

# Perceived Overqualification and Turnover Intention in Nationalised Banks: Examining the Role of Employee Wellbeing

Razeena Rasheed<sup>1</sup>, Ali H. Halawi<sup>1</sup>, Syed Sadullah Hussainy<sup>1</sup>, Amani Al Balushi<sup>2</sup>

<sup>1</sup>Assistant Professor, Arab Open University, Oman

<sup>2</sup>Lecturer, Arab Open University, Oman

Email: razeena.r@aou.edu.om

---

## Abstract

**Purpose:** This research study aims to examine the relationship between perceived overqualification and turnover intention among employees with a focus on understanding the mediating role of employee wellbeing. Perceived overqualification, where employees feel that their qualifications exceed the requirements of their job, has been identified as a potential contributor to turnover intention. However, the role of employee wellbeing in this relationship remains relatively unexplored particularly in a context characterized by large supply of graduates outnumbering the demand for them. **Design/Methodology/Approach:** Through a quantitative research design, data is collected from clerical employees in nationalized banks in the southernmost State of India. The proposed model was tested among these where the jobs are characterized by opulent extrinsic attributes. The data analysis has been done using factor analysis, reliability and validity analysis and analysing model fit indices through structural equation modelling. **Findings:** The results showed that the positive association between perceived overqualification and turnover intention is mediated by employee wellbeing. The job characteristics of the nationalized job were found to ameliorate the negative perceptions associated with perceived overqualification. **Originality/Value:** This study brings out the significance of employee wellbeing over perceived overqualification in affecting turnover intention. Hence it is an indicator to the employers to focus on factors that can enhance employee wellbeing while framing human resource policies and thereby reducing turnover intention among them. The findings of this research can enrich human resource management strategies and interventions aimed at improving employee retention and organizational performance.

**Keywords:** Overqualification, Turnover, Wellbeing, Affectivity, Job Characteristics.

Perceived overqualification is a concept of researchers today. Overqualification is relevance and renewed interest among characterized by the possession of excess of

knowledge, skills, abilities, or other characteristics by the employees beyond those required to perform a job (Erdogan et al., 2020). The research in overqualification gains its importance as it points towards the mismatch between an employee's skill, experience, education level and the requirements of a job (Amador and Vila, 2013). From a macro perspective, the educational and skill mismatches have a potential risk of unemployment and thus contribute negatively to the overall economic performance of a country (Piero and Sergio, 2020). The reason behind such a phenomenon could be factors like an upsurge in the supply of graduates outpacing the employment opportunities (Johnson and Johnson, 2000b), incomplete information about the labor market (Budria and Ibarretta, 2020), the structural aspects of a developing economy (Hultin et al., 2016), lack of delegation from one's manager (Gkrezisa et al., 2019) and similar other reasons. These unpleasant labor market situations prompt them to accept any job (Feldman, 1996; Erdogan, 2018) that come their way and is a form of underemployment (Bolino and Feldman, 2000; Khan and Marrow, 1991).

In such circumstances, individuals become concerned about their overqualification which is addressed as perceived overqualification (Wassermann et al., 2017) demonstrating the subjective side of overqualification.

Perceived overqualification indicates the perception of employees regarding their surplus education, experience, and KSAs (knowledge, skills, and abilities) (Maynard et al., 2006). From a micro perspective, feeling overqualified, gives them the impression that their skills are being underutilized.

It happens when there is a discrepancy in perceptions of self-versus-job-worth (Arvan 2015). It is also addressed to be a specific type of person job fit (Zheng and Wang, 2017) and is constantly reported to nurture negative psychological consequences and work attitudes. This is because overqualification results in underutilization of their skills and these

employees consider themselves as being deprived (Deng et al., 2018) and undervalued in the organization. Drawing from Relative Deprivation Theory (Crosby, 1984), the gap between one's aspirations and expectations and their current state leads to a state of deprivation leading to negative evaluations of their lives.

This may prompt them to invest less of themselves in the organisation (Lobene et al., 2015). Perceived overqualification is indeed a concern for an organization and is reported to be more dismal relative to its objective measure (Johnson et al., 2002). An abrupt consequence of perceived overqualification is reported to be turnover intention (Maynard and Parfyonova, 2013), due to the job dissatisfaction felt by them and finally leading to low wellbeing (Liu and Wang, 2012).

Overqualified employees feel dissatisfied (Sam, 2020) because they are unable to utilize their skills fully. This leads to a chain of negative consequences like lower organizational commitment (Johnson et al., 2002; Feldman et al., 2002), distress (Johnson and Johnson, 1996, 1997), less job involvement, low productivity (Garuz et al., 2019), poor performance (Lee et al., 2020), lower levels of motivation (Johnson and Johnson, 2000a); high rates of absenteeism (Erdogan et al., 2011a), tendency to engage in counterproductive behaviours (Wassermann et al., 2017), job search behavior, high turnover rates (Erdogan and Bauer, 2009; 2018); turnover intention (Saravanabawan et al., 2014) leading to organizational inefficiency, and decreased profitability thus proving costly to the firms.

However, many studies pointed out certain circumstances where employees intended to stay or find it inadequate or unable to leave their current organisation and job (Mavromas et al., 2010; Varhaest and Omey, 2009) which results in voluntary overqualification (Pseiridis et al., 2018; Black, 2012). These are instances where, employees voluntarily choose to be overqualified preferring the nonmonetary aspects of their job at hand like job security, commuting distance (Varikunta et al., 2019),

working hours, less challenging jobs, worker benefits, work life balance and the similar reasons. Keeping this in view and since turnover intention is an abrupt consequence of overqualification, the present study aims to examine this among the employees working in nationalised organisations which offer secure jobs with well-off employee benefits in India. From the employer's perspective, hiring overqualified employees signifies the impending benefits and savings in costs by hiring overqualified employees. They need less training and draw lower earnings compared to those who are not overeducated (Verhaest and Omev, 2006).

Research has shown that there is a significant association between individuals work and wellbeing (Tebbe et al., 2019; Allen et al., 2018; Castaño, 2020). Workplaces and work turn to be a significant domain influencing the wellbeing of employees. Those who are in a regular employment spend much of their time at work. So, the workplace potentially represents a significant source of pain, pleasure, frustration, and fulfilment (Woods, 2010). Hence, employees seek to get some sort of satisfaction from their work rather than getting impaired with these fatalistic aspects of work. The fact that overqualified people might experience higher subjective wellbeing at work is important because this knowledge may help organizations to manage more effectively these potentially distinguished set of workers (Wu et al., 2015).

Employee wellbeing is widely referred to as an outcome variable in perceived overqualification literature pointing towards a low wellbeing due to the reasons specified above. A few studies highlighted the intervening mediating role of employee wellbeing in influencing turnover intention (Weiwei et al., 2017, Vander Vaart et al., 2015).

This study recognises the importance of examining the potential mediators of perceived overqualification and its most abrupt negative consequence of turnover intention to gain clarity

on why employees exhibit turnover intention when they felt overqualified.

In addition, drawing from Job Demand-Resource Model (Bakker and Demerouti, 2007) we assume that jobs which provide job security, worker benefits in the form of perks, fringe benefits, pension and other well implemented welfare policies can enhance wellbeing. Studies pointed out that, employees do value a stable job with the worker benefits (McGuire and McLaren, 2009; Amin and Akbar, 2013). Hence, we attempted to explore whether there are circumstances where overqualified employees experience enhanced wellbeing and why? If they experience enhanced wellbeing, shall not their turnover intention get lessened? Hence, to study these relationships, we attempted to select employees working in organisations which offer aforesaid worker benefits. And this is the reason why nationalised banks were chosen for the purpose of the study.

Banking in India is dominated by nationalised banks since 1969 when all major banks were nationalised by the Indian government. Nationalisation is a process of purchasing a majority of stake by the national government there by leading to a public ownership. The shares of all nationalised banks are listed on stock exchanges. The organisational culture and job attributes in nationalised or public sector banks are entirely different from that of private banks in India. The welfare policies are clearly defined and implemented in these banks and the employees are assured of job security. In contrast the private banks in India especially those who got license to operate after the liberalisation in India in 1990s do not offer job security and worker benefits like that of nationalised banks.

The research gap addressed here is that numerous studies have examined the moderating variables which aim at mitigating the dampening effects of perceived overqualification.

But this paper is distinguished by the uniqueness of the sample selected for the study which includes only employees working in jobs

characterized the aforementioned job benefits. The contribution of this study is to propose a model that characterizes the relationship between perceived overqualification and turnover intention from a different angle by incorporating the mediating role of employee wellbeing. Secondly, research linking overqualification in nationalised organisations characterised by jobs with opulent extrinsic attributes and the consequent effect on employee wellbeing and turnover intention is hardly done in the context of an emerging economy.

Thirdly, in this era of increasingly globalized business environment, organisations need to learn the elements that can act as energisers in enhancing the employee wellbeing of these potentially distinguished employees while framing human resource policies. In the following section, we review the literature on the relationships specified above and then develop our hypothesis. The subsequent sections explain the measurement methods, data analysis, results, discussion, limitations, and future scope of the study.

## Literature Review

### 1.1 Perceived Overqualification and Turnover Intention

Turnover intention is defined as the conscious and deliberate wilfulness of the employees to leave the organization. It is often described as the last in a sequence of withdrawal cognition, a set to which thoughts of quitting and intent to search for alternative employment also belong (Mobley et al., 1978). Prior studies have principally pointed out that employees with a high perceived overqualification are likely to exhibit high turnover intention (Johnson & Johnson, 1996; Tsang et al., 1991; Maynard et al., 2006). Particularly, this is partly driven by the urge to find an employment worth enough to utilize their skills better (Feldman, 2011). Mismatches due to overqualification encourage individuals to search for a better job match (Harari, 2017), and that search may cause the

individual to leave the firm once a better match is found (Hoskins, 2003).

This perceived desirability of termination of employee-employer relations is known as turnover intention (Jha, 2009). In line with the theory of planned behavior, behavioral intention is a good predictor of actual behavior. The study of turnover intention thus stands significant because it is a good predictor of actual turnover behavior (Tüzün et al., 2014). Thus, turnover intention results in employee turnover and is worth investigating because if identified, organizations can adopt proactive measures to control the actual turnover. Moreover, an employee's psychological state has a greater impact on their attitude and behavior than any actual qualification-job mismatch (Maynard et al., 2006). Hence, we propose that:

H1: Perceived overqualification is positively associated with turnover intention.

### 1.2 Overqualification and Employee Wellbeing

Employee wellbeing refers to an individual's feelings about positive or negative consequences in relation to undertaking specific job tasks in a particular life setting (Weiwei et al., 2017). Though there are many conceptualisations for wellbeing, this study conceptualises employee wellbeing through job related affective wellbeing, which measure wellbeing as experiencing more positive emotions than negative emotions (Van Katwyk et al., 2000; Warr, 2003). It is a prominent issue of concern and academic interest for researchers today. An individual's experience at work, being emotional or social in nature, obviously affects the person while working which may even get "spill over" into non-work domains (Simone, 2014). Workers with poor wellbeing may be less productive, make low quality decisions, more prone to absent from work, and consistently diminish their overall contribution to the organizations (Price and Hooijberg, 1992). From the perspective of overqualified employees, a mismatch between their educational qualifications, skill and abilities with the

requirements of the job at hand exemplifies a poor person job fit and turn out to be a major source of dissatisfaction (Erdogan et al., 2011b). They are deprived of optimal skill use.

The incongruence between individual goals and workplace goals leads to low employee wellbeing due to the reasoning given by relative deprivation theory explained in section 1.

All the negative attitudes associated with perceived overqualification will certainly lower employee wellbeing (Johnson et al., 1996; Arvan, 2015). Since limited studies were conducted in this regard, we propose to test this relationship.

H2: Perceived overqualification is negatively associated with employee wellbeing.

### 1.3 Mediating Role of Employee wellbeing

Employee wellbeing is of considerable importance in organizations since it has a significant impact on the performance and survival of organizations (Grant 2007). Low wellbeing can be countered by the presence of job resources (Peeters et al., 2014). This is explained by the theory of Job Demand Resource Model (JD-R Model) (Bakker and Demerouti, 2007).

The theory postulates the importance of job resources and job demands leading to job-related wellbeing. Job demands can be any physical, psychological, social or organizational aspect that requires individuals to invest physical and psychological effort for effective performance (Bakker and Demerouti, 2007). Job resources act like energisers which enable an employee to deal with the demands of the job and create positive attitudes in them (Schaifeli and Bakker, 2004). We assume that extrinsic job attributes like salary, job security, perks and other welfare measures can act as energisers and hence can be considered as a job resource. Job resources correlate positively with employee wellbeing (Hakanen et al., 2008). Hence, we suggest that overqualified employees working in such jobs will have a positive wellbeing which may reduce their turnover intention. Hence a possible mediating role of employee wellbeing has been

picked up in the relationship between perceived overqualification and turnover intention.

As the Two Factor Theory proposed by Fredrick Herzberg (1959) the presence of hygiene factors pacifies the employees and prevent them from being dissatisfied. Factors extrinsic to work like pay, company and administrative policies, fringe benefits, physical working conditions status, job security and similar factors signifies the physiological needs which the employees aspire to and expect to be fulfilled. Motivational factors which are intrinsic to work motivates employees for a superior performance like recognition, sense of achievement, growth and promotional opportunities, responsibility, and meaningfulness of work. Employees find these factors as intrinsically rewarding. Hygiene factors are not capable of motivating employees but are necessary for removing dissatisfaction.

In the present context we assume that extrinsic attributes provided by the government jobs can serve as hygiene factors capable of at least removing the dissatisfaction perceived by overqualified employees. Some of the literature that assisted to assume this is as follows.

Wilson et al., (2004) has found that employee's perception of their organization affects their perception of the climate, which impacts the way people relate to their job and see their future in the organization, ultimately impacting their work adjustment, health and wellbeing. Employees prefer a stable job with pension and benefits (Amin and Akbar, 2013; McGuire and McLaren, 2009). Empirical studies have constantly found job insecurity to associate with impaired employee wellbeing (Hellgren et al., 2010; Blanchflower and Oswald, 1999; Witte, 1999).

Erdogan et al., (2020) found that employee's perceived overqualification was positively related to voluntary turnover when manager job insecurity was high. They further state that turnover intentions can be reduced if the employees feel the organization has met their needs through improving psychological

wellbeing). Efforts to meet the basic needs can be done by providing an adequate remuneration; safe working environment and fostering opportunities to develop. If these basic needs cannot be met, then the well-being of the workers will be low.

Though limited research has been conducted on examining the role of mediators in the domain of perceived overqualification, the potential mediating role of employee wellbeing has been largely unexplored. Employee wellbeing has been found to mediate the relation between role stressors and turnover intention (Langove et al., 2015), between perceived employability and turnover intention (Vander Vaart et al., 2015), HRM and employee engagement (Sivapragasam and Raya, 2017).

Amin and Akbar, (2013) associated psychological wellbeing and turnover intention of hotel employees, Wu and Rafiq, (2017) related employee wellbeing and turnover intention in Muslim culture. These studies highlighted that increased employee wellbeing can lower the feelings of relative deprivation and heighten the satisfaction level of employees. The study thus aims to understand and interpret the role of employee wellbeing as a mediating variable in the relationship between perceived overqualification and turnover intention. Hence, we propose that:

H3: Employee wellbeing is negatively associated with turnover intention and

H4: Employee wellbeing mediates the relationship between perceived overqualification and turnover intention.

## 2 Method

### 2.1 Participants

Self-administered questionnaires were distributed among randomly selected employees, working with major nationalised banks in the State of Kerala in India. The scales included in the questionnaire were adapted to the context of the study. To ensure an effective measure of the constructs, and to control for the age and nature

of work, only employees below 50 years of age, and those who were working in the clerical cadre were selected for the study.

For aged employees, overqualification might not be a significant determinant of turnover intention. As such they were eliminated from the purview of study. Out of the total 350 questionnaires distributed, 289 were received back. After examining for the omissions and errors and incompleteness of the filled in forms, 12 questionnaires were rejected and the remaining 277 were made available for the analysis.

The sample comprised of 58.5% females. Majority of the respondents (72.6%) belonged to the age group 25 to 35 years. 41.7% of them had a work experience between 0 to 2 yrs of experience, 44.9% between 2-6 years, and 13.4% above 6 years of experience.

Regarding educational background, 31% of the respondents had a graduate degree, 27% had a professional degree, 21% post-graduation, and 22% professional post-graduation. Most remarkably, 66% of these employees were found to be overqualified.

### 2.2 Measures

To measure the constructs under study, previously validated instruments were used, which measured the responses of participants on a five-point Likert scale. In order to have an objective measure of overqualification, the required qualification level to get the job was determined. This was done using worker Indirect Self-Assessment (ISA) method, asking the respondents the required level to get the job (Hartog, 2000). This construct was measured in order to know the extent of objective overqualification among the sample respondents. Perceived overqualification was measured using the nine item SPOQ scale developed by Maynard et al (2006). The scale measures the respondents' perception regarding their surplus education, work experience, knowledge, skills, and ability (KSA) (Poon, 2007). However along with these nine items two more statements from the POQ scale developed by Johnson and Johnson, (1996)

were also added in order to bring out exactly the perception of employees regarding their overqualification. These statements were “My formal education over qualifies me for my present job” and “Frankly I am overqualified for the job I hold”.

Thus, an exploratory factor analysis has been conducted and the principal components analysis indicated the presence of three factors accounting for 70 per cent of the variance ( $KMO=0.868$ ) (tables I & II). The results show that eigen values exceed one in case of three components. Factor 1 explained 31% of the variance, factor 2 explained 52% and factor 3 explained 70% of the variance. The rotated component matrix yields a three-factor solution where most of the variables were found to be correlated with separate factors. These factors were in turn named excess education, excess experience, and excess skills respectively. The model fit indices of confirmatory factor analysis (CFA) showed satisfactory results ( $CMIN/DF=3.171$ ,  $NFI= 0.968$ ,  $IFI= 0.978$ ,  $TLI= 0.969$ ,  $CFI=0.978$ ,  $AGFI=0.943$ ,  $RMSEA=0.052$ ). The standardized regression weights for all the factors were also satisfactory (table IV). The normed chi-square was less than 5 (Wheaton et al., 1977). The base line comparison Index values greater than 0.9 and RMSEA value less than 0.06 indicates a good model fit (Bentler and Bonett, 1980).

Employee Wellbeing was measured using the short version of Job-related Affective Wellbeing Scale ( $\alpha=0.894$ ), (JAWS Scale) originally developed by Van Katwyk et al., (2000). The scale consisted of 8 items (Basińska, 2014) measuring positive affect and negative affect. Sample items are “My job made me feel energetic”, “My job made me feel discouraged”.

Turnover Intention was measured using Intention to leave scale used by Rosin and Korabik (1991) consisting of seven items which include those borrowed from Camman et al (1983), Mitchell (1981) and items added by Rosin and Korabik, (1991). A sample item is “I often think about quitting my job”.

The research model of the study is presented in figure 1.

### 3 Results and Discussion

The mean values, standard deviations, and intercorrelations among variables are presented in Table III. Prior to testing the hypothesis, a reliability check through the estimation of internal consistency was done followed by discriminant and convergent validity.

The reliability of the scales adopted in the study was measured using Cronbach’s alpha and composite reliability, both of which were found to be satisfactory. Convergent validity was measured by computing average variance extracted (AVE) estimates which reflects the amount of variance captured by a construct’s measure, relative to random measurement. AVE estimates of 0.50 or above provide support for the convergent validity (Fornell and Larcker, 1981). Discriminant validity was measured by comparing the average variance extracted and the variance shared between the constructs. The mean squared variance (MSV) for all latent constructs were less than the corresponding AVE values (table III). For each construct, the correlation coefficients were smaller than the square roots of AVE (Hair et al., 2012). All the focal constructs satisfied these criteria (table IV) and thus it was inferred that our instruments had sufficient convergent and discriminant validity. Hence, we proceed to test the hypothesis through the estimation of structural model.

#### 3.1 Common Method Variance Testing

As we used self-reported measurement scales for data collection purposes, possibility of common method variance (CMV) was checked using Harman’s single factor method (Podsakoff and Organ, 1986), by running an un rotated factor analysis by constraining the number of factors extracted to one. The resultant factor extracted explained only 28% of the variance suggesting that CMV is unlikely to be severe problem in our study.

### 3.2 Measurement Models

Before testing the relationships among constructs, CFA was undertaken using IBM AMOS software, 21.0 by employing structure equation modeling. Following model fit indices were obtained after conducting CFA: ( $\chi^2$  (284) = 658.420, CMIN/DF=2.318, CFI = 0.899; IFI = 0.900, NFI = 0.837, TLI=0.884; RMSEA=0.069. All items loaded greater than 0.6 except for two items of turnover intention. They were “I would not accept a job offer if it came in tomorrow”, “I plan to be with my company for quite a while.” These items were removed, and the CFA is done once again. The new improved measures obtained were CFA: ( $\chi^2$  (237) = 561.977,  $p < .001$ , CMIN/DF=2.37, CFI=0.911; IFI=0.912, NFI = 0.857, TLI=0.896; RMSEA=0.070. All the model fit indices were found satisfactory.

### 3.3 Structural Model Hypothesis Testing

The hypothesized model showed a good fit to the observed data ( $\chi^2$  244) = 573.871,  $p < .001$ , CMIN/DF=2.352, CFI = 0.909; IFI = 0.910; TLI=0.898; RMSEA=0.070). The results of standard regression path coefficients and their statistical significance are summarised in table IV. Among the four proposed hypothesis, three were supported while the one between perceived overqualification (POQ) and turnover intention (TI) was surprisingly found to be statistically not supported. The other two relationships were significant. Employee wellbeing (EWB) marked a strong relationship with turnover intention (-0.792).

The indirect effects between POQ and TI was tested by employing bootstrapping procedure in SEM (IBM AMOS 21.0) with a bootstrap resamples of 5000 with bias-corrected confidence interval level at 95%. Bootstrapping is a statistical re-sampling method that estimates the parameters of a model and their standard errors strictly from the sample (Preacher and Hayes, 2008).

After examining the direct and indirect effects between the hypothesized paths it was found that the employee wellbeing fully mediated the relationship between perceived

overqualification and turnover intention ( $\beta=0.048$ ,  $p>0.05$ ) (table VI) (H4 supported).

## Discussion and Implications of the Study

The purpose of this study was to understand the psychological reinforcements relating to perceived overqualification, employee wellbeing and turnover intention. The results showed that perceived overqualification did not have a direct effect on turnover intention instead, a significant indirect effect through employee wellbeing. Surprisingly, this result was contrary to what is generally expected. The reasons can be attributed to the distinctiveness of the sample selected for the study and point towards the job characteristics of nationalised bank jobs of India. In these banks, employee welfare policies are clearly defined, legally enforced and effectively executed (Bajpai, 2004; Jain et al., 2012).

This indicates that perceived overqualification does not emerge as a stand-alone reason for turnover intention in the context of opulent extrinsic attributes of the job at hand. Instead, in a work environment characterised by feelings of insecurity, employees may feel that their employers cannot guarantee an ongoing employment and hence they may no longer feel any loyalty towards the organisation and would leave the organization (Van der Vaart et al., 2015). Contrary to this, in the present context of the study, the respondents seemed to consider the extrinsic attributes of their jobs as a compensation for their overqualification. They can play the role of hygiene factors as explained by Herzberg theory and though, might not serve as a solution for their overqualification but at least capable of alleviating their dissatisfaction. In fact overqualified employees seemed to get contented with their on hand government job rather than moving on with discontentment.

This could at least serve to ease their negative thoughts leading to lower turnover intention. Internally, they might be apprehensive about their overqualification but, at the same time, they recognize that leaving their current job in search



of a matching job might prove them costly. This could be the reason why their employee wellbeing is not impaired. It is noteworthy that employee wellbeing is found to have more impact on turnover intention than perceived overqualification. Thus, it can be concluded that perceived overqualification leads to turnover intention only if it impairs their employee wellbeing.

It can also be inferred that preference for a job in commensurate with the educational qualifications is secondary when compared with an alternate job which provides employee benefits and job security. Satisfaction is considered to be a reflection of utility derived by the workers from working and depends upon the income, hours of work and a set of worker specific and job-specific characteristics (Black, 2012). Chen, (2012) commented that monetary factors seemed to be relatively unimportant for educated employees and explored nonmonetary aspects such as interpersonal network and degree of cosmopolitanism which accounted for their happiness. From the works of Pseiridis et al, (2018) education can also be treated as a consumption good, and it offers certain non-monetary benefits in the form of psychic and social benefits to the graduates.

Thus, it can be assumed that, despite being highly educated, individuals try to maximize their utility or satisfaction levels from the benefits provided by the on-hand jobs. To exemplify, during the survey a good proportion of engineering graduates were found working in clerical jobs in these banks.

The reasons they attributed behind choosing a different vocation was the job insecurity, work pressure, mounting targets, and deadlines in the private sector jobs. A clerical job is the one that can be performed by graduates from any diverse streams. Hence, they appreciate a stable and secure jobs in the nationalised banks, and hence exhibit almost low or no turnover intention. Thus, in the context of this study perceived overqualification does not emerge as a stand-alone reason for turnover intention or low

wellbeing unless and until coupled with some other personal or organizational factors.

The insights gained from the above findings will help managers to take proactive measures to make these potentially more proficient employees to be positively active in their jobs. This study highlights some 'compensators' for overqualification so that overqualified employees can be retained. These compensators can be either extrinsic or intrinsic to work. In the circumstances where employers cannot offer extrinsic rewards, they can be rewarded with some intrinsic aspects which may fulfil them. Such innate efforts will bring forth outcomes that are beneficial for both individual and organizational functioning.

This work is distinctive in examining the mediating role of employee wellbeing in the relationship between perceived overqualification and turnover intention in nationalised organizations. The unique relationships exhibited highlight the importance of employee wellbeing over perceived overqualification in affecting turnover intention. Contributing to the literature on perceived overqualification, this study empirically tested and validated the theoretical framework from a different angle by incorporating the mediating role of employee wellbeing in the context of an emerging economy which has been hardly examined.

The study also creates awareness among managers regarding the issues of concern to overqualified employees and the impact of these issues on their wellbeing while framing the human resource policies. This study thus offers insightful managerial implications to developing or emerging economy organisations in effectively understanding the psychological makeovers observed among overqualified employees depending upon on the context in which they work.

## Limitations and Future Scope of Study

Despite the inferences made, the study has noted a few limitations worth mentioning.

Though the cross-sectional survey data analysed using structural equation modeling helped to measure and identify the above stated casual relationships, future studies can make use of longitudinal studies to explain these relationships over a period of time. Such attempts will be able to pinpoint any difference in the perceptions of employees as the time intervenes.

Secondly, other than the demographic variables employed in this study like gender, age, nature of job, tenure, further studies can be made by measuring and controlling the personality

traits of the employees. Future studies should also explore and identify any other personal or contextual factors that can influence the above-stated relationships. Our findings pertain to an emerging economy context and hence studies can be made in Western context also to analyse whether this relationship holds good.

The managerial implication of this study is that it provides guidelines to the management while framing human resource policies and advocate managerial intervention in enhancing the employee wellbeing of employees and thereby reducing turnover intentions.

## WORKS CITED

- Allan, B. A., Rolniak, J. R., & Bouchard, L. (2020). Underemployment and well-being: Exploring the dark side of meaningful work. *Journal of Career Development*, 47(1), 111-125. <https://doi.org/10.1177/089484531881986>
- Amin, Z., & Akbar, K. P. (2013). Analysis of psychological well-being and turnover intentions of hotel employees: An empirical study. *International Journal of Innovation and Applied Studies*, 3(3), 662-671.
- Arvan, M. L. (2015). How overqualification impacts job attitudes and well-being: The unique roles of perceptions and reality. Retrieved from <https://scholarcommons.usf.edu/cgi/viewcontent.cgi?article=7099&context=etd>
- Badillo-Amador, L., & Vila, L. E. (2013). Education and skill mismatches: wage and job satisfaction consequences. *International Journal of Manpower*, 34(5), 416-428.
- Bakker, A. B., & Demerouti, E. (2007). The job demands-resources model: State of the art. *Journal of managerial psychology*, 22(3), 309-328. <https://doi.org/10.1108/02683940710733115>.
- Basińska, B. A., Gruszczyńska, E., & Schaufeli, W. B. (2014). Psychometric properties of the Polish version of the Job-related Affective Well-being Scale. *International journal of occupational medicine and environmental health*, 27, 993-1004.
- Bentler, P. M., & Bonett, D. G. (1980). Significance tests and goodness of fit in the analysis of covariance structures. *Psychological bulletin*, 88(3), 588. <https://doi.org/10.1037/0033-2909.88.3.588>
- Black, D. J. (2012). Overeducation: Is it voluntary for some individuals? Melbourne Institute of Applied Economic and Social research, The University of Melbourne, Australia.
- Blanchflower, D. G., & Oswald, A. J. (1999). Well-being, insecurity and the decline of American job satisfaction. NBER working paper, 7487.
- Bolino, M. C., & Feldman, D. C. (2000). The antecedents and consequences of underemployment among expatriates. *Journal of Organizational Behavior*, 21(8), 889-911. [https://doi.org/10.1002/1099-1379\(200012\)21:8<889::AID-JOB60>3.0.CO;2-G](https://doi.org/10.1002/1099-1379(200012)21:8<889::AID-JOB60>3.0.CO;2-G)
- Budria Rodriguez, S., & Martínez de Ibarreta, C. (2020). Educational and Skills Mismatches among Immigrants: The Impact of Host Language Proficiency (No. 13030). Institute of Labor Economics (IZA).
- Cammann, C. (1983). Assessing the attitudes and perceptions of organizational members. *Assessing organizational change: A guide to methods, measures, and practices*, 71-138. e to Methods, Measures, and Practices", New York, NY: Wiley & Sons, Inc.
- Castañó, E., Rojo, C., & Moreno, A. (2020). "Wellbeing in work environments. *Journal of Business Research*", Volume 115, Pages 469-474.
- Chen, W. C. (2012). How education enhances happiness: Comparison of mediating factors in four East Asian countries. *Social indicators research*, 106, 117-131.

- Crosby, F. (1984). Relative deprivation in organizational settings. *Research in organizational behavior*.
- Deng, H., Guan, Y., Wu, C. H., Erdogan, B., & Bauer, T. N. (2015). A Relational Model of Overqualification: The Role of Interpersonal Influence. In *Academy of Management Proceedings* (Vol. 2015, No. 1, p. 15123). Briarcliff Manor, NY 10510: Academy of Management.
- Erdogan, B., & Bauer, T. N. (2009). Perceived overqualification and its outcomes: the moderating role of empowerment. *Journal of applied psychology*, 94(2), 557.
- Erdogan, B., Bauer, T. N., Peiró, J. M., & Truxillo, D. M. (2011). Overqualification theory, research, and practice: Things that matter. *Industrial and Organizational Psychology*, 4(2), 260-267.
- Erdogan, B., Bauer, T. N., Peiró, J. M., & Truxillo, D. M. (2011). Overqualified employees: Making the best of a potentially bad situation for individuals and organizations. *Industrial and organizational psychology*, 4(2), 215-232. <https://doi.org/10.1111/j.1754-9434.2011.01330.x>
- Erdogan, B., Thomas, I., Valls, V., & Gracia, F. J. (2018). "Perceived overqualification, relative deprivation, and personcentric outcomes: The moderating role of career centrality", *Journal of Vocational Behavior*, Volume 107, pages 233-245. <https://doi.org/10.1016/j.jvb.2018.05.003>
- Erdogan, B., Karakitapoğlu-Aygün, Z., Caughlin, D. E., Bauer, T. N., & Gumusluoglu, L. (2020). Employee overqualification and manager job insecurity: Implications for employee career outcomes. *Human Resource Management*, 59(6), 555-567. <https://doi.org/10.1002/hrm.22012>
- Feldman, D. C. (1996). The nature, antecedents and consequences of underemployment. *Journal of management*, 22(3), 385-407. [https://doi.org/10.1016/S0149-2063\(96\)90030-6](https://doi.org/10.1016/S0149-2063(96)90030-6)
- Feldman, D. C., Leana, C. R., & Bolino, M. C. (2002). Underemployment and relative deprivation among re-employed executives. *Journal of Occupational and Organizational Psychology*, 75(4), 453-471. <https://doi.org/10.1348/096317902321119682>
- Feldman, D. C., & Maynard, D. C. (2011). A labor economic perspective on overqualification. *Industrial and Organizational Psychology*, 4(2), 233-235. <https://doi.org/10.1111/j.1754-9434.2011.01331.x>
- Fornell, C., & Larcker, D. (1981). Evaluating structure equation models with unobserved variables and measurement error. *Journal of Marketing Research*. 18(1), pp. 39-50.
- Gkorezis, P., Erdogan, B., Xanthopoulou, D., & Bellou, V. (2019). Implications of perceived overqualification for employee's close social ties: The moderating role of external organizational prestige. *Journal of Vocational Behavior*, 115, 103335. <https://doi.org/10.1016/j.jvb.2019.103335>
- Grant, A. M., Christianson, M. K., & Price, R. H. (2007). Happiness, health, or relationships? Managerial practices and employee well-being tradeoffs. *Academy of management perspectives*, 21(3), 51-63. <https://doi.org/10.5465/amp.2007.26421238>
- Hair, J., Anderson, R., & Black, W. (1998), *Multivariate Data Analysis*. Prentice Hall.
- Hair, J., Black, J., Babin, B., Anderson, R., & Tatham, R. (2012), *Multivariate Data Analysis*. Noida. New Delhi: Pearson.
- Hakanen, J. J., Schaufeli, W. B., & Ahola, K. (2008). The Job Demands-Resources model: A three-year cross-lagged study of burnout, depression, commitment, and work engagement. *Work & stress*, 22(3), 224-241. <https://doi.org/10.1080/02678370802379432>
- Harari, M. B., Manapragada, A., & Viswesvaran, C. (2017). Who thinks they're a big fish in a small pond and why does it matter? A meta-analysis of perceived overqualification. *Journal of Vocational Behavior*, 102, 28-47. <https://doi.org/10.1016/j.jvb.2017.06.002>
- Hartog, J. (2000). Over-education and earnings: where are we, where should we go?. *Economics of education review*, 19(2), 131-147. [https://doi.org/10.1016/S0272-7757\(99\)00050-3](https://doi.org/10.1016/S0272-7757(99)00050-3)
- Hellgren, J., Sverke, M., & Isaksson, K. (1999). A two-dimensional approach to job insecurity: Consequences for employee attitudes and well-being. *European journal of work and organizational psychology*, 8(2), 179-195. <https://doi.org/10.1080/135943299398311>
- Herzberg, F., Mausner, B., & Snyderman, B. (1959), *The motivation to work*. New York: Wiley.
- Hoskins, T. E. (2003). The effects of perceived overqualification on job satisfaction, organizational commitment, and turnover: A study of afit graduates.
- Hultin, H., Lundberg, M., Lundin, A., & Magnusson, C. (2016). Do overeducated individuals have increased risks of ill health?: a Swedish population-based cohort study. *Sociology of health & illness*, 38(6), 980-995. <https://doi.org/10.1111/1467-9566.12419>

- Hu, J., Erdogan, B., Bauer, T. N., Jiang, K., Liu, S., & Li, Y. (2015). There are lots of big fish in this pond: The role of peer overqualification on task significance, perceived fit, and performance for overqualified employees. *Journal of Applied Psychology*, 100(4), 1228.
- Jain, S., Sharma, S., & Jain, R. (2012). Job satisfaction in banking: a study of private and public sector banks (comparative study). *International journal of science & technology*, 2(1), 40-48.
- Jha, Shweta, Determinants of Employee Turnover Intentions: A Review (May 28, 2014). *Management Today*, Vol. 9, No. 2, August 2009., Available at SSRN: <https://ssrn.com/abstract=2442689>
- Johnson, G. J., & Johnson, W. R. (1996). Perceived overqualification and psychological well-being. *The Journal of social psychology*, 136(4), 435-445. <https://doi.org/10.1080/00224545.1996.9714025>
- Johnson, G. J., & Johnson, W. R. (1997). Perceived overqualification, emotional support, and health. *Journal of Applied Social Psychology*, 27(21), 1906-1918.a <https://doi.org/10.1111/j.1559-1816.1997.tb01631.x>
- Johnson, G. J., & Johnson, W. R. (2000). Perceived overqualification and dimensions of job satisfaction: A longitudinal analysis. *The Journal of psychology*, 134(5), 537-555. <https://doi.org/10.1080/00223980009598235>
- Johnson, G. J., & Johnson, W. R. (2000). Perceived overqualification, positive and negative affectivity, and satisfaction with work. *Journal of Social Behavior & Personality*, 15(2).
- Johnson, W. R., Morrow, P. C., & Johnson, G. J. (2002). An evaluation of a perceived overqualification scale across work settings. *The journal of Psychology*, 136(4), 425-441. <https://doi.org/10.1080/00223980209604169>
- Khan, L. J., & Morrow, P. C. (1991). Objective and subjective underemployment relationships to job satisfaction. *Journal of business research*, 22(3), 211-218. [https://doi.org/10.1016/0148-2963\(91\)90002-F](https://doi.org/10.1016/0148-2963(91)90002-F)
- Langove, N., & Isha, A. S. N. (2017). Impact of rewards and recognition on Malaysian IT executives well-being and turnover intention: A conceptual framework. *Global Business and Management Research*, 9(1s), 153-161.
- Lee, A., Erdogan, B., Tian, A., Willis, S., & Cao, J. (2021). Perceived overqualification and task performance: Reconciling two opposing pathways. *Journal of Occupational and Organizational Psychology*, 94(1), 80-106. <https://doi.org/10.1111/joop.12323>
- Liu, S., & Wang, M. (2012). Perceived overqualification: A review and recommendations for research and practice. *The role of the economic crisis on occupational stress and well being*, 1-42.
- Lobene, E. V., Meade, A. W., & Pond III, S. B. (2015). Perceived overqualification: A multi-source investigation of psychological predisposition and contextual triggers. *The Journal of psychology*, 149(7), 684-710. <https://doi.org/10.1080/00223980.2014.967654>
- Mavromas, K., Seamus, M., O' Leary, N., Sloane, P., & Wei, Z. (2010), "Job Mismatches and Labor market Outcomes: Panel evidence on Australian University Graduates". IZA Discussion Paper No: 5083.
- Maynard, D. C., Joseph, T. A., & Maynard, A. M. (2006). Underemployment, job attitudes, and turnover intentions. *Journal of Organizational Behavior: The International Journal of Industrial, Occupational and Organizational Psychology and Behavior*, 27(4), 509-536. <https://doi.org/10.1002/job.389>.
- Maynard, D. C., & Parfyonova, N. M. (2013). Perceived overqualification and withdrawal behaviours: Examining the roles of job attitudes and work values. *Journal of occupational and organizational psychology*, 86(3), 435-455. <https://doi.org/10.1111/joop.12006>
- McGuire, D., & McLaren, L. (2009). The impact of physical environment on employee commitment in call centres: The mediating role of employee well-being. *Team Performance Management: An International Journal*, 15(1/2), 35-48.
- Mitchel, J. O. (1981). The effect of intentions, tenure, personal, and organizational variables on managerial turnover. *Academy of Management Journal*, 24(4), 742-751. <https://doi.org/10.5465/256173>
- Mobely, W. (1982), *Employee turnover: causes, consequences and control*. Addison-Wesley publishing, Philippines.
- O'Brien, A. (2006). The relation between supportive work environments and work attitudes: an examination of the mediating role of psychological well-being and perceived stress (Doctoral dissertation, Carleton University).
- Peeters, M. C., Taris, T. W., & De Jonge, J. (2013). Introduction: People at work. *An introduction to contemporary work psychology*, 1-30.

- Esposito, P., & Scicchitano, S. (2020). Educational mismatches, technological change and unemployment: evidence from secondary and tertiary educated workers (No. 465). GLO Discussion Paper.
- Pseiridis, A., Lianos, T. P., & Agiomirgianakis, G. (2018). Overeducation of university graduates: A Voluntary and Rational choice of individuals—The case of three Greek universities. *Theoretical Economics Letters*, 8(11), 2135-2156.
- Podsakoff, P. M., MacKenzie, S. B., Lee, J. Y., & Podsakoff, N. P. (2003). Common method biases in behavioral research: a critical review of the literature and recommended remedies. *Journal of applied psychology*, 88(5), 879. <https://doi.org/10.1037/0021-9010.88.5.879>
- Poon, M. Y. G. (2007). Dimensions and measures of perceived overqualification (Doctoral dissertation, Chinese University of Hong Kong).
- Preacher, K. J., & Hayes, A. F. (2008). Asymptotic and resampling strategies for assessing and comparing indirect effects in multiple mediator models. *Behavior research methods*, 40(3), 879-891.
- Price, R. H., & Hooijberg, R. (1992). Organizational exit pressures and role stress: Impact on mental health. *Journal of Organizational Behavior*, 13(7), 641-651. <https://doi.org/10.1002/job.4030130702>
- Redelinghuys, K., & Botha, E. (2016). Person-environment fit, job satisfaction and intentions to leave: The moderating effect of leader empowering behaviour. *Journal of Psychology in Africa*, 26(1), 11-21. <https://doi.org/10.1080/14330237.2015.1101273>.
- Rosin, H. M., & Korabik, K. (1991). Workplace variables, affective responses, and intention to leave among women managers. *Journal of Occupational Psychology*, 64(4), 317-330. <https://doi.org/10.1111/j.2044-8325.1991.tb00563.x>
- Sam, V. (2020). Impacts of educational mismatches on job satisfaction: The case of university graduates in Cambodia. *International Journal of Manpower*, 41(1), 84-99.
- Saravanabawan, A., & Uthayatharshika, M. J. (2014). Examining the impact of overqualification on employees' job attitudes and behaviour: evidence from banking sector employees in Sri Lanka. *Int. J. Econ. Comm. Manag.* 11, 5, 1-14.
- Schaufeli, W. B., & Bakker, A. B. (2004). Job demands, job resources, and their relationship with burnout and engagement: A multi-sample study. *Journal of Organizational Behavior: The International Journal of Industrial, Occupational and Organizational Psychology and Behavior*, 25(3), 293-315. <https://doi.org/10.1002/job.248>
- Sivapragasam, P., & Raya, R. P. (2018). HRM and employee engagement link: Mediating role of employee well-being. *Global Business Review*, 19(1), 147-161. <https://doi.org/10.1177/097215091771336>
- De Simone, S. (2014). Conceptualizing wellbeing in the workplace. *International journal of business and social science*, 5(12).
- Tebbe, E. A., Allan, B. A., & Bell, H. L. (2019). Work and well-being in TGNC adults: The moderating effect of workplace protections. *Journal of Counseling Psychology*, 66(1), 1-13. <https://doi.org/10.1037/cou0000308>
- Tsang, M. C., Rumberger, R. W., & Levin, H. M. (1991). The impact of surplus schooling on worker productivity. *Industrial relations: a journal of economy and society*, 30(2), 209-228. <https://doi.org/10.1111/j.1468-232X.1991.tb00786.x>
- Turmo-Garuz, J., Bartual-Figueras, M. T., & Sierra-Martinez, F. J. (2019). Factors associated with overeducation among recent graduates during labour market integration: The case of Catalonia (Spain). *Social Indicators Research*, 144, 1273-1301.
- Kalemci Tüzün, İ., Çetin, F., & Basım, H. N. (2014). The role of psychological capital and supportive organizational practices in the turnover process.
- Van der Vaart, L., Linde, B., De Beer, L., & Cockeran, M. (2015). Employee well-being, intention to leave and perceived employability: A psychological contract approach. *South African Journal of Economic and Management Sciences*, 18(1), 32-44. <http://dx.doi.org/10.17159/2222-3436/2015/v18n1a3>
- Van Katwyk, P., Spector, P., Fox, S., & Kelloway, E. (2000). "Using the job-related affective well-being scale (JAWS) to investigate affective responses to work stressors". *Journal of Occupational Health Psychology*, Vol. 5, pp. 219-230.
- Verhaest, D., & Omeij, E. (2009). Objective over-education and worker well-being: A shadow price approach. *Journal of economic psychology*, 30(3), 469-481. <https://doi.org/10.1016/j.joep.2008.06.003>Get rights and content

- Verhaest, D., & Omev, E. (2006). Discriminating between alternative measures of over-education. *Applied economics*, 38(18), 2113-2120. <https://doi.org/10.1080/00036840500427387>
- Varikunta, O., Kumar, M., & Reddy, T. N. (2019). Job satisfaction in public sector bank Employees. *International Journal of Innovative Technology and Exploring Engineering*, 8(9), 929-932.
- Warr, P. (2003), "Well-being and the workplace", in Kahneman, D., Diener, E. and Schwarz, N. (Eds), *Well-Being: Foundations of Hedonic Psychology*, Russel Sage Foundation, New York, NY, pp. 392-412.
- Wassermann, M., Fujishiro, K., & Hoppe, A. (2017). The effect of perceived overqualification on job satisfaction and career satisfaction among immigrants: Does host national identity matter?. *International Journal of Intercultural Relations*, 61, 77-87. <https://doi.org/10.1016/j.ijintrel.2017.09.001>
- Wu, W., Rafiq, M., & Chin, T. (2017). Employee well-being and turnover intention: Evidence from a developing country with Muslim culture. *Career Development International*, 22(7), 797-815.
- Wheaton, B., Muthen, B., Alwin, D. F., & Summers, G. F. (1977). Assessing reliability and stability in panel models. *Sociological methodology*, 8, 84-136.
- Wilson, M. G., Dejoy, D. M., Vandenberg, R. J., Richardson, H. A., & McGrath, A. L. (2004). Work characteristics and employee health and well-being: Test of a model of healthy work organization. *Journal of occupational and organizational psychology*, 77(4), 565-588.
- Witte, H. D. (1999). Job insecurity and psychological well-being: Review of the literature and exploration of some unresolved issues. *European Journal of work and Organizational psychology*, 8(2), 155-177. <https://doi.org/10.1080/135943299398302>
- Wong, Y. T., Wong, Y. W., & Wong, C. S. (2015). An integrative model of turnover intention: Antecedents and their effects on employee performance in Chinese joint ventures. *Journal of Chinese Human Resource Management*, 6(1), 71-90.
- Woods, C. (2010). Employee wellbeing in the higher education workplace: a role for emotion scholarship. *Higher education*, 60, 171-185.
- Wu, C. H., Luksyte, A., & Parker, S. K. (2015). Overqualification and subjective well-being at work: The moderating role of job autonomy and culture. *Social Indicators Research*, 121, 917-937.
- Wu, W., Rafiq, M., & Chin, T. (2017), "Employee well-being and turnover intention: Evidence from a developing country with Muslim culture". *The Career Development International*, 22(7), 797-815.
- Ye, X., Li, L., & Tan, X. (2017). Organizational support: Mechanisms to affect perceived overqualification on turnover intentions: a study of Chinese repatriates in multinational enterprises. *Employee Relations*, 39(7), 918-934.
- Zheng, B., & Wang, Z. (2017). Perceived overqualification and its outcomes: The moderating role of organizational learning. *Social Behavior and Personality: an international journal*, 45(10), 1675-1690. <https://doi.org/10.2224/sbp.6349>