

# The Psychological Impact of Unemployment on Individuals

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**Abstract:-** The elevations in unemployment have largely added to the psychological adversities among the unemployed individuals by restricting their finances and ultimately affecting their daily life expenditures. The current study has used qualitative method to get comprehensive information on the repercussions of unemployment. The study used random sampling to select 20-30-year-old individuals who had been jobless for 5-6 months. Open-ended, partially structured interviews were conducted with 6 unemployed participants (3 male, 3 female) to gather detailed, systematic information. The data collected was based on five main domains including: demographic information, Psychological wellbeing, Relationship with family and friends, Quality of life and material wellbeing, and thoughts, hopes and aims for the future. The results indicated that unemployment caused stress, depression, lack of self-esteem and self-worth among individuals. Two participants even admitted having suicidal ideation after losing their jobs. The results also indicated that although the quality of life and living standards of the participants had been compromised, they still felt that their friends and family were a source of support and encouragement for them. This study links mental health, relationships, and financial issues with unemployment. Larger samples across different societies could provide more generalizable findings and insights into coping methods used to address the challenges of unemployment.

## I. INTRODUCTION AND LITERATURE REVIEW

Unemployment is the condition in which a person unexpectedly or accidentally lose a job trying to finding a new one but not able to find it. The individual who is working but don't have any appropriate job also comes in unemployment. There is a consensus that employment means more than earning a living; it brings social status, structure during the day, enables individuals to socialize, and creates a sense of purpose or meaning in life (Fryer, 1992; Jahoda, 1982; Warr, 1987). These positive elements are essential for psychological growth, promoting both subjective and eudaimonia wellbeing (Ryan & Deci, 2001; Waterman, 1993). It is, therefore, unsurprising that empirical work shows persistent negative effects of unemployment on wellbeing even after controlling for income, pointing to the significant non-pecuniary costs of unemployment. A number of systematic reviews and meta-analyses (McKee-Ryan et al., 2005; Murphy &

Athanasou, 1999; Paul & Moser, 2009) have provided quantitative syntheses of the unemployment-wellbeing literature.

### ➤ *The Impact of Unemployment on Psychological Wellbeing*

From 1930s to the present there have been series of studies conducted on the psychological health of jobless people. It has been proved by the research's, unemployment has very strong impact on psychological wellbeing of an individual (Creed et al., 2000). Unemployment may possess superfluous stressors at individuals, such as financial difficulty, uneasiness, and uncertainty and relationship issues. Individual psychological health gets disturbed when they move employment to unemployment and psychological health improved when they return back at work. Researchers define negative psychological effects of unemployment such as, nervousness, hopelessness, depression, lethargy, confidence, low self-esteem, moodiness, inebriation and incapability to manage with problems. In a recent study Gedikli et al. (2022), demonstrated that unemployment reduces wellbeing and reduced wellbeing also leads to unemployment.

### ➤ *Connection between Mental Health and Unemployment*

Unemployment- a person unexpectedly or accidentally loses a job trying to finding a new one but not able to find it- has very adverse effect on mental health of individuals it can lead to depression, anxiety and many serve psychological issues. As found by Virgolina et al. (2022), unemployment is highly associated with suicide, anxiety, and mood disorders.

### ➤ *Coping Capitals of Individuals from Psychological Effect*

Cassidy (2001) concedes the concerns of unemployment are pretentious by the coping capitals of individuals from unemployment psychological effects. A study has found that the levels of anxiety, depression and stress in case of unemployment depend on the individual's coping style where people using problem-focused coping usually have lower levels of these adversities (Bordea, 2017). The crumbling strategies an individual can use to handle spontaneous job loss involves environmental conditions (external) and individual characteristics (internal) (Lazarus & Folkman, 1984). McKee-Ryan (2003) has designated four kinds of coping strategies which coping with job replacement which include social, personal, time structure and financial. The surroundings can offer another source for attainment to hidden assistances and assist in a

beneficial way of handling with jobless which is also psychologically healthy (Hoare & Machin, 2006).

#### ➤ *Significance of the Study*

The goal of present study is to probe the psychological impact of unemployment on individuals. This study offers a unique insight into the Issues of unemployment. Representing the psychological wellbeing of individual of individuals due to unemployment is the underlying theme of this research.

#### ➤ *Research Purpose*

The purpose of the current study is to explore, identify, present, and assess and individual experience of unemployment and its impact on individual life and financial effects. The main objective of this study is to elaborate the understanding of being unwaged and the impact which unemployment has on an individual from a psychological viewpoint. The researcher believes psychological issues related to unemployment deserve the same attention as the communal difficulties postured by unemployment and financial deprivation causes by unemployment.

#### ➤ *Research Question*

The purpose of this study is to investigate the following research questions:

- What is the impact of unemployment on psychological well-being of individual?
- In which ways the financial restrictions of unemployment impact on an individual's Family and friends, quality of life and standard of living?

## II. METHODOLOGY

#### ➤ *Introduction*

Main purpose of this chapter is to illustrate the methodological method undertaken to elaborate the individual's particular knowledge about unemployment, to discuss the psychological impact of unemployment.

#### ➤ *Qualitative Approach*

For this study Qualitative method was used as the research method. The research process includes pragmatic work being accomplish with the gathering of data which can correspond, rebut or tournament models carried out by different observations and providing clarification and understanding of the phenomenon (May, 1997).

#### ➤ *Research Design*

Semi-structured interviews were conducted to complete research study. The research project is participatory as the participants themselves take part in interview method. It allowed the participants to provide more information in a flexible way. They are free to express their feelings and attitudes about unemployment. Participants are allowed to answer the questions more in their own words rather than a single yes or no (May, 1997).

#### ➤ *Participants*

Participants are approached and debriefed the research project, and were requested to take part in interview. Research question and phenomenon is explained to the participants. Six unemployed participants (Three Males and Three Females) took part in this research to answer the research questions. Here's the detail of the participants:

Table 1 Detail of the Participants

| Participant | Gender | Age      | Marital Status | No. of children | Previous job            | Length of unemployment | Time period of unemployment |
|-------------|--------|----------|----------------|-----------------|-------------------------|------------------------|-----------------------------|
| 1           | Male   | 30 Years | Married        | 02              | Bank Cashier            | 6 Months               | 7 Years                     |
| 2           | Male   | 25 Years | Single         | -               | Chef at Restaurant      | 1 year                 | 4 year                      |
| 3           | Male   | 29 Years | Married        | 02              | Watchman                | 3 Months               | 5 years                     |
| 4           | Female | 22 Years | Single         | -               | Teacher                 | 2 Months               | 2 Years                     |
| 5           | Female | 28 Years | Married        | 01              | Teacher                 | 4 Months               | 5 Years                     |
| 6           | Female | 28 Years | Married        | 02              | Public Relation Officer | 3 Months               | 4 Years                     |

#### ➤ *Data Collection*

Keeping in mind the purpose and questions of research, an open-ended questionnaire and semi structured interview were conducted with the participants in two different sessions to get the information.

#### ➤ *Sampling and Selection*

The researcher used a random sampling method to choose the participants. Those participants were selected who are jobless over last five to six months. Participants were pursued through peculiar contacts of the researcher. Participant's age between twenty to thirty years of age is interview by the researcher. Six participants were interviewed. The participants including both white- and blue-collar workers covered diverse occupations; they have very different standpoint and feelings on the research topic.

#### ➤ *Data Collection Method*

Data collected in March & April 2023. Participants were pursued through peculiar contacts of the researcher and debrief research topic. Rapport building and empathy developed between the participant and researcher. With a series of questions, a semi structure interview was conducted, during interview process all participants allowed to speak freely about the research topic. Each participant expresses overall experiences of job lose and the impact it had on their lives, each participant interview with a related set of questions relating to research topic.

The questionnaire has open ended questions, with some closed ended questions relating demographics like, age, gender, marital status, no of children, length of employment, length of unemployment. The researcher language and language of the questionnaire was relevant to each of the participant.

The interview schedule was structured into the following five sections;

- Participant's demographics
- Psychological wellbeing,
- Relationship with family and friends
- Quality of life and material wellbeing
- thoughts, hopes and aims for the future

#### ➤ Data Analysis

Data was conducted through the semi structured interview, Categories and codes are applied to the data that are the vital portion of qualitative research. A master table of themes and categories were drawn by researcher initially, from which the Table no. 1 was drawn that consisted of main themes and categories. Through careful coding process further includes themes and sub-themes that were performed from an interview. The themes were allocated a precise code accordingly. Data verification was final stage, this process includes a process of examine validity of indulgent by rechecking the transcriptions and codes.

### III. RESULTS

#### ➤ Introduction

This chapter will cover the results section and will focus upon the main themes and findings which drawn from semi-structured interview and will illustrate the data analysis process. At beginning, a brief profile is presented of every participant. The key themes that materialized following data analysis as a result of unemployment on an individual were; psychological wellbeing, relationship with their family and friends, the importance of work, and the influence of reduced financial resources on a person's standard of living. By analyzing the all data, it emerged that unemployment endanger psychological wellbeing of individual.

#### ➤ Participants

- Participant one is from Shalimar Colony he is married with two children age two years and five years and he has been unemployed for over six months. Earlier he worked as cashier at bank and had held this position for over seven years. After the unemployment he is continuously looking for new job.
- Participant two is from Multan Cantonment he is single, had worked for over four years with the same restaurant as a chef. From one year he is unemployed. He is finding new job, and would consider migrating.

- Participant three is from Jail Road Multan, he worked five years as watchman. He is married with two children age three years and one year respectively. He was terminated from job three months ago he is looking for new job.
- Participant four is from Rasheed Abad Multan, she had worked two years as school teacher. She is single but the only source of income for her family. She was terminated from job two months ago she is looking for new job.
- Participant four is from Bosan Road Multan, she had worked five years as college teacher. She is married with one child age three years. She was terminated from job four months ago she is looking for new job.
- Participant five is from Deli Gate Multan, she had worked four years as Public Relation officer in well reputed institute. She is married with two children age three years, and one year respectively. She was terminated from job three months ago she is looking for new job.

#### ➤ First Research Question

"What is the impact of unemployment on psychological well-being of individual?"

#### ➤ Findings of First Research Question

##### • Psychological Well-Being

All participants' demonstrated unemployment had very adverse effect on their psychological well-being. Illustration of one participant about employment and mental health:

*When I got fired from job I get depressed, I become aggressive and frustrated, every time I go to my home my family asked me to do job and earn money, I even don't want to stay at home, I feel worthless and depressed, my stress level increased, I started smoking when I lost job. I want to cry and put on my frustration I have in my mind. That was very dangerous time of my life now I have coped myself and started learning freelancing. I have applied for visa, soon I will get good job and will settled in my life. (Participants no.2)*

##### • Purpose of Life and Stress Levels

Participants described about their stress levels increased due to job lose:

*My stress level is increased and feels frustrated, due to low income I have some family issues too so, I think too much about issues and feel depressed, even I started weeping and remain in this situation all the day. I forget to cook food and even to pack school lunch for my child. (Participant no.5)*

##### • Importance of work and self-worth

All participants accredited that as a result of being unemployed, they view employment in a different light. One of the participants demonstrated importance of work as: being employed give sense self -worth and of purpose to life:

*Self-worth is deep knowing that I am of value, that I am loveable, necessary to this life, and of incomprehensible worth. As I lost my job I lost my sense of self-worth I feel myself unworthy and useless. Overthinking is my favorite hobby now days. Identity is very important in one's life, when you are doing something worthy you feel yourself worthy and satisfied, when you feel helpless you feel unworthy and depressed. I want to do something for my family. My family is getting through very hard times. (Participant no.1)*

➤ *Second Research Question*

“In which ways the financial restrictions of unemployment impact on an individual's Family and friends, quality of life and standard of living?”

➤ *Findings of Second Research Question*

• *Effects on Relationships with Family & Friends*

Different participants elaborate differently their relationship with family and friends, five participants elaborate that their relation with their family remain the same, they are as family unit as always. They get moral and emotional support from family and friends.

*It doesn't affect my relationship with my social circle; even I get emotional support from my friends and colleague, my colleague used to call and text me most of the time to console me. (Participant no.5)*

• *Quality of Life and Material Wellbeing*

Living standard and material well-being is explained by a participant as:

*Everyone wants to be recognized and adore, in my point of view the self-worth is as important as the food is, after fired from job I feel very low self and unworthy every time, everyone in family thinks I am useless and will do nothing in life. I felt my identity is being destroyed that put me in depression and frustration. (Participant no.2)*

• *Reflection and Projection of Future*

All participants are very depressed about the future some of them are hopeless to find new job. Family of some participant was optimistic about the future but participant itself find their self in dark room, where there is no light of hope. Continuously trying to get the new job but failed. Participant no 2 unemployed over a year explain he has time for learning new skills. He is optimistic about future.

Table 2 Themes and Categories

| Themes   | Categories   |
|--|--|
| Psychological well-being                       | Psychological and emotional health<br>depression<br>frustration<br>embracement<br>aggression     |
| Purpose of life and Stress Levels              | Life purpose<br>Stress<br>Overthinking<br>Distress<br>Crying spells                              |
| Importance of work and self-worth              | Low Self-Worth<br>Destroyed Identity<br>Low Self esteem<br>Health Issues<br>Destroyed self-image |
| Effects on relationships with family & friends | Family & Friends support<br>Optimistic vibes from family<br>Isolation<br>More Time for family    |
| Quality of life and material wellbeing         | No Money<br>Shortage of basic needs<br>Poor quality of life<br>Lack of resources                 |

#### IV. DISCUSSION

➤ *Introduction*

In this chapter the information and interpretation of the findings will provide; this section will explain how the outcomes are related to the research topic. These findings are grounded on the interpretation and analysis of the semi structured interview of six unemployed participants.

➤ *First Research Question*

As the first research question demonstrated, the psychological impact is the main theme for all six participants. All of six participants demonstrate that unemployment has adverse outcome on their psychological and emotional health. The participants have feelings of worthlessness, poor identity, depression, stress, embracement and powerlessness. There were different stress levels for different participants. All the participants



conclude having a job is important in order to maintain psychological and emotional health. It is very vibrant from the results that the unemployment has adverse effect on psychological wellbeing of individuals.

From the findings it is clear that unemployment has impact on an individual's sense of self-recognition and self-worth. From the findings it seems clear that unemployment causes depression, anxiety and frustration among the individuals either they are married or single. The only difference referred that married women's have other priorities as to take care of the children, but married man is more upset that they are the provider for their family their unemployment affects the whole family. Married participants have more moral support from family rather than single. All the participants feel good and satisfied while employed; unemployment has very negative effects at their psychological wellbeing cause depression and distress. Another factor frustration is being noted in unemployed participants.

All the participants express the feelings of worthlessness and discontentment. Two of the participants express the thoughts of suicide after losing job and finding new one. But distress is felt by all participants, its significances itself differently between different participants.

#### ➤ Second Research Question

Two of the participants reported that their relation with their family improved family support was around for them. Married women participants reported that they have more time for their kids, they have time to play with kids. Participants reported mixed feelings about their relation with family and friends some have good friends and some have no friends to stand by. The data collected from the interviews also tinted the significance of sustaining associations with family and friends while job lose as they provide more encouragement and moral support.

As far as concerned about the living standard and quality of life the participants, it has very adverse effect at family, children and friends, participants elaborate the feelings of distress and depression, and participants have no money to buy stuff of necessities. Family support is the only positive aspect participants elaborated in interview.

#### ➤ Limitations of the study

The researcher encountered some limitations while conducted this study. Firstly, cautious in generalizing this research from the findings because of the small number of participants was participated in this research. For more comprehensive analysis of the study it is beneficial to conduct study at very large and in-depth scale, through this more comprehensive result are gathered and study can be generalized at vast scale. Although, semi- structured interview method is more useful method to get the meaningful and in-depth information from the participants, but this method is very time consuming and more expensive for researcher. It requires an enormously proficient means of

extracting information in honest to get information about the psychological impact of unemployment on individuals.

The less systematic the data collection is, more the researcher bias will be, which is always a risk in any kind of research, this researcher should be aware of and to be attentive of researcher bias. The researcher must confident to achieved effective conclusions, which can be used for larger populations, although it is impossible to eliminate research bias.

#### ➤ Recommendations

In different societies how, unemployment is dealt by individuals is the key feature to understand the phenomenon of unemployment. The Government should support the individuals who are experiencing the unemployment. While the unemployment is damaging the psychological well-being of individuals and have very adverse effect on individual mental health psychological help may provide the individuals and facing unemployment. The psychological support systems help the individual in managing with the stress of job lose, while sustaining their self-esteem and self-confidence, self-esteem and confidence are key features in one primarily seeking and obtaining job. This system could be provided according to the diverse needs of each individual, and provide an opportunity to meet others in the same predicament, construct self-confidence in their capability to enthusiastically find job of interest, improve tediousness and hopelessness.

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