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# **Chapter 6: Composite indexes and dashboards**

#### Meeting of the Task Force on Measuring Well-being

Edwin Horlings 10 July 2024

## **Goal of the chapter**

provide guidance to NSOs and other statistical producers who wish to construct a composite index of well-being



## **Sections**

- 1. discuss the main issues that need to be considered before an index can be constructed
- 2. a general overview of the methodological steps that are involved
- 3. provide descriptive examples of relevant composite indexes and scoreboard approaches
- 4. provide helpful suggestions for ways to present and summarise the results of well-being measurements that do not involve a composite index



# Approach

#### 1. Consider two basic possibilities

- *Dashboard*: present the diversity of the underlying data and the varying trends in the underlying data sources
- *Composite index*: delivering a simple metric, easy for users to digest and apply
- 2. No technical detail:
  - refer to guidelines of OECD and UNECE
  - discussion of weights
  - practical examples of composite indexes (Portugal, UK) and dashboards (Canada, the Netherlands)



# **Definitions**

- dashboard
- composite index
- model
- weights



## Recommendations

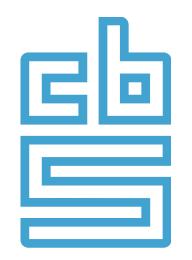
- When presenting a composite index, also present a dashboard with the underlying indicators
- Be aware of and transparent about the underlying assumptions and limitations to facilitate responsible use of the index
- When constructing a composite index all dimensions should be included, without a priori selection



#### Issues

- Do we have the right examples?
- Should the chapter focus exclusively on composite indexes?
- Should we include section 5 (helpful suggestions for ways to present and summarise the results of wellbeing measurements that do not involve a composite index)?





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