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Examining the Role of Goal, Role, and Process Clarity in Strategic Alignment and Organizational Performance: Insights from Ethiopian Universities

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Abstract

Strategic alignment focuses on ensuring coherence between an organization's overall strategy and the strategies of its functional areas, such as human resource management. Rooted in goal-setting theory, it emphasizes the value of collective effort and the importance of goal clarity in driving high performance and achieving organizational success. This study aims to examine how strategic alignment influences organizational performance in higher education institutions. Three key components—goal clarity, role clarity, and process clarity—were identified and analyzed as indicators of strategic alignment. Adopting a quantitative methodology with descriptive and explanatory designs, the study gathered data from 365 staff members across three Ethiopian universities selected based on their establishment generation. Descriptive statistics, including mean and standard deviation, were used alongside structural equation modeling (SEM) for confirmatory factor and path analyses. The results demonstrate that goal clarity, role clarity, and process clarity each have a positive and significant impact on organizational performance in higher education settings. Moreover, differences in performance were observed among universities, depending on the extent of strategic alignment implementation. The findings suggest that institutional leaders should articulate clear strategic objectives and ensure well-defined roles and processes across all levels of the organization to enhance performance outcomes.

Keywords: Strategic alignment, Goal clarity, Role clarity, Process clarity, Organizational performance, Higher education, Strategy

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Introduction

Organizational performance represents the collective outcomes an institution strives to achieve and evaluate across different levels—individual, departmental, and organizational [1]. In essence, performance is not an independent phenomenon; it is the result of individual efforts and collective actions [2].

The rapid pace of change in today's business environment has made management systems increasingly complex and has challenged organizational effectiveness. To sustain continuous improvement, organizations of all sizes and structures seek a strategic fit that allows every part of the system to align and work cohesively toward common goals. This integration of resources and activities with organizational priorities is referred to as strategic alignment in this study. As a modern strategic concept, strategic alignment helps institutions adapt to challenges and transform outdated systems into more efficient ones [3]. It functions as a long-term mechanism to ensure organizational sustainability and ongoing performance improvement [4]. Moreover, it fosters transparent communication and coordination between employees and administrators, enabling collective efforts toward shared objectives and creating internal harmony [5-7].

The theoretical foundation of strategic alignment lies in contingency theory, which posits that achieving a proper fit between contextual and organizational factors enhances performance [8]. Likewise, configurational theory suggests that alignment

between a firm's strategy and its internal and external conditions leads to superior outcomes [9]. Strategic alignment encompasses various dimensions reflecting how organizational strategies integrate with contextual components [10]. These include the alignment of business strategies with information technology, organizational structures, and operational processes [11], as well as alignment with other functional areas such as procurement [12], human resources [13], and marketing strategies [14].

This study, however, focuses on strategic clarity—specifically, the dimensions of goal clarity, role clarity, and process clarity—and their effects on organizational performance. Clear strategic communication provides employees with guidance by specifying the key performance areas that the organization aims to optimize [15]. It helps direct employees' focus and effort toward achieving optimal performance. Goal, role, and process clarity reflect the extent to which employees understand the relevance of their assigned tasks [16], encouraging a sense of inclusion and motivating them to perform effectively [17].

Although numerous scholars have explored the implementation and theoretical implications of strategic alignment, there remains little consensus regarding its core dimensions or the most effective constructs for measuring it [9, 18, 19]. Most prior studies have emphasized the alignment between organizational strategy and information technology or external environments. The current study, therefore, investigates how clarity in organizational goals, roles, and processes influences performance within internal structures.

While earlier research has examined strategic alignment across multiple contexts—such as IT-business fit or business-environment alignment [3, 20, 21]—the alignment among core internal components, namely goals, tasks (roles), and processes, remains underexplored. Furthermore, many prior studies have generalized strategic alignment as equally applicable to all types of organizations, regardless of size or context. Addressing this gap, the current research focuses on the influence of goal clarity, role clarity, and process clarity on organizational performance in Ethiopian higher education institutions, based on the premise that alignment across these dimensions enhances overall institutional outcomes.

Literature Review

Theoretical foundations of strategic alignment

Strategic alignment refers to the consistency between an organization's internal resources and the opportunities or constraints in its external environment. The concept originates from early strategic management scholars such as Chandler [22] and Andrews [23]. Historically, much of the research in this field has concentrated on aligning information technology (IT) strategies with overarching corporate strategies. A major conceptual contribution was the Strategic Alignment Model proposed by Henderson and Venkatraman [24], which highlights strategic fit, functional integration, and the interdependence between business and IT strategies. Luftman *et al.* [11] later elaborated this model, emphasizing that organizational performance depends on the coordinated interplay of business strategy, IT strategy, organizational structures and processes, and IT infrastructures and processes. This perspective includes the harmonization of organizational culture, staffing, structures, and governance mechanisms with strategic intent [25].

Beyond IT, strategic alignment has been examined across other functional domains such as procurement [12], human resource management [13], and advertising [14]. In the present study, particular attention is given to Shih *et al.*'s [13] dimension of strategic clarity, which explores how well human resource management practices align with organizational development strategies. Within strategic human resource management, knowledge is understood to be a central driver of organizational capability and performance [26]. The underlying rationale is that aligning HRM practices with business strategy strengthens core capabilities and enhances competitive advantage. From this perspective, HRM becomes a strategic partner in shaping and executing organizational strategies through activities that reinforce clarity of goals and the pathways to achieving them. Junita [27] argues that clarity in strategic management is a defining characteristic that distinguishes one organization from another and is essential for sustaining competitive advantage. Kidanemariam [28] also reports that aligning HRM with strategic intent positively influences overall performance, suggesting that organizational outcomes largely depend on how effectively human activities are managed.

Strategic management, therefore, seeks to ensure internal coherence among HR practices so that employees' skills, competencies, and knowledge support the organization's competitive positioning. Aligning HR initiatives with business strategies contributes to organizational success in several ways: it accelerates the transition from strategy formulation to implementation, enhances responsiveness to customer needs by translating strategy into concrete practices, and improves both financial and non-financial performance through more effective execution.

Contingency theory

This study examines how dimensions of strategic alignment—namely goal clarity, role clarity, and process clarity—relate to organizational performance. Contingency theory posits that organizational effectiveness depends on the degree of fit between a firm's strategy and the conditions of its environment [29]. The theory maintains that no single managerial model guarantees

effectiveness across all contexts; instead, success depends on how well organizational structures, processes, and strategies correspond to situational demands.

The concept of strategic alignment is inherently rooted in this idea of fit, as it involves ensuring coherence among various organizational components to achieve higher levels of performance. For the purposes of this study, contingency theory provides a lens through which to assess how the alignment of goals, roles, and processes influences outcomes across different institutional contexts. In line with the theory's central claim, management systems and practices cannot be applied uniformly across all organizations. Rather, their effectiveness varies according to contextual and environmental factors. Thus, contingency theory supports the comparative examination of strategic alignment practices and performance outcomes within the sampled organizations.

Goal setting theory

Goal setting theory underscores that clearly articulated goals are essential for achieving high levels of performance and overall success [30]. Within this framework, strategic alignment is viewed as a mechanism that enhances performance by ensuring clarity and coherence in organizational objectives. Edwin Locke's foundational work positions goal setting as a collaborative process whereby individuals and leaders jointly define a shared direction and work collectively toward its realization [30].

The theory outlines several characteristics that effective goals must possess: they should be explicit, specific, and easily understood; sufficiently challenging to stimulate effort; supported with continuous feedback to maintain progress; and structured so that large, complex tasks are broken down into manageable steps with milestones and periodic review [31]. These principles provide the conceptual basis for examining how clarity in goals, roles, and processes—key dimensions of strategic alignment—shape organizational performance.

Hypothesis development

Strategic alignment and organizational performance

Organizational effectiveness is achieved when an institution successfully meets the predefined goals that reflect stakeholder needs [32]. Achieving these goals depends on employees' awareness of strategic priorities and their responsibilities within the organization. Alignment is therefore a critical element of organizational success, as it fosters shared understanding of objectives and coordinated action across units and individuals. Anthony-McMann *et al.* [33] emphasize the importance of precisely communicating strategic goals to employees, which in turn strengthens commitment, job satisfaction, and trust [34]. Similarly, Gorgi *et al.* [35] demonstrate that performance is higher among employees who have a clearer grasp of organizational strategies and expectations.

From this perspective, aligning strategy with processes, resources, and technological capabilities forms a foundation for achieving organizational objectives [36]. These authors advocate integrating mission, objectives, and strategic plans to ensure coherence. Strategic alignment has also been shown to positively influence decision-making effectiveness and, ultimately, organizational success [37]. Chi *et al.* [36] additionally argue that maintaining congruence between organizational priorities and available resources enhances responsiveness to environmental demands and supports improved performance by synchronizing the organization's core strategic aims.

H1: Strategic alignment has a significant positive effect on the performance of higher education institutions.

Dimensions of strategic alignment and organizational performance

Goal clarity and organizational performance

Goal clarity forms an important linkage between strategic alignment and organizational performance. When employees at all levels have precise, unambiguous understanding of strategic goals, alignment becomes embedded within the organizational culture. This alignment extends from the individual to the group and ultimately the organizational level. Kim *et al.* [38] note that goal clarity promotes psychological stability by helping individuals understand how their actions fit within broader organizational priorities, thereby increasing engagement and support for strategic initiatives. The central premise is that goals must be clearly understood in order to be perceived as meaningful and thus motivate performance.

H2: Goal clarity has a significant positive effect on the performance of higher education institutions.

Process clarity and organizational performance

Process clarity strengthens employees' understanding of how their work should be carried out and reinforces alignment among individuals, teams, and the organization as a whole. Clear processes enable teams to coordinate competencies, enhance collaboration, and pursue objectives effectively. Process clarity refers to the degree to which individuals know the procedures and steps required to accomplish their tasks. Hu and Liden [39] show that clarity in both goals and processes is positively associated with performance at the employee, team, and organizational levels.

Clear procedures are vital because they translate strategic aims into actionable plans and visible strategies. Conversely, poorly defined role boundaries, ambiguous responsibilities, or mismatches in authority can create confusion and ultimately lead to low performance, reduced morale, or conflict. As argued by Onuoha *et al.* [40], process clarity extends beyond task instructions to include understanding how employees collaborate with managers, colleagues, and other organizational units. It is through such clarity that effective collective performance becomes possible.

H3: Process clarity has a significant positive effect on the performance of higher education institutions.

Role clarity and organizational performance

Role clarity refers to employees' understanding of what is expected of them and the scope of their responsibilities. When roles are ambiguous, employees may withdraw from key responsibilities, experience tension, and compromise the attainment of strategic goals, ultimately harming organizational performance. Effective organizations therefore define, align, and cascade work responsibilities in a manner that is directly connected to strategic goals [41]. Managers at all levels play a crucial role in communicating these expectations and establishing the boundaries within which employees must operate.

Role clarity fosters shared understanding of organizational work [37] and encompasses clarity in role design, direction, and task allocation. Ensuring that employees know what they are expected to do and how their role contributes to the broader organizational mission is essential for effective performance.

H4: Role clarity has a significant positive effect on the performance of higher education institutions.

Conceptual Framework

This study employs a conceptual framework that illustrates the relationships among the key constructs using both measurement and structural components. The model consists of two latent variables—strategic alignment and organizational performance—each represented by three observed indicators. Strategic alignment is operationalized through goal clarity, role clarity, and process clarity, while organizational performance is assessed through service quality, research output quality, and the competence of graduating students.

Each latent construct is linked to its corresponding observed variables through measurement paths, and the structural model depicts the directional relationship between strategic alignment (independent latent variable) and organizational performance (dependent latent variable). These relationships are represented in **Figure 1**, where single-headed arrows indicate the hypothesized causal paths between latent variables and their indicators, as well as the overall influence of strategic alignment on organizational performance.

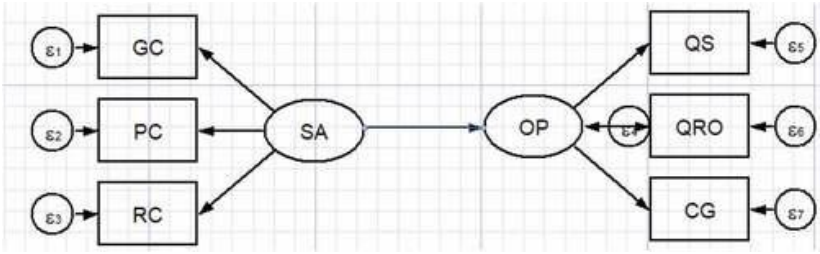

Figure 1. Conceptual framework

Where SA represent strategic alignment
GC >> Goal clarity
PC >> Process clarity
RC >> Role clarity
OP >> Organizational performance
QS >> Quality in service (Service quality)
QRO >> Quality in research out put
CGS >> Competency of graduate students
Σ >> Error

Methodology

A quantitative research approach was adopted, incorporating both descriptive and explanatory designs. The descriptive component was used to characterize the attributes and conditions of the sampled institutions, while the explanatory design examined how strategic alignment influences organizational performance. Three universities were selected based on their generational classification as well as their categorization within Ethiopia's excellence framework.

The study population consisted of universities classified as first-, second-, and third-generation institutions and categorized respectively as research, applied, and comprehensive universities. From these categories, three institutions were purposively

selected due to their geographical accessibility and feasibility for the researcher. Consequently, Hawassa University (first-generation; research), Wolaita Sodo University (second-generation; applied), and Bule Hora University (third-generation; comprehensive) were included. The total study population comprised both academic and administrative staff across these institutions. **Table 1** presents the stratified distribution of personnel based on human resource records from the three universities.

Table 1. Target population in each University

S/n	Universities	Targeted populations						G/total
		Academic staff			Admin staff			
		Male	Female	S/total	Male	Female	S/total	
1	Hawasa	1327	276	1603	3690	3673	7363	8966
2	Wolaita Sodo	757	132	889	2114	2294	4408	5297
3	Bule Hora	657	53	710	1144	1234	2378	3612
Total		2741	461	3202	6948	7201	14149	17875

Source: researcher survey result, (2022).

Employees whose roles fall outside the scope of local or standard human resource regulations were excluded from the study. Consequently, expatriate personnel and temporary staff were removed from the sampling frame.

Given the size of the target population, the sample was determined using the Rosenheim and Hoy [42] formula, resulting in a sample of 376 employees drawn proportionally from the three selected universities. A proportional quota approach was applied within each institution, aligned with the four core functions of university governance: teaching and learning, research, community engagement, and administrative services. Following this structure, 75% of the sample was allocated to academic staff and 25% to administrative personnel. Participants from both categories were selected through simple random sampling. Data collection employed a five-point Likert scale supplemented with open-ended questions. The Likert format was chosen for its ability to capture a balanced range of opinions while minimizing bias toward isolated aspects of an issue. A five-point scale, in particular, was selected due to its clarity and ease of use for both survey administrators and respondents. Sample allocation across the universities followed proportional representation based on their respective staff populations.

Data analysis consisted of both descriptive techniques and structural equation modeling (SEM). Descriptive statistics (mean and standard deviation) were used to summarize respondent characteristics and key variables, while confirmatory factor analysis (CFA) and path analysis were applied within the SEM framework to examine the relationships among constructs.

Model specification

Model specification refers to defining the structural and measurement relationships among variables as well as identifying the parameters to be estimated [43]. In this study, the researcher outlined all relevant parameters and clarified the hypothesized associations between constructs. Because the objective was to test the relationships between the independent and dependent variables, a theoretically grounded model was developed and subsequently evaluated using empirical data collected from the field.

$Y=0+_1x_1+_2x_2+_3x_3+\in$

When Y= Overall organizational performance

ß0= Constant values of regression

ß1–3= unstandardized Beta coefficients

Σ = Error

$OP = \ss_0 + \ss_0 GC + \ss_2 RC + \ss_3 PC + \in$

Validity and reliability

The Likert-scale items used in this study were first examined for response consistency and unidimensionality using item-to-rest correlations. All items showed correlation coefficients above the commonly accepted threshold of 0.30, indicating adequate coherence among items. Instrument reliability was assessed using Cronbach's alpha, yielding a coefficient of 0.895, which reflects a high level of internal consistency.

Content validity was ensured through expert review: the questionnaire was evaluated by senior academics and subject-matter specialists, who confirmed the relevance and clarity of the items. In addition, confirmatory factor analysis (CFA) was conducted to further verify both the validity and reliability of the measurement model.

Data Analysis and Presentation

Comparative analysis of concept application across institutions

Goal clarity, role clarity, and process clarity were used as core dimensions to examine the effect of strategic alignment on organizational performance. Descriptive statistics were applied to assess the extent to which each university implemented

strategic alignment and to describe their corresponding performance levels. Mean scores were used to interpret implementation levels: higher mean values indicate stronger application of the concept, while lower means signal limited implementation.

Of the 391 questionnaires distributed, 376 were completed and returned, resulting in a response rate of approximately 96%.

Based on participants' aggregated responses, Wolaita Sodo University demonstrated the highest level of strategic alignment implementation, with a mean score of 3.03, followed by Hawasa University (mean = 2.87). Bule Hora University showed the lowest implementation level (mean = 2.50). These differences were statistically significant at the 1% level, indicating meaningful variation across institutions.

A similar pattern emerged for organizational performance. Wolaita Sodo University again ranked highest with an average mean score of 3.49, followed by Hawasa University at 3.38, while Bule Hora University recorded a lower performance score of 2.95.

ANOVA results confirmed significant differences across the three institutions. Strategic alignment varied significantly ($F = 19.40$, $p < 0.001$), as did organizational performance ($F = 21.78$, $p < 0.001$).

Overall, the descriptive findings suggest a positive association between strategic alignment and organizational performance. Institutions with higher alignment scores tended to report higher performance outcomes. These observations align with the conclusions of Smith & Thomas [15], who found that strategic alignment enhances performance, and with Al-Hashem and Orabi [44], who reported that strategic alignment exerts a positive and significant influence on organizational strategic outcomes. **Table 2** presents the distribution of sampled respondents from each university based on proportional allocation relative to institutional staffing levels.

Table 2. Sample size in each university

S/n	Names of Universities	Target population	Proportional rate	Sample size assigned
1	Hawasa	8966	50%	188
2	Wolaita Sodo	5297	30%	113
3	Bule Hora	3612	20%	75
Total		17875		376

Source: Constructed by researcher (2021)

Measurement model

The relationships among the study variables were assessed using the SEM Builder in Stata, following a two-step analytical procedure. First, confirmatory factor analysis (CFA) was conducted to evaluate the measurement model and determine whether each indicator adequately reflected its corresponding latent construct. Once the measurement model demonstrated an acceptable fit, the structural model was subsequently estimated to examine the causal relationships between the latent variables. **Table 3** presents a comparative summary of how the study concepts were implemented across the participating institutions. As reflected in the mean scores, the degree of implementation varies considerably among the universities.

Table 3. Summary statistics: mean standard deviation by University

Dimensions	BHU		HU		WSU ANOVA	
	mean	sd	mean	sd	mean	sd F p(sig)
Strategic alignment	2.50	.62	2.87	.64	3.03	.51 19.40 0.0000
Organization performance	2.95	.63	3.38	.64	3.49	.55 21.78 0.0000

Source: researcher survey result (2023)

For the purposes of this investigation, covariance-based structural equation modeling (SEM) was selected, as the sample size was sufficiently large to meet the methodological requirements of this approach. The SEM analysis proceeded in sequential stages. Initial estimation of the model indicated that the hypothesized structure did not meet acceptable goodness-of-fit standards.

To address this, modification indices were examined, and several error terms were allowed to covary in an attempt to enhance model fit; however, these adjustments did not yield satisfactory improvement. Consequently, items with weak factor loadings were removed from the model. A total of seven indicators within the organizational performance construct were discarded during this refinement process.

After these revisions, the model achieved an acceptable level of fit according to the recognized criteria. The final SEM results, along with the goodness-of-fit statistics for the validated measurement model, are presented in **Figure 2** and summarized in **Table 5**.

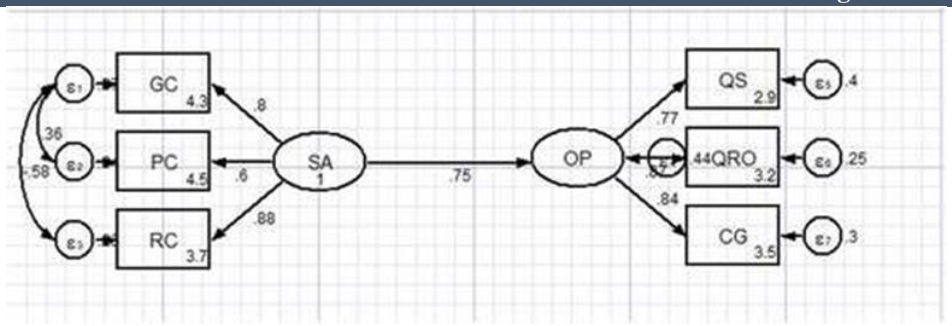

Figure 2. Structural model

Table 5. Test results of the *goodness-of-fit* model CFA

No	Index	Critical Value	Results	Model fit
1	Chi Square	The smaller the better	476.871	Less Fit
2	CMIN/DF	<2.00	276	Les Fit
3	CFI	≥0.95	0.956	Fit
4	RMSEA	≤0.08	0.055	Fit
5	TLI	≥0.90	0.946	Fit
6	CI	≤0.50	0.048	Fit
7	SRMS	≤0.60	0.041	Fit
8	CD	Close to 1	0.999	Fit

Source: Researcher survey result (2023)

Construct validity was evaluated using the standardized factor loadings obtained from the CFA. Following Nunnally's [45] guideline, items were expected to load at 0.60 or higher to be considered acceptable indicators of their respective constructs. As reported in **Table 4**, all items exceeded this threshold, with the lowest loading at 0.78, demonstrating strong item-to-construct relationships. In addition, all average variance extracted (AVE) values were above the recommended 0.50 cutoff, confirming solid convergent validity.

Discriminant validity was established by comparing the square roots of the AVE values with the correlations among the latent variables; in every case, the square roots were larger than the inter-construct covariances, indicating adequate distinction between constructs. Furthermore, the composite reliability (CR) scores for all constructs surpassed 0.70, confirming that the measurement scales exhibited satisfactory internal reliability.

Table 4. Reliability and validity of instruments

Construct	Number of items	Factor loading	AVE	Sqrt of AVE	CR
Goal clarity	3	.81			
Process clarity	2	.74	.58	.76	
Role clarity	3	.73			
Quality of service	3	.76			0.75
Quality R/output	3	.87	.68	.82	
Competence of	3	.84			
Graduate students					

Goodness of-Fit test for measurement models

The confirmatory factor analysis produced a chi-square statistic of 476.871 with 276 degrees of freedom and a probability value of $p > 0.001$. On the basis of the chi-square statistic alone, the model would be considered a poor fit. However, because the chi-square test is highly sensitive to sample size, many scholars caution against relying on it as a strict measure of model adequacy, recommending instead that it be interpreted only as a descriptive indicator [46]. As noted by Jöreskog and Sörbom [47], a significant chi-square may arise either from a well-specified model applied to a large sample or from excessive model complexity. Consequently, using chi-square as the primary criterion for evaluating model suitability can lead to the rejection of theoretically sound models despite minimal practical differences between the observed and model-implied covariance matrices. In response to these limitations, researchers typically examine alternative, approximate fit indices that assess how closely the model reproduces the sample covariance structure.

Because exact model fit is seldom achievable in applied research, current practice emphasizes approximate rather than perfect fit [48]. In this study, model evaluation follows this convention. The RMSEA value of 0.055 falls within the commonly accepted range of 0.05 to 0.08, indicating an acceptable level of approximation to the data. Hu and Bentler [49] further suggest that RMSEA values below 0.06 are desirable, placing the present model within their recommended threshold. In addition, the

lower bound of the RMSEA confidence interval is 0.048, which meets MacCallum *et al.*'s [50] guideline for close fit (< 0.05). Taken together, these indices confirm that the model demonstrates a satisfactory degree of approximate fit.

The SRMR value provides additional support for acceptable model performance. The SRMR obtained in this study is 0.041, which is below the typical upper boundary suggested in the literature, indicating that the discrepancy between observed and predicted correlations is minimal.

Model adequacy was further examined using the Comparative Fit Index (CFI), which compares the specified model to a null model. Although several researchers consider CFI values above 0.95 as desirable [48], others accept values above 0.90 as indicative of reasonable fit [51, 52]. The CFI for this study is 0.956, which surpasses both criteria and reflects a strong comparative fit. As Schermelleh-Engel *et al.* [53] emphasize, the evaluation of model fit should be based on a holistic interpretation of multiple indices, as a model may perform well overall even if one indicator suggests misfit.

Structural model (causal model) analysis

The structural model yielded a chi-square statistic of 28.877 with 6 degrees of freedom ($p < 0.05$). Although the chi-square suggests poor fit, the same limitations associated with this statistic apply. The independent model's chi-square was 1133.399 with 15 degrees of freedom ($p < 0.05$), confirming substantial improvement in fit for the hypothesized model.

More robust fit indices were therefore used to evaluate the structural model. Both the CFI (0.980) and TLI (0.949) exceed the recommended minimum of 0.90 [51], indicating strong incremental fit relative to the baseline model. The SRMR value of 0.023 is also well below the 0.05 threshold proposed by MacCallum *et al.* [50], showing that the predicted covariance structure closely matches the observed data. Collectively, these indices demonstrate that the structural model provides an acceptable and theoretically coherent representation of the causal relationships among the variables. The corresponding path diagram is presented in **Figure 3**.

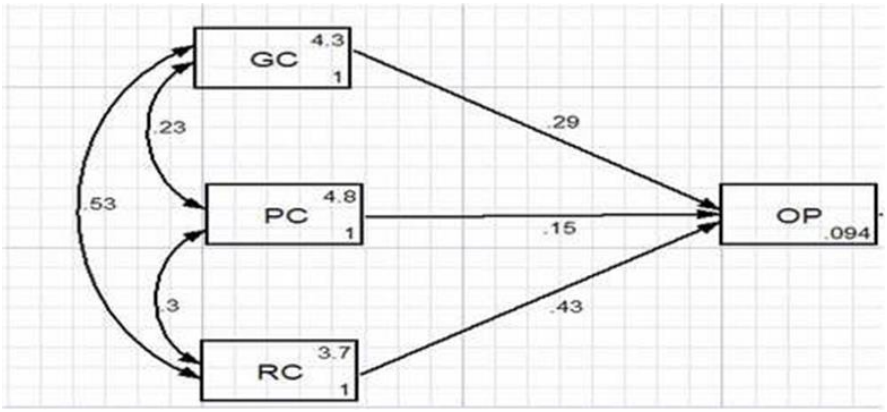

Figure 3. Path analysis

Path analysis was applied to evaluate the directional relationships among the study variables under a multiple-regression framework, particularly where predictors may exert influence on an outcome through both direct and indirect channels. As described by Sarwono [54], path analysis is designed to examine causal linkages among variables arranged in a theoretically ordered sequence, using path coefficients to quantify the strength of influence that exogenous variables exert on endogenous variables.

In the present study, standardized regression coefficients (β) were used to estimate the direct effects of the three strategic-alignment dimensions—goal clarity, process clarity, and role clarity—on the latent construct representing organizational performance. Because the model does not incorporate any mediator or moderator constructs, the results reflect direct effects only. The standardized coefficients and the corresponding hypothesis-testing outcomes are summarized in **Table 6**, which reports the magnitude and significance of each explanatory variable's contribution to organizational performance.

Table 6. Standardized pathways and effects of Model

No	Hypothesis	Structural pathways	Path coefficients (Standardized)	*p* value
1	H1	GC → OP	.2828768	.000
2	H2	PC → OP	.1616817	.000
3	H3	RC → OP	.401813	.000
4	H4	SA → OP	.67	0.000

Source: Researcher survey result (2023)

The degree to which the structural model reflects the theoretical expectations in this path analysis is evaluated through the combined influence of all exogenous variables on the endogenous construct, represented by the R^2 value. In this context, R^2—also known as the coefficient of determination or association index—quantifies the proportion of variance in the dependent

variable that is jointly explained by the predictors. The exogenous variables in this study account for 48% of the variance in organizational performance, indicating a substantial collective explanatory power.
All path coefficients were significant and aligned with the predicted directions, demonstrating full support for the hypothesized relationships. Because the p-values for all predictors were below 0.05, the relationships among the variables are statistically significant at the 1% level.

Direct effect of strategic alignment on organizational performance

The significance level ($p < 0.01$) is well below the 0.05 threshold required to reject the null hypothesis. Consequently, the null hypothesis was rejected, and the alternative hypothesis was accepted, confirming a significant direct influence of strategic alignment on organizational performance. The standardized regression coefficient indicates that a one-standard-deviation increase in strategic alignment leads to a 0.60 standard-deviation increase in organizational performance, assuming all other factors remain constant.

Discussion

This study explored the effect of strategic alignment on organizational performance within Ethiopian higher education institutions. Data were collected from staff across three universities and analyzed through confirmatory factor analysis and path analysis using Stata SEM. Strategic alignment was operationalized through three dimensions—goal clarity, role clarity, and process clarity—and each demonstrated acceptable factor loadings above the 0.60 threshold [45], confirming construct validity.
All three dimensions exerted significant effects on organizational performance, aligning with contingency theory, which posits that organizational performance depends on the congruence between strategy and contextual conditions [29]. The findings imply that performance improves when clear goals are supported by well-defined roles and procedures, reinforcing the idea that coherence among organizational components promotes effectiveness.
Results also show that performance varied across institutions according to the degree of strategic alignment implementation. Wolaita Sodo University exhibited the highest performance levels, corresponding with its stronger application of strategic alignment practices, whereas Bule Hora University demonstrated lower levels of both alignment and performance. This pattern highlights a consistent relationship: institutions that effectively implement strategic alignment tend to perform better.
These findings diverge from those of Smith and Thomas [15], who reported improved performance under conditions of alignment only when strategic statements lacked clarity. However, the results are consistent with Ghonim *et al.* [37], who found that strategic alignment enhances managerial decision-making and, in turn, organizational performance.
Existing empirical research has similarly emphasized that strategic alignment involves achieving coherence among organizational elements to ensure the accomplishment of strategic priorities [55, 56]. Maintaining alignment between employees' understanding and organizational priorities strengthens responsiveness to environmental challenges and promotes higher performance levels [36].
The descriptive findings of this study indicate that the overall application of strategic alignment—expressed through goal, role, and process clarity—is moderate across Ethiopian higher education institutions, with mean scores around 3.00. Nevertheless, significant differences persist among institutions, both in alignment practices and in performance outcomes.
The structural path analysis indicates that strategic alignment collectively explains over 67% of the variance in organizational performance. Among the individual components, goal clarity contributes the largest share, accounting for approximately 22% of performance variation. Role clarity follows with an estimated 21%, while process clarity contributes roughly 12%. All three dimensions exert positive influences, meaning that improvements in any of these areas lead to corresponding increases in organizational performance.

Conclusion and implications

The primary objective of this research was to assess how strategic alignment influences organizational performance. Because organizational performance reflects the combined efforts of individuals and teams working toward institutional goals, the clarity with which these goals, tasks, and procedures are communicated plays a central role in shaping employee effectiveness. When employees understand what must be achieved and how their work contributes to organizational strategy, their motivation and morale are strengthened. Thus, examining strategic alignment in public institutions provides valuable insight into how performance can be improved.
The findings demonstrate that all three dimensions of strategic alignment—goal clarity, role clarity, and process clarity—have significant relationships with organizational performance. Performance disparities across the surveyed public universities appear to stem from differences in how clearly strategic priorities are articulated and operationalized.
These results offer several managerial implications. They highlight the importance of articulating clear goals, specifying employee responsibilities, and defining the procedures required to complete assigned tasks. Clear communication along these

dimensions enhances employee commitment, fosters a sense of purpose, and supports higher performance levels. Prior research has emphasized that strengthened role clarity contributes to sustained motivation, engagement, and innovative behavior within the workplace [40, 55, 57-60]. The present study reinforces these insights by showing that strategic clarity functions as a mechanism through which managers can cultivate a proactive, rather than reactive, organizational culture.

The findings also carry theoretical significance. They provide further support for contingency theory, which asserts that organizational performance improves when internal elements fit well with strategic and environmental conditions. Similarly, the results align with goal-setting theory, emphasizing that shared, clearly defined objectives enhance performance. In demonstrating that goal clarity directly improves outcomes, this study contributes to the broader management literature on strategic alignment and performance.

Limitations and directions for future research

This research was confined to higher education institutions in Ethiopia, which limits the generalizability of the findings. Future studies could expand the scope by incorporating additional regions, countries, or sectors. The present study relied exclusively on quantitative data; therefore, subsequent research may benefit from integrating qualitative methods to obtain deeper insights and validate the results.

Furthermore, this investigation focused solely on the strategic clarity dimension of strategic alignment—goal, role, and process clarity. Other dimensions, such as structural, cultural, or technological alignment, may also offer valuable perspectives and should be explored in future work. Finally, because the data were collected using a cross-sectional design, longitudinal research would allow for examining changes in alignment and performance over time.

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