

Theorising the boundary condition between psychological capital and graduate employability: Does grit matter?

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Abstract

The construct of graduate employability (GE) has received considerable attention from researchers and practitioners because of its crucial role in national economic agendas. Previous research is mixed in terms of the association between psychological capital (PsyCap) and GE. This represents a significant theoretical gap in the literature. To address this knowledge gap and better understand the relationship, we proposed grit as the potential “moderator” between PsyCap and GE. By incorporating grit as moderator, this paper aims to contribute to concept and theory development in the field of educational management. The paper provides valuable insights that support the notion that PsyCap and grit acquisition enhance GE.

1 Introduction

Over the past decade there has been sustained research into GE, and the subject continues to be of considerable interest among policy-makers, employers and scholars alike (Beaumont et al., 2016). The current general consensus acknowledges employability as a critical resource for individuals, particularly graduates, if they are to have the upper hand in the ever-competitive labour market (Fugate et al., 2004). Today’s economic climate has driven organisations to be versatile and adaptable, which eliminates the promise of job security and replaces it with the concept of maintaining individuals’ employability (Kasler et al., 2017). The current job market is witnessing an annual increase in the number of graduates, which has become another significant concern for existing job seekers (Aida et al., 2015). There is a significant increase in the number of unemployed graduates, which indicates that attaining qualifications does not always guarantee subsequent employment (Mashigo, 2014). The aforementioned socio-economic issues thus accentuate the need for graduates to possess a set of attributes that make them seen as employable.

2 Graduate employability

In this study, GE refers to “a set of achievements such as skills, understandings, and personal attributes that make graduates more likely to gain employment and be successful in their chosen occupations, which benefits themselves, the workforce, the community and the economy” (Yorke & Knight, 2006, p.3). Possession of a competence set would enable graduates to be well-equipped for career prospects and hence regarded as highly employable

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by potential employers. An extensive literature demonstrates the influence of employability on numerous positive life domains, whether explicitly in the career context or as regards individual well-being. For instance, acquisition of employability attributes allows graduates to be more autonomous and proactive in their psychological approach towards potential challenges in career development (Coetzee & Engelbrecht, 2019).

Significant research interest on GE has identified its major stakeholders (Clarke & Patrickson, 2008), namely higher education, employers and graduates (Kinash et al., 2016). Notwithstanding the individual roles of each stakeholder, effective and continuous collaboration among GE stakeholders is required not only to produce marketable individuals, but also graduates who are future-ready. Higher education institutions (HEIs) play a vital role in providing students with knowledge, skills and attributes that meet industry requirements (Caricati et al., 2016). Employers also need to ensure effective talent management strategies by working closely with other GE stakeholders (e.g., HEIs) to make clear the knowledge, skills and competencies that are currently in demand. Most importantly, graduates are equally responsible by continuously allowing themselves to acquire and adapt skills and knowledge according to current trends in the labour market (Yoong et al., 2016). Collaboration among GE stakeholders will allow better correspondence between graduates' attributes and employers' labour market requirements, with HEIs as the crucial facilitator. This collaborative work would mitigate the issue of skills mismatch, which has grown more prominent since the economic catastrophe (Yoong et al., 2016).

A number of studies have examined the various factors that contribute to enhancement of GE. To date, some of the antecedents of GE that have been studied include soft skills (Chhinzer & Russo, 2018); work experience (Beaven & Wright, 2006); knowledge acquisition (Collet et al., 2015); and problem-solving (Teijeiro et al., 2013). While factors influencing GE have been examined, relatively few studies have attempted to consider PsyCap as a GE antecedent.

3 Psychological capital

In the highly competitive labour market, a combination of field-specific knowledge and technical skills are no longer a sufficient indicator of work-ready or employable graduates. This circumstance provides new impetus for graduates to develop competencies beyond the qualifications acquired, if they are to increase their employability (Mashigo, 2014). This study therefore provides a new insight for GE literature by considering personal resources such as PsyCap as an essential competence that contributes to producing employable graduates. Luthans, Youssef and Avolio (2007) define PsyCap as

An individual's positive psychological state of development that is characterised by (1) having confidence (self-efficacy) to take on and put in the necessary effort to succeed at challenging tasks; (2) making a positive attribution (optimism) about succeeding now and in the future; (3) persevering toward goals and, when necessary, redirecting paths to goals (hope) in order to succeed; and (4) when beset by problems and adversity, sustaining and bouncing back and even beyond (resilience) to attain success. (p. 3)

Collectively, the four dimensions of PsyCap have been demonstrated through conceptual and empirical analysis to be known as a higher-order construct (Luthans et al., 2010). A study by Rioli et al. (2012) demonstrates that students with PsyCap can better cope with stressful events during their academic studies. Luthans and Youssef-Morgan (2007) suggested the need for students to cultivate PsyCap to prepare themselves for the competitive marketplace. Studies by Avey et al. (2008) and Gooty et al. (2009) found that individuals with higher PsyCap levels are more able to sustain and cope with daily struggles at work than their counterparts. The literature also found that graduates with PsyCap perceived themselves as showing higher job performance, and they were more satisfied and committed to their jobs (Larson, 2013).

The ever-changing working world and rapid technological changes have stimulated employers to continually update the latest graduate competencies, making it necessary for graduates to keep up with these advances. As opposed to tailgating endless transformations, this paper suggests taking a step back to focus on the essential competencies that every graduate needs. Unlike subject knowledge and technical skills, personal resources (i.e. PsyCap) are transferable skills that can be applied across different jobs and industries, and hence they are the most favoured by employers (Robinson et al., 2007). PsyCap as the foundation of psychological competencies will enable graduates to remain prepared for any challenge.

4 Grit

Existing research into PsyCap and GE has yielded conflicting findings (Bakari & Khoso, 2017; Kasler et al., 2017), thereby justifying the need for further research and the introduction of a moderating variable. In 2007 Duckworth and colleagues popularised “grit”, which is described as “perseverance and passion for long-term goals. Grit entails working strenuously toward challenges, maintaining effort and interest over years despite failure, adversity, and plateaus in progress” (pp. 1087-1088). Gritty individuals are more likely to persevere and succeed despite difficulties to achieve their desired goals, such as securing a job in competitive labour market (Kasler et al., 2017). This research convinces us of the importance of grit as a crucial variable with a meaningful role in interpreting the relationship between PsyCap and GE. Grit has been demonstrated to have a significant positive impact across diverse settings, in particular higher goal attainment (Sheldon et al., 2015); academic achievement (Bowman et al., 2015); persistence in challenging tasks (Lucas et al., 2015); and remaining employed (Robertson-Kraft & Duckworth, 2014). Research on grit has also examined its impact on academic performance and achievement among students, across various settings (Lee & Sohn, 2017; Park & Cho, 2019). Hence, based on the studies mentioned, it is plausible to propose that the degree of influence of PsyCap on GE varies depending on the level of graduate grit.

5 Conceptual framework

Based on the literature overview, this paper proposes that acquisition of personal resources (i.e. PsyCap) and personality traits (i.e. grit) are likely to make graduates more employable. Figure 1 illustrates the influence of four components of PsyCap on GE, with grit as the potential moderator.

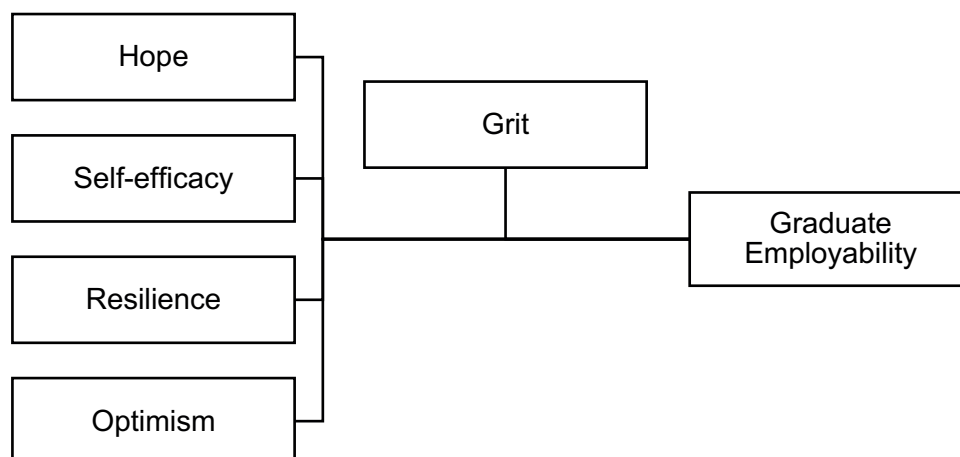


Figure 1: Conceptual framework

6 Conclusion

Future research can expand this conceptual framework by empirically examining the recommendations suggested in this paper. By building upon the extant stream of GE literature, the study provided new insights by introducing new antecedents such as PsyCap and grit. Incorporating grit as a potential moderator could contribute to a new theoretical understanding and present empirical evidence to augment the existing GE literature. Understanding the relationship will make graduates aware of its importance and inspire them to develop PsyCap and grit, which can support them in successfully obtaining and maintaining future employment (Mashigo, 2014). It is posited that PsyCap is particularly essential in today's workplace, where resilience and determination are required to achieve competitive advantage in the labour market (Siu et al., 2014). The model in this paper is also relevant to academicians, as they can help students to develop a greater sense of PsyCap and grit during their studies and after graduation. In the competitive labour market, possessing PsyCap and grit can be a factor which differentiates one graduate from another in the labour pool.

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