## HIGHLIGHTS
- Explores the moderating effects of need for achievement (nACH) on the positive relationship between psychological entitlement (PE) and Unmet Expectation
  - This positive relationship will be strengthened when PE individuals have high nACH
  - Investigates the role of Unmet Expectations on employee Work
    - This negative relationship will be weakened by Participative Leadership Behaviors

## THEORETICAL MODEL

### Psychological Entitlement → Unmet Expectations → Work Effort

#### Need for Achievement

- "The discrepancy between what a person encounters on the job, in the way of positive and negative experiences, and what he expected to encounter" (Porter & Steers, 1973)
- Unrealistic expectations of the PE are more likely to go unmet
  - Employees with high levels of pay entitlement were more likely to experience job dissatisfaction (Graham & Welbourne, 1999)

#### Participative Leadership

- Due to Unmet Expectations, PE individuals will perceive an imbalance of their input/output ratios
  - Causes feelings of inequity
  - To compensate for this imbalance, employees will adjust their inputs to suit the outputs that they feel they are receiving
  - This means a decrease in the employee’s Work Effort

**Proposition 3:** Unmet Expectations is negatively related to Work Effort

### WORK EFFORT

- Leaders include subordinates in decision-making (Koopman & Wierdema, 1998)
- Participative leaders manage their subordinates’ expectations
  - Allowing subordinates to have influence over decisions increases their sense of control – assuaging the negative effect Unmet Expectations have on Work Effort

**Proposition 4:** Participative Leadership Behaviors moderates the Unmet Expectations – Work Effort relationship such that an increase in Participative Leadership Behaviors weakens this negative relationship

## CONTRIBUTIONS
1. Propose a new way organizations can counter the negative effects of PE
2. Explore the issue beyond compensation and benefits
3. Develop connections between areas of organizational theory that have not been made before:
   - Psychological Entitlement and Need for Achievement
   - Equity Theory and Work Effort

## PSYCHOLOGICAL ENTITLEMENT
- Sense of deserving a certain level of reward and praise regardless of the amount of effort and quality work produced
- Becoming increasingly prevalent
  - Entrance of “Generation Y”
- PE can reflect negatively on various work outcomes
  - e.g., frustration, conflict with supervisors, turnover, and low job satisfaction (Brouer, Wallace, & Harvey, 2011)
- Research is lacking on how to minimize negative outcomes
- PE stems from social contracts individuals create with each other (Naumann et al. 2002)
  - Often PE individuals perceive imbalance in reciprocity of these social contracts
  - This can be explained using Equity Theory (Adams 1963, 1965)
    - Balance of the input/output ratio between two parties in relationship results in equity
    - Humans strive for equity in all exchange relationships
    - PE individuals prefer their input/output ratio to exceed that of the comparison

## UNMET EXPECTATIONS

### Need for Achievement

- Desire for significant accomplishment, mastering of skills, control, or high standards
- Psychologically Entitled with a high Need for Achievement
  - Expands unrealistic expectations by increasing desire for more outputs – further exacerbating perceived inequity
  - More likely to experience unmet expectations

**Proposition 2:** nACH moderates the PE – Unmet Expectations relationship such that high nACH strengthens this positive relationship, and low nACH weakens this relationship

## NEED FOR ACHIEVEMENT

- "The discrepancy between what a person encounters on the job, in the way of positive and negative experiences, and what he expected to encounter" (Porter & Steers, 1973)
- Unrealistic expectations of the PE are more likely to go unmet
  - Employees with high levels of pay entitlement were more likely to experience job dissatisfaction (Graham & Welbourne, 1999)

**Proposition 1:** Psychological Entitlement is positively related to Unmet Expectations

## PARTICIPATIVE LEADERSHIP

- Leaders include subordinates in decision-making (Koopman & Wierdema, 1998)
- Participative leaders manage their subordinates’ expectations
  - Allowing subordinates to have influence over decisions increases their sense of control – assuaging the negative effect Unmet Expectations have on Work Effort

**Proposition 4:** Participative Leadership Behaviors moderates the Unmet Expectations – Work Effort relationship such that an increase in Participative Leadership Behaviors weakens this negative relationship