



## ORGANIZING FOR AUTONOMY: A COMBINED CONTINGENCY AND AGENCY PERSPECTIVE

Ferry Koster

Erasmus University Rotterdam, Netherlands  
koster@essb.eur.nl

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### Abstract

*This paper explains work autonomy using contingency theory and agency theory. Whereas prior research relied on individual-level data (sometimes across nations), the present analysis specifically focused on understanding work autonomy as a management decision at the organizational level. Data were collected among 670 private companies in the Netherlands using a survey. The companies represented a cross section of the Dutch economy. The data were analyzed using regression analysis. The factors derived from contingency theory and agency theory predicted the use of work autonomy. More generally, they can be understood as internal and external fit factors and the agency problems associated with them. These contingency factors include task characteristics, organizational size, organizational governance, and external developments. Whereas work autonomy often is viewed as a matter of organizational design, much of the empirical work relied on individual-level data. As a result, little is known about organizational factors related to the provision of autonomy of workers. For actors involved in organizational practices (e.g., managers and consultancy), a number of suggestions are offered for managing autonomy. This paper focused specifically on the organizational level by examining data collected among companies.*

**Keywords:** Bureaucracy, Organizational Theory, Organization Design & Development, Survey Research, Work Autonomy

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### 1 INTRODUCTION

Autonomy in the workplace has a central place in organization studies. Early writings about formal organizations relied on Weber's work on bureaucracy, with its emphasis on hierarchical structure and centralized decision-making (Blau, 1958; Eisenstadt, 1959). However, the benefits of centralization over decentralization have been debated ever since (Billinger & Workiewicz, 2019; Martela, 2019). First, from the perspective of organization design, the hierarchical nature of organizations has been challenged. Classical accounts include the ideas of Barnard (1938) and Fayol (1949), which emphasized that strict hierarchies may not work under all conditions, an idea that later was adopted widely in the organizational literature, as well as in sociological work focusing on the unintended consequences of

overly rigid hierarchies (Merton, 1940). From a different perspective, increasing attention was paid to the humanization of work in that period, which focused mainly on the need to provide freedom to workers to improve the quality of work (Fairfield, 1974). Hence, from the start of organizational studies, the topic of work autonomy has been on the agenda of organizational researchers, for example in efforts to understand how new organizational forms relate to the autonomy of workers.

However, despite its central place in the organizational literature, research into the topic of work autonomy remains fragmented. Basically, three strands of literature can be identified which investigated job autonomy. These strands of literature differ in their approach to work autonomy, the research questions they address, and their theoretical explanations. By far the largest body of re-

search views work autonomy as the independent variable in its research. In this body of research, two subfields can be distinguished. The first field consists of individual-level studies focusing on the role that autonomy has in explaining individual motivation, job satisfaction, and productivity. Theories such as self-determination theory (SDT) (1985) and the job demands–resources (JDR) model (Demerouti, Bakker, Nachreiner & Schaufeli, 2001) are well-known examples of this (Cassar & Meier, 2018). Work autonomy also is investigated at other levels of analysis, such as the team and the organization levels (Pinnington & Haslop, 1995). In the latter subfield, much research falls under the heading of high-performance work systems (HPWSs). Work autonomy is regarded as one of the main parts of these systems (Posthuma, Campion, Masimova & Campion, 2013), which are believed and found to be related to several performance dimensions of organizations (Boxall & Macky, 2008).

Although these two strands of the literature yielded interesting and relevant insights into the individual-, team-, and organizational-level *consequences* of work autonomy, they remained silent on an important issue, namely under what conditions do employers choose to *provide autonomy* to workers. Given the favorable outcomes of work autonomy based on the aforementioned studies, there is little reason to argue why organizations would not grant autonomy to their workers. The argument would be that the contributions of work autonomy to the functioning of organizations are considerable, and hence all organizations should aim to maximize their level of autonomy. However, this argument is too strong, because all these theories acknowledge that there are limits to the use of work autonomy, for example, because autonomy does not work for every worker (because it does not fit their personal needs and traits, for example, because they have a high need for structure) or because it does not fit the organizational or national culture (Hirst, Budhwar, Cooper, West, Long, Chongyuan & Shipton, 2008; Erez, 2010; Posthuma, Campion, Masimova & Campion, 2013; Koster & Gutauskaitė, 2018). In both instances, the usefulness of applying work autonomy in organizations is undermined.

In other words, it is not expected that organizations benefit from using work autonomy in all circumstances. Nevertheless, those studies focused on the way in which work autonomy interacts with individual, organizational, and national characteristics, and thus they did not explain the extent to which organizations make use of work autonomy. Hence, such research does not address other drivers and barriers to the use of work autonomy. To understand that, one has to look at theories in which work autonomy is the dependent variable rather than the independent variable. This brings us to the two other strands of the literature in which work autonomy is examined, namely structural contingency theory and agency theory. To a large extent, these two theoretical perspectives supplement each other (Eisenhardt, 1985; 1989). Structural contingency theory provides the most general account regarding the use of work autonomy. The main idea underlying this theory is that organizations thrive if they achieve internal and external fit (e.g., organizations need to make sure that their internal structure is coherent and that the organizational structure matches the organizational environment) (Mintzberg, 1980; Stonebraker & Afifi, 2004). From this it follows that work autonomy varies across organizations depending on the internal and external factors affecting or determining the structure of organizations. The other strand of the literature in which the use of work autonomy is explained has its roots in agency theory (Shapiro, 2005). Agency theory emphasizes the role of control and incentives in order to let organizations (and economic interactions in general) function. Following the basic premise of agency theory that the interests of workers and employees diverge, organizations are hesitant to grant autonomy to workers. This reluctance lies in the lack of trust between the parties involved. Hence, the focus of agency theory on the provision of work autonomy mainly is on the risks of granting work autonomy and the agency costs associated with it. This also is where the two theoretical perspectives complement each other: whereas contingency theory provides a clear view of which factors should be taken into account to construct a theory of work autonomy, agency theory provides some of the main theoretical explanations as well as an account of the limits to the provision of autonomy and under which conditions it may be granted in organizations.

This analysis contributes to existing insights as follows. Several studies have investigated work autonomy as a part of the general notion of high-performance work systems (HPWPs; Kalleberg, Marsden, Reynolds & Knoke, 2006; Posthuma, Campion, Masimova & Campion, 2013). Those studies relied on organizational-level data but focused mainly on differences between public- and private-sector organizations, which refers to the sectoral level. Kaufmann and Miller (2011) also investigated HPWPs to understand the application of these practices by formulating a demand function. Their analyses also relied on organizational data but used spending data to test their expectations. Lorenz and Valeyre (2005) conducted a cross-national investigation of four different work systems. One of the dimensions they used to construct their systems was work autonomy. Their analyses, however, were based on individual-level data, and provided little insight into the organizational-level factors explaining work autonomy. Finally, several studies explicitly focused on work autonomy, again using cross-national comparative data at the individual level, which provides little information regarding organizational-level explanations (Dobbin & Boychuk, 1999; Au & Cheung, 2004; Lopes, Calapez & Lopes, 2015). Thus, previous studies using organizational-level data regarded work autonomy as an integral part of the high-performance work system of organizations, and studies that did focus specifically on work autonomy did so by using information from employees. In the first case, it is both theoretically and empirically impossible to determine the role of work autonomy, and in the second case, the inclusion of organizational-level factors is difficult. The present paper adds to that a specific focus on work autonomy and its organizational-level determinants by analyzing data from 670 private organizations from the Netherlands.

## **2 THEORETICAL BACKGROUND**

### **2.1 Insights from Contingency Theory and Agency Theory**

Whereas much of the aforementioned research relied on either individual- or national-level explanations and data for the use of work autonomy, the present analysis focused on the application of work autonomy as an organizational decision (Pinnington & Haslop, 1995). As a result, neither individual- nor national-level explanations sufficed to understand

autonomy, and organizational theories were applied to understand this decision. Instead, the theoretical framework was developed by applying to theories at the organizational level to explain work autonomy.

Contingency theory provides some of the core assumptions regarding the structure of organizations. Its main argument rests on fit assumptions: organizations need to be aligned with their external and internal environments. These environments vary, for example, with regard to their complexity and uncertainty, which explains why organizational structures vary (Helms, 2000). Agency theory also focuses on the design of organizations. The basic assumptions of agency theory are the (1) principals hire agents to perform tasks (within the context of organizations, the principals are representatives of the organization and workers are the agents), (2) the information between agents and principals is asymmetric (agents have more information about the performance of their jobs than principals), and (3) the interests of principals and agents diverge (principals prefer more effort for less money than the agents). Based on the agency framework, it is expected that principals try to devise mechanisms intended to solve agency problems. Although contingency theory and agency theory differ in many respects, they overlap on that they both assume that decisions are made by bounded, rational actors, that information is asymmetrically distributed, and that organizations strive for efficiency (Eisenhardt, 1989). Combining these two theoretical perspectives helps to understand why organizations choose to apply autonomy or not.

### **2.2 Tasks Characteristics**

Regarding the internal fit of the organizations, the tasks that are being performed are among the main contingency factors. The basic idea is that the way in which workers are governed depends on the kind of tasks they perform. Based on consideration derived from agency theory regarding how organizations deal with information asymmetry (Eisenhardt, 1985), three characteristics of these types of tasks are linked with work autonomy, namely how strongly the work rests on the knowledge-intensity of the work, whether the knowledge is firm-specific, and the length of the relationship between principals and agents.

The knowledge-intensity of the work emphasizes the crucial role of information in the production of goods and services. The development in the direction of a knowledge economy (Powell & Snellman, 2004) underscores the importance of knowledge and information in organizations. The extent to which information is needed has consequences for the way in which people are managed and the extent to which they can be controlled by formal monitoring systems. One of the main characteristics of knowledge-intensity is that it relies on workers having more local knowledge than their supervisors. In terms of the agency problem, the information-asymmetry among principals and agents is larger than in a work situation in which less knowledge is needed. In that sense, it may be expected that organizations would invest more strongly in monitoring these workers. However, in practice, there are additional mechanisms at work, lowering the need for monitoring them directly. Knowledge-intensity also relates to professionalism and education. As a result, the behavior of these workers is bound to professional rules and socialization (Trede, Macklin & Bridges, 2012), which lowers the need to monitor these workers. Furthermore, to make ultimate use of their knowledge, organizations need to give them a level of autonomy to solve problems independently.

Another characteristic of the kind of tasks that workers perform within an organization refers to the extent to which the knowledge that is needed is specific to the organization or is of a general nature. Knowledge that is firm-specific is applicable only in that organization and is of no use in other organizations (Becker, 1964). It is developed within the boundaries of a single organization through learning (Argote & Miron-Spektor, 2011), and is among the unique resources that organizations have to gain a competitive edge (Barney, 1991). From an agency perspective, knowledge-specificity provides a strong incentive for worker to perform in accordance with the goals of the organization. Here the basic argument is that investing in firm-specific knowledge (both from the side of the work as well as by the organization) creates interdependence between the worker and the organization. The worker has fewer external opportunities from

investments in firm-specific knowledge, and for organizations, investment in the firm-specific knowledge of workers implies the risk of losing that knowledge once a worker moves to another organization and bearing a cost to re-invest in the knowledge of a new worker. Because the dependence between them is stronger, the agency problem decreases in size as goals of the principal and the agent become aligned; they both have an incentive to work for their mutual goal because there are costs associated with ending their relationship. This in turn paves the way for increasing the autonomy for the worker.

Finally, the extent to which organizations are able to overcome agency problems, depends on the length of the relationship between the principal and the agent. Based on social exchange and game-theoretic considerations (Raub, 2017), the agency problem is reduced if principals and agents interact over a longer period (Shapiro, 2005). The basic mechanisms at work here are learning and control that contribute to the cooperation between principals and agents. Through past interactions, the principal gathers information about the reliability of the worker, and if there are future interactions, it is possible to provide positive and negative sanctions. Hence, if there is a long-term relationship between the principal and the agent, agency problems are lower and thus there is more room for providing work autonomy.

These theoretical considerations lead to a number of predictions concerning the relationships between tasks characteristics and the level of work autonomy that organizations provide. The following hypotheses are formulated:

Hypothesis 1: *There is a positive relationship between work autonomy and the share of permanent workers.*

Hypothesis 2: *There is a positive relationship between work autonomy the share of highly educated workers.*

Hypothesis 3: *There is a positive relationship between work autonomy and the firm-specificity of tasks.*



### 2.3 Organizational Size

Research into organizational size as a contingency factor usually follows a well-known argument that dates back to Blau (1970) (Bluedorn, 1993). According to this argument, the larger organizations are, the more their structure becomes formalized and centralized. Hence, it is likely that larger organizations tend to provide less work autonomy. This also is found empirically (Lopes, Calapez & Lopes, 2015). Agency theory offers a theoretical justification for this finding. Because agency problems increase as organizations become larger, it is expected that formal monitoring is applied more extensively in larger organizations. Therefore, work autonomy will be lower. These theoretical insights lead to the following hypothesis about the relationship between organizational size and the provision of work autonomy by organizations:

*Hypothesis 4: There is a negative relationship between work autonomy and the size of the organization.*

### 2.4 Organizational Governance

The principal–agent structure not only applies to relations within the organizations, but transcends organizational boundaries. Organizations differ regarding the level of leeway they have themselves to formulate their own policies and make their own decisions. Organizations can fully be independent, but they also can be part of a larger company, meaning that there is a certain level of dependence on another organization (Stock, Greis & Dibner, 1996; Delany, 2000). In the latter case, an agency problem arises between the parent organization and the subsidiary. From an agency perspective, the expectation is that parent organizations will try to exercise control over subsidiaries (Gong, 2003; Kim, Prescott, Kim & Kim, 2005). As a consequence, the subsidiary will have less room to instill autonomy within the organization. These theoretical considerations are summarized in the following hypothesis:

*Hypothesis 5: There is a negative relationship between work autonomy and the dependence on other organizations.*

### 2.5 External Fit: Organizational Environment

Whereas the organizational environment and the theoretical idea of external fit have been part of the contingency literature from its outset, there is not one specific conceptualization of the organizational environment (Baum & Rowley, 2002). Research takes different positions regarding how to view the external environment. This paper takes a middle position between two extremes. These extremes range from very general conceptions of the organizational environment to more specific ones. General approaches picture the organizational environment in terms of complexity, dynamics, and so forth. For example, this is how transaction cost economics (Williamson, 1981) explains the way in which organizations are governed. On the other end of the continuum are specific approaches that focus on the impact of a single environmental dimension, such as technological change or the aging of employees (Stone & Deadrick, 2015). The middle position, chosen here, is that organizations face multiple challenges, which may be phrased in terms of complexity, but also can have an impact due to other demands they put on organizations, as well as providing opportunities in the near future. To capture this, the environment is regarded as a number of forces with which organizational actors may be confronted.

Among the main phenomena that organizations face are developments with regard to digitalization and robotization, internationalization, flexibilization, and population aging. Digitalization and robotization reflect technological innovations impacting organizations through digitalization of the workplace and the rise of the robots (Frey & Osborne, 2013; Brynjolfsson & McAfee, 2014). Whereas digitalization mainly concerns communication structures and flows of information, robotization changes work processes by introducing intelligent machines. Internationalization reflects processes increasing the cross-national interdependence among individuals, organizations, and nations (De Beer & Koster, 2009). To a large extent, these processes are driven by international trade. and hence mainly can be regarded as one of the economic trends that organizations face. Population aging is a macrolevel trend (Lutz, Sanderson & Scherbov, 2008) that has consequences for labor

markets and organizations. Flexibilization reflects the shift toward all kinds of temporary work, and more recently the number of self-employed workers increased (Pfeffer & Baron, 1988; Hatfield, 2015).

Although the extent to which organizations are affected by these trends differs, and some trends are more visible in one organization than another, it is hard to tell them apart completely. As was suggested in the discussion of trends, they all relate to the broader (economic, technological, social, political, and demographic) trends with which organizations may be confronted. Furthermore, they are interconnected: for example, the rise of self-employed workers is made possible by digitalization of the workforce, policy choices, and global competition (Rubery, 2015). Hence, instead of viewing these trends as isolated events, it makes more sense to put them under the same rubric, namely trends or developments that organization may face in the near future. These theoretical considerations are summarized in the following hypothesis:

*Hypothesis 6: There is a positive relationship between work autonomy and developments in the external environment.*

The preceding theoretical considerations show that there is considerable overlap between the predictions based on contingency theory and those derived from agency theory, and that the two can complement each other. To a certain extent, contingency offers the factors to examine to understand the application of work autonomy, and agency theory provides deeper insights into the underlying mechanisms that explain why these factors matter.

### 3 METHODOLOGY

#### 3.1 Sample and collection of data

The hypotheses were tested with data from the Innovative HRM Survey (Koster, Korte, Van de Goorbergh & Bloem, 2017). This survey generated information about a random sample of private firms in the Netherlands. These Dutch organizations may provide valuable insights, because it is known from international comparative studies that workers in

the Netherlands report above average levels of autonomy, as in countries such as Sweden, Finland, Norway, and Denmark (Koster, 2011). Focusing on organizations in a country where the provision of autonomy is more common also may shed more light on the factor facilitating it. The data were gathered as part of a larger project focusing on several aspects of organizational innovation. The survey was developed by a team consisting of academic researchers and consultants in the field of organizational collaboration and innovation. The survey collected data about organizational innovation, human resource practices and policies, and several background characteristics of organizations. Kantar Public collected the data using their panel with private organizations (NIPObase Business). In total, the responses of 670 organizations were included in the analyses. The organizations in this sample vary in size, operate in different economic sectors, and represent a cross section of the Dutch economy.

#### 3.2 Measurement

Work autonomy is a composite measure with items indicating whether people in organizations have freedom of choice over four aspects of their work, namely their working time, location of work, ways of working, and extra hours. These items are in line with those investigated by Breugh (1985), which provide a standard measure of work autonomy, but also extends them by including whether people have leeway in where they work and in number of hours they work. A major difference with the existing measure is that the level of autonomy is not rated by the individual job holder but by a representative of the organization. Respondents were asked to indicate to what extent this applies to their own organization. The items were measured on a five-point scale. Of these four measures of work autonomy, freedom to choose their location of work was the least popular among organizations (mean = 2.94), whereas freedom in the ways of working is applied most often by organizations (mean = 3.73). To assess whether the items measured a similar dimension, the correlations between them were calculated. The correlation coefficients ranged from 0.55 to 0.75, indicating that they were positively and significantly related to each other. Principal compo-

nent analysis showed that the items loaded on 1 dimension. The scale was constructed by adding the scores of these items and dividing the total by 4. The Cronbach's alpha of this scale was 0.88.

### **Independent Variables**

The variable "highly educated" was measured with a five-point scale indicating to what extent the organization consisted of highly educated employees. Knowledge-specificity indicated on a five-point scale to what extent the organization needs to apply knowledge that is specific to that particular organization (for example, in terms of knowledge about the technology used in the organization). The variable "permanent employees" was measured by asking respondents to indicate to what extent the organization consisted of employees with a permanent contract (measured on a five-point scale). Organizational size was measured by asking respondents to indicate the number of employees in the organization. The variable "subsidiary site" had a value of 1 if the organization was owned by another organization, and 0 if the organization was independent. The variable "developments expected" was a composite of several items asking respondents to indicate whether they expected that the organization would experience the following issues in the near future: employee aging, flexibilization, internationalization, robotization, and digitalization. The items were measured on a five-point scale. An investigation of the correlation coefficients and a principal component analysis showed that these items belonged to a single dimension. The Cronbach's alpha for this scale was 0.75.

### **Control Variable**

The variable "economic sector" indicates the sector in which the organization operated. This variable served as a control variable to account for the possibility that levels of autonomy can vary across sectors (e.g., Kashefi, 2011). The main reason for adding economic sector as a control variable was that it provides a general indication of the work environment in which organizations decide to offer autonomy to workers.

Table 1 summarizes the descriptive statistics (mean, standard deviation, and percentage) of the variables included in the analysis. There was consid-

erable variation in the organizations included in the sample; they were from different economic sectors and differed in size. The majority of organizations were small companies. This reflects the actual situation, and hence overcomes the problem mentioned in other studies that much of the information comes from larger organizations (Cardon & Stevens, 2004; Koster, 2020). Furthermore, the knowledge-specificity among these organizations may be considered high, with an average of 3.67 on a five-point scale. Finally, Table 1 confirms that the companies in this sample belonged to an economy in which work autonomy is common; the mean level was 3.46 on a five-point scale.

The hypotheses were tested using ordinary least squares regression analysis. One model was calculated which included the control variables and the variables testing the theoretical predictions.

## **4 RESULTS**

The results of the regression analysis are presented in Table 2. The first set of variables investigated in the regression model related to the internal fit and agency problems of organizations. All three variables indicating the types of tasks being performed in the organization were positively related to the extent to which organizations provided work autonomy. The more permanent workers an organization employed (Hypothesis 1), the more highly educated workers the organization employed (Hypothesis 2). The more these workers performed tasks requiring firm-specific knowledge (Hypothesis 3), the more work autonomy the organizations provided to workers. The other organizational contingency factor, organizational size, was negatively associated with work autonomy. The larger the organization, the less work autonomy it provided, which is in accordance with Hypothesis 4. With regard to the governance of organizations, the analysis showed that subsidiary sites provided less work autonomy, as expected by Hypothesis 5. Finally, with regard to the external fit, the results showed that there was a positive association between the extent to which organizations face developments in the near future and the level of autonomy that the organization applied. The stronger the influence of the external environment, the more work autonomy

Table 1: Descriptive statistics

	Min/Max	Mean	Standard deviation	Percentage
Work autonomy	1/5	3.46	1.15	
Highly educated	1/5	2.94	1.58	
Knowledge-specificity	1/5	3.67	1.35	
Permanent employees	1/5	2.99	1.69	
Organizational size	1/5	1.17	0.58	
Organizational size (categories)				
1–9	0/1			88.20
10–49	0/1			7.50
50–99	0/1			2.00
100–249	0/1			1.20
250 or more	0/1			1.20
Subsidiary site	0/1			3.30
Developments expected	1/5	2.45	0.89	
Sector				
Industry and production	0/1			4.70
Construction	0/1			6.60
Retail – food	0/1			3.10
Retail – nonfood	0/1			13.20
Wholesale	0/1			7.40
Cars and repair	0/1			1.90
Catering	0/1			3.90
Transport and communication	0/1			3.20
Business services	0/1			35.20
Other services	0/1			10.20
Information technology	0/1			8.50
Financial institutions	0/1			2.10

Source: Innovative HRM Survey. Note:  $n = 670$  firms.

the organization chose to provide to their workers (Hypothesis 6). Together with the control variable, the model explained 16% of the variance in work autonomy. Based on these results, it was concluded that all six hypotheses had empirical support, showing that these factors can be regarded to explain part of the autonomy granted by organizations. The  $p$ -values indicated that work autonomy was related to the educational level of the workforce ( $b = 0.15$ ;  $p < 0.01$ ), organizational size ( $b = -0.11$ ;  $p < 0.01$ ), and external developments ( $b = 0.18$ ;  $p < 0.01$ ).

## 5 DISCUSSION AND CONCLUSION

This paper provides an organizational-level analysis of why organizations decide to grant autonomy to their workers. By combining arguments from contingency theory and agency theory, it was possible to select relevant factors and explain them. The overall conclusion is that the decision to provide work autonomy depends on several organizational-related factors concerning the internal and external fit-seeking behavior of organizations



Table 2: Regression analysis of work autonomy

	<b>b</b>	<b>SE</b>	<b>p</b>
Intercept	2.08	0.27	0.00
Highly educated	0.15	0.03	0.00
Firm-specific knowledge	0.09	0.03	0.01
Permanent employees	0.08	0.03	0.01
Organizational size	-0.11	0.04	0.00
Subsidiary site	-0.53	0.24	0.03
Developments expected	0.18	0.05	0.00
Sector (ref = Industry and production)			
Construction	0.25	0.24	0.29
Retail – food	-0.40	0.31	0.21
Retail – nonfood	-0.02	0.24	0.94
Wholesale	-0.04	0.25	0.89
Cars and repair	-0.16	0.36	0.65
Catering	-0.27	0.28	0.34
Transport and communication	0.13	0.32	0.69
Business services	0.24	0.22	0.29
Other services	-0.13	0.25	0.61
Information technology	0.33	0.26	0.21
Financial institutions	-0.12	0.35	0.73
Adjusted R squared		0.16	

Source: Innovative HRM Survey. Note: SE = standard error; n = 670 firms.

along with the agency problems they face and try to manage. The paper's theoretical contribution lies in the combination of theoretical expectations derived from contingency theory and agency models to explain work autonomy. This is plausible because it withstood the empirical test. The paper's empirical contribution mainly concerns its focus on the organizational level as an addition to the studies focus on the individual level. The results showed that there is merit in focusing on these organizational-level factors and explanations. Theoretically, this leads to a model which helps to determine which factors are likely to be related to work autonomy, namely contingency factors, with an emphasis on internal and external fit, and agency theory explains why these factors facilitate

or hinder the use of work autonomy by organizations. Hence, this study provides a stepping-stone to integrate these theories even further. Although agency theory often is regarded as producing models which ignore the context of agency relations (Shapiro, 2005), this analysis showed how the internal and external context of organizations may be integrated in such models.

The analysis should be interpreted with the following limitations in mind. First, the data were cross-sectional. In itself this does not reduce the insights related to the explanation of the application of work autonomy across organizations. However, it does mean a restriction in terms of causality, which always is the case in using such data. With the data at hand, it can simply not be

excluded that (some of the) relationships (also) run the other way around. For example, organizations providing work autonomy also may provide permanent contracts more often, and the more work autonomy an organization offers, the fewer are the possibilities to grow. This implies that we cannot speak about the outcomes in terms of causes of work autonomy. Nevertheless, even if this is the case, if the arrows go from work autonomy in the other direction, it still is possible to interpret them in terms of contingency theory and agency theory.

A second limitation of this study concerns its empirical setting. The data were collected among private organizations in the Dutch economy. Because there are cultural and institutional differences that explain cross-national variation in the use of work autonomy (e.g., Dobbin & Boychuk, 1999), one should be careful when generalizing the outcome to other countries. It is possible that the strength of the relationship depends on location.

Finally, some of the measures used in this study can be improved upon. Some variables were measured with reliable scale, but there also were some single-item measures, which may be less reliable than these scales.

These three limitations indicate a direction for future research. Further disentangling the causes of work autonomy would require either longitudinal or experimental data. Using longitudinal data allows assessing whether a change in one of the determinants of work autonomy actually results in changes in work autonomy. Additionally, experimental data could be gathered to determine whether the presence or absence of an experimental condition changes the willingness of organizational decision makers to provide work autonomy. The issue of having single-country data can be dealt with by having organizational-level data from more countries. There are not many comparative data sets that include information of organizations, but the European Company Survey (ECS) is a notable exception. These data also may be used to delve further into interactions between the country and the organizational level. Finally, future research is needed to assess whether more-extensive measures improve the model.

Several practical implications can be derived from the analysis. First, those involved in designing organizations (or supporting organizations through consultancy) are advised to think in terms of internal and external fit. The analysis found that this was the main thread to understand the use of work autonomy. For these practitioners, it is worthwhile to develop means to scan organizational needs and developments. For example, they may be advised to grant more work autonomy if processes become more knowledge-intense, and to balance work autonomy with the labor contracts they offer. At the same time, if larger organizations have an interest in granting work autonomy, for example, if they see it as a means to enhance the well-being and productivity of workers, they are advised to think about adapting their workforce. The second practical advice is related to agency problems in organizations. The analysis showed that the provision of work autonomy can be seen as a trust problem between principals and agents. Hence, organizations that are in need of work autonomy should determine which conditions should be met to deal with that trust problem. For example, it may be necessary to devise extra controls or incentives. However, informal mechanisms and interactions also have a strong influence on trust in the workplace. Hence, the creation of collaborative and supportive means of governance also can be a means of enhancing work autonomy.

## EXTENDED SUMMARY/IZVLEČEK

V članku avtor pojasnjuje avtonomijo dela s pomočjo teorije nepredvidljivih dogodkov in agencijske teorije. Medtem ko so predhodne raziskave temeljile na podatkih na ravni posameznika (včasih tudi na meddržavni ravni), se ta raziskava osredotoča na razumevanje avtonomije dela na organizacijski ravni. Podatki so zbrani s pomočjo ankete v katero je bilo vključenih 670 zasebnih podjetji na Nizozemskem. Podjetja so predstavljala presek nizozemskega gospodarstva. Podatki so bili analizirani z uporabo regresijske analize. Dejavniki, ki izhajajo iz teorije nepredvidljivih dogodkov in agencijske teorije, so predvideli uveljavitev avtonomije dela. Na splošno jih je mogoče razumeti kot notranje in zunanje dejavnike ustreznosti ter z njimi povezane agencijske težave. Ti dejavniki vključujejo značilnosti nalog delavca, velikost organizacije, organizacijsko upravljanje in zunanji razvoj. Kljub temu, da se na samostojnost dela pogosto gleda kot na odločitev na ravni organizacije, je bila večina empirične raziskave opravljena na ravni posameznika. Posledično je na voljo manj informacij glede organizacijskih dejavnikov, povezanih z zagotavljanjem avtonomije delavcev. Za akterje, ki sodelujejo v organizacijskih praksah (npr. menedžerji in svetovalci), je na voljo več predlogov za uravnavanje avtonomije. S preučevanjem podatkov, zbranih na podlagi raziskave med različnimi podjetji, se ta članek osredotoča predvsem na organizacijsko raven avtonomije dela.

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