

RESEARCH ARTICLE

# Increasing Organizational Commitment of Employees: By Correlation of Goal Setting, Employee Engagement and Optimism in the Organization

Swarnalatha C, Prasanna TS\*

*Department of Management Studies, Anna University, Chennai, India.*

\*Correspondence Author: E-mail: [prasanna079002@gmail.com](mailto:prasanna079002@gmail.com)

## Abstract

The aim of this study is to explore the link among important factors that affect organizational commitment. Secondly this study focuses to make a positive significant relation in setting of goals, engagement of employee and optimistic approach of behavior at work place environment in order to enhance organizational commitment level of employee. The results of this study will contribute new improved ways to achieve maximum level of organizational commitment from employees. This study will provide new insight for the field of performance management.

**Keywords:** *Goal Setting, Employee engagement, Enhancing performance, Organizational commitment, Workplace optimism.*

## Introduction

A lot of work has already been done on performance management. Various researches had made a great contribution to words in that field. Infact, performance become more and more important as well effective mean to enhance performance of employees to achieve different goal; but even then there are some issues need to explore with respect to field of human resource management [1]. This research work will also be a healthy contribution towards the field of human resource management. Basically our research aim is to highlight those aspects which have not been highlighted yet in previous researches. Although this paper also has described that how an organization can enhance organizational commitment through different mediator factors; previous researches highlights only employee or individual performance using setting different goals, increasing engagement and work place optimism [2].

Particularly this research focuses on increasing organizational commitment of employee by the help of different variables like goal setting, engagement of employees, increasing workplace optimism. Empirical study evidenced that increase in employee performance can be achieved by engaging employee [3-10]. All the factors of our research model are positively correlated with each other and consequently through that correlation one can achieve greater organizational

commitment. No doubt self-efficacy has a direct link with employee's performance and different aspects of human resource like; work place optimism, employee engagement, goal setting [11].

Additionally self-efficacy is another important factor which contributes towards employee's optimistic approach at working environment, as self-efficacy is one's belief or confidence to perform a task. To achieve greater organizational commitment it is necessary to enhance employee engagement at his work place environment to correlate all possible ways and different methodologies in order to increase organizational commitment [12-14]. Optimistic approach has been highlighted previously as per need of time, which has a great concern with employee performance [15-22].

The model in that was originally explored by (Bobby Medlin, Kenneth W. Green Jr) in their research article published 2009; their research focused on enhancing individual performance while our research will be highlighting to enhance employee organizational commitment through correlating goal setting, engaging employee at work place and use of optimistic approach. By implementing that model any organization specially those who are dealing with services; can easily increase organizational commitment level of their employees.

## Literature Review

The literature has got wide range of discussion regarding different conceptual theories of setting goals, optimistic at work place and engagement of employee, but these factors have been used for different purposes. Many researchers had written significantly on sibling factors of performance and its importance [23]. The main factor of our model that is goal setting has already been discussed with reference to effect of motivation of employee's performance by different authors [24-28].

Later on goal setting was also disused as complementary part of performance management and were being used to design performance mechanism of the organization [29-32]. A lot of research has already being done on engagement of employees especially in recent years. Many researchers has done a great work specifically for employee engagement which covers different aspects of employee engagement and ways to increase their engagement at work [33-38].

If we study literature we come to know that there is no serious has been made on the other important factor which significantly contribute in increasing organizational commitment that is work place optimism. Although some work can be found in literature related to optimistic approach at working environment, but literature links the concept by using a different name that is improving workers performance at working environment[15-19]. To enhance organizational commitment of employee's and to conceptualize that concept it would be better to go through the literature with reference to goal setting, employee engagement and work place optimism.

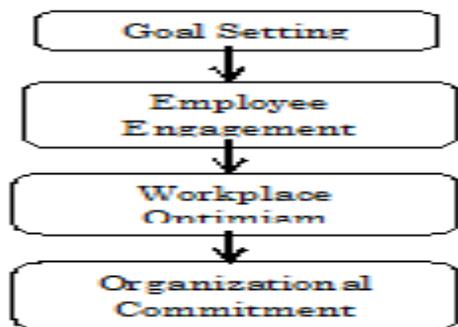
Goal setting is the primary factor which is most important to enhance organizational commitment because it has got positive relation with employee engagement which resultantly made a positive impact on engagement of employee at work place [21] [26-28] [39,40]. Goal setting is not only important in human resource management field, goal setting has been used in different fields of management like; total quality management, management by objectives and improvement process of management system [31,32]. After studying the literature it's not difficult to say that goal setting can increase employee engagement at work place. So the goal setting to be good for employee engagement this will lead to easily achieve employee engagement in a better way. Many researchers have already been explored

about engagement of employees. In fact according to some authentic reports about 1100 publications can easily be found through online research. There are many delimitations in literature about engagement of employee, but the closest to meanings is that; the employee who work for his organization devotedly and keenly. Simply engagement also gives the meaning that, employee who himself deliberately work more than his or her job requirements. Employee willingness to bind with organizational voluntarily is also another name of engagement [41].

Another author has also disused engagement with respect to emotional attachment, through highlighting the behavior of employees. Optimism and engagement of employee have a great connection. Literature has shown a lot about this particular factor to enhance organizational commitment. Optimism is basically an aspect of behavior and attitude of humans, which means that in every situation one's belief that the outcome or result would be positive. Optimism is the way of thinking of any individual in which he or she only think that the output will be the best in any uncertain situation. Optimism is also linked with self-efficacy in which an individual believes to fulfill any task successfully. Extensive literature is there to support the ideology that the optimism linked with employee performance and it enhances the engagement [15].

Employee performance within organization has significant relation with organizational commitment, these both factor are highly correlated with each other and optimism leaves a great impact on organizational commitment and also effects the performance accordingly. Some researchers has explored that there is significant relation between leadership and performance which have impact on performance it further enhances organizational commitment. Particularly some researchers have discussed that optimistic behavior of employee's works positively in service industry [15].

On the other hand many researchers explored that there is a healthy relation between optimistic behavior of employee's and their performed task particularly in manufacturing sector (Green et al., 2004). Optimism strongly supports to enhance organizational commitment, so optimistic behavior and other factor support to enhance organizational commitment. Goal setting has great impact on employee engagement with the help of optimism organizational commitment can easily be enhanced. Accordingly it figure out and support our third hypothesis.



**Fig.1: Hypothesis model**

## Hypothesis

**H1:** Goal setting in the organizations positively correlate in enhancing employee engagement.

**H2:** Engaging employee at work place setting support to enhance optimistic behavior of employee.

**H3:** Optimistic behavior of individual positively correlate towards organizational commitment.

## Methodology

Information and data regarding these factor involved to enhance organizational commitment will be gathered from employee's and individuals belongs to different organizations, will be the part of that sample size. The scale which will be adopted has already been used for measurement by (Green et al., 2004). The scale to measure the engagement was used and developed earlier by (Buckingham and Coffman, 1999). After completing the procedure regarding scale, hypothesized model and the entire hypothesis then will be checked one by one.

## Discussion

Goal setting in the organization has great impact and significant positive correlation with organizational commitment, means if goal setting is effectively planed then it will lead to enhance organizational commitment. Goal setting process is actually the main route from which that process starts. The goal setting should be done according to the tasks and resources available to fulfill any particular job; if employees are satisfied with the goal setting it will positively enhance the organizational commitment. Goal setting also matters to the performance, because if the goal setting does not suit or fit accordingly then performance will be affected.

Another factor of that model is employee engagement which has great impact on organizational commitment. If the employee himself shows the willingness to involve himself or herself in his or her work more than his daily

working hours it will definitely move to greater organizational commitment. Moreover optimistic behavior at work place plays important role in increasing organizational commitment. Because only optimist individuals and employee's are of the view they can do every task with best possible results in any circumstance.

Managers and executives always strives to achieve better results through their employee's by using different strategies and ways but the study shows that only possible way to achieve all these goals is to make such sort of planning for employees which have been discussed in literature and in this study too. Hypothesized model and its factors also show that organizational commitment can be enhanced or increased by correlating all the factors of that model with significant positive relation.

The problem which organizations faced to achieve maximum level of organizational commitment of their employee in current era are becoming critically serious for the managers and executives due to which they are dealing with those sort of issues. Those sort of problems are opening new roads to improve the existing gap with reference to human resource management field, meanwhile our research hopefully contribute as a new horizon in the process of enhancing employee level of organizational commitment.

## Conclusion

In concluding part we come to know that organizational commitment can be achieved by correlating goal setting, employee engagement, and work place optimism in a positive way but the results can only be achieved by the effective implementation of all the factors. Data which support our hypothesized model shows that to increase and enhance organizational commitment it is necessary to fit these factors together in a way that they make positive impact within organization mechanism. The model and the constructs in it concludes and proves that by goal setting managers and executives can engage their employees, employee engagement further enhance the optimism in working environment and that optimistic behavior with the help of previous factor will definitely enhances the commitment level of employee within the organization.

## Managerial Implication

Most of the executives and managerial employees always try to recognize and implement such strategy which helps to increase organizational commitment of the employees. But to make effective implementation of the model it is

recommended that reasonable time must be given to goal setting, because goal setting is the most important and primary step towards all that process. Moreover every factor in that hypothesized model must given maximum possible time to work on it in order to achieve the ultimate goal that is the organizational commitment.

This model can be implemented almost in every organization to enhance maximum level of organizational commitment of employees, but it is necessary that management should provide reasonable time to make understand to employees the importance of their work which will increase their involvement in their work and management should also encourage employees to built optimistic attitude in their personality which will automatically increase their commitment. That

## References

- Nankervis A, Compton RL (2006) Performance management: theory in practice? *Asia Pacific Journal Human Resources*, 44(1):83-101.
- Bobby Medlin, Kenneth W. Green Jr. (2009) Enhancing performance through goal setting, engagement, and optimism. *Industrial Management & Data systems*, 109 (7):943-956.
- Smythe J (2008) Engaging employees to drive performance. *Communication World*, 25(3):20-2.
- Fenci W, Masarech MA (2008) Stop spinning your wheels: increase employee engagement at your company. *Workspan*, 51(9):30.
- Chang J (2006) Rules of engagement. *Sales & Marketing Management*, 158(3):18.
- Crawford N (2006) Managing employment engagement. *Canadian Manager*, 31(1):17-18.
- Echols ME (2005) Engaging employees to impact performance. *Human Capital*, February, pp. 44-8.
- Tasker J (2004) Engagement equals productivity. *Personnel Today*, 8-9.
- Luthans F, Peterson S (2002) Employee engagement and manager self-efficacy: implications for managerial effectiveness. *The J. Management Development*, 21(5/6):376-87.
- Tritch T (2003b) Engagement drives results at new century. *Gallup Management Journal*, 4.
- Bandura A (1977b) *Social learning theory*. Englewood Cliffs, Nj: Prepice-Hall Bandura, A. (1978b). The self system in reciprocal determinism, *American Psychologist*, 33, pp. 344-958.
- Harley A, Lee D, Robinson D (2005) How O2 built the business case for engagement. *Strategic HR Review*, 4(6)24-7.
- model can be implemented particularly in services sector to get their ultimate settled goals and objectives.

## Future Research Direction

In future it is recommended that researcher should try to seek and dig out other possible ways forevaluation these constructs with different ways. Goal setting, engagement of employees and optimistic behavior of employees at working environment can be explored many other ways by focusing the outcomes like absenteeism, behavior of employee and satisfaction at job can be the future direction for research. Future research should also try to explore specifically these factors or constructs for implementation of programs at managerial level by highlighting more particular details on these constructs.

- Sensis GE (2005) Building employee engagement at Sensis. *Strategic Management Review*, 4(2):19.
- Erickson B (2004) Nature times nurture: how organizations can optimize their people's contributions. *Journal of Organizational Excellence*, 24(1):21-30.
- Jensen S, Luthans K, Lebsack S, Lebsack R (2007) Optimism and employee performance in the banking industry. *J. Applied Management and Entrepreneurship*, 12 :(3)73.
- Dixon A, Schertzer S (2005) Bouncing back: how salesperson optimism and self-efficacy influence attributions and behaviors following failure. *J. Personal Selling & Sales Management*, XXV (4):361-9.
- Chemers M, Watson C, May T (2000) Dispositional affect and leadership effectiveness: a comparison of self-esteem, optimism, and efficacy. *Personality and Social Psychology Bulletin*, 26(3):267-78.
- Schulman P (1999) Applying learned optimism to increase sales productivity. *Journal of Personal Selling & Sales Management*, 29(1):31-37.
- Sujan H (1999a) Commentary: extending the learned helplessness paradigm: a critique of Schuman's learned optimism. *J. Personal Selling & Sales Management*, XIX(1):39-42.
- Scheier MF, Carver CS, Bridges M (1994) Distinguishing optimism from neuroticism (and trait anxiety, self-mastery, and self-esteem): A re-evaluation of the life orientations test. *J. Personality and Social Psychology*, 50(4):1063-78.
- Sujan, H, Weitz, BA, Kumar, N (1994). Learning orientation, working smart and effective selling. *J. Marketing*, 58(3):39-52.

22. Rich, G. (1999). Salesperson optimism: can sales managers enhance it and so what if they do?. *J. Marketing Theory and Practice*, 7(1):53-63.
23. Crant MJ, Bateman TS (2000) Charismatic leadership viewed from above: The impact of proactive personality. *J. organizational Behavior*, 21:63-75.
24. Locke E (1968) Toward a theory of task motivation and incentives. *Organizational Behavior and Human Performance*, 3(2):157-89.
25. Latham GP, Yukl GA (1975) A review of research on the application of goal setting in organizations. *Academy of Management Journal*, 60(4):187-91.
26. Matsui T, Kakuyama T, Onglatco ML (1987) Effects of goals and feedback on performance in groups. *J. Applied Psychology*, 72(3):407-15.
27. Tubbs ME (1986) Goal setting: a meta-analytic examination of the empirical evidence. *J. Applied Psychology*, 78(1):86-97.
28. Knight D, Durham CC, Locke E (2001) The relationship of team goals, incentives, and efficacy to strategic risk, tactical implementation, and performance. *Academy of Management Journal* 44(2):326-38.
29. Zbaracki M (1998) The rhetoric and reality of total quality management. *Administrative Science Quarterly*, 43(3):602-36.
30. Odiorne G (1978) MBO: A backward glance. *Business Horizons*, 21(5):14-24.
31. Muczyk JP, Reimann, BC (1989) MBO as a complement to effective leadership. *The Academy of Management Executive*, 3:131-8.
32. Ivancevich J, McMahon T, Streidl W, Szilagyi A (1978) Goal setting: the Tenneco approach to personnel development and management effectiveness. *Organizational Dynamics*, 6(3):48-80.
33. Heger B (2007) Linking the employment value proposition (evp) to employee engagement and business outcomes: preliminary findings from a linkage research pilot study. *Organization Development Journal*, 25(2):121-33.
34. Mathieson M (2006) Improving organizational performance through developing our people. *Industrial & Commercial Training*, 38(2):70-7.
35. McBain R (2007) The practice of engagement. *Strategic HR Review*, 6(6):16-19.
36. Harter J, Schmidt F, Hayes T (2002) Business-unit-level relationship between employee satisfaction, employee engagement, and business outcomes: a Meta analysis. *J. Applied Psychology*, 87:2:268-79.
37. Saks A (2006) Antecedents and consequences of employee engagement. *J. Managerial Psychology*, 21:(7)600-13.
38. Garvey C (2004) Connecting the organizational pulse to the bottom line. *HR Magazine*, 49(6):70-5.
39. Dweck CS, Hong Y, Chiu C (1993) Implicit theories: individual differences in the likelihood and meaning of dispositional inference. *Personality and Social Psychology Bulletin*, 19(5):644-56.
40. Green K, Medlin B, Whitten D (2004) Developing optimism to improve performance: An approach for the manufacturing sector. *Industrial Management & Data Systems*, 104(2):106-14.
41. Gubman E (2004) From engagement to passion for work: the search for the mission person. *Human Resource Planning*, 27(3):42-6.