

Perceived Overqualification: A Literature Review

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Abstract

In recent years, there is a growing trend on the research of perceived overqualification. However, scholars mainly pay attention to the effect of perceived overqualification. This study will make the review about the literature of perceived overqualification from the following aspects: first, distinguish and understand the concept of perceived overqualification and subjective overqualification, then straighten out and comment on the relationship between perceived overqualification and employees' work attitude, work performance and creativity, as well as the recent progress of the mechanism of action and boundary conditions. Finally, this paper points out the deficiency of the research of perceived overqualification, the future research direction and the suggestion of combining practice in management.

Keywords

Perceived Overqualification; Organization Justice Theory; Person-Environment Fit.

1. Introduction

With the outbreak of COVID-19, the continuous epidemic has brought fatal threat to lots of companies, so that many companies have to lay off workers for surviving. The number of recent graduates rises to 8.74 million, which means numbers of talents will enter the labor market. This will undoubtedly result in supply-demand imbalance and many high-quality talents can't find their favorite position. A survey in 2012 found that perceived overqualification has been prevalent among Chinese employees, 84% of whom think they are overqualified for the job [1]. Combined with the new economic situation, the situation of the job market and the quality and quantity of talents, the research of perceived overqualification is not only conducive to the adjustment of supply and demand of labor market, but also to the development of organizations and employees. By summarizing the existing domestic and foreign literature, this research reviews the theories researchers have applied and the antecedents and outcomes of perceived overqualification. Finally we point out the recent research gaps and propose leader-related antecedents of perceived overqualification.

2. Subjective overqualification and objective overqualification

Although overqualification is developed by the concept of unemployment, but different from it [2,3], overqualification can be divided into subjective and objective overqualification. Objective overqualification is that individual's education level, job experience and others exceed objective demands of job, and the individual qualification need to be measured by external third parties or scales rather than self-report. Subjective overqualification, that is, perceived overqualification is that individuals subjectively think their own educational level, skills and work experience exceed the objective demands, which is the result of self-perception. Some scholars have studied the relationship between objective qualification and subjective overqualification. It is generally recognized that perceived overqualification partly reflects the objective qualification at least. [6] There is little empirical research about the relationship between subjective overqualification and objective overqualification. The lately empirical result

of Arvan show that the perceived overqualification is positively related to objective qualification. In other words, the subjective feeling of overqualification of employees has certain realistic basis, and over-education has the greatest impact on objective overqualification [7]. Briefly, there is differences and connections between subjective overqualification and objective overqualification. When doing the relevant research, scholars need to distinguish and understand appropriately.

3. Theory on overqualification

3.1. Organization Justice theory

The Organization Justice theory mainly revolves around the subjective perception of justice in distribution and procedure. Individuals compare their own inputs and outputs to produce their own perception of justice. If the input-output ratio of the comparison results is reasonable, the individual will produce a positive social exchange process; conversely, the individual will take action to return to the fairness state [8]. Education, knowledge and skills of employees as inputs and job opportunities as outputs, Overqualified employees believe they have been unjustly positioned by organizations in which their qualifications go beyond their position requirements, leading to more negative work attitudes and behaviors.[9]

3.2. Person-Environment Fit

Person-Environment Fit points out that the matching of employees' working environment with their needs and qualifications will bring beneficial psychological results. Particularly relevant is person-job fit, which refers to the match between employee's KSAs (knowledge, skills, abilities) or preferences and job requirements [10-12]. Perceived overqualification reflects the perception that the job can't meet employee's expectation, leading to have a negative impact on the psychology of employees and resulting in turnover tendencies and job-seeking behaviors.

3.3. Relative Deprivation theory

Individuals get education, gain experience and upgrade their vocational skills in order to get jobs that meet their expectations, so as to display their abilities at work. when an individual's job can't meet his expectations, he will experience a sense of deprivation, accompanied by negative psychology such as frustration and anger [9,13]. The Relative Deprivation theory is often used to explain the negative impact of perceived overqualification on employees.

3.4. Other related theories

Scholars also explain the feeling of perceived overqualification and its result variables from other theories. From the perspective of Conservation of Resources theory, Jinju Liu pointed out that Perceived overqualified employees will feel frustrated because they don't have the opportunity to use their valuable time and knowledge. They are unmotivated, tired of work and a lot of mental resources are consumed. According to the Conservation of Resources theory, in order to maintain and protect their limited resources, people will try their best to avoid resource consumption [14]. Therefore, perceived overqualification employees will avoid work tasks and responsibilities by reducing work input, using energy outside the organization, and even showing work withdrawal behavior [15]. From the perspective of Effort-Reward Imbalance (ERI) theory, work plays an important role in fulfilling individual self-regulation needs. Based on social exchange, Individuals who work hard also want to get rewards . When employees get low returns in respect and career development, they will feel overqualified. The lack of reciprocity will lead to psychological distress, negative emotions and physical and physiological reactions, threatening their health [9, 16].

3.5. Antecedents of perceived overqualification

Researches on antecedents of perceived overqualification mainly focus on demographic factors and individual personality characteristics. Demographic factors mainly include gender, age and education level, but the existing researches has not yet reached an agreement on the relationship between gender and perceived overqualification. Under the background of high power distance culture, education level is positively correlated with perceived overqualification, but there is no correlation between them under low power distance culture; Similarly, the relationship between age and perceived overqualification is also moderated by power distance[9]. Individual personality characteristics, such as neuroticism, narcissism and boredom, may lead to perceived overqualification, but there is no empirical study to verify it [17]. From the Organizational environment perspective, Alfes discusses the influence of interpersonal relationship quality on perceived overqualification. The result tests that higher exchange quality of leaders and team cohesion can reduce employees' perceived overqualification, and good interpersonal relationship means more frequent interaction and mutual help, thus providing opportunities to apply knowledge and ability, enriching work content and letting employees experience their own sense of value [18,19]. To sum up, scholars' empirical research on antecedents of perceived overqualification is scarce and focuses on individual characteristics, while the working environment and organizational or team level are still scarce.

4. Theory on overqualification

4.1. Working attitude

Most previous studies regard negative work attitude as the results of perceived overqualification, which is embodied in satisfaction, organizational commitment and turnover intention [10]. Perceived overqualification brings a sense of deprivation and accompanying anger and frustration, which makes employees have negative working attitudes and reduces organizational commitment. In addition, in order to achieve psychological balance and reduce the pain caused by perceived overqualification, employees may also have turnover intention [9, 20]. In this paper, employees may also evaluate the availability of new job opportunities before leaving the company, and then decide whether to leave the company. When the employment opportunities are hard to find, that is, when the turnover costs are too high, employees may choose to keep the status quo. Although this will further lead to the loss of employees' mental resources, it will reduce employees' job-seeking behavior. In recent years, scholars have empirically discussed the impact of perceived overqualification on job satisfaction, and obtain a result that contradicts the general view: job dissatisfaction effectively predicts perceived overqualification [7].

4.2. Job performance

Job performance is generally divided into task performance and contextual performance, among which contextual performance includes organizational citizenship behavior and counterproductive behavior. In the research results of task performance, on the one hand, in order to obtain fairness, perceived overqualification employees may reduce their working hours, reduce their efforts, or fail to give full play to their potential, thus decreasing their job performance [21]. On the other hand, some scholars believe that perceived overqualification has a significant positive impact on task performance, because perceived overqualification employees have enough ability and energy to fulfill job requirements, and in order to get rid of their relative deprivation, they may work harder and make higher task performance [20]. Some results show that there is no significant correlation between them [6]. Based on the Chinese context, scholars think that the relationship between perceived overqualification and task

performance is not a simple linear relationship. The empirical results show that there is no significant correlation between them, but the relationship between them is significant under the exchange of high-level leaders [22]. Generally, there are more research on the negative effects of task performance than on the positive effects. In the research results of context performance, organizational citizenship behavior has become a research hotspot. At present, however, the research conclusions about the relationship between over-qualification and organizational citizenship behavior are inconsistent. Most studies think perceived overqualification will make individuals feel deprived and unfair, which will lead to a decrease in organizational citizenship behavior. However, from another perspective, helping others can ease the pain caused by perceived overqualification, thus increasing organizational citizenship behavior [23]. Other scholars have respectively verified the relationship between perceived overqualification and different types of organizational citizenship behaviors. Most of the results show that there is a significant negative correlation between perceived overqualification and organizational citizenship behaviors beneficial to organizations, but there is no significant correlation between perceived overqualification and organizational citizenship behaviors beneficial to colleagues [9, 24, 25]. Based on the uncertainty of the research results, the researchers turn to the exploration of contextual contingency factors and mediating mechanism. Some scholars explain that perceived overqualification employees feel that they are not accepted by the organization and failed to become "insiders", thus reducing organizational citizenship behavior, and propose the moderating effect of perceived overqualification of the team from the team level [24]. Some scholars also pointed out that the positive and negative relationship between perceived overqualification and altruistic organizational citizenship behavior depends on the degree of matching between people and organizations, and the high matching between employees and organizations makes employees more willing and motivated to conduct extra-role behaviors and voice behaviors [26]. The research results on the relationship between perceived overqualification and counter-production behavior show that there is a positive correlation between them. Since most existing studies rely on self-reported cross-sectional data, these data will not only be affected by the deviation of common methods, but also be difficult to effectively infer the cause and effect [27]. In a word, there may be a positive relationship between perceived overqualification and task performance and altruistic organizational citizenship behavior, which is more influenced by external environmental factors, which provides a direction for exploring and utilizing perceived overqualification.

4.3. Innovative behavior and creativity

There are many controversies about the relationship between innovation behavior and creativity. At present, the theoretical circles have formed five views on the relationship between them: the first view is that perceived overqualification will inhibit the creativity of employees. perceived overqualification think that they can't give full play to their qualifications and talents in the current work situation, which leads to negative psychological state, low self-efficacy and lack of intrinsic motivation for creation and innovation. The second point of view is that there is a positive relationship between perceived overqualification and employee creativity. perceived overqualification employees have the ability and enough energy and time to carry out creative activities. In addition, some employees are not satisfied with the status quo and enhance the interest of their work, which can generate strong internal motivation and improve their creativity. In the third view, the relationship is not a simple linear relationship, but an inverted U-shaped relationship [28]. The fourth view is that the relationship depends on background factors, such as perceived organizational support, guiding others' behavior, personalized contract [28] and organizational creative support [29]. The last view is based on the face culture situation. Bei Ma confirmed the U-shaped influence of perceived overqualification on the creativity of employees, and excluded the influence of cultural factors

on the results [30]. To sum up, there is still a great controversy between perceived overqualification and Innovative behavior and creativity, but the influence of contextual factors on perceived overqualification employees' behavioral motivation can not be ignored, which has also been confirmed in the above.

4.4. New progress in research results.

First of all, in the research results of boundary conditions, for example, in the study of the relationship between perceived overqualification and job satisfaction, leaders' exchange relationship, team cohesion, organizational support and authorization play a significant role [20, 31, 32], which also reflects the influence of leaders, teams and interpersonal factors on employees' perceived overqualification. In exploring perceived overqualification, employees' job crafting is reduced by increasing job alienation, while employees with higher psychological resilience have lower sense of alienation [12]. Sesen thinks that the negative relationship between perceived overqualification and job crafting is moderated by psychological capital [33]. In addition, the recent research also enriched the influence results and mediated mechanism of perceived overqualification. For example, when perceived overqualification employees have higher abilities, they can be accepted by leaders and colleagues in society, and then motivate employees to take active behaviors related to work, such as altruistic behavior and voice behavior [34, 35]. Some scholars have confirmed that the relationship between perceived overqualification and initiative behavior is realized through role-wide self-efficacy, and employees with perceived overqualification have excess capacity, so they are more confident to complete additional tasks [1]. In addition, active altruistic behavior can also establish good interpersonal relationships for employees, and make themselves the object of colleagues seeking advice [26]. Finally, some scholars think that the perceived overqualification of social influence theory not only affects employees' attitudes and behaviors, but also affects their families, friends and close interpersonal relationships. The negative emotions and status threats caused by perceived overqualification reduce the life satisfaction of employees, and then reduce the life satisfaction of their close relationships such as family and friends according to spillover effects [17, 31].

5. Conclusions and Enlightenments

5.1. Conclusions

It can be seen from the literature review that, first of all, there are still gaps in the research on antecedents of perceived overqualification. For example, leaders, as the most direct contact elements of employees, have the power of task assignment and promotion [36]. Leadership characteristics, leadership behaviors and other contextual factors may affect perceived overqualification. For example, transformational leadership behaviors affect employees' positive emotion and work engagement, which can alleviate employees' anger and exploitation to a certain extent. Emotional leadership who often provide developmental feedback from their superiors can give employees positive emotion and work guidance, adjust employees' emotions and state, and alleviate employees' anger and unfairness [37, 38]. In addition, employees' reflective behavior can make employees know themselves clearly and improve the accuracy of subjective perception [39]. Secondly, the influence of perceived overqualification is mostly concentrated on the individual behavior and attitude of employees, while ignoring the influence on the leaders and colleagues in the organization. For example, employees have more energy to establish a positive exchange relationship with leaders, develop workplace friendship with colleagues, and fill the unsatisfied expectations through the satisfaction of interpersonal needs. From the perspective of positive and negative effects, the research results mostly focus on negative results, while some scholars have begun to focus on positive effects, and the research content mainly focuses on creativity and voice [1, 26]. In the future, more positive results of

perceived overqualification need to be explored. In addition, in the study of outcome variables, there is the biggest difference between perceived overqualification and creativity, and scholars mostly explain it from the boundary conditions, but the study of intermediary mechanism is still at the initial stage. Finally, from the current research on the boundary conditions, it can be seen that the moderating variables determines the relationship between perceived overqualification and result variable to a great extent, and even changes the direction of the relationship, or the original relationship is not significant, but becomes significant after adding the moderating variable, that is, the moderating variable becomes the decisive factor for the existence of the relationship [9, 40]. In the future, we need to find the mediated mechanism between perceived overqualification and its outcome factors. For example, negative emotions such as exploitation and anger experienced by employees may lead to low recognition of leaders by subordinates, and then adopt non-pro-organizational behavior. At the same time, the important role of contextual factors in it cannot be ignored.

5.2. Enlightenments

Returning to the current economic situation and employment situation, it is not easy to find a fit job that satisfies oneself, and perceived overqualification should exist for a long time. Instead of complaining, employees should learn to make use of surplus qualifications. On the one hand, employees need to guard against arrogance and rashness, avoid wrong self-positioning, cultivate self-endurance, be good at using their surplus qualifications to accumulate resources, constantly adjust their attitudes, and make more efforts to improve their situation, so that they can keep the dawn. On the other hand, managers of enterprises need to effectively identify talents, make good use of talents, and grasp the psychology and needs of employees. Since perceived overqualification are inevitable, managers should try their best to transform the excessive qualifications into creativity, reduce the negative impact of excessive qualifications with promotion and welfare, and mobilize the enthusiasm and initiative of employees to create more value for enterprises.

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