

**Understanding the Impact of Perceived Overqualification on Job Satisfaction:  
Exploring the Mediating Role of Job Crafting**

**Noor Hameed Khan<sup>1</sup>, Dr. Alam Zeb<sup>2</sup>**

<sup>1</sup> PhD. Scholar, Department of Commerce and Management Sciences, University of Malakand Chakdara, Dir Lower, Pakistan, Email: [mahamnoor.cba55@gmail.com](mailto:mahamnoor.cba55@gmail.com)

<sup>2</sup> Associate Professor, Department of Commerce and Management Sciences, University of Malakand Chakdara, Dir Lower, Pakistan, Email: [alamzebmbams@gmail.com](mailto:alamzebmbams@gmail.com)

**DOI: <https://doi.org/10.70670/sra.v3i1.601>**

**Abstract**

The aim of this study was to analyze the impact of perceived over qualification (POQ) on job satisfaction (JSF), with mediating effect of job crafting (JC). Data were collected through survey questionnaire from 424 male and females' governments' schools teachers working in the Malakand Division of Khyber Pakhtunkhwa, Pakistan. Data screening and descriptive statistics was performed through SPSS, while for confirmatory factor analysis and structural equation modeling Smart PLS 4 was utilized. Results show that perceived qualification has a negative influence on job satisfaction. Furthermore, job crafting significantly mediates the relationship between perceived over qualification job satisfaction. These results suggest that job crafting alleviates the negative effects of POQ by enhancing job satisfaction. The research also underscored theoretical contributions and identified directions for future research endeavor.

**Introduction**

The international job market is currently facing a significant shortage of employment opportunities, primarily caused by persistent economic uncertainty and worldwide recession (Lin & Chung, 2020). Economic recession and uncertainty has led to a reduction in consumer spending and business investment. This situation compels companies to adopt cost cutting strategies, halt hiring processes, or even to initiate staff downsizing. Consequently, the labor market contracts, resulting in fewer job openings (Kamaludin & Baluch, 2016). This situation further gives rise to high competition among job applicants, as most of the organizations hire over qualified candidates from the job market (Lee et al., 2021). Overqualified individuals possess qualifications, knowledge, abilities and experiences that exceed the needs of their job roles (Maynard et al., 2006). Most of the organizations around the world are confronting with the issue of over qualification. According to Connell (2010), nearly one-fifth of employed American workers perceive themselves as overqualified for their positions. Another study in this regard indicates that 30% and 45% employees respectively in Europe and Australia share the same sentiment. These studies further supported by the argument that 84%, 78% and 69% worker in China, Turkey and Greece face the issue of perceived over qualification (Global Press Report, 2012). The European Centre for the Development of Vocational Training's (CEDEFOP) research conducted in 2018 Gkorezis et al., (2019) reported that this ratio was 39% in the overall European Union (EU) zone and 47% worldwide (Huang and Hu, 2022). According to Organization for Economic Co-operation and

Development (OECD) statistics from 2021, the average rate of overqualified employees across all OECD nations is 16.8%, ranging from 7.8% in Finland to 37.7% in Mexico. Perceived over qualification is a worldwide concern and it can be associated to various factors such as increased competition, recession in the global economy and consequences of Covid-19 pandemic (Howard et al., 2022; Gong et al., 2021). This issue is relatively higher in the poor countries due to their weak economies (Chiswick & Miller, 2010). As their job markets provide less job opportunities which further make it difficult for job seekers to acquire employment according to their qualifications (Gorg & Strobl, 2003; Erdogan & Bauer, 2009). Perceived over qualification is considered one of the significant concern for different organizations. Because it develops stress, depression, anxiety, and tension among employees (Su et al., 2021). This further creates an environment of dissatisfaction and demotivation (Chen et al. 2021). According to the relative deprivation theory proposed by Crosby (1984), individuals sense deprivation when they are unable to attain positions they perceive and believe they deserve. Additionally, personality job fit theory emphasizes that job satisfaction and motivation are linked to a balance between personal characteristics and job demand (Onat & Eren, 2020; Ma et al., 2021; Xie et al., 2015). This demonstrates that job fitness of the employees play a crucial role in their job satisfaction (Sloane & Williams, 1996; Clark & Oswald, 1996; Grund & Slivka, 2001; Gazioglu & Tansel, 2002). However, a gap between job demand and employees' qualifications, knowledge and expertise can dissatisfaction (Baltaci & Ozayd, 2019). Different researchers have explored job crafting as a mediator between different variables. For, instance, Uddin et al. (2022) conducted a comprehensive study encompassing various corporate executives' across different industries in Bangladesh. Job crafting was used as a mediator between perceived over qualification and organizational performance. It was revealed that job crafting fully mediates the relationship between perceived over qualification and organizational performance. Moreover, the reviewed literature shows that researchers have explored job crafting in relation to perceived over qualification (Sesen & Ertan, 2019; Woo, 2020). Also the available literature highlights the role of job crafting in employees job satisfaction in the context of job demand theory (Wrzesniewski & Dutton, 2001; Tims et al., 2012; Berg et al., 2010; Demerouti & Bakker, 2014). However, these studies have not explored job crafting as mediating variable in the relationship between perceived over qualification and job satisfaction. Therefore, this study has the following research objectives.

RO1: To examine the influence of perceived over qualification on job satisfaction.

RO2: To study the mediating function of job crafting in the relation between perceived over qualification and job satisfaction.

## **Literature review and hypotheses development**

### **Perceived over qualification and job crafting**

Over qualification refers to employees' additional degree, knowledge, experiences, abilities and other skills with respect to their job requirement (Maynard et al., 2009). In more precise way, over qualification represents underutilization at workplace (Khan & Morrow, 1991). When employees experience mismatches between their job requirement and their knowledge, skills and abilities, this self-made intuition is referred to perceive over qualification (Johnson & Johnson, 1997; (Erdogan & Bauer, 2020; Liu & Wang, 2015). On the other hand, job satisfaction refers to employees' perception about different aspects of their jobs (Mughal et al., 2016). It is associated to different factors such as salary, supervisor, promotion, work environment and coworkers (Fisher & Locke, 1992, as cited in Mughal et al., 2016). The significance of job satisfaction has been extensively recognized by the researchers due to its positive impact on job performance and employees retention in the organization (Lu and Gursoy, 2013; Rich et al., 2010; Ziegler et al., 2012; Torres, 2014). According to content theories, satisfaction originates from intrinsic and

extrinsic factors such as fair pay and meaningful work, while process theories focus on perceiving a balance between efforts and rewards. This concept is supported by relative deprivation theory, which states that individual experience a sense of deprivation when the deserve objects or opportunities are inaccessible (Crosby, 1984). This, in turn, leads to relative deprivation, which further contributes to detrimental job attitudes, such as reduced organizational commitment and lower job satisfaction (McKee-Ryan, Virick, Prussia, Harvey, & Lilly, 2009). Moreover, highly qualified individuals anticipate a higher societal status due to their education, knowledge, experiences and abilities (Erdogan & Bauer, 2009; Harari et al., 2017). However, if they feel their expectation are not being fulfilled they undergo relative deprivation (Erdogan & Bauer, 2009; Harari et al., 2017; Johnson & Johnson, 1996; Maynard & Joseph, 2006) leading to dissatisfaction in the workplace. Drawing from the aforementioned literature, the following hypothesis is developed.

**H1:** Job satisfaction has significant negative association with perceived over qualification.

### **Perceived over qualification and job crafting**

In the context of capability based view Wu et al. (2017) argued, that overqualified employees, equipped with surplus skills and educations. These additional qualifications and skills can enable them in restructuring their job roles. This argument was reinforced by Zhang et al. (2021) and Lin et al. (2017), who proposed that overqualified staffs apply their additional skills to modify their job boundaries, in order to make alignment between their skills and job demand. However, job crafting initiatives is primarily linked to employees' motivation (Berg, Wrzesniewski & Dutton, 2007). This concept can be explained in the context of relative deprivation theory developed by Crosby (1976), which states that employees with high education, skills, and abilities performing low level jobs, often perceive themselves as comparatively deprived. These feelings of deprivation keep them demotivated at workplace, which cause employees to create negative attitude towards job crafting (Wang et al., 2019). For instance, a study conducted on white-collar employees in Northern Cyprus by Sesen and Ertan (2019) identified that perceived over qualification is negatively correlated to job crafting. Another study by Woo (2020) in the Korean telecommunications sector reveals a U-shaped association between perceived over qualification and job crafting. This implies that, at a specific level perceived over qualification positively affect job crafting but at high level of perceived over qualification job crafting tends to reduce. These results demonstrate that moderate levels of perceived over qualification may inspire job crafting, whereas extra over qualification impede job crafting practices. Hence based on the reviewed literature, the following hypothesis is stated.

**H2:** Perceived over qualification of employees negatively affects job crafting

### **Job crafting and job satisfaction**

According to job demand theory, the two main components shaping the working environment of employees are job demands and job resources (Demerouti et al., 2001). Employees may adjust job's demand and resources to align them with their preferences and capabilities (Tims & Bakker, 2010). The adjustment in job's demand and resources can be performed through the enhancement of job resources or by increasing or decreasing job demands (Tims et al., 2012). Job demands can either be hindering or challenging and by increasing challenging job demands or reducing hindering job demands can increase job satisfaction (Podsakoff & LePine, 2005). Employees involves in job crafting activities seek resources and job challenging which are positively linked to job satisfaction (Fried et al., 2007; Oldham & Hackman, 2010). Job crafting provides better person fit through modification in job demand and resources, which in turn foster job satisfaction

(Tims & Bakker, 2010). The above literature shows that job crafting positively contribute to job satisfaction. Hence the below hypothesis is developed.

**H3:** Employees Job crafting positively affect job satisfaction.

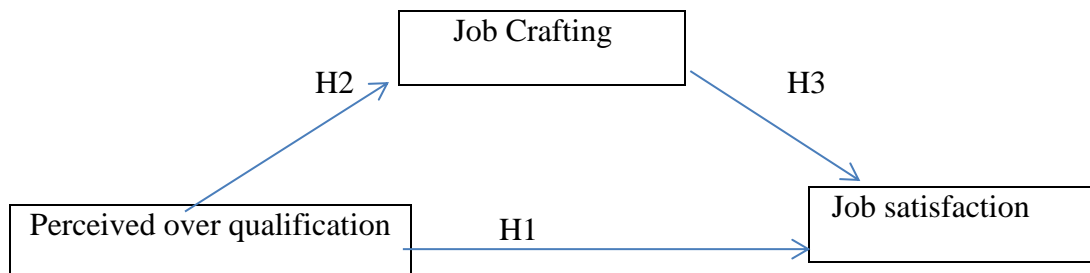
### Job crafting as a mediator

The relative deprivation theory of Crosby (1976) and the equity theory of Adam (1965) provide insight to the negative relationship of perceived over qualification with job satisfaction, work engagement and positive association with job searching behavior. However, Erdogan and Bauer (2020) suggested that identifying the appropriate moderators and mediators may diminish the adverse effect of perceived over qualification on outcomes. In this perspective job crafting may be reflected as mediating variable. This theoretical approach may be validated from several studies (Rudolph et al., 2017; Gordon et al., 2015; Rudolph et al., 2017, 2017; Danet et al., 2020), as described in the prior section, have recognized the fact that job crafting positively affects job satisfaction, work engagement and negatively influence job searching behavior. However, an individual with high perceived over qualification is likely to experience job person misfits, leading to feeling of deprivation and frustration. In this perspective, the individual is not anticipated to have motivation towards job crafting, in order to make the job more meaningful, improved and fulfilling. Consequently, perceived over may act as a distant antecedent of negative outcomes. In other words, perceived over qualification diminishes job crafting, resulting negative outcomes. Furthermore, Dekker et al. (2002) and Willis et al. (2019) suggested that job crafting can alleviate the undesirable outcomes of perceived overqualification by enhancing job satisfaction and performance. Rucker et al. (2011) and Kenny (2008) also asserted that job crafting mediates the relationship between perceived overqualification and performance. Taking previous literature into considerations, job satisfaction positively related with work engagement, such that greater level of both work engagement and job satisfaction lead to reduced job searching behavior and better performance (Schaufeli & Bakker, 2004). Therefore the following hypothesis are formulated

**H4:** Job satisfaction is influenced by perceived over qualification through the mediation of job crafting.

### Conceptual model

In the given figure1, the independent variable, perceived over qualification is given on the left hand side, while job satisfaction is illustrated on the right hand side. The directional arrows from perceived over qualification toward the criterion variables indicate a causal relationship. In the diagram, job crafting is positioned between independent and dependent variable, mediating the relationship between perceived over qualification independent and criterion variable.



**Figure 1:** Schematic Diagram of Research Framework

## **Materials and methods**

### **Samples and data collection**

The current study employed a cross-sectional methodology in order to collect data at a single point in time. Stratified sampling technique was used to collect data from all male and female teachers fulfilling their duties across primary, middle and high school levels within the government educational sector of Malakand division. Two strata were designed on the basis of gender and subsequently, a random sample was selected according to the percentage of participants in the entire population. Furthermore, both the strata were combined to produce a randomized sample. The data collection process was completed in two phases. Initially, 40 responded participated in the pilot study to assess the appropriateness of the instrument. After confirming the reliability of the instrument questionnaire were distributed among 470 male and female government primary, middle and high school teachers across all nine districts of Malakand Division. The questionnaire was provided in both Google Form and hard copy formats. It was then circulated through different channels, including email and physical hand delivery. Some the respondents completed the survey questionnaire on the spot, while other took few days due to their busy teaching schedule and personal concerns. The whole process, including questionnaire distribution and retrieval took nearly three months. Eventually, 441 questionnaires were returned, out of which 424 were fully completed, while 17 had missing data.

### **Questionnaire and measure**

The researcher employed an adapted questionnaire or research instrument in the survey approach, due to its appropriateness, reliability and construct validity (Schaufeli, Bakker, & Salanova, 2006; Seppala et al., 2009).

### **Perceived over qualification**

The employees' perception of over qualification was measured by using a nine items scale adapted from (Maynard et al. 2006). This instrument assesses employee's perception of over qualification across different attributes comprising education, knowledge, skills and experiences. Previous researches has also used this construct and acknowledged its higher psychometric properties (Luksyte, 2011; Dumani, 2012; & Davis, 2015). The sample statements of this construct include "I have job skills that are not required for this job" and "My education level is above the education level required by my job".

### **Job crafting**

Job crafting was measured using eight items construct adopted by (Vogel et al., 2016). This construct captures all the necessary aspects of job crafting including task crafting, relational crafting and cognitive crafting. The item includes such as I make sure that my work is mentally less intense," "I try to ensure that my work is emotionally less intense," and "I ask my supervisor for advice.

### **Job satisfaction**

Job satisfaction was measured by nine items scales (TJSS-9), developed by (Pepe, Addimando, & Veronese, 2017). This scale has emerged as a specialized questionnaire designed to evaluate job satisfaction specifically in educational context. This scale contains three main dimensions; satisfaction with co-workers, satisfaction with parents, and satisfaction with students. Each of these three dimensions was measured with three items. For instance, the co-worker dimension includes items such as "The quality of your relations with co-workers" and "The extent to which your co-workers encourage and support you in your work."

## Analytical approach

### Demographic Analysis

Table 1 provides a compressive detail of demographic information of the respondents. Female represents (32%) whereas; male demonstrates (68%). The table shows that a major portion of 58.25% of the total respondents is in the age category of 20-30 years. A total of 30.25% of participants had 1-5 years of experience, 26.75% had 6-10 years of experience, 19.25% had 11-15 years of experience 12.75% had 16-20 years of experience and 11% had above 20 years of service experience correspondingly. Total 36.7% participants were found in BPS-12, 20% in BPS-14, 28.3 % in BPS-15, and 15% in BPS-16. A total of 18.25% of respondents have PTC qualification, 17% have CT/DM/TT/AT/JDPE, 10.5% have ADE, 39.5% have B.Ed and 14.75% have M.Ed education. As per the A. Education is concerned, 2% of participants had SSC, 3.25.% had FA/FSc, 12.75% participants had BA/BSc, 55.25% had BS/MA/MSc education, 20.25% had M.Phil/MS education and 6.5% had PhD education respectively.

**Table 1**

Demographics

Attributes	Occurrence	Proportions
Female	136	32
Male	288	68
Cities	Occurrence	Proportions
Dir Lower	80	20
Upper Dir	48	12
Chitral Upper	14	3.5
Chitral Lower	16	4.0
Bajawar	22	5.5
Malakand	37	9.3
Swat	102	25.5
Shangla	36	9.0
Buner	49	12.3
Ages in years	Occurrence	Proportions
20-30	233	58.3
31-40	110	27.5
41-50	51	12.0
Above 50	9	2.2
Services in years	Occurrence	Proportions
1-5	128	30.3
6-10	113	26.8
11-15	82	19.3
16-20	55	12.8
Above 20	38	11
BPS	Occurrence	Proportions
BPS-12	156	36.7
BPS-14	85	20.0
BPS-15	119	28.3
BPS-16	64	15.0
P. Education	Occurrence	Proportions
PTC	77	18.3

CT/DM/TT/AT/JDPE	73	17.0
ADE	53	10.5
B.Ed	168	39.5
M.Ed	63	14.8
A.Education	Occurrence	Proportions
SSC	9	2.0
FA/FSc	14	3.2
BA/ BSc	53	12.8
BS/ MA/ MSc	233	55.2
M.Phil/ MS	85	20.2
PhD	28	6.5
Sum	424	100.0

### Descriptive statistics and correlation

Table 5 demonstrates the correlation scores of the study variables. The perceived over-qualification (POQ) demonstrates a significant negative relationship with job crafting (JC) ( $r = -.389$ ,  $p < .01$ ) and job satisfaction (JS), ( $r = -.382$ ,  $p < .01$ ). The JC shows positive relationship with JS ( $r = .751$ ,  $p < .01$ ). All the correlation scores are higher than the ( $\pm .3$ ) criteria set by (Samuels, 2017), indicating, the EFA assumption is fulfilled.

**Table 2**

Factor	N	Mean	St.Dev	1	2	3
1. Perceived Over Qualification	424	3.63	.76	--		
2. Job Crafting	424	2.75	.36	-.389**	--	
3. Job Satisfaction	424	3.16	.514	-.382**	.751**	.795**

Note. \*\* $p < .01$

### Measurement of Reliability and Validity

Both exploratory and confirmatory assessment was conducted in order confirm the authenticity of the model. Reliability and validity analysis was conducted using different statistical measurement such as Cronbach,s Alpha average variance as well as composite reliability. Strong factor loading of all items across three constructs, demonstrate good structure factor solution. The researcher evaluated the sampling adequacy of the data using the Kaiser-Meyer-Olkin (KMO) test and Bartlett's Test of Sphericity. The BTS values are significant ( $p < 0.001$ ), and KMO value is above 0.7 confirmed sample adequacy, while communalities value for all items is greater than 0.6. These results further supports the suitability of factor structure. However, some of the item which has low factor loading was removed from the constructs. A total of twenty six items were tested through three iterations. According to the EFA's findings, out of fifty twenty six items six were detached and twenty items were retained (table2).

**Table2**

## Re-Examination of EFA

Perceived Over Qualification (POQ)	BTS	KM	Factor Loads			Result
			O			
			1	2	3	
POQ1. My education level is higher than the requirement of my job	.000	.901	.97			Held
POQ2. My previous work experience plays no role in my job			.78			Held
POQ3. The skills I possess is not needed for my job			.72			Held
POQ4. Less educated person than me can perform better this job			.75			Held
POQ5. In the current job my previous training is not being utilized			.86			Held
POQ6. I have extra knowledge than the requirement of my job			.82			Held
POQ7. Less experienced person can better my job			.71			Held
POQ8. The abilities I have exceed than the requirement of my job			.80			Held
Job Satisfaction (JSF)	BTS	KM	Factor Loads			Result
			O			
			1	2	3	
JSF1. The excellence your relation with coworkers			.71			Held
JSF2. The level of support and encouragement you get from coworkers at workplace			.81			Held
JSF3. The level of your all satisfaction with coworkers	.000	.86	.87			Held
JSF4. The level of self-disciplined of students you observe			.85			Held
JSF5. Your level of satisfaction from student behavior			.87			Held
JSF6. The level of your all satisfaction from students discipline			.78			Held
JSF7. The level of interest parent take in their children education			.89			Held
Job Crafting(JC)	BTS	KM	Factor Loads			Result
			O			
			1	2	3	
JC1. I try to make job is mentally less intense.				.82		Held
JC2. I manage my work in such a way to keep less interaction with problematic people				.80		Held
JC3. I call my supervisor for coaching	.000	.92		.78		Held
JC4. I enquire my supervisor to know his his/ her satisfaction from my work				.82		Held
JC5. I welcome interesting project coming along, and want to be a part as coworker				.9		Held

Note: Technique: PCA: Iteration: 3, Com: Communalities

The constructs identified in exploratory factor analysis was validated using confirmatory factor analysis. The Standard Root Mean Square Residual (SRMR) value is less than 0.08 while Normed Fit Index (NFI) value is greater than 0.8. These values confirm to accept the model (Hu & Bentler, 1999). Average variance extracted (AVE) values was used to measure construct validity. AVE or average variance extracted gives the percentage of the variance that can be attributed to a construct as compared with error variance; AVE higher than 0.50 is considered more desirable (Gaskin & Lim, 2016). The variance captured by each construct is greater the threshold value 0.5. Further, to assess discriminant validity Fornell and Larcker's (1981) criterion was used by comparing the square root of each construct AVE with the correlations between the latent variables. On the other hand, discriminant validity is evidenced when the square root of an element AVE is greater than the correlations with other constructs. The Heterotrait-Monotrait (HTMT) ratio was derived and



based on Kline (2011) it should not be more than 0.85 and in line with Gold et al. (2011), it should not be more than .80 for all the related items. Statistics measures of reliability or internal consistency coefficients more specifically known as Cronbach Alpha coefficients were used and Hair et al. (2017) noted that for the results to be acceptable, the CR values must be at 0.70. In as much as Hair et al. (2013) established the criterion values for reliability analysis, it was determined that the survey items met acceptable levels of reliability. (see table 3,4 and 5 and figure 2).

**Table3**

Standard Scores

Measures	Scores	Sources
NFI	>.80	Hu & Bentler (1995)
SRMR	<.08	-do-
Reliability	> .70	Gaskin & Lim (2016)
Composite Reliability	> .70	-do-
Average Variance	> .50	-do-
Divergent	> .50	-do-

**Table 4**

Construct Validity

Variables	Items	Loads	Reliability	CR	rho_A	AVE
Perceived Over Qualification	POQ-1	.69				
	POQ-2	.78				
	POQ-3	.72				
	POQ-4	.75	.811	.814	.824	.784
	POQ-5	.86				
	POQ-6	.82				
	POQ-7	.71				
	POQ-8	.80				
Job Satisfaction	Items	Loads	Reliability	CR	rho_A	AVE
	JS-1	.71				
	JS-1	.71				
	JS-2	.83				
	JS-3	.81				
	JS-4	.85	.787	.814	.874	.659
	JS-5	.87				
	JS-6	.78				
Job Crafting	Items	Loads	Reliability	CR	rho_A	AVE
	JS-1	.71				
	JS-2	.83				
	JS-3	.81				
	JS-4	.85	.787	.814	.874	.659
	JS-5	.87				
	JS-6	.78				

**Table 5**  
Discriminant Validity

Factors	1	2	3
1. Perceived Over Qualification	.885	--	
2. Job Satisfaction	.339	.811	--
6. Job Crafting	.080	.075	.085
Heterotrait-Monotrait Ratio (HTMT)	1	2	3
1. Perceived Over Qualification	--		
2. Job Satisfaction	.750	--	
6. Job Crafting	.589	.502	--

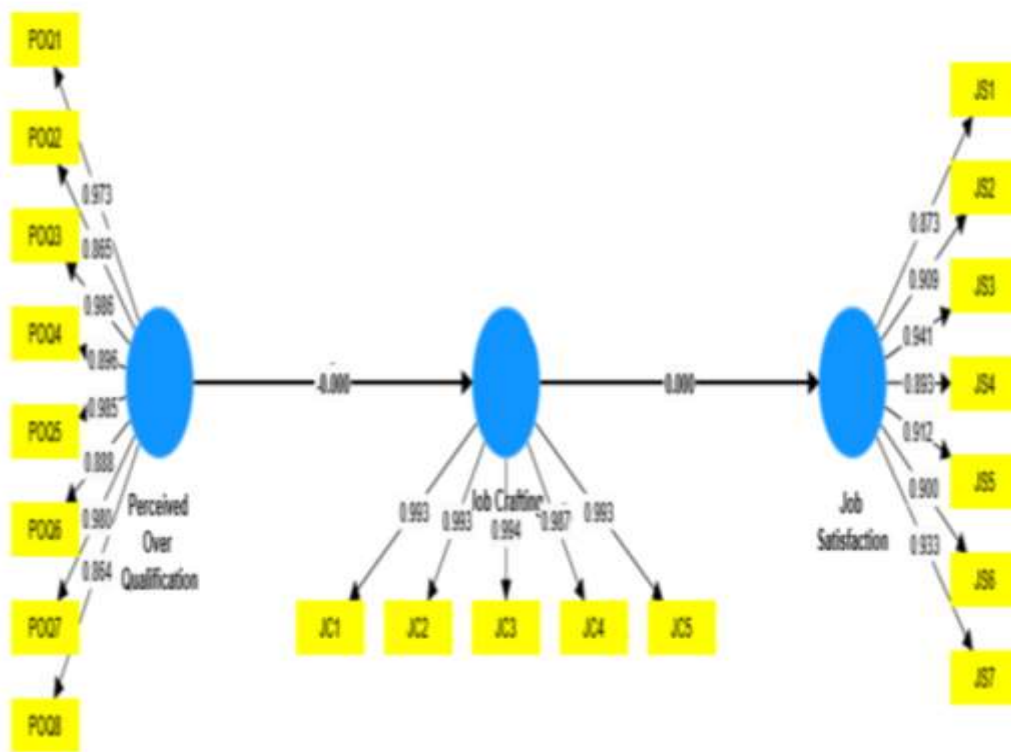


Figure:2 Measurement Model

**Structural Estimation**

The R-squared statistic points to the level of the variance in an outcome variable that can be accounted for its predictors (Hair et al., 2006). In structural models, R<sup>2</sup> refers to the ability of endogenous variables to be explained by predictors and indicates the effect of these drivers on the outcomes (Hair et al., 2014). Following Falk & Miller (1992), a minimum R<sup>2</sup> of 0.10 must be observed. The estimation by Cohen (2013) defines high/strong effect sizes to be (0.26), moderate/medium effect sizes to be (0.13) and low/small effect sizes to be (0.02). Table 6 reveals that the amount of variances explained by outcome variables; job crafting and job satisfaction is 44.9%, and 30.7%, respectively which indicates a significant impact.

**Table 6**

Variability Explanation

Endogenous Factors	R-Square	Effect
Job Crafting	49.4%	Substantial
Job Satisfaction	30.7%	-do-

The  $F^2$  effect size was calculated by employing the formula elaborated by Hair et al. (2013). Table 7 shows the  $F^2$  impact values of each exogenous factor. Effect size estimates can be approximated to depict the relative impact of each factor Chin, (1998). In the present study, effect size estimation is guided by Chin's (1998) framework which increases the  $R^2$  of the outcome variable by comparing the unexplained variance of the predictor variable at different periods. Table 7 also shows the relationship between the exogenous and endogenous variables. Effect estimates ( $F^2$ ) show significant, medium, and small impact levels shown in Table 7.

**Table 7**Cohen ( $F^2$ ) Statistics

Paths	$F^2$	Effect
Job Crafting -> Job Satisfaction	.443	Substantial
Perceived Over Qualification -> Job Crafting	.729	Substantial

**Direct Influence**

Hair et al. (2013) stated the hypothesis might be rejected based on insignificant influence or the nonexistence of a causative association. However, significant paths have shown the acceptance of the hypothesized relationship. Table 4.12 validates the consequence of the structural model. The H1 stated that POQ negatively predicts JS. The result revealed the POQ has a negative significant persuasion on JS ( $\beta = -.366$ ,  $t = 13.45$ ,  $p < .05$ ). Hence, H1 is established. . Similarly, to find the indirect effect of perceived over qualification on job satisfaction, segmented approach of Hayes, 2013; Preacher & Hayes, 2008) was used. Therefore, before investigating the indirect effect the mediation process were divided into separates steps (e.g.,  $POQ \rightarrow JC \rightarrow JSF$ ). Firstly, the study examined the impact of perceived over qualification on job crafting, demonstrating a significant negative association ( $\beta = -0.348$ ,  $p < 0.05$ ). This support the first step of the segmented approach of mediation. Hence H2 is accepted, which states that perceived over qualification negatively influence job crafting. Furthermore, it was revealed that job crafting positively influence job satisfaction ( $\beta = 0.290$ ,  $p < 0.05$ ). Therefore we accept H3, which states that, job crafting positively influence employees job satisfaction. These results further validated the second condition of the segmented approach of mediation model.

**Table 8**

Direct Effect

Direct Effect	Loads	SE	t	p	Hypotheses
POQ-> Job Satisfaction	-.366	.027	13.45	.000	Accept
POQ-> Job Crafting	-.405	.026	15.33	.000	Accept
JC -> Job Satisfaction	.387	.028	13.68	.000	Accept

**Indirect Effect**

To interpret the mediated influence within the study, it is necessary to assess the value of the interactions between factors. In the current model, indirect effects are dealt with through mediation analysis as postulated by Preacher & Hayes (2004). Compared to the causal steps method offered

by Baron & Kenny (1986) and Hair et al. (2012), structural equation modeling (SEM) offered a more effective way of establishing relationships among several factors. In their study, Zhao, Lynch, and Chen (2010) concluded that the non-parametric bootstrap method is statistically well-suited to deciding the existence of mediating effects. This technique is suitable for SEM as it doesn't invoke specific assumptions about the distribution or sample variance (Hair et al., 2014). In this research, mediation was examined by Hayes (2009) to test the two-step procedure of mediation using bootstrapping in SEM to obtain a precise estimate of mediation. To ascertain mediation Hayes (2009) presented the following steps. First, the path analysis with SEM model was selected to examine the relationship between predictor and mediator variables. The direct relationships were then estimated by computing t-values from the bootstrapping process. If the determinations of direct effects were considerable, then paths a and b of the mediation test were conducted to analyze the values after the resampling of 5,000 total direct effects. The SE for all indirect effects was also computed. Table 9 and Figure 3 also show that the mediation analysis revealed mediating effects at a suitable level of significance. Consistent with Hayes (2009), a 95% bootstrapped confidence interval was used to confirm the mediation effect in the analyzed study (Table 9).

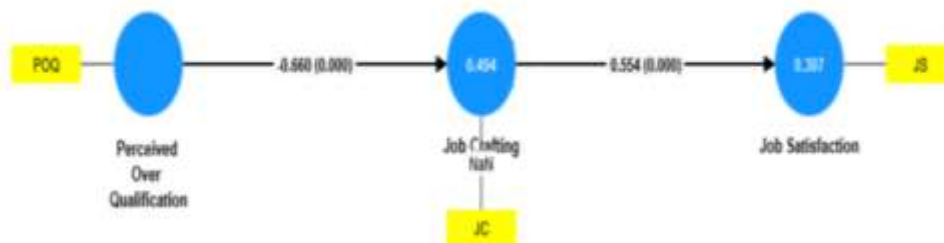
**Table 9**  
Path Analysis

Mediating Effect	Weights	SE	T	P	[CI 95%]		Hypotheses
					LL	UL	
					-	-	Accept
POQ -> JC -> Job Satisfaction	-.366	.027	13.45	.000	.420	-.310	

**Note.** POQ: Perceived Over Qualification, JC: Job Crafting, JSF:

Mediating effect

Hypothesis H4 specifies the JC mediates between POQ and JS. The result revealed that the JC negatively mediates between POQ and JS ( $\beta = -.366$ ,  $t = 13.45$ ,  $p < .05$  CI [LL: -.420, UL: -.310]). The zero didn't bisect in-between confidence interval, enlightening mediation (Preacher & Hayes, 2008). Hence, H4 is accepted. (see Table 9).



## **Conclusion**

This study contributes to the prior literature by investigating the consequences of perceived over qualification on job satisfaction, with a mediating role of job crafting. The results show that perceived over qualification can cause reduced job satisfaction. Besides this, it was recognized from this study, that job crafting as a significant mediator, exhibiting its role in improving job satisfaction. These outcomes highlight the importance of job crafting both for individual and organization.

## **Theoretical Contributions**

This study enhances our understanding regarding the relationship between perceived over qualification and job satisfaction. The findings align with different theories, such as Law of Relative deprivation and Job demand Resource theory. According to Crosby (1984), when an individual compares their opportunities and rewards with others and if feels discrimination, it causes relative deprivation. Likewise, the results support Job demand Resource theory, which states that job demand and resources are the key and meaningful factors of employees' interest and motivation. When employees perceive imbalance between their expertise and the job requirements, it may decrease individual resources like motivation or self-efficacy, which further causes demotivation in job crafting engagement. Consequently, employees may be unable to efficiently reduce the demanding aspects of their job or improve the resourceful feature dissatisfaction (McKee-Ryan et al., 2005).

## **Recommendation**

Organizations should cultivate an environment that poster employees to engage in job crafting. Implementation of various trainings programs are suggested to enrich employees with all necessary skills that assist them in mitigation of the adverse effect of perceived over qualification through reshaping and redesigning of their tasks and roles. Secondly, during employment process, policy makers and HR consultants should recognize signs of over qualifications. Lastly there should be career development pathways that match employee skills with job roles which can assist them in improving their job satisfaction.

## **Limitations and future directions**

The current study was focused on cross sectional design, which confines the ability to conclude causal inferences. Therefore, future researchers can conduct longitudinal study. This study was concentrated on self-reported perceived over qualification, futures researchers are suggested objective measure of over qualification. Finally, the study was conducted in the Malakand, KPK, Pakistan, which may not be generalizable to other organizations or geographic regions. Future research could replicate this study in different settings and organizations to validate these findings.

## **References**

- Baron, R. M., & Kenny, D. A. (1986). The moderator-mediator variable distinction in social psychological research: Conceptual, strategic, and statistical considerations. *Journal of Personality and Social Psychology*, 51(6), 1173-1182.
- Berg, J. M., Dutton, J. E., & Wrzesniewski, A. (2008). What is job crafting and why does it matter. Retrieved from the Positive Organizational Scholarship website.
- Chin, W. W. (1998). The partial least squares approach to structural equation modeling. In G. A. Marcoulides (Ed.), *Modern methods for business research* (pp. 295–336). Lawrence Erlbaum Associates Publishers.
- Cohen, J. (2013). *Statistical power analysis for the behavioral sciences* (2nd ed.). Routledge.

- Demerouti, E., Bakker, A. B., & Gevers, J. M. (2015). Job crafting and extra-role behavior: The role of work engagement and flourishing. *Journal of Vocational Behavior*, 91(1), 87-96.
- Demerouti, E., Nachreiner, F., Bakker, A. B., & Schaufeli, W. B. (2001). The job demands-resources model of burnout. *Journal of Applied Psychology*, 86(3), 499-512. <https://doi.org/10.1037//0021-9010.86.3.499>
- Erdogan, B., & Bauer, T. N. (2009). Perceived overqualification and its outcomes: The moderating role of empowerment. *Journal of Applied Psychology*, 94(2), 557-565. <https://doi.org/10.1037/a0013528>
- Erdogan, B., & Bauer, T. N. (2020). Overqualification at work: A review and synthesis of the literature. *Annual Review of Organizational Psychology and Organizational Behavior*, 36(1), 6-17. <https://doi.org/10.1146/annurev-orgpsych-012420-055831>
- Fornell, C., & Larcker, D. F. (1981). Evaluating structural equation models with unobservable variables and measurement error. *Journal of Marketing Research*, 18(1), 39-50. <https://doi.org/10.1177/002224378101800104>
- Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2007). *Multivariate data analysis* (6th ed.). Pearson Prentice Hall.
- Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2010). *Multivariate data analysis* (7th ed.). Pearson.
- Hair, J. F., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2013). *A primer on partial least squares structural equation modeling (PLS-SEM)*. SAGE Publications.
- Hair, J. F., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2014). *A primer on partial least squares structural equation modeling (PLS-SEM) (2nd ed.)*. Sage Publications.
- Hair, J. F., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2017). *A primer on partial least squares structural equation modeling (PLS-SEM) (2nd ed.)*. Sage Publications.
- Howard, E., Luksyte, A., Amarnani, R. K., & Spitzmueller, C. (2022). Perceived overqualification and experiences of incivility: Can task i-deals help or hurt? *Journal of Occupational Health Psychology*, 27, 89-103. <https://doi.org/10.1037/ocp0000304>
- Hu, L. T., & Bentler, P. M. (1999). Cutoff criteria for fit indexes in covariance structure analysis: Conventional criteria versus new alternatives. *Structural Equation Modeling*, 6(1), 1-55. <https://doi.org/10.1080/10705519909540118>
- 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>
- Lin, X., & Chung, S. (2020). Boundary spanning behavior and job performance. *Journal of The Korea Society of Computer and Information*, 25(10), 135-142. <https://doi.org/10.9708/jksci.2020.25.10.135>
- Maynard, D. C., Joseph, T. A., & Maynard, A. M. (2006). Underemployment, job attitudes, and turnover intentions. *Journal of Organizational Behavior*, 27(5), 509-536.
- Preacher, K. J., & Hayes, A. F. (2004). SPSS and SAS procedures for estimating indirect effects in simple mediation models. *Behavior Research Methods, Instruments, & Computers*, 36(4), 717-731.
- 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.
- 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*, 25(3), 293-315. <https://doi.org/10.1002/job.248>

- Schaufeli, W. B., Bakker, A. B., & Salanova, M. (2006). The measurement of work engagement with a short questionnaire. *Educational and Psychological Measurement, 66*(4), 701-716.
- Tims, M., & Bakker, A. B. (2010). Job crafting: Towards a new model of individual job redesign. *SA Journal of Industrial Psychology, 36*(2), 1-9.
- Tims, M., Bakker, A. B., & Derks, D. (2012). Development and validation of the job crafting scale. *Journal of Vocational Behavior, 80*(1), 173-186.
- Uddin, M. K., Azim, M. T., & Islam, M. R. (2023). Effect of perceived overqualification on work performance: Influence of moderator and mediator. *Asia Pacific Management Review, 28*(3), 276-286.
- Woo, H. R. (2020). Perceived overqualification and job crafting: The curvilinear moderation of career adaptability. *Sustainability, 12*(24), 1-17. <https://doi.org/10.3390/su122410458>
- Wrzesniewski, A., & Dutton, J. E. (2001). Crafting a job: Revisioning employees as active crafters of their work. *Academy of Management Review, 26*(2), 179-201. <https://doi.org/10.5465/amr.2001.4378011>