

THE INDIVIDUAL AND SOCIAL CONSEQUENCES OF UNEMPLOYMENT

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Abstract: This paper highlights the negative effects of unemployment in the population, resulting in a degradation of values of a society concerned with the welfare of its members. To reduce the unemployment rate it takes a positive attitude on the part of all people and institutions involved in this phenomenon. Knowledge of the individual and social consequences of unemployment helps to change people's mentality as well as to find efficient solutions rapidly, stimulate their desire to keep optimism, no matter the problems which they encounter. Thus, total loss of personal and professional identity is prevented.

JEL classification: E24, J60

Key words: unemployment; consequences; moral values; depressed unemployed; negative mentality; measurements

1. INTRODUCTION

The large number of unemployed people in our country is not caused by the financial crisis of recent years. The availability of unemployment benefits, employees looking for a better paid job, the financial situation of the family, raising a child, lack of preparation in the wanted fields of the labour market constitute other causes that have led to an increase in the unemployment rate. Thus, we can speak about two categories of unemployed: unemployed who lost their job due to restructuring/closing of the companies in which they were working and unemployed who have assumed this status (demanding employees).

Although the situation appears particularly dramatic for some unemployed, if contacted, the attitude of some of the unemployed in Romania will surprise us. There are not few those who refuse to work, those seeking very well paid jobs although not competent for those jobs. Some can not accept to have bosses or a tight schedule, others can not accept a qualification inferior to their studies. In that category there are also the graduates of high school and college, who, noting that many college graduates do not have a job or are working as commercial workers, quit continuing their studies and participating in training / specialty / professional development.

But the paper aims at the category of unemployed affected by the lack of a job and the consequences that unemployment has among the population. Depending on the severity of the consequences, we can establish solutions that help integrate unemployed people among the society and will identify the main culprits of the current situation. We can also establish what the contribution of motivation is, as motivation is the main link between the effort at the work place and the satisfaction of the work well done.

2. OBJECTIVES

Not only the causes of unemployment are multiple, but also its consequences. Numerous papers have dealt with the consequences at national level, especially the economic ones. We will focus on the consequences at the individual level, related to the morale and psyche of the unemployed and their families.

Based on the statements above, we have established the objectives of this paper, which are:

1. Identify the consequences of unemployment at the individual level;
2. Establish procedures to prevent the negative consequences of unemployment and labor market integration of the unemployed.

3. METHODOLOGY

This study is based on information gathered from specialized magazines and newspapers in electronic format. Systematic analysis of the data thus obtained will help us to achieve objectives. In outlining the analysis we took into account the factors that have led to the rise of unemployment, and the financial situation of the unemployed. We can not start from the premise that the unemployed do not have other sources of income besides unemployment benefits (if registered unemployed), because many of them work illegally. The information obtained by studying specialized articles are processed in order to produce an article which is useful not only for those working in the economic field, but also for all those who want to know more about this topic.

4. ANALYSES

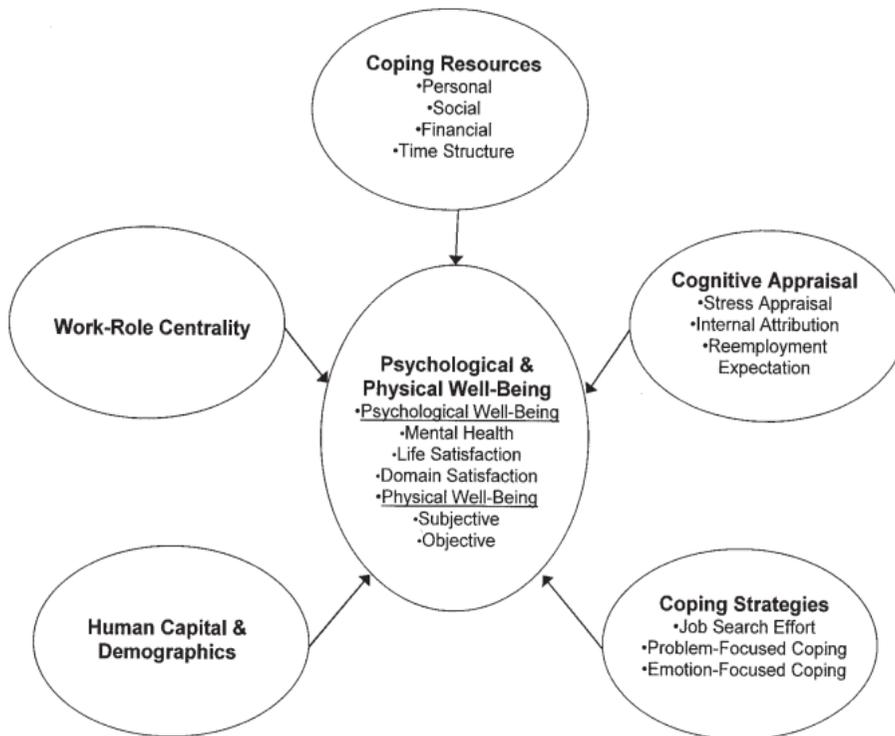
Each individual who is put in the position of being unemployed has a unique way of feeling when signing unemployment documents. Few remain optimistic and are confident that they will find a job to meet their expectations shortly after becoming unemployed. Most perceive unemployment as a stigma they should wear openly. These have the feeling of uselessness and their relationship with the family members changes without realizing. Long-term unemployment emphasizes the negative moods of the unemployed and may represent a source of deep social conflicts.

When the unemployed and those around him do not take steps to improve the situation, social and family life will change, causing an identity crisis. Therefore, we need to track individual and social consequences of unemployment and to find quick solutions to labour force employment. At the same time, it is necessary to counsel unemployed people, but also those who have been looking for a job for a long time without any change of their status. Active employment policy is crucial to reduce unemployment.

Over time, scientists have analyzed the relationship between unemployment and welfare, many comparisons being made in transverse and longitudinal studies about employed people and those left without a job. The probability of employment during

unemployment has a significant contribution in terms of mental health. Surveys were not limited to mental health, but also targeted life satisfaction, work satisfaction and physical health. War (1987) believed that negative psychological and even physical effects appear in the unemployed because they can not associate the benefits of having a job. These benefits are: valued social position, physical security, variety, availability of money, qualifications/ skills and competences acquired, the opportunity for control and interpersonal contact, environmental clarity). In Jahoda's vision (1982), job loss leads to lack of socialization and discouragement of their activities because, within an organization, employees feel they belong to a group and their activities are encouraged even by the mere fact that they get paid on time.

McKee-Ryan and Kinicki talked about job loss associating this loss with a series of reactions. Their model is emerging around five types of correlations: a) work-role centrality, b) coping resources, c) cognitive appraisal, d) coping strategies, e) human capital and demographics (see Figure 1).



Source: McKee-Ryan, F.M., Song, Z., Wanberg, C. R., Kinicki, A. J., *Psychological and Physical Well-Being During Unemployment: A Meta-Analytic Study*, article in *Journal of Applied Psychology*, 2005, p. 56

Figure no. 1 Contributing elements to psychological and physical well-being following job displacement

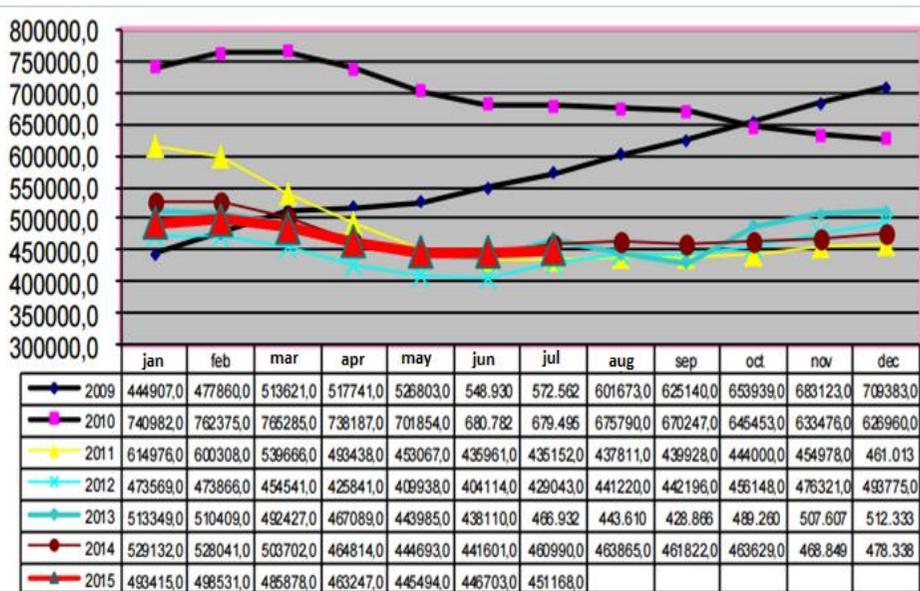
4.1 Critical

As in any situation, we can also talk about a limit of endurance regarding the unemployed. Even the optimistic unemployed lose their temper when, after several months of unemployment, find that they have not found a job, the reasons being numerous: low

wages, too many demands from employers, experience and knowledge over the limit of employers' demands, employment system based on recommendations, lack of interest of recruiting companies, few jobs etc.

The psychological effects of unemployment were presented especially in American literature. The worst effects, according to experts, are: pain, separation, suicide, depression, isolation, anger, conflicts in the family and in society. In studying the unemployed, systematic research on the consequences of unemployment is relatively small in number, especially those addressing the issue of individual and social effects of unemployment. Inevitably, the consequences are also linked to the economy because emotional reactions are often consumers of financial resources. Depressed people spend money either on clothing or on alcohol, drugs and even gambling, with the desire of multiplying it. From here the problems begin when the family can not accept this kind of outbursts. There are frequent situations when the unemployed take money from spouses / parents or children and want to multiply it with the help of game "machines", reaching bankruptcy.

If we look at the unemployment situation nationwide, we find that the problems mentioned above will not disappear anytime soon, as the number of the unemployed in the first months of 2015 have not seen a significant decrease compared to the number of the unemployed in recent years, except late 2009 and 2010, when there were the most unemployed during the period of 2009-2015 (see Figure 2).



Source: ANOFM, *The statistics situation of the unemployment registered at July 31, 2015*, p. 1

Figure no. 2 The evolution of the number of registered unemployed in 2009-2015

There is no doubt that in addition to the registered unemployed, there are other unemployed/ other people who do not have a job but refused to accept this status or who felt the unemployment benefit is not worth the effort to provide the necessary papers to receive it. The psyche of the unemployed and people without a job creates imbalances in

the family, in society and in the economy. Money becomes the ultimate goal, but many of the people who are inactive labor market prefer to work illegally or have too high demands from employers. Thus, more and more people refuse to actively contribute to the national economy, which is a real disadvantage for the society today.

4.2 Possible solutions

We can all help reduce the individual and social effects of unemployment. It is not easy to find solutions, but the active involvement of all citizens will lead to remarkable results. The most important change begins with us, with the attitude that we have towards the unemployed and society. We should have minimal notions of psychology to interact harmoniously with the people affected by unemployment, be they unemployed, or family members of the unemployed, because trauma is often collective.

Until Romanians understand the importance of emotional support it is necessary to develop and implement several career counselling programs and projects for the target group: people looking for a job, unemployed, young graduates, teenagers who want to learn what skills they possess, but also active workers who want to change their job or are dissatisfied with their current job.

Intense information about real employment opportunities for the unemployed is another measure that will prevent amplification of individual and social consequences of unemployment. Many unemployed people do not know their rights and obligations. Those without Internet access rely only on County Employment Agencies. Although there are numerous projects for the unemployed, they are insufficiently promoted, making it difficult to access information. Or it may be that the information provided on certain sites is incomplete. Therefore, it requires attention and a good organization from those who provide information.

The courses, regardless of their nature (skill / expertise / training), are good news for the unemployed, especially if they are free. They have the opportunity to retrain / specialize in other fields, but can opt for improvement, especially now, when the unemployed are allowed to enrol in more courses in different training centres. In recruiting unemployed, employers are too demanding, certification thus being a plus (Sweeney, 2013, 52). The skills obtained after completing a training course will allow many unemployed to easily adapt to the organizational culture of the company in which they work and the benefits of these courses do not stop there.

Entrepreneurship is another alternative for the unemployed. While there are institutions dealing with counselling the unemployed on starting a business, and funds are allocated for laying the foundations for business, the unemployed will no longer look sceptically on entrepreneurship and will no longer worry about their professional future. Discussion forums on entrepreneurship will encourage those who are reluctant to find answers to questions. Speaking to those who have recently become entrepreneurs, and experienced entrepreneurs, unemployed people will realize that entrepreneurship is a reality today, and that only those who highlight their qualities will win.

Therefore, the individual and social consequences of unemployment can be prevented without too much effort. The involvement of state institutions and the development of public-private partnerships will increase the chances of having unemployed whose psychic will not give in to society pressure. Changing the disadvantages of being unemployed into advantages is the first step for a new professional

beginning. Being unemployed does not mean that our professional and personal horizons are limited, but we have to prove to those around that we can adapt to change.

5. CONCLUSIONS

Critical One of the most critical issues affecting the functioning of the labor market is the transition from school to the integration on the labor market of youth. Unfortunately, few graduates get employed in their desired functions. There are graduates who choose to go to another country to build a better future. They prefer working commercially abroad than working in the field they graduated and have a smaller salary.

To obtain conclusive information further studies in this area are needed. These studies, however, are quite difficult to do, because the mental health of the unemployed is assessed by experienced psychologists based on the application of several tests, as well as on results obtained from counseling sessions. In our country, research of this kind would clarify the existence of the large number of suicides, people depressed etc.

Unemployment is a barrier between the individual and the family, and between the individual and the society. At the same time, unemployment burdens on the working population, which also suffers due to migration. The negative mentality of the unemployed and their claims do not help the economy and the wellbeing of individuals. Therefore, the intervention of the state and the local authorities in solving the problems regarding the unemployed is more than necessary. Free advice and assistance services probably represent the best solution that can be implemented in the shortest time. Other solutions could be: continuing professional development, labor market flexibility, developing programs and projects aimed at easy integration of the unemployed into the labor market, development of economic and financial expertise, fostering industrial development and entrepreneurship initiatives etc.

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