

## RETHINKING INDUSTRY-SPECIFIC CHARACTERISTICS OF IDIOSYNCRATIC DEALS

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**Abstract.** *Idiosyncratic deals (i-deals) are becoming an increasingly popular human resource management approach in various industries to attract, retain, and motivate personnel. They are non-standard work arrangements in which employees bargain with supervisors or managers to obtain resources or conditions that are personally desirable (e.g., flexibility in scheduling work, special assignments or training opportunities). According to the most recent i-deals' literature reviews, around one-third of i-deal articles were generalizability studies, which did not provide explicit hypotheses concerning contextual variables but frequently incorporated them to understand the findings. Despite growing interest in the concept, little is known about how and if i-deals differ amongst industries. This is a significant loss as i-deals are embedded in teams' and companies' social and organizational contexts, which vary in industries, affecting individual and collective outcomes. This paper aimed to distinct industry-specific aspects of idiosyncratic deals in the hotel, R&D and manufacturing, healthcare, higher education, and local government sectors. All reviewed articles were initially categorized into single-industry, multi-industry or mixed sample studies. Mixed studies were eliminated, and the remaining articles were examined. According to the research results, the cross-industrial i-deals research is still in the very early phase, but there could be some essential differences. Task, career, and incentive i-deals were proven to impact organization-based self-esteem in the hospitality industry positively. A significant positive relationship between different i-deals and psychological empowerment was discovered in high-tech organizations. Also, a positive relationship between task and work responsibilities i-deals and flexibility i-deals to employee innovative performance was noted. Local authorities in England were notorious for redeployment i-deals. I-deals in higher education had a positive association with psychological empowerment. I-deals had varied effects on job characteristics linked to different outcomes in the healthcare industry. Future research should focus on distinguishing these differences in more detail and consider industry-level influences when examining the nature of the relationship between i-deals and their outcomes.*

**Keywords:** *Idiosyncratic deals, i-deals, industry-specific traits, human resource management*

### Introduction

In the framework of a unique society, employees are increasingly stressing autonomy and self-fulfilment. As a result, employees increasingly highlight the importance of tailoring working conditions to specific needs and preferences. Negotiating a customised agreement with their employer is one option for this. An idiosyncratic deal (i-deal) is a unique employment contract made between the employee and the employer, benefiting both parties.

I-deals have been investigated for nearly two decades. Initially, Rousseau and Heinz (2003) advocated categorizing i-deals into developmental, flexibility and reduced workload i-deals. Individually tailored opportunities to improve individual skills and abilities to accomplish their job or professional progression goals are known as developmental ideals.

Flexibility i-deals assist employees in compensating for their professional and personal lives to create the best circumstances for long-term productivity. As the theoretical study progressed, researchers abandoned reduced workload i-deals in favour of task i-deals based on a job design perspective. Task i-deals are individualized arrangements and negotiations with individual employees to make their work more exciting and enjoyable. On this basis, Rosen et al. (2013) integrated developmental i-deals and task i-deals and proposed task and work responsibilities i-deals, as well as flexibility i-deals and financial incentives i-deals. Additional duties and job activities that better match employee talents, strengths, and preferences are included in task and work responsibilities i-deals. They offer employees the opportunity to grow, develop knowledge, skills and adapt to work (Rosen et al., 2013). Rousseau and Kim (2006) divided i-deals into ex-ante i-deals and ex-post i-deals. Ex-ante i-deals are negotiated and designed during the hiring phase, while ex-post i-deals involve workplace transformation and are negotiated after the employee is hired.

Although the i-deal is widely recognized as a win-win situation for both employers and employees, it is believed that the success of this procedure is contingent on the complexity of the environmental work context and its associated expenses. Because little is known about which i-deals create the best results in different working sectors, comparisons between sectors are both inadequate and important (Ng and Feldman, 2015). I-deals also could be categorized into soft and hard. Hard i-deals, such as flexibility i-deals, are concrete, objective, and measurable agreements (Davis, 2018). Soft i-deals, such as developmental i-deals, are more symbolic and subjective (Bal et al., 2012). Developmental i-deals are considered more concrete and universal than the substituted career development/employability (task) i-deals, such as learning from project work or varied tasks that depend on the parties involved (Davis, 2018). I-deals have elicited favourable attitudes (satisfaction, personal initiative, commitments, etc.) and actions (organizational civic behaviour, positive behaviour, job performance, etc.) in numerous industries (Wasti, 2022). Limited research has shown that i-deals improve engagement, motivation, work engagement, and the citizenship of an organization.

Despite the growth of the i-deals literature, a significant gap that has not been investigated to date remains. Due to differences in the labour market and the industry in which the negotiations occur, they can vary greatly (Katou, 2021). According to the most recent i-deals' literature review (Wasti, 2022), around one-third of i-deal articles were generalizability studies, which did not provide explicit hypotheses concerning contextual variables but frequently incorporated them to understand the findings. The evidence suggests that future research on the meaning, content and prevalence of i-deals in various situations could be worthwhile. There has been very little research on i-deals in specific industries (Sun, 2020). Prior research has focused on the individual level analysis and disregarded other potential aspects of i-deals (Bal, 2017), such as specific industries. This is a significant loss as i-deals are embedded in teams' and companies' social and organizational contexts, which vary in industries, affecting individual and collective outcomes (Rousseau, 2005).

Furthermore, as Conway and Coyle-Shapiro (2015) pointed out, existing i-deals research is characterized by cross-sectional, self-report, single-source approaches. Therefore, it is still premature to select i-deals for firms based on various individual factors (one of which may be industry-specific needs). As a result, it is critical to distinguish between various i-deals in different industries and investigate their effects. Our study aims to contribute to the distinct industry-specific aspects of idiosyncratic deals in the hotel, R&D and manufacturing, healthcare, higher education, and local government sectors. We emphasize that different industries have varied i-deals preferences and that additional research should be done to understand better and individualize them. This study contributes to the literature on i-deals in

two important ways. First, we look into whether i-deals have industry-specific characteristics and, as a result, whether they contribute differently to organizational performance in different industries, improving our knowledge of the consequences of i-deals in diverse operating fields.

## Methodology

The search covered English-language journals using the keywords idiosyncratic deals and i-deals. Then the articles analysing various sorts of i-deals and indicating the industries in which the research was undertaken were selected, resulting in 45 articles in total. All articles were first coded for their references, whether they were single-industry, multi-industry (data collected from different industries but not compared), or mixed (combination of different industries) sample studies, which industries were investigated, and their substantive i-deals research topic. Mixed studies were eliminated after this phase. The remaining articles were analysed and divided into one of two groups: those that explicitly incorporated the industry-specific context of the study setting into the research questions or design, and those that did not.

## Results

Before presenting the results of our analysis, some general observations are worthy of reporting. Only five studies purposively incorporated the industry-specific context of i-deals into the research questions or design (Dhiman, 2017; Huang, 2021; Michail, 2016; Sun, 2020; Sun, 2021). For the final data analysis, after literature review and inspection to see whether satisfactory or acceptable reliability information was provided regarding the researched i-deals industry, 14 studies were included in the results of this article. Table 1 summarizes the articles in terms of their information about i-deals in different industries they provided.

**Table 1. I-deals, analysed in different industries**

Type of i-deal	Sector				
	Hospitality	R&D and manufacturing	Local authorities	Education	Health-care
Flexibility	x	x	x	Specifics were not provided	x
Task	x	x			x
Career	x	x	x		x
Financial	x				
Redeployment			x		

## Hospitality sector

The hospitality industry includes housing, food and beverage service, event organizing, travel and tourism. In the hospitality sector, employee turnover is a significant administrative issue. High employee turnover results in both direct and indirect costs, such as the hiring and training of new personnel and the loss of organizational expertise and culture (Park, 2020). The headquarters standardized and supervised the hotel manager's workflow and conduct in such a system (Sun, 2021). Furthermore, many hotel managers are stressed out by the duty to report financial and operational difficulties regularly to headquarters, stating that this requirement limits their professional autonomy and flexibility. Task, career, and incentive i-deals positively impacted organization-based self-esteem in the study. However, hotel managers' organization-based self-esteem is severely affected by flexibility i-deals (Dhiman, 2017). Flexibility i-deals

mask the shadow labor on the payee's site and make it difficult for hotel employers to recognize or rate the payee. Furthermore, the findings imply that ex-ante negotiating is more strongly linked to flexibility i-deals than task and career i-deals. On the other hand, ex-post negotiation has a positive but stronger relationship with career i-deals than task and flexibility i-deals (Dhiman, 2017).

### **R&D and manufacturing**

Employee creativity is critical to a company's long-term survival and growth. Employees must be flexible in their thinking and relentless in promoting and executing new ideas to innovate. The traditional employer-employee relationship is deteriorating. Employees are more likely to express their opinions on important subjects, and they place a higher value on achieving their objectives in this era of uniqueness. Such background nourishes idiosyncratic deals. I-deals researchers emphasize the necessity of paying attention to boundary conditions, particularly in the context of aging and the information society, and the impact of age on the success of i-deals in the R&D sector (Bal and Boehm, 2017). For example, Wang and Long (2018) found a significant positive relationship between different types of i-deals (i.e., skills training, flexible scheduling, financial incentives, development opportunities, skills training) and psychological empowerment among 237 employees working in Chinese high-tech organizations. Knowledge and abilities in the field are beneficial to R&D workers in producing unique ideas and promoting their innovative performance i-deals for the task and work duties do this and signal the organization's appreciation of the employee's competence and value (Ho and Kong, 2015).

Moreover, task and work responsibilities i-deals make work characteristics more challenging and autonomous, qualities that are positively correlated with employees' innovative performance (Dediu, 2018). According to research, two types of i-deals (task and work responsibilities i-deals and flexibility i-deals) are favourably associated with employees' inventive performance (Huang, 2021). Unfortunately, neither the moderated mediation effects of vitality on the connection between flexibility i-deals and employees' inventive performance nor the moderating effect of chronological age on flexibility i-deals and vitality were significant. The reason for this could be that R&D employees have a strong desire for work-life balance, and the value of this resource is highly valued, therefore, chronological age had no significant moderating effect on the i-deal flexibility mechanism (Huang, 2021).

### **Local authorities**

Employability/career development (task), flexibility, and redeployment are the most popular i-deals in the public sector (Davis, 2018). When concrete and universal resources (e.g., pay) were made available to a specific level, the difference (e.g., adaptive resources like a pay raise, external training) was replaced by more particularistic resources (e.g., flexibility and developmental i-deals). Employees discussing alternative employment (including location and/or job/task responsibilities) when their previous post is removed or withdrawn are referred to as redeployment i-deals. Employability/career development was significant to both professional and nonprofessional employees in local governments, possibly reflecting that job uncertainty makes employability more important for individuals with either a career or instrumental orientation (Davis, 2018). Within this sample, managers only had flexibility i-deals, most likely because they have already achieved their (present) career goals. Furthermore, the study's outcomes suggest that the flexibility of i-deals facilitated a social exchange for some

participants while also facilitating an economic transaction for others. As a result, it's possible that the personal reason for the i-deal's approval is more important than the i-deal's content.

### **Higher education**

Even though the world recognizes the importance of the notion of "job engagement," there is a lack of study in the higher education sector. This lack of concentration and studies has led to many issues, including increased absenteeism and a desire to leave higher education institutions, indicating their disengaged status (Shams, 2021). This lack of studies might be counter-productive in labour-intensive service sectors like higher education, which rely more on employees' dedication and engagement levels. One study (Shams, 2021), which gathered data from academicians working in Pakistan's main public sector higher education institutions, found a favourable association between the i-deals construct and psychological empowerment construct. Initiating i-deals will result in fostering work engagement, based on the findings of this study and earlier studies, and taking into account the personal and professional demands of academicians in public higher education institutions. As a result, public higher education institutions should make academicians' employment more meaningful by offering a variety of i-deals tailored to their personal and professional needs. Researchers advise higher education administrators and policymakers to emphasize the value of i-deals for academicians in public sector higher education institutions in enhancing their psychological empowerment and, as a result, their work engagement.

### **Health-care industry**

Globally, the health-care sector is confronted with a number of critical concerns, including employment flexibility (Mihail and Kloutsiniotis, 2016). Tasks, work schedules, and geographical flexibility among health-care workers can better meet the demands of their patients. As a result, health-care research on i-deals and their antecedents should support the application of some i-deal results from other industries to the health-care service industry. Beyond employee health and income-related characteristics like education and employment level, the researchers found that i-deals impact employee motivation to continue working. Flexibility i-deals contribute to the increased incentive to continue working regardless of the unit work climate, according to multi-level assessments of 1083 employees (Bal et al., 2012). However, for development i-deals to contribute to better motivation to continue operating, the unit climate must be such that older personnel are not pressured to leave their jobs and retire early (i.e., using a high accommodative environment).

At the same time, they must be encouraged to grow and put their expertise and experience to good use. Another study (Hornung, 2014) discovered that the three forms of i-deal had varied effects on job characteristics linked to different health-care outcomes. Task i-deals were beneficial in making an individual's work more personally inspiring and pleasurable and favourably coupled with job autonomy, which mediated a favourable effect of task i-deals on supervisor judgments of job performance. Finally, having more flexibility in work hours was linked to less job overload and less emotional and cognitive annoyance. According to another study's findings (Phan, 2016), idiosyncratic transactions in the health-care system consisted of development and flexibility i-deals. According to the researchers, leader consideration was found to have a beneficial impact on idiosyncratic deals connected to professional growth and working time flexibility. Furthermore, i-deals have been assumed to be mutually beneficial for both employees and employers by improving individuals' and jobs' appropriateness.

Table 2 presents a summary of in terms of their research areas of i-deals in different industries. It shows that i-deals in different industries make impact on different aspects – personality, performance (general and innovative in case of R&D and manufacturing), psychological empowerment, work climate and how employees react to it. Furthermore, this impact is achieved by different types of i-deals, described in Table 1.

**Table 2. I-deals impact in different industries**

I-deal impact on:	Sector				
	Hospitality	R&D and manufacturing	Local authorities	Education	Health-care
Personality	x				
Performance		x		x	x
Empowerment		x		x	x
Work climate	x		x	x	

## Conclusions

The paper reviews recent literature and investigates what field-specific traits of i-deals may be found in the industries of hospitality, R&D and manufacturing, health-care, higher education and local authorities. Task i-deals and career and incentive i-deals were proven to have a beneficial impact on organization-based self-esteem in the hospitality industry. On the other hand, hotel managers' organization-based self-esteem is severely affected by flexibility i-deals. A significant positive relationship between different types of i-deals (i.e., skills training, flexible scheduling, financial incentives, development opportunities, skills training) and psychological empowerment was discovered in high-tech organizations, as well as a positive relationship between task and work responsibilities i-deals and flexibility i-deals to employee innovative performance. Local authorities in England were notorious for redeployment i-deals. Furthermore, both professional and nonprofessional employees required employability/career development, but only flexibility i-deals were observed at the management level. Furthermore, the findings of the same study suggest that in municipal governments, flexibility i-deals facilitated social exchange for some participants and economic exchange for others. In the field of i-deals in higher education, just one study was found, and it did not divide them into different groups. Nonetheless, it revealed a positive association between the i-deals model and psychological empowerment. More research is needed to support these conclusions in the higher education sector. Three forms of i-deal had varied effects on job characteristics in the health-care industry, and each was linked to different outcomes. More research is needed to differentiate between different values in different businesses and investigate each impact in depth. The limitations of our study should be considered when applying its findings in the future. The reviewed material came from various cultural backgrounds and was used in various businesses. The findings of this study may still be relevant in all national cultures and work sectors if they were applied with due regard for national culture and any other appropriate contextual circumstances.

## Future research and recommendations

The study's outcomes imply insufficient and inconsistent research on i-deals across various industries. More research is needed to determine how cultural and industrial variables affect certain types of i-deals. According to the research results, it seems that the cross-industrial i-deals research is still in the very early phase, but there could be some essential differences.

We see this as a significant omission and a missed opportunity. Wasti (2022) noted that future research might benefit from exploring whether i-deals manifest specific operationalization. We believe that including the industry aspect and adjusting to it would increase the benefits of the i-deals both for the employee and employer.

Research linking i-deals to industry-level outcomes is sparse. Still, it is important to consider the labour market and other industry-level influences when examining the relationship between i-deals and their outcomes. Future research could challenge the meaning or construal of i-deals in the industry context. For example, the literature has largely overlooked the potential disadvantages of the i-deals for co-workers (Yang, 2020). Some previous studies showed that those disadvantages and factors which are considered while deciding whether employees should receive i-deals are likely to be context-specific (Rousseau, 2005), could depend on national or regional factors (Wasti, 2022), benefiter's personality traits (Popoola, 2022) and other aspects, including, in our opinion, specific industry. Future research should focus on distinguishing these differences and understanding their relationships.

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