

A Preliminary Study on Employees' Goal Alignment and Organisational Humane Entrepreneurship

Chiara Marinelli

University of Trieste, DEAMS Department, Italy
chiara.marinelli@phd.units.it

Grazia Garlatti Costa

University of Trieste, DEAMS Department, Italy
grazia.garlatticosta@units.it

Guido Bortoluzzi

University of Trieste, DEAMS Department, Italy
guido.bortoluzzi@deams.units.it

Abstract. Businesses face changing environments due to sustainability issues. Moreover, employees' engagement and strategic alignment with corporate goals are increasingly crucial. Drawing on survey data from Italian firms, this study explores the relationship between employees' goal alignment and humane entrepreneurship. Preliminary findings indicate a positive, mutually reinforcing relationship between these concepts. Further research is essential to understand their relationship and impact on sustainability within businesses.

Keywords: humane entrepreneurship, goal alignment, sustainability

1 Introduction and paper purpose

Presently, firms face challenges and opportunities concerning sustainability. Additionally, strategic HR management underlines the importance of aligning employees' goals with corporate objectives (Birkinshaw, Foss and Lindenberg 2014; Foss and Lindenberg 2012). Therefore, encouraging normative goal alignment (GA) through human-oriented measures enhances sustainability and economic growth (Van Knippenberg 2000).

Humane entrepreneurship (HE) has emerged as integrating the individual perceptions of entrepreneurship (IEO), sustainability (ISO), and human orientation (IHO) (Kim, Wagstaff & Laffranchini 2021; Parente and Kim 2021). This approach strengthens corporate GA, offering a promising avenue to organisations' performance and societal contributions (Parente et al. 2018). This preliminary study aims to explore the interlocutory relationship between GA and HE, hypothesising a positive relationship between them and proposing measurement scales currently under validation (Bocken et al. 2014; Porter and Kramer 2011).

2 Methodology

The study is grounded on an ongoing data collection started in 2024 involving 7 big Italian companies. Among variables, we consider the IEO (from Hansen et al., 2011), ISO (on Muñoz and Dimov 2015) and IHO (adapted by Kim, Eltarabishy and Bae 2018) constructs, measured on 7-point Likert scales. As for GA, participants are assigned scores from 0 to 3 from the lowest to maximum normative goal alignment, based on their reordering of six objectives (Foss and Lindenberg 2013).

3 Results

Preliminary analyses are conducted on a sample of 744 employees from 3 companies, where 398 are men. Most people hold a high-school diploma (57.5%) and a long-term contract (718 people).

We aggregated the 3 HE dimensions in a unique variable. Since these constructs lack validated measurement tools, we undertook some preliminary analyses. The Cronbach's alpha for the HE scale is 0.74, which is acceptable for an exploratory study.

We plotted a Pearson correlation between GA and HE, where the coefficient is positive and significant (0.21, $p < 0.001$), suggesting a mild relationship.

Nevertheless, we interpret this as encouraging. Moving forward on the intertwined dynamics of GA and HE could be promising for future research and business practice and we are interested in the intervening role of other explanatory variables, e.g. perceptions of corporate or personal conditions.

4 Conclusion and limitations

This preliminary study provides a new perspective on GA and HE, its originality lying in its comprehensive approach to literature and potentially meaningful implications to managerial practice. The study limitations include its cross-sectional design, potential common method bias, and limited geographic scope. Therefore, we highlight the need for additional research on GA and HE in diverse contexts over time.

References

- Birkinshaw, J., Foss, N. J., and S. Lindenberg. 2014. 'Combining purpose with profits.' *MIT Sloan Management Review*, 55 (3): 49–56.
- Bocken, N., Short, S.W., Rana, P., and S. Evans. 2014. 'A literature and practice review to develop sustainable business model archetypes.' *Journal of Cleaner Production*, 65: 42–56.
- Foss N. J., and S. Lindenberg. 2012. 'Teams, team motivation, and the theory of the firm.' *Managerial and Decision Economics*, 33 (5–6): 369–383.
- Foss N. J., and S. Lindenberg. 2013. 'Micro-Foundations for Strategy: A Goal-Framing perspective on the drivers of value creation.' *Social Science Research Network*.
- Hansen J.C., Deitz G.D., Tokman M., Marino L., and K. M. Weaver. 2011. 'Cross-national invariance of the entrepreneurial orientation scale.' *Journal of Business Venturing*, 26 (1): 61–78.
- Kim K.-C., Eltarabishy A., and Z. Bae. 2018. 'Humane Entrepreneurship: How focusing on people can drive a new era of wealth and quality job creation in a sustainable world.' *Journal of Small Business Management*, 56: 10–29.
- Kim, S.H., Wagstaff, M.F., and G. Laffranchini. 2021. 'Does humane orientation matter? A cross-cultural study of job characteristics needs-supplies fit/misfit and affective organisational commitment.' *Cross Cultural and Strategic Management*, 28 (3): 600–625.
- Muñoz, P., and D. Dimov. 2015. 'The call of the whole in understanding the development of sustainable ventures.' *Journal of Business Venturing*, 30 (4): 632–654.
- Parente, R., Eltarabishy, A., Vesci, M., and A. Botti. 2018. 'The Epistemology of Humane Entrepreneurship: Theory and Proposal for Future Research agenda.' *Journal of Small Business Management*, 56: 30–52.
- Parente, R., and K.-C. Kim. 2021. 'Editorial: Contemporary Perspectives on Social and Humane Entrepreneurship.' *Journal of Small Business Management*, 59 (3): 371–372.
- Porter, M.E., and M.R. Kramer. 2011. 'Creating shared value.' *Harvard Business Review*, 89: 62–77.
- Van Knippenberg, D. 2000. 'Work Motivation and Performance: A Social Identity perspective.' *Applied Psychology*, 49 (3): 357–371.