The Review and Prospect of Idiosyncratic Deals

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Abstract: Since the idiosyncratic deals was proposed by Rousseau in 2001, there has been a lot of related research at home and abroad, and the research boundary is constantly expanding. This paper summarizes and evaluates the existing research results from the aspects of concept proposal, concept definition, measurement, influencing factors, influence and so on, and excavates more research possibilities, and prospects the future research direction in this field.

Keywords: Idiosyncratic deals, Employment relationship, Human resources.

1. Introduction

The environment of the labor market today is changing, and the employment relationship between enterprises and employees turns to a reciprocal relationship of mutual trust, mutual investment and mutual benefit. The workforce has value and mobility, and they can demand more diverse and broad choices in employment arrangements (Rousseau et al., 2001). In the human resource management process, enterprises need to think about how to meet their needs and fully tap their value based on the value perspective of employees. Many companies attract, motivate and retain valuable employees through special conditions, and idiosyncratic deals are created. The development of the new economy market, the transition of digital technology and the post-epidemic era have all become opportunities for the development of idiosyncratic deals.

2. Concept Traceability

2.1. Concept presentation

The concept of idiosyncratic deals was developed by Denise M. Rousseau in 2001 that the concept includes two features: negotiated terms obtained by individual employees that are different from the standard working conditions, and benefited both employees and the enterprise by giving valuable employees something that cannot be obtained under the enterprise standard practice (Rousseau et al., 2001). It consists from three historical trends: the increased demand for knowledge employees with unique skills in the competitive market, the greater strength to negotiate employment conditions for their preferences, the weakening or demise of the job security career model supported by unions or legal requirements, and the expansion of employment conditions in the market, more diverse products or services, and customized expectations spread to the workplace (Rousseau et al., 2008). Customized and idiosyncratic deals become an alternative or supplement to standard conditions of employment (Hornung et al., 2008).

2.2. Dimension division

It can be divided into three types, flexibility agreement refers to personalized work schedule, developmental agreement refers to the development of personal skills and ability, meet the desire of personal career development of special opportunities (such as challenging tasks, personal performance recognition, special training, career opportunities, etc.), task agreement refers to the customization of work content (Severin et al., 2009). In addition, it can also be distinguished according to the time dimension, divided into before (ex ante) and in the process of employment (ex post) personalized agreement, after employment consultation allows the employer and employees to use internal knowledge, the exchange of contribution and relationship history, and before hiring employers may only consider employees' special skills or affected by the competitive labor market (Rousseau et al., 2009).

2.3. Concept distinction

Idiosyncratic deals differ from the two concepts of top-down work design and individual job crafting. Traditional top-down job redesign limits personalization, emphasizing the optimal allocation of responsibilities and needs for most employees (Hornung et al., 2010). It is a formal job intervention, in which employees only act as the recipient, aiming to improve their performance and not taking their needs into account. Job crafting is a task-oriented active behavior, which is implemented by employees from the bottom up, and is adjusted freely according to the acceptable range, but this behavior is not formally authorized. Employees reshape their work for their own needs, not taking the organization and team into account. Such a large scale of job crafting does not synchronously consider broader interdependencies, leading to confusion (Hornung et al., 2010). Idiosyncratic deals is an effective way to redesign the organization and employees, which is a supplement to systematic top-down management. Raised by individual employees and certified by organizations, it provides employees with greater influence and control in terms of the mutual interests of employers and employees, while always being embedded in social and organizational relationships. Participation in negotiations with employees allows employers to get private information about their preferences and interests, helping them better reward valuable employees (Hornung et al., 2010).

3. Variable Measurement

The scale developed by Hornung, Rousseau and Glaser (2008) is the basis of the subsequent development of the personalized work protocol scale, involving two dimensions of flexibility and development, including 6 items like
‘flexibility in the beginning and end of work hours’, ‘special opportunities to develop skills’, and ‘employee working environment to meet the needs of individuals’, and ‘special opportunities to develop skills’. In the Hornung, Rousseau, and Glaser (2009)’s research, the workload was added to the dimension of the variables and was reported by the managers. With the progress of the research, the scale developed by Hornung et al. (2010) defines the idiosyncratic deals as three dimensions: flexibility, development and task, including 12 items, which is also the most commonly used scale in the current personalized protocol research, and has shown good reliability and validity in previous studies (such as Anand et al., 2010; Hornung et al., 2011).

On this basis, Ng and Feldman (2010) divided the idiosyncratic deals into six detailed dimensions, namely salary level, promotion opportunities, training opportunities, career development level, job security, and support for other personal issues. Rosen, Slater, Chang, and Johnson (2011) used a scale of four dimensions, measured in terms of flexible working hours, flexible working locations, flexible tasks and responsibilities, and performance bonus, totaling 16 items.

4. Influence Factors

4.1. Personal characteristics

Idiosyncratic deals proposed by employees are influenced by negotiation, willingness, qualification, occupation, status and marketing ability (Rousseau et al.,2001).

Personal initiative (PI) promotes self-initiated and innovative problem-solving methods, and is a potential precursor to idiosyncratic deals (Hornung et al.,2008). Self-efficacy, communicative skills influence employee agreement. Psychological security moderates the impact of idiosyncratic deals on insider identity perception by influencing employees' perception of threats from the surrounding environment and self-classification (Fan Zili et al., 2021). Perceived over-qualification reduces boredom through task idiosyncratic deals and buffer the negative impact on demand capacity matching (Howard E et al.,2021). Employees with higher job insecurity will negotiate less idiosyncratic deals (Probst et al.,2021).

4.2. Interactive relationship

The relationship with leader. The Leader-Member Exchange Relationship (LMX) describes the degree of social exchange between superiors and their employees. Employees valued and trusted by their superiors will have more flexible and scalable acceptance intervals, and their idiosyncratic deals will be easier to implement (Hornung et al.,2010; Morf M et al.,2009). Considering fairness, idiosyncratic deals may be a way to compensate for a lack of formal rewards or limited formally available resources (Severin et al.,2009). Superior emotional support (Kelly C et al., 2020), prosocial behavior of the leader (Taser D et al.,2021), care responsibility for the elderly (Heras M L et al., 2017) will have a positive impact on idiosyncratic deals. Idiosyncratic deals mediate roles in the influence of distributed leadership on employee innovation behavior (Fan Zili et al., 2021). Individual and colleagues' perception of leadership equity collectively affects access to idiosyncratic deals and further influences team performance (Anand S et al., 2021).

The Relationship with Colleagues. Social communication behavior among colleagues and colleague support (X Yang, 2020) have an impact on idiosyncratic deals. Job opportunities compared to colleagues affect acceptance of idiosyncratic deals (Lai L et al.,2009).

4.3. Structural factors

Standardization of working environment. In a standardized work environment, where employees rely on each other, do similar work, and work together, the opportunities to negotiate idiosyncratic deals are limited, and employers prefer to adopt standardized arrangements to avoid fairness issues. If there are different work structures in the organization, the negative responses on other colleagues can be reduced by downplaying differences and limiting comparisons (Hornung et al.,2008).

Small businesses, startups, and knowledge-oriented businesses will more generally adopt idiosyncratic deals (Rousseau et al.,2001).

The implementation of idiosyncratic deals is also affected by technology (such as flexible production system, information technology), work tasks (such as division of labor, task interdependence), work type (such as manufacturing, service, knowledge type) (Severin et al.,2009).

4.4. Macro-environment

Each enterprise has a different space to negotiate, which is influenced by government regulations, industry norms, corporate culture, and strategic choices. The tendency of employees to propose idiosyncratic deals is also influenced by social factors, such as adherence to group norms, to avoid different behavior with peers (Rousseau et al.,2001).

5. Influences

5.1. Work characteristics

Complexity, Control, and Pressure. As a means to make work more consistent with personal self-determination and growth expectations, task idiosyncratic deals can enhance the complexity and control of work. The mismatch between individuals and the environment will lead to psychological tension and damage to physical and mental health, and idiosyncratic deals can reduce the inconsistency between environmental conditions and personal well-being to increase personal-job fit and reduce job stress (Hornung et al.,2010).

5.2. Attitude and behavior

Organizational Commitment. On the basis of reciprocity and future exchange opportunities, idiosyncratic deals will enhance employment relationships. Emotional attachment is the result of a successful exchange of relationships, and therefore has a positive impact on employees' organizational emotional commitment (Hornung et al., 2008), which also has a positive impact on organizational commitments (Ng T et al.,2010). But flexibility agreement has no significant impact, domestic scholars Hu Weide (2018) also confirmed this view, namely the task and developmental idiosyncratic deals on improving employee internal motivation has good incentive, flexibility idiosyncratic deals incentive effect is not significant, shows that flexible working time and place has become a basic factor, rather than the incentive factor.

Turnover Intention. Idiosyncratic deals have negative effects on the willingness to leave (Anna Z B et al., 2019), but
studies show that jealousy or jealousy caused by task deals and the resulting competitive environment and exclusion will increase the willingness to leave (Ng T et al., 2017). Another research results show that idiosyncratic deals have two opposite effects on turnover intention through internal and external employability (Zhang XY et al., 2021).

Initiative and Work Engagement. Task-based idiosyncratic deals have positive effects on work characteristics by boosting internal motivation and reducing stress, and thus enhance personal initiative (PI) and work engagement (WE). Idiosyncratic deals promote employee proactive professional behavior (Luo Ping et al., 2020).

Knowledge Sharing. Task and developmental idiosyncratic deals promote knowledge-sharing behavior through perceived organizational support (Weiwei Hu et al., 2018).

Within-role behavior and organizational citizen behavior is positively affected by idiosyncratic deals (Anand S et al., 2018; Ho V T, 2015; Lemmon G, 2016).

Work-Family Conflict / Enhancement. Having flexibility allows employees to better coordinate and integrate work and private lives, and taking control of work plans to balance peak and slack periods, which can increase productivity and reduce stress. Flexibility idiosyncratic deals negatively affect work-family conflicts, while task-based deals do the opposite, involving resources that tend to enhance employee engagement and performance in the business (Hornung et al., 2008; Bayazit Z E et al., 2017). Work-family enhancement is positively affected by the flexibility agreement (Laulie et al., 2019). Flexibility and idiosyncratic deals enhance work performance by enhancing family performance (Las Heras M et al., 2017).

Withdrawn Behavior. Xiong Jing et al. (2018) found that when employees feel that their colleagues have a higher level of idiosyncratic deals, they are treated unfairly and produce work withdrawal behavior to balance the relationship between giving and return.

Deviant Behavior. Flexibility idiosyncratic deals are negatively correlated with deviant behavior (Kelly C et al., 2020), task-based idiosyncratic deals have the same impact (Kong D T et al., 2018). Constructive deviant behavior is positively affected (Wang Guomeng et al., 2020).

Unethical Pro-Organizational Behavior (UPB). Idiosyncratic deals has a significant positive impact on unethical pro-organizational behavior of core employees (Wang Meng et al., 2020).

Job Performance. Task-based idiosyncratic deals positively affect expected performance, as employees negotiate special tasks or training that can increase their value in the perception of their employers and are expected for additional effort. It has a significant impact on task, learning and innovation performance (Jing Hui, 2014).

Career. Task-based idiosyncratic deals has positive effects on promotion, rank, salary, etc. (Sylvie Guerrero et al., 2017). The mediated moderation role of task-based idiosyncratic deals between developmental challenges and proactive personality has an impact on promotion decisions (Thakur M, 2020).

Creativity and Innovation. Idiosyncratic deals promotes employee creativity (Wang S, 2018; Luo Ping et al., 2020; Ma Jun et al., 2020), high-risk and high-yield deviant innovation (Kim Xiaoxiao, 2018), creative performance (Villajos E, 2019), innovation work behavior (IWB) (Kim wolo A et al., 2018).

5.3. Interactive relationship

Employment Relationship. Developmental idiosyncratic deals positively affect employees' cognition of the employment relationship, treating it as social exchange rather than economic exchange, while flexibility and idiosyncratic deals have the opposite effect. Flexibility idiosyncratic deals represent special arrangements for expanding or reducing working hours, reflecting the economic conditions of employment, related to monetary outcomes, such as shifts and overtime pay, and developmental idiosyncratic deals are more relational in nature and correspond to the socio-emotional needs of social recognition and personal growth.

Relationship between Superiors and Subordinates. Idiosyncratic deals enhance the leadership-member exchange relationship (Anand S et al., 2018; Liao C et al., 2016). Studies show that tasks and developmental idiosyncratic deals adversely affect both leaders and subordinates, and are moderated by the servant leadership and pro-social motivation of subordinates (Rofcanin Y et al., 2017).

Relationship with Colleagues. When studying the impact of idiosyncratic deals on colleagues, most studies focus on fairness issues and the resulting sense of jealousy. Witness of colleagues' deals bring the sense of unfairness and negatively affect the willingness to cooperate (Zhang XY et al., 2021). Scholar Garg et al. have constructed a model of colleagues' responses to others in obtaining idiosyncratic deals, including cognitive, emotional and situational processes, and they differ in valence, activity and response objects (Garg S et al., 2017).

5.4. Psychological mechanism

The impact of idiosyncratic deals on the work attitude, behavior and performance is mostly exerted on the results through psychological variables, such as psychological needs (Luo Ping et al., 2020), vitality (Huang Yufang et al., 2021; Ng T et al., 2021), gratitude and reduced cynicism (Ng T et al., 2021), emotional exhaustion (Bal P M, 2017), organizational self-esteem, and self-efficacy (Weiwei Hu et al., 2018; Kong D T et al., 2018), core self-evaluation (Ng T et al., 2010), insider identity perception (Ma Jun et al., 2020), psychological contract (Xiong Jing et al., 2018), psychological privilege (Wang Meng et al., 2020; Xia Yuhuan, 2021), perceived organizational support (Vidyarthi P R, 2014), self-realized happiness (Villajos E, 2019), employee happiness attribution (Lee B Y et al., 2019), career satisfaction (Sylvie Guerrero et al., 2015; Vidyarthi P R, 2014), sense of fairness (Ding C G et al., 2019), perceived competition and exclusion (Ng T et al., 2017), imbalance in return (Pestotnik A et al., 2021).

6. Summary

After more than 20 years of research and development, the idiosyncratic deals has developed into a relatively mature concept, and the existing research maintains a relatively clear definition of its concept, basically inheriting Rousseau's interpretation of this concept. There may be some differences in the division of dimensions, but the overall content is similar, and the division differences may result from different research focuses. The study of related factors for idiosyncratic deals has involved individuals, interaction relationship,
environment and other aspects, forming a relatively complete research framework. The current direction of most research is to confirm the positive impact of idiosyncratic deals on employees' work attitude and behavior, employment relationship, etc., focusing on its positive impact, but at the same time, the preliminary exploration of some studies makes us see the possibility of negative impact, for example, the fairness of colleagues' obtaining of deals and the negative emotions aroused. There are also considerable research focused on the family field, focusing on the impact on the work-family relationship, which also has the possibility of negative effects. In addition, the related flexible freedom and control issues, team configuration and cooperation issues all need to be further explored, and some cross-layer studies are also meaningful.

References


