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Is what’s past prologue? A review and agenda for contemporary employability research

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IS WHAT’S PAST PROLOGUE? A REVIEW AND AGENDA FOR CONTEMPORARY EMPLOYABILITY RESEARCH

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ABSTRACT

Employability, commonly conceptualized as one’s ability to realize job opportunities within
and between employers over time, has attracted considerable attention from diverse academic
disciplines for decades. Research in these disciplines has largely evolved independent of the
others, thus limiting the accumulation, validation, advancement, and utility of employability.
Two central stakeholders in much of this research are employers and employees, yet the vast
majority of studies since the year 2000 fails to explicitly consider this interdependence, and it
instead is characterized by an overwhelming emphasis on the employee and individual
agency. Conversely, the comparatively limited research examining the employer perspective
often excludes consideration of the employee. Our review highlights these characteristics,
along with outlining other common critical issues and recommendations for overcoming
them. We also articulate how Social Exchange Theory (SET) can serve as an underlying
mechanism to integrate research within and between disciplines, and we also present the
strategic employability architecture (SEA) framework based on strategic human resource
management to facilitate integration of employer and employee perspectives.
IS WHAT’S PAST PROLOGUE? A REVIEW AND AGENDA FOR CONTEMPORARY EMPLOYABILITY RESEARCH

INTRODUCTION

Academics and lay people alike commonly equate employment with employability. While the first refers to having a job, the second concerns the ability to realize job opportunities within and between employers over time (Forrier, Sels, & Stynen, 2009). It has been presented as the new employment security for employees by academics, employers, and policy makers. Employability is thus far more complex than simply having a job, and it is instead a dynamic interplay between the employees (fulfilling job), employers (competitive advantage), and the economy/society (full employment) over time.

It is of course inappropriate to discount the importance of having a job, as it is the primary means by which people across the globe provide both necessities and luxuries for themselves and their families. Employment is far more than a paycheck and source of sustenance for many employees, as it also provides purpose and meaning for many people’s lives (Ahonen, Fujishiro, Cunningham, Flynn, 2018; Lepisto & Pratt, 2017). As such, employment provides opportunities for self-development, realizing and utilizing one’s potential, as well as serving and unifying with others (Savikas, Nota, Rossier, Dauwalder, Duarte, Guichard, & Van Vianen, 2009; Weeks & Schaffert, 2019). The current reality for employees is made even more complex due to globalization, dynamism in jobs and careers, and the ever-changing employer-employee relationship (Horney, Pasmore, & O’Shea, 2010). This scenario in turn has made employment prospects less predictable (Arthur & Rousseau, 1996) and shifted responsibility for employment opportunities and security away from employers and towards employees (Forrier, De Cuyper, & Akkermans, 2018). For employers, employability provides the potential to match human capital with strategic objectives, as well as to help manage the supply and demand for talent in ever-changing internal and external
Employers may therefore want to attract employable workers and invest in the development of employability attributes that are relevant for achieving organizational goals, making employability a valuable aspect of strategic approach to human resource management. We therefore posit that employability is an appropriate and valuable lens through which to understand the inherent complexity of the employer-employee relationship, which is the ultimate focus of our review and recommendations for advancing contemporary employability research.

The interest and value of employability, for both employees and employers, is reflected in the fact that it is studied in multiple disciplines and levels in the academic universe, such as labor economics (Hasluck, 2001), education (Knight & Yorke, 2004), vocational counseling (Brown & Krane, 2000), careers (Akkermans & Tims, 2017), human resource management (HRM; Nilsson & Ellström, 2012), and work and organizational psychology (Cascio, 1995). As shown in Table 1, each discipline in which employability has been studied has its own perspectives, associated stakeholders, key responsibilities, and outcomes. Although our initial review encompasses much of the employability research landscape, ultimately, we focus on research that directly examines the employer and employee as primary stakeholders, which is largely found in careers, HRM, and work and organizational psychology literatures. The reason for this is that despite the undeniable importance of both employers and employees in all employability research, our review revealed that rarely if ever has one stream drawn on any of the others. Such segregation of employers and employees impedes comparison, accumulation, refinement, and application, and it thus handicaps research across disciplines from benefiting from the insights of those from the others (Forrier, Verbruggen, & De Cuyper, 2015; McQuaid & Lindsay, 2005; Thijssen et al., 2008). We therefore endeavor to integrate existing employability research, not only to penetrate existing siloes, but also to
highlight and help resolve critical issues, tensions, and paradoxes found in current scholarly work on the topic.

Further motivating our ultimate focus on the employer-employee relationship is the fact that employers (can) no longer guarantee lifelong employment, and in turn, employability has evolved and been presented as the new employment security for employees the world over. This fundamental change in the relationship between these two stakeholders means that employees must cultivate their employability to remain relevant and satisfied in the workforce over time (Fugate, 2006; Wilthagen & Tros, 2004). The emphasis on employee agency appears to dominate employability research since the 2000’s, with the role of the employer largely absent. This observation is fundamentally problematic given the fact that most employees remain embedded in an interdependent employment relationship, meaning their employability is not entirely under their own control (Forrier, De Cuyper, & Akkermans, 2018). Moreover, employers across the globe are competing intensely for talent, and this competition has compelled them to identify alternative, innovative, and effective ways to attract, develop, retain, and motivate employees (Trank, Rynes, & Bretz, 2002). Put plainly, employers and employees need each other to compete, survive, and thrive, which means both will need to be increasingly proactive, strategic, and collaborative to meet their respective and collective challenges.

We address this reality and support our claim by pursuing three fundamental and cumulative goals. First, we identify overarching themes in employability research in the new millennium that investigates either employers or employees (Goal #1). Our initial review shows that the employee perspective is most dominant and that the employers and employees are treated, intentionally or not, as segregated stakeholders. Second, and drawing from our observations associated with Goal #1, we narrow our focus to research that explicitly embeds employability within the employer-employee relationship, hence including both primary
stakeholders. From this we then identify and outline notable critical issues and recommended solutions to bring the employer-employee dynamic to the fore (Goal #2). Lastly (Goal #3), we explicate means for integrating and advancing employability research. In particular, we build on social exchange theory (SET) (Blau, 1964) as an underlying integrating mechanism for employability research within and between disciplines. We use SET to create the strategic employability architecture (SEA) framework, which is grounded in strategic HRM research and provides guidance for future researchers on how to examine the dynamic and interdependent employer-employee relationship. Before pursuing these three fundamental goals, however, we first present a historical overview of employability research. This overview offers researchers a high-level overview of the employability domain, as well as a context for our review, themes, critical issues and recommendations, and eventual integration.

**THE HISTORY OF EMPLOYABILITY RESEARCH**

The earliest reference to employability was in the mid 1950’s by Feintuch (1955), and over the ensuing decades the concept of employability and associated research have evolved in parallel with changes in the labor market and the employer-employee relationship (Thijssen, et al., 2008). For instance, the “normal” career was often characterized by decades-long employment with a single employer, wherein lifelong job development and security was exchanged for employee loyalty. Research from the 1950’s through the 1970’s focused largely on the macro-level and the aim of full employment. The 1950’s and 1960’s were characterized by a high need to add people to the workforce in order to meet the ever-increasing labor demands of consistent post-war growth. Employability in that period was mainly about stimulating unemployed and ‘difficult to place persons’ to participate in the labor market (e.g., Feintuch, 1955; Wadsworth et al., 1961). The 1970’s included large layoffs and unemployment due to recessions, but perhaps the most notable change in employability research during this period was the increased interest within the domain of vocational
counseling, and the increased importance of understanding how unemployed people sought and found employment (Gottfredson, 1981). It also spawned interest from labor economists who focused on full employment within and between particular segments of the labor force (blue versus white collar workers, and both college-educated and not). More generally, from the 1950’s through the 1970’s employability research focused almost exclusively on adding people to the workforce, reflecting a macro perspective. Macro-level employability research focused on full employment, and interventions were mainly undertaken at a national level (Feintuch, 1955; Forsyth & Mininger, 1966; Orr, 1973). Interventions and activities involved government programs intended to increase the labor market qualifications of disadvantaged or unemployed workers, and little attention was given to career development. The lack of attention to career development can in part be explained by the reality at that time -- a dominance of employer-managed careers within a single organization (Magnum, 1976; Orr, 1973).

A notable milestone occurred in 1976 when Tim Hall foreshadowed a changing employment landscape, one in which employees would be confronted with far less stability and much greater complexity, and these changes would necessitate employees to be more adaptable and engage in career self-management (Hall, 1976). This change was spurred by employers who were challenged by increased uncertainty and competition due to emerging technologies and growing globalization. With these developments attention in employability research shifted to the meso or organization level in the 1980s. Employers were the focal actors and used employability as a means for matching talent supplies with changing organizational demands (Thijssen et al., 2008). Employers looked for strategies, policies, and practices to enhance their organizational flexibility and competitiveness. An employable workforce was a means to achieve this flexibility (Murphy, 1985). This manifested in the notion of the so-called flexible firm (Atkinson, 1984) in which employees were categorized as
core (permanent), periphery (temporary), and external (free agents). These categories and associated responsibilities and investments were intended to distinguish employees’ respective roles in increasing employers’ flexibility. Employability became an HR initiative intended to optimize the deployment of employees (Forrier & Sels, 2003a), and each employee category was associated with different employer-employee relationships and degrees of career management. Training and development opportunities were mainly focused on the core workers with the others ignored or left to their own devices (Hakim, 1990). The resulting inequality between the three categories created numerous conflicts between employers, employees, unions, and government organizations (Platt, 1986; Pollert, 1988; Procter, Rowlinson, McArdle, Hassard, & Forrester, 1994). Employers wanted to maximize flexibility while limiting resource commitments to core workers, while labor unions battled for collective agreements for all workers. To summarize, employability in the 1980’s was seen as a means of flexibility for organizations, and its purpose was efficient and effective human resource utilization. Important interventions and activities pertained to the management of intra-organizational staffing problems, assuming both quantitative (number of periphery workers) and qualitative flexibility (employability or functional flexibility of core workers) within the context of the ‘flexible firm.’

Beginning in the 1990’s, research evolved along with the changes in the employer-employee relationship, and employability became the individual employee’s responsibility (Thijssen et al., 2008). The traditional, linear, single organization, hierarchical career was proclaimed dead (Arthur, 1994; Hall, 1996; Mirvis & Hall, 1994). New career paradigms, such as the boundaryless (Arthur, 1994) and protean career (Hall, 2004), reflected the idea that employees could no longer rely on one employer to develop a sustainable career (Iles, 1997). The increasing interest in these new career paradigms was connected to changing notions of the psychological contract (Hiltrop, 1995) between employer and employee. The
so-called modern psychological contract (Altman & Post, 1996) or the new protean career contract (Hall & Moss, 1998) that emerged, enabled changes in employers’ and workers’ perceptions and expectations of each other, regarding responsibilities for employability management (Herriott, 1992, 1995; Rousseau, 1995). The emphasis in employability research also shifted and began to transition from the employer to the employee (De Vos, Dewettinck, & Buyens, 2009). As a result, employability research from the 1990’s onwards concentrated on the employee’s ability to cope with changes in both internal and external labor markets and obtain gainful if not also fulfilling employment (Thijssen et al., 2008). Scholars in the field began identifying characteristics of employees that would enable them to adapt effectively in the new and evermore unstable career landscape, one in which they themselves assumed primary responsibility for opportunities and outcomes within and between employers over time (Fugate, Kinicki, & Ashforth, 2004; Tekleab & Taylor, 2003). Consistent with this trend, researchers presented employability as a “personal resource” (De Cuyper, Mäkikangas, Kinnunen, Mauno, & De Witte, 2012), a set of competencies (Van der Heijde & Van der Heijden, 2006; Van der Heijden, Notelaers, Peters, Stoffers, De Lange, Froehlich, & Van der Heijde, 2018), or a “personal asset” (Forrier et al., 2018) that employees should strive to acquire in order to effectively cope and grow.

This micro level focus, however, has been criticized for becoming overly agentic (Forrier et al., 2018). This critique parallels larger societal changes, such as the aging of the working population, evolution of the gig and shared economy, and the increased value given to corporate social responsibility. Scholars have responded, including presenting the notion of sustainable employability (e.g., Veld, Semeijn, & Van Vuuren, 2015), inspired by the sustainable career paradigm (De Vos & Van der Heijden, 2015). The premise is that not all careers are equally sustainable and that many factors potentially impact one’s employability throughout the course of one’s working life. They advocate a multiple-stakeholder perspective
that focuses on the employer-employee relationship and its mutually beneficial consequences (De Vos, Van der Heijden, & Akkermans, 2020). Dello Russo, Parry, Bosak, Andresen, Apospori, Bagdadli et al. (2020) put forth a similar approach, one that stresses both employee career ownership and the role of the employer to provide developmental HRM practices. This notwithstanding, the notion of sustainable employability still focuses on the employee’s ability to cope with changes, but it also re-introduces the employer as an important stakeholder.

To conclude, from the 1990’s and beyond, employability was conceptualized and studied as a means for safeguarding and fostering the individual’s job and career opportunities in both internal and external labor markets (Van der Heijde & Van der Heijden, 2006). Employability was relevant to all employees, not only the unemployed, and careers were seen as largely self-managed. This employee-centric focus of employability research continued in the new millennium, and it is the transition point between the historical context and our investigation of scholarship since the year 2000. Next, we outline the major themes that emerged from our initial review (Goal #1), along with the associated methods.

**GOAL #1: MAJOR THEMES IN EMPLOYABILITY RESEARCH IN THE 2000’s**

To identify major themes in employability research since the 2000’s, we conducted a systematic search using the following search string--“employability” or “employable” crossed with “employer”, “employee” or “worker”--in Web of Science, Business Source Complete, and Business Source Premier databases in 2019. This kept our search open but still with a clear focus on the employment relationship. The result was 938 hits, suggesting considerable interest in academic literature over the past two decades. This number was subsequently pared to 641 after refining the search and manually inspecting the articles. The excluded studies fell in one or more of three broad categories. First, the largest category contained studies on educational
practices (e.g., action learning, Groves et al., 2018; extra-curricular activities, Tran, 2017) to enhance employability among students. The second category involved studies that were not data-driven, such as conceptual papers (McQuaid & Lindsay, 2005), systematic reviews (Smith, 2010; Sullivan, 2019; Wo et al., 2015), and critiques or discussions (e.g., Christie, 2017; Forrier et al., 2018). The third and smallest category was a miscellaneous collection of studies in which employability was a key word, yet not defined and/or operationalized in the manuscript. To clarify, in the excluded studies employability was only referred to in very general terms in the introduction or as a possible outcome in research with a different focus (e.g., referred to in a section on practical implications).

Our protocol for identifying major themes involved four steps. In Step 1, the 641 articles were divided into two sets which were reviewed by two members of the author team. They independently identified themes using abstracts and keywords which generated 8 themes each. Two different members of the author team compared and aggregated these themes (Step 2). Six common themes emerged, namely: (a) employability as a resource for coping with job insecurity; (b) employee benefits of employability; (c) employer benefits and risks (mentioned as one category by one author and two categories by the other author); (d) initiatives and practices to enhance employability; (e) employability at a macro-level; and (f) individual and contextual antecedents of employability. These themes were then further refined and organized in those with outcomes associated with employability (themes a–c), and those pertaining to antecedents of employability (themes d-f). Themes mentioned by one but not the other author in Step 1 were: (f) employability scales and measures; (g) narratives and sense-making; and (h) specific target groups (e.g., older workers and disabled workers). Step 3 was a discussion among the entire author team to arrive at a final categorization, giving particular attention to discrepancies. This resulted in a final categorization excluding themes (f) employability scales and measures, (g) narratives and sense-making, and (h) specific target
groups. The main decision criterion was the number of studies in those specific categories. Furthermore, studies of specific target groups could easily be reclassified into one of the other themes, and studies on employability scales and measures were less relevant from a content-perspective. Finally, in Step 4 we double-checked the initial coding of studies when distilling the different themes.

To conclude, our comprehensive and initial review of employability research since the year 2000 ultimately revealed six broad themes that cut across disciplines, stakeholders, and years. These six themes were further categorized into two—those in which employability is an explanatory variable, and those that focus on factors explaining employability. A high-level description of each theme is provided below, along with example articles (see Table 2).

**Employability as an Explanatory Variable**

Three themes emerged from our review focusing on employability as an explanatory variable: 1) employability as a resource for coping with job insecurity, 2) employee benefits of employability, and 3) employer benefits and risks associated with employability.

**Theme 1: Employability as a resource for coping with job insecurity.** Studies in this theme occurred in the context of persistent changes in internal and external labor markets, and the resulting turbulence and diversity in employment trends and careers, such as unemployment, part-time vs. full-time employment, flexwork, self-employed, bridge employment, among others. Common in this theme are studies related to employee job (in)security (e.g., involuntary job loss). One manifestation of this is the so-called flexicurity debate in a number of mostly Scandinavian studies (see e.g., Berglund, Furaker, & Vulkan, 2014), wherein employers’ need for flexibility intersects with workers’ need for security. Employability in these studies, largely found in occupational health and to a lesser extent labor economics literature, is presented by some as a coping resource (Chen & Lim, 2012), and by others as a buffer against perceptions of job insecurity (Chiesa, Fazi, Guglielmi, &
Mariani, 2018; De Cuyper, Mäkikangas, Kinnunen, Mauno, & De Witte, 2012; Dickerson & Green, 2012) and the associated strain (Berntson, Näswall, & Sverke, 2010; Green, 2011; Silla, De Cuyper, Gracia, Peiro, & De Witte, 2010). It is worth noting that strain is defined quite broadly in employability research, including general and occupational health and well-being, as well as employee attitudes and behavior. Examples are psychological distress (Giorgi, Shoss, & Leon-Perez, 2015), burnout (Qiao, Xia, & Li, 2016), job dissatisfaction (Giorgi et al., 2015), and bullying (De Cuyper, Baillien, & De Witte, 2009). Studies in this theme mainly focus on employees whose jobs are inherently insecure, such as temporary workers or those on fixed-term contracts (e.g., Gracia, Ramos, Peiró, Caballer, & Sora, 2011; Silla, Gracia, & Peiró, 2005). This work explains how employability can provide additional opportunities and benefits with the same employer, another employer, or with employment agencies. Studies included in this theme all consider the possible negative consequences of employment relationships becoming more unstable and volatile, and address how employability can be a buffer against these negative consequences. It also is worth noting that the employer’s role in this theme is background or secondary, as it is generally used only to describe the precariousness of employees’ employment situations.

**Theme 2: Employee benefits of employability.** While employability researchers in Theme 1 examined employability as a means for avoiding undesirable outcomes and circumstances, studies in Theme 2 explore how employability benefits employees and highlight opportunities that changing employment relationships and the increased focus on individual agency may provide. Notably, employees who possess high employability are better equipped to benefit from a volatile and competitive environment, one that is characterized by fast-changing and with more demanding job requirements (Gunz, Evans, & Jalland, 2000). Employability has been found to be an important predictor of both objective career success (number of promotions, income, and periods of unemployment) and subjective
career success (job satisfaction and life satisfaction; Hennekam, 2015; Sersic & Thomas, 2014; Van der Heijde & Van der Heijden, 2006).

Another interesting stream of work in this theme pertains to non-career outcomes, such as one’s resiliency and the ability to deal with challenging situations (Rossier, Ginevra, Bollmann, & Nota, 2017) or job search behavior (McArdle et al., 2007). Berntson et al. (2008) reported that self-perceived employability predicts self-efficacy, an important individual attribute for survival at the 21st century labor market. Other researchers have found positive relationships between employability and work engagement and life satisfaction (De Cuyper et al., 2008), vigor at work and job satisfaction (Kirves et al., 2014), and affective commitment and positive emotions related to organizational change (Fugate & Kinicki, 2008). More generally, these studies suggest that employability enables employees to protect, and ideally, further enhance both positive career- and non-career outcomes, often beyond their current employment relationship.

Theme 3: Employer benefits and risks of employability. Other researchers examined the potential benefits and risks of employability for the employer. This research is most often studied in the disciplines of careers and work and organizational psychology. An example is research related to the so-called employability paradox (De Cuyper & De Witte, 2011), which describes the tensions (top)managers often experience when contemplating investments in employee development. On the one hand, opportunities for training and other forms of development are highly valued by employees and can serve as effective means for attracting and retaining talent and enhancing performance (De Cuyper, Van der Heijden, & De Witte, 2011). A study among South-Korean employees and their supervisors, for instance, found that perceived employability was positively related to in-role, adaptive, and extra-role performance (Hahn & Kim, 2018). On the other hand, these same investments can increase an employee’s value and opportunities in the external labor market, which in turn may increase
voluntary turnover and erode competitiveness for the employer (Forrier, Verbruggen, & De Cuyper, 2015; Nelissen, Forrier & Verbruggen, 2017). Research on this topic suggests that the relationship between employability and turnover is complex and may depend on contextual elements—job control (De Cuyper, Mauno, Kinnunen, & Makikangas, 2011), job security (Acikgoz, Sumer, & Sumer, 2016), and promotions (Benson, 2006).

Another interesting revelation from our initial review relates to the relationship between employability and competitive advantage. Although the idea of an employable workforce as a source of competitive advantage is prevalent in both popular and practitioner press (e.g., Davies, Diemand-Yauman, & Van Dam, 2019), it is quite striking that most studies in our review were at the employee level and did not include the employer (see Baruch, 2001, for an exception). They largely deal with the individual worker as a career agent who decides on whether or not to leave a particular employer, and as such, seems to be relatively more in control of the employer-employee relationship. In other words, the employer perspective is mostly ignored in the scholarly work that was included in our initial review. No studies were found directly addressing the implications of employability for employer competitiveness.

Factors Explaining Employability

Three of the themes from our initial review illuminated numerous factors proposed to contribute to, enhance, or otherwise foster employability: individual and contextual antecedents of employability, employability-enhancing initiatives and practices, and employability at the macro-level.

Theme 4: Individual and contextual antecedents of employability. Studies in this theme consider the impact of individual and contextual (organizational and/or labor market) factors that foster individuals’ employability and help explain why some employees are more employable than others (Forrier, Sels, & Stynen, 2009; for cogent conceptual arguments see
Forrier, De Cuyper, & Akkermans, 2018). This research occurs in multiple disciplines—work and organizational psychology, labor economics, HRM, and employment relations. Employability is studied as transitions into employment (Lu, 2011), labor (under)utilization (Baum, Bill, & Mitchell, 2008), promotion (Buckman, Johnson, & Alexander, 2018), employability perceptions of employees (Berntson, Sverke, & Marklund, 2006; Croucher, Ramakrihnan, Rizov, & Benzinger, 2018) employability perceptions of employers (Batastini, Bolanos, & Morgan, 2014; Bricout & Bentley, 2000) and hiring probability (Ahmed, Granberg, & Lang, 2017).

Factors at the individual level explaining employability include various individual differences, such as education, current job-related skills, transferrable skills, and willingness to change jobs (Wittekind, Raeder, & Grote, 2010), movement capital (Forrier & Sels, 2003), and career competencies (Akkermans, Brenninkmeijer, Huibers, & Blonk, 2013; DeFillippi & Arthur, 1994). The implication is that such employees are better equipped to meet the challenges in today’s volatile labor market. Other research in this theme focuses on contextual factors that explain employability, such as organizational changes (Agrawal & Tambe, 2016) or the strength of the local labor market (Bailey, Chapain, & De Ruyter, 2012; Berntson et al., 2006). Agrawal and Tambe (2016) found that many employees of companies acquired by private equity investors gained transferable, IT-complementary human capital that increased their long-term employability and wages.

Many studies within this theme focus on employability of a specific group of employees: ethnic minorities (Aeberhardt, Coudin, & Rathelot, 2017; Goldman, Cooper, & Kugler, 2019), vulnerable workers (Croucher et al., 2018), older workers (Guilbert et al., 2018), or dismissed workers (Bailey et al., 2012). Most of these studies utilize employee samples. Others, however, take the employer perspective and examine employers’ hiring decisions and perceptions of the employability of specific vulnerable groups, like disabled
employees (e.g., Bricout & Bentley, 2000), migrant workers (e.g., Bertrand & Mullainathan, 2004), or former criminals (e.g., Batastini et al., 2014). Discrimination is a central topic in these studies, which are frequently experimental and where one or more characteristics of applicants are manipulated. Notably, we did not find any studies addressing the role of other contextual (i.e., organizational and/or labor market factors) in explaining employability from the employer’s perspective.

**Theme 5: Initiatives and practices to enhance employability.** Studies in this theme conceptualize employability as a malleable quality which can be influenced by numerous actors (e.g., manager and mentors) and initiatives (e.g., training and development) (Forrier & Sels, 2003b). Theme 5 is prevalent in HRM, career studies, vocational counseling, and labor economics. First, HRM practices are examined as key means by which employers foster the employability of their workers, such as providing diverse work experiences and opportunities for development (e.g., Akkermans, Brenninkmeijer, Schaufeli, & Blonk, 2015; De Vos, De Hauw, & Van der Heijden, 2008), or formal and informal learning opportunities (Van der Heijden, Boon, Van der Klink, & Meijs, 2009).

Second, several studies addressed the initiatives taken by employees to enhance their employability. These have mostly been published in the career literature and fall within the so-called ‘new career’ paradigm (Arthur & Rousseau, 1996; Hall, 2004) in which employee agency is central (Forrier, De Cuyper, & Akkermans, 2018). Examples are the influence of individual career management practices (e.g., De Vos & Soens, 2008).

Third, leaders influence their subordinate’s employability via supportive and inspirational behaviors, particularly those associated with transformational leadership (Van der Heijde & Van der Heijden, 2014; Xie, Baranchenko, Lin, Lau, & Ma, 2019). Transformational leaders influence employees’ attitudes and behaviors through individualized support and intellectual stimulation, which have been found to enhance their employability
(Bottcher, Albrecht, Venz, & Felfe, 2018; Van der Heijden & Bakker, 2011). Interestingly, our initial review only revealed studies on transformational leadership in relation to employability, and not on any other form of leadership.

Fourth, several studies also looked at active labor market policies enhancing individuals’ employability. While some studies focus on supply-side interventions targeting individuals (e.g., Campolieti, Gomez, & Gunderson, 2009), other studies look at demand-side interventions targeting employers. The latter often critique the sole focus on the supply-side in employability policies and question the agency idea emphasizing the individual’s responsibility for employability enhancement (Forrier et al., 2018). Gore (2005), for instance, argued for a stronger involvement of employers and studied the influence of demand-led labor market policies in the UK in improving employability. In a similar vein, a study in the Netherlands articulated a national intervention aimed at expanding and extending employment options for older workers (i.e., their employability), central to which are effective communication and policies intended to mitigate obstacles (e.g., stereotypes) and to inform capabilities and opportunities for these workers (Van Selm & Van der Heijden, 2013).

Considered together, studies in the fifth theme suggest that employability is malleable and can be developed by employees and others. However, as with previous themes, from our initial review, we may conclude that the employer perspective is largely absent, although some studies stress the importance of demand-side interventions.

**Theme 6: Employability at a macro level.** Economic and other public policies have been investigated as means for fostering employability at the industry, regional, and country level, including policies specific to pensions, unemployment, and education. They are mainly situated in disciplines such as social policy and educational sciences, and they examine the impact of government policies on employability outcomes such as the overall employment rate or the skill level in a country. For instance, Vodopivec (2002) explicated how
employability policies incentivizing the flow of workers between the Estonian labor market and those of its neighbors, facilitated the transition of Estonia’s economy from communism to an open market. Another example is the study of McQuaid and Bergmann (2016) who identified which career and development policies are needed to create employment in the renewable energy sector in Scotland. Employability research at a macro level also reflects a preoccupation with or focus on the employee while ignoring the added value of employability for employers.

Now that we explicated the major themes that emerged from our broad review, we next provide a brief conclusion before moving on to Goal #2.

**Conclusion from Our Review (Goal #1)**

Table 2 summarizes our major conclusions from the review and clearly shows that existing employability research predominately focuses employees, sometimes on employers, but rarely on both key stakeholders. This focus or bias was evident across all themes. More specifically, the vast majority of the factors influenced by employability (i.e., outcomes), as well as those that foster employability (i.e., antecedents), essentially “reside” within employees or employers. This is unfortunate as nearly all employability research, even that related to public policy, either implies or explicitly describes employability as a function of, or relationship between, these two parties. Despite acknowledging the fact that both perspectives are intertwined, an overwhelming proportion of research in our initial review examined the employee perspective without empirical data about or explicit consideration of the employer. The limited number of studies which did focus on the employer perspective most often did so without overt consideration of the employee (e.g., Bricout & Bentley, 2000). Most rare, in fact, was employability research explicitly examining both the employee and employer perspectives simultaneously.

This remarkable finding is problematic and leads to Goal #2, namely a focused account
of employability research simultaneously studying both the employer and employee. Not only does this focus align with what emerged from our initial review, but it also enables us to more clearly identify challenges and opportunities for future researchers, as well as a means for integrating existing research. To this end, we next describe how we arrived at a narrower selection of relevant literature, which is followed by an account of the critical issues revealed by this subset of employability studies.

GOAL #2: EMPLOYABILITY WITHIN THE EMPLOYEE-EMPLOYER RELATIONSHIP

Our second goal is to provide an account of employability research since 2000 that includes both the employee and employer. This is a means for validating the findings of our initial and broader review, along with identifying a number of critical issues which when addressed, can guide and advance future research. We selected 69 primary studies that explicitly referred to the employee-employer relationship, and while this culling may appear substantial on the surface, we interpreted the employee-employer relationship quite broadly. Specifically, included were studies that mentioned the employee and the employer in the literature review, even when one of the perspectives was not included in the design of the study, and/or not thoroughly incorporated in the theoretical framework or discussion of the results. This was done with the purpose of capturing the breadth of such research.

To elaborate, studies from the initial, broader review were excluded for three reasons. First, we excluded studies that sampled individuals who were not currently embedded in an employment relationship: graduates, students, job applicants, unemployed, retired, ill, those with criminal records, and immigrants entering the labor market. Second, and overlapping with the first exclusion criterion, we eliminated studies on policy interventions or implications, as described under Theme 6 (“employability at a macro level”). Third, we deleted studies that focused exclusively on the employee or on the employer. Employee-only
studies were by far the largest group, more than half of the studies in the broader review.

Many of the excluded studies concerned scholarly work under Theme 1 (“employability as a resource for coping with job insecurity”), Theme 2 (“employee benefits of employability”) and to a lesser extent Themes 4 (“individual and contextual factors explaining employability”) and 5 (“initiatives and practices to enhance employability”). In stark contrast, employer-only studies comprised roughly one tenth of those from the broader review, and most of these related to labor market discrimination (see Theme 4). The fact that so many themes were excluded confirms our finding from the initial review (#Goal 1) that existing employability research rarely explicitly examines both the employee and employer perspectives simultaneously. Also, it underscores the finding that the employee-centric and agentic perspective continues to dominate employability research. This agentic storyline reads as follows: Employees are responsible for their own careers, and they have to be employable to cope with uncertainty (Theme 1) and develop a successful career (Theme 2). To do this, employees need the appropriate forms of human capital (Theme 4) and must continually learn and adapt to enhance their own employability (Theme 5).

Concerning time of publication, a steep increase was found in empirical employability studies focusing on the employee-employer relationship in recent years. Approximately one fifth of the scholarly work in our focused review was published between 2000 and 2009, the remainder between 2010 and 2019. This trend may suggest a growing interest in employability research that includes both the employer and employee perspective. Studies conducted in Europe were by far the largest proportion, followed by Asia, the United States, and Australia. European samples represented 13 countries across the continent.¹

¹ While this could be interpreted as meaning that employability research is context-specific, a more accurate interpretation perhaps is that the employee-employer relationship has always been high on the European research agenda. More generally, employee activism and calls for employee-friendly work environments are increasing around the industrialized world, and the European context may simply foreshadow this larger trend. If true, then our study is particularly timely in guiding and increasing the impact of future employability research.
Our focused reviewed initially revealed three perspectives—that of the employee (Perspective 1: Employee-Centric), the employer (Perspective 2: Employer-Centric), and both (Perspective 3: Employer-Employee Reciprocity). These perspectives were determined independently by two members of the author team, and any discrepancies in coding were discussed and resolved. The discussion also resulted in the inclusion of an additional perspective—vulnerable employees (Perspective 4: Vulnerable Employees). We noticed that many articles focused on specific vulnerable groups, such as temporary or older workers. This perspective cuts across observations in the themes identified under Goal #1 and perspectives identified under Goal #2. Unique to this perspective, for instance, is a focus on a potential imbalance in the employment relationship, often favoring the employer. These four perspectives are explained next.

**Perspective 1: Employee-Centric**

First, it is important to note that findings from our focused review confirmed and helped validate those of the initial and broader review. Specifically, even in research that includes both the employer and the employee, the employee perspective dominates. Studies also mainly come from Theme 5 of the broader review (initiatives and practices to enhance employability).

The employee-only perspective fits within the latest phase in the history of employability research, which positions employability as a means to safeguard and foster job and career opportunities in uncertain labor markets. This also is part of the foundation of the emerging sustainable career concept noted in history section above. The starting-point in these studies is that employability is essential for employees to survive and thrive in their careers, both short- and long-term. Studies in this perspective tend to focus on initiatives and practices, generic or more specific, as determinants of individuals’ employability. Examples of generic initiatives and practices are perceived employer’s support for competence
development (De Vos et al., 2001; Drange, Bernstrøm, & Mamelund, 2018) or perceived organizational support (Guilbert et al., 2018). Examples of more specific initiatives and practices are formal and informal learning (Froehlich et al., 2014; Groot & Maassen van den Brink, 2000; Van der Heijden, Boon et al., 2009), training and task flexibility (Sanders & De Grip, 2004), or learning value of the job (Van der Heijden & Bakker, 2011).

When theory is used it is most often human capital theory (Becker, 1994), and the underlying premise is that investment in employability enhances the employees’ human capital and thus their employability (De Vos et al., 2011; Drange et al., 2018; Groot & Maassen van den Brink, 2000; Van der Heijden, Boon et al., 2009). However, the use of human capital theory also is employee-centric and highlights only how it helps or hurts the employee and not the employer. Potential advantages for the employer, if touched upon at all, are only briefly discussed in the introduction to these studies.

Moreover, all studies are quantitative, mostly using only employee data. Those that include employer data typically only measure supervisor’s perceived employability of subordinates (Van der Heijde & Van der Heijden, 2014; Van der Heijden & Bakker, 2011). Although this has the potential to make valuable contributions, such data is mainly used to address concerns regarding potential common-method bias (Podsakoff, MacKenzie, & Podsakoff, 2012). Most studies also are cross-sectional (for exceptions, see e.g., Drange et al., 2018; Sanders & De Grip, 2004), which reflects a fundamental disconnect between conceptualizations of employability as a quality whose benefits are realized over time and study designs.

Perspective 2: Employer-Centric

Only a few studies, mostly from Theme 3 (employer benefits and risks), take the perspective of the employer. They present employability as a human resource that should enhance competition and facilitate staffing flexibility. Flexibility, as noted previously, was part of the
history of employability in the 1980s. This research investigates employers’ motives to invest in employability development (Baruch, 2011; De Vos et al., 2015; Scholarios et al., 2008), including the added value of an employable workforce for the organization (Arocena, Ninez, & Villanueva, 2006). The rationale is that employers make employability investment decisions in terms of competitive advantage enhancing potential.

Theories used in this perspective are consistent with the focus on competitive advantage, such as human capital theory (Scholarios et al., 2008) and the efficiency wage model (Arocena et al., 2006). Strategic HRM and the resource-based view of the firm are the dominant lens in the study by De Vos et al. (2015), wherein employers aim to develop employee competencies that align with the organization’s strategy and contribute to organizational functioning. Competency management then becomes a human resource tool, with employees as key assets.

More generally, employer-centric studies are mainly qualitative and based on employer interview data (Baruch, 2011; De Vos et al., 2015; Scholarios et al., 2011); an exception is the study by Arocena et al. (2006) that used an employability index at the organization level. They also examine what employers do (e.g., policies and practices), but do so without considering employees’ perceptions or reactions.

**Perspective 3: Employee-Employer Reciprocity**

A subset of the selected studies, fewer in number than Perspective 1 but greater than Perspective 2, connects the employee and the employer. Unlike Perspectives 1 and 2, this third perspective acknowledges that employment relationships are reciprocal. Investments from one party are reciprocated by the other party, so that ultimately both parties gain from the relationship. Or conversely, a lack of investments from one party leads the other party to withdraw from the relationship. Some of these studies seem to be only slightly removed from the employer-centric view in the 80’s and from the employee-centric view since the 90’s. For
instance, this research suggests that employability investments made by either party are mutually beneficial, and in turn an active role by both employees and employers is optimal. Such studies come in two streams, though mostly from Themes 3 (employer benefits and risks) and to a lesser extent from Theme 1 (employability as a resource to cope with job insecurity).

Regarding employer investments in employability, such investments can be generic (e.g., perceived investments in development, Solberg & Dysvik, 2016) or specific (e.g., training, Benson, 2006; learning practices, transformational leadership, Camps & Rodrigues, 2011; Camps & Torres, 2011; human resource practices, Liu, 2018; on and off the job training, job design, Nelissen et al., 2016). The returns on those investments for employees are enhanced employability. Employees reciprocate with loyalty (e.g., commitment, reduced turnover intention, internal employability orientation) and/or improved performance. Other studies make such investments conditional, such that employers invest only if their employees do too. For example, Veld, Semeijn and Van Vuuren (2015) show that human resource development practices relate to employability when employees are willing to be mobile.

A second stream examines individuals’ employability as a resource that employees possess that potentially benefits the employer in the form of loyalty and/or performance. This is however conditional in that the employer investment is a way to “return the favor”. For example, Hahn and Kim (2018) and De Cuyper, Van der Heijden and De Witte (2011) argue that employability leads to performance when employees perceive to have a high-quality employment relationship. Along similar lines, De Cuyper, Mauno et al. (2011) hypothesize and demonstrate that employable workers stay with the organization when they have a resourceful job. Conversely, employers may face losses when their investments in employable workers are insufficient, as employable workers are more inclined to leave the organization (Acikgoz et al., 2016; Berntson et al., 2010).
If theory is made explicit, which again is not always the case (e.g., Berntson et al., 2010), social exchange theory (SET; Blau, 1964) dominates. Employer investments in employability create a sense of indebtedness in employees, and this triggers positive attitudes and behavior from them in return. The pattern in those studies is as follows: employer invests in employability $\rightarrow$ employee gains employability $\rightarrow$ employee reciprocates. Employee reciprocation is seen as an outcome in most studies and as a moderator in a few studies (e.g., Veld et al., 2015). Conversely, employable workers are highly valuable to the employer due to their stock of knowledge and skills, performance potential, and flexibility. As such, these attributes should be perceived as valuable and thus rewarded by the employer. The typical pattern is employee employability $\rightarrow$ employer gain, with employer (lack of) investment as moderator in this relationship.

With a few exceptions (De Cuyper, Mauno et al., 2011; Nelissen et al., 2017; Philippaers et al., 2017; Solberg & Dysvik, 2016), studies are cross-sectional and include only employee data. If other-rated data is used, it assesses performance as an indicator of employer gain, such as ad hoc supervisor ratings (Camps & Rodriguez, 2011) or yearly performance review ratings (Hahn & Kim, 2018). No studies were found directly addressing outcomes of employability on employer competitiveness.

**Perspective 4: Vulnerable Employees**

Two particular employee groups emerged in our focused review—temporary and older workers. This aligns with trends in the labor market, namely changing demographics, and the inherent need for increasing contractual flexibility. These groups reflect potential tension in the employment relationship which is not explored in other studies. On the one hand, employability is critical for both temporary and older workers: Temporary workers have to line up for jobs and older workers have to prove their value vis-à-vis younger (and less costly) workers. Accordingly, the need for employability development is high for those categories of
workers (Forrier & Sels, 2003b; Martin et al., 2014). On the other hand, employers may not
feel compelled to fulfill this need given the shorter timeframe of the employment relationship
for both types of employees (Forrier & Sels, 2003b; Loretto & White, 2006). This scenario
characterizes imbalanced employment relationships in which employers have more control;
similar to many of the relationships in Perspective 4.

Studies adopting a one-sided employee perspective show that temporary workers
(Forrier & Sels, 2003b; Hakansson & Isidorsson, 2015, Lindsay et al., 2013) and older
workers (Lindsay et al., 2013; Van der Heijden et al., 2018) receive less training. This is
unfortunate, as employability investments by employers, such as training (Picchio & Ours,
2018), constructive learning climate (Van der Heijden et al., 2018), or i-deals (Oostrom,
Pennings, & Bal, 2016) can enhance the employability of vulnerable groups. Those studies
mainly build on human capital theory (Becker, 1994), often in combination with age-related
theories about lifespan development (Van der Heijden et al., 2018). Studies adopting an
employer-only perspective investigate employer motives, for instance motives to train older
employees (Fleischmann et al., 2015; Loretto & White, 2006; Martin et al., 2014). Building
on economic thinking about wage-productivity relationships and shorter pay-off periods, they
hypothesize and then show that employers are reluctant to train older employees.

Studies on reciprocity are comparatively few and show that employer investments are
often reciprocated by the employees through commitment and performance. Chambel and
colleagues (Chambel & Sobral, 2011; Chambel Sobral, Espada, & Curral, 2015), for
example, show that training strengthens commitment of temporary workers, as it is seen as a
signal of longer-term commitment by the employer. Other studies highlight that the employer
only makes such investments when a return is likely. For instance, Fleischmann and Koster
(2018) found that employers are more willing to provide training, including to older workers,
when workers are interested in participating in further training. Willingness to participate in
training is seen as commitment to the organization, and it thus is likely to be reciprocated by the employer. Such investments vary depending on age, however, as investing in older workers (55 or older) are perceived as less likely to provide a sufficient return on investment between time of training and retirement. Particularly striking was the observation that none of these studies considered what value temporary or older employees brought to the employment relationship, which further illustrates the imbalance in the employer-employee relationship.

Now that we described the primary perspectives of our focused review, we next articulate critical issues that emerged. The intent of delineating these critiques is to highlight what we see as key opportunities for future researchers to advance employability research.

**CRITICAL ISSUES AND OPPORTUNITIES**

It is important to note that we arrived at a similar conclusion in our focused review as in the broader one. Specifically, even in research that includes both the employer and employee, the employee perspective dominates. Our focused review did however reveal additional insights that can guide and advance future research. What was most notable to us were a number of critical issues that cut across the six themes outlined earlier. These critical issues, we believe, help to explain why employability researchers in the 2000’s have segregated employees and employers in their research, and addressing these same critical issues is vitally important to advancing the field. We substantiate these assertions in the following section, wherein we outline these critical issues, along with recommended solutions that surfaced from our focused review.

**Critical issue #1—Segregated Stakeholders**

Despite narrowing our subset of studies to those containing both employers and employees, about two in three were exclusively employee centric. This, however, should not be interpreted as meaning that the employer perspective is well covered in one third of the studies. To the contrary, most empirical work that does exist examines supervisor ratings of
their subordinates’ characteristics or job opportunities (Liu, 2018), or of job abilities as a proxy for the same (Jansson, Bjorklund, Perseius, & Gunnarsson, 2015). Several studies by Van der Heijden and her colleagues used supervisor ratings of the same competencies on which employees rated themselves (e.g., Stoffers & Van der Heijden, 2018; Van der Heijden & Bakker, 2011; Van der Heijden et al., 2010). More generally, employer considerations are commonly limited to methodological concerns (abating concerns of bias), or to the extent to which employees themselves think employers support/facilitate employees’ development interests. This is inconsistent with HR and other research that portrays employees as valuable assets and critical means for cultivating organizational flexibility, sources of competitive advantage, and thus worthy of investment (Nyberg & Wright, 2015).

When considered in the context of our historical overview, it seems that the pendulum has swung too far and over-corrected from earlier times when employability research had a predominately macro or national economy focus. Employability research, therefore, is in dire need of an explicit integration of employee and employer perspectives that considers the dynamism in this relationship. To elaborate, capturing the interdependence between employers and employees (Forrier et al., 2018) requires more than simply assuming the perceived value or reaction of one to the other. It is instead necessary to include both employers and employees in each study, explicitly identifying what each party values in the other, their respective evaluations and reactions, changes, and exchanges over time.

Critical Issue #2—Blind to Inherent Dynamism

The vast majority of existing employability research portrays the employer-employee relationship in terms of discrete, unidirectional exchanges. For example, the assumption in the employee-centric perspective is that employer investments lead to employability (e.g., Drange et al., 2018; Guilbert et al., 2018); in the employer-centric perspective that investments in the “right” competencies lead to competitive advantage (De Vos et al., 2015); and in the
perspective on vulnerable groups that employer investments may not yield sufficient return for employers (Fleischmann et al., 2015, Loretto & White, 2006; Martin et al., 2014). Although studies within the employer-employee reciprocity perspective explain why investments can generate mutual gains, we posit that they do so from either an employer or employee perspective—discrete and unidirectional. Employer investments, for instance, enhance employability, which then improve employee performance (e.g., Camps & Rodriguez, 2011; Liu, 2018; Nelissen et al., 2017). Employable workers provide the employer with valuable skills, in return for employer investments in additional employability enhancements (e.g., De Cuyper, Mauno et al., 2011; Hahn & Kim, 2018).

We argue that this unidirectional view fragments the employment relationship into simple or discrete exchanges. It therefore insufficiently captures the true nature of the employment relationship, wherein employees and employers are embedded in longer-term exchange relationships that unfold over time. This short-term view is reinforced by the observation that the vast majority of employability studies in our focused review are cross-sectional and represent one moment in time. Although two wave studies exist, they too fail to capture the dynamics in the employment relationship wherein both employers and employees give and take. Future research, therefore, needs to conceptualize and examine employability as a dynamic, ongoing phenomenon in which employers and employees engage in multiple exchanges over time.

To elaborate, a dynamic perspective appropriately recognizes the fundamental importance of time in employability research and can be understood along three core properties—feedback loops, inertia, and asymmetric influence (see Cronin & Vancouver, 2018 for a discussion of properties of dynamic processes). Feedback loops allow exchanges to be connected in reinforcing cycles or balancing cycles. Reinforcing cycles constitute causal chains that go in one direction (positive or negative). A positive reinforcing cycle, for
instance, occurs when employer investments make employees feel more employable, which they then reciprocate with improved performance and commitment, thus contributing to the organization’s goals. This then instigates new investments from the employer. A negative reinforcing cycle is illustrated when vulnerable employees (e.g., temporary or older workers) receive less employability-enhancing investments from their employers, due to a perceived lack of return on investment. These workers’ employability is further eroded, making current and future employers even less inclined to invest in them in the future. This brief primer reveals considerable opportunity for future researchers to explore the role of reinforcing cycles, such as their role in the obsoletion of employee skills and diminishing employer investments (Van Loo, De Grip, & De Steur, 2001), as well as the bifurcation of labor markets into haves and have nots (Forrier et al., 2018).

Balancing cycles, in contrast, are self-correcting and may reach an equilibrium. For example, the employability paradox explained earlier may initiate a balancing cycle (Van der Heijde & Van der Heijden, 2006). Employable employees may receive more employability-enhancing investments from their employers as a means to attract and retain them. This may then increase these employees’ employability, and thus also their employment opportunities with other employers. The fear of potentially losing such employees may motivate employers to limit (further) employability enhancing investments, and in turn this may abate employees’ employability. When played out over time the presumption is that a balance is reached between employer investments and employee contributions, thus embedding the employability paradox in the employer-employee relationship. This balancing cycle may explain why empirical results on the employability paradox are not conclusive and simultaneously point to both a retention-stimulating path and a turnover-stimulating path (Nelissen et al., 2017). Appropriately conceptualizing, designing, and testing these assertions can illuminate theory, research, and practice related to employability and strategic human
A dynamic view of employability is illuminated further using the concepts of *inertia* and *asymmetric influence*. Inertia involves the idea that some phenomena are difficult to change. Kirves et al. (2014) unknowingly illustrated inertia in their longitudinal person-centered study that found employability to be stable over time, even when examined in contexts wrought with change. We further assert that inertia can be applied to employability itself or to constructs influencing employability (cf. Cronin & Vancouver, 2018). Our rationale is that if employability has inertia, then this questions the assumptions and findings of studies that suggest that employability is malleable or easily changed. For instance, studies often assume that employer investments lead to “quick wins” in employee employability, which in turn leads to quick performance gains. Such considerations need to be considered and veracity tested, as confirming or refuting these assumptions can have fundamental implications for a large section of employability research. Inertia can also be related to other constructs that influence employability, such as employee loyalty, organizational career opportunities, or external labor market conditions. The notion of inertia helps to understand why careers are more often characterized by stability rather than change, despite the desire to make a career change (Verbruggen & De Vos, 2020).

Asymmetric influence comprises the idea that factors that increase employability are not necessarily the same factors that decrease employability. To illustrate, employability studies often see employer investments as a way to increase employability, such as studies on vulnerable workers which assume that the lack of such investments depletes employability. However, such suppositions need empirical testing, as it is entirely possible that a lack of investment has no effect on the employability levels of these employees. To further make the point, being fired can send a negative signal to future employers and thus harm an employee’s employability, whereas never having been fired does not increase one’s employability.
Analogously, being in temporary employment is often seen as a negative signal. However, for a vulnerable worker, being in permanent employment is not necessarily a positive signal (e.g., De Cuyper, De Witte, & Van Emmerik, 2011).

When considering inertia and asymmetric influence simultaneously, questions arise not only as to what increases or depletes employability, but also whether both processes follow the same pace. For instance, employability-enhancing activities may only increase employability in the long run, while being fired is a career shock and can instantly decrease employability. Obviously, the notions of feedback loops, inertia and asymmetric influence depict a much more complex picture and require more advanced research, such as those with multiple waves of data, true longitudinal designs, and cross-lags. We advocate for such efforts to refine and advance employability theory, research, and practice.

**Critical issue # 3—Inadequate Theorizing**

Common to both our broad and focused reviews is the insufficient use of theory. We either found theory to be absent altogether, or to be interpreted and applied narrowly. Human capital theory, for instance, was the most frequently used in employee-centric research, and despite explicitly accounting for exchanges between the two stakeholders, it was most often applied only from one direction (the employee or the employer) in any particular study. As an example, researchers have examined how employer investments in human capital lead to employee benefits, but not how these same investments benefit the employer (De Vos et al., 2011; Drange et al., 2018; Groot & Maassen van den Brink, 2000; Van der Heijden et al., 2009). Conversely, studies using the resource-based view of the firm (Boxall, 1999) illuminate the employer’s perspective, and accordingly argue that competency management is a strategic HRM tool for competitive advantage (e.g., De Vos et al., 2015). These studies, however, are yet to test the implicit assumption that what benefits the organization will also benefit the employee (Guest, 2017).
Social exchange theory (SET; Blau, 1964) is commonly used in research either testing or implying reciprocity between employers and employees. Most studies adopting this perspective, however, highlight how employer investments in employability lead to mutual gains, that is enhanced employability for employees and loyalty and performance for employers (Camps & Torres, 2011; Philippaers et al., 2017). Similar mechanisms were discussed in empirical work on temporary workers (Chambel et al., 2015; Chambel & Sobral, 2011). Other studies presented employability as an employee asset for performance that instigate investments from the organization (De Cuyper, Mauno et al., 2011; Hahn & Kim, 2018).

Studies using SET are encouraging in the sense that they highlight both the employee and employer perspectives, as well as the input and output side of the exchange relationship. However, the employer-employee relationship is not examined as a series of interdependent exchanges over time, but instead as isolated exchanges in which the employee is either independent from the employer or entirely dependent on the employer. To illustrate, scholarly work concludes that employable workers are “tempted” to excellent performance only when employers invest in the relationship, but they easily withdraw when such investments are insufficient (De Cuyper, Van der Heijden et al., 2011; De Cuyper, Mauno et al., 2011). Such a conclusion assumes that employees are entirely in control and can act independently of employer actions (investments). Conversely, studies involving temporary and older workers suggest that those workers as entirely dependent on the employer, such that the employer can refrain from making investments seemingly without any costs. The assumption of independence is surprising, given that interdependence is at the heart of social exchange (Cropanzano & Mitchell, 2005).

To conclude, we see three critical issues which if addressed appropriately would help advance employability research. The first critical issue concerns the need to include both the
employee and employer view. While the employee view is well-covered, the employer view has attracted comparatively little attention, and their simultaneous consideration has received virtually no attention. Concurrent consideration is needed to understand how each party brings their own interests to the employment relationship and how those interests can be aligned. A second critical issue focuses on the need to understand employability as an integral part of an evolving employment relationship, one that is a dynamic process and explicitly considers time—past, present, and future. A third critical issue pertains to the lack of theoretical rigor and coherence. The theories used in existing research address the employment relationship but typically from the view of only one party. This work therefore neglects the interdependency inherent in many employment relationships today.

Thankfully, part of the solution to these issues emerged from our review. We contend that by more fully developing and applying SET to employability research scholars will not only mitigate the aforementioned issues, but they will also be able to integrate this work within and between disciplines (Goal #3). To this end, in the final section of our paper, we explicate means for integrating existing employability research. We first describe how SET is an underlying integrating mechanism for employability research, and then show how this can be used in a framework grounded in strategic HRM that explicitly considers both employer and employee perspectives.

GOAL #3: INTEGRATING AND ADVANCING EMPLOYABILITY RESEARCH

Management research generally substantiates the important influence that the context has on the individual, as well as the effect of the individual on the context (e.g., Schneider, 1987). This means that focusing on either the employer or the employee while ignoring the other is problematic and presents a true opportunity for future employability researchers. The interdependent relationship and critical roles of these respective stakeholders strongly suggest
an exchange relationship. Accordingly, we contend that SET is an effective and appropriate means for integrating diverse streams of employability research, as well as serving as a call to future researchers to explicitly consider both employer and employee perspectives in their studies. The following explication is not presented as a (new) theory of employability, but it is instead intended to make explicit what has heretofore largely only been implied or insufficiently developed and applied in existing research. We begin by outlining three core elements of SET and then describe how these elements are foundational to employability within the employee-employer relationship. Next, we identify the gaps and explicate the relevance of each element for current employability research.

**Social Exchange Theory as a Foundation for Employability**

Employees and employers engage in a series of interdependent interactions in which each participant provides something the other values (Mitchell, Cropanzano, & Quisenberry, 2012), and the same is true in employability research. Three elements can be used to characterize these exchanges: 1) resources exchanged (inducements and contributions), 2) backward- and forward-looking exchanges, and 3) the processes of exchange. Employers and employees exchange resources, such that employer inducements are provided for employee contributions, and employee contributions, in turn, motivate additional employer inducements (Coyle-Shapiro & Shore, 2007). Employers offer an array of employability-enhancing investments, such as job design (learning value of the job, job quality), aspects tied to the supervisor (e.g., LMX, attitude towards older workers, leadership, support for training and development, and general support), overall climate (general, age-supportive, employability culture, learning climate), as well as career management. Employees, in turn, make various contributions in the form of positive attitudes, such as job satisfaction (De Cuyper et al., 2009), affective organizational commitment (Chambel et al., 2015; De Cuyper et al., 2009; Espada & Chambel, 2013; Philippaers et al, 2017), workgroup commitment (Philippaers et al.,
2017), as well as desirable employee behaviors—in-role performance (Camps & Torres, 2011; Hahn & Kim, 2018), extra-role efforts (Hahn & Kim, 2018), and reduced counterproductive work behaviors (Philippaers et al., 2017).

The various inducements and contributions are motivated by conceived as backward-and/or forward-looking exchanges (Cook, Cheshire, Rice, & Nakagawa, 2013). Backward-looking exchanges are based on reinforcement principles such that one’s reactions are based on something received in the past, and forward-looking exchanges are based on the anticipation of future rewards. The employer-centric perspective, building on strategic HRM, adopts utilitarian economic thinking and comprises forward-looking exchanges (i.e., the expectation of productive employees). The central strategic question for employers is if and which employability-related investments in employees will lead to future organizational benefits (e.g., De Vos & Dries, 2013; Lepak & Snell, 1999). This perspective does not sufficiently consider implications for the employee, such as if the employee actually values or benefit from the employer investments. In contrast, the reciprocity perspective in employability research is mostly about backward-looking exchanges. Employees, for instance, show commitment because of past employer investments in employability (e.g., Camps & Torres, 2011; Chambel et al., 2015; Philippaers et al., 2017) or employers invest because of past employee contributions (Fleishmann & Koster, 2018).

The lack of attention for forward-looking exchanges is surprising since employability (and human capital) concerns an individual’s future potential (Forrier et al., 2018; Philippaers et al., 2017). Moreover, employee contributions to the relationship are not only driven by past employability enhancements but also by expected future investments and career opportunities. To clarify, we are not recommending that future employability researchers use forward-looking exchanges to replace backward-looking exchanges, but we instead advocate consideration of both types of social exchanges, simultaneously. Furthermore, considering the dynamic
approach explicated above, the mechanisms explaining backward-versus forward-looking employability exchanges may differ (Cronin & Vancouver, 2018).

Exchange processes are a function of the degree of reciprocity between employer and employee. Both parties are interdependent, yet this interdependence does not necessarily mean balance, as one party may be more dependent on the relationship than the other and consequently invests disproportionately (Tsui, Pearce, Porter, & Tripoli, 1997). Employability researchers have pursued two paths. One portrays employees as seemingly independent (Forrier et al., 2018) and align with new career models in which employees are no longer tied to employers [e.g., the boundaryless career (Arthur, 1994) and the protean career (Hall, 2004). They withdraw from the employment relationship when employer investments in their employability are deemed unsatisfactory. Investigations of the relationship between employability and turnover intentions and behaviors are illustrations of this idea (e.g., Berntson, 2010, De Cuyper, Mauno et al., 2011; Nauta et al., 2009; Nelissen et al., 2017). The other research path highlights how vulnerable workers are dependent on their employers to support their employability (e.g., Forrier & Sels, 2003b; Hakansson & Isidorsson, 2015, Lindsay et al., 2013; Van der Heijden et al., 2018). The distressing plight of these employees is intensified when their current employer does not invest in their employability (Forrier et al., 2018).

Social Exchange Theory as a Means for Integrating and Advancing Employability Research

The core elements of SET have been insufficiently considered in existing employability research. We thus posit that a more complete application could enhance theoretical rigor pertaining to employability research, as well as facilitate efforts to overcome the critical issues outlined under Goal #2. Moreover, a social exchange approach may also assists in integrating human capital and strategic HR approaches in employability research, which we
contend is both valuable and necessary to advance employability research in the future. In the
following paragraphs, we elaborate how researchers might apply the core elements of SET to
advance employability research (see also Figure 1).

First, the resources of exchange have been examined by employability researchers, yet
the employer’s view is largely absent. For example, one stream of studies starts from the idea
that the employee is grateful for employability investments made by the employer and
reciprocates with positive attitudes and behaviors. What remains unknown tough is why,
under which conditions, and towards whom the employer is more or less inclined to provide
inducements, and for which categories of employees or under which conditions these
inducements might result in desired employee contributions. A second stream of research sees
employability as a personal resource that employees bring to the employment relationship and
for which they expect a return. Employability is framed in terms of an individual’s
competencies (Van der Heijde & Van der Heijden, 2006; Van der Heijden et al., 2018),
individual differences (Fugate et al., 2004), or perceptions (De Cuyper & De Witte, 2011;
Rothwell & Arnold, 2007). However, little is known about whether and which competencies,
individual differences, or perceptions are valued by current or prospective employers and how
this is affected by (changes in) the broader socio-economic and labor market context. This is
fundamentally problematic in our view, and considerations of both parties to the exchange
should be acknowledged and explored in future research.

Second, social exchange relationships develop over time through the mechanisms of
both backward- and forward-looking exchanges. The vast majority of existing studies
investigate employees looking back on past inducements, and how these relate to their
attitudes and behavior. However, employee contributions are also based on expected future
investments and career opportunities. It certainly is reasonable to expect that some employees
are committed to their employers due to past investments and some based on anticipated
future investments (Cook et al., 2013). Temporary workers, for instance, may be committed based on the anticipation of landing a permanent job (e.g., Chambel et al., 2015). Employer-centric studies imply forward-looking exchanges as employers see qualified employee’s future potential, as noted in the strategic HRM literature (e.g., De Vos & Dries, 2013). During tight labor markets, however, employers benefit not only from investing in those with future potential, but also from rewarding past behavior and creating a sense of loyalty. In short, both backward- and forward-looking exchanges, from both parties, more accurately reflect reality. Considering these facts is a means for valuable advances in future research.

Third, the degree of employee and employer reciprocity over time shapes the quality of the employment relationship. High-quality social exchange relationships can trigger positive reinforcing cycles or balancing cycles, and conversely, low-quality social exchange relationships may trigger negative reinforcing cycles. Positive reinforcing cycles are more likely in interdependent social exchange relationships. For example, an employer may repeatedly invest in high potentials with the expectation or hope that this will bind them to the organization and thus reap a return. Yet, employer investments may ultimately attenuate if they fear that continued investment increases the perceived risk of losing these high potentials to other employers. This means that positive reinforcing cycles may be limited, causing employers to carefully consider their employability investments. In such instances, positive reinforcing cycles may turn into balancing cycles leading to an equilibrium in inducements and contributions. Negative reinforcing cycles, in contrast, are more likely in imbalanced exchanges in which one party to the employment relationship is more dependent on the other party, than vice versa. Several employability scholars have expressed concerns related to underinvestment in employability enhancement for particular groups (for a general discussion, see Forrier et al., 2018), such as temporary (e.g., Forrier & Sels, 2003b) and older workers (e.g., Van der Heijden et al., 2018).
To summarize, we see three ways to advance employability research using social exchange. First, the use of SET compels researchers to directly consider both the employee and the employer and thus overcome the absence of the employer found in existing research (Critical issue #1). If future researchers consider the actual exchanges between employers and employees, then doing so will likely motivate them to explicitly identify particular characteristics (e.g., competencies, dispositions, and perceptions), policies, and practices valued by each party. Second, SET highlights that exchanges between employees and employers occur over time, and that the associated exchanges can be both backward- and forward-looking. This dynamic view contrasts with the relatively static, unidirectional perspective that dominates existing research (Critical issue #2). Third, the use of SET can add more theoretical rigor in employability research (Critical issue #3). In the next section, we build on the above recommendations by presenting and unpacking the Strategic Employability Architecture (SEA), a framework intended to extend the utility of SET and assist in bridging the employer-employee divide in employability research.

INTEGRATING EMPLOYER AND EMPLOYEE PERSPECTIVES USING THE STRATEGIC EMPLOYABILITY ARCHITECTURE (SEA)

The Strategic Employability Architecture (SEA) framework (Figure 2) is an adaptation of the human resource architecture developed by Lepak and Snell (1999, 2002), and it furthers our understanding of the interdependency between employers and employees and the nature of the exchanges between them. Lepak and Snell argued that an employee’s uniqueness—the extent to which others in the available labor market possess similar knowledge, skills, abilities, and other characteristics (KSAOs)—and contribution to competitiveness (potential to impact critical organizational objectives) are the basic means for valuing and differentiating human capital and guiding strategic investments in human resources (see also Miles & Snow, 1984). These, in turn, are key determinants of the nature of the relationship between
employers and their employees (see also Kang, Morris, & Snell, 2007). Crossing these two dimensions results in a 2 X 2 and four types of employer-employee relationships—
commitment (high uniqueness and high competitiveness contribution), acquisition (low uniqueness and high competitiveness contribution), contract (low uniqueness and low competitiveness contribution), and alliance (high uniqueness and low competitiveness contribution). Lepak and Snell (2002) used these modes as the basis for describing the nature of the employer-employee relationship at the organizational level, as well as various types of human resource practice configurations appropriate for each employment mode. We modified and applied Lepak and Snell’s (2002) work to create the SEA framework, and we explain in the following section how it uses SET to help integrate and inform employability research from both the employer and employee perspectives.

The Strategic Employability Architecture

Paralleling that of Lepak and Snell, our underlying premise is that individuals’ employability attributes are valuable to the extent they are unique (other available employees do not possess the same set of attributes) and contribute to an organization’s competitiveness. However, we extend Lepak and Snell’s employer-centric view, and use it also to describe the employees’ perspective, thereby providing a means for understanding and studying employability in the context of the employer-employee relationship as a dynamic series of exchanges over time, each party anticipating, reacting to and shaping the other’s actions (i.e., using inducements and contributions through backward- and forward-looking exchange).

The SEA is intended to guide future employability research in three principle ways. First, the SEA helps contextualize employability research within the dynamic and interdependent employee-employer relationship. We contend that to advance the field, future employability researchers need to purposefully examine employability within the context of employer-employee relationships in which it resides. Employability is valuable to neither
party independent of the other. Second, the SEA provides a theoretically grounded means for explicitly and simultaneously considering both employer and employee interests and investments in employability. As we have argued extensively already, joint consideration of these stakeholders is essential to realize the potential of employability for research, theory, and practice. Third, the SEA outlines the nature and of and bases for employer-employee exchanges. We argued above that the content and perceived value of exchanges between employees and employers have heretofore been rather crude (e.g., training or education benefits) or simply implied. The SEA will help future researchers add fidelity to these exchanges, enabling them to more precisely hypothesize and test the substance and value of employability to both employers and employees. Each of the four employability modes and associated characteristics is discussed next and illustrated in Figure 2.

**Commitment employability mode.** A commitment employability mode (Quadrant 1, Figure 2) is characterized by employees with highly unique attributes that also contribute to the organization’s competitiveness. From an employer’s view, those profiles are of strategic value and warrant significant and direct employer inducements and further development. Inducements commonly take the form of investments described as high performance work systems (HPWS) and are intended to increase productivity, effectiveness towards organizational goals, while also enhancing employee commitment and retention (Beltran-Martin, Roca-Puig, Escrig-Tena, & Bou-Llusar, 2008). For their part, employees expect or anticipate inducements based on KSAOs they bring to the employment relationship. These same employees are likely to have other attractive and attainable opportunities in the external labor market, and also are likely to seek employers who will meet their expectations by utilizing their skills and experience and committing to further development.

This mode leads to a process in which employers’ inducements serve to attract employees with strategically relevant human capital, while employees gain direct and
meaningful employability investments. Moreover, employees may look back and increase contributions (e.g., commitment) in an attempt to reinforce employer inducements and facilitate positive reinforcing cycles. It is also possible, or even reasonable, that employers limit their investments once employees are on board to minimize losses associated with employee turnover, so that ultimately balance is achieved (see our earlier discussion on the employability paradox).

**Acquisition employability mode.** An acquisition employability mode (Quadrant 2, Figure 2) represents an employment relationship in which employees’ KSAOs are highly impactful on the organization’s competitiveness, yet readily available in the external labor market. An employer may be inclined to hire employees who already possess these skills, rather than to invest resources to further develop the employability of these individuals. By doing so, an organization can reap the employability benefits immediately (upon hire) without incurring unnecessary development and other costs. Employees may make considerable employability investments to ensure that their KSAOs remain valuable for a specific employer, particularly in view of the many likely employee competitors in the external labor market. The result is that employees contribute relatively more to the employment relationship than the employer. Taking a process view, the employer may cater to the employee’s desire of need for employability enhancement, thereby reciprocating an employee’s inducements while at the same time maximizing their own gains (i.e., keeping the employee motivated without incurring excessive risk).

**Contract employability mode.** Quadrant 3 describes the *contract* employability mode, wherein an individual’s employability attributes are neither unique in the labor market nor impactful to an organization’s competitiveness. These scenarios suggest that employers would provide few inducements (i.e., make little investment in employability-enhancing practices for these employees), and the relationship would be largely transactional if not literally
contractual—precise specification of tasks and limited/flexible relationship duration. Employees, therefore, should expect development to be self-initiated and likely external to the organization. Paradoxically, employees in this predicament often find themselves dependent on the employer for employment, and over time, this may create negative self-reinforcing cycles wherein less value begets less investment and so on.

**Alliance employability mode.** An alliance employability mode is exemplified by employees whose attributes may be quite unique in the available talent pool, while making relatively little contribution to their organization’s competitiveness (Quadrant 4, Figure 2). At first glance, one might conclude that employees with such attributes will garner employer inducements, but like the attributes themselves, such investments most often do not sufficiently contribute to organizational competitiveness and thus are limited (cf. Lepak & Snell, 1999). This may lead organizations to invest in employability enhancements and provide some retention-oriented rewards to benefit from these employees’ unique skills, but these will be limited to opportunities with specific benefits to the organization (e.g., a new product or service, new software, a special project). Otherwise stated, these investments are not optimal per se in the light of actually contributing to the employability enhancement of the employee over time, herewith possibly endangering their career sustainability. This notwithstanding, the alliance mode often generates relational employer-employee arrangements that are built upon principles of reciprocity and forward- and backward looking exchanges, yet only for a small sample of employees with unique employability attributes. To clarify, even though a particular employer may not view the specific employee’s skills as central to its competitiveness, the fact remains that the skills are relatively rare in the market, and in case the organizational benefit is clear, although limited, the employer will support their development by selective investments. This should afford the employee external
opportunities as well, and if s/he is unsatisfied and desires an employer who is more committed to their development, then they are likely to leave.

ENSURING THE FUTURE DOES NOT REPEAT THE PAST: AN AGENDA FOR FUTURE RESEARCH

Our broad (Goal #1) and focused (Goal #2) reviews of the employability literature clearly revealed multiple insights, notably a lack of integration of employee and employer perspectives (Critical Issue #1: Segregated Stakeholders), insufficient consideration of dynamism and time in the employer-employee relationship (Critical Issue #2: Blind to Inherent Dynamism), and deficient theoretical development and application (Critical Issue #3: Inadequate Theorizing). We aimed to guide and advance employability research by addressing these issues, and in the process we articulated how SET is foundational to our recommendations (Goal #3). When combined with the SEA, our paper provides conceptually sound guidance for future researchers to advance employability research, while at the same time discouraging the continuation of clearly established shortcomings. Building on this, we present a future research agenda based on two central themes—interdependence and dynamism.

One Without the Other? Employer-Employer Interdependence

The case we have made throughout this paper is that the employer-employee relationship is a matter of exchanges—employer inducements for employee contributions and vice versa. While these exchanges are mutual, they may not always be equal. Each party provides and expects something from the other, and the perceived value of what one party offers determines the level of investment or contribution by the other party. The SEA framework helps to illuminate the characteristics of these exchanges. Employers seek to enhance organizational competitiveness by inducing or otherwise developing employees with strategically relevant employability attributes, and the nature and quantity of employer inducements is partly a
function of the value and availability of relevant employability attributes in the labor market. For their part, employees look for ways to enhance their employability and fulfill their own career aspirations. The uniqueness and contribution to competitiveness of current and prospective employers further influences the extent to which employees are dependent on inducements of their employer to achieve their job and career goals. The degree of sustainability in the resulting employer-employee relationship is determined by the dynamic interplay of these factors. Using this as background, we appeal to future researchers to explicitly acknowledge and examine the interdependencies between both parties in terms of employability development. To this end, we offer two pointed suggestions that emerged from our review.

First, we implore researchers to verify or refute the heretofore implied or assumed link between employability and organizational competitiveness. This is similar in many ways to the challenges human resources scholars have confronted in substantiating the claim talent is a strategic imperative. The SEA framework provides guidance on this very point by showing when (i.e., under which conditions) employability investments from the employer afford competitive advantage. For example, within a commitment employability mode (high uniqueness and high competitiveness contribution), employers may make investments intended to retain employees with unique and strategically relevant profiles to the organization. The SEA framework also helps assuage concerns addressed in the employability paradox literature that investing in employability precipitates turnovers and diminishes organizational competitiveness. Within an acquisition employability mode (low uniqueness and high competitiveness contribution), such employee attributes are abundant in the labor market, attenuating employer’s concerns of involuntary turnover, but perhaps instead motivating these same employees’ to contribute with appropriate inducements. Yet, employers may not be concerned about employee turnover as employee attributes are
abundant in the labor market (i.e., can easily be replaced). Overall, we believe a valuable track for future employability research is to explore which employability attributes valuable (unique and contribute to competitiveness) within a particular job and organization. Such details and understanding would not only test the veracity of our assertions and recommendations, but also prove extremely valuable to realizing the value of employability for both employee- and employer- oriented research.

Second, the SEA has particular value for (future) researchers interested in particular employee groups. The first group pertains to employees characterized as having careers largely independent of their employers, who also are responsible for own development and career sustainability. The second group focuses on vulnerable employees who are highly dependent on their employers for their future employability. These groups correspond to the alliance and the contract employability modes, respectively, within the SEA. The SEA framework identifies two additional employee groups that have been unnoticed in recent employability research and may have different employability stakes. Notably, large numbers of employees still find themselves in traditional careers, characterized by a commitment employability mode, and rely on their employer for development and opportunities. These employees are not free agents which have attracted considerable academic and popular press over the past two or three decades, but they instead value employers who are committed to their employability development and have the expectation that the employer will continue to do so over time.

The acquisition employability mode is another that has received little attention by researchers. Here, employees have valuable employability attributes and might thus easily move to another employer, but because their KSAO’s are highly important for organizational competitiveness, those employees might want to stay because of expected future employability investments. More generally, the SEA framework can enhance understanding
of what is at stake for employees, and how those stakes influence their contributions. Researchers who pursue such contributions are also encouraged to be mindful of and consider internal and external labor markets, as both are important to evaluate availability of particular employability attributes.

Finally, the main asset of the SEA framework is the simultaneous consideration of employee and employer interests, the associated inducements and contributions for each party, and potential (im)balance between them. Our review revealed great disparities in not just the (perceived) employability of workers, but also in the investments made in their employability by their employers. Such differences were epitomized in the research related to vulnerable workers. Given these findings, future research based on the SEA framework could identify specific, that is to say, the most relevant inducements and contributions for a particular situation. A valuable contribution could also be to get more insight regarding the conditions under which employability investments are actively shared or done in concert between employers and employees. The SEA framework outlines specific characteristics or elements on which to base such shared arrangements. Examinations of such coordinated or collaborative efforts between employers and employees would not only be groundbreaking and valuable, but also an excellent opportunity for those interested in action research or field experiments. These designs would reflect the tailored focus for HRM practices advocated by Lepak and Snell (2002), and they would provide a robust test for the role of idiosyncratic deals in employability research.

**Changing Employability Modes Over Time—Capturing the Inherent Dynamism**

Our review and associated critique clearly established that employability research remains blind to the inherent dynamism in the employer-employee relationship. Our elaboration of the SET, paying attention to both backward- and forward-looking exchanges, establishes the important but often insufficiently considered role of time. Employability, like the employment
relationship in which it is embedded, extends from the past to the future. Hopefully, our paper articulates both the need and the path for future studies that explore a more dynamic perspective. To this end, we delineated three dynamic processes identified by Cronin & Vancouver (2018) – feedback loops, inertia and asymmetric influence—and explicate potential applications to employability.

Feedback loops offer a conceptually grounded means for linking employer inducements and employee contributions such that they form reinforcing- or balancing-cycles. Examination of such feedback loops is needed to determine whether, why, and under what conditions they might vary between different employability modes. For example, a commitment mode may lead to a positive reinforcing cycle. Employers, for instance, may invest in the employability of employees with particularly relevant skill sets to retain them, which presumably will enhance the same employees’ employability and thus motivate still greater future investment. A contract mode, on the contrary, may lead to a negative reinforcing cycle wherein employers perceive little value in investing in particular employees. Over time, a lack of investment may result in these employees’ employability diminishing further still, making them vulnerable in the internal (and external) labor market. Reinforcing cycles, both positive and negative, are unstable because they portend continued growth or loss. Future research is needed to explore these suppositions, including the means and situations in which to interrupt such cycles and turn them into more stable balancing cycles.

Feedback loops can also help understand why employability modes may change over time. The commitment employability mode, for instance, may result in a positive spiral of employer inducements and employee contributions over time, such that these employees’ employability attributes become so focused and refined to the idiosyncrasies of a given employer, that they become less valuable in the external market. This scenario depicts one in which commitment and reciprocity could potentially make certain employees less
employable, more dependent, and more vulnerable over time. This phenomenon has been described under the notion of the locked-in effect (Stengard et al., 2016). Ultimately, an employer may diminish investments and further deplete the employee’s internal employability, thus shifting to a contract employability mode. More generally, we encourage researchers to explore the various situations in which an employment relationship may evolve over time from one employability mode to another due to the inherent dynamic processes.

Next, investigations of inertia can further illuminate and advance a dynamic perspective of employability. Although the notion of inertia explains how some phenomena are difficult to change, the question remains whether inertia is a characteristic of employability, and if it is, then is employability more or less malleable than portrayed in existing research? Relatedly, we then need to identify and understand which contextual factors influence this inertia, such as career management programs and job transitions. It also would be valuable to understand the relationship between inertia and different employability modes. Inertia, for instance, may be more likely to be an aspect of factors influencing employability in a commitment mode than in a contract or alliance mode. A commitment employability mode creates a safe and predictable environment for employees with well-established and stable career systems. These factors could presumably help stabilize employability. In a contract mode or an alliance mode, employees may experience less predictable external labor market conditions, meaning that the value of their KSAO’s and thus also their perceived employability might be more volatile. Seasonal workers, whose skills may only be needed during specific periods of the year, illustrate this scenario. We encourage future researcher to investigate whether, how, and why certain employability modes are more prone to inertia than others.

Asymmetric influence the third intriguing opportunity for employability research. Existing studies investigate factors (e.g., development, job characteristics, career systems) that
enhance employability, and although not actually tested, there is a clear implication or assumption that a lack of such factors decrease employability. An additional future research question is therefore how different types of employer inducements may asymmetrically influence--increases versus decreases--employability over time. For example, a promotion may benefit an employee’s employability as s/he will be offered new challenges that stimulate the development of new competencies, while a lack of a promotion (or a missed promotion) may not have the opposite effect of diminishing employability. Here again, differences may exist between different employability modes, as certain modes suggest increasing employability (e.g., commitment mode) and others decreasing employability (e.g., contract mode). Unravelling what enhances and what decreases employability over time in different employability modes, thereby considering asymmetric influences, offers a promising track for future research.

Before concluding, it is important to note that a dynamic view of employability that includes feedback loops, inertia, and asymmetric influence requires more advanced research questions and designs, such as those with multiple waves of data, valid measures, appropriate time lags, and explicit consideration of particular exchanges between employers and employees. Accordingly, it is our position that the ideas outlined above provide some of the most notable means for meaningfully and significantly advancing the value of employability research, theory, and practice.

**CONCLUSION**

We hope that our review, critiques, and recommendations both inspire and guide scholars to advance employability research over the next 20 years. Perhaps the most compelling message from our review is that there are two conflicting trends future researchers should be mindful of and seek to remedy rather than exacerbate. The first trend is the shift towards career self-management due to the demise of the life-long, paternalistic employment relationship. The
second trend is the increased view of employees as a genuine and sustainable source of competitive advantage (Vance & Vaiman, 2008). In the former, employability is viewed as a contemporary form of job security and in the latter as an emerging and viable means for strategically managing talent. Caution is warranted in both cases, as they imply the risk of intensifying the growing skills gap and Matthew Effect (rich get richer and poor poorer), such that those with already low employability lack the resources needed to improve their own predicament and are also neglected (i.e., not invested in) by employers. While the converse happens for employees whose attributes are relatively unique and otherwise valuable. This scenario is even greater justification for integrating multiple stakeholders, not only employees and employers, but also education, vocational, and government policies and practices. Collaborative and sustained efforts are necessary to ensure future researchers realize the potential of employability, while not duplicating the pitfalls of the past.
TABLE 1: Select Employability Disciplines, Associated Stakeholders, Key Responsibilities and Example Outcomes

<table>
<thead>
<tr>
<th>Employability Perspective</th>
<th>Focal Stakeholders</th>
<th>Key Responsibilities</th>
<th>Example Outcomes*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labor Economics</td>
<td>Workforce (national, regional, industry)</td>
<td>Employment levels</td>
<td>Unemployment rates</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Labor participation rates</td>
</tr>
<tr>
<td>Education</td>
<td>Students Schools Employers</td>
<td>Job search skills and processes, and curriculum design and content</td>
<td>Graduation rates, (quality of) employment, enrollments, high-performing talent</td>
</tr>
<tr>
<td>Vocational counseling</td>
<td>Clients Counselors Employers</td>
<td>Content, processes, counselor competence, and employer/employee engagement</td>
<td>Quality employment, client satisfaction, repeat contracts</td>
</tr>
<tr>
<td>Careers</td>
<td>Employees Employers</td>
<td>Self-directed development of KSAOs and other individual differences (e.g., competencies and dispositions)</td>
<td>Employment, objective and subjective career success</td>
</tr>
<tr>
<td>Human resource management</td>
<td>Employers (HR and managers) Employees</td>
<td>Recruitment, selection, development, promotion, and rewards</td>
<td>Quality applicants, high-performing and committed employees</td>
</tr>
<tr>
<td>Work and organizational psychology</td>
<td>Employees Employers</td>
<td>Individual differences, career management,</td>
<td>Low stress, motivation, career development, domain-specific and general well-being</td>
</tr>
</tbody>
</table>

*Note: It would be appropriate to add “sustained” to most of the outcomes given the inherent importance of time (e.g., quality employment over time).
<table>
<thead>
<tr>
<th>Themes</th>
<th>Research questions</th>
<th>Core variables</th>
<th>Some research samples</th>
<th>Main measures</th>
<th>Disciplines</th>
<th>Example papers</th>
<th>Perspective Goal #2</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Theme 1: Employability as a resource for coping with insecurity</strong></td>
<td>Does employability prevent job insecurity or help to cope with job insecurity?</td>
<td>Job insecurity, employee strain, ...</td>
<td>Temporary employees, agency workers employees in reorganizations, ...</td>
<td>Perceived employability, re-employment</td>
<td>Occupational health, Labor economics</td>
<td>Berntson &amp; Marklund (2007) De Cuyper et al. (2012) Dickerson &amp; Green (2012)</td>
<td>Perspective 3: employee &amp; employer reciprocity</td>
</tr>
<tr>
<td><strong>Theme 2: Employee benefits of employability</strong></td>
<td>Does employability lead to gains for the employee?</td>
<td>Objective career success, subjective career success, employee motivation, resilience, ...</td>
<td>Employees, professionals, managers, university researchers, young workers, older workers, unemployed, ...</td>
<td>Perceived employability, employability competences, re-employment</td>
<td>Career studies, Occupational health</td>
<td>Kirves et al. (2014) McArdle et al. (2007) Van der Heijde &amp; Van der Heijden (2006)</td>
<td></td>
</tr>
<tr>
<td><strong>Theme 3: Employer benefits and risks of employability</strong></td>
<td>What are the benefits and risks of an employable workforce for employers?</td>
<td>Turnover (intentions), commitment, performance, ethical behavior, ...</td>
<td>Employees, HR directors, ...</td>
<td>Perceived employability, employability competences</td>
<td>Career studies, Work and organizational psychology</td>
<td>Acikgoz et al. 2016 Hahn &amp; Kim (2018) Nelissen et al. (2017)</td>
<td>Perspective 2: Employer-centric Perspective 3: employee and employer reciprocity</td>
</tr>
<tr>
<td><strong>Factors explaining employability</strong></td>
<td>Which individual and/or contextual factors are</td>
<td>Demographics (gender, age, ethnicity, ...)</td>
<td>Employees, ethnic minorities; workers; Transition into employment; labor</td>
<td>Work and organizational psychology,</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**TABLE 2:** Employability Themes in the 2000s
| Theme 5: Initiatives and practices to enhance employability | How do employability practices and interventions influence individual employability? | Employability activities; career development interventions, individual career management; impression management; employment and career counseling; training; transformational leadership; income support programs; demand side interventions, … | Employees in specific sectors; platform workers; older workers; persons with disabilities; low-income female migrant domestic workers; temporary workers, … | Perceived employability, employability competences (re)employment; intention to retire; continued employment | HRM, Career studies, Vocational counseling, Labor economics | Akkermans et al. (2015) De Vos & Soens (2008) Gore (2005) | Perspective 1: Employee-centric |
| Theme 6: Employability at a macro-level | What is the impact of public policies on macro-level employability? | Pension policies; unemployment policies; activation policies; education system; | Older workers; students, … | Employment rates; general skill level | Social policy, Educational science | McQuaid & Bergmann (2008) Vodopivec (2002) | Excluded from Goal #2 |
| Conclusion across themes | Most research questions concern employability as a valuable asset that helps employees to survive and/or thrive in the labor market. Exceptions are theme 3 (employer) and theme 6 (society). Research questions addressing both employee and employer perspectives simultaneously is rare. | Most core variables are at the level of the individual employee, with the exception of a small set of studies on employer or governmental interventions and policies. | Most studies comprise employee data, very few studies with employer/organization data, even fewer combining employee and employer perspectives simultaneously, herewith largely ignoring the relationship between those two parties. | Most measures are at the employee level, mainly self-reports but also employment indicators. Lack of multi-source ratings (e.g., employee and their supervisor) or indicators at the employer level. | _ | _ |
FIGURE 1: Employability-Related Social Exchanges

- **Forward looking**
  - ER inducement
    - E.g. training
  - EE contribution
    - E.g. employability competences, commitment

- **Backward looking**
  - ER inducement
    - E.g. training
  - EE contribution
    - E.g. employability competences, commitment

Main focus in existing research

Missing link in existing research
### FIGURE 1: Strategic Employability Architecture (SEA)

<table>
<thead>
<tr>
<th>Employability Mode: Alliance</th>
<th>Employability Mode: Commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Q4</strong></td>
<td><strong>Q1</strong></td>
</tr>
<tr>
<td><strong>Employability Attributes of Employee(s):</strong></td>
<td><strong>Employability Attributes of Employee(s):</strong></td>
</tr>
<tr>
<td>High uniqueness and low competitiveness contribution</td>
<td>High uniqueness and high competitiveness contribution.</td>
</tr>
<tr>
<td><strong>Employer Inducements:</strong></td>
<td><strong>Employer Inducements:</strong></td>
</tr>
<tr>
<td>Selective investments when organizational benefit is clear; support limited and prescribed; resources often external; retention-based investments</td>
<td>Employability development is a priority; employer assumes primary responsibility; provides resources and assumes costs; commitment-based investments</td>
</tr>
<tr>
<td><strong>Employee Role:</strong></td>
<td><strong>Employee Role:</strong></td>
</tr>
<tr>
<td>Employee initiated and driven; look for synergies and niche opportunities to utilize unique attributes</td>
<td>Active engagement; organizationally oriented</td>
</tr>
<tr>
<td><strong>Expectations:</strong></td>
<td><strong>Expectations:</strong></td>
</tr>
<tr>
<td>Limited expectations by both parties</td>
<td>Expect and provide commitment (both parties)</td>
</tr>
<tr>
<td><strong>Employability Focus:</strong></td>
<td><strong>Employability Focus:</strong></td>
</tr>
<tr>
<td>External</td>
<td>Internal</td>
</tr>
<tr>
<td><strong>Employer-Employee Relationship:</strong></td>
<td><strong>Employer-Employee Relationship:</strong></td>
</tr>
<tr>
<td>Relational and unbalanced (in favor of employee)</td>
<td>Relational and reciprocal interdependence</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Employability Mode: Contract</th>
<th>Employability Mode: Acquisition</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Q3</strong></td>
<td><strong>Q2</strong></td>
</tr>
<tr>
<td><strong>Employability Attributes of Employee(s):</strong></td>
<td><strong>Employability Attributes of Employee(s):</strong></td>
</tr>
<tr>
<td>Low uniqueness and low competitiveness contribution</td>
<td>Low uniqueness and high competitiveness contribution</td>
</tr>
<tr>
<td><strong>Employer Inducements:</strong></td>
<td><strong>Employer Inducements:</strong></td>
</tr>
<tr>
<td>Employability development low priority; enhancements are supported only if high impact for employer</td>
<td>“Buys” employability attributes externally rather than developing internally; investments are employer specific and possibly contingent; expect and provide opportunistic</td>
</tr>
<tr>
<td><strong>Employee Role:</strong></td>
<td><strong>Employee Role:</strong></td>
</tr>
<tr>
<td>Primary responsibility resides with employee; opportunities likely external to employer</td>
<td>Opportunistic; identify existing and mutually beneficial development opportunities</td>
</tr>
<tr>
<td><strong>Expectations:</strong></td>
<td><strong>Expectations:</strong></td>
</tr>
<tr>
<td>Low expectations for both parties</td>
<td>Low expectations for both parties</td>
</tr>
<tr>
<td><strong>Employability Focus:</strong></td>
<td><strong>Employability Focus:</strong></td>
</tr>
<tr>
<td>External</td>
<td>Internal</td>
</tr>
<tr>
<td><strong>Employer-Employee Relationship:</strong></td>
<td><strong>Employer-Employee Relationship:</strong></td>
</tr>
<tr>
<td>Transactional and balanced (neither is over-invested)</td>
<td>Transactional and unbalanced (in favor of employer)</td>
</tr>
</tbody>
</table>

*Contribution of Employability Attributes on Organization’s Competitiveness*  
Low | High
REFERENCES


Wilthagen, T., & Tros, F. (2004). The concept of “flexcurity”: A new approach to regulating employment and labor markets, European Review of Labor and Research, 10, 166-186.


