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TECHNOLOGY****RELATIONSHIP AMONG MARKET ORIENTATION AND ORGANIZATIONAL
PERFORMANCE: A CASE STUDY OF MAJOR HOSPITALS OF J&K****Dr. Sumaira, Dr. Fouzia**

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ABSTRACT

This research paper studies and investigates the relationship between market orientation and organizational performance in healthcare. Sample population consisted of employees belonging to the hospital administration department of three major hospitals. Sample size was equivalent to the number of employees working in the administrative division. Research paper data collected, analysed and interpretation concluded that there exists a positive relationship between variables of market orientation and organizational performance.

INTRODUCTION

Market orientation is one of the strategic variables for competing in today's global economy. It has been employed by organizations in managing as well as marketing activities. Market orientation has been defined by various academicians. Two of the major views on market orientation have been propounded by Narver and Slater (1990) and Jaworski and Kohli (1993). Various other academicians have argued about its links with the cultural and behavioral perspectives. One of the prominent views about defining it is given by Kohli and Jaworski (1993). They stated market orientation as activities and behaviors exhibited by the organization. Jaworski and Kohli defined market orientation as organization wide generation of market intelligence, disseminating and responding to the market intelligence across departments in the organization. Customers are the most important stakeholders of the concept as market orientation caters to the creation, maintenance and deliverance of the superior value to the customer. Besides giving priority to the customers, other stakeholders are also taken into consideration.

Service quality is another dimension that has demanded enormous attention in the literature and has been widely incorporated in various research studies. Currently organizations have been stressing on conducting their operations that includes qualitative practices. Maintenance of the quality standards is essential for catering to the new markets or for relevance in the existing markets. Service quality dimensions as well as market orientation are contributory variables of organizational performance. Existing literature of market orientation has suggested that the application of principles and concepts of market orientation in an organization lead towards its improved performance. Various research studies have revealed that effectiveness in terms of service quality can be achieved through the application of market orientation practices. Service quality is mandatory for organizations in order to meet the needs and requirements of customers and that will in turn contribute towards the performance of organization.

Market orientation is the generation, implementation and responsiveness of the organization towards its information needs so that they can deliver their services as per needs and wants of customers. In addition to this, market orientation helps the organization in continuously modifying their product/service mix so that they can serve customers better than the competitors. Consequently we can argue that organization applying market oriented concepts are suppose to provide service quality and are likely to meet the expectations of the customers.

RELATIONSHIP BETWEEN MARKET ORIENTATION AND ORGANIZATIONAL PERFORMANCE

Existing body of knowledge available on market orientation and service quality have suggested that the relationship between the two variables has been positive in various sectors and cultures. Research studies have also shown this positive linkage is associated with the improved organizational performance. Corporate literature also suggests that there exists an indirect relationship between market orientation and organizational performance in certain service organizations.

Empirical research study conducted by H.V Boo in 2006 gave a model of different variables of market orientation applicable in the service sector and the relationship between constructs of market orientation related to service quality were tested on a sample of five hundred fifty eight Malaysian university students. Conclusions of the study revealed that the service quality of the service providing organizations is having relationship with market orientation constructs. Another study conducted by Ramsaran et al. researched relation of market orientation, service quality on the performance of the organization and found that the positive relationship between these variables. Research has established that variables influencing market orientation construct are customer focus, employee empowerment and service quality are communication & information, continuous improvement, employee empowerment and customer focus.

METHODS AND MATERIALS

Research method used for this study is descriptive correlation. The research approach in this study is field approach. Variables in the study were analysed through the research instruments used in the existing body of literature related to market orientation and the institutional performance. Five point Likert scale was utilized for this research study. Research instrument developed by *P.S.Raju, Subhash C. Lonial & Yash P. Gupta (1995)* in hospital industry was used to study market orientation variables. Organizational performance variables were measured with the help of subjective factors pertaining to the healthcare industry after thoroughly interviewing the healthcare administrators. Population of the doctors working at the strategic level was taken as sample, since these doctors draft and implement marketing policies for the hospital. Sample population of administrators (professors) was taken into consideration for this study. SPSS (version 21) was used for data analysis. Analysis of the data gathered included descriptive statistics including results of mean, percentages, standard deviation, and frequency. For testing the hypotheses i.e.; there exists a positive correlation between market orientation and organizational performance, correlation study was conducted.

Confirmatory factor analysis shows that variables extracted of market orientation are: Intelligence generation (6 items), Patient satisfaction (4 items), Responsiveness to Patient (4 items) and Responsiveness to competition (2 items).

Factor analysis (CFA) of organizational performance revealed variables: Service quality Improvement (5 items), Internal Quality (4 items) and Service Development (3 items).

DATA ANALYSIS AND INTERPRETATION

Data was subjected to two types of analysis: descriptive as well as inferential statistics.

Variables	Mean	Std. Deviation	Minimum	Maximum
Market orientation	3.83	0.710	1.63	4.60
Organizational Performance	3.67	0.673	1.91	4.95

Data in the above table depicts that the mean value of market orientation was 3.83/5, which reveals the above average value of market orientation. Mean scores obtained for organizational performance i.e.; 3.67/5 is also showing the higher than average value.

Analysis of the correlation between market orientation and organizational performance shows that there exists a positive and significant relationship between market orientation and performance.

variables	Organizational Performance	
	Correlation Quotient	P-Value
Market Orientation	0.497	0.031

Correlation analysis of the data reveals that the hypotheses stands accepted that infers that there exists positive and significant relationship between market orientation and organizational performance. Correlation quotient $r = 0.497$ and p - value = 0.031 establishes the existing significant and positive relationship between the two variables.

CONCLUSION

Main objective of conducting this research study was to relationship between market orientation and organizational performance in the health sector. The analysis and the interpretation of the research data evaluated shows that the market orientation of healthcare sector is associated with the organizational performance. Performance of hospitals would be significantly related to the constructs of market orientation.

Market orientation construct plays an important role in improving the performance of the hospitals. This conclusion has also been supported by various research studies conducted in hospitals of foreign countries that indicates the universal nature of market orientation.

Performance of the hospital can be improved if the degree of market orientation increases and components of market orientation like intelligence generation, patient satisfaction, and responsiveness to patient are stressed upon. Component of market orientation i.e.; Responsiveness to competition doesn't show significant values, since the sample organization is a public organization, which works for the social welfare and does not have profit orientation. So degree of market orientation can be enhanced by collecting information pertaining to needs and requirements of patients, coordinating other functions as it promote innovativeness and learning orientation, which can add to the performance of organization.

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