

Example of essay on expectancy theory of motivation

[Business](#), [Company](#)



The expectancy theory of motivation has been first developed by Victor Vroom in 1964. It attempts to explain the choice of behaviour, which individuals make in response to the motivational stimuli (Koontz & Weihrich, 2008). According to Vroom people try to achieve a goal only if they believe that the final result is worth their effort and if they understand the connection between their actions and the achievement of the final objectives. Therefore, motivation can be defined as a product of the anticipated value of the final result and the probability of achieving this result. Based on the expectancy theory, human motivation is based on three components: performance-to-outcome expectancy, effort-to-performance expectancy, and outcome valence (V) (Ahlstrom & Bruton, 2010).

Performance-to-outcome (P-O) evaluates the perceived likelihood of a particular behaviour to result in a specific outcome. The level of P-O expectancy is measured on a 0.0 - 1.0 scale, where 1.0 is given when an employee is certain that an improvement in performance will lead to a pay raise, while 0 defines conditions, in which performance is perceived as uncorrelated with the pay (Ahlstrom & Bruton, 2010). Effort-to-performance expectancy (E-P) is the confidence of an individual that his/her effort will result in specific level of performance. It is also measured on 0.0-1.0 scale, where 1.0 defines employees' certainty about their ability to achieve a certain outcome, while 0.0 indicates the belief that no increase in effort will lead to an improvement in performance (Ahlstrom & Bruton, 2010). Valence can be defined as the strength of the person's preference for a particular outcome. Thus, the valence of a pay raise is usually highly positive, while the valence of work-related stress is negative. The value of valence varies from

person to person; therefore it cannot be measured with precision (Griffin & Moorhead, 2008). Employee motivation, according to the expectancy theory is influenced by a combination of these components and a decrease in one of them will inevitably lead to the weakening of the motivation. Therefore, Vroom's expectancy theory can be simplified as $\text{Force} = \text{expectancy} \times \text{valence}$ (Koontz & Weihrich, 2008). Expectancy theory, therefore incorporates both individual objectives and organizational goals, and stresses the importance of motivation enhancement for the achievement of certain results.

In order to apply the expectancy theory of motivation to the company producing audio products, it is necessary to identify the problem areas and the components part, which influence the motivation of the employees. The interview with the supervisor B revealed very low level of P-O expectancy. It is indicated by the fact that many employees believe, that extra effort in achieving production goals will not result in the sufficient increase in salary. Since there is little difference between those, who do not fulfil the department goals, and those, who meet the specified requirement, people see no incentive to improve productivity. Moreover, even if the bonus for goal achievement is given, the amount of all the withholdings makes the final pay received not worth the effort invested. E-P expectancy of the employees is also low, according to the information provided to the supervisor B. Many employees do not believe in the success of the new production process, because it requires additional hand dexterity and therefore it is hard to master. Thus, additional effort from the employees is

unlikely to lead to the sufficient improvement of the performance. The level of valence in the department is hard to estimate, since it is highly individual for every employee. However, it is possible to infer that the salary increase as a result of meeting department objectives is not highly valued by the employees, since the pay is very small compared to the negative aspects connected to additional training and extra working effort.

Having identified the current situation in the company, it is now possible to apply the expectancy theory of motivation in order to design a plan for enhancing employee motivation in the company. Firstly, company managers should address the issue of low E-P expectancy. In order to convince employees that mastering the new process is crucial for meeting production objectives, supervisors and managers should conduct seminars, which would explain the potential benefits of the new process and its importance for the company. It could be useful to emphasize that high quality and production standards are an integral part of the company's vision, and the introduction of the new process is instrumental on the way to maintaining market leadership in producing professional audio products. Clearer understanding of the company's objectives as well as a more detailed explanation of the benefits of the new process may help to convince employees that their effort in mastering the process will greatly benefit the company in the long-run.

Secondly, the P-O expectancy should be enhanced by modifying the incentive scheme in the company. Clearly, there is not enough emphasis on the correlation between achieving objectives and the level of salary. Hence, actions should be taken both in the direction of raising bonuses for

performance improvement and in increasing penalties for not fulfilling the department requirements. In this case, people will be more motivated to improve performance, since the correlation between their pay and performance will be more evident.

Lastly, valence can be improved by diversifying the incentive scheme. Thus, it is possible to introduce non-monetary rewards, such as promotions, recognition etc. in addition to the salary increase. The combination of monetary and non-monetary incentives would make the outcome of improved performance more attractive for a larger number of people, thus increasing the valence and the force of employee motivation.

Although the expectancy theory is hard to apply directly in practice, it gives an important insight into the way to reconcile company and employee objectives, thus increasing motivation and hopefully, enhancing company performance. Therefore, if the company addresses the issues along all the three dimensions of the expectancy theory, it will be possible to motivate employees to strive for performance improvement and, therefore, will strengthen company's position in the market by reinforcing the image of high quality and production standards.

References

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