The Synergistic Effect of Market Orientation and Corporate Entrepreneurship on Organizational Performance

Sheng-Ya Tseng
National ChengChi University Ph.D Candidate
g1355501@nccu.edu.tw

Fei-yun Chen
Lecturer, Department of Marketing and Logistics,
Yu Da University
fychen@ydu.edu.tw

Abstract

Based on resource-based theory, this paper addresses the interactive issues among market orientation, corporate entrepreneurship, and organizational performance. As organizations encounter challenges in a volatile, competing environment, these three constructs have attracted an increasing level of interest in both marketing and management fields. A general assertion of this article is that organizations will have a higher likelihood for creating sustainable performance in both cases of strong market orientation and strong corporate entrepreneurship.

Key Words: Market orientation, Corporate entrepreneurship, Synergy effect

Introduction

As organizations encounter challenges in a volatile, competing environment, the relationship among market orientation, corporate entrepreneurship and organizational performance has drawn an increasing interest in both marketing and management fields. For example, Narver and Slater (1995) note that market oriented culture can achieve maximum effectiveness only if it is complemented by a spirit of entrepreneurship and an appropriate organizational climate (p.63). Although both market orientation and entrepreneurship seem to be linked with organizational performance, the relationship among the three constructs is