# Research on Vroom's Expectancy Theory: Incentives in the NBA

## Ziyang Sang

Business School, University of Bristol, Bristol, UK

## Abstract

**This essay is based on the motivation theory proposed by Vroom in 1964 as a starting point to construct a model to explain the defects of the effect of the motivation theory by analysing the contractual effect of the commercial league NBA. Through the analysis of the commercial league players, the expectations, instrumentality and personal values in the motivation theory are combined with the players' draft, sports performance, own training, etc., to discuss the positive motivation of the expectation theory for the employees as well as the existence of the theory can be improved space. The results show that when employees for their own value can be achieved and the organisation has certain incentives, employees for the organisation or enterprise have a positive feedback effect, but to a certain extent will ignore the play of the employee's subjective initiative, in the application of social theory there is still room for discussion.**

## Keywords

**Victor Vroom's Expectancy Theory; Motivation; NBA Player Motivation Model.**

## 1. Introduction

Motivation has always been a major focus of management research today and has a significant impact on the relationship between researchers and organizations, with expectancy theory being one of the most important theories for motivating researchers.

In today's business league, the NBA is one of the better business leagues in terms of player motivation - in other words, failing to motivate players to perform better for their teams means losing the competitive edge in the league. So using the right incentives to keep players competitive is vital to the overall performance and commercial value of the team. The NBA's use of contractual mechanisms to motivate players is a unique system of its own and is an example of how expectation theory can be well applied in practice, and a study of it can provide a better understanding of expectation theory.

How expectancy theory motivates workers is a subject that researchers have worked tirelessly on. Among others, Brent Estes and Barbara Polnick (2012) studied the relationship between motivation and work output by examining the number of scholarly works published by higher education teachers before and after their tenure, and Seongsin Lee (2007) conducted a quantitative analysis of how public libraries motivate patrons to better participate in their projects. Therefore, expectancy theory treats research and application both from a managerial and sociological perspective.

This article attempts to investigate the generalisability of expectancy theory by analysing how rookie players get a big contract in the NBA. The focus of the article is to develop a research model to analyse this case to speculate on the shortcomings of expectancy theory.

## 2. Literature Review

The concept of motivation was first born in the early 20th century and was used by scholars to explain the psychology of employees at work until Victor Vroom (Vroom,1964) introduced 'expectancy theory', which combines theories from management psychology and behavioural

psychology. Its main clarification is that the more certain a person is about a goal, the higher the estimated probability of reaching it, the stronger the motivation and the greater the incentive. In leadership and management, the use of expectancy theory has implications for the motivation of subordinates (Niloofar,2020; Ryan,2010). This paper will be a major study of the expectancy theory proposed by Victor Vroom in 1964, and all references to expectancy theory in the following text refer to this.

## 2.1.    Problem Statement

The birth of expectancy theory has implications for managers to motivate employees to increase output and improve organizational effectiveness. However, as most research articles confuse the concepts of expectation and valence when studying expectation theory (Kasowitz,2002), the results of the articles can be biased to a certain extent; moreover, there are still some articles that neglect to analyze the subjectivity of the research subject when analyzing the research topic, resulting in the results presenting a singularity(Carbone,1989; Ryan,2010;). In this paper, we analyze whether the NBA's incentives for players, whether intrinsic or extrinsic, still satisfy expectancy theory, to further analyze the generality of expectancy theory and whether there are research gaps in the theory.

## 2.2.    Victor Vroom's Expectancy Theory

Expectancy theory, also known as value-industry-expectancy theory, is a theory from management psychology and behavioural science(Janssen,Vroom 1964),. The theory can be expressed as follows.

$$Excitement = Expectation \times Valence$$

It was developed in 1964 by Victor H. Frum, a leading North American psychologist and behavioural scientist, in Work and Motivation. The four factors in this expectancy model need to balance three relationships. This relationship between needs and goals is represented by the process model:

$$individual\ effort \rightarrow individual\ achievement\ (performance) \rightarrow organizational\ reward$$
$$(remuneration) \rightarrow individual\ need$$

Expectancy theory makes the following assumptions in explaining people's motivation:When deciding among behavioural options, individuals select the option with the greatest motivation forces (MF). The motivational force for behaviour, action or task is a function of three distinct perceptions: Expectancy, Instrumentality, and Valance. The motivational force is the product of the three perceptions:

$$Motivation\ Force\ = Expectancy \times Instrumentality \times Valence$$

(1) Expectancy probability: based on the perceived effort-performance relationship. It is the expectancy that one's effort will lead to the desired performance and is based on experience, self-confidence, and the perceived difficulty of the performance goal.

(2) Instrumentality probability: based on the perceived performance-reward. relationship. Instrumentality is the belief that if one does meet performance expectations, he or she will receive a greater reward.

(3) Valence: refers to the value the individual personally places on the rewards. This. is. a function of his or her needs, goals, and values.

In practice, the efficacy of each goal is often negatively correlated with expectations. Goals that are difficult and have a low success rate are socially significant and meet the individual's need for achievement and have a high valence(Jans,1988 ;Zeithaml,1996), whereas goals with a high success rate can be unchallenging and uninteresting to do, resulting in a lower overall valence. Therefore, the design and selection of appropriate external goals that give them hope of success and make it worthwhile to strive for them is a key issue in the motivational process.

## 2.3. Special Incentives Exist in the NBA

In the context of contemporary sport, various sports business leagues have introduced various measures to tap talent to contribute to them to increase their value. Whether it be from the local draft or the selection of international players, these are measures to further their influence(Connor,2009). This has led to the question on everyone's mind, how can we increase the value of players(Leong,2003), or rather, how can we get new arrivals to bring more commercial value to the team and the league, one of the more effective ways is to use various contracts to motivate players, Geoffery Z. Kohe and Laura G. Purdy (2016) have stated that contracts have allowed athletes across the globe to behave more like a worker. There is no doubt that the NBA was certainly not the first league to utilize player contracts to bring incentives to players, but due to the availability as well as the typicality of NBA terms, this business league was chosen for discussion in this paper.

What follows is an analysis of the feasibility of the NBA having a study. Firstly, teams in the league organize tryouts for players in the off-season, with the top scorers receiving high picks in the new season's draft, with the top pick being the number one pick. And the players who are ranked high will have priority in getting selected by teams and getting big contracts. It is worth noting that the team with the first pick is often the team that finished at the bottom of the draft the previous season, which means that the higher-ranked player often has to play the role of saviour for the new team, and the lower-ranked player can often join the stronger team in the league (in theory, but there are still pre-game trades, so we are talking about the ideal situation here). Because of this, higher-ranked players can often play well and put up flashy numbers, while lower-ranked players can go farther with their teams. So the draft position can, to some extent, represent the level of expectation a player has from the league.

Secondly, during the first three years of a rookie's career, which is the period of a player's rookie contract, if a player can play well or have a good record with the team, it means that he will be able to fight for a bigger contract, which urges the player to train harder and polish his skills. For example, during the rookie contract period, a player who can trigger the Rose Clause, which means he can sign a big contract with a team and get a top salary if he is selected as the regular season MVP or an All-Star twice in his first three years.

So to sum up, the NBA has a complete set of incentives for players, and players themselves have clear expectations, so whether this can be studied using expectancy theory and whether the core of expectancy theory can be better understood is the next question to be examined. Therefore, I will present my research questions here:

> Q1:How the expectation theory hold up in this case?
>
> Q2: Are there research flaws in expectancy theory?

## 3. Discussion

As Vroom (1964) points out, individuals are motivated when they meet three conditions. Firstly, individuals must value the outcome of the behaviour. Secondly, individuals must believe in the possibility of realizing the value of the behavioural outcome, in other words, individuals are motivated when they believe that they will receive some reward for how they act. Finally, they

must expect that they can achieve these behaviours and be rewarded for them. Based on these three basic arguments, a model will then be developed for specific analysis.



**Figure 1.** Vroom's Expectancy Theory Model

NOTE: Adapted from https://wikispaces.psu.edu/display/PSYCH484/4.+Expectancy+Theory

## 3.1.    For Q1 Solutions: NBA Player Motivation Model

First, according to expectancy theory, expectation represents a player's entry-level into the league and the player's perception of the probability of achieving a big contract; secondly, the player's belief that they can get paid what they need through team training and on-court performance; and thirdly, the team's ability to offer different contracts to meet the player's needs.

We will now analyze the variables one by one. Firstly, in terms of the draft order, which represents expectation, it has already been broadly explained that players with a high draft order will receive more attention and will themselves generate greater expectation. For example, the 2003 NBA draft pick, LeBron James, was the number one high school player in the country before he even entered the NBA, was drafted by the Cleveland Cavaliers in the first round, and in his debut year was able to average 20.3 points per game and lead his team to the finals. This series of lavish numbers certainly added to his subsequent contract offer and making the playoffs allowed the team to start bringing in stronger players for a championship run. It certainly shows that momentum is created when there is some expectation of results being achieved(D'Agostino,2012).

The instrumental type in this model can be understood as the effort required by the player to reach his own goal, i.e. a higher offer. This includes, but is not limited to: team tactical training; own strength training; own technical training; own shortcomings; this is the effort a player needs to make to further enrich his performance on the field, be it in terms of statistics or being selected as an All-Star. There are so many examples of athletes training hard, so here's an impressive example: Kobe Bryant was drafted by the Charlotte Hornets in the first round, 13th overall, in 1996, and was immediately traded to the Los Angeles Lakers. Being in an awkward position in the draft, he had to start from the bench at first, which led to only averaging 7.6 points per game in his first year of debut. But over the next two years, Kobe surged from 7.6 ppg in '96 to 15.4 ppg in '97, and reached a staggering 19.9 ppg in the '98 season, edging out the Lakers' then starting point guard Eddie Jones and being named an All-Star that same year. Later in the story, we all know that this amazing improvement was due to Kobe's humble learning and the constant training that made his progress on the court seem so miraculous. In this way, it seems that the amount of training does affect a player's performance and the positive feedback from training motivates the player to push on to the next level.

Finally, the team's ability to meet the needs of the players is also a factor that must be taken into account(Yee,2001). In commercial leagues, to limit a team's dominance over time, there is generally a limit on the team's salary cap, which is the maximum number of contracts that the team's management can offer to players during the transfer period, above which a luxury tax is payable. However, there are specific contractual clauses that allow players to break these rules by over-performing, such as the Larry Bird clause, which states that if a player plays for a team for more than three seasons, the team can skip the salary cap authority and continue to sign the player, and the player can also receive the league's maximum salary increase for the player. This means that when a player becomes a cornerstone of the team, the benefit from both management and the league as a whole will be to the player, and this makes it possible for the team to meet the player's needs.

Thus from the previous analysis, it can be judged that the contractual mechanism of the NBA is for the player to satisfy the conditions of the expectation theory, so this model can be established according to the expectation theory formula as:

**Table 1.** NBA Player Expectation Model Based on Vroom's Expectancy Theory

| Motivation Force= | Expectancy  x | Instrumentality  x | Valence |
|---|---|---|---|
| Force directing players get big contracts | Players predict the likelihood of them being able to secure a big contract (Selection) | Players can perform well through training | The value of team management being able to meet the needs of the players |

## 3.2. For Q2 Solutions: Limitation and Critique

Limitation: This article starts from the core theory of expectancy theory, the relevant performance of the players and the corresponding results obtained are analyzed, although in the results, i.e. in the establishment of the model, is to meet the conclusions of the expectancy theory, there are still some factors that failed to be designed, such as:

(1) Injuries. In this model, as rookie contracts are in the first three years of a career, it is difficult for many athletes to have an upward career spiral once they become ill, which inevitably leads to a lower evaluation of their career and thus less motivation. For example, Derrick Rose suffered a serious meniscus injury in the third year of his career and went through a long period of decline; Steph Curry suffered an ankle injury early in his career and did not even finish his rookie season. But the point is that professional athletes often have great mental strength, and there are often many forces that sustain them, and these athletes also continue to move forward after overcoming injuries. So that's the next point to discuss.

(2) Willpower. As mentioned earlier, what makes an athlete strong is not only the statistics but also his mental strength. And in this experiment, if one were to simply use expectancy theory in the output analysis of the athletes, one would find that the issue of will is directly ignored. On the positive side, many players, even if they are not drafted high, can still stand up through hard work or find their unique role on the team later in life, such as the Warriors' Draymond Green, who plays the role of an organizing forward in the Warriors' unique system; and on the negative side, many players who are drafted high, in other words, have high expectations for their careers, and because they enter the league On the flip side, many players with high expectations, in other words, high expectations for their careers, have entered the league and have become addicted to clubbing, training and even drugs, leading to the end of their careers. This is why the traditional expectation theory is so negligent of the individual's will and can lead to biased results.

Critique: The use of expectancy theory can explain the results in the overall analysis of the results of this experiment, although it is difficult to find an appropriate correspondence using expectancy theory for certain variables in the design, and certain factors can have an impact, for example, in this experiment:

(1) Talent. From the model designed in this paper, it will be seen that the design for draft order is based on the overall strength of the player. However, there is no one measure of strength until these players play, so the true meaning of the draft order is based on the results of the player's tryouts, i.e. dynamic talent versus static talent. If we consider talent as a dimension, when we associate a 6'8" player with a 2'1" player to choose from, most people will give preference to the player with better static talent because athletics means higher, faster and stronger. This leads to the misconception that players with poor static talent are automatically labelled as 'not good. Even though the trial results will eventually test the dynamic talent, the innate disparity will make many team management feel that these players will have a hard time establishing themselves. It is a misconception that even at this level of the NBA, there are only a few outliers, such as 1996 draft pick Allen Iverson, who was only 6'3" tall, but quickly rose to prominence with his great speed and disorienting change of direction passes. Talent can have a huge impact on ranking, but with expectation theory, we can't get a deeper breakdown of an individual's ability, which always leads to inaccurate experimental regression results.

Hence, based on the results of this experiment, a research gap can be identified regarding expectancy theory:

(1) Lacking consideration of the volitional process of behaviour. In expectancy theory, only the expectations of people's work, such as their ability to do the job, and the benefits of their work, are considered. It is clear from this that, while expectancy theory focuses on the possibility and necessity of people's behaviour to motivate them to work, it neglects the crucial role that people's moral consciousness, sense of responsibility, sense of rules, sense of obligation, sense of superiority and other volitional processes play in motivating them to work.

Ignoring the fundamental role of training or education for personal motivation. Victor H. Vroom had explicitly advocated "stimulating employee behaviour with expected rewards or outcomes, rather than repeatedly inducing specific behaviours with direct rewards to elicit conditioned responses". This effectively exaggerates the role of expectancy theory in practice and negates the effectiveness of job training and work behaviour education.The importance of concept and execution is also overlooked(Robson,2007). Philosophy and execution are equally motivating for individuals, and basic culture building is a positive contributor to the achievement of individual goals.

## 4. Conclusion

Overall, motivation can be seen as the preferential and executable nature of an individual's choice of things. Froom's expectancy theory also emphasizes the importance of motivation in explaining why people choose certain behaviours.

From this perspective, Froom's expectancy theory has a clear explanation for answering the motivation of individuals to choose and have set directions forgiven things. The main objective of this paper is to present the NBA model of motivation to analyze whether the expectancy theory is universal and reasonable in its practical application. The results of the study show that expectancy theory is somewhat negligent in its consideration of individual willpower and ignores the effectiveness of feedback in its practical application.

In conclusion, expectancy theory is still of great practical relevance, and it is important to continue to improve its content.

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