

# The expectancy theory of motivation and company x management essay



Company X produces a line of audio products for the industry professional and prides themselves on the efforts to provide the highest quality available. Furthermore, the company touted high production standards while attaining their goals. Implementation of a newly-designed production process to enable employees to achieve their production goals occurred and their efforts have not been successful. Observations have included a lack of effort to master the process, deficiency in reaching those goals by those who have mastered it, and a lack of concern regarding goal achievement from individuals who are regularly top producers. Through interviews and informal conversations that were conducted, employee concerns were expressed and the result has been a breakdown in the relationships and components in the expectancy theory of motivation. The attitude of Company X's production staff and the lack of motivation to complete goals is a direct result of a breakdown in the relationships within the expectancy theory of motivation.

## **Building the Expectancy Theory of Motivation**

### Definition

Victor Vroom's expectancy theory of motivation relates that employees within an organization will be motivated when they hold certain beliefs to be true. "The strength of a tendency to act in a certain way depends on the strength of an expectation that the act will be followed by a given outcome and the attractiveness of the outcome to the individual" (Robbins & Judge, 2007). The theory is comprised of three relationships, or variables, that behave much like a chain. When all three are successfully satisfied, then motivation is fully achieved. When one of the relationships is broken or out of

sync, then it is not. The result is a combined lack of efficiency, minimum effort, and no goal attainment.

### Component 1: Expectancy

Expectancy is built upon the belief that effort exerted will beget recognition of favorable performance. Several factors can interfere with this piece of the motivation equation. These variables include the belief that a worker has the skills and ability to perform their tasks successfully, how difficult the goals are to achieve and where they fall in relation to the worker's expectations, and whether there is any control over their performance. For example, if a department's members share the belief that "no matter how hard they work, the likelihood of getting a good performance appraisal is low", then motivation will be low due to a low level of expectancy (Robbins & Judge, 2007).

### Component 2: Instrumentality

Instrumentality is defined as the belief that if a person meets or exceeds expectations, then they receive a greater reward than those who do not. Instrumentality will be low if the rewards follow all levels of performance with no distinction between what is acceptable and unacceptable. It is influenced greatly by the trust employees have in their leaders and the likelihood that the promises of reward for good performance is believable. Another factor that determines the level of instrumentality present is demonstrated when the workers do not trust the leaders, yet have the ability to control the rewards system through another means. This control raises instrumentality.

Policies also affect instrumentality; the formal documentation of pay and other rewards and benefits contributes to raising levels of instrumentality.

### Component 3: Valence

The third component within the expectancy theory of motivation is valence. Valence is the level of value that an individual places on the rewards as a function of their needs, goals, and values. The employee's preferences will determine the level of valence present for motivation. If the worker desires a certain reward but receives another, the level of valence will be lower. Higher levels of valence are present when the understanding of the individual employee's goals are understood by their leader and are then considered along with the relationship between their efforts and performance. Good effort equates to good performance when a strong relationship is present (Robbins & Judge, 2007).

## **Correcting the Motivation Problem**

Company X is experiencing dysfunction within the expectancy theory of motivation and thusly, motivation is low. The workers are not motivated to expend the extra effort to meet the high standards and production goals as a result. Expectancy is low, as are the levels of instrumentality and valence. Correcting these problems is achieved by addressing concerns to raise the levels of these three variables.

### Raising Expectancy Levels

Expectancy levels at Company X are suffering. The employees do not put any extra effort into mastering the new production process and those who

have done so are not putting forth the effort to achieve goals as the company has directed. Some of the employees stated that they can't be successful because they do not believe they have the skills to do so.

Suggestions to correct these problems would include providing extra training time to enable the employees to gain the hand dexterity they believe they are lacking. This would boost their confidence in the new process and give them the tools to achieve the new goals while fostering the belief that the goals are realistic to meet. Boosting their skills and ability to complete the tasks successfully leads to higher performance and also returns control of their perceived performance levels back to the employees.

#### Raising Instrumentality Levels

Instrumentality levels are faltering at Company X as well. In Supervisor B's informal conversations with Supervisor A's employees, it is noted that there is no difference in salary increases for workers who meet departmental goals and those who do not. Workers feel as if they are resigned to the rewards system currently in place and they don't see a difference in salary increases or bonuses based on merit. Recognition is therefore non-existent, and the reward for all employees regardless of performance sends the wrong message. Workers do not have to meet goals to receive rewards and they are not motivated to work to attain the higher standards. In fact, salary is only affected if performance is very slow. Because the employees do not feel the recognition for a job well done co-exists with more stringent guidelines for when a poor job is done, they do not put forth the extra effort. This relationship in the expectancy theory is broken.

An improved system of handling performance appraisals needs to be implemented. Ideally, it would better recognize those individuals who are putting in extra efforts to ensure that goals are being met while providing feedback for low-performers on areas for improvement. Employee incentives like raises and bonuses would be contingent on meeting or exceeding certain criteria. In restructuring, use performance appraisals, or individual performance in tandem with departmental and production goals to better challenge and reward the workers. A low performance appraisal and poor or mediocre performance would not be rewarded at the same levels as those with high-scored performance appraisals and above average production. By creating a tiered bonus system, the bonuses would be larger and create a desire to attain that level of reward. Once this occurs and is formally documented within the company policies, instrumentality levels rise and are corrected because confidence and trust in their leaders would be restored.

### Raising Valence

Further discussions with Supervisor A's employees uncovered a break in the third piece of the expectancy theory of motivation, valence. The rewards offered by the company do not meet the personal goals of the workers. The bonus offered to employees is too small after taxes and the workers' perception is that it is not worth their effort; after taxes come out of their bonus, overtime pay surpasses the amount a bonus would provide. This information explains yet another key breakdown in the expectancy theory of motivation.

The system is in need of restructuring so that the bonus meets the personal goals of the production workers. The “What’s in it for me?” question needs a suitable answer that does this. If an employee is interested in a promotion, bonus, raise, or otherwise, it’s important that their feedback is taken into consideration in offering a reward that has personal value for the workers. Boosting the valence level is satisfied and once the variables of value, needs, goals, and preferences are met, motivation will increase.

## **Conclusion**

The problem is three-tiered but in working within the three relationships and by breaking down each piece, the leaders at Company X can boost motivation by raising the three levels of expectancy, instrumentality, and valence. “By following a checklist of issues to address, arising from the theory itself, and by bestowing rewards in an appropriate fashion, the leader is enabled to adopt [an] influence strategy that enhances levels of personal motivation” (Zerbe et al, 2001). Because “an employee’s expectancy – her or his judgment about the attractiveness and probability of a prospective reward – strongly influences that person’s willingness to take on a new task”, the result will be more effort expended by the workers to meet goals they perceive as attainable (Newstrom, 2007).