

ANALYSIS OF THE ANTECEDENTS OF EMPLOYEE MISSION ENGAGEMENT

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Abstract

This study further develops and examines the assumptions about the antecedents of employee mission engagement, such as the effect of organizational identification, top management's promotion of organizational values and self-perceived organizational fit. It is a contributing factor to the understanding of the importance of mission-based company culture, and its promotion throughout the organization, as well as its employee identification with the company. The hypotheses established for this study are tested using structural equation modelling on a sample of 1000 randomly selected employees from various companies through an online survey. Out of the studied sample, 403 (40,3%) confirmed that they are knowledgeable of the mission statement of their company. This sample was analyzed further. Mission statements are meant to serve as a tool for communicating the goals of an organization. Nevertheless, results of this study imply a positive effect of promotion of organizational values and goals on the employee engagement in relation to the company's mission statement. The results not only confirm the developed hypotheses but also amplify the importance of mission promotion and mission identification among employees in a mission-based culture of an organization.

Key words: mission statement, employee engagement, antecedents of mission engagement, organizational values, organizational fit

JEL Code: M10, M12

Introduction

The purpose of this study was to operationalize the conceptualization of the mission statements and provide a partial test of the associated model of antecedents. An essential tool in the development of organizational strategy is the mission statement. Mission statements are created with the intention to serve as a representation of the company values and a shared interpretation of the organization's identity and goals (Paarlberg & Lavigna, 2010).

The existing literature and research addressing the theory surrounding mission statements have previously mainly focused on the statement formulation, the process of the mission statement development and the linguistic characteristics (Desmidt, 2016). Desmidt (Desmidt, 2016) argues that the existing research has neglected to address the role of the message recipient and the effect of the message on his behaviour. This study further investigates the role the mission statement plays in relation to the recipient, as suggested by Desmidt.

Following the initial thoughts related to the lacking empirical studies of the mission statement's impact on receivers of the message, in this particular case – employees, a hypotheses have been established in order to investigate the antecedents of the employee mission engagement. This study addresses the gap in research by investigating the relationships between organizational identification, promotion of organizational values from the top management and the perceived person-organization fit concerning the employee mission engagement. This article aims to contribute to the further development of research focused on mission statements and their impact on employee engagement and examines the concept of person-organization fit.

1 Hypotheses

The following hypotheses have been established for the empirical evaluation.

1.1 Organizational identification

Vroom, (1994) theorized, that „...more engaging, attractive and worthwhile the mission is to people, the more the agency will be able to attract support from those people ... and to motivate them to perform well in the agency.” Employee's perceptions of the attractiveness of an organization's social contribution makes the employees contribute more to the advancement of this mission (Wright et al., 2012; Goodsell, 2011; Paarlberg and Lavigna, 2010). Mael and Ashforth (1992) defines the organizational identification as a sense of defining the employees themselves in term of organization they work for and perceived belongingness to an organization. Consequently, following the frameworks, a hypothesis has been established that the organizational identification has a positive effect on the employee mission engagement. Based on the existing research and understanding of the organizational identification and mission engagement, we hypothesized, that organizational identification has a positive effect on employee mission engagement.

H1: Organizational identification has a positive effect on employee mission engagement.

1.2 Promotion of organizational values

It has been argued, that the information acquired by employees was mainly through social interactions in case of the non-managerial employees and the primary sources of information have been top-management, direct supervisors and the co-workers (Ashforth et al., 2007; Hart, 2012; Klein and Heuser, 2008). The following assumption has emerged that the social interactions within the organization act as socialization mechanisms with a direct impact on the employee mission valence and its antecedents (Chen et al., 2014; Vandenabeele, 2011). The theorized relevance of the top management in the transmission of the organization's mission scheme was established for further research. Organizational leaders who are able to communicate the importance of the organizational goals and values effectively are able to directly influence the perceived attractiveness of the organization (Podsakoff et al., 1990; Wright et al., 2012). Effective communication of the organization's values and identity acts as a cognitive framework that connects the employee's identities to the organization itself, as argued by Desmidt (2016). The mission statement is perceived to be an efficient tool in communicating core values to stakeholders and promoting specific behaviours. This paper argues that through effective communication of the values of the organization, a better understanding of the mission is achieved, followed by a greater mission engagement. Therefore, we have established a hypothesis that the promotion of organizational values from the top management team has a positive effect on employee mission engagement.

H2: Promotion of organizational values from the top management team has a positive effect on employee mission engagement.

1.3 Percieved person-organization fit

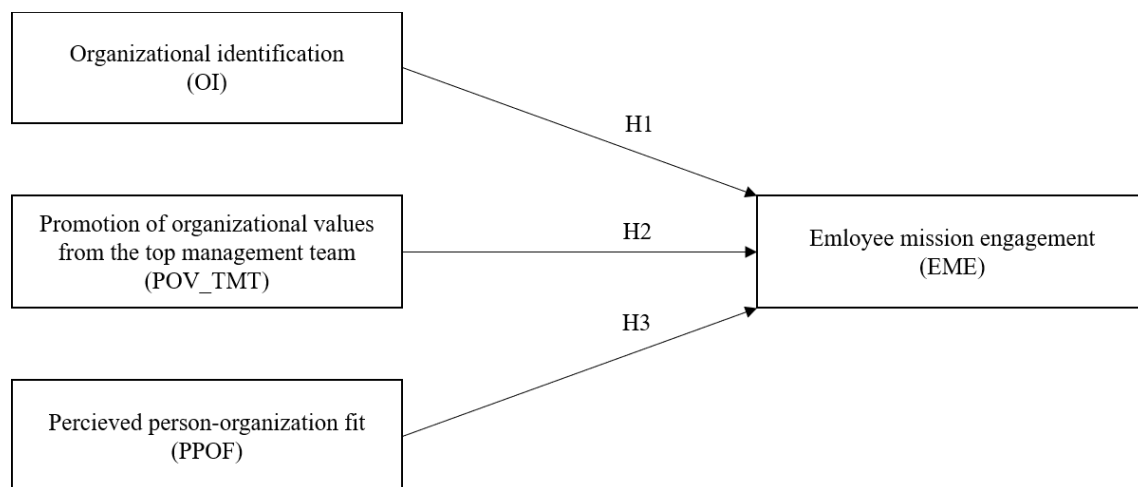
Locke's theory of goal setting implies that employees are motivated to perform well when they understand the organization's goals and find them challenging (Wright, 2007). The clear and efficient communication of the goals is, however, not sufficient. Employees need to be aware of how their performance is contributing to the overall achievement of the mission within the organization (Boswell, 2006; Paarlberg & Perry, 2007). Employee performance in relation to the value creation processes of the organization is critical for an organization's success since employees perform better when they feel engaged as Boswell and Boudreau (2001) argued. Wright, Moynihan, and Pandey (2012) used the theory of person-organization fit (POF) to claim that employee attitudes towards an organization's mission are directly affected by the alignment of the personal values with the organization's values (Wright et al., 2012). We established a

hypothesis following these theories that the power of an instrument such as mission statement is directly correlating with the level of alignment of an individual's values with such a statement. We, therefore, hypothesized, that perceived person organization fit has a positive effect on employee mission engagement.

H3: Perceived person organization fit has a positive effect on employee mission engagement.

Figure 1 provides an overview of the formulated hypotheses.

Figure 1 – Hypothesized model



2 Method

2.1 Promotion of organizational values

The data was collected through the online survey by the company Behavior Labs, which also helped with the correct translation and phrasing of the particular items. Sample consists of 1000 randomly selected employees from various companies, out of which 403 (40,3%) confirmed that they know the mission statement of their company. Only those employees knowing their company's mission statement were used for further analysis. Twenty-six percent of them reported that they have some subordinates (103 employees). Response rate was 100%.

2.2 Measures

The employees were responding to 16 close-ended questions. All constructs were measured using a seven point Likert scale (ranging from strongly disagree – 1 to strongly agree - 7). All items are validated measures used in previous studies. We adopted slightly modified measures

from (Desmidt, 2016) to enhance the focus on the company's mission statement (the exact wording to be found in the Appendix). Employee mission engagement (EME) was measured by the three item scale developed by Suh et al., (2011). Organizational identification (OI) was measured using a (F. A. Mael, 1988) six-item scale. Perceived person-organization fit (PPOF) was measured by (Cable and DeRue, 2002) three-item scale. All of the items are listed in the appendix.

In order to have the influence of the hypothesized structural relationships isolated, the variable "subordinates" (information, whether the employee does have any subordinates or not) was included as a control variable.

2.3 Method for testing hypotheses

We used structural equation modeling in IBM SPSS AMOS 26 (IBM Corp., 2019) with maximum likelihood estimation in order to test the fit of the measurement and structural model.

3 Analysis

3.1 Data screening

Using the IBM SPSS Statistics 23 (IBM Corp., 2015), we identified 3 variables with missing values. All less than 5% missing. Because of the fact, that ordinal scales were used, we replaced the missing values with the median of the values from the other respondents. We also found 8 respondents who were unengaged as an evidence of giving either the exact same response for every single question or the standard deviation of their answers was lower than 0,5.

3.2 Overview of steps

Following the (Anderson and Gerbing, 1988) two-step approach to structural equation modeling, first step was to conduct the confirmatory factor analysis (CFA) to assess the fit of the measurement model to the data. In the second step, we estimated the relationships between the constructs. However we did not include new indicators, we also decided to employ the exploratory factor analysis in order to verify the factor structure (i.e. the groupings of variables, which is based on strong correlations).

Using following methods, we assessed the acceptable model fit. The chi-square statistic was tested to ensure, that it was relatively low and whether it does not exceed the 3:1 ratio in relation to the degrees of freedom. Further we examined the root mean square error of approximation (RMSEA <0,6 = excellent, <0,8 = acceptable), the comparative fit index (CFI

>0,95 = excellent, >0,90 = acceptable), the standardized root mean residual (SRMR <0,08 = excellent, <0,10 = acceptable) and the p of close fit (PCLOSE >0,05 = excellent, >0,01 = acceptable). These cutoff criteria are suggested by (Hu and Bentler, 1999).

3.3 Exploratory Factor Analysis

Promax rotation type was used with the maximum likelihood extraction method. Sampling adequacy is evidenced by the Kaiser-Meyer-Olkin measure greater than 0,90 (Kaiser and Rice, 2016), Bartlett's test of sphericity was significant ($\chi^2 = 3529,028$, $p < 0,001$). Based on our hypothesis, we expected 4 factors to be extracted. Thus we included even the factor with the eigenvalue close to 1 (0,95), which is still acceptable (Hair et al., 2014). Total variance explained was 65,93%. The obtained pattern matrix is displayed in Table 1. Only items with factor loadings of above 0,30 are shown. Furthermore, according to (Hair et al., 2014), sufficient factor loading for the sample size of 350 and more is 0,30. We decided to drop the items with factor loading less than 0,5 and those with the significant cross-loadings (items OI_3 and OI_4). Consistency of the scales was measured by Cronbach's alpha (all above 0,8, whereas the threshold suggested by Robinson (1991) is at least 0,7). None of the correlation between factors exceeded 0,7 (threshold suggested by Gaskin (2016)).

Table 1 - Pattern matrix

Scale Items	Factor			
	1	2	3	4
EME_1				0,55
EME_2				0,89
EME_3				0,77
POV_TMT_1		0,73		

POV_TMT_2	0,79			
POV_TMT_3	0,78			
POV_TMT_4	0,79			
PPOF_1			0,68	
PPOF_2			1,02	
PPOF_3			0,92	
OI_1	0,82			
OI_2	0,80			
OI_5	0,65			
OI_6	0,81			
Percentage of variance	46,57	8,31	6,15	4,93
Eigenvalue	6,95	1,64	1,07	0,95
Cronbach's alpha	0,80	0,86	0,92	0,86

3.4 Confirmatory Factor Analysis and construct reliability and validity

Our multi-factor measurement model with all the survey items was estimated using the maximum likelihood estimation. The measurement model was tested for convergent and discriminant validity. We treated all the variables as a latent constructs.

The model presented an excellent fit ($\chi^2 = 166,455$; $df = 69$; $\chi^2/df = 2,412$; $RMSEA = 0.06$; $CFI = 0.972$; $SRMR = 0,046$; $PClose = 0,078$). The reliability and validity of the constructs were assessed further. We have reliability as evidenced by construct reliability (CR) all above 0,7 (Hair et al., 2014). We have convergent validity as evidenced by the average variance extracted (AVE) all above 0,5 (Hair et al., 2014). We have discriminant validity based on the square root of the AVE (diagonal values) being greater than any inter factor correlation in Table 2 (Hair et al., 2014).

In order to test the method bias, we used the VIF approach (Variable Inflation Factor). The reason behind that is that if there is bias, it would inflate all the relationships in our data. The occurrence of a VIF greater than 3.3 is proposed as an indication of pathological collinearity, and also as an indication that a model may be contaminated by common method bias (Kock and Lynn, 2012). Highest VIF in our study was 2,943 for PPOF.

Table 2 - Validity and reliability

	CR	AVE	EME	OI	POV TMT	PPOF
EME	0,781	0,549	0,741			
OI	0,858	0,604	0,694	0,777		
POV_TMT	0,847	0,587	0,697	0,599	0,766	
PPOF	0,919	0,791	0,711	0,724	0,630	0,889

3.5 Structural model (Fig. 2)

The measurement model exhibited good reliability and validity, thus we could proceed to testing the structural model with imputed factor scores. The fit of the full structural model was good ($\chi^2 = 2,066$; $df = 1$; $\chi^2/df = 2,066$; $RMSEA = 0.052$; $CFI = 0.999$; $SRMR = 0,037$; $PClose = 0,336$). The constructed structural model explains more than three quarters of the variance in employee mission engagement ($R^2 = ,76$) and provided support for all of the hypothesis. The data supports the hypothesis 1, 2 and 3, i.e. we have significant small effect between organizational identification and employee mission engagement ($\beta = .29$, $p < .001$), we have significant medium effect between promotion of organizational values from the top management team and EME ($\beta = .40$, $p < .001$) and we have significant small effect between perceived person organization fit and EME ($\beta = .29$, $p < .001$). Thresholds for effect sizes (f-squared – 0 = none; 0,02 = small; 0,15 = medium; 0,35 = large) are adopted from (Aiken and West, 1991).

Figure 2 – Structural model

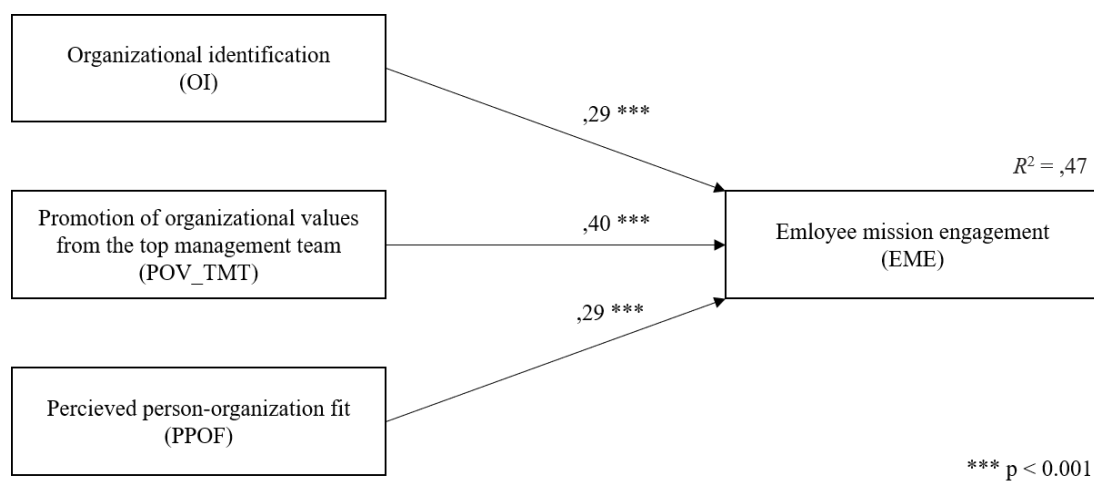


Table 3 – Effect sizes

		Factor included	Factor excluded	f-squared	Effect size
OI on EME	R-squared	0,76	0,73	0,1250	Small
POV on EME	R-squared	0,76	0,69	0,2917	Medium
PPOf on EME	R-squared	0,76	0,74	0,0833	Small

Conclusion

Based on our hypothesis testing, our results support all three hypothesis. In order for our hypothesis to be supported, global and local tests had to be met. Global test was met by good fit of a structural model. Another evidence of meeting the global test is variance explained by the model (R-squared of 0,47), which means that the relationships we are testing are explaining a lot of variance in the dependent variable (EME). Local test is met by having the significant p-values for all the hypothesized relationships. If we try to generalize the findings, the extent to which an organization is successful in fostering the employees identification with the organization, should enhance the employee mission engagement. The same applies for the values and goals related communication from the top management. Last finding suggests that adequate hiring strategy could help with the employee engagement with the mission statement. Limitation of our study represents the fact, that we had no means to verify to what extent the employees knows the mission statement of their company.

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Appendix

Measurement items for all variables

Construct	Items
Employee Mission Engagement (EME)	<ol style="list-style-type: none"> 1. I am motivated by the mission statement to do my work. 2. I will work hard to ensure that (organization's name) is successful in carrying out the mission statement. 3. I carry out the mission statement when I do my work well.

Organizational Identification (OI)	<ol style="list-style-type: none">1. When someone criticizes my firm, it feels like a personal insult.2. I am very interested in what others think about my firm.3. When I talk about my firm, I usually say "we" rather than "they"4. My firm successes are my successes.5. When someone praises my firm, it feels like a personal compliment.6. If a story in the media criticized my firm, I would be embarrassed.
Promotion of Organizational Values from Top Management Team (POV_TMT)	<ol style="list-style-type: none">1. The organization's top management clearly articulates its vision of the future.2. The organization's top management leads by setting a good example.3. The organization's top management says things that make employees proud to be part of the organization.4. The organization's top management has a clear sense of where our organization should be in 5 years.
Perceived Person-Organization Fit (PPOF)	<ol style="list-style-type: none">1. The things that I value in life are very similar to the things that my organization values.2. My personal values match my organization's values and culture.3. My organization's values and culture provide a good fit with the things that I value in life.

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