

Joint Research on Future Financial Services for the New Normal Era

Research on Redefining Well-being and Creating Quantitative Measures of “Shiawase” (Well-being)

~How financial services can support the realization of individual values.

Consideration from a philosophical perspective~.

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Why Financial Institutions Think About “Shiawase” (Well-being)

Why is it so daunting to think about “money?”

While money has the same universal value for everyone...
It is not directly related to my personal values.

**“Shiawase” as a value
unique to me**

Asset building is a long term process that also takes consumption into account.

If you don't have a clear idea of what you want to use it for in the future, investing will be less meaningful.
Requires a long-term perspective that takes into account various life events

**“Shiawase” as
an integrated view of
life as a whole**

Increased awareness of social issues such as climate change, inequality, and discrimination

Emphasis on public and ethical values in economic activities (e.g., ESG investments)
The trend of Seeking “Shiawase” for “We” beyond Myself

**“Shiawase” for both
“I/Me” and “We/Us”**

Money is connected to a broader value than just monetary value.

We propose an image of “Shiawase” that transcends economic value in the narrow sense of the word.

Financial institutions are responsible for helping people achieve “Shiawase”.

Collaboration with Philosophers



Research on “Shiawase” beyond the framework of conventional financial institutions

→ Collaborative research with Prof. Deguchi and Dr. Ohnishi of Kyoto University's Department of Philosophy
(Developing the **philosophy of “Self as We”**)

Significance of joint research with philosophy (and other humanities)

The study of value in the tradition of the Theory of Happiness since Aristotle
Examination of values from **multiple perspectives**, including ethical perspectives
Propose “coordinates” for thinking rather than extolling specific values

**Through collaboration between financial institutions and philosophy,
We propose a new axis of coordinates for thinking about “Money for Shiawase”.**

Shift to “Shiawase” (Well-being) proposed by this study

(Before)

Asset formation is limited to economic value in the narrow sense of the word

“Money” as a universal value

Objective value that works for everyone
= Value that belongs to no one

Assets as a numerical value

Unified value that discards various elements
Transparent value with no signification in itself

Value limited to “I/Me”

Pursuit of economic rationality in the narrow sense
Narrow view of the individual and the present only



(After)

Pursuit of “Shiawase” as an Integrated Value

(Asset formation as a means to that end)

“Shiawase” as an intrinsic value

The value internalized in me
The values that drives action

An integrated perspective on life as a whole

Long-term process that includes both asset formation and consumption
Making sense of and valuing multidimensional elements

Value open to “Us”

Focus on the ethical and public aspects of economic activity
Broader vision for the world and the future

Clarify the image of "Shiawase" based on conventional Happiness and wellbeing research, and

Propose a shift from narrowly defined economic value to "Shiawase" of customers and society

Life Integrator Scale to Promote "Shiawase" (Well-being) Shift

Developing a scale that can be used by individuals is an effective way to encourage a shift to "Shiawase".

Life Integrator Scale

- Through **self-diagnosis of current and ideal conditions** using 8 scale items
- **Visualize** a pluralistic and unique image of "Shiawase" for each person.
- Guiding **Actions to Achieve "Shiawase"**

Why do we need a scale to visualize "Shiawase"?

1. Plurality of "Shiawase"

Matrix of value consisting of multiple elements beyond economic value
Complex thinking is required.

2. "Shiawase" as an intrinsic value

You can't feel "Shiawase" with a tailored value system.
We need to construct a taylor-made image of "Shiawase".

3. "Shiawase" driving the action

To achieve "Shiawase", we need a vector to move toward it.
Recognition of the gap between the current situation and the ideal brings about a vector for action.



Process supports individuals to draw their own image of "Shiawase" & act on it

What is "Shiawase" (Well-being) that should be visualized?

Surveying conventional Happiness and Well-being (WB) research in philosophy, psychology, and other fields

We examined what "Shiawase" should be visualized in the Life Integrator Scale.

Philosophy

Tradition since Aristotle and Stoics influences modern Happiness and Well-being research

Rigorous discussions based on positions such as the "pleasure theory," the objective list theory," and the "need fulfillment theory."

Psychology and behavioral economics

Development of various scales to empirically measure Happiness and Well-being (subjective, psychological, social, etc.)

Utilization for policy making for groups such as nations and the international community

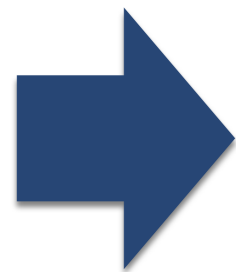
Cultural anthropology

Qualitative research on Happiness and Well-being based on cultural relativism

Showing the diversity of Happiness and Well-being, as opposed to Western values-dominated Happiness and Well-being research

Observations and issues leading to the Life Integrator Scale

1. Happiness and Well-being is a **cluster concept consisting of multiple factors, not a** single one (not just "money" of course!)
2. Modern Western values still prevail, but more **diversity and balance** are emphasized.
3. Conventional research aims to clarify objective and general concepts of Happiness and Well-being, but there is a disconnect between these concepts and the **realization of "Shiawase" that is unique to each individual.**



Composition and Content of Scale Items

8 scale items = 2 different views of “Shiawase” multiplied by 4 factors

“Shiawase” of “I/Me”
vs
“Shiawase” of “We/Us”



Four Factors of “Shiawase”
Integration of Secured/Well/
Holistic/Social -Living

- **“I/Me”-type view of “Shiawase”** (Questions 1, 3, 5, 7):
Individuals value the achievement of an **autonomous, self-sufficient personality** and the journey toward this.
- **“We/Us”-type view of “Shiawase”** (Questions 2, 4, 6, and 8):
Considering one’s existence in **relation** to the **things** one **cares about** and placing value on living with those things.

⇒ **“Shiawase” is realized in a balance that involves a tension between two kinds of “Shiawase”.**

- **Secured-Living**(Risk) (Questions 1 and 2):
Addressing risks that hinder “Shiawase”
- **Well-Living**(Quality of life) (Questions 3 and 4):
In what aspects of daily life do you seek a quality of life?
- **Holistic-Living**(View of life) (Questions 5 and 6):
How do you view your life as a whole from a bird's eye view?
- **Social Living**(Social integration) (Questions 7 and 8):
How one interacts with one's surrounding social environment

⇒ **Diagnosis of the ideal and current situation of “I/Me” and “We/Us” balance at different phases of one’s life**

Life Integrator Scale Items

Based on a survey of Well-being research, the eight questions were asked regarding the eight aspects that are considered to constitute "Shiawase".

Life Integrator Scale Items

[Secured-Living]

1. [**Self help**] I have prepared/would like to prepare for various risks such as illness and disasters by my own savings.
2. [**Mutual help**] I think that the society/community I belong to will help me when I am in real trouble, such as when I am unable to earn an income due to illness or disaster/I want it to be a society/community that helps me

[Well-Living]

3. [**Striving**] I am pursuing/want to pursue my potential to the limit in daily life, work, and other activities.
4. [**Care**] I take enough time/want to take enough time for the people, things that are important to me, such as rest, hobbies, household chores, and communication with family and friends.

[Holistic-Living]

5. [**Autonomy**] I want to set long-term goals and have a plan for my life to achieve them.
6. [**Adaptability**] In my life so far, unexpected encounters and events have often led to unexpected developments/expectations for unexpected developments to occur.

[Social-Living]

7. [**Recognition**] I feel/want to feel that I am accepted in society
8. [**Weak ties**] I have/would like to make many acquaintances, such as neighbors, shopkeepers, and business acquaintances, whom I greet when I see them.

*Rate each question on a 5-point scale from "often true" to "not true."

“I/Me” and “We/Us”

Two kinds of “Shiawase” are based on two different views of the self



Autonomous individuals who constitute a modern civil society
“I/Me” as the basis of all existence

- ✓ Mentally and physically healthy, financially independent
- ✓ Clear life plan, ability to achieve and grow
- ✓ A society built on relationships between self-sufficient selves

⇒ **“I/Me”-type “Shiawase”**



“We/Us” established in the relationship of care
Coexistence and interaction, not domination and control

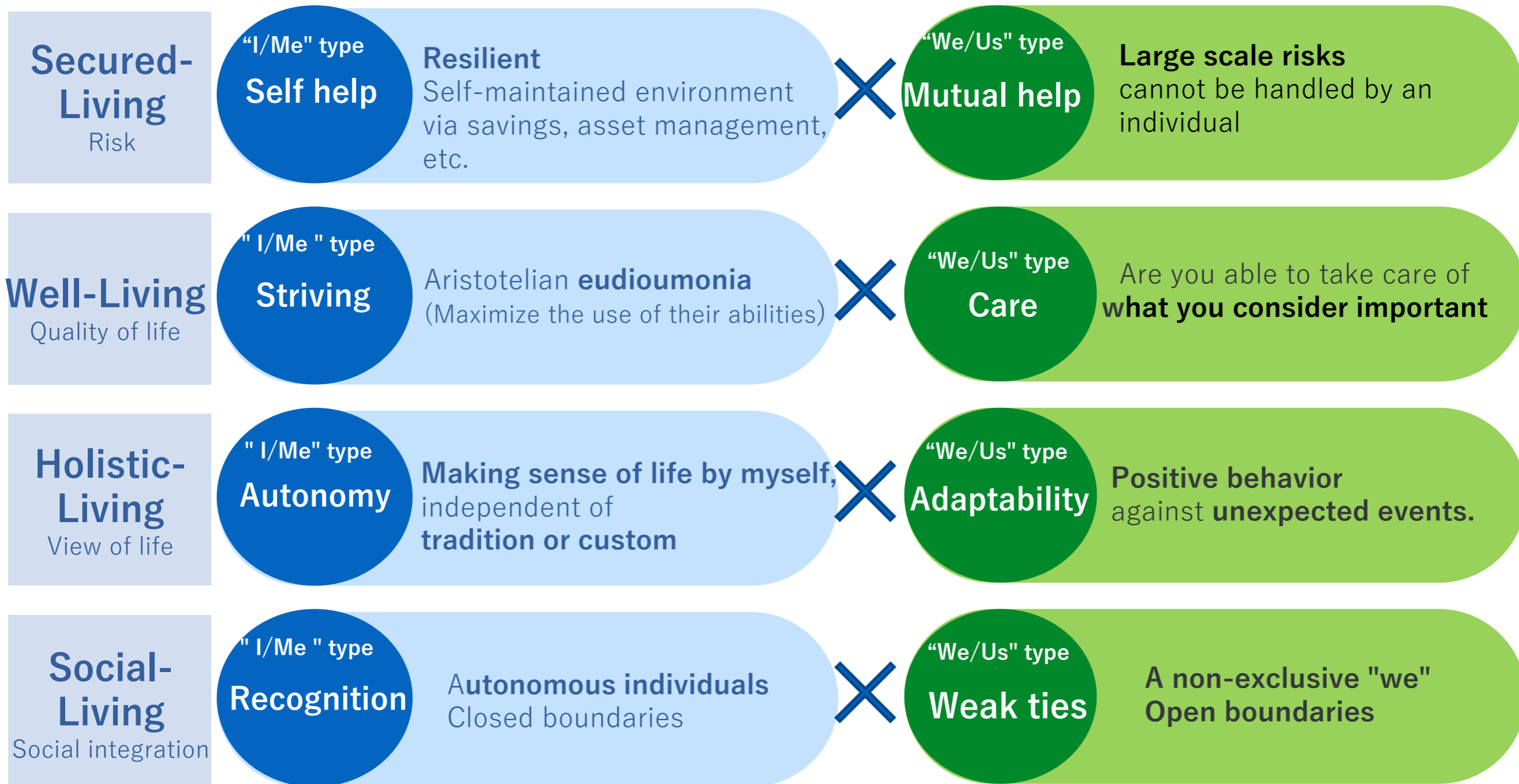
- ✓ Care = to care for.
- ✓ Flexibility for vulnerability of self and others
- ✓ Self-transformation and growth through interaction

⇒ **“We/Us”-type “Shiawase”**

“Shiawase” is achieved in a tense balance between two kinds of “Shiawase”

Four Factors

Four aspects of life for concrete consideration of "I/Me" and "We/Us" balance



Life Integrator Scale

Life Integrator Scale Items

[Secured-Living]

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[Holistic-Living]

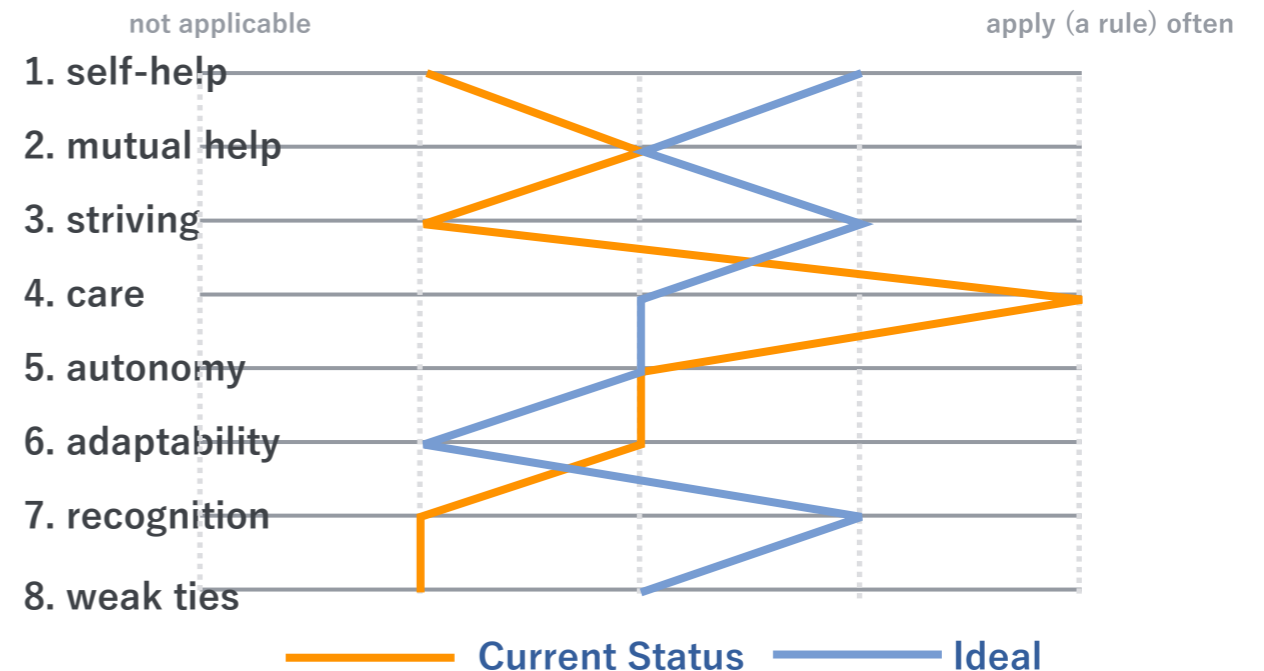
5. **[Autonomy]** I want to set long-term goals and have a plan for my life to achieve them.
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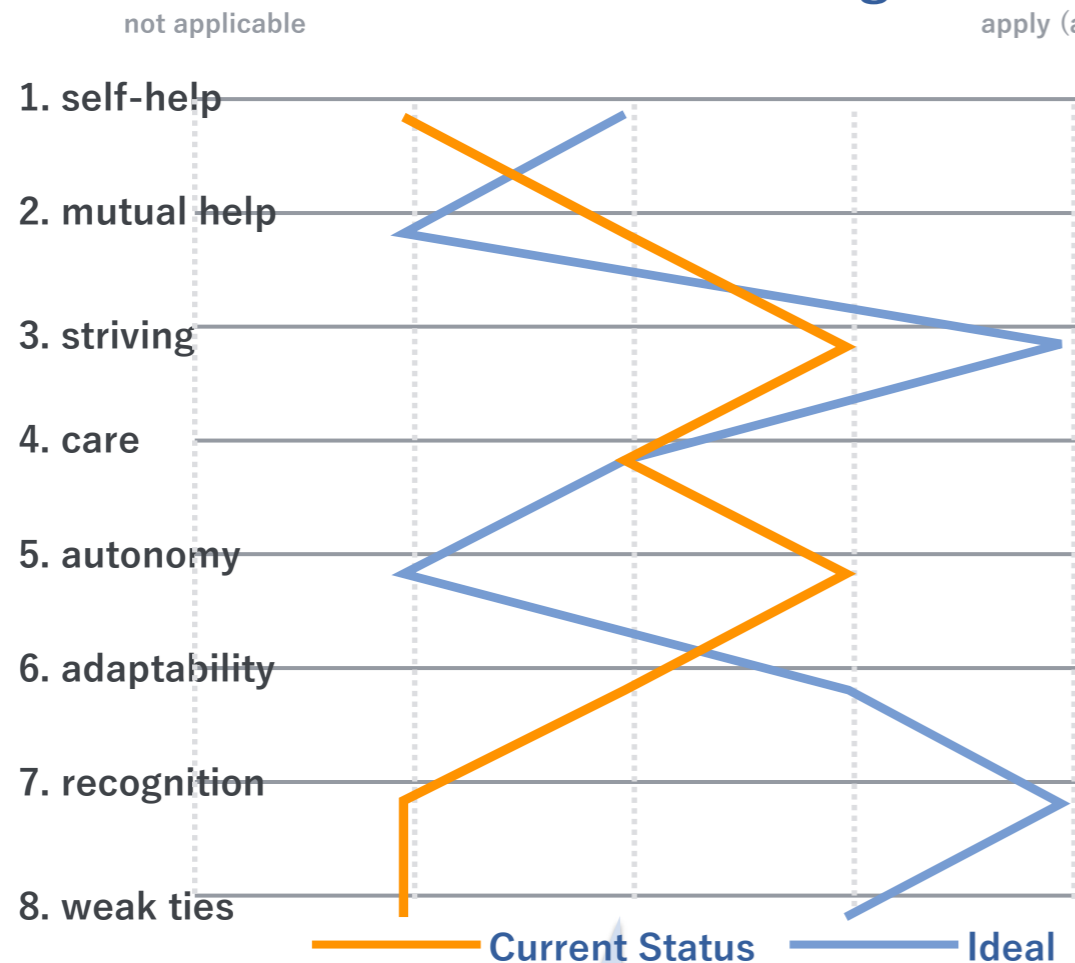
Graph of response results (example)



- **Assessment of current perceptions and ideals for 8 scale items related to Secured living(risk), Well living(quality of life), Holistic living(view of life), and Social loving(social integration) (5-point scale)**
- **Matrix of answers to the ideal = image of "Shiawase"**
- **Diagnosis by comparison of current and ideal conditions**
- ✓ High score for both current and ideal = satisfied with the item
- ✓ Ideal > Current situation = important item for me, but unsatisfactory
- ✓ Ideal < Current situation = less important to me
- **Monitoring changes in values over time and the results of one's own activities by comparing diagnostic results at different points in time**

Examples of Life Integrator Scale Applications (1)

Hypothetical example (1) : 30 years old / male / working in a corporate research institute /thinking of starting a business in the biotechnology field



Secured-Living(risk): I don't take it too seriously, but the social security payments that are deducted from my paycheck seem burdensome. I think people could be a little more self-responsible.

Well-Living(quality of life): I am suited and satisfied with the work of research. I want to test my abilities to see how well I can do on a global scale.

Holistic-Living(view of life): I am generally progressing along the career path I envisioned when I graduated from college. The future will become a little uncertain when I start my own business, but I am looking forward to that as well.

Social-Living(social integration): I was so immersed in my research that I did not think much about my social positioning, but now I need to expand my network and build my social status.

Key point example:

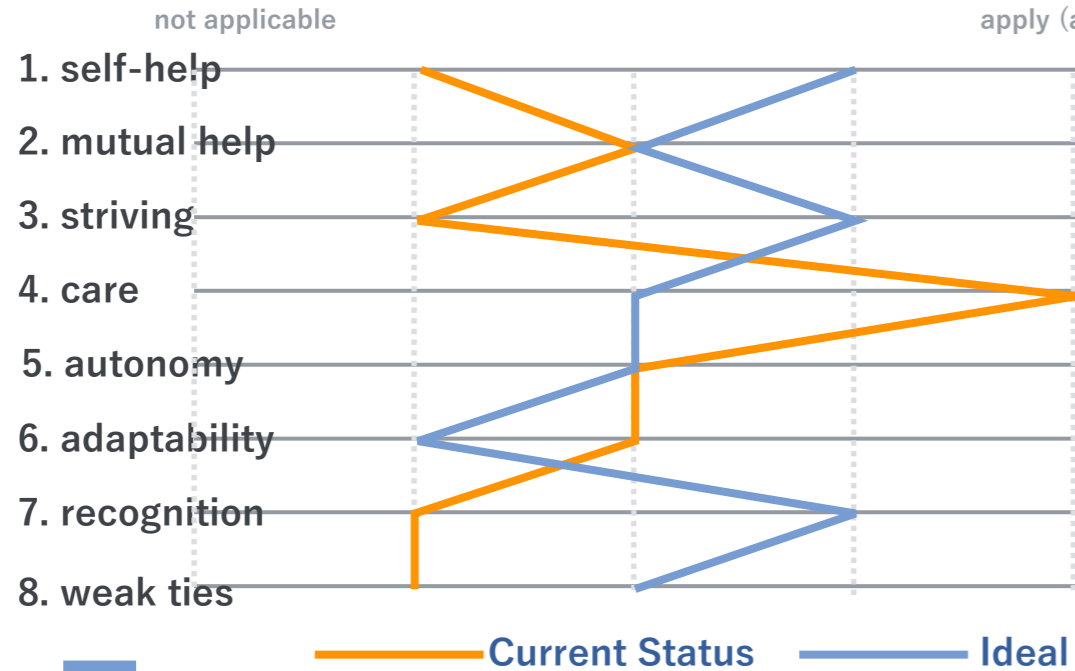
The gap between the current situation and the ideal is large in **Social living(social integration)**.

- **Recognition of the gap between** your abilities as a corporate researcher and your future entrepreneurial abilities.
- **What actions should you be focused on** (rather than company product planning), for example, social PR and networking?

➔ An integrated examination of your current life and your life as a whole from various angles, and Recognize the gap between the current and ideal situation and take action

Examples of Life Integrator Scale Applications (2)

Example (2) : 32 years old / female / lives with husband and 2 children / works for a company in Tokyo

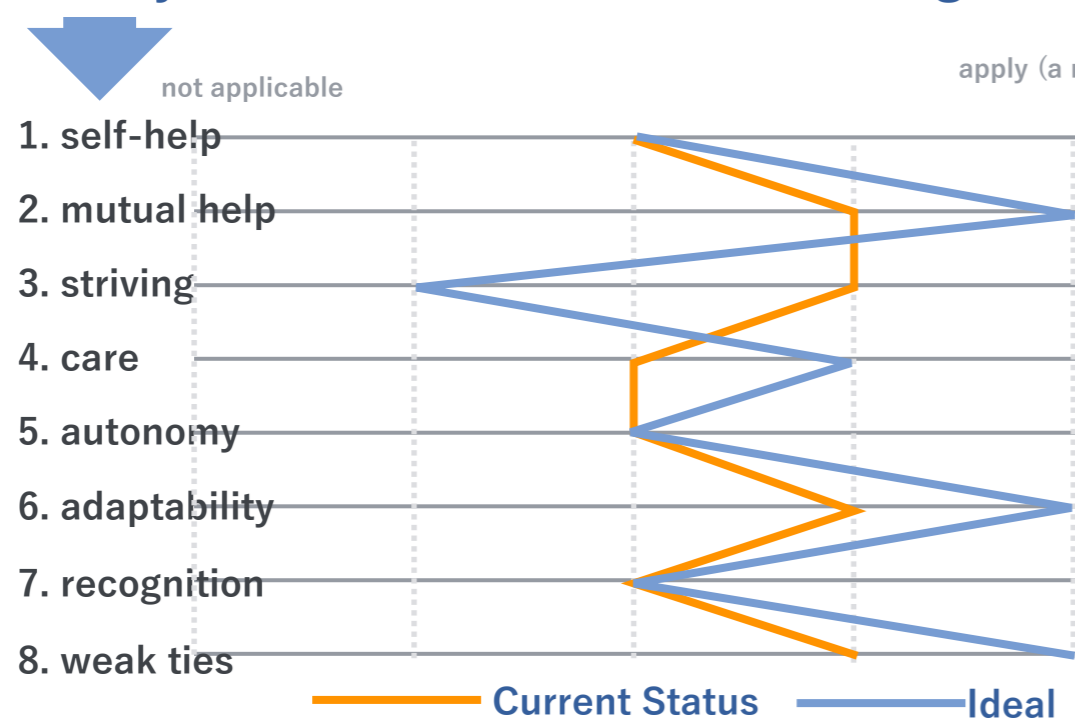


Secured-Living(risk/self-help): We can't afford the cost of childcare, but it's time to start thinking about building assets for the future.

Well-Living(quality of life): I would like my work to be more rewarding, but it is also difficult to balance work and childcare, and I would like to have more time for myself.

Holistic/Social-Living(striving/recognition): I am satisfied with equal housework and childcare with my husband at home, but I am concerned about the low status of women in society

Five years later, there have been changes in childcare, work situations, and social networking friendships...



Secured-Living(risk/mutual help): After a parent was hospitalized for an illness, he learned about the generosity of Japan's medical and nursing care system, but he is also concerned about the future.

Well-Living(quality of life): I am now able to work in a position of responsibility, but it is more important that I am satisfied than others' evaluations.

Holistic/Social-Living(adaptability/recognition): I realized that unexpected encounters with people, both at work and on social networking sites, open up new possibilities.

Through changes in the matrix over time. Monitoring changes in values and results of activities

From “Money leading to Shiawase” to “Money for Shiawase”

Money

Unitary and universal value
Plain and simple, but
having no drive to act

“Shiawase”

Pluralistic and first-person values
It’s complicated, but with clarification
it can provide strong drive for action

Asset Building for “Shiawase”

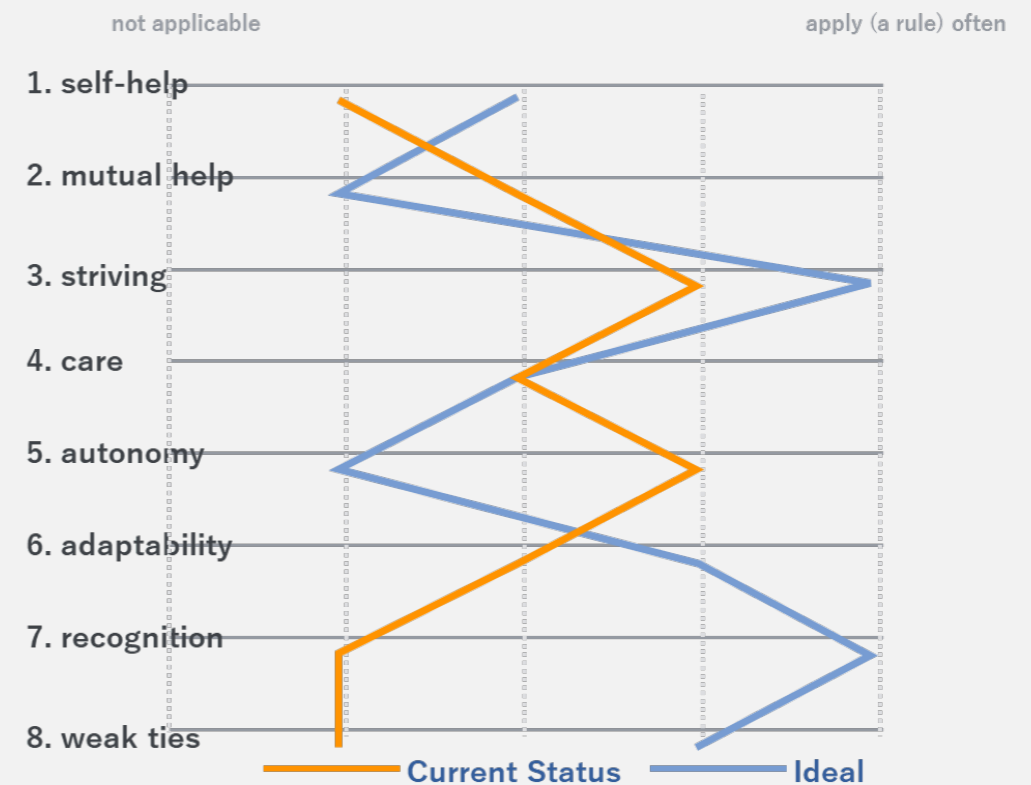
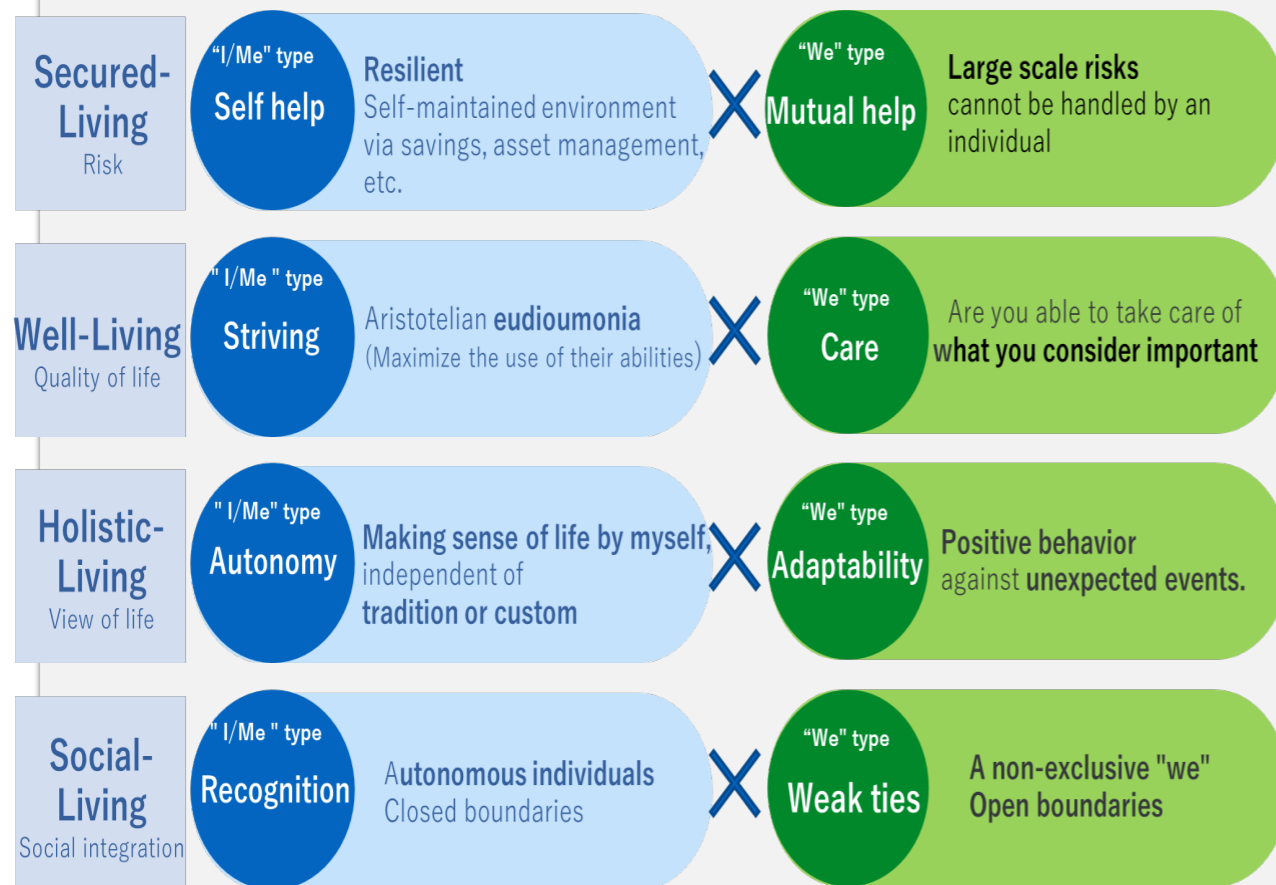
It goes beyond mere technical theory and
involves a positive connotation.
Sound asset-building habits

- Assess and counter the risks you face
- Allowing for **chance** but not losing sight of **long-term** goals
- Not sacrificing **daily abundance** for long-term goals
- We seek both the **intrinsic value of “I/Me”** and the **public** value of “We/Us”.

Asset Formation is a form of pursuing "Shiawase"

The life integrator scale supports a process that requires deep thinking and execution.

From “Money leading to Shiawase” to “Money for Shiawase”



Visualize complex value matrices with Life Integrator scale

- Asset Formation for “Shiawase”**
- Assess and counter the risks you face
 - Allowing for **chance** but not losing sight of **long-term** goals
 - Not sacrificing **daily abundance** for long-term goals
 - We seek both the **intrinsic value of “I/Me”** and the **public value of “We/Us”**.