

A Review of Research on Perceived Employability and Its Consequences

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Abstract

Perceived employability is an individual's subjective perception of the possibility of obtaining and maintaining (current or future) employment, which has gradually become an important personal resource to help employees adapt to the uncertain workplace environment. From the perspective of enterprises, high employability awareness may stimulate high job turnover of employees, which leads enterprises into the risk of training and development costs being wasted. This paper first reviews the connotation, structure and measurement of perceived employability, and then systematically sorts out the effects and mechanisms of perceived employability from the perspectives of career management, occupational health psychology and organizational behavior, so as to clarify the internal reasons for the differentiated effects of perceived employability on individuals and enterprises to a certain extent.

Keywords: Perceived employability, Job insecurity, Personal resources, Turnover intention

With the advent of the era of borderless career and the increasing uncertainty of international economic environment since 2008, issues related to employee employability have drawn the common attention of both practical and theoretical circles. "Perceived employability" (PE) is a concept of employability proposed mainly from the perspective of management and psychology in recent years. It focuses on the outcome level of individuals' perception of their employability, thus avoiding to some extent the complexity and divergence of individual employment opportunities from the perspective of "competence (such as employability skills). Up to now, researchers from the fields of career management, occupational health psychology and organizational behavior have conducted a considerable amount of research and exploration on the effects of perceived employability and its internal mechanism. In view of this, on the basis of sorting out the connotation, structure and measurement of perceived employability, this paper makes a systematic analysis of its effects and influencing mechanisms from the perspectives of different disciplines, so as to clarify the internal reasons for the differentiated effects of perceived employability to a certain extent. At the end of this paper, the future research of this topic is prospected, in order to provide a valuable



exploration direction for the subsequent research.

1. The Connotation and Measurement of Perceived Employability

1.1 The Connotation of Perceived Employability

Researchers generally agree that perceived employability involves an individual subjective experience, and even the same objective employment situation may lead to differentiated perceived employability evaluation of employees. Rothwell & Arnold (2007) proposed earlier that perceived employability is an individual's subjective belief about how easy it is for him to keep his current job or get a job he wants. Similarly, Vanhercke et al. (2014) integrated previous studies and proposed that perceived employability is an individual's perception of the possibility of obtaining and maintaining (current or future) employment. Compared with other employability concepts put forward from the perspective of "input", this concept definition focuses on individuals' evaluation of their employability output. At the same time, the "acquisition" and "maintenance" of employability state emphasized in this definition also indicate that this concept may be widely applicable to different groups in the labor market (such as college students as quasi-professionals, employees, unemployed, etc.) and their entire career process (such as career exploration stage, consolidation and maintenance stage, various career transition stages, etc.) This concept can be used in any relevant investigation.

Given that "employability" may include gains not only from the current employer but also from other employers, this distinction can directly form a distinction between "perceived internal employability" and "perceived external employability". At the same time, the jobs that individuals obtain and maintain may be different from those that are similar or better than before, so the perceived "employment possibility" can also be divided from "employment quantity" (the number of available jobs) and "employment quality" (the type of available jobs). Based on the division of the above two dimensions (internal/external, quantity/quality), De Cuyper, De Witte (2011) and Vanhercke (2014) used the four-dimensional quadrant diagram shown in Figure 1 to summarize the conceptual connotation of perceived employability. De Cuyper and De Witte (2011) analyzed and confirmed that there may be a relationship between these four forms of perceived employability: perceived internal and external quantity employability can predict perceived internal and external quality employability respectively, which may be because those employees who perceive more job opportunities are likely to get more and better job opportunities.

Qualitative					
External	External PE	qualitative	Internal qualitative PE	Internal	
	External PE	quantitative	Internal quantitative PE		

Quantitative

Figure 1. Four-dimensional quadrants of the concept of perceived employability



1.2 Structure and Measurement of Perceived Employability

As PE is essentially a psychological concept put forward from the perspective of individual subjectivity, it is mainly measured by the way of employee self-assessment. So far, researchers have developed several scales of perceived employability, one of which is developed from a single-dimensional perspective and the other from a multi-dimensional perspective. Although the contents of scales developed from the single-dimension perspective are slightly different, they are mainly developed from the perspective of employees' perceived external employability, which is the most attractive dimension intuitively of PE concept. The multidimensional perspective is mainly composed of two types. One is to distinguish the concept of perceived employability from the perspective of "internal and external", forming a two-dimension scale tool of perceived external employability and perceived internal employability. The other is to further introduce the "quantity and quality" perspective on the basis of the two-dimension perspective, and finally form the four-dimension scale tool as shown in Figure 1.

Specifically, in terms of the single-dimension scale, the influential scales include the relevant scales developed or revised by the following representative scholars: (1) The scale of four items developed by De witte (2017) is widely used, with items such as "If I lose this job, it will be easy for me to find another job"; (2) The five-item scale developed by Berntson and Marklund (2007) (" How easy is it for you to get a new comparable job without having to move?") is also popular among some scholars; (3) Wittekind et al. (2010) adopted a three-item PE holistic measurement scale, which was also favored by some scholars. For example, "It was difficult for me to find a new job when I left the company (reverse score)"; (4) De Cuyper, M Face-to-face kikangas, Kinnunen et al. (2012) A new PE scale formed by two programs selected from the Employment Opportunity Indicator Scale and one or two programs developed by Berntson et al has received high attention. In terms of multidimensional scale, the self-perceived employability scale composed of 11 items developed earlier by Rothwell and Arnold (2007) is more influential. The scale includes two subscales of self-perceived internal employability and self-perceived external employability. Domestic scholar Zeng Chuikai (2019) localized revised the scale and verified the rationality of the two-dimension structure. Another influential multidimensional scale is the four-dimensional perceived employability scale composed of 16 items developed by De Cuyper et al. (2011) according to the framework of Figure 1. This scale is by far the most refined scale on perceived employability, so it should have broad application prospects in the future.

2. A Study on the Effects of Perceived Employability

2.1 The Study of Career Management Perspective

With the increase of organizational environment competitiveness, organizational restructuring, layoffs and human resources outsourcing and other organizational reform means, the stability of employment relationship is weakening while the flexibility is increasing. Employees' career development is no longer dependent on an organization, but may constantly break through the boundaries of the organization and enter a borderless career era of career



development. Eventually, organizations cannot provide secure jobs and employees no longer want them, and the focus shifts from employment security to employability. Employees expect their employers to meet the responsibility of ensuring their employability, because only employability can be the smooth passport of employees in the borderless workplace: highly employable employees' scarce and valuable job skills will give them a winner-take-all advantage, better bargaining power in the labor market and more fair treatment by employers; However, employees with low employability can only be passively selected by employers in the labor market due to their fungible skills, and face more competitive threats and unfair treatment.

Based on the above views, scholars in the field of career management have been paying more attention to the positive impact of employees' perceived employability on job-seeking behaviors and employment. For example, Huang (2015) showed that perceived internal employability has a positive effect on career decision-making self-efficacy. Chen and Lim (2012) showed that perceived employability led to problem-centered and symptom-centered coping strategies, among which problem-centered coping styles further led to prepared and active job-hunting behaviors. Onyishi et al. (2015) showed that perceived employability had a significant positive impact on preparation job hunting, and perceived employability played a mediating role between core self-evaluation and preparation job hunting. In addition, a two-stage longitudinal survey of unemployed Italian workers suggests that perceived employability leads to targeted job search strategies that improve the likelihood of re-employment. And surveys of Italian university students show a significant positive link between perceived employability and actual employment rates. However, it must be noted that the concept of perceived employability in the above study actually only relates to the perceived external employability dimension. A survey of professionals in Flanders, Belgium, showed that perceived internal and external employability had different effects on the intensity of an employee's job search. The higher the perceived internal employability, the lower the job-hunting intensity. The higher the perceived external employability, the higher the job-hunting intensity. Age also moderated the relationship between perceived internal employability and job-seeking intensity. Specifically, for young employees, they are more likely to seek job opportunities externally when they do not see many career development opportunities internally (when perceived internal employability is low).

2.2 A Study of Occupational Health Psychology

2.2.1 Perceived Employability Is a Positive Psychological Resource for Individuals

From the perspective of occupational health psychology, researchers widely agree that perceived employability is an important individual resource for employees to actively adapt to changes in the workplace in an uncertain workplace environment. The reason why perceived employability becomes an individual resource is that it can be regarded as an individual's ability to successfully control and influence the environment, and can reflect the level of individual resilience. For example, a one-year, two-stage longitudinal study of Swedish workers showed that perceived employability was a positive predictor of self-efficacy. In other words, an increase in an individual's ability in a specific domain (the



workplace domain), such as perceived employability, can have a positive impact on the increase in an individual's perceived effectiveness in a general domain.

Over the past decade, a series of empirical studies have confirmed that perceived employability is positively related to occupational health variables such as physical and mental health and well-being of employees For example, in an earlier, 1-year, two-stage longitudinal study of Swedish workers, perceived employability was a significant positive predictor of general health and psychological well-being after controlling for baseline levels. A two-year-long, three-stage longitudinal study of employees at a Finnish university found that perceived employability positively affected job well-being, and that an increase in PE also led to an increase in job vitality. A six-year, four-stage longitudinal study of Swedish employees showed that low-perceived employability employees reported more sleep difficulties and depressive symptoms than high-perceived employability and promoted employability employees, while high-perceived employability employees reported fewer depressive symptoms than low-perceived employability employees. A study of Chinese employees showed that perceived employability also positively affected employees' job engagement and job satisfaction. Lu et al. (2016) showed that perceived employability can reduce job burnout, and for employees with a higher level of perceived career development opportunities in the organization, this effect is more intense.

2.2.2 PE Will Cushion the Negative Effects of Job Insecurity

Job insecurity reflects employees' perception of current threats to employment continuity and stability. Therefore, in the field of occupational health psychology, researchers regard job insecurity as a typical source of work stress, which becomes more and more prominent under the background of economic globalization and information technology change. Based on the cognitive evaluation theory of stress and the resource conservation theory, a large number of empirical research results consistently show that job insecurity will bring significant harm to employees' happiness, physical and mental health, etc. Therefore, in the recent decade of empirical research on perceived employability, quite a few researchers have paid special attention to the positive role of perceived employability in the process of alleviating the unique occupational stress of employees' job insecurity.

The results show that although job insecurity leads to a significant decline in job satisfaction, this negative trend is more obvious for employees with low perceived employability. The analysis results based on the nationally representative panel data in Australia show that perceived employability can cushion the negative effects of unemployment and job insecurity on employees' life satisfaction and mental health. The analysis based on the 12-stage panel data from the German social economy shows that individual poor employability will exacerbate job insecurity, life satisfaction and health The negative association between Hu Sanman and Zhong Hua (2015) also confirmed that the negative effect of job insecurity on job happiness was buffered by perceived internal employability.



2.3 Research From the Perspective of Organizational Behavior

2.3.1 Employee Perception of Employability Has Consequences Detrimental to the Organization

In contrast to these two areas of study, researchers in organizational behavior are cautious about the effects of perceived employability. They propose a phenomenon called the perceived employability paradox, in which an increase in perceived employability is beneficial for employees, but not always for organizations. Improving employee employability is a necessary means to maintain the competitive advantage of an organization, and the improvement of perceived employability may also stimulate the self-interest orientation of employees. When employees with high employability perceive that they have more job opportunities in the labor market, their relationship with the organization will be more alienated, resulting in lower organizational commitment and higher turnover intention, which will ultimately make the organization's investment in employee employability unprofitable.

The above view is very intuitive, but it is still supported by some empirical research results in recent years. For example, research has shown that perceived employability leads to more counterproductive behavior, regardless of an employee's sense of job security. This suggests that a talented person who is hot in the labour market may be driven by the availability of more jobs to alienate his current employer, or even indulge in destructive behaviour. Cheng Junjun et al. (2015) also confirmed in the Chinese organizational context that employees' perceived employability significantly enhanced their resignation thoughts and resignation plans. A survey conducted by Virga et al. (2017) on Romanian blue-collar workers showed that perceived employability still had a positive impact on individual mental health and turnover intention even after excluding the influence of personality traits (core self-evaluation) and job resources. In other words, although employees with high perceived employability may have better mental health, they also have higher turnover intention.

2.3.2 Perceived Employability Does Not Always Have Consequences That Are Detrimental to the Organization

Quite a few researchers have questioned the employability paradox, pointing out that perceived employability does not necessarily lead to adverse consequences for the organization. They point out that highly employable workers are responsible for their own performance and do not necessarily lack loyalty to their employers. In fact, a number of studies have failed to demonstrate a significant association between perceived employability and turnover intentions. Therefore, the researchers conclude that there may be a complex regulatory mechanism between perceived employability and organizational behavior outcome variables such as organizational commitment and turnover intention. For example, the relationship between perceived employability and outcome variables is moderated by different employment groups. Among long-term employees, perceived employability had little association with emotional commitment; Only perceived employability is negatively correlated with emotional commitment among employees on fixed-term contracts and temporary contracts. Two samples from a university and a hospital in Finland showed that



perceived employability did lead to an increase in turnover intention, but only when employees had a low perceived level of job control. Acikgoz et al. (2016) investigated the mediating effects of emotional commitment, job security and tenure on perceived employability and turnover. It is found that when employees with high perceived employability have low emotional commitment to the organization or low sense of job security, they tend to have more turnover intention. However, when their tenure is shorter, their intention to leave decreases. Ling Ling and Qing Tao (2013) introduced the mediating effect of employability and expected compliance when investigating the relationship between corporate training and organizational commitment, and confirmed that the expected compliance of employees to the training results moderated the relationship between employability and organizational commitment. When the expected compliance was high, employability had a higher positive impact on organizational commitment. Another two-stage longitudinal study on Chinese employees showed that after controlling the baseline level, when employees perceived more career development opportunities provided by the organization, their perceived employability was negatively correlated with turnover intention, that is, employees with high employability were more likely to stay in the organization due to the perception of more career development opportunities. In particular, the research of Wei Wei and Peng Jisheng (2017) shows that employability has a significant positive impact on employee innovation behavior. However, compared with long-term employment, employability has a more significant positive effect on innovation behavior of short-term employees. In addition, the interaction of failure avoidance tendency, employment style and employability has a significant positive impact on employee innovation behavior. This indicates that employability is an important factor to motivate the innovative behavior of short-term flexible employees, but it will magnify the effect for employees with high avoidance tendency and reduce the effect for employees with low avoidance tendency.

De Cuyper and De Witte (2011) also pointed out that the influence of employees' perceived employability on organizational behavior consequences such as organizational commitment is not necessarily negative. The reason why previous studies have reached similar conclusions is that the research tools used are relatively general. When more refined multidimensional measurement tools are used, the research conclusions may be quite different. For example, they used a four-dimensional measurement tool for the first time in their study to examine the relationship between PE and organizational emotional commitment. The results show that perceived internal quantity employability has a positive impact on perceived internal quality employability, which in turn has a positive impact on organizational emotional commitment, while perceived external quantity employability also has a positive impact on perceived external quality employability, but the latter has a negative impact on organizational emotional commitment, and ultimately brings a negative impact on work performance through emotional commitment. Zhu Puyi and Hu Bei (2014) also used a two-dimension PE measurement tool to study, and the results showed that internal employability had a significant positive impact on loyalty and voice behavior, and a significant negative impact on withdrawal and neglect behavior, while external employability had a significant positive impact on withdrawal, neglect, loyalty and voice behavior. Chen Zhongwei et al. (2014) showed that in the married employees, both external employability and internal employability



had a significant positive effect on turnover intention, but external employability had a greater positive effect on turnover intention than internal employability. In the unmarried group, only external employability has a positive effect on turnover intention of knowledge workers. Hu Sanman, Liu Mingyue and Xu Dongfang (2015) studied the interaction of two dimensions of PE and its impact on turnover intention. The results show that the positive impact of perceived external employability on turnover intention is cushioned by internal employability, and when employees perceive a high level of internal employability, turnover intention caused by increased external employability will be mitigated.

2.3.3 The Impact of Perceived Employability Joint Work Insecurity on Organizational Outcomes Is Complex

The researchers pointed out that when employees are under high economic pressure and their perceived employability is not high, they will be highly dependent on their jobs, so the negative effects brought by job insecurity will be greater (such as decreased job satisfaction and organizational commitment, increased turnover intention, etc.). For workers with higher levels of perceived employability, job insecurity is less damaging because they are more skilled, adaptable and confident in the labour market. That is, to some extent, employees' perceived employability can act as a buffer between job insecurity and relevant outcome variables. Similarly, a study of managers in a public organization undergoing organizational change because it helps cushion the negative impact of job insecurity on organizational commitment to change.

However, a study on Belgian employees showed that, from the offender's perspective, the relationship between job insecurity and workplace bullying was enhanced with the increase of perceived employability, which to some extent reflects the adverse effect of perceived employability on the adjustment of the consequences of job insecurity. Similarly, a study of Swedish white-collar workers showed that although job insecurity led to an increase in employee withdrawal behavior and a decrease in voice behavior and loyalty behavior, employees' perceived employability also reinforced this negative trend. Another study of Belgian employees showed that the positive association between employee job insecurity and willingness to participate in training aimed at enhancing competitiveness for external positions was suppressed by perceived employability. In other words, although job insecurity induced more participation in training, this positive association was weakened when employees' perceived employability level increased. In addition, a study of paired samples of superiors and subordinates in Korean banks and financial institutions shows that perceived employability also exacerbates the inhibitory effect of job insecurity on extra-role behavior and impression management behavior.

3. Perspectives on the Effects of Perceived Employability

Combined with the above analysis, this paper proposes the following three perspectives for future research on the impact of perceived employability.



3.1 Future Studies Need to Introduce a Multi-dimensional Perspective to Explore the Negative Effects of Perceived Employability on Individual Employees

Does perceived employability have only positive effects on individuals? In view of the fact that most of the existing researches only adopt the concept and measurement of single-dimensional perceived employability (i.e. perceived external quantity employability), future researches and explorations from the perspective of multi-dimensional perceived employability will provide more complete answers. For example, this paper assumes that because a considerable number of job skills have organization-specific effects, the ability to grow and develop within the organization and the perceived internal employability will not necessarily help the incumbent transfer to other enterprises smoothly. In the face of organizational change and layoffs, will high internal perceived employability form a psychological pressure for individuals, rather than an individual resource? In addition, most existing studies do not distinguish perceived employability from "quantity" and "quality" dimensions. However, the extent to which an employee's subjective experience of being able to find a job and a better job has a health effect is clearly likely to vary, both outside and inside the organization.

3.2 Future Research Needs to Comprehensively Investigate the Influence Mechanism of Perceived Employability on Organizational Behavior From the Perspective of Contingency on the Basis of Improving the Multi-dimensional Perspective

In terms of the impact of perceived employability on organizations, existing studies support both negative and positive effects. This indicates that the influence of perceived employability on the outcome variables of organizational behavior contains a very complex influence mechanism. On the one hand, different dimensions of perceived employability have different effects. For example, from the relationship between perceived employability. organizational commitment and turnover intention, it is easy to form the impression that perceived employability weakens employees' organizational commitment and enhances their turnover intention. However, based on the existing research results, perceived employability of employees does not necessarily weaken organizational commitment and enhance their turnover intention. Firstly, employees' perceived internal employability and perceived external employability have different impacts on turnover intention. Previous studies have shown that employees' perceived external employability is a negative predictor of organizational commitment and a positive predictor of turnover intention. Perceived internal employability is a positive predictor of organizational commitment and a negative predictor of turnover intention. On the other hand, PE also plays an important role in the different moderating variables among the influences of organizational behavior. For example, still from the relationship between perceived employability and turnover intention, when an employee's control, organizational commitment, job security and other conditions in the work are poor or lack of career development opportunities in the organization, perceived (external) employability may lead to a higher level of turnover intention, while the reverse is not necessarily the case.



3.3 Future Studies Need to Continue to Explore the Mediating Mechanism and Boundary Conditions of Perceived Employability in the Relationship Between Buffering/Reinforcing Job Insecurity and Individual/Organizational Outcome Variables

In terms of the relationship between perceived employability and job insecurity, according to existing studies, perceived employability also has different effects on individuals and organizations by playing different moderating roles between the effects of job insecurity on occupational mental health consequences and organizational behavior consequences. Existing studies have shown that perceived employability has a positive moderating effect between job insecurity and outcome variables, such as buffering the damage to physical and mental health caused by job insecurity as a stressor; It also shows that perceived employability has a strengthening effect on the negative consequences of job insecurity (such as increased bullying in the workplace, increased withdrawal behavior, decreased voice behavior and loyalty behavior, inhibition of training intention, etc.), indicating that the relationship mechanism between job insecurity and perceived employability is relatively complex and needs further exploration in the future.

To sum up, it is still a key point for future research to integrate perspectives of different disciplines and adopt more rigorous multi-dimensional concept operation to clarify under what circumstances (When) employability perception will bring positive or negative effects on employees/enterprises through what mechanism (How). In addition, a more rigorous study design (such as long-term longitudinal follow-up studies, journal studies, or quasi-experiments) would also facilitate a closer examination of the clear causal mechanism between perceived employability and impact consequences. Finally, the rich practical management strategies based on the research conclusions will help enterprise managers better cope with the opportunities and challenges faced by enterprise organizations to develop and retain highly employable talents in the era of borderless career.

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