SETTING HIGH EXPECTATIONS IS NOT ENOUGH:

LINKAGES BETWEEN EXPECTATION CLIMATE STRENGTH,

TRUST AND EMPLOYEE PERFORMANCE

1. INTRODUCTION

It is perhaps unremarkable to state that realistic, consistently applied, clearly and coherently communicated and well understood performance expectations create employee trust, employer trustworthiness, and sustained employment relationships. However, it has also been noted that many job functions in today's increasingly competitive environment display an 'underinvestment approach' in which expectations have risen disproportionately compared to offered inducements (Tsui and Wu, 2005). Considering these growing expectations, we posit that fostering a better understanding of whether and how job expectations affect job performance would be a worthwhile endeavor. Specifically, we are interested in how a consensus on performance expectations signals employer trustworthiness and creates employee trust, which may encourage an investment in strengthened job performance.

We build on previous research, which reports that employee perceptions of HRM practices matter beyond the intended HRM consequences for employee performance (Nishii and Wright, 2008). Not only do employees form perceptions of HRM practices, Bowen and Ostroff (2004) build on climate theory to argue that employees form perceptions on what is expected from them. In this paper, we focus on these expectation perceptions rather than on HRM practices. Affected by HRM procedures, practices and social interactions with their peers, employees form collective perceptions on what the organization expects from them (Zhang et al., 2014). Previous research has indicated that the level of perceived expectations is linked with job performance (Jiwen Song et al., 2009) and that the level of different facets of climate impacts on employee outcomes, with employees found to comply with a group-level

climate (Veld et al., 2010). Collective perceptions are thus important as they affect employee performance and ultimately organizational performance (Nishii and Wright, 2008).

The role of climate in the organizational space has become a prominent construct and has been examined from multiple perspectives, including e.g. innovation climate (Stirpe et. al, 2015) and learning transfer climate (Choi and Park, 2014), amongst many others. In the context of job expectations and building on climate theory (e.g. Schneider et al., 2013), we note that a difference can be made between the *level* of the expectation climate and the *strength* of the expectation climate. Most research to date has focused on the climate level (high vs. low expectations), but we contend that it is also important to address the role of the climate strength to increase our understanding of how employees are affected (James et al., 2008; Schneider et al., 2013). The climate strength indicates the extent to which job incumbents agree about the perceived expectations in their job functions, based on employees' shared social reality of what is expected from them (Bowen and Ostroff, 2004).

Crucially, the extent to which employees form collective perceptions may differ and vary between job functions (Schneider et al., 2002). In other words, in some jobs the expectation climate is stronger than in others. The expectation climate strength thus accounts for the degree of consensus on the expected behavior among job incumbents, with a strong climate indicating a high level of consensus.

It is the purpose of this study to disentangle the relationship between expectation climate strength and job performance, an endeavor which responds directly to calls for further research to address the issue (e.g. Ostroff and Bowen, 2000; Parker et al., 2003). By examining this linkage, we seek to extend the scarce previous research on climate strength and employee outcomes. Notable exceptions in the recent literature include studies by Sanders et al. (2008) and Li et al. (2011), but neither study addresses job performance directly.

In order to explain this relationship, we build on social exchange theory (Blau, 1964) which explains motivational mechanisms via the mediation of trust (Schoorman et al., 2007). To this end, we suggest that the expectation climate strength signals the trustworthiness of an organization and plays an important role in shaping employees' beliefs that the organization can be trusted. As a consequence, the trusted organization forms a 'safe haven' in which to invest effort on the part of the employee. By studying the expectation climate strength and mediating trust-in-the-organization effects, we enrich previous research which has found that the level of job expectations is linked with trust-in-the-organization (Zhang et al., 2008), and that trust-in-the-organization can be used to explain why HRM relates to positive employee outcomes (e.g. Gould-Williams, 2003; Searle et al., 2011). As such, we address acknowledged research needs by studying collective perceptions (Kehoe and Wright, 2013), and the multilevel process through which HRM affects performance (Guest, 2011).

In the sections that follow, we discuss the relationships between expectation climate strength and employee performance and present theory-informed hypotheses, which culminate in considerations of mediating trust-in-the-organization effects. We introduce our empirical framework and analyze our data, drawn from a large, public sector organization in Belgium, in a multilevel modelling setting to test these hypotheses. We then discuss our findings and review our results in the spirit of goal setting and uncertainty reduction theories. Finally, we conclude the analysis with discussions of research design limitations, practical implications and suggestions for future research directions.

2. THEORY AND HYPOTHESES DEVELOPMENT

We build on climate theory (Schneider, 1987), which suggests expectation climate strength to vary at the job-level, and on social exchange theory (Blau, 1964) to examine whether and to what extent climate strength is related to job performance through trust-in-the-organization

effects. In essence, we stipulate that expectation climate strength impacts job performance directly, as well as indirectly via a mediating trust impact. These linkages are depicted in Figure 1 and inform the development of testable hypotheses for our analysis. Our theoretical contribution thus positions expectation climate strength in an arguably simple, but potentially powerful conceptual framework.

[Figure 1 about here]

2.1 Expectation climate strength: Variability in Perceived Expectations at the job-level

The organization signals its expectations through HRM practices, policies, procedures, routines and rewards (e.g. Nishii and Wright, 2008). Although employees are subjected to the intended and implemented HRM practices at the group level, employees form their own versions of what is expected from them. According to climate theory, employees form individual, subjective perceptions 'in terms of the psychological meaning and significance to the individual' (James, 1982, p. 219). Employees interpret HRM messages idiosyncratically due to personal preferences and needs, and due to the differential implementation by their line managers (Bowen and Ostroff, 2004). It follows that perceptions of expectations are formed at the individual-level.

In addition to individual-level perceptions, however, collective perceptions may also emerge at higher group-levels. The climate literature makes a difference between the level of the climate and the strength of the climate (Schneider et al., 2013). The level of the climate pertains to the climate quality. Most studies focus on the level rather than the strength of the climate (James et al., 2008; Schneider et al., 2013), although theorizing in the HRM literature suggests that it would be particularly relevant to study the climate strength (Bowen and Ostroff, 2004). Schneider et al. (2002) have introduced the concept of 'climate strength' by building on the literature on strong situations (Mischel, 1973). The essence of a strong climate

is that employees share their interpretation of which performances are both, important and expected. A strong climate emerges partly due to social and structural stimuli to which group members are exposed (Schneider et al., 2002). Group members develop shared meanings as a result of social interactions. In addition to social interactions, employees have common experiences such as events, working conditions, policies and practices, and general work goals. As a consequence, group members are inclined to share their perceptions of the work environment (Klein and Kozlowski, 2000).

Bowen and Ostroff (2004) build on the organizational climate literature and on theories of strong situations to develop a theory of HRM system strength. Depending on HRM system features, the climate may be more or less strong (Schneider et al., 2002). Following Bowen and Ostroff (2004), we add to these assertions and extend the argument by focusing on expectation climate strength as the within-group consensus on expectations.

A strong climate induces "uniform expectancies about responses, provides clear expectations about rewards and incentives for the desired responses and behaviors, and induces compliance and conformity through social influence" (Bowen and Ostroff, 2004, p. 213). It follows that in a strong climate there is a high within-group consensus. Employees will perceive common expectations (Schneider et al., 2002) and, as would be expected, employee perceptions pertaining to expectations converge (Kehoe and Wright, 2013). When the consensus level on expectations is high, there is more clarity on expected behaviors. This implies that for some job functions there will be a high consensus level on expectations, whereas for others this is not the case, in large measure due to differences in the HRM process (Bowen and Ostroff, 2004) and in the actual HRM implementation by line managers. In contrast, in a weak climate there are no clear, uniform expectancies encoded. Instead, ambiguity prevails in these situations. In other words, there are no clear powerful cues on the expected behavior, and for employees it is not clear which behavioral norms and attitudes are

to be expected. These arguments then imply that consensus levels on perceived expectations may be greater in some job functions than in others.

The employer signals expectations at higher levels in which the employee is nested in the social system of the organization (Klein and Kozlowski, 2000), such as the job-level (Tsui et al. 1997). Nevertheless, employees who hold the same job may experience different practices for different reasons. First, employees have their own perceptual mechanisms, such as their individual needs through which they interpret HRM practices. Second, the line manager plays an important role in implementing HRM practices, and with different practices prevalent, employees who share the same job or similar roles may still be exposed to different HRM practices (e.g. Nishii and Wright, 2008). Third, perceptions about job expectations may fail to aggregate as a consequence of weak HRM systems, causing variance in the expectation climate strength at the job-level (Bowen and Ostroff, 2004). It follows that by providing clear and transparent policies and guidelines managers strengthen the expectation climate among their employees.

2.2 Expectation climate strength and job performance

We define job performance as the quantity and quality of employee contributions to the organizational goals in a direct or indirect way (Tsui et al., 1997). Following HRM-performance process chains, we expect that the expectation climate strength is linked with job performance (Bowen and Ostroff, 2004; Nishii and Wright, 2008).

When there is a strong climate, this will have a larger effect on behaviors and job performance, regardless of whether the climate is positive or negative (Schneider, 2002). Bowen and Ostroff remind us that "in a strong situation, variability among employees' perceptions of the meaning of the situation will be small and will reflect a common desired content. In turn, organizational climate will display a significant association with employee

attitudes and behaviors. This occurs because a strong HRM system can foster similar viewpoints such that the situation leads everyone to "see" the situation similarly" (Bowen and Ostroff, 2004, p. 213).

When there is a weak climate, employees construct their own versions of what is expected and use this perceived reality to guide their own behavior and the resulting job performance. Employees attend to conflicting, ambiguous signals on the requirements in their job. It is likely that this creates confusion for many employees. When there is a lack of clarity on the expectations, employees' line of sight may be inhibited. Their role as part and parcel of the organizational strategic goal remains unknown, and their contribution to the organizational goal is not fully understood (Boswell, 2006).

Building on these assertions, we hypothesize that expectation climate strength will relate positively to job performance.

Hypothesis H1: Expectation climate strength displays a positive relationship with job performance.

2.3 Expectation Climate Strength and Trust-in-the-Organization

Trust can be understood as a "psychological state comprising the intention to accept vulnerability based upon positive expectations of the intentions or behavior of another" (Rousseau, 1998, p. 395). In Rousseau's widely used definition, it is emphasized that trust concerns a psychological state in which an individual has confident, positive expectations about the conduct of another. Consistent with most definitions trust in the organization involves "one's expectations, assumptions, or beliefs about the likelihood that another's future actions will be beneficial, favorable, or at least not detrimental to one's interests" (Robinson, 1996, p. 576). It thus entails both reliability and benevolence. Trust can be represented as an

employee's understanding of a relationship based on accumulated experiences in situations involving vulnerability with the other party (Dirks and Ferrin, 2001). Employees accept risk or vulnerability on the basis of their positive expectations (Mayer et al., 1995).

While trust may be directed at multiple foci, our focus is on trust-in-the-organization. In this context, the question of whether or not the employee decides to trust the organization is based on the perceived trustworthiness of the organization and the risk involved in vulnerable behavior. This understanding is derived from the notion of cognition-based trust, which reflects expectations of reliability and dependability (e.g. Colquitt et al., 2012). A growing number of trust definitions specifically focus on positive expectations, are based on employees' subjective perceptions (e.g. Schoorman et al., 2007) and mirror the degree of perceived trustworthiness. The organization is seen as trustworthy when the employee perceives that the organization shows abilities for managing its employees, and is predictable (Dietz and Den Hartog, 2006).

In a weak climate, expectation signals are inconsistent and unpredictable. Therefore, employees are less likely to have positive expectations of the organization's ability to be reliable. When there is no consensus on job expectations, employees may perceive management to be rather unskilled when managing employees in an equitable and consistent manner. In other words, employees may doubt the ability of management and, thus, the organization's trustworthiness. Since trust requires the predictability of another's behavior, the non-transparency and ambiguity in expectations may lower employees' sense of control and lead to an increased sense of vulnerability. It is not clear to the employee what is expected by the organization. Therefore, employees are less confident in the organization's ability to manage their investments (Searle et al., 2011). Trust may be compromised if employees are aware of inconsistent and unpredictable expectations. It may be that job incumbents perceive the expected quality and quantity of work differently, and may construct different

expectations e.g. for initiative-taking requirements. Due to the interactions among job incumbents, this uncertainty may be magnified and it is less clear to employees what is expected from them to perform strongly. The notion of reliability becomes elusive and, as a result, employees may be less willing to accept vulnerability while performing.

In contrast, when the expectation climate is strong, employees will have trust in the organization because they can expect a consistent and predictable treatment. Since they trust the employer, they feel confident to invest efforts in a strong performance. They feel they can rely on the organization to be clear and consistent on what is expected from them. Employees will be motivated to work, as they feel they can trust the organization's dependability. They can take risks by 'going the extra mile' when performing for the benefit of such an organization. A strong(er) performance results as a consequence. These assertions are corroborated by recent meta-analyses which have shown that trust-in-the-organization is indeed related to job performance (Colquitt et al., 2007; Dirks and Ferrin, 2001). These findings also support the fundamental assumption of the theory on trust that fosters risk-taking behavior when pursuing performance-oriented endeavors (Mayer et al., 1995).

Against this background, we hypothesize that expectation climate strength will relate positively to trust-in-the-organization.

Hypothesis H2: Expectation climate strength relates positively to trust-in-the-organization.

2.4 Trust-in-the-Organization as Mediator between Expectation Climate Strength and Job Performance

Trust operates as a currency in social exchange (Blau, 1964). In social exchange, the employee perceives that the give-and-take relationship with the organization is based on trust.

When employees perceive that the underlying intentions of human resource management are favorable to them, they will feel obliged to reciprocate. This mechanism is referred to as the inducement-contribution mechanism of social exchanges (Cropanzano and Mitchell, 2005). This reasoning echoes the view that trust explains why trustworthiness relates to employee outcomes (Mayer et al., 1995). The employee arrives at an impression of whether the organization has trustworthy intentions. The employee bases this impression on whether the organization's intentions are perceived as benevolent and integer (Schoorman et al., 2007). Specifically, the employee judges the organization to be benevolent when the organization is believed to have positive intentions towards the employee and be loyal, supportive and caring. The perceptions of integrity are based on the degree to which the organization is believed to be not only consistent, but also adheres to general sound moral and ethical standards (Mayer et al., 1995).

Trust can thus be seen as a motivational construct since it is the corner stone of social exchange motivation. What is more, it explains why employees act contingent on the actions of the organization (Blau, 1964; Shore et al., 2006). The expectation climate strength can be regarded as an organization's equal treatment of the job incumbents. Following social exchange theory such an equal treatment results in felt obligations to reciprocate (Cropanzano and Mitchell, 2005). In the HRM literature, it is shown that high-performance work systems relate to performance through social exchange (e.g. Takeuchi et al., 2009). Employees perform more strongly in those job functions where job incumbents have a strong expectation climate because they know more clearly what is expected from them to meet and potentially exceed performance requirements. They perceive that they can rely on the organization's signaled expectations. Above all, they trust the organization to have consistent and clear behavioral expectations with favorable intentions, which is why they are motivated to work in accordance with the signaled expectations and reciprocate by performing strongly. In other

words, employees' willingness to be vulnerable while performing follows from expectations that the organization is trustworthy, benevolent and reliable.

With these arguments in mind, we stipulate that trust functions as a mediator that explains why the expectation climate strength relates positively to job performance.

Hypothesis H3: Trust-in-the-organization mediates the relationship between expectation climate strength and job performance.

3. METHOD

3.1 Sample and Procedures

The dataset at our disposal is based on two, time-lagged surveys in a large public service organization (of about 5000 employees) in Belgium, which formed part of a multi-layered research project on HRM, employment relationships, leadership, and a variety of employee outcomes. By deriving our data from this source, we address and mitigate the suspicion generated by a study's known objectives, a pre-dispositional bias frequently criticized by researchers, because our respondents to a more generic dataset survey have no prior knowledge of the specific purpose of the current investigation.

We employed stratified random sampling techniques across the organization. The strata constitutes of 75 job functions, within which random sampling took place. The first survey was conducted in the month of June 2012 and targeted 1,008 employees with questions that included information on the climate in their job and the trust-in-the-organization. Answers in this survey also identified relevant line managers of employees, which we were able to validate via centrally held HR records. In the second survey, conducted in the month of September 2012, we asked line managers to complete a questionnaire on their employees' job performance. To maximize completion rates, we restricted this sample to line managers

with no more than 6 direct reporting lines. Out of 336 line managers identified in the first survey, 242 eligible managers completed the task. Correcting the data for missing observations led to useable data on 568 employees in 75 job functions.

We used job functions as they were defined by the organization. Specifically, the job functions in our context are sub-divided into four categories that reflect the level of the job. The lowest level category contains administrative job functions in which employees need to provide individual contributions by giving internal services. Examples are professional support functions and secretarial positions. The second level category contains job functions in which employees provide individual contributions by giving external services, and contributing to first-line management job functions. Examples are consultant, instructor, and account manager services. The third level category includes job functions that deal with mid-level management and expert functions. Examples are project manager, service manager, and domain expert services. The highest level category contains higher-level management functions. Examples are regional manager and head of department services. Consistent with previous climate research, job functions represented in the sample thus capture a diverse set of positions and tasks. It has been argued that diversity in the sample would benefit the variance in situational strength (Meyer et al. 2011).

The surveys were distributed via Qualtrics - an online survey tool. The response rates (June survey: 67%; September survey 72%) were substantially higher than the reported mean (39.6%) of electronic survey response rates (Cook et al., 2000). We attribute the high response rates largely to prominently positioned anonymity reassurances in both surveys and the reported sample restriction for the second survey.

The first survey gathered data on the independent variables and on trust-in-the-organization dimensions. For the expectation climate strength, we ensured that the referent for the questions was the employee's job in the organization, and the formal job title of the

employee (supplied by the organization's central HR department) was automatically inserted in the survey items. In doing so, we address referent clarity, which is important for multilevel research (Klein and Kozlowski, 2000). The second survey gathered data on employees' job performance from their 242 line managers. By using another rater for job performance, we mitigate the risk of common method variance (Podsakoff et al., 2003). To test more formally for common method variance (CMV) after the data were collected, all items were restricted to load on one factor in a principal component analysis (Harman, 1976). This factor explained substantially less than half of the variance (26.21%), supporting the expectation that CMV does not confound our results.

Respondents averaged 43.8 years of age (SD 10.9), had been employed by the organization for an average period of 16.9 years (SD 5.13), and had been in their current job for an average period of 8.3 years (SD 6.9). 13.5% of respondents held management functions. Males represented 33% of the sample.

3.2 Measures

Expectation climate strength. We draw on the scale by Jia et al. (2014) that entails signaled job expectations by the organization, building on employment relationship research (Wang et al., 2003). The scale comprises 13 items, which are listed in the Appendix. The employee's job referent (e.g., account manager) was inserted in each of the items. Cronbach alpha for this measure was .87. We also found support for aggregating job expectations to the job-level (rwg = .86; % rwg>.70 = 92%). We follow previous research by operationalizing climate strength based on the group-level (here: job-level) standard deviation of employee perceptions (Schneider et al., 2002). Standard deviation demonstrates dissensus - a metric which represents the opposite of consensus. We have chosen to use variance, calculated from standard deviations. The variable thus indicates the observed variance within each job across

each set of raters within the job (LeBreton and Senter, 2008). We reverse the sign of variance to indicate expectation climate strength as the consensus in the climate, rather than the dissensus in the climate.

Trust-in-the-organization. We utilize the 7-item scale for Trust-in-the-Organization by Robinson (Robinson, 1996). Scale items are displayed in the Appendix. Cronbach alpha for this measure was .87.

Job performance. To operationalize this construct, we draw on a scale that has been applied across a broad range of job functions, with 4 items – again provided in the Appendix - taken from the scale by Tsui et al. (1997). Both, quantity and quality perspectives of employees' job performance have been captured. Cronbach alpha for this measure was .86.

Controls. Previous research indicates that the *job category* may make a difference in trusting the organization. For example, managers are generally more inclined to trust the organization – an assertion explained by the impact of managerial autonomy and independence in an organization's decision-making process (e.g. Searle et al., 2011). They are also understood to pay less attention to expectation-inconsistent information (Mannix and Loewenstein, 1993), with meta-analytical results demonstrating that integrity is a stronger predictor for managerial job functions (Colquitt et al., 2007). Considering the diversity of job categories in the sample, we include 'job category' as a dummy variable to control for the found relationships. The two mid-level categories are used jointly as a referent for the lowest and the highest job categories in the analysis. In addition, the *expectation climate level* (the degree to which expectations are perceived to be high) was added as a control variable. Although the focus of this paper is on the expectation climate strength, we want to check whether the strength contributes to trust-in-the-organization beyond the expectation climate level. We also control for employee's *job*

tenure because this may affect the proficiency in performing the job, as well as for *age* and *gender* (1 = female; 0 = otherwise).

4. RESULTS

The means, standard deviations, and correlations are shown in Table 1. The descriptive statistics uncover a significant correlation between the expectation climate level and the expectation climate strength (.24, p<.05).

We follow procedures for multilevel models because of multilevel linkages in the hypotheses (Hox, 2010), and – in line with previous practice - adopt a staged approach for establishing mediation (Mathieu and Taylor, 2006). Tables 2 and 3 delineate the results of our Hierarchical Linear Models (HLM).

[Table 1 about here]

Below, we describe the results of the 2-1-1 multilevel mediation analysis. In such a model, a Level-2 antecedent influences a Level-1 mediator which then affects a Level-1 outcome. First, we test the linkage of expectation climate strength with job performance. Second, we test the linkage with trust-in-the-organization. Finally, we describe the results for the mediation of trust-in-the-organization in the relationship between expectation climate strength and job performance.

[Tables 2 & 3 about here]

4.1 Linkage between expectation climate strength and job performance

We first test intercept-only models for job performance, without including any predictors (see Model 1 in Table 3). The between-job errors show significant variance (p<0.05), and Intra-

class correlation (ICC) is 0.09. We conclude that we are in a position to examine multilevel models.

As shown in Table 3, the level 1 and level 2 control variables were inserted in model 2. These results suggest that age is negatively related with job performance. The expectation climate level is not significantly associated with job performance. Model 3 subsequently shows that the expectation climate strength is positively associated with job performance which provides support for hypothesis H1.

4.2 Linkage between expectation climate strength and trust-in-the-organization

We commence this part of the analysis with an intercept-only model (see Model 1 in Table 2). The between-job errors show significant variance ($p<0.05$), which suggests once more the appropriateness to examine multilevel models.

We then estimate model 2, including the control variables only. The results suggest that job tenure and age are negatively associated with trust-in-the-organization. Job category is associated with trust-in-the-organization such that employees in the lowest level and in the highest level job category appear to have more trust-in-the-organization when compared jointly with employees in the mid-level job categories. Lack of experience coupled with a potential propensity to trust organizational directions more readily (low level) and perceived/actual degrees of autonomy in the organizational decision-making process (high level) may explain these findings. The expectation climate level is not significantly associated with trust-in-the-organization. We proceed with model 3, which includes the predictor. Expectation climate strength displays a positive association with trust-in-the-organization. These findings provide support for hypothesis H2, with the model accounting for 27% of job-level variance in trust-in-the-organization.

4.3 Mediation of the linkage between expectation climate strength and job performance

Finally, we continue the procedures for testing multilevel mediation through trust-in-the-organization in Table 3. In model 4, we add trust-in-the-organization. The size of the coefficient for and the statistical significance of expectation climate strength deteriorates, which implies that trust-in-the-organization partially mediates the relationship between expectation climate strength and job performance. We also estimate significance of the indirect effects with the Monte Carlo method by Selig and Preacher (2008). Results show significant indirect effects (95 per cent CIs between 0.10 and 0.52). To this end, the model provides some discernible support for hypothesis H3, accounting for 8% of the variance at level 1 and 17% of the variance at level 2.

5. DISCUSSION

Studying organizational climates is an important and growing focus in HRM theory and practice. Previous research on organizational climates established that different facets of climate are formed, which shape employees' reactions. The present study concentrates on expectation climate strength and contributes to a better and arguably more nuanced understanding of how HRM relates to performance. Instead of studying perceived HR practices, we study perceptions of expectations that may follow from these practices.

Consistent with analytical 'Sustainable HRM' objectives, our analysis refrains from attempts to research 'traditional' firm-level outcomes, such as financial performance measures. Instead, we focus our efforts on responses at the level of the employee, individually and collectively, and utilize psychological (rather than financially motivated) explanations, specifically by examining the role played by employees' trust-in-the-organization.

It is now an established finding that the level of different facets of climate affects employee outcomes. However, not only the *level* of the climate matters to employee

outcomes. Building on the work of Bowen and Ostroff (2004), our investigation distinguishes itself from previous endeavors by focusing explicitly on the role of the expectation climate *strength* and its relationship with job performance and, in this context, by introducing trust as a mediating avenue.

In previous studies, it has been shown that the level of job expectations is linked to job performance (Jiwen Song et al., 2009; Tsui et al., 1997). We add to this research that, pertaining to the expectation climate, the consensus amongst employees about job expectations not only matters; it appears to matter more than the level of job expectations. This consensus can be interpreted as generating clarity about job-level expectations. Our findings thus support the need for expectation clarity which is stressed as an important prerequisite in *goal setting theory* to motivate employees and improve performance (Locke et al., 1981). Beyond goal setting endeavors, our contribution also upholds the spirit of *uncertainty reduction theory* (Hogg, 2000). Specifically, uncertainty reduction theory relates to an immediate and enduring social context in which people act and interact. Drawing on consensual feelings of belonging and the seeking of predictable behaviors, it utilizes the notion of group identification to address uncertainty. Such a scenario resembles an environment of uncertain employees who share a social reality, but are uncertain about what is expected of them. In such a context, predictable, reliable and consistent signals from an employer can be seen as a catalyst to motivate a group identification process, brought about and strengthened by social interactions and a shared understanding of job requirements, which allows uncertainty to be reduced and expectation clarity to be restored. In recent studies, the theory has also been employed to explain uncertainty reduction in the organizational socialization process by gaining information about various aspects of work (Tabvuma et al., 2015).

We add to this work that expectation clarity is not only important at the individual level. It is equally important that job incumbents arrive at a collective consensus about job expectations. Employees should agree on the required and achievable quantity and quality of their performance. This collective understanding of expectations enables trust relationships that are stronger within some job functions than within others, and allows for a stronger job performance to emerge at the job-level.

On the basis of social exchange theory (Blau, 1964), trust-in-the-organization is put forward as the employees' interpretation of the organization's trustworthiness. This interpretation explains why the expectation climate strength is linked with job performance. We posit that the organization's trustworthiness derives from the strength of the expectation climate. We predicted that the expectation climate strength relates to job performance because job incumbents deduce their expectations from the expectation climate strength which affects their willingness to be vulnerable. We thus add to research which has found that the level of job expectations is linked with trust-in-the-organization (Zhang et al., 2008), and that this trust functions as a social exchange mechanism that explains why HRM is related to employee outcomes (e.g. Gould-Williams, 2003; Searle et al., 2011). Our empirical findings indeed suggest that the expectation climate strength is positively related with job performance and that trust-in-the-organization can be utilized to explain this relationship. The expectation climate strength generates perceptions of the organization's trustworthiness to which employees reciprocate by performing strongly. We conjecture that a strong expectation climate breeds trust which strengthens employees' job performance. In a weak expectation climate, employees may feel vulnerable to the ambiguous expectations in the collective of the job, which reduces their confidence in the organization and their risk-taking behavior in performing the job.

Taken together, the main contribution of our study is that the expectation climate strength matters beyond the level of the expectation climate for building trust and strengthening job performance. Put differently, our results shed new light on the mechanisms through which the strength of collective expectations impacts employee outcomes.

Further to our analytical contributions, we contend that our research also has important practical implications. Fostering a high expectation climate signals trust which motivates performance. Arguably the most pronounced practical implication is that it is important for organizations to pursue 'consistent' job expectations at the job-level in order to generate a strong expectation climate. The way in which employees perceive expectations from the collective at the job-level affects their performance. Signaling different job expectations to different job incumbents in similar roles will create uncertainty and signal to employees that they should not rely on the employer's positive intentions. This then implies that it is important to communicate job expectations consistently to different job incumbents across different HRM tools and practices in the HR cycle, and across different line managers. Previous research has proposed that practices from the employee performance management cycle (planning, monitoring, appraisal and reward) signal expected contributions (Shaw et al., 2009). Accordingly, we provide some suggestions about what can be done in order to promote consistent job expectations in an employee performance management context. First, we suggest that job expectation signals should be consistent throughout the performance management cycle. Second, by translating job expectations to required competencies and writing out in detail competency requirements and relevant behavioral descriptions, employees' role clarity is likely to be enhanced. Furthermore, the expectation climate strength may be evaluated across different job functions as part of an organization's job satisfaction survey. In practical terms, we point HR analysts to the utility of the interrater reliability (rwg)

test as one option to analyze the extent to which expectations are shared among job incumbents (James et al., 1993).

We consider our analysis to be worthwhile, but must acknowledge several limitations in our research design. First, the study adopted a cross-sectional design, albeit with an in-built time lag. The cross-sectional data impose limitations on examining trends and changes over time. In the absence of longitudinal data, the analysis cannot rely on fixed-effect estimations to control for time-invariant factors. It follows that any causality arguments are merely inferred, rather than scientifically proven. Nevertheless, the relationships we conjecture follow the theoretical reasoning that trustworthiness, signaled by the expectation climate strength, affects trust, which in turn affects employee attitudes and behavior. In a similar vein, we accept that conceptually, causality may potentially run in both directions, but take comfort from observations by Van De Voorde et al. (2010) who note that organizational climate at time point 1 influences organizational performance at time point 2 rather than the reverse or that both processes are present simultaneously. Second, although we have conducted two surveys, the data are gathered within one organization. We accept that this usually limits the findings' generalizability. However, the dataset at our disposal not only represents a variety of occupational categories but is also elicited from a large organization, which is known to embody multiple organizational sub-cultures. Lok and Crawford (2001) note that these subcultures tend to develop in larger organizations to reflect different group-level values. Third, expectation climate strength and trust-in-the-organization are both gathered from the same source. However, as corroborated by our results of Harman's single factor test (Harman, 1976), the method used for analyzing these variables reduces suspicions of common-method bias, with expectation climate strength analyzed at the job-level and trust-in-the-organization analyzed at the individual-level.

An intriguing question for future research is how differences in the expectation climate strength actually emerge. We speculate that line managers play an important role in this process as they are responsible for enacting HRM practices (Knies and Leisink, 2014; Bos-Nehles et al., 2013). After all, it is line managers who follow up on employees' intended job expectations (Audenaert et al., 2016; Decramer et al., 2012). As such, potentially different interpretations and communications by line managers about intended job expectations may cause ambiguity among job incumbents. In a similar vein, it would be interesting to study emergent effects on organizational performance, consistent with Nishii and Wright's (2008) process chain. Since a strong climate induces conformity in attitudes and behaviors, it is conceivable to argue that weak expectation climates lower the chances for a strong organizational performance to emerge.

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FIGURE 1

Multilevel model linking expectation climate strength with job performance

Level 2

Expectation climate strength

Level 1

Trust-in-the-organization
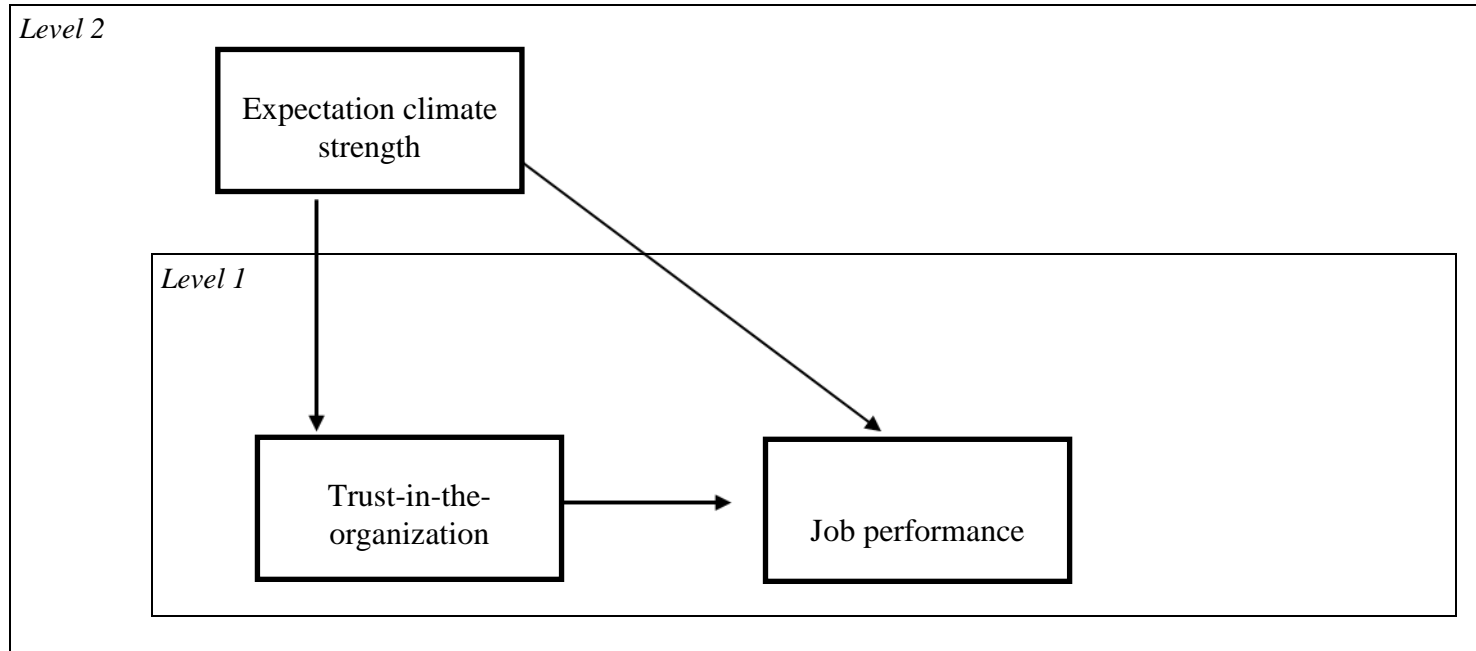
Job performance

APPENDIX

Measures: Scale Items[#]

Expectation climate strength [a,b,c]
___

    Fulfil the job in all of its facets
    Complete performance goals in quality and quantity
    Operate legally and follow company rules and policies
    Conscientiously complete extra assignments at a moment's notice
    Work seriously and accurately
    Team up with others in the job function
    Work hard without complaints
    Contribute to the future development of the organization or department
    Actively promote the company's image and reputation
    Take initiative to make constructive suggestions
    Adopt new ideas and methods to actively improve work
    Continuously improve work procedures and methods
    Take initiative to carry out new or challenging assignments

Trust-in-the-organization [d,e]
___

    I believe my employer has high integrity
    I can expect my employer to treat me in a consistent and predictable fashion
    My employer is not always honest and truthful
    In general, I believe my employer's motives and intentions are good
    I don't think my employer treats me fairly
    My employer is open and up-front with me
    I am not sure I fully trust my employer

Job Performance [e,f]
___

    Employee's quantity of work is higher than average
    Employee's quality of work is much higher than average
    Employee's efficiency is much higher than average
    Employee strives for higher quality work than required

___

Notes.
[#] All items listed are back-translated from the Dutch version used in the surveys. Back-translation procedures have been observed to check for semantical differences.
[a] Drawn from Jia et al. (2014).
[b] The job referent was added to each of the items. For example, '*Account managers* are expected to fulfil the job in all of its facets'.
[c] The measure is based on variance. The sign of variance is reversed to indicate expectation climate strength as the consensus in the climate.
[d] Drawn from Robinson (1996).
[e] The measure is based on a summated scale.
[f] Drawn from Tsui et al. (1997).

TABLE 1

Descriptive Statistics and Correlations

	Means	S.D.	1	2	3
Individual–level variables					
1. Job tenure	8.17	6.80	1		
2. Trust	3.41	0.67	-0.06	1	
3. Job performance	3.56	0.76	-0.13**	0.22*	1
Job–level variables					
1. Expectation climate level	3.96	0.23	1		
2. Expectation climate strength	0.09	0.12	0.24*	1	

Notes.
** Correlation is significant at the 0.01 level (2-tailed).
* Correlation is significant at the 0.05 level (2-tailed).
The data are based on 568 employees in 75 job functions.

TABLE 2

Linkage between Expectation Climate Strength and Trust-in-the-Organization

	Model 1	Model 2	Model 3
Controls			
Intercept	3.42 ***	3.41 ***	3.40 ***
Gender (a)		-0.04	-0.05
Job tenure		-0.01 *	-0.01 **
Age		-0.01 †	-0.01 †
Lowest level job category (b)		0.25 **	0.24 *
Highest level job category (c)		0.36 *	0.31 *
Expectation climate level		0.21	0.11
Predictor			
Expectation climate strength			1.35 *
Deviance	*1179.50*	*1152.17*	*1142.29*
Pseudo R² level 1		*.05*	*.07*
Pseudo R² level 2		*.19*	*.27*

Notes. N = 568 individuals (level 1) in 75 job functions (level 2).

Unstandardized estimates (based on grand-mean centering) are reported.

Pseudo R^2 indicates the amount of total variance in the dependent variable explained by the predictors.

(a) 1 = "female"; 0 = "male"

(b) 1 = "lowest level job category"; 0 = "middle level job categories"

(c) 1 = "highest level job category"; 0 = "middle level job categories"

*** p < .001 ** *p* < .01 * *p* < .05 † p < .10

TABLE 3

Linkage between Expectation Climate Strength and Job Performance

	Model 1	Model 2	Model 3	Model 4
Controls				
Intercept	3.57 ***	3.57 ***	3.56 ***	3.56 ***
Gender (a)		0.02	0.01	0.02
Job tenure		-0.01	-0.01	-0.00
Age		-0.01 **	-0.01 *	-0.01 *
Lowest job category (b)		-0.07	-0.08	-0.13
Highest job category (c)		0.01	-0.04	-0.10
Expectation climate level		0.38	0.27	0.25
Predictors				
Expectation climate strength			1.36 *	1.07 †
Trust-in-the-organization				0.22 ***
Deviance	*1299.15*	*1285.71*	*1279.36*	*1257.65*
Pseudo R² level 1		*.03*	*.04*	*.08*
Pseudo R² level 2		*.13*	*.15*	*.17*

Notes. As per Table 2.