

Original Article<https://doi.org/10.54692/amr.2026.31227>**Impact of Perceived Overqualification on Adaptive Performance through Psychological flexibility with the moderating role of Emotional Intelligence****Rabia Manzoor ¹, and Muhammad Taimoor ²**¹Institute of Administrative Sciences, University of the Punjab, Punjab, Pakistan²Institute of Administrative Sciences, University of the Punjab, Punjab, PakistanCorresponding Author: Rabia Manzoor Email: Rabiamanzoor313@gmail.com*© 2026 by the Author(s). Published by AMR, under the CC-BY license*

Abstract

This research explores the impact of perceived overqualification on adaptive performance involving the individuals working in software companies based in Lahore, Pakistan, having a major focus on the psychological flexibility as a mediator and emotional intelligence as a moderator. Using conservation of resource theory COR, this quantitative investigation applied cross-sectional survey approach and gathered the responses from 197 respondents using standardized and validated scales. The findings indicated a significant positive impact of POQ on AP, revealing that employees with surplus qualifications might efficiently apply their surplus skills to fulfill changing job demands. Though, Psychological flexibility did not act as a mediator between POQ and AP. And EI acts as a great moderator between PF and AP, demonstrating that employees with higher EI are better capable in channeling PF into workplace adaptability. The study used COR theory in which employees struggle to attain, protect, and invest resources, like skills or emotional capacities, to cope with stress and adapt to demands. This study demonstrates how excess qualifications (a form of resource gain) and emotional intelligence (a personal resource) can jointly facilitate adaptive performance in dynamic work settings.

These findings contribute to the evolving perspective that POQ can be a professional asset under the right psychological and contextual conditions. The study offers practical implications for organizational leaders aiming to utilize the capability of highly qualified employees through EI development and support for adaptive behaviors.

Keywords: Perceived overqualification, Adaptive performance, Psychological flexibility, emotional intelligence

1. Introduction

When employees perceive their qualifications to surpass job demands, it can lead to significant negative consequences for performance, including reduced motivation, job dissatisfaction, and disengagement. The scientific community now recognizes POQ creates two possible outcomes in the workplace because some employees use their surplus abilities to enhance organizational flexibility and creative thinking when specific circumstances exist. The Human Resource Management Society (SHRM, 2022) revealed that majority overqualified staff members strategically look to use their expertise creatively which indicates POQ could develop adaptive performance capabilities. Studies have yet to explain how POQ generates adaptive performance especially when examining individuals who come from families with limited formal education since education serves as their main route toward social advancement.

The growing recognition of adaptive performance emerges from organizations' need to address unpredictable complex situations. Organizations depend on adaptive performance for their resilience because it provides the ability to manage emergencies while finding creative solutions and adapting to modern technologies (Pulakos et al., 2000). POQ and adaptive performance relationship needs more research investigation. Research findings indicate POQ performance outcomes are contradictory because employees either experience dissatisfaction (Erdogan & Bauer, 2009) or adapt better through positive redefinitions of their qualifications. This evidence highlights the importance of assessing mediators and moderators such as psychological flexibility and emotional intelligence in determining POQ effects.

POQ exists as a structural problem associated with improper labor market operations and rising education costs and social inequality. Widespread underemployment emerges when highly educated workers accept positions that do not match their qualifications because job markets become overpopulated. The World Economic Forum (2023) reports that 30% of worldwide workers experience underemployment globally but this number reaches 45% in developing nations. The Peoples who face pressures from their organization and different challenges may experience bigger impacts from POQ as because of their educational accomplishments that shows their central path towards social advancement. This creates great mental distress which eventually leads to profession problems and family dissatisfaction for the individual. Effects

of POQ on adaptive performance need instant responsiveness because they frame both the employee wellbeing and administrative efficiency during the times of intense technical and financial transformation.

Emerging research points out the role of individual's adaptability characteristics in determining how employees respond to role mismatch. Psychological flexibility fosters mental agility, allowing individuals to navigate professional challenges without becoming rigid or disengaged (Gloster et al., 2011). Alongside this, emotional intelligence equips employees to manage internal tension and maintain composure in under-stimulating roles (Schutte et al., 2007). When these traits are present, overqualification may prompt constructive responses rather than detachment, enabling employees to stay focused, purposeful, and growth-oriented despite limited job fit.

Studies indicates that overeducated individuals show greater discontent at workplace, also they minimize their participation level when they are having inadequate individual capabilities in order to deal with workplace conditions successfully (Erdogan & Bauer, 2009; Maynard et al., 2006). Not having PF as well as emotional intelligence makes it complicated for people to change their excessive education into something really positive that can diminishes their determination and efficiency (Kashdan & Rottenberg, 2010). All professional workplaces should develop aid programs along with coaching for psychological flexibility and emotional intelligence growth for improving working situations and environment recommended by bond. Organizations should also empower working staff to preserve adaptive performance by providing assistance that educates people how to manage emotions pressure circumstances and also assists converting their surplus ability into professional career benefits (Pulakos et al., 2000). The organizations concentration stays on evolving individual abilities that helps the employees with overqualification excel in their job roles whenever they are facing any potential complications.

The existing study explores the impact of POQ on adaptive work performance through an examination of coping psychological processes that can assist employees to deal with difficult situations efficiently. This study is evaluating psychological flexibility as a mediating pathway as it let persons in converting their thoughts and behaviors depending upon environmental needs while maintaining their core values (Kashdan & Rottenberg, 2010). Staying psychologically flexible strongly helps overqualified workers in perceiving their job roles

better along with managing their emotions excellently and keeping their full focus although they have minimal skill utilization (Lobene et al., 2015).

The complications of getting insights about POQ required an integrated analysis of psychological factors together with both social and organizational components because person level exploration is unable in reflecting the situational factors that regulate how employees of organizations interpret and handle overqualification contexts (Mongda Huo, 2002). The two workers who are sharing same academic credentials reveals varied outcomes to underemployment that is totally based on their individual family backgrounds, experiences and workplace setting as well as resource accessibility (Fine & Nevo, 2008). More thorough insight of a mediator that is psychological flexibility between POQ and AP permit investigators to study detailed consequences between these variables. Staying psychologically flexible allows overqualified workers in redefining their workplace tasks and gain significance practically while preserving higher levels of job flexibility.

The study needs to identify which variables modify POQ's impact on employee engagement such as emotional intelligence and perceived organizational support alongside leadership styles. The variables impact whether POQ results in professional development instead of employee disengagement (Erdogan & Bauer, 2009). Emotionally intelligent peers collaborate with overqualified workers as they receive supportive supervision which leads them to find challenging assignments (Goleman, 2002). The study of these working dynamics enhances both theoretical growth and practical talent management strategies in diverse and evolving workplace settings.

The findings of this study contribute to the existing literature examining the negative side of POQ as described in the Labour Market Segmentation theory by revealing that the extra resources available to overqualified employees (theory of Conservation of Resources) are converted to witness greater adaptive performance: the theory of psychological flexibility of overqualified employees revealed that the challenge of overqualification is converted to an opportunity, while the theory of emotional intelligence revealed that the latter buffers the effects of overqualification by providing greater emotional and social regulation. To put this value into practice, managers can involve their employees in high-profile projects, hold open career development discussions, invest in employees' EI training (which has been shown to

lead to better teamwork and lower burnout; Z. Wang et al., 2024), and carry out mentoring initiatives that can lower turnover by as much as 30% (SHRM, 2022).

Moreover the research adds essential value to existing knowledge by directing academic attention toward internal psychological and social resources which boost overqualified staff performance. This study also creates a complete understanding about the variable adaptive performance resistance among all employees who perceives them as overqualified through its analysis by psychological flexibility and emotional intelligence. This method marks both hypothetical progress and brings practical solutions for professional organizations that really want to reinforce employee flexibility in changing work surroundings.

2. Literature Review

2.1 Perceived overqualification and its roots

From the very start during the mid-1900s, the investigation on education-occupation mismatch provided the root for the concept of perceived overqualification. The difference between employee's academic backgrounds and the expectations of their jobs began to expand during this time, according to scholars. This development was first explained as the term objective overqualification, and it was predominantly introduced in relation to job market imbalances. Economic researchers identified that the misuse of workforce potential was caused by the supply of highly well-educated employees repeatedly surpassing the need for such qualification levels in the labor market. Economic drawbacks of overqualification, like reduced productivity, salary cuts, and poor job allocation, were highlighted in initial studies, like study carried out by Freeman. The foundation for understanding overqualification as an organizational problem with its roots in labor market changing aspects was recognized by these findings. The misuse of workforce potential and workforce imbalance have been mainly clarified by POQ's economic viewpoint, that also provides insights into how employment sectors align more perfectly with workers qualifications.

During the mid-twentieth century the social scientists began to investigate the societal and psychological effects of overqualification. (Lenski, 1954) introduced the idea of status discrepancy, which gave an initial structure to make sense of how perceptions and feelings of societal isolation and scarcity can emerge from being overqualified. According to Lenski perception, Persons are likely to have the feeling that their working status and their level of education are not aligned, which can have a negative effect on their social individuality and

sense of self-esteem. This viewpoint suggests that, overqualification can result in psychological and social burdens that can create dissatisfaction lack of involvement, and even psychological health problems. Sociological research focused on how overqualification impacts society as a whole, particularly in societies where social standing is strongly connected with educational attainment

By the end of 20th century, scholars began to concentrate on the experience of subjective overqualification instead of objective overqualification. This transition came after the recognition that labors attitudes, mindsets, behaviors and overall well-being at workplace might be greatly influenced by their personal views of being overqualified. During this time, occupational psychologists started studying the connection between perceived overqualification and employment effects like loyalty to the company, satisfaction at work, and desire to quit the job. The subjective experience of overqualification developed into a central concern of interest as investigators examined how employee job experiences at work were influenced by their views about their qualifications aligned with their job demands. The organizational psychology perspective about POQ has been proven very essential when examining how worker's self views about their overqualification impact their attitudes, mindsets, actions, and general job related wellness at workplace along with how personal and structural workplace factors may improve or lessen these impacts.

As the concept was officially established and measurement tools were developed during the early 21st century, scholarly engagement increased to examine more about POQ.. (Erdogan & Bauer, 2009) were the early contributors to differentiate between perceived overqualification and objective overqualification by officially defining and quantifying the concept. Their research highlighted the negative outcomes of POQ, such as reduced loyalty to the company, greater than before desire to quit, and reduced satisfaction regarding job role. Still, this time period also witnessed the evolution and appearance of a deeper insight of Perceived overqualification, along with scholars initiating to investigate its possible positive and beneficial elements. For instance,(Liu & Wang, 2012) proposed that overqualified workers may bring distinctive skills and viewpoint to their positions, that can beneficial for innovation in organization and problem solving. This change in viewpoint showed a growing acknowledgment about POQ that it is a multidimensional construct having both negative and positive effects that depends on the context and individual elements.

2.1.1 Perceived overqualification and its impact on adaptive performance

In modern era, to examine a more wider range of outcomes and influencing factors the studies on perceived overqualification has expanded. Researchers have studied how the variable Perceived overqualification influences employee's psychological health, creativity, and performance proficiency, including the impact of employee traits, workplace conditions and factors in shaping these outcomes (Abdalla et al., 2024). Studies have examined the impact of POQ on adaptive performance, which indicates the capability of an individual to show flexibility and adaptability in changing work conditions and under high pressure. This academic exploration has highlighted the importance of PF and EI in strengthening POQ and boosting adaptive performance. Also, recent evidence suggests that POQ supports the changing labor market, since many people cannot find jobs matching their education or skills. A lot of recent research explores how thinking about POQ links overqualification with adjustment at work, especially when jobs are changing or have unpredictable factors, and investigates if psychological flexibility or emotional intelligence could help improve the process. POQ has advanced over the years from being a major issue in labor economics to influencing a person's perception and leading to mental and social issues. Since being introduced in the middle of the 1900s, POQ has helped explore many different scenarios, from employees not fitting their job to feeling happy and satisfied at work, all the way to their performance. Examining previous statistics on occupational qualities forms a solid basis for finding out how the changes in POQ impact today's jobs. This link shows how people at work can succeed in challenging and new environments, even when they think their ability is not fully needed. This research adds more insight to how the variables POQ, adaptability, performance, and workplace consequences relate, helping companies aiming to enhance staff performance and happiness.

When exploring job performance, the first research looked mainly at adaptive performance by focusing on two key areas: task performance and contextual performance. Task performance which states about the basic duties and responsibilities related with a particular job task, although contextual performance includes the actions and behaviors that overall contributes to the societal and psychological environment of the organization, like helping coworkers or representing structural social responsibility. Though, in the mid-20th century as the work environments became faster paced, dynamic and changeable, scholars acknowledged the requirement to take into account the third measurement of performance which is adaptive performance that identifies ability of an employee to adjust and remain flexible to changing

environment and steer any uncertain or challenging circumstances. This change came after the growing complexity of the global economy, industrial advancements, and the want for organizational workers for being adaptable and flexible to quickly shifting work demands and situations. Initial researches in this area placed the basis for considering adaptive performance as a crucial constituent of job performance, mainly in dynamic and uncertain workplace surroundings. The study of adaptive performance extended significant pull In the 1990s and 2000s along with the validation of the concept and the development of its measurement tools. (Pulakos et al., 2000) was the first to officially describe, define and measure the construct adaptive performance, also recognizing eight different dimensions that capture the extensiveness of this concept. The dimensions consist of controlling emergency situations, that includes remaining composed, calm and active under pressure, solving all the problems productively, which denotes to come up with innovative solutions when facing multifaceted challenges along with dealing ambiguous or changeable work situations, which needs adjusting to ambiguity and change. Moreover, AP includes learning novel responsibilities, tasks, tools, and processes, emphasizing the capability to obtain new skills, talents and knowledge speedily. It also includes representing personal adaptability that emphasis on regulating communication and actions to work efficiently with various persons and presenting cultural adaptableness, which highlights flourishing in diverse cultures or overall environments (Kalimo, 2000). In addition, AP involves physical abilities, which means performing well in difficult or varying situations, and managing work stress by keeping things calm when situations are pressure-filled. All in all, these measurements help you understand how employees can adjust and handle a wide variety of challenges in the organization.

The approach explained how adaptive performance works in detail and its function in different workplace settings. At this point, experts started studying what influenced and resulted from adaptive performance, considering both individual aspects such as personality and intelligence, as well as organizational factors such as leadership and the way people are managed at work (Mindy K. Shoss, 2002) . The acceptance of adaptive performance as a key concept showed the field of organizational psychology that adapting well helps organizations achieve success in changing environments. Researchers have looked into the way adaptive performance impacts an employee's happiness, creativity, and productivity. For instance, research has focused on how important adaptive performance is in places such as healthcare, the military and emergency response, where fast changes require quick responses to succeed. Achieving

adaptive performance in corporations is connected to improved ability to face change, embrace new ideas, and get through technical and market changes.

Adaptive performance has helped explain how employees can do well under rapid changes, which is vital for organizations today. It shows people how to change their behavior and improve their skills whenever there are changes in technology, procedures, or the structure of the company. Because healthcare, the military and emergency services deal with quick changes, this concept is very valuable (Park et al., 2020). Also, being adaptive is important for change and innovation in organizations since it describes how people can aid the organization's success and competitiveness by adjusting to changes and new openings. The impact of personal aspects like a person's personality, mental capacity, and emotional intelligence, and workplace aspects like leaders and company culture on employee adaptability has been studied. These insights provide a foundation for creating a workplace that is flexible and supports every worker in developing the expertise needed to succeed in dynamic environments.

In this study, adaptive performance serves as the dependent variable. The study discovers the influence of POQ on AP, along with psychological flexibility as a mediator and emotional intelligence (EI) as a moderator. By having a focus on AP, this study identifies a critical organizational need in order to ensure that the employees can prosper in dynamic and unexpected, uncertain environments, even though when they find themselves as overqualified. The input of this research lies in identifying factors that impact adaptive performance, mainly in the context of POQ. Even though the previous research have studied the contributing factors of adaptive performance, like individual traits, characteristics and organizational encouragement and support, this study presents POQ as a core independent variable. Employees, who see them as excessively overqualified might feel annoyed, frustrated, disengaged, or a demotivated, and find it difficult to adjust in changing work environments. However, this study theorizes that psychological flexibility can mitigate these negative effects, enabling overqualified employees to power up their skills and adapt effectively. Psychological flexibility, the mediating variable in this study, plays a crucial role in enhancing adaptive performance. It allows individuals to reframe their experiences, focus on actions that are value driven, and adapt to changing circumstances. For employees who are overqualified, psychological flexibility along with EI can help them improve rather than view their skills or education as a constrain. Creating a mindset of adaptability and resilience, PF and EI enables

employees to direct challenges and perform effectively, even in the face of perceived overqualification.

H1: Perceived overqualification has a positive impact on Adaptive Performance

2.2 Psychological Flexibility mediating the relation between POQ and AP

Perceived overqualification has been widely used and discussed in Organizational psychology, with major focus and attention towards how POQ majorly impacts behaviors of employee, their desire to leave the job, and productivity at workplace. Previous studies have extensively outlook the variable POQ in a diverse settings, also examining what are its impacts on economic outcomes, psychological health, and job fulfillment (Erdogan & Bauer, 2009) Discover the consequences of POQ at the workplace settings, majorly concentrating on impact of POQ on workers behaviors and outlooks. They find that employees experience lower satisfaction at their job roles who perceive themselves as overqualified. This is because a sense of underutilization is created by POQ, where the workers might feel that their expertise and qualifications are not completely utilized or they are misused by organizations. But, the research too emphasizes that PE can alleviate some negative effects related to POQ (Bert HJ Schreurs, 1998). The workers are more tend to feel more engaged and satisfied when overqualified workers are given with proper autonomy and opportunities to contribute meaningfully to organizations. The study highlights the significance of support from organization in order to address the challenges connected with Perceived overqualification. In the context of our study, PE line up with the thought of PF, as both underscore the prominence of providing the autonomy and resources employees to view their experiences positively. When these employees feel empowered, there are more chances that to use their expertise and adjust to changing works demands, thus improving their adaptive performance capability.

(Liu & Wang, 2012) demonstrated a different viewpoint about POQ, underscoring the possible positive results it can show. They claimed that employees with overqualification frequently carry unique skills, knowledge, and perspectives in their job roles, which can benefit organizational novelty and problem solving areas. For example, employees who have a perception that they are overqualified might take initial step to suggest new ideas, concepts or show progress in existing tasks that eventually drives organizational growth. Though, this study also discovers that this positive result depends on the organizational settings and their environment. If the organizational environments are supportive where employees feel valued,

then POQ might results in active performances. On the other hand, POQ can worsen the feelings of frustration, stress and detachment. The dual nature of POQ is explained in this research, signifying that its effects are not naturally negative but it relies on contextual related factors.

Maynard et al. (2006) observed POQ from the perspective of underemployment, concentrating on its psychosomatic and societal outcomes. They identified that employees who have a perception of overqualification frequently have a feeling of status discrepancy, where their academic background does not bring into line with their employment status. Hence it can cause feelings of isolation, reduced self respect, and even psychological issues. The research also identified the impact of social judgments and comparisons in framing workers viewpoint about being overqualified. Employees feel more discontented and disengaged, when are compared to other peers who are present in job roles that perfectly are aligned with their qualifications.(Maynard et al., 2006) highlighted the need to talk about these psychological and social challenges in organizations, especially in cultural context where educational accomplishment is narrowly knotted to social status.

Duffy et al. (2022) emphasized that difficulties with the economy and reduced job opportunities can make people far unhappy due to POQ. Even though the study reveals that POQ is shaped by social and economic factors, it does not explain how someone can overcome its challenges from within. In this situation, the study explains that psychological flexibility (PF) works as a connecting factor between someone having POQ and how they respond. Those with psychological flexibility are more likely to handle feelings and thoughts that seem out of place, steer attention to current tasks, and keep functioning at the desired level in their jobs. Because of this ability, workers can easily handle workplace changes, regardless of feeling more qualified than needed. Using PF as a base, our research adds to Duffy findings by allowing us to study POQ through a psychological approach.

Chavadi et al. (2022) investigated the relationship between job mismatch, job satisfaction, and turnover intentions among futuristic employees in organizations. This study reveals that Employees who belief that they are overqualified demonstrated a greater chance of job withdrawal, especially when they did not get opportunities for expertise utilization or career development and growth by their job roles. The research also reveals that the employees prioritize own professional development, and when they face the problem of Perceived

overqualification, they are more likely to see other jobs rather than adjusting to their present job roles. However, our study took PF as a mediator and emotional intelligence as a moderator, which can help in reducing the negative influence of POQ. Such as, the employees who have higher level of PF might view their negative experiences of overqualification as growth opportunities, while those with high emotional intelligence can better able manage feelings of frustration and maintain motivation.. By focusing on these mediating and moderating factors, our study covers Chavadi et al.'s findings, offering a more complete understanding of how overqualified individuals can enhance their adaptive performance and reduce their intentions to leave job.

Adaptive performance is critical for students who perceive themselves as overqualified in order to get long term success in their career. These persons must depend on their personal adaptability skills to direct career progress if they do not have strong professional links. PF allows them to keep on learning new skills, accepting short-term obstacles, and considering their current problems as moving stones for future growth opportunities. Research reveals that those employees who do not have PF are more tend to show job withdrawal actions, that eventually hinders their career success opportunity.

PF is very crucial in shaping job satisfaction and career resilience in long term run. Overqualified individuals often fight with disappointment, particularly if they are expected by their family that their education has to provide a direct path to professional success. (Watanabe & Akechi, 2023) studied relationship between burnout and mental health having PF as mediator and found that people shows lower levels of stress and frustration associated with careers who have high level of PF. This proposes that the psychological effects which are negative of POQ could be reduced by PF that will assist individuals to maintain a positive outlook on their career path. The student who belongs to low educated backgrounds, this perspective is particularly applicable because they might not have certain coping mechanisms, like career guidance by family support or financial security

PF is important concepts in order to know how overqualified individuals face and handle job dissatisfaction and workplace adaptation. Research by Debus et al. (2023), (Wang et al., 2023) and Watanabe & Akechi (2023) highlights the role of PF in stimulating inner strength, decreasing stress, and improving AP. PF helps in reducing negative effects of POQ by empowering employees to handle their emotions, and continue their career growth.

Although POQ can create disengagement and reduced job performance in employees, PF has been recognized as a vital factor in order to promote AP that is the ability to adjust changing work conditions and demands. (Wang et al., 2023) recognized the influence of PF on workplace adaptability and it revealed that people with higher PF are well capable to handle unpredictable situations, developing innovative solutions when facing challenges at workplace, and give consistent performance results. The findings are mainly applicable to employees, as they face difficult situations at their workplaces. These all studies together talks about the multidimensional nature of the variable Perceived Overqualification.

H2: Psychological flexibility mediates the relation between POQ and AP such as high PF will increase AP

2.3 Emotional Intelligence moderates the relation between PF and AP

Being able to observe, comprehend, manage, and control both your emotions and the emotions of those around you is entitled as EI (Porche, 2016), and has been broadly considered as a moderator in organizational settings. Research constantly determines that Emotional intelligence has been seen playing a critical role in order to know how workers respond when they face office challenges, mainly in environments that are forceful and stressful. Such as, Wong and Law revealed that this variable moderates the link between these two that is job stress and performances, presenting those individuals are better able to regulate their negative feelings while maintaining efficiency, productivity under stressful conditions that have greater levels of EI. This framework portrays that employees having greater level of EI are more able to make use of effective coping strategies, like restructuring their traumatic situations as growth opportunities which eventually improves their ability to perform efficiently even they are in stressful demanding conditions.

Likewise, (Joseph & Newman, 2010) discovers that EI moderates the effect of emotional labor on the variable job satisfaction, also those workers with greater level of EI experience not as much of exhaustion when handling emotional pressures. This study points out that EI makes it easier for workers in service and healthcare to manage the emotional struggles common in these areas. Those with high EI can control their emotions enough to still stay motivated and content despite the challenges at work.

Within the scope of adaptability, (Mikolajczak et al., 2010) emphasizes that EI helps people cope better with feelings of job insecurity. From the study, it is clear that employees with higher EI handle surprises as possibilities instead of challenges, so they can adapt better. Using EI, employees who face uncertainty at work can deal with their anxiety and look into skill development, which opens new opportunities for them. Goleman also agrees, pointing out that EI helps people become resilient and get on well with others, which matters greatly for coping in today's fast-changing world. It emphasizes workers who are better in making strong interpersonal relations, which can provide assistance and resources during times of change or uncertainty.

In this study, Emotional intelligence is used as a moderator in between the mediator PF and the Dependent variable AP. Based on the above academic findings, employees with high Emotional intelligence gave a tendency to increase the positive effects of the mediator psychological flexibility through handling dissatisfaction resulting from Perceived Overqualification. For instance, when employees with excess qualification encounter underemployment (POQ), than those individuals with greater level of EI are more able to control emotions of frustrations and dissatisfaction and direct their psychological flexibility into constructive actions (e.g. solving their problems, having knowledge about new skills, tackling challenges). This happens because EI empowers people to shift the perspective of negative, unfavorable conditions, like perceiving them being really overqualified, as opportunities and opening for career improvement and success (Coronado & Benítez, 2023). Employees with high EI have more tendencies to actively look out for assets and utilize resources, like professional advice, workshops with training opportunities, in order to improve their expertise making it align with their job positions.

Alternatively, employees with low EI might face big trouble in reducing their negative, unpleasant emotions, making the mediation pathway very weak. Like, poor EI employees might get overtaken by emotions like irritation, frustration or hatred when they came to identify themselves as being overqualified, that eventually leads to reduced adaptive performance and engagement. This perspective totally bring into line with (Liu & Wang, 2012) claim that both the contextual related and individual related factors determine if the variable POQ leads to active or inactive(passive) outcomes. By arranging Emotional intelligence as a moderator, my research about POQ goes beyond the present frameworks, representing that how being emotionally capable can converts POQ into adaptive flexibility. Emotional intelligence as a

moderator increases the positive effects of psychological flexibility which eventually gets better performance. Employees with greater level of EI are more able to handle negative emotions and feelings like frustration and power up their social skills to direct their job, organizational challenges and changes (Wong & Law, 2002). In context of this study, employees with greater level of EI are more capable to Manage organizational and societal pressures stemming from unmet job expectations (Zhou, 2005), steering psychological flexibility into adaptive actions like learning new skills, proposing creative solutions instead of disengaging., Build supportive relationships at work, and also mitigating the isolation that is related to POQ (Duffy et al., 2022).

Perceived Overqualification can create emotional and cognitive strain, especially when employees feel that their potential is underutilized. Though, Emotional intelligence can help these workers to handle difference of opinion that comes through their cultures after reframing their career accomplishment beyond traditional markers perspective like job titles in order to include skill development and individual growth (Côté, 2014). To maintain motivation and resilience balancing familial outlooks with realistic labor market opportunities, or using emotional regulation is what an employee needed the most and this will also reduce intergenerational tension.

The addition of EI as a moderator in this study emphasizes the importance of employees regulating emotional power to navigate challenges they face during their job roles or organizational overall challenges. Employees with high EI are more capable to manage the emotional consequences related to POQ, like feelings of underutilization, frustration, disappointment, and power up their PF so that they can adapt to changing work demands. This not only enhances their adaptive performance but also contributes to their overall growth and job satisfaction. This positively moderates the relation between PF and adaptive performance.

H3: Emotional Intelligence strengthens the relationship between PF and AP such as high value of EI will increase AP.

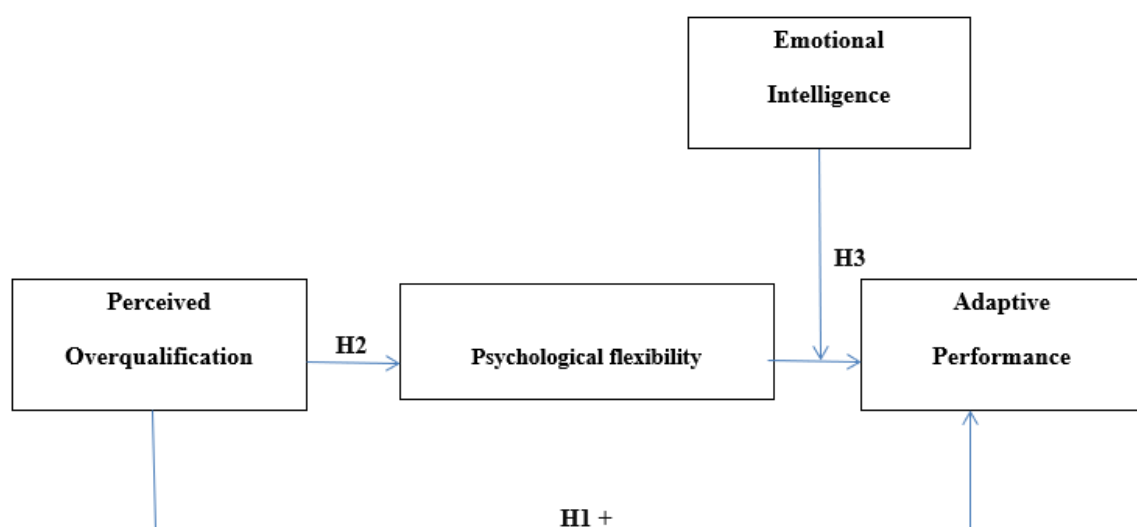
2.4 Theoretical underpinning of model

The Conservation of Resources Theory (Hobfoll, 2001) provides conceptual framework that is most suitable for the positive effects of POQ on AP. As per this theory, workers feel more driven to acquire, protect, and utilize valuable resources whether they are psychological, social,

or material to cope with stress and enhance self-satisfaction and wellbeing. Employees who have a perception that they are excessively qualified and expertise than their current role might use this extra knowledge as their personal resource. When these workers are given guidance from empowering leaders and allowed to work on their emotions and flexibility, handling issues at work becomes much easier for them. If these resources are used, overqualified employees can change their thinking about their job, notice challenges from different viewpoints, and adjust to their role, which leads to better performance, productivity and motivation despite the gap.

Moreover, the theory points out that people who gain resources are usually more flexible and manage to grow despite difficult moments at work and eventually getting positive outcomes. Reducing the negative effects of POQ requires having a good balance of personal resources. Because of EI, PF, and contextual reinforcement, employees are able to understand their situation in a better way and remain motivated, which benefits them at work. Therefore, when organizations invest in their employees and supports overqualified employees, they can discover the potential of overqualified individuals, turning perceived overqualification into an opportunity for growth, rather than a liability. The theory suggests a positive way to look at overqualification, which matches the main objective of this study on useful outcomes of perceived overqualification.

2.6 Conceptual Framework



3. Methodology

3.1 Research Design

The study makes use of a quantitative method and a cross-sectional design to study the relationship between POQ, psychological flexibility, and emotional intelligence and how workers rate their own adaptive performance. The study seeks to highlight influence of psychological flexibility as a mediator and influence of emotional intelligence as a moderator in the framework of overqualification at the place of work. This research strategy enables the data collection at once, providing understandings about these dynamics within the workplace settings.

3.2 Population

This study consists of the target population of individuals that are working in software houses situated in Lahore. Individuals were chosen on the bases of their potential exposure to the experience of perceived overqualification, given the dynamic and competitive nature of the software industry. The sample was collected from different software houses, ensuring to capture the diversity of responses in range of experiences, job positions, and organizational beliefs that can positively enhance the generalizability of the results.

3.3 Sampling

When a group of people is chosen from a bigger population to serve the data research purpose, this action is known as sampling. In this particular study, participants were chosen by doing convenience sampling. Convenience sampling is choosing those persons who are willingly available and willing to contribute in the study, and making it a real approach when the time, resources, and availability are restricted. For this study the sample contains the persons employed in software houses based in Lahore.

3.4 Sampling Frame

The sampling frame denotes the list or record from which the sample is obtained. In this case, 'the participants 'sample frame contains employees that are working in software houses situated in Lahore. Based on company records, professional directories, or any other research materials that contains the information of employees working in these organizations this framework is constructed. The sample is driven on the bases of these records, to ensure that the sample is applicable to the research and illustrative of the target population. The sample is

selected based on availability and readiness to participate as this study used convenience sampling technique

3.5 Data Collection Method

The Data collection was done using a 36 item questionnaire survey derived from earlier academic work on POQ, modified from established measures to evaluate the key variables of the study: Perceived Overqualification (POQ), psychological flexibility, emotional intelligence, perceived family support, and adaptive performance. The survey was distributed to employees who have a perception that they are excessively overqualified for their current job positions.

3.6 Reliability of Data

The consistency and accuracy of the data gathered was assessed through the reliability within of the quantification measures used in the study. The scales, which were altered from validated measures in the literature, were examined for their consistency and accuracy using Cronbach's alpha reliability coefficient. Reliability coefficient Cronbach's alpha value of 0.70 or higher is generally viewed acceptable for socio-scientific research. The reliability evaluation test executed on the survey questions exposed that the scales used in this study validated high reliability, ensuring that the measurements were constant, trustworthy, and steady across different participant groups.

3.7 Measures and Instruments

In order to conduct this study, the questionnaire was altered from numerous recognized sources. Prior permission was obtained from the original authors to make necessary modifications to the scales. Below is a brief overview of the instruments and measurement tools used in this research.

3.7.1 Perceived Overqualification

POQ denotes to the perception of workforces that they have excessive qualification, knowledge, expertise, or competencies than what is needed by their existing job (G. J. Johnson, 1997). In other words, employees perceive that they are extensively overqualified for their position, as the work requirements do not match with their experience or qualifications.

(Fine & Nevo, 2008) clarify that it reflects a situation where individuals are mindful that their expertise and qualification exceed the job requirements, hypothetically resulting in inefficiency and dissatisfaction and frustration. In this study, perceived overqualification is described as the perception of an employee that their skills, education, and experience exceed the requirements of their current role, leading to a imbalance between their education and job demands. This sense and feeling of being overqualified could be an outcome of sensitive, mental, emotional and psychological effects, comprising of reduced job contentment, burden, and a low involvement.

Implementing this concept needs that POQ is evaluated using a nine point scale altered and sourced from (Maynard et al., 2006), with each item in it rated on a seven-level rating scale ranging from “Strongly Disagree” to “Strongly Agree.” The scale evaluates employees’ sensitivities of wasted potential, role mismatch, and belief that their education surpasses the job requirements. The nine item scale was chosen to measure the variable POQ due to its robust reliability properties and applicability to the study. As other scales were available too, this particular measure was chosen because it is extensively used in workplace studies and has been proven across numerous industry sectors, as well as guaranteeing its correctness for investigating.

3.7.2 Psychological Flexibility

In most of studies Psychological flexibility is described as to the capability to remain connected with the present moment and being able to adapt his/her actions according to core beliefs and values, even when the person is facing any intense feelings or thoughts. (Hayes et al., 1999) who are known as the creators of Acceptance and Commitment Therapy (ACT), describe psychological flexibility as the ability to stay flexible, adaptable, mindful, and involved in behaviors that are consistent with person’s beliefs and values, even when they are facing any unpleasant internal experiences or any difficulties.

Bond et al. (2011) clarify about the variable PF the by emphasizing that psychological flexibility doesn’t only means being able to be present in the moment but also being able to take necessary actions as directed by his/her own values or beliefs in spite of psychological distress or grief. They state that people with psychological flexibility show better performance, are more flexible, and feel less stressed and tired.

According to the study, PF (psychological flexibility) refers to an individual's skill of staying flexible and adaptable regardless of situations and responses to difficulties, by taking actions that follow specific principles in spite of having difficult feelings or thoughts. Because of this concept, people can accept their internal challenges without letting them control their actions, and can thus deal with new situations and needs better. To use this concept, the Acceptance and Action Questionnaire-II (AAQ-II) developed by (Bond et al., 2011) is applied. The tool has 10 items which are rated on a scale going from "Strongly Disagree" to "Strongly Agree." In this study, the higher scores on the AAQ-II are showing lower PF, with reverse-coded scores to represent greater PF. The Acceptance and Action Questionnaire-II was adapted and I reversed the scoring for items 2, 3, 4, 5, 7, 8 and 9 to bring into line with the context of this study due to its established reliability and validity in measuring psychological flexibility. The Acceptance and action questionnaire captures key features of the variable PF, such as staying openness to experience, managing difficult emotions, and alignment with individual values. Other scales are present, but I chose this questionnaire for its robust psychometric properties, and its capability to capture the core essentials of PF, and its extensive use in both the scientific and organizational research, making it an ideal fit for this study scope.

3.7.3 Emotional Intelligence

. Emotional intelligence is linked with numerous positive outcomes in the professional workplace, such as better interpersonal connections, increase productivity, improved decision making, and enhanced stress tolerance. By improving emotional mindfulness and regulation, individuals can foster better interaction, teamwork, and performance in team environments.

In this study, emotional intelligence is described as the capability to identify, comprehend, and accomplish and control one's own emotions and those of others, in order to increase social interactions and adjust to workplace professional challenges. To implement practically this definition, emotional intelligence is assessed using the Brief Emotional Intelligence Scale (BRS), a 6-item self-report scale considered to assess key aspects of EI such as emotional responsiveness, control, and use in daily life. Respondents answer to every question on a five-point Likert scale fluctuating from "Strongly Disagree" to "Strongly Agree." Greater scores on the BRS reflect higher emotional intelligence. The Brief Emotional Intelligence Scale (BRS) was modified for this study and inverted the scores for items 2, 4 and 6 to ensure consistency. Consisting of six items, it efficiently measures critical aspects of emotional intelligence, such

as emotional mindfulness and regulation, using a five-point Likert scale. Although there are other more wide-ranging scales, the BRS was preferred for its realism, ease of use in large surveys, and proven reliability, turning it into a preferred tool for this study to evaluate emotional intelligence in a workplace situation.

3.7.4 Adaptive Performance

Adaptive performance means a person's ability to adapt their actions and professional strategies as a reaction to changing workplace requirement and unforeseen tasks and trials. Neal, Hesketh, and B (1999) primarily defined adaptive performance as a vital component of job performance, emphasizing the significance of adaptability at work when encountering difficulties at the workplace environment. This definition highlights that adaptive performance is not only about adjusting to differences but also taking initiative to change to unfamiliar conditions or tasks in a way that sustains, or even improves, overall job efficiency.

(Griffin et al., 2007) also highlight the significance of adaptive performance, identifying it as a key factor in worker career achievement and job satisfaction. The ability to adjust is viewed as an essential aspect of an person's overall job efficacy, allowing them to handle new responsibilities, shifting tasks, or unexpected problems while remaining consistent to perform at a high level standard. Overqualified employees, for example, may validate adaptive performance by working beyond the scope of their official job position, eagerly taking on extra responsibilities, or signifying innovation in problem-solving.

In this case, adaptive performance is explained as the capability to adapt behaviors, actions and professional work strategies in response to changing requirements, unforeseen challenges, or new situations while keeping high principles and standards of performance. This definition encompasses both active and responsive adaptability in the workstation. Adaptive performance is assessed using the eight-item scale established by Pulakos, Arad, Donovan, and Plamondon (2000). Respondents respond to each item on a seven-point Likert scale, ranging from "Strongly Disagree" to "Strongly Agree." The Pulakos et al. (2000) scale was selected.

4. Results

4.1 Demographic statistics of participants

In this study there are total 197 participants chosen. The age distribution indicated that the majority of participants ($n = 114$, 57.0%) were between 18 and 24 years old. This was followed

by participants aged 25 to 34 years ($n = 60$, 30.0%), 35 to 44 years ($n = 14$, 7.0%), and 45 to 54 years ($n = 12$, 6.0%). In terms of gender, 144 participants identified as female (73.1%) and 53 identified as male (26.9%). It presents the educational qualifications of the respondents ($N = 200$). The highest proportion of participants held a Bachelor's degree ($n = 110$, 55.0%), followed by those with a Master's degree ($n = 40$, 20.0%) and MPhil ($n = 30$, 15.0%). A small number of participants reported having only a High School or Equivalent qualification ($n = 10$, 5.0%) or an Associate Degree/Diploma ($n = 5$, 2.5%). Additionally, 2.5% of the participants held a PhD ($n = 5$). These frequencies and percentages reflect the overall educational composition of the sample (see table 1).

Table 1: Demographic Profile of Respondents

Variable	Category	Frequency (n)	Percentage (%)
Age	18-24 years	114	57.0
	25-34 years	60	30.0
	35-44 years	14	7.0
	45-54 years	12	6.0
Gender	Female	144	73.1
	Male	53	26.9
Education	High school or equivalent	10	5.0
	Associate Degree/Diploma	5	2.5
	Bachelor's Degree	110	55.0
	Master's Degree (16 years)	40	20.0
	MPhil (18 years)	30	15.0
	PhD	5	2.5

4.2 Reliability Analysis

The internal consistency of the study variables was assessed using Cronbach's alpha (α). All scales demonstrated acceptable reliability, with alpha coefficients above the commonly accepted threshold of .70. The reliability coefficients for each scale are presented in Table 2. The Perceived Overqualification scale had a Cronbach's alpha of .786, indicating good internal consistency. The Emotional Intelligence, Psychological Flexibility, and Adaptive Performance scales also showed acceptable reliability, with $\alpha = .728$, $\alpha = .760$, and $\alpha = .705$ respectively.

Table 2: Reliability Analysis

Variable	No. of Items	Cronbach's Alpha
POQ	9	.786
EI	6	.728
PF	10	.760
AP	8	.705

4.3 Correlation Analysis

This table presents the Pearson correlation coefficients among the study variables: Perceived Overqualification (POQ), Emotional Intelligence (EI), Psychological Flexibility (PF), and Adaptive Performance (AP), based on a sample of 197 participants.

A significant positive correlation was found between POQ and AP ($r = .300, p = .001$), indicating that individuals who perceive themselves as overqualified tend to report higher adaptive performance. This supports Hypothesis 1, suggesting that overqualified employees may channel their excess skills into better adaptability in the workplace.

POQ shows significant negative correlation with EI ($r = -.310, p < .001$), implying that those who feel overqualified might experience lower emotional intelligence. However, POQ's correlation with PF was weak and not statistically significant ($r = -.100, p = .158$), indicating insufficient evidence to support a direct relationship.

EI was positively correlated with both PF ($r = .594, p < .001$) and AP ($r = .475, p < .001$), showing that emotionally intelligent individuals tend to possess greater psychological flexibility and adaptability. Additionally, PF was also positively correlated with AP ($r = .225, p = .001$), indicating that higher flexibility is associated with better adaptive performance (see table 3).

Collectively, these correlations align with the proposed model, where POQ influences AP, and EI contributes significantly to both PF and AP, consistent with Hypotheses 1 and 3. However, the lack of a significant correlation between POQ and PF suggests Hypothesis 2 (mediation of PF) is not supported at the bivariate level.

Table 3: Correlation Analysis

Variable	1	2	3	4
1. POQ	1			
2. EI	-.310**	1		
3. PF	-.100	.594**	1	
4. AP	.300	.475**	.225**	1

NOTE: *Correlation is significant at the 0.05 level (2-tailed). **Correlation is significant at the 0.01 level (2-tailed).

4.4 Moderation Mediation Analysis

To observe whether PF mediates the relation between POQ and AP, and if EI moderates the relation between PF and AP, the test of moderation mediation was done by using PROCESS Macro Hayes Model No.7. The results $B = 0.1123$, $SE = 0.0387$, $t = 2.90$, $p = .004$, 95% CI [0.0362, 0.1884] shows that POQ has a positive direct effect on AP that significant signifying that the employees who perceives that they are overqualified shows greater levels of AP. Therefore, H1 that is POQ positively predicts AP is supported. Still, Indirect impact of the IV perceived overqualification on the DV that is adaptive performance by the mediator psychological flexibility is not statistically significant, as the variable POQ didn't predict PF significantly as shown in the results $B = -0.0901$, $SE = 0.0636$, $t = -1.42$, $p = .158$, 95% CI [-0.2154, 0.0352], PF also didn't significantly predict Adaptive performance as the values are here $B = -0.0164$, $SE = 0.0535$, $t = -0.31$, $p = .759$, 95% CI [-0.1219, 0.0890]. This outcome reveals that PF do not mediate the relationship between POQ and AP thus rejecting H2. One most possible reason of PF not being able to mediate the relation between POQ and AP is that it might not alone mediate the relationship but if combined with the supporting internal or external factors like Emotional intelligence, Organizational support etc. its effectiveness might increases. On the other hand the interaction between this term $PF \times EI$ predicted AP significantly with values $B = 0.0221$, $SE = 0.0063$, $t = 3.51$, $p = .001$, 95% CI [0.0097, 0.0346], eventually indicating that EI moderated the connection between PF and AP. This means the relationship between PF and AP is strengthened at higher levels of Emotional Intelligence, providing support for Hypothesis 3 (H3) (see Table 4). And, the index of moderated mediation was statistically significant with the values Index = 0.0100, BootSE = 0.0030, 95% BootCI [0.0050, 0.0200]), providing evidence that the indirect effect of POQ on AP through PF depends on the level of Emotional Intelligence. These findings suggest that individuals with higher Emotional Intelligence benefit more from Psychological Flexibility in terms of

enhancing Adaptive Performance, even though PF on its own was not a significant mediator. All variables were mean-centered prior to the analysis. Bootstrap confidence intervals were generated using 5000 samples, and effects were considered significant if the 95% CI did not include zero.

Table 4: Path Co-efficient

Path	B	SE	T	p	LLCI	ULCI
Model 1:						
POQ → PF	−0.0901	0.0636	−1.4176	.1579	−0.2154	0.0352
Model 2:						
POQ → AP (Direct Effect)	0.1123	0.0387	2.9028	.0042	0.0362	0.1884
PF → AP	−0.0164	0.0535	−0.3072	.7590	−0.1219	0.0890
EI → AP	0.6246	0.0820	7.6148	<.001	0.4628	0.7863
PF × EI → AP	0.0221	0.0063	3.5095	.0006	0.0097	0.0346
Index of Moderated Mediation	0.0100	0.0030	—	—	0.0050	0.0200

4.5 Hypothesis Testing

This study tested three hypotheses to investigate the relationships among Perceived Overqualification (POQ), Psychological Flexibility (PF), Emotional Intelligence (EI), and Adaptive Performance (AP). Hypothesis testing was conducted using Pearson's correlation and Hayes' PROCESS macro (Model 7) with 5,000 bootstrap samples. Below is a summary of the findings with interpretations (see table 5).

H1: Perceived Overqualification has a positive impact on Adaptive Performance. This hypothesis was supported. Pearson correlation revealed a significant positive association between POQ and AP ($r = .300, p = .001$), suggesting that employees who have a perception that they are overqualified tend to show higher adaptive performance. Regression analysis using PROCESS also confirmed a direct effect of POQ on AP that is significant too ($B = 0.1123, SE = 0.0387, t = 2.90, p = .004, 95\% \text{ CI } [0.0362, 0.1884]$). This indicates that

individuals with surplus qualifications may leverage their excess skills to adapt better to workplace challenges, reflecting a resource-based perspective of overqualification.

H2: Psychological Flexibility mediates the relationship between POQ and AP. This hypothesis was not supported. Although PF shows a positive correlation with AP ($r = .225, p = .001$), but indirect pathway was not significant. POQ did not predict PF significantly ($B = -0.0901, SE = 0.0636, t = -1.42, p = .158$), nor did PF significantly predict AP ($B = -0.0164, SE = 0.0535, t = -0.31, p = .759$). This indicates that PF does not serve as a standalone mediator between POQ and AP. One plausible explanation is that PF may require additional supportive factors (e.g., EI, organizational support) to function effectively in mediating the relationship between overqualification and adaptability.

H3: Emotional Intelligence moderates the relationship between PF and AP. This hypothesis was proven. The interaction term $PF \times EI$ significantly predicted AP ($B = 0.0221, SE = 0.0063, t = 3.51, p = .001, 95\% CI [0.0097, 0.0346]$), indicating that EI strengthens the relationship between PF and AP. Also the index of moderated mediation was significant ($Index = 0.0100, BootSE = 0.0030, 95\% CI [0.0050, 0.0200]$). These results suggest that although PF alone may not lead to increased AP, individuals with EI on a greater level are more tend to translate psychological flexibility into better adaptive performance. EI thus functions as a crucial enhancer in the pathway.

Table 5: Path co-efficient

Hypothesis	Relationship Path	t-value	p-value	Direction	Decision
H1	POQ $\rightarrow$ AP	2.90	0.004	Positive	Supported
H2	POQ $\rightarrow$ PF $\rightarrow$ AP	-1.42 (POQ $\rightarrow$ PF); -0.31 (PF $\rightarrow$ AP)	0.158; 0.759	Negative; Negative	Not Supported
H3	PF $\times$ EI $\rightarrow$ AP	3.51	0.001	Positive	Supported

5. Discussion

This study intended to investigate how perceived overqualification (POQ) impacts adaptive performance (AP), considering psychological flexibility (PF) as a mediator and emotional

intelligence (EI) as a moderator. Rooted in the Conservation of Resources theory (Hobfoll, 2001), the study proposed that overqualified individuals may transform surplus skills into performance-enhancing resources, contingent on their internal psychological assets (Deng, 2023). According to H1, the outcomes indicated a significant direct link between POQ and AP ($B = 0.1123$, $p = .004$), so those who feel overqualified tend to use their extra capabilities to respond successfully to changes in their work settings. This study agrees with previous research (Liu & Wang, 2012), which explains that having appropriate support in the workplace allows overqualified employees to have new ideas, drive actions, and solve problems actively. This shows that, when jobs are evolving quickly, POQ can actually be an advantage instead of only a disadvantage. In contrast, H2 was not supported, which was that PF mediates the connection between POQ and AP. Although PF showed a positive bivariate correlation with AP ($r = .225$, $p = .001$), it did not significantly mediate the relationship between POQ and AP in the PROCESS analysis ($B = -0.0164$, $p = .759$). Also POQ did not significantly predict PF ($B = -0.0901$, $p = .158$). This result reveals that PF links to better adaptive performance, though POQ doesn't act exclusively through PF. One possible reason lies in the complexity of PF as a psychological resource. Prior research (Debus et al., 2023; Watanabe & Akechi, 2023) highlights that PF functions more robustly when reinforced by contextual or relational supports, such as emotionally intelligent leadership or family support. The findings indicate that PF alone might be not enough to convert the pressure of POQ into performance gains unless and until paired with corresponding psychological or environmental factors. As a result, we see that PF works differently in various circumstances and encourages researchers to study more variables that might make its impact stronger. Hypothesis 3 (H3) was supported, which hypothesized that emotional intelligence moderates the relationship between PF and AP. The interaction between PF and EI predicted AP significantly ($B = 0.0221$, $p = .001$), and the index of moderated mediation also shown results that are statistically significant (Index = 0.0100, 95% CI [0.0050, 0.0200]). It is clear from these results that EI improves the beneficial impact of PF on adapting to various situations. Employees with high EI appeared more capable of channeling their psychological flexibility into constructive workplace actions, such as creative problem-solving, learning new skills, and managing stress. This outcome is in line with what the literature explains about EI as a fundamental meta-resource (Goleman, 2002; Mikolajczak et al., 2010), enabling individuals to regulate emotional responses and reframe challenges positively. When we use EI, it promotes cognitive reappraisal, and this strategy improves PF by making us accept stressful situations and act in beneficial ways. Thus, the study empirically

supports the assertion of COR theory that resource gain spirals (i.e., high EI boosting the impact of PF) can buffer against perceived threats like POQ and improve performance outcomes. Interestingly, these findings also resonate with the Self-Determination Theory (Deci & Ryan et al., 2000), which posits that internal motivation and psychological need satisfaction autonomy, competence, and relatedness are essential for optimal functioning. the Broaden-and-Build Theory (Fredrickson, 2001) supports this interaction. Positive emotions nurtured through EI can broaden one's thought-action list, thereby enhancing psychological flexibility and encouraging adaptive behaviors. From a theoretical standpoint, they extend the literature by demonstrating that overqualification can lead to beneficial outcomes when moderated by emotional and psychological strengths. Organizations should arrange emotional intelligence training programs and PF growth programs. Here given that POQ was positively related to AP but not significantly mediated by PF alone, organizations might need to provide holistic support structures e.g., mentorship, team emotional climate, and leadership empathy that simultaneously boost EI and PF. Using these strategies can boost work engagement for overqualified people and thereby keep them motivated and less likely to look for a new job. (Khan et al., 2024). To sum up, the study achieved its main goals and showed that PF by itself has limits while EI plays an important role as a moderator. Other types of moderating variables such as organizational justice, expected career advancements, and perceived support from family can be examined in future studies, since such issues play a big role in collectivist societies.(Moon et al., 2024).

6. Implications

6.1 Theoretical Implications

This research expands the examination of POQ by shifting the focus from a deficiency model to a model that looks at resources. Drawing from the COR theory (Hobfoll, 2001), the research shows that individuals who feel their education or training is more than needed can still perform well at work if they make use of particular psychological resources. This new approach is different from earlier ones, which focused mainly on overqualification leading to work dissatisfaction or increased chances of employees leaving (Erdogan & Bauer, 2009), because it looks at positive outcomes and strengths associated with POQ. A major finding relates to the fact that the moderated mediation model is partially supported by the data. Even though PF did not show a direct effect on the link between POQ and AP, EI was found to moderate the connection between PF and AP. This provides additional insights as proposed by (Mikolajczak

et al. in 2010) suggesting that EI plays a major role in making PF even more helpful. Consequently, the study explains that internal resources are not isolated; they influence each other to contribute to adaptive effectiveness.

6.2 Managerial Implications

The study results show organizations how to deal with Perceived Overqualification as an asset rather than a threat. Since higher POQ is connected to improved Adaptive Performance, so managers should appreciate the advantages that overqualified staff can offer instead of regarding them as mistakes in assignment. Since people who are well-qualified for a job adapt better, managers should value what overqualified employees can do, rather than seeing their placement as an error. Enhancing employees' emotional and mental flexibility helps them understand problems from a new viewpoint and continue to work through them. Organizations should give overqualified employees bigger roles and tasks that challenge their abilities and fit the needs of different teams. Regular mentorship, being involved in leadership groups and career development schemes may make people feel less unchallenged in their jobs. Fostering an open and welcoming culture promotes conversations about role mismatch, it can help stop employees from leaving or being demoralized. If organizations improve their employees' emotional and psychological skills, they can make more use of the skills and talents of overqualified staff.

7. Limitations and Recommendations

There are certain limitations in this study that should be taken into account in interpreting the results. First, the cross-sectional design does not permit causal inference about the relationship between POQ, PF, EI and AP; a longitudinal or experience sampling design would be better suited to address the relationship over time. Second, the sample was convenience sampled from software houses located in one city (Lahore, Pakistan), and this may restrict the generalizability of the findings to other industries, regions and cultures. Third, all variables were measured at a single time and place from a single source, potentially leading to common method variance; future studies should consider using multi-source data or multi-wave data collection or statistically testing for method variance. Fourth, the sample size ($N = 197$) was sufficient for detecting the large indirect effects in the primary model, but was relatively small for detecting smaller indirect effects with confidence, which may be a part of the reason psychological flexibility was not found to be a significant mediator. Further studies are needed to re-examine

this pathway with more samples, as well as to explore if PF is more effective when used in conjunction with other resources, e.g., organizational support, family support, and others, rather than as an independent pathway. Finally, this study used a general adaptation form of the AAQ-II instead of an overqualification-specific coping scale, and the development and validation of a specific scale for psychological flexibility in the field of overqualification would further clarify future research in this area. Researchers are invited to replicate this model in other industries and other cultural contexts and to investigate other moderators that may help in understanding the circumstances under which overqualification is an asset rather than a liability (e.g., organizational justice, perceived family support).

8. Conclusion

The purpose of this study was to investigate the relationship between perceived overqualification and adaptive performance, as well as to see if the relationship between perceived overqualification and adaptive performance could be explained by psychological flexibility and emotional intelligence. The results are consistent with the theory of Conservation of Resources, and indicate that perceived overqualification is positively associated with adaptive performance, which suggests that overqualified skills and knowledge can also be a performance-enhancing resource, rather than an indicator of dissatisfaction. However, psychological flexibility alone, as a mediator, was not significant, suggesting that flexibility alone is not enough to translate overqualification to adaptive behaviors. Emotional intelligence emerged as the more important one, as it had a significant impact on the relationship between psychological flexibility and adaptive performance, which suggests that employees' psychological flexibility is more likely to have a beneficial impact when they possess good emotional intelligence. These data collectively reframe perceived overqualification as a situational resource which requires employees' own psychological resources to be effective. The bottom line for organizations is that training employees' emotional intelligence, as well as their psychological flexibility, might be the simpler route to accessing the potential of an overly trained workforce.

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