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Value Congruence as a Source of Intrinsic Motivation

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I. INTRODUCTION

Organizations consist of members with different value systems. Agency theory suggests that employees may value self-interests more than that of the organization they work for, which motivates them to avoid work responsibilities when opportunities exist (Alchian and Demsetz 1972, Williamson 1975, Jensen and Meckling 1976). Formal devices such as monitoring and incentive schemes are implemented to alleviate the problem. However, agency theory ignores the dispositional dimension of human behavior including pursuit of values, trusting, cooperation, reciprocity, and more. With an emphasis on external interventions, agency theory pays little attention to the intrinsic alternatives that motivate employees' work attitude and behavior. Since there are substantial costs associated with the implementation of those formal devices, organizations can benefit to find alternative solutions that can effectively motivate employees' work effort. In this sense, intrinsically motivated employees are particularly valuable for organizations.

The present study investigates the relationship between employee-organization value congruence and two formal devices implemented by organizations, delegation of decision-making and monitoring. Organizations implement a series of structural elements to direct employees' effort towards organizational objectives. The foremost element for organizations to consider is delegating decision-making among various stakeholder groups along the organization hierarchy (Simon 1997). Monitoring is implemented by organizations to facilitate the particular arrangement of delegation. Regarding these relationships, the present study asks two fundamental research questions: whether employee-organization value congruence (1) complements delegation of decision-making, and (2) substitutes monitoring in the workplace. It further examines how value congruence may influence organizational performance.

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Empirical analysis is conducted using a unique multisource dataset of nursing homes in a Midwestern state in the United States

The remainder of the article is organized as follows. Section 2 provides an overview of the theoretical considerations on employee-organization value congruence, delegation of decision-making and monitoring. Section 3 proposes a series of hypotheses on the basis of the evaluation of the interrelationships among these issues. Section 4 and 5 present the dataset, the empirical strategy and the findings. Section 6 concludes.

II. THEORETICAL DEVELOPMENT

The purpose of organizational design is to coordinate diverse organizational activities and align divergent individual goals with that of the organization. Organizations may rely upon formal design of their structure to achieve this goal, such as enhancing control and monitoring, and providing appropriate incentives. Yet what will happen to organizational design if goal divergence is alleviated through some other mechanisms such as value congruence remains an unresolved research question. The article contends that a value orientation may help to explain some variation of the key elements of organizational design outside the purview of structural examination adopting agency theory. To establish the connection between employee-organization value congruence and organizational design elements, the article draws upon the theoretical perspectives on trust and intrinsic motivation.

1. Trust as a Mechanism Connecting Value Congruence and Organizational Design

Adopting a multidisciplinary view, trust is considered as one's willingness to be vulnerable to another party's action based upon positive expectations of that party's intentions or behavior (Rousseau et al. 1998). With complex interdependence and uncertainty among individuals and their activities, organizations are vulnerable to employees' discretionary actions. Trust is thus called for as an organizing principle by allowing communication among interdependent employees, alleviating uncertainty embedded in employees' actions, and selecting appropriate behavior and routines for coordination (McEvily et al. 2003).

Extant literature has noted that some key elements of organizational design, such as coordination (Cyert and March 1963, Williamson 1975) and control (Arrow 1974, Bromiley and Cummings 1995), rest upon a foundation of interpersonal trust in organizations. Lack of trust leads organizations to adopt alternatively control mechanisms such as contracts, bureaucratic procedures or legal requirements (Williamson 1975). Trust is also found to lead to cooperative behavior among individuals, groups and organizations (Axelrod 1984, McAllister 1995), which in turn promotes decentralization of organizational authority and empowering employees (Jones and George 1998), a key element of organizational design.

Prior literature has also established a positive relationship between value congruence and trust-building among individuals (Parsons 1968, Govier 1997, Jones and George 1998, Cazier et al. 2007), supported by Lewicki and Stevenson's (1997) model that similar interests, similar goals or objectives, and common values and principles facilitate the development of identification-based trust. In contrast, perception of value incongruence can cause distrust between individuals (Anderson and Weitz 1989, Sitkin and Roth 1993) and within organizations (Zussman 1997, Kehoe and Ponting 2003). Prior research has also found that value congruence enhances communication between individuals (Meglino and Ravlin 1998). Since communication has been shown as an important facilitator of trust and trustworthiness (e.g., Wilson and Sell 1997, Frohlich and Oppenheimer 1998, Brosig et al. 2003), one can expect that value congruence ultimately enhances trust. Finally, prior research has suggested that trust and shared values can work in a mutually re-enforcing fashion (Barber 1983). In sum, the influence that value congruence exerts on organizational design can be connected by trust that serves as an intermediate mechanism.

2. *Intrinsic Motivation as a Mechanism Connecting Value Congruence and Organizational Design*

Values are intrinsically embedded within people's mind. People are believed to be born with intrinsic motivation that is likely to be strengthened through value congruence. Intrinsic motivation refers to doing activities for their own sake out of satisfaction and interest, and extrinsic motivation refers to doing activities for instrumental incentives (Deci 1975, Frey 1997, Bénabou and Tirole 2003). The key to generating intrinsic motivation is the satisfaction of psychological and achievement needs for competence, autonomy and relatedness (Deci and Ryan 1985, Arocena and Villanueva 2003). Psychology research has demonstrated that attitudinal outcomes such as satisfaction, discretionary work behavior and commitment are among the key consequences of value congruence (e.g., Meglino et al. 1989, Chatman 1991, O'Reilly et al. 1991), and are closely related to the key factors that facilitate intrinsic motivation.

On the other hand, self-determination theory suggests that intrinsic motivation can be undermined when people feel controlled, lack of autonomy or freedom in performing work activities (Deci and Ryan 1985). In the social context, individuals' intrinsic motivation can be undermined by the intervention of pricing and regulation (Frey 1992). In the organizational context, employees' intrinsic motivation may also be adversely influenced by organizations' implementation of formal design whose initial attempt is to motivate employees' work effort and performance. This is consistent with the motivation crowding-out effect that occurs when an external intervention in the form of control system or pecuniary reward erodes people's morale and induce worse performance in organizations (Frey 1994, Frey 1997, Ellingsen and Johannesson 2008).

Nonetheless, it is not to argue that organizations should rule out all the external enforcing design from daily operations, because the working of either type of incentive in motivating employees is also subject to boundary conditions and therefore the relationship may not be monotonic (Kreps 1997, Gneezy and Rustichini 2000). Therefore, the major argument made in the present study is that a workforce with congruent values nonetheless provides an opportunity for the organization to reduce formal interventions onto employees' activities. Particular evidence is found in nonprofit volunteering work where people's effort is expected to be driven mainly by intrinsic motivation (Antoni 2009). In this sense, intrinsic motivation can serve as a mechanism connecting value congruence and organizational design.

III. HYPOTHESES

1. Value Congruence and Delegation of Decision-Making

Delegation of decision-making first stems from the uncertainty in organizational task environment: decision should be made by those who have direct access to the relevant information (Prendergast 2002). This is the first type of delegation, employees' control over job, under present examination. This type of delegation is essentially generated by bounded rationality, broadly speaking the human fallibility in making decisions and utilizing information (Ben-Ner et al. 1993). According to Ben-Ner et al. (1993), this kind of delegation tends to be independent of human values, because it stems from task characteristics that are associated with bounded rationality. As a response to this phenomenon, organizations tend to break down the tasks into more specialized components to minimize the potential harm caused by the uncertainty, and more routine decision-making is delegated to the shop-floor level with more coordination and supervision. Although one can expect that workers with stronger employee-organization value congruence will work more spontaneously and display more extra-role behavior on the shop floor, the employee-organization value congruence itself is not the driving force to push forward this type of delegation. In other words, whether employees have control over their specific tasks is independent of the degree of value congruency.

There is a second type of delegation, employees' participation in organizational authority and decision-making. Dachler and Wilpert (1978) suggest that the level of participation is a continuum reflecting different access that organization members have to the actual making of a decision or the amount of influence they can exert toward a given decision outcome. Their examples of these kinds of participation include making organizational policies, hiring, and promotion. These issues are related to organizations' strategic goals, but also reflected in daily operations. They are highly relevant to employees' interests but usually irrespective of task characteristics. Whether to allow employees' participation in these decision-making processes is a choice organizations make to induce employees' greater effort and align it with the interest of the organization (Thibaut and Walker 1975).

However, when organizations decide to delegate this type of decision-making, they are facing a dilemma caused by another major organizing problem: the managerial-agency problem that is generated by self-interest when the organizational members pursue their personal objectives instead of that of the organization (Ben-Ner et al. 1993). The opportunistic actions driven by self-interest and undertaken by employees may at best offset the benefits initially attempted by the organization through the delegation, but more likely jeopardize the organization's interests. However, if there is employee-organization value congruence, in other words, if there is less discrepancy in interests, goals and values between individual members and the organization, employees are more likely to be reliable and trustworthy to achieve the initial aim of the delegation. Since value congruence tends to strengthen people's intrinsic motivation, granting higher level of autonomy to these people will achieve premier outcomes without extra costs normally associated with formal organizational design. Organizations are likely to reap this kind of benefit through stronger delegation to value congruent employees.

Hypothesis 1. Employee-organization value congruence is independent of employees' control over the job.

Hypothesis 2. Employee-organization value congruence is positively associated with employees' participation in organizational decision-making.

2. Value Congruence and Monitoring

The crowding-out theory suggests two types of effect on intrinsic motivation: the inducement made by monetary incentives and the enforcement made by regulation or command (Frey 1992, Frey 1997). Within this framework monitoring falls into the second category. Monitoring is first used as one of the several practices in the workplace to ensure employees to adhere to the organization's expectation of their actions. It plays both roles of facilitating incentives and enforcing employees' behavior (Jacobides and Croson 2001). Optimally, if the work output and the work process are completely apparent to the principal, monitoring will be easy to implement and costless. However, due to information asymmetry between the agents and the principal (or that between the employees and the manager/owner), monitoring can be costly and ineffective (Jensen and Meckling 1976).

Alternatively, when employees share congruent values with the organization, they can be motivated intrinsically without such external enforcements. For example, Schotter (1998) experimentally examined workers' cooperative behavior in the workplace, and found that the substitution between voluntary cooperation and external monitoring exists when workers have experience of working with each other, because they have better chance to build up mutual trust and therefore perceive less risk in cooperation. As argued before, value congruence can enhance mutual trust and intrinsic motivation in organizations, and make the employees more reliable to exert spontaneous work effort. Therefore, value congruence reduces organizations' need of placing external monitoring on the value congruent workforce.

Hypothesis 3. Employee-organization value congruence is negatively associated with monitoring in the workplace.

3. *Value Congruence and Organizational Performance*

Agency theory suggests that well-aligned missions between the principal and agents can motivate concerted effort from both parties toward common organizational goals (Besley and Ghatak 2005). The effect is especially pronounced in mission-oriented sectors such as the nursing home industry in the present study (Sheehan 1996). As an extension of the previous discussion, this section examines the impact of employee-organization value congruence on organizational performance.

Organizations implement various elements of design to induce employee effort and enhance performance. To empower employees by allowing the participation in decision-making ultimately aims to fulfill this goal. Monitoring is nonetheless among the means to ensure this fulfillment. However, excessive monitoring may not be able to function as expected due to the undermining of employees' intrinsic motivation. To avoid the negative consequences of excessive monitoring, organizations may benefit from using the intrinsic value system to motivate employees' work effort. This prediction is consistent with the findings from the literature of high performance work practices that employees' self-motivation can lower monitoring costs in organizations (Huselid 1995). Since employees' motivation is maintained and strengthened intrinsically instead of relying on external enforcements, employees are more likely to devote better effort to their work.

According to complementarity theory, elements of organizational design need to form a synergy to achieve the 'fit' in enhancing organizational performance (Milgrom and Roberts 1995). If organizations decide to delegate decision-making along the organizational hierarchy, they need to simultaneously strengthen monitoring to facilitate the delegation. As hypothesized earlier, stronger employee-organization value congruence is positively associated with delegation of decision-making, but negatively associated with monitoring. These relationships imply that organizations may be able to delegate decision-making at a lower monitoring cost. Therefore, the overall performance can be enhanced due to the cost-effectiveness of the synergy with the facilitation of employee-organization value congruence.

Regarding the impact of value congruence, organizational performance can be further classified into two major types, the contractual task performance and the 'relational goods' aspect of performance (Gui 2000). The former is more likely to be under control of formal organizational design, but the latter is more likely to be subject to individual employees' discretionary activities. Therefore, we expect a stronger relationship between employee-organization value congruence and organizations' relational performance.

Hypothesis 4. Employee-organization value congruence is positively associated with organizations' task performance.

Hypothesis 5. Employee-organization value congruence is positively associated with organizations' relational performance.

IV. METHODS

1. Data

We conduct the empirical analysis using employer surveys responded by nursing home administrators linked with other public regulatory data sources in Minnesota, the United States. The employer survey was administered in late 2005 to all 409 nursing homes registered in state regulatory body at that time with two follow-up surveys in the spring of 2006. There are 122 responses. The response rate is 29.8%. The survey was addressed to nursing home administrators and requested detailed information concerning ownership, residents, employee attitudes, and various design and practice issues. A series of questions addressing practices aimed at core employees, the nursing staff: registered nurses (RNs), licensed practical nurses (LPNs) and certified nursing assistants (CNAs). We then linked the survey data with regulatory sources concerning all nursing homes in Minnesota: (1) Online Survey, Certification, and Reporting database of the federal Centers for Medicare and Medicaid Services (OSCAR), and (2) Minnesota Department of Health and Department of Human Services (MDH&DHS). The OSCAR data provide information about nursing home characteristics and capacity, nursing inputs, violation of regulations, health condition of residents, and more and serve as the principal source for research on nursing homes; the data are collected in accordance with federal laws and regulations, supplemented by Minnesota laws and regulations. The MDH&DHS data come from a collaborative project conducted by the two departments and administered by the latter, and include nursing home residents' assessment of nursing home quality, satisfaction and more derived from a survey administered first in 2005. The satisfaction survey is administered to a sample of residents in every Minnesota nursing home. The survey contains 13 measures of resident perception of living in the nursing home, each measure consisting of multiple items, aggregated into a home score for each measure, after accounting for the case-mix of a home's residents. Residents are sampled and interviewed during a site visit and are asked to respond in one of the three manners: generally yes, generally no, and don't know/not applicable/no response. The measure of resident satisfaction used in the present study is one among the 13 measures. Due to missing data for some of the variables, we have 91 nursing homes included in the empirical analysis. For the interest of space, detailed description of the variables, descriptive statistics, and sources are not listed here but available upon request. In the following we report the descriptive statistics of some key variables.

2. Measures

Value congruence

This variable is measured by a question in the nursing home survey asking nursing home administrators to evaluate on the question 'To what extent the employees believe in the mission of the organization.' The possible responses range from 1 (*strongly disagree*) to 5 (*strongly agree*). The sample mean (among the 91 nursing homes that are included in the present analysis) is 4.09 and the standard deviation is 0.62.

Employees' control on job is obtained from a single item in the nursing home survey asking the administrator to evaluate the degree that the core employees (RNs, LPNs and CNAs, respectively) have control over how their work is done with possible responses ranging from 1 (*not at all*) to 5 (*extreme*). The sample mean is 3.23 and the standard deviation is 0.79.

Employees' participation in decision-making is constructed from survey respondents about the degree of influence core nursing employees (RNs, LPNs and CNAs) have in seven areas: hiring of nursing staff, hiring of the executive director, expansion of facilities, change in services, menu planning, choosing of activities for residents, and determination of standards of care. The variable is constructed by taking the average of the seven items, each ranging from 1 (*not at all*) to 5 (*extreme*). The sample mean (out of 91 nursing homes) is 2.00 and the standard deviation is 0.49. The Cronbach's alpha of the seven items is 0.69 using the 91 nursing homes included in the empirical analysis. This indicates a fairly sufficient internal consistency in constructing the variable.

Monitoring comes from a single item in the nursing home survey asking the respondent to evaluate to what extent the core nursing employees (RNs, LPNs and CNAs, respectively) have their work monitored and supervised by supervisors and managers. The responses range from 1 (*not at all*) to 5 (*extreme*). The sample mean is 3.76 and the standard deviation is 0.80.

Organizational performance is measured by three variables, constructed from the government regulatory database to measure organizational performance: the resident satisfaction measure, service quality indicator, and number of regulatory deficiencies. The first two measures come from the MDH&DHS data. The resident satisfaction rating is aggregated from the responses of sampled residents in each nursing home who are asked to respond to 11 questions measuring various dimensions of satisfaction. Sample questions include: 'Is there somebody to talk to here if you have a problem?' 'Do the people who work here spend enough time with you when giving you care?' 'Do you consider any of the other people who live here a friend?' and 'Would you recommend this nursing home to someone who needs care?' The sample mean of this variable is 81.87 and the standard deviation is 3.41. The home service quality indicator is an aggregated index of 23 quality indicators covering domains such as psychosocial well-being, quality of life, continence, infections, accidents, nutrition, pain, skin care, psychotropics, and psychological functioning. The sample mean of this variable is 24.66 with a standard deviation of 4.73. Both of these two aggregated measures have been risk-adjusted to account for differences among the types of residents living in a nursing home. Examples of the adjustors used include age, gender, mental functioning, Alzheimer's disease, stroke, and ADL ability (Minnesota Departments of Health and Human Services 2006).

The number of deficiencies variable comes from the state government regulatory body, the Department of Health that conducts routine surprise inspections of licensed nursing homes. The information is then reported to the federal Centers for Medicare & Medicaid Services and publicized along with other nursing home information as the OSCAR database. There are over 150 regulatory standards that nursing homes must meet at all times, covering a wide range of aspects of resident life from standards for the safe storage and preparation of food to protection of residents from physical or mental abuse and inadequate care practices. When an inspection team finds that a home does not meet a specific regulation, it issues a deficiency citation. In the current sample the mean number of deficiencies is 13.44 and the standard deviation is 6.05, with a minimum 0 and a maximum 34. In the regression estimation the variable is reversed to reduction of regulatory deficiencies.

Control variables

We use a set of control variables to account for possible confounding factors in the regression estimations. To control for nursing home characteristics we include home size (number of residents), ownership statues (nonprofit, for-profit or local government), chain status, case mix of residents' health condition, status of hospital affiliation of the home, proportion of Medicare residents, and the degree of market competition (measured by the county-level Herfindahl-Hirschman Index). To control for job characteristics of the nursing staff we include the degree of task complexity and work interdependence.

3. Empirical Strategy

We use reduced form estimation for the cross-section analysis. The functional form used in the set of regressions is determined by the nature of each dependent variable. Because of the ordinal nature of the three organizational design variables, delegation of decision-making, employee control on job, and monitoring, an ordered logistic model is adopted. The three performance measures, service quality indicator, number of regulatory deficiencies and resident satisfaction, are all continuous variables. Therefore, an OLS model is adopted. As a check of robustness, we also use seemingly unrelated regressions (SUR) to account for the simultaneous determination of the elements in organizational design and performance, respectively, and the common unobservable factors that may cause the error terms correlate to each other in different regressions.

V. RESULTS

Due to data missing the final sample consists of 91 nursing homes, among which 60 are nonprofit, 16 are for-profit, and 15 are local government homes. The descriptive statistics and sources of the variables included in the empirical analysis are available upon request.

Table 1 presents the results of ordered logistic estimation of the relationship between value congruence, delegation of decision-making and monitoring within the 91 nursing homes. Employee-organization value congruence is found independent of employees' control on job, and positively associated with employees' participation in decision-making ($p < 0.10$, two-tailed test).

Table 1

Relationship between Value Congruence, Delegation of Decision-Making, and Monitoring: Ordered Logistic Estimation

	Delegation of Decision-Making		Monitoring
	Employee Control on Job	Employee Participation in Decision-Making	
Value congruence	− 0.107	0.567*	− 0.814**
	(0.305)	(0.300)	(0.326)
Nufrsing home characteristics:			
Nonprofit	0.309	1.698***	0.973*
	(0.531)	(0.545)	(0.528)
Local government	− 0.038	1.195^	1.073^
	(0.711)	(0.729)	(0.696)
Home size	− 0.008*	− 0.009**	− 0.006
	(0.005)	(0.005)	(0.005)
Chain status	0.083	− 0.371	0.181
	(0.419)	(0.432)	(0.421)
Case mix index	− 2.096	− 2.221	0.734
	(2.255)	(2.324)	(2.426)
Hospital affiliation	0.222	− 0.097	− 0.009
	(0.517)	(0.539)	(0.566)
% of Medicare residents	0.020	− 0.012	0.027^
	(0.023)	(0.019)	(0.019)
Herfindahl-Hirschmann Index (10k)	− 0.975	0.796	− 0.954
	(1.076)	(1.084)	(1.066)
Job characteristics:			
Task complexity	− 0.148	0.051	− 0.226
	(0.378)	(0.388)	(0.400)
Work interdependency	0.150	− 0.248	0.494**
	(0.227)	(0.225)	(0.234)
N	91	91	91
LR chi2	6.44	19.37	16.36
Prob > chi2	0.84	0.05	0.13
Pseudo R2	0.01	0.04	0.03

Note: *,** and *** indicate significance at the two-tailed 0.10, 0.05, and 0.01 levels, respectively. ^ denotes significance at the one-tailed 0.10 level. Standard errors are in parentheses.

Table 2

Relationship between Value Congruence and Organizational Performance: OLS Estimation

	Task Performance		Relational Performance
	Service Quality	Reduction of Regulatory Deficiencies	Resident Satisfaction
Value congruence	0.502	0.135	0.792^
	(0.819)	(1.075)	(0.592)
Nursing home characteristics:			
Nonprofit	− 0.654	1.486	1.447^
	(1.330)	(1.745)	(0.961)
Local government	− 1.983	2.602	− 0.382
	(1.898)	(2.491)	(1.372)
Home size	0.015	− 0.041**	− 0.007
	(0.013)	(0.017)	(0.009)
Chain status	− 2.731**	− 0.475	− 2.426***
	(1.113)	(1.461)	(0.805)
Case mix index	1.253	− 0.729	2.842
	(6.276)	(8.237)	(4.538)
Hospital affiliation	0.126	− 1.159	0.108
	(1.455)	(1.910)	(1.052)
% of Medicare residents	− 0.039	0.055	− 0.017
	(0.048)	(0.063)	(0.035)
Herfindahl-Hirschmann Index (10k)	− 1.677	− 5.948^	0.453
	(2.939)	(3.858)	(2.125)
Job characteristics:			
Task complexity	2.055*	1.156	− 0.475
	(1.040)	(1.365)	(0.752)
Work interdependency	0.917^	0.353	0.264
	(0.594)	(0.780)	(0.430)
N	91	91	91
F	1.41	0.99	1.37
Prob > F	0.18	0.46	0.21
R2	0.16	0.12	0.16

Note: *,**and***indicate significance at the two-tailed 0.10, 0.05, and 0.01 levels, respectively. ^denotes significance at the one-tailed 0.10 level. Standard errors are in parentheses.

These results are consistent with Hypotheses 1 and 2. Value congruence is found negatively associated with monitoring ($p < 0.05$, two-tailed test), which supports Hypothesis 3.

Table 2 shows the regression results of the relationship between employee-organization value congruence and organizational performance. In general value congruence enhances performance of different measures, but the effect size is small in the estimation of the two measures of task performance, service quality and reduction of regulatory deficiencies, and statistically insignificant. The positive effect on resident satisfaction, a measure of the relational dimension of performance, is marginally significant ($p < 0.10$, one-tailed test). Therefore Hypothesis 4 is not supported and Hypothesis 5 is marginally supported. However, finding a weak effect of value congruence on ultimate organizational performance is not surprising due to the distance between organizational performance as an outcome and value congruence as an attitudinal input. Nonetheless, the more pronounced effect on the relational dimension of performance helps to validate the hypothesis that value congruence is more likely to be associated with this type of performance than that of the task dimension.

Finally, sensitivity of the analysis is tested by conducting SUR estimation for organizational design elements and organizational performance, respectively, and yields similar results.

VI. DISCUSSION AND CONCLUSION

How to align employees' interests with that of the organization and how to motivate employees to devote their work effort to achieve the organizational goal are among the most fundamental questions drawing attention from both business practitioners and managerial scholars. Different theories provide different solutions to the questions on the basis of divergent assumptions on human behavior. Agency theory, on one hand, suggests that to account for individuals' self-interest maximization behavior, employees should be regulated by enforcing devices such as financial incentives, monitoring, and, perhaps, punishment. On the other hand, intrinsic motivation perspective recognizes the existence of people's intrinsic pursuit of goodwill that is broadly accepted and appreciated in a broader social context, and thus suggests that people should be motivated through intrinsic mechanisms. Excessive external interventions can 'crowd out' intrinsic motivation, and thus contradicts the initial attempt of the implementation (Frey 1997, Frey and Jegen 2001). On the basis of these two streams of theorizing, it's intriguing to tackle the interplay between the external and intrinsic aspects of employee motivation in the workplace, and examine how it impacts organizational practices and performance.

The present study examines a particular aspect of the issue: the interplay between employee-organization value congruence as a source of intrinsic motivation and two key organizational design elements, delegation of decision-making and monitoring. The relevance of this examination stems from the strategic importance of shared value among employees as a unique source of sustainable competitive advantage, and the concern of cost-effectiveness of organizational design. The empirical analysis provides some key evidence on the issue of interest: First, employees with shared value with that of the organization are more likely to be empowered with decision-making (but independent of control on job that is more likely to be associated with uncertainty caused by task characteristics), and allows organizations to reduce monitoring in the workplace. Second, value congruence is found to be associated with higher level of organizational performance, especially the relational aspect of performance. The weak relationship between value congruence and task performance can be attributed to the fact that organizational performance is at the very far end of the motivation-behavior-performance relationship, and behavior as an intermediate factor is subject to many other interventions in the organizational context. However, the stronger relationship between value congruence and relational performance indicates that value congruence enhances employees' devotion to service provision, which is a substantive consequence of employee intrinsic motivation.

In conclusion, organizations are complex systems that consist of individuals with different goals and interests. Coordination among individuals is one of organizations' focal tasks. Organizations usually use formal devices to achieve coordination, but they can also take advantage of employees' intrinsic motivation. The present study provides evidence on the interplay between formal organizational design and individual intrinsic motivation. We believe it has meaningful theoretical and practical implications. To further the understanding of the relationship between value congruence and organizational design elements, we suggest conducting formal empirical test of the intermediate impact of trust and intrinsic motivation using valid measures in future studies (for a recent development of measure of intrinsic motivation, see Van Herpen, Cools and Van Praag 2006).

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SUMMARY

Using a multisource dataset consisting of information from organizational survey and public database of nursing homes in a Midwestern state in the United States, the present study empirically investigates the relationships between employee-organization value congruence, organizational delegation of decision-making and monitoring in the workplace. The results show that value congruence between employees and the organization complements delegation of decision-making, substitutes for monitoring, and further improves organizational performance, especially which of the relational dimension. These findings suggest that value congruence can serve as a source of intrinsic motivation for employee effort and mitigate agency problems in the workplace.