

# The Effect of Perceived Overqualification on Employees' Organizational Citizenship Behaviour——The Mediation of Organization-Based Self-Esteem and the Moderated of Psychological Entitlement

Biaobin Yan<sup>1</sup>, Jiaqi Wen<sup>2</sup>, Menghua Liu<sup>3\*</sup>, Weimei Zeng<sup>4</sup>, Ying Ma<sup>5</sup>

y-bb2000@163.com<sup>1</sup>, 253166051@qq.com<sup>2</sup>, 398198925@qq.com<sup>3\*</sup>, 771093941@qq.com<sup>4</sup>,  
465774107@qq.com<sup>5</sup>

School of Business, Guangdong University of Foreign Studies, Guangzhou, China<sup>1,2</sup>  
Faculty of Liberal Arts and Law, Guangdong University of Petrochemical Technology, Guangzhou,  
China<sup>3\*</sup>

School of Public Administration of Guangzhou Xinhua University, Guangzhou, China<sup>4</sup>  
School of Business, Guangdong University of Foreign Studies, Guangzhou, China<sup>5</sup>

**Abstract.** From the perspectives of organizational self-esteem and psychological entitlement, this survey explores the effect of perceived overqualification on organizational citizenship behaviour. A sample of 213 employees completed measures of Scale of Perceived Overqualification, scale of organizational citizenship behaviour, scale of organization-based self-esteem scale and psychological entitlement. The results indicate: (1) POQ negatively affects employees' OCB at the significant level; (2) OBSE mediates the relationship between employees' POQ and OCB; (3) Psychological privilege moderates the relationship between POQ and OBSE, with higher psychological privilege strengthening the negative impact of POQ on OBSE; (4) Psychological privilege also significantly moderates the mediating impact of OBSE between POQ and OCB. When employees have higher psychological entitlement, the negative influence of POQ on OCB through OBSE is amplified.

**Keywords:** Perceived Overqualification; Organizational Citizenship behaviour; Organization-Based Self-Esteem; Psychological entitlement

## 1 Introduction

For the past few years, in the wake of the global economic recession and the impact of the COVID-19 pandemic, China's employment landscape remains challenging, especially for recent graduates. The job they offer may not be commensurate with the qualifications of these individuals. This disconnecting results in them feeling underutilized or 'overqualified' for their positions after a period of employment. According to a survey report conducted by a Canadian firm, as many as 84% of employees in Chinese enterprises perceive that their talents are underutilized<sup>[1]</sup>.

Perceived Overqualification (hereinafter referred to as POQ) means an individual's perception that their qualifications, including knowledge, experience, and skills (KSAs), surpass the requirements of their job<sup>[2]</sup>. It involves both cognitive and emotional mechanisms in

individuals. Previous research has shown that POQ employees may exhibit intentions and behaviour related to turnover<sup>[2]</sup>, counterproductive behaviour<sup>[3]</sup>, as well as reduced job performance<sup>[4]</sup>, and organizational commitment<sup>[5]</sup>. Furthermore, Organizational Citizenship behaviour (hereinafter referred to as OCB), which entails individual acts of helping that benefit organizational overall effectiveness but are not part of formal job requirements, has been a subject of significant interest among scholars both domestically and internationally. However, it becomes evident that there is currently no consensus regarding the relationship between POQ and OCB<sup>[6]</sup>. This suggests the potential presence of important moderating mechanisms between POQ and OCB.

Self-Representation Theory asserts that an individual's self-perception formation is influenced by both exterior factors, such as social comparisons, and interior factors, including thoughts, emotions, and cognition<sup>[7]</sup>. From an exterior standpoint, the self-concept of employees experiencing POQ is shaped by comparisons with others and their own anticipated comparisons. From an interior perspective, psychological entitlement represents individual differences in cognitive aspects for each employee, and consequently, it is expected to impact the formation of the self-concept among POQ employees. Therefore, exploring how individual self-evaluation is formed among POQ employees becomes crucial.

To briefly conclude, this survey endeavours to investigate the impact of POQ on OCB and the mediating effect of OBSE and psychological entitlement. The discussion not only broadens and deepens the existing research on overqualification but also holds substantial implications for employee management. This study contributes critical theoretical significance to the framework that explains and predicts the phenomenon being studied and offers substantial practical value by rigorous analysis.

## **2 Theoretical Foundations and Research Hypothesis**

### **2.1 Effect of Perceived Overqualification on Employees' Organizational Citizenship behaviour**

A lot of scholars approach it from a capability-based perspective, posit that POQ employees are more likely to involve in OCB compared to regular employees, they may find meeting job requirements relatively effortless<sup>[8]</sup>. Consequently, they have more time and energy available for assisting others, establishing a positive relationship between POQ and OCB. However, other literatures suggest that POQ employees may perceive a sense of unfairness, leading to a reduction in their motivation to engage in prosocial behaviour. For example, a survey detected by Erdogan et al. (2020) indicates that POQ employees have a negative influence on employees' prosocial behaviour and speaking up<sup>[6]</sup>.

Despite their outstanding capabilities, POQ employees may lack the motivation to involve in prosocial behaviour due to perceptions of unfairness. Based the foundation of Self-Representation Theory, we posits that the formation of POQ is influenced by comparisons with objective job requirements or the qualifications of colleagues in similar roles. POQ employees often perceive their situation as unfair, as they are unable to fully utilize their abilities and feel undervalued by superiors or the organization. Since OCB is a spontaneous behaviour often reliant on employees' prosocial motivations, even when equipped with surplus

knowledge, experience, and skills, POQ employees tend to reduce their engagement in OCB when confronted with unfair circumstances<sup>[9]</sup>. They choose to flexibly adjust their work involvement, avoiding the risk of being perceived as underperforming by the organization or superiors. In summary, this paper proposes **Hypothesis 1: POQ has a negative impact on OCB.**

## 2.2 The Mediating Effect of Organization-Based Self-Esteem

Empirical literature on how to establish the self-concept of POQ employees and its subsequent influence on their OBSE is relatively limited. OBSE represents the extent to which employees think of themselves as integral members of the organization, thus encompassing the self-evaluation dimension of self-concept<sup>[7]</sup>. Based on Self-Representation Theory, the development of an individual's self-perception is mainly influenced by exterior factors (such as social comparisons) and personal interior factors (including thoughts, emotions, and cognitions)<sup>[4]</sup>. Consequently, we hypothesize that employees' POQ, as a form of self-awareness regarding their own situation, may negatively impact OBSE<sup>[10]</sup>. Existing research suggests that the development of POQ is impacted by comparisons with factors such as employees' own abilities and the objective standards of job demand or coworkers in similar positions<sup>[11]</sup>. Achievement and value within the organization are crucial sources of self-esteem<sup>[12]</sup>, the POQ may potentially contribute to the emergence of adverse OBSE<sup>[13]</sup>. In summary, this paper proposes **Hypothesis 2: POQ has a negative impact on employees' OBSE.**

Drawing from self-consistency motivation, individuals, when faced with otherwise equal conditions, tend to engage in behaviours that align with their self-perceived evaluations and derive satisfaction from doing so<sup>[14]</sup>. This implies that employees with positive self-perceived evaluations (i.e., high OBSE) are more likely to exhibit attitudes and behaviours that reinforce this perception, such as increasing OCB. This enables them to attribute their perception of diminished self-importance in the organization to their reduced OCB, rather than to any inadequacies in their abilities. In conclusion, this paper proposes **Hypothesis 3: OBSE has a positive effect on OCB** and **Hypothesis 4: OBSE mediates the relationship between POQ and OCB.**

## 2.3 The Moderating Effect of Psychological Entitlement

Some literatures further developed the concept of psychological entitlement, defining it as the belief that individuals should have more power and receive more privileges compared to others. Employees with psychological entitlement exhibit self-centred tendencies and hold unreasonable expectations, which can lead to hostility towards the evaluations of others<sup>[15]</sup>. Consequently, they are more dissatisfied with their jobs<sup>[16]</sup> and are more likely to express intentions to leave their current positions. Based on Self-Representation Theory, one's self-perception is affected by interior and exterior factors. The former is containing social comparisons.<sup>[7]</sup> The latter, including thoughts, cognition, and emotions, influence an individual's self-evaluation.<sup>[17]</sup> The theoretical model, as shown in Figure 1, is a moderated mediation model. In light of these considerations, this paper presents **Hypothesis 5: Psychological entitlement moderates the indirect effect of POQ on OCB through OBSE. Specifically, when employees have higher levels of psychological entitlement, the negative impact of POQ on OCB through employees' OBSE will be enhanced.**

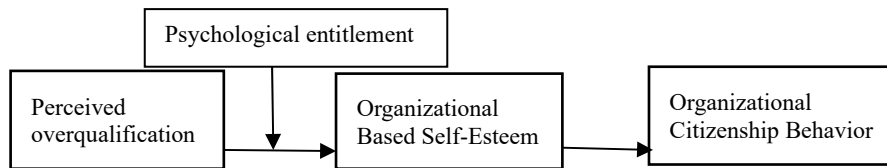


Figure 1. The research model

### 3 METHODS

#### 3.1 Samples and procedure

The data for this study were collected using the JianShu platform, the study focused on frontline employees in small and medium-sized enterprises (SMEs) in the startup phase and collected data from three e-commerce companies concentrated in the internet industry in Guangzhou, China. Therefore, many overqualified talents are more eager to advance in companies within this industry and are more likely to experience perceived overqualification.

Before distributing the questionnaires, we encoded and anonymized them to ensure confidentiality. After excluding 19 invalid questionnaires, we acquired a total of 213 valid samples. Among the final selected samples, 33(15.49%) had junior college degree or below, 177 (83.10%) had bachelor's degree, only 3(1.41%) had master's degree or above; 72 (33.80%) were men and 141(66.20%) were women. Besides, the majority of samples were aged 25 or under (91.08%). This suggests that the surveyed individuals predominantly possessed a relatively high level of education and knowledge, forming the foundation for perceiving themselves as overqualified. In terms of occupation, the majority of participants (93.89%) had less than 1 year or between 1 and 3 years of work experience.

#### 3.2 Research tools

**Perceived overqualification.** The scale constructed by Maynard and Joseph (2006)<sup>[18]</sup> was employed in this study. This questionnaire consists of 9 items, including statements like 'My education level exceeds the requirements of my job', which is used 5-points scoring method. The  $\alpha$  coefficient for this questionnaire was 0.85. **Organizational Citizenship Behavior.** Drawing upon the scale constructed by Bachrach (2015)<sup>[19]</sup>, da which underwent cross-cultural validation with samples from both China and the United States. This scale comprises 10 items, including statements 'Willing to help if a co-worker's job falls behind', which is used 5-points scoring method. The  $\alpha$  coefficient for this scale was 0.90. **Organizational-Based Self-Esteem.** A single-dimensional scale consisting of 10 items was adapted from Pierce (1989)<sup>[20]</sup>, including 'I have a lot of influence in my work', which is used 7-points scoring method. The  $\alpha$  coefficient for this scale was 0.88. **Psychological Entitlement.** The measurement of employees' psychological entitlement was conducted using a tool constructed by Campbell et al. (2004)<sup>[21]</sup>, which originally consisted of 9 items. These items included statements such as 'I genuinely feel that I should have more rights than my colleagues'. Responses were collected using a 7-point Likert scale. The  $\alpha$  coefficient for this scale was 0.95.

## 4 RESULTS

### 4.1 Descriptive and Correlation Analysis

As shown in Table 1, the results indicate a negative correlation between POQ and OCB ( $r = -0.325^{**}$ ,  $p < 0.01$ ), a negative correlation between POQ and OBSE ( $r = -0.286^{**}$ ,  $p < 0.01$ ), and a positive correlation between OBSE and OCB ( $r = 0.498^{**}$ ,  $p < 0.01$ ), which are all at significant level. Based on these findings, the assumptions about the relationships between variables have been preliminary validated, allowing for further examination.

**Table 1.** Standard Deviation, Mean and Correlation Coefficient of Variables

Variables	1	2	3	4	5	6	7	8	9
<b>POQ</b>	.012	-.05	-.006	-.14*	-.07	-			
<b>OCB</b>	-.024	.03	.01	-.03	.01	-.33**	-		
<b>OBSE</b>	-.089	.01	-.12	.20	.13	-.29**	.50**	-	
<b>PE</b>	-.061	-.06	.009	.02	.02	.37**	-0.09	0.08	-
<b>Mean</b>	1.66	1.11	2.81	1.35	1.13	3.00	5.19	3.62	3.55
<b>standard deviation</b>	0.47	0.38	0.53	0.68	0.46	0.79	0.75	0.56	1.60

Note: \* denotes a factor with a significance level of 0.05, \*\* denotes a factor with a significance level of 0.01, \*\*\* denotes a factor of 0,00-level significance, the same applies in the table below.

### 4.2 Hypothesis Test

We detected the collinearity issue by using SPSS24.0 software before the regression analysis. From the unrotated factor analysis results presented in the table below, it was found that nine eigenvalues exceeded 1, and the variance accounted for by the first factor was 23.11%, which is below the 40% threshold. This indicates that common method bias is unlikely to fundamentally affect the accuracy and reliability of the conclusions. The results of the regression analysis for the OCB of POQ are presented in Table 2. Compared with the control variables, POQ's explanation for OCB increased ( $\Delta R^2 = 0.11$ ,  $p < 0.01$ ). POQ adversely affects OCB (M4,  $\beta = -0.34$ ,  $p < 0.01$ ), which is supporting hypothesis 1.

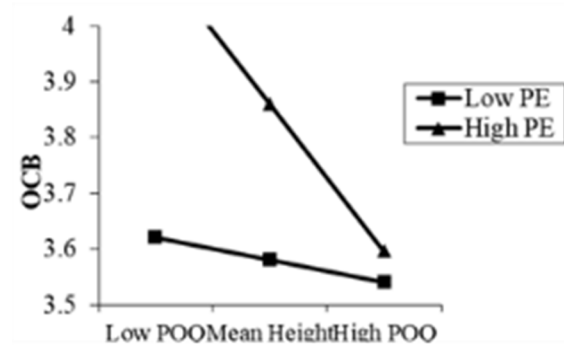
Furthermore, we investigated the mediating effect of OBSE in the relationship between POQ and employee OCB. POQ had a significant negative impact on OBSE (M2,  $\beta = -0.27$ ,  $p < 0.01$ ), explaining an extra 7% of the variance in OBSE ( $\Delta R^2 = 0.07$ ,  $p < 0.01$ ), which is supporting Hypothesis 2. OBSE had a positive effect on employee OCB (M5,  $\beta = -0.53$ ,  $p < 0.01$ ), explaining an extra 26% of the variance in OCB ( $\Delta R^2 = 0.26$ ,  $p < 0.01$ ), supporting Hypothesis 3. After introducing the mediating variable, it was found that OBSE positively affected OCB (M6,  $\beta = 0.47$ ,  $p < 0.01$ ), and the negative impact of POQ on OCB (M6,  $\beta = -0.21$ ,  $p < 0.01$ ) decreased, which are both significant. Therefore, the intermediary effect of OBSE on POQ and OCB was significant, which partly supports hypothesis 4. In addition, we

detect the moderating effect of psychological entitlement between POQ and OBSE by SPSS24.0 software. As shown in Table 2, the interaction term significantly negatively affected OBSE (M12,  $\beta = -0.22$ ,  $p < 0.01$ ), and the model's explanatory power increased by 4% ( $\Delta R^2 = 0.04$ ,  $p < 0.01$ ), which is supporting Hypothesis 5.

**Table 2.** Results of Hierarchical Regression

Control Variables	OBSE				OCB			
	M1	M2	M11	M12	M3	M4	M5	M6
Gender	-0.05	-0.05	-0.04	-0.35	-0.03	-0.04	-0.01	-0.01
Age	0.06	-0.06	-0.04	-0.06	0.06	0.06	0.09	0.09
Degree	0.03	-0.05	-0.06	-0.05	-0.01	-0.05	-0.001	-0.02
Seniority	0.19	0.15	0.12	0.17	-0.09	-0.15	-0.19*	-0.22**
Hierarchy	0.02	0.02	0.02	0.04	0.04	0.05	0.03	0.03
<b>independence</b>				-				
POQ		-0.27 **	0.34**	-0.27**		-0.34 **		0.21**
<b>mediating variable</b>								
OBSE							0.53**	0.47**
<b>Moderating Variables</b>								
PE			0.20**	0.25**				
<b>Interaction Item</b>								
POQ×PE				-0.22**				
Adjusted $R^2$	0.05	0.12	0.15	0.19	0.01	0.12	0.27	0.31
$\Delta R^2$	0.05	0.07**	0.03**	0.04**	0.01	0.11**	0.26**	0.19**

In order to further investigate the moderating effect of psychological entitlement, this study plotted an interaction effect graph by adding and subtracting one standard deviation from the average of psychological entitlement (see Figure 2). As shown in Figure 2, the negative impact of POQ on the OBSE is amplified when the employee has a higher mental entitlement level, which supports hypothesis 5.



**Figure 2.** Interaction Effect Graph of Psychological Entitlement in Moderating the Impact of POQ on OCB

### 4.3 Test of Moderated Mediation Effects

We employed the Bootstrap method to test Hypothesis 5. The results, as shown in Table 3, indicate a significant difference in the indirect effect of POQ on OCB at different levels of psychological entitlement ( $\Delta\beta = -0.184$ ,  $p < 0.01$ ). Specifically, the indirect effect of POQ on OCB is notably stronger when psychological entitlement is high level ( $\beta = -0.212$ ,  $p < 0.001$ ) and weaker when psychological entitlement is low level ( $\beta = -0.028$ ,  $p > 0.01$ ). Thus, Hypothesis 5 was further tested, and the results are presented in Table 3.

**Table 3.** Adjusted Mediation Results

Moderator	POQ(X) → OBSE(M) → OCB(Y)				
	Phase		Effect		
	First Phase $P_{MX}$	Second Phase $P_{YM}$	Direct Effect $P_{YX}$	Indirect Effect $P_{YM}P_{MX}$	Total Effect $P_{YX}+P_{YM}P_{MX}$
Low PE (-1 standard deviation)	-0.045	0.622*	-0.171*	-0.028	-0.199
High PE (+1 standard deviation)	-0.337***	0.629***	-0.229***	-0.212***	-0.441***
Between-group Variation	-0.292***	0.007***	-0.058**	-0.184**	-0.242**

## 5 CONCLUSION

### 5.1 Theoretical Implications

First, based on the theoretical model of POQ as outlined by Liu and Wang (2012)<sup>[12]</sup>, this study investigates key variables within the cognitive pathway that links POQ to individual OCB. It particularly focuses on self-esteem, perceived fairness, and self-efficacy. While

previous research often emphasized perceived fairness and psychological contracts as mediators, our approach examines the impact of fairness in accessing job opportunities. By concentrating on OBSE as a mediating factor, this study offers empirical support for Liu et al.'s proposed cognitive pathway, enriching the understanding of the mechanisms underlying the POQ-OCB relationship. Second, While foreign scholars have overlooked the relationship between OCB and organizational self-esteem, which also contributes to organizational effectiveness. For example, Li (2021) approached the topic from a relational perspective and found that when the supervisor-subordinate relationship is strong, POQ positively affects task performance through OBSE<sup>[22]</sup>, but it has a negative effect in weaker relationships. This suggests that the value assigned to POQ employees by their superiors and the proactive establishment of positive relationships can mitigate the negative impact of POQ on organizational self-esteem, sometimes outweighing internal factors like POQ. Third, this study introduces employees' psychological entitlement as a moderating variable in the 'POQ-OBSE-OCB' research pathway, highlighting the presence of individual trait-based moderation mechanisms. The research uncovers that individual differences lead to diverse responses to POQ, particularly among employees with high psychological entitlement, who strongly desire their current job roles to reflect their value.

## 5.2 Practical Implications and limitations

First, in talent recruitment, organizational managers should prioritize candidates whose qualifications closely match the job requirements, following principles of objectivity and fairness. Managers should also take a nuanced approach to overqualified employees. Second, Managers should recognize that in mechanistic, control-oriented organizational structures, stability can be maintained. However, individuals naturally seek freedom and personal growth, leading to changing self-expectations. Third, in organizational management, understanding employees' individual traits, such as psychological entitlement, is crucial. The limitation of this survey is solely employing self-reporting by employees due to constraints in the research conditions. Thus, the study approaches perceived overqualification from a holistic perspective, yet overqualification encompasses four dimensions and it is suggested that explore the influence mechanism of POQ on employees' behaviour and psychology. Besides, this study primarily concentrates on the individual level of employees which is not comprehensive.

**Acknowledgment:** The research is fund by Graduate Research Program of Guangzhou Xinhua University, and the Philosophy Social Science Foundation of Guangdong province (GD20CGL37)

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