

## Brief 3

# Unemployment: How it Effects Family Behavioral Health

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Job loss does not only affect family income. Job loss impacts family stability and child development. Long-term job loss also makes it much harder for people to re-enter the job market.

This brief focuses on the behavioral implications of involuntary job loss – feelings of losing self-control and identity and possible resulting depression. It also highlights strategies for identifying and addressing negative behaviors before they become severe and hold people back from being active and engaged members of their communities and from being involved in their children’s lives.

### **The Impacts of Job Loss on Children and Families**

Research shows that involuntary job loss affects both mothers and fathers of all children and can have negative consequences for children’s academic achievement, behavior in school and college aspirations.

Children whose fathers were involuntarily unemployed (for example, lost their jobs due to structural changes in the economy) experience a higher likelihood of repeating grades in school and of being suspended/expelled from school compared to children whose mothers were involuntarily unemployed, and compared to those whose parents were employed. Much of the negative impacts on children are due to family dynamics that are exacerbated by male head of household unemployment.<sup>i</sup>

A 2007 study found that parental job loss can derail a child’s college aspirations.<sup>ii</sup> Middle-class white children whose parents became unemployed during the time period of the study were six percentage points less likely to enroll in college, and middle-class black children were nineteen percentage points less likely to enroll in college than children of the same race whose parents did not lose their jobs during the time period of the study.

Involuntary job loss remains a problem even though the Great Recession ended in 2009.

### **Impacts of Long-term Joblessness on Re-employment**

Long-term unemployment, which the Bureau of Labor Statistics defines as being out of work for 27 weeks or longer, often makes it harder for people to re-enter the job market. This is evident in the trends of individuals in their thirties to fifties returning to live in their parents’ homes. It is also evident from the number of highly educated workers, even some with advanced degrees, who are taking jobs below their skill level.<sup>iii</sup> Some employers are choosing not to even consider long-term unemployed individuals by issuing job announcements informing the unemployed that they need not apply.<sup>iv</sup> This raises concerns about whether long-term unemployed individuals will be able to find new jobs.

There is now research indicating that people who are unemployed for more than six months will have an especially hard time re-entering the labor market.<sup>v</sup> A 2010 Pew Research Center survey reports that long-term unemployed people become less optimistic about finding jobs as meaningful and high-paying as the ones they lost and are less likely to report that the jobs they found are as good as the ones they lost.<sup>vi</sup> This could be because those unemployed for longer periods of time eventually take jobs they are over-qualified for in order to make ends meet. Feelings of a loss of self-worth can occur for the long-

term unemployed who must choose between no job and a loss of pride in taking a job for which they are over-qualified.

### **The Link Between Job Loss and Depression**

"Spouses are fighting more often, people may turn to drugs or alcohol, smoking, overeating," says Dr. Sudepta Varma, Psychiatrist at New York University Medical Center. "...the anxiety and the depression and the substance abuse [that can follow]... are often extremely more damaging than the job loss."<sup>vii</sup> Not all job loss leads to substance abuse and other negative behaviors. People cope with loss in their own ways and job loss can be more stressful for one individual if that individual also faces other stressors. Stress can increase as the time between job loss and finding a new job lengthens. According to the Pew study, those who experienced long-term unemployment were twice as likely to experience depression and seek professional help as those unemployed for six months or less.<sup>viii</sup>

Depression related to job loss can strain individuals, relationships and entire communities. While they may have more time, depressed individuals who lose their jobs usually invest less time and resources in community and family activities. This may include helping less with events at their children's school, engaging less in homework with their children, participating less in community activities such as civic clubs, or being less able to maintain their homes in good condition. Personal relationships suffer when spouses blame one another for not foreseeing job losses, not saving enough income in good times and not cutting spending during bad times.

Stress in parental relationships can cause arguments and have negative impacts on children. Individuals, both men and women, may suffer severe negative consequences from job loss when their identity is tied to providing economic stability for themselves and their families. Depression can spill over into an individual's physical health, leading to worsened physical health and chronic conditions. Even re-employment can fail to ameliorate the negative impacts of job loss if new jobs have lower salaries, less opportunity for advancement and do not allow employees to use their educational achievements to the fullest extent possible.<sup>ix</sup>

It is not just those who are unemployed that experience depression and anxiety. Those who remain at work can take on a form of "survivor's guilt," wondering why they were not laid off and whether they will be next. Moreover, remaining employees often are asked to take on the work their former colleagues had been doing, which adds stress to the still-employed.<sup>x</sup>

### **Strategies for Identifying and Addressing Job Loss Related Depression**

Job loss negatively affects children and families through both financial and behavioral channels. Preventing, identifying and treating individuals at risk of job loss related depression is a key first step in mitigating these negative impacts. Proven strategies for employers and policymakers are outlined below.

#### **Employers**

Employers can help employees transition to unemployment by connecting them with financial and emotional support services found at the 95 JobLink Career Centers across North Carolina or with online job loss resources available through federal One Stop Career Centers. (<http://www.careeronestop.org/>). Most important in softening the blow of unemployment is providing all employees with accurate and timely information on the events preceding and following a layoff. This is important not only to dispel any rumors that may fuel heightened anxiety in the workplace but also to allow employees to plan ahead

as much as possible.<sup>xi</sup> The federal Department of Labor has Rapid Response teams in every state that can be called in for layoffs involving 50 or more workers. Rapid Response teams help employees cope with job loss by connecting them with workshops on stress management, financial planning and other challenges. Rapid Response teams provide information on local job markets and focus on returning employees to work.<sup>xii</sup> One way to show support for employees experiencing job loss is for employers to allow Rapid Response teams and other support services to provide their information and assistance on company time. This can help ensure that the job loss coping process begins as quickly as possible and keeps employees from having to take time off, possibly unpaid, to benefit from the support opportunities.

## **Policymakers**

Identifying children whose parents have experienced job loss related depression is possible without tapping into significant additional resources. Teachers, health professionals and other community members can constantly be on the lookout for children displaying aggressive behaviors or withdrawing from activities. Teachers are especially valuable resources because they see children frequently and are likely to notice even slight changes in those children; they are therefore able to refer children to available services quickly.

Policymakers and employers can support funding for workshops that help professionals develop the skills needed to identify depression and individuals at-risk for depression. Mental Health First Aid courses and webinars sponsored by the National Council for Community Behavioral Healthcare are examples of some of the workshops currently available. This training enables professionals to identify behavior changes in children and adults more quickly, which allows faster referrals to services thereby mitigating spells of depression before they become deep and lingering. Evidence shows that such workshops are valuable for people who work in a range of fields.<sup>xiii</sup>

Furthermore, policymakers can pass legislation prohibiting companies from discriminating against unemployed persons in job advertisements. Oregon, New Jersey and Washington, D.C. have banned discrimination based on employment status, and other states have pending legislation.

Workforce development programs that focus on skill development and enhancement can be instrumental in helping unemployed persons regain their self-worth through learning new skills and increasing their marketability for jobs outside of their current skill range. Learning new skills and securing a job can boost the confidence of unemployed persons and help them become active, contributing members of society.

## **Conclusion**

Job loss is highly stressful, but employers, policymakers and employees can prepare for job loss in ways that help soften the blow. Employers can help employees prepare for job loss by connecting them with federal programs such as Rapid Response and county JobLink centers. Among other roles, policymakers can provide funding to ensure that a range of professionals who interact with children receive training on how to identify the early warning signs of the negative impacts on children of parental job loss.

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<sup>i</sup>Kalil, A., & Ziolo-Guest, K. M. (2008). Parental employment circumstances and children's academic progress. *Social Science Research*, 37(2), 500-515. doi: 10.1016/j.ssresearch.2007.08.007

<sup>ii</sup>Chronicle of Higher Education. (2007). A breadwinner's job loss reduces children's chance of going to college, more so for blacks, study finds. <http://chronicle.com/article/A-Breadwinner-s-Job-Loss/39929>

<sup>iii</sup>Motoko, Rich. (2011). For the jobless, little hope of full recovery. The New York Times. <http://www.nytimes.com/2011/12/02/business/for-jobless-little-hope-of-full-recovery-study-says.html?pagewanted=2&r=1>

<sup>iv</sup>Rampell, Catherine. (2011). The help-wanted signs come with a frustrating asterisk. The New York Times. [http://www.nytimes.com/2011/07/26/business/help-wanted-ads-exclude-the-long-term-jobless.html?\\_r=2](http://www.nytimes.com/2011/07/26/business/help-wanted-ads-exclude-the-long-term-jobless.html?_r=2). See also Singer, Stephen. (2012). For long-unemployed, hiring bias rears its head. Businessweek. <http://www.businessweek.com/ap/2012-03/D9TMDRA03.htm>

<sup>v</sup>Reich, Michael. (2010). High unemployment after the great recession: Why? What can we do? Center on Wage and Employment Dynamics. University of California, Berkeley. See also Klein, Ezra. (2012). Larry Summers vs. the long-termers. Washington Post Wonkblog. [http://www.washingtonpost.com/blogs/ezra-klein/post/larry-summers-vs-the-long-termers/2012/05/08/gIQApWWPAU\\_blog.html](http://www.washingtonpost.com/blogs/ezra-klein/post/larry-summers-vs-the-long-termers/2012/05/08/gIQApWWPAU_blog.html)

<sup>vi</sup>Pew Research Center. (2010). The impact of long-term unemployment.

<sup>vii</sup>CBS News. (2009). Job loss and depression. [http://www.cbsnews.com/2100-3455\\_162-4814655.html](http://www.cbsnews.com/2100-3455_162-4814655.html)

<sup>viii</sup>Pew Research Center. (2010). The impact of long-term unemployment.

<sup>ix</sup>Greenberg, Melanie. (2011). Preserving mental health during unemployment. Psychology today. <http://www.psychologytoday.com/blog/the-mindful-self-express/201110/preserving-mental-health-during-unemployment>

<sup>x</sup>Kviat, Barbara. (2009). After layoffs, there's survivor's guilt. TIME. <http://www.time.com/time/business/article/0,8599,1874592,00.html>

<sup>xi</sup>University of California Human Resources. (No date). Job loss and transition. Retrieved online 4/16/2012. [http://ucsfhr.ucsf.edu/index.php/layoffguide/article/2499/?parent\\_entry\\_id=2491](http://ucsfhr.ucsf.edu/index.php/layoffguide/article/2499/?parent_entry_id=2491)

<sup>xii</sup>North Carolina's Rapid Response manager is Russell Doles (ph. 919-329-5284). Mr. Doles works out of the NC Chamber of Commerce and is based in Raleigh.

<sup>xiii</sup>Worrall-Carter, L., Ski, C. F., Thompson, D. R., Davidson, P. M., Cameron, J., Castle, D., & Page, K. Recognition and referral of depression in patients with heart disease. *European Journal of Cardiovascular Nursing* (0). doi: 10.1016/j.ejcnurse.2011.04.005. See also Gerrity, M. S., Williams, J. W., Dietrich, A. J., & Olson, A. L. (2001). Identifying Physicians Likely to Benefit From Depression Education: A Challenge for Health Care Organizations. *Medical Care*, 39(8), 856-866.