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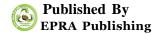
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# PERCEIVED OVERQUALIFICATION AT WORKPLACE

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#### **ABSTRACT**

There are many variables that can effect performance of individuals in the organization. While some of them are relevant with individuals, the others are related with external factors. Perceived overqualification is one of the individual factors. Overqualification represents a state where the employee's education, knowledge, abilities, skills exceed job requirements and are not utilized on the job. High levels of KSAOs may cause employees to feel overqualified regardless of their relevance to the job. Previous experience and acquired capabilities can influence a person's qualification level and, consequently, his or her opportunities to perform. Whereas, perceived overqualification (POQ), is the degree to which an individual perceives him or herself to be objectively overqualified i.e; possessing more than the required job qualifications. Therefore, two assumptions can be made. (1) The employees who perceive themselves as overqualified may leave the organization. (2) Employees who feel overqualified perform better

**KEY WORDS** – performance, person-job fit, overqualification, perceived overqualification.

#### INTRODUCTION

Perceived overqualification is a type of directional misfit between the job and the person, such that one's ability and experience exceeds the demands of the job. Therefore, similar to other types of personenvironment (P-E) misfit, overqualification has been associated with lower job satisfaction, lower organizational commitment, and higher turnover intentions. Whereas, comparing with other P–E fit perceptions in the workplace, perceived overqualification is unique because it is not only an assessment of the match between the job and the

person, but also in terms of opportunity to perform. This is because employees with higher levels of education, skills, and experiences tend to believe that they deserve jobs that are equivalent with their levels of qualifications. Therefore, a sense of unfairness in terms of adequate opportunity to perform is probably more closely associated with overqualification than other types of misfit between the person and the environment.

Antecedents of overqualification include individual differences such as education, personality, age, sex, job search attitudes, previous work

experience, past employment history, vocational training and type of degree, migrant status and environmental dynamics such as the characteristics of the position held and size of the job market. perceived Commonly studied outcomes of overqualification include job attitudes, performance, proactive behaviors and creativity, counterproductive behaviors, absenteeism and turnover, health and wellbeing, feelings of job security, wages, upward mobility, and interpersonal relationships. While the effects are typically negative, there are some contemporary findings revealing the potential benefits of overqualified employees for their work groups and organizations.

# **OBJECTIVES OF THE STUDY**

- 1. To study the effect of perceived overqualification on the employees performance
- To understand the level of job stress and job satisfaction.
- 3. To study the positive effects on the employees.
- 4. To study the outcomes of perceived overqualification.

#### LITERATURE REVIEW

The relationship between overqualification and job performance has not been well established. In two of the only empirical studies located King and Hautaluoma (1987) found the overall job performance of over educated workers to be non-significantly different from that of adequately educated workers, and Bolino and Feldman (2000) found a weak negative correlation between perceived overqualification and self-rated job performance (Fine and Nevo, 2008:347).

Individual performance is base of organizational performance. Thus performance must be defined clearly and evaluated multi dimensionally because different works necessitate different talent, skill and behavior. Work performance model support this view that was developed by Bormon and Motovidlo.

Perceived Over qualification and Team Performance:

Maynard et al.(2006) found that perceived overqualification negatively affected perceived commitment, if employees feel overqualified, dissatisfaction and pressure, boredom and other negative emotions and appear because of their own capacity is not fully utilized. The results of Bolino & Feldman (2000) show that the higher the perception is, the worse the subjective performance is. On the other hand, in the face of the same task, aptitude is too high, perceiving the higher ability and experience that employees possess can help them perform better. In the study of Holtom, Lee and Tidd (2002), the quality of perceived employees was better than that of the average employee when evaluated by a supervisor or

colleague. Erdogan and Bauer (2009) found in Turkey to carry out research on the frontline sales staff, staff qualification high positive predictive sales performance, namely the recruitment of staff will be directly perceived overqualified for the company's financial benefit.

Perceived overqualification predicts lower job satisfaction and higher turnover intentions and behaviour (Maynard ve Parfyonova, 2013). There is negative relation between perceived overqualification and job satisfaction (Benedict, Gayatridevi and Velayudhan, 2009; Maynard et al., 2015) and positive relation between perceived overqualification and turnover intention (Maynard et al., 2015:212). Perceived overqualification were associated with lower higher career-related work stress (Maynard et al., 2015).

#### **METHODOLOGY**

The proposed study mainly is descriptive in nature. It is solemnly based on secondary data and information collected from the concerned sources as per need of research. The relevant books, papers, articles and websites are used in the study.

#### **Job stress**

Employees who perceive themselves to be overqualified for their position may be unsatisfied with their job, uncommitted to their organization and are likely to experience psychological strain. Perceived overqualification occurs when an employee is expecting a job that utilizes their qualifications but does not find themselves in such a position, leaving them feeling essentially deprived. That deprivation is what is theorised to result in these negative job attitudes. There's a discrepancy between expectation and reality, Because of this employees are angry, and frustrated and as a result they do not much care for the job and feel unsatisfied.

Psychological strain can stem from employees who do not feel they are being rewarded for their efforts because there is an imbalance between their efforts and the reward structure of work. This is a stressful experience for employees, which leads to poor psychological wellbeing, such as negative emotions and psychological strain. Employees who feel overqualified are also more likely to engage in deviant behaviour. This might range from coming in late or leaving early to theft or bullying co-workers.

The more overqualified an employee feels, the more likely they are to engage in counterproductive behaviour that impair the effective functioning of organizations. Employees who were younger, overeducated and narcissistic tended to report higher levels of perceived overqualification.

# **Job Satisfaction**

Job satisfaction is an individual's subjective assessment of work and is defined as the response of

an individual to the circumstances of his or her working environment that is shaped by his or her interpretations and perceptions of the objective characteristics of the conditions. POO can be a source of job dissatisfaction, which in turn, may lead to higher turnover intentions and other work withdrawal symptoms. Fine and Nevo (2008) found a negative relationship between POQ and job satisfaction for customer service representatives. Johnson and Johnson (2002b) looked at two components of POO in relation to job satisfaction: perceived lack of growth opportunity and perceived mismatch of individual qualifications and job requirements (mismatch). Both perceived lack of growth opportunity and mismatch were significantly negatively related to work satisfaction. Another study involving postal workers found that POQ had a negative effect on job satisfaction, with POQ accounting for 34% of the variance. In accordance with the findings of researches, it is expected that individuals with higher POO are more likely to experience job dissatisfaction.

#### Job performance

Research on the relationship between perceived overqualification and individual performance has examined individual experiences of overqualification in isolation. According to a research the overqualified employees perform better as peer-group perceptions of overqualification increase. Conversely, employees with lower perceptions of overqualification perform worse as peer-group perceptions of overqualification increase. These results indicate that HRM practitioners can avoid negative outcomes of overqualification if they position overqualified individuals within teams, where other employees are also overqualified.

# OUTCOMES OF PERCEIVED OVERQUALIFICATION Job Attitudes

Several studies have examined negative job attitudes as outcomes of perceived overqualification. It is negatively related to employees' job satisfaction. Maynard et al. (2006) reported that perceived overqualification was related to lower levels of affective commitment. Furthermore it is suggested that perceived overqualification is positively related to cynicism at the workplace. In sum, previous research has consistently demonstrated that perceived overqualification is associated with adverse job attitudes.

#### **Health and Well-Being**

There is an assumption that overqualified workers suffer from lower levels of health and well-being than adequately qualified workers. It is found that perceived overqualification had a significant positive effect on depression and stress symptoms, and a significant negative effect on employees' subjective assessment of general health. Similarly, perceived

overqualification was positively related to emotional exhaustion and stress symptoms. Although these studies are suggestive, they do not provide a solid basis of knowledge. On the one hand, reverse causality (i.e., health affects the probability that a person is overqualified for his/her job) cannot be ruled out. On the other hand, both overqualification and health symptoms could be caused by a third variable (e.g., negative affectivity).

#### **Performance Outcomes**

The P-E fit literature predicts that misfit with job qualifications will lead to poor job performance. In fact, arguments can be made for both positive and negative associations between overqualification and task performance. On the one hand, overqualified employees, who are likely dissatisfied with their assignment, might improve their performance to maintain equity between their personal inputs and outcomes. In addition, from a goal setting perspective, jobs that do not utilize the full potential of the employees are considered easy goals, which provided little stimulus for individuals to work hard. Consistent with these arguments. Bolino and Feldman (2000) showed that overqualification is negatively related to self-rated performance. On the other hand, the high levels of ability and experience possessed by overqualified employees could help them outperform just-qualified employees on similar assignments.

## **Innovative Behaviors**

An important, but understudied area is the relationship between overqualification and employee creativity, the generation of new and potentially valuable ideas concerning new products, services, manufacturing methods, and administrative processes. First, overqualified employees have extra skills and abilities that could contribute to divergent thinking and associational and analogical reasoning, both of which are critical to the innovation process. Second, overqualified employees, who are able to complete assigned tasks faster than their coworkers, potentially have more time to engage in creative thinking. Third, boredom and iob dissatisfaction due overqualification may actually motivate employees to be creative. Previous research suggests that instead of exit or neglect, employees can react to dissatisfying work conditions by actively trying to improve conditions, actively searching for and coming up with new ways of doing things, and advocating changes to make things better. It is conceivable that when given enough freedom and support (both tangible and emotional), overqualified employees could offer high levels of creative performance than just qualified employees.

## **Turnover**

Previous research has consistently shown that perceived overqualification is positively related to higher levels of turnover intentions. Perceived

overqualification is negatively related to intention to remain. These evidences seem to corroborate hiring managers' concern that overqualified employees may leave the organization before the investment on them pays off. It is also found that the relationship between perceived overqualification and actual turnover was positive only for employees who did not feel empowerment. The relationship was not significant when employees reported higher levels of psychological empowerment. Hence it can be said that there are conditions under which organizations can retain their overqualified employees by providing an environment where they will choose to stay. In addition, a potential curvilinear relationship between perceived overqualification and turnover may exist, such that the likelihood of turnover may not increase (or even decrease) with slight or moderate level of overqualification, but increases with overqualification. Further, a lack of promotion opportunity, rather than overgualification alone, may be the real reason for turnover.

#### **Work-Family Conflict**

Strain-based work-family conflict (i.e., the stress arising in one role is carried or transferred to the other role) is likely to result from several job stressors related to overqualification. For example, due to lack of skill utilization and possible wage penalty, overqualified employees are likely to experience negative work attitudes, which could spillover and adversely influence employees' well-being at home. However, overqualified individuals who place equal or higher salience on their work as compared to their non work roles may experience higher levels of strain-based work-to-family conflict, due to their undesirable work arrangement.

## **CONCLUSION**

This study provides the insight into the conceptual nature of perceived overqualification and helps in predicting employee job satisfaction, job stress and job performance. The unique patterns of behavior are observed due to perceived overqualification and it depends upon the environment of the workplace. It is observed that the health and wellbeing of an employee maybe affected because of POQ (or some other external factors). Several positive outcomes like positive job attitudes, job performance and innovative behaviour can be seen in some employees. At the same time there can be the negative effects. Overall, the results of the present study highlight the different outcomes of perceived overqualification.

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