

# Research on the Effect Mechanism of Transformational Leadership on Employees' Perceived Overqualification

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## Abstract

Based on the social exchange theory, the current constructs a model of transformational leadership influencing employees' perceived overqualification through perceived organizational support. Using the questionnaire survey method, a total of 375 valid questionnaires were collected from a large manufacturing enterprise in China. The results show that: (1) Transformational leadership has a significant negative impact on employees' perceived overqualification; (2) Transformational leadership has a positive impact on employees' perceived organizational support, and perceived organizational support has a negative impact on employees' perceived overqualification; (3) Perceived organizational support plays a mediating role between transformational leadership and perceived overqualification. The study conclusion has a certain reference value both in theory and management practice. Finally, the limitations of the research are pointed out and future research prospects are made.

## Keywords

Transformational Leadership; Perceived Organizational Support; Perceived Overqualification.

## 1. Introduction

In recent years, due to the comprehensive influence of the rapid development of higher education, the increasing downward pressure of the economy, and the change of the employment concept of the new generation of employees, the phenomenon of overqualification in many industries and organizations have become more and more common. The phenomenon that the knowledge, skills, abilities, and other qualifications of the workers exceed the requirements of the current work is defined as "overqualification" by scholars. Overqualification can be divided into subjective and objective. Subjective overqualification is also called perceived overqualification. According to a global news report in 2012, nearly half of the employees (47%) in the world think that they are overqualified, including 84% of Chinese employees, ranking first among the 32 countries surveyed.

Research shows that a high level of perceived overqualification will have different degrees of impact on employees' psychological level [1], behavioral level [2], and performance level [3]. However, compared with the research on the influence of perceived overqualification on the results, the analysis of its antecedent mechanism is seriously out of place. The current research is still at the stage of theoretical discussion[4,5], and only a few studies explore narcissism[6], age [7], Gender [4], and objective overqualification [8] influence the mechanism of overqualification. Therefore, it is of great theoretical and practical significance to effectively clarify more antecedent variables for the systematic construction of the overall theoretical framework of the perceived overqualification.

## 2. Theory and Hypothesis

### 2.1. Social Exchange Theory

Social exchange theory originated from sociological research and was put forward by Blau (1964) [9] and Gouldner (1960) [10], and has been widely used in the field of organizational behavior. There are many norms for social exchange, among which the reciprocity norm is the most important. This norm requires that the interdependent parties in the exchange should make reasonable responses to the actions of the other party in favor of their own [11]. In the field of organizational management, social exchange theory is mainly used to explain the influence of the behaviors of organizations and leaders on the behaviors of employees.

### 2.2. Transformational Leadership and Perceived Overqualification

We argue that transformational leadership will reduce employees' perceived overqualification. First, transformational leaders, by virtue of their own personality charm, guide employees, unite teams, make the organization form an atmosphere of mutual trust, and enhance employees' sense of belonging. Second, the transformative leaders describe the beautiful vision of enterprise development to the employees through intellectual stimulation and their own charisma and set more challenging goals to stimulate the employees' desire for success and perfection. Third, transformational leaders take great care of each employee, can train and guide employees according to their different abilities, goals, and needs, and help employees grow in the process of challenges. After receiving the help of leaders, employees will invest more energy to repay the leadership and the organization. Therefore, although employees with a sense of overqualification think that their abilities exceed the current job requirements, under the influence of the personal charm, charisma, intellectual stimulation, and personalized care of transformational leaders, they will increase the perceived organizational support of employees and weaken the perception that employees with a sense of overqualification do not match their posts. Based on this, we propose the following hypothesis:

H1: Transformational leadership negatively affects employees' perceived overqualification.

### 2.3. The Mediating Role of Perceived Organizational Support

There are many factors that affect perceived organizational support. We believe that effective leadership behavior will increase employees' perceived organizational support to a certain extent. Transformational leaders will give personalized care to employees, train and guide them according to the actual situation of each employee, create more opportunities for communication with employees, timely understand their work and life conditions, meet the needs of different employees as much as possible, and provide support in employee career growth, daily life and other aspects. In this process, employees' psychological cognition will change, and they can perceive more organizational support, so as to obtain psychological security and satisfaction. Previous studies have also shown that transformational leadership can promote perceived organizational support [12]. Based on this, we propose the following hypothesis:

H2: Transformational leadership positively affects employees' perceived organizational support.

According to the social exchange theory, for the care and support from leaders and organizations, individuals will form a strong sense of obligation to return, which will promote them to care more about the interests of the organization and make more behaviors beneficial to the organization. We argue that the perceived organizational support will reduce the employees' perceived overqualification. The acquisition of perceived organizational support can enable employees to have a sense of belonging to the enterprise, thus generating the willingness to repay the enterprise, and forming a sense of responsibility to actively help the

enterprise achieve its goals. This awareness of "I benefit, I reward" will change the employees' working attitude, stimulate the enthusiasm of employees who feel over qualified to work harder, so as to give play to their over qualified talents to pursue more challenging goals, and thus better repay the leaders and organizations. In this process, the perceived overqualification will be weakened. Based on this, we propose the following hypothesis:

H3: Perceived organizational support negatively affects the employees' perceived overqualification.

H4: Perceived organizational support plays a mediating role between transformational leadership and perceived overqualification.

Figure 1 presents the theoretical model of the current research.

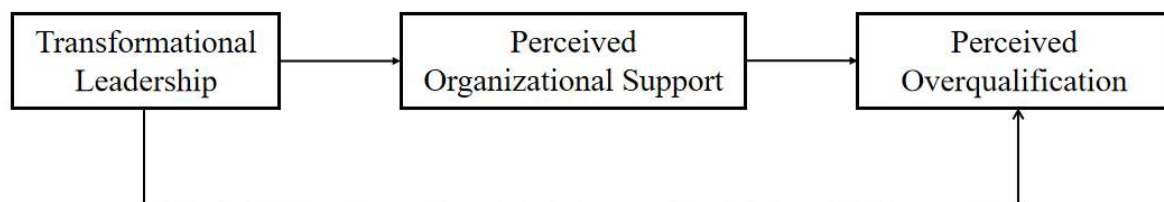


Figure 1. The theoretical model

### 3. Method

#### 3.1. Sample and Procedure

In this study, the data were collected by means of questionnaires. After obtaining the consent of the respondents, a questionnaire survey was conducted on the employees of a large manufacturing enterprise in China. A total of 450 questionnaires were distributed, and 387 were finally recovered, with a recovery rate of 86%. After eliminating the invalid questionnaires, 375 valid questionnaires were finally obtained, with an effective recovery rate of 83.3%. In terms of gender, the proportion of men and women is average, with men accounting for 50.9% and women accounting for 49.1%; In terms of education, junior high school and below accounted for 7.5%, high school or technical secondary school education accounted for 25.3%, junior college education accounted for 24.5%, bachelor's degree accounted for 36.3%, master's degree accounted for 6.1%, and doctor's degree accounted for 0.3%; In terms of age, 0.5% were aged 20 and below, 37.9% were aged 21-30, 52.3% were aged 31-40, 8.5% were aged 41-50, and 0.8% were aged 50 and above.

#### 3.2. Measures

Five-point Likert-type scales ranging from 1 (strongly disagree) to 5 (strongly agree) were used in all scales.

**Transformational leadership.** Referring to the research questionnaire of Schippers et al.(2008) [13], this study uses 6 items to report the Perceived Transformational Leadership Level through employee evaluation. Cronbach's alpha for the general scale is 0.827.

**Perceived overqualification.** The questionnaire on perceived overqualification was prepared by Maynard et al.(2006)[14], with 9 items in total. The questionnaire measures the employees' perceived excess of qualifications from the perspective of their knowledge, skills, abilities, and work experience. Cronbach's alpha for the general scale is 0.844.

**Perceived organizational support.** Referring to the questionnaire developed by Eisenberger (1986)[15], Liu Pu et al.(2008)[16] translated the questionnaire into Chinese, with a total of 6 items. Cronbach's alpha for the general scale is 0.897.

Control variables. In addition to the above three main research variables, this paper will control the three variables of employees' gender, education, age, and salary to obtain more accurate research results.

## 4. Results

### 4.1. Confirmatory Factor Analysis

In order to test the discrimination validity between variables, we use mplus7.4 software to conduct confirmatory factor analysis (CFA) on three variables to test whether the scale items can truly and accurately measure the connotation and characteristics of the corresponding concepts. The test results are shown in Table 1. It can be seen from Table 1 that compared with the other two models, the fitting degree between the observed sample data and the three-factor model is the most ideal ( $\chi^2 = 592.334$ ,  $df = 183$ ,  $RMSEA = 0.077$ ,  $TLI = 0.904$ ,  $CFI = 0.916$ ,  $TLI \geq 0.9$ ,  $CFI \geq 0.9$ ). All fitting indexes are better than two-factor and single-factor model, and are within the recommended standard value range. Therefore, the three variables in this study have good discrimination validity and can represent three different constructs.

**Table 1.** Confirmatory Factor Analysis

Model	$\chi^2$	df	$\chi^2/df$	TLI	CFI	RMSEA	$\Delta\chi^2$
Three-factor model	592.334	183	3.237	0.904	0.916	0.077	
Two-factor model	1496.509	186	8.046	0.698	0.732	0.137	904.175
Single-factor model	1972.097	188	10.490	0.593	0.636	0.159	475.588

### 4.2. Descriptive Statistics and Correlations

The following conclusions can be drawn from table 2. the mean and standard deviation of each variable is within a reasonable range. Transformational leadership was significantly positively correlated with perceived organizational support ( $r = 0.515$ ,  $P < 0.01$ ), while transformational leadership was significantly negatively correlated with perceived qualification ( $r = -0.138$ ,  $P < 0.01$ ). Perceived organizational support was negatively correlated with perceived qualification ( $r = -0.168$ ,  $P < 0.01$ ). The above results are in line with the theoretical expectations, and preliminarily verify the research hypotheses proposed in the previous article, and provide a basis for further research.

**Table 2.** Means, standard deviations, and correlations for variables(N=375)

Variables	M	SD	1	2	3	4	5	6
1.gender	1.49	0.50						
2.education	3.09	1.09	-0.107*					
3.age	33.13	6.11	-0.072	0.106*				
4.salary	7.12	4.61	0.208**	0.575**	0.169**			
5.transformational leadership	3.85	0.66	0.094	0.023	-0.036	0.047		
6.perceived overqualification	2.80	0.72	-0.044	-0.023	-0.060	0.064	0.138**	
7.perceived organizational support	3.45	0.74	0.023	0.008	-0.018	0.044	0.515**	0.168**

Note: \* $p < .05$ ; \*\* $p < .01$ ;

### 4.3. Tests of Hypotheses

Hypothesis 1 predicts that transformational leadership is negatively related to perceived overqualification. As Table 3 shows, transformational leadership is found to have a negative correlation with perceived overqualification ( $\beta = -0.133$ ,  $p < 0.05$ , Model 2). Hence, hypothesis 1 is supported. Furthermore, we test Hypothesis 2, where we expect to find a positive effect of transformational leadership on perceived organizational support. Table 3 shows a significant positive correlation between transformational leadership and perceived organizational support ( $\beta=0.516$ ,  $P<0.001$ , Model 6). Therefore, hypothesis 2 is supported. Then we test Hypothesis 3, perceived organizational support is found to have a negative correlation with perceived overqualification ( $\beta=-0.165$ ,  $P<0.01$ , Model 3). Therefore, hypothesis 3 is supported. After the process plug-in program developed by Hayes (2013) 错误!未找到引用源。 in spss22.0 was used to control the gender, education, age, and salary of the respondents, the sampling number was set to 5000, and the upper and lower limits of the 95% confidence interval for the establishment of the mediating effect of perceived organizational support were  $[-0.1548, -0.0027]$ , which did not include 0. This verified the mediating role of perceived organizational support between transformational leadership and perceived qualification, hypothesis 4 was supported.

**Table 3.** Results of regression analysis

	perceived overqualification				perceived organizational support	
	M1	M2	M3	M4	M5	M6
gender	-0.062	-0.047	-0.056	-0.045	0.033	-0.022
education	0.007	0.004	0.001	-0.008	-0.037	-0.025
age	-0.051	-0.057	-0.057	-0.053	-0.033	-0.009
salary	-0.072	-0.060	-0.059	-0.053	0.078	0.032
transformational leadership		-0.133*				0.516***
perceived organizational support			-0.165**			
R <sup>2</sup>	0.010	0.028	0.037	0.039	0.005	0.266
$\Delta R^2$		0.018*	0.027**	0.029**		0.261***
F	0.950	6.583*	10.374**	10.917**	0.421	131.744***
Note: * $p<0.05$ ; ** $p<0.01$ ;						

### 5. Discussion

Based on the social exchange theory, this study discusses the antecedents of employees' perceived overqualification, empirically tests the role of perceived organizational support in the process of transformational leadership affecting employees' perceived overqualification, and draws the following conclusions: Firstly, transformational leadership has a significant negative impact on employees' perceived overqualification. Secondly, transformational leadership has a positive impact on employees' perceived organizational support, and perceived organizational support has a negative impact on employees' perceived overqualification. Thirdly, perceived organizational support plays a mediating role between transformational leadership and perceived overqualification. Below, we discuss the theoretical and practical implications of our research.



### 5.1. Theoretical Implications

Firstly, this study enriches the antecedent variables that affect employees' perceived overqualification. Previous studies have paid too much attention to the results of employees' perceived overqualification, and the analysis of its antecedent mechanism has been seriously misplaced. The existin research is still at the stage of theoretical discussion. Our study explores the impact of transformational leadership on employees' perceived overqualification, thus filling the current lack of research on the antecedents of perceived overqualification, and enriching the relevant research on leadership theory.

Secondly, this study reveals the mechanism of transformational leadership affecting employees' perceived overqualification. Based on the social exchange theory, a mediating model is constructed to reveal the mechanism of transformational leadership affecting employees' perceived overqualification. Through empirical analysis, this paper discusses the mediating role of perceived organizational support between transformational leadership and perceived overqualification.

### 5.2. Practical Implications

Firstly, in recent years, with the increasing downward pressure on China's economy and the rapid development of higher education, the knowledge-based jobs provided by enterprises have been unable to fully meet the needs of highly qualified people in society. The phenomenon of overqualification seems to be inevitable. It is more and more likely that enterprises will recruit employees with perceived overqualification. However, enterprise managers should correctly view this social phenomenon. Follow the principle of "matching people with posts and giving full play to their talents", formulate a scientific selection scheme and a detailed and clear job description, and try to recruit the most suitable but not necessarily the best employees, so as to minimize the occurrence of over qualification.

Secondly, Attach importance to enterprise leadership behavior and cultivate transformational leaders. Compared with other leadership styles, the unique personality charm and excellent quality of transformational leadership can encourage subordinates to make more efforts than expected. Therefore, leaders should always pay attention to their own image in their daily work, become an example for employees to learn by virtue of their personal charm, charisma, and practical actions, and establish a common vision blueprint in combination with the vision and goals of the organization and employees, so as to mobilize the work enthusiasm of subordinates and encourage subordinates to work hard for personal and organizational goals. In addition, while showing their charm and ability, leaders should also keep pace with the times and constantly improve their leadership behavior.

Thirdly, pay attention to the psychological state of employees and give more organizational support. The enterprise should establish and improve a good communication mechanism, care mechanism, and psychological counseling mechanism. Leaders should communicate with employees frequently to understand their needs and pay close attention to their psychological conditions. Through caring for the career growth and development of subordinates, improving working conditions, and carrying out employee assistance programs, employees are given various support, so that employees can feel the care and attention of the organization and increase their perceived organizational support.

### 5.3. Limitations and Future Directions

Although this research has certain theoretical contributions and practical significance, it is still limited by time, place, manpower, material resources, and other factors, and needs to be improved by follow-up research. First, this research collects data from the same source, and the questionnaire does not involve the evaluation of direct leaders on subordinates, so there will be common method deviation. In future research, it is necessary to measure variables by

combining self-evaluation and other evaluations to reduce the impact of homology deviation; Second, only some enterprises in China are selected for the survey. The data source is single and the survey area is narrow. In future research, more regions and enterprises can be selected for research to further improve the representativeness of the sample. Third, this study reveals the mechanism of the role of transformational leadership on employees' perceived overqualification, and the conclusion is only the tip of the iceberg. The complex mechanism of the two and other antecedents of perceived overqualification need to be further explored.

## 6. Conclusion

In summary, drawing from social exchange theory, we construct a model of transformational leadership influencing employees' perceived overqualification through perceived organizational support. The results show that transformational leadership has a significant negative impact on employees' perceived overqualification. Transformational leadership has a positive impact on employees' perceived organizational support, and perceived organizational support has a negative impact on employees' perceived overqualification. Perceived organizational support plays a mediating role between transformational leadership and perceived overqualification. Our findings not only complement the literature on perceived qualification but also bring enlightenment to organizational human resource management. Finally, we point out several limitations of the study and future research directions.

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