# Addressing Employee Overqualification: Thrust On Reflections Of Overqualified Employees At Work

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### Abstract:

Hiring an employee who is overqualified for the position may have both positive and negative consequences for the organisation. Employees who are overqualified are more likely to perform at a higher level. This could be due to overqualified employees having more than the necessary skills and abilities. Furthermore, the employee may anticipate that positive rewards will often come from objective performance ratings that they believe they deserve. Internal development opportunities that are diverse for achieving organisational goals while fostering employee engagement and retention. This research paper is aiming to explore the problems deriving to employees from overqualification feelings. There is too much demand for education and qualification in the organisations. The study supported from the exploration of the theoretical concepts of psychosocial referring as well to the reality of the employees in Vidarbha region and experiencing several psycho-social problems such as stress, low self-esteem, lack of job satisfaction and chances of turnover.

**Keywords:** Employee overqualification; psycho-social problems; job satisfaction; self-esteem; employee engagement; retention

# Introduction:

Overqualification Has an Impact on Organizational Outcomes: An employee may consistently perform at a high level by applying their higher level of knowledge, skills, and abilities in the position. As a result, the employee's performance should be higher than that of those who are not overqualified.

Employees with specific knowledge, skills, and abilities may believe they are entitled to a specific position or salary. Employees may become frustrated when they do not receive what they believe they deserve, resulting in negative emotions directed toward the organisation.

The negative organisational outcomes associated with overqualification are the result of a mismatch between what the employee believes they deserve and what they receive. Empowering employees and giving them more

autonomy in the workplace can help to mitigate the negative effects of overqualification. This can be accomplished by communicating to the employee how much they are appreciated and giving them control over work outcomes. This will convey to the employee that he or she is a trusted and valued member of the organisation. As a result, the detrimental effects of overqualification can be mitigated.

Organizations must continue to actively recruit the most qualified, if not overqualified, candidates for positions. If an opportunity for advancement or a bonus is available in the future, this can be communicated to the overqualified employee ahead of time to reduce negative attitudes; however, this approach should be used with caution, as employees may become extremely discouraged and dissatisfied if they believe they will advance or receive a bonus and neither occurs. Hiring individuals

with skills and abilities beyond those required for the position benefits the organisation in the long run, especially when combined with giving the employee more autonomy and control while communicating that they are a valued entity within the organisation. This can help to reduce negative job attitudes and intentions.

**Objective of the paper**: To analyse the impact of recruitment of overqualified employees on organizational practices

Hypothesis: The relationship of employee overqualification with succession planning, employee retention and higher employee engagement is moderated by employee development-oriented organizational culture such that this relationship is positive when employee development-oriented organizational culture is strong but negative when it is weak.

# Evidences from the manufacturing organizations of Vidarbha region

Two out of every five businesses reported that staff turnover was higher in the most common job roles than in other job roles, and 58 percent reported recruitment issues in these job roles. Higher turnover was reported for 11% of the most common job roles, and recruitment issues were reported for 22% of the most common job roles. Retention strategies primarily involved

financial measures, though non-financial measures have also been reported. Skill-related issues were mentioned for 10% of the most common job roles, particularly CNC operator jobs, followed by tool and die makers, traditional machine operators, welding and related roles, and marketing, research, and service roles. The unorganised sector and small businesses relied heavily on informal recruitment methods (such as word of mouth, walk-ins, and company networks), whereas medium-sized and large businesses preferred a mix of informal and formal methods (such as recruitment via a training institute, advertisements on internet, etc.). The employment exchange was not a preferred method of recruitment by any company type. Almost half of the participating companies hire from all over India, with one-third hiring only from nearby areas. The criteria for selection differ significantly between sub-sectors. Unorganized sector companies, for example, placed little value on certificates, diplomas, or degrees and preferred to hire underqualified workers, whereas having the right qualifications was much more important for larger companies. Work experience is more important for smaller companies than for larger ones, and references from previous employers are more important for micro-sized and large companies than for small and medium-sized companies. None of the businesses want to work with overqualified employees.

**Table 1: Frequency Distribution** 

	Impact on various organizational Practices									
Responses	employee engageme nt	Empl oyee Train ing	Succe ssion Planni ng and retenti on	flexibili ty for the future	Improvem ent in the skill set of the team	Employ ee benefits	Employe e Value for the organizat ion	Impact of employ ee overqua lificatio n		
Strongly										
Agree	23	28	34	33	27	24	34	33		
Agree	81	52	78	71	39	50	83	74		

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Neutral	71	60	66	71	62	58	72	63
Disagree	65	63	54	60	70	71	51	59
Strongly								
Disagree	10	47	18	15	52	47	10	21
Total	250	250	250	250	250	250	250	250

The frequency distribution of responses from 250 respondents is shown in the table above. According to the above table, maximum 81 respondents agree for the impact on employee engagement, 63 disagree for the impact on employee training, 78 agree for the impact on Succession Planning and retention, 71 agree for

the impact on future flexibility, 70 disagree for the impact on team skill set improvement, 71 disagree for the impact on employee benefits, and 83 agree that employee overqualification has an impact on organisational value, and 74 agree that it has an impact on various organisational practices.

**Table 2: Descriptive Statistics** 

		employee engageme nt		Succession Planning and retention	tlexibility	Improveme nt in the skill set of the team	e henefits	Employee Value for the organization	Impact of employee overqualificati on
	Valid	250	250	250	250	250	250	250	250
1	Missing	0	0	0	0	0	0	0	0
	Mean	2.8320	3.1960	2.7760	2.8120	3.3240	3.2680	2.6800	2.8440
;	Std. Deviation	1.04313	1.27597	1.14677	1.12326	1.26548	1.24675	1.06872	1.17353
	Skewness	.063	151	.190	.068	330	232	.190	.126
	Std. Error of Skewness	.154	.154	.154	.154	.154	.154	.154	.154
	Kurtosis	813	-1.047	828	840	898	980	722	915
	Std. Error of Kurtosis	.307	.307	.307	.307	.307	.307	.307	.307

The descriptive statistics for seven dependent and one independent variables(Employee overqualification) are shown in the table above. The responses are graded from 1 to 5. It was discovered that the impact on team skill set

improvement has the highest mean of 3.3240, while the impact on employee value for the organisation has the lowest mean of 2.68 score. The impact on employee training has the highest standard deviation of 1.27.

**Table 3: Regression Analysis:** 

Model Summary							
Model R R Square Adjusted R Square Std. Error of the							
Estimate							
1	.792ª	.627	.616	.72743			
a. Predictors: (Constant), IMPACT OF employee overqualification							

As shown in the table above, the model summary of regression analysis includes 'employee overqualification' as an independent variable and all seven variables as dependent variables. According to the above table, the coefficient of correlation between independent and dependent variables is 0.792. The coefficient of regression (R square) is found to

be 0.627, indicating that the independent variable explains 62.70 percent of the variation in the dependent variables. Even when adjusted R square is used, the independent variable still explains 61.60 percent of changes in dependent variables with a standard error of estimate of 0.727.

**Table 4: Analysis of Variance:** 

ANOVA									
Model		Sum of Squares	Df	Mean Square	F	Sig.			
	Regression	214.859	7	30.694	58.005	.000 <sup>b</sup>			
1	Residual	128.057	242	.529					
	Total	342.916	249						

a. Dependent Variables: Employee engagement, employee training, succession planning and retention, flexibility for the future, improvement in the skill set of team, employee benefit, employee value for the organization

b. Predictors: (Constant), Employee overqualification

The analysis of variance results show that the regression sum of squares is 214.859 with 7 degrees of freedom. With 242 degrees of freedom, the residual sum of squares is found to be 128.057. As a result, the total sum of squares with 249 degrees of freedom is 342.916. The mean square of the regression is 30.694

(214.859/7) and the residual mean square is.529 (128.057/242). As a result, the F-value is 58.005 (30.694 /0.529), which is significant at the 5% level of significance. As a result, it is possible to conclude that the variance caused by the independent variable on the dependent variables is significant.

Table 5: Beta values of dependent variables:

	Coefficients <sup>a</sup>									
Model		Unstand Coeff	lardized icients	Standardized Coefficients	Т	Sig.				
		В	Std. Error	Beta						
	(Constant)	1.369	.242		5.655	.000				
1	Employee engagement	.388	.067	.345	5.835	.000				
1	Employee value for the organization	.185	.052	.201	3.574	.000				

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Succession planning and retention	.471	.057	.460	8.329	.000
Flexibility for the future	.068	.065	.065	1.046	.297
Improvement in the skill set of team	327	.042	352	-7.869	.000
Employee benefit	049	.050	052	980	.328
Employee training	175	.074	159	-2.372	.018

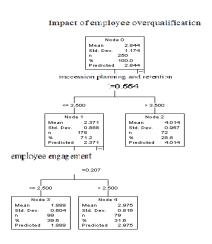
a. Independent Variable: Employee overqualification

Three of the seven dependent variables have an inverse relationship with the independent variable, which is employee overqualification. These dependent variables are team skill set improvement, employee benefit, and employee training. However, among these three variables, team skill set improvement and employee training are found to be significant at the 5% level of significance.

Thus, when an employee development-oriented organisational culture is lacking, employee overqualification has an inverse impact on team skill set improvement and employee training.

Employee engagement, organisational value, succession planning and retention, and future flexibility are found to be positively related to employee overqualification at the 5% level of significance. The beta value of 0.460 for succession planning and retention, on the other hand, is the highest of any positive beta. Thus, when an employee development-oriented organisational culture exists, overqualification of employees has the greatest positive impact on succession planning and employee retention.

# Classification and Regression Tree (CART) Analysis:



The above tree diagram depicts the key dependent variables of employee overqualification. With a mean of 2.844, succession planning and retention is the most significant determinant of employee overqualification among the seven dependent variables, indicating that the majority of respondents agree on overqualification. Out of these 250 respondents, 178 have a score of less than or equal to 3.50, indicating that they mostly agree on the positive impact of overqualification on succession planning and retention, as the mean score of these respondents is 2.371, which is less than Neutral response score of 3.72 out of these 250 respondents, 78 have a score of 4.014, which is slightly higher than Disagree response on overqualification.

With a score of 2.371, 178 respondents agreed with the Impact on succession planning and retention. Out of the 178 respondents, 99 had an Impact on employee engagement score of less than or equal to 2.50. They have a mean score of 1.889, indicating that they agree on succession planning and retention. Employee engagement is rated higher than 2.50 by 79 respondents. The mean score of these 79 respondents is 2.975, which is close to Neutral. As a result, this relationship outperforms the other variables under consideration by 0.207.

### **Conclusion:**

This paper examines various practices of organizations with respect to employee development-oriented organizational culture and analyse the impact of recruitment of overqualified employees on organizational practices.

When considering a candidate who is overqualified for the job, it's always worth looking at the big picture. When making hiring decisions, the best leaders don't just consider current needs, but also look to the future.

Overqualified candidates often have other skills in areas that are not required for a particular role but may be useful for the organisation as a whole. This gives them greater flexibility for the future and could allow them to accomplish things in the future that you have not considered part of that role. Rather than just fulfilling an immediate need, they could help your organisation grow and achieve even more.

These employees can also improve the skill set of the team as a whole, as they could mentor or train up others to their level. They can also serve as a model for organizational employees and help challenge them to bring productivity up. Having extra skills in team can also give the flexibility to react to challenges or opportunities that may arise in the future. Making full use of their skills will also make them a more engaged employee.

Hypothesis of the research paper is accepted that employee overqualification is positively correlated to succession planning, retention and higher employee engagement when employee development-oriented organisational culture is strong which helps the organisations in sustaining growth instead of holding it back.

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