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THE INFLUENCE OF SOFT SKILLS AND HARD SKILLS ON WORK READINESS WITH SELF-EFFICACY AS AN INTERVENING VARIABLE AMONG MANAGEMENT STUDENTS 2021

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Abstract

The purpose of this study is to analyze the influence of soft skills and hard skills on the work readiness of Management Study Program students at Malikussaleh University class of 2021, considering the role of self-efficacy as an intervening variable. The research method used is a quantitative approach with a survey, where data is collected through questionnaires and analyzed using SEM PLS analysis with the help of Smart PLS application and mediation tests. The analysis results reveal that soft skills, hard skills, and self-efficacy significantly contribute to improving students' work readiness, both directly and through the mediating role of self-efficacy, which has proven to be a partial mediator. These findings indicate that strengthening soft skills and hard skills, along with enhancing self-efficacy, is an essential strategy to prepare graduates to face challenges in the professional world.

Keywords: ***Soft Skills, Hard Skills, Self-Efficacy, Intervening, Work Readiness.***

INTRODUCTION

Amid rapid technological advancements and globalization, challenges in the workforce have become increasingly complex, especially for college graduates. Ironically, graduates who are expected to be the backbone of development contribute significantly to unemployment statistics. According to data from the Central Statistics Agency of Indonesia (2024), the open unemployment rate reached 4.82%, with 872 thousand of them being college graduates. This phenomenon indicates that an academic degree does not necessarily align with an individual's readiness to face the real world of work.

Work readiness does not only rely on academic achievement, but also on adequate mental, technical, and interpersonal readiness (Ratuela et al., 2022). This readiness reflects an individual's ability to adapt, contribute, and compete effectively in the workplace. According to Sitio & Roswiyani (2022), work readiness is key to reducing unemployment rates and increasing the competitiveness of graduates. In this regard, the combination of hard skills, soft skills, and self-efficacy is an important foundation that every college graduate needs to possess (Januariyansah et al., 2022).

Hard skills refer to technical abilities acquired through formal education, such as data processing, operating technology, and creating effective presentations (Wibowo et al., 2020). Meanwhile, soft skills encompass non-technical abilities such as communication, critical thinking, emotional intelligence, and problem-solving skills (Ayaturrahman & Rahayu, 2023). Both play a significant role in work readiness, yet they are often not developed in a balanced manner during higher education. Additionally, self-efficacy or confidence in one's abilities is also an important variable that can enhance or even bridge the influence of hard skills and soft skills on work readiness (Wahyu & Kuncoro, 2019; Sinaga et al., 2024).

Based on observations made by the researcher on the Management Department students of Malikussaleh University class of 2021, it was found that many students still show doubts in facing the workforce. This issue arises from the imbalance between technical and non-technical skills, as well as low self-confidence in applying the knowledge gained during college to a professional context. Some students experience difficulties in communication, emotional management, critical thinking, and the use of relevant technology in the workplace.

This phenomenon indicates an urgent need to further investigate the relationship between soft skills, hard skills, and self-efficacy on students' work readiness. Focusing on the Management Department students of Malikussaleh University class of 2021, this study aims to identify and analyze the factors influencing students' work readiness in facing challenges in the professional world. This research is expected to contribute both theoretically and practically to curriculum development, training strategies, and character building of graduates who are job-ready.

LITERATURE REVIEW

Soft skills refer to communication abilities, personality traits, inherent social intelligence, and the capacity to adapt effectively in both daily life and work environments (Sari & Manunggal, 2023). Several studies have discussed this concept, indicating that soft skills have a positive influence on the Work Readiness of university students (Damayantiel & Kustini, 2022; Seltiarini et al., 2022; Poldunggel et al., 2023).

H1 The influence of soft skills on work readiness

Hard skills are highly needed in the professional workforce, so students need to develop their academic and technical skills (Wings et al., 2021). Several studies discussing this matter indicate that hard skills have a direct influence on students' work readiness (Seltiawati & Mayasari, 2021; Nolvita et al., 2023; Riyantol et al., 2023).

H2 The influence of hard skills on work readiness

Self-efficacy plays an important role in preparing students before entering the professional workforce (Rolcmah et al., 2024). Several studies indicate that self-efficacy influences students' work readiness (Delvita Putri, 2024; Ratuella et al., 2022; Nolvita et al., 2023).

H3 The influence of self-efficacy on work readiness

Soft skills are abilities within a person that also influence self-efficacy. The higher the soft skills possessed, the better the self-efficacy of students (Cahyadiana, 2020). Several studies indicate that soft skills influence students' self-efficacy (Sinaga et al., 2024; Lucktolng & Pandely, 2020).

H4 The influence of soft skills on self-efficacy

Hard skills also contribute to the formation of students' self-efficacy. The higher the hard skills, the more self-efficacy tends to increase (Poldunggel et al., 2023). Several studies indicate that hard skills influence students' self-efficacy (Sinaga et al., 2024; Cahyadiana, 2020).

H5 The influence of hard skills on self-efficacy

Students with high self-efficacy tend to be more capable of effectively utilizing their skills in a professional environment. This confidence not only supports skill mastery but also its optimal application in the workforce (Ratuella et al., 2022). Research by Sinaga et al. (2024) shows that soft skills significantly impact work readiness through self-efficacy. This is also supported by other findings indicating that self-efficacy correlates positively with work readiness (Damayantiel & Kustini, 2022; Balqis Prisrilia & Widawati, 2021).

H6 The influence of soft skills on work readiness with self-efficacy as an intervening variable.

Students' confidence in using hard skills plays an important role in enhancing their readiness to enter the workforce (Hutagalung et al., 2024). Research by Sinaga et al. (2024) shows that hard skills significantly impact work readiness through self-efficacy. This is also supported by other findings indicating that self-efficacy and hard skills positively affect work readiness (Ratuella et al., 2022; Wahyu & Kuncoro, 2019).

H7 The influence of hard skills on work readiness with self-efficacy as an intervening variable.

METHOD

This research uses a quantitative approach to test hypotheses through statistical analysis of numerical data, with instruments in the form of questionnaires (Sugiyolnol, 2022). The research location is the Management Study Program of the Faculty of Economics and Business at Malikussaleh University, with the research object being active students from the class of 2021. The population consists of 304 students, and 126 respondents were selected through simple random sampling based on the formula (Hair et al., 2019). Data were collected using a 5-point Likert scale questionnaire covering the variables of work readiness, soft skills, hard skills, and self-efficacy. Data analysis was conducted using descriptive statistical techniques and Partial Least Square-based Structural Equation Modeling (PLS-SEM) using SmartPLS (Hair & Alamelr, 2022). Model evaluation includes testing the outer model (validity and reliability), inner model (R-square, Effect Size (f^2), Predictive Relevance Coefficient (Q^2), and PLS Predict.), as well as hypothesis testing and mediation based on theory (Baron and Kenny 1986). This approach was chosen because it is suitable for small samples and complex models involving latent variables.

RESULTS AND DISCUSSION

Based on the characteristics of the respondents, the majority of students in this study are female, accounting for 79%, while male students only account for 21%. This indicates that the Management Study Program students of Malikussaleh University class of 2021 are predominantly female. Additionally, the age of most respondents falls within the range of 21–22 years (77%), followed by ages 22–23 years (21%) and 23–24 years (2%). These findings indicate that the respondents are predominantly productive-age students, who are generally at the stage of readiness to face the workforce.

Descriptive analysis of the respondents' responses shows that the majority of students agree with the statements in the questionnaire across the four variables studied. For the soft skills variable, most respondents agree that they possess good communication, leadership, and problem-solving skills, with average scores for each indicator above 4 and low standard deviations. The hard skills variable also shows similar results, where respondents feel capable of accessing technology, processing data, and creating presentations, with average scores higher than the standard deviation, reflecting consistent perceptions. In the self-efficacy variable, respondents express a high level of confidence in facing challenges, with mean scores consistently above 4 and low variation in responses. Finally, for the work readiness variable, the majority of respondents feel ready to face the workforce, both in terms of adaptation, skill application, and task completion, which is also reflected in high average scores and low data deviation. These results indicate that respondents generally have a positive perception of their abilities to face the workforce. **Measurement Model Evaluation (Outer Model)**

Measurement Model Evaluation (Outer Model) is conducted through tests of convergent validity, discriminant validity, and construct reliability.

Table 1. Convergent Validity

No	Variable	Measurement Item	Factor Loadings	AVE	Description
1	Soft skill	SS2	0.833	0.741	Valid
		SS4	0.802		Valid
		SS5	0.815		Valid
2	Hard skill	HS1	0.861	0.738	Valid
		HS2	0.835		Valid
		HS4	0.876		Valid
		HS5	0.864		Valid
3	Self-efficacy	ED1	0.848	0.845	Valid
		ED2	0.848		Valid
		ED3	0.886		Valid
4	Work Readiness	KK1	0.934	0.667	Valid
		KK2	0.965		Valid
		KK3	0.945		Valid
		KK4	0.941		Valid
		KK5	0.801		Valid

The results of the convergent validity test show that all items have factor loadings > 0.7 and AVE > 0.5, thus meeting the validity criteria and allowing for further testing.

Table 2. Fornell-Larcker Criterion and HTMT

	Self-Efficacy	Hard skill	Work Readiness	Soft skill
Self-Efficacy	**0.861**	0.642	0.764	0.445
Hard skill	**0.549**	**0.859**	0.627	0.369
Work Readiness	**0.682**	**0.579**	**0.919**	0.769
Soft skill	**0.369**	**0.314**	**0.663**	**0.817**

Table 3. Cross Loading

	Self-Efficacy	Hard skill	Work Readiness	Soft skill
ED1	**0.848**	0.469	0.516	0.205
ED2	**0.848**	0.456	0.630	0.432
ED3	**0.886**	0.495	0.605	0.298
HS1	0.469	**0.861**	0.544	0.344

	Self-Efficacy	Hard skill	Work Readiness	Soft skill
HS2	0.449	**0.835**	0.411	0.220
HS4	0.513	**0.876**	0.559	0.320
HS5	0.451	**0.864**	0.458	0.176
KK1	0.696	0.507	**0.934**	0.651
KK2	0.633	0.549	**0.965**	0.651
KK3	0.623	0.523	**0.945**	0.647
KK4	0.603	0.591	**0.941**	0.598
KK5	0.573	0.493	**0.801**	0.485
SS2	0.396	0.282	0.598	**0.833**
SS4	0.234	0.160	0.459	**0.802**
SS5	0.250	0.311	0.548	**0.815**

Discriminant validity was tested using HTMT, Fornell-Larcker Criterion, and cross loading, with results showing that each construct can be empirically distinguished from other constructs. HTMT values < 0.85 and √AVE greater than the correlations between constructs indicate good discriminant validity as shown in the table with the Fornell-Larcker Criterion in bold and HTMT in green.

Table 4. Composite Reliability and Cronbach's Alpha Values

	Cronbach's alpha	Composite reliability (rho_c)	Description
Self-Efficacy	0.826	0.831	Reliable
Hard skill	0.882	0.888	Reliable
Work Readiness	0.953	0.958	Reliable
Soft skill	0.753	0.767	Reliable

The reliability test results show that the Cronbach's Alpha and Composite Reliability values for all variables > 0.7, indicating that the research instrument is reliable. Overall, the measurement model is suitable for use in the next analysis stage.

Measurement Model Evaluation (Outer Model)

Structural Model Evaluation (Inner Model) is conducted to assess the strength of relationships between latent variables in the model. The tests include R-square, Effect Size (f^2), Predictive Relevance Coefficient (Q^2), and PLS Predict.

Table 5. R Square

	R-Square	Adjusted R-Square
Self-Efficacy (Z)	0.345	0.334
Work Readiness (Y)	0.695	0.687

The R-square test results show that the Work Readiness variable is moderately explained by soft skills, hard skills, and self-efficacy ($R^2 = 0.695$), while self-efficacy is moderately explained by soft skills and hard skills ($R^2 = 0.345$).

Table 6. Effect Size (f^2)

	f-square
Self-Efficacy -> Work Readiness	0.335
Hard skill -> Self-Efficacy	0.318
Hard skill -> Work Readiness	0.110
Soft skill -> Self-Efficacy	0.065
Soft skill -> Work Readiness	0.555
Self-Efficacy -> Work Readiness	0.335

The Effect Size values indicate that soft skills have a strong influence on Work Readiness, while self-efficacy and hard skills have a moderate influence, and soft skills on self-efficacy are considered weak.

Table 7. Predictive Relevance (Q^2)

	SSO	SSE	Q^2 (=1-SSE/SSO)
Self-Efficacy	378,000	285,186	0.246
Work Readiness	630,000	263,702	0.581

The results of Predictive Relevance (Q^2) indicate that the model has good predictive ability, especially regarding the Work Readiness variable ($Q^2 = 0.581$).

Table 8. PLS Predict

	Q²predict	PLS-SEM_RMSE	PLS-SEM_MAE	LM_RMSE	LM_MAE
ED1	0.186	0.786	0.614	0.825	0.642
ED2	0.260	0.791	0.635	0.795	0.647
ED3	0.243	0.756	0.616	0.796	0.642
KK1	0.495	0.632	0.479	0.657	0.494
KK2	0.527	0.599	0.451	0.619	0.460
KK3	0.505	0.618	0.469	0.635	0.483
KK4	0.507	0.636	0.483	0.656	0.503
KK5	0.338	0.695	0.529	0.718	0.533

Furthermore, the PLS Predict test proves that the PLS model has high predictive power because the RMSE and MAE values are lower than those of the linear regression model. Overall, the structural model is declared valid and has good predictive power.

Hypothesis Testing and Mediation

Hypothesis Testing and Mediation are conducted to test the relationships between variables both directly and indirectly.

Table 9. Results of Hypothesis Testing

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values
SS -> KK	0.448	0.454	0.072	6.236	0.000
HS-> KK	0.221	0.217	0.068	3.254	0.001
ED-> KK	0.395	0.394	0.074	5.307	0.000
SS -> ED	0.218	0.220	0.085	2.562	0.010
HS-> ED	0.481	0.479	0.075	6.434	0.000
SS-> ED-> KK	0.086	0.086	0.036	2.413	0.016
HS-> ED-> KK	0.190	0.189	0.047	4.060	0.000

The test results show that all hypotheses are accepted directly, as the t-statistic value > 1.96 and p-value < 0.05. The analysis results indicate that soft skills influence the Work Readiness of Management students from the 2021 batch at Malikussaleh University, with an f-square value of 0.555, which is classified as a strong influence. This finding is in line with research (Damayantie & Kustini, 2022; Setiarini et al., 2022; Fatimah et al., 2022). Hard skills also influence the Work Readiness of Management students from the 2021 batch at Malikussaleh University with an f-square value of 0.110, which is classified as a weak influence. This means that the contribution of hard skills directly is relatively small compared to other variables. This finding is consistent with research (Novita et al., 2023; Riyanto et al., 2023; Setiawati & Mayasari, 2021). Self-efficacy influences the Work Readiness of Management students from the 2021 batch at Malikussaleh University, with an f-square value of 0.335, which is classified as moderate. This indicates that self-efficacy significantly contributes to Work Readiness. This finding is consistent with research (Damayantie & Kustini, 2022; Devita Putri, 2024; Haq & Adiwati, 2024; Novita et al., 2023; Ratuela et al., 2022; Sinaga et al., 2024).

Soft skills influence the self-efficacy of Management students from the 2021 batch at Malikussaleh University, with an f-square value of 0.065, which is classified as a weak influence. This means that the contribution of soft skills in enhancing self-efficacy is relatively low. This finding is consistent with research (Cahyadiana, 2020; Lucktong & Pandey, 2020; Sinaga et al., 2024). Additionally, hard skills influence the self-efficacy of Management students from the 2021 batch at Malikussaleh University, with an f-square value of 0.318, which is classified as a moderate influence. This indicates that hard skills contribute significantly to strengthening self-efficacy. This finding is consistent with research (Cahyadiana, 2020; Sinaga et al., 2024).

Meanwhile, the indirect hypothesis test also shows that all results can be accepted because the t-statistic value > 1.96 and p-value < 0.05. The analysis results indicate that self-efficacy acts as a partial mediator between soft skills and Work Readiness of Management students from the 2021 batch at Malikussaleh University, according to the mediation criteria of Baron & Kenny (1986). This finding is consistent with research (Balqis Prisrilia &

Widawati, 2021; Sinaga et al., 2024). Additionally, self-efficacy acts as a partial mediator between hard skills and Work Readiness of Management students from the 2021 batch at Malikussaleh University, based on the mediation criteria of Baron & Kenny (1986). This finding is consistent with research (Wahyu & Kuncoro, 2019; Sinaga et al., 2024).

CONCLUSION

Understanding how students prepare themselves to face the workforce is important amidst the ever-evolving professional demands. In this context, Work Readiness does not emerge suddenly, but is formed through a continuous process involving the strengthening of skills and self-confidence. This research found that soft skills, hard skills, and self-efficacy mutually contribute to shaping the Work Readiness of Management students at Malikussaleh University. The three do not stand alone, but are closely intertwined, with self-efficacy playing a role as a bridge that strengthens the influence of skills on readiness to enter the workforce. Students with high self-efficacy tend to be more confident in applying the skills they possess, both technical and interpersonal. Therefore, the development of social skills, technical skills, and confidence in one's abilities becomes an important foundation for higher education in producing adaptive and competent graduates in the professional world.

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