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Negotiating flexible and fair idiosyncratic deals (i-deals)[☆]



Denise M. Rousseau, Maria Tomprou, Maria Simosi

Lena, 32-years old, recently hired into her dream job by a global bank, commutes 90 minutes each day. Getting to see her infant son for only a few minutes before his bedtime, she asks her boss whether she could start and leave work earlier to have more time with her child. The boss asks her to see how her coworkers would feel about this new arrangement. Gaining their OK, Lena and her boss work out a plan for this schedule change.

Yannick, a star employee expecting a promotion this year, is upset that the recent recession put all company promotions on hold. Making his manager aware of his frustration, Yannick is offered the chance to attend an executive program to further develop his skills – and position him for quick promotion when the economy recovers.

Idiosyncratic deals (i-deals for short) are special conditions of employment granted to an individual worker that differ from what coworkers have. It is a deal workers help create, though either the individual or the employer can initiate it. I-deals can create valuable career opportunities or flexibility that enhances work/life quality. More and more employees like Lena actively negotiate with their manager, HR, and sometimes even their own coworkers for employment arrangements that better meet their needs. What makes i-deals possible is that employers are increasingly willing to grant special arrangements to attract, motivate, and keep valued employees, particularly in competitive markets for talent. The benefits of i-deals can be found in both good and tough economic times. In good times, employers grant i-deals to make it easier to hire, motivate, and retain talent. In tough times, i-deals can give employees like

Yannick valuable substitutes in place of the compensation or rewards the employer has difficulty providing.

I-deals get their moniker because providing something particularly valued to an employee can be an “ideal” use of company resources for managing people. I-deals provide ways of creatively rewarding and motivating people when *one-size fits all* practices fall short in meeting the needs and goals of individual employees. The rise of i-deals has been explained by the decline in collective bargaining, the scarcity of talent, the value well-motivated workers provide their employers, the greater initiative employees show in pursuing personally desirable work arrangements, and because individuals increasingly must manage their own careers. Originally recognized as a means to retain “star” performers, i-deals have become widely available as employers recognize how useful such deals can be and individual employees learn to voice their concerns and bargain for themselves.

I-deals are widespread in contemporary organizations but they differ greatly in their scope. An i-deal can range from 1% to 100% of a person’s employment arrangements. It may completely customize the individual’s compensation, duties, work setting, and hours. Such is common in start-ups and small firms, which often have limited standardized practices. An i-deal may also entail only a minute part of a person’s employment arrangement, providing slightly different work hours or duties. Such is common in large, well-established companies where despite their standardized HR policies and practices, both the worker and employer might benefit substantially from making a major exception to an existing policy or a minor adjustment in job duties.

This article provides information from research on i-deals for individual workers and their managers. It speaks to individuals seeking to use i-deals to get what they want at work. It also speaks to managers seeking to make i-deals in a way that best motivates their subordinates and benefits the organization. Last but far from least, it provides insights into

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how to make i-deals in a way that coworkers can accept and see as fair.

DISTINCT TYPES OF I-DEALS

There are many different types of i-deals. Indeed, i-deals can be as diverse as are individual employees. Research shows that i-deals differ based on two important factors: (a) *timing*, whether they are negotiated at hire or later, and (b) *content*, the resources the deal involves and their personal, social, and organizational implications. Importantly, i-deals differing in timing and content can have very different effects on the individual i-dealer, the employer, and on third parties, in particular the i-dealer's coworkers.

Timing Matters

I-deals are sometimes a hot topic during recruiting season and in the conversations between employees and their managers at key employment milestones such as performance reviews, promotions, and transfers. Importantly though, research shows that timing influences what motivates employers to grant i-deals and the effects such deals have in turn on the employee and the organization.

When do you think i-deals are most likely to be granted? During recruiting when a talented prospect negotiates an offer? When a good performer threatens to quit? Or on the job, in conversations with the manager? Perhaps surprisingly, organizational research finds that most i-deals are granted on the job. That is, most i-deals are negotiated by existing employees, particularly by valued employees and often more readily when opportunities for promotion, transfer, or other job changes arise. We refer to these on-the-job arrangements as *ex post* i-deals, so called because they occur after employment has begun. They differ from the deals we discuss below that are negotiated at the time of hire or when a person threatens to quit.

When do you think i-deals have the least impact on an individual employee's attitudes toward the employer? Attitudes are shaped by attributions; that is, what the individual believes is the reason why the employer agreed to the i-deal. Employers have many reasons for making i-deals and these depend on whether the deal is being made to recruit a job candidate, motivate a current employee, or retain someone who is threatening to quit. Research suggests that i-deals creating highly customized arrangements during the hiring process have little effect on the individual's attitudes toward the organization – probably because such i-dealers tend to believe that their market value and skills motivated the deal, and not the employer's kindness, generosity, or appreciation of them.

When do you think i-deals are most likely to upset coworkers? Although coworkers are sensitive to inequity across all kinds of i-deals, they experience the greatest sensitivity when i-deals are made because an individual threatened to quit. These deals often involve resources like pay or promotions that are scarce and often allocated competitively. Such deals can create two costs for coworkers. First, they lead coworkers to feel underpaid or under-recognized relative to the i-dealer who may not even perform better than they do. Second, coworkers themselves become less likely to get raises or promotions because there is now less money or promotion opportunity to go around. When employees use threats in order to get their needs met, it suggests that the organization has poorly structured reward, career development, and compensation practices.

There are three points in time when i-deals tend to be negotiated: (i) *ex ante* (i.e., before joining the organization), (ii) *ex post* (i.e., after joining the organization), and (iii) in responses to a threat to leave. The benefits and risks of i-deals struck at each of these three points in time, for both the employer and the organization, are depicted in Table 1 and discussed below.

Table 1 Types of i-deals Related to Timing.

Timing	Benefits	Potential risks
Ex ante	For the organization: <i>Recruit talented candidates</i>	<i>Little effect on attitudes toward organization</i> <i>Increased costs</i>
	For the employee: <i>Obtain sought-after economic rewards and other benefits</i>	<i>Peer dissatisfaction</i>
Ex post	For the organization: <i>Motivate employees</i> <i>Reward/keep good performers</i> <i>Address performance problems</i>	<i>Peers' reaction when mismanaged</i> <i>Non-compliance with norms</i> <i>Coordination problems</i>
	For the employee: <i>Meet personal needs and career aspirations</i> <i>Reinforce bond with employer</i>	<i>Decreased career opportunity if mismanaged</i>
Threat to quit	For the organization: <i>Retain valued employees</i>	<i>Repeated bargaining</i> <i>Coworker inequity</i> <i>Undermined loyalty</i>
	For the employee: <i>Meet personal needs</i> <i>Gain economic rewards</i>	<i>Being seen as difficult or unreliable</i> <i>Resentment by colleagues</i>

Ex Ante I-deals: Recruiting Talent

Gerry, a biochemist laid off by a startup that shut down, is being recruited by a large biotechnology firm, which regularly makes the list of Best Employers. Though he has the credentials to enter as a senior research scientist, no position is open at that level. The hiring manager decides to make an exception to company policy and promises to fast track Gerry's promotion to research scientist within the year. Relying on the firm's great reputation, Gerry takes the job.

Ex ante i-deals are created during the hiring process, when applicants or recruits propose or accept terms of employment distinct from arrangements that exist for employees already on the job. Where talented workers are highly sought after, ex ante bargaining is more likely to be successful. To M.B.A. graduates for example, successfully negotiating an ex ante i-deal can signal that their degree has value. Strictly speaking, however, what individuals are able to negotiate during the hiring process tends to involve only a limited set of economic factors, typically pay, hours, rank, and possibly future promotion opportunities. This limited economic focus of ex ante dealing occurs in part because market-related information is especially salient during the hiring process. Both employer and recruit use it to provide benchmarks and guidelines regarding reasonable or feasible employment arrangements. The available information tends to focus on objective conditions, like pay and hours. This limited economic focus also reflects the fact that the job applicant and potential employer tend to know very little about each other. A talented candidate may be able to negotiate employment conditions well beyond the typical ranges for pay or rates of advancement that the employer generally offers, but will be hard-pressed to pursue other kinds of employment conditions available to company insiders. Limited trust or insider knowledge makes it difficult for either the recruit or the employer to pose highly customized arrangements.

The lack of a personal relationship also limits the impact of ex ante i-deals on employee motivation and attachment to the organization. The recruit has little information regarding the employer's true motives for accommodating a request for an i-deal: is it due to the individual's market value or the employer's good will? Research suggests that individuals with ex ante deals tend to believe that their talents and labor market factors motivate the employer to grant their i-deal, rather than the employer's good will or supportiveness. Thus, ex ante deals may do little to build a new hire's attachment to the organization. They can motivate a person to join one company rather than another. However, their impact on an individual's motivation to perform and commitment to the organization is more limited than is observed for ex post deals, as discussed below. Importantly, not all individuals are able to bargain successfully for i-deals during the hiring process. Employers are often unwilling to accommodate a job applicant's special preferences due to the lack of knowledge regarding that person's real value to the organization.

Ex post i-deals: Motivating Talent

Anita Soria is a hotel concierge, on a first name basis with all the local restaurateurs and ticket managers. She

convinces her boss to put up a webcam, plasma screen, and a printer in the hotel's lobby, so she can answer guests' questions and make their reservations for dining and entertainment from her home. What Anita asked for and got was a special arrangement the hotel had never offered to its other workers.

Employers might be reluctant to accommodate special preferences for a job applicant they really don't know or for those recruits who have little leverage at the time of hire (e.g., the young, inexperienced, non-credentialed). However, if employers come to depend on those individuals over time, it makes it easier for the latter to successfully negotiate i-deals. At the same time, individual workers who were reluctant to bargain at the time of hire can find themselves more willing to do so once on the job if they have built good relationships with their boss and coworkers.

Ex post i-deals are negotiated in the context of an on-going employment relationship. For this reason, the nature of the relationship between the individual and the employer, particularly, with the immediate manager, is often critical to the ex post i-deal's successful negotiation. A relationship based on mutual trust and a history of valued employee contributions makes employers more willing to grant ex post i-deals. The employee is also more willing to ask for special arrangements when the relationship with the employer is a good one. Individuals who successfully negotiate ex post i-deals often believe that their employer supports and values them. Thus workers with ex post i-deals tend to view their employment relationship in terms of socio-emotional ties. Successful i-deal negotiations on-the-job tend to strengthen the bond between the individual and the organization, by making that individual's job there even more special and valuable. Failed negotiations, particularly when they happen repeatedly, tend to undermine the employment relationship and reduce the individual's commitment to the organization.

I-deals Involving Threats to Quit: Retaining Talent

Qian, a genetics scientist, felt he was no longer growing in his job. He raised this concern with a senior manager by saying he wonders if he needs to pursue new opportunities. The manager made Qian an offer of promotion on the spot in order to avoid losing him. Qian was promoted to laboratory director without going through the company's usual promotion process, making him willing to stay for a few more years.

Some i-deals are negotiated when the individual threatens to quit. Brandishing an outside offer, or sometimes merely mentioning one's thoughts about quitting, can give the employee leverage to motivate the employer to grant the deal.

Yet employers may be wary of granting i-deals under threat since such deals typically involve scarce resources like pay and promotion and employers fear repeated bargaining. On the other hand, some organizations rely on individuals to proactively seek out job offers elsewhere in order to demonstrate their market value before granting raises or other perks. Such practices tend to reward the disloyal and highly mobile and send negative messages to the loyal and less mobile.

On the other hand, employers with poorly structured human resource practices may find themselves more willing to try new things when faced with losing a valued employee. Consider the case of Ben:

For several years, Ben tried to get his manager to let him have Fridays off in order to enroll in a weekend MBA program. His manager always said “no.” After Ben announced his intention to resign to pursue his M.B.A. full time, Ben’s manager agreed to give him Fridays off. Although he’s still with the company and pursuing his M.B.A. part-time, Ben can’t help but think he would feel more positively about the company if his manager had agreed to this arrangement when he first asked.

Some employees, like Ben, who attempt to quit can find their formerly i-deal phobic employer now willing to grant important flexibility requests.

Employers face several risks in granting threat-based i-deals. First is the danger of rewarding disloyalty and shopping for offers. Second, people who threaten to quit are not necessarily the best performers, creating inequity with coworkers who may perform equally well if not better. Third, i-deals made via threats seldom require more of the i-dealer to justify the extra benefits being granted. The one-sided nature of such deals can encourage the would-be “quitters” to engage in repeated bargaining to up their pay or standing in the organization. Repeated bargaining by individuals, especially for economic resources, diminishes opportunities for other equally or even more deserving coworkers. It can also undermine any sense of justice or fairness in the workplace, particularly since such deals are often made in secret (but often don’t stay so).

For the employer, the price of granting a threat-based i-deal can be short-term gain followed by a longer-term loss. However, if the circumstances surrounding the threat to quit lead the employer to realize that its existing practices warrant revision, granting the i-deal can be beneficial if followed by broader changes to reward employees generally in a more appropriate fashion. Typically, if an employer has a well-designed, equitable reward and compensation system in place, employees have less need for threat-to-quit deals.

The Content of I-Deals: Should You Be Careful What You Ask For?

*You can’t always get what you want,
but if you try sometimes, you find,
you get what you need.*

– Rolling Stones

Individuals pursue i-deals for lots of different reasons. I-deals can help an employee get ahead by creating especially valued opportunities for development and advancement. They can bring changes in duties and responsibilities that make work more interesting or job demands less stressful. They can help balance work and non-work life or make the transition to retirement easier. Although i-deals can be as diverse and unique as the individuals who seek them, i-deals tend to be negotiated around five kinds of resources or opportunities: *development, tasks, flexibility, reduced work, and/or financial arrangements*, as depicted in [Table 2](#) and discussed below.

Development I-Deals

Development-related i-deals help individuals negotiate conditions that help them attain longer-term career goals. These can include high quality training and advancement opportunities, or participation on important committees.

Chris is a 24 year old exceptional market research consultant who has a lot of satisfied clients because he always volunteers to do extra. Despite the fact that the company’s senior executives tend to be older and more educated than he is, Chris is eager for a promotion and enrolls in a M.Sc. in marketing after his boss agrees that the company would cover half the costs. Recognizing his talent and motivation, Chris’ boss also offers him the opportunity to attend high-level briefing meetings so senior executives can get to know him – a perk offered to no other employee at Chris’ level.

Development i-deals tend to be negotiated after hire. Development i-deals are related to increased individual performance, engagement, commitment to the organization, and retention. Development i-deals can put an individual in an advantageous position relative to coworkers, particularly when the deal targets scarce opportunities for advancement, prestigious or highly sought after assignments, or valued training and development activities. Importantly, development i-deals tend to be negotiated by good performers who also have a good relationship with their boss. Development i-deals are associated with increased employee performance, commitment, and retention. They tend to reinforce the bond between employee and employer.

Task I-Deals

Ruth worked for 35 years in the billing office of a local electric company. When her boss was getting ready to announce his retirement, he asked Ruth if there was anything he could do for her. Ruth asked him to give the one part of the job she hated, figuring out the electric bill for the town’s street lights, to somebody else. Her boss complied.

Fiona held degrees in training and development when she obtained a HR position at a large state-owned bank. The only vacancy was in HR’s compensation section, but Fiona let her manager know from day 1 that she was interested in training and development. She kept up her pursuit of a transfer and after six months, convinced her boss that she would be more valuable in the training section. Although no vacancy in training existed, Fiona’s boss made arrangements with the head of training to involve Fiona in several training projects to keep her motivated until a training position opened up.

Task i-deals entail negotiated changes to the job content that make the work more intrinsically interesting or satisfying. Through such deals, individuals seek preferred duties or responsibilities in line with their intrinsic interests or capabilities. Individual employees are often able to make, alter, reduce, or expand their range of job duties

Table 2 Types Of I-Deals By Content.

Content	Benefits	Potential risks
Development	For the organization: <i>Increased employee performance and commitment</i> For the employee: <i>Support for career goals</i>	<i>Coworker competition, if not managed appropriately</i> <i>Jealousy from colleagues</i>
Task	For the organization: <i>Increased job satisfaction, organizational commitment, engagement</i> For the employee: <i>More interesting work</i> <i>Better person/job fit</i> <i>Reduced stress</i>	<i>May trigger competition with colleagues, if not managed appropriately</i> <i>Being seen as not doing their job</i>
Flexibility (preferred schedule/location)	For the organization: <i>Retain employees close to retirement longer</i> <i>Increased job satisfaction</i> For the employee: <i>Well-suited to workers close to retirement to ease transition</i>	<i>Co-ordination problems with colleagues/clients</i> <i>Employee effort needed to make contributions more visible</i> <i>Reduced performance ratings and career opportunities</i>
Reduced work-load	For the employee: <i>Better work-life balance</i> <i>Adaptation to health issues</i>	<i>Marginalization</i> <i>Shift to transactional employment relationship</i> <i>Reduced performance ratings and career opportunities</i>
Financial (increased pay/perks)	For the organization: <i>Enable employer to attract/retain talented employees</i> For the employee: <i>Financial benefits</i>	 <i>Shift to transactional employment relationship</i> <i>Reduced socio-emotional bond with employer</i> <i>Issues of pay equity and fairness</i> <i>Reduced cooperation among employees</i> <i>Resentment by colleagues</i>

without needing managerial approval; a process Amy Wrzesniewski and her colleagues defined as *job crafting*. Job crafting allows individuals to focus their efforts on particular aspects of the work they enjoy or find particularly meaningful. Task i-deals are made when the individual lacks the authority to personally change his or her job duties.

Employees with task i-deals tend to be more satisfied with their job and more attached to the organization. Task i-deals can really change important aspects of the work people do. They can increase job control and complexity, making the work more interesting. They can alter the demands workers face, decreasing job stress. Research indicates that task i-deals encourage employees to take greater initiative on the job and become more engaged in their work. Like development i-deals, task i-deals typically are negotiated by good performers and reinforce the bond between individuals and organizations.

Finally, both task and development i-deals can also be used as remedies when individuals are having performance problems. In such cases, providing training and/or adjustments in job duties can help poor performers to improve.

Flexibility-Related I-Deals

Tim works in financial services at a city university with several campuses. When the department decided to relocate to another campus, he obtained permission to continue working at the same location, which was near his home. To avoid conflicts with his peers and supervisor, he makes sure to attend their regular Friday meetings.

I-deals that permit individuals to work according to their preferred schedule or at their choice of location are termed flexibility i-deals. Such deals tend to be granted to trusted employees, particularly in firms that do not have formal flexibility policies. However, even organizations with flexibility policies may require individuals to get their bosses agreement for their choice of schedule and location. Thus employees who seek to take advantage of their employer's flexibility policies often have to negotiate.

Although flexibility i-deals are associated with employee satisfaction, over time they can cause individual i-dealers to fall out of sync with their peers. By virtue of differences in work location or schedule, coordination problems can develop with clients and coworkers, requiring special effort

on the part of the i-dealer to resolve. Workers with such arrangements ultimately may even experience lower performance ratings and fewer advancement opportunities due to their non-conforming work situation. These negative consequences tend to arise if i-dealers come to be perceived by their managers and coworkers as making fewer contributions. Such perceptions may be the result of the “out of sight, out of mind” effect where knowledge of an individual’s efforts and contributions is harder to come by.

For this reason the flexibility i-dealer may need to make special efforts to make his or her contributions visible. Such efforts can include explicit updates to managers and coworkers regarding milestones met, contributions made, and assistance provided. Without such efforts, flexibility i-deals can lead once-good performers to become marginalized. On the other hand, such arrangements are well-suited for people approaching retirement as a way of easing their transition and retaining a talented person’s skills and knowledge for a while longer.

Reduced Work Load-Related I-Deals

For three years, Barb has been the alumni relations manager in a public policy school of a mid-size university. She has three teenage sons, whom she feels need her more frequent presence during the day. She lobbied the dean to let her work 28 hours rather than 40. She became the first “part-time manager” in the school. Being careful to be seen as a full-time presence despite a part-time schedule, she uses language like “out of the office” to describe where she is and calls into important meetings scheduled on her days at home. She plans to return to full-time work when her last son goes to college.

A variation on flexibility i-deals is actual reduction in workload by reducing work hours. Such deals may be pursued to accommodate health issues or non-work demands. In general, individuals tend to experience their employment as more transactional and arms-length when they have reduced workload i-deals, and manifest less commitment to the organization (and vice versa) unless they are able to make their contributions known and their presence in the organization felt. Reduced workload i-deals can have consequences similar to flexibility i-deals involving work locations or schedules that differ from peers. One issue in mitigating some of the negative implications of reduced workload i-deals is keeping their duration brief. Workload reductions for a limited amount of time can have less negative effects than prolonged workload reductions on performance ratings and career opportunities. On the other hand, workload reductions can enhance personal health and well-being and make it easier for older workers to work longer before retirement.

Financial I-Deals

Laura is a famous business school faculty member active on the speaker circuit. She is a hit in the school’s executive program, which attracts participants in part because of Laura’s fame. Knowing the value she brings, Laura negotiated her executive education compensation at three times the pay rate of her colleagues.

Financial i-deals involve increased pay and/or perks relative to coworkers. Typically, this compensation increase is made without requiring the i-dealer to increase his or her contributions to the employer. Financial i-deals can call attention to the economic nature of the employment arrangement and downplay its socio-emotional quality. They do, however, make it easier for organizations to attract and retain highly sought after stars.

One important factor, particularly in terms of pay-related i-deals, is the notion of secrecy, which can raise issues of the legitimacy and appropriateness of the financial i-deal in the eyes of coworkers. Overuse of financial i-deals can undercut workplace justice and reduce cooperation among employees, especially in the case where the firm does not have a well-structured market-based compensation system. If the i-dealer’s coworkers receive the same pre-i-deal-pay and perform comparably, they are now inequitably paid relative to the i-dealer—one explanation of why financial deals tend to be kept secret. For this reason, secrecy is often viewed as a sign that the deal is unfair.

HOW TO MAKE I-DEALS THAT COWORKERS FIND ACCEPTABLE

Upon implementing a new performance appraisal system, Martine and the rest of her HR team had to work overtime each day for a month. Having a new baby, Martine asked her manager to be granted time off work for each overtime hour, rather than being paid extra. Her manager granted her request, but told Martine not to tell the rest of the team. Rumors started circulating about the arrangement, since Martine was around a lot less. Even though no team member wanted Martine’s arrangement, its secrecy made the team angry with both Martine and their manager.

Avoiding Shady Deals

The benefits of i-deals for individuals and organizations depend on making them in ways that distinguish them from shady deals – those special arrangements that look like favoritism or rule-breaking. Such shady deals are unfair to coworkers and bad practice from the perspective of workplace justice. Favoritism means that the individual is granted special arrangements primarily because of a special relationship with a manager. Managers can feel loyal to an old friend or seek to curry favor by being especially generous to the boss’ nephew. However, favoritism differs from i-deals because the manager might benefit from strengthening a personal relationship, but the deal tends to offer little benefit to the organization and is at odds with principles of fairness. Rule-breaking creates special employment arrangements when an individual obtains perks by violating company policies or practices. Some common forms of shady deals obtained from rule-breaking include pilfering supplies, running personal errands, or operating a separate business on company time without authorization. A manager turning a blind eye does not count as authorization!

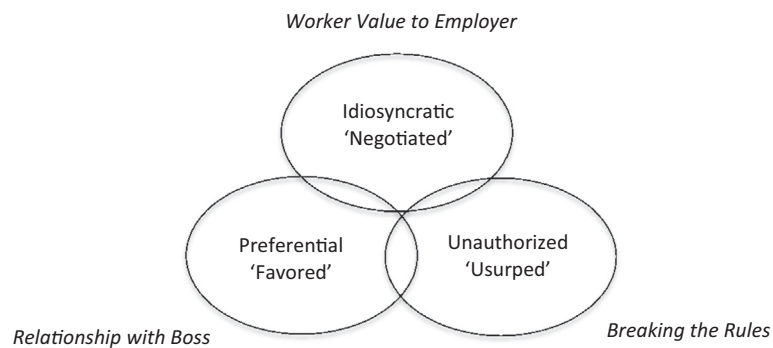


Figure 1 Blurry Boundaries Of I-Deals With Other Types Of Employment Arrangements

When individuals take it upon themselves to go against company policy without being granted an exemption, it undercuts the confidence their coworkers have in the consistency and fairness with which policies are enforced and followed. Well-made i-deals, in contrast, create a win-win situation for both individual and employer. They can also offer potential benefits to coworkers as well, raising the possibility of win-win-win or at least win-win-no loss for the individual, the employer, and coworkers. Fig. 1 presents the blurry boundaries between i-deals (with their win-win quality and win-win-win potential) and other less beneficial arrangements for both the individual and the employer.

I-deals are exceptions, thus in their specific features they depart from what is standard and consistent. In keeping with the diversity of interests and needs that make i-deals necessary, how non-recipients react to i-deals is sometimes hard to predict. The same i-deal might be viewed as unfair or unacceptable in one situation and fair and acceptable in another. The difference between what is acceptable and what is not are the attributions made by others, particularly the deal maker's coworkers. The attributions coworkers make regarding i-deals have implications for whether the organization is seen as just and fair, or political and self-serving. In the case of Martine above, the secrecy with which the deal was negotiated turned a potentially acceptable arrangement into a disaster. Coworker perceptions shape the social costs that i-deals create for the recipient, as well as for the employer. Social consequences are likely to be greater when the deal involves important and scarce resources (e.g., promotion or pay raise) or creates burdens and costs for others (e.g., extra work or reduced flexibility).

Relationships Influence Coworker Reactions

How coworkers react to another's i-deal is based on the quality of two workplace relationships. First, enjoying high quality relationships with the employer and their manager makes coworkers more accepting of another colleague's i-deal. Coworkers who trust their manager and feel positively disposed to the organization are inclined to see deals that their manager makes as justified and reasonable.

Having a good relationship with the employer and immediate manager also increases the likelihood that coworkers will view their own odds of obtaining a future i-deal to be good. One person's i-deal can be an indicator of the employer's willingness to provide flexibility and opportunity in a

customized fashion. Coworkers generally react positively to such arrangements when they intend to remain with the organization for a while, that is, perhaps long enough to get their own i-deal. Foreseeing a future with an employer that supports customized flexibility and opportunity makes it easier for coworkers to react positively to i-deals. On the other hand, people who view the employer and their boss more negatively are disinclined to accept the i-deals others have. Such individuals may not anticipate a long-term future with the employer and see little benefit to themselves from the employer's willingness to grant i-deals to others.

The second important relationship is of course between coworkers and the i-dealer. Coworkers who view the i-dealer as a close friend tend to be positively disposed to accept that person's i-deals. People are inclined to support arrangements that meet the needs of others they care about. Importantly, however, people expect friends to be considerate and helpful in return. Thus i-deals that create burdens for coworkers can create conflicts that erode the relationship unless the i-dealer and/or the manager is careful to reduce or manage those burdens.

On the other hand, putting too much of the burden on the i-dealer to manage coworker relationships can have drawbacks too.

Krishnan's wife received an impressive promotion that will require her to work abroad for a year. Krishnan, a senior software engineer with two children, attempts to negotiate with his boss to work virtually for the next year so he can follow his wife. The boss is reluctant to grant such a deal; instead he asks Krishnan to talk with his colleagues and see if they can come up with a workable plan. Over one-to-one and team meetings, a detailed plan emerges that should work equally well for Krishnan and his colleagues. Krishnan gets the support he sought from the team and feels obliged to them but not to the organization.

Although Krishnan got the i-deal he sought, its overall value to the organization is undercut by the apparent lack of organizational support. The consequences might be even more negative if a manager expects the would-be i-dealer to gain approval from peers—and the peers say “no way.” If an i-deal is feasible and its benefits real, the organization has an interest in helping its creation in order to gain coworker support. Attention to these important relationships leads us to some *dos* and *don'ts* in making i-deals.

SOME DO'S AND DON'TS OF NEGOTIATING I-DEALS

For Employees

Thoughtfully-made i-deals can be a boon to a person's career and quality of life. I-deals can help solve a pressing problem, make coming to work more enjoyable, or position a person for a great future opportunity. People who take personal initiative and have good political skills are particularly likely to have i-deals. At the same time, the attributions managers make regarding why a person wants an i-deal can affect his or her success in getting it and that deal's career impact. For example, *why* a manager thinks an employee is attempting to use flexible work practices can be pivotal. Research suggests that employees are more likely to succeed in their career if managers interpret their use of flexible work practices as a means to becoming more productive at work. On the contrary, when managers make personal life attributions, such flexible work practices often result in career penalties, unless the i-dealer makes special efforts to convey commitment to the organization.

As a form of exceptional treatment, i-deals can have some unintended consequences if not carefully made and managed. Most of their downsides are due to being non-compliant with organizational norms. For instance, a schedule widely different from that of colleagues can make coordination harder and even cause people to forget or struggle to involve the i-dealer when important decisions are being made. Individuals pursuing i-deals need to manage such situations and make wise decisions before, during, and after negotiating an i-deal. Employers also tend to be afraid of how coworkers will react, and a big part of how coworkers will react depends on the i-dealer. Fig. 2 illustrates certain relational factors that enable successful i-deals from the perspective of interested parties.

Let's now consider what *you* can do to be an effective i-dealer, before, during, and after negotiating an i-deal. Research suggests a variety of strategies for preparing,

negotiating, and sustaining a flexible and fair i-deal, as suggested in Fig. 3 and discussed below.

1. **Adopt a problem-solving approach.** Treat important unmet work and life needs as problems to be solved. How might these problems be addressed in your job? Frame these issues as problems to solve. Engage your manager and, when appropriate, your coworkers in exploring solutions. I-deals are ways of meeting needs that standard practices and policies do not address. A problem solving approach yields more positive reactions from employers and coworkers than hard bargaining.
2. **Gather information before negotiating.** Find out if there is precedent for the kind of arrangement you would like. Ask around to see if such arrangements exist in other parts of your organization. What do your colleagues think about creating such a new arrangement? Gather information on how others you work with are likely to react.
3. **Consider the i-deal's long-term as well as short-term implications.** Any i-deal negotiation has an aftermath with short as well as potentially long-term consequences. What problems might arise once you act on your i-deal? How might these be factored into your approach to the negotiation? The most effective deals consider contingency issues, like what might be done if problems arise in order to keep the deal viable and make it more workable and beneficial.
4. **Manage the "rap" (AKA what others might think about your i-deal).** The attributions managers and coworkers make regarding why you want an i-deal are important. If your career is a priority to you, you want your manager and colleagues to interpret your use of flexible practices as a means to be more productive and not only for personal reasons. Be prepared to give answers to your manager and colleagues about how they will benefit from this deal. Remember that successful i-deals are a win-win-win or at least a win-win-no loss.
5. **Manage the implementation – for your coworkers.** Take special care in managing your coworker relations. This means trying to be a *good neighbor*. People can feel

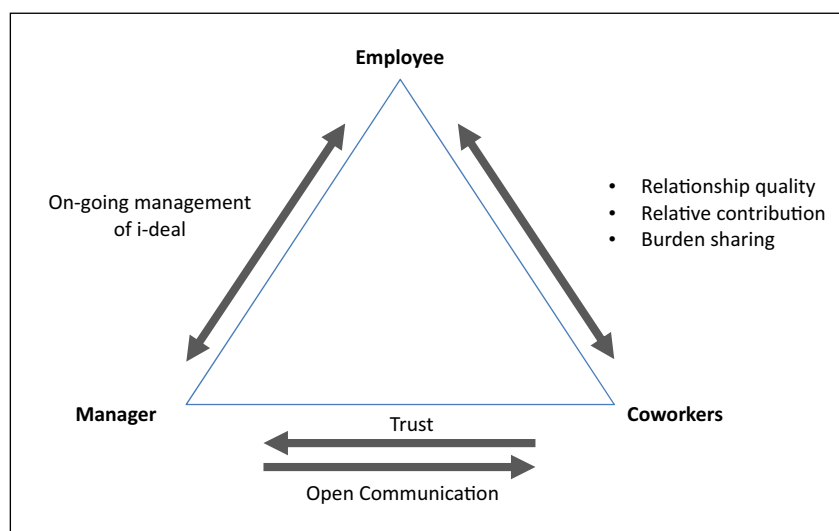


Figure 2 Balancing Flexibility and Fairness

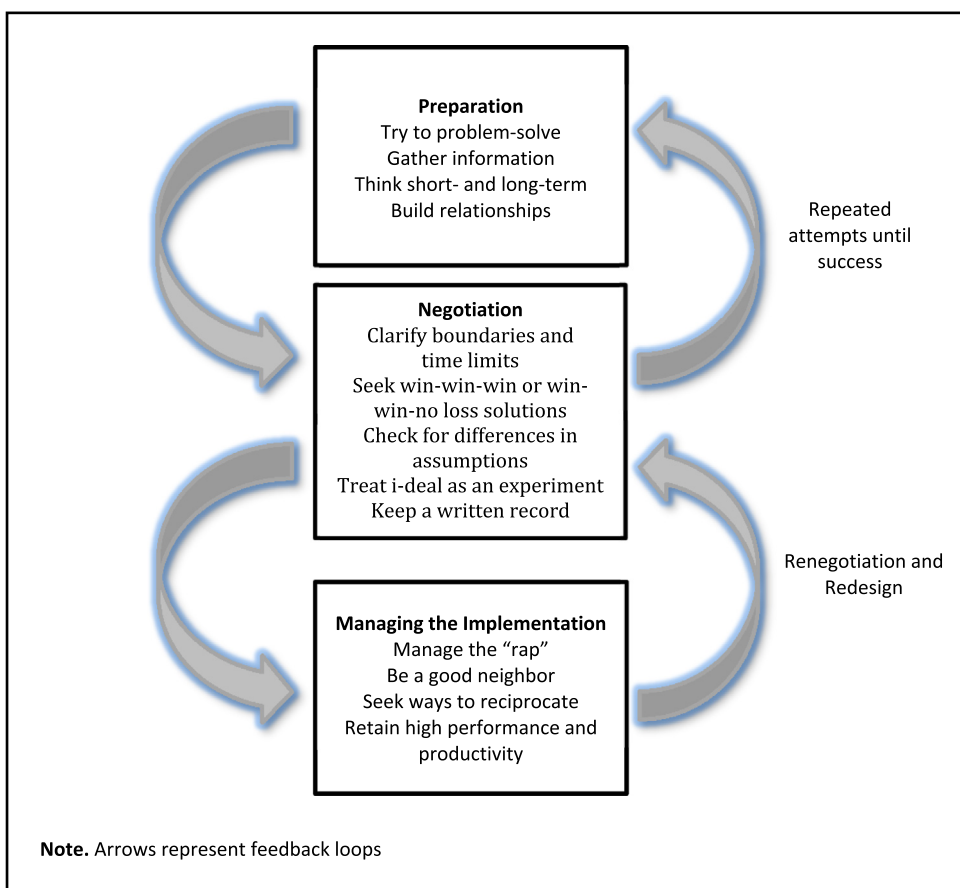


Figure 3 What Employees Can Do to Negotiate an Effective I-deal

put upon when another person’s i-deal makes extra work or other burdens for them. These burdens can be real, like picking up the slack when you are absent. Burdens can also be emotional by virtue of the special treatment you received that others have not. Take pains to behave in a responsible fashion and seek ways to contribute to the benefit of your work group. Similarly, when your colleagues have their own i-deals, you can help them to be in tune to ways they can manage their relations with the group. Reciprocity makes the world go round: Supporting the i-deals of others increases the odds they will support you.

6. **Manage the implementation – for your future self.** If the i-deal changes your actual contributions to the organization, particularly if it reduces them, your future opportunities may become constrained. If you are close to retirement or planning to leave the organization soon, this may be of less concern. If you plan a longer future with the organization, keep your manager and coworkers in the loop about what you are doing and take pains to be useful to them. Talk with managers and mentors about future opportunities, your desire to be included in training and development, and whether your i-deal might transition in the future to enhance your value and opportunities in the organization.
7. **Getting hired with an i-deal.** Your comparative advantage relative to other recruits in terms of talent (skills and experience) and the rarity of what you bring to the organization are major factors in determining whether

you can successfully bargain for an i-deal and what you might bargain for. Do your homework on what other firms are offering. Explore what particular arrangements are familiar to your potential employer, as well as where the employer’s HR policies and practices might be trending, and if it is open to trying new arrangements. Can your i-deal be an opportunity for the employer to address a problem it knows it has? Be sure to get a clear statement of the deliverables expected of you and manage your workplace relationships, especially if your deal’s conditions make forming normal peer and client relationships more challenging.

8. **Will you quit if you don’t get your i-deal?** Generally speaking, threat-based deals are a card played once (or very rarely) in your tenure with an employer. Prepare your case, be very clear about what you want (renegotiating later may be difficult) and whether you are willing to do anything special in return, aside from staying with the company. Beginning the conversation as a problem to solve (#1 above) allows for a softer approach that can help avoid signaling disloyalty. If that approach does not work, state what you are seeking and what you envisage will occur if your employer does not meet your demands.

For Employers

Immediate supervisors and managers are the most frequent deal makers on behalf of the employer. They are pressed to make special deals that require their time and effort in order

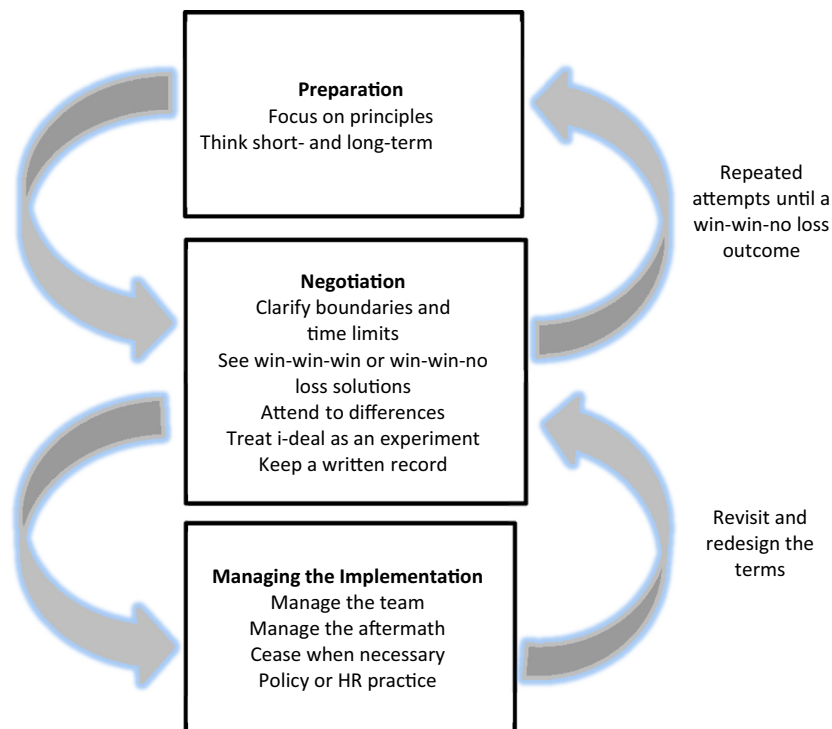
to obtain hoped-for benefits. These deals can reward a high performer, help a struggling employee better balance work and family, or keep either of them from quitting. Supervisors can fear having to justify i-deals to others. They are afraid of opening the flood gates to repeated bargaining. In trying to use i-deals in managing employees, supervisors and managers often find themselves at odds with their own HR department by virtue of its role as the enforcer of rules. What HR often finds tough to cope with is increasingly a way of life for front-line managers: special deals that give companies flexible responses to worker demands and needs. HR probably has one point right; that is, i-deals can be administratively complicated. They can confuse people about what the policies and principles are by which the organization operates. On the other hand, HR often needs managers to decide *which* employees can benefit from *what* company practices (e.g., who gets to work from home?) I-deals are a way of learning what practices might be the basis of new policies and how to administer existing policies in a fair and just way. Some effective managerial strategies for negotiating flexible and fair i-deals are summarized in Fig. 4 and discussed below.

As a business owner or manager there is a lot you can do to make i-deals work well for your organization and employees.

1. **Consider the principle(s) and values that make this i-deal appropriate.** Only grant i-deals that are in line with important ethical principles and organizational values. Would you be comfortable and proud if you told the world the reasons that led you to make this deal? Another way to think about it is whether reasonable and disinterested third parties looking at the situation would agree that the

deal is fair and appropriate in your organization. Consistent values and standards, particularly when communicated upfront and broadly endorsed, make it easier to create principle-based i-deals. Employers that use i-deals particularly effectively establish these values and standards before i-deals are granted.

2. **Write down the terms of the deal.** Importantly, there should be documentation spelling out the terms of the i-deal. Put in writing the obligations and commitments you have agreed upon with the i-dealer. In spelling out what each party’s responsibilities and expectations are, indicate the conditions under which the deal might be terminated. People often mistakenly assume they hold identical beliefs when in fact the employer and employee may have very different understandings. Writing things down also helps when questions are raised later by coworkers and others, particularly when another employee comes in and wants the same deal. We note that people often have no idea what the i-dealer gave up or committed to in order to obtain the deal in the first place.
3. **Factor in coworker concerns.** At the very least, the concerns of coworkers should be factored into making an i-deal if it creates burdens for them and needs their support to work well. By consistent attention to coworker considerations, perceived inequities can be reduced. When the i-deal creates extra work or other burdens for workers, also consider involving them in the process of creating it. However, it can be a recipe for disaster to expect new hires or others who have limited personal ties with coworkers to obtain their approval of an i-deal without help from the manager. In such cases, it would



Note. Arrows represent feedback loops

Figure 4 What Managers Can Do to Make Effective I-deals

- be better that the manager or HR obtain information regarding coworkers' views. The overarching issue here is that both the i-dealer and his or her manager need to nurture and manage their relationships with coworkers to make i-deals work well.
4. **Treat the i-deal like an experiment.** I-deals are ways of innovating and learning what might work. It is often easier to gain support for novel employment arrangements by treating them as experiments. If they work, the next step might be to turn them into a broader policy. The flexibility policies of many companies began as i-deals initiated by a few workers and their managers.
 5. **Should the i-deal be offered to many?** Building on that last point, consider whether the i-deal could be the basis of a policy or practice to be made broadly available to employees. Remember that i-deals are good supplements, but not necessarily always the best substitutes for standard organizational practices. I-deal requests can be a source of insight into the types of support and rewards of particular value to the organization's workforce.
 6. **Attend to individual and cultural differences in bargaining behavior.** Managers working in international companies should consider the possibility of cultural differences in willingness to pursue i-deals and reactions to them. Recent evidence suggests that younger employees are more likely to ask for and obtain i-deals in Western cultures, while women may be more reluctant to ask for or be granted i-deals in Eastern cultures. I-deals can readily become a source of inequity when individual or cultural differences exist in willingness to bargain or take initiative in raising concerns with the employer.
 7. **Plan to revisit the i-deal—and actually do so!** Perhaps with the exception of economic i-deals, i-deals should be re-visited periodically, perhaps every quarter or six months, to assess whether they are working as intended. As exceptional arrangements, the actual outcomes from i-deals cannot be known until they are actually in place. Meeting to discuss how the deal is working out for both employee and employer, as well as co-workers, helps to identify problems that need to be managed, like coordination issues, meeting attendance, or access to training. Because the actual contributions an individual makes may have changed as a result of implementing the i-deal, it is important to check whether its terms are being honored in ways consistent with standards of professionalism and good performance. At the same time, it is important to inquire whether the employer or manager needs to provide more or different kinds of support to make the arrangement work better. If coworkers or clients complain, it may be a signal that the i-deal is not as functional as anticipated, suggesting the need to consider whether to revise or terminate it. As with any organizational practice, it makes sense to continue to evaluate whether the needs of the organization and the individuals involved are being well-served by the deal over time.
 8. **I-deals may have expiration dates.** Very few organizational practices are written in stone. It is often the case that deals are terminated when a new manager enters the picture. Efforts may need to be taken to effectively "grandfather" or sustain an existing i-deal through changes in management. On the other hand, it is important in negotiating an i-deal to consider how long it should last and acknowledge what boundaries or time limits a deal perhaps should have.

CONCLUSION

Well-made i-deals provide important career opportunities and flexibility that can benefit both employees and employers. By providing valued resources to meet individual needs, i-deals attract and retain good people and help employees enjoy better quality work and non-work lives. To make i-deals work, consideration should be given to all three interested parties to i-deals: individual, employer, and coworkers. The goal is a win-win-win or, at the very least, a win-win-no loss for you, your employer, and your co-workers.



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Denise M. Rousseau is the H.J. Heinz II University Professor of Organizational Behavior and Public Policy at Carnegie Mellon's Heinz College and the Tepper School of Business. Rousseau has received the Academy of Management's Career Service Award, two George Terry Awards for management book of the year, the OB Division's Lifetime Achievement Award, the HR Division's Mentoring Award, the AOM Practice Impact Award and several honorary degrees. Her teaching and research focus on evidence-based management and positive organizational practices in managing people and change (Heinz College and Tepper Business School, Carnegie Mellon University, 5000 Forbes Avenue, Pittsburgh, PA 15213, United States; e-mail: denise@cmu.edu).

Maria Tomprou is a Visiting Assistant Professor of Management and Post-doc Research Fellow at the Heinz College, Carnegie Mellon. She teaches courses in the areas of performance management, leadership, and coaching. Her research focuses on managing employment relationships such as disruptions in psychological contracts, i-deals, and resource exchanges (Heinz College, Carnegie Mellon University, 5000 Forbes Avenue, Pittsburgh, PA, United States; e-mail: mtomprou@andrew.cmu.edu).

Maria Simosi is Senior Lecturer in HRM in the Business School at the University of Roehampton. She has worked for many years as a Human Resource Specialist. Her current research interests address the dynamics of employee-employer relationships as well as the ways in which the global financial crisis affects definitions of work and careers (Business School, University of Roehampton, Roehampton Lane, SW15 5PU London, United Kingdom; e-mail: maria.simosi@roehampton.ac.uk).