METHODOLOGY OF THE COMPILATION OF THE FUTURE POTENTIAL INDEX (FPI)

The Future Potential Index is acomposite index of sub-indexes comprising a hierarchical indicator system based on the holistic future potential conceptual framework. Simply put, the FPI is a weighted average of carefully selected indicators, which best capture the elements of future potential.

The FPI comprises 22 indicators which were selected with the assistance of an expert panel. Each indicator is transformed into a combined indicator by incorporating its latest value and its change over time. During the process outliers are handled and all elements are normalized on a scale of 0 to 100. The combined indicators are weighted and aggregated according to the structure of the FPI framework.

To best grasp the concept of the indicator, a hierarchical structure was selected, making it possible to create sub-indicators at different levels to examine the contexts of the conceptual framework. In general, such hierarchical structures are the most suitable choice for the better presentation of complex, multi-dimensional phenomena.

To connect the normative standards with the pillars defined in the overall framework, definitions were prepared to describe the phenomena of each eight essential paired intersections of the two aspects, based on which appropriate indicators could later be selected.

SELECTING VARIABLES

The FPI is based on the indicator set of the Social Futuring Index (SFI): 8 indicators remained unchanged, 5 were slightly changed by expressing a different aspect of the measured phenomenon and 9 new indicators were selected. An expert panel with expertise in various academic disciplines and statistics examined the potential indicators of SFI and compiled the final set of indicators that best suit the written definitions.

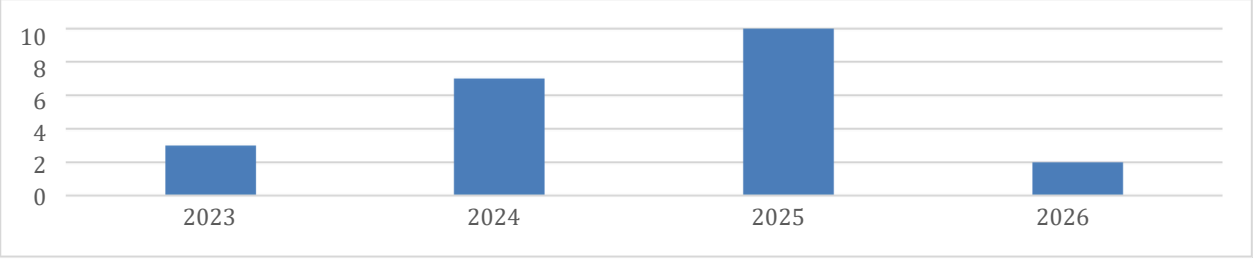
The selection process of the indicators followed the basic requirement that indicators had to be:

- be measurable/available
- have a time series
- be accessible from official, publicly available sources
- have at least OECD-country coverage
- have no or limited overlap with other indicators
- have a measurable and meaningful range

Several workshops served to finalize and fine tune the indicator set to avoid overlaps and to maintain a balance between the different elements of the framework.

USED DATA

All indicators are designed to capture both the latest value of the given indicator and its change over time. For each indicator, the most recent data available for the 2026 edition was used (Available until October 1, 2026). The latest observation year varies by country and indicator.



For each indicator, the direction (positive or negative) of the evaluation was determined based on the concept of future potential. This was essential primarily for normalization.

IMPUTATION

Although the selection of indicators was based on maximum country coverage, some indicators may have missing observations or observations that differ substantially in time from those for other countries. Missing or estimated values are handled at indicator level.

NORMALIZATION AND COMPILATION OF INDICATORS

Normalization is required prior to any data aggregation, as the indicators in a data set often have different measurement units or orders of magnitude. After filtering outliers with the use of an interquartile range, the min-max method was chosen because it best met the needs of a hierarchical model. There are no negative numbers, or there is no problem with handling 0, additivity is retained.

All indicators are designed to capture both the latest value of the given indicator and its change over time. This resulted in a combined value, thereby also capturing dynamic performance.

Change over time is measured by the absolute change rather than the relative change. The reason for this was to reduce the effect of small values change (i.e. a value changing from 1 to 2 is 100% more, while from 50 to 51 is only 2% more).

The basic data for each indicator is the latest available value (filtered from outliers and normalized) and its absolute change (also filtered from outliers and normalized) compared to 2010.

The 1.5×IQR rule is applied separately to the latest-value series and the change series before normalization. Values outside the lower and upper fences are capped at those fences.

The 'final' normalized indicator is calculated as the sum of these two factors, which are then re-normalized to a value between 0 and 100 for ease of interpretation. The two factors are equally weighted, so the range of normalized values is 100 for both factors.

NORMALIZATION OF THE MOST RECENT VALUE

(interpretation range of the indicator 0–100) If higher is favourable:

If lower is favourable:

$$v_{norm} = \frac{v - vmin}{vmax - vmin} \times 100$$

$$v_{norm} = \frac{vmax - v}{vmax - vmin} \times 100$$

where v is the value of the country; v_{min} is the minimum value; v_{max} isthe maximum value across countries; and the interpretation direction is higher-is-better or lower-is-better as specified for each indicator.

NORMALIZATION OF CHANGE

The change is the nominal difference between the latest value and the 2010 value: Δ = latest value − 2010 value. It is not a percentage change. The direction-adjusted changeisscaled symmetrically from −50 to +50, so no change equals zero. For equal weights of the latest-valueand change components,

$$c_{norm} = \frac{d \times \Delta}{max_j |d \times \Delta_j|} \times 50$$

where d = +1 for a favourable increase and d = −1 for a favourable decrease, and j denotes countries in the comparison set.

COMBINED VALUE, DYNAMIC PERFORMANCE NORMALIZATION

(range of interpretation of the indicator 0–100)

The latest-value and change components are added with equal weight, and the combined value is re-normalized to 0–100:

$$m_{norm} = \frac{(v_{norm} + c_{norm}) - min(v_{norm} + c_{norm})}{max(v_{norm} + c_{norm}) - min(v_{norm} + c_{norm})} \times 100$$

WEIGHTING AND AGGREGATION

Weights are determined by expert consensus.They were defined on the basis of the conceptual framework, considering the importance of normative standards. All indicators within each dimension were given equal weights.

Normative standards	Weight	Dimensions	Dimension weight	No. of indicators	Indicator weight
Peace & Order	40%	Safety	13.33%	3	4.44%
		Assets	13.33%	3	4.44%
		Functionality	13.33%	3	4.44%
Attachment & Community	30%	Family	15%	2	7.5%
		Belonging	15%	2	7.5%
Care & Generativity	20%	Material Advancement	10%	3	3.33%
		Self-Reliance	10%	3	3.33%
Balance & Health	10%	Life prospects	10%	3	3.33%

Aggregation is based on weights and normalized indicator values. Based on this, sub-indicators can also be defined at the dimension and normative-standard levels. All composite indicators are to be interpreted on a scale from 0 to 100.

Also, the composite indicator at any given level can be built from the sub-indicators that make it up. This greatly facilitates the analysis of the effect of the indicator composition.