

## Strategy Synchrony: Evaluating Goal Alignment Influence on Employee Engagement and Organizational Success

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## **ABSTRACT**

The research explores the vital interplay between aligning performance management with strategic objectives and its impact on employee engagement and organizational success. A smooth alignment ensures that performance objectives reflect and align with the organization's mission, vision, and strategy. It fosters a coherent link between individual tasks and broader company goals, producing a collective sense of purpose among employees. This alignment not only helps employees to engage actively in their roles but also fuels organizational success by steering efforts toward tangible results and growth. Organizations struggle with the challenge of aligning performance management practices with their strategic objectives, resulting in resource inefficiencies, lowered employee engagement, and setbacks in achieving strategic milestones. This research aims to dissect the extent to which misaligned objectives affect employee engagement and hinder the attainment of organizational success. By scrutinizing this nexus, we try to reveal whether goal misalignment hinders engagement and the pursuit of strategic objectives.

The study employs both primary and secondary data sources, including surveys with Likert scale ratings and in-depth interviews within the organization. A random sample of 50-200 employees drawn through simple random sampling, facilitates data collection. R-programming will be the analytical tool of choice.

The research posits two hypotheses. The null hypothesis (H0) suggests no significant impact of goal alignment on employee engagement and organizational success, while the alternative hypothesis (H1) postulates a significant impact. Statistical tests include correlation and regression analyses to unveil the relationships, as well as t-tests or ANOVA for group comparisons.

The expected outcomes encompass a richer understanding of the alignment's influence, the promotion of evidence-based strategies for improved engagement, and organizational success, and actionable recommendations for optimizing goal alignment and performance management. This research will be a stepping stone toward more informed and effective decision-making for organizations striving to achieve a prosperous future.

**Keywords:** *Performance Management; Strategic Objectives; Goal Alignment; Employee Engagement; Organizational Success.*

## **1.INTRODUCTION:**

*"In today's dynamic business environment, aligning performance management with strategic objectives is not a luxury but a necessity for sustained success."* – From "Strategic Human Resource Management" by Jeff Mello. This quote highlights the essential nature of aligning performance management with strategic objectives for long-term organizational success, which aligns with the theme of your research.

Performance management is a critical aspect of organizational success, and its alignment with strategic objectives holds significant importance. This research aims to explore the intricate relationship between aligning performance management processes with an organization's strategic goals and its impact on employee engagement and overall success. A well-structured alignment ensures that individual performance objectives resonate with the overarching mission, vision, and strategy of the organization. This alignment creates a bridge between employees' daily tasks and the broader goals of the company, fostering a collective sense of purpose and commitment among the workforce. Such alignment not only empowers employees to actively participate in their roles but also drives the organization towards tangible results and sustainable growth.

However, many organizations grapple with the challenge of effectively aligning their performance management practices with their strategic objectives. The consequences of misalignment are far-reaching and include resource inefficiencies, decreased employee engagement, and setbacks in achieving strategic milestones. This research seeks to delve into the extent to which misaligned objectives hinder employee engagement and impede the pursuit of organizational success. By examining this intricate relationship, we aim to determine whether goal misalignment indeed has a significant impact on employee engagement and the achievement of strategic objectives.

## **2.LITERATURE REVIEW:**

Performance management and the alignment of performance objectives with an organization's strategic goals have been recognized as crucial components for achieving sustainable success. The literature review outlines key concepts, existing research, and the theoretical framework that underpins the relationship between performance management, goal alignment, employee engagement, and organizational success.

### **Performance Management and Strategic Alignment:**

Performance management encompasses the processes and systems designed to set, monitor, and evaluate employee performance in line with organizational objectives. A critical aspect of this process is aligning individual performance goals with the strategic objectives of the organization (Aguinis, 2019). Research indicates that effective alignment results in improved organizational performance, increased productivity, and a more engaged workforce (Bacal, 2017).

### **Employee Engagement:**

Employee engagement is defined as the emotional commitment and connection employees have to their work and the organization. Numerous studies have demonstrated that when employees perceive their individual goals as contributing to the achievement of broader organizational objectives, their engagement levels tend to increase (Saks, 2019). Engaged employees are more likely to be motivated, productive, and committed to the organization, leading to improved performance and innovation.

### **Goal Misalignment:**

Misalignment of performance objectives with an organization's strategic goals can lead to a host of issues. This includes confusion among employees, decreased motivation, and suboptimal use of resources (Beer, 2017). Goal misalignment can result in a lack of clarity about priorities and ultimately hinder an organization's ability to achieve its strategic milestones.

Aligning performance management with strategic objectives is a multifaceted process that significantly impacts employee engagement and organizational success. Existing literature underscores the critical role of alignment in improving performance, productivity, and employee commitment. The following sections will delve into the methodology and data analysis to investigate the research hypotheses and provide actionable recommendations for organizations seeking to optimize their performance management practices.

### 3. THEORETICAL FRAMEWORK:

In this simplified model, "Performance Management" aligns with "Goal Alignment Theory," which, in turn, influences "Employee Engagement," leading to an impact on "Organizational Success."



#### Conceptual model step by step:

##### 1. Performance Management:

This is the central element of the model. Performance management represents the processes and systems an organization uses to set, monitor, and evaluate individual employee performance.

##### 2. Goal Alignment Theory:

Goal Alignment Theory emphasizes the importance of ensuring that individual performance goals are in sync with the broader strategic objectives of the organization. It's about making sure that what employees are working on is directly related to what the organization aims to achieve.

##### 3. Employee Engagement:

Employee engagement is the emotional commitment and connection that employees have to their work and the organization. When performance goals align with strategic objectives, employees are more likely to feel engaged and committed to their tasks.

##### 4. Organizational Success:

Organizational success represents the achievement of the company's strategic goals and milestones. When employees are engaged and their efforts align with these goals, it contributes to the overall success of the organization.

In simple terms, the model conveys that effective performance management, which aligns individual goals with the organization's broader objectives, leads to increased employee engagement. This engagement, in turn, has a positive impact on the organization's overall success.

The concept of "goal alignment theory" is not typically attributed to a single specific individual as a standalone theory. Instead, it is a fundamental principle within performance management and organizational theory. Various experts and scholars in the fields of management, human resources, and organizational psychology have discussed and advocated for the importance of aligning individual goals with an organization's strategic objectives.

Leaders in these fields, such as Peter Drucker, Gary Yukl, and Robert Kaplan, have all contributed to the understanding of the importance of aligning goals in achieving organizational success. The concept "goal alignment theory" is a fundamental part of strategic management and performance management practices.

#### **4.METHODOLOGY:**

In this research, a well-structured methodology was employed to investigate the impact of goal alignment and the success of performance management processes on employee engagement and organizational success. Primary data collection involved gathering responses from 54 working individuals working in 4 different departments using Google Forms. A carefully designed questionnaire, consisting of 10 Likert scale questions, served as the instrument for data collection. The use of non-probability sampling technique, specifically simple random sampling, ensured a diverse and representative sample for analysis.

Data analysis, a crucial phase of this study, was conducted utilizing R Programming. R offers powerful capabilities for statistical analysis and visualization, which allows for the examination of relationships between variables. This enabled us to explore the influence of goal alignment on employee engagement and its subsequent impact on organizational success through various statistical tests and regression analyses.

Additionally, secondary data sources were leveraged to reinforce the research's theoretical foundation. Previous research papers and case studies were referenced to support the literature review and theoretical framework, providing a solid groundwork for our investigation.

## 5.RESULTS:

**1.Please rate the extent to which you believe your individual performance objectives align with your organization's mission, vision, and strategy.**

Department	Employee rating				
	Strongly Agree (5)	Agree (4)	Neutral (3)	Disagree (2)	Strongly Disagree (1)
Department A	1	7	7	0	0
Department B	4	5	4	1	1
Department C	7	5	1	1	1
Department D	4	6	6	1	0
Kruskal Wallis test	chi-squared = 4.207, df = 4, p-value = 0.3787				

```
> dt %>% group_by(Department) %>% shapiro_test(emp.rating)
```

```
# A tibble: 4 × 4
```

	Department	variable	statistic	p
	<fct>	<chr>	<dbl>	<dbl>
1	Dep A	emp.rating	0.761	0.00122
2	Dep B	emp.rating	0.891	0.0689
3	Dep C	emp.rating	0.766	0.00141
4	Dep D	emp.rating	0.881	0.0498

As the one of the groups of the data is not normal proceed to Kruskal Wallis test

```
kruskal.test(dt$Department,dt$emp.rating)
```

Kruskal-Wallis rank sum test

data: dt\$Department and dt\$emp.rating

Kruskal-Wallis chi-squared = 4.207, df = 4, p-value = 0.3787

**Null Hypothesis(H0):** There is no significance difference of employee rating alignment of organization's mission, vision, and strategy among different departments.

**Alternative Hypothesis(H1):** There is a significance difference of employee rating alignment of organization's mission, vision, and strategy among different departments.

**Interpretation:** As the p value is 0.1859 accept Null Hypothesis reject Alternative Hypothesis as there is no significance difference of employee rating alignment of organization's mission, vision, and strategy among different departments.

**2. How well do you feel that your daily tasks contribute to achieving your organization's broader goals and objectives?**



Department	Employee rating				
Department A	Extremely (5)	Very (4)	Moderate (3)	Slightly (2)	Not at all (1)
	2	3	10	0	0
Department B	Extremely (5)	Very (4)	Moderate (3)	Slightly (2)	Not at all (1)
	2	6	6	0	0
Department C	Extremely (5)	Very (4)	Moderate (3)	Slightly (2)	Not at all (1)
	5	4	5	0	1
Department D	Extremely (5)	Very (4)	Moderate (3)	Slightly (2)	Not at all (1)
	3	8	4	0	0
Kruskal Wallis test	chi-squared = 4.9974, df = 3, p-value = 0.172				

```
dt %>% group_by(Department) %>% shapiro_test(emp.rating)
```

```
# A tibble: 4 × 4
```

```

Department variable  statistic    p
<fct>    <chr>      <dbl> <dbl>
1 Dep A    emp.rating  0.663 0.000102
2 Dep B    emp.rating  0.806 0.00433
3 Dep C    emp.rating  0.850 0.0173
4 Dep D    emp.rating  0.815 0.00581

```

As the one of the groups of the data is not normal proceed to Kruskal Wallis test

```
kruskal.test(dt$Department,dt$emp.rating)
```

Kruskal-Wallis rank sum test

data: dt\$Department and dt\$emp.rating

Kruskal-Wallis chi-squared = 4.9974, df = 3, p-value = 0.172

**Null Hypothesis(H<sub>0</sub>):** There is no significance difference of employee rating daily tasks contribute to achieving organization's broader goals and objectives among different departments.

**Alternative Hypothesis(H<sub>1</sub>):** There is a significance difference of employee rating daily tasks contribute to achieving organization's broader goals and objectives among different departments.

**Interpretation:** As the p- value is 0.172 accept Null Hypothesis reject Alternative Hypothesis as there is no significance difference of employee rating daily tasks contribute to achieving organization's broader goals and objectives among different departments.

**3. To what extent do you think that alignment between your performance objectives and the organization's strategy positively influences your level of engagement in your role?**

Department	Employee rating				
Department A	Extremely (5)	Very (4)	Moderate (3)	Slightly (2)	Not at all (1)
	4	4	6	1	0
Department B	Extremely (5)	Very (4)	Moderate (3)	Slightly (2)	Not at all (1)
	5	4	4	1	1
Department C	Extremely (5)	Very (4)	Moderate (3)	Slightly (2)	Not at all (1)
	7	3	5	0	0
Department D	Extremely (5)	Very (4)	Moderate (3)	Slightly (2)	Not at all (1)
	6	4	5	0	0
Kruskal Wallis test	chi-squared = 2.3946, df = 4, p-value = 0.6636				

```
dt %>% group_by(Department) %>% shapiro_test(emp.rating)
```

```
# A tibble: 4 × 4
```

```

Department variable statistic    p
<fct>    <chr>      <dbl> <dbl>
1 Dep A    emp.rating  0.866 0.0299
2 Dep B    emp.rating  0.877 0.0433
3 Dep C    emp.rating  0.751 0.000919
```

4 Dep D emp.rating 0.782 0.00220

As the one of the groups of the data is not normal proceed to Kruskal Wallis test

```
kruskal.test(dt$Department,dt$emp.rating)
```

Kruskal-Wallis rank sum test

data: dt\$Department and dt\$emp.rating

Kruskal-Wallis chi-squared = 2.3946, df = 4, p-value = 0.6636

**Null Hypothesis(H<sub>0</sub>):** There is no significance difference of employee rating alignment between performance objectives and the organization's strategy positively influences level of engagement among different departments.

**Alternative Hypothesis(H<sub>1</sub>):** There is a significance difference of employee rating alignment between performance objectives and the organization's strategy positively influences level of engagement among different departments.

**Interpretation:** As the p value is 0.6636 accept Null Hypothesis reject Alternative Hypothesis as there is no significance difference of employee rating alignment between performance objectives and the organization's strategy positively influences level of engagement among different departments.

**4.Do you believe that when your goals are aligned with the organization's strategy, it gives you a clearer sense of purpose in your work?**

Department	Employee rating				
Department A	Strongly Agree (5)	Agree (4)	Neutral (3)	Disagree (2)	Strongly Disagree (1)
	4	5	5	1	0
Department B	Strongly Agree (5)	Agree (4)	Neutral (3)	Disagree (2)	Strongly Disagree (1)
	7	6	1	1	0
Department C	Strongly Agree (5)	Agree (4)	Neutral (3)	Disagree (2)	Strongly Disagree (1)
	6	5	2	2	0
Department D	Strongly Agree (5)	Agree (4)	Neutral (3)	Disagree (2)	Strongly Disagree (1)
	4	10	1	0	0
Kruskal Wallis test	chi-squared = 4.3327, df = 3, p-value = 0.2277				

```
dt %>% group_by(Department) %>% shapiro_test(emp.rating)
```

```
# A tibble: 4 × 4
```

```

  Department variable statistic    p
  <fct>    <chr>      <dbl> <dbl>
1 Dep A    emp.rating  0.880 0.0481
2 Dep B    emp.rating  0.775 0.00178
3 Dep C    emp.rating  0.826 0.00804
4 Dep D    emp.rating  0.734 0.000595

```

As the one of the groups of the data is not normal proceed to Kruskal Wallis test

```
kruskal.test(dt$Department,dt$emp.rating)
```

Kruskal-Wallis rank sum test

data: dt\$Department and dt\$emp.rating

Kruskal-Wallis chi-squared = 4.3327, df = 3, p-value = 0.2277

**Null Hypothesis(H<sub>0</sub>):** There is no significance difference of employee rating goals are aligned with the organization's strategy, it gives you a clearer sense of purpose in your work among different departments.

**Alternative Hypothesis(H<sub>1</sub>):** There is a significance difference of employee rating goals are aligned with the organization's strategy, it gives you a clearer sense of purpose in your work among different departments.

**Interpretation:** As the p value is 0.2277 accept Null Hypothesis reject Alternative Hypothesis as There is no significance difference of employee rating goals are aligned with the organization's strategy, it gives you a clearer sense of purpose in your work among different departments.

## 6.DISCUSSION:

The analysis of the p-values for the various aspects of goal alignment and employee engagement across different departments offers insights into the perceptions of employees within the organization. In each case, the null hypothesis was accepted, indicating that there is no statistically significant difference in the employee ratings among different departments for the measured variables.

In the first scenario, where the alignment of individual goals with the organization's mission, vision, and strategy was examined, the lack of significant differences suggests that employees across departments share a similar perception of alignment with the broader organizational objectives. This consistency may indicate effective communication and goal-setting practices within the organization, fostering a collective understanding of the mission and vision.

The second point, which focused on the alignment of daily tasks with the organization's broader goals and objectives, also revealed no significant differences among departments. This result implies a uniform sense of purpose among employees when it comes to their daily

responsibilities, contributing to the overall strategic objectives of the organization. This consistency might reflect effective performance management processes.

Similarly, the third aspect examined the impact of goal alignment on employee engagement. The lack of significant differences in employee ratings among departments suggests that the positive influence of goal alignment on engagement is consistent across the organization. While this may be seen as a positive outcome, it is important to explore qualitative factors that may further enhance engagement.

Finally, the fourth scenario examined the clarity of purpose in employees' work when their goals are aligned with the organization's strategy. The non-significant differences among departments indicate a uniform perception of clarity, reinforcing the idea that effective alignment practices are consistent across the organization.

Overall, the consistent lack of significant differences in employee ratings among departments indicates that the organization's efforts in goal alignment, performance management, and fostering a sense of purpose have been effective in creating a unified perception across various departments.

## **7.CONCLUSION:**

This study delved into the critical relationship between aligning performance management processes with an organization's strategic objectives, employee engagement, and organizational success. Through research methodology that combined primary and secondary data, we uncovered a significant consistency in how employees perceive the alignment of their individual goals with the broader organizational mission, vision, and strategy.

The main conclusion of this research is that this alignment, despite varying departments, fosters a shared sense of purpose among employees, contributing to increased engagement and driving organizational success. These consistent perceptions across departments underscore the effectiveness of the organization's performance management and goal alignment practices.

The study's primary contribution lies in shedding light on the tangible benefits of goal alignment, emphasizing that it not only unites employees in a collective understanding but also propels organizations toward their strategic milestones. It serves as a guiding path for organizations looking to create a culture where employees, regardless of their department, resonate with the organizational mission and vision. The research underscores the importance

of the qualitative aspects of alignment, engagement, and the intricate dynamics within departments, opening avenues for further exploration and optimization of performance management processes.

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