HOW RELATIONSHIP BETWEEN LEADERS AND THEIR FOLLOWERS AFFECT EMPLOYABILITY SKILLS?[1]

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ABSTRACT

Employability is about adaptability and flexibility these are widely emphasized in contemporary business world. Supporting employability skills of employees is seen as crucial for retaining talent, gain their trust and commitment. Thus; development of employability skills not only important for employees but also for organizations and leaders and it is important to understand what factors affecting it. In current study relationship between leaders and employees impact on employability skills is researched. To understand the relationship between employability skills, LMX and its dimensions; a model and five hypotheses were generated. To test the model and hypotheses 426 data was collected from white collar employees that were employed full-time. Structural equation modelling was used to test hypotheses. According to results there is significant relationship between and LMX and employability skills, affect and employability skills, and professional respect and employability skills. Results also revealed that there is no significant relationship between loyalty and employability skills and contribution and employability skills. Even though there is no relationship with some dimensions of LMX and employability; from the research results it can be seen that LMX has an impact on employability skills. As a result; leaders should give importance to their relationship with their employees and make talented employees as a part of their in-group. Employees should also take responsibilities other than their job descriptions to improve their employability skills.

Keywords: Leadership, Leader-Member Exchange, Employability, Career Management, Structural Equation Modeling

INTRODUCTION

Leading is one of the important functions of management and one of of the important component of organizations to to inspire and motivate employees to be competitive (Nickels et al., 2016). Leader-member exchange theory tries to define leadership via relationships between leaders and followers (Northouse, 2013) and according to theory leaders do not have same type of relationship with their employees (Liden & Masyln, 1998). Employees that have high quality relationship with their leaders get more support and supervision from their leaders, benefit from organizations' opportunities more (Northouse, 2013). Moreover; their career affected from high quality relationship positively and they achieve better career

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outcomes (Yang & Chau, 2016). Employees with low quality relationship with their leaders have more contractual relationship with their leaders and prefer to perform duties that are listed in job descriptions (Peng & Lin, 2016).

Employability is one of the widely discussed concepts in career management in recent decades (Martini & Cavenago, 2017) and related to adaptability and flexibility (Ingusci et al., 2016). Employability includes identifying and realizing career opportunities (DiRenzo & Greenhaus, 2011), able to get job when needed, continuously update knowledge and skills that is demanded by business world (Baruch, 2001). Employability has become one of the career success criteria for employees (Guilbert & Gouvernet, 2016). Moreover; as life-time employment has vanished investing on employability skills is seen as one of the most influential strategy for organizations to retain and keep talented employees (Baruch, 2001). Employability skills supports sustainability of employment and reemployment (Ingusci et al., 2016); as a result, individuals prefer organizations and leaders that can help to leverage their employability skills.

As employability skills widely started to be discussed in management discipline (Martini & Cavenago, 2017) and became main basis to gain trust and loyalty from employees (Baruch, 2001) it is important for organizations and leaders to support development of employability skills. Moreover; employability skills are related to flexibility, adaptability (Ingusci et al., 2016) and continuous development (Baruch, 2001) and these characteristics are important for contemporary business environment (Martini & Cavenago, 2017). Opportunities such as; accessing to resources, frequent feedbacks (Jung & Takeuchi, 2016), be a part of challenging jobs (De Jong & Den Hartog, 2007); that are provided via high quality relationships between leaders and employees can also support development of employability skills. In current study the main aim is to understand effect of leader-member exchange on employability skills. Moreover; current study also researches effect of dimensions of leader-member exchange; affect, professional respect, loyalty, and contribution; on employability skills. To understand these relationships current study will continue with theoretical framework, methodology, results, and discussion and conclusion sections respectively.

1. THEORETICAL FRAMEWORK

In this section theoretical information about the LMX and employability skills will be discussed. Proposed model and hypotheses will be also explained in this section.

1.1. Employability

Employability concept has been started to be stressed more in management literature in last 20 years (Martini & Cavenago, 2017). Employability can be defined as identifying, developing and realizing career opportunities (Fugate et al., 2004) and ability to control these opportunities (DiRenzo & Greenhaus, 2011). Employability is a career strategy that focuses on developing skills to preserve job and position and to be reemployed; it requires and also develops adaptability and flexibility (Ingusci et al., 2016). Having and developing employability skills one of the main career success criteria for employees nowadays (Guilbert & Gouvernet, 2016).

Employability skills are important for both employees and organizations because adaptability and flexibility that are improved via employability skills are necessary in contemporary business world (Van Der Heijde & Van Der Heijden, 2006). Supporting employability skills can be seen as a dilemma for organizations and leaders because it includes acquiring skills that are necessary for labor market and able to get a job when needed for employees (Baruch, 2001). as mentioned previously employability skills support employees to improve their flexibility and adaptability (Ingusci et al., 2016), deal with uncertainty and ambiguity (McArdle et al., 2007), and urge employees to constantly update their skills (Baruch, 2001). Employees with these characteristic are important for organizations and leaders to meet the demands of changing business world (Van Der Heijde & Van Der Heijden, 2006). Moreover; supporting employees to develop their employability skills has become more important to keep talent in the organization because of changed psychological contracts. As a result of new psychological contract, long-term and secure employment had been vanished and employability has become the substitute for these to gain trust and loyalty, motivate employees to increase their performance and commitment (Baruch, 2001). Having employability skills seen as important for job security by employees (Tempest & Coupland, 2017).

Employees should focus on developing their skills continuously for improving their employability and they can be more productive in their job (Ngoma & Ntale, 2016) and adapt to the changes in business world (Fugate et al., 2004). Employability is not being employed however it helps employees to spend less time for job search (DiRenzo et al., 2015). Employability supports employees to improve their career resiliency (Baruch, 2001), prevents them from stagnation (DiRenzo, 2010), provide resources to realize their goals, gives power to negotiate about working conditions more effectively(DiRenzo et al., 2015), and affects income and number promotions attained positively (Van der Heijden, de Lange, Demerouti, & Van der Heijde, 2009), increases career alternatives (Fugate et al., 2004). Employability skills are also important for employees to engage in innovative work behaviour (Stoffers et al., 2014). Employability skills affect current and future job performance and career expectations positively (Van Der Heijde & Van Der Heijden, 2006).

Several individual and organizational characteristics affect development of employability skills. Individuals who are open to new new experiences and adaptable (McArdle et al., 2007), optimistic, flexible, proactive, self-efficant (Fugate et al., 2004) are better in developing their employability skills. Entrepreneurship skills also support development of employability skills (Martini & Cavenago, 2017). Organizational culture (Guilbert & Gouvernet, 2016), human resource management strategies, training programs are crucial in development of employability skills (Baruch, 2001). Leadership also affects employability skills of employees. Employees who have high quality relationship with their leaders have better opportunity to develop their employability skills because they can access to resources to improve their knowledge, skills, and abilities more easily (Stoffers et al., 2014) .

1.2. Leader-Member Exchange (LMX)

Leadership is one of the most discussed topic in management literature and there are several theories that try to explain this concept (Luthans, 2011). Leader-member exchange (LMX) theory is one of the theories that tries to explain leadership concept and it focuses on relationships and interaction between leaders and their followers (Yukl, 2010; Northouse,

2013). Interaction between leaders and and followers is reciprocal; they both invest on it to develop, nurture, and sustain dyadic relationship and the relationship is supported by social exchanges (Graen & Uhl-Bien, 1995). Dyadic relationship between leaders and followers can range from contractual relationship to trust and loyalty based relationship (Liden & Masyln, 1998).

According to LMX theory leaders do not have same type of relationship with their followers (Luthans, 2011; Liden & Masyln, 1998); some followers are in-group members some are out-group members (Yukl, 2010). Leaders decide on who will be in-group members based on followers' skills and competencies, motivation level, whether they can be trusted or not and their aspiration to take more job responsibilities (Liden & Graen, 1980). Employees who do not prefer to accept responsibilities and tasks beyond their job descriptions are out-group members (Northouse, 2013). Employees that have similar values and attitudes with the leader can develop high-quality relationship with the leaders and become in-group members (Yukl, 2010).

In-group members are supported by leaders; leaders provide resources to these employees. In-group members also have opportunity to make their own decisions (Truckenbrodt, 2000). Employees that are in-group members face with less obstacles in the organization, they are supervised better, their performance are rated higher, and add more value to the organization (Luthans, 2011). In-group members can access to knowledge resources and can get concern and confidence more easily than out-group members (Northouse, 2013).

Relationship between leaders and followers may include different roles and behaviors because leadership have different roles such as supervising employees, planning and organizing, and allocate resources (Dessler, 2011). Thus; LMX can be multidimensional (Liden & Masyln, 1998). In literature; it is proposed that LMX has four dimensions. Initially three dimensions were proposed. They were perceived contribution to the exchange, loyalty, and affect (Dienesch & Liden, 1986). Liden and Masyln (1998) added professional respect as the fourth dimension. Loyalty is reciprocally expressing support in dyadic relationship, affect is interpersonal attraction between leader and the followers, contribution is perception of leaders and followers related to given effort and quality of work to realize the goals (Dienesch & Liden, 1986). Professional respect is reputation perception of leaders and followers based on experience, awards, and formal experience (Liden & Masyln, 1998).

High-quality relationship between leaders and followers has positive impact on employees, organization, and leaders. Employees that have high-quality relationship with leaders have higher level of organizational commitment, better job attitudes and performance evaluations; their turn-over rate is lower (Northouse, 2013; Graen & Uhl-Bien, 1995). High-quality relationship with the leaders have positive impact on employees' career; they can progress in their career more quickly and can engage in creative activities more (Northouse, 2013; Graen & Uhl-Bien, 1995). Employees that have high quality relationship with their leaders engage in counter productive behaviours less and engage in extra-role behaviors more (Martin et al., 2016). Moreover; they contribute to the organizations' goals more (Wang, 2016) and can take more initiative (Denti & Hemlin, 2016).

1.3. Relationship Between LMX and Employability

High quality relationship between leaders and employees has positive effect on employees' career and supports development of employability skills. Employees that have high quality relationship can be assigned to challenging tasks, supported to engage in risky behaviors, access to resources (De Jong & Den Hartog, 2007). Moreover; these employees can also be part in more desirable tasks, have greater autonomy and recognition, and they are allowed to make their own decision about their duties (Liden & Masyln, 1998), can have additional responsibilities and control their own duties (Park et al., 2017). They can also get frequent feedbacks from their leader that is crucial for improvement (Jung & Takeuchi, 2016). These opportunities are also important for development of employability skills; as a result employees that have trust based and supportive relationship with their leaders can develop their employability skills (Yang & Chau, 2016). Freedom, flexibility, and empowerment is provided to employees in high quality relationships with leaders (Schermuly & Meyer, 2016).

On the other hand, employees that are proactive (Yang & Chau, 2016), extraverted, open to experiences, and responsible (Hall et al., 2016) can engage in high-quality relationship with their leaders. These characteristics are also crucial for development of employability skills (Fugate et al., 2004). In the light of literature following hypotheses and model can be proposed:

H1: There is a positive relationship between leader-member exchange and employability.

H2: There is a positive relationship between LMX's dimension affect and employability.

H3: There is a positive relationship between LMX's dimension professional respect and employability.

H4: There is a positive relationship between LMX's dimension loyalty and employability.

H5: There is a positive relationship between LMX's dimension contribution and employability.

Figure 1: Proposed Model
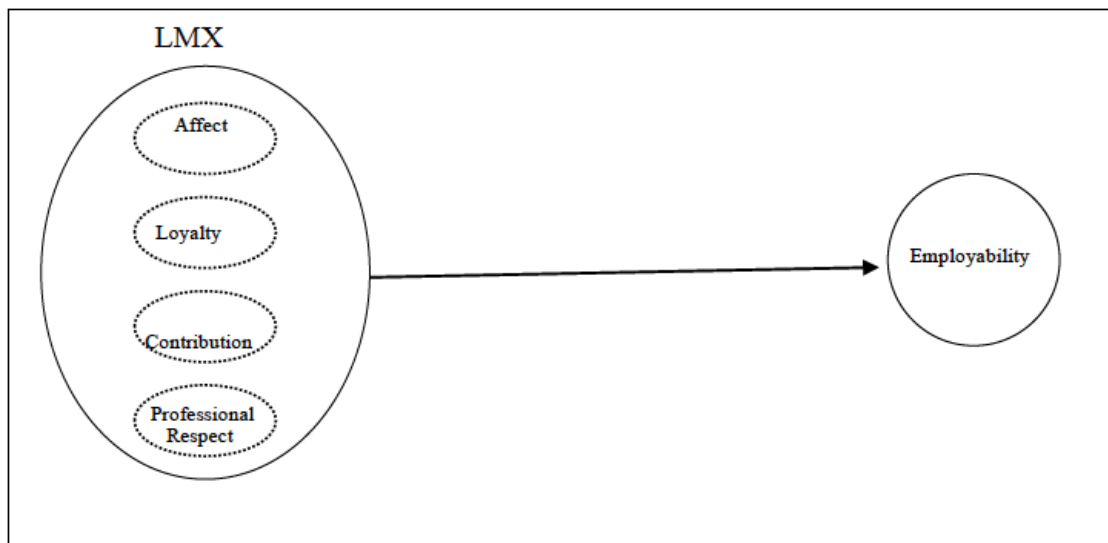
2. METHODOLOGY

In this section sample characteristics and data collection procedure, scales that are used and data analysis procedure will be shared.

2.1. Sample and Data Collection and Analysis Procedure

Data were collected on-line via Google-Forms. After items were uploaded to Google Forms systems the link was sent to experts from academia and business to check face validity. After revisions and corrections were made after face validity results scales were started to be distributed. Social media (Facebook, linked-in, and twitter) accounts of researchers were used to distribute scales. Moreover; e-mails were sent to Bahcesehir University graduate students that were currently employed. Data was collected in four months and 426 data were used for analysis. For reliability test and explanatory factor analysis Statistical Package for the Social Sciences (SPSS) version 20 was used. For invariance test, confirmatory factor analysis, validity and common method bias tests, and path analysis Analysis of Moment Structures (AMOS) version 21 was used.

Population of the study was white collar employees that were working in Turkey. In sample 210 were men and 216 were women. Education level of sample was 58,3% were undergraduates, 38,3 % were masters' graduates, 2,3 % were high school graduates, and 1,2% were PhD graduates. In sample 56,6% were aged between 26-34, followed by 29,3% aged between 35-44, 8% percentage were aged between 0-25, and 6,1% aged between 45 and over. 53,50% of sample working for organizations that have 251 and more employees, 24,2% working for organizations 51-250 employees, 19% working for organizations that have 11-50 employees and 3,3% were working in organizations that have 0-10 employees. 49,1% of sample were regular employees, 40,4% were working as middle level managers and 10,6% were working as high level managers. 29,8% of the sample has 2-3 years of experience, 22,8% of the sample has experience less than one year, 20,2% of the sample has 5-10 years of experience, 17,1% of the sample has 4,5 years of experience, and %10,1 of the sample has experience 11 years and over in their current organization.

2.2. Measurement Scales

Two different scales were used to test the model. For LMX; Liden and Masyln's (1998) Multidimensional Measure Scale was used. There were four dimensions in this scale and they are affect, loyalty, contribution, and professional respect. There are twelve items in this scale. Five-point likert-type scale was used ranging from totally agree to totally disagree.

For employability concept; a scale that includes different researchers' studies were used. There were sixteen items in this scale. Items in this scale are adapted from Eby et al. (2003), De Vos and Soens (2008), Van Der Heijde and Van Der Heijde (2006), and Forstenlechner et al. (2014). Five-point likert-type scale was used ranging from totally agree to totally disagree.

Beyond these two scales; there were twelve items for demographic information of the sample. These items were about gender, position level, experience, industry, age, and education.

3. RESULTS

In this section; analysis results will be shared. Firstly, results of explanatory factor analysis, reliability test will be discussed. Next; results of invariance analysis, confirmatory factor analysis, validity test, and common method bias will be explained. Finally; path analysis results will be discussed.

3.1. Explanatory Factor Analysis and Reliability Test

Leader-Member Exchange (LMX) Scale

Principle component factor analysis was used with varimax rotation for LMX scale factor analysis scale. 12 items were loaded to four factors and these factors explained 78,7 of variance. Cronbach's alpha test was applied for reliability and the reliabilities of factors are 0.878, 0.903, 0.866, and 0.789 respectively. Explanatory factor analysis and reliability test results are shown in Table 1:

Table 1: Reliability And Explanatory Factor Analysis Results For Leader-Member Exchange (LMX) Scale

LEADER-MEMBER EXCHANGE (LMX)	Factor Variance (%)	Factor Loadings	Cronbach Alpha
1st Factor: AFFECT	20,5		0,878
LMX3: My manager is satisfied to work with me.		0,846	
LMX1: My manager likes me personally.		0,843	
LMX2: My manager thinks that I am a person that people can be friend with.		0,815	
2nd Factor: PROFESSIONAL RESPECT	20,5		0,903
LMX11: My manager respects my job related knowledge and skills.		0,862	
LMX10: My manager likes my level of job related knowledge.		0,858	
LMX12: My manager appreciates my job related skills.		0,803	
3rd Factor: CONTRIBUTION	19,9		0,866
LMX8: My manager gives more effort than normal to help me to reach my job related goals.		0,882	
LMX7: Support and resources that my manager provides to me are more than enough.		0,828	
LMX9: My manager does not problem to work more to help me when necessary.		0,795	
4th Factor: LOYALTY	17,8		0,789

LMX5: I defend my manager when she/he is criticized.	0,840	
LMX4: Even if I do not have full knowledge about the subject, I defend decisions my manager gives.	0,785	
LMX6: I defend my manager to others when she/he makes a mistake unintentionally.	0,750	

Employability Scale

Principle component factor analysis was used with varimax rotation for employability scale factor analysis scale. 16 items were loaded to three factors and these factors explained 64,1% of variance. Items 4,5, and 17 were eliminated because they reduce the reliability. Even though item number 14 loaded to factors lower than 0,50 it was not eliminated because it was assumed that in samples larger than 350; factor loadings greater than 0,30 is considered as significant (Hair et al., 2010). Cronbach's alpha test was applied for reliability and the reliabilities of factors are 0,871, 0.872, and 0.717 respectively. Explanatory factor analysis and reliability test results are shown in Table 2:

Table 2: Reliability And Explanatory Factor Analysis Results For Employability (EMP) Scale

EMPLOYABILITY (EMP)	FactorVariance (%)	Factor Loadings	Cronbach Alpha
1st Factor: Self-confidence/efficacy	19,2		0,872
EMP2: I believe I could easily obtain another job that is in line with my level of education and experience.		0,892	
EMP1: I believe I could easily obtain a comparable job with another employer.		0,865	
EMP3: I believe I could easily obtain another job that would give me a high level of satisfaction.		0,781	
2nd Factor: Self-development focus and proactivity	30,1		0,871
EMP8: I am focused on continuously developing myself.		0,808	
EMP7: I approach the development of correcting my weaknesses in a systematic manner.		0,799	
EMP9: I consciously devote attention to applying my newly acquired knowledge and skills.		0,697	
EMP11: During the past year, I associated myself with the latest developments in my job domain.		0,687	

EMP10: In formulating my career goals, I take account of external market demand.	0,673	
EMP6: I take responsibility for maintaining my labor market value.	0,629	
EMP13: I adapt to developments within my organization.	0,566	
EMP14: During the past year, I was, in general, competent to perform my work accurately and with few mistakes.	0,478	
3rd Factor: Adaptability	14,8	0,717
EMP16: If an employer seeks someone who has the ability to handle hard work, I will be the one.	0,813	
EMP15: My interests, personality, values and skills are needed in the job market	0,796	

3.2. Invariance Tests

Invariance test enables researchers to detect whether scale's results are equivalent or not for different groups (Byrne, 2010). For current study gender was selected to test the invariance. Firstly; configural invariance test was applied; and later metric invariance test was applied. For configural invariance test model fit was controlled. Thresholds that are accepted from literature and used in current study are shown below in Table 3:

Table 3: Goodness of Fit Indexes Thresholds

	Threshold	References
Chi-square/Degrees of freedom (CMIN/DF)	0≤CMIN/DF≤3	Engel & Moosbrugger, 2003
Goodness of fit index (GFI)	0,80≤GFI ≤1,00	Hu & Bentler, 1999
Comparative Fit Index (CFI)	0,90≤CFI≤1,00	Engel & Moosbrugger, 2003
Root Mean Square Error of Approximation (RMSEA)	0≤RMSEA≤0,08	Engel & Moosbrugger, 2003

According to configural invariance analysis both groups (men and women) were different; in other words, there is no differences between men and women in responding to both scales. Configural invariance results are shown in Table 4:

Table 4: Configural Invariance Test Results

Scale	Configural Invariance Test Results						
	CMIN	DF	CMIN/DF	GFI	CFI	RMSEA	Items eliminated
Employability	246,742	122	2,022	0,921	0,951	0,049	None
Leader-Member Exchange	149,451	96	1,557	0,945	0,983	0,036	None

For metric invariance test chi-square difference test was applied to fully constrained and unconstrained model. According to results; groups were invariant. Metric invariance test results are shown in Table 5:

Table 5: Metric Invariance Test Results

	Metric Invariance Test				
Scale		CMIN	DF	p-value	Result
Employabilty	Unconstrained	246,742	122		
	Fully constrained	265,699	135		
	Difference	18,957	13	0,124	Groups are not different
Leader-Member Exchange	Unconstrained	149,451	96		
	Fully constrained	163,167	108		
	Difference	13,716	12	0,319	Groups are not different

3.3. Confirmatory Factor Analysis (CFA)

CFA was applied after invariance tests to test the differences between observed and unobserved variables and minimize differences between them (Schreiber et al., 2006). Each scale was tested separately. Factors extracted from explanatory factor analysis, observed variables, covariances and residuals were added to AMOS-21 program to test the scale models. Goodness of fit indexes thresholds that were shown in Table 3 are used to decide model fit. Only one item was eliminated in employability scale for model fit. CFA results are shown in Table 6:

Table 6: Confirmatory Factor Analysis (CFA) Results

Scale	Model fit						
	CMIN	DF	CMIN/DF	GFI	CFI	RMSEA	Items eliminated
Employability	95,032	47	2,022	0,965	0,980	0,049	14
Leader-Member Exchange	79,528	48	1,657	0,969	0,990	0,039	none

3.4. Convergent and Divergent Validity Tests

Convergent validity aims to determine the correlation among items that measure a construct (Cunningham et al., 2001). Average variance extracted (AVE) was used for convergent validity test and each scale was tested separately. Standardized regression weights of each item was noted. Items were clustered according to EFA results; square of standardized regression weights of items and average of these squares were computed by factor by factor. According to literature AVE>0,5 is acceptable for convergent validity (Hair et al., 2010). In employability scale two items were eliminated for having convergent validity. Convergent validity test results are shown in Table 7:

Table 7: Convergent Validity Results

Scale	Factor	AVE	Items eliminated
Employability	Factor 1	0,5002	Items 7 and 13
Employability	Factor 2	0,7120	none
Employability	Factor 3	0,5639	none
Leader-Member Exchange	Factor 1	0,7192	none
Leader-Member Exchange	Factor 2	0,7004	none
Leader-Member Exchange	Factor 3	0,7659	none
Leader-Member Exchange	Factor 4	0,5807	none

Divergent validity aims to determine whether different scales or factors measure different constructs or not. For having divergent validity factors or scales should measure different constructs (Henseler et al., 2015). Chi-square difference test was applied with unconstrained and constrained models. Factors extracted from EFA was used and scales were tested separately. Divergent validity results are shown in Table 8:

Table 8: Divergent Validity Results

Scale	Relationship tested	CMIN difference	DF difference	p-value	Result
LMX	Factor 1-Factor 2	98,83	1	0,000	Groups are different
LMX	Factor1-Factor 3	117,784	1	0,000	Groups are different
LMX	Factor 1-Factor 4	158,952	1	0,000	Groups are different
LMX	Factor 2-Factor 3	78,537	1	0,000	Groups are different
LMX	Factor 2-Factor 4	146,548	1	0,000	Groups are different
LMX	Factor 3-Factor 4	73,147	1	0,000	Groups are different
Employability	Factor 1-Factor 2	116,231	1	0,000	Groups are different
Employability	Factor1-Factor 3	121,874	1	0,000	Groups are different
Employability	Factor 2-Factor 3	152,036	1	0,000	Groups are different

3.5. Common Method Bias Test

Common method bias test was applied to control whether an external factor affect the responses given to the scales or not. Both scales were tested separately. A latent factor was added to the scales' models and this latent factor was connected to all observed items. Relationship between observed items and latent factor was fixed to a constant and unstandardized regression weights and their square was calculated. According to literature if the square of unstandardized regression weight is lower and 0,50 it shows that there is no common method bias problem in that scale (Mat Roni, 2014). Two items in employability scale were eliminated to overcome common method bias problem. Common method bias test results are shown in Table 9:

Table 9: Common Method Bias Testing Results

Scale	Constant Correlation	Square of constant correlation	Items eliminated
Employability	0,47	0,2209	Items 15 and 16
Leader-member exchange	0,48	0,2304	None

3.6. Testing of the Model

Hypotheses were tested on AMOS-21 program via path analysis. Hypothesized models were drawn in AMOS-21 program and second order was used for the models. Observed variables, factors, and residuals were added to the model. Firstly; direct relationship between LMX and employability was tested. According to goodness of fit thresholds shown in Table 3 there is a model fit (CMIN/DF=2,391; GFI=0,916; CFI=0,954; RMSEA=0,057) and direct relationship path is significant. Next step; direct relationship between dimensions of LMX and employability was tested. According to goodness of fit thresholds shown in Table 3 there is a model fit (CMIN/DF=1,969; GFI=0,931; CFI=0,969; RMSEA=0,048). However; only in two dimensions (affect and professional respect) direct path was significant. Results for path analyses are shown in Table 10:

Table 10: Path Analyses Results

Direct Relationship Tested	Standardized Regression Weight	Result
H1: LMX →EMP	0,701***	H1 accepted
H2: LMX →AFFECT	0,496***	H2 accepted
H3: LMX →PROFESSIONAL RESPECT	0,264 **	H2 accepted
H4:LMX →LOYALTY	0,005 (n.s.)	H4 rejected
H5: LMX →CONTRIBUTION	-0,047 (n.s.)	H5 rejected
*** p=0,001 ** p=0,002 n.s. =not significant		

4. DISCUSSION AND CONCLUSION

Leadership is one of the most discussed topics in management discipline and behavior of leaders is crucial for organizations' success (Luthans, 2011). Leaders can inspire and motivate employees to reach their goals (Armstrong & Taylor, 2014). Employability skills is started to be discussed more in management literature in last 20 years (Martini & Cavenago, 2017). As a result of new psychological contract, long-term and secure employment had been vanished and employability has become the substitute for these to gain trust and loyalty, motivate employees to increase their performance and commitment (Baruch, 2001). In current study the main aim is to understand effect of leader-member exchange on employability skills. Moreover; current study will also research effect of sub-dimensions of leader-member exchange; affect, professional respect, loyalty, and contribution; on employability skills. To understand these relationships five hypotheses were generated. It was hypothesized that there is a positive relationship between LMX and employability skills, affect and employability

skills, professional respect and employability skills, loyalty and employability skills, and contribution and employability skills. Hypotheses were tested via structural equation modeling and and it is found that there is significant relationship between and LMX and employability skills (H1), affect and employability skills (H2), and professional respect and employability skills (H3). According to results there is no significant relationship between loyalty and employability skills (H4) and contribution and employability skills (H5).

In previous literature opportunities and benefits that are provided to employees who have high-quality relationship with their leaders were well documented. High quality relationship with their leaders enable employees to get frequent feedbacks (Jung & Takeuchi, 2016), supported by their team members and leaders (Yang & Chau, 2016), and access to more resources (Joo & Ready, 2012). Employees that have high quality relationship can be assigned to challenging tasks and supported to engage in risky behaviors (De Jong & Den Hartog, 2007). Moreover; these employees can also be part in more desirable tasks, have greater autonomy and recognition, and they are allowed to make their own decision about their duties (Liden & Masyln, 1998), can have additional responsibilities and control their own duties (Park et al., 2017). All these benefits and opportunities are important for development of employability skills.

According to research results there is no significant relationship between contribution and employability skills and loyalty and employability skills. This result can be accepted. Even though organizations and leaders support is important for development of employability skills; employees who give importance to employability skills mostly adopt new and transformed careers. In transformed careers employees do not focus on single organization and prefer career mobility (Eby et al., 2003). Loyalty and commitment are not the main focus of employees that adopt transformed careers and focus on their employability skills (Baruch, 2004). As mentioned previously investing on employability skills is a dilemma for leaders and organizations however; employability skills have contributions to them (Baruch, 2001). Employability skills support employees to improve their flexibility and adaptability (Ingusci et al., 2016), deal with uncertainty and ambiguity (McArdle et al., 2007), and urge employees to constantly update their skills (Baruch, 2001) and these characteristics adds value to the organizations and support them to be more competitive (Van Der Heijde & Van Der Heijden, 2006).

4.1. Limitations and Future Research

Current study has some limitations. This research has cross-sectional design. Even though cross-sectional design researches have many advantages like analyzing several variables at the same time and observe concurrent relationships; they may also limit to define casual relationships. In future researches longitudinal design studies can be applied to understand the relationship between LMX and employability.

In current study self-report surveys were used to collect data. Self-report surveys may have common method bias problems. Even though this problem had been controlled via analyses future studies can be designed as multi-source data and can include data from managers and co-workers. Moreover, current study collect data only in Turkish setting which may have generalizability problems. Future studies should focus on diverse cultures.

Future studies can also focus on how different organizational factors; such as; organizational culture and climate may also affect these relationships. Furthermore, different organizational factors that may affect development of employability skills can be researched.

4.2. Implications and Conclusion

In current study it was aimed to understand relationship with LMX and employability skills. Moreover; relationship between employability skills and LMX's dimension; affect, loyalty, contribution, and professional respect; had been researched. Results showed that there is a positive relationship between LMX and employability skills, affect and employability skills, and professional respect and employability skills. Results also showed that there is no significant relationship between loyalty and employability skills and contribution and employability skills.

Even though there is no significant relationship between employability skills and some dimensions of LMX; research results showed that having high quality relationship with leaders and followers have an impact on employability skills. To retain talent, gain their commitment and support leaders should be supportive for development of employability skills. As a result; leaders should give importance to their relationship with their employees and make talented employees as a part of their in-group. On the other hand, employees should also take responsibilities other than their job descriptions to improve their employability skills because via this way they can have higher quality relationship with their leaders. They can benefit from these high quality relationships to develop their employability skills via accessing to knowledge and resources easier, get more frequent feedback and support, and be a part of more challenging tasks and projects.

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