

# PROBLEMATISING THEORETICAL APPROACHES TO EMPLOYMENT DECISION-MAKING IN POVERTY CONTEXTS

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## Abstract

While decision-making in relation to poverty has received considerable scholarly attention, research specifically examining how individuals in poverty make employment-related choices in developing countries remains limited. This study critically reviews psychological, behavioural, and socio-cognitive theories of employment decision-making under poverty, such as scarcity, temporal discounting, and socio-cognitive career perspectives, and highlights several gaps and inconsistencies in approaches. To address these limitations, the article proposes an integrated theoretical framework that considers individual agency, contextual influences, and structural constraints simultaneously. By situating the discussion within the socio-economic and spatial realities of developing countries, the review illustrates how local labour market structures and institutional arrangements shape decision-making, and stresses the need for a bridge between social-level processes and structural-level policy interventions. The findings aim to refine theoretical approaches, guide future research, and provide valuable insights for policymakers designing inclusive labour market policies and interventions that promote sustainable career development and social mobility.

Keywords: Decision-Making, Employment, Career Choice, Poverty

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## Introduction

Having a job is not merely about earning money to sustain one's family. Employment provides subsistence, yet decisions regarding jobs and careers are also shaped by social and personal dynamics. Sullivan and Baruch (2009) argue that career trajectories are influenced by shifts in the employer–employee relationship, environmental changes such as globalisation and technological advancement, longer life spans and evolving family structures, as well as processes of personal reflection and reevaluation.

While distinct, this article uses the term employment, which is the state of holding a job (Ladkin, 2005), and career, referring to long-term development (Baruch and Bozionelo, 2011), interchangeably. The reason is that these spheres overlap: some individuals take whatever work is available for survival, while others, even under financial strain, continue to pursue long-term career paths that reflect their goals and personal identity.

This tension becomes visible in the job search. Graduates and professionals alike depend on information, resources, and support, though access is unequally distributed. For the poor, uncertainty and pressing needs narrow choices to pragmatic options, while those with resources can weigh offers, invest in skills, or pursue entrepreneurship.

Employment decision-making under poverty conditions is therefore not simply a matter of individual agency but is also embedded in broader regional and structural dynamics. Regional disparities limit job quality (Ananian and Dellaferrera, 2024), shape recruitment (Alexiadis *et al.*, 2013), and influence whether individuals pursue survival work or careers (Apablaza *et al.*, 2023). Barriers to upward mobility, as Cornelius (2025) points out, are rooted less in personal behaviour than in structural arrangements. Caria *et al.* (2024) reinforce this point, showing how urban jobseekers and firms in low- and lower-middle-income countries struggle with entrenched labour market barriers that go beyond individual effort.

Decision-making theories offer insights but remain partial. The normative perspective assumes the “right” decision maximises individual goals (Gati *et al.*, 1996). Yet in poverty, employment may secure subsistence without ensuring basic needs are met, leaving many in the category of the working poor (Peña-Casas and Latta, 2004). Ideally, work should also support stability, skill growth, and career advancement.

Employment decision-making also varies significantly across regions. Informal work dominates in low- and middle-income countries (Benavides *et al.*, 2022). While unemployment insurance in welfare states cushions job seekers (Wanberg *et al.*, 2020), in many developing countries social protection is minimal, and job training or job search policies alone rarely generate significant employment growth (Carranza

and McKenzie, 2024), thus forcing individuals to rely on immediate income. Research focus also diverges: developed contexts examine both job access and quality, while developing ones emphasise disparities (Apablaza *et al.*, 2023). This underlines the limits of theories built in Europe and the United States for capturing diverse realities.

Despite a vast literature on poverty and employment, theories explaining how the poor decide remain fragmented. Why some opt for survival jobs while others strive toward mobility is not well accounted for. This study thus moves beyond simply filling gaps in prior work. It systematically analyses and synthesises existing frameworks, exposing their conceptual limits in explaining how people in poverty make employment decisions. It also interrogates incomplete explanations and advances a richer understanding of how the poor navigate choices within specific socio-cultural and institutional contexts, especially in developing countries. Its original contribution lies in integrating these insights, highlighting underexplored themes, and calling for frameworks that embed employment decisions within both cognitive and structural constraints. The aim is to guide future research and inform policies that better reflect the realities of vulnerable groups.

## Methodology

Guided by this aim, the article poses two central questions: What theoretical frameworks have been employed to explain employment decision-making among people living in poverty? And which aspects of lived realities and everyday practices challenge, extend, or disrupt these frameworks?

To address these questions, the study adopts a critical review approach. As Baumeister and Leary (1997) explain, such reviews go beyond description and provide interpretive analysis, identifying strengths, weaknesses, contradictions, and inconsistencies in existing theories, hypotheses, methods, or findings. They also offer specific critiques (Ralph and Baltes, 2022) and aim to clarify the conceptual contributions of prior work, whether by consolidating existing theories or advancing new ones (Grant and Booth, 2009).

The review was conducted using several major academic databases. Searches were performed with the Publish or Perish tool across Crossref, Scopus, Web of Science, and Google Scholar, complemented by ProQuest and forward-backward citation tracking to ensure coverage. Inclusion criteria focused on studies with keywords such as poverty, decision-making, and employment. Excluded were duplicates, inaccessible texts, and non-English publications. No restrictions were placed on publication year in order to capture the full theoretical scope. In total, 38 articles met the criteria and were subjected to detailed analysis.

Identification	#1,848 Crossref	#1,000 Google Scholar	#29 Proquest	#600 Scopus	#16 Web of Science
	Keywords: Decision-making, poverty, employment   n: 3,493				
Screening	Duplication   n: 2,479				
Eligibility	Article title   n: 159				
	Abstract reading   n: 61				
	Full text reading   n: 59				
Inclusion	Included for analysis   n: 38				

1: Literature search and evaluation for inclusion

Source: prepared by the authors

## Results

This section synthesises findings from the review, highlighting the main related decision-making theories in poverty contexts. It discusses the strengths and limitations of existing theoretical frameworks explaining these processes.

Literatures examining how individuals living in poverty make decisions regarding employment opportunities are very multidisciplinary, hence it is hard to identify one scientific discipline or topic of study that may entirely explain the roots of decision theory (Scholz, 1983). The table summary of theories discussed in the literature is as follows.

*I: Theoretical framework related to career decision-making in a poverty setting*

Authors	The theory mentioned in the literature
Bruch and Feinberg (2017); de Bruijn and Antonides (2022); Gennetian and Shafir (2015); Haushofer and Salicath (2023); Scarcity Rank <i>et al.</i> (2021); Spears (2011)	
S. B. Wang and Hanson (2024); Wolfe and Patel (2017)	Temporal discounting
Bertrand <i>et al.</i> , (2006); Sheehy-Skeffington and Rea (2017)	Construal
Kiani <i>et al.</i> (2020)	Time perspective
Snel and Staring (2001)	Coping strategies
Chen <i>et al.</i> (2024); Xin <i>et al.</i> (2020)	Social cognitive career
Kim and Lee (2018); Leana <i>et al.</i> (2012)	Self-efficacy
Gandy <i>et al.</i> (2016); Kim and Lee (2018)	Locus of control
Van Hoof <i>et al.</i> (2004)	Perceived behavioural control
Gandy <i>et al.</i> (2016)	Locus of control, general decision making (loss aversion, anchoring), motivation, social capital, self-efficacy

Source: prepared by the authors

### General Decision Making

Prospect theory (Kahneman and Tversky, 1988; Tversky and Kahneman, 1992) remains one of the most influential frameworks for understanding decision-making under risk and uncertainty. Together with their work on heuristics, biases, and dual-process thinking, they demonstrated that people deviate systematically from expected utility theory by weighting probabilities subjectively, relying on cognitive shortcuts, and combining intuitive with analytical reasoning.

The theory proposes two phases: framing and evaluation (Kahneman and Tversky, 1988; Tversky and Kahneman, 1992). Outcomes are judged relative to a reference point, with losses valued more than equivalent gains (Kahneman *et al.*, 1991). People are typically risk-averse in gains but risk-seeking in losses, especially when losses are likely (Tversky and Kahneman, 1992). For the poor, this may explain why immediate low-paying work is chosen over uncertain higher wages.

Yet the theory has limits. In developing countries, decisions often reflect contextual pressures rather than cognitive bias. For instance, rejecting a distant but better job may stem from family duties, while turning down training may reflect liquidity needs. Mullainathan and Shafir (2009) stress that constraints, not flaws, drive decisions; Shafir (2017) sees “irrational” behaviours as adaptive to stress and limited bandwidth; Adamkovič and Martončík (2017) and Bertrand *et al.* (2006) note the demanding environments of the poor; and Altman (2004) critiques prospect theory’s external validity and normative assumptions, warning that it risks mislabelling context-driven choices as errors.

### Scarcity

Poverty has often been misattributed to “bad” decisions (Henry, 2007), with the poor perceived as having weaker cognitive abilities. However, research shows that both poor and non-poor groups have similar behavioural patterns, decision-making tendencies, and instinctive reactions (Bertrand *et al.*, 2006; Mullainathan and Shafir, 2013a; Shah *et al.*, 2018). What differs is the social and economic context shaping these behaviours (Rank *et al.*, 2021). Limited resources force individuals in poverty to make constant trade-offs (Mani *et al.*, 2013; Y. Wang, 2022), straining their cognitive capacity and eroding what Mullainathan and Shafir (2013b) describe as mental bandwidth.

The scarcity framework rests on several key propositions: poverty narrows attention to pressing needs, encourages rigid trade-off thinking, and reduces bandwidth, increasing time discounting and risk aversion (de Bruijn and Antonides, 2022). Scarcity may be real or perceived, but in both cases it consumes cognitive resources essential for decision-making (Mullainathan and Shafir, 2013b).

Building on these insights, Mullainathan and Shafir (2013c) argue that scarcity helps explain why the poor often remain poor. They note that scarcity extends beyond personal anecdotes, with unemployment serving as a clear example of financial scarcity: the sudden loss of income forces households to tighten budgets and re-order priorities. Poverty consumes attention, generates intrusive thoughts, and drains cognitive resources (Mani *et al.*, 2013). In practice, when confronted with immediate shortages, people often engage in feasible but narrow compromises, adjusting their preferences in line with pressing economic constraints (Shah *et al.*, 2015).

Despite the growing body of research in this area, the relationship between poverty, bandwidth, time discounting, and risk aversion remains contested. Studies have produced inconsistent evidence, weak

results, and replication issues (de Bruijn and Antonides, 2022; Haushofer and Salicath, 2023). Critics note that many replications were conducted in settings unlike the original work, often online, which may limit validity. Yet overall, the literature still struggles with conceptual ambiguity, mixed findings, and restricted scope in explaining the cognitive dimensions of poverty.

### Construal

Bertrand *et al.* (2006) noted that the behaviours of the poor are neither entirely rational nor deviant; experiences are interpreted rather than directly reacted to. Construal level theory (Trope *et al.*, 2007) offers an explanation of how psychological distance—whether temporal, spatial, social, or hypothetical—shapes human thought and behaviour. The theory rests on several central propositions: first, that these different forms of distance are cognitively interrelated; second, that they both influence and are influenced by the level of mental construal; and third, that they have comparable effects on prediction, preference, and action (Trope and Liberman, 2010). Objects or events seen as close are processed concretely and contextually, while distant events are understood abstractly and in broader terms (Noh *et al.*, 2025; Raue *et al.*, 2015; Trope *et al.*, 2007; S. Wang *et al.*, 2021).

In the context of employment decisions, poverty often directs attention toward short-term survival. Individuals are more likely to favour immediate, accessible work opportunities rather than invest in career paths that promise future stability or growth. This reflects low-level construal, where concrete and pressing details dominate judgement. The theory thus helps explain why the poor may adopt short-term orientations, though the link is not fully established (Sheehy-Skeffington and Rea, 2017). Research suggests financial hardship may foster such thinking, but systemic barriers—for example unstable jobs, weak safety nets, and limited institutional support—also reinforce it.

Moreover, decision-making is not solely shaped by cognitive distance but also by cultural and social factors. In certain countries, religious and traditional norms strongly guide economic choices (Fahrati, 2023). Manstead (2018) similarly argues that material conditions shape social identities, which in turn influence perceptions and interactions with the environment. These findings suggest that socioeconomic status and cultural norms can affect cognition in ways not fully addressed by construal level theory, underscoring the need for a broader, context-sensitive approach to studying decision-making in poverty.

### Temporal Discounting and Time Perspective

Temporal discounting refers to the tendency to devalue or weaken the weight of future outcomes when compared to immediate ones (Critchfield and Kollins, 2001; Soman *et al.*, 2005). Hesketh (2000) describes it as the reduction in the perceived value of an outcome when its realisation is delayed, making time itself a key factor shaping choice. Zimbardo and Boyd (2008) broadened this idea with the concept of time perspective, defined as a largely unconscious orientation to past, present, or future that influences thought, emotion, and behaviour.

Empirical studies illustrate how such orientations affect work decisions. Wolfe and Patel (2017) found that stronger discounting tendencies correlate with seizing immediate opportunities and preferring self-employment, particularly among youth. Childhood poverty has also been tied to higher temporal discounting in adulthood (S. B. Wang and Hanson, 2024). Hesketh *et al.* (1998) showed that age, anxiety, and waiting intervals shape discounting.

These patterns help explain why disadvantaged groups accept immediate jobs despite poor long-term returns. Urgent needs push decision-making toward short-term relief rather than careful career planning. Yet the evidence is uneven. Much of the literature on time discounting comes from lab experiments, behavioural economics, clinical studies, or even animal research, which fail to capture the gravity of real employment choices (Hesketh, 2000; Hesketh *et al.*, 1998; Saunders and Fogarty, 2001).

Zimbardo's framework further complicates the picture. Informal workers who live from day to day often make choices based on immediate needs rather than distant plans. Young people may aspire to future-oriented careers, but structural barriers and limited resources often push them toward temporary or insecure work. Zimbardo and Boyd (2008) would describe such orientations as “present-hedonistic” or “present-fatalistic,” but these labels risk ignoring the structural precarity that underlies such behaviour. While future orientation is typically linked to higher achievement through planning and goal-setting, prolonged financial strain or repeated failure can erode even strong future aspirations. At some point, survival takes precedence, and attention narrows to the present.

Taken together, these insights suggest that temporal orientation is not a fixed trait. It shifts with circumstances and lived realities. This highlights the need for more context-sensitive approaches to understanding time-related decision-making, particularly in developing countries, where structural pressures and cultural norms jointly shape how individuals weigh present against future outcomes.

### Self-efficacy, Locus of Control, Social Cognitive Career, and Planned Behaviour

Various studies explore different theories but share interconnections. Chen *et al.* (2024), for instance, found that career choices are influenced by social cognitive mechanisms, including self-efficacy, positive outcome expectations and goal setting. In contrast, Van Hooft *et al.* (2004) discovered that self-efficacy does not predict job search intention within the theory of planned behaviour. Kim and Lee (2018) highlighted that individuals with an internal locus of control adapt better to career changes, while Leana *et al.* (2012) emphasised the role of self-efficacy in career attainment.

Self-efficacy affects how individuals regulate their own motivation. It serves as a driving force and shapes beliefs about what they are capable of doing in pursuit of success (Bandura, 1993). Bandura (1994) defined perceived self-efficacy as individuals' convictions regarding their capacities to achieve specified performance levels that affect events influencing their lives. In the context of Social Cognitive Career Theory, self-efficacy is a belief that influences career decisions alongside outcome expectations and goal-related beliefs (Lent *et al.*, 1994). Meanwhile, locus of control concerns individuals' perceptions of what determines events in their lives—whether outcomes depend on their own actions and characteristics (internal control) or on luck, fate, external influence or random chance (external control) (Rotter, 1990).

Ajzen (1985, 1991, 2002) adopts an alternative perspective, focusing on a person's willingness to perform a behaviour rather than its consequences. He suggested that human behaviour is shaped by three categories of beliefs: behavioural beliefs (expectations about the consequences of the behaviour), normative beliefs (perceptions of social expectations), and control beliefs (factors that may facilitate or hinder performing the behaviour) (Ajzen, 2002).

His Theory of Planned Behaviour builds on the Theory of Reasoned Action (Ajzen, 1991) by adding a third key factor—control beliefs or perceived behavioural control. This refers to an individual's belief in their ability to perform a behaviour and emphasises that success depends not only on effort but also on external factors such as skills, knowledge, willpower, time and opportunities (Ajzen, 1985). Ajzen (2002) distinguished perceived behavioural control from self-efficacy by noting that perceived behavioural control relates specifically to a person's subjective sense of control over performing the behaviour itself, not its outcome.

Career decision-making in poverty settings presents unique challenges where financial constraints, social expectations and limited opportunities shape individual choices. The above theories offer different perspectives on how people navigate these decisions. While each theory provides valuable insights, their applicability in poverty contexts comes with both strengths and limitations.

Social Cognitive Career Theory underscores self-efficacy, outcome expectations and goal setting, suggesting that those with confidence in their capabilities are more inclined to pursue enduring career objectives. However, it tends to overlook structural barriers, such as limited educational opportunities and financial instability, which can hinder goal achievement (Dahling *et al.*, 2013). Similarly, Bandura's self-efficacy theory promotes resilience and persistence, but it risks placing excessive responsibility on individuals while ignoring systemic obstacles. A critical limitation of self-efficacy theory is its overemphasis on personal agency, often neglecting the structural and systemic barriers that many individuals, particularly those from marginalised backgrounds, encounter in career development (Albert and Luzzo, 1999).

The Theory of Planned Behaviour highlights the role of intentions, social norms and perceived control in shaping career decisions. This approach recognises that external factors—such as community expectations and financial limitations—influence an individual's career path. However, its reliance on intentions may not fully account for poverty-driven constraints that prevent action despite strong aspirations. Ayeh *et al.* (2023) argued that it underestimates structural limitations, such as financial constraints and lack of access to quality education, that often prevent individuals from converting career intentions into actual employment. Furthermore, Van Hooft *et al.* (2004) found that Theory of Planned Behaviour variables varied among research groups and were influenced by cultural background. This underscores the need for understanding across diverse cultural contexts, given that many psychological theories originated in Europe and the United States.

Locus of Control theory differentiates between internal and external control over life outcomes. An internal locus can encourage proactive behaviour, yet in impoverished contexts an external locus is more common and often linked to feelings of helplessness (Ulas and Yildirim, 2019). Each of these theories provides partial explanations for career decision-making in poverty, but a hybrid approach is needed.

### Coping Strategies

To deal with the inadequate employment conditions and facilitate decision-making, Snel and Staring (2001) offered another viewpoint focused on coping strategies. Their use of the term differs from emotional coping rooted in the psychodynamic model of Freud and his followers (Snyder and Dinoff, 1999). Rather than focusing on emotions, it concerns the deliberate efforts of individuals to tackle situations they regard as difficult or undesirable. According to Snel and Staring (2001), coping strategies consist of strategic behaviours developed through an intentional evaluation of possible options.

They identified four main forms: reducing household expenditures; utilising internal household more intensively; engaging in market-oriented activities; and seeking assistance from influential external entities such as the state, local authorities or private organisations (Snel and Staring, 2001). Subsequent studies have examined these strategies in both rural and urban settings, for instance, by Sparrow *et al.* (2012, 2014).

Coping strategies shed light on how people, especially those facing economic stress or precarious work, adapt to instability. They often rely on informal networks, short-term jobs, and flexible arrangements to get by. This perspective is particularly useful for understanding employment decisions among migrants, gig workers, and other at-risk groups.

Yet coping has its limitations. By design, these strategies prioritise immediate survival over long-term growth. Poor and vulnerable households may succeed in addressing urgent needs, but such short-term fixes rarely build pathways to sustainable careers or upward mobility (Hossain, 2005). In some cases, disadvantaged individuals manage to escape poverty through long-term strategies, which suggests that short-term coping alone cannot account for the complexity of poverty alleviation. While these tactics are essential for understanding how the poor navigate daily life, they must be placed alongside broader processes of future planning, access to opportunities, and structural support in order to capture the full picture of mobility.

*II: Comparison table of decision-making theories in poverty settings*

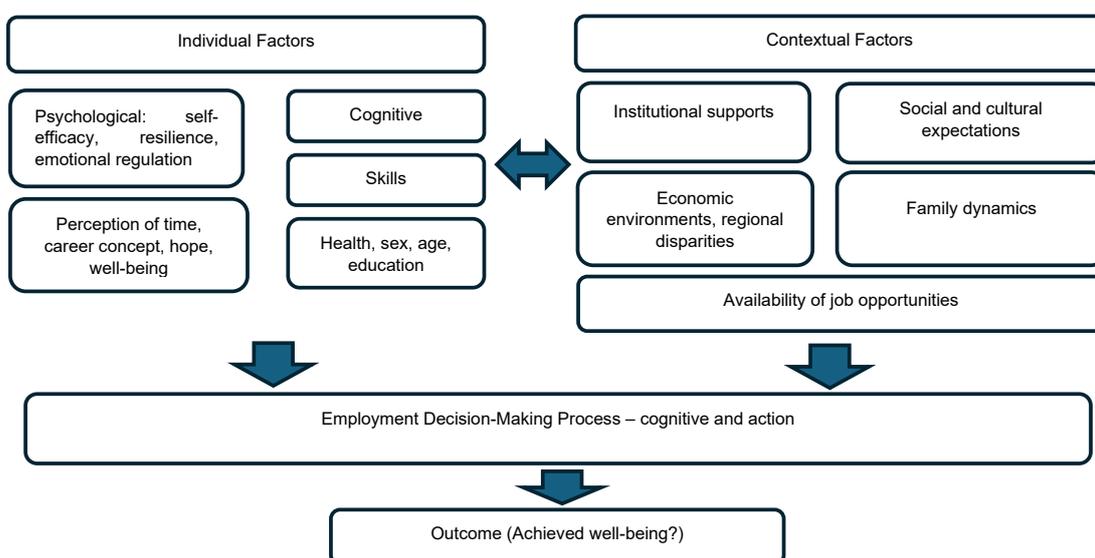
Theory	Proposition	Limitation
<b>Prospect Theory</b> (Kahneman <i>et al.</i> , 1991; Kahneman and Tversky, 1988; Tversky and Kahneman, 1974, 1981, 1992)	Choices are judged relative to reference points; losses weigh more than equivalent gains; judgements rely on heuristics and distorted probabilities; decisions involve both intuitive and analytical processes	Too general for socio-economic contexts, poverty decision-making influenced by contextual constraints; limited external validity of experiments
<b>Scarcity</b> (Mullainathan and Shafir, 2013b; Shafir, 2013)	Poverty narrows attention and induces trade-off thinking; scarcity reduces mental bandwidth, limiting cognitive capacity	Inconsistent findings, weak evidence, replication challenges
<b>Construal</b> (Trope <i>et al.</i> , 2007)	Psychological distances are cognitively related; distance shapes and is shaped by level of construal; construal influences prediction, preference, and action	Insufficient exploration of cognitive mechanisms in poverty, institutional and social barriers
<b>Temporal Discounting</b> (Trope and Liberman, 2003)	The value of outcomes declines when their realisation is delayed	Limited real-world applicability across demographics
<b>Time Perspective</b> (Zimbardo and Boyd, 2008)	Time orientation shapes thought, emotion, and behaviour	Limited context-sensitive frameworks
<b>Self-efficacy</b> (Bandura, 1993, 1994)	Belief in domain-specific competence enhances motivation, persistence, and performance	Structural and systemic challenges
<b>Social Cognitive Career</b> (Lent <i>et al.</i> , 1994)	Career decisions are guided by self-efficacy, outcome expectations, and goals	Structural and systemic challenges
<b>Locus of Control</b> (Rotter, 1990)	Expectancies range from internal (personal control) to external (chance or others)	Life outcomes beyond control in poverty
<b>Planned Behaviour</b>	Behaviour is predicted by intentions, which are shaped by attitudes, norms, and perceived control	Cultural and socio-economic influences
<b>Coping Strategies</b> (Snel and Staring, 2001)	Coping involves four types of effort: cutting expenditures, intensifying household use, engaging in market activities, and seeking external support	Lack of long-term solutions for upward mobility

Source: prepared by the authors

## Discussion and Conclusion

Overall, the theories reviewed offer useful insights into decision-making in poverty, from cognitive constraints to survival tactics. Yet none fully capture the complexity of employment choices in developing countries, where systemic barriers such as weak government support, poor access to education, and limited secure jobs are decisive. Much of the literature emphasises individual preferences, while in reality, choices often reflect constrained options. Immediate work, for example, may not signal a preference for short-term gain but the absence of alternatives. Experimental theories also face problems of external validity, as they rarely translate to diverse cultural and economic contexts. Still, some people achieve upward mobility through long-term strategies, showing that agency matters within constraint. These cases point to the need for approaches that link structural conditions with individual strategies.

A framework is proposed integrating both individual and structural factors. It considers personal, familial, societal and institutional influences on employment decisions, highlighting cognitive and psychological elements alongside the broader social context. This framework examines how individuals perceive their situation, evaluate employment options, engage in job-seeking behaviours, and balance competing needs with limited resources. Ultimately, it looks at the outcomes of these decisions—whether individuals manage to escape poverty, remain employed but still impoverished, or face ongoing challenges.



2: Figure 2 Conceptual framework for understanding employment decision-making in the context of poverty  
Source: data by authors

Individual factors such as cognition, self-efficacy, resilience, skills, education, health, age, sex, time perception, career orientation and even hope influence how people weigh employment options. Research shows that unemployment, particularly when involuntary, harms well-being (Hoang and Knabe, 2021) because it removes both income and the social meaning of being part of the system of giving and receiving (Bruni, 2015). These internal processes shape how individuals evaluate opportunities, interpret risks and balance short- versus long-term goals.

Contextual factors operate alongside these. Institutional support, labour market conditions, social and cultural expectations, regional disparities, family responsibilities and the availability of secure jobs all play decisive roles. These elements shape the boundaries within which individuals can exercise agency, often determining whether personal aspirations are pursued, adapted or abandoned.

These dimensions are interdependent. Individual perceptions are formed in response to contextual realities, while structural conditions constrain or enable personal agency. No single factor determines outcomes; rather, their interaction produces the pathways people follow. Some influences may dominate, but decisions usually emerge from multiple pressures at once.

Fictional examples highlight this interplay. A skilled technician who lost a leg in an accident faced both discrimination and weak enforcement of disability rights. Despite his competence, low self-esteem and limited options led him to open a small grocery at home. A street food vendor declined government training because the programme was unpaid, illustrating how liquidity needs override long-term skill development. A woman offered a job requiring relocation declined because her family was already in debt and her husband was ill. The decision reflected a trade-off between immediate survival needs, household responsibilities and the prospect of a potentially better job. These cases demonstrate that employment choices in poverty are not determined by isolated factors but by the constant interaction of individual attributes with contextual realities.

In decision-making, both intentions and actions are shaped by these multiple factors, with some exerting stronger influence than others. Those who achieve mobility may do so through stronger career orientation, hope, self-efficacy, family support and social capital, even when financial resources are limited. Others, despite strong skills, may be constrained by discrimination or regional job scarcity, leading to psychological strain and acceptance of any available work for survival.

The outcomes of employment decisions shape well-being. Sen (1987) argues that well-being rests on real freedoms and capabilities to live a life one values, not just on material wealth. This freedom includes the ability to choose work that provides dignity, growth and participation. From this view, employment should be both meaningful and decent. As Stephan *et al.* (2020) note, meaning gives work its value beyond simple autonomy, while Duffy *et al.* (2023) highlight fair wages, security, personal time, family support and healthcare as essential to decent work. These factors also help explain why, in some countries or cultures, people report satisfaction with jobs that may appear modest from the outside, because the work provides dignity, security or social support that sustains well-being. In this sense, success or failure in pursuing employment goals shapes, and is shaped by, individual well-being (Heckhausen and Kay, 2018).

This framework opens space for further research, looking more closely at how people search for work, make decisions under uncertainty, cope with exclusion from formal protections and deal with other social aspects. The aim is to build a fuller understanding of employment decision-making among the poor. It also points to policies that need to be holistic and inclusive, considering both individual agency and structural constraints that shape sustainable careers and mobility. For instance, a combination of policies could expand decent work standards through anti-discrimination enforcement, living wages and social insurance; strengthen active labour market programmes with paid training, wage subsidies and career counselling; and provide institutional support such as childcare, transport subsidies and healthcare. At the same time, context-sensitive initiatives, regional job creation or culturally tailored programmes can ensure that interventions reflect local realities. Taken together, these measures not only support sustainable careers and social mobility but also strengthen the well-being of those living in poverty.

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