# Unemployment and Mental Illness

The Yellow Team

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# Research questions and hypotheses

During the COVID-19 pandemic due to self-isolation, lack of social relations many people became depressed and anxious. Also many people had employment gap.



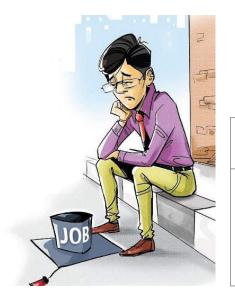
Do mental health problems influence job leaving?

Is the length of employment gap significant for becoming unemployed?

#### *Hypotheses:*

- Having mental illnesses significantly and positively affects the probability of becoming an unemployed.
- The length of the resume gap is important for unemployment probability.

#### **Dataset**



Source: "Unemployment and mental illness survey"

• 334 observations (296 after cleaning), 31 variables

Demographics	Employment	Mental	Additional
Age, gender, region, education, income, h/h income	Employment status, resumé gap	Mental illness, hospitalizations, disorders (i. e. depression, anxiety, PAs)	Internet access, section 8 housing, food stamps, etc.

# **Descriptive statistics**

Almost third of sample are anxious.

27% people are depressed.

31% people are tired.

87% have their own PC and 96% have internet access.

69% are employed.

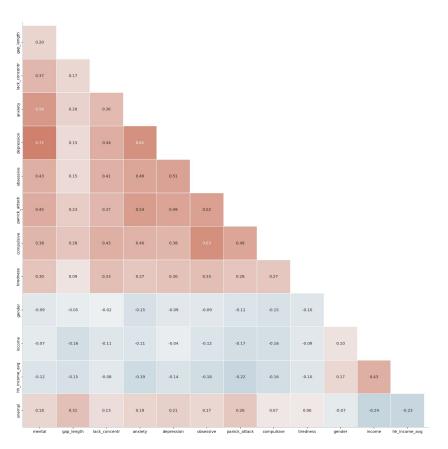
	Mean	Dtype
mental	0.253	Binary
disabled	0.108	Binary
age	-	Categorical
gap_length	9.034	Numeric
days_hosp	3.010	Numeric
internet_access	0.966	Binary
food_stamps	0.068	Binary
section_8	0.020	Binary
own_pc	0.878	Binary
lack_concentr	0.166	Binary
anxiety	0.304	Binary
depression	0.277	Binary
obsessive	0.135	Binary
swings	0.125	Binary
panick_attack	0.152	Binary
compulsive	0.091	Binary
tiredness	0.311	Binary
gender	0.489	Binary
hh_income_avg	71950	Numeric
empl	0.695946	Binary

# **Data Preprocessing**



- Missing values treated with kNN Imputer
- Categorical variables: One-Hot Encoding
- Numerical variables: Normalization (x-E(x))/sd(x)
- Balanced train/test split (target variable = 'empl')

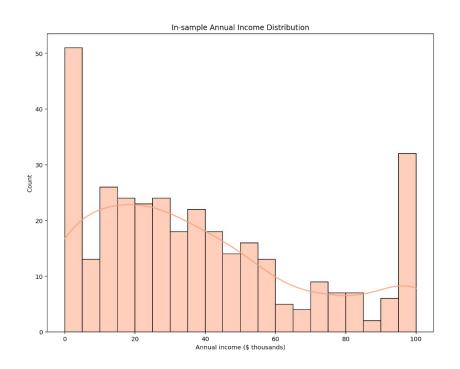
#### **Correlation Matrix**

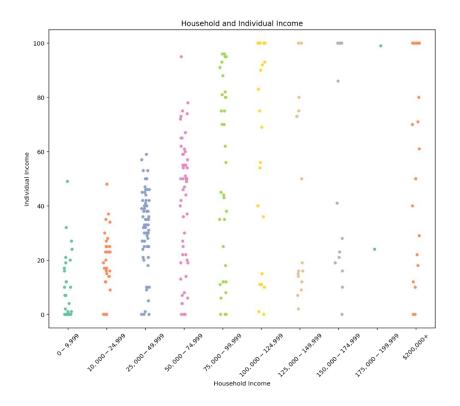


- Indicators of mental health are correlated.
- *Gap length* is correlated with unemployment (=> using control).
- Slight correlates for unemployment: mental illness, depression, PAs, anxiety.

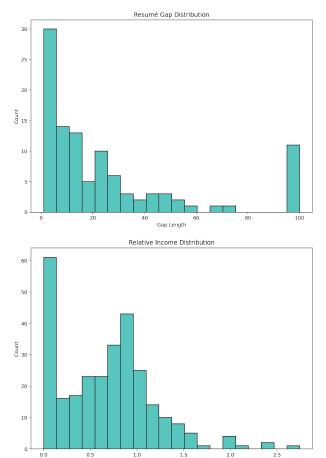
These relationships are the reason to investigate the importance of mental health for employment.

### Income

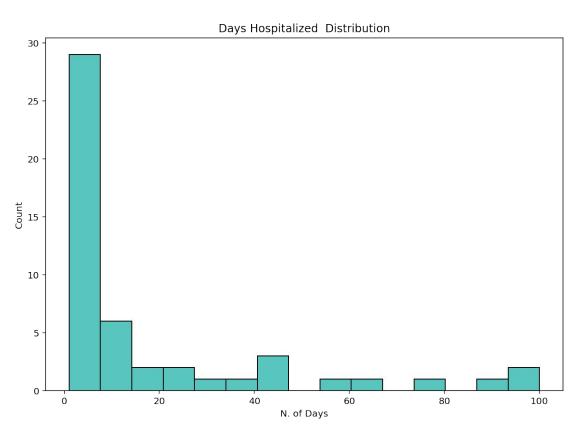




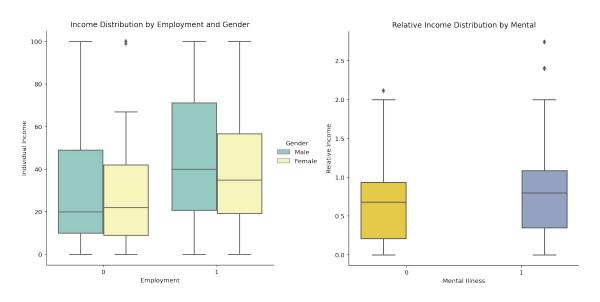
## Distributions of numerical variables



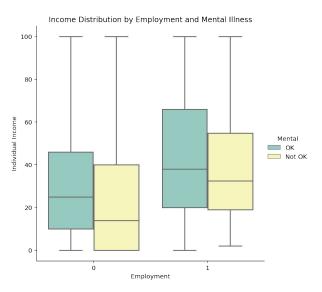
Relative Income



#### **Conditional Distributions**



Women have lower income that men and employed persons have higher income than unemployed. People with mental illnesses have the same distribution of relative income.



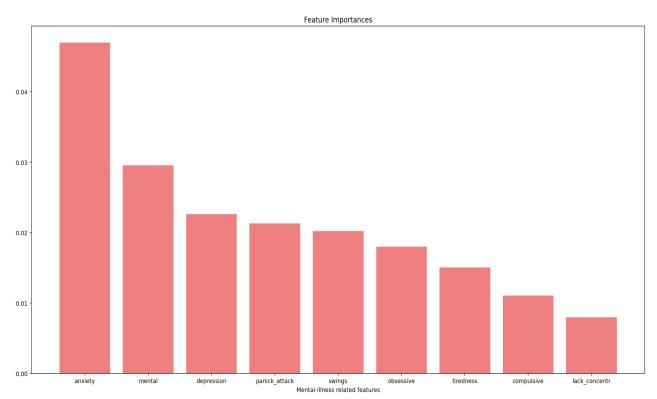
Persons with mental illnesses are having less income than people without them.

# **Model Comparison**

	Accuracy	ROC AUC	F1	CV params	
Random Forest	0.771	0.8249	0.8595	max_depth = 4	
XGBoost	0.770	0.7947	0.8496	depth = 2, iterations = 100	
Logit	0.743	0.7005	0.843	C = 10.0, l1_ratio = 0.0 n_neighbors = 8, weights = "distance"	
kNN	0.703	0.7426	0.807		

<sup>\*</sup>see more models and CV params in work notebook

#### **Random Forest**



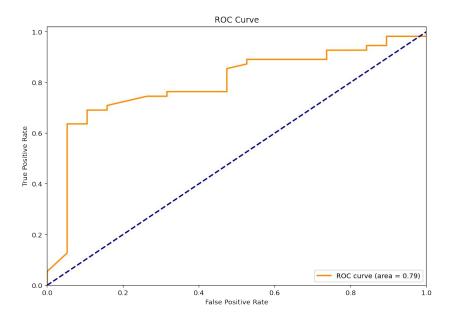
Feature importance — average decrease in entropy caused by splitting tree by this feature

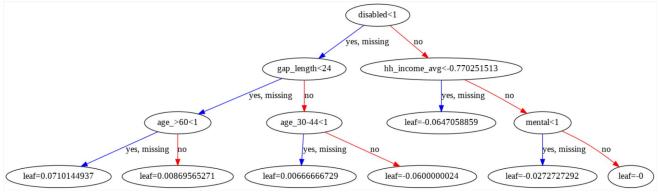
Impossible to estimate direction of the effects due to non-linearity.

#### **XGBoost**

XGBoost demonstrates one of the best accuracy and ROC-AUC.

XGBoost feature tree shows that the most important determinants of employment are "disabled", "gap length" and household income.





## **Logistic Regression**

#### Logit Regression Results

Dep. Variable: Model: Method: Date: Time: converged: Covariance Type:			No. Observations: Df Residuals: Df Model: Pseudo R-squ.: Log-Likelihood: LL-Null: LLR p-value:		-10 -13	222 201 20 0.2682 -101.82 -139.13 3.129e-08	
			z		[0.025	0.975]	
mental	0.2815	0.620	0.454	0.650	-0.933	1.496	
disabled	-2.3681	0.690	-3.432	0.001	-3.721	-1.016	
gap_length	-0.0366	0.010	-3.485	0.000	-0.057	-0.016	
days_hosp	0.0105	0.018	0.594	0.553	-0.024	0.045	
internet_access	1.5258	0.558		0.006	0.432	2.619	
food_stamps	-0.6616	0.724			-2.081	0.757	
section_8	0.5910	1.421		0.677		3.376	
own_pc	0.2709	0.512		0.597	-0.733	1.274	
lack_concentr	-0.5045	0.580	-0.869	0.385	-1.642	0.633	
anxiety	-0.9585	0.545	-1.760	0.078	-2.026	0.109	
depression	0.1424	0.643	0.221	0.825	-1.118	1.403	
obsessive	-0.2102	0.802		0.793		1.361	
swings	-0.0051	0.634	-0.008	0.994	-1.248	1.238	
panick_attack	-0.4186	0.631	-0.663	0.507	-1.656	0.819	
compulsive	1.2500	0.899	1.390	0.165	-0.513	3.013	
tiredness	-0.0035	0.439	-0.008	0.994	-0.865	0.858	
gender	0.4105	0.377	1.088	0.277	-0.329	1.150	
hh_income_avg	0.1625	0.211	0.769	0.442	-0.252	0.577	
age_30-44	0.2933	0.513	0.572	0.567	-0.712	1.299	
	0.5274		0.867			1.719	
age_>60	-1.5017	0.570	-2.634	0.008	-2.619	-0.384	

The length of employment gap significantly and negatively affects to employment

Disabled persons have more probability to be unemployed

Most of mental illnesses are not significant (or anxiety is significant but works in an opposite way)

We assume that absence of significance and weird effects can be caused by endogeneity and sample bias

#### Results of our research

We use different methods to data preprocessing (kNN Imputer, One-Hot Encoding, Normalization)

Analyze descriptive statistics of data and different relations in box-plots, histograms and scatter plots

Build ML methods to investigate research question and make carefully prediction of unemployment (Random Forest, XGBoost, LDA,CatBoost, Logit, kNN)

Estimate metrics of classification and choose best model (Random Forest) with more than 77% accuracy.

Check the importance of <u>mental health problems</u> features to unemployment and find that they are **insignificant.** 

But employment gap is indeed significant.

Anyway, we wish everyone to find new job after work leaving as soon as possible 🖤

