

BEYOND SKILLS: THE PSYCHOLOGICAL CAPITAL PATHWAY TO SELF-PERCEIVED EMPLOYABILITY



 Wisudani Rahmanyngtyas ^{(a)1}  Ratieh Widhiastuti ^(b)  Anna Kania Widiatami ^(c)  Nina Farliana ^(d)

^(a)Assistant Professor, Faculty of Economics and Business, Universitas Negeri Semarang, Indonesia; E-mail: wisudani.rahmanyngtyas@mail.unnes.ac.id

^(b)Associate Professor, Faculty of Economics and Business, Universitas Negeri Semarang, Indonesia; E-mail: ratieh.widhiastuti@mail.unnes.ac.id

^(c)Assistant Professor, Faculty of Social Sciences, Oslo Metropolitan University, Norway; E-mail: anna.k.widiatami@oslomet.no

^(d)Assistant Professor, Faculty of Economics and Business, Universitas Negeri Semarang, Indonesia; E-mail: ninafarliana@mail.unnes.ac.id

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ABSTRACT

Employability of graduates has emerged as a central issue for higher education institutions, given that employers increasingly demand not merely technical proficiency but also psychological resources that underpin career adaptability. While prior scholarship has explored psychological Capital and employability as distinct constructs, relatively few studies have elucidated the underlying mechanism by which psychological Capital enhances students' self-perceived employability. Accordingly, the present study seeks to examine the association between psychological Capital and self-perceived employability, with particular attention to the mediating function of employability skills. A quantitative cross-sectional survey was conducted with 202 final-year undergraduate students from teacher education programs at Universitas Negeri Semarang, Indonesia. Data were collected using validated Likert-scale questionnaires and analyzed using Structural Equation Modelling (SEM) in AMOS 24. The structural model demonstrated a satisfactory fit ($\chi^2 = 152.671$, $p = .105$, RMSEA = .025, CFI = .963, TLI = .957). The findings revealed that psychological Capital significantly predicted employability skills ($\beta = .621$, $p < .001$) and self-perceived employability ($\beta = .361$, $p = .004$). Employability skills also had a significant positive effect on self-perceived employability ($\beta = .357$, $p = .004$) and partially mediated the relationship between psychological Capital and self-perceived employability (Sobel test, $p = .014$). These findings support an integrated perspective that combines Social Cognitive Theory, Human Capital Theory, and Career Construction Theory, demonstrating that psychological resources facilitate employability by fostering employability skills.

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INTRODUCTION

The challenges of the Fourth Industrial Revolution have transformed social relations and affected multiple dimensions of today's society (Shkalenko, 2020). This transformation stems from the ongoing advancement of technology. Technological advancement is a continuous process, and each step of technological progress brings changes that gradually transform various aspects of life (Martinez, 2018). Such changes affect not only how people interact with technology but also the social, economic, and cultural structures of society, leaving profound and lasting impacts on generations (al Asy ari & Rahman, 2020). In this context, educational institutions are a significant factor in developing and guiding the process of building professional human Capital that is adapted to these changes (Chankseliani et al., 2021). One of the main tasks of educational institutions is to prepare graduates with the necessary readiness and competencies to join the labour market after their studies (Cheang & Yamashita, 2020). Employability skills are currently among the key indicators that higher education institutions can promote to ensure their graduates succeed in the increasingly competitive job market (Crosta & Banda, 2022).

Employability skills are the core skills required to get a job, stay in a job, and perform well in it. These skills comprise job search, job retention in organizations, and productivity in job duties (Mahajan et al., 2022). These skills require a set of attitudes, behaviours, and capabilities that enable workers to work productively with co-workers and supervisors, use technology, and troubleshoot problems effectively (Bhatti, 2023).

¹Corresponding author: ORCID ID: 0000-0001-9920-3374

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The competencies that students gain during higher education can generally be classified into two broad categories: technical and non-technical skills. Technical skills refer to discipline-specific knowledge, and professional skills are those performed in specific occupational domains such as information technology, engineering, or psychology (Khuzainey et al., 2020). However, the fast-paced technological changes driven by the Fourth Industrial Revolution have raised the competency expectations of graduates. Higher education institutions are now required to develop not only technical skills but also a range of non-technical skills (Arquero et al., 2022). These complementary skills can help graduates improve their adaptability, employability, and competitiveness in an increasingly complex and dynamic labour market.

Globally, increasing technical complexity, broader project scope, and technological advances have been crucial factors in job performance, resulting in increased demand for skilled graduates across various industries (Aliu & Aigbavboa, 2020). Higher education plays a critical role in preparing students for the workforce (McGunagle & Zizka, 2020) by equipping them with employability skills required in the labour market (Hoque et al., 2023). Employability skills are critical attributes that graduates are expected to possess to meet employers' demands and expectations (Al-Shehab et al., 2020). However, many academic programs still rely on traditional curricula and teaching methods, often neglecting the development of skills vital to the current and future job market. This approach can lead to a disconnect between the education provided and the practical competencies employers seek (Ayodele, 2020). By concentrating solely on conventional methods and content, these programs may not adequately prepare students with the modern, adaptable skill sets needed to succeed in a rapidly changing workforce. As a result, graduates might be unprepared to face the challenges of today's job market (Chau et al., 2023). The "skills gap" remains a significant issue in many sectors (Tyson, 2020).

The global unemployment situation seems to be worsening (Mseleku, 2021), which means that employment is either limited or graduates lack the necessary skills for an available job. The view is that higher education institutions have not prepared students with the competencies needed in the workforce (Kwarteng & Mensah, 2022). Recent studies have linked the unemployment crisis to colleges' failure to prepare graduates to meet labour market needs (State & Tobias, 2022).

Graduate employability has become a major concern for higher education institutions, employers, and policymakers given the increasing competitiveness of the modern labour market (Healy, 2023). Factors such as labour market conditions and the specific attributes and competencies that employers seek in prospective candidates, reflecting changing workforce expectations, drive employment outcomes for graduates (Artes & Hooley, 2018). In this regard, psychological resources have attracted increasing interest, as people's mental and emotional resources are essential to improving their ability to find and maintain employment (Bakari & Khoso, 2017). These psychological resources include resilience, self-confidence, and motivation, which may significantly influence the job search process. People with high psychological Capital are usually more prepared to face challenges in the job search and better adapt to uncertain situations. Along with academic qualifications, a crucial factor influencing graduates' success is their perception of employability, which affects their confidence in securing jobs and developing their careers.

Psychological Capital plays a vital role not only in facilitating job searches but also in improving the learning process (Yorke & Knight, 2006). Psychological Capital shapes how individuals develop employability skills. As a result, students who possess high self-confidence and strong mental resilience tend to be more proactive in acquiring the skills needed for success in the workforce. Unfortunately, empirical studies on perceived employability remain limited and have primarily focused on organizational settings (Monteiro et al., 2020).

Although technical knowledge and qualifications are essential, research shows that non-technical factors, such as psychological Capital, significantly influence graduates' perceptions of their readiness to enter the job market (Huang et al., 2023). Additionally, employability skills play a significant role in graduates' evaluations of their job readiness (Hoque et al., 2023). Therefore, it is vital to integrate the development of both technical and non-technical skills in educational settings to enhance graduates' employability.

This study aims to examine the effect of psychological Capital on self-perceived employability, with employability skills mediating the relationship among final-year undergraduate students. The following section discusses the theoretical background and develops the research hypotheses. The research methods and results are as follows. The discussion then interprets the findings in relation to the relevant theories and previous studies, while the final section presents the conclusions, implications, limitations, and suggestions for future research.

LITERATURE REVIEW

In this work, Social Cognitive Theory, Human Capital Theory, and Career Construction Theory are integrated to describe the mechanism by which an employable person is formed, which has not been thoroughly theorized. In this respect, Social Cognitive Theory emphasizes psychological Capital as a cognitive resource that influences people's perceptions and actions in gaining capabilities (Pribadi et al., 2026). However, employability approaches based on Human Capital Theory tend to conceptualize skills as outcomes of educational investment that are relatively static and overlook the role of psychological factors in this process (Putra et al., 2026). In addition, Career Construction Theory views self-perceived employability (SPE) as an adaptive evaluation of individuals' career readiness. However, it does not explicitly explain the mechanism by which it forms (Wang et al., 2026). By integrating these perspectives, this study proposes a cognition-behaviour-evaluation mechanism, in which psychological Capital fosters the development of employability skills that subsequently shape self-perceived employability. Thus, employability skills are positioned as a key mechanism linking psychological resources to individuals' evaluation of their work readiness.

Self-perceived employability (SPE) is a concept that includes two primary dimensions: first, how individuals perceive the opportunities available in the job market, and second, how they evaluate their own ability to secure positions that align with their qualifications (Vargas et al., 2018). SPE serves as a student's self-perception of their employability, which helps them effectively market themselves, secure jobs that are relevant to their studies, and negotiate employment

terms to their benefit (Duggal et al., 2024). It plays a vital role in facilitating an individual's ability to secure employment quickly (Botha, 2021). SPE is essentially about how a person feels about the external job environment and the opportunities they will have, as well as how they perceive their ability to make the most of these opportunities and secure jobs aligned with their skills and competencies.

For students preparing to enter the workforce, SPE is especially important. SPE can assist students in marketing themselves, securing employment that is compatible with their skills, and negotiating better working terms (Duggal et al., 2024). Individuals with high SPE feel more confident about their ability to be a candidate in the workplace and to fit into various work settings. This confidence can enhance their preparedness for job selection processes, such as interviews and skills assessments. SPE is crucial in accelerating an individual's transition into the job market after completing their formal education. Having a positive outlook on one's ability to work can also help to enhance motivation and resilience in the job search process (Botha, 2021). Students with high SPE are more likely to be proactive in seeking internships, engaging in career development experiences, and developing strong work portfolios for competition in the job market. This is a good example of how SPE is not solely an evaluation of one's potential, but also a process of developing strategies to make use of opportunities.

Furthermore, self-perceived employability (SPE) is an important factor in the context of labour market uncertainty, including technological and economic changes. SPE can equip people with mental resilience to deal with the rapidly changing job market (Domagała-Zyśk et al., 2022). In uncertain environments, people with high SPE are often more optimistic and flexible, which helps them feel more confident when facing challenges. Research examining the employability of undergraduate students has concentrated on perceived employability (Jackson et al., 2023). SPE is made up of two main components: Internal and External. The internal dimension reflects how much capacity the individual has to learn and, thus, to gain new skills and knowledge relevant to the job requirements. The external dimension, on the other hand, concerns the demands, supply, and trends in jobs in the labour market (Lane et al., 2000). Furthermore, self-perceived employability (SPE) is influenced by both the reputation of the higher education institution they attend and the academic discipline they pursue (Vargas et al., 2018).

The concept of employability skills is becoming more prominent in debates on the preparedness of college graduates for the job market, especially in the current rapidly changing labour market (English et al., 2021). Employability refers to an individual's capacity to obtain employment (Gedye & Beaumont, 2018). In today's landscape, the term employability is not limited to technical skills or specific job skills. The idea has expanded to provide a wider range of skills, including so-called 'soft skills' such as communication, teamwork, adapting to change and problem-solving, which are now known as employability skills. The labour market is constantly evolving due to globalisation, digitalisation, and technological developments, and these skills are becoming increasingly crucial in this changing context (Smaldone, 2022). Graduates need to be flexible in adapting to the industry's changing needs, as the future is increasingly digital and automated (Cheng et al., 2022).

In the context of increased uncertainty in the labour market, it is assumed that higher education institutions would play a key role in equipping graduates with the competences to obtain jobs and adapt to the changing requirements of the workplace. Colleges need to do more than provide academic knowledge; they should also ensure that learners have the skills to think critically, adapt quickly, and collaborate with diverse teams and groups (Jackson & Tomlinson, 2020). The forces of globalisation and digitalisation have transformed the traditional job market into a more flexible and dynamic landscape, where skills such as problem-solving, innovation, communication, and time management have become increasingly essential (Takiyar & Rao, 2020). Consequently, colleges should approach employability skills as a holistic capability necessary for managing new challenges. Rickardo and Meiriele (2023) emphasize the changing nature of job roles and the growing set of employability skills needed as roles are restructured by automation. Therefore, graduates need to be able to adapt quickly, learn new skills independently, and keep up with the latest developments in related technologies within their areas of study. Evaluating employability skills is also a challenge in itself, since the measure of employability capacity is not necessarily represented by employment rates or salaries. Employability skills should be considered as an individual's ability to learn throughout their life and to be flexible in their career changes (Daubney, 2022). Inspires more colleges and organisations to emphasise developing soft skills and lifelong learning skills, not only technical skills. In a complex and automated world, employability can only be seen as the capacity to develop new skills and effectively face new challenges in the job.

Emphasize the importance of partnership among higher education, industry, and individuals in preparing students for an unknown future (Jackson et al., 2024). They believe that future jobs will be more focused on innovation, collaboration, adaptability to changing environments, and career flexibility. Therefore, employability skills are not just the skills needed to get a job immediately after graduation; they are also the skills that help individuals adapt and flourish in an uncertain future (Caballero et al., 2022). Psychological Capital is associated with self-perceived employability, particularly among individuals currently unemployed (Elsei et al., 2022). Psychological Capital can affect how unemployed individuals view their opportunities for securing employment (Ngoma & Dithan Ntale, 2016). Psychological Capital, which encompasses self-efficacy, optimism, hope, and resilience, is essential for enhancing an individual's readiness for the job market (Avey et al., 2023). Self-efficacy, in particular, plays a vital role in boosting individuals' confidence as they confront various workplace challenges (Kane et al., 2021). Moreover, hope and optimism act as motivating factors that help individuals persist during their job search and career development (Masole & van Dyk, 2016).

Employability skills often serve as a crucial link between psychological Capital and SPE. Employability skills mediate the relationship between self-confidence and resilience and SPE (Na-Nan & Sanamthong, 2020). These skills not only bolster technical abilities but also aid in adapting to the diverse work environments new graduates face. Employability skills enable graduates to effectively navigate changes in the labour market, including learning from failures and

implementing creative solutions to job-related challenges (Daubney, 2022). This highlights the role of employability skills in amplifying the positive impact of psychological Capital on self-perceived employability. Employability skills serve as a significant mediator in the relationship between psychological Capital and self-perceived employability (Ayala Calvo & Manzano García, 2021). Recent research shows that employability skills play a significant role in enhancing students' perceptions of job readiness (Hoque et al., 2023). The findings indicate that students with strong communication and critical thinking skills tend to have a more favourable view of their employability. Improving work-related skills helps people address workplace challenges and makes them feel more hopeful about their future job prospects (Ngoma & Dithan Ntale, 2016). These abilities can help ease anxiety when seeking employment, making people feel more ready for work. These results demonstrate the significance of employability skills in enhancing the positive effects of psychological Capital on individuals' perceptions of their own employability.

The present study examines the relationship between psychological Capital and self-perceived employability by assessing whether employability skills serve as a mediating mechanism linking these constructs. Accordingly, the following research hypotheses are proposed:

H₁: Psychological Capital enhances employability skills.

H₂: Employability skills enhance self-perceived employability.

H₃: Psychological Capital enhances self-perceived employability.

H₄: Employability skills mediate the effect of psychological Capital on self-perceived employability.

MATERIALS AND METHODS

This research was conducted using a quantitative method. The main purpose of this research is to analyze the effect of psychological Capital on self-perceived employability through employability skills. The primary data collection was conducted using a Likert-scale questionnaire distributed to students via Google Forms. The questionnaire was designed based on a literature review. After distributing the questionnaire, the data obtained were tabulated, coded, and categorized based on the variables and the indicators in these variables in Microsoft Excel. This systematic classification of data helps with further analysis. Then, the data were processed and analyzed using Analysis of Moment Structures (AMOS) version 24.

The population for this study comprises all final-year students in the Economics Education Department, totalling 408 students. A sample size of 202 students was calculated using Slovin's formula, and proportionate random sampling was employed. The detailed breakdown of the sample is provided in Table 1

Table 1. Number of Respondents

Study Program	Class	Number of Students	Number of Respondents
Accounting Education	A	48	24
	B	49	24
	C	46	23
	IUP	20	10
Economics Education	A	45	22
	B	49	24
	IUP	18	9
Office Administration Education	A	58	29
	B	59	29
	IUP	16	8
Total		408	202

Note: IUP (International Undergraduate Programme)

Source: Authors' work

Data were collected using a structured online questionnaire administered to final-year undergraduate students in the Faculty of Economics, Universitas Negeri Semarang. A questionnaire survey was chosen for its efficient, standardized method of collecting quantitative data from a large number of respondents and its ability to guarantee consistent measurement of the latent constructs in the proposed research model. Before completing the questionnaire, the participants were briefed on the study's objectives, the voluntary nature of participation, and the confidentiality of their responses. Only students who gave informed consent participated in the study.

The questionnaire consisted of two sections. The first section was designed to collect respondents' demographic information such as study programme, gender, semester and age. The second section measured the three research constructs: psychological Capital, employability skills, and self-perceived employability. A total of 21 items were adapted from previously validated instruments. The operational definitions, measurement indicators, item numbers, sample items, and sources of each construct are presented in Table 2.

Table 2. Operational Definition and Measurement of Research Variables

Variable	Indicators	Item Numbers	Sample Item	Source
Psychological Capital	Resilience	PC1, PC6	I can get through difficult moments in my studies because I have faced similar situations before.	Develop from (Ayala Calvo & Manzano
	Self-efficacy	PC2, PC5	I feel confident that I can achieve my career goals.	García, 2021; Luthans &
	Optimism	PC3, PC7	I expect to achieve most of the things I want in my studies.	Youssef, 2004; Ngoma

Employability Skills	Hope	PC4, PC8	I always find that every problem has a solution.	& Dithan Ntale, 2016) Developed from (Fajaryati, 2020; Yorke & Knight, 2006)
	Teamwork	ES1	I complete group work through collaboration and discussion with my teammates.	
	Communication	ES2	I give and receive constructive feedback appropriately.	
	Self-awareness	ES3	I reflect on my strengths and weaknesses.	
	Critical Thinking	ES4	I identify different courses of action to understand situations comprehensively.	
	Information Management	ES5	I use accurate data to generate relevant information.	
	Creativity and Innovation	ES6	I generate new ideas when facing challenges and problems.	
	Self-management	ES7	I persevere in completing academic tasks.	
	Responsibility	ES8	I take responsibility for completing all academic assignments.	
Self-Perceived Employability	Planning and Priority Management	ES9	I organize plans and priorities when carrying out academic activities.	Adapted from (Rothwell et al., 2008)
	University Reputation	SPE1	The reputation of my university is an important asset in my job search.	
	Labour Market Competition	SPE2	Many people are seeking jobs in the area where I intend to work.	
	Personal Competence	SPE3	The knowledge and skills I possess match employers' expectations.	
	External Labour Market Conditions	SPE4	There are many graduates with educational backgrounds similar to mine in the labour market.	

RESULTS

The total number of final-year undergraduate students in this study was 202, of which the majority of the sample was female (71.3%) and 28.7% male. Most respondents were 21 years old (40.1%), followed by those aged 22 (33.2%). Regarding study programme, 40.1% of the participants were enrolled in Accounting Education, 32.7% in Office Administration Education, and 27.2% in Economics Education. The distribution indicates that the respondents came from the three teacher education programs involved in the study.

Table 3. Demographic Characteristics of the Respondents

Characteristic	Category	Frequency (n)	Percentage (%)
Gender	Male	58	28.7
	Female	144	71.3
Age (years)	20	32	15.8
	21	81	40.1
	22	67	33.2
	23 or above	22	10.9
Study Programme	Accounting Education	81	40.1
	Economics Education	55	27.2
	Office Administration Education	66	32.7
Academic Status	Final-year undergraduate students	202	100.0

The relationships among the variables in this study were analyzed in detail to gain a comprehensive understanding of their interactions and implications. The analysis was carried out using AMOS (Analysis of Moment Structures) version 24. The overall model fit was assessed by comparing the Goodness of Fit (GoF) criteria with the model's Goodness of Fit Index (GoFI). The model's fit is shown in the figure below.

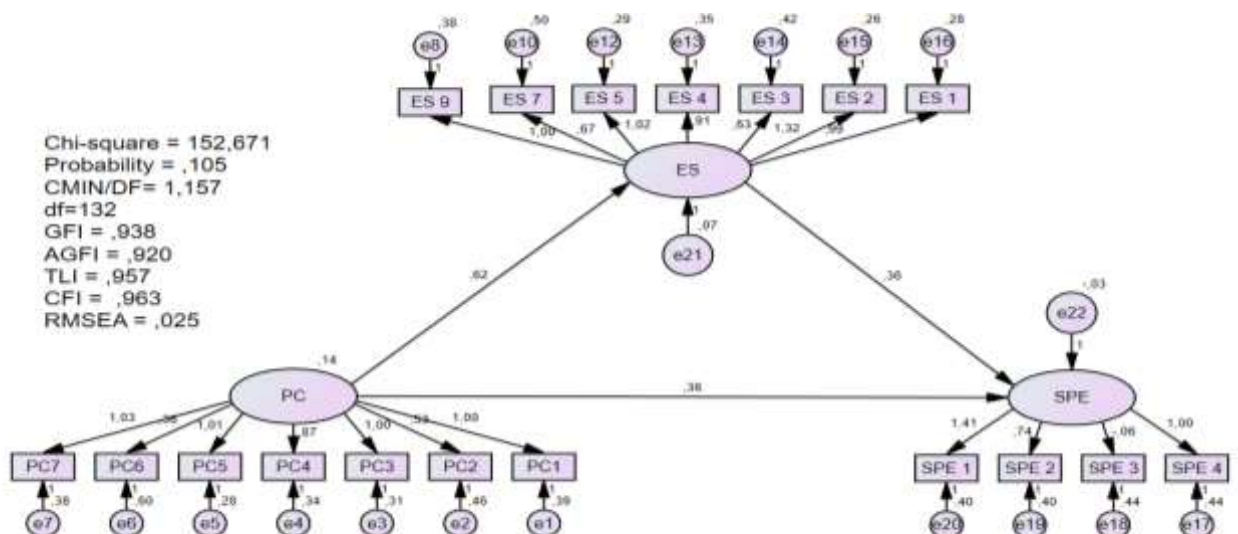
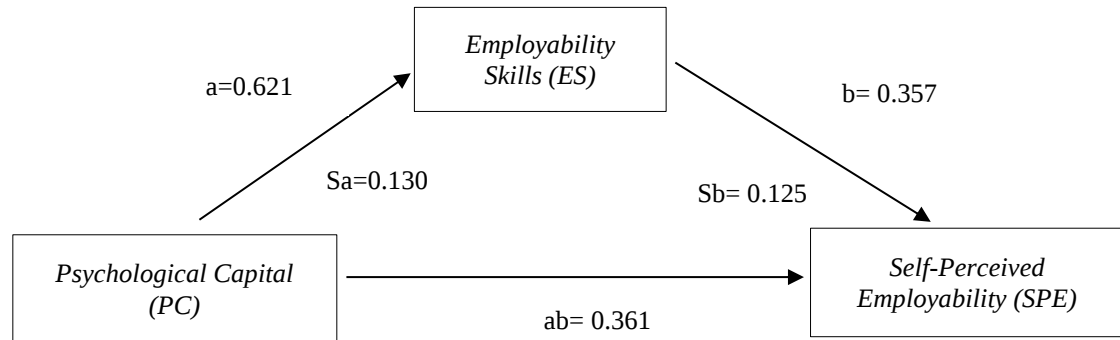


Figure 1. The Fit of the Model

The model fit assessment results indicated that the proposed Structural Equation Model (SEM) had an acceptable fit and was appropriate for hypothesis testing. The Chi-square value was 152.671 with a non-significant p-value ($p = .105$), indicating that the observed covariance matrix was not significantly different from the estimated model. The RMSEA was .025, well below the recommended cutoff of .08, indicating a close model fit. Other fit indices also met the recommended criteria, namely GFI (.938), AGFI (.920), TLI (.957), CFI (.963) and CMIN/DF (1.157). Overall, these results indicate that the structural model was a good representation of the observed data and was appropriate for subsequent hypothesis testing.

The next step involved testing the indirect effects using the Sobel Test. The regression analysis revealed that the Estimate value for Psychological Capital (PC) affecting Employability Skills (ES) was 0.621, referred to as (a), with a standard error of 0.130, denoted as (Sa). In contrast, the Estimate value for Employability Skills (ES) impacting Self-Perceived Employability (SPE) was 0.357, labelled as (b), with a standard error of 0.125, referred to as (Sb).



Source: Authors' work

Following the model fit assessment, the structural relationships were examined to test the proposed hypotheses. The significance of the direct relationships was determined using the Critical Ratio (C.R.) and p-value from the AMOS regression weights. The results of the hypothesis testing are presented in Table 4.

Table 4. Hypothesis Testing Results

Hypothesis	Relationship	Estimate	C.R./z-value	p-value	Decision
H ₁	Psychological Capital → Employability Skills	.621	4.770	< .001	Supported
H ₂	Employability Skills → Self-Perceived Employability	.357	2.847	.004	Supported
H ₃	Psychological Capital → Self-Perceived Employability	.361	2.914	.004	Supported
H ₄	Psychological Capital → Employability Skills → Self-Perceived Employability	.222	2.451	.014	Supported

Note: C.R. = Critical Ratio. The z-value for the indirect effect (H4) was obtained from the Sobel test.

Table 4 shows that psychological Capital had a positive and significant effect on employability skills (Estimate = .621, C.R. = 4.770, $p < .001$); thus, H₁ was supported. Employability skills also had a significant effect on self-perceived employability (Estimate = .357, C.R. = 2.847, $p = .004$), supporting H₂. A significant direct effect was also found between psychological Capital and self-perceived employability (Estimate = .361, C.R. = 2.914, $p = .004$); therefore, H₃ was supported.

The indirect effect was tested using the Sobel test. The coefficient for the indirect effect of psychological Capital on self-perceived employability through employability skills was .222. The Sobel test yielded a value of 2.451 with $p = .014$, indicating a significant indirect effect. Thus, H₄ was supported. As both the direct and indirect effects were significant, employability skills partially mediated the relationship between psychological Capital and self-perceived employability.

DISCUSSIONS

The results supported all hypotheses. Psychological Capital is significantly related to employability skills (H₁), and employability skills are significantly related to self-perceived employability (H₂). Psychological Capital is also significantly related to self-perceived employability (H₃). Furthermore, the mediation results support H₄, which posits that employability skills partially mediate the relationship between psychological Capital and self-perceived employability. These results indicate that psychological Capital is related to students' self-perceived employability both directly and through their employability skills. The results supported all hypotheses.

The research shows that changes in Psychological Capital (self-confidence, optimism, resilience) are significantly related to the development of individual work skills. This finding can be explained by Social Cognitive Theory, in which internal cognitive factors influence behavioural engagement and the learning process. Individuals with high psychological Capital tend to be proactive and resilient in the face of workplace challenges, which can help develop skills such as problem-solving, communication, collaboration, technology use, and adaptability. These findings are consistent with previous research highlighting the importance of psychological factors, such as hope and perseverance, in the development of technical and soft skills needed in the workplace (Rawat & Sharma, 2018).

Psychological Capital is an important cognitive process relevant to behavioural investment in skill development. The importance of psychological Capital in the development of work skills is evident in how characteristics such as optimism and resilience are instrumental in helping individuals overcome the challenges and uncertainties of their work environments.

For example, individuals with optimism are more likely to view challenges as opportunities for growth, thereby facilitating the acquisition of new skills, such as technological and teamwork skills, in rapidly changing contexts (Xanthopoulou et al., 2012). Resilience is also important for adapting to changing workplace conditions, such as industry changes and organizational policy changes. These insights can be further examined through the lens of Human Capital Theory, which holds that the development of skills is not only a function of formal education but is also dynamically influenced by an individual's psychological readiness to invest effort in learning. Therefore, the development of psychological Capital not only supports the acquisition of technical skills but also improves psychological readiness to face workplace challenges.

Moreover, it has been shown that developing employability skills increases individuals' perceptions of their readiness for the labour market. These skills are essential for increasing self-confidence in competitive situations, as individuals who believe they have sufficient work skills tend to regard themselves as qualified and competitive candidates in the labour market. Therefore, improving work skills also affects self-perceived job readiness and actual performance. The results of the present study also show that psychological Capital has a significant impact on individual perceptions of employability, consistent with Career Construction Theory, which posits that employability is an adaptive evaluation based on individuals' accumulated resources and experiences. Recent research demonstrates that psychological Capital affects perceived employability, an individual's assessment of their ability to secure and maintain employment (Sulistiobudi & Kadiyono, 2023; Tung et al., 2023). Thus, self-perceived employability emerges as a cognitive appraisal resulting from both internal psychological resources and externally developed competencies.

The findings of this research demonstrate that employability skills are an effective mediator between psychological Capital and self-perceived employability. This mediation suggests that psychological Capital, comprising optimism, self-efficacy, hope and resilience, has an indirect effect through the development of work skills, as well as a direct effect on self-perceived employability. This means that individuals with high levels of psychological Capital are more likely to develop core skills such as communication, problem-solving, and collaboration, thereby increasing their perceived readiness to enter the occupational market.

The mediating role of Employability Skills is significant because it emphasizes a two-step process in developing strong job readiness, in which Psychological Capital provides valuable psychological support that enhances individuals' motivation and perseverance when facing challenges in learning and work. Secondly, this psychological Capital encourages individuals to acquire and use skills aligned with labour market needs, thereby increasing their confidence in the selection process and their competitiveness in the workplace. Consequently, Employability Skills act as a bridge linking psychological Capital with individuals' perception of their readiness for a job, highlighting the important role of mental resilience in cultivating the competencies required in the workforce.

These findings are consistent with prior research, which highlights that psychological Capital enhances both individuals' skills and their positive self-perceptions regarding their workplace abilities (Donald et al., 2018). Although studies on psychological Capital have largely concentrated on employment contexts, recent research has begun to extend this focus to academic environments. Psychological Capital improves individuals' ability to confront challenging situations, solve problems, and interpret various facts and circumstances (Tomlinson, 2017). Moreover, psychological Capital contributes to enhancing self-awareness, critical thinking abilities, and personal adaptability.

Individuals with high levels of psychological Capital are more likely to successfully acquire a broader range of work skills due to their persistence and dedication. Therefore, psychological Capital is essential for college students as they develop their employability skills. At the same time, the development of employability skills by these students improves their perceptions of these skills. Employability skills could mediate the relationship between psychological Capital and perceptions of these skills. This means that the influence of psychological Capital on a person's perception of job readiness can be partially explained by the ability to develop work skills that match labour market demands. In other words, psychological Capital affects perceptions of job readiness directly, and indirectly by contributing to the development of work skills that reinforce these perceptions. These findings highlight the importance of a combined effort to develop psychological Capital and practical skills to create a skilled, confident workforce ready to face career challenges.

Overall, these findings have both theoretical and practical implications. Theoretically, the results support the use of Social Cognitive Theory, Human Capital Theory, and Career Construction Theory in explaining how psychological Capital, employability skills, and self-perceived employability are related. In practice, the findings suggest that universities need to support both students' psychological Capital and their employability skills. Developing self-efficacy, hope, optimism, and resilience, together with communication, collaboration, problem-solving, and technological skills, may better prepare students to enter the labour market.

CONCLUSIONS

This study aimed to examine the relationship between psychological Capital and self-perceived employability, with employability skills mediating the relationship among final-year undergraduate students. The results showed that psychological Capital was positively related to employability skills and self-perceived employability. Employability skills were also positively related to self-perceived employability and partially mediated the relationship between psychological Capital and self-perceived employability. These findings show that students' perceptions of their employability are related not only to their psychological resources but also to the work-related skills they develop.

The main contribution of this study is the explanation of employability skills as a mechanism linking psychological Capital with self-perceived employability. The findings also provide support for Social Cognitive Theory, Human Capital Theory, and Career Construction Theory in explaining the relationships among psychological resources, skills, and perceptions of employability. In practice, universities need to consider both psychological capital and employability skills in preparing students for employment. Learning activities, internships, career programmes, and other student development

activities can provide opportunities to strengthen self-efficacy, hope, optimism, and resilience, as well as communication, collaboration, problem-solving, and technological skills.

This study has several limitations. The cross-sectional design limits the ability to explain changes in psychological Capital, employability skills, and self-perceived employability over time. In addition, the study focused on final-year undergraduate students from a specific educational context, which limits the generalizability of the findings to other student populations and institutional settings. The use of self-reported measures should also be considered, as the findings reflect students' assessments of their psychological resources, skills, and employability. Future studies could use longitudinal designs to examine how these relationships develop over time and involve students from different institutions, disciplines, or educational contexts. Further research could also include external assessments of employability skills or other factors that may explain how psychological Capital contributes to students' employability.

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