

Perceived Over-Qualification and work Engagement: The Moderating Role of Emotional Intelligence

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Abstract

This research examines the relationship between perceived over-qualification and work engagement, with emotional intelligence as a moderator, in the banking sector of Sindh, Pakistan. Using Krejcie and Morgan's table, a sample of 389 employees from five major banks in Sindh was selected. Structural equation modeling using AMOS 27 were used to analyze the collected data. James Gaskin's moderation method was applied. Findings show that perceived over qualification negatively affects work engagement, while emotional intelligence moderates and positively influences both variables. Employees with higher emotional intelligence are generally less affected. These results highlight the potential of emotional intelligence in improving engagement among over-qualified employees. The findings can guide strategies to enhance employee satisfaction, performance, and organizational effectiveness in Sindh's banking sector. However, applicability may vary by context, and further research is needed.

Keywords: Perceived Over Qualification, Work Engagement, Emotional Intelligence.

Introduction

The global monetary crisis and unstable economic situation have led to tendencies in the labor market, which makes many people accept the jobs that does not correspond to their qualification level. A phenomenon known as perceived over-qualification is one that occurs when employees feel that more than they are needed to qualify for and perform their jobs. The banking industry is a field of the most critical over-education because there are few available vacancies and financial problems make professionals with various degrees accept working positions that do not correspond to their qualification level occur when employees believe that their skills, training, and experience exceed the requirements of their current job. Over qualification is particularly prevalent in the banking sector, where limited employment opportunities and financial constraints have led many highly qualified professionals to take on positions that do not fully utilize their skills. However, these positions will provide genetic stability for the holders, but the conflict between skill and the expected proficiency level may lead to low work engagement. Work engagement is also called a positive work-related state of mind that concerns energetic participation, dedication, and enthusiasm towards work. Briefly, over skilled workers are usually bored at work, dissatisfied with their jobs and consequently underperforming. On the other hand, self and others' EI has been established as a moderator that can help eliminate the perceived over qualification effect on work engagement. Emotional intelligence may be defined as people's capacity to recognize and manage their own and others'

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emotions. Employees with various levels of EI when encountering emotional stress resulting from over qualification will manage this in a different way. They may be able to regulate their focus, cognitive framing, and perceived meaning regarding their job and duties despite experiencing procedural justice. Due to the difficulties and unstable economic activity worldwide, there are few job openings in the labor market. As a result, the labor market is increasingly difficult and competitive. Candidates with more education, experience, and talents are challenged by the limited number of open positions. Because of this, the companies are hiring people who are more qualified than they need to be for their jobs. The banking sector has become more complex as employees experience greater job requirements, as well as more frequent changes within skills. One of the new emergent topics that have provoked interest is known as perceived overqualification, when an employee believes that he or she is overqualified for the position. This perception may very well lead to a host of undesirable consequences like job discontentment, withdrawal, and less motivation.

Literature Review and Hypotheses Development

The job market today faces a big problem; too many workers have more education than their jobs need, this comes from more people getting higher degrees. Back in 2021, (Finsaas & Goldstein, 2021) said being overqualified is a type of underemployment. It happens when a worker's education, experience, and skills are more than that for which their job asks. They also said it is something that affects each person making them unhappy and frustrated with their work. (Liu et al., 2015) Experts look at being overqualified in diverse ways. Some look at the facts, like when someone's qualifications are more than what the job needs. (Maynard & Parfyonova, 2013) Others care more about how workers feel, like if they think they're overqualified. Work engagement is defined as job engagement which is the state that combines interest, enjoyment, and willingness to invest in oneself in job (Mer et al., 2023) and he also pointed out that the findings of numerous studies support the inference that job involvement is related to number of various positive behaviors and organizational consequences for both the human and the total organizational system. Vigor is operationalized as work-related energy, mental resources, a willingness to engage effort during work and tenacity. Commitment is the feeling of importance, interest and passion, motivation, pride, and the perception of difficulty of the job. Every key human resource consultation agency target enhancing levels of work engagement. These firms continue to argue that they have often provided undisputable and overwhelming evidence that improving work engagement leads to higher organizational profit through productivity, revenues, consumers' satisfaction, and attrition rate.

H¹: Perceived Overqualification has a negative impact on work engagement.

According to (Patanella & Ebanks, 2011) Howard Gardner's Theory it was more important to emphasize the way individuals leverage such social intelligence to be able to control and shape others for their own purposes. Managing interpersonal relationships competitively and constructively, which Gardner dubbed Social IQ, is related to EI in two areas: the control and economic aspects, the latter determining whether a target should be pursued.

In such context, Salovey and Mayer hypothesized that people eligible for expecting cognitive behavior or positively adapted sentiment holders are better equipped with four factors understanding emotions as follows:

- Emotion appraisal,
- Emotional articulation,
- Emotional regulation,
- Emotional allocation.

People's emotional intelligence can determine how they comprehend the emotions of others and the strategies they employ in communication. It has suggested that, by organizing emotions successfully, a person may influence others favorably (Mayer et al., 1999).

(Goleman, 1995) was the one who introduced the term, emotional intelligence, to the public and then redefined it. He listed traits like impulse control, motivation, empathy, mood regulation, and, more importantly, resilience. He said that the influential person having emotional intelligence can be emotionally rich to build proper relationships and reach goals.

(Mayer et al., 2012) idea of emotional intelligence has also undergone change as (Goleman, 1997) and Bar-On (Dawda & Hart, 2000) have brought new viewpoints to the topic. Goleman focused on five basic areas: the identification and control of one's emotions, motivating oneself, the understanding of the emotion of others, and the processing of social relationships. The concept of emotional intelligence does not depend on the social class of the person, it is just a characteristic linked to people of different class.

In the area of educational research, EI stands out as one of the topics of interest and two major models that are mostly used are the components of EI model:

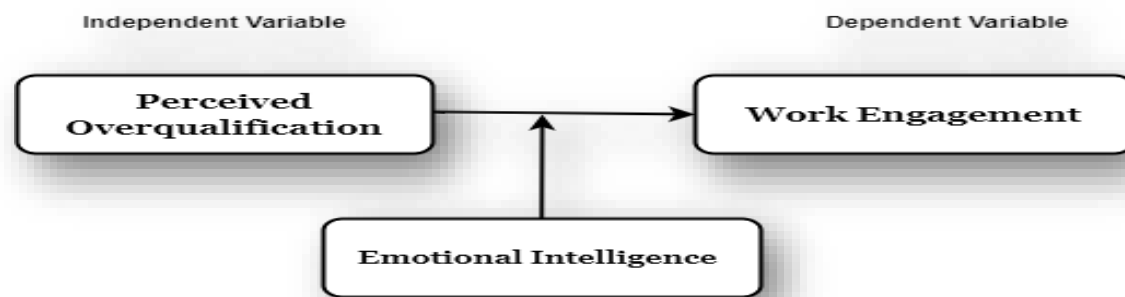
The concept of intelligence emotional-emotional quotient in the ability model of Mayer and Salovey is based on the meaning and the path connecting emotional abilities to thinking, behavior, and intelligence. EI is a way of incorporating emotions into how we think, how we communicate with the people around us, and maintaining good relationships with our friends. Intelligence from an emotional perspective deals with the promise that intelligence and emotions come to bring about better learning, linking the two ideas, this means, identifying emotion and dealing with it by acquiring and applying intelligence. Depression, obsessive-compulsive disorder (OCD), schizotypal disorder, paranoid personality disorder, and schizotypal personality disorder are the personality traits that can be defined within a continuum of the mixed model of Goleman which emerges to be complementary to IQ. It means the ability to reflect on one's emotions and not only to touch the surface but also to customize them to achieve the best outcome.

H^2 : Emotional Intelligence moderates the negative impact of perceived overqualification on work engagement.

Every key human resource consultation agency target enhancing levels of work engagement. These firms continue to argue that they have often provided undisputable and overwhelming evidence that improving work engagement leads to higher organizational profit through productivity, revenues, consumers' satisfaction, and attrition rate. The message to organizations is clear: Scientists have also stressed that increasing work involvement results in improved operating profitability. However, these claims are not supported by publications from referred sources; the notable exception being the Gallup Organization (Bakker & Demerouti, 2017). One unfortunate aspect of various reports is their reliance on proclamations that such and such a relationship has been found between engagement and a firm's performance instead of offering actual data. However, because consultancy firms have substantial impacts in the business environment.

Conceptual Framework

Figure 1: Hypotheses



H1: Perceived over qualification has negative and significant impact on work engagement.

H2: Emotional intelligence moderates the relationship between perceived over qualification and work engagement.

Methodology

Research Data

This research used a quantitative methodology with primary data collected through a survey questionnaire to examine the relationship between perceived over qualification (independent variable), work engagement (dependent variable), and emotional intelligence (moderating variable) among employees of the top five banks in Sindh, Pakistan (as per the State Bank list).

Variables

This study is based on three variables. Perceived over qualification, work engagement, and emotional intelligence.

Sample Size and Sampling Technique

The target population included employees from these banks across various roles.

Using Krejcie and Morgan's (1970) sample size calculation, 389 participants were surveyed to obtain generalizable results representative of the banking workforce in Sindh. The aim was to draw accurate conclusions about this population.

Statistical tools and techniques

Structural Equation Modeling is used to analyze the data in this regard the Amos 27 were used. For measuring Perceived Over qualification was measured using the scale by Maynard and Parfyonova (Willis et al., 2019), Work Engagement by (Schaufeli et al., 2006), and Emotional Intelligence by the Self-and-Other scale (Bar-On, 1997). These validated scales ensured the reliability and validity of the collected data.

Results & Analysis

Demographic Profile

The respondents were classified into two gender categories: male and Female. Thus, the study sample based on 279 male participants, or 71.7% of the overall number of participants. There were 110 female participants, this was equal to 28.2% of the total sample.

Table 1: Demographic Profile

Measures	Items	Frequency	Percentage
Gender	Male	279	71.7%
	Female	110	28.3%
Age	Below 25	30	7.7%
	26-35	162	41.6%
	36-45	156	40.1%
	46-55	41	10.5%
Education	Bachelor	54	13.9%
	Master	201	51.7%
	MS/MPhil	131	33.7%
	PhD	3	.8%
Experiences	Below 1	13	3.3%
	1-2 Years	71	18.3%
	3-4 Years	162	41.6%
	5-6 Years	91	23.4%
	6-7 Years	42	10.8%
	8 Years	10	2.6%

Reliability Statistics

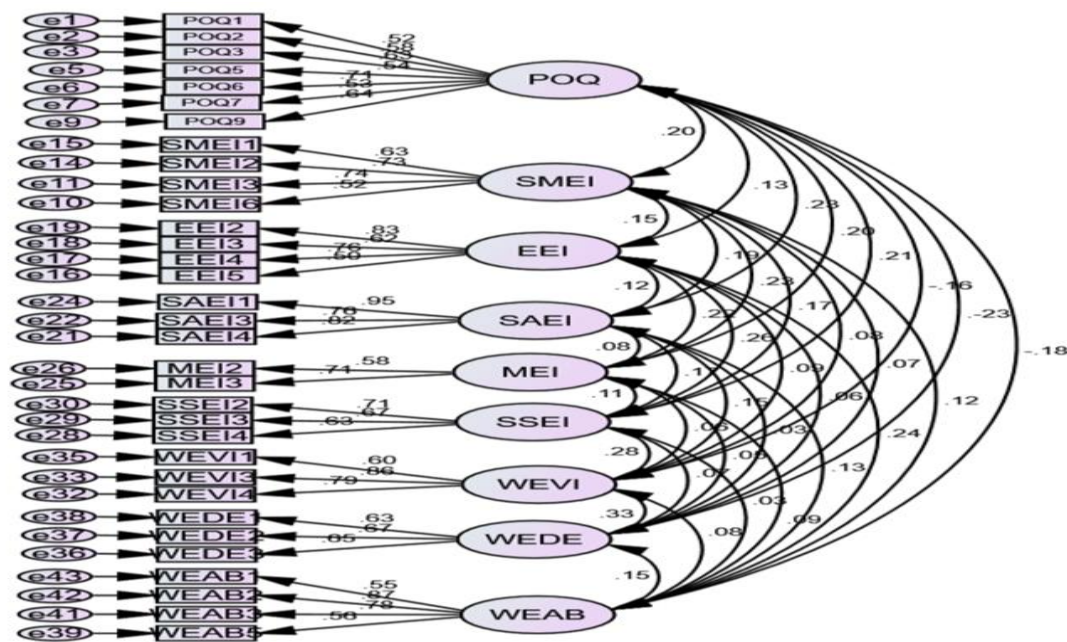
The Reliability Analysis looks at the internal consistency of each item used for measurement of the various constructs being studied; this is given by Cronbach's alpha. The closer the value of Cronbach's alpha to 1, the better internal consistency or reliability of the tested objects, i.e. the items within a factor give consistent results for a given construct. Here's an explanation of the current figure:

Table 2: Reliability

Factors	Nature	Items	Score
Perceived overqualification	Independent Variable	9	.745
Emotional intelligence	Moderating variable	16	.809
Work engagement	Dependent Variable	26	.768

Structural Model

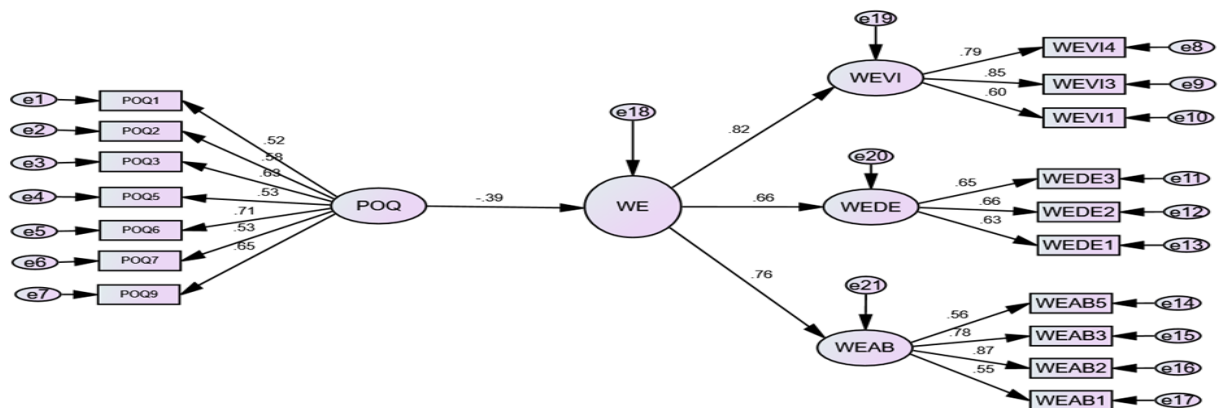
The figure given below shows the measurement model for the study along with fit indices

Figure 2: Measurement Model**Table 3: Fit indices (POQ, WE, EI)**

Fitness of Model	CMIN/DF= 2.82, PVALUE=0.000, GFI=.91, AGFI=.818,
POQ	TLI= .90, CFI= .93, NFI=.96, RMSEA=.031
Self-Management	CR .762, AVE .619, MSV .319, ASV=.315
Emotional Intelligence	
EmpathyEmotional	CR .731, AVE .631, MSV.409, ASV.336
Intelligence	
Social Awareness	CR .791, AVE .648, MSV .471, ASV=.371
Emotionalintelligence	
Motivational Emotional	CR .759, AVE .637, MSV .461, ASV=.319
Intelligence	
Social Skills Emotional	CR .715, AVE .628, MSV .399, ASV=.321
intelligence	
Work Engagement Vigor	CR .709, AVE .653, MSV .367, ASV=.332
Work Engagement	CR .783, AVE .673, MSV .419, ASV=.344
Dedication	
Work Engagement	CR .728, AVE .691, MSV .433, ASV=.331
Absorption	

Hypothesis 1

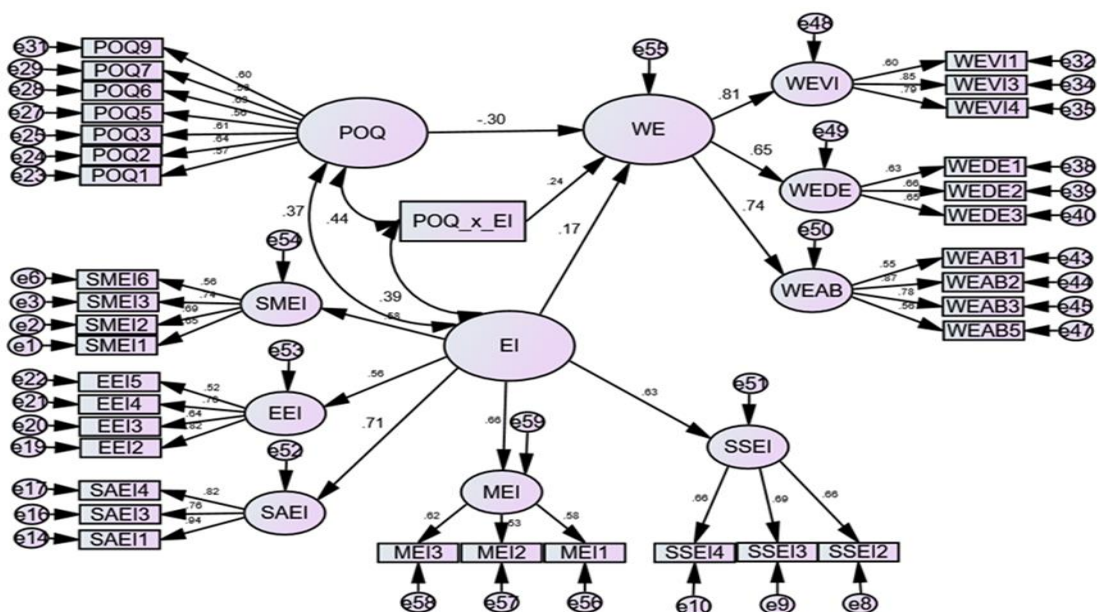
Figure 3: Perceived Overqualification relationship with Work Engagement



Analysis through the structural equation model indicated that Perceived Overqualification (POQ) exhibited strong relationships with work engagement (WE). Perceived Overqualification received a negative standardized path coefficient (-0.39) indicating that better Perceived Overqualification leads employees to demonstrate reduced work engagement. POQ negatively impacts on total work engagement, yet each component of Work Engagement (vigor, dedication and absorption) continues to maintain strong interconnections.

Hypothesis 2 (Moderation)

Figure 4: Emotional Intelligence between Perceived Overqualification and Work Engagement



Explanation of Key Components

Perceived Over Qualification (POQ)

The latent construct known as Perceived Over qualification (POQ) has nine measurement indicators (POQ1 to POQ9) drawn together as rectangles. Each indicator used in measuring

POQ demonstrates a standardized loading value between 0.51 and 0.80 which illustrates the connection between diverse indicators and the core over qualification concept.

The path coefficient between Perceived Over qualification (POQ) and Work Engagement (WE) reveals a negative -0.30 relation between the variables. When workers believe their qualifications exceed their job requirements they demonstrate reduced levels of work engagement.

Work Engagement (WE)

The measured construct WE functions as the dependence variable through which researchers evaluate work engagement levels. POQ directly impacts WE but exercises its effect on the construct by combining with emotional intelligence (EI).

WE contain three main characteristics called Vigor (WEVI), Dedication (WEDE) and Absorption (WEAB) which the study measures through indicators including WEVI1 and WEDE1. Sub dimension measurements show strong standardized loadings which reveals solid analytical capability of WE via its component elements.

Moderation (POQ_x_EI)

POQ_x_EI functions as a moderating variable because it expresses the relationship between Perceived Over qualification (POQ) and Emotional Intelligence (EI). The 0.17 positive path coefficient between POQ and WE demonstrate that Emotional Intelligence acts as a moderating variable in this relationship.

Employees who demonstrate higher levels of emotional intelligence experience reduced work engagement repercussions from perceived over qualification according to the positive path coefficient. Work engagement remains strong for employees with higher levels of emotional intelligence despite perceived over qualification status.

The relationship between perceived over qualification and work engagement becomes weaker when emotional intelligence serves as a moderator between these variables. The buffer function of emotional intelligence enables people to maintain work engagement while they perceive themselves as exceeding job requirements.

Hypothesis Testing

Based on the literature on Perceived Over qualification (POQ), Work Engagement (WE), and Emotional Intelligence (EI), the following hypothesis were formulated by the researcher. These hypotheses involve interrelationships among the variables either direct or indirect. More precisely, the results of the present study show that POQ is negatively related to WE, though EI acts as a moderator between POQ and WE.

Conclusion

The present research investigates essential occupational psychology elements throughout banking operations in Sindh Province Pakistan through an exploratory analysis. Specifically, the research investigates the impact of perceived over qualification on work engagement, with a focus on the mediating role of emotional intelligence. The research examines the connection between over qualification perceptions and work engagement while studying emotional intelligence as a possible moderator in this relationship across leading banks throughout Sindh Province. This research determines the behavioral drivers which help employees adapt to organizational environments while establishing new strategies to boost satisfaction and productivity rates for financial institutions across Sindh Province Pakistan.

The implications of the research findings should of course be viewed in the light of several considerations of limits to the study. Lack of temporal and fiscal opportunities limited the study to Sindh province, which ruled out a wider analysis. Also, this research was limited to five large

established banks in Sindh, which was decided due to time and cost constraint. These constraints influenced approaches to the investigation and the extent to which other geographical areas or industries could be investigated.

This present research study was conducted in the banking sector in the Sindh province in Pakistan, and hence it underlined the need to extend the study in the future. Future researchers should extend their study to other provinces and manufacturers in other industries including healthcare, telecommunications, other private firms, and government institutions including education. Future research could also use moderation variables including performance, organizational behavior, leadership and resilience to establish the relationship of POQ and WE. By comparing sectors and subsectors and utilizing a multilevel approach, finer performance outcomes and more generalizable conclusions could be drawn for occupational psychology and related disciplines.

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