Interpersonal Antecedents to Market-Oriented Actions

WHAT IS THIS RESEARCH ABOUT?

Market orientation is an important theme in the marketing literature, and there is a substantial literature on it. Market-oriented firms seek to understand customers' expressed and latent needs, and develop superior solutions to those needs. However, a firm's market orientation depends upon obligations of market-oriented behaviors shared by management and its employees.

Although often assessed at an organizational level, a market-oriented culture is supported by the attitudes and actions of the organization's employees. A firm cannot develop a market orientation strategy without each employee's active understanding, willingness, and ability to perform in a market-oriented fashion. Therefore, individual employees must experience a responsibility to gather and assess the value of market information, and a willingness to share it with other employees. However, which individual-level antecedents must organizations account for when attempting to stimulate company wide market-oriented behaviors?

WHAT DID THE RESEARCHERS DO?

Francine Schlosser and Rod McNaughton from the University of Windsor and University of Waterloo, respectively, looked at relating employee perceptions of the psychological contract, learning orientation, and role-based customer interaction to perceptions of their own market-oriented behaviors.

To do this the researchers first reviewed literature on employee psychological contracts. They then tested these relationships in a cross-sectional survey of employees at many levels and roles in different North American financial services organizations. The survey measured the psychological contract and its match and quality, individual learning agility, customer contact and market-oriented behaviours.

WHAT DID THE RESEARCHERS FIND?

This research identified important individual-level antecedents that organizations must account for when attempting to stimulate company-wide market-oriented behaviors. These include the importance of the following:

- High-quality and matched psychological contracts: Study results identified that low-quality matched psychological contracts significantly and negatively affected the performance of market-oriented behaviors. This implies that employers must provide some level of a quality relationship in order to attract market-oriented behaviors from their employees.
- Modeling of learning strategies by agile learners: Results highlighted the presence of a significant relationship between the learning orientation of individuals and their market-oriented behaviors. Managers can develop this climate through the hiring and rewarding of employees who exhibit a learning orientation.
• Increased opportunities and time to develop personal ties between customers and employees in diverse roles within the firm. The frequency of customer and distributor contact was the strongest antecedent to the performance of market-oriented behaviors.

In summary, although often assessed at an organizational level, a market-oriented culture is supported by the attitudes and actions of the organization's employees. A firm cannot develop a market orientation strategy without each employee's active understanding, willingness, and ability to perform in a market-oriented fashion. Therefore, individual employees must experience a responsibility to gather and assess the value of market information, and a willingness to share it with other employees.

HOW CAN YOU USE THIS RESEARCH?

This research can be used by managers. In order to stimulate company-wide market-oriented behaviors, executives need to account for and promote individual-level antecedents. These include the fostering of high quality and matched psychological contracts, modeling of learning strategies by agile learners, and increased opportunities and time to develop personal employee–customer relationships throughout the firm. Ultimately the findings may help companies to further understand employee perspectives and behaviors.

CITATION


KEYWORDS

Market Orientation, Services Marketing, Psychological Contract, Learning Orientation, Customer Contact

WHAT YOU NEED TO KNOW

Individual-level antecedents that organizations must account for when attempting to stimulate company-wide market-oriented behaviors include the fostering of high-quality and matched psychological contracts, modeling of learning strategies by agile learners, and increased opportunities and time to develop personal employee–customer relationships throughout the firm.