Multiple goal conflicts and exploratory innovation: Does alignment between team and organization help or hurt?

Ahmadi, S.; Mom, T.J.M.; Schmidt, Alexander ; Volberda, H.W.

DOI
10.1016/j.lrp.2025.102562

Publication date
2025

Document Version
Final published version

Published in
Long Range Planning

Long Range Planning 58 (2025) 102562

Contents lists available at ScienceDirect

Long Range Planning

journal homepage: www.elsevier.com/locate/lrp

Multiple goal conflicts and exploratory innovation: Does alignment between team and organization help or hurt?

Saeedeh Ahmadi [a,*], Tom Mom [b], Alexander Schmidt [b], Henk Volberda [a]

[a] University of Amsterdam, Amsterdam Business School, Netherlands
[b] Erasmus University Rotterdam, Erasmus School of Management, Netherlands

ARTICLE INFO

Keywords:
Multiple goals
Goal conflict
Exploratory innovation
Alignment
Multilevel study

ABSTRACT

This study examines the varying impacts of multiple goal conflicts on employees' exploratory innovative behaviors. Although innovation is vital for an organization's survival and competitive advantage, the simultaneous pursuit of other goals may create goal conflicts for employees: increasing pressure on their scarce resources, including time and cognitive capacity. While much of the existing research discusses goal conflicts in general or emphasizes their negative performance consequences, we extend this literature by theorizing about two distinct ways individuals may interpret goal conflicts—either as a trade-off (e.g., innovation vs. revenue) or as complementary (e.g., innovation vs. safety)—and how these interpretations affect exploratory innovation. Moreover, we theorize that team–organization alignment moderates these effects. Our findings, based on multilevel, multisource, time-lagged data from a large energy company, indicate that conflicts involving innovation goals do not uniformly impact employee exploratory behavior. Increasing levels of conflict between innovation and safety goals are associated with employees conducting more innovation activities, but the expected negative effect of innovation-revenue conflicts is insignificant. Moreover, in a context of high alignment the innovation-safety conflict triggers employees to innovate more; in contrast, for the innovation-revenue conflict it is the opposite. Our study offers important implications for the literature on multiple goal conflict and highlights the critical roles of employees and their alignment with senior leadership.

1. Introduction

How organizations and their employees effectively navigate multiple goal conflicts to achieve innovation, and what mechanisms can support them remain a significant unresolved challenge. To innovate, organizations rely on the exploratory innovative behaviors of their employees (Grigoriou and Rothaermel, 2014), i.e. the creatisaon and application of new ideas within a work role, group, or organization (Janssen, 2000). While innovation is vital for firms, many struggle to achieve their innovation goals (Baden-Fuller and Haefliger, 2013). Research on multiple goals suggests that performance on a metric improves when it is pursued as a goal but declines when more goals are pursued simultaneously (Obloj and Sengul, 2020), particularly when the other goals are more closely tied to the firm's short-term survival (Gaba and Greve, 2019). Innovation is often pursued alongside other goals, creates conflicts for employees and tends to suffer because its outcomes are typically more uncertain and long-term compared to other goals (Cohen, 1984; Eliashberg and Michie, 1984).

* Corresponding author.
E-mail address: s.ahmadi@uva.nl (S. Ahmadi).

https://doi.org/10.1016/j.lrp.2025.102562
Received 15 April 2024; Received in revised form 13 June 2025; Accepted 27 June 2025
Available online 27 June 2025

Whereas there is a long-standing tradition of research on how organizations deal with goal conflicts (Aguilera et al., 2024; Cyert and March 1963; Kotlar et al., 2018), this paper aims to address some important gaps. First, most multiple-goal studies focus on the organizational level, overlooking individual-level dynamics (Aguilera et al., 2024). This oversight is significant because conflicts associated with pursuing innovation and other goals to a large extent unfold at the individual level (Linder and Foss, 2018). While at the organizational level conflicts may be addressed by spatial or temporal differentiation between innovation and other goals (Tushman et al., 2010), individuals may still experience conflict — increasing demands on scarce resources like time, attention and cognitive capacity when pursuing other goals besides innovation goals (Gupta et al., 2006), often resulting in stress, confusion, or decision paralysis (Etkin et al., 2015; Riediger and Freund, 2004). It remains unclear how individuals manage these tensions to engage in exploratory innovative behavior and how they can be supported.

Second, existing studies on multiple goals often theorize about the dynamics between goals as trade-offs when conflicts arise leading to the prioritization of one goal over the other, and affecting innovation outcomes (Stevens et al., 2015; Stephan et al., 2019). More recent work (Abootorabi et al., 2024; Aguilera et al., 2024) has suggested to theorize not only about trade-off effects but also about complementary effects between goals when conflicts arise as to create a richer understanding of how employees may address goal conflicts to achieve certain outcomes such as exploratory innovation.

Third, there is a lack of understanding about how organizational design elements help individuals address conflicts when pursuing multiple goals (Obloj and Sengul, 2020). Traditional organizational level recommendations, such as spatial or temporal differentiation between goals, are designed by the upper echelon, urging employees to focus on one goal rather than manage multiple goals simultaneously (Cyert and March 1963; Ethiraj and Levinthal, 2009). Rather than imposing goal priorities top-down, recent research suggests that cross-level coordination and interactions between employees, teams, and senior management may be key to resolving conflicts (Battilana et al., 2015; Obloj and Sengul, 2020). Such interactions are associated with alignment, i.e., a shared understanding and coordinated priorities across organizational levels about the firm's goals and strategic direction (Mihalache et al., 2012). However, alignment, which is generally viewed as beneficial for conflict resolution, may also constrain innovation by reinforcing dominant goals and reducing creative tension (Eisenhardt et al., 2010; Ordóñez et al., 2009). Therefore, while cross-level alignment potentially plays an important contingent role in shaping how employees respond to innovation-related goal conflict, the nature of this role remains unclear.

To address these gaps, we develop a multilevel model and investigate how employees engage in exploratory innovative behaviors while experiencing conflicts between innovation goals and two other types of goals—revenue and safety. Furthermore, we examine how alignment between their teams and the organization can help resolve these conflicts. We use multilevel, multisource, and time-lagged data from a large European energy company to test our model. We aim to make the following contributions to research on organizational goal conflicts—a central aspect of the Behavioral Theory of the Firm (Cyert and March 1963).

First, we challenge and extend the dominant perspective in goal conflict research, which finds that the simultaneous pursuit of multiple goals undermines performance, and views goal conflicts as inherent tradeoffs that constrain innovation (Cohen, 1984; Ethiraj and Levinthal, 2009). We provide a more fine-grained conceptual analysis of the relationship between goal conflict and exploratory innovation and identify two distinct ways in which individuals treat goal conflict and find their differing effects on exploratory innovative behavior, based on how the goals relate to one another. This contrast reveals that while some conflicts function as trade-offs (e.g. innovation – revenue), others may be experienced as complementary (e.g. innovation – safety) and even have positive effects on exploratory innovation.

Second, we contest and broaden the top-down directional organizational modes of goal conflict resolution in goal conflict research (Ethiraj and Levinthal, 2009; Pache and Santos, 2013) and provide new and nuanced insights into organizational design elements for managing employee goal conflicts (Ahmadi et al., 2022; Joseph et al., 2016; Obloj and Sengul, 2020). We propose a more active role of employees themselves in navigating goal conflicts by specifying the contingent role of cross-level alignment (Mihalache et al., 2012). Rather than considering alignment solely as a means of setting overarching priorities and shielding individuals from conflict, the results reveal how alignment can also create a positive context for certain goal conflicts and empower employees to manage them in favor of innovation. *Third*, while existing studies often overlook individual and cross-level dynamics, we contribute to the growing body of research that seeks to advance the micro-level agenda of multiple goal research (D'Adderio, 2014; Unsworth et al., 2014; Levinthal and Rerup, 2021; Klein et al., 2022) by shifting the focus from the organizational level (e.g., Pache and Santos, 2013; Battilana and Lee, 2014; Gaba and Greve, 2019; Obloj and Sengul, 2020) to how individual employees experience and respond to goal conflict. Our individual-level findings show that the way employees perceive the conflicts in their daily work is essential in understanding whether innovation is fostered or stifled. This offers new insights into how organizations can better manage competing goals through individual and cross-level processes.

2. Theoretical background

Organizations rely on employees' exploratory innovative behavior to search new opportunities and to generate new ideas and knowledge (Grigoriou and Rothaermel, 2014; Janssen, 2000; Mom et al., 2015). Setting innovation goals can enhance employees' innovative performance by shifting their attention beyond routine tasks and encouraging them to identify new opportunities (Ahmadi et al., 2022; Roper et al., 2008; Sitkin et al., 2011; Jasmand et al., 2012). However, innovation goals are usually pursued alongside other objectives, such as financial and safety goals (Battilana et al., 2015; Gaba and Greve, 2019), often creating conflict (Cohen, 1984; Eliashberg and Michie, 1984).

Organizations may resort to conflict solutions such as spatial or temporal differentiation between goals balancing innovation with other goals by dividing labor and distributing resources for innovation across different units or time intervals (Tushman et al., 2010).

However, at the individual level such solutions may not be effective as individual employees typically do not experience an increase in cognitive capacity, time, or other resources when they need to pursue other goals in addition to innovation (Gupta et al., 2006). As such, the employee faces an increasing demand or pressure for her limited resources due to multiple goal requests and experience more stress, confusion, and decision paralysis (Etkin et al., 2015; Riediger and Freund, 2004). They may stifle the creativity, risk taking, and tolerance for uncertain outcomes needed for employees to engage in exploratory innovative behaviors (Danneels, 2002; Benner and Tushman, 2003). As a result, while managers may set innovation goals, sustaining exploratory behavior is difficult when employees must simultaneously meet other goals while experiencing increasing goal conflict, i.e., increasing pressure on their limited resources (Sitzmann and Weinhardt, 2015).

The dominant view in multiple goal literature is that, in situations of goal conflict, the goal perceived as more important for survival gets priority and triggers the strongest reactions (Gaba and Greve, 2019; Obloj and Sengul, 2020). We do not argue against this but, in addition, theorize about how the nature of the relationship between goals (Aguilera et al., 2024) may guide employee behavior in terms of goal pursuit when they experience increasing conflicts. Research has traditionally characterized the relationship between goals as trade-offs where two goals have some underlying dimensions in common and, on top of that, the goals are perceived to be opposites on these dimensions (Smith and Lewis, 2011). In that case, polarities exist between the goals, and they increasingly compete for an employee's scarce resources as goal conflict arises. That is, the spending of an employee's resources to one goal will go at the detriment of the spending to the other goal (Gupta et al., 2006).

More recent work calls for alternative explanations of how organizations and their employees may respond to goal conflicts (Aguilera et al., 2024; Obloj and Sengul, 2020). For instance, Aguilera et al. (2024) suggest that positive complementarities between some goals may exist, where simultaneously achieving two goals produces greater benefits than achieving each goal individually or where the pursuit of one goal advances the pursuit of the other. Such goals share some of their underlying dimensions and have similar positions on these dimensions (Smith and Lewis, 2011). Therefore, when goal conflict increases, employees may derive more utility from pursuing both goals -rather than prioritizing one over the other-due to resource and goal related synergetic and reinforcing effects (Aguilera et al., 2024).

As such, while employees may experience increasing goal conflict when other goals—besides innovation—become more salient, the way they react to innovation goals in terms of exploratory behavior may depend on how they treat the specific goals involved, i.e., as trade-offs or as complementarities. To explore this further, we focus on two goal conflicts: innovation-revenue and innovation-safety. While much of the research on goal conflicts has focused on financial goals, like revenue (Aguilera et al., 2024), non-financial goals, such as safety, are increasingly recognised (Gaba and Greve, 2019). Importantly, goal conflict for both pairs of goals can increase due to cognitive, time and other resource constraints, but the revenue-innovation conflict represents a trade-off, whereas the innovation-safety conflict is possibly shaping employees' reactions to increasing levels of conflicts differently.

We introduce one contingency that may affect how employees deal with goal conflicts, i.e., team-organization alignment. Alignment between team members and the organization entails a common understanding, agreement and consensus between team members and senior managers regarding the firm's goals, strategic direction and vision (Mihalache et al., 2012). This alignment involves highlighting the cohesion in priorities and objectives for lower levels of the organization (Unsworth et al., 2014) and making sure that organizational members are "on the same page" about what must be done (Sackett and Fitzsimons, 2021, p. 2). It can support the achievement of collective performance goals (Tsai and Ghoshal, 1998), but the effect may be more complex when employees experience goal conflicts. We will explain how alignment can moderate the effects of goal conflict on employees' exploratory innovative behavior.

3. Hypothesis development

3.1. Innovation-revenue goal conflicts and employees' innovative behavior

When employees experience increasing levels of goal conflict, i.e. augmenting pressures on their limited resources, they tend to resort to an either-or approach in the case of trade-off goals (Hahn et al., 2010; Smith and Lewis, 2011). That is, due to the resource constraints and the conflicting nature of trade-off goals, they feel they need to increasingly choose between the goals (Obloj and Sengul, 2020; Stevens et al., 2015).

Two goals can be perceived as trade-offs when they have some underlying dimensions in common and when they are perceived to be opposites on these dimensions (Smith and Lewis, 2011). Revenue and innovation goals share dimensions associated with time and learning scope, and they may be perceived as opposites on those dimensions (Nguyen et al., 2022; Stephan et al., 2019). Revenue goals tend to have a *short-term* focus as they are typically formulated on a quarterly or yearly basis and pursuing them can be associated with a *narrow learning scope*, i.e. with doing more of the same on a better, larger scale, or in a faster way, and with increasing the reliability of existing operations, processes, and knowledge base (Keum and Ryan, 2024; Diaz-Moriana et al., 2022). In contrast, innovation goals come with *longer time* horizons and pursuing them is associated with a *broadened learning scope*, i.e. with renewing and extending the current knowledge base of the company involving uncertainty and exploring unknown domains (Weiss et al., 2023; McGrath, 2001). With respect to the innovation-revenue goal conflict, most organizations and individuals prefer short-term, certain, and familiar results above long-term, uncertain and unknown ones (Keil et al., 2024; Mazzelli et al., 2019). Therefore, and because of the polarities between revenue and innovation goals, we argue that when employees experience increasing levels of goal conflict, they resort to an either-or approach showing less exploratory innovative behaviors.

Moreover, revenue goals are associated with satisfying shareholder needs and with management's interest in yearly bonuses (Linder and Foss, 2018). Therefore, employees may experience such conflict as driven by management's selfish interests which leads to

a loss of relatedness among them— a feeling of disconnection with the broader company purpose and interest (Keil et al., 2024). When this feeling intensifies, employees typically experience more confusion, stress, and a reduction of a sense of purpose among them (Hahn et al., 2010; Etkin et al., 2015; Kaplan, 2019; Battilana et al., 2022), which is detrimental for their willingness to engage in creative problem-solving, experimenting with new opportunities, and proposing new radical ideas (Deci and Ryan, 2000) which are at the heart of exploratory innovation. Moreover, as the level of conflict increases, employees resort to 'repressing' regulatory behavior to reduce their discord and stress (Salvato and Rerup, 2018), deprioritizing exploratory innovation which entails activities with a high probability of failure and a long-time horizon to accomplish. Summarizing, the more employees experience conflict between innovation and revenue goals, the more likely they adopt an either/or approach which leads to a neglect of exploratory innovation and cessation of efforts that contribute to it. Thus, we predict.

Hypothesis 1a. The more the conflict is experienced between innovation and revenue goals, the lower the likelihood that employees show exploratory innovative behavior.

3.2. Innovation-safety goal conflicts and employees' innovative behavior

When employees experience increasing levels of goal conflict, i.e. augmenting pressure on their scarce resources, they may tend to resort to a both-and approach for conflict resolution when positive commonalities between the goals exist (Smith and Lewis, 2011). Positive commonalities between two goals imply that opportunities exist for pursuing one goal in such a way that it may help leveraging the pursuit of the other goal by fostering some of its underlying dimensions (Smith and Lewis, 2011). In such cases, employees may still experience goal conflict yet how they approach the conflict may be different compared to trade-off goals (Aguilera et al., 2024).

Safety goals may lengthen employees' time horizon and broaden their learning scope, two dimensions associated with the pursuit of innovation goals as well. While a safety failure often leads to an immediate shift in attention away from other objectives and focuses efforts to addressing the safety concerns (Levinthal and Rerup, 2021; Gaba and Greve, 2019), achieving safety goals requires long-term commitment lengthening the time horizon of employees' mindset and decision-making. For instance, it takes considerable time to build a sustainable safety culture -a prerequisite to achieve safety goals-requiring employees be compliant and adopt a proactive explorative approach to safety (Derdowski and Mathisen, 2023). Likewise, Mathisen et al. (2022) showed in a study in the oil rig sector that promoting 'safety voice' is a long-term objective, which involves creating a culture that encourages innovation as well.

Furthermore, pursuing safety is associated with employees broadening their learning scope. For instance, achieving safety goals in complex industrial firms is a joint effort of employees from different parts and levels of the organization where employees need to step out of their narrow functional scope, broaden their current knowledge base, and engage in collective learning efforts (Zwetsloot and Ashford, 2003). Furthermore, safety goals not only focus on protecting employees and assets, but also on a broader range of stakeholders including customers, citizens, and the natural environment in areas affected by the company's operations (Gaba and Greve, 2019). Therefore, safety goals tend to increase the broadness of stakeholders that employees need to learn about and create value for (Baum and Dahlin, 2007; Marcus and Nichols, 1999).

If employees experience increasing levels of goal conflict when positive commonalities between the goals exist, rather than choosing between goals, they may tend to look for synergetic resource deployment effects where the pursuit of one goal may further the achievement of the other. As safety and innovation goals have dimensions in common, pursuing safety goals may spur the achievement of innovation. For instance, Baum and Dahlin (2007) demonstrated that by addressing safety concerns, employees come up with innovative solutions and new ideas. As conflicts rise, instead of switching off innovation activities and prioritizing one goal over the other, employees engage in "splicing" solutions (Salvato and Rerup, 2018), where they embrace conflict, creatively work with conflict to follow both/and approaches to serve both goals. They experiment with a larger variety of solutions and implement conciliatory initiatives which stimulates exploratory innovation (Pratt and Pradies, 2011; Putnam et al., 2016). As such, the willingness to creatively handle such goal conflicts fosters more exploratory innovative behavior which has experimentation, considering different alternatives, and searching for solutions out of the comfort zone at its heart (Ahmadi et al., 2017; Kaplan, 2019).

Hypothesis 1b. The more the conflict is experienced between innovation and safety goals, the higher the likelihood that employees show exploratory innovative behavior.

3.3. Alignment and conflicts between innovation and revenue goals

We argued that due to the trade-off nature between revenue and innovation goals and the short-term prioritization of revenue goals, employees' goal conflict is likely to reduce their level of exploratory innovative behaviors. Alignment between team members and senior management is associated with a shared consensus and joint understanding about the company's strategic direction and its related set of goals (Mihalache et al., 2012). Higher alignment between employees' teams and the top echelons of the organization may encourage the employees to pursue goals which are less prioritized because they understand and can justify vis-a-vis their team members and management how such goals align with the company strategy and vision (Unsworth et al., 2014). In a team where employees and their managers jointly better understand and agree upon the importance of the goals due to better alignment, employees are less likely to feel confused and conflicted and can more effectively attend to tasks that contribute to both objectives (Karoly et al., 2005; Kreiner et al., 2006). Moreover, alignment fosters open dialogue between employees and managers (Beer et al., 2005). With this transparency, employees can get a better understanding of how resources and time can be allocated across even competing goals (Obloj and Sengul, 2020) to support both revenue and innovation efforts. This clarity in resource distribution can enable

employees to pursue exploratory innovative ideas without feeling they are sacrificing revenue-related performance in their immediate roles.

We also argued that the tradeoff nature of the innovation-revenue goal conflict may lead to stress and anxiety among employees and a feeling of disconnection with the company's purpose and its senior leadership, altogether diminishing creativity and exploratory innovative behaviors (Deci and Ryan, 2000; Etkin et al., 2015; Hahn et al., 2010). Alignment may mitigate these effects. When employees work in teams that are aligned with senior management on the company's strategic direction and long-term vision, they feel more psychological safety and are empowered to autonomously take decisions (Alagaraja and Shuck, 2015; Newman et al., 2017), reducing stress and anxiety when deciding about how to distribute time and efforts in different or even conflicting activities (Newman et al., 2017). Moreover, due to this heightened sense of safety and empowerment, employees are more likely to believe that senior managers will support them in taking the risk of conducting exploratory innovative behaviors (Deci and Ryan, 2000; Heyden et al., 2012), even if these conflict with short-term revenue targets. The alignment about the company's future and goals reassures employees that senior management values both sets of objectives (Sackett and Fitzsimons, 2021). In this context, their feeling of connection with senior management and the overall company purpose reduces their perceived burden of choosing between competing demands which, in turn, increases the likelihood that employees engage in innovative behaviors due to a stress-reduced and more creative work environment (Sackett and Fitzsimons, 2021; Salvato and Rerup, 2018).

Hypothesis 2a. Alignment moderates the effect of conflict between innovation and revenue goals on employee's exploratory innovative behavior in such a way that higher alignment between team members and the organization weakens the negative effect.

3.4. Alignment and conflicts between innovation and safety goals

Alignment between team members and senior leadership entails a clear understanding and a collective appreciation about how different company goals, such as safety and innovation, jointly contribute to achieving the company's future strategy and vision (Karoly et al., 2005; Kreiner et al., 2006). This can further reduce employees' perception that one goal must be achieved at the expense of the other (Luciano et al., 2020). Moreover, fueled by the psychological safety and empowerment enhancing effects of alignment (Alagaraja and Shuck, 2015; Newman et al., 2017), when the level of goal conflict increases, employees in teams with higher levels of alignment with the organization, are more likely to engage in exploratory innovative behaviors, such as coming up with new creative solutions to reframe conflicts, helping them to identify and leverage positive commonalities between safety and innovation goals (Eldor 2020; Rich et al., 2010). As such, higher alignment between teams and the top echelons of the organization can encourage employees to pursue innovative ideas that enhance safety, rather than viewing safety as an obstacle to innovation. For instance, when Boeing focused on using new, lighter composite materials to improve fuel efficiency and implement innovative cabin designs. At the same time, they integrated strict safety regulations to the development process and the management team created strong alignment within and across teams as to ensure that the development teams viewed safety goals and the pressure for innovation as joint priorities (Slayton and Spinardi, 2016).

As we explained above, safety goals could lengthen employees' time horizon and broaden their learning scope, dimensions associated with innovation (Derdowski and Mathisen, 2023; Zwetsloot and Ashford, 2003). A context of higher alignment may strengthen these effects by lengthening the time horizon of employees and offering opportunities to broaden their learning scope. By clarifying and creating joint commitment to the future strategy and vision of the company, alignment fosters a long-term perspective among employees that recognizes innovation -interconnected with safety-as an important strategic imperative (Eldor 2020). Moreover, due to heightened alignment between senior management and various teams, the teams themselves get more aligned as well (Unsworth et al., 2014; Tsai and Ghoshal, 1998). This encourages cross-functional and cross-departmental collaboration allowing employees to broaden their knowledge base and their variety in experience which are associated with increasing levels of exploratory learning (Mom et al., 2007) so that innovative solutions can be developed with input from safety and innovation experts alike. As such, by fostering a long-term orientation and breaking down silos for collaboration, alignment may help employees to address safety-innovation goal conflicts in such a way as to identify and develop new innovative opportunities for integrated solutions.

Hypothesis 2b. Alignment moderates the effect of conflict between innovation and safety goals on employee's exploratory innovative behavior in such a way that higher alignment between team members and the organization strengthens the positive effect.

4. Methods

4.1. Empirical setting and data collection

To test our hypotheses, we collected multilevel, multisource, and time-lagged data from a large European power generation company that has been active in several regions of the world for more than a century. Safety is an important topic for firms in the energy industry which involves potentially hazardous technologies and operating practices. To prevent safety incidents, companies emphasize clear safety goals for frontline operations. Revenue targets are critical for maintaining survival and competitiveness and power stations are responsible for delivery and sales of energy to the customer. At the same time, technological developments, regulations and even geo-political situations put pressure on such firms and their operational employees to innovate, particularly to explore novel ideas for production and operations or new opportunities for business expansion.

We collected data for our study from three different sources. First, we conducted six interviews to gain a preliminary understanding of the context (e.g. organizational goals that have a potential for conflict and the day-to-day goals employees face). Our initial

interviews confirmed that teams face multiple performance expectations. An increase in the number of goals is not necessarily accompanied by additional resources, creating situations where frontline employees experience conflicts. This issue was emphasized during interviews. For example, team managers explained, *"Typically, there is a conflict between nearly all goals as it is difficult to deliver very well on all goals at the same time."* Some employees directly mentioned these conflicts and their reasons: *"For me, there is a conflict between innovation goals and revenue goals … We do not have time for all of that."* Others highlighted priorities: *"Currently, the [revenue target] is an important goal set for operations, and I will align my projects towards that goal."* Second, we had meetings with managers and employees of 12 power stations to investigate goal conflicts between innovation and other goals in the organization. We discussed different goals and assessed their priority for the organization via an online Menti questionnaire. Consistent with our expectations, about 90 % of the managers and employees indicated that the organization places more emphasis on safety and revenue goals than on innovation. They explained during interviews that the firm typically pursues all three goals simultaneously rather than sequentially or temporally. Second, we sent a survey to all 556 team members at power stations to capture data for the independent and moderating variables. We excluded employees with purely administrative and internal service tasks. After several reminders, we received 193 complete responses (response rate: 35 %). We did not find significant differences between the response and non-response groups in terms of age, job role, and experience. Third, we collected archival data for our dependent variable from the company database with a time lag of one year. After analyzing the data, we presented our findings to the management teams to discuss the goal conflicts and gather more insights about the findings.

4.2. Measures

Dependent variable. To measure employees' *exploratory innovative behavior*, we used data from the firm's database that was used to register new project ideas. Registering project ideas is a common practice in the firm. Typically, these are ideas about the improvement or renewal of technologies, process, or products. We coded a binary variable 'exploratory behavior' that indicated whether a given employee registered at least one exploratory project idea (coded as one, zero otherwise) during the 12-month period after the survey. To assess whether a registered project idea is of an exploratory nature, first, we specified exploration dimensions of innovation projects based upon the literature on exploratory innovations (Jansen et al., 2006) and employee exploratory behaviors (Mom et al., 2007; Ahmadi et al., 2017). Essentially, exploratory ideas depart from existing knowledge and experience and may entail any of the following three dimensions: the development and application of new technologies, the creation of new products or processes, or they target new customers or markets (Jansen et al., 2006). Second, we trained an independent knowledgeable engineer of the firm on the concept of exploratory innovation. Based on a careful reading of the project registrations, and by applying the conceptualization of exploratory innovation projects, the engineer coded the registrations as exploratory or not. Third, a second rater with several years of experience who had worked as a manager in the field repeated the dummy coding. Please see examples of these projects in appendix A. The interrater agreement (Cohen's kappa: 0.94) was adequate, and regression models based on the second rater's coding yielded the same results.

Independent variables. We measured two *goal conflicts* at the individual level using survey responses, recognizing that goal conflict is a largely subjective experience (Cheng et al., 2007; Etkin et al., 2015). Although employees were already familiar with the goals, we provided a description of each goal with the common language in the firm and defined the concept of conflict at the beginning of the question to minimize any potential issue in understanding. Following Cheng et al. (2007), respondents were asked to indicate the extent to which they experienced conflict between the innovation and safety goals ($M = 2.3$, $SD = 1.3$), and between the innovation and revenue goals ($M = 2.9$, $SD = 1.4$), using a seven-point Likert scale (with responses ranging from *"no conflict at all"* to *"extremely high conflict*". See appendix B).

Moderating variable. *Alignment* between team and the organization in terms of organizational goals was measured using a scale adopted from previous research (Sinkula et al., 1997; Mihalache et al., 2012) at team level. The items are: "My team is in complete agreement with headquarter on the firm's goals and vision; " "Our team has strong commitments to the goals of the firm; " "My team is enthusiastic about the collective ambition of the firm; " and "There are common goals within the firm." Additional confirmatory factor analysis (CFA) confirmed the scale validity of our data for alignment ($\alpha = 0.85$, $\chi 2 = 8.63$). Before aggregating the individual responses of employees in a team, we examined whether sufficient agreement exists among team members to justify the aggregation of the measures of alignment. To do so, we examined interrater agreement and the intraclass correlation coefficients (James et al., 1984; Bliese, 2000). The average rwg(j) was 0.81 (median 0.88), ICC (1) was 0.25, and ICC(2) was 0.5. These agreement scores were within acceptable ranges and legitimated the aggregation of individual responses within the same team.

Controls. We controlled for confounding variables at both the team and individual levels. At the team level, we controlled for *team size* which accounts for differences in numbers of employees per team and can be a variance inflation factor in multilevel studies (Lee et al., 2018). We also controlled for *slack* to account for the heterogeneity in context of teams in terms of access to resources and budgets that may affect exploration using a six-item adapted scale (Fadol et al., 2015, $\alpha = 0.71$). In addition, we controlled for geographical *region* because teams operating in larger and growing markets may perceive more options to generate novel ideas and opportunities. At the individual level, we controlled for several effects suggested to affect the innovative behavior of employees (Ahmadi et al., 2022). Specifically, we controlled for *job experience* as the total number of years an employee had worked, *job role* (i.e., sales, technical, or managerial), and *past performance* as the number of ideas an individual had submitted the previous year.

4.3. Multilevel modeling approach

Because we collected data from individual employees who were nested within teams, we used a multilevel modeling approach (i.e.,

'melogit' command in Stata) to ensure the correct partitioning of variance across both levels. Following prior research (Hox et al., 2018), we first checked for significant unit variance in outcomes at the individual level. We estimated a null model in which each individual outcome was a linear function of the grand mean of the population of individuals, accounting for random effects of individuals and units. The intra class correlation coefficient (ICC) which depicts the variance percentage of the dependent variable that accounts to team level indicated that 8 % of the variance is explained by team level dynamics, suggesting that a nested multilevel data structure better explains the data than a single-level data analytic approach.

5. Results

5.1. Main analysis

Table 1 shows descriptive statistics and correlations for all variables. Although some correlations are relatively high, tests for multicollinearity show that they do not threaten the interpretation of the results (all VIF <1.5; mean VIF: 1.25) (Ménard, 2001). The highest correlation is 0.56 ($p < 0.01$) between innovation/safety and innovation/revenue goal conflicts, likely because both variables include innovation goals. The average level of conflict between innovation and revenue goals (mean = 2.9) is higher than the average level of conflict between innovation and safety goals (mean = 2.3).

Table 2 shows the results for exploratory innovative behavior. Model 3 shows an insignificant coefficient for the effect of conflict between innovation and revenue goals and the likelihood of employees engaging in exploratory innovative behavior. Therefore, Hypothesis 1a is not supported. Model 3 also shows that conflict between innovation and safety goals is positively and significantly associated with the likelihood that employees show exploratory innovative behavior (0.41, $p < 0.01$, odds ratio = 1.5), supporting Hypothesis 1b. More precisely, our findings show that a one-level increase in conflict between innovation and safety goals (e.g., from the mean of 2.3–3.3, approximately 75 % of a standard deviation) increases the likelihood of employees engaging in exploratory innovative behavior by 50 %.

Model 4 in Table 2 tests the moderating hypotheses. Model 4 in Table 2 shows a significant negative interaction effect for conflicts between innovation and revenue goals and team alignment (−0.37, $p < 0.01$), not supporting Hypothesis 2a. As shown in Fig. 1, employees on teams that are less aligned with top management are more likely to engage in exploratory behavior as conflicts between innovation and revenue goals increase. However, employees in teams with high alignment with the top are less likely to engage exploratory behavior as conflicts between innovation and revenue goals increase.

Model 4 in Table 2 shows as expected a significant positive interaction effect for conflicts between innovation and safety goals and team alignment (0.31, $p < 0.05$). As shown in Fig. 2, employees in teams that are highly aligned with the organization are more likely to engage in exploratory behavior as conflicts between innovation and safety goals increase, supporting Hypothesis 2b. However, in teams with low organizational alignment, we do not see such an effect.

5.2. Post-hoc analysis

For post hoc analysis we had two tests. First, in line with literature that very often assumes conflicts are identical or aggregated them, we investigated the effect of general goal conflict by taking the average of both goal conflict variables (see Table 3). Interestingly, if we do not consider the type of conflict (similar to Table 2) and aggregate the conflicts, we see a positive significant overall effect (0.36*, p < 0.05) (see model 1 in Table 3). However, this result fails to reveal that this positive effect should be solely attributed to conflict between innovation and safety goals, not conflict between innovation and revenue goals (see Table 2, Models 1 and 2 for comparison). This is in line with our theorizing that instead of the prior approach in treating different goal conflicts as identical and

Table 1
Statistics and correlations.

Variable	Mean	SD	1	2	3	4	5
Individual-level[a]							
1. Exploratory Behavior	0.2	0.4					
2. Goal conflict innovation/safety	2.3	1.3	0.18				
3. Goal conflict innovation/revenue	2.9	1.4	0.07	0.56			
4. Past performance	1.4	1.7	0.02	−0.04	0.00		
5. Job experience	11.2	8.8	−0.02	0.05	−0.08	−0.01	
6. Job role			−0.01	0.00	0.04	0.04	−0.11
Team-level[b]							
1. Region							
2. Team size	13.0	7.1	−0.16				
3. Slack	3.5	1.0	−0.01	0.07			
4. Alignment	4.7	1.1	0.20	0.11	0.08		

Note. SD: standard deviation.
[a] n = 193.
[b] n = 33; for all correlations > |0.15|, $p < 0.05$.

Table 2
Goal conflicts and innovative exploratory behavior.

Variable	Model 1	Model 2	Model 3	Model 4
Individual level				
Goal conflict innovation/revenue	0.18 (0.13)		−0.07 (0.17)	1.74[b] (0.61)
Goal conflict innovation/safety		0.37[b] (0.13)	0.41[a] (0.18)	−0.94 (0.74)
Past performance	0.05 (0.60)	0.10 (0.63)	0.11 (0.63)	0.11 (0.62)
Job experience	0.01 (0.03)	0.01 (0.03)	0.01 (0.03)	0.01 (0.03)
Job category 1	0.45 (0.42)	0.36 (0.44)	0.34 (0.44)	0.39 (0.44)
Job category 2	−0.45 (0.58)	−0.45 (0.58)	−0.44 (0.58)	−0.31 (0.59)
Team-level				
Region 2	0.77 (0.49)	0.80 (0.50)	0.79 (0.50)	0.49 (0.49)
Region 3	−0.34 (0.52)	−0.41 (0.52)	−0.41 (0.52)	−0.61 (0.56)
Region 4	1.45 (0.95)	1.33 (1.09)	1.31 (1.09)	1.04 (1.04)
Team size	0.02 (0.03)	0.02 (0.03)	0.02 (0.03)	0.02 (0.03)
Slack	−0.08 (0.21)	0.02 (0.21)	0.01 (0.22)	0.03 (0.21)
Alignment				0.67[†] (0.35)
Cross-level interactions				
Goal conflict innovation/revenue × team alignment				−0.37[b] (0.13)
Goal conflict innovation/safety × team alignment				0.31[a] (0.15)
Cons	−2.48[a] (1.26)	−2.95[a] (1.28)	−2.84[a] (1.35)	−6.38[b] (2.41)
Log-likelihood var (L1 [team])	−75.3	−79.1	−73.9	−72.6
	6.55e-33 (1.89e-32)	5.96e-34 (6.19e-34)	2.51e-31 (3.29e-30)	1.88e-32 (9.59e-32)

Note. Standard errors in parentheses; n = 193.
[a] $p < 0.05$.
[b] $p < 0.01$.

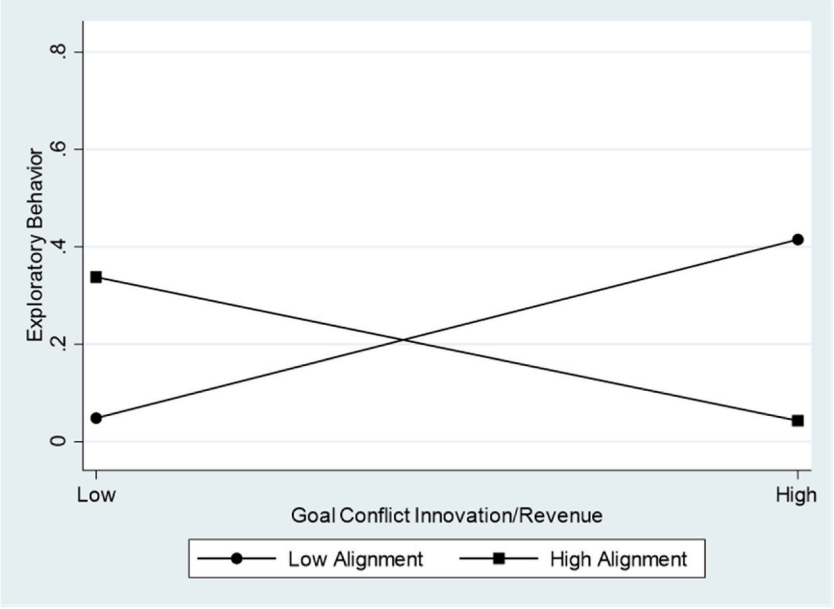

Fig. 1. Interaction goal conflict innovation/revenue with alignment on exploratory behavior.

aggregating them, we need to account for their differential effects to have a more comprehensive understanding of the effect of multiple goals conflict.

In the second post hoc analysis, we further analyze outcomes of exploratory innovation projects submitted by employees. We obtained data about decisions to pursue projects up to 2 years after they were initially registered. We created a dummy variable for the destiny of each project, assigning a value of 1 to exploration projects which had progressed to the implementation phase, and

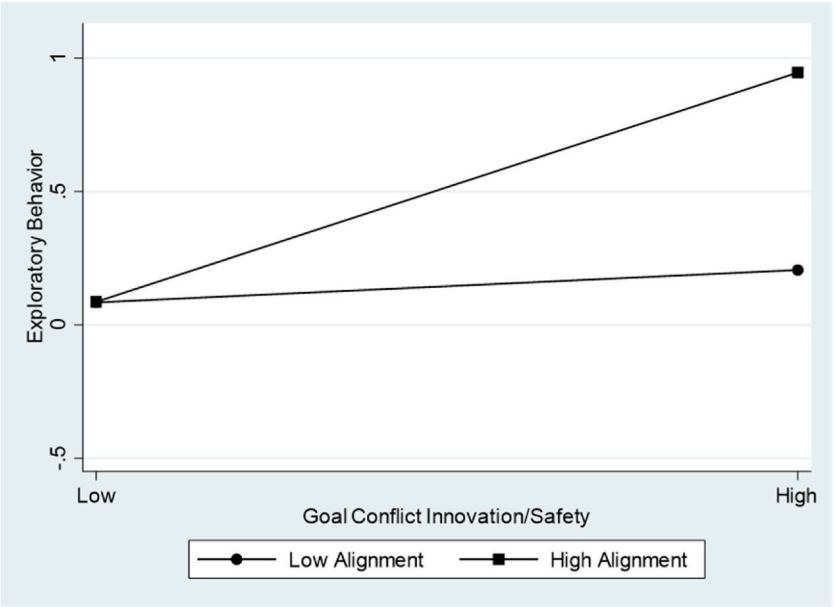

Fig. 2. Interaction goal conflict innovation/safety with alignment on exploratory behavior.

Table 3
General goal conflict and innovative exploratory behavior.

Variable	Model 1	Model 2
Individual level		
Goal conflict general	0.35[b] (0.15)	1.11 (0.80)
Past performance	0.07 (0.62)	0.21 (0.60)
Job experience	0.01 (0.03)	0.01 (0.03)
Job category 1	0.43 (0.43)	0.40 (0.42)
Job category 2	−0.47 (0.58)	−0.44 (0.58)
Team-level		
Region 2	0.81[a] (0.49)	0.59 (0.46)
Region 3	−0.38 (0.53)	−0.52 (0.53)
Region 4	1.40 (1.02)	1.14 (0.90)
Team size	0.03 (0.03)	0.02 (0.03)
Slack	−0.01 (0.21)	−0.01 (0.21)
Alignment		0.62[a] (0.37)
Cross-level interactions		
Goal conflict general × team alignment		−0.14 (0.16)
Cons	−2.99[b] (1.28)	−6.05[b] (2.47)
Log-likelihood	−77.6	−75.8
var (L1 [team])	1.11e-32 (8.90e-32)	5.88e-32 (7.65e-31)

Note. Standard errors in parentheses; n = 193.
[a] $p < 0.10$.
[b] $p < 0.05$.

0 otherwise. We used these data to test whether goal conflicts have a significant effect on the actual implementation phase of innovation beyond showing exploratory innovative behavior. Table 4 shows a significant positive direct effect of conflict between innovation and safety goals on the implementation of exploratory ideas (0.37, $p < 0.05$) and no significant effect of conflicts between innovation and revenue goals on the implementation of exploratory, in line with our previous results. However, we did not find a significant interaction effect.

Table 4
Goal conflicts and Destiny of Exploratory Projects.

Variable	Model 1	Model 2	Model 3	Model 4
Individual level				
Goal conflict innovation/revenue		0.25 (0.20)	0.01 (0.22)	0.99 (0.74)
Goal conflict innovation/safety	0.37[b] (0.18)		0.36[a] (0.20)	−0.48 (0.77)
Past performance	0.34 (0.68)	0.27 (0.68)	0.34 (0.68)	0.31 (0.69)
Job experience	0.01 (0.03)	0.02 (0.03)	0.01 (0.03)	0.02 (0.03)
Job category 1	0.60 (0.50)	0.71 (0.49)	0.61 (0.50)	0.62 (0.53)
Job category 2	−0.35 (0.60)	−0.39 (0.62)	−0.35 (0.60)	−0.26 (0.62)
Team-level				
Region 2	0.73 (0.50)	0.75 (0.48)	0.73 (0.50)	0.60 (0.50)
Region 3	−1.58 (1.15)	−1.50 (1.12)	−1.58 (1.15)	−0.66 (1.24)
Region 4	1.00 (0.89)	1.22 (0.77)	1.00 (0.88)	0.89 (0.84)
Team size	0.02 (0.03)	0.02 (0.03)	0.02 (0.04)	0.02 (0.04)
Slack	−0.12 (0.31)	−0.21 (0.30)	−0.12 (0.31)	−0.09 (0.30)
Alignment				0.27 (0.43)
Cross-level interactions				
Goal conflict innovation/revenue × team alignment				−0.21 (0.16)
Goal conflict innovation/safety × team alignment				0.19 (0.16)
Cons	−2.96[a] (1.73)	−2.69 (1.71)	−2.98 (1.83)	−4.49 (2.41)
Log-likelihood	−56.8	−58.1	−56.8	−55.9
var (L1 [team])	3.20e-32 (6.03e-32)	3.53e-34 (3.92e-34)	2.16e-33 (1.13e-33)	1.65e-30 (8.15e-29)

Standard errors in parentheses; n = 193.
[a] $p < 0.10$.
[b] $p < 0.05$.

6. Discussion

We examined how specific conflicts between innovation and two high-priority goals—revenue and safety—affect employees' exploratory innovative behavior and how alignment moderates their responses. Our paper has important implications for current research about multiple goal conflicts (Aguilera et al., 2024; Gaba and Greve, 2019; Levinthal and Rerup, 2021; Obloj and Sengul, 2020), a key component of the behavioral theory of the firm (Cyert and March 1963).

First, the traditional view of multiple goals is that the performance on a goal-metric declines when another goal is being pursued simultaneously (Cheng et al., 2007; Cyert and March 1963; Obloj and Sengul, 2020). When innovation is one of the goals, the dominant expectation is that innovation may suffer since its outcomes are typically more uncertain and long-term compared to other goals (Cohen, 1984). In summary, goal conflicts, particularly those involving innovation, have traditionally been viewed as inherent trade-offs that constrain innovation efforts. Our findings challenge and extend this viewpoint of goal conflict theory by demonstrating that increasing levels of goal conflict with innovation, as experienced by employees, do not always have detrimental effects on innovation but may even stimulate it. While the expected negative effect of the innovation-revenue goal conflict on employee exploratory behavior was not significant, increasing levels of conflict between innovation and safety goals enhanced their innovation efforts. This paper presents both theoretical reasoning and empirical evidence that innovation goal conflicts should not be treated as a monolithic construct when employees experience increasing levels of goal conflict. In fact, they adopt a both-and approach rather than a trade-off approach for conflict resolution when positive commonalities between the goals exist (Aguilera et al., 2024), thereby increasing their level of exploratory innovation.

This observation also questions the dominant assumption in goal conflict theory that goal conflict primarily drains resources (March and Simon, 1958; Gupta et al., 2006). Traditionally, goal conflict has been associated with heightened cognitive load, depleted temporal resources, and decision paralysis (Etkin et al., 2015; Riediger and Freund, 2004). However, our findings indicate that such conflict can instead stimulate employees to engage in exploratory behaviors that optimize rather than exhaust resources, in the case of innovation-safety conflicts. For example, employees may creatively search for synergetic effects between goals (Aguilera et al., 2024), leverage knowledge networks to pursue multiple goals concurrently (Baum and Dahlin, 2007), or extend decision-making time horizons to balance cognitive and emotional loads over time, thereby avoiding decision paralysis (Mathisen et al., 2022). With these insights we contribute to recent calls to move beyond the traditional trade-off perspective in order to develop a richer understanding of the nature and outcomes of multiple goal conflicts (Abootorabi et al., 2024; Aguilera et al., 2024; Levinthal and Rerup, 2021), notably for innovation (Cohen, 1984; Stephan et al., 2019).

Second, we highlight the important role of alignment between the team and the organization as a key organization design element in managing goal conflict (Unsworth et al., 2014; Mihalache et al., 2012), impacting employees' innovative behavior. Our results challenge the top-down models of goal conflict resolution in existing goal conflict theory such as goal prioritization dictated by organizational structures and leadership mandates (Ethiraj and Levinthal, 2009; Pache and Santos, 2013), by demonstrating the active role employees play in navigating goal conflicts depending on the level of alignment of their team with the organization. Interestingly, our results reveal that the effects of alignment are not unequivocal. As expected, the positive effect of conflict between innovation and

safety goals on innovation is strengthened in high-alignment contexts. Unexpectedly, however, the results show that employee exploratory innovation decreases -rather than increases-when the level of conflict between innovation and revenue goals rises under high levels of alignment, and the opposite effect on innovation was shown at low levels of alignment. This may suggest that when team alignment with the organization and its senior leadership is high, employees may experience a greater obligation to conform to top-down priorities (Alagaraja and Shuck, 2015), discouraging initiatives that challenge short-term revenue targets as conflicts increase, weakening exploratory innovation. Conversely, in low-alignment settings, employees may exercise greater agency in goal prioritization (Schmid et al., 2015), sometimes working around organizational constraints to push exploratory initiatives. In such a context, a unique space may emerge in which employees must rely on their own personal judgments to prioritize conflicting goals (Alagaraja and Shuck, 2015). This corresponds to sensemaking theory (Weick, 1995) and self-determination theory (Deci and Ryan, 2000), which suggest that employees' intrinsic motivation to innovate is influenced by their perceived autonomy and interpretative flexibility. When alignment is high, employees feel less room for self-guided bottom-up prioritization and initiatives, leading to a reduction in exploratory efforts (Mom et al., 2007). When alignment is low, however, employees may leverage their agency to experiment with innovative ideas outside of organizational constraints (Salvato and Rerup, 2018). Summarizing, instead of treating alignment as a universal enabler of innovation in the context of goal conflict, future multiple goal conflict theory should consider that alignment may function as both a constraint and an enabler of employee exploratory innovation, depending on the nature of the goal conflict. This view can develop a more nuanced, micro-level model of goal conflict resolution in which employee agency shapes innovation outcomes when organization design elements are being applied to manage goal conflicts (Flocco et al., 2021; Huang, 2021).

Third, most empirical work on multiple goals has focused on the organizational level of analysis (Ethiraj and Levinthal, 2009; Pache and Santos, 2013; Battilana and Lee, 2014; McCann and Vroom, 2014; Hu and Bettis, 2018; Gaba and Greve, 2019; Obloj and Sengul, 2020), overlooking individual-level dynamics (cf. Aguilera et al., 2024). By shifting the focus from aggregated firm-level effects to how individuals navigate goal conflicts and describing the cross-level mechanism that affects how employees translate goal conflicts into innovation outcomes, our study contributes to the growing body of research that seeks to recognize a micro-level agenda for goal conflict research (D'Adderio, 2014; Unsworth et al., 2014; Levinthal and Rerup, 2021; Klein et al., 2022). We did so, for instance, by theoretically disentangling - at the individual level - the concept of goal conflict (i.e., the employee experiencing increasing pressure on her scarce resources) from how the employee reacts to the conflict depending on how she treats the specific goals involved, either as trade-offs or as complementarities. Our findings, by demonstrating that goal conflicts at the individual level do not automatically hinder innovation but may depend on how employees frame, interpret, and respond to these tensions, reveal the conflict handling mechanism that remains underexplored in prior firm-level research (Aguilera et al., 2024; Linder and Foss, 2018). Moreover, our findings regarding the role of employee team and senior leadership alignment suggest that challenges and outcomes of goal conflicts within an organization are not held and shaped by senior leadership alone, but also by their interactions and communication with employees at lower levels. While leadership sets overarching priorities, our results indicate that employees play an active role in negotiating, prioritizing, and creatively addressing goal tensions. By focusing on employees as the key agents in resolving goal conflicts, our research highlights that the pursuit of innovation alongside other goals does not solely depend on structural or organizational-level solutions such as temporal or spatial differentiation of goals (Tushman et al., 2010). Instead, the way employees perceive and navigate goal conflicts in their daily work plays a crucial role in determining whether innovation is fostered or stifled.

6.1. *Practical implications*

This study offers practical contributions for managers, particularly for managing innovation related goal conflicts. First, it highlights the importance of recognizing that not always, when an employee experiences conflict, the outcomes for innovation are inherently negative. For example, conflicts between innovation and safety goals can drive exploratory innovation, particularly if employees see potential for complementarities between the goals. Managers should therefore avoid viewing all conflicts as obstacles and instead consider how certain conflicts might spur creative problem-solving and innovation. They can actively encourage employees to articulate and reflect on how different goals might support rather than obstruct each other—through team discussions, reflective practices, or structured problem-solving sessions. Second, managers can foster a shared vision and clear communication between teams and senior leadership to enhance alignment, which can serve as a powerful tool to steer conflicts between goals with a complementary nature to maintain innovation momentum. Establishing regular, cross-level feedback loops—such as open forums or skip-level meetings—can help ensure that alignment reflects lived experiences on the ground, not just top-down directives. Moreover, in cases where innovation clashes with financial goals, managers need to recognize that a lack of alignment might create the space needed for creativity and exploratory innovation. Alignment, therefore, should not always be maximized. In high-conflict settings, allowing a degree of purposeful misalignment and flexibility in the face of conflict between goals that are of a trade-off nature, may be more productive. It enables employees to pursue long-term innovation goals even under immediate financial pressures. By strategically managing alignment and flexibility, managers can turn goal conflicts into opportunities for driving innovation.

6.2. *Limitations and future research*

Like all studies, our work has several limitations. First, we focused on exploratory innovative behavior because organizations need to encourage exploratory activities that may involve more risk, have a higher probability of failure, and yield long-term effects to ensure effective adaptation and create internal variety. In future research, scholars could further explore other types of innovation and performance. Second, we chose to measure goal conflicts via a survey to understand employees' perception of the extent of the conflict. Our approach makes sense given that, first, goal conflict is a largely subjective experience (Etkin et al., 2015), and second, employees'

perceptions eventually drive their choices and behavior. While we highlight the importance of measuring employee perceptions of goals and conflicts, we encourage more research in organizations; for example, via field experiments to test the relationships, where targets in a homogeneous group of firms or units can be manipulated while other factors remain constant in a real business setting. Third, employees may engage in "bootlegging"—working independently on ideas without formal submission—to bypass official channels and persuade management (Globocnik and Salomo, 2015; Burgelman and Grove, 2007). While the firm assured us of the dataset's completeness and strongly encourages project registration, we acknowledge it may not show all innovation instances—-though it captures innovation to a large extent in this context. Fourth, we conducted this study in a single large organization in energy industry. While this setting allowed us to hold contextual factors constant, our findings may reflect the specific context of the energy sector, where safety is a deeply embedded priority. In other industries, where safety is less central, goal conflict dynamics—and their implications for innovation—may unfold differently, as individuals' motivation to innovate may be shaped by organizational routines, incentives, culture, and error tolerance (Baer and Frese, 2003; Keith and Frese, 2008). Future research should explore how such contextual factors shape the effects of multiple, conflicting goals across organizational settings. Finally, it is worth mentioning that understanding how organizations navigate multiple conflicting goals requires considering the multilevel aspects of this phenomenon. In this study, we have discussed the nature of different conflicts and examined how the effect of managerial interventions (i.e., creating alignment between teams and the organization) shapes exploratory innovative behavior at the individual level in contexts involving multiple conflicting goals. We hope this study encourages future research focused on examining other mechanisms and investigating other solutions at the organization, team, and individual levels.

6.3. Conclusion

How do employees navigate goal conflicts involving innovation in organizations? Our findings suggest that: (1) not all goal conflicts at the individual level inherently undermine exploratory innovation, some may even stimulate it when employees find and leverage positive commonalities between goals, (2) alignment between the teams and senior leadership plays a crucial moderating role, both as a constraint and an enabler, in determining whether conflicts stimulate innovation. Alignment can facilitate exploratory behavior by enabling shared understanding and coordinated priorities between complementary goals. Conversely, in the case of trade-off goals, high alignment inhibits innovation whereas low alignment may enable a sense of agency or creative space for employees fostering exploratory innovation. Together, these insights suggest that managing goal conflict is not solely a structural or strategic challenge but also a behavioral one—dependent on how employees perceive tensions and the organizational context that either enables or limits their agency in addressing them.

CRediT authorship contribution statement

Saeedeh Ahmadi: Writing – review & editing, Writing – original draft, Supervision, Methodology, Formal analysis, Conceptualization. **Tom Mom:** Supervision. **Alexander Schmidt:** Writing – review & editing, Writing – original draft, Project administration, Formal analysis, Data curation. **Henk Volberda:** Writing – review & editing, Validation, Supervision, Resources, Conceptualization.

Appendix A. Examples of suggested exploratory projects

Title	Suggested project description
Using biofuels as start-up fuels	"Oil burners are used to start up power stations and to start further coal mills in a power increase. These start-up burners require large quantities of fuel oil, which is produced from fossil sources, resulting in considerable emissions with every start-up process. Replacing fossil fuel oil with a bio-based fuel leads to much lower emissions. Biofuels should not cause problems to the boiler when additives or lubricants are added. On the other hand, chemical stability is lower than for biodiesel, so the storage capability must be investigated. This project involves evaluating the most promising biofuels and determining the required modifications to the equipment in the power plant."
HRSG boiler (Heat Recovery Steam Generator)	"The HRSG of a power station had operated for already 100,000 h of the HRSG design life. The power station had contacted companies' technical engineers regarding work to understand future HRSG high temperature pressure part replacement requirements in light of their current status and past operations. During recent outages at other power stations, excessive early-life damage to HRSG pressure parts had been identified. This has implications for long-term inspection practices, equipment integrity, and maintenance costs. When identifying future HRSG part replacement requirements, the impacts of flexible operations and efficiency upgrades should be considered to avoid onerous repeat inspections and concomitant costs, as had recently occurred with other HRSGs. A new HRSG maintenance strategy review will be completed to determine the likely repair and replacement strategy of the main components against two possible future operating scenarios covering the entire HRSG. This includes recommendations for a novel design and modifications to reduce the propensity for damage and optimal timing within planned outages."
Large scale carbon capture and storage	"The project includes investigating the technical feasibility of retrofitting carbon capture on to the power station ground. For example, capturing CO2 of the power station for different further selling such as LNG. The initial focus would be on post-combustion capture, which is more readily retrofittable than pre-combustion capture. The goal is to assess the impact of a capture plant on performance and operability, quantifying the use of steam, electricity, and cooling water by the plant and footprint requirements for this large-scale project (>10 M €)"

Appendix B. Measurement of IV

Goal conflict is defined as the perception that achieving one goal may hinder or affect achieving another (e.g. because of time constraint, budget etc.) The goals were described with consultation of the employees and according to the common language of the firm as follows:

Safety goal was defined as *"Safe operation of the power station (*e.g.*, avoiding process safety incidents or employee incidents, relying on zero incident initiatives)"*. Revenue goal was described in common language within the teams in power plants as *"Availability of the power for sales (*e.g.*, keeping the power ready for sales/customers)"*. Innovation goal was described as *"Explore innovative technology and pilot projects (*e.g.*, flexibility, optimizing, adding new fuels, emerging technologies etc.)."*

Data availability

The authors do not have permission to share data.

References

Abootorabi, H., Shankar, R.K., Rasmussen, E., Wiklund, J., 2024. Do hybrid goals pay off? Social and economic goals in academic spin-offs. J. Manag. Stud. 61, 110–140.

Alagaraja, M., Shuck, B., 2015. Exploring organizational alignment-employee engagement linkages and impact on individual performance: a conceptual model. Hum. Resour. Dev. Rev. 14 (1), 17–37.

Aguilera, R.V., De Massis, A., Fini, R., Vismara, S., 2024. Organizational goals, outcomes, and the assessment of performance: reconceptualizing success in management studies. J. Manag. Stud. 61 (1), 1–36.

Ahmadi, S., Jansen, J.J.P., Eggers, J.P., 2022. Using stretch goals for idea generation among employees: one size does not fit all. Organ. Sci. 33, 671–687.

Ahmadi, S., Khanagha, S., Berchicci, L., Jansen, J.J.P., 2017. Are managers motivated to explore in the face of a new technological change? The role of regulatory focus, fit, and complexity of decision-making. J. Manag. Stud. 54, 209–237.

Baden-Fuller, C., Haefliger, S., 2013. Business models and technological innovation. Long. Range Plan. 46 (6), 419–426.

Baer, M., Frese, M., 2003. Innovation is not enough: climates for initiative and psychological safety, process innovations, and firm performance. J. Organ. Behav. 24, 45–68.

Baum, J.A., Dahlin, K.B., 2007. Aspiration performance and railroads' patterns of learning from train wrecks and crashes. Organ. Sci. 18 (3), 368–385.

Battilana, J., Lee, M., 2014. Advancing research on hybrid organizing insights from the study of social enterprise. Acad. Manag. Ann. 8, 397–441.

Battilana, J., Obloj, T., Pache, A.C., Sengul, M., 2022. Beyond shareholder value maximization: accounting for financial/social trade-offs in dual-purpose companies. Acad. Manag. Rev. 47, 237–258.

Battilana, J., Sengul, M., Pache, A.C., Model, J., 2015. Harnessing productive tensions in hybrid organizations: the case of work integration social enterprises. Acad. Manag. J. 58, 1658–1685.

Beer, M., Voelpel, S.C., Leibold, M., Tekie, E.B., 2005. Strategic management as organizational learning: developing fit and alignment through a disciplined process. Long. Range Plan. 38 (5), 445–465.

Benner, M.J., Tushman, M.L., 2003. Exploitation, exploration, and process management: the productivity dilemma revisited. Acad. Manag. Rev. 28 (2), 238–256.

Bliese, P.D., 2000. Within-group agreement, non-independence, and reliability: implications for data aggregation and analysis. In: Klein, K.J., Kozlowski, S.W.J. (Eds.), Multilevel Theory, Research, and Methods in Organizations: Foundations, Extensions, and New Directions. Jossey-Bass/Wiley, New York, pp. 349–381.

Burgelman, R.A., Grove, A.S., 2007. Let chaos reign, then rein in Chaos—Repeatedly: managing strategic dynamics for corporate longevity. Strateg. Manag. J. 28 (10), 965–979.

Cheng, M.M., Luckett, P.F., Mahama, H., 2007. Effect of perceived conflict among multiple performance goals and goal difficulty on task performance. Account. Finance 47, 221–242.

Cohen, M.D., 1984. Conflict and complexity: goal diversity and organizational search effectiveness. Am. Polit. Sci. Rev. 78 (2), 435–451.

Cyert, R.M., March, J.G., 1963. A Behavioral Theory of the Firm. Prentice-Hall, Englewood Cliffs, NJ.

D'Adderio, L., 2014. The replication dilemma unraveled: how organizations enact multiple goals in routine transfer. Organ. Sci. 25, 1325–1350.

Danneels, E., 2002. The dynamics of product innovation and firm competences. Strateg. Manag. J. 23 (12), 1095–1121.

Deci, E.L., Ryan, R.M., 2000. The "what" and "why" of goal pursuits: human needs and the self-determination of behavior. Psychol. Inq. 11 (4), 227–268.

Derdowski, L.A., Mathisen, G.E., 2023. Psychosocial factors and safety in high-risk industries: a systematic literature review. Saf. Sci. 157, 105948.

Diaz-Moriana, V., Clinton, E., Kammerlander, N., 2024. Untangling goal tensions in family firms: a sensemaking approach. J. Manag. Stud. 61 (1), 69–109.

Eisenhardt, K.M., Furr, N.R., Bingham, C.B., 2010. Microfoundations of performance: balancing efficiency and flexibility in dynamic environments. Organ. Sci. 21 (6), 1263–1273.

Eldor, L., 2020. How collective engagement creates competitive advantage for organizations: a business-level model of shared vision, competitive intensity, and service performance. J. Manag. Stud. 57 (2), 177–209.

Eliashberg, J., Michie, D.A., 1984. Multiple business goals sets as determinants of marketing channel conflict: an empirical study. J. Mark. Res. 21 (1), 75–88.

Ethiraj, S.K., Levinthal, D.A., 2009. Hoping for A to Z while rewarding only A: complex and multiple organizational goals. Organ. Sci. 20, 4–21.

Etkin, J., Evangelidis, I., Aaker, J., 2015. Pressed for time? Goal conflict shapes how time is perceived, spent, and valued. J. Mark. Res. 52, 394–406.

Fadol, Y., Barhem, B., Elbanna, S., 2015. The mediating role of the extensiveness of strategic planning on the relationship between slack resources and organizational performance. Manag. Decis. 53, 1023–1044.

Flocco, N., Canterino, F., Cagliano, R., 2021. Leading innovation through employees' participation: plural leadership in employee-driven innovation practices. Leadership 17 (5), 499–518.

Gaba, V., Greve, H.R., 2019. Safe or profitable? The pursuit of conflicting goals. Organ. Sci. 30, 647–667.

Globocnik, D., Salomo, S., 2015. Do formal management practices impact the emergence of bootlegging behavior? J. Prod. Innovat. Manag. 32 (4), 505–521.

Grigoriou, K., Rothaermel, F.T., 2014. Structural microfoundations of innovation: the role of relational stars. J. Manag. 40 (2), 586–615.

Gupta, A.K., Smith, K.G., Shalley, C.E., 2006. The interplay between exploration and exploitation. Acad. Manag. J. 49, 693–706.

Hahn, T., Figge, F., Pinkse, J., Preuss, L., 2010. Trade-offs in corporate sustainability: you can't have your cake and eat it. Bus. Strat. Environ. 19, 217–229.

Heyden, M.L.M., Sidhu, J.S., Van Den Bosch, F.A.J., Volberda, H.W., 2012. Top management team search and new knowledge creation. Int. Stud. Manag. Organ. 42, 27–51.

Hox, J.J., Moerbeek, M., van de Schoot, R., 2018. Multilevel Analysis. Techniques and Applications. Routledge, New York.

Hu, S., Bettis, R.A., 2018. Multiple organization goals with feedback from shared technological task environments. Organ. Sci. 29, 873–889.

Huang, Q., 2021. Can curious employees be more innovative? Exploring the mechanism of intrinsic motivation and job autonomy. Psychology 12 (3), 425.

James, L.R., Demaree, R.G., Wolf, G., 1984. Estimating within-group interrater reliability with and without response bias. J. Appl. Psychol. 69, 85–98.

Jansen, J.J., Van Den Bosch, F.A., Volberda, H.W., 2006. Exploratory innovation, exploitative innovation, and performance: effects of organizational antecedents and environmental moderators. Manag. Sci. 52 (11), 1661–1674.
Janssen, O., 2000. Job demands, perceptions of effort-reward fairness and innovative work behaviour. J. Occup. Organ. Psychol. 73 (3), 287–302.
Jasmand, C., Blazevic, V., De Ruyter, K., 2012. Generating sales while providing service: a study of customer service representatives' ambidextrous behavior. J. Market. 76 (1), 20–37.
Joseph, J., Klingebiel, R., Wilson, A.J., 2016. Organizational structure and performance feedback: centralization, aspirations, and termination decisions. Organ. Sci. 27 (5), 1065–1083.
Kaplan, D.E., 2019. Creativity in education: teaching for creativity development. Psychology 10 (2), 140–147.
Karoly, P., Ruehlman, L.S., Okun, M.A., Lutz, R.S., Newton, C., Fairholme, C., 2005. Perceived self-regulation of exercise goals and interfering goals among regular and irregular exercisers: a life space analysis. Psychol. Sport Exerc. 6, 427–442.
Keil, T., Syrigos, E., Kostopoulos, K.C., Meissner, F., Audia, P.G., 2024. (in) consistent performance feedback and the locus of search. J. Manag. 50 (7), 2927–2954.
Keith, N., Frese, M., 2008. Effectiveness of error management training: a meta-analysis. J. Appl. Psychol. 93, 59–69.
Keum, D.D., Ryan, S., 2024. Strategic upward striving toward $100 million revenue: setting goals to attract external attention. Organ. Sci. 35 (3), 974–993.
Klein, J.H., Solinger, O.N., Duflot, V., 2022. Commitment system theory: the evolving structure of commitments to multiple targets. Acad. Manag. Rev. 47, 116–138.
Kotlar, J., De Massis, A., Wright, M., Frattini, F., 2018. Organizational goals: antecedents, formation processes and implications for firm behavior and performance. Int. J. Manag. Rev. 20, S3–S18.
Kreiner, G.E., Hollensbe, E.C., Sheep, M.L., 2006. Where is the "me" among the "we"? Identity work and the search for optimal balance. Acad. Manag. J. 49, 1031–1057.
Lee, S., Kwon, S., Shin, S.J., Kim, M.S., Park, I.J., 2018. How team-level and individual-level conflict influences team commitment: a multilevel investigation. Front. Psychol. 8, 2365.
Levinthal, D.A., Rerup, C., 2021. The plural of goal: learning in a world of ambiguity. Organ. Sci. 32, 527–543.
Linder, S., Foss, N.J., 2018. Microfoundations of organizational goals: a review and new directions for future research. Int. J. Manag. Rev. 20, 39–62.
Luciano, M.M., Nahrgang, J.D., Shropshire, C., 2020. Strategic leadership systems: viewing top management teams and boards of directors from a multiteam systems perspective. Acad. Manag. Rev. 45 (3), 675–701.
March, J.G., Simon, H.A., 1958. Organizations. John wiley & sons.
Marcus, A.A., Nichols, M.L., 1999. On the edge: heeding the warnings of unusual events. Organ. Sci. 10 (4), 482–499.
Mathisen, G.E., Tjora, T., Bergh, L.I.V., 2022. Speaking up about safety concerns in high-risk industries: correlates of safety voice in the offshore oil rig sector. Saf. Sci. 145, 105487.
Mazzelli, A., Nason, R.S., De Massis, A., Kotlar, J., 2019. Causality rules: performance feedback on hierarchically related goals and capital investment variability. J. Manag. Stud. 56 (8), 1630–1654.
McCann, B.T., Vroom, G., 2014. Competitive behavior and nonfinancial objectives: entry, exit, and pricing decisions in closely held firms. Organ. Sci. 25, 969–990.
McGrath, R., 2001. Exploratory learning, innovative capacity, and managerial oversight. Acad. Manag. J. 44, 118–131.
Ménard, C., 2001. Methodological issues in new institutional economics. J. Econ. Methodol. 8 (1), 85–92.
Mihalache, O.R., Jansen, J.J.J.P., Van Den Bosch, F.A.J., Volberda, H.W., 2012. Offshoring and firm innovation: the moderating role of top management team attributes. Strateg. Manag. J. 33, 1480–1498.
Mom, T.J., Fourné, S.P., Jansen, J.J., 2015. Managers' work experience, ambidexterity, and performance: the contingency role of the work context. Hum. Resour. Manag. 54 (S1), s133–s153.
Mom, T.J.M., Van Den Bosch, F.A.J., Volberda, H.W., 2007. Investigating managers' exploration and exploitation activities: the influence of top-down, bottom-up, and horizontal knowledge inflows. J. Manag. Stud. 44, 910–931.
Newman, A., Donohue, R., Eva, N., 2017. Psychological safety: a systematic review of the literature. Hum. Resour. Manag. Rev. 27 (3), 521–535.
Nguyen, K., Peltoniemi, M., Lamberg, J.A., 2022. Strategic renewal: can it be done profitably? Long. Range Plan. 55 (6), 102179.
Obloj, T., Sengul, M., 2020. What do multiple objectives really mean for performance? Empirical evidence from the French manufacturing sector. Strateg. Manag. J. 41, 2518–2547.
Ordóñez, L.D., Schweitzer, M.E., Galinsky, A.D., Bazerman, M.H., 2009. Goals gone wild: the systematic side effects of overprescribing goal setting. Acad. Manag. Perspect. 23 (1), 6–16.
Pache, A.C., Santos, F., 2013. Inside the hybrid organization: selective coupling as a response to competing institutional logics. Acad. Manag. J. 56, 972–1001.
Pratt, M.G., Pradies, C., 2011. Just a good place to visit? Exploring positive responses to psychological ambivalence. In: Cameron, K.S., Spreitzer, G.M. (Eds.), The Oxford Handbook of Positive Organizational Scholarship. Oxford University Press, Oxford, UK, pp. 924–937.
Putnam, L.L., Fairhurst, G.T., Banghart, S., 2016. Contradictions, dialectics, and paradoxes in organizations: a constitutive approach. Acad. Manag. Ann. 10, 65–171.
Rich, B.L., Lepine, J.A., Crawford, E.R., 2010. Job engagement: antecedents and effects on job performance. Acad. Manag. J. 53 (3), 617–635.
Riediger, M., Freund, A.M., 2004. Interference and facilitations among personal goals: differential associations with subjective well-being and persistent goal pursuit. Pers. Soc. Psychol. Bull. 30, 1511–1523.
Roper, S., Du, J., Love, J.H., 2008. Modelling the innovation value chain. Res. Pol. 37, 961–977.
Sackett, E., Fitzsimons, G.M., 2021. The effects of extra-team goal disclosure on team performance, viability, and satisfaction. Front. Psychol. 11, 548842.
Salvato, C., Rerup, C., 2018. Routine regulation: balancing conflicting goals in organizational routines. Adm. Sci. Q. 63, 170–209.
Schmid, P.C., Schmid Mast, M., Mast, F.W., 2015. Prioritizing—the task strategy of the powerful? Q. J. Exp. Psychol. 68 (10), 2097–2105.
Sinkula, J.M., Baker, W.E., Noordewier, T.A., 1997. Framework for market-based organizational learning: linking values, knowledge, and behavior. J. Acad. Market. Sci. 25, 305–318.
Sitkin, S.B., See, K.E., Miller, C.C., Lawless, M.W., Carton, A.M., 2011. The paradox of stretch goals: organizations in pursuit of the seemingly impossible. Acad. Manag. Rev. 36, 544–566.
Sitzmann, T., Weinhardt, J.M., 2015. Training engagement theory: a multilevel perspective on the effectiveness of work-related training. J. Manag. 44, 732–756.
Slayton, R., Spinardi, G., 2016. Radical innovation in scaling up: boeing's dreamliner and the challenge of socio-technical transitions. Technovation 47, 47–58.
Smith, W.K., Lewis, M.W., 2011. Toward a theory of paradox: a dynamic equilibrium model of organizing. Acad. Manag. Rev. 36 (2), 381–403.
Stephan, U., Andries, P., Daou, A., 2019. Goal multiplicity and innovation: how social and economic goals affect open innovation and innovation performance. J. Prod. Innovat. Manag. 36 (6), 721–743.
Stevens, R., Moray, N., Bruneel, J., Clarysse, B., 2015. Attention allocation to multiple goals: the case of for-profit social enterprises. Strateg. Manag. J. 36, 1006–1016.
Tsai, W., Ghoshal, S., 1998. Social capital and value creation: the role of intrafirm networks. Acad. Manag. J. 41, 464–476.
Tushman, M., Smith, W.K., Wood, R.C., Westerman, G., O'Reilly, C., 2010. Organizational designs and innovation streams. Ind. Corp. Change 19 (5), 1331–1366.
Unsworth, K., Yeo, G., Beck, J., 2014. Multiple goals: a review and derivation of general principles. J. Organ. Behav. 35, 1064–1078.
Weick, K.E., 1995. Sensemaking in Organizations. Sage Publications, Thousand Oaks, CA.
Weiss, M., Herrmann, D., Khoury, T.A., Kreutzer, M., Hummel, M., 2023. The boundary conditions for growth: exploring the non-linear relationship between organic and acquisitive growth and profitability. Long. Range Plan. 56 (2), 102291.
Zwetsloot, G.I., Ashford, N.A., 2003. The feasibility of encouraging inherently safer production in industrial firms. Saf. Sci. 41 (2–3), 219–240.

Dr. Saeedeh Ahmadi is an assistant Professor of Strategy and Innovation at the Amsterdam Business School, University of Amsterdam. Her expertise lies at the nexus of strategic management, innovation management, and psychology. Focusing on managerial decision-making in uncertain situations, she tries to understand why some managers pursue riskier options and step outside their comfort zones, while others delay some action. She is also enthusiastic about understanding how organizations pursue multiple goals and evaluating the effectiveness of managerial interventions that encourage innovation in organizations. She has presented her research in major international management conferences such as Academy of Management and Strategic Management Society and also published in Journal of management Studies and

Organization Science. She has served as ad-hoc reviewer of Journal of management Studies, Strategic Organization, Strategic Entrepreneurship Journal, and Research Policy. Before joining academia, she worked several years as strategy analyst and marketing analyst in telecommunication industry.

Prof. Tom J.M. Mom is a professor of Strategic Growth and Implementation in RSM Erasmus University Rotterdam. He is also the academic director of RSM's Executive-MBA, and a Senior Fellow of the Erasmus Centre for Entrepreneurship. His research interests include new business development & growth, scaling-up, ambidexterity, strategic renewal, and strategy execution. His research output appeared in journals like the Academy of Management Journal, Journal of Management, Journal of Management Studies, Organization Science, Organization Studies, MIT Sloan Management Review, California Management Review, Human Resource Management, and Long Range Planning. He has presented his research at major international conferences and acts as a reviewer for various journals. He co-authored the 2021 bestseller management book 'Naar een gezond groeibedrijf in vijf stappen'.

Alexander Schmidt is an executive PhD Candidate in Erasmus university Rotterdam. Alex has several years of experience in Energy industry in European companies.

Prof. Henk W. Volberda is Professor of Strategic Management & Innovation at Amsterdam Business School, University of Amsterdam. He is Scientific Director of the Amsterdam Centre for Business Innovation. His research focuses on various themes such as hyper-competition, technological disruption, new business models, management innovation and new forms of organization. Volberda has published in several international peer-reviewed journals, including *Academy of Management Journal*, *Global Strategy Journal*, *Journal of International Business*, *Journal of Management*, *Journal of Management Studies*, *Management Science*, *Organization Science*, *Strategic Entrepreneurship Journal* and *Strategic Management Journal.* For the fifth year in a row, Volberda has been included in the Clarivate Analytics Highly Cited Researcher list. In addition, he has received numerous awards for his research into organizational flexibility and strategic renewal, including the ERIM Impact Award, the Erasmus Research Award, the SAP Strategy Award and the prestigious Igor Ansoff Strategic Management Award. Volberda holds various executive and advisory positions. He is a member of the supervisory board of NXP Semiconductors Netherlands and a member of the scientific advisory committee of the Netherlands Defense Academy. In addition, he is an expert member of the World Economic Forum and a fellow of the European Academy of Management. Previously, he was, among other things, a board member of the Netherlands Centre for Social Innovation and Vice-President Research of the European Academy of Management (EURAM).