International Happiness:
A Multilevel Perspective

by Neal M. Ashkanasy

Executive Overview
Blanchflower and Oswald (2011) present a review of statistical accounts of international happiness, and argue that subjective measures of international happiness need to be considered. They cite studies showing that money can and does buy happiness, thus disputing the adage that “money does not buy happiness,” but they also acknowledge the paradoxical finding that national happiness does not seem to increase with economic growth. In this commentary, some of the recent research on happiness at work is reviewed from the perspective of an organizational behaviorist and scholar of emotions in the workplace. A key conclusion is that happiness and the processes associated with happiness depend on perspective, especially level of analysis. In particular, there is no reason for cross-national correlations of prosperity and happiness to equal the correlation of prosperity and happiness over time within any particular nation.

Oh Lord, won’t you buy me a Mercedes-Benz?
My friends all drive Porsches; I must make amends.
Worked hard all my lifetime, no help from my friends.
So oh Lord, won’t you buy me a Mercedes-Benz?
—Janis Joplin

In this essay, I comment on Blanchflower and Oswald’s (2011) review of international happiness from the perspective of an organizational behaviorist and scholar of emotions in the workplace. Blanchflower and Oswald base their review on the results of broadly based international surveys of self-reported happiness, focusing on the United States and Europe. They argue that indices of national happiness (based on individually administered self-reports of subjective happiness) might be more meaningful indicators of national well-being than economic measures such as gross domestic product (GDP). Blanchflower and Oswald make extensive reference to the Report by the Commission on the Measurement of Economic Performance and Social Progress (Stiglitz, Sen, & Fitoussi, 2009), in which Stiglitz and his associates argued convincingly for international authorities to assess subjective measures of happiness instead of using more traditional economic indices.

A key point made by Blanchflower and Oswald is that the evidence does not support the commonly believed notion that “money does not buy happiness.” Indeed, among the various surveys they canvass, it is clear that happiness is a function of (among other things) education and income. At the same time, they report that subjective happiness in developed countries has tended to remain static over the past 20 years despite steadily rising personal income. Blanchflower and Oswald characterize these contrasting findings in terms of “Richard Easterlin’s national income-

1 From the song “Mercedes-Benz,” sung by Janis Joplin and released in February 1971 as track 8 on the Columbia album Pearl (Paul A. Rothchild, producer); words and music by Janis Joplin, Bob Neuwirth, and Michael McClure.

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growth-without-happiness paradox” (p. 18). In other words, if personal income correlates with subjective happiness, then how can it be that increasing national income has failed to result in increased national happiness?

Throughout their review, Blanchflower and Oswald call for a more interdisciplinary approach to the issue of happiness, and bemoan the lack of crossover between physical, health, and social scientists—even across the various social science disciplines. Possibly in an unwitting illustration of this very point, however, they seem to ignore almost completely the mainstream literature in psychology, sociology, and management science that has addressed happiness and related issues (except insofar as this work has appeared in the economics literature; e.g., Diener, Lucas, & Schimmack, 2008).

In particular, missing from their review is reference to the pervasive (U.S.-centered) “positive” movements, including positive psychology (Seligman & Csikszentmihalyi, 2000), positive organizational scholarship (Cameron, Dutton, & Quinn, 2003), and positive organizational behavior (Cooper & Nelson, 2007). This is especially odd because the central focus of the “positive” literature is on how to improve personal and organizational effectiveness via happiness.

Also missing from Blanchflower and Oswald’s essay is reference to the historical literature on happiness at work. For example, Kotchemidova (2005) set out how the Western affective ideal, driven by New World idealism and a shift to the consumer economy, gradually changed from a focus on melancholia in the 18th century to today’s emphasis on “cheerfulness.” I especially believe that Blanchflower and Oswald may benefit by reading Peter Warr’s (2007) seminal book, Work, Happiness, and Unhappiness, in which the author details nearly 30 years of research conducted by the Institute for Work Psychology (Sheffield University) into understanding the antecedents and consequences of happiness and personal well-being at work.

Finally, I was surprised that no reference was made to the mainstream literature on cross-national cultural differences, such as Hofstede (1980, 2001) or the GLOBE Project (Chhokar, Brodbeck, & House, 2007; House, Hanges, Javidan, Dorfman, & Gupta, 2004). These large-scale cross-cultural studies included measures of national happiness and well-being, and might have explained Blanchflower and Oswald’s two unanswered questions concerning why particular nations report particularly high or low levels of subjective happiness.

In view of these omissions, my objective in this commentary is to remind Professors Blanchflower and Oswald about the work that has been done in the organizational behavior field on personal well-being and happiness, with specific reference to happiness in the workplace. In particular, I argue that organizational behavior is uniquely positioned to contribute to this debate because of its inherent multidisciplinary nature, combining elements of psychology, sociology, and anthropology (Ashkanasy, 2009). Moreover, I do not have to look far because my colleague Professor Cynthia D. Fisher has just published a review article titled “Happiness at Work” (Fisher, 2010). So it seems appropriate to begin with a synopsis of the main findings of this piece.

**Fisher’s Review of Happiness at Work**

Fisher (2010) discusses the definition and measurement of happiness at work and its antecedents and consequences. She notes in particular that definitions of happiness at work “refer to pleasant judgments (positive attitudes) or pleasant experiences (positive feelings, moods, emotions, flow states) at work” (p. 385). Fisher emphasizes further that there is a critical distinction between happiness defined as a set of attitudes (e.g., job satisfaction, commitment) and happiness as a hedonic state. Thus, happiness can be defined on one hand in terms of cognitive appraisals of needs and wants, referred to by Fisher (2010, p. 388) as “cold cognitions,” or on the other hand in terms of an emotional state of mind. In this respect, Fisher discusses seven proxies for happiness at work that have been the subject of ongoing research in organizational behavior: (1) job satisfaction, (2)
organizational commitment, (3) job involvement, (4) engagement, (5) thriving and vigor, (6) flow and intrinsic motivation, and (7) affect at work. She recommends that researchers focus on three of them (job satisfaction, engagement, and affect) as representative of different facets of happiness at work.

Fisher makes a clear distinction between happiness-related constructs at different levels of analysis. In this respect, she identifies three levels: (1) transient (or within-person), (2) personal (or individual differences), and (3) unit level; she points out that happiness definitions vary qualitatively between levels. Happiness, especially at the transient level, is an ephemeral variable, varying from moment to moment throughout the day.

Fisher (2010) makes special mention of the fallacy of drawing conclusions from one level of analysis and applying them at a different level. For example, Fisher and Noble (2004) found that, while researchers of between-person job performance and satisfaction relationships report low correlations between these variables (Judge, Thoresen, Bono, & Patton, 2001), the within-person relationship is actually quite strong (consistent with lay beliefs about satisfaction and performance).

In terms of the causes of happiness at work, Fisher (2010) notes that this is a function of the work environment, employees’ personal proclivities, person-environment fit, and volitional behavior (e.g., an employee’s attempts to increase his or her happiness). Referring to the work environment, Fisher (2010, p. 398) cites Warr (2007), as well as extant theories of job enrichment (Hackman & Oldham, 1975; Morgeson & Humphrey, 2006), and lists 10 recommendations for creating a happy workplace:

1. Create a healthy, respectful, and supportive organizational culture.
2. Supply competent leadership at all levels.
4. Design jobs to be interesting, challenging, autonomous, and rich in feedback.
5. Facilitate skill development to improve competence and allow growth.
7. Enhance fit through the use of realistic job previews and socialization practices.
8. Reduce minor hassles and increase daily uplifts.
9. Persuade employees to reframe a current less-than-ideal work environment as acceptable.
10. Adopt high-performance work practices.

In the final part of her review, Fisher (2010) addresses the consequences of happiness at work. Citing Lyubomirsky, King, and Diener (2005) and Fredrickson (2001; see also Fredrickson & Losada, 2005), she makes the point that research has in general demonstrated that happiness at work carries over to a more satisfied and positive life for employees. Moreover, if organizations are the source of national productivity (as Blanchflower and Oswald, 2011, appear to assume), then there must be a flow-on from transitory happiness to individual to unit and ultimately to organizational happiness. So it is appropriate for me next to address how Fisher’s (2010) conclusions relate to Blanchflower and Oswald’s (2011).

**Implications for Blanchflower and Oswald’s Conclusions**

As far as I can determine, three important implications for Blanchflower and Oswald’s conclusions stem from Fisher’s review.

The first implication is that happiness at work needs to be clearly defined and then measured in a fashion consistent with this definition. Blanchflower and Oswald adopt a range of measures and definitions of happiness that they claim are functionally equivalent, but which Fisher makes clear carry quite different connotations. For example, work satisfaction is in fact a set of attitudes to work rather than an affective construct. As such, while Fisher sees job satisfaction as a happiness-

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3 In earlier work (Ashkanasy, 2003), I also identified levels of analysis as a critical consideration in studying emotion and related constructs in organizational settings, including two additional levels: (1) interpersonal and (2) organization-wide.

4 See also Ashkanasy and Daus (2002); Ashkanasy, Härtel, and Zerbe (2002); and Härtel and Ashkanasy (2010).
related variable, it is not the same thing as happiness per se.

Second, happiness at work is not static. Employees can feel happy with their work one moment and then feel unhappy the next, often flowing from their level of productivity (Fisher & Noble, 2004). For example, an employee may feel happy as a result of achieving an important milestone, but later may feel unhappy following news that he or she is to be retrenched because the organization is undergoing a restructuring. This is something that can also apply at any level of analysis. Blanchflower and Oswald, for example, comment on the high levels of happiness recorded in Ireland. But this was at the height of Ireland’s euphoric property boom. Today, after Ireland has had to accept a European Union financial bailout package that involves higher taxes and cuts in government expenditures, I am not sure the Irish are feeling so happy.

Third and most important, conclusions regarding happiness need to take account of the level of analysis. Thus, while it is true that happiness at a personal level can be associated with generalized happiness at a unit level, and then translated to the organizational level, it does not follow that the same associations between happiness and other variables will exist at different levels. As Fisher makes clear, the transient relationship between job satisfaction and productivity does not necessarily translate into a relationship across individuals. I develop this point further next.

Happiness at Different Levels of Analysis: Perspective Matters

Blanchflower and Oswald discuss at length Easterlin’s (1974) “paradox” that, although national prosperity has been shown to be associated with perceptions of national happiness, subjective happiness for particular nations does not appear to rise as the nation’s wealth increases. They note (correctly) that this might be explained in part in terms of social comparison theory (SCT) (Festinger, 1954) and cite Hagerty’s (2000) study of happiness and income within communities. Moreover, as my colleagues and I noted (Greenberg, Ashton-James, & Ashkanasy, 2007), social comparison processes are associated with both cognitive and affective evaluations of fairness.

Greenberg and colleagues (2007) noted how social comparisons, especially with similar others, have affective outcomes and refer specifically to what Lyubomirsky and Ross (1997, p. 1141) termed “the hedonic consequences of social comparison.” Thus, according to SCT, individuals experience positive affect when they compare themselves with similar others they perceive to be less endowed and negative affect when they compare themselves with similar others they perceive to be more endowed.

Readers of this commentary should be able to see where I am heading now. Just as Fisher and Noble (2004) found a strong performance-satisfaction relationship at the transient (i.e., within-person) level of analysis, despite the lack of a relationship at a between-persons level of analysis, there is no reason to expect that within-person (or within-nation) relationships should be reflected in a between-persons (or between-nations) analysis. As Janis Joplin famously sang, “My friends all drive Porsches; I must make amends.” In other words, the lay respondents in Fisher and Noble’s study were correct in their assumption that performance and satisfaction are related (despite the lack of support for this idea in between-persons research), and so are members of the public most likely correct in assuming that money does not beget happiness despite the cross-national evidence that prosperity correlates positively with subjective happiness. In other words, the “paradox” may not be a paradox at all; it is simply a reflection of the ecological inference fallacy (Robinson, 1950) applied to aggregation of transient data.

I argue here that emotions are inherently multilevel phenomena. In an essay on positive emotions, Ashkanasy and Ashton-James (2007, p. 58) specifically addressed positive emotions in organizations from a multilevel perspective, based on the Ashkanasy (2003) five-level model:

Level 1: Neuropsychological and cognitive correlates of positive emotion at the within-person level of analysis.
Level 2: Individual differences in positive emo-
tion at the between-persons level of analysis.

Level 3: Communication of positive emotion at the dyadic (relationships) level of analysis.

Level 4: Promulgation of positive emotion at the group level of analysis.

Level 5: Creation of a positive emotional climate at the organizational level of analysis.

In their analysis, Ashkanasy and Ashton-James (2007) posited that the processes underlying positive emotion at each of the five levels are different and that, while there is crossover among the levels (Ashkanasy, 2003), conclusions regarding relationships at one level are not necessarily valid at another level. At Level 1, key processes include “affect-as-information” (Schwarz & Clore, 1983) and “affect priming” (Bower, 1981), which describe how positive affect influences the thoughts and behaviors of individuals from moment to moment throughout the working day. Level 2 includes consideration of the effect on employee performance of stable individual differences in positive affect, including trait affect (Staw, Sutton, & Pelled, 1994) and emotional intelligence (Ashkanasy, Hättel, & Daus, 2002). The next level relates to communication of emotion in dyadic encounters such as those that occur in negotiation. Citing Forgas, Bower, and Krantz’s (1984) research on mood effects in negotiation situations, Ashkanasy and Ashton-James made the point that positive moods tend to result in more productive communication and positive outcomes.

The fourth and fifth levels discussed by Ashkanasy and Ashton-James (2007) deal with emotions in collectives such as groups and organizations. Key processes here include emotional contagion (Hatfield, Cacioppo, & Rapson, 1994) and leaders’ effective use of positive emotions (Avolio, Howell, & Sosik, 1999), resulting ultimately in the sort of positive organizational culture outlined in Hättel and Ashkanasy (2010).

The point of the foregoing is that affect-related processes are different at each level of analysis. Thus, while positive affect and happiness can diffuse across level boundaries, there is no logical reason to think that the same processes are operating at each level. Moreover, there is also no reason to expect that the same conclusions cannot be drawn when considering cross-national research. Unfortunately, and as Earley and Mosakowski (2002, p. 347) demonstrated, researchers in this genre seem especially prone to falling afoul of the ecological inference fallacy, “which could result from the hit-and-miss exploration of empirical relationships at different levels of analysis.”

**Conclusion: Yes, We Do Need an Interdisciplinary Approach, but Let’s Not Forget Levels of Analysis**

In this commentary, I have reviewed Blanchflower and Oswald’s analysis of international happiness from the perspective of an organizational behaviorist and scholar of emotions in the workplace. These authors used the results of international comparisons of surveys of subjective happiness to draw conclusions that “[h]appy people are disproportionately the young and old (not the middle-aged), rich, educated, married, employed, healthy, exercisers with diets rich in fruit and vegetables, and slim. Happy countries are disproportionately rich, educated, democratic, trusting, and low-unemployment” (p. 19). While I do not dispute these findings at the personal and national levels of analysis, I am nonetheless concerned that Blanchflower and Oswald appear to fall into the ecological inference fallacy trap when interpreting results pertaining to happiness as a dynamic, transient variable. In particular, I dispute their conclusion that “money buys happiness” (p. 12). I acknowledge that they add “Insofar as regression equations can settle the question,” but this raises the question as to whether any question of substance can be settled definitely by regression equations.

Blanchflower and Oswald emphasize the need to take an interdisciplinary approach to the study of social phenomena such as happiness. I strongly agree, but I feel that their review failed to “walk the talk” in some serious respects. As a scholar of organizational behavior and affect in the workplace, I seek to understand phenomena from more perspectives than regression equations, and I hope...
my commentary has given some indications as to how this can be achieved.

I have especially emphasized the need to take a multilevel perspective in analyzing happiness, as exemplified in Ashkanasy and Ashton-James's (2007) and Fisher's (2010) reviews of positive emotions and happiness at work. In terms of research opportunities, probably the richest lie in the so-called meso-level paradigm (House, Rousseau, & Thomas-Hunt, 1995, p. 71), where relationships that link phenomena across different levels of analysis are studied.

In conclusion, I agree with Blanchflower and Oswald's (p. 19) final conclusion that "this multidisciplinary research field is, and will remain, one of genuine significance to human society. Almost everyone is interested in happiness." But I would add to their description of the field and call it "multidisciplinary and multilevel."

References


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ues, behaviors, institutions, and organizations across nations.


