Working with Great Expectations: the Impact of Met and Unmet Expectations on Employee Engagement and Intent To Leave

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Expectations are a part of everyday life and whether expectations are met at work has consequences for employees and organizations. Met expectations can contribute to positive outcomes (e.g., successful workplace adjustment) and unmet expectations have been linked to undesirable outcomes (e.g., withdrawal). The outcomes of interest in this study were employee engagement and intent to leave or remain. Cross-sectional, archival survey data from employees of an electric utility company in the southwestern U.S. ($N = 79$) was used. This paper contributes to the literature by showing a direct association between met expectations and engagement. Further, employee empowerment and inclusion were found to positively predict engagement – both directly and indirectly via met expectations. This study also affirms previous research showing a relation between met expectations and intent to remain. No support was found for the notion that career and development perceptions moderate this association.

KEYWORDS: met expectations; intent to remain; employee engagement; career and development perceptions; employee empowerment; inclusion
WORKING WITH GREAT EXPECTATIONS: THE IMPACT OF MET AND UNMET EXPECTATIONS ON EMPLOYEE ENGAGEMENT AND INTENT TO LEAVE

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WORKING WITH GREAT EXPECTATIONS: THE IMPACT OF MET AND UNMET EXPECTATIONS ON EMPLOYEE ENGAGEMENT AND INTENT TO LEAVE

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M.D.
CONTENTS

ACKNOWLEDGMENTS .............................. i

TABLES ........................................ vi

FIGURES ........................................ vii

CHAPTER I: INTRODUCTION AND LITERATURE REVIEW .............................. 1

Expectations: Unavoidable, Ubiquitous, and Useful .............................. 1

How Expectations Form and Why They Matter ..................................... 1

Expectations of Work .............................. 2

Summary of Met Expectations Research ........................................ 3

Realistic Job Previews ...................................................................... 5

Expectation Lowering Procedure .................................................... 6

Meta-Analysis of Met Expectations .................................................. 6

Gaps and Reasons for Research ....................................................... 7

Research Aims and Questions ........................................................ 7

Newcomer Expectations vs. Employee Expectations ............................ 8

Conceptual Development and Hypotheses ......................................... 9

Met Expectations and Intent to Remain ............................................ 9

Intent to Leave .............................................................................. 9

Social Exchange Theory ............................................................... 9

Hypothesis 1. ............................................................................ 10

Career and Development Perceptions as a Potential Moderator ............ 10

Career and Development Perceptions and Intent to Remain .................. 10
CHAPTER II: STATISTICAL ANALYSIS METHODS AND RESULTS

**Statistical Analysis Methods**

**Results**

- Scale Reliabilities
- Descriptive Statistics
- Hypotheses

  - Hypothesis 1
  - Hypothesis 2
  - Hypothesis 3
  - Hypothesis 4
  - Hypothesis 5

**Research Question 1**

CHAPTER IV: DISCUSSION

**Research Aims**

**Key Findings**

- Met Expectations and Intent to Remain
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Career and Development Perceptions as a Moderator</td>
<td>39</td>
</tr>
<tr>
<td>Quality of Supervisory Relationship as a Moderator</td>
<td>39</td>
</tr>
<tr>
<td>Met Expectations and Sustainable Engagement</td>
<td>40</td>
</tr>
<tr>
<td>Met Expectations as Mediator of Employee Empowerment-Sustainable Engagement</td>
<td>40</td>
</tr>
<tr>
<td>Met Expectations as Mediator of Inclusive Environment-Sustainable Engagement</td>
<td>41</td>
</tr>
<tr>
<td>Limitations</td>
<td>41</td>
</tr>
<tr>
<td>Recommendations</td>
<td>42</td>
</tr>
<tr>
<td>Practical Applications</td>
<td>42</td>
</tr>
<tr>
<td>Future Research</td>
<td>43</td>
</tr>
<tr>
<td>In Summary</td>
<td>44</td>
</tr>
<tr>
<td>REFERENCES</td>
<td>46</td>
</tr>
<tr>
<td>Table</td>
<td>Page</td>
</tr>
<tr>
<td>----------------------------------------------------------------------</td>
<td>------</td>
</tr>
<tr>
<td>1. Descriptive Statistics and Correlations for Study Variables (N = 79)</td>
<td>32</td>
</tr>
<tr>
<td>2. Hierarchical Regression Analysis Predicting Intent to Remain from Met Expectations and Moderated by Career and Development Perceptions (N = 79)</td>
<td>33</td>
</tr>
<tr>
<td>3. Hierarchical Regression Analysis Predicting Intent to Remain from Met Expectations and Moderated by Supervision (N = 79)</td>
<td>34</td>
</tr>
</tbody>
</table>
# FIGURES

<table>
<thead>
<tr>
<th>Figure</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Conceptual Diagram of Hypotheses 1, 2, and 3</td>
<td>16</td>
</tr>
<tr>
<td>2. Conceptual Diagram of Hypotheses 4, 5, and Research Question 1</td>
<td>25</td>
</tr>
<tr>
<td>3. Simple slopes plot showing the relation between met expectations and intent to remain moderated by low (1 SD below), average (mean), and high (1 SD above) levels of quality of supervisory relationship</td>
<td>35</td>
</tr>
<tr>
<td>4. Mediation Analysis Results for Hypothesis 5</td>
<td>36</td>
</tr>
<tr>
<td>5. Mediation Analysis Results for Research Question 1</td>
<td>37</td>
</tr>
</tbody>
</table>
CHAPTER I: INTRODUCTION AND LITERATURE REVIEW

**Expectations: Unavoidable, Ubiquitous, and Useful**

Surprise is the natural human response that accompanies the thought “I wasn’t expecting that” (Gerten & Topolinski, 2019). Be it a large or small discrepancy, when a person experiences something outside of what they expected, the brain notices the aberration as a first step towards adaptation (Gerten & Topolinski, 2019). In the workplace, employees have expectations (Porter & Steers, 1973). While a person’s expectations may not always be consciously considered (Ayan, 2018), whether they are met has an influence on employee attitudes and behaviors, which in turn hold potential benefit or harm for organizations. The proposed study will examine met and unmet expectations in the workplace as they relate to employee engagement and intent to leave or remain. The two central questions this study will attempt to address are: 1) What are possible avenues to mitigate the negative effects of unmet expectations in the workplace? 2) Can certain Human Resources Management initiatives contribute to achieving met expectations?

**How Expectations Form and Why They Matter**

Leading up to a new relationship, whether professional or personal, individuals have general beliefs about what they will experience (Robinson, 1996). These beliefs, whether conscious or subconscious, form expectations that may be positive or negative in nature. In an employment context, expectations reflect what an employee believes he or she will receive from an employer, such as a fair or living wage (Robinson & Rousseau, 1994). Expectations may form based on a person’s prior experience, social norms, or even what other people observe (e.g., “I bet the pay is great at ______”) (Robinson, 1996). Because factors such as experience and observation are largely unique to each person, each person’s expectations - and the importance placed on those expectations - about a job or an organization will be somewhat unique.
Expectations are unavoidable and will either be met or unmet. When reality matches a person’s notion of what should occur, the experience tends to go unnoticed to the conscious mind (Ayan, 2018). Whether met expectations are noticed or not, they are associated with a host of positive outcomes for employees and organizations (discussed in a subsequent section: Summary of Met Expectation Research). However, when expectations or desires are unmet, this can trigger negative emotions of disappointment, frustration, distress, anger, or resentment (Henderson et al., 2020). This experience has been termed “reality shock” by some researchers (Dugoni & Ilgen, 1981). The cognitions and emotions associated with unmet expectations can lead to several unwanted outcomes for individuals and organizations, up to and including an employee voluntarily leaving.

**Expectations of Work**

Expectations can form around any aspect of work, including but not limited to salary, promotion or advancement, pay based on performance, bonuses, long-term job security, job responsibility, job challenge, decision-making input, feedback on performance, supervisory support, organizational support, and training and career development opportunities (Robinson, 1996; Turnley & Feldman, 2000). Other areas of expectation include relationships with coworkers, working conditions (Walk et al., 2013), work roles (Major et al., 1995), and control at work (Ashforth & Saks, 2000).

Porter and Steers (1973) pioneered the study of met and unmet expectations in the workplace. They put forth the “met expectations hypothesis,” supposing that unmet expectations in the workplace would lead to withdrawal behaviors. Met expectations were defined as the difference between what a person expected to experience (both positive and negative) prior to starting a job compared to what he or she actually experienced (Porter & Steers, 1973). If
expectations were confirmed by on-the-job experiences, expectations would be considered met. Porter and Steers (1973) believed expectations to be centrally important because job satisfaction was, essentially, the sum of a person’s met expectations in a job or organization.

Since Porter and Steers launched the study of met and unmet expectations, the constructs have been discussed anecdotally more than they have been empirically studied (Wanous et al., 1992) and, when the constructs have been studied, they were conceptualized in a variety of ways. The body of research includes expectations of control over work (Ashforth & Saks, 2000); expectations of intrinsic aspects of work (e.g., autonomy and variety) (Taris et al., 2006); expectations of job attributes (e.g., job security, intellectual stimulation, contribution to society, etc.) (Irving & Meyer, 1995); expectations of work experiences (e.g., being required to work late, being asked to perform actions outside of one’s assigned job duties, etc.) (Dugoni & Ilgen, 1981); expectations about a new job (e.g., the job generally, opportunities to “get ahead,” opportunities for self-improvement, and job satisfaction) (Buckley et al., 1998); and expectations of role conflict, clarity, and acceptance (Major et al., 1995). Because expectations can form around any aspect of work it is difficult to find clear areas of focus in the research literature. This has led to the use of broader measures of met expectations as a whole. These broader measures may serve researchers and practitioners just as well as narrow ones (e.g., measure of expectations around decision-making input), if not better, given the importance placed on an area of work will vary from person to person.

**Summary of Met Expectations Research**

Over the last 50 years, research on met expectations has demonstrated associations with many job-related outcomes, including: organizational commitment, job satisfaction, intent to remain, and job survival (Wanous et al., 1992), as well as organizational citizenship behavior and
successful work adjustment (Ashforth & Saks, 2000). Met expectations can help a new employee begin to trust an organization (Robinson, 1996) and launch a successful workplace adjustment (Taris et al., 2006). These early experiences will then influence how much an employee invests in the organization based on the promise (stated or understood) of future rewards (Taris et al., 2006). On the other hand, newcomers’ unmet expectations are associated with an increased sense of helplessness and lower work adjustment (Ashforth & Saks, 2000), higher levels of health complaints (Taris et al., 2006), lower levels of intrinsic work values and effort (Taris et al., 2006), as well as increased boredom (Gkorezis & Kastritsi, 2017). Importantly, unmet expectations are also associated with forms of withdrawal, including higher levels of turnover (Taris et al., 2006; Porter & Steers, 1973) and absenteeism (Porter & Steers, 1973).

Porter and Steers (1973) pioneered the study of met expectations in the workplace, putting forth the met expectations hypothesis. It is a testament to the foundational nature of their work that their definition of met expectations is still the predominant definition used in the research literature today. As a starting point, Porter and Steers took an interest in the issues of turnover and absenteeism, two forms of employee withdrawal which differ in nature and severity. They sought to critically examine the link between these negative outcomes and job satisfaction, which they determined to be “the sum total of an individual’s met expectations on the job” (Porter & Steers, 1973, p. 169). Met expectations were found to be key to decisions related to withdrawal or continued participation. Further, it is an individual’s unique expectations that matter: "Whatever the composition of the individual's expectation set, it is important that those factors be substantially met if the employee is to feel it is worthwhile to remain with the organization" (Porter & Steers, 1973, p. 171).
Realistic Job Previews

One early application of the met expectation hypothesis was realistic job previews (RJPs). With a connection established between unmet expectations and withdrawal behaviors, it was theorized that one way to temper the effect of unmet expectations on job satisfaction would be to lower expectations, thereby making them more easily met. This was achieved through RJPs, which offered potential employees realistic, job-specific or organization-specific details – both positive (e.g., opportunity for advancement, interesting work assignments, etc.) and negative (e.g., may be yelled at by customers) – prior to taking the job. Indeed, RJPs have been found effective in reducing turnover (Earnest et al., 2011). However, the met expectations hypothesis had occasional skeptics who failed to find sufficient evidence to support the hypothesis (as discussed in the following paragraph).

If unmet expectations can produce negative outcomes, it may be theorized that met expectations can bring about positive outcomes. For example, if Porter and Steers’ (1973) conception of job satisfaction (i.e., a collection of met expectations) is true, then reducing prospective employees’ expectations to a reasonable level should result in higher job satisfaction. Subsequently, increased job satisfaction should lead to lower turnover levels. This hypothesis was tested by Dugoni and Ilgen (1981) using an Initial Expectations Scale that contained five content areas: customer relations, co-workers, supervision, duties/policies, and hours. They found that expectations were in fact lower for participants given an RJP consisting of a presentation about the job based on the experiences of current employees. In addition, job satisfaction was negatively associated with turnover. However, they did not find that expectations explained additional variance in job satisfaction beyond the variance explained by on-the-job perceptions. Yet this was far from being a conclusive study and may be a case where
the mechanisms by which unmet expectations operate were not fully understood. Future research would explore and validate some of the variables that affect met expectations.

**Expectation Lowering Procedure**

RJPs, while effective in reducing turnover in newcomers, can be costly to create due to their job-specific nature. Buckley et al. (1998) found a similar but less costly tool could work as well as an RJP: an expectation lowering procedure (ELP). Where RJPs help newcomers develop realistic expectations by providing factual information, an ELP is designed to adjust expectations through a more general discussion of the need for realistic expectations and the consequences of elevated expectations. The ELP used by Buckley et al. (1998) consisted of a new employee orientation program that provided information on three interrelated topics: 1) the importance of developing realistic expectations when starting a new job, 2) how unrealistic expectations are associated with negative outcomes, and 3) the likelihood of experiencing harmful effects (e.g., disappointment, dissatisfaction, turnover, etc.) when inflated or unrealistic expectations go unmet. The psychological contract was also discussed at length. In the end, Buckley et al. (1998) found support for the hypothesis that expectations play a mediating role between the interventions (i.e., ELPs and RJPs) and turnover.

**Meta-Analysis of Met Expectations**

In 1992, Wanous et al. conducted the first and only meta-analysis of the met expectation hypothesis and focused heavily on Porter and Steer’s definition. The strongest correlations were found for job satisfaction (.39) and organizational commitment (.39), followed by intent to remain (.29) and job survival (.19). The weakest correlation was found with job performance (.11); the relative weakness of this correlation was considered a possible form of discriminant validity given “job performance was never suggested as a likely outcome of met expectations by
Porter and Steers” (Wanous et al., 1992, p. 292). The results of the meta-analysis made sense theoretically, but Wanous et al. (1992) also confirmed the level of results made sense by comparing the effect of met expectations on job survival to the effect of RJPs on job survival. In theory, met expectations should have a more direct and significant effect on job survival than RJPs because met expectations are the outcome of RJPs and closer to the desired behavior (i.e., job survival). This was confirmed by comparing the observed correlation between met expectations and job survival of .14 (for Porter and Steers group of studies) to a previous meta-analysis of RJPs (Premack & Wanous, 1985) that found a correlation of .06 between RJPs and job survival.

Gaps and Reasons for Research

Met and unmet expectations have clear implications for workers’ experiences in organizations and decisions to participate or withdraw. One practical implication for organizations is to proactively correct potential unrealistically high expectations, which can be especially prevalent among new hires or newcomers (Walk et al., 2013). As discussed, one way this is done is by providing prospective employees with RJPs that communicate accurate, job-specific content intended to make the individual aware of the true nature of the job or organization or a more generic ELP. However, while RJPs and ELPs are useful tools, there has been limited research evaluating other means of addressing unmet expectations or promoting met expectations.

Research Aims and Questions

The focal construct in this study is met / unmet expectations. The primary outcomes of interest are intent to remain and employee engagement. This proposal includes two research goals and potential contributions to expectations research in the field of Industrial /
Organizational Psychology. First, upon confirming a positive association between unmet expectations and intent to remain, two possible moderators will be explored: career development perceptions and quality of supervisor relationship. This would contribute to the literature by identifying potential opportunities for organizations to mitigate unmet expectations. Second, met expectations will be assessed as a mediator in the relation between select Human Resources Management (HRM) practices (i.e., employee empowerment and inclusion) and employee engagement. As will be explained further, these HRM practices are of particular interest as these practices may signal organizational support to employees. Where the literature shows a connection between met expectations and organizational commitment, this would contribute to the literature by establishing a more direct association between met expectations and engagement. It would also add to the existing literature by adding evidence of the role that need satisfaction (e.g., belonging, psychological safety, etc.) plays in encouraging employee engagement.

**Newcomer Expectations vs. Employee Expectations**

The population most often studied in the expectation research literature, is new hires (i.e., newcomers). However, it is not only expectations at the time of hire that matter. Expectations can change over time as an individual’s experiences prompt changes in his or her needs, circumstances (e.g., increased family demands), or career aspirations. Therefore, what a person needs from a job or a company can change over time and the relevant importance of expectations is not necessarily restricted by time or tenure (Taris et al., 2006). Since expectations for work can become a moving target, there is potential value in assessing the expectations of not only new hires, but all employees, regardless of tenure. The analyses in the current study will include data from employees with up to 2 years of experience at their organization.
Conceptual Development and Hypotheses

Met Expectations and Intent to Remain

The initial research focus (hypotheses 1-3) involves met expectations as a predictor and intent to remain as the dependent variable. Two potential moderators will be explored: career development perceptions and perceptions of supervisor.

Intent to Leave

Voluntary turnover is costly in terms of the steps required to fill a vacancy: recruitment, selection, and training. Hiring and replacement costs are estimated at 90% to 200% of annual salary (Rubenstein et al., 2017). That estimate does not take into account the costs around lost productivity, reduced financial performance, and loss of competitive advantage (particularly if the former employee goes to a competitor). The best and most proximal predictor of voluntary turnover is intent to quit or leave (Rubenstein et al., 2017). Predictors of intention to quit include low morale, perceived lack of training or development opportunities, experience of unfair treatment, perception of inequitable rewards, and lack of trust (Gould-Williams, 2007). It is fair to assume, then, that an employee’s intent to leave – or conversely, to remain – provides valuable information to an organization.

Social Exchange Theory

Several psychological theories explain the mechanism by which met or unmet expectations foster certain attitudes in the workplace or are associated with job outcomes such as turnover. To understand the role of unmet expectations in relation to intent to remain, it is helpful to examine social exchange theory (SET) and the norm of reciprocity. SET postulates that when one party acts for the benefit of another, the other party will feel a sense of indebtedness and respond in kind (Gould-Williams, 2007). This creates a sort of positive social exchange.
SET operates based on the “norm of reciprocity” (Gouldner, 1960). According to Gouldner, reciprocity is a “mutually gratifying pattern of exchanging goods and services” (1960, p. 170). A key concept here is that where one party has benefited another, a sort of debt is incurred and endures until it is repaid (Gouldner, 1960). The norm of reciprocity operates on the assumption of two universal rules: 1) we help those who help us, and 2) we do not harm those who help us (Gouldner, 1960). Underlying this exchange is a sense of fairness that brings stability to social organizations. Porter and Steers (1973) understood that when it comes to expectations in the workplace, “the decision to participate or withdraw may be looked at as a process of balancing received or potential rewards with desired expectations” (p. 171).

Based on SET and existing literature on expectations, I hypothesize:

**Hypothesis 1.** Met expectations will be positively associated with intent to remain.

**Career and Development Perceptions as a Potential Moderator**

**Career and Development Perceptions and Intent to Remain**

A measure of employees’ perceptions of career and development opportunities will be used in this study. However, it is noteworthy that Kraimer et al. (2011) differentiated between perceived organizational support for development (OSD): “employees’ perceptions that the organization provides programs and opportunities that support employee development” and perceived career opportunity (PCO): “employees’ belief that jobs or positions that match their career goals and interests exist within the organization” (p. 486). Where both OSD and PCO are present, higher job performance and lower turnover are observed (Kraimer et al., 2011).

Employees’ perceptions of career and development opportunities are of interest in this study based on SET. SET suggests if an employee perceives organizational support for development as well as opportunities to benefit from development via future career opportunities
(within the organization or elsewhere), he or she is likely to reciprocate in terms of performance and intent to remain (Kraimer et al., 2011; Gould-Williams, 2007). As anticipated, an association between intent to leave and training / development and perceived career opportunities has also been established empirically. In a meta-analysis on the antecedents of turnover, Rubenstein et al. (2017) found that rewards beyond pay, including opportunities for training and promotion, are negatively correlated with turnover. Gould-Williams (2007) also found that training and development opportunities were negatively correlated with intention to leave. Leveraging self-determination theory, Marescaux et al. (2013) surveyed Belgian employees and found that developmental and empowering HRM practices are associated with “higher work engagement, higher affective organizational commitment and a lower intention to leave the organization” via the satisfaction of a person’s need for autonomy and relatedness (p. 19).

Psychological Contract Theory

In addition to SET, psychological contract theory helps explain the role career and development perceptions may play in moderating the association between met expectations and intent to remain.

The psychological contract is an “individual’s belief in a reciprocal obligation between the individual and the organization” (Rousseau, 1989, p. 126). That is, an individual perceives the promise of some future reward (e.g., continued employment, training and development, etc.) in exchange for effort or some consideration (e.g., hard work). While the psychological contract is underpinned by the social norm of reciprocity, it is unique in that a truly equivalent or fair exchange is important to the individual. If expectations are met and the reciprocal nature of the individual’s relationship to the organization is maintained, this can support a host of desirable outcomes (e.g., increased engagement or job satisfaction).
Whereas an employment contract is typically written and may specify the economic terms of employment (e.g., pay, benefits, etc.), psychological contracts are unwritten and subjective. There are two parties to a psychological contract: the organization and the employee. However, the contract is developed and resides solely within the employee (Rousseau, 1989). Psychological contracts are fluid and are continually revised throughout an employee’s relationship with an employer (Robinson & Rousseau, 1994).

The psychological contract is, without question, formed based on expectations; however, it is more than just expectations (Robinson & Rousseau, 1994). A person may expect to receive a regular salary increase based on performance. That expectation becomes a part of the psychological contract when an organization makes a perceived promise that raises will be given regularly (e.g., annually) based on merit. Because the individual considers the relationship to be one of mutual obligation based on perceived promises from the organization, if a promise is broken, the individual feels not only disappointed (as with unmet expectations) but a sense of having been wronged, which damages trust (Robinson & Rousseau, 1994). When an organization fails to meet one or more perceived obligations, this is called a breach; the emotional response to the cognition of a breach is called a psychological contract violation (Turnley & Feldman, 2000). Psychological contract breaches are, unfortunately, relatively common (Robinson & Rousseau, 1994). Similar to unmet expectations, breaches are also negatively related to performance and employees’ intent to remain with a company (Robinson, 1996).

To apply the psychological contract to the proposed analysis in question, consider that one signal an employee may look to when evaluating the psychological contract over time is perceived organizational support (POS). POS is an employee’s belief about the “extent to which
the organization values” his or her contributions and “cares about their wellbeing” (Eisenberger et al., 1986, as cited in Settoon et al., 1996, p. 220). In alignment with social exchange theory, POS can create a sense of obligation towards the organization. POS is associated with the idea that the organization can be trusted to fulfill its promises, and is linked to employee performance, organizational citizenship behaviors (OCBs), and organizational commitment (Setton et al., 1996). POS is also linked to intent or desire to stay (Dulac et al., 2008). Gupta et al. (2016) examined the mediating effect of affective commitment on the relation between POS-engagement and POS-OCBs in the context of the psychological contract. The study results indicated that when perception of psychological contract breach is low, the relationships between POS-engagement and POS-OCBs are strengthened (Gupta et al., 2016).

A more direct connection can be made between the psychological contract and training and development. Consider Deas and Coetzee’s (2020) study involving employees at a higher education institution in South Africa, which suggested that people who have satisfactory psychological contracts are perhaps more likely to be pleased with an organization’s training and development opportunities. According to Deas & Coetzee (2020), training and development is considered one of the four core retention practices in higher education (along with compensation, supervisor support, and career opportunities).

**Hypothesis Development**

Career and development perceptions have not previously been studied as a moderator of met expectations and intent to remain, but SET and the psychological contract suggest they may offer insight into the conditions under which unmet expectations affect retention. Even in the face of unmet expectations, it is possible that if employees perceive career and development possibilities, they will be more willing to stay because they have adjusted their expectations to
reality (Walk et al., 2013) and anticipate a mutually beneficial exchange in the future. Conversely, if they have unmet expectations and do not perceive a future in the company, they will be more likely to leave. Therefore, I predict that higher perceptions of career and development opportunities will result in a greater willingness to stay, even in the face of unmet expectations (see Figure 1).

**Hypothesis 2.** Career and development perceptions will moderate the association between expectations and intent to leave/remain, such that when career and development perceptions are high, the association between met expectations and intent to remain will be strengthened.

**Quality of Supervisory Relationship as a Potential Moderator**

Most research on expectations in the workplace has focused on new hires (i.e., newcomer expectations) since the greatest potential for a mismatch between expectations and experience is at the start of a new work arrangement. This is a logical focus for organizations as retaining new employees long enough to yield a return on investment is important for businesses to function long-term. Fortunately, while unmet expectations can have a detrimental effect on newcomers’ social adjustment to an organization, the quality of leader-member exchange (LMX) can lessen some of these effects, particularly with regard to job satisfaction (Major et al., 1995). Because LMX is negatively associated with turnover intention (Dulac et al., 2008), it is a variable of interest in this study as a potential moderator between expectations and intent to remain.

**LMX**

LMX is a dyadic perspective on leadership that assumes supervisors differentiate among their relationships with subordinates (Brower et al., 2000). LMX is a term for an employee’s social-exchange relationship with his or her supervisor (Eisenberger et al., 2019). According to
role theory, an organizational newcomer negotiates his or her role within the organization through interactions with supervisor(s) and coworkers (Major et al., 1995). Supervisors and coworkers are key sources of organizational information for a newcomer and successful socialization depends, in part, on “mutual interaction between newcomers and organizational insiders” (Major et al., 1995). During these interactions, individuals are assessing the abilities, benevolence, and integrity of the other (Brower et al., 2000). These interactions fold the newcomer into the social fabric of the organization and are the start of LMX relationships (Major et al., 1995), which are believed to develop quickly and remain stable over time (Brower et al., 2000). A high quality LMX relationship involves “mutual trust, loyalty, and behaviors that extend outside the employment contract” whereas a low quality LMX relationship stays within the bounds of the employment contract and the subordinate employee performs merely as expected rather than contributing anything extra (Brower et al., 2000, p. 229).

High quality LMX relationships are linked with several positive outcomes (Major et al., 1995). Higher quality relationships with supervisors or LMX relationships are negatively associated with turnover (Rubenstein et al., 2017; Porter & Steers, 1973). LMX is also a predictor of organizational commitment and job satisfaction (Major et al., 1995). Gould-Williams (2007) found that positive exchanges between individuals and supervisors lead to enhanced attitudes and behaviors, whereas negative exchanges (e.g., hostile or indifferent managers) were associated with increased stress, reduced motivation, and increased turnover. Dulac et al. (2008) suggested, based on social exchange theory, that:

Favorable attitudes arise from high-quality social exchange relationships not because everything that happens in those relationships is necessarily perfect, but because when difficulties arise (i.e., cognitions of broken promises), individuals’ affective responses to
these cognitions differ on the basis of their overall social exchange relationship quality (p. 1080).

In the presence of a positive exchange relationship, it may be that the sting or shock of unmet expectations will be forgiven more easily and the employee more likely to remain. For this study, because only employee perception data is available and supervisor data is not, a similar variable will be used as a proxy for LMX: quality of supervisory relationship / perceptions of supervisor. As Figure 1 illustrates, I predict that a positive perception of one’s supervisor will result in a greater willingness to stay, even in the face of unmet expectations (Major et al., 1995).

**Hypothesis 3.** Perceptions of one’s supervisor will moderate the association between met expectations and intent to remain, such that when perceptions are positive, the association between met expectations and intent to remain will be strengthened.

**Figure 1**

*Conceptual Diagram of Hypotheses 1, 2, and 3*

![Conceptual Diagram](image)

**Met Expectations and Employee Engagement**

For the remaining hypotheses and a final research question, I will shift focus to assess met expectations as a mediator and employee engagement as the dependent variable. Two predictors will be introduced: employee empowerment and inclusion.
Employee Engagement

Engagement is associated with a number of positive outcomes for organizations, including customer satisfaction, in-role performance, and financial returns and is therefore an outcome of interest (Xanthopoulou et al., 2009). Unfortunately, engagement is a construct in the Industrial / Organizational literature that has a range of definitions (Macey & Schneider, 2008). In 2008, Macey and Schneider sought to bring clarity to the concept, concluding engagement is “a complex nomological network encompassing trait, state, and behavioral constructs” and acknowledging the “work and organizational conditions that might facilitate state and behavioral engagement” (pp. 23-24). State engagement consists of “PA [positive affectivity] associated with the job” along with a number of feelings including “persistence, vigor, energy, dedication, absorption, enthusiasm, alertness, and pride” (p. 24). Schaufeli et al. provided a similar definition of engagement as: “a positive, fulfilling work-related state of mind that is characterized by vigor, dedication and absorption” (2006, p. 702). Khan (1990) further enriched our understanding of state engagement by insisting that it involves the whole self and is an active employment of one’s physical, emotional, and cognitive energy. Therefore, when someone is engaged, an organization not only gets more from the employee but something uniquely different as a result of the individual’s psychological presence (Macey & Schneider, 2008). Behavioral engagement is a result of state engagement and could be described as a broad range of adaptive behaviors that support organizational effectiveness (Macey & Schneider, 2008). When someone is behaviorally engaged in their work, they are “in gear”, so to speak (Davis & Van der Heijden, 2018). Finally, Macey and Schneider proposed that trait engagement, which likely influences a person’s tendency toward state or behavioral engagement, is composed of multiple “interrelated
personality attributes, including trait positive affectivity, conscientiousness, the proactive personality, and the autotelic personality” (2008, p. 24).

Sustainable Engagement

Based on the data selected to be studied, a broader conception of engagement will be used in this study: sustainable engagement. This idea of engagement covers similar areas included in a 12-item measure called the Gallup Workplace Audit (GWA), which is an accessible tool for organizations to measure employee engagement and satisfaction (Harter et al., 2002; Gallup, 2022). While GWA items are similar to items used to measure job satisfaction, the GWA was considered a measure of employee engagement in the meta-analysis conducted by Harter et al. (2002); this was to differentiate the measure from an overall job satisfaction item. The items on the GWA can be divided into two categories: attitudinal outcomes (e.g., loyalty) and antecedents to attitudinal outcomes over which frontline managers have some control (Harter et al., 2002). Because the GWA involves controllable aspects of an employee’s work environment it is a practical measure for organizations. In fact, Gallup (2022) indicates that its GWA tool has been taken by 2.7 million workers across 50 industries.

Sustainable engagement is an overall positive attitude or perception of work in an organization being sustainable in the long-term. It includes factors representing state and behavioral engagement. Sustainable engagement items include personal identification with the goals of the organization, satisfaction in personal involvement in decision making, feeling challenged by work without being overwhelmed (state engagement), sufficient flexibility to address personal and family needs, and a willingness to use discretionary efforts for the success of the organization (behavioral engagement).
Theory and Practice: I-Deals

In alignment with social exchange theory, Macey and Schneider observed that “Engaged employees invest their energy, time, or personal resources trusting that the investment will be rewarded (intrinsically or extrinsically) in some meaningful way” (2008, p. 22). That is, employees expect fair rewards in exchange for their valuable personal resources and the absence of appropriate rewards can create problems. Davis and Van der Heijden (2018) conducted a study to determine if i-deals (i.e., idiosyncratic deals that are unique and mutually beneficial agreements between employee and organization) could effectively revise the psychological contract and encourage employee engagement in the wake of the 2007/2008 global financial crisis and the resulting resource cuts. Whereas psychological contracts involve perceptions, i-deals (e.g., work from home arrangements) involve real resources and are considered alternative, low-cost forms of reciprocation. Social exchange and control theory (discussed in a following section) would suggest that when the traditional employment deal (e.g., pay, benefits) suffers due to economic constraints, employees may seek to reduce their efforts to restore balance in the relationship. However, i-deals offer employees alternative benefits or resources that may satisfy an employee’s need for fairness and discourage them from lowering their contributions to the organization. These sorts of arrangements may become more prevalent and useful in a post-pandemic era, as the traditional employment deal continues to suffer in some areas.

Based on social exchange theory and existing literature showing a positive association between met expectations and organizational commitment – a construct closely related to employee engagement (Rousseau, 1989), I hypothesize:

**Hypothesis 4.** Met expectations will be positively associated with sustainable engagement.
Employee Empowerment as A Predictor

Employee empowerment practices have been in use for roughly three decades, yet the influence and outcomes of empowerment are still being explored (Kim & Fernandez, 2017; Yin et al., 2019). There are several proposed definitions of employee empowerment, including empowerment as a psychological state or increased feeling of self-efficacy (Kim & Fernandez, 2017). However, the definition used in this study is that of a managerial approach outlined by Bowen and Lawler (1994). Bowen and Lawler (1994) described employee empowerment as the dissemination of power to lower-level workers by sharing four things: information on organizational performance, resources, and knowledge to assist the employee in contributing to organizational performance, rewards based on organizational performance, and authority to make decisions or alter work processes. Some or all of these empowerment practices may be used in an organization, but they may not all be equally effective in enhancing organizational performance. Fernandez and Moldogaziev (2011) observed that it is not safe to assume that because an organization delegates power to front-line employees that they will necessarily make use of this power. Rather, “it is the manager who shares authority and increases access to job-related knowledge and skills that takes full advantage of the benefits of employee empowerment” (Fernandez & Moldogaziev, 2011, p. 37)

Kim and Fernandez (2017) used Bowen and Lawler’s definition of empowerment in their research on the association between employee empowerment and turnover in the federal government. Support was found for both direct and indirect effects of employee empowerment on voluntary turnover. Employee empowerment has a direct, negative effect on turnover but an even stronger indirect effect on turnover via increased job satisfaction, which in turn has a strong negative effect on turnover (Kim & Fernandez, 2017).
Yin et al. (2009) proposed an alternate but familiar set of empowerment practices with three main categories: 1) information sharing, 2) autonomy through boundaries, and 3) team accountability. These practices may be used as a method to engender ownership over one’s work and, as a byproduct, promote engagement and commitment to the organization (Yin et al., 2019). Without disregarding the motivational and psychological benefits to employees, Yin et al. (2019) made a business case for how empowerment practices also improve organizational performance. Yin et al. suggested that empowerment may not always be beneficial or useful in all organizations, but rather that leaders should implement empowerment practices “based on consideration of employer–employee exchange characteristics in their firm” (2019, p. 579).

Kim and Beehr (2020) found support for a strong, positive relationship between empowering leadership (i.e., behaviors or practices empowering employees) and basic need satisfaction, which is positively associated with work engagement. Therefore, employee empowerment may indirectly promote employee engagement through satisfaction of basic needs (Kim & Beehr, 2020). The research performed by Marescaux et al. (2013) similarly suggests that employee empowerment promotes satisfaction of two basic needs (i.e., autonomy and relatedness) and in turn results in higher affective organizational commitment and lower intention to leave.

**Self-Determination Theory**

Self-determination theory (SDT) is a motivational theory asserting that individuals have inherent self-determination needs for autonomy, competence, and relatedness (Kim & Beehr, 2020). These are considered universal basic needs (Marescaux et al., 2012). Autonomy involves feeling responsible or taking ownership for one’s work, while competence requires belief in one’s ability to succeed in his or her work; finally, relatedness reflects the need for meaning and
connection to others (Kim & Beehr, 2020). Together, these three needs can be thought of as a single variable: need satisfaction.

SDT clarifies how HRM practices such as empowerment and organizational inclusion practices may promote met expectations and higher engagement. Empowerment involves a sense of safety in the organization (e.g., no fear of retaliation), a sense of authority or responsibility for one’s work, and feeling that one’s thoughts and opinions are valued. Marescaux et al. (2012) found that employees who were empowered by their organization experienced greater autonomy and relatedness satisfaction, which was linked to higher engagement, higher affective commitment, and reduced intention to leave. Kim and Beehr (2020) also found that employees who felt empowered by their leadership experienced greater satisfaction of basic needs and, in turn, higher engagement. Inclusion practices (e.g., delegating decision-making authority to first line employees) share some conceptual similarities with empowerment practices and may likewise increase engagement. Further, because individuals want and expect to work in an inclusive environment and the satisfaction of that expectation supports psychological contract fulfillment (Li et al., 2019), it may also support an overall sense of met expectations.

**Control Theory**

Control theory further contributes to our understanding of why people respond the way they do when expectations are met or unmet. When a gap exists between what someone expected and experiences, control theory suggests “the larger the gap, the more likely action will be taken to reduce or remove it” (Buckley et al., 1998, p. 454). There are different types of responses that can be taken to address these gaps, and which method an individual chooses may hinge on perceived personal control: “a combination of job autonomy and participation in decision making that affects one’s job” (Ashforth & Saks, 2000, p. 313). Ashforth and Saks (2000) distinguished
between two types of responses to perceived personal control: a proactive orientation and a reactive orientation. A person who exhibits a proactive orientation (i.e., individuals who perceive higher personal control) will act in constructive ways (i.e., “problem-focused reactance”) to achieve real change (e.g., role innovation). A person exhibiting a reactive orientation (i.e., perceiving lower personal control) will not focus on the problem (i.e., “nonproblem-focused reactance”) but rather attempt to regain control in indirect or unhelpful ways (e.g., criticizing coworkers). Ashforth and Saks (2000) found that perceived control was negatively related to unmet expectations; additionally, unmet expectations were negatively related to problem-focused reactance, and more strongly associated with helplessness and lower work adjustment.

Employees who perceive lower control and more unmet expectations, accompanied by a sense of helplessness, may choose to address the perceived gap by withdrawing and decreasing contributions to the organization. Conversely, an employee with a proactive orientation may choose to directly address unmet expectations with a supervisor and develop mutually beneficial solutions, resulting in fewer unmet expectations.

Based on SDT and Ashforth and Saks’ (2000) observations around perceived control, I predict that employees who feel empowered by their organization will experience higher levels of met expectations and respond with more engagement (see Figure 2).

**Hypothesis 5.** Employee empowerment will positively predict sustainable engagement both directly and indirectly by increasing met expectations and, in turn, increasing sustainable engagement.

**Inclusion as a Predictor**

In our modern vernacular, and especially when discussing organizational initiatives, it is common to hear the terms “diversity” and “inclusion” together in the same sentence. Over the
years, what started as a discussion about demography (i.e., diversity) eventually grew into a
collection about what it means for everyone – and especially those who have experienced
marginalization – to be able to fully participate in and contribute to an organization (i.e.,
inclusion) (Roberson, 2006). While there is some overlap between the two constructs, they are
distinct concepts (Roberson, 2006). An early definition of inclusion from Pelled et al. (1999)
describes it as “the degree to which an employee is accepted and treated as an insider by others
in a work system” (as cited in Roberson, 2006, p. 217). Inclusion can also, both simply and
necessarily, be described as the “absence of exclusion” (Dobusch, 2021, p. 380). Pelled et al.
(1999) identified support for three indicators of workplace inclusion: decision-making influence,
access to information, and job security (as cited in Roberson, 2006, p. 213).

The relationship between inclusion and met expectations has not been established.
However, because individuals want and expect to work in an inclusive environment, the
perception of inclusion may contribute to a sense of psychological contract fulfillment (Li et al.,
2019). Inclusion may also increase a sense of met expectations. Further, psychological safety and
state engagement (specifically, engagement of one’s full self in one’s work) have been linked
(Kahn, 1990). The concept of inclusion encompasses the notion that one will be treated with
dignity and respect even when differing opinions are expressed. The trust and sense of
psychological safety this may produce also suggests a link between inclusion and engagement. In
addition, an inclusive environment may be a facet of perceived organizational support: an
employee’s “global belief concerning the extent to which the organization values their
contributions and cares about their well-being” (Settoon et al., 1996, p. 220). Based on social
exchange theory, perceived support from an organization may trigger a sense of met expectations
and may prompt a response in the form of increased engagement.
A comparison of inclusion and employee empowerment literature reveals similarities in the two constructs, particularly around decision-making and access to information. I propose that inclusion, like empowerment, may have a positive effect on employees’ basic need satisfaction, particularly the needs for autonomy and relatedness; consequently, it may increase employee engagement (see Figure 2).

**Research Question 1.** Does inclusion positively predict sustainable engagement both directly and indirectly by increasing met expectations and, in turn, sustainable engagement?

**Figure 2**

*Conceptual Diagram of Hypotheses 4 and 5, and Research Question 1*
CHAPTER II: DESIGN AND METHODS

Participants

Cross-sectional, archival survey data was used. The data was collected from employees of an electric utility company in the southwestern U.S. with more than 6,000 workers. The data was extracted from the fourth quarter (Q4) 2019 employee engagement survey, which included the measures described below. According to our contact, not all employees receive each quarterly survey. Instead, all employees of certain business units receive each quarterly survey and a random sample of 1/3 of the rest of the company is included. The current study’s measures were included as part of the organization’s regularly occurring survey to reduce time demands on employees. A subset of employees with two or fewer years of tenure were given the met expectation measure as additional items on the engagement survey; this subset of employees was used for the analyses, thereby reducing the sample size.

Of the employees in the business units who received the full Q4 2019 employee survey, there were 312 respondents. Of the 312, only 80 had a tenure of two years or fewer and therefore received the met expectations items. Of the 80, 79 responded to all or most of the items pertaining to this study.

Demographics

Forty-six of the participants were female (58%) and 33 were male. 92% of employees were in non-management roles. In terms of age, a majority (61%) were between 36-45 and 24% were between 46 and 50 years old. Only 6%, or 5 individuals, were 35 years old or younger. Therefore, while the sample was selected to identify organizational newcomers, it does not reflect newcomers to the workforce in general.
Data Preparation

To identify the $N = 79$ used in this study, the data was filtered to include employees who responded to one of the met expectations items (i.e., “My job responsibilities match my expectations prior to starting the job.”); this item was selected as a filter because employees who responded to this item also responded to most of the other pertinent survey items used in the study. Two items on the survey were missing responses from 23 participants; the blank responses were replaced with case-wise means. Additionally, two items from the career and development perceptions measure were missing responses from 70 employees (i.e., a majority of the sample) and therefore the items were not included in the analyses. All survey item responses were reverse coded so that higher numbers indicated more positive or favorable responses (e.g., met expectations, higher engagement, etc.).

Measures

Met Expectations

A two-item measure developed by Earl & Bright (2007) was used to measure met / unmet expectations. Since this measure is appropriate for employees of all tenures (while studies of newcomers often compare measures of expectations pre- and post-hire), it was selected for use in this cross-sectional study. The measure asks participants to rate the degree to which their current job matches expectations prior to taking the job and relative to the information relayed during recruitment. The questions are “How well does your job match what your expectations were prior to starting?” and “How well does your job match what you were told during the recruitment process?”. Both items are answered on a 5-point scale ranging from 1 = “Agree,” 2 = “Tend to Agree,” 3 = “?” or unsure, 4 = “Tend to Disagree,” to 5 = “Disagree.”
Employee Empowerment

Six items on the organization’s employee survey measured empowerment. Example items include “I have sufficient authority to do my job well” and “I feel able to openly and honestly communicate my views upwards.” Item responses were on a 5-point scale ranging from 1 = “Agree,” 2 = “Tend to Agree,” 3 = “?” or unsure, 4 = “Tend to Disagree,” to 5 = “Disagree.”

Inclusion

Five items on the organization’s employee survey measured inclusion. Example items include “There is a strong feeling of trust between members of my team” and “People where I work treat each other with dignity and respect.” Item responses were on a 5-point scale ranging from “Agree” to “Disagree.”

Career and Development Perceptions

Eight items on the organization’s employee survey relate to career and development. Of the eight items, only five were used in this study since two items did not receive adequate employee responses to be included in the analyses and one question asked for the employee’s preference related to depth/breadth of work assignments (i.e., did not measure career and development perceptions). Example items include “I believe I have the opportunity for personal development and growth in this company” and “I have a reasonably good idea of my possible career paths in this company.” Item responses were on a 5-point scale ranging from 1 = “Agree,” 2 = “Tend to Agree,” 3 = “?” or unsure, 4 = “Tend to Disagree,” to 5 = “Disagree.”

Perceptions of Supervisor

Four items on the organization’s employee survey measure perceptions of one’s supervisor. Example items are “My supervisor does a good job of building teamwork” and “My immediate supervisor/manager provides me with feedback that helps me improve my
performance.” Item responses were on a 5-point scale ranging from 1 = “Agree,” 2 = “Tend to Agree,” 3 = “?” or unsure, 4 = “Tend to Disagree,” to 5 = “Disagree.”

**Intent to Remain**

One item on the organization’s employee survey measured intent to remain or leave the company. The question was “At the present time, are you seriously considering leaving this company?” Item responses were on a 3-point scale moving from “Yes,” “Don’t Know,” to “No.”

**Sustainable Engagement**

Seven items on the organization’s employee survey measured employee engagement. Example items include “I work beyond what is required to help (my company) succeed” and “My work schedule allows sufficient flexibility to meet my personal/family needs.” Item responses were on a 5-point scale ranging from 1 = “Agree,” 2 = “Tend to Agree,” 3 = “?” or unsure, 4 = “Tend to Disagree,” to 5 = “Disagree.”

**Procedures**

All employees received the survey link via an email from an organizational representative (our contact person) and completed the quarterly survey online. Our contact removed personally identifying information and provided the data from the survey via a spreadsheet after the study proposal was approved.
CHAPTER III: STATISTICAL ANALYSIS METHODS AND RESULTS

Statistical Analysis Methods

All descriptive and inferential statistical analyses were performed in Jamovi version 2.2.5 (The Jamovi project, 2022), a statistical spreadsheet built on R (R Core Team, 2019). The threshold for statistical significance was set at $\alpha = .05$ for all descriptive and test statistics.

To evaluate hypothesis 1 regarding the association between met expectations and intention to remain, a simple linear regression was performed. Met expectations was set as the predictor and intent to remain was the dependent variable.

To evaluate hypothesis 2 regarding the potential moderating effects of career and development perceptions on the relation between met expectations and intention to remain, a moderated regression was performed using the linear regression function in Jamovi. In model 1 of the analysis, both career and development perceptions and met expectations were entered as predictor variables with intent to remain as the dependent variable. In model 2 of the analysis, the interaction between the career and development perceptions and met expectations variables was added to the previous model as a predictor.

To evaluate hypothesis 3 regarding the potential moderating effects of the quality of the supervisory relationship on the association between met expectations and intent to remain, a second moderated regression was performed using the linear regression function in Jamovi. In model 1 of the analysis, both quality of supervision and met expectations were entered as predictor variables with intention to remain as the dependent variable. In model 2 of the analysis, the interaction between the quality of supervision and met expectations variables was added to the previous model as a predictor. Since a significant moderating effect was found, the nature of the interaction was probed using simple slopes analysis.
To evaluate hypothesis 4 regarding the association between met expectations and sustainable engagement, a simple linear regression was performed. Met expectations was set as the predictor and sustainable engagement was the dependent variable.

To evaluate hypothesis 5 regarding whether a sense of empowerment predicts feelings of met expectations and, in turn, employee engagement, a mediation analysis was performed using the medmod module in Jamovi. Employee empowerment was selected as the predictor variable (X), sustainable engagement was selected as the dependent variable (Y), and met expectations was selected as the mediating variable (M). Jamovi gives the option to provide path estimates (i.e., a, b, c, and c’) as part of the mediation analysis output. The a path reflects the effect of X on M, and the b path reflects the effect of M on Y; these paths form the indirect effect. The c’ or “c prime” path is the direct effect of X on Y (in the presence of M), and c is the total effect (i.e., both direct and indirect) of X on Y. Jamovi also provides a % mediation (i.e., percent of the variance that the indirect and direct paths each contribute to the total effect).

To assess research question 1 regarding whether a sense of inclusion predicts met expectations and, in turn, predicts engagement, another a mediation analysis was performed using the medmod module in Jamovi. Inclusive environment was selected as the predictor variable (X), sustainable engagement was selected as the dependent variable (Y), and met expectations was selected as the mediating variable (M).

Results

Scale Reliabilities

The met expectations scale consisted of 2 items (α = .82), the sustainable engagement scale consisted of 7 items (α = .83), the inclusion scale consisted of 5 items (α = .89), the empowerment scale consisted of 6 items (α = .90), the supervision scale consisted of 4 items (α =
and the career and development perceptions scale consisted of 5 items (α = .92). All reliabilities were considered sufficient.

**Descriptive Statistics**

Descriptive statistics for all study variables can be found in Table 1 below.

**Table 1**

*Descriptive Statistics and Correlations for Study Variables (N = 79).*

<table>
<thead>
<tr>
<th>Measure</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Met Expectations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Intent to Remain *</td>
<td>.28*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Sustainable Engagement</td>
<td>.65***</td>
<td>.48***</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Career and Development Perceptions</td>
<td>.45***</td>
<td>.47***</td>
<td>.70***</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Supervision</td>
<td>.38***</td>
<td>.48***</td>
<td>.52***</td>
<td>.56***</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Empowerment</td>
<td>.63***</td>
<td>.48***</td>
<td>.85***</td>
<td>.75***</td>
<td>.61***</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Inclusion</td>
<td>.62***</td>
<td>.46***</td>
<td>.64***</td>
<td>.58***</td>
<td>.61***</td>
<td>.74***</td>
<td></td>
</tr>
</tbody>
</table>

| M         | 4.20 | 2.71 | 4.32 | 4.02 | 4.46 | 4.14 | 4.26 |
| SD        | .87  | .60  | .63  | .94  | .78  | .84  | .78  |

*a The intent to remain scale ranges from 1 to 3; all other scales range from 1 to 5.

* p < .05; ** p < .01; *** p < .001.

**Hypotheses**

**Hypothesis 1**

A linear regression was used to test hypothesis 1 that met expectations positively predicts intent to remain (rated on a scale from 1 to 3, where 1 indicates intent to leave and 3 indicates intent to remain). Met expectations was set as the predictor and intent to remain was set as the dependent variable. In affirmation of hypothesis 1, met expectations significantly predicted variance in intent to remain, $R^2 = .08$, $F(1, 77)$, $b = .20$, $p = .01$. That is, greater met expectations predict higher intent to remain.
Hypothesis 2

A moderated regression analysis was performed to evaluate hypothesis 2 that career and development perceptions would moderate the association between met expectations and intent to remain. Intent to remain was set as the dependent variable. Predictor variables (i.e., “covariates”) were added in two blocks. In block 1, both career development perceptions and met expectations were entered as predictors. In model 1, met expectations was not a significant predictor of intent to remain \[b = .06, 95\% \text{ CI} (-.09, .22), p = .41\] but career and development perceptions was a significant predictor of intent to remain \[b = .27, 95\% \text{ CI} (.13, .42), p < .001\]. In block 2, the interaction between career and development perceptions and met expectations was added as a predictor. The interaction between career and development perceptions and met expectations was not statistically significant, \(\Delta R^2 = .02, F(1, 75) = 2.38, p = .13\). No support was found for hypothesis 2. Refer to Table 2 for full results.

Table 2

Hierarchical Regression Analysis Predicting Intent to Remain from Met Expectations and Moderated by Career and Development Perceptions (N = 79).

<table>
<thead>
<tr>
<th>Model</th>
<th>Predictor</th>
<th>b</th>
<th>SE B</th>
<th>β</th>
<th>R²</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Met Expectations</td>
<td>0.06</td>
<td>0.08</td>
<td>0.09</td>
<td>.23***</td>
</tr>
<tr>
<td></td>
<td>Career and Dev.</td>
<td>0.27***</td>
<td>0.07</td>
<td>0.43</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Met Expectations</td>
<td>0.49</td>
<td>0.29</td>
<td>0.71</td>
<td>.25***</td>
</tr>
<tr>
<td></td>
<td>Career and Dev.</td>
<td>0.75*</td>
<td>0.31</td>
<td>1.17</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Met E.*Career and Dev.</td>
<td>-0.11</td>
<td>0.07</td>
<td>-1.17</td>
<td></td>
</tr>
</tbody>
</table>

* \(p < .05\). ** \(p < .01\). *** \(p < .001\).

Hypothesis 3

A moderated regression analysis was performed to evaluate hypothesis 3 that the quality of the supervisory relationship would moderate the association between met expectations and intent to remain. Intent to remain was set as the dependent variable. In block 1, met expectations
and supervisory relationship were set as predictor variables. In model 1, met expectations was not a significant predictor of intent to remain \( b = .08, 95\% \text{ CI } (-.10, .33), p = .275 \) but supervisory relationship was a significant predictor \( b = .34, 95\% \text{ CI } (.22, .65), p < .001 \). In block 2, the interaction term (i.e., met expectations * supervisory relationship) was added as a predictor. The interaction term entered in block 2 explained a significant increase in variance in intent to remain, \( \Delta R^2 = .04, F(1, 75) = 3.98, p = .050 \). Refer to Table 3 for full results.

Table 3

Hierarchical Regression Analysis Predicting Intent to Remain from Met Expectations and Moderated by Supervision (N = 79).

<table>
<thead>
<tr>
<th>Model</th>
<th>Predictor</th>
<th>b</th>
<th>SE B</th>
<th>β</th>
<th>( R^2 )</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Met Expectations</td>
<td>0.08</td>
<td>0.07</td>
<td>0.12</td>
<td>.24***</td>
</tr>
<tr>
<td></td>
<td>Supervision</td>
<td>0.34***</td>
<td>0.08</td>
<td>0.44</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Met Expectations</td>
<td>0.99*</td>
<td>0.46</td>
<td>1.43</td>
<td>.28***</td>
</tr>
<tr>
<td></td>
<td>Supervision</td>
<td>1.16**</td>
<td>0.42</td>
<td>1.50</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Met Exp.*Supervision</td>
<td>-0.21*</td>
<td>0.10</td>
<td>-1.99</td>
<td></td>
</tr>
</tbody>
</table>

* \( p \leq .05 \). ** \( p < .01 \). *** \( p < .001 \).

A simple slopes analysis was performed to probe the interaction. The unstandardized simple slope for those with high quality supervisory relationships (+1 SD) was not significant \( b = -.10, p = .38 \). The slope for those with average quality supervisory relationships was also not significant \( b = .06, p = .41 \). However, when the quality of the supervisory relationship is low (-1 SD), the simple slope between met expectations and intent to remain is significantly positive, \( b = .22, p = .01 \).
Hypothesis 4

A linear regression was used to test hypothesis 4 that met expectations positively predicts sustainable engagement. Met expectations was set as the predictor and sustainable engagement was set as the dependent variable. Met expectations significantly predicted sustainable engagement, $R^2 = .42$, $F(1, 77), b = .47, p < .001$, lending support to hypothesis 4. That is, greater met expectations predict higher sustainable engagement.

Hypothesis 5

A mediation analysis was performed to evaluate hypothesis 5 that met expectations would mediate the association between employee empowerment and sustainable engagement. I bootstrapped the significance of the indirect effect using the medmod module in Jamovi. Specifically, I used the sample of 79 participants as a population reservoir from which to draw,
with replacement, 10,000 samples of N = 79. Jamovi computes unstandardized indirect effects for each bootstrapped sample so the 95% confidence interval may be determined. The bootstrapped unstandardized indirect effect was .08, and the 95% confidence interval ranged from 0.01 to 0.17. I therefore concluded that the indirect effect was statistically significant and indicates partial mediation with 13.08% of variance explained. I also used Jamovi to calculate the path estimates found in Figure 3; the c’ or “c prime” path is the direct effect of empowerment on engagement while the c path is the total (i.e., both direct and indirect) effect of empowerment on engagement.

**Figure 4**

*Mediation Analysis Results for Hypothesis 5*

![Diagram](image)

* a = .66***
  
* b = .13*

* c = .64***
  
* (c’ = .56***)

* p < .05; *** p < .001.

**Research Question 1**

Another mediation analysis was performed to evaluate research question 1 that asked whether met expectations would mediate the association between inclusive environment and sustainable engagement. I bootstrapped the significance of the indirect effect using the medmod module in Jamovi. Specifically, I used the sample of 79 participants as a population reservoir from which to draw, with replacement, 10,000 samples of N = 79. Jamovi computes
unstandardized indirect effects for each bootstrapped sample so the 95% confidence interval may be determined. The bootstrapped unstandardized indirect effect was .20, and the 95% confidence interval ranged from 0.11 to 0.32. I therefore concluded that the indirect effect was statistically significant and indicates partial mediation with 40.05% of variance explained. I also used Jamovi to calculate the path estimates found in Figure 4; the c’ path is the direct effect of inclusive environment on engagement while the c path is the total (i.e., both direct and indirect) effect of inclusive environment on engagement.

**Figure 5**

*Mediation Analysis Results for Research Question 1*

\[
a = .69^{***} \\
Met \text{ Expectations} \\
\text{Inclusion} \rightarrow \text{Sustainable Engagement} \\
c = .51^{***} \\
(c' = .31^{***})
\]

*** p < .001.
CHAPTER IV: DISCUSSION

Research Aims

In this study my aim was to examine the relation between met expectations and intent to remain; I sought to add to the literature by exploring career and development perceptions as well as quality of supervisory relationship as moderators of this association.

I also wanted to explore an association between met expectations and employee engagement. Specifically, I wanted to consider whether met expectations might act as a mediator between employee empowerment and engagement, and inclusive environment and engagement.

Key Findings

Met Expectations and Intent to Remain

While the correlation between met expectations and intent to remain was the smallest among all the study variables ($r = .28$), the observed correlation tracks closely with the .29 correlation reported in the meta-analysis by Wanous et al. in 1992. Based on a recent meta-analysis of effect sizes by Gignac and Szodorai (2016), a correlation of .29 corresponds to the 75th percentile of effect sizes. While previous effect size guidelines were stricter, Gignac and Szodorai (2016) promote new guidelines where .10 indicates a small effect, .20 indicates a typical effect, and .30+ indicates a large effect. Therefore, the observed correlation of .28 between met expectations and intent to remain is considered typical in effect size. Additionally, while the correlation results in a relatively small $R^2 = .08$, it is worth noting that small effects can have large consequences over time (Funder & Ozer, 2019), perhaps especially in combination with other environmental factors (e.g., remote work options, personal and familial needs, etc.).
Career and Development Perceptions as a Moderator

The data do not support the hypothesis that career and development perceptions moderate the association between expectations and intent to remain. That is, high or low perceptions of career and development opportunities do not create conditions under which expectations influence intent to remain in unique ways. However, career and development perceptions itself serves as a significant predictor of intent to remain \(b = .27, 95\% \text{ CI} (.13, .42), p < .001\). Perhaps the nature of the relation between these variables aligns with the observations by Deas and Coetzee (2020), who reported that those with satisfactory psychological contracts were more likely to find training and development opportunities satisfactory. In so far as satisfactory psychological contracts and met expectations are similar constructs, perhaps career and development perceptions may function as a mediator or explanatory variable between met expectations and intent to remain.

Quality of Supervisory Relationship as a Moderator

The data do not support the hypothesized direction of the predicted moderating effect of the supervisory relationship on the association between met expectations and intent to remain. However, a moderating effect was observed. Specifically, when the quality of the supervisory relationship is low, the slope between met expectations and intent to remain is significantly positive. I expected a significant moderation effect when the quality of the supervisory relationship was high, such that an employee would be willing to remain even in the face of unmet expectations. While the actual result was unexpected, it nevertheless provides helpful insight. One implication of this finding is that when the quality of an employee’s relationship with his or her supervisor is poor, meeting the expectations of that employee in other areas (e.g.,
empowerment, career and development perceptions, etc.) may play an important role in retaining the individual.

**Met Expectations and Sustainable Engagement**

The correlation between met expectations and sustainable engagement is strong ($r = .65$). In fact, the association is stronger than would have been expected based on the correlation between met expectations and organizational commitment (a construct closely related to employee engagement) reported in the meta-analysis by Wanous et al. (1992): .39.

**Met Expectations as Mediator of Employee Empowerment-Sustainable Engagement**

In the mediation analysis where empowerment was used to predict engagement and met expectations was selected as a mediator, met expectations turned out to be only a partial mediator of the association between empowerment and engagement. A large direct effect of empowerment on engagement was observed: 86.92% (of the total effect). In so far as employee empowerment and job satisfaction are positively correlated (Kim & Fernandez, 2017) and the sustainable engagement measure shares similarities to job satisfaction measures, empowerment’s direct positive effect on sustainable engagement was expected. However, the relatively minor indirect effect of empowerment on met expectations and subsequently on engagement was unexpected as it accounted for only 13.08% of the total effect. An imprecise use of scales may, in part, explain the result. Kim and Beehr (2020) identified a strong association between employee empowerment and basic need satisfaction; basic need satisfaction was in turn found to be positively associated with engagement. The measure of met expectations used in this study is not intended capture basic need satisfaction and therefore this may explain why a stronger mediating effect was not found.
Met Expectations as Mediator of Inclusive Environment-Sustainable Engagement

In the final mediation analysis, where inclusive environment was used to predict engagement and met expectations was identified as a mediator, met expectations was only a partial mediator of the association between inclusive environment and engagement. A large direct effect of inclusive environment on engagement was observed at 59.95% (of the total effect) while a modest indirect effect was also observed at 40.05%. The results contribute to Industrial / Organizational Psychology literature by demonstrating a strong association between inclusive environment and met expectations, as well as a direct and indirect effect on employee engagement. A theoretical explanation is that employees expect to work in an inclusive environment and, therefore, the experience of inclusion results in met expectations or an increase in psychological contract fulfillment (Li et al., 2019). Since inclusion may be a facet of perceived organizational support, an employee’s “global belief concerning the extent to which the organization values their contributions and cares about their well-being” (Settoon et al., 1996, p. 220), social exchange theory suggests that an employee may respond in kind with increased engagement.

Limitations

One limitation of the current study is the relatively small sample size of 79. Due to the sample size, it is possible that certain effects are being overstated (e.g., the stronger than expected correlation between met expectations and engagement) while others are going unreported due to lack of sufficient power (e.g., potential moderating effect of career and development perceptions on the association between met expectations and intent to remain).

Apart from the met expectations measure used, all questions and measures were developed by the organization providing the data. Unfortunately, I do not have information on
the scale development process or validity evidence. Further, use of the organization’s survey items restricted the constructs available for inclusion in this study. In particular, the sustainable engagement measure contains several items not seen in a typical employee engagement scale (e.g., Utrecht Work Engagement Scale [UWES]) intended to measure the three classic dimensions of engagement: vigor, dedication, and absorption (Schaufeli et al., 2006). Nevertheless, the sustainable engagement scale – and the five other measures used from the survey – was deemed sufficient for the purpose of this study.

Another limitation is the use of cross-sectional data. Most studies that focus on met expectations in newcomers are longitudinal in nature (Ashforth & Saks, 2000; Earl & Bright, 2007; Major et al., 1995; Taris et al., 2006). This method is used to capture expectation levels prior to starting a new job and compare them with met/unmet expectations at certain time intervals after beginning work. While the cross-sectional data was able to provide answers to the hypotheses and research question posed, I concede the possibility that some employees sampled – due to the range in tenure of 0 to 2 years – may have experienced an adjustment of expectations over time. The principle of habituation (i.e., responses to repeated stimulus will decrease or stop altogether) may have been a silent factor in the results if, given enough time, employees no longer feel either desirable or undesirable circumstances as keenly (Funder & Ozer, 2019). This is simply difficult to ascertain without longitudinal data.

**Recommendations**

**Practical Applications**

Met expectations are associated both with intent to remain and engagement, while the stronger relationship appears to be with engagement. This is logical based on social exchange theory (i.e., expectation of fair exchange between parties). While gross discrepancies between
expectations and reality may warrant a severe response at times (i.e., voluntary turnover), it is likely that most social exchanges in the workplace happen on a more moderate scale (e.g., met expectations being reciprocated with an employee’s efforts / engagement). This should be an encouragement to organizations to be realistic in presenting their company and/or job to prospective employees, and to keep their promises to current employees.

Met expectations correlated most strongly with employee engagement, inclusive environment, and employee empowerment. Based on the analyses performed, it appears that both empowerment and inclusive environment predict met expectations and, in turn, engagement. These are HRM practices that human resources and first-line managers would do well to give attention to and continuing promoting.

Finally, when an employee does not have a high-quality relationship with their supervisor, HR may want to examine whether the employee’s other areas of need or expectation are being met (e.g., inclusion, empowerment, career and development perceptions, etc.) and follow up if needed to reduce potential turnover.

Future Research

If the organization providing the data is interested in mining additional insights or conducting any follow up related to these findings, I recommend the use of a longitudinal study in which expectation data is given before, or upon, hire and evaluated at one or more intervals after. This would provide the timeliest data for intervention (if needed).

While career and development perceptions do not appear to have a moderating effect on the association between met expectations and intent to remain, it is possible that career and development perceptions would be more accurately seen as a mediator in this relationship. I recommend that any future study involving these variables explore the possibility.
The findings around inclusive environment are exciting and worth additional study. I recommend the exploration of a more comprehensive model/analysis using both empowerment and inclusion as predictors to see their relative influence on met expectations and any outcomes of interest (e.g., intent to remain).

Finally, any researcher building on this study may elect to use scales more commonly seen in the Industrial/Organizational Psychology literature, such as UWES for employee engagement or the Mor Barak Inclusion-Exclusion Scale for perceptions of work group inclusion (Brimhall & Mor Barak, 2018).

**In Summary**

The bifold objectives of this study were met: 1) to confirm the association between met expectations and the outcomes of interest (i.e., intent to remain and employee engagement) and evaluate potential moderators, and 2) to assess met expectations as a mediator of HRM practices (i.e., employee empowerment and inclusive environment). This study contributes to the existing literature linking met expectations to intent to remain and, similarly, unmet expectations to intent to leave. It also illuminates a condition under which the quality of an employee’s relationship to their supervisor (i.e., lower quality) makes a difference in relation to met expectations and intent to remain. Equipped with this knowledge, organizations may consider the importance of meeting an employee’s expectations overall to combat potential gaps in leader-employee relationships.

This study adds to the literature by showing a direct link between met expectations and employee engagement, where that link could only be guessed at in prior research based on the established association between met expectations and organizational commitment.

Finally, the results of this study support the notion that employee empowerment and inclusion positively predict, both directly and indirectly via met expectations, employee
engagement. These results suggest the value for both individuals and the organization in promoting employee empowerment and inclusion.
REFERENCES


