




Developing a Performance Coaching Model for Overqualified Employees in Public Sector: Implications for Career Growth and Organizational Effectiveness

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ABSTRACT

Despite the well-documented benefits of performance coaching in employee development, its efficacy for overqualified employees—a critical yet overlooked talent segment—remains poorly understood. This study bridges this gap by proposing a novel coaching framework specifically designed for overqualified professionals in Iran's Electrical Industry. Leveraging grounded theory methodology, we analyze data from 16 semi-structured interviews to develop a comprehensive model featuring 131 distinct elements categorized into 18 core constructs. Our results demonstrate a dynamic interplay between Casual Factors, Contextual Conditions, and Intervening Factors in shaping job and organizational competencies. These competencies subsequently inform strategic interventions in organizational development and talent management, generating multi-level impacts across individual, team, and organizational outcomes. The proposed model not only advances theoretical understanding of coaching efficacy but also provides practitioners with an evidence-based framework for optimizing the performance of overqualified employees—a crucial resource in contemporary talent management.

Keywords: *Performance Coaching, Overqualified Employees, Grounded Theory Method, Job Competency, Iran's Electrical Power Industry.*

1. Introduction

The phenomenon of overqualification has become a critical area of concern within contemporary organizations, particularly in the public sector, where rigid structures and limited opportunities for career progression

often exacerbate the underutilization of highly skilled professionals. Overqualification, defined as the mismatch between employees' actual skills and the requirements of their current jobs, has been associated with dissatisfaction, disengagement, and turnover, raising important questions about how organizations can effectively manage and

leverage this talent pool (Eurostat, 2023; Yaşar & Alakuş, 2024). Research indicates that this is not merely an individual challenge but a systemic issue impacting organizational effectiveness, productivity, and long-term competitiveness (Harandi & Mirzaeian Khamseh, 2024; Rafiei et al., 2021).

Organizations today face the dual challenge of retaining overqualified employees and simultaneously maximizing their potential contributions. Studies consistently show that overqualified employees are prone to negative job attitudes, lower organizational commitment, and increased turnover intentions (Chen et al., 2021; Mah et al., 2024). This not only imposes significant costs on recruitment and training but also deprives organizations of the creativity and expertise that these employees might otherwise contribute (Wiegand, 2023). Yet, as emerging research suggests, overqualification is not universally detrimental; under the right conditions, it can serve as a powerful driver of innovation, knowledge sharing, and organizational learning (Khan et al., 2023; Van Dijk et al., 2020). The challenge lies in developing mechanisms that convert perceived overqualification into organizational value.

One such mechanism that has attracted scholarly and practical attention is performance coaching. Coaching, distinct from traditional training, emphasizes individualized, goal-oriented development through structured dialogue, reflection, and empowerment (Passmore & Sinclair, 2020). It facilitates not only skill enhancement but also psychological well-being, helping employees reframe their roles and uncover latent potential. Coaching has been shown to improve performance, reduce stress, and support career progression (Flaherty, 2022; Grant & Phene, 2022). In contexts where employees perceive themselves as overqualified, coaching may act as an adaptive intervention that mitigates frustration while unlocking opportunities for value creation (Cidral et al., 2023).

The relevance of coaching has grown significantly in recent years, reflecting global shifts toward more dynamic and human-centered organizational practices. Scholars argue that coaching is particularly suited to environments characterized by volatility, uncertainty, complexity, and ambiguity, where static training approaches are insufficient (Romão et al., 2022). Coaching empowers employees to develop adaptability, resilience, and innovation, qualities that are crucial for organizations navigating competitive pressures and technological disruptions (Nur Izzaty et al., 2024; Zaman et al., 2024). This shift is also reflected in growing investments by organizations in coaching programs

as a core component of talent management strategies (Gallardo-Gallardo & Thunnissen, 2022).

While much of the literature frames overqualification as a liability, recent studies present a more nuanced view. For instance, research highlights that overqualified employees, if provided with autonomy and meaningful opportunities, can contribute significantly to organizational knowledge bases and career development initiatives (Khan et al., 2023). Similarly, Van Dijk et al. (Van Dijk et al., 2020) demonstrate that under supportive managerial practices, overqualification can enhance individual performance and foster innovation. Conversely, when ignored or mismanaged, overqualification manifests in counterproductive outcomes, including disengagement, cyberloafing, and even deviant workplace behavior (Harandi & Mirzaeian Khamseh, 2024; Wiegand, 2023).

These insights underscore the importance of contextual factors in shaping the outcomes of overqualification. Demographic dimensions such as age and pay further moderate these dynamics, with younger employees or those dissatisfied with their compensation being more prone to actual turnover (Mah et al., 2024). At the same time, macroeconomic evidence indicates that overqualification is not an isolated issue but a widespread labor market phenomenon, with more than 20% of EU citizens reporting overqualification for their current roles (Eurostat, 2023). Within developing economies such as Iran, structural inefficiencies and limited organizational agility exacerbate this problem, as talented employees often find themselves constrained by rigid hierarchies and bureaucratic processes (Rahimi et al., 2024; Sehatpour et al., 2022).

Performance coaching has been identified as a transformative tool in talent management, offering organizations an avenue to address the dissatisfaction and disengagement of overqualified employees. Coaching emphasizes continuous learning, trust-building, and alignment between individual aspirations and organizational goals (Flaherty, 2022; Grant & Phene, 2022). By helping employees recognize pathways for growth within their current contexts, coaching can transform perceptions of overqualification from frustration into opportunity (Nur Izzaty et al., 2024).

The effectiveness of coaching has been well-documented across sectors. In healthcare, for example, coaching interventions have been shown to improve professional competencies, resilience, and performance. Aly Mahmoud and Zakaria Elsaeed (Aly Mahmoud & Zakaria Elsaeed, 2021) demonstrated that coaching supervision significantly

enhanced nurses' performance, underscoring its role in developing talent. Similarly, Modderkolk et al. (Modderkolk et al., 2025) revealed that meaning-centered coaching improved oncology nurses' spiritual care competencies, emphasizing the value of coaching for both technical and emotional dimensions of work. These findings provide strong evidence for the potential of coaching in addressing the challenges posed by overqualification.

In occupational therapy and related fields, coaching frameworks such as Occupational Performance Coaching (OPC) have also demonstrated their capacity to enhance daily performance, autonomy, and motivation (Angelin et al., 2021; Graham et al., 2024). Models like PEAK, which emphasize Purpose, Engagement, Ability, and Know-how, further highlight the versatility of coaching in aligning individual growth with organizational strategy (O'Moore, 2022). These models collectively point to coaching as not only a performance intervention but also a means of creating a developmental culture within organizations.

Effective talent management has emerged as a critical determinant of organizational sustainability in the knowledge economy (Gallardo-Gallardo & Thunnissen, 2022). Within this discourse, overqualified employees represent both a challenge and an opportunity. When managed effectively, their advanced skills can provide organizations with a competitive edge, particularly in innovation-driven industries (Grant, 2022). Conversely, neglecting this segment risks attrition and the erosion of organizational knowledge.

In government organizations, where structural rigidity often impedes flexible talent allocation, the importance of coaching is magnified. Sehatpour et al. (Sehatpour et al., 2022) highlighted significant challenges in managing talent within public organizations, ranging from inadequate succession planning to lack of meritocratic systems. Coaching, by fostering adaptability and skill utilization, may provide a practical pathway for overcoming these barriers. Moreover, coaching can contribute to organizational branding, as firms that invest in employee development are often perceived as more attractive employers, thereby enhancing retention (Kasdorf & Kayaalp, 2022).

Coaching is particularly effective in building competencies required for modern organizations. Singh et al. (Singh et al., 2022) emphasized that competencies such as communication, adaptability, and emotional intelligence are crucial in health coaching contexts, and by extension, in broader organizational settings. These findings resonate with research by Liu et al. (Liu et al., 2024), who showed that

managerial coaching behaviors influence employee outcomes through distinct emotional processes, highlighting the role of coaching in addressing both cognitive and affective aspects of work.

Furthermore, coaching contributes to career planning and progression. Kasdorf and Kayaalp (Kasdorf & Kayaalp, 2022) found that career development mediated the relationship between coaching and turnover, underscoring its strategic role in retaining talented employees. Similarly, Nawaz and Sajid (Nawaz & Sajid, 2023) demonstrated that coaching and performance alignment significantly influence employee satisfaction and relations, pointing to its role in enhancing workplace cohesion.

Despite the growing body of research on overqualification and coaching, significant gaps remain. Most existing studies have examined these constructs independently, with limited focus on their intersection. While scholars have explored overqualification's relationship with turnover, satisfaction, and knowledge sharing (Chen et al., 2021; Khan et al., 2023; Rafiei et al., 2021), few have considered coaching as a targeted intervention for this demographic. Theoretical advancements, such as the knowledge-based view (Grant, 2022) and ambidextrous leadership (Zaman et al., 2024), provide important conceptual foundations, yet practical frameworks remain underdeveloped.

This study addresses this gap by developing a performance coaching model for overqualified employees in Iran's electricity industry, a sector where the risks of talent underutilization are especially pronounced due to its technical and strategic significance (Sehatpour et al., 2022). By integrating grounded theory methodology with insights from coaching and talent management literature, the study aims to construct a comprehensive model that captures the complex dynamics of overqualification, organizational conditions, and coaching interventions.

2. Methods and Materials

The research's qualitative phase began with a review of scientific sources, followed by semi-structured interviews yielding 1,451 points and initial codes. Using Strauss-Corbin's grounded theory, 131 components and 18 core constructs were identified across 6 selective codes. Content Validity Ratio (CVR) and Content Validity Index (CVI) were applied, with scores above 0.8 considered acceptable, ensuring question necessity and optimal design. The 6 selective codes are as follows:

1. Causal Factors

Causal factors for coaching overqualified employees stem from intra-organizational, individual, and environmental influences as presented in Table 1.

Table 1

Causal Factors

| Concepts | Constructs | Components (Elements/Variables) |
|------------------|------------------------------|--|
| 1-Causal Factors | Intra-organizational Factors | Developing human resources according to organizational needs |
| | | Knowledge-based organization |
| | | Shaping organizational goals and strategies |
| | | Coaching culture in the organization |
| | | Need for strategic changes |
| | Individual Factors | Need for capable human resources |
| | | Increased motivation for value creation |
| | | Problem identification and preliminary assessment as a prerequisite for planning |
| | | Theoretical management knowledge |
| | | Political knowledge |
| | | Coaching knowledge |
| | | Adequate understanding of human resource functions |
| | | Necessity of consistent follow-ups |
| | | Necessity of attending training courses |
| | | Need to benchmark successful leading organizations |
| | Environmental Factors | Need to create positive changes |
| | | Technical and training skills |
| | | Need for independent employees |
| | | Rapid changes in science and technology |
| | | Rapid global changes |
| | | Need to compete with other competitors |
| | | Need to react quickly to environmental factors |

The analysis revealed critical interrelationships: Intra-organizational enablers (particularly HR-Strategy Alignment and Knowledge Institutionalization) mediated the organization's capacity to respond to Environmental Pressures, while Individual Factors functioned as both inputs and outcomes of this process. Coaching Culture emerged as a pivotal bridging factor, may enhance both individual

Motivational Catalysts and organizational Adaptive Strategy Formation capabilities.

2- Contextual Conditions

As shown in Table 2, the contextual conditions of employee coaching are shaped by leadership style, organizational structure, and coaching practices.

Table 2

Contextual Conditions

| Concepts | Constructs | Components (Elements/Variables) |
|-------------------------|---------------------------|--|
| 2-Contextual Conditions | Leadership Style | Welcoming changes |
| | | Individual beliefs and values in the organization |
| | | Support from top management |
| | | Considering methods to respond to employee needs |
| | | Culturally supportive behaviors |
| | Organizational Conditions | Strategic leadership style |
| | | Participative leadership style |
| | | Having effective and efficient coaches |
| | | Having macro strategies and human resources |
| | | Developing company leadership and human resource strategic documents |

| | |
|---------------------|--|
| Coaching Conditions | Learning environment and facilities |
| | Competitive environment |
| | Positive view of the human resources manager |
| | Presence of advanced technologies |
| | Presence of information systems |
| | Presence of hardware capacity |
| | Organizational brand status |
| | Importance of cost reduction |
| | Considering the complexity and uniqueness of learning situations |
| | Considering coaching forms |
| | Coaching behaviors |
| | Identifying barriers before coaching |
| | Societal needs and the necessity of responsiveness |
| | Presence of a manager in the role of a coach |

The analysis revealed critical interrelationships: Leadership Context strongly predicted Organizational Infrastructure quality, while Coaching Dynamics mediated this relationship. Participative Approaches showed particularly associations with Learning Ecosystem development. Technological Capacity emerged as a threshold variable - organizations below baseline tech

standards may have weaker Coaching Dynamics effectiveness.

3- Intervening Factors

Intervening factors that impact the effectiveness of coaching employees, as shown in Table 3 include organizational, political, and legal limitations.

Table 3

Intervening Factors

| Concepts | Constructs | Components (Elements/Variables) |
|-----------------------|---------------------------------|---|
| 3-Intervening Factors | Organizational Limitations | High costs of the coaching process |
| | | Excessive organizational bureaucracy |
| | | Outdated organizational rules |
| | | Organizational lethargy |
| | | Organizational limitations in hiring and firing ineffective employees |
| | | Structural limitations |
| | | Resistance to coaches |
| | Political and Legal Limitations | Political pressure |
| | | Legal limitations in the payment system |
| | | Regulatory and upstream policy limitations |

The analysis revealed significant interrelationships: Organizational Constraints showed a negative relation with coaching effectiveness while External Constraints mediated this relationship. Structural Rigidity emerged as particularly detrimental, amplifying the impact of other constraints. Notably, organizations with both high Structural Rigidity

and Policy Constraints may have lower coaching adoption rates compared to those facing only one constraint type.

4- The Phenomenon

Individual and organizational competencies are critical for effective overqualified employee coaching, making the Phenomenon (Axial Factor) of the research Model as presented in Table 4.

Table 4
The Phenomenon

| Concepts | Constructs | Components (Elements/Variables) |
|--------------|---------------------------|--|
| 4-Phenomenon | Organizational Competency | Managing organizational changes |
| | | Employee empowerment |
| | | Succession planning |
| | | Moving towards meritocracy |
| | | Creating emerging opportunities |
| | | Having a competitive organizational strategy |
| | | Culture building in the coaching domain |
| | | Knowledge transfer capability |
| | | Gaining competitive advantage with capable human resources |
| | | Quality of growth and progress in the organization |
| | Individual Competency | Principles and skills of effective communication |
| | | Succession planning program |
| | | Problem-based planning |
| | | Intra-organizational experience |
| | | Practical managerial experience |
| | | Extra-organizational experience |
| | | Coach's knowledge and skills |
| | | Participation in challenging learning opportunities |
| | | Conflict management |
| | | Leadership perceptual skills |
| | | Interpersonal communication skills |
| | | Coaching skills |
| | | Social characteristics |
| | | Personal and individual characteristics |
| | | Intellectual characteristics |

Organizational-Level Competencies showed strong predictive relationships with individual development outcomes, particularly in organizations with robust knowledge transfer systems.

5- Strategies

Effective strategies for coaching employees encompass a range of approaches to foster development and organizational success. They are presented in Table 5 below:

Table 5
Strategies

| Concepts | Constructs | Components (Elements/Variables) |
|---------------|-----------------------------------|--|
| 5- Strategies | Effective Communication | Creating greater synergy |
| | | Changing stakeholders' thinking and attitudes |
| | | Strengthening inter-unit communication |
| | | Relationship with stakeholders |
| | | Relationship with colleagues |
| | | Understanding and paying attention to employees |
| | | Providing communication skills |
| | | Providing trust-building skills |
| | Continuous Follow-up and Learning | Continuous learning |
| | | Identifying facilitating conditions for learning |
| | Organizational Development | Selecting the right managers |
| | | Creating and developing a comprehensive coaching system |
| | | Cultural development |
| | Opportunity Creation | Aligning human resource strategies with the company's strategic document |
| | | Creating appropriate work challenges |
| | | Creating performance management and coaching opportunities |
| | | Delegation of authority |

| | |
|------------------------|--|
| Talent Management | Understanding and creating opportunity-making situations for individuals |
| | Attracting individuals eager to learn |
| | Recruiting and hiring coaches |
| Performance Management | Providing appropriate feedback |
| | Changing management styles |
| | Developing performance evaluation systems |
| | Precise and forward-looking goal setting |
| | Goal-oriented programs |

The analysis revealed critical interrelationships: Communication Excellence has relationship with overall strategy effectiveness, while Learning Systems mediated the impact of Structural Development on performance outcomes. Opportunity Engineering emerged as particularly

influential in talent retention with each additional developmental challenge reducing turnover.

6- Results

As shown in Table 6 below, the outcomes of coaching employees manifest at team, organizational, and individual levels, driving comprehensive growth and success

Table 6

Results

| Concepts | Constructs | Components (Elements/Variables) |
|------------|------------------------|--|
| 6- Results | Team Results | Increased team creativity |
| | | Improved team work quality |
| | | Improved executive coordination |
| | | Knowledge sharing |
| | | Introducing value-creating opportunities |
| | | Introducing personal development opportunities |
| | | Reduced conflict |
| | | Accountability and responsibility creation |
| | Organizational Results | Increased human resource productivity |
| | | Improved employer brand |
| | | Transforming the organization into a learning organization |
| | | Becoming a coaching-oriented organization |
| | | Better achievement of organizational goals and strategies |
| | | Training effective coaches |
| | | Preventing talent loss |
| | | Organizational entrepreneurship |
| | | Creative employees |
| | | Organizational excellence |
| | Individual Results | Retaining high-performing individuals |
| | | Increased trust in others |
| | | Increased organizational commitment and loyalty |
| | | Increased individual creativity and innovation |
| | | Increased team work speed |
| | | Mental and emotional attachment of human resources |
| | | More effective performance |

The analysis revealed that Team-Level Outcomes (particularly Knowledge Sharing) may influence Organizational-Level Transformation, while Individual-Level Outcomes mediated this relationship. The emergence of Coaching Orientation as both an outcome and enabler suggests a recursive improvement cycle - organizations achieving this outcome demonstrated faster subsequent development of Creative Employees.

Altogether, the performance coaching model for overqualified employees consists of six parts: causal factors, contextual factors, intervening conditions, Job and organization competencies (Phenomenon), strategies, and consequences. In the data paradigm model of the foundation, causal conditions, background factors, and intervening conditions have an effect on the phenomenon. They are also

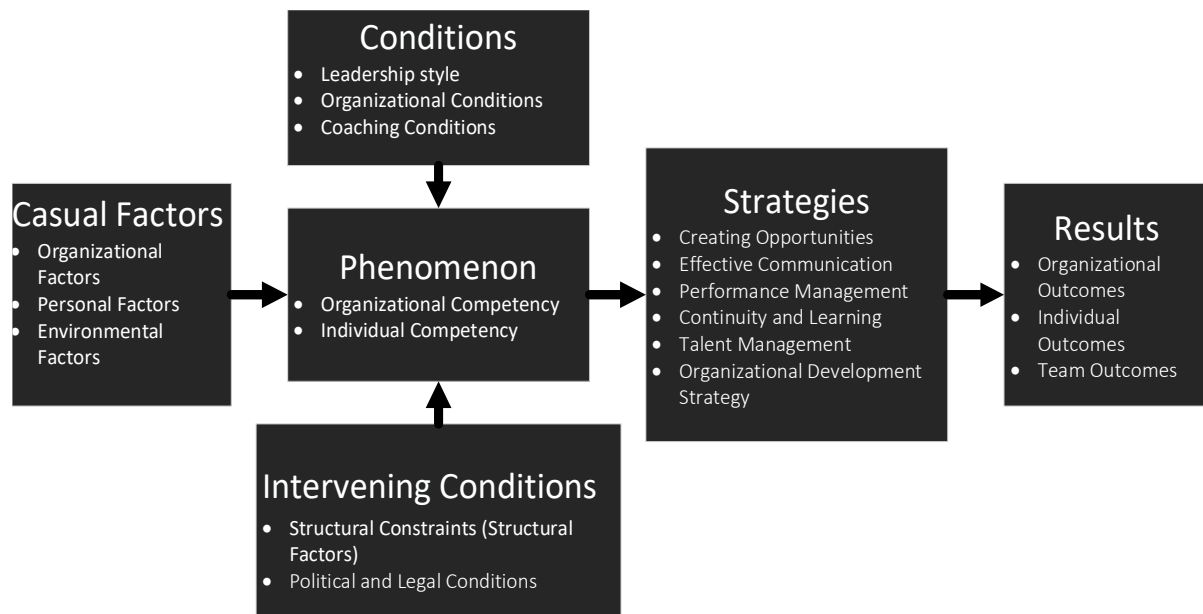
effective on strategies, and strategies also lead to consequences and have an impact on them.

Based on the analyzed data and validated findings, this study addresses the primary research question: "What are the causal conditions, phenomena, intervening factors,

mediating conditions, strategies, and outcomes involved in developing a performance coaching model for overqualified employees?" Accordingly, the structural model is presented in Figure 1 below.

Figure 1

Structural Model



This study identifies a performance coaching model for overqualified employees in Iran's Electricity Industry, comprising six constructs that emphasize job competencies with organizational and individual components as critical factors. Empirical data highlights their impact, underscoring the role of coaching in employee empowerment. By assessing current capabilities and unlocking potential, organizations can strategically focus on leveraging overqualified talent to enhance performance and achieve organizational objectives.

3. Discussion and Conclusion

The present study set out to develop and validate a performance coaching model tailored to the unique needs of overqualified employees in Iran's electricity industry. Through grounded theory analysis, six key constructs emerged: causal factors, contextual conditions, intervening factors, job and organizational competencies (phenomenon), strategies, and outcomes. These findings highlight the multidimensional and dynamic processes involved in leveraging coaching as a mechanism to enhance

organizational effectiveness and optimize the underutilized potential of overqualified employees. In this section, the results are discussed in light of existing literature, underscoring both theoretical and practical implications.

The results confirm that perceived overqualification represents both a challenge and an opportunity. On the one hand, overqualified employees express frustration when their skills and aspirations are not fully utilized, contributing to job dissatisfaction and turnover intentions (Chen et al., 2021; Mah et al., 2024). These findings align with previous research that links overqualification to negative attitudes and withdrawal behaviors, particularly in bureaucratic public organizations with rigid structures (Rafiei et al., 2021; Rahimi et al., 2024). On the other hand, the study also demonstrates that, when supported through targeted coaching interventions, overqualification can be transformed into a positive resource for organizations. This is consistent with evidence suggesting that employees who perceive themselves as overqualified are capable of contributing significantly to knowledge sharing, creativity, and career planning under conducive conditions (Khan et al., 2023; Van Dijk et al., 2020).

Such duality resonates with the broader theoretical understanding that overqualification is not inherently detrimental but context-dependent. The positive impact of overqualification on organizational outcomes is conditional on supportive practices such as coaching, autonomy, and growth opportunities (Nawaz & Sajid, 2023; Yaşar & Alakuş, 2024). The recursive cycle observed in this study—where environmental pressures demand strategic adaptation, which in turn requires individual competencies—suggests that organizations can capitalize on overqualification if they deliberately embed mechanisms for learning and development.

One of the most significant contributions of the study lies in positioning coaching as a strategic response to the underutilization of talent. The findings show that coaching culture mediates the relationship between individual competencies and organizational adaptation, underscoring its bridging role. This is consistent with the view of coaching as a transformative process that empowers individuals to align their goals with organizational objectives (Flaherty, 2022). Previous literature has emphasized coaching's role in unlocking hidden potential and cultivating adaptability, particularly in volatile and complex environments (Passmore & Sinclair, 2020; Zaman et al., 2024). The current study extends this perspective by providing empirical evidence that coaching not only enhances individual empowerment but also enables organizations to become more responsive to external pressures.

Moreover, the identified strategies such as effective communication, continuous learning, opportunity creation, and performance management directly resonate with established coaching models. For example, the PEAK model emphasizes purpose, engagement, ability, and know-how as drivers of performance (O'Moore, 2022), while occupational performance coaching stresses partnership, autonomy, and change support (Angelin et al., 2021; Graham et al., 2024). The present study's model complements and extends these frameworks by highlighting the particular importance of coaching knowledge and organizational alignment in managing overqualified employees.

The results also align with research on managerial coaching, which shows that coaching behaviors positively influence subordinate outcomes through mechanisms of motivation and emotional support (Liu et al., 2024; Nur Izzaty et al., 2024). In the case of overqualified employees, such coaching behaviors not only mitigate frustration but also foster value-creation and proactive engagement. The multi-level outcomes observed—ranging from improved

teamwork and creativity to organizational excellence—mirror earlier findings that coaching reduces turnover and enhances job satisfaction (Romão et al., 2022).

The study further contributes to the literature on talent management by demonstrating that overqualified employees can and should be considered valuable organizational talent. Effective coaching, when combined with strategies such as performance evaluation systems, succession planning, and career development, directly addresses challenges identified in prior studies on talent management within government organizations (Sehatpour et al., 2022). These results underscore the importance of integrating coaching with broader HR practices to ensure retention and optimal utilization of talent.

Existing research emphasizes that the failure to manage overqualified employees results in significant organizational losses, including wasted recruitment costs and loss of innovative capacity (Wiegand, 2023). This study supports such claims but adds nuance by showing that organizations can avoid these losses through systematic coaching interventions that realign employee competencies with strategic objectives. Indeed, the outcomes observed in this study—such as the emergence of a coaching-oriented organization and the prevention of talent loss—echo recommendations by scholars advocating for dynamic and integrated HR models (Gallardo-Gallardo & Thunnissen, 2022; Grant, 2022).

The findings also highlight the role of coaching in addressing the emotional and psychological dimensions of overqualification. Overqualified employees often experience emotional exhaustion, frustration, and disengagement (Harandi & Mirzaeian Khamseh, 2024; Wiegand, 2023). Coaching provides a supportive environment where these emotions can be acknowledged, reframed, and redirected toward constructive behaviors. This is consistent with recent evidence showing that managerial coaching affects outcomes through discrete emotional processes (Liu et al., 2024). Similarly, Singh et al. (Singh et al., 2022) emphasized the importance of emotional intelligence and resilience in coaching contexts, which were reflected in this study's findings on individual competencies such as communication skills, conflict management, and leadership perception.

These results reinforce the view that coaching is not limited to technical skill development but extends to fostering psychological well-being and engagement. This holistic approach explains why participants in related studies, such as those in the healthcare sector, reported

improvements not only in professional competencies but also in self-awareness, motivation, and team collaboration (Aly Mahmoud & Zakaria Elsaed, 2021; Modderkolk et al., 2025). In this sense, coaching emerges as a mechanism that enhances both individual and organizational resilience in the face of structural inefficiencies.

The performance coaching model developed in this study also demonstrates conceptual alignment with broader theoretical frameworks. At the organizational level, competencies such as opportunity creation and knowledge transfer reflect the principles of the knowledge-based view (Grant, 2022) and dynamic capabilities (Romão et al., 2022). By embedding coaching practices into HR strategies, organizations can strengthen their ability to adapt, innovate, and sustain competitive advantage. At the individual level, competencies such as problem-based planning and communication skills resonate with social cognitive theory, where self-efficacy and goal-setting drive performance.

The dual-level focus of the model—linking individual competencies with organizational strategies—offers a more integrated approach than many existing coaching frameworks. While earlier models such as GROW have been criticized for their static and overly structured orientation (Grant & Phene, 2022), the present study emphasizes dynamic alignment, continuous learning, and opportunity engineering. This innovation positions coaching not merely as a reactive tool but as a proactive driver of organizational development.

The outcomes of the study underscore several practical implications. First, fostering a coaching culture is essential for transforming overqualification from a liability into an asset. This requires training managers to adopt coaching behaviors, integrating coaching into performance evaluation systems, and aligning HR strategies with organizational goals. Second, organizations must prioritize communication and trust-building to create synergies across teams, as these were shown to be central to the effectiveness of coaching strategies. Third, continuous learning mechanisms must be institutionalized, enabling overqualified employees to channel their advanced skills into innovation and problem-solving. Finally, aligning coaching with succession planning and talent management can ensure a steady pipeline of leaders while retaining high-performing individuals.

Despite its contributions, this study is not without limitations. First, the sample size was relatively small, consisting of 16 participants within Iran's electricity industry. While grounded theory emphasizes depth over breadth, the limited sample constrains the generalizability of

the findings to other sectors or cultural contexts. Second, data collection relied on self-reported experiences, which may be subject to bias or selective memory. Third, the focus on one industry may limit the model's applicability across diverse organizational environments, particularly in private or international settings where structural dynamics differ. Finally, while the study validated its constructs through rigorous coding and triangulation, further quantitative validation using larger samples and statistical methods would enhance the robustness of the proposed model.

Future research should address these limitations by expanding the scope of inquiry across industries and cultural contexts. Comparative studies between public and private organizations could illuminate differences in how coaching mediates the effects of overqualification. Additionally, longitudinal research designs would help capture the long-term impact of coaching on employee retention, job satisfaction, and organizational outcomes. Incorporating mixed-methods approaches that combine qualitative depth with quantitative validation could provide a more comprehensive understanding of the phenomenon. Researchers may also explore digital coaching platforms and AI-driven interventions as emerging tools for managing overqualified employees, given the increasing digitalization of HR practices. Finally, cross-cultural studies could provide insights into how cultural norms and institutional environments shape the effectiveness of coaching interventions.

From a practical standpoint, organizations should view overqualified employees not as a problem but as a valuable resource requiring strategic management. Implementing structured coaching programs can unlock the hidden potential of this workforce, contributing to both employee satisfaction and organizational competitiveness. Managers should be trained to adopt coaching behaviors, providing feedback, fostering trust, and creating opportunities for growth. HR systems must integrate coaching into broader talent management and succession planning processes, ensuring alignment with organizational strategy. Organizations should also invest in continuous learning infrastructures that allow employees to expand their competencies and contribute innovatively. By cultivating a coaching-oriented culture, organizations can transform overqualification into a source of resilience, adaptability, and long-term growth.

Authors' Contributions

Authors contributed equally to this article.

Declaration

In order to correct and improve the academic writing of our paper, we have used the language model ChatGPT.

Transparency Statement

Data are available for research purposes upon reasonable request to the corresponding author.

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Declaration of Interest

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Ethics Considerations

In this research, ethical standards including obtaining informed consent, ensuring privacy and confidentiality were considered.

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