

Impact of Goal Alignment on Employee Engagement and Organisational success

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Abstract:

It is an exploratory conceptual model that elaborates on the goal alignment–employee engagement linkages and their impact on organisational performance. These interconnections emphasise the importance of developing internally consistent HRD interventions or programs that align individual skills and knowledge with job characteristics and organisational systems and routines. Furthermore, it highlights the dynamic nature of the alignment-engagement linkages both as a source and context which facilitates

organisational performance, and influences the extent to which employees exhibit essential as well as discretionary behaviours.

It looks at the significant effects that goal alignment has on worker satisfaction and organisational success. The interplay among these three components is essential to both a prosperous workplace and a profitable business.

Goal alignment gives the organisation a competitive edge, facilitates effective strategic execution, and allows for flexibility in response to changing conditions. Employees who are aligned and engaged become a valuable asset to the company, drawing and holding onto top talent and facilitating effective responses to market dynamics. To sum up, the alignment of goals plays a crucial role in developing a driven and involved workforce, which in turn leads to the success of the organisation and a competitive edge.

Keywords: Goal Alignment, Employee Engagement, Organisational Success.

Introduction:

Organisational success is a primary goal in the current economic environment, where companies must contend with intense competition and shifting market conditions. Businesses need to make the most of their most important asset—their employees—if they want to accomplish this aim. This article explores how goal alignment plays a crucial role in determining how employee engagement and organisational performance are related.

Goal alignment is a strategic strategy that centres on aligning the objectives of a company with the individual aims and aspirations of its workforce. When people and the organisation share a shared vision and purpose, it produces a dynamic synergy. This alignment has significant consequences for attaining and maintaining organisational success, as this study examines.

Goal alignment, employee engagement, and organisational performance are intricately and critically related. Effective goal alignment between a business and its workforce initiates a series of beneficial outcomes that immediately lead to success.

This article explores the link between goal alignment and employee engagement and how it affects organisational effectiveness. It looks at how better organisational performance, more employee dedication, increased productivity, and higher-quality work are all impacted by goal

alignment. The essay also looks at how this alignment improves organisational agility, permits change adaptability, and fortifies corporate culture—all of which are essential for long-term success.

This essay clarifies how goal alignment affects organisational performance by looking at it through the prism of employee engagement & Organisational success.

Review of Literature :

Kotrlik and Williams: The abstract mentions Kotrlik and Williams in the context of effect sizes for correlation coefficients. They have contributed to the understanding of effect sizes in research, which helps in interpreting the strength of relationships between variables.

Vance: Robert J. Vance is mentioned in the context of employee engagement and commitment. He has contributed to understanding the relationship between employee engagement and its impact on organisational success. His work has focused on the role of engagement in predicting employee outcomes and performance.

Patro: The abstract refers to a study by Patro in the context of employee engagement and its impact on organisational productivity. This suggests that Patro's research likely explores how employee engagement affects organisational performance and productivity.

Alagaraja and Shuck: Alagaraja and Shuck are mentioned in the context of exploring organisational alignment and employee engagement linkages. Their work may focus on how aligning organisational goals with employee engagement can impact individual performance and organisational success.

Gogoi and Baruah: The abstract mentions Gogoi and Baruah, likely in the context of research related to employee engagement and organisational success. Their work may explore the factors influencing engagement and its impact on employee retention and satisfaction.

Muller, Smith, and Lillah: Muller, Smith, and Lillah are referenced in the context of employee engagement and its impact on organisational performance. Their work may have focused on using performance measures like the Balanced Scorecard to assess the relationship between engagement and organisational success.

Overall, the literature review provides a comprehensive overview of the key concepts related to goal alignment, employee engagement, and their impact on organisational success, as well as the research methodology used to investigate these relationships.

1. Goal Setting :

Goal Setting is an open theory, and there is no limit to the discoveries that can be made between the goal- setting theory and other theories (*Locke & Lantham, 2006*). Longitudinal studies are needed to gain insight into the perceptions of a goal-setting program and its effect on performance-related variables (*Bipp & Kleingeld, 2011*).

According to *Lantham et al. (2008)*, goal setting has a role to play in public sector management, and it being combined with self-management techniques can prove equally important in the Public Sector. The past literature found limited studies considering all the relevant variables of the goal-setting scale developed by *Locke and Latham* in 1984 (*Lee et al., 1991; Bipp & Kleingeld, 2011*). However, most of these studies did not consider the overall employee outcome as one of its variables. Therefore, the present study mainly focuses on the relationship of the 10-factor model developed by Lee et al. (1991) with Employee Outcome. Therefore, a structural model is being theorised, incorporating Goal Setting as an antecedent to Employee Outcome & Organisational success, which is shown in Figure below.

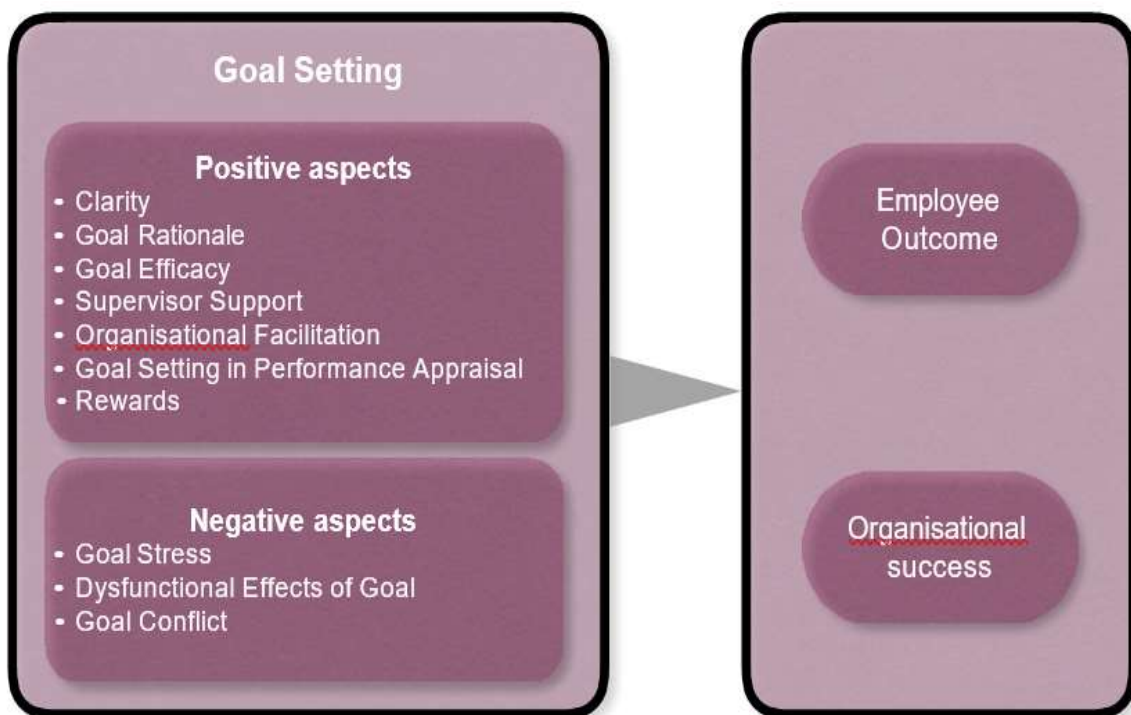


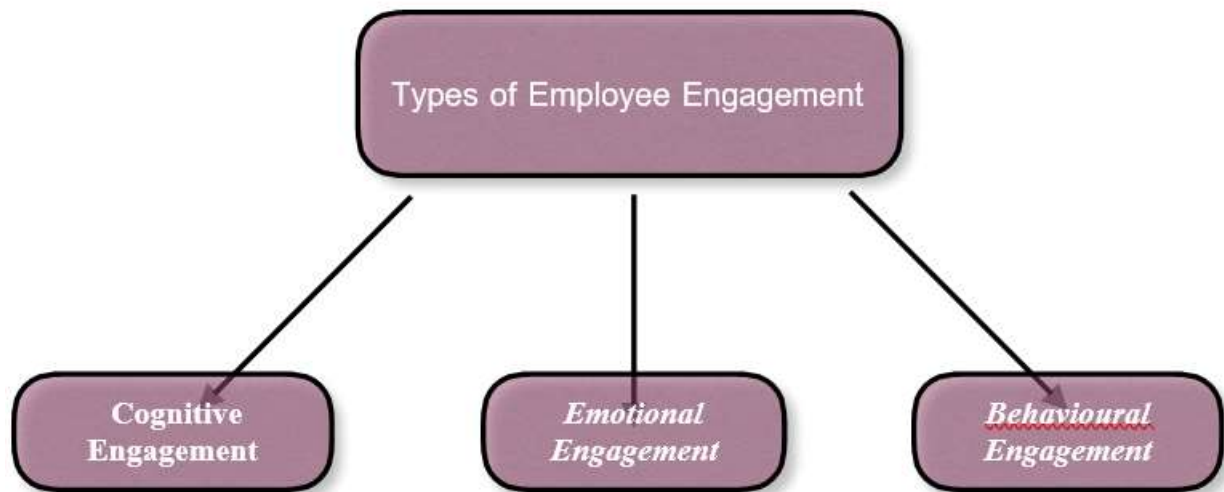
Figure: Impact of Goals Setting on Employee Engagement & Organisational Success

2. Employee Engagement:

Employee engagement first: No company, small or large, can win over the long run without energised employees who believe in the firm's mission and understand how to achieve it. That's why you need to take the measure of employee engagement at least once a year through anonymous surveys in which people feel completely safe to speak their minds.

- Jack and Suzy Welch

2.1 Types of Employee Engagement:



2.1.1 Cognitive Engagement :

Shuck et al. (2014) suggested that cognitive engagement, the most rational level of engagement, likely jump starts the unfolding phenomenon and early psychological state of engagement.

This dimension is believed to develop from an employee's unique perspectives of their work and the context in which their work is occurring (i.e., alignment, appraisal). Grounded conceptually in Kahn's (1990) seminal work on personal engagement, cognitive engagement is shaped by and interpreted through, the lens of work that is meaningful, safe (physically, emotionally, and psychologically), and available (access to and command of resources; *Kahn, 1990; Rich et al., 2010*).

2.1.2 Emotional Engagement :

Emotional engagement concerns the point of investment and willingness of an employee to involve those personal resources. The emotional investment of engagement rises from the emotive bond generated when employees, on a very personal level, have made the decision to cognitively engage, share a common purpose with their organisation, and are willing to give of themselves.

This offering of resources can involve tangible and intangible items but almost always is driven by a sense of urgency, focus, and intensity. For example, an employee willing to invest discretionary knowledge toward a task is often “engaged” with a sense of determined focus and intense concentration.

This employee identifies with, and has made the personal decision to invest in productive, organisationally aligned behaviour (*Mathieu & Zajac, 1990*); yet, this behaviour is not yet overtly or behaviourally manifested. Using this framework, the appraisal (i.e., a cognition of feeling) spurs emotional investment; consequently, emotional investment spurs intention (i.e., a pledge to act) toward behaviour.

2.1.3 Behavioural Engagement :

Behavioural engagement is the overt natural reaction to a positive cognitive appraisal (i.e., cognitive engagement) and a willingness to invest personal resources; behavioural engagement is the ultimate practice of organisational alignment in the form of an intention to act.

Understood as the individual manifestation of cognitive and emotional engagement, behavioural engagement is often confused as the only form of engagement, because it is the only form that has an outcome which can be externally witnessed (i.e., performance).

Powerful cognitive and emotive forces, however, precede behavioural engagement (e.g., the intention to act favourably in alignment with the organisation and direct intensity and the directionality of intentionality).

3. Organisational Success:

3.1 Engagement Impact On Organisation’s Productivity:

Employee's knowledge of how well an organisation's assets are being managed has a positive impact on engagement. There is a strong link between productivity and engagement. Employees' knowledge of an organisation's productivity levels also has positive impact on engagement. Employee Engagement depends on four major conditions in the workplace such as organisation's culture, continuous reinforcement of people focused policies, meaningful metrics and organisational performance.

Corporate culture helps an organisation to connect with the employees, gives them empowerment in decision making process and develops them to shoulder greater responsibilities.

Continuous reinforcement happens when an organisation frames policies which act as facilitator towards accomplishment of goals by the employees and thereby the organisation itself.

Meaningful metrics refers to devising performance measurement criterion in such a way that employees are clear about their goals.

Organisational performance leads to pride, job satisfaction, trust and a sense of belongingness to the organisation.

Employees should have the feeling that they possess the right kind of physical, cognitive and emotional resources to perform their job at optimum level. An organisation should also know how to project and communicate the success stories of the organisation to the employees. Thus employees are able to relate their individual performances with the success and also understand how their performance has a direct impact on the performance of the organisation as a whole. This contributes towards enhanced employee engagement.

High engagement leads to higher financial performance, higher productivity, higher customer satisfaction and lower manpower turnover.

3.2 Organisational Outcomes Of Employee Engagement :

Employee engagement is a critical part of organisational success. Employee engagement predicts the employee outcomes, organisational success, and financial performance. The impact of engagement or disengagement can manifest itself through productivity and organisational performance, outcomes for customers of the organisation, employee retention

rates and organisational culture. A framework of the factors influencing employee engagement and the organisational outcomes of employee engagement is shown in Figure:

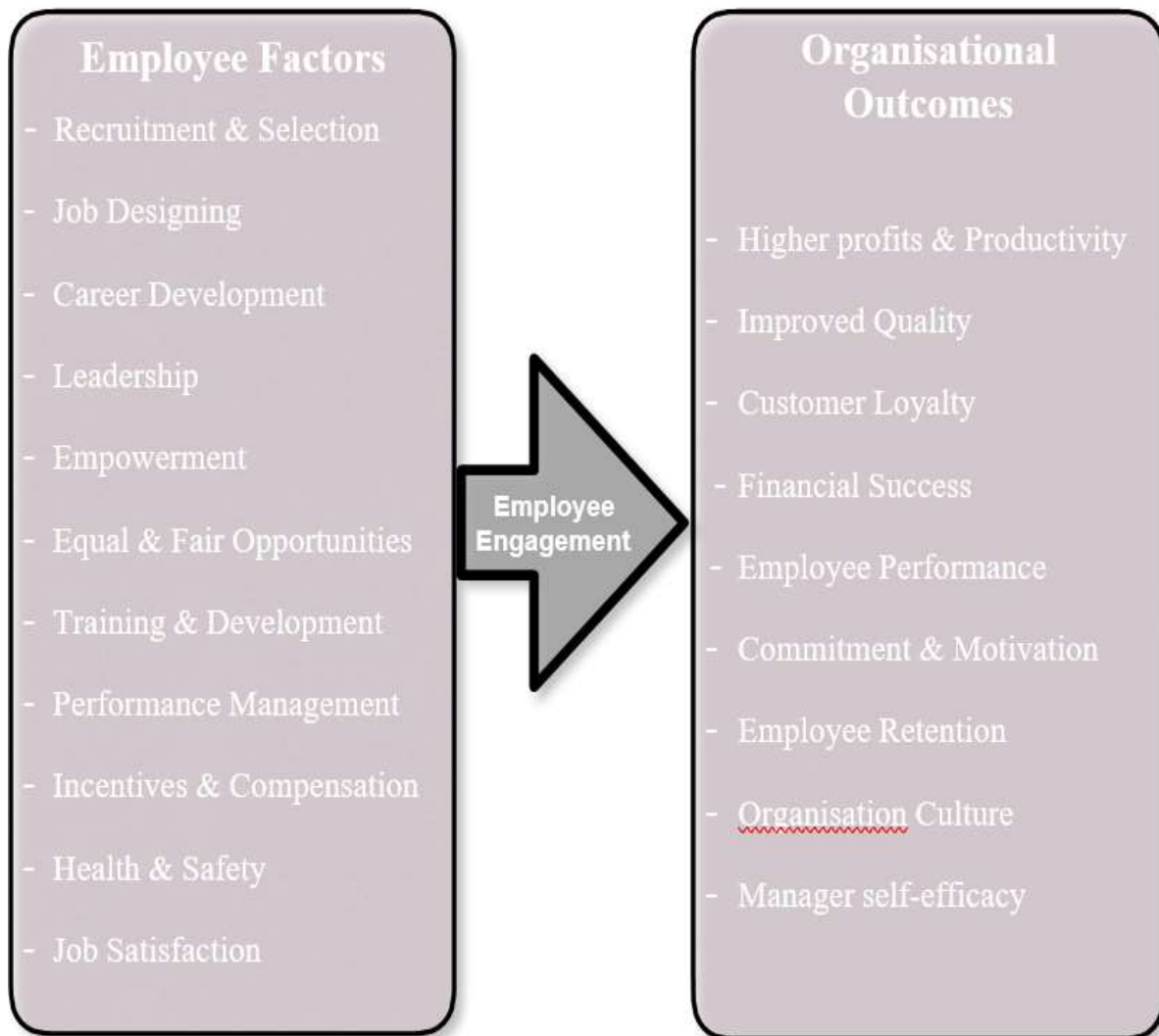


Figure: Framework of Factors and Outcomes of Employee Engagement

5.2 Goal Alignment and Organisational Success :

Improved Organisational Performance: When organisational goals are effectively aligned with individual employee goals and aspirations, it creates a shared sense of purpose. Employees are more likely to understand how their contributions fit into the larger organisational framework. This clarity and alignment result in improved overall organisational performance, a key determinant of success.

Enhanced Employee Commitment: Goal alignment fosters a sense of commitment among employees. They see their personal objectives as integral to achieving the organisation's goals. As a result, employees become more dedicated to their work and the organisation's mission, which in turn positively impacts organisational success.

Greater Productivity: When employees understand how their goals are interconnected with those of the organisation, they are more motivated and productive. They are inclined to put in extra effort and go the "extra mile" to accomplish their tasks, ultimately boosting productivity and contributing to the organisation's overall success.

Higher Quality of Work: Goal alignment can lead to a higher quality of work. When employees are engaged and see their goals as part of a larger strategy, they are more likely to take pride in their work, which can result in improved product or service quality. This higher quality work is vital for maintaining customer satisfaction and, by extension, ensuring organisational success.

Strengthened Organisational Culture: A strong sense of goal alignment can help foster a positive and cohesive organisational culture. When employees share the same goals and values as the organisation, it creates a harmonious work environment where individuals work together towards common objectives. A healthy organisational culture is a cornerstone of long-term success.

Adaptation to Change: Organisations often need to adapt to changing market conditions and evolving customer preferences. When employees are engaged and their goals are aligned with the organisation's strategic shifts, they are more flexible and adaptive. This adaptability can be crucial for staying competitive and ensuring long-term success.

Organisational Agility: An organisation with aligned goals and engaged employees is better equipped to respond to challenges and opportunities swiftly. This agility allows the organisation to capitalise on market dynamics, seize opportunities, and navigate potential

threats, contributing to sustained success.

In conclusion, aligning organisational goals with employee engagement is a strategic approach that has a profound impact on organisational success. It enhances employee commitment, productivity, and the overall quality of work. Furthermore, it fosters a positive organisational culture and equips the organisation with the agility needed to thrive in an ever-changing business environment. Ultimately, this alignment is a linchpin of organisational success.

4. Method :

4.1 Objectives :

The study aims to fulfil the following objective:

To examine the relationship between Goal Alignment to that of Employee Engagement & Organisational success.

4.2 Questionnaire design :

The questionnaire used in this study was a combination of self-constructed questions generated from the literature review as well as reliable and valid items adopted from previous studies. The section of the questionnaire consisted of items measuring perceptions regarding Goal Alignment ,Employee Engagement, Organisational success.

Variable	Questions	Mean Score
Goal Alignment	What suggestions do you have for how the company can better align its goals with the goals of its employees and teams?	3.6610
	How satisfied are you with your current level of goal alignment?	3.5423
	How well aligned are you with the company's goals?	4.3220
	How well aligned are you with the company's goals?	3.7627
	How well do your current goals contribute to the organizational goals and objectives	4.2711
Employee Engagement	How engaged are you with your work?	3.2203
	How motivated are you to do your best work?	3.0677
	How well does the organization support employees in achieving their goals?	3.6101
	How likely are you to nominate the company as "Best places to work"?	3.8644
	How often are you stressed with deadlines and workloads?	3.0677
Organisational Success	How successful is the organization in achieving its overall goals and objectives?	4.1016
	How often employees are acknowledged and recognized for their value and contribution	3.6101
	How effectively projects are planned and managed to meet schedules and meet deliverables on schedule?	4.0508
	How effectively the organization is managing financial resources and budget to ensure sustainability and growth?	3.4576
	How effectively the organization addresses the customer complaints than our competition.	4.3728

Table: Mean Scores of Goal Alignment, Employee Engagement, Organisational Success.

4.3 Perception of Goal setting :

The mean scores obtained from descriptive analysis were interpreted based on the research, we used Likert scale (5), where mean scores less than 3 was termed as 'low level', 3 to 3.99 as 'moderate level' and 4 to 5 as 'high level' perception. The data on perception of few students in KL Business School, regarding Goal Alignment, Employee Engagement, Organisational Success.

4.4 Research Methodology :

Based on the conceptual framework of *Simple Linear Regression*, a research design has been laid down to follow the study in a systematic way. Goal Alignment is considered to be the primary independent variable and Employee Engagement & Organisational success is considered to be the key dependent variable for the present study.

4.5 Hypotheses :

The hypotheses for the present study were set in the following manner:

- Hypothesis 1:

- **Null Hypothesis (H0):** Goal Alignment (G) has no significant impact on Employee engagement (E).
- **Alternative Hypothesis (H1):** Goal Alignment (G) has a significant impact on Employee engagement (E).

- Hypothesis 2:

- **Null Hypothesis (H0):** Goal Alignment (G) has no significant impact on Organisational success (O).
- **Alternative Hypothesis (H1):** Goal Alignment (G) has a significant impact on Organisational success (O).

4.6 Data Analysis :

Data for 60 participants :

- > goal. alignment = c(3.2, 4.0, 3.4, 3.4, 3.8, 3.8, 4.0, 4.2, 4.2, 4.0, 4.0, 4.0, 4.2, 5.0, 4.4, 5.0,

4.4, 4.6,
 4.6,4.4,4.8, 3.0, 3.0, 4.0,3.4 ,4.0, 3.8, 5.0, 4.6, 4.0, 5.0, 4.4, 4.6, 3.8, 4.6, 4.6,2.6, 4.8,3.6,
 3.6,3.6,3.8,
 3.2,3.4, 3.0, 4.4, 3.8, 4.0, 3.8, 3.8, 3.6, 2.8, 2.6, 3.6, 3.0, 3.8, 4.2,4.6 4.4)
 - > employee. engagement=c([3.8, 3.4, 2.8 ,3.2 ,4.2, 4.6, 4.0 ,2.8, 3.2, 2.2, 2.2, 2.8, 3.0, 3.0,
 3.0 ,3.0, 3.2,
 3.0, 3.2,4.4, 4.2, 3.8, 3.6 ,3.8, 4.2, 4.2, 4.2, 3.6, 3.6, 3.8, 4.2, 3.8 ,4.0, 3.4, 3.2, 3.0, 2.4, 2.2,
 2.4, 2.6,4.2
 ,3.2, 3.2 ,3.4, 3.6, 3.8, 3.2 ,3.2, 3.4, 3.4, 3.8, 3.4 ,2.8 ,3.0, 3.4, 3.8, 3.8, 3.8, 4.0)
 - > organisational structure=c(3.0, 3.4, 3.2, 3.6, 3.6, 3.2, 3.8, 3.6, 4.8, 4.0, 4.6, 3.6, 4.8, 4.0,
 3.8, 4.0, 3.8, 4.0,
 4.8,4.4 ,4.8, 3.8, 3.6, 3.8, 3.4 ,4.2, 3.4, 3.8 ,3.8 ,3.8, 4.2, 4.2, 4.4, 4.4, 4.0, 4.2, 4.0, 4.2,3.8,
 3.4, 3.2, 3.8,
 4.2, 4.2, 4.4, 4.2, 4.6, 4.6, 4.6, 4.6, 4.4, 3.8, 3.8, 3.6, 3.4 ,3.2, 3.8,3.4 3.8)

Impact of Goal alignment on Employee engagement :

> model<-lm(employee.engagement~goal.alignment, data= dt)

> summary(model)Call:

lm(formula = employee.engagement ~ goal.alignment, data = dt)Residuals:

Min 1Q Median 3Q Max
 -1.20490 -0.33029 -0.00179 0.31893 1.14432

Coefficients:

Estimate Std. Error t value Pr(>|t|) (Intercept) 4.4205 0.4816 9.179 7.88e-13

goal.alignment -0.2539 0.1204 -2.109 0.0394 *

Signif. codes: 0 ‘***’ 0.001 ‘**’ 0.01 ‘*’ 0.05 ‘.’ 0.1 ‘ ’ 1 Residual standard error: 0.5651 on
 57 degrees of freedom Multiple R-squared: 0.07236, Adjusted R-squared: 0.05608

F-statistic: 4.446 on 1 and 57 DF, p-value: 0.03939

Impact of Goal alignment on Organisational Success :

```
> model<-lm(organisational.success~goal.alignment, data=dt)
```

```
> summary(model)Call:
```

```
lm(formula = organisational.success ~ goal.alignment, data = dt)Residuals:
```

```
Min      1Q  Median   3Q   Max
-0.77603 -0.30158 -0.09179 0.35631 0.79842
```

```
Coefficients:
```

```
            Estimate Std. Error t value Pr(>|t|) (Intercept)      3.0543 0.3815    8.005 6.74e-11
***
```

```
goal.alignment 0.2256    0.0954    2.364 0.0215 *
```

```
---
```

```
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1 Residual standard error: 0.4477 on
```

```
57 degrees of freedom Multiple R-squared: 0.08931, Adjusted R-squared: 0.07333
```

```
F-statistic: 5.59 on 1 and 57 DF, p-value: 0.02149
```

5. Findings (Results) :

Hence, we can conclude that, there is a significant impact of Goal Alignment on Employee Engagement and Organisational success.

1. Coefficients: The coefficients represent the impact of each independent variable (G) on the dependent variable (E,O).

- For Goal alignment (G), with p-value =0.03939(< 0.05), indicating a significant impact on employee engagement.(E)
- For Goal alignment(G), the p-value =0.02149(< 0.05), indicating a significant impact on organisational success.(O)

2. R-squared: The multiple R-squared value is approximately 0.073333, which indicates that the model can explain about 89.31% of the variance in Goal alignment.

3. F-statistic: The F-statistic tests the overall significance of the regression model. In this case, it is significant with a low p-value.

Based on this analysis, we can conclude that Goal alignment (G), has a significant impact on employee engagement (E) and organisational success (O).

8. Conclusion

This article delves into the critical relationship between goal alignment, employee engagement, and organisational success. It highlights the profound impact of aligning individual and organisational goals, emphasising how this alignment leads to enhanced organisational performance, employee commitment, productivity, and the overall quality of work. Furthermore, it fosters a positive organisational culture and equips the organisation with the agility required to thrive in a dynamic business environment.

The empirical analysis demonstrates the significant influence of goal alignment on both employee engagement and organisational success, as indicated by the low p-values. These findings underscore the importance of actively aligning and managing goals within an organisation, not only for improving employee engagement but also for driving overall success. It contributes to the existing body of knowledge in the field of organisational management, providing valuable insights for practitioners and scholars alike. By recognising the crucial role of goal alignment, organisations can develop strategies to foster employee engagement and, ultimately, achieve long-term success.

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