

# Applying management by objective as an organizational development intervention for improving employee productivity, job satisfaction, performance, and customer satisfaction: A case study of a company in Thailand

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## ABSTRACT

**Purpose:** The study applied the Management by Objectives (MBO) method for organizational development intervention (ODI) for enhancing employee productivity, job satisfaction, performance, and customer satisfaction.

**Design/Methodology/Approach:** A total of 33 people were involved under the tools of observations, interviews, and primary data analysis from employees, suppliers, and customers. This study employed qualitative methodologies, specifically open-ended interview questions, to guide the approaches leveraged during pre-ODI, diagnosis, and post-intervention.

**Findings:** Based on the findings, MBO is critical in improving internal circumstances at focal organization, which helped to increase employee productivity, job satisfaction, performance, and customer satisfaction and build more alignment within the organization.

**Conclusion:** The organization failed to engage its employees successfully as a result of a lacking MBO process coupled with ineffective employee involvement. This led to poorer performance and lower productivity among employees, as well as decreased job satisfaction.

**Research Limitations/Implications:** The current study was conducted by the CEO, and the limitations arising are that employees may not be able to answer the questions with honesty about their prospects.

**Practical Implications:** The research has offered a vital understanding of MBO as an intervention tool and highlighted how companies in similar sectors could embrace the practice of MBO to improve employee productivity, job satisfaction, performance, and customer satisfaction, which will benefit the industry.

**Contribution to Literature:** The study lied in the ability of MBO in the home shopping industry, as it affected the performance of employees, which was critical to improving organizational outcomes. All of the above contributed to the uniqueness of this study.

**Keywords:** Action research, Employee performance, Employee productivity, Job satisfaction, Management by objectives, Organizational development intervention.

## 1. INTRODUCTION

The present-day business environment has become more dynamic and competitive. These conditions result from various shifts, including the advent of new technologies, the introduction of new policies, and demographic changes, to mention a few. Consequently, organizations are now acknowledging the centrality of employees and considering them their lifeblood as they undertake various tasks that contribute to organizations' prosperity and competitive advantages. However, recognizing the significance of employee contributions to an organization is not enough; organizations should ensure that their employees perform at the highest possible levels. Ensuring that employees appreciate why they are compensated, what is demanded of them, and what constitutes exceptional performance. To achieve these aspects, managers need to develop employees continually. One of the most effective strategies they can leverage is employee evaluations, which have been seen to improve their motivation

and promote their development. Through performance appraisal systems, organizations can assess the efficacy and productivity of their staff members and address any issues, ensuring that they perform to high standards. Significant research indicates that the focal company is dealing with a variety of problems that are limiting its success and performance. Via observing, interviewing, and analyzing the major data of stakeholders, for instance, customers, suppliers, and employees, the researchers identified the significant issues that function as a blueprint for this investigation. The key issues are (1) a lack of MBO involvement at the individual and departmental levels; (2) decreasing employee productivity levels; (3) decreasing employee satisfaction levels; (4) decreasing employee performance levels; and (5) a lack of customer satisfaction. Consequently, the researcher can identify that MBO should be applied as an independent variable to help characterize the purpose of the company by analyzing the business environment, developing the goals and objectives necessary to support the change, and assessing the change's impact on the dependent variables, in which case the dependent variables are job satisfaction, employee productivity, performance, and customer satisfaction. The investigation will thus be capable of addressing the difficulties that the focal organization faces and increasing its organizational performance using these perspectives. Beyond that, the ODI will be measured using MBO to accomplish realistic and timely organizational change. The remaining parts of this paper are presented as follows: Section II involves a conceptual framework; Section III involves a literature review according to goal-setting; the MBO process is being analyzed (steps) and related theories of employee productivity, job satisfaction, employee performance, customer satisfaction, action research, and organizational change theories. Furthermore, in Section IV, the action research framework is presented. Section V intervention methodology, which includes interview materials, interview procedure, pre-ODI, ODI-MBO intervention, post-ODI, data collection, and analysis of this work, is introduced. Section VI covers research results that have been used in the study. Next, in Section VII, illustrate the discussion and conclusion.

## 2. CONCEPTUAL FRAMEWORK

In accordance with existing literature associated with the MBO method process, as well as observations and organizational diagnosis in this work, researchers have proposed a conceptual model, as illustrated in Figure 1. This process is a unified model of the above authors, with a widening form.

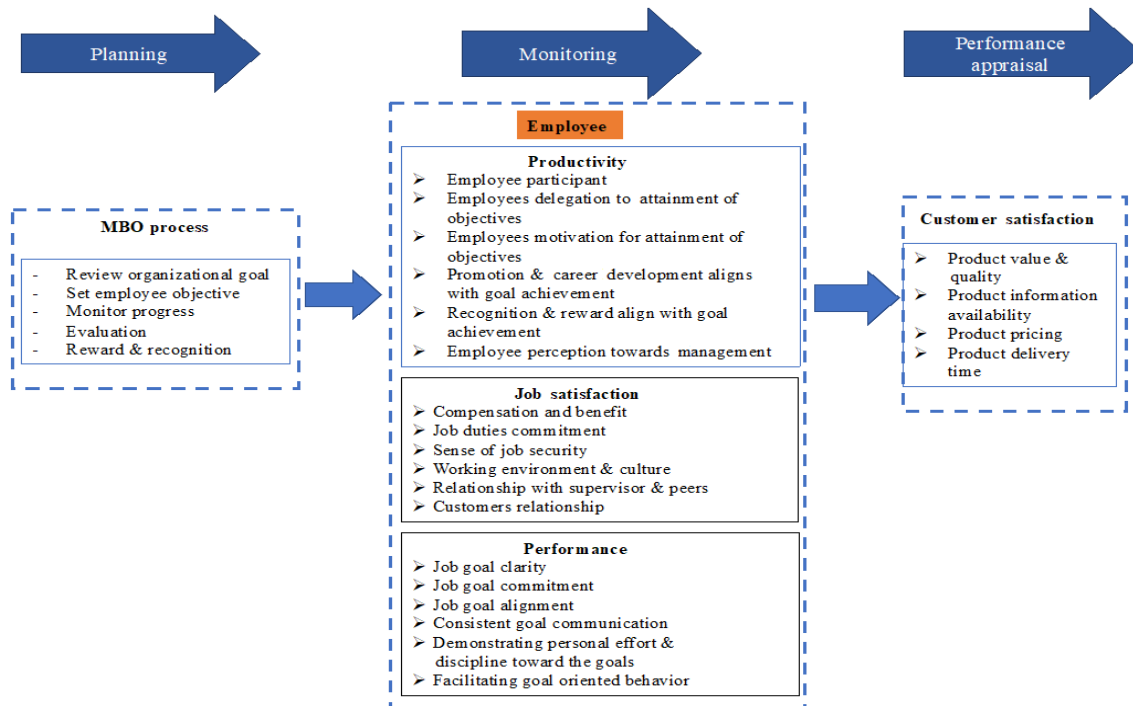


Figure 1. Conceptual framework.

A conceptual model was developed based on the case study, which identified two independent variables: employee productivity and job satisfaction. The effect of both independent variables on the dependent variables of employee performance and customer satisfaction was investigated. The literature review strengthened the effectiveness of the empirical model developed and the three action research tests. To compare the outcomes before and after the intervention, the researchers employed qualitative methodologies to conduct individual interviews in a focal organization. Ethical issues concerning the security and anonymity of information and data obtained concerning focal organization, the scholar, and respondents were addressed, along with the motivation for involvement and its conceptual and practical value.

Based on a literature review, research questions are proposed on the influencing factors of the MBO method as a measure of employee productivity, job satisfaction, performance, and customer satisfaction. The research questions are illustrated below:

1. The current state of Thai Central Chinese Television Group Co., Ltd.'s employee productivity, job satisfaction, performance, and customer satisfaction.
2. ODI strategies that can boost employee productivity, job satisfaction, performance, and customer satisfaction.
3. The differences in employee productivity, job satisfaction, performance, and customer satisfaction before and after using ODI.

### 3. LITERATURE REVIEW

Management by objectives (MBO) is not a one-time process that occurs overnight; instead, it is a step-by-step process undertaken to ensure successful performance appraisal. Across the literature, several models are employed in the application of MBO. [Ingham \(1995\)](#) indicates that MBO comprises four fundamental steps: goal setting, action planning, self-control, and regular reviews. Further, according to [Wu \(2005\)](#), it encapsulates three processes, including object formulation, execution process, and performance feedback. The five steps of the Management by Objectives Process presented via [Drucker \(1954\)](#) are as below: Review organizational goals; Set worker objectives; Monitor progress; Evaluation; and Give rewards.

On the other hand, [Robbins and Mary Coulter \(2000\)](#) proposed another model for the MBO process, emphasizing the centrality of departmentalizing objectives and including the following phases: (1) the company's goals and organizational plan are established; (2) the objectives are then distributed to all departments in the organization; (3) from the objectives, the departments determine their specific objectives; (4) the departmental objectives are concluded in corporations with personnel; (5) then management collaborates with the workforce to establish strategies to attain these objectives; (6) a plan for the task is then developed; (7) the progress towards objectives is monitored periodically; and (8) the achievement of objectives is connected to the rewards for employees.

[Dagar \(2014\)](#) and [Kutlovci \(2014\)](#) indicate that the MBO process is as follows: objectives and desired outcomes are established for each employee; the performance criteria are established; the employee's actual performance is compared to the set performance standards; and updated goals and strategies are defined for objectives that were not reached in the past year's reward.

According to Vroom's expectancy theory ([Montana & Bruce, 2008](#)), conscious expectations of what will happen if a person does a certain thing motivate goals and objectives and make them more productive. The three variables in Vroom's expectancy theory consist of valence (V), expectancy (E), and instrumentality (I). Vroom's expectancy theory says that people are motivated by the alliances they make in an organization and their view that they are making a contribution to the expected results, not by self-interest rewards ([Subba, 2000](#)).

According to [Koontz and Wehrlich \(1988\)](#), expectancy theory recognizes the importance of individual goal setting in accordance with the individual needs of organizational members and motivational factors. Vroom's expectancy theory involves a process of cognitive variables reflecting the different values of individuals towards motivation and satisfaction at work. This model is based on employees who act rationally according to personal beliefs, judgment, and understanding and how these influence their behavior, rather than merely because of internal drivers, unsatisfied needs, or the promise of rewards ([Baker, 2011](#)).

A successful MBO program includes participation and commitment in all the processes involved at different levels, from the lower positions to the top management in the organization. According to [Felix \(2018\)](#), the MBO process starts when the supervisor tries to present the department goals in a meeting to his or her subordinates. Then, the subordinates take the goals presented by the supervisors and propose possible objectives that could help the organization. The supervisors and the subordinates approve the selected objectives and goals, and this helps

modify personal objectives to align with the organization's ones. Modifying personal objectives is possibly achieved through negotiations, where the supervisor presents resources to the subordinates to help them be committed to achieving the organization's objectives. This ensures that a set of verifiable personal objectives is jointly formalized, prioritized, and determined to help the organization's objectives.

Based on these elements, all the above activities in the process of the MBO method will be examined, and the effect of its application on the growth of employee efficiency will be discovered, with the aim of comparing the steps of the MBO method in the growth of employee efficiency.

### *3.1. The relation of MBO to employee productivity*

Managers may utilize different tools to ensure they effectively manage their business every day. One of these tools is the MBO, which, as mentioned earlier, presents the managers and their subordinates with the task of identifying possible areas for practicing their responsibilities and linking them with the organization's objectives. Also, this is achieved through meetings, where the managers and their subordinates ensure the best interest of the organization's objectives. According to [Sadiya \(2019\)](#), MBO has proven to address attention-directing questions as it helps set standards and introduce rewards for them. This helps motivate the employees, as they strive hard to achieve the set standards for the rewards.

Various studies have shown that the MBO is an effective approach to raising productivity. According to [I.R.S. \(2005\) research](#), the most common scheme type compares employees' performance to the organization's goals or objectives.. Similar research by [Latham and Locke \(1979\)](#) showed that the level of production in various companies improved after implementing a 14-year research program as a motivational approach. The production level improved by more than 19%, based on the research results.

Understanding the significance of vision and mission has helped many organizations achieve their strategic goals and objectives. Also, these organizations have been able to set a clear strategy that aligns with the company's mission and vision. According to [Sadiya \(2019\)](#), MBO is one of the essential tools that managers can use to agree with their subordinates on the organization's goals and objectives by setting specific targets, monitoring them, and evaluating if each is achieved. Good management is defined by how it sets its objectives and how easily the managers and subordinates agree to the set objectives and targets. In such a scenario, the manager's and subordinates' personal goals are changed to organizational goals, as it involves motivating them.

In reference to one of the scholars, [Eminue \(2005\)](#), management by objective involves the predetermination of the organization's objectives, which are linked with targets, and how to achieve them by establishing a time frame for pursuing each objective. Also, performance assessment by success in meetings is part of ensuring the predetermination of the set objectives through meetings to address the objectives and targets within the predetermined time schedule. Another important aspect is the doctrine of providing significant strategies to achieve those objectives. MBO involves collaborative processes where the managers and their subordinates jointly determine their objectives and targets for the organization.

One of the significant parameters for measuring employees' welfare, attitude, capacity, weakness, strength, failure, success, and other essential components in an organization is the productivity level ([Nwafor-Orizu, Okolo, & Eze, 2018](#)). However, the essential aspect of productivity level is establishing the organization's objectives and goal achievement strategies through the joint collaboration of employees and managers. This ensures that the employees are guided to be responsible for executing the set strategies to achieve the organizational objectives rather than their own objectives. This shows that the management can connect itself to the productivity level of the employees through how it defines its objectives.

According to research by [Sadiya \(2019\)](#), there is a striking correlation between employees' productivity and managers' and employees' understanding of organizational objectives. This is where, if the managers clearly understand the objectives, they make it easier to understand what is expected of them, which is crucial for increasing productivity levels in the organization.

Employee participation presents a process where the employees are included in making the organization's decisions rather than just being given orders to complete certain tasks. In the definition of the term participation, it refers to being part of something in one way or another. The participation of the employees in decision-making varies across different organizations as it is at various levels, either low, moderate, or high. Based on the Employee Involvement Model, there are various contingencies that can impact employees' level of involvement in the decision-making structure. For instance, it may involve a programmed structure, which is less likely to involve

employees, and a non-programmed structure, which may involve employees as there are no set solutions. According to [Aliyu \(2019\)](#), the level of employee involvement depends on the complexity of the situation at hand. Employee participation presents a special type of delegation, where the managers or seniors give their subordinates the freedom and control to be part of something. This, in turn, serves an essential role in bridging communication and association between management and employees. Employee participation is essential, as it promotes peace in the organization, improves productivity and efficiency among employees, and increases employee work satisfaction through self-expression and making them feel valued. According to different studies, employee participation has been proven to enhance the efficiency and effectiveness of relevant companies, along with overall productivity ([Denison & Mishra, 1995](#)).

Employees' compensation presents a function of Human Resource Management (HRM), which involves offering rewards to employees to ensure they perform certain assigned tasks and result in a specific desired outcome while making sure the employees are motivated, satisfied, and attracted to work on the task ([Ivancevich, 2004](#)). One of the crucial components in the success of any organization is its employees, who form the key resource as they define whether the organization manages to achieve its set objectives and goals or not. Therefore, as part of maintaining and motivating employees, it should involve compensation with appropriate rewards to help attract and retain competent and talented employees. For instance, if the employees are not well compensated, they can easily move to another organization that is well-compensating its employees.

According to [Armstrong \(2003\)](#), the willingness of employees to retain their job position in a given organization depends on how well they are compensated. This means that organizations should consider how well they compensate their employees as part of ensuring optimal retention and performance. In reference to [Falola, Ibadunni, and Olokundun \(2014\)](#), the degree of employees' readiness to stay in a certain organization or satisfaction with their job position depends on the compensation package implemented by that specific organization.

This shows that compensation acts as a tool with the capability to achieve employee retention and satisfaction as it involves both financial and non-financial benefits that satisfy, motivate, and attract employees ([Adeniji, Osibanjo, & Abiodun, 2013](#)). For instance, the salary provided to the employees may ensure satisfaction if it is a little higher or average compared to what other organizations offer. For wages, which present the daily or weekly payment to the employees, it may motivate them if it is average or a little higher as well.

### *3.2. The Relationship of MBO To Job Satisfaction*

[Locke \(1976\)](#) posits that employee satisfaction emerges when employees' workplace outcomes align with their envisioned outcomes. The more valuable outcomes an employee receives, the more satisfied they are. The above approach attracts managerial attention to the job components that generate dissatisfaction and then modifies them so that the employee is content.

Furthermore, another crucial theory in employee satisfaction is equity theory. The theory, which Adam (1963) developed, states that employees compare the proportion of their input to their output and compare their insights to those of others. The exponents or supporters of this theory emphasize that an employee's satisfaction levels are determined through perceived equity, whereby an individual compares their input-output balance to those of others. In particular, the proportion of what a person receives relative to what they contribute to employment defines the input-output balance. Further, [Solomon \(1980\)](#), an opponent of process theory, indicates that consistent input does not always yield a reliable outcome.

Fulfillment theory advocates ([Schaffer, 1953](#)) measure one's satisfaction according to the rewards they receive or the degree to which their wants are met. Furthermore, they believed that job contentment correlates positively with the actual fulfillment of anticipated expectations. The level of desire of a person in a specific field is a key factor in accurately predicting job satisfaction. The discrepancy theory of job satisfaction was developed out of this.

Apart from compensation, other major variables that determine the level of job satisfaction include job autonomy, social relations, just promotion system, and leadership conduct ([Dawson, 1987](#)). According to [Nguyen, Taylor, and Bradley \(2003\)](#), job satisfaction results from promotion opportunities in the firm. [Tessema and Soeters \(2006\)](#) concur that perceived employee performance is positively associated with promotion practices. [Park, Mitsuhashi, Fey, and Björkman \(2003\)](#) specify that if firms desire to quicken employees' performance, unbiased promotional opportunities should be offered to the workers. According to [Robbins, Odendaal, and Roodt \(2003\)](#), work is the

degree to which a job offers a person motivating tasks, the opportunity to be reliable and responsible for the results, and prospects for learning and personal growth. Employees are motivated by jobs that are aligned with competencies and are mentally stimulating.

The Job characteristics model presented by [Hackman and Oldham \(1975\)](#) empirically evaluated the links between job characteristics, individual differences in needs, strengths, and motivation of employees, satisfaction, performance, and absence from work. The study's results indicated that job satisfaction, motivation, attendance, and performance all had favorable associations. The five main job characteristics, that is, autonomy, task importance, task identity, skill variety, and feedback from the job, influence three specific psychological reactions to the job, including the meaning of work, responsibility, and knowledge, in accordance with the Job Characteristics Model.

### *3.3. The Relationship of MBO to Employee Performance*

Campbell proposed a widely accepted definition, which alludes to employee performance as the behavioral patterns or activities relevant to achieving an organization's goals. The notion has three key components, as per the definition: work outcomes should be appraised on behavior instead of outputs; work performance includes the behaviors correlated with the objectives of the company; and it is multifaceted.

Furthermore, [Borman and Brush \(1993\)](#) regard employee performance as an explicit and implicit form of employee contribution to company objectives. As a result, work performance is crucial to meeting a company's defined objectives.

According to [Jafari, Bourouni, and Amiri \(2009\)](#) and [Shaout and Yousif \(2014\)](#), MBO is the most effective technique for ensuring that employees perform their tasks satisfactorily. An MBO tool is leveraged to integrate the needs of a company (revenue, expansion, and advancement) with the specific needs of individual managers (incomes, payments, and career development) in a way that is mutually beneficial to both parties ([Ramosaj, 2007](#)). And thus, it can be described as the process of transforming organizational goals into personal ones ([Jafari et al., 2009](#)).

All of the above indicated that MBO underscores the significance of the inputs made by individuals to larger organizational goals. It conforms to the performance management concept, which consists of five major elements: feedback, measurement, agreement, dialogue, and positive reinforcement. Monitoring the results in the form of actual performance as opposed to expressed expectations as goals (management by objectives) is also an essential part of the process ([Armstrong, 2009](#)). Hence, it is a method of driving employees to achieve organizational goals by improving their performance and manager results. According to [Stewart \(1993\)](#), an enterprise, as an organizing form, accomplishes results through its people. As such, the MBO allows for prearranged standards, which provide for improved organizational outcomes.

Job performance presents the effectiveness with which the employees execute the assigned job or tasks while ensuring they observe the organization's set objectives and goals ([Borman & Motowidlo, 1997](#)). The research by [Werner \(1994\)](#) presents how task performance relates to formal rewards provided by the organization to the employees. Based on the research, the rewards motivated the employees to demonstrate proficient skills and better behaviors, directly impacting the production of products and services or indirect business functions.

Studies present that performance is one of the essential aspects as it defines how well the organization achieves its set objectives and goals ([Coleman & Borman, 2000](#); [Motowidlo & Schmit, 1999](#)). For instance, with improved performance, employees will likely volunteer to complete the extra work, help other employees complete difficult tasks, support the organization in implementing better decisions, abiding by the provided regulations and rules, sharing information and other essential resources for the business's development, and cooperate with others. This shows that different organizations need to observe employees' performance as it defines the culture or work climate, which helps in achieving the effectiveness or productivity of the employees.

According to [Koopmans, Bernaards, Hildebrandt, De Vet, and Van der Beek \(2014\)](#), there are different constructs relating to the employees' performance, such as counterproductive work behaviour, teamwork, behaviour towards customers, and work role empowerment. Other constructs presented by other studies include handling work stress, training efforts, interpersonal adaptableness, creativity in the face of difficulties, disciplined efforts, task proactivity at the individual or team level, task adaptively, task proficiency, problem-solving and implementation, proactive work behaviour, contextual performance, job performance, the opportunity for reward, satisfaction with co-workers, organizational support, and conscientious initiative ([Audrey & Patrice, 2012](#); [Borman et al., 2001](#); [Griffin, Neal, & Parker, 2007](#); [Kennedy, Lassk, & Burns, 2001](#); [Parker, Williams, & Turner, 2006](#); [Schepers, 2008](#)).

Overall, the different studies present that employees' performance is an essential aspect of an organization, and all its related constructs should be keenly observed.

The different studies present that employees' performance includes a behavior cluster, which results from the employees' technical knowledge, adaptability and skills, and interpersonal relationships such as interconnectedness, allegiance, and building team spirit. The explanation for the different kinds of behavior in pieces and bits from the earlier models depicts distal organization outcomes in the form of growth, organization development, customer satisfaction, and productivity enhancement, among others.

The MBO method itself entails a motivating technique that involves observing managerial practices perceived positively. According to [Hoffmann-Burdzińska and Flak \(2016\)](#), these managerial practices include periodic common controlling or self-controlling work done, autonomy in using and searching means to achieve strategic objectives, and ensuring commonly negotiated goals. In research conducted by [Bieniok \(2004\)](#), management, by using strategic objectives, helps to improve the employees' motivation and helps in achieving the organization's goals. A different study by [Mulolli, Islami, and Skenderi \(2015\)](#) showed that employees are likely to increase their personal or income satisfaction if they realize bonuses and other rewards. In addition, they will be more motivated to put more effort into their performance. A major consideration is that performance-driven objectives should be aligned with the set policies in the organization, as the entire process requires people to move in the right direction or be centric and strategic ([Jena & Pradhan, 2014](#); [London, 2003](#); [Mone & London, 2009](#)).

### *3.4. The Relationship of Job Satisfaction to Customer Satisfaction*

The impact of quality orientation on customer satisfaction can be inferred from [Johnson's \(1996\)](#) work. Johnson has reported that among the eight organizational practice dimensions that contribute to the provision of high-quality services, there is a strong positive association between employees seeking and training to meet the customer's needs and expectations, recognition, rewards, employee training, and overall customer satisfaction. The quality-oriented priorities and approach that were reflected in the service culture facilitate the realization of high levels of customer satisfaction.

If there is an increase in positive experiences, employees are more inclined to deliver better service and please more customers ([Heskett, Jones, Loveman, Sasser, & Schlesinger, 1994](#)). Thus, it is possible to increase client contentment, repurchase intentions, and beneficial referrals to other potential customers if employee satisfaction is elevated ([Rogers, Clow, & Kash, 1994](#)). Employees who are satisfied operate in a workplace environment that affords them the necessary programs and support to serve customers. Employees who are satisfied and committed to the company's mission create value, resulting in satisfied and loyal customers ([Sergeant & Frenkel, 2000](#)).

Several studies have investigated the correlation between job performance and job satisfaction among employees ([Janssen & Van Yperen, 2004](#); [Karatepe, 2012](#)). On the other hand, extrapolating a positive link from [Heskett et al. \(1994\)](#) service-profit chain model, it is argued that the customers' high regard for efficient employee service promotes customer satisfaction, which in turn enhances profitability via their loyalty.

Additionally, the effect of quality orientation, a defining factor of customer satisfaction, on customer satisfaction can be deduced from the work of [Johnson \(1996\)](#). Among the eight organizational dimensions of practices that contribute to the delivery of quality service, Johnson has reported that employees seeking information and trying to satisfy customer needs and expectations, employee training, and recognition, together with rewards, have a powerful positive relationship with global customer satisfaction.

It has also been advocated that there is a negative and positive link between employee productivity and customer satisfaction. On the one hand, the trade-off between customer satisfaction and productivity is apparent in service companies ([Anderson, Fornell, & Rust, 1997](#); [Rust & Huang, 2012, 2014](#)), while achieving these goals simultaneously is advisable for the sustainable development of the current market. On the other hand, a positive association is inferred from the service-profit chain model of [Heskett et al. \(1994\)](#), which posits that the high customer value placed on highly efficient employee service pushes customer satisfaction, which in turn raises profits via customer loyalty. Considering these conflicting views, we hypothesize that there is no connection between these variables. As a result, employee productivity is not appreciably associated with customer satisfaction.

### 3.5. Action Research

Furthermore, by leveraging the action research approach, the scholar is seen to collaborate with the various stakeholders of organizations to identify relevant issues, with the aim of implementing effective responses and interventions premised on the various perspectives. As a result, action research is an approach that incorporates both action and research dynamics, according to [Eden and Huxham \(1996\)](#). In other words, the approach aims to create alternatives to the current scenarios facing an organization, promote learning, and create new norms and values as a technique for problem-solving. Beyond that, other scholars, including [Argyris, Putnam, & Smith, 1985](#)), have emphasized that the most powerful attribute of the approach is that it incorporates dialogue and sense making in developing solutions to various problems, enabling the comprehension of complex change processes. Good action research can aid in the resolution of practical issues, add to behavioral science’s theoretical and practical aspects, and promote deeper knowledge among scientists, practitioners, and laypeople [\(French & Bell, 1995\)](#). Action research should be theory-based with a focus on improving the organization, which leads to data reflection, generalization of findings, and theory building. These theories can be used to create tools and models. Change interventions, as well as action reflection, and theory revision, all benefit from these, and this could result in an iterative, continuous process of theory formation, action, reflection, and theory expansion [\(Eden & Huxham, 1996\)](#). As a result, the interpenetration of factual, interpretative, and normative statements should be a hallmark of action research, which should aim to produce information that is intentionally imprecise and will be supplemented as needed.

Finally, but not least, a particular action research methodology is needed to exploit this involvement in the process of managing extensive and complex transformations, so that, put another way, action research can contribute to employees studying diagnostic solutions along with responding to and anticipating future problems [\(French & Bell, 1995\)](#).

## 4. ACTION RESEARCH DESIGN

The objective of this research is to investigate the association between MBO and job satisfaction, employee productivity, customer satisfaction, and performance. The links developed were subsequently utilized as a buffer for the effects of organizational interventions. Since it communicates the right knowledge for the implementation of the intervention, action research was chosen as the best method for this study.

Three stages defined the action research design for the study. That is, pre-ODI, ODI, and post-ODI. The premise of implementing a three-stage approach for this study was to develop insights into how the MBO mechanism has a bearing on employee productivity, employee satisfaction, and employee performance internally. Sense of Stability (Post-ODI stage), Embracing New Ways of Working (ODI stage), and Unknown Journey (Pre-ODI stage) are all components of the action research paradigm exploited by [Cummings and Worley \(2009\)](#), which supports the use of a similar approach for this study. Conclusively, [Figure 2](#) depicts the three steps of the action research framework for this study: Pre-ODI, ODI, and Post-ODI.

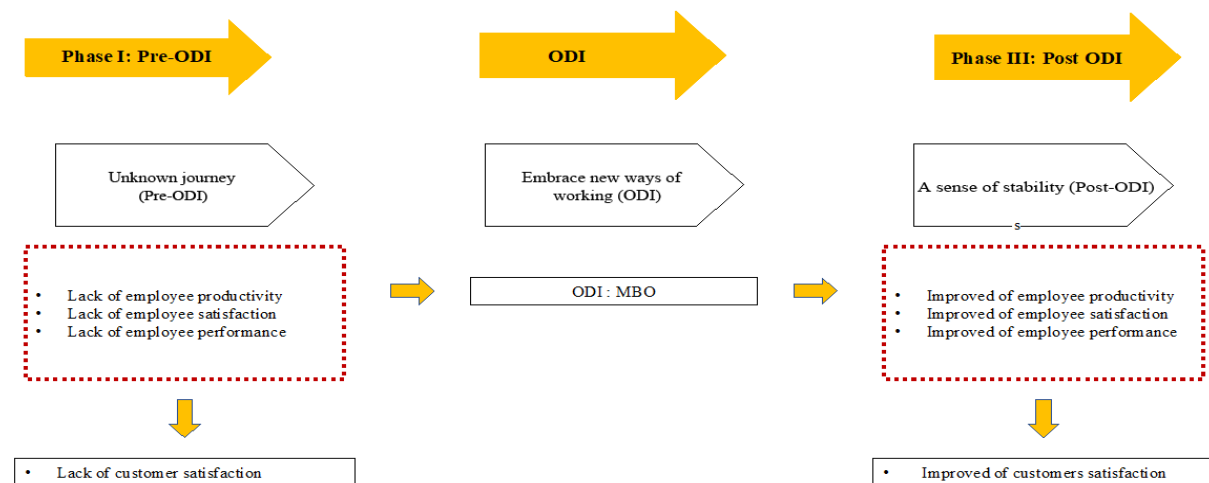


Figure 2. Action research design.

Source: [Cummings and Worley \(2009\)](#).



Furthermore, qualitative data derived from primary and secondary sources was employed in this work. The collection of primary data for this study involved conducting pre-ODI and post-ODI interviews with managers and representatives of the focal organization. All participants selected for this study were interviewed, thereby generating primary data. Secondary data were taken from HR personnel files, supervisor performance files, as well as the output and return files of the finance department. Furthermore, daily observations were conducted in the pre- and post-ODI periods.

## 5. INTERVENTION METHODOLOGY

All three diagnosis investigations employed qualitative data derived from the two sources. During the diagnosis and post-intervention interview phases, the focal organization employees were asked questions to generate primary data. All of the participants chosen for the study were interviewed using the appropriate methods. Secondary data were obtained from employee data in the human resources department, the performance files of supervisors, as well as records from the finance and accounting departments. Day-to-day observations were also implemented in the process and after the diagnostic intervention.

### 5.1. Materials

The interviews were applied to collect the views of employees to measure employee productivity, job satisfaction, performance, and customer satisfaction. During the one-on-one meetings, the primary purpose of the interview was explained to the participants. All questions were open-ended. The interview questions were drafted based on the organizational change model (Burke & Litwin, 1992) to examine organizational change with a focus on goal-setting theory. The initial questions were drafted at the individual, departmental, and organizational levels and showed the questions for discussion as follows:

1. Give me three objectives of your work?
2. What have you worked on in the last several months to meet your work objectives or goals?
3. Can you tell me the three primary objectives or goals of the organization?
4. What skills do you require in order to achieve your personal work goals?
5. What rewards would you like to receive for reaching the goals or objectives of the organization?
6. Tell me a story regarding your successful teamwork experience.
7. What do you want this organization to do to support you in realizing your organizational and personal goals and objectives"?
8. In addition to what we've already addressed, is there anything else you want to share in terms of job satisfaction, employee productivity, and performance?

These interview questions were designed to investigate the managerial and organizational factors that influenced employee productivity, job satisfaction, performance, and customer satisfaction during diagnosis and post-ODI differences. The researchers also evaluated the tangible measures of employee productivity, job satisfaction, performance, and customer satisfaction, as well as the interventions implemented. They also considered external factors that may influence the organization's ability to progress, such as resource constraints, structural limitations, and policy arrangements in the context of Management by Objectives (MBO). These factors were examined in relation to their potential impact on employee productivity, job satisfaction, performance, and how employees perceive them.

### 5.2. Procedure

For this study, the researcher employed the Action Research Framework, concentrating on the influence of a customized ODI program on the focal organization's employee productivity, job satisfaction, performance, and customer satisfaction. There were three steps to the process: pre-ODI, ODI, and post-ODI.

### 5.3. Pre-ODI

The assessment of the focus organization employed qualitative approaches like one-on-one interviews and executive dialogues with employees, middle management, customers, and suppliers, together with questionnaires, observations, and McKinsey's 7S model involving the executive team during the pre-ODI stage. The goal of this stage was for the researchers to better understand the organization's existing state and the executive team's priorities in areas or challenges where they demonstrated a willingness to modify or alter.

Problem Statement: From extensive research, it is apparent that a focused organization is dealing with numerous challenges that are impeding its performance. The initial investigations involved observing, interviewing, and later examining the primary data collected from stakeholders, which included clients, suppliers, and staff. It was possible for the researchers to identify the main problems that provided the roadmap for this study. Specifically, the major issues studied include 1) lack of engagement of MBO at the individual and departmental levels; 2) decreased employee productivity levels; 3) decreased employee satisfaction; 4) decreased employee performance levels; and 5) lack of customer satisfaction. As a result, the researcher could determine that MBO should be implemented as an independent variable that would serve to characterize the company's purpose, evaluate the business environment, set established objectives and goals, which are the preconditions for supporting change, and further evaluate the effect of change on dependent variables, in this case, job satisfaction, employee productivity, customer satisfaction, and performance. With these points of view, this research investigation will be able to solve the problems faced by the focal organization and strengthen its organizational change through MBO as an intervention.

#### *5.4. ODI Stage: MBO Intervention*

The goal of this ODI phase is to raise the job satisfaction and productivity levels of employees so as to enhance customer satisfaction and the performance level of the focal organization. It includes major interventions such as the MBO process and related techniques. The research intervention includes the eight steps to transform organizations for this stage, as well as the steps listed below. 1) Creating a sense of urgency; 2) Developing a strong guiding coalition -- "Passion with what we do"; 3) Developing a vision for forward movement -- A new vision for us"; 4) Communicating the change vision -- "Connecting Bridge"; 5) Empowering others to act -- Let's Moving Forward"; 6) Planning and Creating Short Wins -- "Celebration Time"; 7) Consolidating improvements and producing more changes --"Managing the transition" 8) "No One Left Behind" Institutionalizing for the next phase. The intervention method provided the researcher with the opportunity to provide relevant activities for employees who have the most impact on organizational change. The intervention, which includes management by target intervention, namely, participants, interview materials, and equipment; the setting, procedure, and data analysis of the intervention; and related elements are illustrated below:

Participants. In the early part of this work, the participants engaged in the process of intervention were 23 employees. Subjects, as an exchange for their participation, were given an additional day off with a souvenir. The interviewees were chosen from the following groups: the same participants for diagnosis and post-ODI interview analysis. Participants were selected for their contributions based on their role in identifying the focal organization via various comprehensive coordination processes and decision-making processes across diverse levels of the organization. Accordingly, the participants' inclusion criteria included the following:

1. Various departments and levels within the organization, including lower-, middle-, and top-level management, represented different departments.
2. All participants had over two years' experience.
3. All participants were English-speaking.
4. Two executives from the management level.
5. Seven middle managers from each department.
6. Seven senior employees from each department.
7. Five junior employees from each department.
8. In total, 23 employees participated in the individual diagnosis and post-ODI interviews.

Intervention Setting. The intervention study was performed in a conference room on the 5<sup>th</sup> floor with a special video and sound setup, and the intervention was conducted in chair style and classroom style to make sure that participants did not feel scared to participate in the intervention and felt confident interacting and participating during the intervention, which also ensured an encouraging and relaxed atmosphere. The intervention was conducted during office working hours, with a total of 23 employees all invited at once to conduct the intervention for three days during the six-month period. The group brainstorming and team activities were conducted during the entire intervention process for participants.

Intervention equipment and materials. Some of the equipment used in the intervention activities was a white board, papers, glue, colorful markers, a lapel microphone, and a quiet classroom conference room with oval, round, or table props.

Intervention procedure. During the first phase, a brainstorming meeting was conducted to establish objectives, which were set by the supervisors and management team on the basis of an assessment and explanation of what the company could and should accomplish in a given time frame, such as the next year.

In the second phase, the managers began working with their subordinates to develop their personal objectives after briefing the staff on the overall objectives, plan, and techniques to be used. These were based on one-on-one conversations in which the employees informed the managers of their objectives, the goals they could complete in a certain amount of time, and the resources needed to do so. They may then discuss which objectives the organization or department believed were doable in a preliminary manner. The management by objectives method aims to boost managers' effectiveness, but it is also crucial for tracking each employee's development and success inside the company.

The third step of the MBO framework included the establishment of a performance review with the involvement of the relevant management. Because it made it possible for the staff to monitor and adjust their behavior during this intervention period. In addition to continual feedback, there were frequent formal evaluation meetings when managers and staff members reviewed how well they were doing in terms of achieving their goals.

By the end of the wrap-up discussion after this MBO intervention, by setting up a number of specific objectives that both the focal organization and employees were working towards in the near future, the managers were able to maintain control over their workforce. The MBO strategy was applied to make sure that employees had a clear grasp of their duties, roles, and expectations so they could associate their daily tasks with the success of the focal organization as a whole.

Intervention data analysis. No particular software for analyzing qualitative data was employed. To assess and combine the data, the researcher used a password-protected Google account and applications like Google Sheets and Google Docs. On Google Docs, all transcripts and codes were kept. Depending on the research question the code and correlated participant quote were related to, each code and associated participant quote from a single transcript were copied and pasted into a specified Google Sheet after being finished being coded. Each research question has a Google Sheet. If a code and participant citations are associated with more than one research question, they will be copied and pasted into multiple Google Sheets. Thus, all data for participants for a research question can be identified in a single file. For the synthesis of the data, the researcher categorized the data per code and research question and could get a quick summary of the participant data for each of the codes.

As noted previously, participants were asked to examine their transcripts to verify the data's accuracy. Only a single participant was asked to edit the interview answers to allow for clearer responses to the interview questions. As the researcher proceeded with the interviews and compared the data, more interview questions were incorporated into the interview guide to fill in gaps in the data and capture a holistic picture. The responses of two additional individuals validated the inaccuracy of the transcripts and offered some minor alterations to the new responses. One other person responded, affirming that the transcripts look great because not all of them require updated responses.

In general, in terms of the analysis and synthesis of data, the researcher first attempted to individually check the data for each sentence to extract meaning and assign codes, and subsequently compared the various codes to form a number of themes, which led to the results in Chapter 4. In Chapter 5, these findings and themes were utilized for comparison with available literature in order to enhance or develop a further understanding of the research topic.

Participants, interview materials and equipment, procedures, the intervention setting, and data analysis were all addressed in the initial intervention. During the first stage of this investigation, 33 individuals participated in the management-by-objectives intervention procedure. All subjects received an extra day off and a keepsake in exchange for their involvement in the study. Following three months of management by objectives (MBO) carried out with relevant analysis data as a baseline. Participant interviews, interview materials and equipment, procedures, the intervention setting, and data analysis were essential aspects of the MBO intervention.

### *5.5. Post-ODI*

This phase was an assessment of the intervention activities. After the six-month intervention, the researcher assessed the same group of participants with the same approach, in the pre- and post-ODI phases, on six professional topics, with the following overall results, higher employee productivity from MBO, higher job satisfaction from MBO, higher employee performance from MBO, and higher customer satisfaction from higher

employee satisfaction. The evaluation of the intervention activities was the focus of this stage. The researchers employed the same methods on the same set of individuals in the process of pre-and post-ODI, with six significant themes after six months of intervention.

### *5.6. Data Collection and Analysis*

There were no specified qualitative data software or programs utilized in the analysis of the data. Nevertheless, to conduct the analysis and synthesis of data, the researcher employed a password-protected Google account and applications, for instance, Forms and Google Docs. Google Docs was utilized to save all codes and transcripts. After the coding of a transcript was done, each code and associated participant citation were copied and pasted into a designated Google Sheet based on which research question the code and its accompanying participant citation pertained to. Each research question was assigned to a Google Sheet. When a participant quote or a code was applied to a number of research questions, it was copied and then pasted into the appropriate Google Sheet. Consequently, all of the participant information for a research question was enclosed in a single file. To get a quick overview of participant data for every code, the researchers categorized the data according to code and research question.

## **6. RESULTS**

The total examination of all 33 participants revealed six significant themes. It is summarized the trimming procedure from 658 initial codes to 914 abstracted for these six main themes. The below section summarizes the findings relating to the research's overarching issue of MBO in the workplace, as well as the results of interviews with 23 employees who answered nine questions posed by researchers. The six key themes, including first-order concepts, were then abstracted to inform the Theme 1: the relation of MBO to employee productivity; Theme 2: the relation of MBO to employee satisfaction; Theme 3: the relation of MBO to employee performance; Theme 4: The relation of employee productivity to customer satisfaction; Theme 5: The association of employee satisfaction with customer satisfaction Theme 6: The relation of employee performance to customer satisfaction. The details of each theme will be illustrated below:

### *Theme 1: The relation of MBO to Employee Productivity*

The total yielded 97 initial codes that encompassed the heart of participants' MBO experiences and perspectives related to employee effectiveness during pre-ODI. During Pre-ODI stage, there were 22 coding occurrences associated with employees participation in goal setting (22.68%), 20 coding occurrences linked to employees delegation to attainment of objectives (20.62%), 17 coding occurrences associated with promotion and career development aligned with goal achievement (17.53%), 16 coding occurrences associated with recognition and reward aligned with goal achievement (16.49%), and 10 coding occurrences associated with employee perception towards MBO (10.31%). Furthermore, during Post-ODI, the total yielded 139 initial codes, including 26 coding occurrences associated with employees participation in goal setting (19.85%), 24 coding occurrences associated with employees delegation to attainment of objectives (18.32%), 23 coding occurrences associated with promotion and career development aligned with goal achievement (17.56%), 20 coding occurrences associated with recognition and reward aligned with goal achievement (15.27%), and 18 coding occurrences associated with employee perception towards MBO (13.74%). **Table 1** depicts the five first-order notions and their accompanying elements, as well as comparison coding occurrences between Pre- and Post-ODI.

### *Theme 2: The relationship of MBO to Employee Satisfaction*

In this section, there are a total of 175 initial codes that encompass the heart of participants' MBO experiences and perspectives related to employee satisfaction during pre-ODI. During the pre-ODI stage, there were 28 coding occurrences associated with compensation and benefits (16%), 24 coding occurrences linked to job duty commitment (13.71%), 22 coding occurrences associated with a sense of job security (12.57%), 39 coding occurrences associated with working environment and culture (22.29%), 34 coding occurrences associated with relationships with supervisors and peers (19.43%), and 28 coding occurrences associated with customer relationships (16%).

**Table 1.** The number of coding occurrences based on the primary themes identified by employee’s productivity during Pre- and Post.

Pre-ODI analysis results (97)			Theme post-ODI analysis results (139)		
Major themes	Number of coding occurrences	Percentage of coded transcripts	Major Themes	Number of coding occurrences	Percentage of coded transcripts
1. Employees participation in goal setting	22	22.68%	1. Employees participation in goal setting	26	19.85%
2. Employees delegation to the attainment of objectives	20	20.62%	2. Employees delegation to the attainment of objectives	24	18.32%
3. Promotion and career development aligns with goal achievement	17	17.53%	3. Promotion and career development align with goal achievement	23	17.56%
4. Recognition and reward align with goal achievement	16	16.49%	4. Recognition and reward align with goal achievement	20	15.27%
5. Employee perception towards MBO	10	10.31%	5. Employee perception towards MBO	18	13.74%

Furthermore, during Post-ODI, the total yielded 190 initial codes, including 31 coding occurrences associated with compensation and benefits (16.32%), 26 coding occurrences associated with job duties commitment (13.68%), 24 coding occurrences associated with a sense of job security (12.63%), 41 coding occurrences associated with working environment and culture (21.58%), 38 coding occurrences associated with relationships with supervisors and peers (20%), and 30 coding occurrences associated with customer relationships (15.79%). [Table 2](#) depicts the six first-order notions and their accompanying elements, as well as comparison coding occurrences between Pre- and Post-ODI.

**Table 2.** The relation of MBO to employee’s satisfaction during pre-and post.

PRE (175)			POST (190)		
First-order concepts	Number of coding occurrences	Percentage of coded frequency	First-order concepts	Number of coding occurrences	Percentage of coded frequency
1. Compensation and benefit	28	16%	1. Compensation and benefit	31	16.32%
2. Job duties and commitment	24	13.71%	2. Job duties and commitment	26	13.68%
3. Sense of job security	22	12.57%	3. Sense of job security	24	12.63%
4. Working environment and culture	39	22.29%	4. Working environment and culture	41	21.58%
5. Relationship with supervisor and peers	34	19.43%	5. Relationship with supervisor and peers	38	20%
6. Customers relationship	28	16	6. Customers relationship	30	15.79%

*Theme 3: The Relationship of MBO to Employee Performance*

The total yielded 139 initial codes that encompassed the heart of participants' MBO experiences and perspectives related to employee satisfaction during pre-ODI. During the pre-ODI stage, there were 30 coding occurrences

associated with Job Goal Clarity (21.58%), 28 coding occurrences linked to job goal commitment (20.14%), 27 coding occurrences associated with job goal alignment (19.42%), 26 coding occurrences associated with consistent goal communication (18.17%), 16 coding occurrences associated with demonstrating personal effort and discipline towards the goals (11.51%), and 12 coding occurrences associated with facilitating goal-oriented behaviour (8.63%). Furthermore, during Post-ODI, the total yielded 145 initial codes, including 31 coding occurrences associated with job goal clarity (21.38%), 28 coding occurrences associated with job goal commitment (19.31%), 30 coding occurrences associated with job goal alignment (20.69%), 24 coding occurrences associated with consistent goal communication (16.55%), 17 coding occurrences associated with demonstrating personal effort and discipline towards the goals (11.72%), and 15 coding occurrences associated with facilitating goal-oriented behaviour (10.34%). **Table 3** depicts the six first-order notions and their accompanying elements, as well as comparison coding occurrences between Pre- and Post-ODI.

**Table 3.** The relation of MBO to employee performance during pre- and post.

PRE (139)			POST (145)		
First-order concepts	Number of coding occurrences	Percentage of coded frequency	First-order concepts	Number of coding occurrences	Percentage of coded frequency
1. Job goal clarity	30	21.58%	1. Job goal clarity	31	21.38%
2. Job goal commitment	28	20.14%	2. Job goal commitment	28	19.31%
3. Job goal alignment	27	19.42%	3. Job goal alignment	30	20.69%
4. Consistent goal communication	26	18.71%	4. Consistent goal communication	24	16.55%
5. Demonstrating personal effort and discipline toward the goals	16	11.51%	5. Demonstrating personal effort and discipline toward the goals	17	11.72%
6. Facilitating goal-oriented behavior	12	8.63%	6. Facilitating goal-oriented behavior	15	10.34%

*Theme 4: The relationship of Employee Productivity to Customer Satisfaction*

Six viewers and buyers were chosen as participants for the study, and their responses resulted in 131 initial codes produced to record the participants' viewpoints on the impact of customer satisfaction on the focus organization. The total yielded 131 initial codes that encompassed the heart of participants' experiences and perspectives related to customer satisfaction during pre-ODI. During the pre-ODI stage, there were 28 coding occurrences associated with product delivery punctuality (21.37%), 26 coding occurrences associated with accessibility and response time (19.85%), 22 coding occurrences associated with product knowledge and skills (16.79%), 18 coding occurrences associated with empathy and friendliness (13.74%), and 15 coding occurrences associated with sentiment analysis (11.45%).

22 coding occurrences associated with customer retention intention (16.79%). **Table 4** depicts the three first-order notions and their accompanying elements. Also, during Post-ODI, the total number of initial codes was 159.

There were 34 coding occurrences related to on-time product delivery (21.38 percent), 30 coding occurrences related to access and response time (18.87 percent), 28 coding occurrences related to product knowledge and skills (17.61 percent), and 22 coding occurrences related to empathy and friendliness (13.84%). 20 coding occurrences associated with service follow-up (12.58%) and 25 coding occurrences associated with customer retention intention (15.72%). As shown below in **Table 4** and interpreted in the subsequent section, recurring themes characterized the participants' experiences.

**Table 4.** The relation of employee productivity to customer satisfaction.

PRE (131)			POST (159)		
First-order concepts	Number of coding occurrences	Percentage of coded frequency	First-order concepts	Number of coding occurrences	Percentage of coded frequency
1.Product deliver punctuality	28	21.37%	1.Product deliver punctuality	34	21.38%
2. Accessibility and response time	26	19.85%	2. Accessibility and response time	30	18.87%
3. Product knowledge and skills	22	16.79%	3. Product knowledge & skills	28	17.61%
4. Empathy and friendliness	18	13.74%	4. Empathy and friendliness	22	13.84%
5. Service follow-up	15	11.45%	5. Service follow-up	20	12.58%
6. Customer retention intention	22	16.79%	6. Customer retention intention	25	15.72%

*Theme 5: The association of Employee Satisfaction with Customer Satisfaction*

Six viewers and buyers were chosen as participants for the study, and their responses resulted in 82 initial codes produced to record the participants' viewpoints on the impact of customer satisfaction on the focus organization. The total yielded 82 initial codes that encompassed the heart of participants' experiences and perspectives related to customer satisfaction during pre-ODI. During the pre-ODI stage, there were 20 coding occurrences associated with customer purchasing experience (24.39%), 21 coding occurrences associated with decision-making (25.61%), 19 coding occurrences associated with service quality (23.17%), and 13 coding occurrences associated with requests for returns, exchanges, and refunds. (15.85%), and 9 coding occurrences associated with overall satisfaction (10.98%). Furthermore, during Post-ODI, the total yielded 122 initial codes, including 22 coding occurrences associated with customer purchasing experience (18.03%), 35 coding occurrences associated with decision-making (28.69%), 26 coding occurrences associated with service quality (21.31%), and 20 coding occurrences associated with requests for returns, exchanges, and refunds. (16.39%), and 19 coding occurrences associated with overall satisfaction (15.57%). Table 5 depicts the three first-order notions and their accompanying elements. As shown in Table 5 and interpreted in the subsequent section, recurring themes characterized the participants' experiences.

**Table 5.** Themes and first-order concepts of customer satisfaction.

PRE (82)			POST (122)		
First-order concepts	Number of coding occurrences	Percentage of coded frequency	First-order concepts	Number of coding occurrences	Percentage of coded frequency
1. Customer purchasing experience	20	24.39%	1. Customer purchasing experience	22	18.03%
2. Decision-making	21	25.61%	2. Decision-making	35	28.69%
3. Service quality	19	23.17%	3. Service quality	26	21.31%
4. Request returns, exchanges, and refunds.	13	15.85%	4. Request returns, exchanges, and refunds.	20	16.39%
5. Overall satisfaction	9	10.98%	5. Overall satisfaction	19	15.57%

*Theme 6: The relationship of Employee Performance to Customer Satisfaction*

Six viewers and buyers were chosen as participants for the study, and their responses resulted in 131 initial codes produced to record the participants' viewpoints on the impact of customer satisfaction on the focus organization. The total yielded 131 initial codes that encompassed the heart of participants' experiences and perspectives related to customer satisfaction during pre-ODI. During the Pre-ODI stage, there were 28 coding occurrences associated with average resolution time (21.37%), 26 coding occurrences associated with customer service

effort (19.85%), 22 coding occurrences associated with customer service interaction (16.79%), 18 coding occurrences associated with first response time (13.74%), and 15 coding occurrences associated with sentiment analysis (11.45%). 22 coding occurrences associated with asking for feedback (16.79%). Table 6 depicts the three first-order notions and their accompanying elements. Furthermore, during Post-ODI, total 159 initial codes were identified, including 34 coding occurrences associated with average resolution time (24.38%), 30 coding occurrences associated with customer service effort (18.87%), 28 coding occurrences associated with customer service interaction (17.61%), 22 coding occurrences associated with first response time (13.84%), and 20 coding occurrences associated with sentiment analysis (12.58%). 25 coding occurrences associated with asking for feedback (15.72%). As shown in Table 6 and interpreted in the subsequent section, recurring themes characterized the participants' experiences.

**Table 6.** Customer satisfaction theme and first-order concepts.

PRE (131)			POST (159)		
First-order concepts	Number of coding occurrences	Percentage of coded frequency	First-order concepts	Number of coding occurrences	Percentage of coded frequency
1. Average resolution time	28	21.37%	1. Average resolution time	34	24.38%
2. Customer service effort	26	19.85%	2. Customer service effort	30	18.87%
3. Customer service interaction	22	16.79%	3. Customer service interaction	28	17.61%
4. First response time	18	13.74%	4. First response time	22	13.84%
5. Sentiment analysis	15	11.45%	5. Sentiment analysis	20	12.58%
6. Ask for feedback	22	16.79%	6. Ask for feedback	25	15.72%

## 7. DISCUSSION AND CONCLUSION

Assessing employees' performance increases their satisfaction with working for the organization and consequently enhances their effectiveness. The majority of MBO literature concentrates on portraying the approach, presenting the steps for conduct, and giving the advantages and disadvantages of utilizing the program. The literature on MBO indicates that there are fundamentally four types of research in the field that assist in satisfying and motivating workers. One type of research examines the effect of MBO on the productivity of workers. Another type of research focuses on how subjects perceive MBO's effect on job satisfaction. The other research associates MBO intervention with performance measures of workers' satisfaction. The last major type of research connects MBO with the satisfaction of customers. Various studies have tested MBO's effect on satisfaction without assessing performance.

MBO is a management technique extensively employed in the private sector for setting goals and objectives with consistent monitoring and evaluation and proper reward. MBO is also a process that allows employees to participate in goal setting, decision-making, and coordinating team efforts to achieve set goals. MBO was comprised of three component processes: constructive feedback, participation in decision-making, and goal setting (Barnard, 1938; Drucker, 1954; Odiorne, 1976, 1986).

Regardless of the popularity of TV home shopping in various countries, the firm struggled to attract a large viewership, which was vital to improving profits. Whereas some of the challenges faced by the focal organization resulted from external sources, for instance, most of the problems in introducing other home shopping channels were generated by internal matters. Part of the biggest firm's challenges came from a lack of intention in approaching common goals and objectives. The focal organization failed to successfully engage its employees as a result of a lackluster MBO planning process coupled with ineffective employee involvement. This led to poor performance and productivity among employees and decreased job and customer satisfaction. Moreover, the firm's management was condemned for its failure to employ employee empowerment and participation strategies, which contributed to the challenges because most of the employees who shop at home are on the front lines of customer interaction. Referring to the growth trajectory of the company, these challenges made OD necessary. Consequently, regardless of the management's exertions, endeavors to enhance the organization's situation were unsuccessful, indicating the need for better interventions that could be attained through OD.



The present research has offered a vital understanding of MBO as an intervention tool in the Thai home shopping industry. The research has also contributed to enabling the transformation of the focal organization from a traditional news media into a dynamic home-shopping business through the application of the MBO approach. This has impacted employees' performance, which is vital to enhancing the outcomes of the organization. Whereas previous research concentrated on MBO operations in other industries, this work is distinctive in that it concentrated on the home shopping industry, hence going a step further. The major findings of this research can be concluded as verification of the usefulness of MBO in enhancing employee productivity, job satisfaction, customer satisfaction, and performance in the Thai home shopping industry. The research has also demonstrated the significance of MBO in organizing work and accomplishing business goals. Therefore, the research has helped to bridge management gaps by impacting employee productivity, performance, and customer satisfaction.

In relation to the study, a conceptual model was made with three independent variables: employee productivity, job satisfaction, and performance. The dependent variable was customer satisfaction, which was meant to be affected by the independent variables. The literature review performed reinforced the effectiveness of the diverse studies and built an experimental model. Researchers performed individual interviews utilizing a qualitative approach involving 33 participants at the study sites for comparison of pre- and post-intervention outcomes. The anonymity of the interviewees and the ethical considerations of the safety of the data gathered in connection with Thai CCTV were addressed with due consideration to confirm the importance of participation and its consequences.

Analyzing results from this research during pre-ODI and post-ODI, it proved that MBO is the contemporary performance assessment approach. When the employees' performance was assessed and they obtained the reward they expected, they were happy to work for a focused organization, which enhanced their productivity. In the analysis, it is notable that MBO is applicable for home shopping, like in the case of focal organization. The content analysis reveals that there is a positive relationship between MBO and job satisfaction, employee productivity, and performance. The majority of the home-shopping business was not only lacking in MBO but also experienced difficulty achieving their desired goals with employee involvement. If the executive and management properly employ MBO, they are bound to benefit. This is as MBO addresses the significance of setting goals, communicating with employees, and having a motivated attitude towards attaining them.

By analyzing ODI results in the previous section, it was shown that MBO positively affects employee productivity. When workers are evaluated and rewarded for their excellent work, they feel satisfied and want to stay with the organization. Furthermore, in the case of a focal organization, employee job satisfaction also has a strong association with employee performance and productivity. This indicates that employees are generally satisfied with their jobs when they have specific goals and objectives at the departmental and individual levels. Reward mechanisms assist in raising the level of employees' job satisfaction, which was not executed properly before MBO was implemented as an ODI in the focal organization. During the ODI stage, the success of executing the reward mechanism resulted in an evidently higher correlation between the reward mechanism and employee job satisfaction, which increased customer satisfaction in the next step.

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The Ethical Committee of the Zhanjiang University of Science and Technology, China has granted approval for this study (Ref. No. 06/2023).

#### **CONFLICT OF INTEREST**

The author declares that there are no conflicts of interests regarding the publication of this paper.

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