Int. j. adv. multidisc. res. stud. 2025; 5(2):292-298

Received: 18-01-2025
Accepted: 28-02-2025

International Journal of Advanced Multidisciplinary Research and Studies

ISSN: 2583-049X

Overview of Global Measurement Indexes: Concepts, Applications, and Limitations

Le Van Hung
Institute of Regional Sustainable Development-Vietnam Academy of Social Sciences, Vietnam

Corresponding Author: **Le Van Hung**

Abstract
This article provides an overview of key indices used to measure economic and social development worldwide. The Global Competitiveness Index (GCI), published annually by the World Economic Forum, assesses national competitiveness based on 12 pillars, categorizing economies into three stages: factor-driven, efficiency-driven, and innovation-driven. While GCI offers insights into resource utilization and development strategies, it has yet to fully integrate environmental and cultural factors. Meanwhile, the Human Development Index (HDI) by UNDP evaluates human development based on life expectancy, education, and income, expanding measurement beyond economic growth. However, HDI does not fully reflect inequality and educational quality across nations. The Multidimensional Poverty Index (MPI) by UNDP and OPHI measures poverty through three dimensions: health, education, and living standards, providing a more detailed perspective on poverty but lacking representation of happiness and spiritual aspects. Additionally, indices such as the Youth Development Index (YDI) and the Better Life Index (BLI) focus on youth welfare and overall quality of life. These indices play a crucial role in policymaking, helping governments track progress and identify areas for improvement. However, challenges remain in data collection, methodological consistency, and adapting indices to specific national contexts. This article analyzes the strengths and limitations of these indices and draws lessons for their application in Vietnam.

Keywords: Index Set, Construction Methods, Implementation, Impact, Advantages, and Limitations

1. Introduction

Around the world, numerous indices are used to reflect the level of economic and social development of a country or territory. Regarding indicators related to population, labor, employment, and the protection of vulnerable social groups, 24 indices are widely measured, maintained, and utilized by various global organizations.

Firstly, the Global Competitiveness Report by the World Economic Forum (WEF) assesses labor markets and employment policies across different countries, providing insights into labor market efficiency and competitiveness. Additionally, the Global Gender Gap Report, also published by WEF, focuses on gender disparities across multiple areas, including labor force participation and wage equality. The International Labour Organization (ILO) releases the World Employment and Social Outlook Report, analyzing global labor market trends such as unemployment rates, working conditions, and social protection. The United Nations Development Programme (UNDP) developed the Human Development Index (HDI) to measure overall development, including employment and income factors.

Furthermore, the Global Slavery Index by Walk Free Foundation evaluates modern slavery, including forced labor. The Global Youth Development Index by the Commonwealth measures youth status in various countries, particularly access to education, employment, and social inclusion. INSEAD publishes the Global Talent Competitiveness Index, which assesses a country's ability to attract and retain talent, including labor market efficiency. The World Bank focuses on business facilitation through its Doing Business Report, which includes labor market regulation and protection indices. The Organisation for Economic Co-operation and Development (OECD) provides the Better Life Index, measuring overall well-being, including employment and income. The Multidimensional Poverty Index (MPI), jointly published by UNDP and the Oxford Poverty and Human Development Initiative, measures poverty across multiple dimensions, including employment and education.

Beyond economic aspects, some indices focus on social issues. The Global Hunger Index, published by Concern Worldwide and Welthungerhilfe, evaluates hunger and malnutrition, reflecting food accessibility and employment opportunities for vulnerable populations. The Fragile States Index by the Fund for Peace ranks countries based on their vulnerability to conflict and instability, which directly impacts labor markets. The Global Wage Report by ILO offers insights into global wage trends, income inequality, and minimum wage policies. OECD also publishes the annual Employment Outlook, analyzing employment trends, labor market policies, and job quality in member countries. The World Justice Project provides the Global Employment Index, measuring the legal framework's impact on employment and labor rights across different countries. Some organizations also release the Global Youth Unemployment Index, focusing on youth unemployment rates and challenges in labor markets.

Additionally, the International Disability Alliance (IDA) developed the Global Disability Rights Index, assessing the inclusion of persons with disabilities in society, including employment opportunities and labor market participation. Several organizations have introduced the Global Labor Migration Index, evaluating policies and opportunities for migrant workers. The Global Informal Economy Index measures the scale and impact of the informal economy across countries. The ILO also tracks and publishes the Child Labor Index, reflecting child labor practices worldwide. The International Food Policy Research Institute publishes the Global Food Security and Hunger Index, assessing food accessibility and poverty risks, which are closely linked to labor markets. Transparency International publishes the Corruption Perceptions Index, measuring perceived corruption levels in various countries, a factor significantly influencing employment opportunities. Some organizations have introduced the Global Social Mobility Index to evaluate social mobility, including access to quality education and economic opportunities, which greatly affect career prospects. Lastly, indices such as the Global Happiness Index focus on overall human well-being, incorporating factors related to employment, income, health, and happiness.

Overall, these indices, developed and widely used by international organizations, provide a comprehensive assessment of the socio-economic conditions of various countries. Analyzing and synthesizing these indices will offer researchers and policymakers a solid foundation for making informed decisions and provide a basis for future practical applications in Vietnam.

2. Introduction to the Indices

Global Competitiveness Index

Methodology for Constructing an Index

The Global Competitiveness Index is an index that integrates macroeconomic and microeconomic aspects as well as business aspects of competitiveness into a specific indicator. This index was proposed and developed by three researchers, including Xavier, Sala-i-Martin, and Elsa V. Artadi.

From 110 different aspects, 12 pillars have been identified and calculated to comprehensively reflect a country's competitiveness. These pillars include many important factors, such as the labor market, worker health, as well as education and training. Specifically, the 12 pillars mentioned include: institutions, appropriate infrastructure, a stable macroeconomic framework, good health and primary education, higher education and training, an efficient goods market, an efficient labor market, a developed financial market, the ability to exploit existing technology, market size (both domestic and international), the production of new and differentiated goods through complex production processes, and finally, innovation.

These pillars are grouped into three key subindexes: basic requirements, efficiency enhancers, and innovation and sophistication factors. The weight assigned to each subindex varies depending on a country's stage of development, ensuring that the index remains relevant across economies with different income levels. As a result, the Global Competitiveness Index provides a dynamic and adaptable measure that helps policymakers identify strengths and areas for improvement in their economic strategies.

The Human Development Index (HDI)

According to the UNDP definition, the Human Development Index (HDI) is a summary measure of average achievement in key dimensions of human development, including a long and healthy life, knowledge, and a decent standard of living. The HDI is the geometric mean of normalized indices for each of these three dimensions.

HDI is built on three main dimensions: longevity and health, knowledge, and a minimum standard of living. From these three dimensions, corresponding indicators are identified to reflect the state of human development. Specifically, the longevity and health dimension is measured through the life expectancy index, reflecting the average number of years a person is expected to live. The knowledge dimension includes two indicators: the mean years of schooling and the expected years of schooling, representing the population's access to education. Meanwhile, the minimum standard of living dimension is measured by the GNI per capita based on purchasing power parity (PPP $), reflecting per capita income and the level of economic development. Before forming the composite HDI, these three dimensions are normalized into separate indices, including the life expectancy index, the education index, and the GNI index. Finally, the HDI calculation is based on the combination of these three indices to provide an overall picture of a country's human development.

Implementation

This index was created and maintained by the United Nations Development Programme (UNDP) since 1990 to measure, evaluate, compare, and provide recommendations for countries and territories. Over the years, the calculation method has been adjusted for greater accuracy and relevance, such as in 2010, when UNDP modified the calculation of the education dimension. In Vietnam, several Human Development Reports have been developed by various agencies, and in recent years, the General Statistics Office has been responsible for publishing the results of these calculations. In some localities, human development reports have also been computed and tested.

The HDI serves as an essential tool for policymakers, enabling them to assess development beyond mere economic growth and to identify disparities in human well-being across different regions. By incorporating factors such as life expectancy, education, and income, the index provides a more holistic view of national progress. Additionally, the availability of HDI data over multiple decades allows for long-term trend analysis, helping

governments and organizations track improvements and design targeted interventions to enhance human development outcomes.

Impact of the Index

Since 1990, the HDI has had a positive impact on awareness in many countries and territories. This index provides a broader measure of development with the perspective of expanding and improving human development opportunities rather than being biased towards economic indicators. All development goals aim towards and for human well-being. Therefore, when the report was introduced, most countries welcomed it and started developing human development reports for their own nations and territories. The HDI has been used as an indicator to assess the progress of a country or territory and serves as a tool for policymakers striving to improve their HDI ranking.

Strengths and Limitations of the Index

The HDI has several strengths, such as being considered unbiased toward economic factors like GDP. Nations have assessed human development as the ultimate goal of development rather than merely a means to an end. According to UNDP, the HDI has some limitations: in different calculation periods, the number of years of schooling included in the HDI does not reflect differences in education quality between countries with higher and lower educational standards. Additionally, the HDI does not account for inequality in income distribution or gender equality. Finally, many countries with high per capita income do not achieve the expected impact on education and healthcare when calculated within the HDI.

Moreover, the HDI primarily focuses on national averages, which can obscure disparities within countries, particularly among marginalized communities. It also does not incorporate environmental sustainability, an increasingly critical factor in long-term human development. Addressing these limitations through additional indicators or adjustments could make the HDI a more comprehensive tool for measuring progress across diverse social and economic contexts.

Multidimensional Poverty Index

Methods of Constructing the Index System

The Multidimensional Poverty Index (MPI) often uses households as the unit of analysis, although this is not a mandatory requirement. A household is considered deprived in an indicator if it does not meet a certain "threshold." For example, a household is deprived if at least one adult member has not completed at least six years of schooling. Each household is assigned a "deprivation score," determined by the number of indicators in which they are deprived and the "weights" assigned to these indicators. Each dimension (health, education, standard of living, etc.) is usually given equal weight, and each indicator within a dimension is also generally weighted equally. If a household's deprivation score exceeds a certain threshold (e.g., 1/3), the household is considered "multiply deprived" or simply "poor." The final "MPI score" (or "Adjusted Headcount Ratio") is calculated by multiplying the proportion of households considered "poor" by the average deprivation score among the "poor" households.

Regarding dimensions, the global MPI uses three standard dimensions: Health, Education, and Standard of Living, along with ten indicators. These reflect the Human Development Index (HDI). Multidimensional poverty indices used for purposes other than global comparisons sometimes incorporate different dimensions, including income and consumption.

Reflecting the measurement criteria for multidimensional poverty, the three main dimensions include health, education, and standard of living. In the health sector, two key indicators are child mortality and nutrition. If a household has a child under 18 who has died in the past five years or a malnourished member, that household will be penalized. For education, indicators are assessed based on years of schooling completed and school attendance. Specifically, a household is penalized if no one has completed at least six years of schooling or if no school-aged member has reached this level. Standard of living is measured through various factors such as cooking fuel, sanitation, drinking water, electricity, housing quality, and asset ownership. Households will be penalized if they use biogas, wood, or charcoal for cooking, if their sanitation facilities are inadequate, if they lack access to clean drinking water nearby, if they have no electricity, if their housing quality is poor, or if they do not own basic assets such as a radio, TV, computer, phone, or truck. These indicators comprehensively assess household living conditions, helping to develop appropriate policies to improve the quality of life for vulnerable populations.

The Alkire-Foster method is a multidimensional poverty measurement approach developed by Sabina Alkire and James Foster at OPHI. Based on the Foster-Greer-Thorbecke poverty measures, this method considers various deprivations individuals experience simultaneously, such as lack of education, employment, poor health, or a low standard of living. This data is analyzed to determine who is poor and then used to construct the Multidimensional Poverty Index (MPI).

Constructing the Poverty Measure

The most common method for measuring poverty is calculating the percentage of the population living in poverty, known as the Headcount Ratio (H). However, to provide a more comprehensive perspective, the Alkire-Foster (AF) method has developed a unique poverty measure (Mα), which goes beyond the simple headcount ratio. This method incorporates three key indices.

First, the Adjusted Headcount Ratio (M0), also known as the Multidimensional Poverty Index (MPI), reflects both the proportion of the poor population and the intensity of poverty that each individual or household experiences. It is calculated using the formula $M0 = H \times A$, where A represents the average deprivation intensity.

Second, the Adjusted Poverty Gap (M1) measures the degree of deprivation that poor individuals experience in relation to the poverty threshold. It is computed as $M1 = H \times A \times G$, where G denotes the average gap between deprivation levels and the poverty threshold.

Third, the Adjusted Squared Poverty Gap (M2) captures the extent of inequality among the poor, using the formula $M2 = H \times A \times S$, where S represents the squared gap between deprivation levels and the poverty threshold.

When compared to the Human Development Index (HDI), the MPI provides a more detailed, micro-level measurement, covering approximately 100 countries, whereas HDI is calculated for almost all countries worldwide and tends to emphasize economic indicators such as GDP. Despite their usefulness, both MPI and HDI have certain limitations, particularly in their inability to capture people's emotions

and subjective well-being. As a result, researchers often supplement these indices with additional measures, such as the Global Happiness Index, to conduct deeper analyses of living standards and quality of life in specific countries or regions.

While the MPI focuses on a more localized level, the HDI provides a broader perspective. The MPI is calculated for around 100 countries, whereas the HDI is assessed for nearly all nations. Some researchers argue that HDI is more inclined toward economic indicators such as GDP, whereas MPI captures broader dimensions of poverty. However, both indices have inherent limitations, as they do not account for people's emotions and subjective well-being. Therefore, additional indices, such as the Global Happiness Index, are often used as analytical tools for assessing the quality of life within a specific country or region.

Implementation

The Global Multidimensional Poverty Index (MPI) was developed in 2010 by the Oxford Poverty & Human Development Initiative (OPHI) and the United Nations Development Programme (UNDP). It utilizes indicators related to health, education, and living standards to determine the incidence and intensity of poverty experienced in a given region. Since its introduction, the MPI has been used to measure poverty levels in over 100 developing countries.

The Global MPI is published annually by UNDP and OPHI, with results made available on a publicly accessible website. It is released alongside the Human Development Index (HDI) in the Human Development Report and serves as a replacement for the Human Poverty Index.

Impact of the Index

Supporters of MPI argue that this method can be used to create a comprehensive picture of people living in poverty and allows for comparisons between countries, regions, and globally, as well as within countries based on ethnic groups, urban/rural locations, key households, and community characteristics. MPI serves as a useful analytical tool for identifying the most vulnerable individuals—the poorest among the poor—by illustrating poverty patterns within each country and over time. This enables policymakers to better target resources and design more effective policies. Critics of this method have pointed out that changes in thresholds, as well as the indicators included and their assigned weights, can alter the MPI score and affect poverty assessments.

Strengths and Limitations of the Index

The Multidimensional Poverty Index (MPI) utilizes multiple indicators to calculate a summarized poverty figure for a given population group, where a higher figure indicates a greater degree of poverty. This figure considers both the proportion of the population classified as poor and the "breadth" of poverty that poor households experience, following the "counting method" of Alkire & Foster (Alkire and Foster 2011). This method was developed in response to increasing criticism of poverty measures based solely on income and consumption, aiming to capture non-monetary deprivations that contribute to well-being. Although the global MPI follows a standardized set of indicators, dimensions, cutoffs, and thresholds, this method is highly flexible, and many poverty studies have adapted it to best fit their specific contexts. It is primarily applied to, but not exclusively limited to, developing countries.

This index has several limitations. First, poverty is a complex issue influenced by numerous factors, making it difficult or even impossible to fully capture all its dimensions. Second, collecting data for multidimensional indicators poses a significant challenge. Third, due to the large number of indicators involved, processing and accurately assessing them can become overwhelming, leading to inefficiencies in implementing relevant policies. Fourth, the index does not account for inequalities within households, nor does it measure disparities among the poor. Finally, it is difficult to determine which specific dimension should be prioritized when formulating targeted policy interventions.

Youth development index-YDI

The Youth Development Index (YDI) is built upon six main pillars to measure the level of youth development, including health and well-being, education, employment and opportunity, equality and inclusion, political and civic participation, as well as peace and security. The YDI ranges from 0 to 1, with 1 representing the highest level of youth development. The index measures the youth population aged 15 to 29. However, different international organizations define the youth age range differently. For example, the International Labour Organization (ILO) and the World Health Organization (WHO) typically limit the youth age range to 15–24 years, whereas the United Nations Youth Fund extends the range up to 32 years.

The YDI operates similarly to the Human Development Index (HDI), with four rating levels: very high, high, medium, and low. These levels are determined based on the 25th, 50th, and 75th percentiles of all countries, providing an objective reflection of youth development globally.

In some early reports, the YDI framework initially consisted of only five pillars, with different levels of contribution and weighting. The indicators were also calculated using a methodology similar to that of the Human Development Index (HDI).

Implementation Organization

The YDI aims to provide a comprehensive overview of the conditions of young people worldwide and assess their development opportunities. According to the Commonwealth Foundation, the YDI is an index integrating 27 indicators measuring youth development in 181 countries, including 48 out of the 54 Commonwealth nations.

The Commonwealth is an association of 54 independent countries, encompassing both large and small nations, as well as developed and developing ones. It functions as an intergovernmental body where the Commonwealth Secretariat collaborates with member governments to conduct measurements, including the development of the YDI index. This association fosters consensus, offers technical support, and provides advisory services to assist member governments in data collection and report generation.

Strengths and Limitations of the Index

The Youth Development Index facilitates comparisons between countries; however, data limitations in some nations remain a significant challenge. The biggest drawback of this index is the lack of comprehensive data in certain countries, particularly regarding employment or political and civic participation in low-income nations. This

issue can only be resolved in the future as research and statistical capabilities improve.

Better Life Index

The methodology for constructing the index

Established in 2011, this index comprises 11 themes related to well-being. Each theme is constructed using one to four indicators and is adjusted over time, as the data is derived from previous years. Initially, these 11 themes were equally weighted and used to rank happiness levels in over 30 countries.

The economic index, developed by the OECD, is based on 11 key themes, including housing, income, employment, community, education, environment, governance, health, life satisfaction, safety, and work-life balance. Each theme is assessed using specific indicators, such as housing conditions, household income, quality of social support, quality of education, and environmental health.

Countries create their own economic index by assigning scores to each theme from 0 to 5, where 0 represents no importance and 5 signifies high importance to the population. This tool illustrates differences between countries through a flower-shaped chart, where each country is represented by a flower, and the themes are depicted as petals, with their sizes reflecting the corresponding scores. Designed by the Berlin-based agency Raureif, this tool is not only visually intuitive but also practical for application. The scores users assign to a theme are used to determine its weight in the overall index.

Implementation Organization

This index was introduced by the Organisation for Economic Co-operation and Development (OECD) in May 2011 with the goal of comprehensively collecting and describing various aspects of economic and social progress. It is a composite index that not only focuses on economic indicators but also reflects factors that directly impact people's quality of life.

The index encompasses key dimensions such as well-being, environmental quality, security, public services, and social inequality. Based on these dimensions, the OECD has developed a composite index to measure and assess the sustainability of national development. Although it is a broad regional index, the OECD aims for it to be widely applicable at both individual and national levels. The essence of this index is to encourage individuals to assess the importance of different life factors, providing a foundation for policymakers to better understand society's real needs.

This index is built on a rich data system, with reports published every two years. The report includes 80 different indicators, focusing on measures of inequality, living conditions, and other key socio-economic factors. These indicators are designed to accurately reflect public perspectives on what they consider important within the current socio-economic context. Additionally, the report serves as a governance tool, helping governments better understand public expectations and adjust policies accordingly.

Strengths and Limitations of the Index

One of the greatest strengths of this index is its ability to provide a more comprehensive reflection of well-being compared to the traditional GDP index. While GDP focuses solely on economic output, the OECD's Better Life Index aims to measure overall quality of life, incorporating non-economic factors such as health, happiness, and the environment. As a result, this index helps assess a country's sustainable development not only in the present but also for the future. Additionally, it serves as an effective governance tool, facilitating communication between citizens and policymakers. Similar to the Human Development Index (HDI), the OECD also aims to develop well-being and social indices, emphasizing four key pillars: environmental sustainability, increased well-being, reduced inequality, and enhanced system resilience.

However, despite its advantages, this index has certain limitations. Since its introduction by the OECD, several adjustments have been made, leading to changes from its original design. For example, some indicators, such as civic engagement, female and child employment rates, have been modified or replaced to better align with current realities. These adjustments create inconsistencies across different years, making long-term comparative analysis more challenging.

Moreover, some researchers have pointed out that the index does not account for factors such as religion, ethics, or family happiness—key aspects that may significantly influence human well-being. Additionally, in terms of methodology, the index relies on relative figures rather than absolute values, which may introduce certain biases when assessing the development status of different countries (Kasparian and Rolland, 2012).

Furthermore, since the index undergoes continuous adjustments over the years, comparisons across different time periods must be made cautiously to avoid potential inaccuracies. All relevant data and figures for the Better Life Index can be accessed on the official OECD website, where updated reports are available to help researchers, policymakers, and the public track changes in the index over time.

Disability Equality Index (DEI)

The Disability Equality Index (DEI) is a widely recognized benchmarking tool in the United States that measures and evaluates corporate policies and practices related to the inclusion and equality of people with disabilities within businesses and organizations. DEI is a joint initiative of Disability:IN and the American Association of People with Disabilities (AAPD).

This index serves as an objective assessment tool designed to help businesses advance disability inclusion efforts. It provides companies with a structured roadmap for implementing measurable best practices across five scored categories: Culture & Leadership, Enterprise-Wide Access, Employment Practices, Community Engagement, and Supplier Diversity. By participating in the DEI, companies gain insights into their strengths and areas for improvement, allowing them to refine their strategies for fostering an inclusive work environment.

Additionally, the DEI encourages businesses to adopt industry-leading policies that enhance accessibility, create equitable opportunities, and support employees with disabilities at all levels of the organization. Companies that score highly on the DEI are recognized for their commitment to disability inclusion, which can strengthen their reputation and appeal to a broader talent pool. Over the years, DEI has played a crucial role in driving corporate accountability and influencing positive change, making it a

valuable resource for organizations striving to build a diverse and inclusive workforce.

Methodology for Development

The 2022 U.S. version of the Disability Equality Index (DEI) evaluates businesses across six categories to measure their commitment to disability inclusion.

The first category,Culture & Leadership (30 points), assesses how well companies integrate disability inclusion into their corporate culture and leadership strategies. Businesses are evaluated on their ability to foster a supportive environment, ensure visible commitment from leadership, and implement long-term policies promoting equal treatment for employees with disabilities. Strong leadership engagement is essential in driving these initiatives forward.

Enterprise-Wide Access (10 points) examines how companies provide accessible workplaces, including physical office spaces, digital platforms, and communication tools. Organizations must demonstrate active efforts to eliminate barriers and ensure that employees with disabilities can fully participate in the workplace.

Employment Initiatives (40 points) focuses on four subcategories: Accommodations, Benefits, Employment & Advancement, and Recruitment. Businesses are assessed on their ability to provide reasonable workplace accommodations, offer inclusive benefits, create career development opportunities, and implement hiring practices that encourage applications from individuals with disabilities.

These categories, along with others in the DEI, provide businesses with a structured framework to evaluate and enhance their disability inclusion efforts.

Implementation Organization

The Disability Equality Index (DEI) is a joint initiative of the nonprofit organization Disability:IN and the American Association of People with Disabilities (AAPD). To develop the 2024 DEI version, AAPD and Disability:IN invited participation from companies listed in the Fortune 1000 and law firms in the Am Law 200 rankings.

Other organizations were eligible to register, provided they had 500 or more full-time employees in the United States as of January 1, 2021, including:

- Private-sector (non-government) employers not owned by a larger U.S.-based organization.
- Businesses owned by a U.S.-based parent organization must be ranked and represented in the DEI and related publications under the parent organization's name. Exceptions to this condition are determined on a case-by-case basis by AAPD and Disability:IN, typically for businesses undergoing temporary restructuring (e.g., temporarily owned by a private equity firm or privatized before being spun off as an independent entity or sold to another organization). A subsidiary may also participate if its parent company commits to joining in the following year.
- Companies operating as U.S. subsidiaries of multinational corporations headquartered outside the United States.
- Foreign-owned private companies participating on behalf of their U.S. operations.

Beyond the U.S. version, a two-year pilot program for the Global Disability Equality Index was conducted but was not scored, concluding in 2022. This pilot was limited to select companies, with 98 companies across 66 countries participating. The findings from the global DEI pilot have served as the foundation for a new scoring standard, which will be introduced in 2024 for seven additional countries outside the United States.

Resources

There are no official documents specifying the funds used to implement the annual Disability Equality Index. However, since this index is developed by Disability:IN in collaboration with the American Association of People with Disabilities (AAPD), it can be assumed that the annual funding for the Disability Equality Index comes from AAPD's sponsorships, other organizations, and community fundraising efforts.

Implementation Timeline

The U.S. version of DEI was first introduced in 2012, and by 2014, the results of the DEI survey were officially published. Since then, DEI has been updated and released annually. The call for businesses to participate in the survey typically begins in October of the previous year and lasts until January of the following year, with the results announced in July each year.

Impact

The Disability Equality Index (DEI) has become the leading independent reference for assessing annual corporate policies and programs on disability inclusion. It is now trusted by more than 70% of Fortune 100 companies and nearly half of Fortune 500 companies. These corporations must increasingly consider emerging global reporting directives and stakeholder expectations regarding how corporate governance and social factors impact their performance, culture, reputation, and financial standing. Since 2015, the number of companies participating in the U.S. version of the DEI has grown sixfold—from 80 companies in its first year to 485 companies in 2023.

Additionally, companies with high DEI scores have a greater ability to build brand recognition among current and future employees, investors, and customers—including people with disabilities, as well as their friends and families. Top-scoring companies are featured in the Disability Equality Index as "Best Places to Work for Disability Inclusion" and receive several benefits, including:

- The ability to use the 100, 90, or 80-point badge for "Best Places to Work for Disability Inclusion"
- Inclusion on the list of "Best Places to Work for Disability Inclusion" on the DEI website
- Access to sample press releases and quotes from Disability:IN leadership for corporate use
- Support for digital marketing communications, including a messaging toolkit, sample social media posts, and other creative content

Limitations

Subjectivity Due to Self-Reporting: The DEI relies on self-reported data from participating organizations, which may introduce bias or inflated claims about their disability inclusion efforts. Some companies might overstate their initiatives to achieve a higher score rather than accurately reflecting their actual level of inclusivity.

Limited Scope: The DEI primarily assesses disability inclusion within the context of the United States, meaning it may not fully capture the diverse needs and challenges faced by people with disabilities in different cultural, economic, and legal environments worldwide.

3. Conclusion

An analysis of global measurement indices highlights their crucial role in assessing the economic and social

development of nations. The Global Competitiveness Index (GCI) provides a comprehensive framework for evaluating economic performance but lacks emphasis on environmental and cultural factors. The Human Development Index (HDI) offers a broader perspective on social progress; however, it does not fully capture inequalities in education and income. Meanwhile, the Multidimensional Poverty Index (MPI) provides deeper insights into poverty but faces challenges in measuring emotions and human happiness. Other indices, such as the Youth Development Index (YDI) and the Better Life Index (BLI), contribute to assessing quality of life from different demographic and social perspectives.

Although these indices play a vital role in helping governments and organizations formulate policies, their practical application—especially in the context of Vietnam—requires flexible adaptation. Attention must be given to the unique characteristics of each country, ensuring that data collection is accurate and relevant to local realities. Furthermore, future research should focus on improving these indices by integrating cultural and environmental factors and utilizing real-time data. Enhancing these indices will provide a more comprehensive view of national development while supporting policymakers in making informed decisions to promote sustainable growth.

This article is a product of the ministerial-level task titled "Experimentation and Evaluation of the Effectiveness of Index Application in Certain Fields, with Policy Recommendations," under the key ministerial program "National Index of Social Security."

4. References

1. Alkire Sabina, James Foster. Counting and Multidimensional Poverty Measurement. Journal of Public Economics. 2011; 95(7-8):476-487. Doi: https://doi.org/10.1016/J.JPUBECO.2010.11.006
2. Kasparian Jérôme, Antoine Rolland. OECD's 'Better Life Index': Can Any Country Be Well Ranked? Journal of Applied Statistics. 2012; 39(10):2223-2230. Doi: https://doi.org/10.1080/02664763.2012.706265
3. Xia Ruixia, Tao Liang, Yali Zhang, Sibin Wu. Is Global Competitive Index a Good Standard to Measure Economic Growth? A Suggestion for Improvement." International Journal of Services and Standards. 2012; 8 (August). Doi: https://doi.org/10.1504/IJSS.2012.048438
4. Human Development Reports.
5. UNDP, Multidimensional Poverty Report.