



## Agency Theory and Control Strategy: A Field Study (Classic Reprint)

By J M McInnes

Forgotten Books, United States, 2015. Paperback. Book Condition: New. 229 x 152 mm. Language: English . Brand New Book \*\*\*\*\* Print on Demand \*\*\*\*\*.Excerpt from Agency Theory and Control Strategy: A Field Study Using an agency model applied in the context of large corporate organizations, several hypotheses are derived relating monitoring, evaluating and reward strategies to (1) the level of task uncertainty of responsibility centers. (2) the degree of risk and effort tolerance of managers, and (3) the relative cost and feasibility of direct monitoring of managerial behavior. The hypotheses are all based on minimizing agency costs. They were tested using data from a sample of 415 managers in 13 major U.S. companies. All were supported by the empirical results, except for the predictions about effort tolerance. As task uncertainty increases there is less reliance on budgets in evaluating and rewarding performance. Moreover, budgets are modified appropriately; as price uncertainty increases there is a shift from monetary to physical units of measurement in the budget, and as task uncertainty more generally increases the budget period lengthens, and the budget becomes more adaptable to reflect unanticipated changes as they occur. Even after adjusting for task uncertainty, greater budget reliance is used...



**READ ONLINE**  
[ 8.79 MB ]

### Reviews

*Certainly, this is actually the very best job by any author. It really is rally exciting through studying time. You may like how the blogger write this pdf.*

-- **Rudolph Jones MD**

*Completely essential go through ebook. I was able to comprehended almost everything using this created e pdf. You will not sense monotony at anytime of your time (that's what catalogs are for relating to if you request me).*

-- **Timothy Schulist**