of wellbeing. It includes people's experiences meeting demands in a community, from the most fundamental to the most unnecessary, as well as the viability of goals and their timely realisation. A person's life quality is influenced by a multitude of things that make up their overall well-being, which includes everything that leads to happiness and peace for humans. Although it cannot be directly witnessed, social welfare may be conceptualised, measured, and contrasted over time and location [6].

All other possible experiences, feelings, and events in life are explained by SWB. These include people's financial situation, employment, participation in sports, cultural events, the arts, and other activities, as well as their thoughts, which can include a wide range of mental health issues. Our environment, our actions, and the things this paper pay attention to are all separate, explanatory factors that contribute to the ultimate result, which is Subjective Wellbeing [5].

### **3. Measurement and development of SWB**

#### **3.1. Measurement of SWB**

Happiness can be defined in this report as 'the extent to which an individual evaluates the overall quality of his life in a favourable view,' or, to put it another way, how much one enjoys the life one leads. Happiness therefore falls under a broader category of subjective evaluations of life, which are commonly referred to as Subjective Wellbeing (SWB) [7].

Considering the concept of SBW given above, asking someone for their assessment of their personal happy condition is an apparent approach to gauge it.

When measuring happiness for social science reasons, it is typically done as part of a "survey" when a large number of individuals respond to the same questions, either in-person or via online questionnaires. This strategy requires adjustments to the way questions are presented to the respondents; usually, questions are responded to by choosing from a restricted set of response alternatives [7].

One or more closed questions with a finite number of response alternatives are posed to every member of a sample deemed representative of the study's target population. The question and its response alternatives taken together constitute what is known as the main scale of happiness measurement. Approximately one thousand of these scales are included in the so-called "Measures of Happiness" collection of the World Database of Happiness (abbreviated WDH) [7].

For example: "'Low' scores range from 0 to 4. 'Medium' scores between five and six points. 7–8 points make up the 'High.' 9–10 = 'Very High' scores.

In general, what level of happiness did you experience yesterday? A score of 0 indicates "0% happiness," while a score of 10 indicates "100% happiness."

#### **3.2. Development of SWB**

However, individuals may respond differently to queries about their subjective well-being depending on their circumstances and other variables. Numerous results on SWB might point to the importance of attention or a cognitive focus on specific elements of a scenario. Both the experience of life and the process by which people respond to inquiries on their overall level of happiness with their circumstances depend on their ability to pay attention. According to this theory, a crucial process of adapting to events like winning the lottery or becoming paraplegic is that these circumstances take up a decreasing amount of an individual's attention over time as they eventually lose their novelty.

The parts of life that come to mind and grab that person's attention at that moment influence the responses that an individual provides to a global retrospective query [8].

However, the U-index, or the percentage of time spent in an unpleasant emotional state, may be a potential indicator of a significant aspect of societal well-being [8]. The U-index is based on an ordinal measure of feelings at the episode level, which lessens the influence of individual variability in the use of scales and is essentially related to time allocation, even if it only focuses on one aspect of reported sentiments. These factors make the U-index especially useful for cross-national comparisons, which might be skewed by linguistic or cultural variations in how respondents respond to common satisfaction surveys. It can be surmised that many policymakers are more at ease with the notion of maximising a vague definition of happiness than they are with the idea of minimising a particular concept of suffering [8].

## **4. Application and limitation of SWB**

### **4.1. Application of SWB**

The contributing variables of happiness can be studied to inform policy. For instance, the degree to which a policy alters happiness levels may be used to assess how it affects employment and inflation. A strategy that minimises the loss of happiness can be chosen by analysing the happiness trade-off between unemployment and inflation. Since institutional settings can affect happiness, it may be preferable to increase social cohesiveness, accountability, and transparency to improve subjective wellbeing [3].

### **4.2. Limitation of SWB**

Rival perspectives diverge over the specific circumstances that determine whether an individual is considered well-off. According to certain perspectives, happiness is only possible when there is pleasure and no misery. Some perspectives, however, go beyond this and define well-being as a range of mental experiences as opposed to only pleasure. This is where some theories draw the line, defining well-being as the existence of a suitably expanded range of mental states. However, other perspectives expand the definition of well-being even more, positing that it is partially defined by circumstances that are "external" to an individual's experiences and do not inherently represent mental processes [9].

Together, they tell a rather straightforward tale whose plot can be summarised as follows: initially, there is an attempt to expand the concept of well-being from a narrow to a broader one; however, the argument that the resulting notion is too broad forces us to return to a narrower conception [9].

Well-being indicators have drawn a lot of criticism as a wellbeing indicator, even though they can provide fresh insights for economic study and policy. This paper may conclude that while both objective and subjective metrics are valuable for gauging well-being, no one metric should be relied upon to provide a comprehensive picture of people's well-being [3].

## **5. Conclusion**

Subjective well-being is a field of applied study that is expanding quickly. SWB measures seem to have sufficient validity to support advancement in the field. In developed countries, people's subjective well-being is generally positive, however, individual differences exist in terms of life satisfaction, and pleasant and unpleasant affect. Temperament has been identified as a major factor in the individual variability in SWB, while other possible explanations have also been investigated. Goals, cognitive styles, and activities are all possible sources of SWB impact. External factors are frequently less significant to SWB than is commonly thought, most likely because people only partially adjust to them. However, stark disparities in circumstances, such as those found between the

richest and poorest countries, seem to have an impact on SWB. Values are associated with good SBW in that persons who are participating in goal activities that they believe are significant are more likely to have emotions of well-being.

While quantifying SWB has been criticised for being a welfare metric, it can also provide fresh insights for economic study and policy. This research may conclude that while both objective and subjective metrics are valuable for gauging wellbeing, no one metric should be relied upon to provide a comprehensive picture of people's wellbeing.

Unlike single objective measures like GDP or composite indices like the HDI, which have had several complaints for their measurement and methodology, happiness indicators have certain issues in terms of their reliability, validity, and cross-national comparability. These issues, however, can be minimised by proper survey design or suitable measuring methods.

However, since this report is written with a critical literature review method with secondary sources, it lacks practical research and real-life data. Further research could evaluate the effectiveness of subjective wellbeing in measuring the whole economy and policies through empirical studies. More criteria leading to subjective wellbeing deviations such as marriage, cultural differences, environmental quality, and educational background could be assessed.

## References

- [1] Diener, E., Suh, E., Oishi, S. (1997) *Recent findings on subjective well-being*. *Indian Journal of Clinical Psychology*, 24(1), 25–41.
- [2] Diener, E. (1984) *Subjective Well-Being*. *Psychological Bulletin*, 95(3), 542–575.
- [3] Pedro, C., Romina, B. (2017) *Measuring Subjective Wellbeing: A Summary Review of the Literature*.
- [4] Dolan, P. (2015) *Happiness by design: Change what you do, not how you think*. Penguin.
- [5] Dolan, P., Kudrna, L., Testoni, S. (2017) *Measuring Wellbeing Series*.
- [6] Reyes-Blanco, O., Franklin-Sam, O. R. (2016) *Teoría del bienestar y el óptimo de Pareto como problemas microeconómicos*. *La Calera*, 14(22), 50–56.
- [7] Kalmijn, W. (2014) *World Database of Happiness Measures of happiness Introductory text 3 METHODS FOR MEASUREMENT OF HAPPINESS*.
- [8] Kahneman, D., Krueger, A. B. (2006) *Developments in the Measurement of Subjective Well-Being*. *Journal of Economic Perspectives*, 20(1), 3–24.
- [9] Kagan, S. (1992) *The Limits of Well-Being*. *Social Philosophy and Policy*, 9(2), 169–189.