The Influence of Goal Setting on Performance and Wellbeing

Kevin T. Tully

University of Minnesota

Abstract

This paper explores the process of goal setting and its influence on the increase of both performance and wellbeing. First, the vast body of literature on how goal setting has been shown to increase performance is examined. Various factors and moderators that contribute to this relationship are highlighted. Then, the less-researched idea that goal setting can increase one’s wellbeing (in terms of short-term happiness and long-term sense of meaning) is examined by piecing together the findings and theories of various sources. Assorted potential factors that may explain, influence, and enhance this relationship are explored. Implications of these ideas and the necessity for future research studying the goal setting and wellbeing relationship are discussed.

*Keywords:* goal setting, performance, wellbeing

The Influence of Goal Setting on Performance and Wellbeing

Goal setting (Locke, 1968) is a framework that is applicable to everything done in life. It can lend valuable insight into reasons why people live out their lives in so many various ways. Human behavior can be conceptualized as a continuous process of moving towards, and away from, various mental representations of goals. As these goals (conscious or subconscious) are set, people adjust their behavior to match those goals accordingly. This is a system that some researchers believe explains human self-regulation in its entirety (Carver & Scheier, 1998).

The basic set-up of goal setting is simple. First, an endpoint is identified. This can be conceptualized as the “goal” itself, Peterson (1999) aptly referred to this point as the “What Should Be,” or an ideal future for the self. After the endpoint is set, a starting point is identified. This can typically be conceptualized as the present situation, or the “What Is” (Peterson, 1999). After the endpoint and the starting point are both identified, an essential discrepancy between the two is identified; a gap between the ideal future and the present. People *behave* with intent to fill these gaps and lessen the discrepancy. In other words, the process of goal pursuit can be summed upas an attempt to change the present into the ideal future through one’s behavior (Carver & Scheier, 1998).

These individual goals weave themselves into complex hierarchical goal systems that represent broad goals decomposed into narrow subgoals. These range from the very low-level and basic “sequences” (e.g., wash dish, tie shoes) to the high-level, more abstract “programs” (e.g., be thoughtful, be healthy). Each person has their own individual goal hierarchy, leading some researchers to claim that to truly know who a person is, you must know their goals (Carver & Scheier, 1998).

Goal setting has been found to be an effective tool in business, education, psychotherapy, and many other domains. While different theorists and researchers all have their own ideas as to why goal setting works so well, most of them agree on the idea that goals effectively energize and direct people’s behavior in an organized way that is conducive to achievement (Pervin, 1982). The most research on goal setting has been related to how it yields increased performance and achievement in work and school environments, but various other bodies of research have indicated that it may be similarly effective in increasing wellbeing -- both on the short-term and the long-term -- when applied to other, more abstract modes of thinking about one’s life.

**Goals and Performance**

Setting goals appears to be one of the most conducive methods of yielding increased performance and achievement in controlled, practical, and measurable environments, such as work and school . Goals seem to organize and direct one’s behavior in a way that caters to improvement in whatever task is at hand. There has been much research performed that has indicated how goals can be effective for achieving desired performance results on both small and grandiose scales.

Shalley (1991) illustrated the power of goal setting for increased performance in a small-scale experimental setting by tasking administration students to complete problem solving business memos. Students were given a productivity goal and a creativity goal for completing the memos. For both the productivity and creativity goals, subjects were randomly assigned to a difficult condition (“Generate 14 solutions in thirty minutes”, “90% of all solutions should be creative”), a do-your-best condition (“Generate as many solutions as you possibly can”, “Solutions should be as creative as possible”), or a no goal condition (“Work at your own speed”). Subjects with a productivity goal completed more memos, and subjects with a creativity goal came up with more creative solutions, than the subjects without these goals. The mere presence of a goal in either criterion increased subjects’ productivity/performance in that criterion.

Latham & Kinne (1974) assigned twenty logging operations to either receive training in goal setting or no training at all. Over the course of 12 weeks, sawhands that received the training and followed productivity goals showed an increase in the amount of wood they chopped per hour they worked. Logging crews, as a group, showed greater increases in productivity per man-hour after receiving goal training. Absenteeism, defined as the number of men off the job eight or more hours for reasons other than injury, was significantly lower for the training group than for the control group. In this industrial context, goal setting appeared to enforce effective directives for both individuals and groups, and also seemed to dissuade individuals from being absent and failing to contribute to these directives. In a decade-spanning review of the relations between goal setting and task performance, Locke, Shaw, Saari, and Latham (1981) listed two dozen similar field experiments that all yielded similar results, indicating that when people are given goals in their respective contexts -- whether that be dieting, typing, customer service, or personality transformation -- they generally outperform others *and* surpass their own previous performances.

When examining goal setting’s effects on performance, it may not be sufficient to say that goals increase performance simply because they give direction to behavior. It may also be because goals may provide a necessary “funnel” for one to filter their subjective energy through. In two studies performed on both business undergraduates and workers in a service organization, Earley, Wojnaroski, & Prest (1987) found that setting goals influenced the amount of energy -- itemized as persistence and effort -- individuals expended on tasks.

This increase in subjective energy is an easy illustration why goals seem to be effective in increasing performance, but research suggests that multiple other factors are involved in moderating this relationship. These factors pertain to aspects of the goals themselves, the characteristics of the person setting the goals, and the actual process of setting and pursuing goals.

**Difficulty, Specificity, Commitment, and Feedback**

For a goal to improve performance; to make sure a goal effectively directs behavior and energy ever forward towards its actual *achievement*, it must be both difficult and specific. The difficulty of a goal, as long as the individual is committed and has enough relevant knowledge, is thought to have a linear relationship with achievement (Locke, 1996). The findings suggesting that high goals breed high results are easy to conceptualize -- when one “aims high” they wind up nearer to that high target than they would have if they had “aimed” for a lower target.

Where difficulty level creates a general baseline for performance, the specificity of a goal can be thought of as a controller of the variance of performance (Locke, 1996). From a performance standpoint, when a goal pinpoints exactly how much of a discrepancy one is looking to close, the individual or group is more likely to hit (or come close to hitting) that pinpoint. As an example, the goal to “Obtain a 55% increase in customer satisfaction” contains more regulatory semantic value than the less specific goal of “Increase customer satisfaction.”

To illustrate the importance of difficulty and specificity in goal setting, a study conducted within a science and engineering organization (Latham, Mitchell, & Dossett, 1978) assigned workers to work toward specific behavioral goals for their performance appraisal. A positive linear relationship was found between both goal difficulty and goal specificity and individual performance. Some groups of workers did not set goals, but instead were given praise, public recognition, or money as compensation as they performed desirable behaviors. These workers’ overall performance did not differ significantly from a baseline control groups. These results suggest that it is the process of setting a difficult, specific goal that yields a difficult, specific outcome, or, in the researchers’ own words, “the more difficult and specific the goal, the higher the performance.” Additional support for the importance of setting difficult and specific goals is found in the aforementioned experiment by Shalley (1991). In this study, results indicated that subjects given a productivity goal that was specific and difficult performed at significantly higher levels than the ones assigned a do-your-best goal or no goal at all.

While setting difficult goals is important to kindling higher performance, this type of goals requires a greater-than-average level of commitment from the individual than easy or do-your-best goals. Relatively difficult goals typically take more persistence, effort, and time to attain, and so people are especially susceptible to giving up on them before desired results are attained. In their study of technicians and engineers, Erez and Zidon (1984) observed that a person’s commitment to a goal influenced the relationship between goal difficulty and performance. As objective difficulty of a goal went up, people who were most committed to the goal achieved markedly better performance than those who were middlingly or lowly committed to the goal. The idea that goal commitment moderates the relationship between goal difficulty and performance was reinforced when the relationship between commitment and performance was found to be significantly higher for objectively difficult goals, relative to moderate and easy goals in a large meta-analysis (Klein, Wesson, Hollenbeck, & Alge, 1999).

Another essential component of setting and pursuing difficult, specific goals towards performance outcomes is the use of feedback systems throughout the process. A goal can only be truly effective when the use of feedback in some form allows one’s performance to be tracked (Locke & Latham, 1990). Feedback comes in many forms, such as performance appraisal, monitoring by others, and self-observation. Due to the effects of selective memory, self-observation is only effective when it is objectively recorded (e.g., note-taking, checklists) on a continuous basis (Schunk, 1990). The role of feedback in goal setting was tested using a sample of undergraduate students assigned to complete arithmetic problems in a designated amount of time. Participants who received feedback (in the form of knowledge of their results) as they worked through the calculations significantly increased their rate of speed with no sacrifice of accuracy (i.e., increased their performance), whereas goal setting without ongoing feedback had no effect on performance (Strang, Lawrence, & Fowler, 1978). The importance of feedback was demonstrated in an entirely different context in a study by Locke and Bryan (1969) in which undergraduate students were given the task of taking a Rambler station wagon through a driving test while a “Drivometer” monitored five aspects of their driving performance. Drivers who received feedback from the “Drivometer” increased their performance only in the areas for which they had set goals. It seems that, when it comes to stimulating performance, a goal is only as good as the feedback accompanying it, and feedback is only as good as the goals it reports on.

In setting effective goals toward increased performance, the general “rule of thumb” appears to be that goals should be specific and difficult in what they ask for, committed to by the individual or group, and constantly monitored through appropriate systems of feedback.

**Autonomy and Self-Efficacy**

In addition to applying this “rule of thumb” to all goal setting, it appears that the individual setting the goals should have an independent, or participatory, role in the process. Individual autonomy (usually in the form of self-set goals) and individual feelings of relevant competence, or self-efficacy for achieving the goal, appear to play an important role in the relationship between goals and increased performance.

Schunk (1985) examined the differences between assigned and self-set goals in a study of sixth graders with learning disabilities. While working on pages of subtraction problems, one group of students was assigned the goal of completing 7 pages in a day, while another group of students was given the opportunity to choose the number of pages they’d like to complete in a day. It was found that letting students set their own goals aided in increasing subtraction skills when compared to assigned or no goal conditions. Self-set goals also yielded higher initial expectancy for achieving those goals, a feeling that was perpetuated as students tracked their progress towards their goals and ultimately attained them (or came close to attaining them). This higher expectancy for goal attainment (a proxy for self-efficacy) was associated with higher performance on the subtraction problems. This research is useful for illustrating the power of both autonomy and self-efficacy in goal setting; goal autonomy and goal self-efficacy individually influenced performance, *and* goal autonomy was shown to foster greater goal self-efficacy.

The aforementioned study by Latham, Mitchell, & Dossett (1978) that examined engineers and scientists as they worked towards behavioral goals provides further evidence for the influence of goal autonomy on performance. When compared to a group of workers who were assigned goals by supervisors, workers who were allowed to participate in their own goal setting fared better on their performance appraisals. The researchers noted that autonomous goal setting was also associated with setting more difficult goals, which may account for the increase in performance indicated by the data.

In a six-year study, entrepreneurs in the architectural woodwork industry were asked to report their confidence in their ability to achieve and beat average annual rates of sales and employee growth from 1992 to 1995. At the end of study, it was found that both having goals for growth and having self-efficacy for achieving those growth goals were both positively correlated with actual venture growth (Baum & Locke, 2004). Additionally, this longitudinal study found that past venture growth played a significantly influential role in determining individual’s self-efficacy for goal attainment. The idea suggested by this finding -- that past goal success yields higher optimism for goal attainment in the future -- finds congruence with the recommendation proposed by Wiegand and Geller (2005) that individual goals for success should focus on “personal bests”. Using this type of self-focused standard as the foundations for goal settings lays down a more personalized sense of success that, based on data such as that of the aforementioned Baum & Locke longitudinal study (2004), appears to be more adaptive towards kindling self-efficacy and increasing performance.

In goal-setting towards increased performance, emphasis should be placed on the individual who will be pursuing the goals. This fosters a sense of ownership of and responsibility for the goal, improves a person’s self-efficacy for the pursuit and attainment of that goal, and ultimately drives successful performance outcomes for that goal pursuit.

**Rationale**

Under many circumstances, providing rationale for *why* a goal should be accomplished is associated with increased performance. This seems to be especially true in cases where individuals cannot autonomously select which goals they want to pursue. In a study by Latham, Erez, & Locke (1988), undergraduate business students were asked to perform a course-scheduling task. One group of participants was assigned the goal of completing six times as many schedules as they did on a practice run without any explanation given -- this was referred to as the “Tell” group. Another group was asked to increase performance in the same way, but were actually told the methodology and logic behind assigning six times as many completed schedules as before -- referred to as the “Tell and Sell” group. Yet another group of participants was asked to increase performance, given the rationale for increasing performance by six times, but then asked to set their own goal based on that rationale -- referred to as the “PDM (participation in decision making)” group. Both the “Tell and Sell” and “PDM” groups performed better on the scheduling task than the “Tell” group did, but there was no significant difference in performance between the “Tell and Sell” and “PDM” groups. This data indicates that merely assigning someone to attain a goal without explaining the rationale behind it does not appear to be extensively effective in boosting performance. Perhaps more importantly, however, it also implies that so long as a person receives adequate rationale behind an assigned goal, it can be just as effective in boosting performance as a self-set or participatory goal.

In general, acquiring a breadth of goal-related information appears to be a crucial step in pursuing goals towards increased performance. That information can come in the form of the amount of difficulty involved in each goal, the specific steps one should take towards a goal outcome, and the reasons why a goal should be attained. This information -- or combinations of all of this kind of information -- assists an individual or organization to better gauge how they want to proceed with goal-related behavior, as well as give them a better grasp on their likelihood to succeed. This all comes together to form a solid base to contribute to increased productivity, academic achievement, company growth or (in theory) any other criterion of performance.

**Learning vs. Performance Goals**

However, when situations become more and more complex, stakes are raised, and/or the likelihood of success drops, the classic set-up of “Set goal, plan goal, pursue goal, track goal, achieve goal” alone may not be sufficient. In these more complicated instances, individuals may have to assess and change their approach to the situation in order to have a successful outcome. Individuals who tend to focus on performance alone may find their typical approach to goal setting and goal pursuit is not helping them acquire their desired outcome. At this time, they may have to “switch gears” by setting and pursuing learning goals before they can achieve any higher performance goals. These performance and learning approaches to goals are typically known as goal orientations. These orientations may be applicable to an individual as a stable personality trait or to the specific goal one is pursuing. A learning goal orientation describes an individual, or a specific goal, that is aimed to develop competency by acquiring appropriate skills and mastering certain situations. A performance goal orientation, on the other hand, aims to demonstrate and validate one’s competency in a specific context (Dweck, 1986).

There is some evidence indicating that performance goals alone are effective in increasing one’s performance or achievement. Harackiewicz, Barron, Carter, Lehto, and Elliott (1997) assessed goal orientations of students in an undergraduate psychology class at a large university in relation to various outcomes of the class. Performance goal orientations were found to significantly positively correlate with better final grades in the class, whereas learning/mastery goal orientations were found to have no significant correlation with students’ final grades (but did correlate with students’ interest in the course material).

It is important to note that an introductory psychology class is, in the context of the attainment of a university degree, a relatively simple, proximal, and structured task sequence. When tasks become more complex, ambiguous, and difficult, it appears that learning goals are more advantageous than performance goals.

This idea was supported when Latham & Brown (2006) conducted a year-long study on full-time MBA students. Subjects who set learning goals (emphasizing attainment and mastery of a breadth of relevant knowledge) for their academic year were compared to subjects who set GPA-based performance goals. Distal performance (GPA) goals were associated with lower self-efficacy for goal attainment in the beginning of the year, as well as lower GPA performance measured at the end of the year. Contrastingly, setting proximal learning goals led to higher GPA performance. The only instances in which distal performance goals were associated with actual increased performance were those in which they were “broken down” into smaller, proximal learning goals. Latham and Seijts (1999) postulate that this sort of step-by-step breakdown increases the efficacy of distal and complex outcome goals -- such as doing well in an MBA program -- because it helps counteract their uncertain and ambiguous nature.

Meta-analytical research has also supported the learning approach toward goals over the performance approach. In a meta-analysis by Payne, Youngcourt, and Beaubien (2007), learning goal orientations were positively correlated with job performance, different types of performance goal orientations were all lowly or negatively correlated. Interestingly, in the same meta-analysis, “state” goal orientation were found to have stronger relationships to distal outcomes than “trait” goal orientations, bearing potential support for the idea that rigidity in either learning or performance goal orientations may not be overtly helpful, and that a more dynamic, responsive approach to each individual goal scenario may be the more adaptive and effective route towards increased performance.

Not only do learning goals appear to be *more* advantageous approach towards complex situations, there is also evidence to suggest that they may sometimes be the *only* advantageous approach towards complex situations. LePine (2005) put this idea to the test in a study in which he placed students together in teams to interact with a computerized decision-making simulation revolving around the complex task of managing virtual aircraft. Four trials into the simulation, a communication channel between two of the team members was experimentally disrupted, adding a whole new layer of difficulty to the already complex simulation. As communication gradually deteriorated, teams composed of performance-goal-oriented members were found to be especially more prone to being unable to adapt and failing at the simulation tasks. Contrastingly, teams composed of learning-goal-oriented members were found to be especially able to adapt and successfully proceed with the simulation. Subsequent analyses confirmed that a team’s success amidst increased goal difficulty was entirely dependent on their learning, versus performance, goal orientations. LePine’s findings promote the idea that in a complex situation, setting learning goals first and foremost is imperative to success; that if one wants to attain a high performance goal in a difficult context, the best route to doing so is through the prior pursuit and attainment of relevant learning goals.

This idea provides a possible new perspective to the findings of previous studies on goal setting and task performance, such as the previously mentioned field experiments noted in Locke, Shaw, Saari, and Latham’s literature review on the subject (1981). In a lot of the environments in which performance goals were set and actual increased performance followed, the actual groups of individuals carrying out the goals were trained professionals in that particular field. Thus, it is safe to assume that a number of prior learning goals had been -- consciously or subconsciously -- set and carried about by those individuals. If those researchers had, say, assigned a group of undergraduate management students to the specific, difficult goal of chopping a certain number of trees in a workday, how would they have fared? One can hypothesize that results would have been similar to what LePine found when he created a novel and highly complex environment for undergraduate subjects to grapple with: The people who first approach a difficult situation with learning goals in mind are the ones who succeed; the ones who approach the same situation with rigid performance goals in mind are the ones who actively fail. While this concept is appealing from a common sense standpoint, more research has yet to be done on the idea that learning goals should come before performance goals. As Locke and Latham (2006) point out, it is one of the most intriguing and important topics for future studies in effective goal setting. All of this evidence points to a conclusion that goals are highly effective tools for organizing one’s behavior towards performance, productivity, and achievement.

**Wellbeing**

An extensive amount of research (the surface of which is barely skimmed in the previous section of this paper) has been devoted the efficacy of goals by applying goal setting to professional and academic realms. In these areas, goal setting finds surface-level practicality -- goals, as well as goal outcomes, are easily trackable and measurable via metrics systems already in place within organizations and institutions. There is, however, a modest amount of compelling research to indicate that goals can be much more for people than just tools for staying on track. Goal setting also seems to be an effective tool for fostering personal wellbeing.

For this paper’s purposes, wellbeing can be simplified into two categories: *happiness* and *meaning*. While the definition of the construct of happiness is heavily researched and debated, here it can be characterized by positive affect, high energy, full concentration, pleasurable engagement, enthusiasm, and alertness (Watson, Clark, and Tellegen, 1988). It tends to function on a more short-term basis and can be generally conceptualized as a “mood” or a “state.” Meaning revolves more around the satisfaction that results from self-actualization, meaning in life, and personal expressiveness (Waterman, 1993). It is believed that the central indicator of meaning is subjective vitality (Ryan and Frederick, 1997), which is a more trait-like feeling of aliveness and possessing personal energy.

Happiness and meaning represent two separate constructs, often referred to as states versus traits, shallow versus deep happiness, hedonic versus eudaimonic, and so on. From a psychometric level, they can also be measured as individual constructs. One of the most well-known scales for identifying happiness is the Positive and Negative Affect Schedule (Watson, Clark, and Tellegen, 1988), whereas popular scales such as the Purpose in Life Test (Crumbaugh & Maholick, 1964) and the Sense of Coherence Questionnaire (Antonovsky, 1993) generally measure meaning. The dichotomy is certainly justified.

However, there is evidence to say both concepts are linked; that one precipitates the other. The question of how happiness and meaning are related to one another was examined in a series of six studies by King, Hicks, Krull, and Del Gaiso (2006). These researchers set out to examine the role of positive affect (i.e., happiness) in the experience of meaning-in-life. Nearly all of these studies contributed support for not only the hypothesis that positive affect and meaning-in-life are strongly related, but also that daily feelings of positive affect strongly *predict* long-term feelings of meaning in life. The researchers ultimately drew the conclusions that the experience of meaning enhances positive feelings, and that positive affect enhances the experience of meaning in life. Additionally, they concluded that positive feelings may be conducive to people experiencing aspects of life as *more* meaningful. It may even be possible that a person’s sense of meaning is really just a “chain” of experiencing positive affect.

Setting goals, pursuing goals, and attaining goals has been found to influence a person’s sense of both happiness and meaning, and there are various moderators that change the strength of that relationship. Based on the six aforementioned studies by King and colleagues (2006), there is adequate room to hypothesize that even if goals only directly contribute to only one aspect of wellbeing (happiness or meaning), it may potentially influence the other aspect.

Much thought, experimentation, and measurement has been devoted to examining how goal setting can increase individual and group performance in work and school, but more research is necessary to provide an equally stable idea of how goal setting can increase individual and collective wellbeing. However, when the existing evidence is pieced together, a clearer framework of this relationship begins to form.

**Abstraction**

It appears that a necessary first step towards using goal setting as a booster of wellbeing is taking a dive into deeper levels of abstraction in the way one thinks about their goals. This can be easier said than done in certain instances, as people vary in the ways they think about their behavior. Some find it intuitive to think broadly about their lives, whereas others display a tendency towards thinking in the present or short-term without (conscious) regard to more abstract notions of how to live. While some people consciously set goals in multiple different aspects of their lives, many others only use them within the scope of work, school, or sports, and some don’t set goals at all (Carver & Scheier, 1998).

It is important to note that most people seem to have high-level personal goals, but these can be conscious or subconscious, so they do not always exert a direct influence on someone’s behavior. However, just because abstract modes of thinking are not actively being used, that does not mean they cease to exist (Carver & Scheier, 1998). This is where thinking about goal hierarchies -- stacking and nesting one’s goals from low level to high level -- becomes useful. For example, one’s immediate low level goal may consist of finding all punctuation errors in a paper. This nests within a higher goal of finishing a paper for class, which nests within a higher goal of doing well in class, which nests within the higher goal of doing well in school, which nests within the higher goal of being successful. This, in theory, can extend even further in either direction, but the overall point is that the pursuit of higher level goals consists of carrying out lower level goal behaviors (Carver & Scheier, 1998). The abstract train of thought about one’s hierarchy of goals may not be intuitive for all individuals, but it seems to be an important factor in goal setting’s effect on wellbeing.

Some people seem to be more attuned to thinking abstractly about their goals. Emmons (1992) examined participants’ personal strivings (i.e., goals) and discovered that each individual varied in their amount of “high level” and “low level” strivings. High level goals were more broad and abstract, such as “Treat others with dignity” and “Be humble”. They can be simplified as “be” goals. Low level goals were more specific and concrete, such as “Be funny and make others laugh” and “Speak clearly and straightforward to strangers”. They can be simplified as “do” goals. Vallacher and Wegner studied the same idea and arranged their findings into a model they called Action Identification Theory (1985), which holds that any action can be thought of in many different terms, from low-level explanations of how something is performed to high-level explanations of why something is done. In subsequent testing of Action Identification Theory, the researchers found that participants identify behaviors in varied terms of abstraction not only depending on the type of behavior, but also depending on the individual. For example, the majority of participants viewed “making a list” as “getting organized” rather than “writing things down,” whereas “resisting temptation” was viewed more as “saying no” than it was as “showing moral courage.” Additionally, participants were found to have trait-like action orientations, typified as “How people” and “Why people” (Vallacher & Wegner, 1989).

From this research, it appears that certain behaviors and goals are primed to have shallow or deep meanings in the collective mindset, and that individuals have personal identification orientations influencing whether they think about the things they do from a generally shallow or generally deep standpoint. However, the identification orientation that seems most adaptive for goal setting to influence wellbeing is neither extremely shallow/low-level, nor extremely deep/high-level, but rather, somewhere in the middle.

**Personal Projects and Goal Identity**

A prime example of a type of goal that can be thought about “in the middle” of low-level and high-level terms is Little (1983)’s concept of the “personal project”. A personal project is a self-generated goal that serves a pragmatic function, while also catering to the integrity of one’s self-concept. An example of a personal project could be “Get my driver’s license,” which simultaneously helps one get places more easily and contributes to the integrity of an adult identity.

Personal projects have been shown to influence both a person’s short-term happiness and their sense of meaning. McGregor and Little (1998) conducted two studies tasking undergraduates to generate lists of personal projects and appraise them in multiple dimensions relating to individual self-identities and various aspects about the goals themselves. They also reported on happiness variables (affect, life satisfaction) and meaning variables (sense of personal growth, purpose in life, generative concern for others, relationship quality, and autonomy). Efficacy for personal projects, meaning the achievability of each project, was significantly associated with a person’s happiness. This indicates that when people are achieving, or expect to achieve, their goals, they feel happier on a day-to-day basis. This research also found that personal projects that were most congruent with one’s self-identity were associated with higher levels of meaning than those that were less reflective of one’s identity. Essentially, when goals can fit within a higher, more abstract framework, it contributes more to one’s long-term wellbeing. Based on this research, for a goal to optimally cater to *both* happiness and meaning, it must be broken down into actionable, achievable terms (the lower levels of the hierarchy) while also representing broader, more intrinsic and identified goals for one’s self (the higher levels of the hierarchy).

Importantly, this study (McGregor and Little, 1998) also found that *rigid* goal identity formation (i.e., deliberately attempting to apply high order goals to all of one’s actions) was not found to increase wellbeing. Moreover, as evidenced by Taylor and Gollwitzer (1995) in their studies that primed participants into a deliberative mindset before asking them to make various choices, too much deliberation about behaviors can lead to worsened mood, higher perception of risk, and negative ideas about one’s self. Research on a student population by Palys and Little (1983) indicated that people whose goals were firmly rooted in the long-term had lower overall life satisfaction. These three studies contribute support for the idea that the “middle” identification orientation is the most adaptive towards wellbeing. Identifying with one’s goals at a higher level has been found to be rewarding to a person’s sense of meaning, but if one deliberates *too much* about how each and every action they take fits into these broad, overarching “be” goals, adverse effects on happiness will result. Emphasizing a delicate balance between low-level and high-level goals when performing behavior appears to be most effective towards increased happiness and meaning.

Achieving that so-called delicate balance appears to require conscious recognition of how one’s specific low-level behaviors relate to their higher, more abstract goals. Wegner, Vallacher, Kiersted, and Dizadji (1986) called this process of drifting upwards towards more abstracted ways of thinking about one’s life as ‘emergent understanding’. They found that when people who initially held lower-level orientations were exposed to revelatory high-level information about themselves they were more likely to start viewing their behavior from that lens. This research suggests that, through consistent exposure to deeper interpretations of their behavior, it is possible for the aforementioned “How people” to transform into “Why people”.

**Goal Redefinition**

As individuals gain emergent understanding with their individual hierarchies of goals (and, hopefully, becomes happier and more meaning-filled as they do so) it is also important for them to understand the entirely malleable nature of the goals they set. An individual’s goals can often be obstructed by external forces, may be too difficult to attain at the present time, and also may compete with one another for priority in a person’s life. It has been found that these conflicts are substantial sources of decreased wellbeing in someone’s life. One study of undergraduates found that “goal conflict,” or having goals that compete with one another, as well as “goal ambivalence,” or maintaining a desire to achieve goals that one cannot presently achieve, are both correlated with decreased positive affect, increased negative affect, increased anxiety, and increased depression. Interestingly, they were also found to correlate with increased reported number of illnesses experienced and doctor’s visits (Emmons & King, 1988).

Carver and Scheier (1998) theorize that as people experience obstruction in their goal pursuits, it leads to negative affect and a growing sense of doubt. These feelings lead them to interrupt their efforts and assess the likelihood of attaining their goals. It is important that when people do this, they are aware of the nearly inevitable presence of goal conflicts. By being aware of these conflicts, people can adapt and *redefine* their goals by coordinating goals, deferring goals temporarily, letting go of certain goals, and finding a “middle ground” between conflicts. This goal redefinition can lead to less future obstruction, more success in goal pursuits, and increased subjective wellbeing.

**Challenge and Continuous Improvement**

Another way to optimally set goals towards increased wellbeing involves setting subjectively challenging goals. The difficulty of goals that one sets should be dynamic, constantly changing based on the individual’s specific skill level in that domain. By setting goals that grow in difficulty in accordance to personal skill level, individuals can set themselves up to be in the process of continuous improvement, which appears to be an optimally satisfying and enjoyable experience. There are a number of studies that have been performed that indicate how setting goals that yield continuous improvement can potentially improve one’s wellbeing.

Hsee and Abelson (1991) tasked participants to report their reactions to hypothetical situations involving improving and worsening in different realms of life, such as class percentile. Results indicated that subjects preferred *improving* to a high outcome over a constant high outcome, indicating that it is more preferable to get better at something than to be consistently good at something. To further examine these findings, Lawrence, Carver, and Scheier (1997) gave participants foreign language tasks and delivered bogus feedback throughout regarding how they were performing on them. People showed increased negative affect when they decreased percentages “correct” throughout the task, even if they were told they had the best overall performance. Contrastingly, participants who improved throughout the task, even if they had the worse overall score, showed increased positive affect. These findings indicate that improving makes people feel happy, whereas worsening at something makes them feel frustrated and upset.

Brunstein (1993) had university students generate a list of six long-term personal academic goals for the course of a full semester. The subjects were checked in at various intervals and asked to report their feelings of subjective wellbeing. Results indicated that participants’ perceptions of progress in their goals positively correlated with both present wellbeing *and* subsequent measures of wellbeing. Affleck and colleagues (1998) did an experiment with fibromyalgia patients, who experience a high amount of pain on a daily basis. These patients were asked to report their pain, fatigue, and mood several times a day. They were also asked to create self-set social/interpersonal goals. Positive day-to-day mood increased as the patients made daily progress towards their goal, regardless of that day’s reported levels of pain and fatigue.

From all of this research, it appears that it is not necessarily the *attainment* of goals that contributes to a person’s wellbeing, but perhaps more the active *pursuit* of these goals. As individuals set and carry out day-to-day goal pursuits, they will feel more positively as they make tangible progress on them. Several studies mentioned before have found that this kind of shorter-term goal progress can yield higher positive affect, sense of meaning, and self-efficacy for achievement. By following this kind of goal, individuals can also see and feel improvement in various aspects of their lives. This feeling of improvement has been shown to be preferable over consistency (Lawrence, Carver, & Scheier, 1997) and seems to increase positive affect, which alone is associated with higher sense of meaning (King et al., 2006).

**Necessity for Future Research and Conclusions**

It’s possible that, as individuals begin to gain emergent understanding of the higher levels of their own personal goal hierarchies, it will allow them to think of those lower level goal pursuits as indicators of progress and improvement towards the broader goals they possess. This could gradually allow them to view their entire lives in the context of continuous improvement -- a mode of thinking that, if the aforementioned research can be validly pieced together, will lead to consistent experience of happiness and meaning.

Goal setting can create practical means to nearly any end. By organizing a plan towards an endpoint, a goal directs and energizes one’s behavior and can lead to positive results in countless different scenarios. This idea has already been extensively studied in relation to industrial, organizational, and academic settings. With regards to performance and achievement in these environments, researchers have even found various different factors that seem to make a goal most effective in pushing one towards an ideal endpoint. Numerous papers have been published about the important roles of specificity, difficulty, commitment, feedback, rationale, autonomy, and goal orientation in the process of goal setting towards concrete results. However, monumentally less research has been performed to indicate how goal setting can influence one’s wellbeing. The lack of research on this topic makes viable sense, as wellbeing and its facets (happiness and meaning) have no metrics as concrete and trackable as those found in the industrial-organizational and academic domains. However, it appears that as individuals “dig deeper” into their respective goal hierarchies and learn to plan and frame their lives within the lens of continuous improvement, their wellbeing can increase. Baumeister and Tierney (2011) wrote that “most major problems, personal and social, center on failure of self-control.” Goal setting has presented itself as a realistic, practical solution to these problems. It has proven efficacy in other domains and it is easily applicable to nearly every life situation. Additionally, cross-sectional, longitudinal research has indicated that there are numerous positive associations between wellbeing and successful outcomes in any major life domain, and that long-term wellbeing tends to *precede* the positive outcomes with which it correlates (Lyubomirsky, King, & Diener, 2005). There is no question that wellbeing is an important aspect of people’s lives, but the implication that it is a precipitant of measurable success renders it an important, and possibly crucial, topic for research within the more pragmatic domains of work and school. The question of how one can effectively set goals toward increased performance is on a clear path towards a solution, but the question of how one can effectively set goals to feel happy and meaningful requires much more study. As researchers gain more knowledge on this topic, insight may be gained as to how goals can effectively increase *both* performance and wellbeing in collaboration with one another in a sort of “rock tumbler” effect that produces more productive, happier people as a result. This idea alone constitutes a reason to keep the idea of goal setting in tact and to continue expanding its applicability into new, broader, more difficult and abstract domains, because the potential results are well worth the perspiration.

References

Affleck, G., Tennen, H., Urrows, S., Higgins, P., Abeles, M., Hall, C., Karoly, P., & Newton, C. (1998). Fibromyalgia and women's pursuit of personal goals: A daily process analysis. *Health Psychology*, *17*(1), 40-47.

Antonovsky, A. (1993). The structure and properties of the sense of coherence scale. *Social Science & Medicine*, *36*(6), 725-733.

Baum, J. R., & Locke, E. A. (2004). The relationship of entrepreneurial traits, skill, and motivation to subsequent venture growth. *Journal of Applied Psychology*, *89*(4), 587-598.

Baumeister, R. F., & Tierney, J. (2011). *Willpower: Rediscovering Our Greatest Strength*. Penguin UK.

Brunstein, J. C. (1993). Personal goals and subjective well-being: A longitudinal study. *Journal of Personality and Social Psychology*, *65*(5), 1061-1070.

Carver, C. S., & Scheier, M. F. (1998). *On the self-regulation of behavior*. Cambridge University Press.

Crumbaugh, J. C., & Maholick, L. T. (1964). An experimental study in existentialism: The psychometric approach to Frankl's concept of noogenic neurosis. *Journal of Clinical Psychology*, *20*(2), 200-207.

Dweck, C. S. (1986). Motivational processes affecting learning. *American Psychologist*, *41*(10), 1040-1047.

Earley, P. C., Wojnaroski, P., & Prest, W. (1987). Task planning and energy expended: Exploration of how goals influence performance. *Journal of Applied Psychology*, *72*(1), 107-114.

Emmons, R. A. (1992). Abstract versus concrete goals: Personal striving level, physical illness, and psychological well-being. *Journal of Personality and Social Psychology*, *62*(2), 292-300.

Emmons, R. A., & King, L. A. (1988). Conflict among personal strivings: Immediate and

long-term implications for psychological and physical well-being. *Journal of personality and social psychology*, *54*(6), 1040-1048.

Erez, M., & Zidon, I. (1984). Effect of goal acceptance on the relationship of goal difficulty to performance. *Journal of Applied Psychology*, *69*(1), 69-78.

Harackiewicz, J. M., Barron, K. E., Carter, S. M., Lehto, A. T., & Elliot, A. J. (1997). Predictors and consequences of achievement goals in the college classroom: Maintaining interest and making the grade. *Journal of Personality and Social Psychology*, *73*(6), 1284-1295.

Hsee, C. K., & Abelson, R. P. (1991). Velocity relation: Satisfaction as a function of the first derivative of outcome over time. *Journal of Personality and Social Psychology*, *60*(3), 341-347.

King, L. A., Hicks, J. A., Krull, J. L., & Del Gaiso, A. K. (2006). Positive affect and the experience of meaning in life. *Journal of Personality and Social Psychology*, *90*(1), 179-196.

Klein, H. J., Wesson, M. J., Hollenbeck, J. R., & Alge, B. J. (1999). Goal commitment and the goal-setting process: Conceptual clarification and empirical synthesis. *Journal of Applied Psychology*, *84*(6), 885-896.

Latham, G. P., & Brown, T. C. (2006). The effect of learning vs. outcome goals on self‐Efficacy, satisfaction and performance in an MBA program.*Applied Psychology*, *55*(4), 606-623.

Latham, G. P., & Kinne, S. B. (1974). Improving job performance through training in goal setting. *Journal of Applied Psychology*, *59*(2), 187-191.

Latham, G. P., Mitchell, T. R., & Dossett, D. L. (1978). Importance of participative goal setting and anticipated rewards on goal difficulty and job performance. *Journal of Applied Psychology*, *63*(2), 163-171.

Latham, G. P., & Seijts, G. H. (1999). The effects of proximal and distal goals on performance on a moderately complex task. *Journal of Organizational Behavior*, *20*(4), 421-429.

Lawrence, J. W., Carver, C. S., & Scheier, M. F. (1997). *Velocity and affect in immediate personal experience.* Unpublished manuscript.

LePine, J. A. (2005). Adaptation of teams in response to unforeseen change: Effects of goal difficulty and team composition in terms of cognitive ability and goal orientation. *Journal of Applied Psychology*, *90*(6), 1153-1166.

Little, B. R. (1983). Personal Projects: A rationale and method for investigation. *Environment and Behavior*, *15*(3), 273-309.

Little, B. R. (1989). Personal projects analysis: Trivial pursuits, magnificent obsessions, and the search for coherence. In *Personality Psychology* (pp. 15-31). Springer US.

Locke, E. A. (1996). Motivation through conscious goal setting. *Applied and Preventive Psychology*, *5*(2), 117-124.

Locke, E. A. (1968). Toward a theory of task motivation and incentives. *Organizational behavior and human performance*, *3*(2), 157-189.

Locke, E. A., & Bryan, J. F. (1969). The directing function of goals in task performance. *Organizational Behavior and Human Performance*, *4*(1), 35-42.

Locke, E. A., & Latham, G. P. (1990). *A theory of goal setting & task performance*.

Prentice-Hall, Inc.

Locke, E. A., & Latham, G. P. (2006). New directions in goal-setting theory. *Current Directions in Psychological Science*, *15*(5), 265-268.

Locke, E. A., Latham, G. P., & Erez, M. (1988). The determinants of goal commitment. *Academy of Management Review*, *13*(1), 23-39.

Locke, E. A., Shaw, K. N., Saari, L. M., & Latham, G. P. (1981). Goal setting and task performance: 1969–1980. *Psychological Bulletin*, *90*(1).

Lyubomirsky, S., King, L., & Diener, E. (2005). The benefits of frequent positive affect: Does happiness lead to success?. *Psychological Bulletin*, *131*(6), 803-855.

McGregor, I., & Little, B. R. (1998). Personal projects, happiness, and meaning: On doing well and being yourself. *Journal of Personality and Social Psychology*, *74*(2), 494-512.

Payne, S. C., Youngcourt, S. S., & Beaubien, J. M. (2007). A meta-analytic examination of the goal orientation nomological net. *Journal of Applied Psychology*, *92*(1), 128-149.

Pervin, L. A. (1982). The stasis and flow of behavior: Toward a theory of goals. In *Nebraska symposium on motivation*. University of Nebraska Press.

Peterson, J. B. (1999). *Maps of meaning: The architecture of belief*. Routledge.

Ryan, R. M., & Frederick, C. (1997). On energy, personality, and health: Subjective vitality as a dynamic reflection of well‐being. *Journal of personality*, *65*(3), 529-565.

Schunk, D. H. (1990). Goal setting and self-efficacy during self-regulated learning. *Educational Psychologist*, *25*(1), 71-86.

Schunk, D. H. (1985). Participation in goal setting: Effects on self-efficacy and skills of

learning-disabled children. *The Journal of Special Education*, *19*(3), 307-317.

Shalley, C. E. (1991). Effects of productivity goals, creativity goals, and personal discretion on individual creativity. *Journal of Applied Psychology*, *76*(2), 179-185.

Strang, H. R., Lawrence, E. C., & Fowler, P. C. (1978). Effects of assigned goal level and knowledge of results on arithmetic computation: A laboratory study. *Journal of Applied Psychology*, *63*(4), 446-450.

Taylor, S. E., & Gollwitzer, P. M. (1995). Effects of mindset on positive illusions. *Journal of Personality and Social Psychology*, *69*(2), 213-226.

Vallacher, R. R., & Wegner, D. M. (1985). A theory of action identification. Hillsdale, NJ: Erlbaum.

Vallacher, R. R., & Wegner, D. M. (1989). Levels of personal agency: Individual variation in action identification. *Journal of Personality and Social Psychology*,*57*(4), 660-671.

Waterman, A. S. (1993). Two conceptions of happiness: Contrasts of personal expressiveness (eudaimonia) and hedonic enjoyment. *Journal of Personality and Social Psychology*, *64*(4), 678-691.

Watson, D., Clark, L. A., & Tellegen, A. (1988). Development and validation of brief measures of positive and negative affect: The PANAS scales. *Journal of Personality and Social Psychology*, *54*(6), 1063-1070.

Wegner, D. M., Vallacher, R. R., Kiersted, G. W., & Dizadji, D. (1986). Action identification in the emergence of social behavior. *Social Cognition*, *4*(1), 18-38.

Wiegand, D. M., & Geller, E. S. (2005). Connecting positive psychology and organizational behavior management: Achievement motivation and the power of positive reinforcement. *Journal of Organizational Behavior Management*, *24*(1-2), 3-25.