**AN EXAMINATION OF THE VALUES OF A MARKET ORIENTATED ORGANISATIONAL CULTURAL**

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ABSTRACT

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This study investigated (a) the organisational cultural values in market orientated companies and (b) if they encourage market orientation behaviours. The importance of organisation culture as a driver in of market orientation is well documented (Halliday, 2000). Values are furthermore considered the foundation of an organisation’s culture (Deal and Kennedy, 1982). A case study approach utilising questionnaires (n=65), interviews (n=10) and observations of three companies was used in this study. This study concludes that a range of the organisational cultural values were evident in market orientated companies consistent with those found in the market orientation literature (Homburg and Pflesser, 2000). Both quantitative and qualitative evidence supports the correlation between values and market orientated behaviours (r = .73, p (one-tailed) <.01), indicating that values play an important role in determining market orientated behaviours. Thus it is proposed that embedding the values associated with market orientation will drive market orientated behaviours.

INTRODUCTION

This focus of this paper is to examine the values of a market orientated organisational culture. There has been a considerable amount of literature and research covering both market orientation and organisational culture (Narver and Slater, 1990; Kohli and Jaworski, 1990; Slater and Naver, 1994, 2000); Avlonitis and Gounaris, 1999; Homburg and Pflesser, 2000). There have been many discussions and debates in the literature relating to each concept in its own right with an ongoing discussion as to how the two concepts are linked (Narver and Slater, 1990; Day, 1998, 2000; Homburg and Pflesser, 2000; Kasper, 2002, 2005; van Raaij, 2010).

Market orientation is an important element in creating and sustaining a competitive advantage and has over the years been found to be positively related to performance, innovation as well as customer and employee satisfaction (Narver and Slater, 1990; Kohli and Jaworski, 1990; Ruekert, 1992; Hunt and Morgan, 1995; Han et al. 1998; Kirca et al., 2005). Narver and Slater (1990) pointed out in their influential writings on the subject that judging by the attention paid to the topic, market orientation is at “the very heart of modern marketing strategy”. Taking elements from the seminal writers on the subject (Narver and Slater, 1990; Kohli and Jaworski, 1990) market orientation is concerned with the creation of superior value for customers and involves the companywide generation, dissemination and responsiveness to that information in order to best serve a customer’s current and future needs. Since the early 1990s the main areas of research have conceptualised market orientation from either a behavioural perspective or from a cultural perspective (Narver and Slater, 1990; Kohli and Jaworski, 1990; Homburg and Pflesser, 2000; Gebhardt et al., 2006). Each perspective poses the question: is the implementation of market orientation brought about a) through behaviours of an organisation? or b) is it the organisational culture of the company that influences market orientation behaviours?. This study comes from the cultural perspective of market orientation which proposes that the organisational culture encourages a market orientation and market orientated behaviours in an organisation (Gebhardt et al., 2006).

Organisational cultural is it has been argued is made up of different layers of culture including the values, norms, artefacts and behaviours that exist in a company. These are considered the manifestations of an organisation’s culture (Schein, 1984; Trice and Beyer, 1993). Homburg and Pflesser (2000) made the distinction between the different layers of organisational culture and analysed the relationships between the different layers of market orientated organisational culture identifying the causal link between the layers of culture that support market orientation. Deal and Kennedy (1982, p. 21) identified one of the layers of culture – values as “the bedrock of any corporate culture” which give employees a sense of direction and guidelines for their day-to-day behaviour. Hofstede et al. (1990) depict organisational culture as an onion with values at the centre, an idea shared by Trice and Beyer (1993) acknowledging that values are at the core of an organisation. Homburg and Pflesser (2000) set out to identify what values are “the most relevant shared basic values of a market orientated organisational culture”. This study investigated if the values identified by Homburg and Pflesser (2000) exist in market orientated companies and examined the role they play in encouraging a market orientation in companies.

RESEARCH AIM

A crucial factor in implementing a market orientation strategy is the organisational culture of the company as research has acknowledged that ignoring the organisational culture has implications on the successful implementation of a market orientation strategy (Halliday, 2000). Consequently it is necessary to identify the characteristics of the organisational culture of market orientated companies. As pointed out by Homburg and Pflesser (2000, p. 450) examining the layers of organisational culture will lead to “a better understanding of the forces driving market orientated behaviour”. In order to develop this understanding of how organisational culture is a driver of market orientation in companies, this study examined what organisational cultural values exist in market orientated companies and if these values encourage market orientated behaviours.

LITERATURE REVIEW

Market Orientation

While much has been written about market orientation during the last two decades, the definition of market orientation is “a bewildering array of phrases and terms used to define an organization’s orientation towards the market” (Drummond et al., 2000, p. 571). The literature draws attention to the fact that market orientation has its origins in the marketing concept of management philosophy. The marketing concept is considered a cornerstone of marketing since its development in the 1950s and 1960s (Kohli and Jaworski, 1990; Hunt and Morgan, 1995). Kohli and Jaworski (1990, p. 2) cite Felton’s (1959) definition of the marketing concept as a “corporate state of mind that integrates and coordinates all the marketing functions”. Additionally, Wrenn (ibid, p. 33) argues the marketing concept is the main ingredient for an organisation’s success and forms the “core part of a corporate culture”.

Kohli and Jaworski 1990, p. 1) define market orientation as:

…the organization wide *generation* of market intelligence pertaining to current and future customer needs, *dissemination* of the intelligence across departments, and organization wide *responsiveness* to it (Kohli and Jaworski, 1990, p.6, italics in original).

This definition focuses on the customer and a process of obtaining information, sharing that information across departments leading to a companywide response to these needs. Kohli and Jaworski (1990) explain “we use the term ‘market orientation’ to mean the implementation of the marketing concept”. Furthermore they state using marketing orientation “is both restrictive and misleading” while using the term market orientation is “less politically charged in that it does not inflate the importance of the marketing function in an organization” (Kohli and Jaworski, 1990, p.4). By using the term market orientation they make the implementation of market orientation a company-wide responsibility instead of it just being the responsibility of the marketing department (Kohli and Jaworski, ibid). The idea that market orientation is a company wide activity is also shared by Shapiro (1988) who emphasise that that information gathering must do more and go beyond market research and “permeate every corporate function”. While Hunt and Morgan (1995, p. 11) advocate for market orientation as an organisational framework and if adopted and implemented it could become culturally embedded in the organisation.

Parallel to Kohli and Jaworski’s work in 1990, Narver and Slater (1990) carried out research into the effect market orientation has on business profitability and they describe market orientation as being at the heart of a modern marketing management strategy. Their definition of market orientation is: “The business culture that most effectively and efficiently creates the necessary behaviours for the creation superior value [for customers]” (Narver and Slater, 1990 p. 21). It can thus be seen that from the 1990s there was a change in the terminology used to describe the concept of market orientation. Griffiths and Grover (1998) as cited in Homburg and Plesser (2000) and van Raaij and Stoelhorst (2008) have highlighted the two distinct perspectives of market orientation: firstly, a behavioural and secondly, a cultural perspective. Kohli and Jaworski’s (1990) definition focuses on a company’s behaviour or activities related to the generation and dissemination and response to market intelligence (Gray et al. 1998; van Raaij and Stoelhorst 2008). The cultural perspective is related to the characteristics of an organisation’s culture that most effectively and efficiently creates the behaviours for creating superior value for customers a view taken by Narver and Slater’s (1990).

This study uses the term market orientation which is consistent with the literature on this topic. For the purpose of this syudy market orientation will be defined as: the business culture that most effectively and efficiently creates the necessary behaviours for the creation of superior value for customers (Narver and Slater, 1990).

A significant amount of literature has been published on the benefits to a company of being market orientated. Both Narver and Slater (1990, 1994, 2000) and Kohli et al. (1993) found that market orientation had a positive impact on the company performance regardless of market or technological turbulence or competitive intensity in the environment. Other benefits of market orientation include: innovation (Han et al., 1998; Hult et al., 2004), greater competitive advantage (Pelham and Wilson, 1996; Kirca et al., 2005), enhanced customer loyalty and satisfaction (Moloney et al., 2005; Kirca et al., 2005); improved quality of products and services (Kirca et al., 2005) and improved employee satisfaction and commitment (Ruekert, 1992; Jaworski and Kohli, 1993; Wrenn, 1997; Avlonitis and Gounaris, 1999). The combined beneficial effects a company can experience as a result of a market orientation are highlighted by Ruekert (1992, p. 244) suggesting that the different aspects of market orientation seem to fit together leading “to superior customer responsiveness” which is at the core of market orientation.

Organisational Culture

In 1986 Edgar Schein wrote “this culture stuff might be a useful new management tool for improving productivity, quality of work life, and helping us regain our competitive edge” (Schein, 1986, p. 30). Since Andrew Pettigrew (1979) coined the phrase “organizational culture” there have been many different definitions and discussions as to what organisational culture is leading some to refer to it as “the way we do things around here” (Bower, 1966). It is often used inter-changeably with the terms culture, corporate culture and climate. It has been described by many as complex and difficult to describe (De Long and Fahey, 2000; Alevesson, 2002; Schein, 2009). Schein (2009, p. 21) describes organisational culture as having many manifestations and the way to think about culture is “to realise that it exists at different ‘levels’. The three levels Schein (2009) refers to range from artefacts the very visible, to espoused values, to the very tacit and invisible element of basic underlying assumptions. Trice and Beyer (1993, p. 33) also describe organisational culture as having two components: firstly, shared systems of beliefs, values and norms and secondly, forms which include symbols, language, narratives and practices. Homburg and Pflesser (2000, p. 450) puts forward a definition of organisational culture with “four distinguishable but interrelated components” with shared basic values, behavioural norms, artefacts and behaviours.  While each layer plays an important role in the formation of the organisational culture values have been identified as a key aspect in influencing behaviours. In the literature values have been identified as “social principles, goals and standards considered to have intrinsic worth” (Hatch, 1993, p. 659) and “modes of conduct and end-states of existence” according to Rokeach (1968). For Hofstede et al. (1990) organisational culture is like an onion with values at the centre and similarly Trice and Beyer (1993) acknowledge that values are at the core of an organisation.

As reflected in the literature an organisation’s culture is one of the characteristics that differentiates one organisation from another and a firm’s culture can be a source of sustainable competitive advantage if the culture is “valuable, rare and imperfectly imitable” (Barney, 1986, p. 663). Once these traits are present they should be nurtured. Chan et al. (2004) cites Barney (1985) among others to confirm the many benefits organisational culture can confer. It can be used “to mobilize, allocate and leverage resources” in achieving the goals of a company “through values, rituals, behaviours, management systems, decision criteria, visionary planning” (Chan et al., 2004, p. 18). Thus organisational culture can be seen as a form of organisational capability a trait also shared with market orientation.

The extant literature covers the connection between market orientation and culture. Market orientation can be viewed from two perspectives: the behavioural and the cultural perspective (Griffiths and Grover, 1998 cited in Homburg and Pflesser, 2000; Gebhardt et al., 2006). Kohli and Jaworski (1990) define market orientation in terms of the specific behaviours related to market orientation namely the generation of information on current and future customer needs, the dissemination and the responsiveness to that information. This view of market orientation is firmly rooted in the behavioural perspective and advocates that the activities of market orientation are separate from organisational culture (Gebhardt et al., 2006). On the other hand, Narver and Slater (1990) define market orientation in terms of the business culture that most effectively and efficiently instils the necessary behaviours for creating superior value for customers. This suggests that it is the organisational culture that encourages market orientation behaviour (Gebhardt et al., 2006). Research advancing the cultural perspective sees a clear link between market orientation and organisational culture, arguing market orientation is part of the culture of the organisation. The literature supports that an organisational culture based on common values is an important tool in the implementation of market orientation. Deal and Kennedy (1982, p. 21) advocate for values as “the bedrock of any corporate culture” which give employees a sense of direction and guidelines for their day-to-day behaviour. Gebhardt et al. (2006) found that in order to become market orientated values form the basis for market orientated behaviours. Homburg and Pflesser (2000) identified eights basic values that they deemed were supportive of a market orientation. These were success, quality and competence, innovation and flexibility, openness to internal communication, appreciation of employees, responsibility of employees, inter-functional co-operation and speed.

In light of the benefits of market orientation and its cultural foundation values are deemed crucial to the implementation of market orientation in a company. At present there is a dearth of research identifying the particular values and their impact on market orientation thus this research will examine market orientated organisational cultural values and if they encourage market orientated behaviours.

METHODOLOGY

In this study the constructivism view of organisational culture will be taken “to be an emergent reality in a continuous state of construction and reconstruction” (Bryman and Bell, 2011, p. 21). This leads to the anti-positivist/interpretivist paradigm being adapted as a way of understanding the theory of knowledge and ways of gaining and validating knowledge of the social entity (Grix, 2002). This in turn determines the qualitative and quantitative methods used. In order to assess culture the literature suggests a combination of both qualitative and quantitative methods should be used (Brown, 1998; Druckman et al., 1997).

This research utilised a case study approach employing mixed-methods of the organisational culture of market orientated companies. Questionnaires (n=65), detailed interviews (n=10) and observations were used to gather data to answer the following research questions:

1. What organisational cultural values exist in market orientated companies?
2. Do the organisational cultural values identified encourage a market orientation?

Data Collection

In order to answer these questions the questionnaire used in this research was adapted from Homburg and Pflesser (2000). The questionnaire was divided up into sections assessing “Company Values” and “Market Orientated Behaviours”. For a summary of the questionnaire development see Table 1.

**Table 1 Questionnaire Development**

|  |  |  |
| --- | --- | --- |
| **No. of Questions** | **Data Collected** | **Source** |
| 2  | Demographic data | Relevant data sought in order to identify company and job title of the respondent. |
| 11 | Company Values | Adapted from Homburg and Pflesser (2000): These statements measure the degree of agreement that the values (success, quality and competence, innovation and flexibility, openness to internal communication, appreciation of employees, responsibility of employees, inter-functional co-operation and speed ) identified are associated with market orientation. |
| 11 | Market Orientated Behaviours | Adapted from Kohli et al. (1990). These statements measure the degrees of agreement that the market orientated behaviours (information generation, dissemination and response to the information) exist in the companies researched. |

Data was collected from three case study companies over a period of four months from October 2012 to January 2013. The companies researched were: Celtic Linen who provides a complete linen laundry service to major industry sectors in Ireland. The company employs 400 employees. Datapac provides a comprehensive range of services to its 6,000 plus business customers in Ireland ranging from ICT infrastructure, cloud computing, managed services, managed print, business applications to IT consumables. The company employs 170 employees. DoneDeal is Ireland’s leading classified website and employed 17 employees at the time of this research. See Table 2 for details on the data collection.

**Table 2 Data Collection Details**

|  |
| --- |
| **Company One** |
| * Semi-structured interviews with the General Manager of Customer Delivery, with the Sales manager and the Sales Department Manager contributing via phone from Dublin.
* Thirty-two online surveys were gathered from this company over a four week period.
 |
| **Company Two** |
| * Semi-structured interviews with the Marketing Manager and the HR Culture Manager.
* Fifteen online surveys were gathered from this company over a four week period.
 |
| **Company Three** |
| * Four semi structured interviews were recorded with the purchasing manager and a member of the purchasing team, the customer service co-ordinator and a member of the marketing team.
* Observations with artefact checklist also used, photographs were also taken.
* Eighteen surveys were gathered from this company.
 |

Data Analysis

Quantitative Data Analysis

Data from the questionnaire was collated for analysis using the software package Statistical Package for Social Sciences (SPSS). Statistics were generated that would enhance the description of the characteristics of the sample and provide information to address the research questions. Frequencies were calculated that enabled particular counts and percentages to be calculated along with the mean and standard deviation that enabled the data generated to be compared easily and displayed in a coherent form. Correlation tests such as the Pearson’s correlation and coefficient of determination were determined to indentify the both the strength and the direction of the relationship between the variables of values and behaviours. As part of assessing the reliability or internal consistency of quantitative data Cronbach's alpha (α) test was carried out. When testing for reliability using Cronbach’s α, the items within the scale should be correlated to each other as the internal consistency describes the extent to which the items measure the same concept or construct (Tavakol and Dennick, 2011). For this reason the reliability of the *behaviours* scale was carried out giving a Cronbach’s α = .90. As questions within the *values* scale measured different values, the Cronbach’s α test was not calculated.

Qualitative Data Analysis

There was a substantial amount of qualitative data gathered from the ten recorded interviews. Thematic analysis of these recordings allowed for the identification of repeated patterns which facilitated the analysis and reporting of these patterns and themes within the data (Braun and Clarke, 2006). A general synopsis was compiled of the recurring themes and overall findings of the qualitative data for each interview and each company followed by a synopsis of common themes across all interviews (Miles and Huberman, 1984). This data was then used to complement the quantitative data findings and was used to present a coherent picture of all the data collected.

Data Quality

The questionnaire was pretested prior to distribution and checked for outliers during analysis, Cronbach's α test ensured reliability. Querying how believable the findings are for each company and recognising the expected outcomes ensures the data answers the research questions asked. Triangulation was used to ensure data quality with multiple viewpoints for greater accuracy. As the data collected pertains to sensitive information and personal opinions about the companies researched respondents were assured anonymity. As a result every effort was made to ensure the confidentially of the data. No names or other identifiable information was presented and data was stored is a secure location with a numbering system used in order to mask the identity of respondents.

FINDINGS

In light of the important role values play in the foundation of organisational culture and its importance in the implementation of market orientation in a company this study set out to investigate the organisational cultural values in market orientated companies. Research has identified particular values and their impact on market orientation. Homburg and Pflesser (2000) identified the most basic shared values associated with market orientation which include: *success, quality and competence, innovation and flexibility, openness to internal communication, appreciation of employees, responsibility of employees, inter-functional co-operation* and *speed.* Additionally, the study examined if the organisational cultural values identified encourage market orientation behaviours. To undertake this investigation employees of the three case study companies were asked to indicate their level of agreement with statements describing these values. Table 4 shows the level of agreement among respondents to the proposed statements.

**Table 4 Organisational Cultural Values in All Companies**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Market Orientated** | **Agree** | **NAD** | **Disagree** | **Mean** | **Std** |
| **Values** | **%** | **%** | **%** | **%** | **Dev** |
| **In Our Company:** |   |   |   |   |  |
| **Quality and Competence**High-quality and error-free work is valued. | 88 | 8 | 5 | 1.17 | 0.49 |
| **Inter-functional Cooperation**Teamwork and cooperation across different departments and areas are valued. | 86 | 12 | 2 | 1.15 | 0.4 |
| **Innovation and Flexibility**We are open towards innovation (e.g. related to products or processes) and creativity. | 86 | 12 | 2 | 1.15 | 0.4 |
| **Openness to Internal Communication\***Open proactive communication across departments and areas is valued.Information exchange across departments and areas is valued. | 80 | 15 | 5 | 2.49 | 1 |
| **Success**We place great value on performance-oriented employees. | 79 | 17 | 5 | 1.26 | 0.54 |
| **Speed**Every employee aspires to promptness in their work processes (e.g. handling queries or customer requests efficiently). | 79 | 15 | 6 | 1.28 | 0.57 |
| **Appreciation of Employees\***Every employee is appreciated in our company. Value is placed on a feeling of belonging among employees.We aspire to a high degree of employee satisfaction. | 71 | 17 | 12 | 1.42 | 0.70 |
| **Responsibility of Employees**Acting and thinking like an entrepreneur is valued in our company. | 62 | 29 | 9 | 1.48 | 0.66 |

Figures are rounded and are valid percentages. Agree = Strongly Agree combined with Agree, NAD = Neither Agree or Disagree, Disagree = Disagree combined with Strongly Disagree. N=65. \*The values reflect the response with the highest score

This table represents the responses from employees in the companies researched. There was over 80% of agreement among respondents that the top four values exist in their companies. These values are *quality and competence*, *inter-functional co-operation, innovation and flexibility and openness to internal communication*. In addition 79% of respondents agreed the values of *success* and *speed* existed in their companies. The value with the lowest level of agreement was that of *responsibility of employees* with 62%of respondents agreeing the value existed in their company while lower than the other seven values, it still shows a significant agreement that the value exists. The qualitative data provides additional support for the existence of the market orientated values in the culture of the companies researched. As is evident by the high level of agreement among respondents, it can be argued that all eight values exist in the companies researched.

An analysis of the qualitative data was interpreted as indicating that that the market orientation values found in the companies researched are connected. Inter-functional co-operation plays an important role in the dissemination of information which is a key element of market orientation where information is shared across departments so as to facilitate the responsiveness to that information. This value of *inter-functional co-operation* was found to be interconnected with the value of *openness to internal communication*, which allows for an easier exchange of information across departments thus contributing to the market orientation of the company. There was qualitative data to support the interconnection of *inter-functional co-operation* and *openness to internal communication* when employees from all areas came together for their morning coffee break daily, to create the company news letter or in cross-departmental training as it “creates a mutual appreciation for what people do” as one manager put it.

Quantitative and qualitative data also indicated that values existed across all three companies albeit it must be noted to varying degrees. Certain values were ranked higher in one company and lower in others. The value of *quality and competence* was ranked highest in two of the three companies researched while in the other company it was ranked in fourth place. Thus indicating that while the value of *quality and competence* exists, other values were more dominant in their company.

Quantitatively the Pearson’s correlation indicates there is a significant relationship between values and market orientated behaviours (r = .73, p (one-tailed) <.01). The coefficient of determination (R² = 53%) indicates there is a significant proportion of variance in market orientated behaviours explained by market orientated values. Thus there is a relationship between two variables values and behaviours, and there is a significant proportion of overlap between values and market orientated behaviours thus giving substance to the claim that values play an important role in determining the market orientated behaviour of employees within the companies researched. There was also qualitative data confirming the relationship between market orientated organisational cultural values and behaviours. An example of this can be found in one company who had a team of internal auditors. The team of internal auditors selected from staff members are trained to carry out a number of audits within the company. Having them carry out checks on fellow staff members is an example of how the value of *quality and competence* impacts the behaviours within the company.

DISCUSSION AND CONCLUSION

This study can conclude that the market orientated organisational cultural values exist in the companies researched. Both qualitative and quantitative evidence was also found to confirm that the market orientated organisational cultural values influence market orientated behaviours in the companies researched.

Values are according to Deal and Kennedy (1982, p. 21) “the bedrock of any corporate culture”. Values provide employees with “a sense of common direction for all employees and guidelines for day-to-day behavior” (Deal and Kennedy, ibid). Companies succeed as a result of their employees identifying, embracing and acting on the values of the company. The analysis of this research findings confirms that the values identified by Homburg and Pflesser (2000) of *success, quality and competence, innovation and flexibility, openness to internal communication, appreciation of employees, responsibility of employees, inter-functional co-operation* and *speed* do exist within the companies researched. Values have been shown to complement market orientation and as a result are evidence of a market orientation in place in the companies which took part in this study. This study presented evidence that market orientated organisational cultural values led to companies having the propensity for market orientation. This is in line with research by Gebhardt et al. (2006) among others (Kohli and Jaworski, 1990; Jaworski and Kohli, 1993; Homburg and Pflesser, 2000; Bigné et al., 2005; Kasper, 2005).

This study also found evidence that values appear connected and are in fact enhanced or facilitated by the presence of another value or values and were found to complement market orientation. An example of this is the connection found between the values of \*openness to internal communication* and *inter-functional co-operation* across departments in all three companies investigated. Without this *inter-functional co-operation* and *openness to communication* the elements of market orientation – information generation, dissemination and responsiveness to that information may not be as smooth as is evident within these companies.

The values of *openness to internal communication* and *inter-functional co-operation* go hand in hand to allow for the seamless exchange of information across departments. These values give support to a focused response to the customers’ needs while contributing to the market orientation of the company. Thus companies can benefit from the harmonisation of the values and the synergistic effect the values have in the company’s effective implementation of a market orientated strategy. This emphasises the importance of the interconnection between the values and how this builds towards a market orientation in a complementary fashion (e.g. the combination of inter-functional cooperation along with openness to internal communication and information dissemination).

While the values exist, this study found that they exist to varying degrees within the companies researched. Each company had values that were relevant to the particular goals the company had set. This is “logical, inevitable and even desirable” according to Argandoña (2003, pp.19-21) as values are developed and fostered according to the company’s mission, the company’s distinctive capabilities. Certain values will make sense for particular organisations in specific economic circumstances and the challenges the company faces in the environment they operate in will affect the values that are important (Deal and Kennedy, 1982; Argandoña, 2003). Thus it can be concluded that it is the combined synergistic effect of the specific values in companies that encourages market orientated behaviour (Deal and Kennedy, 1982; Argandoña, 2003).

This research found that organisational cultural values influence market orientated behaviours. There was supporting evidence in this study that values formed the basis for a market orientation. The Pearson’s correlation test confirms the relationship between values and market orientated behaviours (r =.73, p (one-tailed) <.01). The coefficient of determination verifies that there is a significant proportion of variance (53%) in market orientated behaviours that is explained by values. Thus this gives substance to the claim that values play an important role in determining the market orientated behaviour of employees within the companies researched in this study. Values influence behaviour according to (Kotter and Heskett, 1992) and thus it can be proposed that embedding the values associated with market orientation will drive market orientated behaviours.

It is the combined synergistic effect of the values in action in the companies researched that encourages market orientated behaviour. This in turn leads to an intrinsic capability that enables companies to experience a competitive advantage over their competitors as they strive towards a market orientation (Narver and Slater, 1990; Kohli and Jaworski, 1990). It would be recommended that companies who wish to pursue a market orientated strategy benefit from having organisational cultural values that have been linked to market orientation; that are compatible and enhancing; and are aligned with the specific circumstances of the company. In summary, this study provides a clear indication of the importance of values as a guiding force for companies in implementing a market orientation.

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