

What a waste of talent

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The Venture

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Businesses are missing out if they are not making the most of staff with skills. *Photo: iStock*

Are you vastly overqualified for your job? Could you perform the role with half as much education and experience? Could your replacement learn the job in a flash?

Personal trainers at my gym list university degrees in their marketing material.

I considered these questions after agreeing to be a referee on a friend's resume. After several knockbacks she is applying for a job that pays half her peak salary. She should have a role that is at least two or three rungs higher, but must accept less to keep some money coming in.

Later that day I noticed several personal trainers at my gym listed university degrees in their marketing material. And I'm sure the barista who made my coffee has a double degree and begrudgingly works in low-paid service jobs while looking for full-time work.

The overseas call-centre operator who annoyed me with the marketing call this evening probably has a doctorate and dreams of becoming a scientist.

Welcome to the world of the overqualified worker and the challenge of managing them.

I remember when companies were wary of hiring overqualified staff for a role. "You're way too qualified for this job" was their way of politely saying the candidate would be bored out of their brain, hard to manage and leave as soon as they found something better.

Those attitudes are changing as global business capitalises on a growing oversupply of university graduates and older white-collar workers who were made redundant and will take lower-level jobs if it means a monthly pay cheque and employment.

This trend will strengthen as more school-leavers attend university, do double degrees or postgraduate education, and emerge far more qualified than their parents. Then face fierce competition for fewer jobs in their chosen profession.

Sadly, more people will be stuck in lower-paid white-collar jobs and have fewer options for salary advancement, despite having invested heavily in their education. Who can blame them for resenting their job and employer, and feeling cheated by the system?

But this coming oversupply of educated labour is an opportunity for companies that can pay "unders" for talent and motivate them to perform to their potential.

Here are six things for employers to consider with overqualified staff:

1. Ditch the stereotypes

Don't fall for the myth that overqualified workers have higher job dissatisfaction, are harder to manage and more likely to quit earlier. [Academic research](#) has shown overqualified workers perform better than other employees and don't quit any sooner.

2. Redefine what is overqualified

Interviewers judge a candidate's experience and education against criteria for a specific role. But as technology disrupts the labour market, more staff will be required to change roles and adapt, and rigid job descriptions will have less meaning. The candidate might be overqualified relative to the salary offered, but not against the potential challenges facing their employer.

3. Rethink how overqualified staff are managed

Those with more experience than the role requires might benefit from less hands-on management and greater autonomy. Give them greater scope to create their role rather than be confined by a narrow job description and rigid management approach. Consider training staff who are not used to managing those with far more experience and skill.

4. Harness their capacity for innovation

Do not assume everything is about salary with overqualified staff (although it helps). Often their real gripe is being stuck in a boring job they can do with their eyes shut. Find ways to get them involved in a new project, encourage them to suggest ideas and mentor younger staff, or use their networks to help the business. Even overqualified staff will stay in jobs, at least for longer, if they enjoy the work and feel they are contributing and valued.

5. Fast-track career paths

Identify overqualified new hires, track their progress and promote them as soon as possible if their performance warrants it. "Warehousing" overqualified hires so the organisation has "bench strength" when new roles emerge, or as the company grows, rarely works for long: talented staff will leave well before a senior role opens up.

6. Accept that more staff will see their job as a holding pattern

Rather than worry about overqualified hires leaving as soon as something better comes along, find ways to get the most out of them, even in a short stay. Motivated, overqualified staff should hit the ground faster and can still make a big contribution in six months or a year.

The company benefits from paying less for someone who is capable of a far greater role. And the employee benefits from having income as they search for something better, extra experience on their resume, and potentially the chance for a bigger role with their current employer.