

Beyond GDP-But for Real: A Decision-Grade Framework for Multidimensional Well-being Indicators

By Stefano Botta – Ph. D Student

University of Naples “Federico II”

Department of Economics, Management, Institutions

E-mail: stefano.botta@unina.it

Keywords: *Beyond GDP; multidimensional well-being BES; OECD well-being framework; decision support; policy evaluation; composite indicators.*

EXTENDED ABSTRACT

Background and core argument

The “Beyond GDP” movement now rests on a consolidated theoretical and institutional foundation. The Stiglitz–Sen–Fitoussi Commission made explicit that assessing performance must go beyond measuring production, incorporating quality of life, inequality, and sustainability over time, and moving away from the logic of a single headline number toward a transparent system of complementary measures (Stiglitz, Sen, & Fitoussi, 2009). Subsequent OECD work advanced a crucial shift: from debates about what to measure to the more demanding question of how to use well-being metrics credibly and comparably in public choices (Stiglitz, Fitoussi, & Durand, 2018; OECD, 2020). In Italy, the BES represents one of the most advanced institutionalization efforts, including the integration of well-being indicators into key public finance and planning documents (ISTAT, 2024). Yet a central question remains open: how can multidimensional indicators be turned into tools that genuinely orient decisions without sacrificing methodological rigor and democratic legitimacy?

Research gap, purpose, and expected contribution

Despite the proliferation of indicators, their integration into the decision cycle is often weak: measures tend to remain descriptive rather than designed to support allocation choices, ex ante/ex post evaluation, and accountability. This creates two risks: ornamental use of metrics

(“*indicator washing*”) or opaque syntheses where weights and trade-offs remain implicit (Saltelli, 2007; OECD, 2008). The literature has used BES to discuss allocation preferences and well-being measurement, but more rarely as a basis for a replicable protocol that translates indicators into verifiable decision rules (Becchetti, Corrado, & Fiaschetti, 2017). This extended abstract proposes a conceptual framework-DGWI (Decision-Grade Well-being Indicators)-to assess and make verifiable the quality of how well-being indicators are used in public decisions. The aim is not to build another index, but to specify minimum requirements so that existing sets (BES and OECD initiatives) become genuinely usable for decision-making, hence comparable and traceable.

Research questions

The study is guided by three questions: (i) which properties differentiate a descriptive indicator set from a decision-grade one across planning, budgeting, and evaluation stages; (ii) which methodological and governance conditions enable linking well-being indicators to objectives, operational thresholds, instruments, and responsibilities; and (iii) how to combine the granularity and territorial detail of BES with the comparability offered by OECD initiatives, without undermining legitimacy and transparency.

Approach and qualitative design

The contribution is conceptual but designed to be auditable. The qualitative design combines comparative document analysis and theory-building: a systematic reading of BES materials and OECD documents, a thematic coding focused on decision usability (credibility, salience, legitimacy) (Cash et al., 2003), and a synthesis into a DGWI protocol delivering a verifiable checklist and a pipeline of minimum steps that connects indicators, trade-offs, operational thresholds, and responsibilities. Robustness is addressed through sensitivity and uncertainty considerations in aggregation choices (OECD, 2008; Saltelli, 2007).

The DGWI framework and key insights

DGWI assumes that the decision quality of an indicator set depends on interdependent properties: transparent metadata (credibility), fit with the policy question and timing (salience), explicit disclosure of trade-offs (legitimacy), targets and operational thresholds (actionability), distributional and territorial reading (equity), and robustness with ex post learning (sensitivity, uncertainty, revision). The first insight is that the Beyond GDP challenge is now operational: measuring is not enough; decision routines are needed so indicators become verifiable within choices. The second insight is that BES and OECD initiatives are complementary: the former offers institutional anchoring and territorial detail, while the latter provides standards and comparability. The third insight is that the question of which indicators to adopt must be coupled with who decides and under what accountability conditions, because well-being measurement inevitably embeds public value choices (Boulanger, 2008).

Proposed conceptual figure

Figure 1 - DGWI conceptual architecture: a decision-grade pipeline from the policy question and theory of change to indicator design, targets/thresholds and decision hooks, with an ex post learning loop and cross-cutting equity, robustness, and accountability requirements.

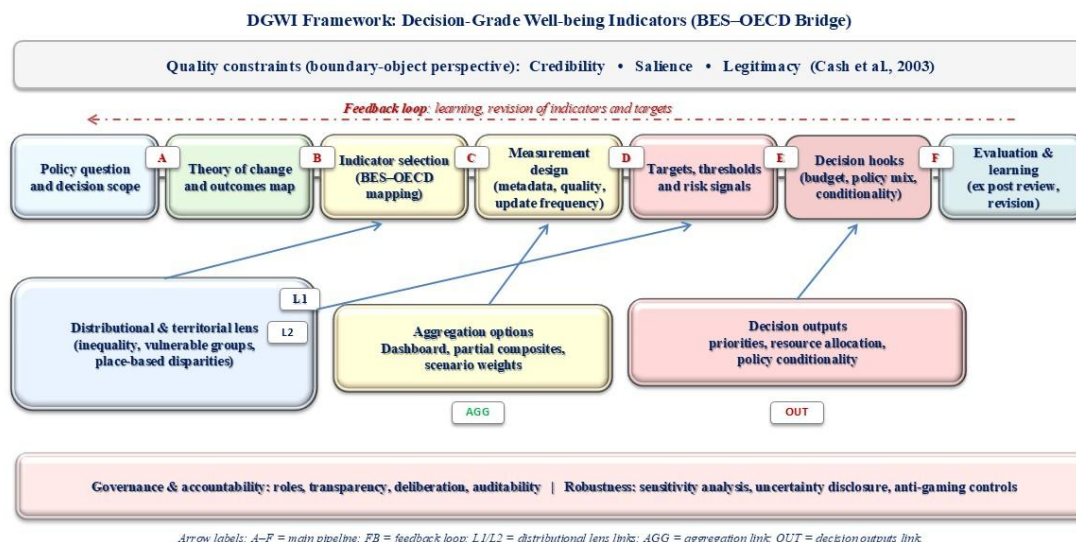


Table 1 operationalizes the framework into verifiable questions. It does not assess whether an indicator is “good” in the abstract, but whether it is ready for decision use in terms of data, metadata, thresholds, process transparency, and accountability.

Table 1 - DGWI checklist to make an indicator set decision-grade (illustrative applications to BES and OECD initiatives).

DGWI criterion	Decision-grade question	Illustration (BES/OECD)
Credibility	Are definitions, sources, limitations and metadata complete and coherent?	Methodological documentation and comparable metadata.
Salience	Is the supported decision explicit (scope, horizon, frequency)?	Planning, monitoring and evaluation use cases.
Legitimacy	Are trade-offs and assumptions disclosed and contestable?	Disclosure of weights and aggregation choices.
Actionability	Are there targets, thresholds and triggers that activate action?	Risk thresholds and review of instruments/resources.
Robustness	Are results stable to sensitivity/uncertainty and protected against gaming?	Stress tests and distortion controls.

Implications and next steps

The contribution is oriented to the usefulness of well-being indicators. DGWI can support ex ante audits of indicator sets adopted in programmatic documents, the design of dashboards that make trade-offs and distributions explicit, and ex post evaluations that connect indicator movements to instruments and decisions. As an additional deliverable, DGWI includes a maturity rubric (from “descriptive” to “auditable”) to classify how deeply indicators are embedded in decision processes and to enable comparison across practices. The next step is to apply the protocol to a selected subset of BES indicators used in public finance documentation, mapping targets, thresholds, and triggers, and proposing a dashboard prototype aligned with OECD standards while preserving BES’s territorial granularity.

References

Becchetti, L., Corrado, L., & Fiaschetti, M. (2017), “The regional heterogeneity of wellbeing ‘expenditure’ preferences: Evidence from a simulated allocation choice on the BES indicators”, *Journal of Economic Geography*, 17(4), 857–891. <https://doi.org/10.1093/jeg/lbw042>

Boulanger, P.-M. (2008), “Sustainable development indicators: A scientific challenge, a democratic issue”, *Surveys and Perspectives Integrating Environment and Society*, 1(1), 59–73. <https://doi.org/10.5194/sapiens-1-59-2008>

Cash, D. W., Clark, W. C., Alcock, F., Dickson, N. M., Eckley, N., Guston, D. H., Jäger, J., & Mitchell, R. B. (2003), “Knowledge systems for sustainable development”, *Proceedings of the National Academy of Sciences*, 100(14), 8086–8091. <https://doi.org/10.1073/pnas.1231332100>

ISTAT. (2024), "Il BES nei documenti di economia e finanza", <https://www.istat.it/statistiche-per-temi/focus/benessere-e-sostenibilita/la-misurazione-del-benessere-bes/il-bes-nel-def/>

OECD (2008), “Handbook on constructing composite indicators: Methodology and user guide”, *OECD Publishing*.

OECD (2020), “How’s Life? 2020: Measuring well-being. *OECD Publishing*”, <https://doi.org/10.1787/9870c393-en>

Saltelli, A. (2007), “Composite indicators between analysis and advocacy”, *Social Indicators Research*, 81(1), 65–77. <https://doi.org/10.1007/s11205-006-0024-9>

Stiglitz, J. E., Fitoussi, J.-P., & Durand, M. (2018), “Beyond GDP: Measuring what counts for economic and social performance”, *OECD Publishing*, <https://doi.org/10.1787/9789264307292-en>

Stiglitz, J. E., Sen, A., & Fitoussi, J.-P. (2009), “Report by the Commission on the Measurement of Economic Performance and Social Progress”, <https://ec.europa.eu/eurostat/documents/8131721/8131772/Stiglitz-Sen-Fitoussi-Commission-report.pdf>