

FACTORS INFLUENCING EMPLOYEES ON JOB INVOLVEMENT: EFFECTS OF EXPECTANCY THEORY ON PRIVATE BANKING BANGLADESH

Farhana Afroz¹

ABSTRACT

The studies of expectancy theory have been established as major conceptual framework for explaining work related behavior. The present research study has a certain aim to identify whether factors of expectancy theory do motivate employee for delivering high involvement at workplace. This study is a casual research in nature. Using nine components, the present study extracted three fundamental factors by using factor analysis method. This report found that are most important factors to be considered valance, instrumentality and expectancy in this order .For data collection, a questionnaire survey of 100 executives of private bank of Dhaka district was carried out. This research could help researchers and practitioners in terms of framing the concept of job involvement not only for banking industry as well as for other industries in Bangladesh.

Keywords : Job Involvement, Expectancy, Instrumentality and Valence

1. INTRODUCTION

Expectancy theory has evolved in the recent years as a basic pattern for the study of human attitudes and behavior in work and organizational settings (Lawler and Suttle,1973).The aspects related to employee's job performance or involvement have been a concern of all times, but especially of the current society, irrespective the field of activity (Suciu, 2013). Performance is defined as the productivity and accomplishments of a worker, which are acknowledged by the organization or system in which he works(Robbins ,2003).Job involvement refers to the active participation of employees in their work and in the decision-making (Lowler, 1992).

¹Senior Lecturer, Faculty of Business, Contact: 01912026168, E-mail: farhana.afroz.2009@gmail.com, Northern University Bangladesh

It also indicates the flow of information and power downward in the organization so that employees can work autonomously and regulate their own behaviors (Cummings and Worley, 1993). For the attainment of organizational goals and employer should understand the mechanism why the employee involve himself or herself to work for the utmost level. Expectancy theory is one of the most central motivation theories, and substantial evidence supports the view that expectancy theory can predict effort and performance (Van Eerde and Thierry, 1996; Mitchell, 1974). Expectancy theory is a decision theory of human motivation and choice in the work situation.

It has been suggested that the theory can provide the basis to prescribe, describe and predict a wide variety of work related variables (House et al, 1974). It is clear that the variables embodied in the theory are all capable, under certain conditions, of predicting satisfaction, effort, and performance, though the link between outcome expectancies and performance has received less consideration in the banking industry (House et al, 1974). With the help of this study, author wanted to mitigate this gap by applying widely accepted Expectancy theory and with an in-depth observation of the effect of the components of Expectancy theory on job involvement and also to identify among the three factors of Expectancy theory, which one affects the employees mostly in the banking industry.

2. LITERATURE REVIEW

Vroom's (1964) expectancy theory was developed to predict individuals' levels of motivation. Expectancy theory predicts that individuals will be motivated to put forth effort if they believe that their effort will result in good performance (expectancy); that this performance will lead to secondary outcomes, such as rewards, recognition, or satisfaction (instrumentality); and if they assign a high positive valence to the secondary outcomes. Vroom's Expectancy theory tries to explain the motivated behavior which is goal oriented. He argued that people tend to act in a self-indulgent way which implies preferring the actions that will bring the highest subjective value (Vroom, 1964).

Essentially, the Expectancy theory argues that 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 on the attractiveness of that outcome to the individual (Robbins, 1993). As a consequence, behavior could be oriented towards anticipated and individualized goals. Vroom's theory states that the 'choices made by a person among alternative courses of action are lawfully related to psychological events occurring contemporaneously with the behavior (Vroom, 1964).

So, people choose among alternatives in a conscious manner and the choices are systematically related to psychological processes, particularly perception and the formation of beliefs and attitudes (Pinder, 1984). On that note, it can be said that organization should work on those issues which actually force the employees to act in manner to ensure high job involvement. The banking industry now is in growth stage and its contributing a lot in our nation's development.

Expectancy theory is often criticized for being too idealistic. Although, it helps in identifying self-interested individuals in an organization who are willing to perform at their best. These employees can achieve maximum job satisfaction or job involvement if the right motivator is provided to them. Thus, the theory helps in interpreting individual psychologies. This in turn helps in recognizing the individual motivators that influence people to make choices based on their specific expectations (Kanfer 1990; Ramlall 2004). In this particular study has the following aim- To identify whether each Expectancy theory factor does influence employees equally for job involvement.

Conceptual Framework

Based on the literature review, the following figure 1 has been developed to show the framework of the research. Earlier, it has been explained and proven job involvement is one of the components of job attitude and for ensuring the job performance or high job involvement. The following Expectancy factors can be played an integral part of the performance of an employee. However, which might not be true for everybody since job attitude depends on two factors such job involvement and job satisfaction.

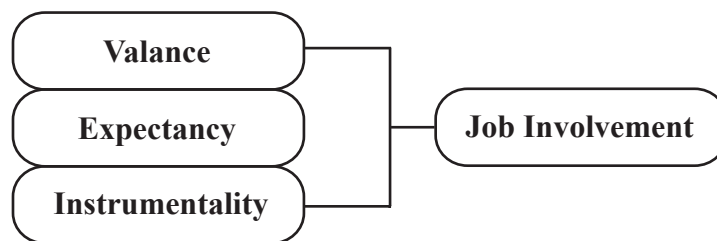


Figure1: Conceptual Framework of this Research (Author's projection)

Valance

It indicates the value an individual places on the rewards of an outcome, which is based on their needs, goals, values and sources of motivation. Influential factors include one's values, needs, goals, preferences and sources that strengthen their motivation for a particular outcome. Valence is characterized by the extent to which a person values a given outcome or reward. This is not an actual level of satisfaction rather the expected satisfaction of a particular outcome (Montanaet.al, 2008)

Expectancy

Expectancy is the belief that one's effort (E) will result in attainment of desired performance (P) goals. Usually based on an individual's past experience, self-confidence (self-efficacy), and the perceived difficulty of the performance standard or goal (Chiang, et.al.2008). Following measures can be considered to describe expectancy:

- Self-efficacy – the person's belief about their ability to successfully perform a particular behavior. The individual will assess whether they have the required skills or knowledge desired to achieve their goals.
- Goal difficulty – when goals are set too high or performance expectations that are made too difficult. This will most likely lead to low expectancy. This occurs when the individual believes that their desired results are unattainable.
- Perceived control – Individuals must believe that they have some degree of control over the expected outcome. When individuals perceive that the outcome is beyond their ability to influence, expectancy, and thus motivation, is low.

Instrumentality

Instrumentality is the belief that a person will receive a reward if the performance expectation is met. This reward may present itself in the form of a pay increase, promotion, recognition or sense of accomplishment. Instrumentality is low when the reward is the same for all performances given. Factors associated with the individual's instrumentality for outcomes are trust, control and policies:

- Trusting the people who will decide who gets what outcome, based on the performance,
- Control of how the decision is made, of who gets what outcome,
- Policies understanding of the correlation between performance and outcomes

3. METHODOLOGY

A questionnaire served as a data-gathering instrument .The cover page of the questionnaire described the purpose of this study. The study is an explorative research to find out the Expectancy factors which are influencing to employees for the job involvement or not .A convenience sample of 100 respondents was drawn from various private banks of Dhaka district. Data for the study is collected by administering a structured questionnaire .The items in the questionnaire are adopted from the literature.

The questionnaire consists of two parts .The first part of consists of demographic and personal information of the respondents and the second part consists of a series of statements where the respondents needed to provide answers in the form of agreement or disagreement to express their attitude towards the effect expectancy theory on high performance construct on a 5-point Likert scale (Strongly Agree -5, Agree-4, Neutral -3, Disagree-2 and Strongly Disagree-1).

For conducting the factor analysis, we have done a pilot test to identify the exact items from the questionnaire. Since the concept of Expectancy theory needs a certain level of knowledge to understand, for that reason as a respondent we surveyed service holders like the bankers in the private sector. We have assigned two undergraduate students for distributing the questionnaire and their main task was to communicate with the respondent that they completely understand the concept. Initially the questionnaire was consisted of fifteen items but later on it was nine items. Most subjects spent between 7 to 10 minutes filling out the entire questionnaire.

4. DATA ANALYSIS AND FINDINGS:

4.1 Descriptive Statistic

Table 1
Summary of Respondent

Dimension	Description	Frequency
Gender	Male	80
	Female	20
Age	25-30	19
	31-35	44
	36-40	25
	40 and Above	12
Working Tenure	0-2	19
	3-4	39
	5-6	28
	7 and more	14

Table 1 has explained the demographic profiles of the respondents. Most of the respondents were male and age belongs to 31-35 and maximum respondents are working for 3 to 6 years respectively

4.2 Factor Analysis

•Construct Validity

TABLE 2
Depicts the Result as Moderately Significant Following Kmo & Bartlett's Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.654
Bartlett's Test of Sphericity	Approx. Chi-Square	421.851
	df	36
	Sig.	.000

A large value (.654) and (Bartlett’s Test of Sphericity .000) indicates that data collected for factor analysis is mediocre adequate as revealed by the table 2 (Hutcheson and Sofroniou, 1999).A principal component factor analysis with Varimax Rotation was carried out for items or dimensions indicating factors that influence employees for high performance .

An assessment of Eigen value (table 4) has led to the retention of three factors. These factors have accounted for 40.837%, 21.193% and 11.715% respectively .This means that the total variance accounted by all the three factors is 73.746%(table 4)The rotated factor grid has appeared in the (table 3).This shows that variables under study have consisted of three factors which indicates the Expectancy theory.

TABLE 3
Factors Loadings of Correlation Coefficient Based on Varimax Rotation of Factors Influencing Employees for Job Involvement in Private Banks

Rotated Component Matrix			
Variables	Factors		
	1	2	3
X _{1,1}	.893		
X _{1,2}	.870		
X _{1,3}	.678		
X _{2,1}		.882	
X _{2,2}		.828	
X _{2,3}		.588	
X _{3,1}			.854
X _{3,2}			.794
X _{3,3}			.672
Extraction Method: Principal Component Analysis.			
Rotation Method: Varimax with Kaiser Normalization.			
a. Rotation converged in 5 iterations.			

Where, for $X_{i,j}$, i identifies factor and j identifies items under i th factor . Accordingly, these 9 items are classified in three main components or factors as:

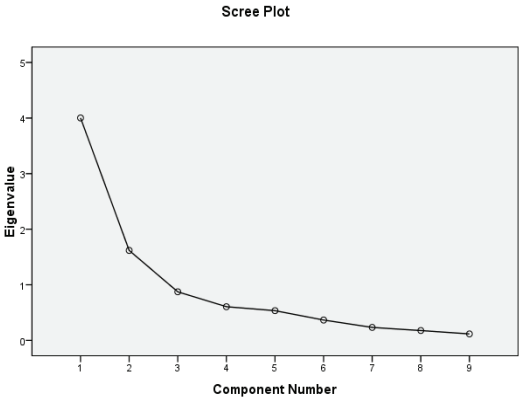
Factor -1 (comprising 3 items) is labeled as “Valance”

Factor -2 (comprising 3 items) is labeled as Instrumentality”

Factor -3 (comprising 3 items) is labeled as “Expectancy”

TABLE 4
Total Variance Explained

Total components	Initial Eigen Values			Rotated Sum of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.675	40.837	40.837	2.320	25.778	25.778
2	1.907	21.193	62.031	2.300	25.558	51.336
3	1.054	11.715	73.746	2.017	22.410	73.746
4	.630	6.999	80.744			
5	.610	6.773	87.517			
6	.437	4.852	92.369			
7	.353	3.920	96.289			
8	.194	2.151	98.440			
9	.140	1.560	100.000			



Extraction Method: Principal Component Analysis

a. When analysis a covariance matrix ,the initial eigenvalues are the same across the raw and rescaled solution

4.3 Analysis:

Factor -1: Valance

Factor -1 explains 40.837 % of the total variations presented in the variable set. This factor has the most significant loading on these variables that have formed the most significant group. Valance is importance because the individual places the highest preference on the outcome. It is the most influential variable and employees focus on the desired outcomes mostly before engaging themselves for ensuring high job involvement at workplace.

Factor -2: Instrumentality

Factor -2 explains 21.193% of the total variance presented in the variable set. This factor has significant factor loading ranging from moderates to high on these variables, which formed the second important group. Instrumentality is the belief good performance will lead to a valued outcome.

Factor -3: Expectancy

Factor -3 explains 11.715 % of the total variations presented in the variable set. This factor also indicates significant factor loading on these variables that have formed another important group Here employees consider increased effort will lead to increased performance, here employee's confidence, believe of the accomplishment on work are very crucial factors to make themselves align with work deeply. Here this factor is least preferred variable to employees for evolving themselves at workplace.

5. DISCUSSION

Valence, instrumentality, and expectancy—were included in relation to 5 types of criterion variables: performance, effort, intention, preference, and choice (Van, et.al, 1996). Though Expectancy attitudes were found to be significantly related to some measures of effort and performance. Expectancy theory holds that people are motivated to behave in ways that produce desired combinations of expected outcomes (Kreitner, R. and Kinicki,1998).The absence of any factor from the formula will lead to a lack of motivation (that is why in the above formula there is a multiplication and not an addition sign). So, if any of the model's factors is null, motivation will also be null.

To make the employee involve in an utmost way, the organization has to ensure all the expectancy factors in the work place. In this study, it also proved that but among the three factors, valance has given the most significance and preferred factor by the respondent. So it can be said before job involvement, employees consider the outcome of their hard work at workplace. According to Montana et al. (2008) Expectancy theory emphasizes the needs for organizations to relate rewards directly to performance and to ensure that the rewards provided are those rewards deserved and wanted by the recipients. In another, it can be entitled reward mechanism is one the powerful driver to attract and retain employees and for ensuring organization ultimate success. Instrumentality is the belief that a person will receive a reward if the performance expectation is met.

This reward may present itself in the form of a pay increase, promotion, recognition or sense of accomplishment. Instrumentality is low when the reward is the same for all performances given. In the organization, they should introduce such mechanism where individual will be treating differently from each other. Victor Vroom's expectancy theory is one such management theory focused on motivation. According to Holdford and Lovelace-Elmore (2001, p. 8), Vroom asserts, "Intensity of work effort depends on the perception that an individual's effort will result in a desired outcome". In order to enhance the performance-outcome tie, managers should use systems that tie rewards very closely to performance.

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 (Montana, et al., 2008). For the higher benefit , organization should be considered self-interest in the alignment of rewards with employee's wants and also make connection among expected behaviors, rewards and organizational goals for win –win situation .Although expectancy model has a lot of criticism and many authors have entitled this theory as being too simplistic in nature and need to revise.To identify the job involvement of an employee other factors should be taken into account such as Big Five Personality Dimensions (Barrick and Mount,1981),Organization Commitment(Judge, 2001), Work/life Balance Policies (Anderson, 2002) and so on.

6. CONCLUSION

Expectancy theory has evolved in recent years as a basic paradigm. Industrial and organizational psychologists have built upon the original Vroom model to describe and predict a wide variety (Robbins, 1993). According to Robbins and Judge (2013), expectancy theory is more suitable than other theories like goal-setting theory in organizations which have proper infrastructure. In this particular study, we have seen that reward is very important construct among these factors. Here it needs mentioning that expectancy theory also suggests that different people want different things from their organization. Organizations are able to identify actual performance of their employees using this theory. So, this theory helps them in retaining employees who can add value to their firm by recognizing their respective intrinsic and extrinsic motivators (Ramlall 2004; Samuel and Chipunza 2009).

Effort measure ensures this theory works towards interpreting the specific behavior that the employees exhibit based on their individual expectancy calculations, considering this outcome organization can map out what kind of remedy organization should provide its employees. The process of rewarding for desired performance outcome is instrumentality if there is any kind of discrimination or any unethical practice exists, it will negatively effect in the positive involvement of employee. With the help of this particular study author wanted to find out the effect of expectancy theory. Today's world employee's expectation has been changed a lot and the way organization changes the standard of high performer.

To ensure the high performance, organization can not only stand on Expectancy theory's factors rather need to work on others work motivational factors to make productive employee. Hence, managers often need to incorporate additional performance measurement theories along with expectancy theory in order to measure and monitor individual performances (Parijat and Bagga 2014).

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AUTHOR'S BIOGRAPHY

Farhana Afroz has been working as Senior Lecturer in Northern University Bangladesh in the Faculty of Business. She has completed her Master of Business Administration from North South University and Bachelor in Business Administration from East West University. Her current research interest includes work team management, leaderships, motivation, work life balance and women empowerment. She has good number of publications in international journals and local such as Emerald and International Journal of the Academy of Organizational Behavior Management and participated and presented papers in international conference namely International Conference on Business and Management (ICBM 2017) and 13th International Knowledge Globalization Conference 2018 and so on.