

Universitas Negeri Padang & Ikatan Konselor Indonesia

Editorial Office: Jurusan Bimbingan dan Konseling I Faculty of Education I Universitas Negeri Padang

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Volume 13 Number 2 2024



KONSELOR

ISSN 1412-9760 (Print) | ISSN 2541-5948 (Online)

Editor: Nilma Zola

Publication details, including author guidelines

URL: <https://counselor.ppj.unp.ac.id/index.php/konselor/about/submissions>

Psychological Capital of Generation Z in Facing The Workforce: A Narrative Literature Review

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Article History

Received: Monday, April 29, 2024

Revised: Thursday, May 16, 2024

Accepted: Thursday, June 06, 2024

How to cite this article (APA)

Nu'ma, F. A., & Mangunsong, F. M. (2024). Psychological Capital of Generation Z in Facing The Workforce: A Narrative Literature Review. *KONSELOR*, 13(2), 108-120 <https://doi.org/10.24036/0202413271-0-86>

The readers can link to article via <https://doi.org/10.24036/0202413271-0-86>

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Psychological Capital of Generation Z in Facing The Workforce: A Narrative Literature Review

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Abstract: Characteristics of Generation Z (Gen Z), especially final-year university students, have different attitudes, expectations, strengths, and weakness compared to previous generations when facing the job market. However, there is still a lack of literature discussing Gen Z in their career journey. Previous research indicates that psychological capital is a psychological resource by individuals in job performance and adapting to the workforce. This narrative review aims to provide an overview of Psychological Capital (PsyCap) in Gen Z when facing the job market. A literature review was conducted on 24 articles obtained from seven sources: Emerald Insight, Google Scholar, ProQuest, Sage Journal, SpringerLink, Taylor Francis, Science direct and Sinta Database. From the 24 literatures that met the inclusion criteria, this study focuses on four aspects: (1) characteristics Gen Z facing the workforce, (2) the differences PsyCap Gen Z with previous generation, (3) importance PsyCap in facing workforce, (4) and intervention to enhance PsyCap. From the literature analysis, it can be concluded that the PsyCap of Gen Z in several studies shows varied results. Some indicate that Gen Z's PsyCap is lower than previous generations, while other studies find that Gen Z's PsyCap is in the medium to high category. These differences show that although there are concerns about the low PsyCap of Gen Z, there is potential that this generation has an openness to possessing good psychological capacities in facing challenges. Therefore, interventions to enhance PsyCap for students are crucial for higher educations institutions to prepare graduates who are psychologically ready to compete in the job market.

Key Words: Career; College students; Gen Z; Psychological capital; Workforce.

INTRODUCTION

In 2022, Indonesia had an unemployment rate of 5.50%, placing it fourth among 10 lower-middle-income countries (Muhyiddin, 2023). According to data from the Central Statistics Agency (BPS), in August 2023, the open unemployment rate (TPT) in Indonesia reached 5.32%, or about 7.68 million people. Of this number, approximately 1.1 million were higher education graduates (D4 and Bachelor's degree). The unemployment rate among higher education graduates increased by 1.08% from 2019 to 2022 (Yonanda & Usman, 2023). The rise in educated unemployment is also due to the shift from the formal business sector to the informal sector, as well as the increase in the number of university graduates not being matched by the availability of job opportunities. During the pandemic, educated unemployment was dominated by bachelor's (S1) and postgraduate (S2-23) graduates, accounting for 65.54% (Setyanti & Finuliyah, 2022). The issue of unemployment among higher education graduates

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also occurs in European countries, as a consequence of the economic crisis, increased globalization, and organizational and technical changes in companies occurring globally (Ayala Calvo & Manzano García, 2021).

These various changes have resulted in young people finding it difficult to secure employment after graduating from college (Muhyiddin, 2023). The productive age range of the current youth is predominantly composed of Gen Z, individuals born between 1995 and 2010, who will account for approximately 32% of the population and are currently aged 14 to 29 years. Final-year students and fresh graduates are part of Gen Z who are transitioning from the academic phase to the workforce (Cartwright-Stroupe & Shinnars, 2021). Gen Z, especially final-year students, has different attitudes, expectations, strengths, and weaknesses compared to previous generations. Overprotective parenting of this generation has resulted in Gen Z having lower resilience and being less prepared to facing competitive job market (Ang et al., 2022). Suryadi's (2023) study found that in 2021 there was a decrease in the employment absorption of Gen Z due to limited job opportunities.

In a complex and uncertain situation, psychological resources are needed to help Gen Z remain resilient and empowered. Psychological Capital is a composite concept defined as an individual's positive psychological state characterized by self-efficacy, optimism, hope, and resilience (Luthans et al., 2007). Psychological capital is one of the psychological resources that can influence students' coping strategies in dealing with job anxiety and adapting to the workforce (Belle et al., 2022).

The topic of careers for Gen Z has garnered increasing interest from both academics and practitioners (Pham et al., 2024). With Gen Z's emphasis on individualization and diversity, various researchers have investigated the careers of this young generation from their respective perspectives. However, there has yet to be a comprehensive literature review on the career topic of Gen Z, particularly from their own perspective. Therefore, the lack of literature reviews on Gen Z's self-perception of their careers represents a significant gap in understanding the needs, desires, and perceptions of Gen Z in their career journeys (Pham et al., 2024). Moreover, Gen Z is a generation prone to anxiety in uncertain situations. Understanding Gen Z's psychological capital aims to provide insights into how to reduce job-related anxiety and help Gen Z better navigate the transition into the workforce (Belle et al., 2022).

This paper aims to explore in-depth the psychological capital of Gen Z especially in student university in facing the world of work, we are focusing Gen Z in higher education context, due to gap between graduates competence and labor market needed and impacted to increasing educated unemployment. We are highlights importance understanding the characteristics of psychological capital in Gen Z is crucial for both higher education institutions and companies. For higher education institutions, understanding Gen Z's psychological capital is beneficial for preparing graduates who are psychologically ready to enter the workforce with the necessary psychological resources. For companies, as employers, understanding Gen Z's psychological capital is essential for identifying the characteristics of the population that will dominate the workplace, which will influence the work culture within a company.

To accomplish essential insight, we reviewed existing literature related to psychological Gen Z facing the workforce, based on following research questions: (1) what are characteristics Gen Z facing the workforce? (2) how the differences psychological capital Gen Z with previous generation? (3) how is the importance psychological capital in facing workforce? (4) how is intervention to enhance psychological capital?

METHOD

This study constitutes a narrative review. A narrative review is a systematic review that synthesises individual research by narrative means, involving the methodical extraction, verification, and summarisation of information regarding their methodologies and outcomes. (Petticrew & Roberts, 2006). In this context, "systematic" at least encompasses a structured literature search method and includes a specific research question and a comprehensive summary of all relevant studies (Baethge et al., 2019).

Procedures

More specifically, this research employed the preferred reporting items for systematic reviews and meta-analysis (PRISMA) method for the literature identification process. More detailed explanation of PRISMA Flowchart according to Trifu, et al (2022): First, identification is part for identified key search term, in this phase all potentially relevant studies for the research topic are searched through databases. Second, screening is step to screened the titles and abstract that met with inclusion criteria. Third, full text article reviewed for eligibility in final review, at this stage article that not relevant with inclusion criteria, will be excluded. Last, final step is inclusion where article that passed previous phases will be included to extract and analyze.

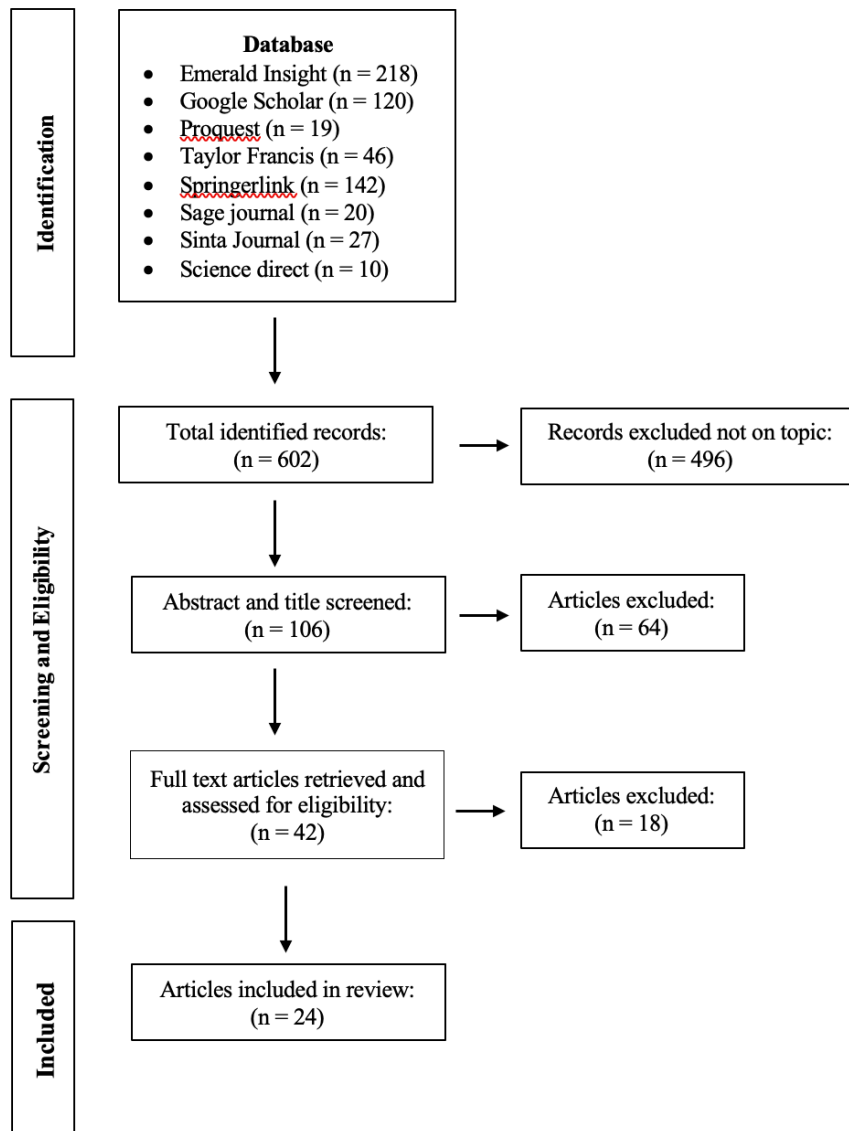


Figure 1. Flowchart PRISMA in Article Selection

Materials

Several sources utilized in this research include Emerald Insight, Proquest, Taylor & Francis, Sage Journal, Springer Link, Google Scholar, Science Direct and Sinta Journal. The keywords used for the literature search were, “Psychological Capital”, “Gen Z”, “College Student”, “Workforce”,

“Intervention Psychological Capital”. The inclusion criteria for this narrative review were articles written in English and Indonesian published from 2017 to 2024 and focusing on psychological capital in the context of students or Gen Z. Publication article focusing starting from 2017 because in those year Gen Z who were born in 1995 started to entering workforce.

Data Analysis

Based on Figure 1, 602 articles found by inclusion and exclusion criteria for further analysis, only 24 articles pertinent to the issue were fully examined. Twenty-four articles concerning psychological capital in Gen Z comprise ten studies analysing the comparison of psychological capital between Gen Z and previous generations, six articles addressing the significance of psychological capital in navigating the workforce, particularly for undergraduates transitioning from academia to practice, four studies examining the values and expectations of Gen Z regarding employment, one paper identifying key factors influencing psychological capital and three study examined intervention to improve psychological capital in higher education context. The articles have been analysed to extract findings and crucial insights for the debate offered in this literature review.

RESULTS

The literature review done has culminated in a complete assessment of Gen Z's psychological capital, summarised into the following principal themes:

Characteristics Gen Z facing the workforce

Gen Z, particularly final-year students, is at the stage of starting their careers. This generation, which has grown up alongside the advancement of increasingly sophisticated technology, has unique characteristics that differ from previous generations. Gen Z facing the workforce not as prepared and less confident as previous generation, because they lack of work experience also these generation grows up with overprotective parenting that inhibit their opportunity to make responsible decisions in ambiguous and uncertain situations (Cartwright-Stroupe & Shinnars, 2021; Schroth, 2019). Growing in culture of safety leads Gen Z unfamiliar with uncertainty and caused they experience more negative emotions such as anxiety and less resilient, in addition as a digital natives they prone to have individualistic traits which at certain level will harm themselves (Liu et al., 2024; Muslihati, 2023; Schroth, 2019). Those background resulted Gen Z had different value and expectation about workforce, such as : work life balance, job security, high salary, flexibility, meaningful work, learning opportunities, and personal connect with colleagues (Chillakuri, 2020; Ma & Fang, 2023; Muslihati, 2023).

Differences psychological capital Gen Z with previous generation

Several studies found there are differences of psychological capital Gen Z with previous generation especially during and post COVID-19 pandemic. Before COVID-19 pandemic, study in Indonesia found 919 college student had moderate to high score of psychological capital (Khairurahman & Wicaksono, 2017). In contrary, during and post COVID-19 pandemic Gen Z reported higher level of stress, anxiety, lower self esteem, less resilient and lower psychological capital. Consequently, it affect Gen Z especially student university, less confident to start professional career than previous generation, affect student persistence during online university, experience more negative emotions than pre-pandemic students, and more stress that effect on their PsyCap compared to non Gen Z (Black et al., 2023; Cartwright-Stroupe & Shinnars, 2021; Harari et al., 2023; Liu et al., 2024). Furthermore, another study found, even Gen Z showed lower resilience but they had high openness to change is positive indication ability Gen Z to overcome difficulties (Harari et al., 2023a), this finding align with previous study which found students college in Indonesia displayed positive attitude in learning processes, despite the challenge and changes faced (Rahmi & Safitri, 2023), it can be seen from study that showed 86,6%

participants final year student undergoing internship program (MBKM) had psychological capital score at highest level (Rahmi, 2023a). Align with that, another study found Gen Z employees have a high average score of psychological capital and resilience is the dimension that has the biggest impact on work engagement among Gen Z employee (Natalia & Lie, 2024)

Importance psychological capital in facing workforce

Psychological capital is important positive resource for college student as Gen Z that just entering the workforce which has been proven by several previous studies. Psychological capital showed weakens employment anxiety in college student, also PsyCap found as antecedent of employability skills that support persistence in performance job seeking and help job seekers deal with rejections, job seekers who had high level psychological capital will consistent to achieve long term goals despite facing various challenges (Ayala Calvo & Manzano García, 2021; Belle et al., 2022; Georgiou & Nikolaou, 2019, Wan Sulaiman et al., 2023). Psychological capital found as strongly affected college students career adaptability followed by human and social capital, especially hope and resiliency are significant aspect to enhance career adaptability (Xu et al., 2024). Final year student who had high psychological capital means highly confidence and able to overcome the challenge, resilient in facing difficulties, and persistent to achieve goals (Rahmi, 2023).

Family is important factor influencing psychological capital, overly strict parenting lead low self-esteem on student, even psychological capital is strengthened, they prone to had emotional maladaptation it showed from the study finding that college students with higher levels of parent-child relationship had stronger predictive effects of psychological capital and weaker predictive effects of expressive suppression on anxiety mood (Z. Liu et al., 2024).

Intervention to improving psychological capital

There are three studies that found intervention to enhances psychological capital. First, concept Psychological Capital Intervention (PCI) by Luthans & Youssef Morgan (2017) recommend to delivered effective psychological capitak intervention in a conducive and positive environment using effective group dynamics and team building skills. Second, study by Zeng, Chen & Zheng (2024) found group counseling via multimedia system significantly enhances psychological capital of college student, and highlight valuable aspect for improving psychological capital focusing on independent thinking, decision-making, and execution. Third, study by Gomes Da Costa et al (2021) tested the effectiveness of an educational intervention based on the four-stage experiential learning theory (ELT) and positive psychology perspectives to enhance psychological capital and emotional intelligence using an approach integrated into two curriculum units in higher education.

Table 1. Summary of articles included in literature review

No.	Author(s)	Year	Study Findings	Study Relevance to PsyCap Gen Z
1.	Cartwright-stroupe & Shinnars	2021	PsyCap Gen Z from new graduate nurse (NGN) slight decrease compared to Gen x and millenials	GenZ NGSs are starting their professional careers feeling less confident than previous generation
2.	Black, Bissessar & Boolaky	2020	Changing psychological capacity of online university students affect student persistence	Develop student PsyCap curricular in online program has tremendous value for all societal stakeholders
3.	Belle, et al	2022	PsyCap weakens employment anxiety of 546 final year student in china	Importance nurturing PsyCap of student along with job exposure to student.

No.	Author(s)	Year	Study Findings	Study Relevance to PsyCap Gen Z
4.	Li & Zhu	2024	Positive psychological capital mediated the association negotiate fate and life satisfaction.	Negotiable fate leads individuals better to accept unchangeable control and enables them to recover from setbacks
5.	Georgiou & Nikolaou	2018	Psychological capital support persistence and success with performance in job seeking.	PsyCap is important positive resource for job seeker to be able to deal with setbacks and rejections
6.	Calvo & García	2020	Study found that psychological capital is antecedent variable of employability skills.	PsyCap explain level of competency of final-year students in the skills most demanded by entrepreneurs
7.	Li, et al	2024	Student LBEs during the COVID-19 endemic period had lower PsyCap and self-esteem scores, but higher anxiety scores than Student NLBEs.	Post-epidemic students may be more likely to experience negative emotions such as anxiety and depression when compared to the pre-epidemic students
8.	Xu, et al	2023	PsyCap strongly affected college students' career adaptability, followed by human and social capital.	Hope and resiliency are more important positive psychological qualities to enhance career adaptability
9.	Khairurahman & Wicaksono	2017	There is a significant relationship between psychological capital and self-perceived employability.	Psychological capital among 919 students tend to be in the moderate to high category
10.	Nugroho & Fajrianthi	2021	PsyCap scores final-year students in the are still mostly in the moderate category, with some in the low category.	Faculty should concern importance of PsyCap in influencing self-perceived employability, which in turn affects their success in job hunting after graduation.
11.	Rahmi & Safitri	2023	Self-regulated learning and psychological capital were at moderate level for most participants.	Students in Indonesia displayed positive attitude in learning processes, despite the challenges and changes
12.	Rahmi	2023	PsyCap mediates the relationship between social support and career adaptability.	86,6% participants final year students undergoing internship program (MBKM) had PsyCap at highest level
13.	Natalia, Zamralita, & Lie	2024	Gen Z employees have a high average score of psychological capital.	Resilience is the dimension that has the biggest impact on work engagement among Gen Z employee
14.	Muslihati, et al	2023	Four main work values in Gen Z such as working in a team, looking for opportunities to develop, having high social values, and being able to move jobs easily.	Gen Z who born and grows with technology, prone to have individualistic traits which at a certain level will actually harm themselves
15.	Ma & Fang	2023	Work preferences among Gen Z job seekers, such as personal interests, work-life	Gen Z college student expressed dissatisfaction and lack support of career guidance provided by universities

No.	Author(s)	Year	Study Findings	Study Relevance to PsyCap Gen Z
			balance, learning opportunities, community engagement, financial independence and flexibility.	
16.	Schroth	2019	Gen Z grows up with overprotective parenting inhibit their opportunity to make responsible decisions in ambiguous situations.	Factor Gen Z not as prepared as previous generation, include lack of work experience, advent of smartphone and social media, social justice movement, and growing up in a culture of safety
17.	Zeng, Chen & Zheng	2024	Introduction of group counseling via a multimedia system significantly enhances the PsyCap of college students.	Valuable reference for enhancing the PsyCap, focusing on independent thinking, decision-making, and execution.
18.	Luthans & Youssef-Morgan	2017	Effective PsyCap Interventions, should be delivered in a conducive and positive environment.	For PCI recommendation to be delivered using effective group dynamics and team-building skills
19.	Park, et al	2022	Gen Z level of stress relatively extreme effect on their PsyCap and life satisfaction, compared to non Gen Z group.	Even Gen Z are the most vulnerable to stress and less resilient among all generations. Those able to cope with situation were able to leverage community involvement to boost their PsyCap
20.	Liu, et al	2024	Family is important factor influencing PsyCap. Higher levels of parent-child relationship had stronger predictive effects of PsyCap.	Overly strict parenting lead low self esteem on student, even psychological capital is strengthened, they prone to had emotional maladaptation
21.	Chillakuri	2020	Six essential needs of Gen Z in onboarding : Meaningful work, feedback about performance, work-life balance, personal connect, detail oriented, learning opportunities.	Gen Z grown up during economic uncertainty leads more concern about job security and high salary, so they tend to career hungry.
22.	Sulaiman, Shariff & Khairudin	2023	Job seekers who have a high PsyCap have higher grit and flourishing.	Job seekers who had high level PsyCap will consistent to achieve long term goals despite facing various challenges
23.	Harari, Sela & Bareket-Bojmel	2022	Compared to Gen X, Gen Z were less resilient during covid-19 but had higher levels of openness to change, and self-enhancement and more positive in their attitudes toward flexible learning.	Even Gen Z showed lower resilience, high openness to change is positive indication ability Gen Z to overcome difficulties
24.	Gomes Da Costa et al	2021	Effectiveness educational intervention based on the four-stage experiential learning theory (ELT) to enhance PsyCap student college	recommend that higher education institutions develop PsyCap resources in the classroom through experiential learning theory (ELT)

Table 1 presents a summary of the study's relevance to the psychological capital (PsyCap) of Gen Z, particularly focusing on how the outcomes have mirrored key findings related to Gen Z's experience in facing the workforce. These psychological assets enable them to face workplace challenges with confidence, adaptability, and a positive outlook, making them valuable contributors to today's rapidly evolving business landscape.

DISCUSSION

Importance Understanding Psychological Capital Gen Z

Gen Z, particularly final-year students, is at the stage of starting their careers. This generation, which has grown up alongside the advancement of increasingly sophisticated technology, has unique characteristics that differ from previous generations. Gen Z facing the workforce not as prepared and less confident as previous generation, because they lack of work experience also these generation grows up with overprotective parenting that inhibit their opportunity to make responsible decisions in ambiguous and uncertain situations (Cartwright-Stroupe & Shinnars, 2021; Schroth, 2019). Growing in culture of safety leads Gen Z unfamiliar with uncertainty and caused they experience more negative emotions such as anxiety and less resilient, in addition as a digital native they prone to have individualistic traits which at certain level will harm themselves (Liu et al., 2024; Muslihata, 2023; Schroth, 2019). Those background resulted Gen Z had different value and expectation about work preference and predicted to bring drastic change to future workforce with their work preference, such as: work life balance, job security, high salary, flexibility, meaningful work, learning opportunities, and personal connect with colleagues (Chillakuri, 2020; Ma & Fang, 2023; Muslihata, 2023).

Growing up during economic uncertainty leads Gen Z as most achievement-oriented and more concern about job security, financial independence, so they tend to career hungry (Chillakuri, 2020; Schroth, 2019). Despite their ambitions, Gen Z is the most vulnerable generation to depression and anxiety (Ma & Fang, 2023). The reality is that the COVID-19 pandemic caused a severe crisis in the labor market, leading to sudden job losses. As a result, many internships were canceled, job offers were rescinded, and burgeoning careers were disrupted. The post-pandemic labor market crisis has worsened, threatening recent graduates with potential unemployment due to the lack of available jobs, almost all students spend their time on campus without real work experience. Thus, the transition from campus life to the workforce in an uncertain labor market is anxiety-inducing for students (Belle et al., 2022). High expectations of Gen Z clash with the harsh reality of the competitive job market, triggering anxiety and potential difficulties in career exploration, which can lead to an increase in unemployment. In facing the transition to a career filled with uncertainty, it is assumed that Gen Z possesses good psychological resources. One psychological resource that can help individuals navigate this transition is psychological capital (Belle et al., 2022).

Psychological Capital is a composite concept defined as an individual's positive psychological state, characterized by self-efficacy, optimism, hope, and resilience (Luthans et al., 2007). These four dimensions are further detailed as follows: 1) Self-efficacy is marked by having confidence to take on and put in the necessary effort to succeed at challenging tasks, 2) Optimism is characterized by a positive attribution about succeeding now and in the future, 3) Hope is indicated by persevering toward goals and, when necessary, redirecting paths to goals in order to succeed, 4) Resilience is the ability to bounce back and recover stronger when faced with problems and difficulties (Luthans et al., 2007). Various studies explain that psychological capital, as a blend of positive psychological concepts, can help individuals face uncertain situations, including students entering the workforce, which is often full of uncertainties. Luthans and Youssef (2007) suggests university students need to develop psychological capital to prepare themselves for competition in the labor market (Wan Sulaiman et al., 2023). Psychological Capital is a critical resource for students, fostering their career engagements, which ultimately enhances their perceptions of employability (Baluku et al., 2021).

Several studies found there are differences of psychological capital Gen Z with previous generation especially during and post COVID-19 pandemic. Before COVID-19 pandemic, study in Indonesia found 919 college students had moderate to high score of psychological capital (Khairurahman & Wicaksono, 2017). In contrary, during and post COVID-19 pandemic Gen Z reported higher level of stress, anxiety, lower self-esteem, less resilient and lower psychological capital. A study by Cartwright-Stroupe & Shinnars (2021) on nursing graduates across three different generations found that all dimensions of Gen Z's psychological capital—self-efficacy, hope, optimism, and resilience—scored the lowest compared to millennials and Generation X. This changing psychological capacity also found in university student that affect to online university student persistence (Black et al., 2023). Another study showed that left behind experiences student college during covid-19 had lower psychological capital and low self-esteem scores, but higher anxiety scores compared to non-left behind experiences student (Q. Liu et al., 2024b). In addition, Gen Z level of stress found relatively extreme effect on their PsyCap and life satisfaction, compared to non Gen Z group, even Gen Z are the most vulnerable to stress and less resilient among all generations, Gen Z is social and adept at handling technology were able to cope distress with leverage community involvement to boost their PsyCap (Park et al., 2022). These finding support previous study, compared to Gen X, Gen Z found were less resilient during covid-19 but had higher levels of openness to change, high openness to change is positive indication ability Gen Z to overcome difficulties (Harari et al., 2023b).

In Indonesia research study that conducted after covid-19 pandemic showed various result about psychological capital scores of college student. Study by Nugroho & Fajrianti (2021) found mostly PsyCap scores of 180 final year student in moderate category with some in low category. Align with that Rahmi & Safitri (2023) showed self-regulated learning and psychological capital were at moderate level for most participant from total 207 college students, means students in Indonesia displayed positive attitude in learning processes, despite the challenges and changes faced. In contrary, 86,6 % of 152 final year student undergoing internship program (MBKM) had psychological capital at highest level, means most of participants had highly confidence and able to overcome the challenge, resilient in facing difficulties, and persistent to achieve goals during internship (Rahmi, 2023b). This finding align with previous study that explain student with high internship experience are likely to develop sense of competence and interacting with their psychological capital to reduced anxiety with clear-headedness (Belle et al., 2022). In employee context, study found that Gen Z employees have a high average score of psychological capital and resilience is the dimension that has the biggest impact on work engagement among Gen Z employee (Natalia & Lie, 2024)

Research on Gen Z's psychological capital shows varied results. Some studies found that Gen Z's PsyCap is lower compared to previous generations. This could be due to various factors such as social pressure, economic uncertainty, and rapid technological and environmental changes that affect their confidence, optimism, hope, and resilience. Conversely, other studies show that Gen Z's PsyCap is in the moderate to high category, indicating that this generation still has good potential and psychological resources. This could be linked to strong adaptability, broader access to information, and better social support from their environment. The differences between these studies might be due to variations in the samples used, different measurement methods, or different social and cultural contexts in which the studies were conducted. Overall, these studies indicate that despite concerns about low PsyCap in Gen Z, there are still indications that this generation has good psychological capacity to face challenges. This emphasizes the importance of providing appropriate support to develop and enhance PsyCap in Gen Z. Higher education institutions must start paying attention to efforts to enhance the psychological resources of students to face job market competition. Gen Z needs career planning services to help them navigate the transition to the workforce and career exploration (Muslihati, 2023).

Interventions to Enhance Psychological Capital

One of the objectives of this literature is to emphasize the urgency of enhancing psychological capital, a recommendation frequently highlighted in previous research. Many students' express dissatisfaction with career guidance services on campus (Ma & Fang, 2023). Evidence that psychological capital can mitigate job-related anxiety indicates that higher education institutions can

take action to enhance students' positive psychology. Therefore, it is not only essential to provide internship opportunities but also to have career counselors who can develop individual resources such as positive PsyCap, self-efficacy, self-evaluation, and mindfulness to help reduce job-related anxiety among students (Belle et al., 2022). Since PsyCap is a relatively developable psychological resource, this fact should be considered by higher education institutions when designing short-term intervention programs to enhance students' PsyCap (Hazan-Liran & Miller, 2023).

Effective PsyCap development interventions, according to Luthans & Morgan (2017), should be delivered in a conducive and positive environment as they aim to replace long-standing entrenched beliefs with positive mindsets. Specifically, PsyCap development interventions typically include goal setting, creating pathways to achieve goals, mental practice of pursuing goals through various alternative methods, and planning to overcome obstacles. Additionally, each activity should have specific and measurable objectives and is highly recommended to be delivered using effective group dynamics and team-building skills (Luthans & Youssef-Morgan, 2017). PsyCap can be enhanced in university education by providing foundational knowledge about the importance of PsyCap, building students' self-confidence and sense of responsibility to voice opinions in groups, and guiding students to effectively handle difficulties and pressures. Systematic PsyCap interventions for students are strongly recommended, as there is still limited research focusing on enhancing students' PsyCap (Li et al., 2023).

A study by Gomes Da Costa et al. (2021) tested the effectiveness of an educational intervention based on the four-stage experiential learning theory (ELT) and positive psychology perspectives to enhance psychological capital and emotional intelligence using an approach integrated into two curriculum units. This study involved 165 students and successfully improved Psychological Capital. Examples of activities in the module to enhance PsyCap included 1) lectures on the recruitment and selection process, 2) students simulating the recruitment process, 3) reflecting on experiences in recruitment and selection, and 4) interviewing someone in a dream job to learn how to obtain such a position. The results of this study recommend that higher education institutions develop positive psychological resources in the classroom through experiential learning theory (ELT) and that companies should be responsible for offering formal training to develop non-cognitive skills, including psychological capital (Gomes da Costa et al., 2021).

Another alternative intervention is application-based interventions. A study demonstrated the effectiveness of application-based interventions in improving resilience and psychological well-being among employees. This research provides empirical evidence that application-based interventions can maintain participant engagement sustainably and are more practical, reducing face-to-face time and intervention costs (Avey et al., 2023). These findings can be adopted by higher education institutions to develop application-based interventions, which are expected to create effectiveness and efficiency in systematically and extensively enhancing psychological capital among students. Regarding technology-based interventions, another study by Zeng (2024) found psychological capital university student significantly enhanced using group counseling via multimedia system. This study serves a valuable reference for higher education institutions to adopt technology-based intervention to improving students' psychological capital.

Limitations

The limitation of this study is that the author did not identify any articles specifically comparing the psychological capital of Gen Z with that of previous generations, particularly across all dimensions (hope, self-efficacy, resilience, optimism) with detailed explanations; it merely demonstrates that the psychological capital of Gen Z is lower than that of previous generations. Secondly, there is a paucity of scholarly articles addressing the factors of psychological capital. Third, the author has not identified any interventions aimed at improving psychological capital in higher education that have been implemented in Indonesia. The author recommends that future studies focus on the variations in psychological capital between Gen Z and preceding generations, providing detailed explanations and interventions to enhance psychological capital applicable in Indonesia.

CONCLUSION

Psychological capital is an essential psychological resource for individuals to adapt to uncertain situations, including the unpredictable world of work. Previous study found psychological capital as an antecedent of employability skills that support persistence in performance job seeking and help job seekers deal with rejections, job seekers who had high level psychological capital will consistent to achieve long term goals despite facing various challenges. Final year students, as part of Gen Z, who are about to enter the workforce, possess unique characteristics distinct from previous generations, such as heightened anxiety and lower resilience in the face of difficulties. This is partly attributed to Gen Z's upbringing in highly protective environments that foster a sense of security. Studies on Gen Z's psychological capital show varied results.

Some studies indicate that Gen Z's psychological capital is lower compared to previous generations, while others find it to be in the moderate to high range. These differences suggest that despite concerns about the lower psychological capital of Gen Z, there is potential for this generation to possess the psychological capacity to handle challenges effectively. Given that psychological capital is a malleable and can be developed, this narrative review recommends that systematic interventions to enhance psychological capital are crucial considerations for higher education institutions and companies. Several interventions can be implemented by higher education institutions to improve students' psychological capital. These include providing career counseling, enhancing psychological capital through curriculum integration, and developing application-based interventions to foster students' psychological capital. Developing psychological resources for students as they transition into the workforce is crucial for preparing graduates to compete effectively in the job market.

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