

# E X C H A N G E

## Happiness as a Societal Value

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### Executive Overview

There has been a tremendous growth in research related to happiness and well-being in recent years, and an influential stream of this research has concerned itself with international differences in happiness. Our goal here is to describe some of the reasons happiness research is important to organizational researchers for both theoretical and practical purposes. We also describe significant methodological issues that should be considered when assessing these relationships at the group level. Finally, we provide suggestions for future research that might productively integrate insights from the organizational literature into happiness studies.

The focal article by Blanchflower and Oswald (2011) introduces organizational researchers to a growing field of inquiry regarding national accounts of happiness or subjective well-being (SWB). In so doing, these authors argue that there will be a need to integrate research across a variety of disciplines. There are many avenues in which the economic, medical, psychological, and sociological literatures on happiness can inform organizational scholars. One such avenue is policy: Increasingly, SWB researchers have concerned themselves with policy, as evidenced by the Stiglitz Commission's work (2009).

There is much that organizational scholars can learn from, and contribute to, this discussion, since they are especially familiar with issues related to the measurement of SWB at individual and collective levels, factors that contribute to SWB at work, and ways that SWB at work contributes to general satisfaction. Below, we discuss some of the reasons we believe that happiness is a topic worthy of study, the logic behind happiness research as a means of informing policy, and cautionary notes on the use of happiness research for

public policy. We conclude with future research discussions that make use of a variety of disciplinary perspectives.

### Why Happiness Is Worthy of Study

Scholars note that humans have long striven for happiness. Similarly, organizational researchers have long pursued the topic of individual SWB under a variety of labels, including satisfaction and positive affect at work. There are also applied reasons for our interest in happiness.

### The Importance of Happiness as a Societal Value

The movement to track happiness as a measure of societal functioning is based on a long history that spans multiple philosophical traditions (Kesebir & Diener, 2008). In ancient Greece, Aristotle (2000) centered his *Nicomachean Ethics* around the pursuit of happiness. The *Dhammapada*, from India, devotes a chapter to the topic of happiness, and describes the ultimate end of a virtuous life as the attainment of lasting happiness (*Dhammapada*, 2000). The Chinese philosophical systems of Confucianism and Taoism espouse various meth-

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ods by which both individuals and social leaders might create transcendent happiness for themselves and others (Lu, 2001). The medieval scholar St. Thomas Aquinas proposed that happiness was man's "last end" and the ultimate goal of the rational being (Aquinas, 1947). Comparatively more recently, Pascal (1669/1995) noted: "All men seek happiness. There are no exceptions" (p. 45). The 18th-century utilitarian philosopher Jeremy Bentham identified happiness as the greatest good (Bentham, 1823). These are just a few examples of the enduring importance scholars have attached to happiness through the ages and across cultures.

Happiness has also been a central issue in organizational research, albeit under a variety of names. Without a clear conceptual understanding of the goals of human activity, it is difficult to develop theories related to topics such as goal striving or self-regulation. Thus, motivational researchers sometimes invoke the idea of SWB in developing their theories (e.g., Ryan & Deci, 2001). This motivational research adds nuance to the economic literature on utility maximization because direct measures of a variety of markers of SWB are used to assess goals for human activity. The voluminous research on job satisfaction is also directly related to SWB at work. For example, Locke described job satisfaction as a "pleasurable emotional state resulting from the appraisal of one's job as achieving or facilitating one's job values" (Locke, 1969, p. 317).

While most organizational research concerns SWB in the context of work, the type of generalized SWB often studied at the national level has also been a dependent variable for organizational researchers. The organizational literature on goal setting has been applied to the examination of life satisfaction, with results suggesting that attaining intrinsically valued goals does contribute to SWB (Judge, Bono, Erez, & Locke, 2005). The tradition of job satisfaction research has also extended beyond the walls of organizational life and shown that job and life satisfaction are closely related to one another (Judge & Watanabe, 1993; Tait, Padgett, & Baldwin, 1989). This body of research suggests that SWB is relevant as an outcome for organizational research, and that public policy re-

searchers interested in SWB should take note of the considerable body of research from organizational scholars showing that work can be a source of general happiness.

### **Happiness Has Important Applied Consequences**

Besides the intrinsic interest in happiness and the theoretical implications of happiness research, there are also applied reasons that scholars should concern themselves with SWB. After a long period of skepticism, meta-analytic research demonstrated that there is a significant correlation between job satisfaction and performance at work (Judge, Thoresen, Bono, & Patton, 2001). Individuals in positive moods generate more associations among constructs and think about problems in more flexible ways (e.g., Isen, Daubman, & Nowicki, 1987). Conversely, individuals in negative moods report lower expectancy, instrumentality, and valence for rewards, and these detriments in motivation lead to lower levels of performance (Erez & Isen, 2002). Other research shows that individuals who experience negative moods are more likely to engage in deviant work behaviors (Glomb, Steel, & Arvey, 2002) and engage in work withdrawal behaviors (LeBreton, Binning, Adorno, & Melcher, 2004).

In sum, organizational scholars have many reasons to be interested in the growing body of research on happiness. However, simply recognizing that happiness research should be of interest to organizational scholars is not the same as demonstrating that national happiness research currently has anything to say to organizational researchers. In the next section, we consider the logic behind using current happiness research to inform national and organizational policy.

### **The Logic Behind Policy Implications of Happiness Research**

If it is the case that happiness is a goal toward which individuals aspire, can policy makers fruitfully make use of happiness research? There are several issues that must be resolved before one can suggest that policies should be directed toward increasing happiness. Namely, it must be established that (a) happiness can be measured, so the

success of interventions to increase happiness can be gauged; (b) happiness can be evaluated as an end in itself; (c) happiness is linked to valued outcomes; and (d) there is a meaningful method by which measures of happiness can be aggregated to the national or cultural level. In this section we will review the available evidence regarding these four issues.

### **Measuring Happiness**

In response to the question “Can happiness be measured accurately?” the answer appears to be affirmative. There are strong relationships between measures of SWB and physiological measures (Larsen & Fredrickson, 1999), and as Blanchflower and Oswald (this issue) note, physiological measures such as blood pressure can serve as reasonable proxies for self-report measures of SWB. There are also high levels of convergence between self-report questionnaires, interview ratings, peer reports, and memory for pleasant and unpleasant events (Sandvik, Diener, & Seidlitz, 1993). Although positive affect, optimism, and self-esteem are distinct concepts, these various measures of SWB do show considerable relationships with one another, and also tend to be relatively consistent within individuals over time (Lucas, Diener, & Suh, 1996).

### **Happiness as an End in Itself**

As previously noted, happiness has long been valued as an end in itself. Modern survey methods reveal a similar importance attached to happiness as a goal. On a scale from 1 (“not important”) to 7 (“extraordinarily important and valuable”), college students in 41 nations rated happiness at 6.39 (Diener, Sapyta, & Suh, 1998). Other research shows that respondents to a survey saw happiness as more important in judging quality of life than either wealth or moral goodness (Diener, 2000; King & Napa, 1998). Happiness is also associated with a sense of personal meaning. Longitudinal research shows that both experimentally induced positive moods and the daily experience of positive mood states is strongly related to perceptions of greater meaning in one’s life—in other words, it appears that being happy makes people feel that their lives have greater meaning (King, Hicks, Krull, & Del Gaiso, 2006).

### **Social Outcomes of Happiness**

What are the consequences of happiness for society? Although we typically think of SWB as a dependent variable, it is also worth thinking about the outcomes of happiness. Because task performance is such a crucial concern for organizational researchers, there has been a long tradition of investigating the hypothesis that a happy worker is a productive worker. Although disentangling causation is difficult in field research, there is some evidence that individuals who are in positive mood states are more productive (e.g., Zelenki, Murphy, & Jenkins, 2008). This insight suggests that improving individuals’ SWB might lead to improvements in national gross domestic product (GDP), which in turn could further increase SWB in a virtuous circle.

Besides productivity, there are numerous other positive outcomes of happiness. Much research at the individual level of analysis is informative in this regard. Personal happiness is negatively related to the experience of physiological illness, with some studies even suggesting that individuals with higher levels of positive affect have more robust immune systems and are less sensitive to the symptoms of illness (Pressman & Cohen, 2005). There is also evidence that individuals who are exceptionally low in SWB are more likely to later commit suicide (Koivumaa-Honkanen, Honkanen, Koskenvuo, & Kaprio, 2003). A happier society may even be a more helpful society, as research suggests that individuals who are in more positive moods are more helpful toward others (e.g., Carlson, Charlin, & Miller, 1988; George, 1991). Thus, there is ample evidence from the organizational and psychological literature that happiness can produce a variety of desirable outcomes. However, the question remains as to whether it makes sense to study these same variables across nations.

### **Measuring Collective Happiness**

In contrast to the general consensus on the feasibility of measuring individual happiness, there has been controversy on the question of whether collective happiness can be measured.

Linguists note that the meaning of the word *happy* varies considerably across cultures, and with cross-language international studies we may be capturing linguistic differences between cultures rather than differences in the policies enacted in various countries (Wierzbicka, 2004). It is true that some research suggests that cross-cultural differences in happiness are not merely due to linguistic nuance (Diener & Oishi, 2004). Still, because of the strong correspondence between language and nationality, there are concerns about comparing the average endorsement of certain words across nations that might have subtle differences in translation. This is an area that will likely require continued study before a satisfactory resolution is achieved.

Even if cultures agreed absolutely on a definition of what “happiness” is, there are problems in developing estimates of the average level of happiness in a society. There is considerable variability within groups in affective variables such as happiness. To say that one nation or culture is on average “happier” than another underemphasizes the extent to which the distributions of happiness between nations tend to overlap. Even supposedly collective variables such as cultural values vary considerably within nations. In the same way that there are many collectivists even in individualistic nations like the United States and many individualists even in collectivist nations like China (e.g., Bond, 2002), there are many unhappy individuals in nations reporting high average happiness like Denmark and many happy individuals in nations reporting low average happiness like Russia.

In response to these concerns, most detailed research on SWB, like the article by Blanchflower and Oswald (this issue), also uses person-level values on variables to adjust for individual circumstances. Still, there are many studies that make comparisons between nations without controlling for the factors differentiating individuals who make up the survey populations. Most studies of happiness at collective levels have also not reported statistics on within-group agreement, such as intra-class correlations or within-group agree-

ment indices,<sup>1</sup> that are commonly reported in organizational research. This is an opportunity for SWB researchers to learn something from organizational researchers.

### **Cautionary Notes on the Public Policy Implications of Happiness Research**

**W**e agree with Blanchflower and Oswald that research on national differences in happiness (and job satisfaction) is an interesting and important area of inquiry. However, such research—and the policy implications drawn from it—are subject to some important concerns and limitations. Below we discuss four cautionary notes on interpreting and using collective or cross-national differences in job and life satisfaction for policy purposes: (1) the magnitude of collective differences in happiness/satisfaction, (2) the causes of collective differences in happiness/satisfaction, (3) between-nation happiness research and attribution errors, and (4) the problem of interventions.

#### **The Magnitude of Collective Differences in Happiness/Satisfaction**

In answering the question “Do job and life satisfaction levels vary by country?” one must attend carefully to the multilevel nature of the data. While there are surely differences in satisfaction (or any other psychological variable) by country, one must consider the magnitude of the differences. Average levels of reported happiness are higher in some countries (say, Denmark and Costa Rica) than in others (say, Tanzania and Bulgaria). The magnitude of differences, however, is critical. Certainly, the difference between, say, Finland (roughly 8 on a 1–10 life satisfaction scale) and Haiti (roughly 4 on a 1–10 scale) appears to be significant.

However, using Veenhoven’s (2010) data, roughly 80% of the national life satisfaction averages lie within one point on the 1–10 scale. Among developed nations (i.e., those with per

<sup>1</sup> Intra-class correlations (e.g., ICCs) and within-group agreement statistics (e.g.,  $r_{wg}$ ) provide evidence on the degree to which phenomena are collective (group-, organization-, or society-based) by comparing within- and between-group variation or agreement.

capita GDPs of \$20,000 or more), 80% of the nations are within 0.50 points (5%). Is the difference between Denmark and the United States significant as well? In answering that question, it becomes important to assess both between-nation and within-nation variation. As we have noted, satisfaction levels vary widely within any broad collectivity, and in many cases, there is much more variation within those collectives than between them. Interpretations of mean-level between-nation differences—without knowing within-nation variability—are not particularly informative, and may be as misleading as edifying. If there is as much or more variability within countries than between them, this suggests much more circumspect conclusions about between-nation differences, especially those made within comparable economic systems.

### **The Causes of Collective Differences in Happiness/Satisfaction**

Even if we conclude that there are significant national differences in job and life satisfaction, we must then wonder about the meaning of the difference. As Blanchflower and Oswald rightly comment, self-report measures of job and life attitudes do have meaning and can be corroborated with other-reports and physiological measures. On the other hand, when we seek to collectivize such reports, concerns as to between-country reporting differences become more important. If there are cultural differences in self-construal (e.g., a cultural tendency to be self-critical, or self-enhancing) or self-reporting tendencies (e.g., a cultural tendency to report modestly, or functionally), such differences may well influence how individuals perceive, and report on, themselves.

For example, research clearly indicates that individuals in nations characterized as collectivistic report lower levels of SWB and life satisfaction than those in nations characterized as individualistic (Diener, Oishi, & Lucas, 2003). Are individuals in nations characterized as collectivistic truly less happy, or do they simply *report* being less happy? Schimmack, Oishi, and Diener (2005) suggested that residents of individualistic nations may enjoy greater freedoms, which allows them to pursue interests that make them happy. Others,

however, have argued that response tendencies may explain the differences. Oishi (2006) found that, compared to Americans, Chinese respondents did not respond similarly to two measures of life satisfaction: “So far I have gotten the important things I want in life” and “If I could live my life over, I would change almost nothing.” Oishi (2006) argued that American and Chinese respondents may base judgments of life satisfaction on different criteria, or that Chinese individuals may be more self-critical.

Whereas some are relatively sanguine about what we can learn from aggregating and comparing individual responses within nations (Lucas & Diener, 2008), others continue to be more skeptical. Oyserman, Coon, and Kemmelmeier (2002) concluded, “It is difficult to believe that findings using a particular measure in a particular country at a particular time constitute sufficient evidence of wide-ranging cultural differences in a domain” (p. 44).

### **Between-Nation Happiness Research and Attribution Errors**

Even if there are significant between-nation differences in job and life satisfaction, and even if these significant differences are “true”—due to substantive differences in happiness rather than response tendencies—what are we to make of these differences? One interpretation implicitly endorsed by Blanchflower and Oswald is that political, social, or cultural differences explain the happiness differences. While this *may* be the case, we are, as yet, not convinced. The landscape of social science is littered with studies that have interpreted correlations causally. It is true that empirical association is one necessary element in causal evidence. But the process of causation is extraordinarily complex, particularly with respect to aggregated data.

Specifically, what is particularly specious is to observe one apparent national difference (“The small social-democratic countries of Europe are consistently estimated to be among the world’s happiest nations”), observe another apparent national difference (European nations have “strong welfare states”), and conclude that the latter causes the former. To be fair and clear, Blanchflower and Oswald note limitations of such causal

inferences. However, they naturally also seek to draw some meaning from the differences they observe: "This form of research may even presage for international agencies a move away from simple GDP targets of the sort that have been favored in postwar economic policy" (p. 16). Other researchers have similarly advocated for the public policy implications of differences in national happiness (e.g., Diener & Seligman, 2002). It may or may not be wise for nations to use economic indicators such as GDP to shape public policy. However, we do not think it wise to consider policy interventions without taking the daunting aforementioned issues into account.

In attributing causes to national differences in happiness, we must be careful not to commit ecological fallacies: an interpretational error in which inferences are made about the individual based on aggregated data (Robinson, 1950). One of the main causes of ecological fallacies is confounding of hierarchically nested data. In the case of national differences in happiness, these might operate in two ways. Correlations involving between-nation data are often higher than those based on individual-level data, or the reverse might be true.

Let us examine each case. In the former case, our own analysis reveals that the correlation between national per capita GDP, as estimated by the International Monetary Fund (IMF, 2010), and SWB (as provided by Veenhoven, 2010) is  $r = .65$  ( $p < .01$ ;  $n = 185$  nations). This is far higher than the correlation at the individual level between income and job satisfaction ( $r = .15$ ) reported in a meta-analysis of 115 studies (Judge, Piccolo, Podsakoff, Shaw, & Rich, 2010) or the correlation between income and life satisfaction ( $r = .13$ ) reported in other studies (e.g., Suh, Diener, Oishi, & Triandis, 1998). In the latter case, at a national level, our analysis of the correlation between self-esteem (as revealed in Schmitt & Allik, 2005) and life satisfaction (as reflected in Veenhoven, 2010) is  $r = .18$ . The correlation between self-esteem and SWB is nearly twice as high ( $r = .33$ ; DeNeve & Cooper, 1998).

The point of this exercise is to show that correlations based on between-nation data and correlations based on between-individual data often do not correspond. It is often difficult to know

how to interpret these differences. However, if we are interested in improving the SWB of individuals within a society, between-nation results should be interpreted with caution.

### **The Link From Differences to Action: The Problem of Interventions**

Let us now assume the following: (a) There are significant between-nation differences in happiness (job and life attitudes); (b) these significant differences are "true"—meaning that the difference is substantive and not due to differences in norms, reporting tendencies, or other response sets; and (c) between-nation differences in happiness are caused by environment or culture differences between the nations (e.g., Norwegians are happier because they live in a social welfare state). If one accepts a, b, and c, does it not mean that a nation concerned with the welfare and SWB of its citizenry should undertake interventions designed to change the culture and environment? This issue concerns the efficacy of interventions—in this case, collective interventions that would have individual consequences. In considering such consequences, three limitations of interventions are apparent.

**Interventions are ephemeral.** Rarely do interventions have broad, long-lasting consequences. Interventions are often ephemeral—interventions "decay," the rate of decay is often unknown, and the long-term effects are often overstated because effects are observed only early on. For example, McNatt and Judge (2004) studied an organizational intervention designed to increase the self-efficacy of new accountants. They used a treatment group and a control group. The intervention had an important effect on accountant performance ( $d = .48$ ) immediately after its introduction. Despite "booster" effects to maintain the strength of the intervention, however, its effect decayed over time. By the end of the study three months later, there was little difference in the performance of the treatment and control groups ( $d = .04$ ). Perhaps the booster efforts needed to be strengthened, but in a sense this proves the point: For collective interventions to be successful, they take considerable care and effort to maintain. Thus, if we undertake efforts to raise worker hap-

pinness, even if those efforts are effective, it stands to reason that the effects last only as long as the efforts are maintained.

**Effects of interventions are sometimes spurious.** Putatively environmental causes of happiness are not necessarily causally environmental. Haney and Zimbardo (2009) argued that psychologists are increasingly susceptible to the fundamental attribution error—the tendency to over-weight dispositional or individual-based explanations for observed behaviors at the expense of situational or environmental explanations for those behaviors. Haney and Zimbardo (2009, pp. 807-808) noted: “Our implicit support for the policies and practices that may have given rise to the damaging social contexts in question can be seen as part of the problem—a problem we may be expected to help solve. Conversely, blaming other people for the bad acts in which they have engaged seems to absolve the rest of us of any responsibility for ignoring these pernicious and destructive environments, or failing to take steps to ameliorate them.”

While in some instances Haney and Zimbardo (2009) were surely correct, they failed to recognize situations in which we falsely attribute effects to the environment that are endogenous to the individual. Take the example of marital status. As Waite (1995) noted: “The consequences of marriage for the individuals involved have been unambiguously positive—better health, longer life, more sex and more satisfaction with it, more wealth, and higher earnings” (p. 496). Lucas, Clark, Georgellis, and Diener (2003), however, cast doubt on whether marriage causally leads to a better life. Studying marriage, divorce, and widower status five years before the event and five years after the event, they found that marriage had very little effect on life satisfaction. However, individuals who do get married are happier individuals before, during, and after marriage. As Lucas et al. (2003) noted, this suggests that people who get married may simply be different from those who do not, in ways that make them happier people. Thus, whether the product of individual (decisions to get married) or organizational (interventions designed to encourage marriage [e.g., U.S. tax code]) decisions, interventions may be overstated by failing to take into account selectivity bias.

### **Interventions have unintended consequences.**

Interventions often have unintended consequences or paradoxical effects. As Merton (1936) noted, these are not the same—an unforeseen outcome is not the same as an undesirable one, because unforeseen outcomes can be positive, and paradoxical effects (negative outcomes despite a positive intent) can be expected in advance of an action. With respect to the former, rarely are the social effects of action lawful. As noted by Merton (1936), “The set of consequences of any repeated act is not constant but there is a range of consequences, *any one of which may follow the act in any given case*” (p. 899; emphasis in the original). Those who promoted the temperance movement in the 19th and 20th centuries surely did not realize that Prohibition would produce a renaissance period for organized crime, the effects of which lasted far longer than Prohibition itself (Okrent, 2010). Merton (1936) also noted, “Situations which demand (or what is for our purposes tantamount to the same thing, appear to the actor to demand) immediate action of some sort will usually involve ignorance of certain aspects of the situation and will bring about unexpected results” (p. 900).

One of many possible paradoxes can be articulated in a general form. The broader the social intervention, the more complex its nature and effects, and the less likely it is that it will produce unalloyed positive effects. Let us consider three such interventions.

- **Bans on communication devices while driving.**

It is estimated that use of portable communication devices plays a contributing role in thousands of accidents every year, and studies show that use of these devices impairs driving (Richtel, 2009). Thus, any social benefit to using such devices while driving is offset by the loss of life. As such, 30 states and many municipalities have banned or restricted such use. Yet the ban is notoriously difficult to enforce, and some evidence indicates that such bans have had little effect on accident rates. A large-scale study (Highway Loss Data Institute, 2010) of bans in four states indicated that such bans had no effect on accidents in one state, and in the other three, the bans *increased* collisions. Some suggest that bans on portable communication

devices may cause drivers to conceal their devices on their laps, and focusing on something on your lap, rather than having the phone's display at a normal viewing level, might be more hazardous (Hanes, 2010).

- **Changes in reimbursement rates for medical procedures.** In response to the ever-escalating costs of providing health care, many governing bodies have changed reimbursement and payment policies to incentivize lower cost care. Yet health care inventions often have unanticipated effects. For example, in 2005, Medicare regulators changed reimbursement policies to incentivize health care providers to move biopsies from more expensive inpatient to less expensive outpatient settings. Yet the intervention succeeded only in increasing the number of outpatient biopsies, with no accompanying decrease in the number of inpatient biopsies (Hemani, Makarov, Huang, & Taneja, 2010).
- **Helmet laws.** Bicyclists' and motorcyclists' failure to wear helmets is a major source of fatalities for both groups of riders. In response, many governments mandate the use of helmets for motorcyclists. Though less common, other collectives, including the Australian state of Victoria, have made helmets mandatory for bicycle riders. At first blush, bicycle helmet laws appear to be effective in that they have reduced the number of head injuries suffered by bicyclists (Cameron, Cameron, Vulcan, Finch, & Newstead, 1994). However, they also have reduced the numbers of (especially junior) riders—ergo, fewer injuries. If helmet laws cause fewer individuals to use bicycles, this reveals a troubling paradox: Such laws may reduce fatalities mainly because they reduce bicycle use—hardly the intended effect (De Jong, 2009).

### **Future Research on Collective Differences in Happiness**

**G**iven the preceding discussion, we would like to offer some suggestions for how research on national happiness might proceed. There are several issues that will need to be considered in this research. First, researchers will need to have a clear idea of the meaning of collective differences

in satisfaction. Second, factors such as intelligence, social desirability, and other response tendencies that might affect scores will need to be taken into consideration. Third, well-specified models that take other variables into account will need to be developed before inferences about national-level characteristics can be made. Fourth, models from fields such as economics and health will need to be taken into consideration. We will address each of these topics in turn.

### **Collective Differences in Happiness**

As noted by Blanchflower and Oswald (this issue), there is broad consistency in happiness equations across countries. However, this does not mean that cultural values might not act as significant moderators of the relationship between constructs. International comparisons in the relationship between various facets of satisfaction and life satisfaction might be a potentially fruitful area for future research. For example, Oishi, Diener, Lucas, and Suh (1999) found that although financial satisfaction and job satisfaction were equally related to SWB in individualistic and collectivistic nations, financial satisfaction was more strongly related to SWB in poorer nations. Future research examining differences in responses to policy interventions and policies should endeavor to use similar modeling strategies. One possible area for integration between the economic literature on national happiness and the organizational literature comes from the literature on collective job satisfaction. As has been noted, confusion of levels of analysis may lead to erroneous conclusions (e.g., Ostroff, 1993). Future research involving multilevel modeling might help to differentiate individual from collective levels of analysis.

### **Ability and Response Tendencies**

The investigation of response tendencies and their effects on surveys is the natural stock-in-trade of organizational psychologists, many of whom have extensive training in psychometrics. This expertise in survey development would be very helpful in assessing the tendency for response distortions to affect survey responses across nations. Further research involving item response theory or structural model tests for equivalent

factor loadings in the measurement of latent constructs may be needed. Other researchers have proposed that scale validity might also be assessed using “think aloud” protocols that require respondents to explain how and why they are endorsing certain items (e.g., Messick, 1995). Such protocols are likely to be especially useful for understanding the cultural assumptions that go into filling out happiness surveys, and then designing surveys that are minimally affected by these cultural assumptions. Techniques of back translation, already in use, should also be employed.

### **Taking Other Variables Into Account**

There are many factors that co-vary with national-level systems that might also explain differences in SWB across nations. For example, Diener and Seligman (2004) noted that levels of national happiness are highest in nations with the highest levels of economic success, highest levels of education, greatest freedom of choice, and most stable governmental systems. Any or all of these variables may be the explanatory mechanism underlying variations in national happiness, each of which would involve distinct policy implications. Research by Steel and Ones (2002) demonstrated that like at the individual level, national average levels of emotional stability and extroversion were associated with higher levels of national average levels of SWB. It may be that part of the difference between nations in SWB may lie as much in personality differences between nations as in policy differences.

### **Incorporating Interdisciplinary Modeling Insights Into Research**

As Blanchflower and Oswald note, the study of international variations in happiness will require an interdisciplinary approach. We have already suggested incorporating models developed in the organizational sciences for measuring attitudes that might be profitably incorporated into studies of national happiness. Most important, researchers will need to consider both within- and between-nation variance.

When it comes to investigating the effects of policies on national happiness, researchers might use the well-established economic literature on

natural experiments. Natural experiments occur when a variety of different countries are compared both before and after some policy intervention. A classic example of a natural experiment is the Card and Krueger (1994) study of minimum wage changes in New York and New Jersey. In their study, the dependent variable was changes in unemployment, but one could conceivably examine similar changes in SWB when such policy changes are made. One other insight can be gathered from the economic literature on natural experiments: Policy studies are often conducted within a single nation rather than across nations. This type of within-nation analysis might be especially useful for SWB researchers because there will not be as many issues related to translation of surveys or variations in cultural social desirability of SWB to contend with.

### **Conclusion**

**W**e are all for the study of SWB in life and in work. What concerns us is when these studies begin to be collectivized. What really concerns us is when those collective differences become material for public policy. To date, policy appears to be running ahead of understanding.

Recently, the British government proposed to develop a happiness index. One policy maker involved with the creation of this index noted (Stratton, 2010, p. 1): “What is or could be dramatically different in the UK is for the government not just to undertake more widespread and thorough collection of subjective wellbeing data, but also to give them a central place in the choice and evaluation of public policies. That would be a global first.” As much as we endorse the study of well-being, we are alarmed at these policy proclamations at such a nascent stage.

These cautionary notes notwithstanding, our paper should not be seen as a critique of Blanchflower and Oswald’s excellent article, nor as an evaluation of an entire research program. Rather, we hope that our paper complements theirs, as well as Ashkanasy’s. Our goal is to emphasize the organizational implications of happiness research, and the implications of organizational research for national happiness studies. We also wish to sound a cautionary note regarding inferences about na-

tional differences and interventions to improve national happiness levels. We welcome further study by organizational psychologists, sociologists, and behavioral economists on work and well-being, and we hope that our paper, adding to Blanchflower and Oswald's, helps further such inquiry.

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