

# Expectations Gap: Real or Virtual: Issues for Professional Services Industry

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## INTRODUCTION

The employee/employer relationship is evolving and undergoing positive changes globally. The days of bureaucracy are over and both the employees and employer seek mutually beneficial environment for growth and success. With the evolving changes worldwide, both categories are extremely selective and have clear expectations from each other. Once these expectations are met, the corporate atmosphere becomes very conducive and healthy.

Any individual enters an Organisation with certain expectations which may vary in degree between individuals. But some of the common expected norms include money for time, security for loyalty, self-actualization for high productivity.

## The Issue

However, the question that arises is whether these expectations are real or a myth? Are there issues in an Organisation<sup>1</sup> pertaining to individual expectations<sup>2</sup>? Is it also one of the factors to be considered for employment? If they do exist, are these expectations met one on one? Is there an opportunity to be flexible and selective in one's choice? Is adaptability easy without compromising on values? Is there an overlap at least in some areas with regard to values, principles and other expectations? A gap seems to exist in the demand and supply particularly with regard to salary and individual differences in working style etc. An attempt is being made by various Organisations and individuals to bridge the gap in this ever changing relationship to provide a safe and healthy work environment, quality work life and equal employment opportunities<sup>3</sup>. The changing trend indicates better job and life satisfaction for both the employer and employee and sustenance of the work ethics and values of the Organisation.

No two individuals are alike and so are the differences in expectations of individuals. But in a working environment, some of the expectations may be common to the employee<sup>4</sup> such as the salary structure, Individual goals and values, job security, appreciation, performance based increments etc. Similarly most employers may expect adherence to the organisational

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1 Organisation: Something made up of elements with varied functions that contribute to the whole and to collective functions

2 Expectations: something looked forward to, whether feared or hoped for. Another meaning is a belief that someone should behave in a particular way.

3 <http://www.sbaer.uca.edu/research/ssbia/1994/pdf/10.pdf>

4 Employee: A person who works for another in return for financial or other compensation.

goals and values, loyalty to the Organisation, team work etc. There is also a difference in the perception of the employer<sup>5</sup> about the employee expectations and vice versa.

In the current scenario, an attempt is being made to match the expectations, values etc to create a suitable work environment that would satisfy most of the needs and thus focus on a healthy employee/employer relationship<sup>6</sup>. How far is the individual willing to extend himself to bridge this gap and at the same time carve a niche for himself in the corporate world?

This is easier said than done. Expectations also depend on certain external factors like type and size of the Organisation, similarities of goals between Organisations. Rules and regulations, policies may be more rigid in relatively large industries with more than 200 employees and the levels of hierarchy are also clearly defined. The same does not apply to smaller or medium sized industry where the organizational structure may be more horizontal and there is more freedom in choice and style of working.

This paper is an attempt at exploring the gaps in employee/employer relationship of a medium sized service industry and to determine which elements of expectations appeal to both the segments. The perceptions of the employer about employee expectations and the employee perceptions of the employer expectations form a major part of the study.

## REVIEW OF LITERATURE

This paper aims at analyzing the expectations in employee – employer relationship pertaining to the service sector.

In general, what employees and employers want and expect from each other — has been changing dramatically in recent years. As a result of all sorts of pressures and trends on both sides, such characteristics of corporate employment as stability, permanence, predictability, fairness, tradition and mutual respect are being replaced by new emerging features of self-reliance, flexibility and adaptability.<sup>7</sup>

Although extensive research has been done in the field of employee-employer relationships, there are few papers pertaining to the professional services sector of a medium sized industry.

Motivational theories imply that it is important to ensure that workers have personalities with motives and values relevant to the type of organization and to the jobs in which they are placed.<sup>8</sup> Presthus for example points out three “discrete types” of accommodation that seem to occur in organizations (Presthus, 1965). They are the upward- mobiles, the indifferents, and the ambivalents.<sup>9</sup>

A model has been proposed for balancing employer-employee relationship in a small business environment by McNeese State university students. (Ray Comish, Jeanne Daboval,

5 Employer: A person or company that employs workers

6 Relationship: A state involving mutual dealings between people or parties or countries.

7 [http://www.sciencedirect.com/science?\\_ob=ArticleURL&\\_udi=B6V9T-3Y44S4C-](http://www.sciencedirect.com/science?_ob=ArticleURL&_udi=B6V9T-3Y44S4C-)

8 Katzell, Raymond A. & Thompson, Donna E. Work motivation theory and practice. (1990, February).P.146

9 Presthus, Robert. (1965). Individual adjustments to organizations. In The Organizational Society.

Lonnie Phelps, Charles Rader). The model accommodates key variables of the debate over employee responsibilities and rights. The four components of the model include high concern for rights, low concern for responsibility, Low concern for rights, low concern for responsibility, High concern for responsibility, low concern for rights and High concern for responsibility, high concern for rights.<sup>10</sup>

*Jean-Marie Hiltrop* examines the human resource implications of the changing psychological contract, specifically, how organisations under pressure from greater competition, internationalization and integration of functions can manage employees now facing increased professional risk and uncertainty.<sup>11</sup>

*The Work Expectations Profile Online Report* provides a framework to explore 10 critical work expectations that impact today's employment relationships: Recognition, Autonomy, Expression, Career Growth, Diversity, Teamwork, Structure, Environment, Balance, and Stability.<sup>12</sup>

*In the journal article on Managing to Meet Employee Expectations: Quality Improvement Tools Narrow the Gap between Employee Expectations and Company Resources*, Robert C Woods poses the question whether the people who work for your company are really customers in the guise of employees? In the quality improvement arena, a customer typically rings expectations to a company believed to have the capability to meet those expectations. Strong relationships are formed and quality improvement results as a company seeks to understand and match the total set of a customer's expectations. Solid customer/company relationships withstand the test of competition and occasional service and supply problems. Can a case be made for valuing employees to the same degree as customers? Kotter and Heskett (1992) show that higher-performing companies consistently value their customers, stockholders and employees to a greater extent than do lower-performing companies. This paper addresses employees as customers of the company and describes a process and some tools to help a company understand, and more closely meet the expectations of its employees.<sup>13</sup>

### **Aim**

The aim of this study is

- Analysing issues in Organisational behaviour from the perspective of employee-employer expectations
- Determining the elements that are common to both segments.

### **Approach**

The data for the research was compiled during a specific training programme held for approximately 50 employees of a medium sized Organisation in professional services industry

10 <http://www.sbaer.uca.edu/research/ssbia/1994/pdf/10.pdf>

11 Jean-Marie Hiltrop -The changing psychological contract: The human resource challenge of the 1990s

12 <http://www.diseprofile.com/work.htm>

13 Journal article by Robert C. Woods; Human Resource Planning, Vol. 16, 1993

by a management consultancy Company. The method of data collection involved group discussion, brainstorming and observations.

The participants were divided into 10 teams with five members in a group. The tools used for the discussion included the two leading research questions:

- What do you expect from your employees as an employer?
- What do you expect from your employer as an employee?

## **The Responses**

From the responses it was observed that there were similarities between groups on the different expectations in both the classes of employee and employer expectations.

The data was then consolidated in a spreadsheet for easy computation classifying the common expectations together. The expectations were grouped together with scores for each of the ten teams as listed below:

- Expectations of employees
- Expectations of employers
- Expectations common to both

## **Scoring**

A score of one was given to every expectation stated by the team. If a team did not state a particular expectation then the score was taken as zero. The percentage scores for the sum of the scores for each listed expectation were then computed. This type of scoring was done to rate the expectations valued most by the entire group of employees.

## **Analysis**

The results and analysis are based on the inputs received from 50 employees of a medium sized professional services Organisation. This analysis highlights some of the key expectations that are ranked high both in terms of employee and employer expectation.

In general, it was observed that most of the perceptions of employees and employers are different. However, there are some common expectations which are viewed as necessary by both.

From the scores, it can be inferred that the following were considered important from the perspective of the employee/employer. The list below includes scores in percentages above 60%.

### ***Employer Perspective***

- Responsibility
- Dedication
- Sincerity in Values
- Punctuality

- Honesty
- Hard work

### *Employee Perspective*

- Rewards/Recognition
- Good Working Environment

Some of the common expectations that overlap include

- Appreciation
- Remuneration
- Team Playing
- Opportunity & Growth
- Empathy
- Knowledge Enhancement

TABLE 1: RANGE OF ALL THE EXPECTATIONS WITH GRADING

Appreciation	B/E	↑	10	Cost Effective	B	⇒	4
Responsibility	B	↑	10	Job Allocation	E	↓	3
Remuneration	B/E	↑	9	Infrastructure	E	↓	3
Team Player	B/E	↑	8	Motivation	B/E	↓	3
Dedication	B	↑	8	Confidentiality	B	↓	3
Opportunity/growth	B/E	↑	8	Initiative	B	↓	3
Rewards/Recognition	E	⇒	7	Cleanliness	B	↓	3
Empathy	B/E	⇒	7	Support	E	↓	2
Sincerity	B	⇒	7	Flexibility	E	↓	2
Punctuality	B	⇒	7	Assessment	E	↓	2
Good working Environment	E	⇒	6	Healthy Criticism	E	↓	2
Knowledge Enhancement	B/E	⇒	6	Ethical	B	↓	2
Honesty	B	⇒	6	Positive Attitude	B	↓	2
Hard Work	B	⇒	6	Respect	B	↓	2
Good Relationship	B/E	⇒	5	Integrity	B	↓	2
Quality & Standards	B	⇒	5	Good Manners	B	↓	2
Creativity	B	⇒	5	Ownership	B	↓	2
Loyalty	B	⇒	5	Self sufficient	B	↓	2
Time Management	B	⇒	5	Result oriented	B	↓	2
Client Management	B	⇒	5	Patience	E	↓	1
Understanding	E	⇒	4	Good Listener	E	↓	1
Guidance	E	⇒	4	Challenging Work	E	↓	1
Leadership	B/E	⇒	4	Training	E	↓	1
Discussion/Consultation	B/E	⇒	4	Identify talent	E	↓	1
Discipline	B	⇒	4	Image building	B	↓	1

Key for the above table: E – Employee; B/E – Common expectations; B – Employer/Boss

The table above lists the expectations in totality with the scores for the 10 teams. The scores also indicate the number of teams in favour of that expectation. Grading of scores has been done as follows:

- Scores between 8 and 10 – High (marked by up arrow)
- Scores between 4 and 7 – Medium (marked by side arrow)
- Scores less than 4 – Low (marked by down arrows)

From this table, the importance of certain expectations over others can be clearly identified. Moreover, a key observation can be made here in that certain expectations are given prime importance in the service Industry like Appreciation and Responsibility. Appreciation is a common expectation preferred by both the employee and the employer. Responsibility is considered the main criteria by the employer for the success of an Organisation. Both these qualities enhance the working of a company.

It can be inferred from the table above, but for a few common attributes, most of the expectations stated by the employer and the employee are different. Of the 50 expectations listed above, 40 of the listed expectations are completely different.

## ANALYSIS OF EMPLOYER EXPECTATIONS

Overall, the employer perspective varied from honesty and sincerity to timely completion of work and taking on responsibilities.



From the above table, it can be inferred that responsibility with dedication are key factors in the development of a good employee.



**Responsibility:** Ranks highest at 100% on the list of expectations. The entire group appears to have validated responsibility as the most important factor in an Organisation. Responsibility in one's job, responsibility for one's actions characterizes an Individual and this adds to the credibility of the Organisation. Dedication is closely linked with responsibility. Doing one's work with dedication and responsibility can escalate the success rate multifold and therefore is an essential part of the employee-employer relationship. The employer would expect responsibility combined with dedication and hard work as some of the key skills of an employee.

## ANALYSIS OF EMPLOYEE EXPECTATIONS

TABLE 3: EMPLOYEE EXPECTATIONS PERCENTAGE SCORES

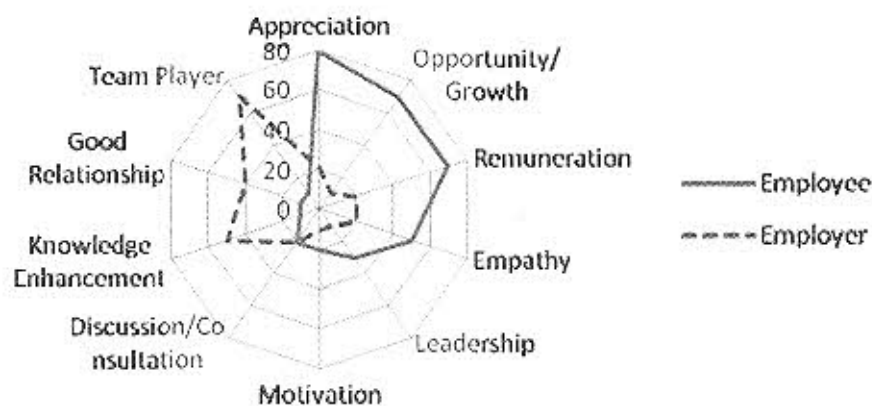
S. No.	Employee Expectation	Score %	S. No.	Employee Expectation	Score %
1	Rewards/Recognition	70	8	Flexibility	20
2	Good working Environment	60	9	Assessment	20
3	understanding	40	10	Healthy Criticism	20
4	Guidance	40	11	Patience	10
5	Job Allocation	30	12	Good listening	10
6	Infrastructure	30	13	Challenging Work	10
7	Support	20	14	Training	10
			15	Identify talent	10



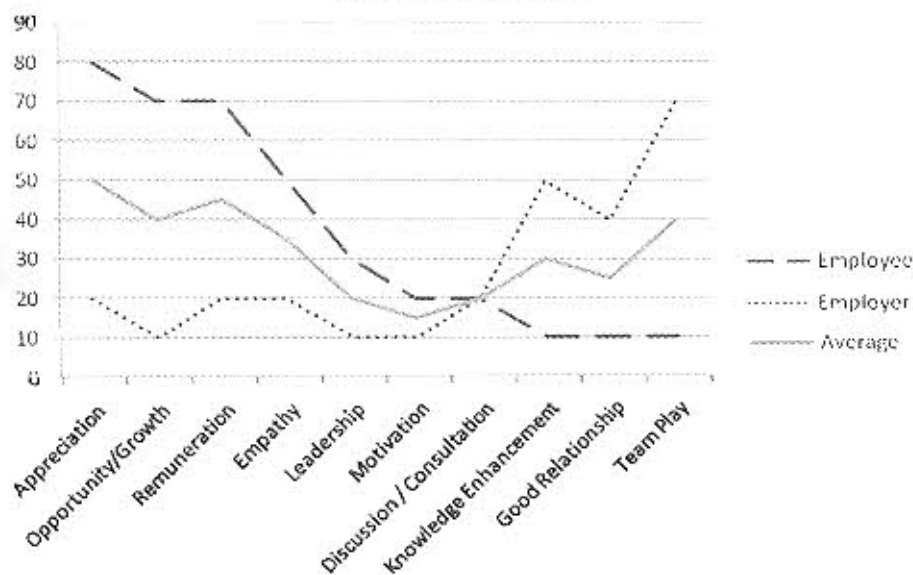
The other side of the coin revealed surprising results. It is generally assumed that people work essentially for compensation which becomes the prime motivating factor. But rewards and recognition took precedence over remuneration as a motivating factor. It is also widely believed that after a certain stage in life, an individual works for the sheer pleasure or joy of working. This is a stage when an individual is satisfied with the remuneration and money becomes secondary.

## Analysis of Expectations Common to Both

## Common Expectations



## Common Expectations



In general, the expectations of the employer and employee showed considerable differences. However there were few common elements considered important by both but the percentages varied considerably.



## Recommendations

This study clearly identifies the varied expectations of both the stakeholders with a below average overlap of the common ones.

Based on this study, an attempt has been made by the researcher to propose certain recommendations to narrow the existing gaps. This employee-employer gap needs to be reduced in order to minimize the losses and differences resulting in high employee turnout, high cost etc.

- Assessment during interviews through test on the expectations.
- Those expectations that are around the threshold scores can be improved through training. If the post training gap is okay, then the candidate can be inducted.
- This method can be used to evaluate existing employees through periodic assessment (once in 6 months) to constantly monitor the gaps.
- Orientation of the new employee to the systems, procedures and expectations of the Organisation. Orientation could also be done for the existing employees to the new procedures introduced in the Organisation.

## Limitations

This study is restricted to the size and type of industry.

- Data collected from 50 employees
- The Organisation – medium sized service industry.
- The participants included specialists/professionals, administrators and the management.
- An almost equal number of men and women
- A fair ratio of North Indians and South Indians
- The participants were from all three levels of management – low, middle and senior
- Study limited to Chennai.

*Note:* An Organisation can be termed medium if the number of employees range between 20 and 100. A small Organisation comprises of less than 20 employees and a number greater than 100 could be classified as a large Organisation.

This research work can be expanded to study Organisations of various sizes and various types of categories in the service sector itself. A comparison of the Indian outlook with that of the rest of the world in terms of expectations could also be carried out. Influences of cultural effects/background on expectations can also be another part of a study.

## IMPLICATIONS/CONCLUSION

The focus of this paper has been to match the employee/employer expectations<sup>14</sup>. The synchronizing of the expectations between the two categories can help achieve the common goals and together build a strong Organisation. The employer may be responsible for the well-

14 <http://www.sbaer.uca.edu/research/ssbia/1994/pdf/10.pdf>

