**Vroom expectancy motivation theory**

Whereas Maslow and Herzberg look at the relationship between internal needs and the resulting effort expended to fulfil them, Vroom's expectancy theory separates effort (which arises from motivation), performance, and outcomes.

Vroom's expectancy theory assumes that behavior results from conscious choices among alternatives whose purpose it is to maximize pleasure and to minimize pain. Vroom realized that an employee's performance is based on individual factors such as personality, skills, knowledge, experience and abilities. He stated that effort, performance and motivation are linked in a person's motivation. He uses the variables Expectancy, Instrumentality and Valence to account for this.

**Expectancy** is the belief that increased effort will lead to increased performance i.e. if I work harder then this will be better. This is affected by such things as:

1. Having the right resources available (e.g. raw materials, time)
2. Having the right skills to do the job
3. Having the necessary support to get the job done (e.g. supervisor support, or correct information on the job)

**Instrumentality** is the belief that if you perform well that a valued outcome will be received. The degree to which a first level outcome will lead to the second level outcome. i.e. if I do a good job, there is something in it for me. This is affected by such things as:

1. Clear understanding of the relationship between performance and outcomes – e.g. the rules of the reward 'game'
2. Trust in the people who will take the decisions on who gets what outcome
3. Transparency of the process that decides who gets what outcome

**Valence** is the importance that the individual places upon the expected outcome. For the valence to be positive, the person must prefer attaining the outcome to not attaining it. For example, if someone is mainly motivated by money, he or she might not value offers of additional time off.

The three elements are important behind choosing one element over another because they are clearly defined: effort-performance expectancy (E>P expectancy) and performance-outcome expectancy (P>O expectancy).

**E>P expectancy:** our assessment of the probability that our efforts will lead to the required performance level.

**P>O expectancy:** our assessment of the probability that our successful performance will lead to certain outcomes.

Crucially, Vroom's expectancy theory works on **perceptions** – so even if an employer thinks they have provided everything appropriate for motivation, and even if this works with most people in that organisation, it doesn't mean that someone won't perceive that it doesn't work for them.

At first glance expectancy theory would seem most applicable to a traditional-attitude work situation where how motivated the employee is depends on whether they want the reward on offer for doing a good job and whether they believe more effort will lead to that reward.

However, it could equally apply to any situation where someone does something because they expect a certain outcome. For example, I recycle paper because I think it's important to conserve resources and take a stand on environmental issues (valence); I think that the more effort I put into recycling the more paper I will recycle (expectancy); and I think that the more paper I recycle then less resources will be used (instrumentality)

Thus, Vroom's expectancy theory of motivation is not about self-interest in rewards but about the associations people make towards expected outcomes and the contribution they feel they can make towards those outcomes.

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**Expectancy theory in comparison to the other motivation theories**

There is a useful link between Vroom's expectancy theory and Adam's Equity theory of motivation: namely that people will also compare outcomes for themselves with others. Equity theory suggests that people will alter the level of effort they put in to make it fair compared to others according to their perceptions. So if we got the same raise this year, but I think you put in a lot less effort, this theory suggests that I would scale back the effort I put in.

Other theories don't allow for the same degree of individuality between people. This model takes into account individual perceptions and thus personal histories, allowing a richness of response not obvious in Maslow or McClelland, who assume that people are essentially all the same.

Vroom's expectancy theory could also be overlaid over another theory (e.g. [Maslow](https://www.yourcoach.be/en/employee-motivation-theories/maslow-hierarchy-of-needs-theory.php)). Maslow could be used to describe which outcomes people are motivated by and Vroom to describe whether they will act based upon their experience and expectations.

**Expectancy theory in companies**

Expectancy theory predicts that employees in an organization will be motivated when they believe that:

* Putting in more effort will yield better job performance
* Better job performance will lead to organizational rewards, such as an increase in salary or benefits
* These predicted organizational rewards are valued by the employee in question

In order to enhance the performance-outcome tie, managers should **use systems that tie rewards very closely to performance**. Managers also need to ensure that the **rewards provided are deserved and wanted by the recipients**. In order to improve the effort-performance tie, managers should engage in **training** to improve their capabilities and **improve their belief** that added effort will in fact lead to better performance.

**Expectancy theory: application to financial bonuses**

The implication of Vroom's expectancy theory is that people change their level of effort according to the value they place on the bonus they receive from the process and on their perception of the strength of the links between effort and outcome.

So, if someone perceives that any one of these is true:

1. My increased effort will not increase my performance
2. My increased performance will not increase my rewards
3. I don't value the rewards on offer

...then Vroom's expectancy theory suggests that this individual will not be motivated. This means that even if an organisation achieves two out of three, that employees would still not be motivated, all three are required for positive motivation.

For financial bonuses, it implies that people need to feel that their increased effort will be able to attain the level needed to get the bonus. Or, if no additional effort is needed, none will be added. This means a balance must be created, if a financial bonus is to be given, between making it achievable and not making it too easy to achieve. There need to be clear standards of achievement.

On top of that, the question is to what extent financial bonuses are really valued by people. If we look at the needs theories and Herzberg's motivation factors, money is just a small part of a much larger picture