



**ANALYSIS ORGANIZATIONAL ANTECEDENTS OF
MARKET ORIENTATION IN HIGH EDUCATIONAL
INSTITUTION**

THESIS

BY

SELLY HENDELIA NOVER

05 152 091

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ANDALAS UNIVERSITY

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No. Alumni Universitas :

**SELY
HENDELIA
NOVER**

No. Alumni Fakultas :

a) Tempat / Tanggal Lahir : Padang / 16 November 1987 b) Nama Orang Tua : Hendri Gusmal dan Amelia c) Fakultas : Ekonomi d) Jurusan : Manajemen e) No.BP : 05 152 091 f) Tanggal Lulus : 12 November 2009 g) Predikat Lulus : Sangat Memuaskan h) IPK : 3,17 i) Lama Studi : 4 tahun 2 bulan j) Alamat Orang Tua : Jl.Anggur VIII No. 250 Perumnas Belimbing Padang

Analysis Organizational Antecedents of Market Orientation In High Educational Institution

Thesis By : Selly Hendelia Nover

Thesis Supervisor : Dr.Yulia Hendri Yeni, SE,MT

ABSTRACT

This research aims at examining empirically organizational antecedents of market orientation in high educational institution. The sample of the research is head department or secretary in each department in every high educational institution, which used 85 samples. The research uses primary data and secondary data. Primary data is collected by doing questionnaires distribution. Whereas secondary data is gathered from literature review. *Dependent variable* in this research is market oriented behavior. And *independent variables* are high level management, interdepartmental dynamic and organizational system. Spss program application is used to analyze the data. The analysis of proposed model has met all *goodness of fit* indicator requirement, so that can be accepted as reserch model. Specifically, the research found some supported and unsupported *foundings of hypothesis*. First, high level management factors have revealed has significant contrary influence on market orientation in high educational instituion, second interdepartmental dynamic factors have revealed has insignificant contrary influence on market orientation in high educational institution. Third, organizational system factors also revealed has insignificant contrary influence on market orientation in high educational institution.

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Abstrak ini telah disetujui oleh pembimbing dan penguji :

Tanda Tangan	1	2	3
Nama Terang	Prof. Dr. Herri	Dr.Vera Pujani, SE,MM,Tech	Sari Lenggogeni, SE, MM

Mengetahui,
Ketua Jurusan Manajemen

Dr. Harif Amali Rivai, SE, M.Si
Nip. 132 164 008

Tanda Tangan

Alumnus telah mendaftar ke Fakultas / Universitas dan mendapat Nomor Alumnus :

		Petugas Fakultas / Universitas	
No. Alumni Fakultas :		Nama	Tanda Tangan
No. Alumni Universitas :		Nama	Tanda Tangan

CHAPTER I

INTRODUCTION

1.1 Research Background

The essence of marketing is the focus on the customer. As such, for at least the past two decades, marketing academics have been encouraging firms to become market oriented to enable them to become customer focused. Well examined measures of market orientation now exist, and research related to market orientation has occurred in a variety of western environment and contexts. Marketing concept has been defined as a marketing philosophy for achieving the organizations goals dependent upon determining the needs, wants of target markets and delivering the desired needs, and wants more effectively and efficiently than competitor (Kotler&Armstrong, 2001). According to McCarthy & Perreault (1984), organizations implementing the marketing concept can be said to have adopted a market orientation. Narver & Slater, (1990) identified the antecedents of a market orientation and the effect of a market orientation on profitability. And some scholars are beginning to stress the relationship between organizational culture and the marketing concept (Deshpande & Parasuraman, 1986).

Marketing concept including market orientation and service orientation has been studied since the development of frameworks (Kohli & Jaworski, 1990; Narver & Slater, 1990). Research on the marketing concept has attempted to link market orientation and service orientation to organizational

performance, and it has been supported that the marketing concept is highly correlated with performance (Deshpande et al., 1993; Jaworski & Kohli, 1993; Narver & Salter, 1990). Although marketing concept should be an important business philosophy for small organizations as well, marketing concept has not been implemented in International organizations in taking organization size and culture into consideration.

The term market orientation is used to refer to the implementation of the marketing concept (McCarthy and Pereault 1984). Many authors and practitioners have expressed a belief in the theoretical and practical importance of the marketing concept for decades (Felton 1959; Houston 1986; Levitt 1969; Menamara 1972) as an effective way for organizations to achieve their objectives. Lusch and Lasniack (1987, p.1) stated that "the marketing concept has long been a central doctrine in the gospel of marketing". Market orientation indeed purported to be "the organization culture that most effectively and efficiently creates the necessary behaviors for the creation of superior value for buyers and, thus continuous superior performance for the business" (Narver and Slater 1990, p.21)

The domination market orientation has been used since 1990, after the publication of two important papers in the Journal of Marketing. Such Markor: a measure of market orientation and marketing orientation: antecedents and consequences. These present the result of some researchers made by two distinctive teams of researchers; Narver and Slater; Kohli and

CHAPTER VI

CONCLUSION, LIMITATION, AND RECOMMENDATION

6.1 Conclusion of the Research

According to the data analysis and the result performed within this research, writer concludes that:

1. The research is conducted to observe organizational antecedents of market orientation on high educational institution. The respondents are head of department or secretary in universities and institution in Padang.
2. According to the result and the equation regression, there is one independent variable which influences market orientation on high educational institution. That is high level management. But others, interdepartmental dynamic and organizational system, the negative independent variables value, they do not influence market orientation on high educational institution.
3. With regard to antecedents related to high level management, it was observed that the level of market orientation adopted by high educational institution teaching staff is positively affected by the predisposition of the department to take account of the needs of society in terms of research, training and employment

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