

Proactive Personality and Career Adaptability among Gen Z Entrepreneurs in Indonesia: Mediating Role of Goal Orientation and Self-Esteem

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ABSTRACT

This study investigates the psychological mechanisms enabling Gen Z entrepreneurs to sustain their careers in an emerging economy. While previous research focuses on entrepreneurial intention, there is a gap in understanding the antecedents of career adaptability among active entrepreneurs. Grounded in Career Construction Theory (CCT), this study examines how Occupational Prestige and Proactive Personality influence Career Adaptability, mediated by Goal Orientation and Self-Esteem. Data were collected from 581 active Gen Z entrepreneurs in Indonesia using an online survey and analyzed via Partial Least Squares Structural Equation Modeling (PLS-SEM). The results indicate that Proactive Personality significantly predicts Goal Orientation and Self-Esteem. Furthermore, both Goal Orientation and Self-Esteem serve as crucial mediators that translate proactive traits into Career Adaptability. Occupational Prestige acts as a contextual antecedent triggering these internal resources. The study offers a novel theoretical contribution by identifying the specific cognitive and affective pathways of adaptation. Practically, the findings provide a roadmap for policymakers and educators to move beyond hard-skill training and focus on cultivating psychological resources, specifically goal setting and self-esteem, to enhance the resilience of young entrepreneurs in the digital era.

KEYWORDS

Proactive personality
Career adaptability
Goal orientation
Self-esteem
Gen z entrepreneurs

INTRODUCTION

The digital era, characterized by the volatility of Society 5.0, demands that individuals possess high adaptability to navigate non-traditional career paths. This is particularly relevant in Indonesia, where Generation Z (Gen Z) constitutes the largest demographic cohort and increasingly chooses digital entrepreneurship as a primary career. While their enthusiasm is supported by technological mastery, the sustainability of their ventures is threatened by intense global competition and economic uncertainty. Success in a self-directed entrepreneurial career requires more than technical skills; it demands career adaptability the psychosocial resources to cope with current and anticipated tasks, transitions, and traumas in occupational roles (Savickas, 2008).

The central mechanism for this process is career adaptability, the psychosocial resources an individual uses to cope with transitions and developmental tasks. Despite the importance of adaptability, existing literature on Gen Z entrepreneurship remains heavily dominated by the Theory of Planned Behavior (TPB), focusing primarily on the formation of entrepreneurial intention (Liu et al., 2024; Prakash & Arora, 2024). There is a significant scarcity of research investigating the psychological resources that enable active young entrepreneurs to survive, adapt, and thrive in a volatile, uncertain, complex, and ambiguous (VUCA) business environment (Tolentino et al., 2014; Nurhayati et al., 2023; Le et al., 2023). Existing studies tend to describe educational trends or mindset formation, leaving a gap in understanding how young entrepreneurs behaviorally react to real-world challenges after their businesses are established.

To address this gap, this study shifts the focus from entrepreneurial intention to career adaptability, utilizing Career Construction Theory (CCT) as the overarching framework. Within this context, an individual's ability to proactively identify opportunities, persevere through adversity, and maintain a strong sense of self-efficacy is a crucial determinant of survival. Therefore, this study posits that for Gen Z entrepreneurs in an emerging economy, psychological capital is a vital asset for achieving career sustainability (Kusá et al., 2024). Specifically, we argue that innate adaptivity (Proactive Personality) must be channeled through specific psychological resources, namely Goal Orientation (cognitive) and Self-Esteem (affective), to result in effective career adaptability. In Indonesia, Generation Z (Gen Z) constitutes the largest demographic cohort and demonstrates a high interest in digital entrepreneurship, supported by a spirit of innovation and technological mastery. However, this enthusiasm is confronted by significant challenges, including intense global competition, the constant need for innovation, data security risks, and the digital divide.

An individual's ability to proactively identify opportunities, persevere through adversity, and maintain a strong sense of self-efficacy is not merely an advantage but a crucial determinant of survival and success. The challenge for Gen Z entrepreneurs is not merely the mastery of digital tools but the development of the psychological capacity to adapt, innovate, and navigate the non-traditional career paths they have chosen (Magni et al., 2024). Success requires more than technological familiarity; it demands the right mindset and psychological disposition (Bulinska-Stangrecka & Naim, 2021). While research indicates that mental factors like a growth mindset are crucial for fostering entrepreneurial interest (Zeer et al., 2021; Hasan et al., 2024), a significant knowledge gap remains. However, the existing literature tends to focus on describing entrepreneurial trends or the role of education in fostering interest (Persada et al., 2020; Setyawati, 2023), leaving a significant gap in our understanding of how young entrepreneurs psychologically and behaviorally react and adapt to real-world challenges. This study, therefore, seeks to fill this gap by shifting the focus from what triggers entrepreneurial interest to what sustains career adaptability in practice. Consequently, this study investigates the psychological mechanisms underlying the resilience and career sustainability of Gen Z entrepreneurs by addressing the following research questions:

- RQ1: How do external factors (occupational prestige) and internal dispositions (proactive personality) collectively shape the psychological antecedents (goal orientation, self-esteem) for Gen Z entrepreneurs?
- RQ2: How do proactive personality, goal orientation, and self-esteem directly influence the career adaptability of Gen Z entrepreneurs in the digital era?
- RQ3: What are the explanatory roles of goal orientation and self-esteem in the relationship between antecedents and career adaptability outcomes?

This study offers four primary contributions. First, it contributes a novel, empirically tested career adaptability model centered on proactive personality and self-esteem, moving beyond the

traditional focus on entrepreneurial intention. Second, it expands the understanding of how internal psychological resources can enhance the effectiveness of Gen Z entrepreneurs in the digital era. Third, it provides critical insights for policymakers and educational institutions in designing support programs that cultivate not only interest but also psychological resilience. Fourth, it proposes a framework that helps Gen Z entrepreneurs become more competitive by developing their internal psychological resources to face modern business challenges.

LITERATURE REVIEW

This study adopts Career Construction Theory (CCT) as the overarching framework to explain how Gen Z entrepreneurs navigate the uncertainties of the digital economy. CCT posits a sequential model of adaptation: Adaptivity (willingness to change) leads to the development of Adaptability Resources (psychosocial strengths), which in turn facilitate Adapting Responses (actual adaptive behaviors) (Savickas, 2013; Rudolph et al., 2017). In this study, Occupational Prestige and Proactive Personality are conceptualized as the Adaptivity factors, Goal Orientation and Self-Esteem serve as the Adaptability Resources, and Career Adaptability is the Adapting Response. Previous literature has extensively examined these components in isolation, and a distinct theoretical gap remains: the specific sequential mechanism integrating Occupational Prestige, Proactive Personality, and the dual resources of Goal Orientation and Self-Esteem into Career Adaptability has not been empirically tested. Existing studies often overlook the black box of how external social validation translates into internal coping mechanisms. By combining these specific constructs, this study proposes a novel, comprehensive model arguing that external prestige activates innate proactivity, which must then be channeled simultaneously through a cognitive pathway (Goal Orientation) and an affective pathway (Self-Esteem) to achieve true career adaptability in the VUCA era.

In the context of CCT, perceived social valuation enhances an individual's readiness to act. High occupational prestige not only validates professional identity but also triggers a Proactive Personality, defined as a stable disposition to take initiative and effect environmental change. When Gen Z entrepreneurs perceive their career as prestigious, they are more likely to internalize the drive to actively shape their environment rather than passively reacting to it. Furthermore, prestige provides the social reinforcement necessary to maintain a strong focus on achievement, thereby influencing Goal Orientation. Further research results have found that the goal orientation of Gen Z entrepreneurs is influenced by occupational prestige. Entrepreneurs feel that their focus on setting and achieving goals can be enhanced by the desire to maintain the high status and respect of their profession. This perceived social validation motivates them to establish a clear goal orientation to ensure their performance aligns with the esteemed image of an entrepreneur (Jiang, 2021; Liu et al., 2024). Specifically, a high-prestige career path encourages individuals to adopt a proactive personality, a stable disposition to take initiative and effect environmental change (Jiang, 2021). It also motivates them to establish a clear goal orientation. Thus, the following hypotheses are proposed:

H1: Occupational Prestige is positively related to Proactive Personality.

H2: Occupational Prestige is positively related to Goal Orientation.

Proactive personality alone is insufficient for success; it must be channeled through specific psychological resources (Köksal et al., 2023). We propose two distinct pathways: cognitive (Goal Orientation) and affective (Self-Esteem). First, proactive individuals are inherently goal-oriented;

they naturally identify opportunities and set specific targets to exploit them. This cognitive resource provides the "compass" for entrepreneurial action. Second, regarding the affective pathway, proactive behavior creates a positive feedback loop (Li et al., 2024). By actively engaging with the environment and overcoming challenges, entrepreneurs accumulate successful experiences that bolster their Self-Esteem—their overall sense of self-worth. Thus, proactivity is a key antecedent that builds the necessary psychological capital for resilience. This finding is in line with research by Manolopoulos et. al. (2024), which positioned the proactive trait as the primary engine of an individual's adaptive response in a disruptive context. Proactive individuals are inherently goal-oriented; they naturally identify market opportunities and set goals to pursue them. Moreover, by actively shaping their environment, proactive entrepreneurs tend to create successful experiences which, in turn, build their self-esteem and sense of competence (Zhang et al., 2022). Most importantly, proactive individuals are naturally better prepared to adapt because they actively engage in behaviors such as seeking market information, building networks, and pursuing development opportunities that are core components of career adaptability (Stephan et al., 2024). This leads to the following hypotheses:

H3: Proactive Personality is positively related to Goal Orientation.

H4: Proactive Personality is positively related to Self-Esteem.

Career adaptability is the central construct of this study, defined fundamentally as the psychosocial resources individuals use to manage career transitions. Within the specific context of active Gen Z entrepreneurs, this study focuses on the most action-oriented dimensions of these resources, namely self-regulation (control), exploration (curiosity), and problem-solving efficacy (confidence), which are critical for navigating market ambiguity and daily business challenges (Stephan et al., 2024). Simultaneously, Self-esteem provides the emotional fuel. High self-esteem acts as a buffer against the anxiety of uncertainty, enabling entrepreneurs to remain resilient and adaptable in the face of potential failure. This finding is consistent with research by Maria et al. (2022), which showed that a proactive disposition is a critical mental factor that can foster and support Gen Z's readiness for digital entrepreneurship. By actively engaging with their environment, proactive entrepreneurs create a positive feedback loop that enhances their self-worth.

Self-esteem, or an individual's overall sense of self-worth, and goal orientation, the framework of beliefs an individual holds about their goals in achievement situations, are two critical psychological mechanisms that can link a proactive disposition to adaptive outcomes (Zhou et al., 2023). Entrepreneurs feel that having clear and well-defined business goals provides the necessary direction and motivation to navigate market changes and uncertainty. Goal orientation provides the cognitive framework for entrepreneurial action, giving direction and motivation to navigate market changes (Akbari et al., 2024; Gómez-Jorge et al., 2025). This aligns with findings that other mental factors, such as an entrepreneurial mindset, enhance Gen Z's readiness to face rapid changes by enabling them to adapt to technological developments and shifting customer needs (De Freyman & Durst, 2023). Although some research shows inconsistent relationships between self-esteem and adaptability, the general consensus supports its positive role (Todorova & Antonova, 2023). Thus, the following hypotheses are proposed:

H5: Proactive Personality is positively related to Career Adaptability.

H6: Goal Orientation is positively related to Career Adaptability.

H7: Self-Esteem is positively related to Career Adaptability.

The Mediating Roles of Proactive Personality, Goal Orientation, and Self-Esteem

Beyond direct relationships, CCT suggests that adaptation is a complex, chained process rather than a direct leap from trait to behavior (Savickas, 2013). Thus, this research extends beyond direct relationships to test the mediating pathways underlying the adaptation process. First, regarding the relationship between occupational prestige and goal orientation, proactive personality is expected to act as a crucial mediator. External social validation (Occupational Prestige) does not automatically create cognitive business goals; rather, it fosters a proactive disposition, which subsequently drives the individual to set specific achievement targets (Jiang, 2021; Liu et al., 2024). Therefore, this study proposes:

H8: Proactive Personality mediates the relationship between Occupational Prestige and Goal Orientation.

Furthermore, CCT emphasizes that adaptivity traits require psychosocial resources to manifest as adapting responses (Rudolph et al., 2017). We argue that proactivity translates into adaptability through two distinct resource mechanisms. Affectively, proactive individuals accumulate mastery experiences that build self-esteem, which then provides the emotional resilience needed for career adaptability (Zhang et al., 2022; Li et al., 2024). Cognitively, proactivity fosters a strong goal orientation, giving entrepreneurs the structural focus required to adapt to market disruptions (Akbari et al., 2024). Finally, the impact of occupational prestige on adaptability is channeled through this cognitive framework of goal orientation. Consequently, we posit the following mediation hypotheses:

H9: Self-Esteem mediates the relationship between Proactive Personality and Career Adaptability.

H10: Goal Orientation mediates the relationship between Proactive Personality and Career Adaptability.

H11: Goal Orientation mediates the relationship between Occupational Prestige and Career Adaptability.

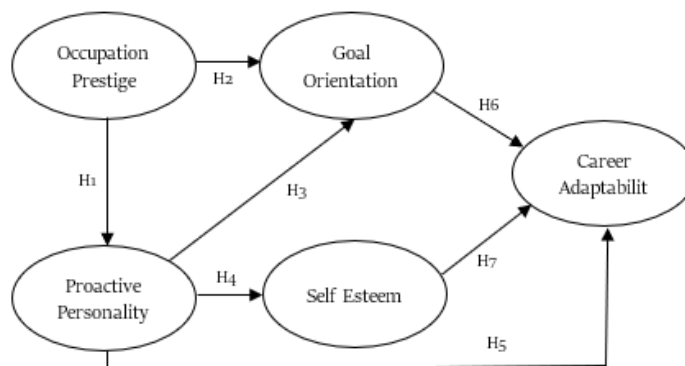


Figure 1. Research Model

RESEARCH METHOD

This study utilized a quantitative method structured in seven stages. The first stage involved formulating the problem into three research questions (RQs) focusing on the psychological

mechanisms of career adaptability among Gen Z entrepreneurs. In the second stage, a literature review was conducted to establish a theoretical foundation by exploring the Theory of Reasoned Action, motivation theories, and previous findings that support hypothesis development. The third stage comprised the development and submission of eleven research hypotheses to address the proposed RQs, based on a review of prior studies related to career adaptability (CA), proactive personality (PP), self-esteem (SE), goal orientation (GO), and occupational prestige (OP) among Gen Z entrepreneurs. The fourth stage was to determine the quantitative method for hypothesis testing, including variable measurement, instrument type, sampling, and data analysis design. In the fifth stage, a research instrument in the form of a questionnaire was compiled, followed by validity and reliability testing. The sixth stage involved collecting and analyzing data using a relevant quantitative tool, Partial Least Squares Structural Equation Modeling (PLS-SEM). Finally, in the seventh stage, conclusions were drawn from the processed and analyzed data.

Sample, Data Collection, and Ethical Approval

The target population encompassed Generation Z entrepreneurs in Indonesia, selected through a purposive sampling approach to ensure the respondents were active business owners deeply engaged in their ventures. The inclusion criteria strictly required participants to be born between 1997 and 2012, have operated their business for at least one year to ensure stability, and regard their venture as a primary career path or significant income source. To achieve a robust and valid sample of 581 respondents, we implemented a strategic recruitment approach over a three-month period by establishing partnerships with university business incubators, local chapters of the Indonesian Young Entrepreneurs Association (HIPMI), and verified digital SME communities, which allowed us to access a high volume of qualified respondents.

Data collection was conducted utilizing an online questionnaire embedded with mandatory screening questions that automatically disqualified participants who did not meet the specific age or business duration criteria, thereby maintaining the integrity of the purposive sampling method. Following the collection phase, rigorous data cleaning was performed to eliminate incomplete entries or unengaged responses, resulting in the final valid dataset used for analysis. Prior to participation, all respondents provided written informed consent after being briefed on the study's objectives and confidentiality measures, with all research procedures strictly adhering to the ethical standards and principles outlined in the Declaration of Helsinki.

Instrument and measurement

The questionnaire comprised two parts. The first part included questions about the respondents' characteristics (e.g., age, gender, length of business operation). The second part contained statements about measuring the variables of interest. To reduce respondent burden and maintain engagement, both of which are critical considerations when surveying active Gen Z entrepreneurs, this study adopted a parsimonious approach by selecting three of the most representative items from established scales for each construct. Methodologically, a three-indicator approach is an established best practice in structural equation modeling to ensure stable construct identification and validity while minimizing survey fatigue. Prior to data collection, all selected indicators were rigorously cross-checked against the theoretical definition of their respective constructs to ensure full alignment; validated short-form scales or a selection of the most representative items from established scales were used, with all items measured on a 5-point Likert scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree). Table 1 presents the complete list of measurement items,

mapping them to their respective dimensions and original sources to demonstrate theoretical alignment and construct clarity. Validity and reliability testing (presented in the Results section) confirmed that despite the reduced number of items, all constructs met the required thresholds for convergent validity ($AVE > 0.5$) and reliability (Cronbach's Alpha > 0.7).

Table 1. Measurement Items and Sources

Construct	Measurement Items	Source
Occupational Prestige (OP)	OP1. Being an entrepreneur is considered a prestigious career in my society.	(Nayak et al., 2024)
	OP2. My profession as an entrepreneur is highly respected by others.	
	OP3. People in my community look up to those who run their own businesses.	
Proactive Personality (PP)	PP1. I excel at identifying opportunities for my business.	(Li et al., 2024)
	PP2. I am constantly on the lookout for new ways to improve my life and business.	
	PP3. No matter what the odds, if I believe in something, I will make it happen.	
Goal Orientation (GO)	GO1. I prefer to work on tasks that force me to learn new things.	(Vandewalle, 1997; Wales et al., 2021)
	GO2. I am willing to put in great effort to develop new skills and knowledge.	
	GO3. I view mistakes as a valuable part of the learning process.	
Self-Esteem (SE)	SE1. I feel confident about my abilities to succeed in my business tasks.	(Forster et al., 2021)
	SE2. I feel accepted and respected by my business peers and network.	
	SE3. I feel satisfied with the way I present myself (appearance) to others in professional settings.	
Career Adaptability (CA)	CA1. I take responsibility for my actions and make decisions by myself.	(Porfeli & Savickas, 2012).
	CA2. I look for opportunities to grow as a person and explore new possibilities.	
	CA3. I feel confident in my ability to solve problems and perform tasks efficiently.	

Data Analysis Techniques

Data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS 4 software. This method was chosen for several reasons: (1) its suitability for complex models with multiple mediating variables; (2) its strength in prediction-oriented research, which aligns with the study's goal of identifying predictors of career adaptability; and (3) its robustness with non-normal data and smaller sample sizes, making it ideal for survey-based research. Given the cross-sectional nature of the data, the analysis of indirect effects was interpreted as a model of associations, providing valuable insight into potential explanatory mechanisms rather than definitive causal pathways. The analysis followed a recommended three-stage procedure. First, the measurement model was evaluated for convergent validity and reliability, which are established

when factor loadings exceed 0.7 and the Average Variance Extracted (AVE) surpasses 0.5. Discriminant validity was subsequently assessed using cross-loadings and the Fornell-Larcker criterion. Second, to ensure that the self-reported data were not compromised by Common Method Bias (CMB), a full collinearity assessment was conducted. As presented in Table 5, this assessment relies on Variance Inflation Factor (VIF) values. A VIF value below 5 indicates that the model is robust and free from critical collinearity issues, allowing for further analysis. Specifically, we examined the VIF values for all latent variables: Occupational Prestige, Proactive Personality, Goal Orientation, Self-Esteem, and Career Adaptability. Third, hypothesis testing was performed by analyzing Path Coefficient estimations, where a relationship is considered statistically significant if the t-statistic exceeds 1.65 at a p-value < 0.05 (Hair et al., 2019).

RESULTS

Table 2. Demographic profiles

Description	Characteristic	Frequency	Percentage (%)
Gender	Male	336	57.8
	Female	245	42.2
Age	17-21	257	44.2
	22-24	206	35.4
	25-27	118	20.4
Length of Business	1-2	308	53.1
	2-3	194	33.3
	>4	79	13.6
Based on Region	Java	320	55.1
	Sumatra	125	21.5
	Sulawesi	65	11.2
	Bali	25	4.3
	Papua	6	1.0
	Kalimantan	40	6.9
Digital Entrepreneurship Training	Yes	415	71.4
	No	166	28.5

Table 2 presents the demographic profile of the respondents selected through purposive sampling techniques. A total of 581 entrepreneurs participated, all of whom met the inclusion criteria of belonging to Generation Z (aged 17–27) and currently managing a business. The sample consists of 336 males (57.8%) and 245 females (42.2%). Regarding age distribution, the entire sample falls within the Gen Z cohort, with the youngest group (17–21 years) accounting for 44.2% (n=257), followed by the mid-range group (22–24 years) at 35.4% and the mature group (25–27 years) at 20.4%. Geographically, the respondents are widely distributed across major Indonesian islands, with the highest concentration in Java (n=320, 55.1%), followed by Sumatra (n=125, 21.5%) and Sulawesi (n=65, 11.2%). Notably, 71.4% (n=415) have participated in digital entrepreneurship training, confirming their relevance as knowledgeable subjects for this study.

Measurement Model Assessment

The initial stage in data analysis is to test the validity and reliability to ensure the quality of the data in the research model. As shown in Table 3, the loading factor values for all indicators are > 0.7 , and the Average Variance Extracted (AVE) values are > 0.5 , indicating that the research model meets the requirements of convergent validity. This demonstrates that each indicator reliably measures its respective construct. For discriminant validity, this study used the Heterotrait-Monotrait (HTMT) ratio of correlations criterion. As presented in Table 4, all HTMT values are below the conservative threshold of 0.90, confirming that each construct is empirically distinct from the others in the model. These results demonstrate that all measures satisfy and surpass the established thresholds for convergent validity and reliability (AVE > 0.50 , CR > 0.70 , and $\alpha > 0.70$) (Hair et al., 2019). Thus, the measurement model demonstrates an adequate fit for evaluating each construct. The results of the internal reliability and convergent validity assessments are presented in Table 3 and Figure 2.

Table 3. Convergent validity measures

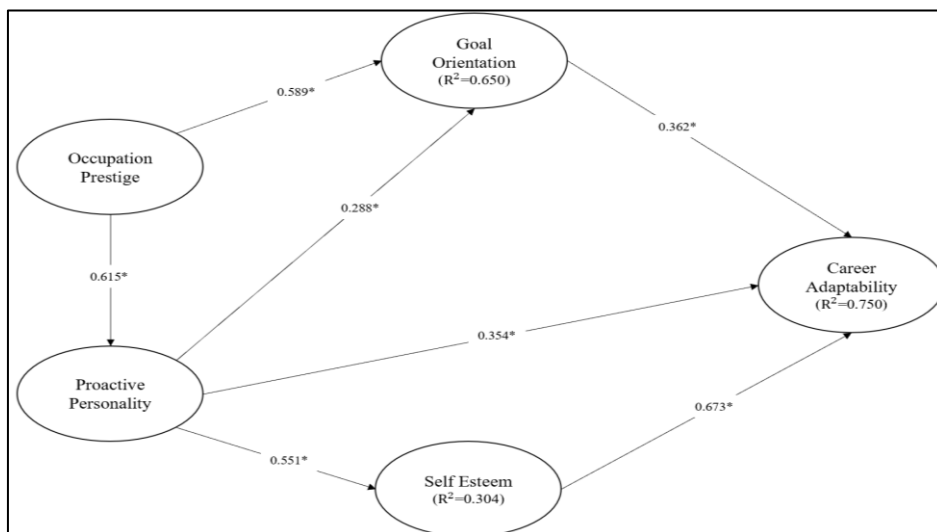
Measurement Items	Loading	AVE	Composite reliability	Cronbach's Alpha
Occupational Prestige (OP)				
OP1	0.743	0.821	0.894	0.859
Op2	0.842			
OP3	0.892			
Proactive Personality (PP)				
PP1	0.776	0.791	0.871	0.835
PP2	0.825			
PP3	0.840			
Goal Orientation (GO)				
GO1	0.826	0.815	0.857	0.896
GO2	0.810			
GO3	0.790			
Self-Esteem (SE)				
SE1	0.781	0.739	0.835	0.887
SE2	0.822			
SE3	0.879			
Career Adaptability (CA)				
CA1	0.839	0.782	0.928	0.911
CA2	0.862			
CA3	0.783			

Furthermore, the factor loading values for all items range from 0.743 to 0.892, indicating that each item loads strongly onto its respective construct. These consistently high loading values demonstrate that the items effectively measure the intended constructs, thereby reinforcing the model's validity. Overall, these findings substantiate that the measurement model exhibits high reliability and strong validity, ensuring the robustness of the constructs in examining the relationships explored in this study.

Table 4. Discriminant validity

Variable	CA	GO	OP	PP	SE
Career Adaptability (CA)	0.885				
Goal Orientation (GO)	0.698	0.655			
Occupational Prestige (OP)	0.724	0.701	0.829		
Proactive Personality (PP)	0.712	0.825	0.825	0.887	
Self-Esteem (SE)	0.753	0.789	0.760	0.867	0.867

The discriminant validity analysis in Table 4 evaluates the distinctiveness of each construct using the Heterotrait-Monotrait Ratio of Correlations (HTMT) criterion. This approach is preferred due to its superior sensitivity in detecting discriminant validity issues compared to traditional metrics. To establish adequate discriminant validity, the HTMT ratios between constructs must remain below the threshold of 0.90 (Henseler et al., 2015). In this study, all HTMT values satisfy the required criteria. Specifically, the results indicate that the highest ratio is observed in the relationship between Self-Esteem (SE) and Proactive Personality (PP) at 0.867, followed by the association between Goal Orientation (GO) and Proactive Personality (PP) at 0.825. Given that all values remain below the 0.90 threshold, these findings confirm that each construct, ranging from Career Adaptability to Self-Esteem, empirically represents a distinct phenomenon. This substantiates the measurement model's validity, demonstrating the absence of significant conceptual overlap among the latent variables.



*) Significant at $p < 0.05$

Figure 2. PLS structural model

Structural Equation Modeling Result

After validating the measurement model, the subsequent step involved analyzing the latent constructs within the structural model to investigate causal relationships and test the proposed hypotheses. Following Hair et al. (2019), key metrics such as R-square (R^2), path coefficients (β), and predictive relevance (Q^2) were evaluated using a bootstrapping method with 5,000 resamples. The analysis results in Figure 2 reveal that the R^2 value for Career Adaptability is 0.750. Analytically, this indicates that 75.0% of the variance in career adaptability is comprehensively explained by Occupational Prestige, Proactive Personality, Goal Orientation, and Self-Esteem. This substantial

explanatory power suggests that these internal psychological resources serve as dominant predictors in shaping career adaptability, thereby robustly validating the proposed theoretical framework. Meanwhile, the R^2 values for the mediating variables Proactive Personality (0.378), Self-Esteem (0.304), and Goal Orientation (0.650) demonstrate moderate to strong effects from their respective antecedents. Furthermore, according to Henseler et al. (2015), a predictive relevance (Q^2) value greater than 0 indicates substantial predictive accuracy. In this study, the Q^2 value obtained is 0.664, confirming the high predictive relevance of the path model.

Table 5. Hypothesis test results

Hypothesis testing results	Hypothesis	Std.B	T-Statistics	P Values	Result
Direct Effect	OP -> PP	0.615	7.812	0.000	Supported
	OP -> GO	0.589	7.533	0.000	Supported
	PP -> GO	0.288	2.971	0.003	Supported
	PP -> SE	0.551	6.984	0.000	Supported
	PP -> CA	0.354	3.320	0.001	Supported
	GO -> CA	0.362	3.415	0.001	Supported
	SE -> CA	0.673	8.159	0.000	Supported
Indirect Effect	OP -> PP -> GO	0.177	3.098	0.002	Supported
	PP -> SE -> CA	0.371	5.982	0.000	Supported
	PP -> GO -> CA	0.104	4.112	0.000	Supported
	OP -> GO -> CA	0.213	3.389	0.001	Supported

Based on the hypothesis testing results in Table 5, all proposed direct relationships (H1–H7) are statistically significant. The results reveal that Occupational Prestige has a strong positive influence on Proactive Personality ($\beta = 0.615$, $t = 7.812$, $p < 0.001$) and Goal Orientation ($\beta = 0.589$, $t = 7.533$, $p < 0.001$), supporting H1 and H2. Similarly, Proactive Personality significantly affects Goal Orientation ($\beta = 0.288$, $p = 0.003$), Self-Esteem ($\beta = 0.551$, $p < 0.001$), and Career Adaptability ($\beta = 0.354$, $p = 0.001$), thereby supporting H3, H4, and H5. Notably, the strongest direct effect on Career Adaptability is exerted by Self-Esteem ($\beta = 0.673$, $t = 8.159$, $p < 0.001$), followed by Goal Orientation ($\beta = 0.362$, $t = 3.415$, $p = 0.001$). Thus, hypotheses H6 and H7 are also accepted.

In addition, Table 5 presents the results of the indirect variance analysis. The findings confirm that Proactive Personality significantly mediates the relationship between Occupational Prestige and Goal Orientation ($\beta = 0.177$, $t = 3.098$, $p = 0.002$), supporting H8. Furthermore, the mediation analysis demonstrates that Self-Esteem plays a crucial role in mediating the path from Proactive Personality to Career Adaptability ($\beta = 0.371$, $t = 5.982$, $p < 0.001$), confirming H9. Similarly, Goal Orientation serves as a significant mediator in the relationship between Proactive Personality and Career Adaptability ($\beta = 0.104$, $p < 0.001$), as well as between Occupational Prestige and Career Adaptability ($\beta = 0.213$, $p = 0.001$). Consequently, hypotheses H10 and H11 are also supported.

DISCUSSION

This study successfully investigates the role of internal psychological resources in enhancing career adaptability among Generation Z entrepreneurs in an emerging economy. Grounded in Career Construction Theory (CCT), the findings reveal that career adaptability is not a direct product of external social validation but an outcome of an integrated internal system where adaptive readiness (proactive personality) mobilizes specific psychological resources (goal orientation and self-esteem).

The findings confirm that Occupational Prestige (OP) serves as a critical external antecedent for Proactive Personality (PP) and Goal Orientation (GO). Through the lens of CCT, this suggests that the perception of entrepreneurship as a prestigious career acts as a contextual signal that triggers the individual's willingness to change and take charge of their vocational future (Savickas, 2008). A key analytical insight is that prestige alone is insufficient to generate adaptability. Instead, it ignites the internal engine of proactive personality. This implies that for Gen Z, social value is internalized into a disposition to take initiative. Once ignited, proactive personality functions as the primary adaptivity trait that mobilizes further cognitive and affective resources. This aligns with Giraud et al. (2019), positioning proactivity not just as a behavior, but as a meta-competency that activates the adaptation process. Thus, Gen Z entrepreneurs base their decision-making on a profound understanding of their career's social value, which subsequently shapes their psychological dispositions.

The results also underscore the existence of distinct dual pathways cognitive and affective toward career adaptability. The positive influence of goal orientation supports the cognitive pathway, where structured goal-setting provides a roadmap for navigating uncertainty. Concurrently, a critical highlight of this study is the discovery that the affective pathway, specifically Self-Esteem, serves as a significantly stronger direct predictor of career adaptability compared to the cognitive pathway of Goal Orientation. This finding aligns with research by Jeong & Hong (2023) and Li et al. (2024), which found that a proactive personality can enhance career outcomes through various mechanisms. This dominance can be fundamentally explained through the Indonesian socio-cultural context. Indonesia is traditionally a collectivist society where social harmony, communal validation, and saving face are paramount. Historically, stable professions such as civil servants are highly favored by the older generation, and entrepreneurial failure often carries a severe social stigma. For Gen Z choosing the non-traditional and volatile path of digital entrepreneurship, the primary barrier to adaptation is often not a lack of cognitive business goals, but rather the intense psychological burden of societal expectations. In this context, high self-esteem acts as a crucial psychological buffer. It empowers young entrepreneurs to protect their professional identity from communal skepticism and familial pressure. In the absence of robust institutional safety nets typical of emerging economies, an entrepreneur's strong sense of self-worth becomes their ultimate survival tool, enabling them to view market turbulence and potential setbacks not as a catastrophic loss of social status, but as manageable challenges within their career construction journey (Zhang et al., 2022).

The final finding, indicating a positive and significant influence, shows that these psychological resources operate within an integrated system where mediation effects significantly shape the final outcome among Gen Z entrepreneurs. This supports preliminary studies, such as those by Kadiyono & Ashriyana Sulistiobudi (2024) and Gómez-Jorge et al. (2025), which found that psychological factors like an entrepreneurial mindset enhance Gen Z's readiness for rapid business changes by enabling them to adapt to technological developments and shifting customer needs. This demonstrates that external triggers, such as occupational prestige, do not directly produce adaptability; their influence is channeled and amplified through a series of internal cognitive and affective processes.

Theoretically, this study validates and extends the Career Construction Theory (CCT) model of adaptation (Adaptivity, Resources, and Adaptability) within the context of digital entrepreneurship. While previous studies often link traits directly to outcomes, this study illuminates the black box of how adaptivity translates into actual adaptability (Rudolph et al., 2017). The significant indirect effects confirm that Proactive Personality (Adaptivity) does not directly produce adaptability; rather, it must first be converted into specific psychological resources, namely Goal Orientation and Self-Esteem. The findings suggest that external triggers like occupational prestige are not directly

associated with adaptability; their influence is likely channeled through internal cognitive and affective processes. This finding supports prior studies emphasizing that proactive actions lead to achievements, which build a sense of worth (self-esteem), and this increased self-confidence empowers entrepreneurs to face future challenges with adaptability (Kumasey et al., 2024; Li et al., 2024). This contributes to the literature by demonstrating that sustainable entrepreneurial action requires an ecosystem of specific resources, confirming that adaptivity (trait) requires resources (capacity) to manifest as true adaptability.

Contextually, these findings carry specific weight for emerging economies like Indonesia. Unlike developed nations with mature venture capital ecosystems, the burden of career sustainability in Indonesia falls heavily on the individual (Webb et al., 2020). The strong reliance on internal psychological resources, particularly the dominant role of self-esteem, suggests that in the absence of robust institutional safety nets, the entrepreneur becomes the institution. The ability to proactively construct one's career and maintain self-worth acts as a substitute for formal external support (E. Becker & D. Kabongo, 2020). Consequently, to convert Indonesia's demographic bonus into an economic dividend, policymakers and educators must pivot from purely technical training to interventions that cultivate psychosocial resources, specifically resilience and self-efficacy, to help Gen Z navigate the resource constraints characteristic of the region.

CONCLUSION

This study provides an explicit framework regarding the psychological mechanisms enabling Generation Z entrepreneurs to sustain career adaptability in an emerging economy. Grounded in Career Construction Theory (CCT), the research systematically addresses three central inquiries. First, the findings confirm that external social validation, specifically Occupational Prestige, acts as a vital contextual trigger that significantly shapes an individual's internal adaptivity (Proactive Personality) and cognitive structures (Goal Orientation). Second, the study establishes that proactive personality, goal orientation, and self-esteem all exert strong, direct positive influences on career adaptability. Third, self-esteem notably emerges as the most dominant direct predictor among these psychological dispositions.

The results also validate the complex explanatory roles of cognitive and affective resources. Proactive personality does not automatically generate adaptability; it requires translation through dual mediating pathways: the cognitive focus of goal orientation and the emotional resilience of self-esteem to effectively manifest as adaptable behavior. In summary, this research enriches the CCT adaptation model within digital entrepreneurship by proving that adaptivity traits must be converted into specific psychosocial capacities. To empower Gen Z entrepreneurs effectively, practical interventions must move beyond standard business training and prioritize the cultivation of self-esteem and resilience as the foundational pillars of sustainable career adaptability.

MANAGERIAL IMPLICATION

The findings of this study provide a strategic blueprint for policymakers, educators, and business practitioners to foster a more resilient entrepreneurial ecosystem in emerging economies like Indonesia. The core implication is the urgent need to shift the focus of entrepreneurship development from a purely hard-skill approach to the strategic cultivation of psychological capital.

Given that self-esteem and goal orientation are identified as the primary drivers of career adaptability, stakeholders must design interventions that explicitly target these internal resources.

First, the results highlight that the government could integrate psychological readiness metrics into the evaluation criteria for state-funded incubators. Rather than evaluating programs solely on the number of businesses started, funding should also be contingent on the program's ability to improve participants' resilience and adaptability scores. Furthermore, leveraging the finding that occupational prestige triggers proactivity, the government should launch national campaigns such as a Gen Z Young Entrepreneur program. This initiative would utilize social media influencers to frame entrepreneurship as a prestigious and impactful career, thereby triggering the proactivity of the youth demographic at a national scale.

Second, educators and universities need to redesign entrepreneurship modules. The curriculum should transition from static business planning to Agile Goal Setting workshops that align with the study's findings on Goal Orientation. Concrete training models should include "Failure Management Modules," where students analyze real-world setbacks to destigmatize failure, thereby protecting their self-esteem. Additionally, universities should implement experiential learning programs that use gamification. By rewarding small, incremental achievements with digital badges or micro-credentials, educators can systematically build the self-esteem of students, which this study proves is the strongest predictor of their ability to adapt to market changes.

Third, practitioners should adopt a Psychosocial Mentorship Model rather than just vocational mentoring. Since self-esteem mediates the relationship between proactivity and adaptability, mentors should be trained to provide emotional validation and confidence-building feedback, not just critique business models. Incubators can establish Peer-to-Peer Resilience Circles, creating a community support system where Gen Z entrepreneurs share anxieties and successes. This communal approach leverages the collective social validation that Gen Z values, reinforcing their professional identity and sustaining their adaptability in the face of institutional uncertainty and resource constraints.

LIMITATION AND FUTURE RESEARCH

While this study provides valuable insights into the psychological mechanisms of Gen Z entrepreneurs, several limitations must be acknowledged. First, the cross-sectional design prevents definitive conclusions about causality and exposes the findings to potential common method bias, as all data were collected from a single source at one point in time. Consequently, the identified indirect effects should be interpreted as evidence of association rather than confirmed causal processes. Future research should employ longitudinal designs to track how these psychological resources and career adaptability evolve over time, particularly before and after business failures.

Second, although this study utilizes a digital sampling strategy reaching respondents across Indonesia, the context remains limited to a single emerging economy. Cultural nuances regarding occupational prestige may differ significantly in individualistic or developed nations. Future research should extend this model to diverse, cross-cultural samples to test the universality of the Self-Esteem dominance found in this study.

Third, to provide a concrete roadmap for practitioners, future research should move beyond observational studies to quasi-experimental or intervention-based research. Since this study identifies self-esteem as a critical driver, future scholars should test the effectiveness of specific training modules such as the psychosocial mentorship programs proposed in our managerial implications. Measuring whether these specific interventions statistically improve career adaptability

scores would bridge the gap between theoretical findings and practical application. Finally, the scope of psychological capital should be expanded in future models to include other resilience-related factors such as emotional intelligence and grit.

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