

**THE EFFECTS OF ECONOMIC VARIABLES AND
PERSONALITY TOWARD SUBJECTIVE
WELL-BEING: THE MODERATING
EFFECTS OF JOB SATISFACTION**

By

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**PENGARUH VARIABEL EKONOMI DAN PERSONALITI TERHADAP
KESEJAHTERAAN SUBJEKTIF: PENGARUH MODERAT KEPUASAN
KERJA**

ABSTRAK

Kajian ini bertujuan untuk memeriksa sekiranya kedua-dua variabel ekonomi dan kepribadian memiliki hubungan yang signifikan dengan kesejahteraan subjektif. Selain itu, kajian ini bertujuan untuk menyelidiki pengaruh moderat kepuasan kerja ke atas hubungan antara variabel ekonomi, kepribadian dan kesejahteraan subjektif. Sebanyak 590 soal selidik telah diedarkan kepada syarikat-syarikat semen Iran, dan 471 soal selidik telah dilengkapkan dan dikembalikan, yang kebanyakan mereka (85.4 peratus) adalah lelaki. Hasil menunjukkan hubungan ini sebagian besar dikelola oleh aspek ekstrinsik yang berhubungan langsung dengan konteks pekerjaan daripada aspek intrinsik yang merujuk pada sifat pekerjaan. Akhir sekali, perbincangan tentang hasil kajian, implikasi, batasan, rekomendasi untuk kajian masa depan dan kesimpulan telah dibentangkan. Satu implikasi teori penting dalam kajian ini adalah bahawa ia membantu untuk menyelesaikan perbezaan di antara kebahagiaan positif dan negatif. Keputusan mengumumkan kemungkinan kepentingan pemboleh ubah ekonomi yang lain daripada pendapatan isi rumah semasa dalam proses mengalami kepuasan hidup yang lebih tinggi serta mencerahkan pengaruhnya terhadap positif memberi kesan individu dengan menerima sokongan ekonomi yang baik dari organisasi.

**THE EFFECTS OF ECONOMIC VARIABLES AND PERSONALITY
TOWARD SUBJECTIVE WELL-BEING:THE MODERATING EFFECTS OF
JOB SATISFACTION**

ABSTRACT

The study aims to identify if both economic variables and personality has a significant relationship with subjective well-being. In addition, this study intends to investigate if job satisfaction moderates the relationship between economic variables, personality and subjective well-being. A total 590 of questionnaires were distributed to cement companies, and 471 questionnaire was completed and returned, which most of them (85.4 percent) were male. The results showed that mostly personality dispositions were significantly related to subjective well-being and economic variables just partially related to life satisfaction. The moderating results were also partially supported. Results shows these relationship mostly moderated by extrinsic aspects which are directly related to the job context rather than intrinsic aspects which refer to nature of the job. Lastly, discussion of the findings, implication, limitation, recommendation for future study and conclusion were presented. One important theoretical implication of this study is that it helps to resolve the distinction among positive and negative happiness. Result unveil possibility of the importance of other economic variables rather than current household income in the process of experiencing higher life satisfaction as well as lightening its influence on positive affects of individual by receiving good economic support from organization.

CHAPTER 1

INTRODUCTION

A King fell ill, and he said, "I will give half my kingdom to the man who can cure me."

One wise man said, "If you can find a happy man, take his shirt, and put it on the King and the King will be cured."

Searching far and wide, no happy man could be found because there was always an element in his life that made him unhappy. Finally, the King's son was passing by a poor little hut, and he heard someone say: "Now God be praised. I have finished my work. I have eaten my fill, and I can lie down and sleep. What more could I want?" The King's son rejoiced and ordered that the man's shirt be taken and carried to the King, and the man is given as much money as he wanted.

The emissaries went to take the man's shirt, but the happy man was so poor that he had no shirt.

(The King and the Shirt by Leo Tolstoy, 1872).

1.1 Introduction

Subjective well-being has become a popular topic over the past several years. Subjective well-being is often referred as happiness, satisfaction or positive or desirable mental states. According to Seligman and Csikszentmihalyi (2000, p.9), "Subjective well-being is a more scientific-sounding term for what people usually mean by happiness."

Consistent with Frey and Stutzer (2002), many studies argued that economists traditionally have given little attention to questions of happiness (for example, example Easterlin, 2013a; Easterlin, 2013b; Diener, Tay, & Oishi, 2012). But recently, they have seen an advantage in measuring subjective well-being as expressed by individuals. Subjective well-being is often presented as substitutes for traditional income-based economic welfare measures and indicators (Kesebir & Diener, 2008). In other words, subjective well-being is eventually used to describe the quality of life experience for the population. Economic development enables societies to expand the opportunities for improving the well-being of nation (Tayebi

& Eshraghi, 2010). Many previous studies show that rich people are in some manner happier than poor people. Moreover, the individuals who live in wealthier societies are happier than those who live in poor regions (Diener, Sandvik, Seidlitz, & Diener, 1993; Veenhoven, 1991).

According to Diener and Suh (1997), subjective well-being is concerned with individuals' subjective experiences throughout their lives. To understand the individuals' experiential quality of well-being, it is appropriate to examine how individuals feel about life within the context of their standards. Campbell (1976, p.118) contended that "the subjective measures will surely not have the precision of indicators that are expressed in numbers of dollars, units of time, or numbers of square feet, but they will have the great advantage of dealing directly with what it is we want to know, the individual's sense of well-being". Different industries are not created equal, and natures of working environments are not same; some are profitable; others thought to be desirable, and some are just satisfactory, and these dissimilarities resulted in a distinctive pattern of happiness for industry employees. The rapid growth of Iran's cement industry during recent years has extremely increased attention of researchers for human resources issues in this industry. The multiplicity of strategies for improving the well-being of employees has caused a kind of challenge for decision-makers to select the best possible option to make employees happy in cement factories. The importance of employee's sense of satisfaction and happiness issue was highlighted in previous studies in Iranian cement industry (Deh-Bozorgi, 2016; Ashena & Keikha, 2015). The cement industry is an important industry in Iran, knowing the fact that its unfavorable impact on the environment may affect the human's health and well-being. Life of the employees in

cement industry is much affected by their work environment (Boudaghpour & Jadidi, 2009).

1.2 Problem Statement

The relationship between subjective well-being and its assumed correlates was examined in developed countries, particularly in Western countries, but there is a lack of studies in developing countries. Although personality oriented study of subjective well-being assumed personality as a main predictor of happiness and economic related studies of subjective well-being assumed income can predict a significant portion of subjective well-being, in reality, both groups of studies partially failed. Previous studies indicate the prediction of less than 50% for personality (Diener, Suh, Lucas, & Smith, 1999; Steel, Schmidt & Shultz, 2008; Diener & Ryan, 2009). Furthermore, whereas the existence of a direct relationship between economic situation and well-being is the main assumption of economic theory, however, the ability of economic variables to explain overall subjective well-being is very low (Diener, Sandvik, Seidlitz, & Diener 1993; Mullis, 1990).

Diener, Oishi and Lucas (2003) argued interactional effects of different life events (such as income, different domains of life and job satisfaction) on personality are more likely to influence overall subjective well-being. Diener, Oishi and Lucas (2003) and other researchers proposed that interactive studies may offer the way to solve deficiency of subjective well-being predictors and causes, and there is a lack of research in terms of interaction between leading predictors of subjective well-being. Additionally, some researchers also suggested that using personality in subjective well-being studies could identify the real causes of the high or low level of happiness (For example, Gutierrez, Jimenez, Hernandez, & Puente, 2005).

As a result of fast growing of technologies and moving toward rapid development of societies, people assume more priority to the quality of their lives. As noted by Booth and VanOurs (2008), work status and the environments are important issues, which are related to life satisfaction and happiness. Researchers suggested that job satisfaction could be a potential moderator in economic (Kahneman & Krueger, 2006; Malka & Chatman, 2003) and personality (Judge & Klinger, 2008) related studies of subjective well-being. The studies related to job satisfaction as a moderator are limited. In developing societies, including Iran, because of socio-economic inequalities, except the low percentage of social members, most of the citizens are suffering from the absence of the possibility of economic improvement, which overall caused dissatisfaction with life (Rafiepour, 1998). According to World Happiness Report (2015) under UN Secretary, which is a landmark survey on the state of global happiness, between 156 countries, Iran ranked 105th in 2013 and 110th in 2015. This information supports a low level of happiness among citizens and especially its reduction during recent years.

On the other hand, cement industry is considered as one important industry in Iran and knowing that the unfavorable impact of this industry on the environment may affect their employees' health and well-being. Hence the present study chooses cement industry. Life of the employees in cement industry is much affected by their work environment, and happiness cannot be best enjoyed in an unhealthy and unsafe environment (Boudaghpour & Jadidi, 2009). Furthermore, how employees manage themselves (by examining their personality) in facing with job stress within the organization is another important issue in cement industry.

Rather than unfavorable impacts of working environment on the well-being of employees in this industry, employees in the Iranian cement manufacturing

industry are suffering from economic issues such as low base salary, insecurity of job, high risk of bankruptcy and lack of perceived organizational support (ILNA, 2016; Bultan News, 2015).

Previous studies on the subject of personality explored mix personality patterns of Iranian population, in other words; distinct kind of personality among Iranians was sustained (Keshavarz, Mousavi, & Jalali, 2015; Fazzel, 2012). In a cross-cultural study conducted by Keshavarz, Mousavi and Jalali (2015), results show a different pattern of personality for Iranians, for example, a greater score in conscientiousness disposition and a lower score for neuroticism were reported. In addition to a recent study by Sojodi, Masoumi-Rad, Avarideh and Abdi (2015), personality had the most impact on subjective well-being among study's participants. Hence, the current study takes the call to investigate the relationship between economic variables, personality, and subjective well-being in cement manufacturing industry.

1.3 Research Objectives

Studies over the past 50 years in Western countries indicate; during these years, individual's total income increased, but the happiness did not change that much, which widely is known as an Easterlin Paradox. In addition, personality theories of subjective well-being, assumed personality as a main predictor of happiness and economic well-being theories assumed income could predict a significant portion of happiness, but in reality, both theories partially failed. Moreover, there is much evidence in the western context that shows the existence of pre-examined subjective well-being theory (e.g. Diener, 1984-2014; Veenhoven, 1984-2006), yet there is an absence of comprehensive study in Iran as a developing

country. A previous comparative study by Kousha and Mohseni (2000) among Iranian population and thirteen selected countries showed that in general Iranians are not considered as happy and that in developing countries, happiness is a reflection of social and economic status. Most of the literature on the subjective well-being is also relevant for the understanding the role of economic variables in improving the process of happiness. Diener and Diener (2002) assumed a more complex relationship between economic variables and personality in a relationship with subjective well-being. They also claimed the interactions between personality and income (as one of the main economic variables) are poorly understood. Therefore, this study aims to identify if both economic variables and personality have an impact on subjective well-being. The quality of the match between the type of personality and the work aspects will dramatically impact overall subjective well-being. Onesa, Hilla and Henna (2015) argued that well-being, especially psychological, is influenced by the interaction of both personality and job satisfaction. However, whereas there are supports for the interactional influence of theoretical predictors of subjective well-being and work aspects on subjective well-being, but there is a lack of study in this area, particularly in Iran.

Therefore, the objectives of this study are:

1. To examine the relationship between economic variables (current household and house ownership) and subjective well-being (life satisfaction and positive affect).
2. To examine the relationship between personality (extraversion, agreeableness, conscientiousness and openness to experience) and subjective well-being (life satisfaction and positive affect).

3. To examine if job satisfaction moderates the relationship personality (extraversion, agreeableness, conscientiousness and openness to experience) and subjective well-being (life satisfaction and positive affect).

1.4 Research Questions

This research attempts to find out the influence of economic variables (current household income and house ownership) and personality (extraversion, agreeableness, conscientiousness and openness to experience) on employees' subjective well-being (life satisfaction and positive affect)

This study attempts to answer the research questions below:

1. Do economic variables (current household income and house ownership) have a relationship with subjective well-being (life satisfaction and positive affect)?
2. Do personality (extraversion, agreeableness, conscientiousness and openness to experience) have a relationship with subjective well-being (life satisfaction and positive affect)?
3. Does job satisfaction moderate the relationship between personality (extraversion, agreeableness, conscientiousness and openness to experience) and subjective well-being (life satisfaction and positive affect)?

1.5 Scope of the Study

The scope of this study is designed to confirm the importance of economic variables and personality theories of well-being in explanation of people's happiness as found in western researches.

According to Kousha and Mohseni (2000), quantitative studies regarding the quality of life in the Middle East area, except Israel, are rare. Iran is an interesting case in economic related subjective well-being studies, despite the fact that Iran owns many main oil resources. The present study also intends to examine the effect of economic variables on subjective well-being in Iran.

1.6 Significance of the Study

This study provides theoretical and practical significance to the area of subjective well-being among employees in cement industry. First of all, most of the studies about subjective well-being are conducted in the western and mostly in developed countries. Therefore, the result from this study will add to the body of literature in well-being studies in developing countries generally and Iran, specifically. Secondly, this study contributes to testing job satisfaction as a moderator between independent variables and dependent variables, as recent study by Malka and Chatman (2003) proposed the overall effects of income on subjective well-being are positive and small, however, the level of this effect varies as a function of an individual's work values (intrinsic and extrinsic) and needs to look at this issue within the personality literature and subjective well-being literature (Judge & Klinger, 2008). Finally, most of the economic well-being theories report weak relationship between income and happiness but there is support for the likelihood of strongest relationship between income and happiness in countries, which are in developing stage, because of socio-economic inequalities, except low percentage of social members, most of the citizens are suffering from the absence of the possibility of economic improvement, which overall caused dissatisfaction with life (Cohen & Vandenberg, 2008; Rafiepour, 1998). In terms of practical significance, the study

can serve as a guide for the managers, especially in the cement manufacturing industry about their employees' subjective well-being. To increase or enhance their employees' subjective well-being, managers should consider factors such as economic variables and personality of their employees. In addition, if managers throughout the organization being able to be more aware of which economic variables are more significant for their employees; they will be capable of selecting appropriate strategies to increase individuals' subjective well-being so that employees are more satisfied in their job and the organization. They should also pay attention to the personality of the employee as it is important for the process of their subjective well-being when good economic support from organization perceived.

1.7 Definition of Key Terms

In this section, the definitions of key terms are provided as follows.

Subjective Well-being: Diener et al. (1997) defined subjective well-being as a combination of attitude and affect and said, "Thus a person is said to have high subjective well-being if one experiences life satisfaction and frequent joy, and only infrequently experiences unpleasant emotions such as sadness or anger. Contrariwise, a person is said to have low subjective well-being if one is dissatisfied with life, experiences little joy and affection and frequently feels negative emotions such as anger or anxiety." Two broad aspects of subjective well-being were identified: an affective component which consists of pleasant affect and unpleasant affect (Emmons & Diener, 1985), and a cognitive component which is the reflection of life satisfaction (Andrew & Withey, 1976).

1. Life Satisfaction: Diener, Emmons, Larsen and Griffin (1985) defined life satisfaction as "a cognitive, judgmental process. It is dependent upon a

comparison of one's circumstances with what is thought to be an appropriate standard." (p.71).

2. Positive affect: Positive affect is described as "one's pleasurable engagement with the environment" (Watson, 1988, p.1020). It refers to have a delightful experience in commitment to the environment.

Economic Variables: Economic variables of individuals can be categorized as the following terms; current household income, and house ownership (Fuentes & Rojas, 2001).

Personality: "Personality is that pattern of characteristic thoughts, feelings, and behaviors that distinguish one person from another and that persists over time and situation" (Phares, 1991, p. 4). Based on many different studies regarding personality, five factors model of personality (Big Five) is a dominant model for the psychology of personality (e.g. Larsen & Buss, 2008; DeNeve & Cooper, 1998; Steel et al., 2008; Jovanovic, 2010).

1. Extraversion: Extraverts persons tend to be more physically and orally active. In contrast, introverts are independent and prefer to be alone. The person in the middle of the dimension likes a mix between social situations and solitude. "Extraverts are adventurous, assertive, frank, sociable and talkative. Introverts may be described as quiet, reserved, shy and unsociable" (Costa & McCrae, 1992, p.49).
2. Openness to experience: this factor relates to intellect, openness to new ideas, cultural interests, educational aptitude and creativity, people with a high openness to experience are mostly liberal and like a novelty. Peoples with low openness to experience are most conservative and prefer familiarity (Howard & Howard, 1995).

3. Agreeableness: Agreeable people are altruistic, gentle, kind, sympathetic and warm individuals. Agreeableness referred to altruism, nurturance, caring and emotional support (Howard & Howard, 1995).
4. Conscientiousness: this factor defined as a measure of goal-directed behavior, it is related to educational achievement and especially to the will to achieve. The more conscientious person is most likely to be more competent, dutiful, orderly, responsible and thorough (Costa & McCrae, 1992).

Job Satisfaction: Based on Herzberg's Two-Factor theory (1959), there are two different kinds of condition; intrinsic and extrinsic, and base on Herzberg's theory, job satisfaction defined as a fit between the individual skills and the reinforcements that exist in the work environment (Weiss et al., 1967).

1. An intrinsic factor which is directly related to the nature of the job itself consists of achievement, recognition, responsibility, advancement, the work itself and the possibility of growth.
2. Extrinsic factors which refer to job context include salary, job security, working condition, company procedures, quality of supervision and quality of relations among the group. Consequently, overall job satisfaction can break into intrinsic and extrinsic job satisfaction.

1.8 Organization of Chapters

The current study is arranged into five chapters. **Chapter 1** provides the background of the research, including the problem statement, research objectives, research questions, significance of the research and definition of key terms. In **Chapter 2**, the review of the literature, the gap in the literature, the underlying theories, research model, and hypotheses are presented. **Chapter 3** contains the research methodology employed in this study, consists of nature of the study,

research site, population and sample, research instruments and translation procedure and the statistical analyses used for the research. **Chapter 4** is all about statistical results and hypotheses testing. Finally, **Chapter 5** discusses the obtained result of hypotheses testing, the implication of the study, limitation and suggestion for future research and conclusion.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

In many studies on subjective well-being, include Diener and his colleagues' recent studies, researchers often used subjective well-being interchangeably with happiness (Diener et al., 1999; Seligman & Csikszentmihalyi, 2000; Easterlin, 2001; Veenhoven, 2006; Kesebir & Diener, 2008; Diener & Tay, 2012; Diener & Scollon, 2014; Church et al., 2013). In other words, subjective well-being and happiness are synonyms; but subjective well-being is a more scientific-sounding term for what people usually mean by happiness (Diener & Scollon, 2014; Church et al., 2013; Kashdan, Biswas-Diener, & King, 2008; Seligman & Csikszentmihalyi, 2000). Due to the tight linkage between these two terms, and numerous mixed studies over years, both subjective well-being and happiness researchers will be used as an interchangeable basis of the current study.

The happiness which scientifically called subjective well-being is defined and measured differently in different disciplines in the sciences and humanities. Suicide rate and mental health are the main happiness indicators for sociologists and physiologists. Psychological studies mostly rely on the people's characteristics and personality of individuals as well as cultural factors. In addition, from the economic point of view, the main reason for being happy is money, in other words, economists assume that as long as the quality of economic performance of nation is increased, the happiness of people will rise. According to Oswald (1997), the source of measuring happiness or subjective well-being in all sciences can generally be categorized into three main groups:

1. The majority of the researchers considered self-report happiness is the reliable source of happiness, which can be obtained by using the valid and reliable instrument. The data can be collected via interview or other sources such as a questionnaire which consist of single or multiple item measures of happiness;
2. Majority of the researchers believed life satisfaction is the main source of happiness evaluation, and they believed the high level of life satisfaction is the reflection of high level of happiness;
3. There are so many symptoms for understanding the overall happiness of society. However, the most obvious and error-free measure of nation's overall happiness is the rate and number of suicides. In other words, respondents who thought of committing suicide are less happy than others (Oswald, 1997). However, Daly and Wilson (2008) explored in time series studies; there is little relationship between the suicide rate and happiness.

The present study chooses self-report happiness to measure happiness or subjective well-being. Self-report happiness is a meaningful indicator of happiness or subjective well-being, the only visible symptom which can lead people to obtain and judge the overall level of happiness. Regardless whether people are rich or poor, they can decide if there are happy or not. The suicide rate is hard to be used because from the Social Science point of view, suicide decisions are not rational. It is considered as a sign of mental illness, and the information may not be reliable. In addition, the present research also uses life satisfaction to measure happiness or subjective well-being as it is supported by the previous studies that it is one important source of measuring happiness or subjective well-being (Oswald, 1997).

Stevenson and Wolfers (2008) in a study about economic growth and subjective well-being summarized some important findings. First, previous studies explore the importance of relative income in the improvement process of happiness rather than absolute income. Second, these results are constant against a reference group or for the same individual over time. Third, the impact of changes in income on happiness is impermanent. Finally, there is a positive correlation between income and life satisfaction, in particular, and income and happiness generally.

Numerous studies over past centuries found many correlates for subjective well-being, such as goals, temperament and personality, quality social relationships, basic need fulfillment, health, demographics, resources, culture and economic variables (e.g. Andrews & Withey, 1976; Diener & Diener, 1995; Diener, Suh, Smith, & Shao, 1995; Oishi, Diener, Lucas, & Suh, 1999; Sam, 2001; Bamundo, 1977; Champoux, 1981; Kavanagh & Halpern, 1977; Near et al., 1987; Headey & Wearing, 1989; Emmons, 2003; Diener & Scollon, 2003; Oishi & Lucas, 2003; Stephan, 2009). The relationship between each of above-mentioned variables and subjective well-being could be explained as a new and independent theory. For instance, the relationships between economic variables, especially income, and subjective well-being were categorized into four groups of theory, namely: relative theory (Easterlin, 1974), absolute theory (Veenhoven, 1988, 1991), adaptation theory (Brickman, Coates, & Bulman, 1978) and aspiration theory (Fuentes & Rojas, 2001). This pattern of theory emergence is available for all other subjective well-being principles such as personality theory of subjective well-being (Emmons & Diener, 1985).

In this review, the pertinent literature on the subjective well-being and the variables that contribute to it such as economic variables, personality, and job

satisfaction will be discussed. As mentioned before, Diener and his colleagues in their recent studies imply that subjective well-being is an interchangeable term with happiness (Diener, Tay, & Diener, 2012; Diener, 2014), so two broad aspects of subjective well-being were identified: an affective component which consists of pleasant affect and unpleasant affect (Diener, 1990; Diener & Emmons, 1984) and a cognitive component which is the reflection of life satisfaction (Andrew & Withey, 1976). The affective and cognitive components of subjective well-being are not totally independent (Pavot & Diener, 1993), but there are supportive information that indicates these components behave differently over time and have distinct relationship with other variables (Beiser, 1974; Campbell, Converse, & Rogers, 1976; DeHaes, Pennink, & Welvaart, 1987).

Based on the previous studies in this area there are many assumed causes and correlates for subjective well-being, such as goals, temperament and personality, quality social relationships, basic need fulfillment, health, demographics, resources, culture and income (e.g. Andrews & Withey, 1976; Abbey & Andrews, 1985; Headey & Wearing, 1989; Emmons, 2003; Diener & Scollon, 2003; Oishi & Lucas, 2003; Stephan, 2009). Moreover Veenhoven (1991, p.16) explained nine factors which are associated with higher level of subjective well-being and accordingly life satisfaction; living in an economically country, political stability, being a part of a majority, being toward the top of the social ladder, being married and having good relationships with family and friends and being healthy.

In terms of well-being, economists like other scientists did numerous studies to explain and measure well-being based on the material facts (e.g. Easterlin, 1974; Brickman, Coates, & Bulman, 1978; Veenhoven, 1988; Fuentes & Rojas, 2001). The economic theory of well-being suggests that, the higher the levels of income cause

higher levels of well-being (Meadow, Metzger, Rahtz, & Sirgy, 1992; Fuentes & Rojas, 2001; Gardner & Oswald, 2001). The impact of income level (economic status) and its relationship with happiness has four main theories; relative theory, absolute theory, adoption theory and aspiration theory. Despite the existence of a direct relationship between economic situation and subjective well-being is the main assumption of economic studies of subjective well-being but the low ability of economic variables to explain subjective well-being was found (Diener, Sandvik, Seidlitz, & Diener 1993; Mullis, 1990).

2.2 Subjective Well-Being

First thing comes to mind about subjective well-being is a state of being healthy and happy. According to Oxford, a dictionary of human geography (Castree, Kitchin, & Rogers, 2013) well-being is defined as the state of feeling content and healthy, of experiencing a good quality of life. Subjective well-being is individual's subjective assessments of their lives, and it refers to several functions which through them people evaluate their lives, some of the included concepts are: life satisfaction, satisfaction with work, satisfaction with health, feeling of fulfillment and meaning and pleasant emotions (Diener & Scollon, 2003).

Whereas the number of studies regarding subjective well-being dramatically increased recent years, this topic and related theories were emerged many years ago under the subject of happiness. In simple words, subjective well-being or happiness defined as "the degree to which an individual evaluates the overall quality of his/her life-as-a-whole positively" (Stones, Hadjistavopoulos, Tuuko, & Kozma, 1995, p.130). In other words, overall happiness is defined as "the degree to which an individual judges the overall quality of his life-as-a-whole favorably" (Veenhoven,

1984, p.22-24). Parfit categorizes well-being theories what he called theories of “what makes someone’s life go best” (Parfit, 1984, p.493) in three groups; Hedonistic theories, Desire fulfillment theories, and Objective list theories.

In the process of personality psychology emergence around 1930’s, researchers conducted based on consideration of subjective well-being as the same concept with happiness (Angner, 2005). Early researchers such as Burgess and Cottrell (1939) defined happiness as “a state of well-being characterized by relative permanence, by dominantly agreeable emotion ranging in value from mere contentment to positive felicity, and by a natural desire for its continuation” (Burgess & Cottrell 1939, p.31). Therefore, they mostly emphasized the subjective nature of the concept rather than objective.

In some manner distinction between “happiness”, the continuum of hedonic feeling, and “satisfaction”, the positive end of this continuum firstly drawn by Goldings (1954). Goldings claimed, “Happiness and unhappiness may consider as zones on a continuum of hedonic affect which embraces feelings of elation, contentment, satisfaction, and pleasure at the positive pole and feelings of depression, discontent, and unpleasure at the negative pole” (Goldings 1954, p.31). Later in 1976, Campbell et al. referred to previous studies and as a result; he decided to use a measure of satisfaction as a measure of the quality of life experience (Campbell et al., 1976). He used life satisfaction contrary to happiness; since he believed satisfaction tends to be easier to define and to translate than happiness (Campbell et al., 1976).

Different literature refers to well-being in a variety of ways. For an instant, Sumner (1996) claims that “a person’s welfare is more or less the same as her well-being or interest or her good” (Sumner 1996, p.1). In a very similar way, Moore and

Crisp (1996) noted: “At a minimum, a life of well-being is a life going well. The numerous near-equivalents to well-being include a person’s good, benefit, advantage, interest, prudential value, welfare, happiness, flourishing, eudaimonia, and utility” (Moore & Crisp, 1996, p.599). Parfit (1984) has the most popular mental state account which refers to “narrow hedonism”. From Parfit (1984) point of view, well-being and happiness are equal. On this account, Plant (1991) writes:

“What is good for an individual is what tends to produce happiness or pleasure in the individual; what is bad or evil is what brings pain and unhappiness... A person’s interests, therefore, are what will help to maximize happiness or pleasure; what is against a person’s interests is what will promote more unhappiness. Human well-being consists in the pursuit of happiness and human welfare consists in living a life with a preponderance of pleasure over pain” (Plant, 1991, p.143).

According to Seligman and Csikszentmihalyi, subjective well-being and happiness are synonyms, in addition, they claimed, subjective well-being is a more scientific-sounding term for what people usually mean by happiness (Seligman & Csikszentmihalyi, 2000). In early of 21st century, Easterlin (2001) used the terms happiness, subjective well-being, satisfaction, utility, well-being, and welfare interchangeably in his study. The studies in the tradition mentioned above conducted to accomplish different missions; therefore for a mean of the various studies they used a wide variety of definitions and measures of well-being, happiness, and satisfaction. However, most of the previous studies did not clarify what they mean by subjective well-being, happiness or satisfaction, and they used these concepts interchangeably (Angner 2005).

Diener et al. (1985, p.71) defined life satisfaction as “a cognitive, judgmental process. It is dependent upon a comparison of one’s circumstances with what is

thought to be an appropriate standard.” In other words, life satisfaction defined as an individual’s global assessment of his or her life in positive terms (Diener et al., 1999). One of the main researchers which supported the same definition and outcomes for subjective well-being, happiness and life satisfaction is Veenhoven (1991), who defined life satisfaction as a result of the following process; the inner results of life refer to the quality of life in the eye of the beholder. This quality results in a subjective increase in the value of life, which is commonly indicated by terms such as 'subjective wellbeing', 'life satisfaction' and also 'happiness' (Veenhoven, 2006). Veenhoven uses the definition of life satisfaction as “the degree to which an individual judges the overall quality of his life-as-a-whole favourably.” (1991, p.10). According to Veenhoven (1991), happiness, subjective well-being and life satisfaction are synonyms because the higher score on an instrument measuring life satisfaction similarly suggests a greater degree of happiness or well-being. By referring to previous studies, there are so many different factors influencing overall life satisfaction, Veenhoven (1991, p.16) concludes the following nine factors are associated with life satisfaction; “1) living in an economically prosperous country where freedom and democracy are respected, 2) political stability, 3) being a part of a majority rather than a minority, 4) being toward the top of the social ladder, 5) being married and having good relationships with family and friends, 6) being mentally and physically healthy, 7) being active and open minded, 8) feeling in control of one’s life, 9) having aspirations in social and moral matters rather than money-making and being politically conservative.”

From other points of view, Diener and his colleagues provided a scale that measures life satisfaction more generally rather than people’s perceptions of life as a whole (Diener et al., 1985). It helps researchers to assess life satisfaction without the

impact of culturally specific definitions (Pavot & Diener, 1993). In addition, it was proposed happiness needs total satisfaction with life, and then the key determinant for happiness is life satisfaction (Tatarkiewicz, 1976). In contrast with Veenhoven (1991), Diener and his colleagues believed subjective well-being, happiness, and life satisfaction are not same terms, and they believed subjective well-being and happiness consists of affective and cognitive components while life satisfaction is considered just as a cognitive component (Diener et al., 1999). As a result, it is not acceptable to use these three terms instead of each other while subjective well-being is measured and defined in a broader manner and life satisfaction is just one of the main parts of overall happiness and subjective well-being.

Diener et al. (1997) defined subjective well-being as a combination of attitude and affect and said, “Thus a person is said to have high subjective well-being if one experiences life satisfaction and frequent joy, and only infrequently experiences unpleasant emotions such as sadness or anger. Contrariwise, a person is said to have low subjective well-being if one is dissatisfied with life, experiences little joy and affection and frequently feels negative emotions such as anger or anxiety” (Diener et al., 1997, p.25). Diener et al. (1999) mentioned subjective well-being and life satisfaction are not same terms and subjective well-being is the preferred term, in addition, happiness and subjective well-being are same and consist of both affective and cognitive components, and life satisfaction is preferred to the cognitive component of happiness or well-being, therefore for measuring overall happiness two different instrument measure two distinct component (affective and cognitive) of well-being. Moreover, in recent studies carried out by Diener, Tay and Diener (2012) and Diener and Scollon (2014), happiness and subjective well-being

were used as interchangeable concepts. Hence, the present study used subjective well-being and happiness interchangeably.

2.2.1 Hedonistic Theories of Well-being (Subjective)

The pursuit of happiness is a common goal for all human beings during their lives. In the other words, people not only try to balance their pleasure and pain, but also they attempt to dominate their enjoyment over pain. Diener (1984) defined subjective well-being as the state of psychological wellness, which is in the progress through each stage of human’s life. From most of the previous researches, it was concluded: construction of subjective well-being consists; life satisfaction and hedonic level (Andrews & Withey, 1976; Chamberlain, 1988; Diener, 1984). Based on the theory of subjective well-being main dimensions, sub-dimensions and measures are as shown in Figure 2.1.

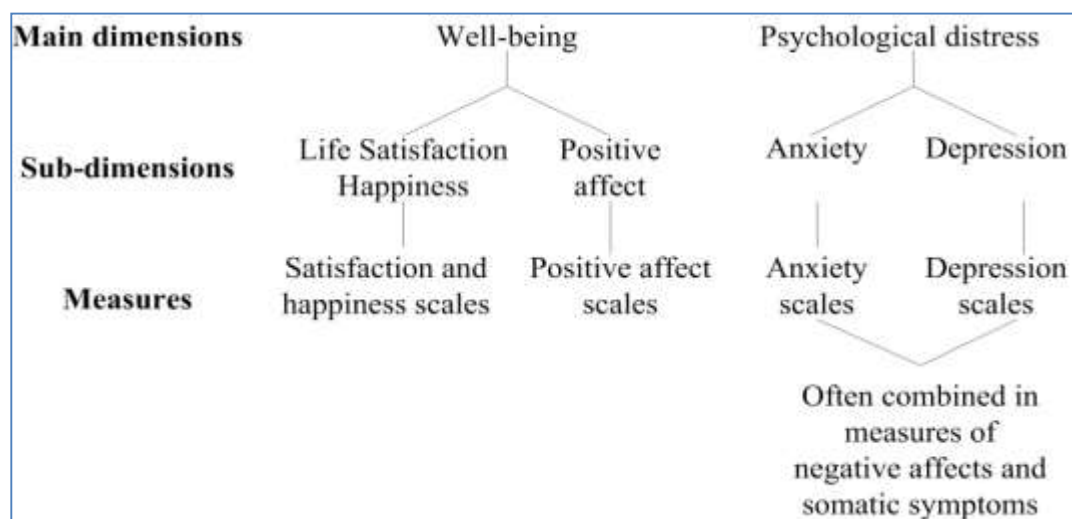


Figure 2.1 Subjective Well-being Theory (Source: Headey and Wearing, 1992)

Based on the hedonic or mental state well-being theories, the level of person’s life satisfaction is linked with his or her level of positive emotions, minus

that of negative emotions. One of the first and simplest hedonic well-being theories was defined by Bentham (1789). He argues; pleasure and pain are kinds of sensation and determinants of their value are duration and intensity. However, the sense of pleasure and pain in person's life could be better or worse, and there is no single common way to achieve enjoyment while there are many different experiences for people to enjoy.

A complete hedonic theory, firstly, introduced by Mill (1891), he believed that two determinants of value duration and intensity just form quantitative properties, and there is another property what he called quality. Current improvement enabled researchers to distinguish the different levels (higher or lower) of pleasure.

In the study by Griffin (1986), it was argued pleasurable experiences are not the only reason to person's life going well. He claims, "We do seem to desire things other than states of mind, even independently of the states of mind they produce" (Griffin, 1986, p.9). For example, in terms of friendship, not only feeling associate with friendship is person's desire, but also it is friendship itself (Finnis, 1983).

2.2.2 Desire Fulfillment Theories

Griffin defines well-being as "the fulfillment of desires that persons would have if they appreciated the true nature of their objects" (Griffin, 1986, p.11). The hedonistic theories defined pleasantness as the good maker, but according to desire-fulfillment theories, the basics of these theories are desire fulfillment. Desire theories are most dominant theories due to the emergence of welfare theories. According to mental state theories, the measures of well-being are pleasure and pain. However, they are hard to measure while there is no access to the inside of people brain. On the other hand, comparing different people's level of well-being is impossible due to

different experiences. These theories mostly rely on the economics' basis that believed well-being consists of satisfaction of person favors and desires.

The simplest available desire theory is present desire theory, which indicates the person is mostly satisfied while its current desires are fulfilled, Stanford Encyclopedia of Philosophy named desire theory as a theory of well-being-at-a-particular-time. The most deficiency of this theory appears when fulfilling of current need can destroy other incoming desires or from another view, it can destroy overall well-being.

Another version of desire-fulfillment theories called comprehensive desire theory, according to these theories the more fulfilling of desire in a life the more preferable. It is completely opposite of Parfit's (1984) case of addiction, which said if there is no problem in terms of availability of the drug and no need to pay for it. But what is the reason for an addicted person to take it? There is informed desire version of comprehensive theory available, which indicates if someone is fully aware of all the facts, then person's desire can be introduced as the best life. Despite desire theories fulfilled so many deficiencies of hedonistic theories, and they are the most popular well-being theories but still there are some objections against them, as Griffin claims that the best definition of well-being is not satisfaction of our actual desires and said, "I develop one set of material desires not realizing that they are the sort that, once satisfied, are replaced by another set that is just as clamorous and I am no better off" (Griffin, 1986, p.12).

2.2.3 Objective Theory of Well-Being

Objective list theories of well-being not only consist of pleasurable experiences and need satisfaction but also other variables like a relationship with family and friend