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Review Paper

Building Psychological Resilience Amid Economic Instability and AI-Driven Disruption: A Systematic Review

Dr. Hitesh Vadhiya[1]*

ABSTRACT

Today's workforce is contending with two overlapping and ongoing sources of strain: broad economic instability and the fast-moving, unevenly distributed spread of artificial intelligence into everyday job tasks. This systematic review synthesizes recent empirical work (2021–2026) on psychological resilience as a protective factor against the mental-health costs of these dual stressors, together with evidence on whether resilience-building interventions actually deliver results. Following a structured, PRISMA-guided search across academic databases and publisher platforms, 13 studies meeting predetermined eligibility standards were identified, spanning national surveys, qualitative and mixed-methods research, structural equation models, and two intervention-focused meta-analyses. Three key patterns emerged from the synthesis. Both economic instability and AI-related job displacement generate measurable psychological harm, including anxiety, erosion of professional identity, and a newly proposed clinical symptom cluster termed AI Replacement Dysfunction. Differences among individuals in self-efficacy, cognitive reappraisal, and social capital consistently correspond to lower distress, a pattern in line with resource-based models of resilience. Structured resilience-building programs, particularly digital and psychosocial interventions, produce modest but statistically dependable gains in resilience, engagement, and reduced mental distress. The review concludes that resilience operates less like a fixed personality trait and more like a resource that organizations and mental-health systems can deliberately cultivate, while highlighting specific gaps — above all, the near-total absence of longitudinal research and AI-specific intervention trials — that future studies still need to fill.

Keywords: *Psychological Resilience, Economic Volatility, Artificial Intelligence, Job Insecurity, Techno Stress, Workplace Mental Health*

Employment-related uncertainty once tended to reach the workforce in isolated waves — a recession here, an industry downturn there, one company's restructuring — before subsiding again. That pattern no longer holds. Data from 2025 show a workforce carrying two overlapping, ongoing threats simultaneously: sweeping macroeconomic instability (inflation, shifting policy, fears of recession) layered against the rapid, unevenly deployed spread of artificial intelligence into jobs once thought immune to automation. The American Psychological Association's 2025 Work in America survey, drawing on 2,017 employed U.S. adults, found that 54% reported job insecurity was

[1]Assistant Professor, Department of Psychology, Adiwasi Arts and Commerce College, Santrampur, Gujarat
*Corresponding Author

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significantly affecting their stress levels, 44% feared losing their job to an economic downturn within the following year, and 42% said work-related stress was interfering with their sleep (American Psychological Association [APA], 2025). Beyond this general economic anxiety lies something newer and more specific: several 2025 studies describe workers troubled not merely by the prospect of losing employment, but by losing it to a machine specifically — a distinction that carries a psychological weight earlier job-insecurity research never had to account for (McNamara et al., 2025; Rawashdeh, 2025).

Psychological resilience — broadly defined as the capacity to maintain or restore psychological functioning under adversity — has long been studied as a buffer against workplace stress. What is far less settled is whether resilience holds up the same way against this newer, compound form of uncertainty, one that combines familiar economic threat with the more existential worry of technological obsolescence, and whether interventions built to strengthen resilience remain effective under these particular conditions. This review takes up that open question by systematically drawing together recent literature around three related lines of inquiry: (a) what psychological consequences arise from today's combined pressures of economic volatility and AI-driven disruption; (b) which individual and contextual factors are associated with stronger resilience against those consequences; and (c) what the intervention literature reveals about whether resilience can be deliberately cultivated, and how large that effect actually is.

The implications extend well beyond individual well-being. The same APA (2025) survey found that 44% of employed adults said they would need to change fields or industries entirely if their current job disappeared — a figure that points to something more specific than ordinary employment anxiety: a fear that an entire skill set is losing its value in the market. This distinction changes how resilience needs to be framed in this context. Classic resilience research grew out of the study of discrete adverse events — natural disasters, combat exposure, bereavement — generally assuming the adversity eventually ends and recovery can move toward a stable baseline. Chronic, open-ended technological and economic uncertainty offers no comparable endpoint; a worker cannot simply wait out the possibility that their role is automated, because the threat remains diffuse, continuous, and not resolvable through any single coping strategy. Whether resilience frameworks designed for bounded adversity genuinely transfer to this kind of unbounded, ambient threat is itself a question this review returns to in its discussion.

METHOD

Search Strategy and Eligibility Criteria

The literature search covered general academic search engines and publisher platforms, including sources indexed through Frontiers, Taylor & Francis, PMC, and the American Psychological Association, using combinations of the terms "psychological resilience," "economic uncertainty," "job insecurity," "artificial intelligence," "technostress," "AI anxiety," and "resilience intervention." This review followed the general logic of PRISMA reporting — screening records for relevance and applying explicit inclusion and exclusion criteria — but was not pre-registered and did not follow a formal, exhaustive multi-database protocol; it is more accurately described as a structured, PRISMA-informed review rather than a fully registered systematic review. Eligible sources were peer-reviewed empirical studies, meta-analyses, or clinical and theoretical models published between 2021 and 2026 that examined psychological resilience, distress, or coping in relation to economic volatility, job insecurity, or AI-related workplace disruption. Sources were excluded if they addressed

resilience in unrelated contexts — such as childhood adversity unconnected to employment — unless cited for methodological or theoretical grounding, or if they were opinion pieces lacking empirical or clinical substance. Thirteen sources met these criteria and form the basis of this review, summarized in Table 1.

Study Characteristics

The included body of literature spans several methodological types: large-sample national surveys (APA, 2025), a structural equation modeling study (Frontiers technostress study, 2025), qualitative and Delphi-validated thematic analyses (Indian IT professionals study, 2025), a proposed clinical diagnostic model (McNamara et al., 2025), and two intervention-focused meta-analyses drawing on a combined 59 randomized controlled trials and more than 5,300 participants (digital resilience interventions meta-analysis, 2026; resiliency training programs meta-analysis, 2014). Geographically, the underlying samples originate from the United States, Portugal, Romania, India, and multi-country RCT pools, offering at least some cross-national perspective, although the literature remains concentrated in upper-middle- and high-income economies. Table 1 outlines each source's design, stressor focus, and principal finding.

Table 1 Summary of Included Sources on Resilience, Economic Volatility, and AI Disruption

Study	Design / Sample	Stressor Domain	Key Finding
APA Work in America Survey (2025)	National survey, 2,017 U.S. employed adults	Job insecurity, policy/economic volatility	54% reported significant stress from job insecurity; 44% feared recession-driven job loss
Frontiers school-to-work transition study (2026)	Survey, early-career graduates	Labor market uncertainty	Emotional resilience buffered the negative effect of labor market uncertainty on well-being and employability
Job Insecurity and Well-Being (Portugal EWCS analysis, 2025)	Survey, N = 938	Job insecurity	Job insecurity reduced well-being and engagement; self-efficacy mediated, supervisor support moderated the effect
Psychological impacts of AI-induced displacement (Indian IT professionals, 2025)	Qualitative, Delphi-validated thematic analysis	AI-driven job displacement	Majority reported identity erosion and distress; a resilient minority reframed displacement via self-efficacy and social capital
AIRD clinical model (McNamara et al., 2025)	Clinical/theoretical model	AI-driven workforce displacement	Proposed a distinct symptom cluster ("AI Replacement Dysfunction") for AI-specific occupational distress

Study	Design / Sample	Stressor Domain	Key Finding
AI technostress and mental health (Romanian SEM study, 2025)	Survey, SEM analysis	AI-related technostress	Technostress significantly associated with both anxiety and depressive symptoms
Digital resilience interventions meta-analysis (2026)	Meta-analysis, 34 RCTs, N = 5,318	General workplace stress	Small but significant post-intervention benefits for work engagement (SMD = 0.25), mental distress (SMD = -0.27), and positive mental health (SMD = 0.25)
Resiliency training programs meta-analysis (2014, foundational)	Meta-analysis, 25 RCTs	General/trauma-related stress	Moderate effect on resilience (SMD = 0.37); larger effects on stress and depression for trauma-focused programs

Note. SMD = standardized mean difference; RCT = randomized controlled trial; SEM = structural equation modeling. Full citation details appear in the reference list.

RESULTS

The Psychological Toll of Economic Volatility

Taken together, the reviewed studies converge on a consistent core point: uncertainty on its own — regardless of whether a job loss ever actually happens — produces real psychological harm. The APA's 2025 survey linked job insecurity to disrupted sleep, strained personal relationships, and heightened stress even among employees who never actually lost their jobs (APA, 2025). This mirrors the broader job-insecurity literature: an analysis of 938 workers using European Working Conditions Survey data found that perceived job insecurity meaningfully lowered both psychological well-being and work engagement, with part of that effect operating through diminished self-efficacy and part of it softened by perceived supervisor support (Job Insecurity and Well-Being, Portugal EWCS analysis, 2025). A separate 2026 study following early-career graduates through the school-to-work transition amid labor market uncertainty produced a similar picture — uncertainty eroded well-being and employability — except that emotional resilience significantly moderated this relationship, weakening the link between uncertainty and poor outcomes among graduates who scored higher on resilience measures (Frontiers school-to-work transition study, 2026).

A Distinct Psychological Signature for AI-Driven Disruption

A second, less anticipated theme running through the literature is that AI-driven job displacement appears to carry psychological weight beyond ordinary job insecurity, striking specifically at professional identity and relevance rather than financial security alone. A Delphi-validated thematic analysis of Indian IT professionals confronting AI-driven displacement mapped a sequence of psychological disruption beginning with acute shock, progressing into identity erosion, and compounded by a sense of organizational betrayal — a pattern the authors connected to established models of resource loss and identity breakdown under crisis (Psychological impacts of AI-induced displacement, Indian IT professionals, 2025). This distress was not evenly distributed: female professionals and support staff reported deeper identity threats and weaker coping efficacy than their peers, complicating any assumption that technical workers are uniformly resilient to this particular stressor.

Separately, two University of Florida researchers proposed a new clinical framework — AI Replacement Dysfunction (AIRD) — describing a distinguishable cluster of anxiety, insomnia, and paranoid-adjacent symptoms tied specifically to AI-driven workforce displacement, arguing that clinicians need a dedicated framework to identify and treat this presentation rather than absorbing it into generic occupational stress (McNamara et al., 2025). A structural equation modeling study of Romanian adults reinforces this picture: AI-related technostress showed a significant, independent association with both anxiety and depressive symptoms, even after controlling for general workplace stress (AI technostress and mental health, Romanian SEM study, 2025).

Protective Factors: What Predicts Resilience Under These Conditions

Despite the consistently documented harm from both stressor categories, no reviewed study found distress to be universal; within every sample, some individuals fared noticeably better than others, and the literature repeatedly converges on similar explanations for that variation. Self-efficacy — a person's belief in their own ability to handle a challenge — emerged again and again as a key protective factor, mediating the relationship between job insecurity and well-being in the Portuguese EWCS analysis and separating the resilient minority from the distressed majority in the Indian IT professionals study. Social capital and personal agency played a comparable buffering role in that same qualitative study, where employees who successfully reframed AI-driven displacement as an opportunity rather than a purely existential threat tended to report stronger interpersonal and professional networks to draw on during the transition. This reframing pattern aligns closely with the post-traumatic growth literature, which documents that some individuals emerge from severe adversity with enhanced rather than diminished psychological functioning (Psychological impacts of AI-induced displacement, Indian IT professionals, 2025, citing Tedeschi & Calhoun, 2004). Organizational and contextual factors mattered as well: perceived supervisor support moderated the harm of job insecurity in the Portuguese sample, and AI literacy specifically weakened the negative link between AI anxiety and adoption intention in a separate technostress-focused analysis, suggesting that resilience against AI-specific disruption may depend partly on familiarity and competence with the technology rather than avoidance of it.

Can Resilience Be Built? Evidence From Intervention Research

The literature also takes up a more practical question: given that resilience predicts better outcomes, can it actually be cultivated through deliberate intervention, or is it simply a stable trait some people happen to possess more of? The strongest evidence comes from a 2026 meta-analysis of digital resilience interventions — delivered via websites or smartphone applications — pooling 34 randomized controlled trials and 5,318 participants across working populations. That analysis found small but statistically significant post-intervention gains in work engagement (SMD = 0.25, 95% CI [0.15, 0.34]), reduced mental distress (SMD = -0.27, 95% CI [-0.40, -0.14]), and improved positive mental health (SMD = 0.25, 95% CI [0.15, 0.36]), although effects on burnout specifically did not reach significance (SMD = -0.25, 95% CI [-0.59, 0.09]) (Digital interventions to foster resilience in working populations, 2026). An earlier, methodologically foundational meta-analysis of 25 randomized trials testing resiliency training programs across varied populations found a comparable moderate effect on resilience itself (pooled SMD = 0.37, 95% CI [0.18, 0.57], $I^2 = 41\%$), with trauma-directed programs producing larger effects on stress (SMD = -0.53) and depression (SMD = -0.51) than generalized stress-directed programs (Resiliency training programs meta-analysis, 2014).

Together, these two meta-analyses indicate that resilience-building interventions generate real but modest effects — generally small-to-moderate rather than transformative — and that more targeted, trauma-informed programs tend to outperform generic, one-size-fits-all resilience training. Neither meta-analysis, however, tested interventions built specifically around AI-driven disruption or economic volatility as the triggering stressor; both drew instead on general occupational or trauma populations. That gap is notable given how distinct the AI Replacement Dysfunction literature suggests this particular stressor may be from ordinary workplace stress (McNamara et al., 2025).

DISCUSSION

Viewed as a whole, this body of literature supports a resource-based model of resilience under compound uncertainty: workers are not passive recipients of whatever stress economic volatility or AI disruption produces, but active managers of a set of internal resources — chiefly self-efficacy, cognitive reappraisal, and social capital — that determine how much of that stress converts into lasting psychological harm. This aligns broadly with Hobfoll's (1989) conservation of resources theory, cited directly in the Indian IT professionals study, which frames psychological distress as arising when valued resources — financial, social, or identity-related — are threatened or depleted faster than they can be replenished (Psychological impacts of AI-induced displacement, Indian IT professionals, 2025). Under that framework, AI-driven displacement proves especially damaging not simply because it threatens income, but because it can simultaneously threaten a person's professional identity and sense of relevance, draining two resource categories at once rather than one.

The emergence of AI Replacement Dysfunction as a proposed clinical category (McNamara et al., 2025) deserves serious attention even though it remains new and has not yet been independently validated across multiple research groups. If AI-specific occupational distress genuinely differs in presentation or mechanism from conventional job insecurity — as the identity-erosion and organizational-betrayal themes in the qualitative literature suggest — then interventions designed for generic workplace stress, including the digital resilience programs discussed above, may only partially serve this population, since none of those interventions were ever tested on samples specific to AI displacement. The gendered disparity noted in the Indian IT professionals study, with female professionals and support staff reporting deeper identity threats, adds a further complication: resilience-building efforts calibrated only to a generic workforce average risk leaving the groups facing the sharpest distress underserved.

The intervention literature offers cautious encouragement rather than a firm mandate. Effect sizes in the small-to-moderate range (SMD ≈ 0.25 to 0.37 across outcomes) show that resilience-building programs help on average, but they cannot substitute for addressing the structural sources of insecurity itself; supervisor support and organizational stability, both of which moderated distress in the reviewed survey literature, point toward organizational-level responses as a necessary complement to individual-level resilience training rather than a substitute for it.

Practical Implications

For organizations, this literature points toward a two-track response rather than a single fix. The intervention meta-analyses suggest that digital and structured resilience programs deliver real, if modest, benefits and scale reasonably well, making them a sensible first-line offering for general workforce stress. But the protective-factor findings — particularly the role of

supervisor support in cushioning job insecurity and the role of AI literacy in reducing AI-specific anxiety — suggest that individual-level training alone will fall short unless paired with structural steps: transparent communication about how and where AI tools will actually be deployed, genuine reskilling pathways rather than symbolic ones, and manager training aimed specifically at supporting employees through AI-related role changes rather than generic change management. For clinicians, the emergence of AI Replacement Dysfunction as a proposed framework (McNamara et al., 2025) suggests it may be worth screening for AI-specific occupational distress as its own presentation — particularly identity-related themes and a sense of organizational betrayal — rather than defaulting to a generic occupational-stress or generalized-anxiety framing that could miss the actual mechanism driving a client's distress.

Future Research

Three gaps stand out as priorities going forward. First, and most urgently, no intervention study identified here tested a resilience-building program specifically against an AI-displacement-affected sample; given the qualitative evidence that this stressor may work through a distinct psychological mechanism — identity and relevance rather than income security alone — it remains unknown whether generic resilience programs transfer to this population or whether AI-specific programming is genuinely needed. Second, this literature is almost entirely cross-sectional or, at best, measured shortly after an intervention ends; longitudinal designs following workers through an actual AI-driven transition, rather than measuring anxiety about a hypothetical or recently announced one, would clarify how these psychological effects evolve over months or years rather than at a single snapshot. Third, given the gendered disparity in identity threat reported among Indian IT professionals, future research should test whether demographic and role-based differences in vulnerability to AI-driven disruption replicate in other national and industry contexts, which would carry direct implications for how resilience interventions ought to be targeted rather than distributed uniformly across a workforce.

Limitations

Several limitations qualify these conclusions. First, the search strategy, although structured and criteria-driven, was not a fully registered, exhaustive systematic review, so relevant sources published in this fast-moving area may have gone undetected, especially given how quickly the AI-specific literature keeps expanding. Second, most reviewed sources were cross-sectional, which limits how confidently one can claim that resilience actually reduces distress rather than simply that less-distressed people happen to report higher resilience; only the two intervention meta-analyses offer experimental evidence capable of supporting a causal claim, and neither tested AI-disruption-specific samples. Third, the literature remains geographically uneven, concentrated in the United States, a handful of European countries, and India, leaving open how well these patterns generalize to lower-income economies where both economic volatility and AI adoption patterns may look quite different. Finally, the AI Replacement Dysfunction model (McNamara et al., 2025) is, as of this review, a single proposed framework rather than an established, widely replicated diagnostic category, and should be treated as an emerging hypothesis rather than settled clinical consensus.

CONCLUSION

Across the thirteen sources reviewed here, a fairly consistent picture emerges: economic volatility and AI-driven disruption each produce measurable psychological harm, AI-specific disruption may carry a distinct and particularly corrosive signature tied to identity rather than

income alone, and individual resources — especially self-efficacy and social capital — meaningfully soften that harm. Resilience-building interventions, though never tested specifically against AI-driven disruption, show small-to-moderate effects on related outcomes across the broader occupational literature, suggesting that resilience behaves more like a modifiable resource than a fixed trait. The most pressing gap is the near-total absence of longitudinal research and intervention trials built specifically around AI-driven workforce disruption; as this stressor becomes more common, closing that gap will matter both for clinicians treating affected workers and for organizations designing the support systems meant to help them.

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