# Application and Limitations of the Expectancy Theory in Organizations

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Abstract: The expectancy theory is a tool that is widely used by companies around the world. Through a well-established reward system, employees put more time and effort into their work, knowing that they will be rewarded for their efforts. However, Nsofor found that each employee is motivated in a different way. A large part of employees are not suitable for implementing the expectancy theory. Therefore, this paper focuses on the application and limitations of expectancy theory in organizations. This research found that expectancy theory is limited in scope, does not include other factors explaining motivation, and is only limited to material reward. Also, expectancy theory can only be applied to performance that can be easily measured. This research paper demonstrates the credibility of the above viewpoints through different case studies. This paper can also enhance cooperation's understanding of expectancy theory.

**Keywords:** expectancy, instrumentality, motivation

#### 1. Introduction

As scholars continue to develop theories that explain how to motivate employees, all employees could be motivated by reward and recognition. Nsofor indicates that people differ in behavior, perception, and attitudes. This means that what motivates one individual may not be motivational to another [1]. Such a fact makes it challenging for human resource managers to effectively motivate their employees and maximize their performance. This research paper mainly targets the negative side of expectancy theory. It seeks to examine the applicability and constraints of expectancy theory in organizations through compelling case studies. This study improves companies' understanding of expectancy theory and demonstrates that it does not apply to all situations.

#### 2. Introduction to Expectancy Theory

The expectancy theory was proposed and developed in 1964 by Victor Vroom. The theory focuses on and stresses outcomes rather than needs (It thus takes a different approach when compared to Maslow's hierarchy of needs, which suggests that people are motivated by needs. The expectancy theory states that people's intensity of work effort will depend on their perception that their effort will result in the desired outcome [2]. This means that people will work hard when they believe that their extra efforts will improve their performance and result in rewards. This claim suggests that firms can enhance their performance by rewarding employees. In particular, human resource managers

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should align rewards and values and provide a supportive work environment to motivate employees and enhance organizational performance. This is essential because some employees may leave if their expectations of rewards are low. The managers should, however, focus on the three elements of the expectancy theory. These elements are depicted in Figure 1 below.



Figure 1: Elements of the expectancy theory [3].

Figure 1 depicts the main elements of the expectancy theory. It suggests that motivation is equal to the sum product of expectancy, instrumentality, and valence [3]. This means that people's motivation depends on valence, instrumentality, and expectancy. Expectancy is the belief that a given level of effort will lead to a certain level of performance [4, 5]. The expectancy theory argues that employees will be motivated if they believe that putting in additional effort will improve performance. This suggests that managers should create an environment that allows employees to achieve their goals. This can include setting achievable goals and creating a positive work environment.

Instrumentality is the belief that enhanced performance will result in a desired outcome (rewards). The theory opines that individuals are motivated by rewards and, as such, will be motivated if they believe that their improved performance will lead to desirable outcomes [3]. The claim suggests that firms should tie rewards to performance and ensure that rewards are received upon attaining a given level of performance. This is essential because employees are motivated by the belief that they will receive a reward upon attaining a particular level of performance. Lastly, valence is how much employees will value the rewards tied to their performance [3]. It is the value placed on the rewards provided by a company. The expectancy theory suggests that employees will be motivated if they value the rewards their firms offer. The individuals will not be motivated if they do not value their performance outcomes. Therefore, firms should ensure that rewards are satisfactory to their employees.

### 3. Application of the Expectancy Theory

Numerous studies have been undertaken to examine the applicability of the expectancy theory. For example, Blotnicky tested the applicability of the theory in explaining the healthy eating behaviours of students [6]. The authors developed several hypotheses based on the expectancy theory to help explain student behaviors. T hypotheses were later tested to determine the whether the expectancy theory could proper explain student's behavious. Findings indicated that the expectancy theory is valid in its propositions. In particular [7], showed that all three components of expectancy theory, which are valence, expectancy, and instrumentality positively impact healthy eating behaviour. This implies that students will eat healthily if they believe that doing so will enhance their health. The findings indicated that expectancy theory plays a vital role in explaining healthy eating among students. The findings also suggested that while external factors are important, healthy eating promotions are effective if they focus on realistic and valuable goals. This means that organizations can achieve success if they develop realistic targets for their employees. The targets motivate employees by enhancing their belief that they can achieve a certain level of performance [6]. noted

that the three elements of Vroom's theory work in concert. This means that expectancy will increase as valence then leads to instrumentality increase. This suggests that the three elements are positively linked. In short, [6] showed that organizations could use expectancy theory to influence employee behaviour and enhance performance.

Suciu et al studied the applicability of expectancy theory in the public sector. The authors conducted an empirical study to determine whether expectancy, valence, and instrumentality motivate civil servants in Romania northwest region. Findings showed that the expectancy theory is effective in motivating employees. In particular, indicated that 64% of civil servants believe that they would be motivated to enhance their performance if they understood the benefits of performance evaluations. This suggests that valence (value of performance appraisals) can effectively explain employee behaviour. In other words, employees will accept performance appraisals if they generate value for them. The study also showed that employees' work is influenced by their expectations of work. In particular, Suciu et al.suggested that employees' belief that they will meet their performance targets motivates them to enhance their performance [7]. This claim suggests that organizations need to set achievable performance targets to motivate employees and enhance their performance. The claims are supported by Naikoba & Hayward, who showed that rewards are essential to motivating employees. The authors indicated that employees expect to be rewarded and that the level of motivation is high when employees value their provided rewards. This suggests that valence is a vital element in motivation. Therefore, firms should ensure that their rewards are valued by their employees to enhance the effectiveness of their motivation strategies.

Harris, K.J evaluated the claims made by Vroom using restaurant workers. The authors sought to ascertain whether food handlers' motivations comply with the expectancy theory [3]. Data were gathered from a large sample comprising 755 restaurant employees. Therefore, the findings are generalizable to the population of restaurant employees in the US. The results supported the expectancy theory by showing that all the elements of the theory are applicable in the restaurant industry. For example, the study showed that restaurant employees implement food safety standards if they have a good sense of accomplishment. This means that restaurants should ensure that their employees feel good about implementing safety guidelines. Such a strategy would allow restaurants to motivate their employees and reduce safety issues. Harris also showed that extrinsic instrumentality (i.e. promotion and compensation) is positively linked to the proper handling of food in restaurants [3]. This means that employees will properly handle food if they believe their behaviour will be rewarded. In other words, restaurant managers should provide rewards to motivate employees and enhance their safety performance. However, Harris suggested valence may not be a significant motivator. In particular, the study showed that intrinsic factors are more influential than extrinsic factors in motivating restaurant employees [3]. This suggests that firms should focus on intrinsic (internal) factors such as pride, positive feelings, and future positions to effectively motivate their employees.

HemaMalini, P.H examined employee motivation using Vroom's theory. The authors sought to test the expectancy theory and determine whether it could help explain employee motivation. Findings indicated that people will put in more effort if they believe that their efforts will lead to enhanced performance. This claim agrees with the expectancy element of the expectancy theory, which suggests that individuals work hard if they believe that their effort will lead to better performance [8]. HemaMalini, P.H added that reward factors are positively linked to performance. This implies that employees will enhance their performance if they expect to be rewarded for it [8]. The claim is supported by Estes, B. who showed that the expectancy theory is applicable in institutions of higher learning [9]. Estes, B. indicated that faculty productivity heavily depends on valence perceptions [9]. For example, tenured faculty members, who have already achieved a higher level of success, are unlikely to remain motivated and perform well. In particular, the productivity of

tenured faculty members declines significantly due to the fact that they doubt their ability to continue providing quality research papers [9]. Such claims suggest that the expectancy theory can be effective in explaining employee motivation.

#### 4. Analysis of the Limitations of Expectancy Theory

Like many other theories, the expectancy theory is not without limitations. In particular, existing studies show that the theory may not effectively explain motivation. For example, Johnson, R.R.

The study examined the effectiveness of the theory in explaining differences in individual officer performance. The study focused on ascertaining whether the theory can explain variations in verifiable and non-verifiable work activities [10]. Findings showed that the theory explains a sizeable amount of the variations in verifiable work activities, such as arrests in police stations. However, the results showed that the theory does not explain employee work variations in work activities that cannot easily be verified. The claims suggest Vroom's motivation theory is limited to explaining variations in verifiable work activities. Therefore, the theory may not be suited to organizations that seek to enhance unverifiable employee performance. These claims are supported by Lambright, K.T, who suggests that the expectancy theory does not do a good job of explaining performance [11]. Lambright, K.T explored whether classical theory could be applied and used to understand associations in service delivery. The study focused on ascertaining how well the theory explains the motivation of contracted service providers. Findings showed that the motivation of contracted service providers was inconsistent with the expectancy theory. For example, some interviewees suggested that they could not believe that their organizations would be "penalized or rewarded based on data provided on forms" [11]. Such words suggest that the interviewee lacked instrumentality (i.e. his instrumentality was 0). However, the interviewee reported that contract penalties and rewards were strong motivators in proper form completion. The findings suggest that the expectancy equation is not valid and that effort (E) is not always equal to instrumentality (I), valence (V), and expectancy (E). In other words, employees cannot be motivated even if either of the constructs of the expectancy theory is zero. Therefore, organizations applying the expectancy theory may not achieve consistent

Lloyd, R examine the limitations of the expectancy theory. The study focuses on determining whether a fourth element is needed. It pays particular attention to the social context in which employees operate. The study suggested that workers can strike and string out jobs despite having expectancy (+1), valence (+1), and instrumentality (+1). In such cases, the workers should be motivated to work and deliver improved performances [12]. However, the worker engaged in behaviours that agreed with their group's expectations. Therefore, the expectancy theory may not be appropriate in a social world where employees seek to conform to their societal expectations. Lloyd, R indicate that such a limitation can be addressed by including a fourth element: social impact. The authors note that including social impact in the expectancy, equation can enhance its explanatory power [12]. They suggest that the theory should comprise expectancy, valence, instrumentality, and social impact. However, the social impact should represent an algebraic summation of all internal and external relationships. It is thus a summation of internal relationships (i), the number of internal relationships (x), and the impact of the external environment. They suggested that the expectancy theory omits some important variables [13, 14]. Porter, L.W indicated that several factors, including human abilities, traits, and perceptions, mediate the association between effort and performance [14]. The study added that enhanced performance may not lead to satisfaction and that other factors, such as the equity of rewards and the nature of the task, may explain individual motivation. Such claims suggest that the expectancy theory needs to be broadened to better explain motivation. Humphreys, J.H., agreed with Porter, L.W., by suggesting that expectancy theory is not a "one size fits all" theory.

The authors developed a motivation framework that expands the concept of effort in expectancy theory.

Mathibe, Mathibe studies the implications of expectancy theory for motivation [15]. The author focuses on determining whether the expectancy theory can be relied upon to effectively motivate employees. The study notes that theory plays a critical role in motivation. It notes that employees may be motivated by rewards and their belief that their efforts will improve performance and get them rewarded. Such claims suggest that organizations may be able to motivate employees by implementing the expectancy theory. However, Mathibe, suggests that the expectancy theory is limited in scope and does not include other factors explaining motivation. For example, the study noted that some employees are motivated by needs [15]. This means that the application of the expectancy theory will not motivate employees who are motivated by their needs. Such a claim aligns with Maslow's hierarchy of needs theory, which argues that employees work to satisfy certain needs [16]. The theory indicates that employees will, at the basic level, be motivated by physiological needs such as shelter and food [17]. This means that organizations can only motivate their employees if they provide salaries and wages that allow them to meet such needs. This implies that the expectancy theory may not allow organizations to motivate all their employees.

#### 5. Conclusion

The paper examines the existing literature related to expectancy theory. Expectancy theory can be applied effectively under different circumstances. However, it shows that some scholars have found that expectancy theory is not an effective way to motivate employees in organizations. Employees may not be motivated by expectations, values, or instrumentality. Expectancy theory is limited when employees need more than money and rewards. The study suggests that expectancy theory needs to be modified or expanded to include other factors that explain employee behavior. Furthermore, the expectancy theory is very strict in that employees are motivated to improve their performance only when all three factors are met simultaneously. It is clear from all the evidence that expectancy theory has flaws and limitations, so organizations need to invest more consideration when applying it.

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