

# Organizational Goals, Outcomes, and the Assessment of Performance: Reconceptualizing Success in Management Studies

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**ABSTRACT** We revisit the study of organizational goals, outcomes, and assessment of performance that together define the process leading to ‘success’. We begin by conducting a systematic review of existing research which allows us to develop an integrative framework discussing this large body of work. We then describe contemporary research examples in light of our proposed framework. We close by proposing four new areas to continue to advance the field: reconceptualizing performance (and success) as achievement of goals; diversity of goal systems in research designs, and their relationship with the purpose of an organization; multilevel and temporal dynamics; and governance of goal setting. Overall, our efforts inform future research on organizational success in the context of our new societal challenges and accomplish the intriguing task of re-defining success in management studies.

**Keywords:** goals, performance, outcomes, success, purpose, goal setting, objectives

## INTRODUCTION

The existence of definite organizational goals is a longstanding and central premise in management and organization research. Although several decades have now passed since the publication of seminal studies (e.g., Cyert and March, 1963; Fama and Jensen, 1983), many aspects of organizational goals, especially those related to their antecedents and the processes through which they are conceived, develop, and become manifest throughout

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the organization, have received scant attention and are thus only loosely integrated in management and organization theories.

Importantly, assessments of organizational performance (and success) depend on how organizational goals and outcomes are measured. Generally speaking, success is the achievement of goals, and the assessment of performance is affected by how different goal systems are specified (e.g., financial/non-financial goals; multiple substitute goals, multiple positive/negative complementary goals). Unfortunately, most prior research about performance shares a fundamental shortcoming as it neither measures the goals of the organization or its stakeholders, nor takes into-account the diverse goal systems characterizing different types of organizations.

So, gaining a better understanding of these fundamental concepts and their relationships gives management scholars an opportunity to revisit the rules of the game regarding how the performance of organizations should be assessed and evaluated. Therefore, we believe the time is ripe to reconsider the concept of organizational goals and their implications for outcomes, and measure their impact on performance.

Just as the emergence of the primacy of maximizing shareholder value – 30 years ago – reversed the trend towards corporate behaviour in the interests of managerial goals, nowadays research, practice and policy debates question the continued primacy of the goal of maximizing shareholder value in the light of various high-profile failures, and deleterious effects on employees, customers, suppliers, communities, and other stakeholders. Arguments have recently emerged that organizations should consider a broader set of goals that reflect the wider body of stakeholders and focus on maximizing shareholder welfare goals (Hart and Zingales, 2017) rather than just focusing on shareholder wealth maximization.

An organizational goal is generally defined as an aspiration level on a measurable organizational outcome (Kotlar et al., 2018). Among the different variables representing the goals that an organization may pursue, researchers have mostly focused on profitability (Greve, 2003). But organizations often pursue a wider range of goals including productivity, sales, market share, and status (e.g., Baum et al., 2005). Research increasingly acknowledges the existence of a broad and heterogeneous array of organizational goals that go beyond financial profit (e.g., Fiegenbaum et al., 1996; Kotlar et al., 2018).

Furthermore, research to date has examined the consequences of organizational goals for organizational behaviour and outcomes (Foss and Linder, 2018; Kotlar et al., 2018). What is more, multiple organizational goals may have additive effects, jointly influencing a single outcome, as well as interactive effects, such that the accomplishment of one goal may lower or increase the saliency of another goal, following hierarchical rules (Greve, 2008). Recent research has also shown that organizations that differ in terms of ownership type, governance, industrial sector, size, or market position, pursue multiple organizational goals, and goal conflict or incompatibility of goals may arise (e.g., between majority and minority shareholders; between family and non-family members or among different types of family members in family firms; between pro-ESG and anti-ESG goals or between higher vs low risk takers). All this notwithstanding, there has been little prior attempts to synthesize and compare the effects of these multiple, often competing goals on outcomes. Given the importance of goal setting for predicting organizational behaviours and outcomes, it is key to have

a detailed understanding of what factors affect organizations' decision to pursue a specific set of goals.

Moreover, it is important to consider the multiplicity of organizational goal systems as how the performance of an organization is assessed will depend critically on how their goals are specified (Chua et al., 2018). For instance, once scholars explicitly recognize that some types of organization may also pursue non-financial goals, then no study about the overall performance of those organizations in terms of either effectiveness or efficiency is accurate without measuring non-financial goals. Although some analyses have been conducted on the topic (Fini et al., 2018; Pinelli et al., 2023), there is a need to develop a more detailed and comprehensive theoretical understanding of this phenomenon and the implications of organizational goals and outcomes on the assessment of performance.

Finally, some lights still need to be shed on the factors affecting organizations' decision to pursue a specific set of goals. Building on early studies that emphasize the micro-foundations of goals' formation into organizations (Argote and Greve, 2007), we believe that the anatomy of the micro-level processes underlying goal formation is different from analyses conducted at more aggregate levels, and these processes are explained by factors such as industrial belonging, size, ownership type, governance, and market position. Also, new conceptual and empirical evidence describing the processes through which goals are established within groups and organizations, as well as the anatomy of these processes, will have implications for the assessment of performance, providing a richer understanding of success in organizations.

This article proceeds as follows. We first present the findings from a systematic literature review of existing research on organizational goals, performance, and success. We then discuss a collection of some contemporary research on organizational goals and performance. We continue the conversation identifying four research areas where we think scholars could devote more attention to inform future management studies into the intriguing task of reconceptualizing success in management. We close with a brief conclusion.

## **ORGANIZATIONAL GOALS, PERFORMANCE AND SUCCESS: THE STATE-OF-THE-ART**

In this Section, we present a systematic review of state-of-the-art theoretical and empirical research on organizational goals and outcomes. To conduct this analysis, in December 2022, we queried Scopus for articles meeting the following criteria: (i) articles forthcoming or published since 1 January 2012 in the *Academy of Management Journal*, *Academy of Management Review*, *Administrative Science Quarterly*, *Journal of Management Studies*, *Management Science*, *Organization Science*, and *Strategic Management*, and (ii) articles having the following keywords: 'goals' and ('performance' or 'success') included in either title, abstract and/or listed among the keywords. This search yield 110 articles. We skim these 110 articles and dropped 46 of them because of a lack of fit with the topic under scrutiny. We used the remaining 64 articles for our literature review. They are listed in Table AI in the Appendix. For each article, Table AI reports

the authors, title, journal, year of publication and keywords, as well as whether the article is empirical, experimental, theoretical or a review effort. Furthermore, following Kotlar et al.'s (2018) framework, Table AI also defines the goal content, i.e., whether goals are internal, external, financial, or non-financial, as well as whether the goals' antecedents and outcomes are measured at individual, group, organizational or institutional levels. Finally, each row details the extent to which the given article addresses performance-related facets, as well as conflicts or trade-offs between goals, and/or feedback loop from performance to goals. After reviewing prior research, we organized the selected literature into an integrative framework as presented in Figure 1. This framework offers a view of how organizational goals originate and impact outcomes and performance. At the same time, it emphasizes organizational goal dynamics mainly depicted through feedback loops, and underscores that the notion of 'success' is rarely explicitly addressed in prior research in a way that diverges from the notions of outcomes and/or performance.

Some interesting conceptual and methodological insights emerge from our literature review. First, there's a growing interest, almost like a revival, of research on organizational goals from different research streams, with about 25 per cent of the articles included in the review published in the last three years. All journals in our sample have published articles on organizational goals, with a great deal of attention from *Strategic Management Journal* (19 articles). Second, the general and non-specific nature of organization goals transpires in the broad empirical settings of existing articles. The unit of analysis of these studies comprehends 'traditional' firm-level approaches active in widely diverse industries, such as manufacturing, pharmaceutical, airlines or electronics. The type of firms studied include publicly listed firms, as well as family-firms, science-based firms, and academic spinoffs. A few studies focus on a specific department within a firm (e.g., maintenance) as well as non-governmental organizations, other studies cover specific contexts such as fire fighter departments or military task forces. Also, organizational goals have been investigated in networks of organizations, such as firm alliances or venture capital syndicates, or focusing on specific corporate events, such as merger

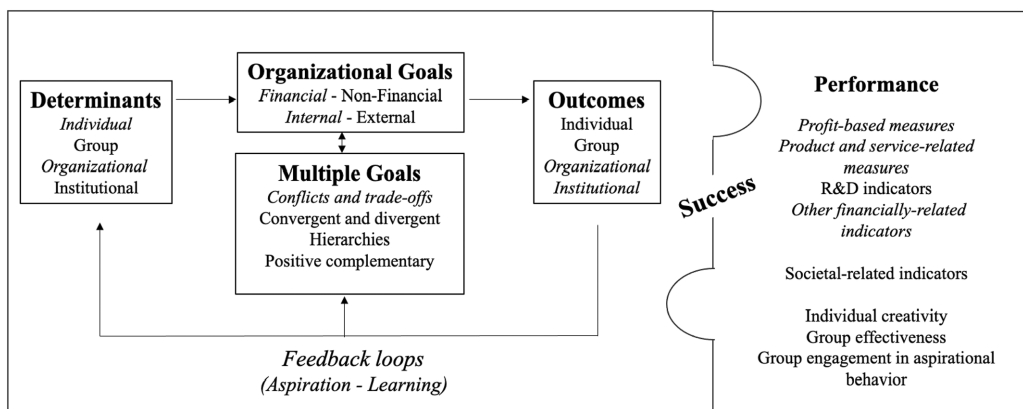


Figure 1. An integrative framework for research on organizational goals, performance and success

Note: *Italicized text denotes the most investigated aspects in prior studies.*

and acquisitions or crowdfunding offerings. Finally, the country of analysis is diversified ranging from emerging economies to advanced ones (with a predominance of US-based studies) and multi-country analyses. We discuss the state-of-the-art of research on organizational goals in the following section.

## Heterogeneity in Organizational Goals

*Financial vs non-financial goals.* Organizational goals can take different forms, spanning across multiple dimensions (Kotlar et al., 2018). Goals can have different natures, some of them being financially oriented, some others not, and some combining both. Financially oriented goals can be quite diverse. Thus, organizations may pursue financially oriented goals (Caldwell et al., 2017; Chrisman and Patel, 2012; Gary et al., 2017), aiming to maximize profitability (Baardman et al., 2019; Gaba and Greve, 2019; Mazmanian and Beckman, 2018; Mazzelli et al., 2019; Profitós et al., 2022), both on long and short term (Hohnisch et al., 2016). Organizations also prioritize firm's growth (Gaba and Joseph, 2013; Oppen et al., 2017), and innovation (Tyler and Caner, 2016). Firms pursue operational efficiency (Canales, 2014; Savva et al., 2019) and product-portfolio innovation strategies -prioritizing replication and/or innovation actions (D'Adderio, 2014)-, as well as maximize product's safety, efficiency, and reliability (Hu and Bettis, 2018).

At the same time, though, the literature is rich in examples of organizations that target non-financial goals, or that consider social goals alongside economic ones (Stevens et al., 2015). For instance, Gong et al. (2013) argue that transparency, outcome orientation, participation, trust, and timely feedback are goals that define how business units operate. Organizations also pursue sustainable development goals (Markman et al., 2016), engage in sustainability standard adoption (substantive compliance) (Wijen, 2014), as well as target safety-related goals (Gaba and Greve, 2019) and waste-reduction goals (Berchicci and Tarakci, 2022). Non-economic goals are frequently pursued by hybrid organizations (i.e., organizations that operate at the intersection between multiple logics), such as family-firms and science-based firms. Family business may prioritize non-economic family goals to sustain socioemotional wealth for the family (Chrisman and Patel, 2012; Souder et al., 2017), whereas science-based firms could prioritize science-related outcomes (Hahn et al., 2019).

There are a few studies that are interested in exploring the intersection between financial and non-financial studies. For example, Bouwens and Kroos (2017) focus on the interplay between forward-looking non-financial information and setting financial targets. Academic spinoffs are an example of hybrid organization pursuing both financial and non-financial goals. A wide range of policies have been implemented to encourage their formation in hopes of spurring innovation and local economic development. To be effective, however, policies need to consider the goals and the antecedents leading to the establishment of academic spinoffs. Civera et al. (2020) distinguish opportunity-oriented from necessity-oriented academic spinoffs, and find that the latter are associated with higher survival profiles, while the former exhibit higher financial performance. Horta et al. (2016) document that the rate of establishment of academic spin-off is positively associated with the skilled unemployment rate, posing that scientists are motivated to

create academic spinoffs to escape dissatisfying situations. Another example of hybrid organization pursuing both financial and non-financial goals are family firms, with the socioemotional wealth (Gomez-Mejia et al., 2007; King et al., 2022) perspective referring to those non-financial goals of the firm that meet the family's affective needs, such as holding control in the hands of the family or maintaining a strong family-firm identity. In sum, this body of work has revealed how financial and non-financial goals often coexist within an organization and the relative emphasis on financial versus non-financial goals varies among organizations.

*Internal vs external goals.* Goals can be defined according to multiple audiences and reference groups. For instance, goals can be internal, reflecting aims and aspirations of coalitions within the organization. Goals can also be external, capturing the attentions and interests of parties and stakeholders outside organizations. As for the former, profit- and growth-related goals are the ones that have been addressed most frequently to date. Yet, extant research has also focused on product- (Gaba and Greve, 2019; Hu and Bettis, 2018) and organizational-safety (Hohnisch et al., 2016), innovative- (D'Adderio, 2014) and knowledge sharing behaviours (Li et al., 2012), as well as on the morality of organizational goals (Baker et al., 2019) and their transparency and trust (Kownatzki et al., 2013). Schlapp et al. (2015) examine how firms should balance individual and shared incentives so that information is acquired and disseminated to the entire organization. Conversely, adopting a more external outlook perspective, literature has addressed organizational goals related to poverty alleviation (Canales (2014), sustainability (Wijen, 2014), client well-being (Canales, 2014) and community goals (Smulowitz et al., 2020). In sum, most existing studies are focused on internal goals, but internal and external goals characterize all types of organization.

*Multiple goals.* Because organizations can deliberately decide (Levinthal and Rerup, 2021) or are forced to (D'Adderio, 2014) pursue multiple goals simultaneously, extant research has highlighted the existence of potential conflicts and/or trade-offs between goals (Stevens et al., 2015). For instance, fire departments naturally pursue goals that are often conflicting or jointly unattainable, such as reducing casualties and saving property (Horwitz and McGahan, 2019). Multiple objectives impose a cost on organizations yet also offer the benefit of alleviating trade-offs in achieving higher performance along several measurable dimensions (Obloj and Sengul, 2020). When goals are conflicting or require a trade-off, organizations attend to them sequentially or, when that is not possible, prioritize one goal over another (Makarevich, 2018). Paying attention to both internal and external performance goals may be suboptimal (Dong, 2021). For instance, Lanaj et al. (2018) elaborate on the potential clashes between convergent and divergent goals focusing on the different preferences for risk between team members and team leaders. Johnson et al. (2013) propose a model of optimal capital budgeting for shared investment decisions through the design of goal-congruent performance metrics. Caldwell et al. (2017) study organizations that pursue financial and non-financial goals simultaneously, proposing relational coordination practices as the way to effectively manage this tension. In a similar fashion, Hahn et al. (2019) studying academic spin-

offs show that goals must be aligned to performance outcomes, otherwise, by focusing on conflicting (not aligned) goals, performance will be hampered. Berchicci and Tarakci (2022) propose and show that both the external environment and the locus of attention affect how decision-makers weigh multiple aspirations. Canales (2014) examines trade-offs in organizational practices, specifically between standardization and flexibility, which -if properly managed- may allow firms to pursue financial and non-financial goals at the same time. Li et al. (2012) address existing goals trade-offs between knowledge sharing and knowledge protection in R&D partnerships. Finally, conflicts might arise between internal and externally imposed goals such as those introduced by public ratings (Rowley et al., 2017). In sum, this body of work has uncovered tensions between the goals designed within the organization and those that are externally expected as well as among different goals within the same organization.

All this notwithstanding, research in this space is still in its infancy and more evidence is needed to understand how organizations could effectively tackle multiple, often conflicting goals. First, Hu and Bettis (2018) warn against too many operational goals that, in the same task environment, create confusion, ultimately hampering performance. Second, Markman et al. (2016) argue that as the economic incentives for running a business are clear, some lights should be shed on the entrepreneurial process to be enacted when goals are not just financially driven but also pushed by environmental and societal concerns. Furthermore, when multiple goals are at stake, prior research advances that goals are prioritized, having one goal ranked above the others (Gaba and Greve, 2019). Also, Chrisman and Patel (2012), contrasting non-financial family-related and financial goals in the context of family firms, argue that when performance is below aspiration levels, the two goals tend to converge. In sum, the literature is increasingly recognizing that multiple, and often conflicting, coexist in most organizations. Understating how different goals relate to one another and become prioritized is therefore key.

## **Determinants and Outcomes of Organizational Goals**

*Determinants.* Research has addressed the determinants of organizational goals, focusing on institutional- organization-, and individual-level factors. First, by setting the rules, institutional entrepreneurs influence the definition of organizational goals (Wijen, 2014). Material features, such as objects, technologies, and artefacts (D'Adderio, 2014), as well the implementation of organizational practices, such as standardization and flexibility (Canales, 2014), also contribute to the definition of organizational goals. Moreover, institutional complementarities supporting goal achievement are helpful to explain how and whether organizations pursue multiple goals (Surroca et al., 2020). Second, according to Kownatzki et al. (2013) the type of corporate control, such as outcome control, behaviour control and content control, may influence small business units' goal structure. Also, small group dynamics such as social features of teams and communities (D'Adderio, 2014) predict organizational goals structure and formation. Finally, leaders and CEOs because of their vision and values (Carton et al., 2014), previous leadership experiences (Gutierrez et al., 2021), as well as personal preferences (i.e., risk aversion) (Opper et al., 2017) significantly

influence the definition of goals in the organizations they lead. In sum, researchers have made significant efforts to understand the determinants of organizational goals from an individual or group perspective, typically focusing on those persons or groups who have the most influence over what the organization does, with a focus on important decision-makers, the executive core, or the dominant coalition. Organizational goals are indeed intimately linked to goals at different levels of analysis, including individual, group, and institutional levels.

*Outcomes.* Research has also systematically assessed the relationships between organizational goals and outcomes, focusing mostly on organizational-level outcomes. For instance, prior studies have examined the effects of goal setting on strategic decisions, such as cost savings decisions (Gaba and Joseph, 2013; Savva et al., 2019), the enactment of search breadth and depth strategies (Hahn et al., 2019), the enactment of effective and timely decisions (Gary et al., 2017; Kownatzki et al., 2013), as well as the search for private equity (Shafi et al., 2020) or crowdfunding (Belavina et al., 2020) financing. Moreover, this organizational-level research has also examined organizational decisions, such as how organizations set up routines to facilitate goals' achievement (Dittrich and Seidl, 2018), to display a positive organizational climate (Parke and Seo, 2017), to increase collaboration among employees (Lee and Puranam, 2017), as well as how to structure R&D alliances (multilateral vs bilateral) (Li et al., 2012), how to enact the right form of organizational control (Mazmanian and Beckman, 2018), and how to induce goal-congruent investment decisions by divisional managers (Johnson et al., 2013). Thus, we acknowledge a set of studies that account for this direct link between organizational goal setting and how it translates into specific organizational outcomes.

There are a few notable exceptions that assess the impact of organizational goals on team-level features, such as team information exchange (Gong et al., 2013), increase in within-group task coordination (Caldwell et al., 2017; Carton et al., 2014) and decrease in board-task conflicts (Crucke and Knockaert, 2016). A few studies assess the impact of organizational goals at product-level, specifically how a newly launched song is more or less distant from existing musical genres (Younkin and Kashkooli, 2020). Friebel et al. (2022) test the effects of setting new goals for some (treated) store managers to reduce the employee quit rate. Treated store managers spend more time on human resources and less on customer service, leading to efficiency gains at the firm-level. Individual performance is considered, for instance, in defining how to set managerial compensation with the organizational goal to pursue more innovative business strategies (Ederer and Manso, 2013), or with regard to pursuing organizational control seeking alignment between individual and organizational goals (Kreutzer et al., 2015). Thus, this body of research focuses on how organizational goal formulation affects the identification of specific organizational outcomes.

## **Organizational Goal Dynamics**

Consistent with the Carnegie school and the behavioural theory of the firm (Argote and Greve, 2007; Gavetti et al., 2012), organizational goals and performance are



closely connected. Organizational goals influence outcomes that ultimately impact performance at different levels of analysis. Yet, performance feedback on goals and outcomes and, when performance is below aspirations, goals and outcomes tend to be adjusted, which will eventually impact subsequent performance (Chrisman and Patel, 2012; Dittrich and Seidl, 2018; Gary et al., 2017; Schulze and Brusoni, 2022). This happens over time (D'Adderio, 2014) and across different organization levels and units (Gaba and Joseph, 2013; Mazzelli et al., 2019). Simultaneous attention to conflicting goals may result in the tensions themselves being smoothed over time (Obloj and Sengul, 2020). Thus, the challenge of multiple goals should be treated by decision-makers as a dynamic and co-evolving process. Building on performance feedback theory, Makarevich (2018) conceptualizes the 'fluid' dual goals of cooperation and competition in venture capital (VC) syndicates. Performance below historical or social aspirations affects VC firms' prioritization of pursuit of common vs. private benefits in VC syndicates, which, in turn, affects the outcomes of syndication. A dynamic approach to goal setting is at the base of the 'goal-gradient hypothesis' (Hull, 1932) that postulates that individuals become more motivated as their perceived progress nears a goal. An example of application of the goal-gradient hypothesis is provided by Chung et al. (2021) in examining the effects of quota (goal) frequency on sales force performance. Finally, Mitsuhashi and Nakamura (2022) propose the notion of 'incentive-induced network adaptation', whereby individuals reformulate goals and proactively reconfigure their networks to achieve these revised goals as a response to incentive redesign in organizations. Overall, this body of research is centred on the idea that organizational goals are dynamic and vary over time as a result of changes in internal or external forces, with feedback loops that underlie the dynamic nature of organizational goals.

### **Organizational Goals and Performance**

The relationship between goals and performance is complex and under-studied. One of the key challenges is their empirical operationalization, particularly at individual and group levels. Notable exceptions are Ederer and Manso (2013), which measure the innovation and exploration behaviour of individual managers, as well as Lanaj et al. (2018), which focus on performance measured at group (team) level. Corngnet et al. (2015) discuss how goal setting produces intrinsic individual motivation beyond what is achieved by using solely monetary incentives. Lechner and Floyd (2012) show that, within an organization, groups associated with strategic initiatives use different forms of influence to reduce the investment and political uncertainties that limit initiative performance. Kreutzer et al. (2015) focus on the interaction between behaviour control, outcome control, and group politics on the performance of strategic initiatives.

Overall, however, most research operationalizes performance using profit-based measures. Mazmanian and Beckman (2018) assess performance according to a projected profit goal for each hotel under scrutiny, Gary et al. (2017) use profitability measures, Hahn et al. (2019) rely on innovative start-ups' sales, Oppen et al. (2017) and Baker et al. (2019) use firms' ROA and sales growth, whereas Baker et al. (2019) use firms'

stock market performance. A few articles have also considered measures of performance specific to some types of organizations or some types of corporate events. For instance, Muehlfeld et al. (2012) rely on the completion of an announced acquisition as a performance measure, while Xu et al. (2022) study the financial services industry and use operational risk to measure performance.

Another stream of research draws on product- and service-related measures to capture performance. For instance, Younkin and Kashkooli (2020) account for the number of songs sold, Gaba and Joseph (2013) measure the number of new product (new phones) introductions over the years, Gaba and Greve (2019) are interested in the number of airplanes sold/bought and number of accidents, whereas Hu and Bettis (2018), in a similar fashion, rely on different car models' safety, fuel efficiency and reliability performances. Tyler and Caner (2016) explicitly link the fulfilment of one product-related measure (product innovation) to proxy financial performance goals. Finally, Carton et al. (2014), drawing on the hospital context, measure performance in terms of readmission prevention for patients admitted with a heart attack (i.e., percentage of patients not readmitted to the hospital within 30 days following discharge).

A third set of studies operationalizes performance using R&D and financially-related indicators. For instance, Shafi et al. (2020) measure the extent to which the tie with the VC firm is interrupted and whether the VC does not invest in subsequent rounds or not. Chrisman and Patel (2012) proxy performance using R&D investment (measured as the ratio of a firm's R&D expenditures to sales in year  $t$ ) and R&D variability (absolute change in R&D from previous year) indicators. Finally, Li et al. (2012) account for the alliance type (equity based or contract based) and duration of the alliance itself.

Lastly, very few studies measure performance using societal-related indicators. Markman et al. (2016), Caldwell et al. (2017) and Wijen (2014) are the three studies in our sample (See Table AI in the Appendix) that measure performance according to the extent to which organizations are capable of contributing to environmental renewal and improving social welfare. Two studies focus on the role of the organization within alliances (Fonti et al., 2017) and syndicates (Makarevich, 2018).

To sum up, extant research typically operationalizes performance using either (1) profit-based measures, (2) product and service-related measures, or (3) R&D and financial measures. Only a few studies capture performance using societal-related indicators, although external stakeholders are increasingly being considered, also in light of the increased attention to environmental, social and governance (ESG) factors. Still, the study of the connection between organizational goals and outcomes is core to a new wave of research connecting goals, goal setting, outcomes, and performance.

## **CONTEMPORARY RESEARCH ON ORGANIZATIONAL GOALS, OUTCOMES AND PERFORMANCE**

In this section, we discuss how the articles in this special issue contribute to advancing goal-setting research and re-defining our traditional understanding of success.

The article by Bauer and Friesl (2023) focuses on the individual and organizational *determinants of organizational goals* and their impact on future organizational performance. They use qualitative interview data from 50 managers in Australia, Germany, the United Kingdom, and the United States of America and focus on how synergetic goals are defined and pursued in merger and acquisition (M&A) processes. Specifically, they argue that the interplay of attention structures and synergy valuation practices impact how attention is allocated to specific synergy types. This has implications for how organizational goals are defined and outcomes evaluated. The analysis shows that different synergies—functional, business model, and strategic synergies—compete for managerial attention, suggesting that attention towards functional synergies tends to crowd out attention towards business model and strategic synergies. This could result in a misleading estimation of the true value potential of acquisitions, originating an over-reliance on functional synergies at the expense of growth-oriented business models and strategic synergies, thus hampering future organizational performance.

Diaz-Moriana et al. (2023) focus on organizational goals, analysing the *tension between financial and non-financial goals* in the decision-making of family firms. They quantitatively study eight private Irish firms, shedding light on how family firms manage potential tensions between conflicting goals. Their analysis shows that decision-makers attempt to reconcile and balance the goal tensions by using sense-giving, a sense-making mechanism, to communicate their decision. Results suggest that sense-giving is based on three values: the sense of commitment, community embeddedness, and family firm identity. The study resolves the tension between financial and non-financial goals, showing how family firms balance and incorporate both goals in their decision-making processes.

Similarly, Abootorabi et al. (2023) exploit the potential *tension between financial and social goals* in science-based firms. They longitudinally study 221 academic spin-offs in Norway, showing that firms that simultaneously pursue economic and social goals outperform firms that target social or economic goals alone. They also suggest that firms enrolling multiple stakeholders with investment goals aligned with their hybrid goals outperform firms that do not. The research shows how multiple seemingly unrelated goals can be fruitfully combined and may be conducive to higher firms' performance.

Further on the *goal-performance relationship*, Yang (2023) analyses the deployment stretch goal and studies the effect of factual and counterfactual reflection strategies on the stretch goal-performance relationship. The result of the experimental study suggests that stretch goals can create a more challenging task environment yet have no implication for performance. Conversely, the combination of reflection strategy and type of goal affects an organization's performance. Managers who are assigned stretch goals achieve higher performance if they use factual reflection strategies; on the contrary, under moderate goals, managers perform better if they use counterfactual reflection strategies. Managers' goal-setting and task environment, as well as their interactions, have implications on the goal-performance relationship.

Elia et al. (2023) also focus on the *goal-performance relationship* yet address how performance discrepancies trigger organizational responses. They use data on 441 offshoring initiatives and show that organizations, when facing either a positive or a negative discrepancy between performance and aspirations, search for alternative -local or

distant- strategic solutions. Specifically, performance shortfalls lead to distant search, whereas positive discrepancies trigger local search. The relationship is moderated by location-specific anchor biases. The results shed light on the feedback loop mechanisms explaining how aspiration-performance discrepancy triggers the organizational search.

Finally, Lashitew et al. (2023) *connect organizational goals and societal impact*, studying how social purposes in business influence social wealth that benefits disadvantaged community groups. They argue that the relationship is mediated by commercial and collaborative practices that create value and engage marginalized groups. Also, collaborative practices are more likely to occur when they receive favourable external validation and when institutional voids are low. The study unveils how organizational goals are translated into community-level goals, detailing the specific inclusionary practices used to pursue them.

In the next section, we take stock and discuss some important avenues for further research.

## **ADVANCING MANAGEMENT RESEARCH AND RE-DEFINING SUCCESS**

Drawing on our examination of the existing body of knowledge on goals and performance and the contemporary examples of research presented in the previous section, we would like to discuss four areas that in our view warrant attention if we aim to continue advancing research on organizational goals, outcomes and the assessment of performance and success.

### **Reconceptualizing Performance (and Success) as Achievement of Goals**

Performance can be measured in terms of organizational efficiency, the relationship between outputs and inputs, or in terms of organizational effectiveness, the relationship between outputs and goals (Hofer and Schendel, 1978). Our review of the literature reveals that prior research largely focuses on efficiency instead of effectiveness as these studies rarely specify the goals to be achieved, the contexts within which these goals are achieved, and do not assess performance in terms of the extent to which the outcomes have attained the goals.

However, assessing performance in terms of efficiency, regardless of the key performance indicator (KPI) adopted, is wrong or at least inaccurate as *success* is the achievement of goals, and we can only assess whether a firm has performed well or not if we are able to trace it back to the defined goals. For instance, having a high value of one of the various financial KPIs, such as the financial performance ratios (e.g., ROE, ROA), firm profitability or Tobin's Q, is not sufficient to indicate high performance if the goals of the organization also encompass some nonfinancial targets such as minimizing environmental harm or promoting employee loyalty. Likewise, using a nonfinancial KPI would not be useful to assess the performance of an organization if its behaviour is driven also by financial goals and/or if other nonfinancial goals are neglected. Similarly, we cannot compare the performance of different organizations if we do not take into account their goals. This is even more problematic if we

consider that different types of organizations (but also different organizations of the same type) are likely to have diverse goals, so comparing their performance on the basis of a financial or nonfinancial KPI does not make much sense. For example, it would be senseless to compare the performance of family firms, widely held corporations, cooperative ventures, joint ventures, venture capital backed firms, state-owned firms, new ventures, social enterprises, or B-corporations without taking into account their idiosyncratic goals driving their respective strategies. This means that scholars should view the existing literature comparing the financial performance of firms with caution.

Thus, in order to develop a deeper understanding of performance of an organization, we encourage scholars to conceptualize performance in terms of *goal achievement* (organizational effectiveness) as no study about the overall performance of an organization is possible without measuring its goals. This entails reconsidering most of prior studies by clarifying their assumptions about the goals that organizations pursue and how outcomes can be contrasted with such goals to assess performance. Moreover, we suggest taking into account the multifaced nature of performance which enables to capture the heterogeneity of goals identified in prior research.

Overall, we feel the need to urge management scholars to reconceptualize the notion of *success* in a way that goes beyond the achievement of positive results according to whatsoever indicators. Success can be defined as the achievement of specific goals. Therefore, it is closely tied to the pursuit of goals, and involves making progress or reaching a point of fulfilment in relation to a particular goal or set of goals. It is worth noting that success can easily vary from organization to organization, or – if we consider different levels of analysis – from individual to individual, or from group to group. Therefore, a rigorous conceptualization of success in terms of achievement of goals should consider micro-contextual (e.g., aspirations, attention, values, cognition, logics), meso-contextual (e.g., ownership and governance archetype, resources available), macro-contextual (e.g., industry, institutional setting) and chrono-contextual factors (e.g., time and life-cycles, disruptions) as well as the specific desired outcomes, targets or milestones set by the organization, individuals, groups as a quantitative or qualitative basis for evaluating the degree of goal accomplishment achieved.

### **Considering the Diversity of Goal Systems in Research Designs, and their Relationship with the Purpose of an Organization**

Our review of the literature has revealed that management scholars have originally assumed that organizations are oriented to pursue financial goals expressed in terms of financial value creation. However, other studies also recognize that all organizations have nonfinancial goals presumed to yield nonfinancial benefits for stakeholders (Cyert and March, 1963). For instance, academic entrepreneurship and family business studies offer examples of such studies (e.g., Abootorabi et al., 2023; Civera et al., 2020; Gomez-Mejia et al., 2007; Horta et al., 2016; King et al., 2022). What is more, some literature streams within the management field have even shown that some specific types of organizations such as family firms may also pursue goals that yield family-oriented nonfinancial benefits (e.g., De Massis et al., 2021; Gómez-Mejía et al., 2023; Kotlar and De Massis, 2013). These nonfinancial goals are acknowledged as critically important for family firms as they have been shown to lead to the accumulation of socioemotional wealth (SEW) (Gomez-Mejia et al., 2007;

Kotlar et al., 2018), which is typically conceptualized as the 'stock of [social- and] affect-related value that the family has invested in the firm' (Berrone et al., 2010, p. 271).

Our examination of prior research, therefore, unearths much complexity in terms of numerosity and heterogeneity of organizational goals, and how the differences and influences among such multiple, heterogeneous goals should be accommodated or treated in optimizing the utility of firm owners (or of the firm's dominant coalition when owners have not the discretion to influence its behaviour) and ultimately assessing firm performance. Even when we know what the goals of an organization are and how to measure them, there are still differences in how firm performance should be assessed in accordance with *different goal systems*. If we assume that firm owners' ultimate goal is to optimize their utility, as they will have goal targets or minimums believed to yield a satisfactory level of utility over a specific period, we cannot neglect that diverse organizations can have different goal systems. For instance, the goal system assumed to dominate among most organizations is the one where the firm optimizes its utility by pursuing *only financial goals* in terms of value creation, with available resources acting as the constraint to goal achievement. Conversely, other organizations may have a goal system where the firm optimizes its utility by pursuing *only nonfinancial goals*. In these latter organizations, firm owners are willing to sacrifice financial goals in pursuance of nonfinancial ones, if satisfactory outcomes for both cannot be achieved. But other goal systems conceive instead the presence of both financial and nonfinancial goals in the utility function of firm owners, and it is possible to theorize the existence of substitutive, complementary, or conflicting effects in the pursuance of financial and nonfinancial goals. This entails that it is possible to identify at least four further types of goal systems: *Multiple substitutable goals*, where the overall goal is to optimize the sums of the utilities obtained when, respectively, the firm pursues financial and nonfinancial goals; *Multiple positive complementary goals*, where simultaneously achieving financial and nonfinancial goals yields a higher utility than the sum of the utilities from achieving the two goals if the goals were merely substitutable, as the firm owners derive utility not only from the achievement of financial and nonfinancial goals, but also from the utility gained through the complementarity of the two; *Multiple negative complementary goals*, where the interaction in the pursuance of financial and nonfinancial goals is further complicated by the fact that negative values for both financial and nonfinancial wealth would yield a higher utility because the product of two negative numbers is positive; *Multiple conflicting goals*, which are essentially the inverse of systems with complementary goals. Thus, for example, when two goals are in conflict, the achievement of one goal will diminish the utility gained from achieving the other goal and vice versa.

Of course, these are just some examples of possible goal systems, and there are many conceivable variations to such goal systems. We encourage scholars to specify the goal systems of the organizations that they aim to study and to include such specification in their research designs. In fact, how performance in terms of goal achievement is assessed will depend critically on how the goal system of an organization is specified. It would be hard if not impossible to compare the performance of two organizations if the specification of their goal system is neglected. Even when two organizations have similar resources, they will allocate such resources differently depending on their different goal systems. Thus, by lacking an explicit consideration of the goal systems in their research

designs, most of prior studies yield biased conclusions about the relative performance of different organizations.

The challenge of diversity of goal systems is further complicated by measurement issues as the utility deriving from the achievement of financial goals is typically measured in monetary terms using financial performance ratios (e.g., ROE, ROA), profit or Tobin's  $Q$ , whereas how to measure the utility deriving from the achievement of nonfinancial goals is less clear. One possible approach to convert nonfinancial goals to something that approaches utilities is to measure the importance attached to different goals and the satisfaction attached to their achievement. From an empirical viewpoint, focus groups, interviews with stakeholders, surveys, and clinical experiments could be used to help scholars determine the comprehensiveness of the list of nonfinancial goals to consider for a given sample of organizations. Another possibility to measure the utility deriving from the achievement of nonfinancial goals might be to convert the achievement of nonfinancial goals to a monetary equivalent. For instance, in the family business literature, this has been done by Zellweger et al. (2012) who have shown that family firm owners attach monetary equivalent value to socioemotional wealth.

At a time when Environmental Social and Governance (ESG) criteria and nonfinancial goals are becoming increasingly important to determine an organization's performance (e.g., Yan et al., 2021), and are generally believed to be strong drivers of organizations' behaviour, understanding the nature and measurement of these nonfinancial goals will benefit not just the field of management studies, but also other research areas such as stakeholder theory, institutional theory, social entrepreneurship, socio-cognitive governance, and any other area where one or more stakeholders with nonfinancial goals are confronted. Moreover, in the current 'polycrisis' world (European Commission, 2022), characterized by multiple crises often occurring simultaneously, where the social and economic reverberations of these multiple crises are making it difficult for organizations to meet stakeholder expectations thereby giving more prominence to the organizations' purpose as a compass to orient the expectations of stakeholders, we also see need to understand better the relationship between an organization's goal system and its purpose, defined as 'the reason for which a business is created and exists, its meaning and direction' (Hollensbe et al., 2014, p. 1228), and the role played by the goal systems in shaping the mechanisms through which an organization becomes purposeful. For some types of organizations, like family firms, the collective commitment of stakeholders to the organization's purpose is a critically important final aim to achieve in order to succeed (e.g., Bettinelli et al., 2023).

### **Multi-Level Temporal Dynamics**

An important dimension of goal setting is that goals are not static, but they have a temporal dimension. Unlike a mission statement or a purpose, organizational goals are developed to be achieved within a certain period, after which it will be assessed whether the goal has been reached or not. Most organizations set goals and their evaluation within a calendar year, but depending on the industry, life cycle of that organizational and environmental turbulence the timing can be defined as short or

long term (Kunisch et al., 2017). There is ample research discussing how different time horizons influence organizations (Shipp and Jansen, 2021). We know that in general non-Anglo-American organizations and particularly those in Asia (i.e., Japan) operate with a much longer time horizon (Aguilera and Jackson, 2003), which in turn influences goal setting and the time expectations in the achievement of these goals. A classic example is the quarterly reports expected by the markets in common law countries versus annual reporting in other countries. The temporal dimension of goals is also reflected in the longevity of managerial careers within given organizations or in product development cycles. While there is new research on the role of time in decision making, it is not explicitly connected to goal setting and their attainment. A careful examination on these organizational design dimension would be helpful to better predict performance. Also, temporal factors like the duration of organizational leadership/ownership and situational factors like CEO/owners succession or other disruptions like exits or M&A are likely to lead organizational goals and goal setting to vary over time.

Goals are also part of an evolving process that is driven both by their internal and external dynamics. Internally, most organizations have multiple goals and with the pass of time, some of them get fulfilled, others fail, and yet others fall somewhere in between. As this process of goal attainment evolves, organizations recalibrate their expectations and adjust their goal system. This gets more complex when organizations break down the overall goal system into milestones to be achieved across different organizational levels. For example, the board of directors together with the CEO decide that the organization needs to enhance their digitalization and they set in place certain KPIs – yet, the goals are rather broad and high level. Then the CEO needs to take those given goals and turn them into implementable goals with the TMT and from there throughout the organization. How the general goal of enhancing digitalization will be diffused and executed throughout the organization will very much depend on the organizational design. Flat organizations like *Zappos* will develop a given goal and each organizational member or team is given lots of independence to pursue it. Conversely in hierarchical organizations such as a multinational firm, it will require several layers to make sure that the goal is understood and translated into specific organizational practices to achieve and assess its completion. The enactment and diffusion of goals are therefore closely inter-related to organizational design research, and we should pay more attention to it when studying organizational goals.

External environmental dynamics are also critical in the achievement of goals and success. Interactions with the external environment which is co-evolving with the organization will require certain level of bargaining, particularly if the organization and the environment are not well-aligned and change at different paces. Research has shown the importance of organization-environment fit (Hu and Bettis, 2018) to strengthen the goal setting-achievement (performance) relationship. Designing organizational goals that are completely disconnected from the external environment will entail an uphill battle. Organizations that do not change at the pace of the environment will also struggle to meet their goals or to define them as successful. Similarly, organizations are somewhat constrained by environmental path dependencies that might lock in the achievement of radically innovative goals. Finally, it is worth noting that often the organizational goals



are defined by the environment. For example, in issues related to board diversity, some countries require a given quota, that organizations need to set as a goal within a certain period. In sum, the temporality of goal setting and achievement seems an important area to continue to explore.

### **Governance of Goal Setting**

The governance of goal setting entails several steps that have not been fully studied as a process. Generally, organizational goals are closely tied to the organizational mission or purpose (Aguilera, 2023), and they encompass a set of ends or KPIs towards which organizational effort is directed. The first governance step is to determine who has the authority and agency to develop a goal system that will be considered legitimate among organizational members. The second governance step refers to who controls the process of achieving the set goals, and has the authority to incentivize goal achievement. The concurrent governance process is the feedback loop or deliberative governance where organizational members might engage with goal setting actors to offer their feedback and to adjust the organizational goals. Finally, a key governance step is the assessment of goal accomplishment which it is typically equated to assessment of performance and success.

Perhaps an ignored question in the governance of goal setting and assessment of performance is who does what and what tools organizational actors have to manage these activities. Are these two activities conducted by the same decision-maker? What function should govern each of these activities? And at what organizational level? If we think about the individuals governing the organizational goal setting and assessment of performance, it seems that organizational goals are closely tied not only to the organizational purpose but also to more strategic and operational issues related to their implementation. Future research could focus on the agents pursuing the different activities in the governance of goals to better understand when there is conflict or even incompatibility and to manage them over time in an effective way. With respect to implementation aspects behind the governance of goal setting, we see need for research aimed to understand what are the required decisions and tasks that must be completed to resolve the issues and problems associated with the governance of goal setting; how and to whom such decisions and tasks are assigned or delegated; in what sequence the decisions are made and actions taken; the accountabilities and deliverables demanded from organizational actors.

### **CONCLUSION**

We believe that a research agenda on organizational goals, performance and success is timely and warranted because, despite organizational goals being a longstanding and central focus in management and organization studies, many aspects associated with their determinants, processes and outcomes are still unknown and others are evolving. Most prior research typically measured performance in monetary terms drawing on financial indicators, or in non-monetary ones based on other indicators, but without connecting them explicitly to organizational goals. We argue that the assessment of

performance depends critically on how organizational goals and outcomes are defined and measured. Therefore, scholars should be cautious when considering the literature comparing the financial performance of organizations and previous attempts to understand what it takes for an organization to be ‘successful’. In this article, we have systematically reviewed the existing body of knowledge and developed an integrative framework for the study of organizational goals, performance and success. Then, building on this framework, we have proposed an agenda for future research by delineating some important challenges and research directions to advance research on organizational goals, outcomes and the assessment of performance and success. What is more, we have urged scholars to reconceptualize the notion of *success* in terms of goal achievement, thereby challenging the traditional view of success in terms of achievement of positive results according to whatsoever indicators. The pursuit of goals also involves making progress or reaching a point of fulfilment in relation to a particular goal or set of goals, as well as their recalibration as the process of goal setting and outcomes co-evolves. Given the centrality of organizational goals in any decision and behaviour, and the conceptual, methodological, and empirical challenges associated with the study of success as the achievement of specific goals, we have only started to scratch the surface of the issues that need to be investigated. We will consider our efforts to have been successful if we have encouraged scholars to view with caution the findings from prior research on goals, performance and success and to tackle some of the future research directions that we have outlined to advance the field.

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## APPENDIX

Table A1. Reviewed articles on organizational goals, performance and success

<i>Authors</i>	<i>Title</i>	<i>Year</i>	<i>Journal</i>	<i>Keywords</i>	<i>Type of article</i>	<i>Determinants</i>	<i>Goals</i>	<i>Outcome</i>	<i>Performance</i>	<i>Dynamics</i>
Shafi et al.	Investment Ties Gone awry	2020	Academy of Management Journal	Innovation; Microfoundations; Evolutionary Economics	Empirical		Internal; Financial	Organizational	Organizational	
Lanaj et al.	The benefits of not seeing eye to eye with leadership: Divergence in risk preferences impacts multiteam system behaviour and performance	2018	Academy of Management Journal	Communication; Transactive Memory Systems; Shared Mental Model	Empirical		Internal; Non-Financial Conflicts/Trade-offs	Group	Group	
Ditrich and Seidl	Emerging intentionality in routine dynamics: A pragmatist view	2018	Academy of Management Journal	Innovation; Microfoundations; Evolutionary Economics	Empirical		Internal; Financial	Organizational	Organizational	Feedback Loop
Opper et al.	Risk aversion and guanxi activities: A behavioural analysis of ccos in China	2017	Academy of Management Journal	Guanxi; China; Managerial Ties	Empirical	Individual	Internal; Financial	Organizational	Organizational	
Carton et al.	A (blurry) vision of the future: How leader rhetoric about ultimate goals influences performance	2014	Academy of Management Journal	Supply Chains; Music; Future	Empirical	Individual	Internal; Non-Financial	Group	Organizational	
Kowatzki et al.	Corporate control and the speed of strategic business unit decision making	2013	Academy of Management Journal	Alliance Portfolios; Firm; Open Innovation	Empirical	Organizational	Internal; Non-Financial	Organizational	Organizational	

(Continues)

Table A1. (Continued)

<i>Authors</i>	<i>Title</i>	<i>Year</i>	<i>Journal</i>	<i>Keywords</i>	<i>Type of article</i>	<i>Determinants</i>	<i>Goals</i>	<i>Outcome</i>	<i>Performance</i>	<i>Dynamics</i>
Gong et al.	A multilevel model of team goal orientation, information exchange, and creativity	2013	Academy of Management Journal	Personnel; Innovative Behaviour; Creative Performance	Empirical		Internal; Non-Financial	Group	Individual; Group	
Chrisman and Patel	Variations in R&D investments of family and nonfamily firms: Behavioural agency and myopic loss aversion perspectives	2012	Academy of Management Journal	Socioemotional Wealth; Family Firms; Innovation	Empirical		Non-Financial; Financial Conflicts/Trade-offs	Organizational	Organizational	Feedback Loop
Parke and Seo	The role of affect climate in organizational effectiveness	2017	Academy of Management Review	Emotional Labour; Emotion; Service Employees	Theoretical		Internal; Non-Financial	Organizational	Organizational	
Wijnen, F.	Means versus ends in opaque institutional fields: Trading off compliance and achievement in sustainability standard adoption	2014	Academy of Management Review	Institutional Work; Illegitimacy; Microfoundations	Theoretical	Institutional	Non-Financial; External Conflicts/Trade-offs		Organizational	
Profits et al.	The Two Blades of the Scissors: Performance Feedback and Intrinsic Attributes in Organizational Risk Taking	2022	Administrative Science Quarterly	Aspirations; Behavioural Theory of The Firm; Performance Feedback; Prospect Theory; Risk Taking	Empirical		Internal; Financial			Feedback Loop

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Table A1. (Continued)

<i>Authors</i>	<i>Title</i>	<i>Year</i>	<i>Journal</i>	<i>Keywords</i>	<i>Type of article</i>	<i>Determinants</i>	<i>Goals</i>	<i>Outcome</i>	<i>Performance</i>	<i>Dynamics</i>
Askin and Bothner	Status-Aspirational Pricing: The 'Chivas Regal' Strategy in US Higher Education, 2006–12	2016	Administrative Science Quarterly	Chivas Regal Effect; College Rankings; Decision Making; Performance Feedback Theory; Pricing; Signalling; Status	Empirical		Non-Financial; External	Organizational	Organizational	Feedback Loop
Mazzelli et al.	Causality Rules: Performance Feedback on Hierarchically Related Goals and Capital Investment Variability	2019	Journal of Management Studies	Attention Rules; Capital Investment Variability; Organizational Goals; Performance Feedback	Empirical		Internal; Financial		Organizational	Feedback Loop
Hahn et al.	How do Scientists Contribute to the Performance of Innovative Start-ups? An Imprinting Perspective on Open Innovation	2019	Journal of Management Studies	Imprinting; Innovative Start-Ups; Open Innovation; Performance; Scientists' Entrepreneurship	Empirical		Internal; Non-Financial Conflicts/Trade-offs	Organizational	Organizational	
Caldwell et al.	Social Value Creation and Relational Coordination in Public-Private Collaborations	2017	Journal of Management Studies	Healthcare; Hybrid Organizational Forms; Public-Private Partnerships; Relational Coordination; Social Value Creation	Empirical		Non-Financial; Financial Conflicts/Trade-offs	Organizational	Organizational	

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Table A1. (Continued)

<i>Authors</i>	<i>Title</i>	<i>Year</i>	<i>Journal</i>	<i>Keywords</i>	<i>Type of article</i>	<i>Determinants</i>	<i>Goals</i>	<i>Outcome</i>	<i>Performance</i>	<i>Dynamics</i>
Crane and Glozer	Researching Corporate Social Responsibility Communication: Themes, Opportunities and Challenges	2016	Journal of Management Studies	Communication; Corporate Image; Corporate Social Responsibility; Organizational Identity; Social Reporting; Stakeholder Engagement	Review					
Markman et al.	Entrepreneurship as a Platform for Pursuing Multiple Goals: A Special Issue on Sustainability, Ethics, and Entrepreneurship	2016	Journal of Management Studies	Entrepreneurship; Ethics; Sustainability	Review		Non-Financial; External Conflicts/Trade-offs	Organizational	Organizational	Organizational
Crucke and Knockaert	When Stakeholder Representation Leads to Faultlines: A Study of Board Service Performance in Social Enterprises	2016	Journal of Management Studies	Board service performance; Faultlines; Governance; Social enterprises; Stakeholder representation	Empirical		Internal; Non-Financial; External; Financial	Organizational	Organizational	Organizational
Crilly	Recasting enterprise strategy: Towards stakeholder research that matters to general managers	2013	Journal of Management Studies	Enterprise strategy; General management; Stakeholders; Sustainability	Review					
Durand and Paolella	Category stretching: Reorienting research on categories in strategy; entrepreneurship, and organization theory	2013	Journal of Management Studies	Categories; Causal-model theory; Goal-based approach; Prototype	Theoretical					

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Table A1. (Continued)

<i>Authors</i>	<i>Title</i>	<i>Year</i>	<i>Journal</i>	<i>Keywords</i>	<i>Type of article</i>	<i>Determinants</i>	<i>Goals</i>	<i>Outcome</i>	<i>Performance</i>	<i>Dynamics</i>
Levinthal and Rerup	The plural of goal: Learning in a world of ambiguity	2021	Organization Science	Ambiguity; Aspiration levels; Goal conflict; Interpretation; Organizational learning; Politics	Theoretical		Internal Conflicts/Trade-offs			Feedback Loop
Youngkin and Kashkooli	Stay true to your roots? Category distance, hierarchy, and the performance of new entrants in the music industry	2020	Organization Science	Categories; Entrepreneurship; Music industry; Organizational theory	Empirical		Internal; Non-Financial	Individual	Individual	
Baker et al.	Stock market responses to unethical behaviour in organizations: An organizational context model	2019	Organization Science	Moral judgements; Stock performance; Unethical behaviour	Empirical		Internal; Non-Financial	Organizational	Organizational	
Gaba and Greve	Safe or profitable? The pursuit of conflicting goals	2019	Organization Science	Airline industry; Behavioural theory; Goal conflict; Performance feedback; Safety	Empirical		Internal; Non-Financial; Financial; Conflicts/Trade-offs	Organizational	Organizational	
Hu and Betis	Multiple organization goals with feedback from shared technological task environments	2018	Organization Science	Goal feedback interdependency; Intractability of engineering design; Organization design; Panel vector autoregression (PVAR); Shared technological task environments	Empirical		Internal; Financial; Conflicts/Trade-offs	Organizational	Organizational	Feedback Loop

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Table A1. (Continued)

<i>Authors</i>	<i>Title</i>	<i>Year</i>	<i>Journal</i>	<i>Keywords</i>	<i>Type of article</i>	<i>Determinants</i>	<i>Goals</i>	<i>Outcome</i>	<i>Performance</i>	<i>Dynamics</i>
Mazmanian and Beckman	'Making' your numbers: Engendering organizational control through a ritual of quantification	2018	Organization Science	Governance and control; Organizational processes; Qualitative research; Quantification	Empirical		Internal; Financial	Organizational	Individual; Organizational	Feedback Loop
Gary et al.	Stretch goals and the distribution of organizational performance	2017	Organization Science	Aspirations; Goals; Performance variance; Skewed distribution; Stretch objectives	Experimental		Internal; Financial; Conflicts/Trade-offs	Organizational	Organizational	Feedback Loop
Hohnisch et al.	Designing for deliberative goal-based decision making in environments with rare adverse events: An experimental study	2016	Organization Science	Bounded rationality; Cognitive design; Decision making; Intermediate goals; Multiple goals; Rare events; Uncertainty	Experimental		Internal; Financial	Organizational	Organizational	
D'Adderio	The replication dilemma unraveled: How organizations enact multiple goals in routine transfer	2014	Organization Science	Artefacts; Change; Communities; Goals; Innovation; Replication; Routines	Empirical	Group; Institutional	Internal; Financial; Conflicts/Trade-offs			Feedback Loop
Canales	Weaving straw into gold: Managing organizational tensions between standardization and flexibility in microfinance	2014	Organization Science	Agency; Bureaucracy; Flexibility; Microfinance; Routines; Street-level bureaucracy; Structure; Trade-offs	Empirical	Institutional	External; Financial; Conflicts/Trade-offs			

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Table A1. (Continued)

<i>Authors</i>	<i>Title</i>	<i>Year</i>	<i>Journal</i>	<i>Keywords</i>	<i>Type of article</i>	<i>Determinants</i>	<i>Goals</i>	<i>Outcome</i>	<i>Performance</i>	<i>Dynamics</i>
Gaba and Joseph	Corporate structure and performance feedback: Aspirations and adaptation in M-form firms	2013	Organization Science	Adaptation; M-form organization; Multiple goals; Performance feedback	Empirical		Internal; Financial	Organizational	Organizational	Feedback Loop
Li et al.	Governance in multilateral R & D alliances	2012	Organization Science	Alliance longevity; Alliance performance; Bilateral alliance; Governance; Knowledge protection; Knowledge sharing; Multilateral alliance; R&D alliance; Social exchange theory; Triateral alliance	Empirical		Internal; Non-Financial Conflicts/Trade-offs	Organizational	Organizational	
Chen et al.	Accounting Performance Goals in CEO Compensation Contracts and Corporate Risk Taking	2022	Management Science	Executive compensation; Performance goals; Risk taking; Target setting	Empirical	Individual	Internal; Financial	Organizational	Organizational	Feedback Loop
Friebel et al.	Middle Managers, Personnel Turnover, and Performance: A Long-Term Field Experiment in a Retail Chain	2022	Management Science	Communication; Firm performance; Goal setting; HR; Insider economics; Organizations; Personnel turnover; Randomized controlled trial (RCT)	Experimental		Internal	Organizational	Organizational	

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Table A1. (Continued)

<i>Authors</i>	<i>Title</i>	<i>Year</i>	<i>Journal</i>	<i>Keywords</i>	<i>Type of article</i>	<i>Determinants</i>	<i>Goals</i>	<i>Outcome</i>	<i>Performance</i>	<i>Dynamics</i>
Jung and Shin	Social Performance Incentives in Mission-Driven Firms	2022	Management Science	Bonus incentives; Formal controls; Perceived measurability; Social controls; Social enterprises; Social performance; Task complementarity	Empirical		External			Feedback Loop
Xu et al.	The Impact of Workload on Operational Risk: Evidence from a Commercial Bank	2022	Management Science	Basel regulation; Operational risk; Optimal staffing; Performance-seeking risks; Quality degradation; Workload	Empirical		Financial		Organizational	
Chung et al.	The effects of quota frequency, Sales performance and product focus	2021	Management Science	Field experiment; Goal; Product focus; Quota; Sales force compensation	Experimental		Internal; Financial Conflicts/Trade-offs			
Belavina et al.	Rethinking crowdfunding platform design: mechanisms to deter misconduct and improve efficiency	2020	Management Science	Crowdfunding; Entrepreneurship; Moral hazard; New business models; Online platforms	Theoretical		Financial			
Savva et al.	Can yardstick competition reduce waiting times?	2019	Management Science	Emergency care; Game theory; Hospital regulation; Queuing theory; Yardstick competition	Theoretical		Non-Financial			

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Table A1. (Continued)

<i>Authors</i>	<i>Title</i>	<i>Year</i>	<i>Journal</i>	<i>Keywords</i>	<i>Type of article</i>	<i>Determinants</i>	<i>Goals</i>	<i>Outcome</i>	<i>Performance</i>	<i>Dynamics</i>
Baardman et al.	Scheduling promotion vehicles to boost profits	2019	Management Science	Approximation algorithms; Integer programming; Promotion optimization; Retail operations	Theoretical		Financial			
Bouwens and Kroos	The interplay between forward-looking measures and target setting	2017	Management Science	Accounting; Behaviour; Economics; Goals; Information; Motivation/incentives	Empirical		Financial			
Corgnet et al.	Goal setting and monetary incentives: When large stakes are not enough	2015	Management Science	Goal setting; Incentives; Intrinsic motivation; Reference-dependent preferences	Experimental		Internal		Individual	
Schlapp et al.	Resource allocation decisions under imperfect evaluation and organizational dynamics	2015	Management Science	Incentives; New product development; Product evaluation; R&D portfolio; Resource allocation processes	Theoretical		Internal			
Ederer and Manso	Is pay for performance detrimental to innovation?	2013	Management Science	Innovation; Motivation incentives; Organizational studies; Personnel; Research and development	Experimental		Non-Financial	Individual	Individual; Organizational	

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Table A1. (Continued)

<i>Authors</i>	<i>Title</i>	<i>Year</i>	<i>Journal</i>	<i>Keywords</i>	<i>Type of article</i>	<i>Determinants</i>	<i>Goals</i>	<i>Outcome</i>	<i>Performance</i>	<i>Dynamics</i>
Johnson et al.	Multistage capital budgeting for shared investments	2013	Management Science	Abandonment options; Capital budgeting; Cooperative investments; Cost allocation; Two-stage investment decisions	Theoretical		Internal; Financial Conflicts/Trade-offs	Organizational	Individual; Organizational	
Schulze and Brusoni	How dynamic capabilities change: Reconnecting attention control and problem-solving	2022	Strategic Management Journal	Attention Control; Attention-Based View; Dynamic Capabilities; Ordinary Capabilities; Problem-Solving	Empirical		Internal			Feedback Loop
Berchicci and Tarakci	Aspiration formation and attention rules	2022	Strategic Management Journal	Aspiration Formation; Attention-Based View; Behavioural Theory Of The Firm; Performance Aspirations	Empirical	Organizational	Non-Financial Conflicts/Trade-offs		Organizational	
Mitsubishi and Nakamura	Pay and networks in organizations: Incentive redesign as a driver of network change	2022	Strategic Management Journal	Incentive Redesign, Innovation, Inventors, Performance-Based incentive, Social Networks	Empirical		Internal			Feedback Loop

(Continues)



Table A1. (Continued)

<i>Authors</i>	<i>Title</i>	<i>Year</i>	<i>Journal</i>	<i>Keywords</i>	<i>Type of article</i>	<i>Determinants</i>	<i>Goals</i>	<i>Outcome</i>	<i>Performance</i>	<i>Dynamics</i>
Dong	Technological choices under uncertainty: Does organizational aspiration matter?	2021	Strategic Management Journal	Agent-Based Modelling; Behavioural Theory of the Firm; Organizational Aspiration; Technological Choice; Uncertainty	Experimental	Individual	Internal; External			
Gutierrez et al.	Better to have led and lost than never to have led at all? Lost leadership and effort provision in dynamic tournaments	2021	Strategic Management Journal	Behavioural Strategy; Competitive Dynamics; Dynamic Tournaments; Lost Leadership; Reference Points	Experimental	Individual	Non-Financial	Group	Group; Organizational	Feedback Loop
Oblaj and Sengul	What do multiple objectives really mean for performance? Empirical evidence from the French manufacturing sector	2020	Strategic Management Journal	Behavioural Strategy; Multiple Objectives; Organization Design; Performance Paradox	Empirical		External; Financial Conflicts/Trade-offs	Organizational	Organizational	

(Continues)

Table A1. (Continued)

<i>Authors</i>	<i>Title</i>	<i>Year</i>	<i>Journal</i>	<i>Keywords</i>	<i>Type of article</i>	<i>Determinants</i>	<i>Goals</i>	<i>Outcome</i>	<i>Performance</i>	<i>Dynamics</i>
Smulowitz et al.	The behavioural theory of the (community-oriented) firm: The differing response of community-oriented firms to performance relative to aspirations	2020	Strategic Management Journal	Aspirations; Banks; Behavioural Theory of The Firm; Community Orientation; Performance Feedback; Risk; Small Business Loans	Empirical		Internal; External Conflicts/ Trade-offs			
Surroca et al.	Is managerial entrenchment always bad and corporate social responsibility always good? A cross-national examination of their combined influence on shareholder value	2020	Strategic Management Journal	Comparative Capitalism; Corporate Governance; Corporate Social Responsibility; Managerial Entrenchment; Shareholder Value	Empirical	Institutional	Internal; Non-Financial		Organizational	
Horwitz and McGahan	Collaborating to manage performance trade-offs: How fire departments preserve life and save property	2019	Strategic Management Journal	Alliances; Collaborating; Contracting; Informality; Performance	Empirical	Individual	External Conflicts/ Trade-offs		Group; Organizational	
Makarevich	Performance feedback as a cooperation “switch”: A behavioural perspective on the success of venture capital syndicates among competitors	2018	Strategic Management Journal	Alliance Performance; Cooperation with Competitors; Cooperation; Performance Feedback; Venture Capital Syndicates	Empirical		Internal Conflicts/ Trade-offs	Organizational	Organizational	Feedback Loop

(Continues)

Table A1. (Continued)

<i>Authors</i>	<i>Title</i>	<i>Year</i>	<i>Journal</i>	<i>Keywords</i>	<i>Type of article</i>	<i>Determinants</i>	<i>Goals</i>	<i>Outcome</i>	<i>Performance</i>	<i>Dynamics</i>
Lee and Puranam	Incentive Redesign and Collaboration in Organizations: Evidence from a Natural Experiment	2017	Strategic Management Journal	Collaboration; Goal Framing Theory; Incentives; Natural Experiment; Organization Design	Experimental		Non-Financial	Individual; Organizational	Individual; Organizational	
Souder et al.	How family influence, socioemotional wealth, and competitive conditions shape new technology adoption	2017	Strategic Management Journal	Family Firms; Investment Policy; Socioemotional Wealth; Technology Adoption; Threat of Competition	Empirical		Non-Financial; Financial			
Rowley et al.	Board reform versus profits: The impact of ratings on the adoption of governance practices	2017	Strategic Management Journal	Aspirations; Corporate Governance; Networks; Performance Feedback; Ratings	Empirical		External; Financial Conflicts/Trade-offs	Organizational	Organizational	
Fonti et al.	Free-riding in multi-party alliances: The role of perceived alliance effectiveness and peers' collaboration in a research consortium	2017	Strategic Management Journal	Free-Riding; Inter-Organizational Networks; Managerial Cognition; Multi-Party Alliances; Research Consortium	Empirical		External		Organizational	
Tyler and Caner	New product introductions below aspirations, slack and R&D alliances: A behavioural perspective	2016	Strategic Management Journal	Aspirations; Behavioural Theory; New Product Introductions; R&D Alliances; Slack	Empirical		Financial	Organizational	Organizational	Feedback Loop

(Continues)

Table AI. (Continued)

<i>Authors</i>	<i>Title</i>	<i>Year</i>	<i>Journal</i>	<i>Keywords</i>	<i>Type of article</i>	<i>Determinants</i>	<i>Goals</i>	<i>Outcome</i>	<i>Performance</i>	<i>Dynamics</i>
Kreutzer et al.	Organizational control as antidote to politics in the pursuit of strategic initiatives	2015	Strategic Management Journal	Control Theory; Organizational Control; Organizational Politics; Strategic Initiatives; Strategy Process	Empirical		Internal	Group; Organizational	Group; Organizational	
Stevens et al.	Attention allocation to multiple goals: The case of for-profit social enterprises	2015	Strategic Management Journal	Attention-Based View; Economic Goals; For-Profit Social Enterprises; Social Entrepreneurship; Social Goals	Empirical	Individual	Non-Financial; Financial Conflicts/ Trade-offs	Individual	Individual	
Muehlfeld et al.	A contextual theory of organizational learning from failures and successes: A study of acquisition completion in the global newspaper industry, 1981–2008	2012	Strategic Management Journal	Acquisition Completion; Contextualization; Experiential Learning; Newspaper Industry; Organizational Learning	Empirical		Financial	Organizational	Organizational	
Lechner and Floyd	Group influence activities and the performance of strategic initiatives	2012	Strategic Management Journal	Behavioural Theory; Exploration; Influence; Renewal; Strategic Initiatives	Empirical	Group	Internal Conflicts/ Trade-offs	Group	Group	