

Employment status duration, psychosocial resources, and well-being: Any evidence for cumulative (dis)advantage?

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I investigated how the long-term stability of one's employment status (i.e., employment or unemployment) affects psychosocial resources and subjective well-being (SWB) over time. Drawing on the cumulative advantage/disadvantage perspective, I expected a longer duration of continuous employment and of tenure with the firm to have positive effects and a longer duration of continuous unemployment to have negative effects.

I used data from 28 waves of the SOEP (1985 to 2012). To calculate employment status duration, I combined information from the yearly reports on employment status, the biography questionnaire, and yearly calendar data. I operationalized economic well-being via equalized household income, financial worries, and perceived employability. Social integration was represented by the frequency of socializing, feeling lonely, and having no one to turn to in case of serious illness (social isolation). I modeled mastery as a latent variable comprised of optimistic future beliefs and internal/external control beliefs. Life satisfaction and emotional well-being (latent) represented SWB. I considered a range of potential confounders and controlled for anticipatory and short-term effects of major employment changes.

I conducted twolevel analyses with observations nested within participants, with full information ML estimation for continuous and Bayesian estimation for categorical outcomes. Ultimately, I tested a mediational model with employment status duration predicting SWB via psychosocial resources, all occasion-specific (at the within level), using Bayesian estimation. Additionally, I investigated the moderating effects of sex, age, and education.

Longer unemployment duration reduced economic well-being and increased the probability of social isolation; via these variables, it decreased SWB. Longer employment duration protected against financial worries and thereby increased SWB. Tenure had mixed effects: increased income and frequency of socializing, but also increased financial worries, decreased perceived employability, and decreased mastery; its total effects on SWB were negative. However, all effects were very small, yielding limited evidence for cumulative (dis)advantage.