

Building a Theory of Goal Setting and Task Motivation That is Useful in Practice

Key Finding: Specific, difficult to achieve goals affect performance positively.

Executive summary: Previous findings indicate that task difficulty and performance have a *curvilinear* relationship, suggesting that a medium difficult task yields the highest level of performance. This study shows that the relationship between the task difficulty and performance is *linear* and that more difficult goals also result in higher performance. Furthermore, instead of urging people to “do their best” managers should set specific goals for employees to attain if they want the highest level of performance.

How do goals affect performance? (Mechanisms for goals)

- They **direct attention and effort** to goal relevant activities and away from irrelevant activities.
- They have an **energizing function**.
- They **affect persistence**.
- They **affect action indirectly** by leading to arousal, discovery and use of task-relevant knowledge and strategies.

How can you increase the goal effects? (Moderators of goal effects)

1. **Goal commitment:** making employees committed to fulfilling the goal can be facilitated through: *goal attainment importance*¹ (increased through public commitments, statements, inspiring visions and supportive behavior) and *self-efficacy*² (increased by ensuring adequate training, role models or mentoring and expressing confidence in the employee’s skills and abilities to perform)
2. **Feedback:** if employees don’t get feedback they have no way of knowing how they are doing and therefore don’t know if they should increase their effort or change their strategy to reach the goal.
3. **Task complexity:** the higher the complexity of the task the more different strategies have to be applied and employees have to find out what the best strategy for performing the task is.

What are the practical implications for my organization?

- Managers can **save money** by setting specific goals that will **increase the employee productivity** and effectiveness.
- Instead of asking people to do their best, managers can **set specific targets** in the employee performance appraisal plan that can be measured regularly.

Summary of: Latham, Gary P. & Locke, Edwin A. (2002): “Building a Practically Useful Theory of Goal Setting and Task Motivation”, *American Psychologist*, Vol 57(9), Sep 2002, 705-717.

¹ Goal attainment importance: understanding why it is important to attain the goal

² Self-efficacy: the belief/feeling of being capable to perform and reach goals