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Overqualification, mismatched qualification, and hiring decisions

Perceptions of employers

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Abstract

Purpose – The purpose of this paper is to examine how employers define overqualification and mismatched qualification and whether they are willing to hire applicants whose educational and work experience credentials do not match job requirements.

Design/methodology/approach – This paper draws from qualitative interview data from 24 hiring managers across a wide range of US public sector and private industries. Data were analyzed and coded to identify themes related to managers’ perceptions of overqualification, matched, and mismatched qualification, and how these were related to selection decisions. A typology is proposed for categorizing applicant qualification levels and their potential human resource outcomes such as hiring decisions.

Findings – Hiring managers report that they are willing to interview and hire individuals whose education or experience exceed a job’s requirements as well as applicants with less than required education, but only if they possess sufficient compensatory experience.

Research limitations/implications – Findings may not apply to industries where minimum educational levels are essential or to small organizations with few opportunities for career advancement.

Social implications – Given current unemployment and underemployment levels, the findings can inform the job search strategies of job seekers. Overqualified applicants should not refrain from applying to job openings, particularly in organizations with opportunities for advancement and where education is considered an asset. Additionally, applicants should reveal their motivations for pursuing positions that are intentional mismatches.

Originality/value – In contrast to previous studies conducted during periods of lower unemployment and underemployment, these data include managers’ perceptions of overqualification in a recession and post-recession job market context and thus are especially relevant to today’s employment context. The proposed typology distinguishes between categorizations of qualified, overqualified, and underqualified, and helps refine studies aimed at selection decisions.

Keywords Selection decisions, Underemployment, Qualitative, Overqualification

Consider the following from recent news articles: educated young people are unable to get skill-specific jobs and are almost homeless, unable to pay rent (Lusinski, 2011); older employees, or those above the age of 50, have to vie for jobs, more so today than in earlier years and are increasingly likely to be underemployed (Elmer, 2012;
Philips, 2012). More specifically, in the USA, recent estimates of unemployment rates have ranged from 6.3 to 12.3 percent (Bureau of Labor Statistics, 2014). This includes discouraged and marginally attached job seekers (those who decrease the frequency of job search as their length of unemployment continues to increase), as well as those involuntarily employed in part-time positions. These examples represent skills mismatch situations where individuals’ skills do not match jobs in the current labor market (Homan, 2011). This is particularly the case because many individuals obtain education in areas that are in low demand in the employment market, and thus find themselves either unemployed or underemployed (National Public Radio, 2011). Given the pervasive nature of these reports, the Washington Post has stated that many individuals are struggling with the “overqualified epidemic” (Elmer, 2012). In sum, many job applicants find that overqualification or irrelevant or mismatched qualifications are impediments to gaining desired employment.

The current economic climate is bringing jobs and the notion of qualification into organizational, political, and policy discussions (McKee-Ryan and Harvey, 2011). These discussions are likely to continue in the foreseeable future for the following reasons. First, macroeconomic as well as organizational economic conditions may prompt organizations to reframe their business units. This can imply that employees are under- or overqualified for their positions (Feldman, 1996). As organizations increase their dependence on part-time and contingent workers, some employees may have to accept work positions that do not fully utilize their skills and capabilities (Maynard et al., 2006). Furthermore, research indicates that new cohorts of graduates who encounter increased labor market competition will compensate for their lack of work experience through even further education (Guironnet and PeyPOCH, 2007), leading to even greater mismatches between possessed and required qualifications. Finally, empirical work indicates that overqualification may be a long run phenomenon such that across differences in gender, race, and stages of the business cycle, once someone is classified as overqualified, the person is likely to remain overqualified across multiple years or even permanently (Rubb, 2003).

Despite the pervasive nature of overqualification, mismatched qualification, or underemployment, empirical research on overqualification in organizational settings is rather limited (Erdogan et al., 2011a). Furthermore, while hiring managers’ perceptions of overqualification and mismatched qualification are what ultimately matter for interview selection and hiring decisions, organizational studies have tended to examine the perspective of the overqualified individual rather than the organization. To fill this gap in the research literature, we conducted an interview-based study of 24 US hiring managers across a wide range of industries and focussed on the following research questions:

**R1.** How do employers define overqualification and mismatched qualification?

**R2.** How do employers view applicants who are overqualified or whose credentials do not match job requirements?

**R3.** Are employers willing to hire overqualified applicants or those applicants whose credentials do not match job requirements?

Following prior research we define overqualification as a “situation where individuals have surplus skills, knowledge, abilities, education, experience, and other qualifications that are not required by or utilized on the job” (Erdogan et al., 2011a, p. 217). Overall, it implies a person-job misfit wherein individuals’ skills and abilities do not match the requirements of the job (Erdogan et al., 2011a). Overqualification is
also viewed as the flip side of underemployment (Erdogan and Bauer, 2009; Fine and Nevo, 2007) and is viewed as either actual or perceived overeducation, overskill, or overexperience (Johnson and Johnson, 1996; Johnson et al., 2002; Khan and Morrow, 1991). It is thus an “inferior, lesser, or lower quality” form of employment as compared to some standard (Feldman, 1996). In contrast, mismatched qualification is viewed as any discrepancy in possessed and required educational level or skill sets (McKee-Ryan and Harvey, 2011). This could include a range from unqualified to overqualified.

We aim to contribute to the theoretical conversations in the overqualification literature in the following ways. First, prior research has largely focussed on the perspective of the focal employee (Agut et al., 2009; Battu et al., 2000) and not on employers’ or hiring managers’ perspectives (cf. Maynard et al., 2009). Examining employer views is critical to understanding the consequences of overqualification for individuals and organizations.

Second, underemployment studies examine mismatches in applicant skills and job requirements (Feldman, 1996; McKee-Ryan and Harvey, 2011), and thus address the topic more broadly. Additionally, most of these studies focus on overeducation, excess skills, or a higher degree of qualification (Luksyte and Spitzmueller, 2011; Maltarich et al., 2011; Sierra, 2011). Both overqualification as well as irrelevant qualifications result in underemployment or unemployment, posing organizational and policy-level concerns. In the present study, we asked hiring managers to discuss their perceptions of how various conditions and levels of qualification lead to organizational and employee outcomes such as job performance, long-term employee tenure, and so forth. These questions are important as any kind of misfit with job qualifications may lead to lower performance and less positive job attitudes (Erdogan et al., 2011a).

Third, studies from the employer’s view primarily examine excess education (e.g. Bills, 1992; Athey and Hautaluoma, 1994). They do not examine other types of overqualification (cf. Maynard et al., 2009), such as excess work experience, mismatched qualifications, or underqualification. In the present study, we considered the full range of conditions.

Fourth, prior studies centered on the employer view have focussed on either a single industry in one state (e.g. Athey and Hautaluoma, 1994) or specific occupational positions (e.g. Bills, 1992). We found only one study conducted from the employer’s view which focussed on multiple industries across a wide geographical scope (across the USA) (e.g. Maynard et al., 2009). In the present study we interviewed hiring managers in diverse organizations covering a range of job types as well as geographic regions.

Finally, we hope to contribute to human resource (HR) practice conversations about effective and efficient hiring practices. In today’s labor market with many job seekers, much data and research suggests that many of these applicants are presumed to be misfits for a limited number of job openings. As a result, hiring managers are known to overlook applicants considered overqualified (Bills, 1992). This may result in a missed opportunity for both organizations and applicants.

In the following sections, we first outline the theoretical underpinnings of overqualification research. Second, we summarize two opposing views of overqualification research – overqualification as a liability and overqualification as an investment opportunity for employers. Third, we outline our methodology for eliciting employer views about the various types of overqualification and how these are related to employee job attitudes and performance and we discuss findings. Finally, we discuss implications of this study for research as well as HR practice.
Prior research on overqualification: theoretical perspectives

In total, five theoretical perspectives have guided overqualification studies. First, human capital theory (e.g. Becker, 1993) implies that people invest in their education and training, and in some cases deliberately vary their job experience across different industries and sectors. These individuals expect economic rewards based on their acquired human capital. HR architecture theory and research has shown that organizations manage employees differently based upon the strategic value and uniqueness of their human capital (Lepak and Snell, 1999). Organizations use human capital as a signal (Spence, 1974; Thurow, 1975) indicating applicants’ underlying learning ability. They then screen applicants on the basis of these signals. Since educational credentials and job experience are tangible and visible indicators of human capital, they play a prominent role in screening applicants in or out for further employment consideration.

Second, the person-job fit literature refers to the match between employees’ knowledge, skills, and abilities and job demands (Edwards, 1991; Kristof, 1996); a match associated with positive work outcomes (Kristof-Brown et al., 2005). More specifically, person-job fit models assert that job suitability can be measured by matching an individual’s abilities (or needs) to the demands of the job (or the fulfillment of needs) (Edwards, 1991). As such, the closer an individual’s ability levels are to those required for the job, the better the outcomes for both employees and employers (Fine and Nevo, 2007; Maynard et al., 2006; McKee-Ryan and Harvey, 2011).

Third, McKee-Ryan and Harvey (2011) explain that relative deprivation theory explains how underemployed people believe they should occupy better jobs than the ones they do (Feldman et al., 2002). The feeling of being relatively deprived in comparison to some standard leads to lower satisfaction with jobs, less commitment to the organization, and increased likelihood of quitting (McKee-Ryan et al., 2009). Thus, from this perspective, overqualification is a relative deprivation or a self-perceived inferior or disadvantaged employment situation (Johnson and Johnson, 1995). Perceived overqualification is likely to trigger feelings of relative deprivation because as individuals get more educated and skilled, they develop higher expectations about their type of job and workplace autonomy, which if unfulfilled leads to a sense of status deprivation and lower job satisfaction (Erdogan and Bauer, 2009).

Fourth, according to Fine and Nevo (2007) individuals can also experience cognitive overqualification, where they possess a higher level of cognitive ability than is required for a given job, or cognitive skill-job requirement discrepancy, which involves a mismatch of cognitive skills. According to the gravitational hypothesis (McCormick et al., 1979), people sort themselves into jobs that are compatible with their abilities, such that if they are overqualified or underqualified, they will eventually leave or be terminated from that job. Thus, as employees find themselves in jobs for which they are cognitively overqualified, they have higher levels of job dissatisfaction (Fine and Nevo, 2008).

Finally, Feldman (1996) explains that employees may view underemployment as a violation of their psychological contract with their employer (Rousseau, 1990) and therefore will be negatively associated with attitudes toward careers, organizational citizenship behaviors, and positively associated with turnover, absenteeism, and poor performance. Overall, mismatches lead to undesirable outcomes independent of how overqualification is defined: objectively (by employers or measurements) or subjectively (by employees), or as a continuous or dichotomous variable (Feldman, 1996). In the following sections we describe how overqualification can be viewed either as a liability or an investment opportunity.
The liability perspective of overqualification
This perspective proposes that overqualification will lead to a host of poor quality individual outcomes that in turn influence organizational outcomes. For example, Fine and Nevo (2008) examined cognitive overqualification, or higher cognitive ability than required for a given job. Based on a study of US-based customer service representatives, these researchers found that cognitive overqualification was associated with job dissatisfaction, but was only weakly related to measures of job and training performance.

In a later study, based on a survey of employees from the Valencian region, Madrid, and Barcelona, Agut et al. (2009) found that overeducation is negatively associated with extra-role behaviors. The researchers found that overeducated employees do not engage in job content innovation, such as developing new work procedures nor do they engage in career-enhancing strategies, such as proactively seeking career advice. Findings were explained using the norm of social exchange (Blau, 1964). It is possible that overeducated employees feel that they receive inequitable rewards in terms of career development opportunities or salaries as compared with their educational level, and hence refrain from engaging in extra-role behaviors.

Overqualification is a persistent and widespread phenomenon across the world (Battu et al., 2000; Frenette, 2004) and regardless of global location is associated with lower job satisfaction and increased discontent (Battu et al., 2000; Bills, 1992; Maynard et al., 2009). Erdogan and Bauer (2009) summarize past research which associates overqualification with negative job attitudes (Burris, 1983; Johnson et al., 2002; Maynard et al., 2006) such as job satisfaction (Johnson et al., 2002; Maynard et al., 2006; Verhaest and Omey, 2006) and intent to leave (Feldman and Turnley, 1995; Johnson and Johnson, 1995; Khan and Morrow, 1991; Maynard et al., 2006; Verhaest and Omey, 2006). Underemployment also has been linked to lower levels of psychological well-being and general mental health (e.g. overall life satisfaction, optimism, self-esteem, locus of control) (Feldman, 1996). While prior studies have focussed on the employee’s perspective, Belfield (2009) adopted the organizational view and argued that mismatches in required and possessed skill lead to poor quality outcomes. Specifically, since overeducated employees may be more likely to quit, hiring them can add to personnel recruitment costs. Further, overeducated workers may impose dysfunctional norms regarding levels of effort upon their not-so-qualified coworkers and thereby adversely influence workplace morale.

In sum, from this perspective, overqualification is a negative phenomenon. Maynard et al. (2006) review notes that underemployment has been associated with a variety of negative individual outcomes, including poor job attitudes (e.g. job satisfaction, organizational commitment), poor physical and psychological health, lower job performance, lower organizational citizenship behaviors, and withdrawal behavior (e.g. absenteeism, turnover). They argue that such negative attitudes influence organizational effectiveness. This perspective may explain why employers may shy away from hiring individuals they perceive to be overqualified. However, as we move toward a more knowledge-based economy, many employers may view excess education or experience as enhancing their organizations’ ability to learn and adapt to changing marketplaces. This perspective is examined next.

The investment/asset perspective of overqualification
Some researchers argue that overqualification need not lead to negative outcomes (e.g. Erdogan et al., 2011a). Organizations that hire overqualified employees may
experience some beneficial outcomes. Specifically, in a sample of retail employees in Turkey, Erdogan and Bauer (2009) found that perceived overqualification was positively related to actual sales figures for employees. This is not surprising if overqualification is correlated with cognitive ability, which is the single best predictor of job performance across all jobs and occupations (Hunter, 1986). Research also indicates that supervisors rate overqualified employees as higher performers (Fine and Nevo, 2008; Holtom et al., 2002). Employees who serve as role models (Maynard et al., 2009) and bring additional skills to the job can indeed provide increased opportunities or advantages for their employers (Erdogan et al., 2011a). Other longitudinal research in Germany shows that overqualified employees are healthier, more strongly work and career-minded, more likely to participate in on-the-job training, and to have longer periods of tenure with the same firm than their correctly matched colleagues. Such findings may explain employers’ motivation to accept persistent overeducation in the labor force (Buchel, 2002).

Organizations may also value overqualification. Feldman and Maynard (2011) contend that employers themselves may create an employment situation of seeking and accepting overqualified individuals. Employers may include “preferred qualifications” in addition to required qualifications in their job advertisements. Thus, while one may not need a college degree to work in many retail settings, employers may insist on one, particularly if it signals skills obtained through a specific degree as well as desirable workplace traits such as conscientiousness (Ng and Feldman, 2009).

Employees who possess more knowledge and skills may help fulfill future roles and may help with succession planning (Erdogan et al., 2011a). Some research shows that employers have flexible educational ceilings for positions such that overeducated employees can later be promoted and their skills more fully utilized (Bills, 1992). Thus, hiring overqualified individuals is like buying an option on knowledge and experience that is not fully utilized in the current environment but that can be exercised in the future as the organization’s environment and thus workforce needs change. In other cases, organizations may hire overqualified applicants and give them the latitude to craft their own jobs (Berg et al., 2010). These types of adaptations may allow organizations to fully realize the benefits of hiring overqualified individuals. Research demonstrates that empowerment - a factor within an organization’s control - moderated negative effects of perceived overqualification on job satisfaction, intentions to remain, and voluntary turnover amongst employees of a Turkish retail chain (Erdogan and Bauer, 2009). Those overqualified employees who were empowered had higher job satisfaction, higher intentions to remain and lower voluntary turnover than those who were not empowered.

Finally, overqualified employees may not exhibit negative attitudes or job behaviors if they have chosen their overqualified situation freely. Maltarich et al. (2010, 2011) define “intentional mismatch” as a condition of overqualification motivated by a fit between the employees’ non-work values and interests and their working conditions. If this is the case, those overqualified may not necessarily perform poorly in jobs that require less education or experience than they possess. In fact, they may perform at their best since they have chosen to be in the job. Further, in situations where the alternative to underemployment is unemployment, overqualified employees may prefer social interactions at work, a greater sense of personal identity, and greater structure to their day. Thus, employment of any nature can provide “latent functions” which are beneficial to employees (Jahoda, 1982) and underemployment may lead to satisfaction when compared with unemployment (Feldman, 1996).
To further investigate these different perspectives on overqualification, we invited hiring managers to participate in a qualitative interview study. We present the study procedure and results in the following section.

Method

Data sources
We approached senior hiring managers based on our professional contacts and also asked them to refer us to people who may be potential respondents in our study. We thus combined a convenience based along with a snowball sampling technique (cf. Charmaz, 2005; e.g. Berg et al., 2010; Waldman et al., 2011). Following prior overqualification research (e.g. Maynard et al., 2009), we made efforts to cast a wide net in terms of public and private organizations and represented industries. Of the 25 individuals we approached, only one did not participate. While this manager (aerospace manufacturing) initially agreed to participate, we were unable to make contact with him in a timely manner during the weeks when we scheduled interviews. Our final sample of 24 hiring managers comprised eight women and 16 men. As senior managers in their respective organizations they represented the view of their employers with regards recruitment policies and practices.

Respondents were responsible for hiring at managerial levels as well as hiring individual contributors at various hierarchical levels. For example, respondents included a HR consultant responsible for executive level hiring in a financial services organization; a chief executive officer of a non-profit organization; a recruiter for the consumer foods division of a major food manufacturer, an account executive in an advertising agency, and so forth. Respondent characteristics are described in Table I.

Interviews and analysis
We gathered data based on semi-structured interviews. Respondents were assured that their answers would be confidential (anonymity would be maintained) and used only for research purposes. Following prior research in this domain (Maynard et al., 2009), the interviewer gave each respondent a brief overview of topics that would be covered in the conversation. Interviews typically lasted for about 25 minutes (with a range of 20-40 minutes), and were conducted in premises suggested by the respondents (e.g. their office, on the phone, or a local coffee shop) and were transcribed verbatim with respondents’ permission.

After conducting our literature review, we developed a list of interview questions that would help us capture their perceptions of various types and levels of qualifications as well as individual, organizational, industry/sector, and other broad environmental contextual levels which might affect these perceptions. The first broad theme covered questions about their role in hiring decisions and descriptions of their organizations. This helped us establish their seniority in the organization, their role in the selection and hiring process, and helped us obtain employer diversity in the study (i.e. we could approach diverse organizations). The second broad theme covered questions about overqualification. Specifically, we asked respondents the following questions: their definition of overqualification, if they would (and why they would or would not) hire someone with excess education, if they would (and why they would or would not) hire someone with excess experience, any advantages or disadvantages of hiring overqualified individuals and specific issues or problem which may arise with this type of hiring, and any positions for which excess education or experience would be viewed positively.
The third broad theme covered questions about mismatched qualifications. Specifically, we asked respondents the following questions: their definition of mismatched or irrelevant qualification, if they would (and why they would or would not) hire someone with such qualifications, and any advantages or disadvantages of hiring such individuals. Interview responses were organized on a spreadsheet based on the interview protocol (e.g., Berg et al., 2010). Themes were captured based on theoretically indicated as well as emergent categories. Following the method of Maynard et al. (2009), we trained a coder (not affiliated with the study) to code interview data and thereby check reliability also of our coding. For example, we could not anticipate the range of responses about definitions of qualifications or predictions of outcomes if they were to be hired. Hence, one of the authors (who also conducted all interviews) and an unaffiliated trained coder coded all interview sentences onto predetermined and emergent categories. All authors thus agree upon findings presented as follows.

Findings

Definitions of overqualification

The most common response to this question was “excess of years of experience or education.” As one respondent summarized the working definition of almost all respondents, an overqualified individual is:

Someone whose education level or work experience level is above and beyond what is expected for a given position (Male, corporate manager, aerospace manufacturing products).
Respondents defined overqualification in terms of suspect employee motivation. Reflecting the excess education and experience view of overqualification a respondent noted:

For overeducation, they have a Masters or a couple of Bachelors when I need only a BS. If I am hiring for a position that is a Quality Assurance Supervisor, but they have experience as a Quality Assurance Director, then something is not right (Female, human resources manager, health foods bakery).

Talking about suspect motivation, another respondent reflected:

Let’s say we have someone who is a Service Manager, had responsibility for a hundred employees and wants to come in as a Service Writer that is a red flag for me […] If someone came in with a Master’s I’m going to ask why do they want to come into an industry where this degree will not be well used? (Male, human resources manager, automobile sales dealership).

Finally, respondents defined overqualification in terms of anticipated employee attitudes such as “arrogance,” “bad attitude,” “not challenged,” or “no desire” to perform. As one of the managers explained:

If you look at excess knowledge it won’t hurt them, but it’s in the delivery of the message while working with employees where the problem can be. For example, talking with me in the interview they may talk down to me, they have arrogance; they emphasize how much education they have (Female, human resources manager, home improvement retail 1).

Notably, respondents made it a point to talk about defining overqualification as being context contingent, and thereby a “problem” only in certain situations. In the following section we discuss circumstances where excess education is not perceived negatively.

**Contingencies for hiring someone with excess educational qualifications**

Almost all (20) respondents indicated that they would hire someone who had higher than required education. While they often qualified their stance by specifying certain jobs for which this was true, these hiring managers seemed rather open to working with those who had higher educational qualifications. As a male respondent from a Federal Government Agency explained, there was a “trend lately (wherein) a lot with more education that are applying.” Another respondent explained how people are now “struggling to find a job” and hence should be given “the same opportunity.” Alluding to the macro economic circumstances, a respondent explained:

Now, advanced degrees are hired for entry-level analyst positions. Even PhDs are hired into fairly entry-level positions (Male, project manager, technology firm).

Yet another respondent explained, “Simply having more education is not a reason to not hire. I personally don’t hold back on it.” Respondents qualified their positive responses by referring to possibilities of internal career mobility, “It is an industry where you work your way up” or hiring those who “are not worried about not having a ‘manager’ in their title” and hiring those who are “ok with the salary.” Another respondent explained:

They more than likely can bring other viewpoints to the organization, different ideas versus someone who just has experience. They are more than likely up to date with new trends, new things (Female, human resources manager home improvement retail organization 2).
Anticipated negative outcomes. Respondents also noted problems associated with hiring those with excess educational qualifications. Most focused on poor attitudinal expectations, such as expecting overeducated individuals to be “bored,” “opinionated,” “arrogant,” “book oriented” or rigid, “pushy,” and “frustrated.” Respondents also listed other constraints such as that of accommodating such individuals in the “budget” or that they would be “too expensive.” A respondent noted, “It is a formula for frustration for company and individual [...]” Our respondent from the advertising agency further stated, “They wouldn’t want to get into the nitty, gritty; wouldn’t want to get their hands dirty.”

Referring to expected attitudinal issues, a respondent stated:

The biggest problems are when a job requires a B.S. and experience, and the applicant has an MS or PhD [...] they need more attention during the interview process. Once they are employees, they are more the problem children [...] They have more complaints, they don’t like this or that [...] If you have more education, it doesn’t mean that they are more intelligent, only that they are educated (Female, human resources manager, health foods bakery).

Referring to salary expectations leading to frustrations, another respondent stated:

The biggest problem is they are not paid enough [...] Many are coming because of the economy. They are doing work for which they are overqualified (Male, senior recruiter, healthcare services).

Finally, respondents also noted an expected influence of having overeducated individuals for the rest of the group of colleagues:

[Overeducated employees] can create problems where regular employees may feel inferior, have to prove themselves to the overqualified person (Male, Technology consultant/manager Commercial and retail banking).

Hiring someone with excess experience
Similar to the trend observed in hiring overeducated individuals, we noted that 21 managers were also very open to hiring someone with excess experience. These respondents seemed to note that overqualified individuals (with regards experience) may want to apply to get away from “pressures of their current jobs,” reduce “burnout,” because of “willingness to relocate,” and need for a “career change.” Noting the last point, a respondent remarked:

In cases of applicant changing careers. The applicant has a lot of work experience but it is not directly applicable to consulting. So they have higher work experience but are hired at lower level (Male, IT consultant, IT consulting).

Respondents further noted their positive stance by referring to utilization of the skills such individuals may bring to the organization:

It immediately increases the knowledge base of your department, there is one more person you can go to for support, from a top grade view there will be an opportunity to play larger role when they create the opportunity [...] [later] if we want them to be in a job that is different, you can change the position, the roles and expectations with that same person, without having to go through the process of writing a new job description (Female, human resources manager, grocery (retail) chain).

You do change the job to take advantage of their additional skill set (Female, human resources manager, health foods bakery).
Respondents also qualified positive responses by noting that they would hire someone with excess experience only when individuals are “willing to take a pay cut,” are “willing to go overseas,” or if they bring something unique to the table which helps the organization, such as “being bilingual.” Respondents did note problems associated with hiring those with excess experience such as problems with being “flexible.” Our respondent from the aerospace manufacturing products industry noted a potential issue, “Bad habits from other companies. Different practices. Hard to undo changes and retrain.” Yet another respondent from an information technology company noted, “They may have things they like to do that do not work here. Difficult to change mindset.” Others noted possible performance issues because of mismatched expectations about decision-making authority, promotion possibilities, lack of interest, and feeling underutilized. As some of our respondents noted:

**Sometimes they have expectations […] we tell them we realize you won’t have (as) much authority, can’t make decisions as you are used to. They are used to having less direct supervision […] They will be frustrated that not all coworkers are at their same level, up to par with them (Male, IT consultant, IT consulting).**

At the high end of the job, [they] struggle with doing parts of the job that they feel are below what they want to do even though it is part of the job description (Male, SVP, financial services).

**Respondent views about mismatched qualifications**

Respondents equated mismatched qualifications with educational degree mismatches, experience mismatch, and from an “ability to learn” perspective. Specifically, with regards mismatches, respondents spoke about lower than required education and lower than required experience. While respondents were open to hiring those with lower levels of education, they were not willing to dispense with experience. In total, 13 respondents explained that undereducation or lower than required education was acceptable. Almost all respondents who overlook lower educational standards explained that “the experience can make up for the lack of degree” as “most people who apply have at least a GED or High School diploma.” In total, nine respondents who said they would not accept lower levels of education stated that they have “regulations” or that basic educational baselines help signal desirable traits other than just what was learned in the degree. As a respondent observed:

I don’t think we hired anyone with an Associate's Degree. My inclination is to say that if they didn’t have a BS it would be indicative of other things that they don’t have, such as how they would conduct themselves in meeting. The BS is a baseline for that (Male, advertising executive, advertising agency).

Others noted that job descriptions and requirements are often slanted toward signaling a higher than required need for education. This implies that sometimes such requirements can be side-stepped or re-written, at least for some positions:

**When I first came aboard, all of our technician and sales positions required a degree. My argument was, these are trade positions, and education does not mean they are going to be better at customer service […] It does come with more experience […] [Though] we have stepped away from any educational requirements, I would see that 100% have a GED or the HS diploma (Male, human resources manager, automobile sales dealership).**

Almost no one indicated they would hire someone with no experience. The only time they indicated they would do so was when the applicant “showed potential” or had
some educational background, which could be partly substitutable with the required experience. This substitution though was only for lower hierarchical levels. For managerial work, experience was non-negotiable. As a HR Consultant from a Financial Services organization explained, “[…] junior position, entry-level, we would make an exception.”

With regards the “ability to learn” perspective, respondents noted that level or type of qualification may not really matter as long as the individual applicant demonstrated some ability to learn on the job. Such mismatched individuals (e.g. those who lacked relevant experience) could be put through organizational “training” or “workshops.” Our respondent from the University called such organizationally driven activities to reduce degree of mismatch as “compensatory factors.” Another respondent noted:

It’s more about does the candidate demonstrate some of the qualities, problem solving, decision-making, project management, prioritizing, working under deadlines. They may have little or no experience in contracting, but if they are good project managers, we will hire them […] we will teach the contracting […] (Male, procurement manager, energy company (oil and gas)).

Respondents also noted problems with those mismatched. Here, respondents specifically referred to those who had lower than required work experience. They spoke in particular about performance or productivity issues when hiring such people. As a respondent noted, “You will need to watch this person, so you never have complete peace of mind that they will do the job.” Other respondents noted:

They will require more training time; there is more likely to be error in their work product (Male, partner, law firm).

For us, it is reduced productivity. We can only do so much hand holding, they need to know what they are doing […] (Female, employee relations specialist, international construction company).

Discussion
The current “overqualified epidemic” (Elmer, 2012) and the problems of irrelevant or mismatched qualification (National Public Radio, 2011) are leading many individuals across the world, and specifically in the USA, to situations of underemployment or unemployment. Considering that this situation is likely to continue in the foreseeable future, the present study focussed on employer views about hiring such overqualified or mismatched candidates.

Employers in the present sample defined overqualification from an objective measurement perspective (e.g. excess of years of experience or education as compared with job requirements), from a suspect motivation of applicants perspective (e.g. that something is fishy if people were applying for jobs for which they had excess or mismatched qualification), and from an anticipated employee attitudes perspective (e.g. they would be arrogant or bored in their jobs if hired). Respondents also made the point though that overqualification was dependent on the context and thereby not always a problem (e.g. mothers who had taken a break after childbirth and had high work motivation).

It is clear from our sample that overqualification is a construct that includes both objective (excess education and experience) and subjective (imputed attitudes) components. Additionally, while the word overqualification has a seemingly negative connotation, it is also clear from our sample that excess education or experience can be perceived either positively or negatively depending upon circumstances.
The knowledge we gained from interviewing hiring managers leads us to a more complex view of how applicant qualifications are perceived and acted upon by hiring managers. To truly understand overqualification, it is necessary to contrast it with both qualification and underqualification. Table II summarizes our typology of these three constructs. First, we identify the possible configurations of education and

<table>
<thead>
<tr>
<th>Qualification level</th>
<th>Possible configurations</th>
<th>Possible HR actions</th>
<th>Contingencies for HR actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Underqualified</td>
<td>Meets education; deficient experience</td>
<td>Reject from further consideration</td>
<td>Need applicants that can “hit the ground running”; no time for training</td>
</tr>
<tr>
<td></td>
<td>Deficient education; meets experience</td>
<td>Hire, train, and deploy</td>
<td>Additional experience compensates for lack of degree</td>
</tr>
<tr>
<td></td>
<td>Deficient education; deficient experience</td>
<td></td>
<td>Ability to learn compensates for lack of degree and/or experience</td>
</tr>
<tr>
<td>Qualified</td>
<td>Meets education; meets experience</td>
<td>Hire and deploy</td>
<td>Non-relevant excess education or experience not deemed problematic; selection process reveals no flight risk</td>
</tr>
<tr>
<td></td>
<td>Exceeds education (non-relevant); meets experience</td>
<td></td>
<td>Need applicants that can “hit the ground running”; no time for training</td>
</tr>
<tr>
<td></td>
<td>Meets education; exceeds experience (non-relevant)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Exceeds education (non-relevant); exceeds experience (non-relevant)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overqualified</td>
<td>Exceeds education (and excess is relevant); meets experience</td>
<td>Reject from further consideration</td>
<td>Deemed high risk hire; indicators of flight risk</td>
</tr>
<tr>
<td></td>
<td>Meets education; exceeds experience (and excess is relevant)</td>
<td></td>
<td>Position offers little/no room for growth - further exacerbating potential flight risk</td>
</tr>
<tr>
<td></td>
<td>Exceeds education (and excess is relevant); exceeds experience (and excess is relevant)</td>
<td></td>
<td>Limited opportunities for utilizing excess knowledge, skills and abilities in other positions</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hire, deploy, and promote</td>
<td>Applicant indicates he/she is an “intentional misfit” thereby negating flight risk</td>
</tr>
</tbody>
</table>

Table II.
Typology for applicant qualification levels and potential human resource actions
experience that comprise each construct. Second, we identify the possible HR actions such as hiring, which result from the applicant being categorized as underqualified, qualified, or overqualified. And third, we describe the contingencies, and potentially moderating factors, that hiring managers consider in taking these HR actions. In latter stages of our analysis, we compared the emerging categories from our data to the literature. While our data supported several of the contingencies and moderating factors suggested by the literature, it became apparent that our questions did not elicit interviewees to address specific factors which the literature suggests are important. As a result, we integrated conditions/categories which the literature suggests are important (see Table II).

Underqualified has three possible configurations of education and experience. An applicant may meet the education requirements, but be deficient in the experience requirements; be deficient in the education requirements, but meet the experience requirements; or be deficient in both the education and experience requirements. When confronted with an underqualified applicant, employers may either: reject the applicant from further consideration, or hire the applicant and provide training to compensate for the deficiencies. Employers may choose to reject these applicants from further consideration when labor market conditions are favorable (i.e. labor supply is greater than labor demand). In this instance, employers may continue their search since in all likelihood; and may find a qualified applicant in a timely manner. Employers may also reject applicants from further consideration when they need applicants to “hit the ground running” and cannot afford the additional time necessary to train to compensate for deficiencies. Alternatively, employers may choose to hire and train these applicants when labor market conditions are unfavorable (i.e. labor demand is greater than labor supply) provided they have the time and resources to train applicants.

Qualified has four possible configurations of education and experience. An applicant may: meet both education and experience requirements; exceed the education requirements (but the excess education is not job relevant) and meet the experience requirements; meet the education requirements and exceed the experience requirements (but the excess experience is not job relevant); or exceed the education requirements (but the excess education is not job relevant) and exceed the experience requirements (but the excess experience is not job relevant). When confronted with a qualified applicant, an employer will likely choose to hire and deploy; however, there are some considerations that are taken into account. First, for applicants that have excess education and/or experience that is not job relevant, employers are more likely to hire them if the selection process reveals that these applicants are unlikely to be a flight risk (i.e. leave before the investment in them has received adequate returns). Second, employers will choose to hire and deploy when they need applicants to “hit the ground running” and have no time or resources to train applicants beyond the minimal necessary for job adjustment.

Overqualified has three possible configurations of education and experience. An applicant may: exceed the education requirements (and the excess education is job relevant) and meet the experience requirements, meet the education requirements and exceed the experience requirements (and the excess experience is job relevant), or exceed the education requirements (and the excess education is job relevant) and exceed the experience requirements (and the excess experience is job relevant). When confronted with an overqualified applicant an employer may choose to either: reject the applicant from further consideration, or hire the applicant
and promote when a better fitting position becomes available. Employers may choose to reject these applicants from further consideration when the selection process reveals that they are likely flight risks. Additionally, employers may choose to reject these applicants when the position they are hiring for offers little or no room for growth, thereby further exacerbating the potential for flight risk. In contrast, an employer may choose to hire these applicants when they indicate during the selection process that they are “intentional misfits.” Lastly, employers may hire and promote these applicants when they have an internal labor market or a “hire for the organization” rather than “hire for the job” policy. Once hired, these applicants will be able to utilize the internal labor market both for their advantage as well as their employer’s benefit.

This typology makes a significant contribution to the literature on overqualification by clarifying some of the confusion regarding the perceptions and actions of employers. Both our interview data, as well as previous research suggests that being categorized as overqualified is a rather generic assessment that can have multiple meanings. Without a more fine-grained analysis, researchers are likely to draw erroneous conclusions about employer behavior. Our typology provides a more microscopic analysis of the three different perspectives on applicant characteristics. Applicants categorized as underqualified are not always rejected from further consideration. Applicants categorized as qualified may not always be hired and deployed. And applicants categorized as overqualified may be either rejected from further consideration or hired and promoted. We have provided a set of contingencies that describe when each of these situations is likely to occur. By considering levels or types of qualification from the perspective we propose, researchers will hopefully be able to accelerate progress on understanding these important issues.

Respondents also noted problems associated with hiring those with excess education. Responses were focussed on poor attitudinal expectations (e.g. such individuals would be opinionated and frustrated), budgetary constraints of the organization (e.g. it would be difficult to accommodate such individuals within the budget), and expected impact on colleagues (e.g. colleagues may feel inferior in cognitive ability as compared with the overeducated individual).

Most employers were also open to hiring someone with excess experience explaining that such individuals may want to get away from high pressure (current) jobs, they may want to relocate, and may be looking for a career change. These employers recognize that situations of “intentional mismatch” on the part of the overqualified individual can negate the perceived disadvantages of hiring them. Advantages of hiring such individuals included their skill sets and the ability to help improve organizational functioning.

Overall, findings thus indicate that employers indeed exercise rules-of-thumb when making hiring decisions (Feldman and Maynard, 2011) and are willing to consider not only overqualified individuals but also those who are underqualified. While employers in this study’s sample indeed operated on the perception of overqualification from a liability perspective, they were also keenly aware of the macroeconomic conditions which prompted them to simultaneously operate on the perception of overqualification from a possible investment perspective. Mismatched qualifications thus need not be a liability when the employer can offer, what one of our respondents termed “compensatory factors” (e.g. training opportunities or internal mobility opportunities to better suit individual skill sets).
Social implications

An International Labour Office (2010) report notes that jobs across the world are changing. Such a situation has meant that policy makers across the world are now stressing the importance of education and training, and the ability to learn across one's lifetime. Considering this increased focus on gaining education and the concomitant current situation where the overeducated or overqualified are unabsorbed in the labor market, the present study offers clear social implications.

Present findings may have value for current job seekers, who often believe that they will be overlooked for a job opening for which they are overqualified. In fact, some job seekers report “dumbing down” their resumes (National Public Radio, 2006) or leaving off higher levels of experience or education which exceed stated requirements (Wells, 2004). While some hiring managers hold negative attributions regarding overqualified individuals as being bad hiring decisions (Bills, 1992), our results suggest that rather than passing up all positions for which they possess excess education or experience, applicants should: selectively target some of these positions and clearly articulate their reasons for intentionally pursuing these skill mismatch situations.

Managers also seem to value job applicants who demonstrate flexibility and a willingness to learn how other organizations “do business.” Thus, applicants should give thought to how they have been flexible and open to learning a new job function or processes in past positions and they should articulate these examples during the selection process. Overall, the present study complements prior research by adopting the employer perspective and eliciting employer views about various types of overqualification, by focussing broadly on various types of mismatches in qualification, and by casting a wide net in terms of industries that employers represented. Despite these contributions the present study does have limitations, which we outline next.

Limitations and future research directions

The present study focussed on the macro constructs of overqualification and mismatched qualifications. We did not focus on the more nuanced conceptualizations of overqualification such as that of being overintelligent or overskilled (Erdogan et al., 2011b; Fine and Nevo, 2011; Maltarich et al., 2011). It is likely that such dimensions may not yield similar outcomes for employees and organizations (Maltarich et al., 2011) as they may trigger different decision processes for employers and recruiters (Feldman and Maynard, 2011). It may also be likely that managers consider certain categories of overqualification as being similar (e.g. cognitive overqualification to hiring managers may imply overeducation).

As a related point, conceptualizations of mismatched qualifications have included both or either of overeducation and excess experience, which can be studied at one point in time or over a longer period and with diverse samples (Brynin and Longhi, 2009; Groot and van den Brink, 2000). Thus, future research would benefit from a more theory-driven perspective which captures the relevant dimensions of overqualification and processes through which decision makers infer attributes and make judgments. The proposed typology aims to assist overqualification researchers to integrate and engage with this topic more systematically. As a related point, overqualification as a term may also imply gender or age-based discrimination (Finkelstein, 2011; Luksyte and Spitzmueller, 2011). Future research can create a more fine-grained research design to capture these dimensions untapped in the present study.
Implications for managerial practice
Considering the fact that employers will review many resumes that signal mismatched qualifications, HR professionals should sensitize hiring managers to their definitions of what constitutes overqualification. For example, subjective notions or biases that those overqualified are "fishy" may lead employers away from genuinely good candidates. Hiring managers must be sensitized to the idea that those with excess qualifications may intentionally be "stepping down" for fulfilling their broader set of needs, and thus may not harm organizational productivity (cf. Maltarich et al., 2011).

If employers hire those with excess education, it may be important to have conversations with colleagues of the overqualified individual. Our findings highlight concerns about the impact of overeducated individuals on the rest of the workgroup members. HR professionals may want to orient the new overeducated employees to the current way of functioning, giving due credit to current employees; and at the same time signal how the whole workgroup may benefit from the presence of the new employee. For those with excess experience who may espouse particular notions of how things are to be approached, HR professionals can again signal current organizational standards and expectations.

That respondents seemed so willing to hire overeducated and overexperienced candidates in the present economic scenario was a heartening finding. Of note was the notion that employers focussed on the idea that such applicants may bring useful perspectives or skill sets to organizations. Respondents qualified such responses by talking about later leveraging organizational internal career opportunities to suit such candidates. This implies that, for example, initial mismatches with regards educational qualifications can be corrected for with eventual organizational career mobility (Brynin and Longhi, 2009; Sicherman, 1991). As a final note, it is our hope that this study and the proposed typology will contribute to a more complex view of how applicant qualifications are perceived and acted upon by hiring managers.

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