Expectancy Theory in Five Simple Steps

By Thomas L. Quick

Psychologist Kurt Lewin used to say there's nothing so practical as a good theory. And when it comes to explaining human behavior, theories and theorists abound from Maslow to Herzberg to McGregor. Most theories, however, are complex and difficult to translate into managerial practice, such as developing motivation programs. Trainers can't just sit down for an afternoon and show managers how Maslow's hierarchical model of needs can help them solve employee performance problems. Expectancy theory, on the other hand, comes closer to what Lewin referred to as a good theory: It is practical. Furthermore, it's simple, it's mainstream psychology, it's been around a long time, it's easy to apply, and—most important—it works.

Expectancy theory is an admirably straightforward explanation of human behavior. Yet surprisingly few trainers use it as a basis for developing motivational programs to achieve greater employee productivity. Even the man most closely identified with the theory—Victor Vroom of Yale—seems to have moved on to other topics, such as decision-making models.

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Human behavior, expectancy theory explains, is a function of two factors:

- the perceived value of the reward that certain behavior yields,
- the expectation in the doer that certain behavior actually will yield that reward.

Hence the term "expectancy." In choosing between behaviors A, B, or C, people will choose the behavior or selection that will result in their getting the more valuable output or reward, provided they see the reward as attainable. If they suspect that the reward they most value involves a long shot or an immoderate risk, they'll opt for an action or make a decision involving lesser value but greater expectation of success.

A management system

On that simple basis rests a whole theory of management behavior—behavior that promotes employee commitment to organizational goals and standards. Greater commitment usually leads to increased productivity. Trainers can use expectancy theory to show managers how to enhance the value of employees' work and promote the perception that they can be successful and reap the ensuing rewards.

The theory translates into five easily understood and remembered steps—rare traits in most management development programs:

Define the expectations. Ask any group of managers how often they sit down with employees to set forth goals and performance standards, and you'll likely get a meager response. Ask them why they don't do it more often and most will say they assume employees know what managers want. Such unwarranted assumptions, although profitable for consultants, often leave major gaps between the perceptions of employees about their duties and functions and those of managers about what employees should be doing.

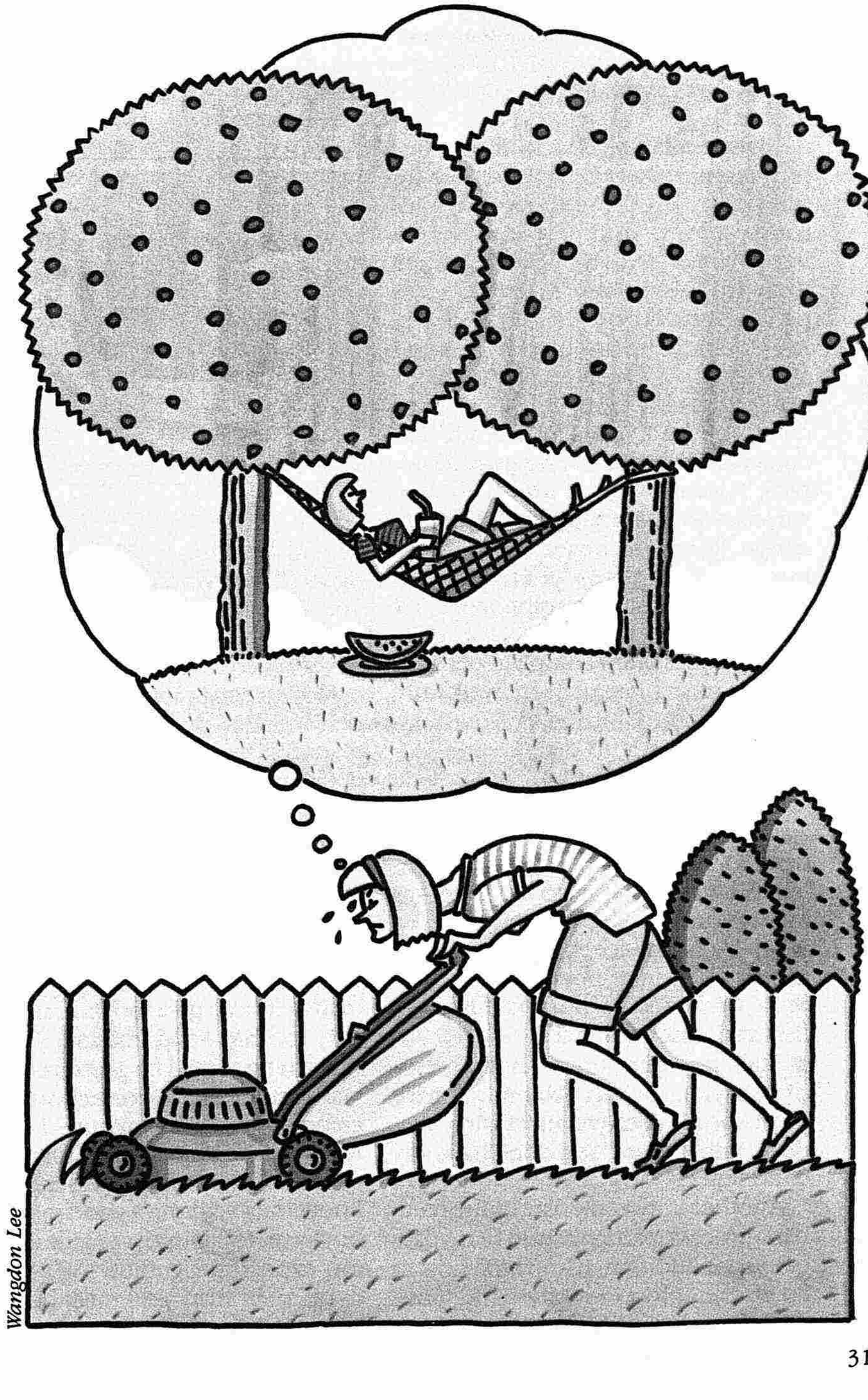
As trainers we should train managers to conduct goal-setting sessions with employees, covering all types of goals—day-to-day, long-term, problem-solving, innovative, personal, and so on. Better yet, we should help them tie such sessions into the performance appraisal system. Then, at evaluation time, the manager and the employee can discuss achieved goals, areas of progress, and plans to correct shortfalls. Expectancy theory can help shift appraisal systems from a subjective, input orientation to a more objective, results-measured orientation.

Make the work valuable. Employees work to achieve personal goals whether the goal is money, achievement, professional development, self-esteem, challenge, or satisfaction of social needs. Organizational goals must complement personal goals. When employees believe that working toward organizational goals will help them attain personally valuable goals, their commitment to achieving what the organization values will be greater. Because people's goals vary, it's imperative that managers know what their people value. The more successfully managers tailor the work and assignments to employees' drives and preferences, the better results those managers can expect.

Make the work doable. Too often managers assign work or responsibility without finding out how employees feel about it. Employees may worry about not being able to do the job successfully and may never give the manager any hint of their concern. Uncertainty about one's ability to meet a manager's expectations may cause demotivation—that is, a lack of expectancy to succeed. Managers often talk about laziness or the loss of the work ethic; they seldom recognize demotivation.

Trainers can show managers how to make assignments more doable for employees by

- making realistic assignments. Managers' projections often get in the way of their making assignments and promotions that the employee can do. They act on their perceptions of what they could do, neglecting to find out how employees perceive the job. A small but significant feat for trainers



would be to convince managers that employees' perceptions of their work and their working conditions are fully as important as those of managers.

■ monitoring progress and following through on commitments. The efforts of attentive, well-informed managers who know what their employees are doing at any given time and who carry out their promises to assist them help make employees' perceptions of their task more manageable.

■ negotiating with employees when appropriate. Altering an assignment to better use an employee's talents and experiences, adopting flexible work schedules, or using a mutually agreed-on evaluation method are a few techniques that can make the work more doable.

Give regular feedback. Many employees never hear how they're doing from their manager until a formal evaluation session. And many employees view evaluations as times for managers to air grudges, judge, or—to put it less politely—dump on their employees. An evaluation should be a formal assessment of areas of progress or needed improvement with which both employee and manager already are familiar. If managers have given feedback regularly—good *and* bad—few surprises should occur during the evaluation. Regular feedback takes time. In most motivation programs, it's *the* most time-consuming component. Yet it's imperative.

Employees often complain of never hearing when they perform well, only when they goof. Indeed, positive reinforcement is key to maintaining self-esteem and motivation. Yet critical feedback is important too. Many managers simply are intimidated by the need to give critical feedback. Learning the correct way to criticize—as follows—makes this process easier:

■ Give critical feedback as quickly after the action as possible.

■ Be very specific, but avoid laundry lists and past grievances.

■ Stick to descriptions—not labels—of behavior, such as "You might have been more assertive in closing that deal" rather than "You don't have any confidence."

Another important part of the feedback process, particularly in these days of intense litigation, is knowing how to counsel employees with performance problems. Employees with recurring problems or deficiencies in their appraisals deserve one-on-one counseling with the manager. The manager's success at counseling may determine whether the organization can avoid legal action later should the employee be terminated. Many organizations do not provide training for managers in counseling techniques, putting both managers and organizations at potential risk.

Reward employees when they meet expectations. People work for two types of rewards: internal rewards they give themselves and external rewards their managers give them. Of the two, internal rewards probably are the more powerful. External rewards, however, *can* reinforce internal ones. The most important reward is a message that should be clear in all organizations: Around here, when you do a good job, you'll be recognized for it. Unfortunately it's a message many employees never receive, let alone perceive.

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Money *can* act as a reward for good performance but often doesn't. Most managers would be better off to forget about money as a reward. Organizations tend to give too little too late for money to mean much. If an organization hasn't conveyed its value of the employee in other ways, an annual 5 percent merit increase won't convey it either. More lasting and meaningful rewards are praise—of which most managers also give too little and probably too late—and training.

Training should be perceived as a reward rather than a correction of deficiency. In just a few minutes in a training workshop, managers easily can jot down 25 or 30 ways to let employees know they've done a good job. Again, however, for employees to know they can expect recognition for a job well done, their managers must be consistent in giving rewards, not just now and then when they remember.

A context for management development

Expectancy theory thus is translated into five systematic steps for managers to apply. Admittedly the theory is simple, but the practice may not be. Management principles are universals, but management practice must be one on one. That's where training comes in, and these five easy-to-remember steps represent significant progress over the complex "skills packages" approach, in which managers sample a day or two of this, three days of that, and so on.

Motivation training, which often is presented as a subset of leadership or interpersonal skills training, easily umbrellas other management development components such as goal setting, appraising, delegating, coaching, training, giving feedback, interviewing, or handling problem employees. Presenting such skills in the context of motivation not only aids memory retention—the memory curve being our enemy—but demolishes the notion that management is a system of distinct acts. Successful management necessarily is a system of interrelated functions.

Using expectancy theory as the basis of a training program makes sense. It worked for me as a line manager; and in the 10 years that I've been giving presentations on motivation, no participant has protested with "Yes, it sounds good, but it doesn't work that way." And not one reviewer of my two books on motivation, both built on expectancy theory, has ever suggested that it is not, in reality, a practical theory.

The fact that so many trainers use Maslow, for example, suggests that trainers often opt for complexity when simplicity would be so much more attractive and effective. Maslow and the hierarchy theory may be interesting and marginally useful, but it's tough to show managers how to take advantage of the needs model on an everyday basis. In contrast, expectancy theory works admirably.