

Perceptions of unemployment benefits and impacts on the job search

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Credit: skynesher

New University of Minnesota research examines how the perception of unemployment benefits—including the amount and duration of support—affects how people who are unemployed approach their job

search.

"We set out to understand how people's perception of this benefit affects not only how intense their job search was, but also how quickly they are reemployed, the quality of the job they were hired for, and their mental health during their search," said Connie Wanberg, lead author of this study and professor in the Department of Work and Organizations in the Carlson School of Management.

Published in the *Journal of Applied Psychology*, researchers examined three countries with various levels of unemployment benefits provided to citizens:

- the United States, which provides the least generous benefits of the countries examined;
- the Netherlands, which provides the most generous benefits of the nations examined; and
- Germany, which provides benefits that lie between the U.S. and the Netherlands.

"What we found is that the perception of time by [job seekers](#) plays a critical role," said Wanberg. "Depending on how much a person's unemployment benefits are and for how long they last, it impacts how a job seeker thinks about time and when they begin their job search."

Specifically, the study found:

- a more generous [unemployment insurance](#) benefit is associated with a job seeker taking more time to secure a job and better reemployment quality (i.e., what a job seeker wanted versus what they found);
- the less generous the unemployment insurance, the more engaged a job seeker was in their [job search](#) and the more quickly they

began working;

- survey participants who received more generous unemployment insurance reported better mental health, while those who received less generous benefits reported less favorable mental health.

"For a job seeker who receives less benefits, they reported feeling a more significant time pressure to find a job due to increased financial strain," said Wanberg. "On one hand, they began working more quickly. On the other, they reported poorer [mental health](#) conditions and were less likely to find a suitable job that fit their needs."

More information: Connie R. Wanberg et al. How strong is my safety net? Perceived unemployment insurance generosity and implications for job search, mental health, and reemployment., *Journal of Applied Psychology* (2019). [DOI: 10.1037/apl0000435](https://doi.org/10.1037/apl0000435)

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