The Impact of Market Orientation on the Performance and Innovation of Global Teams

Alaka N. Rao
School of Management
Lucas College and Graduate School of Business
San José State University, San José, CA, USA
alaka.rao@sjsu.edu

[Abstract] This study examines the concept of market orientation and its relationship to the performance and innovation of global teams. First, the concept and measures of market orientation are clarified, scales are developed that distinguish between cognitive and behavioral dimensions. Employing these measures, the impact of cognitive and behavioral market orientations is then tested on team outcomes in a sample of managers dispersed across countries. Findings reveal that cognitive and behavioral market orientations were positively related to team performance and innovation. Behavioral market orientation was found to partially mediate the cognitive market orientation and team innovation relationship. Findings from this study not only contribute to the understanding of the concept of market orientation, but also offer insight into how market orientation influences the performance and innovation of global teams.

[Keywords] market orientation, team performance, team innovation

Introduction

As globalization intensifies, organizations must integrate and coordinate geographically dispersed operations (Bartlett & Ghoshal, 1989; Bollivier & Luiz, 2021) and manage inter-organizational relationships with diverse stakeholders, including strategic partners, customers, and suppliers (Rosenzweig & Singh, 1991; Petricevic & Teece, 2019). Rapid technological changes and shifting customer demands necessitate that the organization and its employees understand and respond to market pressures. In the strategic management and organizational theory literatures, researchers have studied the importance of aligning the firm in terms of its capabilities, culture, and activities with the complexity of the environment by focusing on the concept of market orientation (Kohli & Jaworski, 1990; Kirca, Jayachandran, & Bearden, 2005; Gligor, Gölgeci, Newman, & Bozkurt, 2021).

Market orientation has been conceptualized as the organizational norms, values, or activities that are related to the generation and dissemination of and responsiveness to market intelligence (Kohli & Jaworski, 1990; Jaworski & Kohli, 2017; Canever, Van Trijp, & Beers, 2008). Researchers note that market orientation serves as a source of competitive advantage (Salehzadeh & Tabaeeian, 2021) by enabling a firm to recognize and react to market requirements successfully and to foresee shifting market conditions (Day, 1994; Hult & Ketchen, 2001). Previous research in marketing and strategic management has considered market orientation at the firm level but conceptualized and measured the construct in numerous ways (Crick, 2021), resulting in considerable conceptual confusion about whether market orientation represents an organizational behavior, process, culture, value, or norm. The varied theorizing and measurement of market orientation may be one reason for the inconsistent empirical results (Kirca, Jayachandran, & Bearden, 2005).

In this study, the heterogenous market orientation constructs in previous research are disaggregated into cognitive and behavioral foci for greater conceptual and measurement clarity. Scales of cognitive and behavioral market orientations at the individual level are developed, demonstrating strong reliability, convergent and discriminant validity and then tested in a sample of managers working in a multinational organization and globally dispersed across countries. The new measures are then used to test whether cognitive and behavioral market orientations result in better performance and innovation in teams and the mediating role of behavioral market orientation on these relationships. Findings from this study provide insight on market orientation and contribute to our understanding of how market orientation influences the performance and innovation of global teams.

Market Orientation

Market orientation is a central concept in the strategic management and marketing literatures that emphasizes the importance of the firm's relative external orientation toward its markets, including customers, competitors, and industry demands (Day, 1994; Jaworski & Kohli, 1993; Voss & Voss, 2000; Crick, 2021). Market orientation provides the firm with a source of competitive advantage (Katsikeas, Morgan, Leonidou, & Hult, 2016; Correia, Dias, &Teixeira, 2021) by enabling it to react to market requirements and to foresee changing conditions (Randhawa, Wilden, & Gudergan, 2021; Day, 1994; Hult & Ketchen, 2001). The varied conceptualizations of market orientation have, however, led to contradictory empirical findings on the impact of market orientation on organizations. Below, the diverse conceptualizations of market orientation are reviewed, followed by a discussion of the measures proposed in this study and their impact on team outcomes.

Conceptualizations of Market Orientation

A review of the research on market orientation reveals a wide breadth of conceptualizations of this concept. Researchers have addressed the question of what market orientation is quite differently. Two dominant perspectives on market orientation evident in the literature are the cultural and behavioral view. Whereas the cultural perspective describes market orientation in terms of the "fundamental cultural characteristics of the organization, such as market-oriented norms and values" (Kirca, Cavusgil, & Hult, 2011: 112; Day, 1994; Homburg & Pflesser, 2000), the behavioral perspective focuses on the specific organizational behaviors related to the generation and dissemination of market intelligence and responsiveness to it (Kohli & Jaworski, 1990). Elaborating on these perspectives, researchers such as Narver and Slater (1990) and Deshpande, Farley, and Webster (1993) describe market orientation as an organizational culture that embodies a shared set of beliefs, values, and norms regarding the role of customers in the firm's strategies and operations (Deshpande, Farley & Webster, 1989; Kirca, 2011).

The behavioral perspective, on the other hand, focuses on the market information processing capabilities of the firm (Kohli & Jaworski, 1990; Maltz & Kohli, 1996; Sinkula, 1994). Indeed, Kohli and Jaworski (1990) have drawn upon the organizational learning literatures (Argyris & Schon, 1978; Huber, 1991; Senge, 1990) to propose that market orientation is associated with a learning orientation that empowers the firm to focus on its markets (i.e., all stakeholders and constituencies, including customers and competitors), thereby providing sustainable competitive advantage (Baker & Sinkula, 1999; Sinkula, Baker & Noordewier, 1997; Jaworski & Kohli, 1993).

The conceptual differences presented by these perspectives are not, however, mirrored in their measurement of market orientation. Rather, both viewpoints have treated the construct as a set of organizational behaviors and processes. Representing the behavioral framework, Kohli, Jaworski, and Kumar (1993) differentiated market orientation into three dimensions: generation, dissemination of, and responsiveness to market information. From the alternative, cultural perspective, measures of the market-oriented behaviors of customer orientation, competitor orientation, and inter-functional coordination have been drawn upon to assess a market-oriented organizational culture, with the justification that values and norms manifest themselves in these behaviors (Harris, 2001; Narver & Slater, 1990). Absent from the literature, however, is any direct assessment of these norms and values. Research by Homburg and Pflesser (2000) has attempted to address this issue by creating measures of market-oriented norms and values that are then linked to market-oriented behaviors. However, this multi-layered conceptualization of market orientation as an organizational culture expands the definition of the construct even further, rather than adding conceptual clarity. Indeed, empirical tests of this multi-layered model of market-oriented culture have demonstrated poor discriminant validity across these dimensions (Homburg & Pflesser, 2000).

Adding to this conceptual confusion about whether orientation represents an organizational culture, value, or norm is the lack of clarity centered on the definition of "market." While some have focused on customers as comprising the market (Kohli & Jaworski, 1990), others have considered the role of both customers and competitors (Narver & Slater, 1990). Thus, these studies are limited in terms of their theoretical focus, construct validity, and the level of analysis to which market orientation refers.

The varied theorizing and measurement of market orientation has further led to contradictory empirical findings (Kirca, Jayachandran, & Bearden, 2005). For example, while some studies have found that market orientation is positively associated with performance (Jaworski & Kohli, 1993; Slater & Narver, 1994), other researchers have reported negative or nonsignificant effects for this association (Jogaratnam, 2017; Agarwal, Erramilli, & Dev, 2003; Bhuian, 1997; Sandvik & Sandvik, 2003).

To provide clarity to the existing literature, the conceptualization of market orientation from the information processing perspective is developed in this study. Market orientation is conceptualized here at the individual level, as an employee's expectations or orientation towards customers and competitors in the environment rather than a firm level behavior as much of the marketing literature has argued. This firm-level construct, in reality, rests in the cognitive orientation of the organization's employees (Schlosser, 2004; Schlosser & McNaughton, 2009). Schlosser (2004) argues that market orientation as a firm–level concept ignores the process of orientation formulation, that is the underlying routines, behaviors, and cognition of employees from which the organizational concept arises. His study provides some evidence of a single latent construct of market orientation at the individual level. Building on this finding, market orientation is considered at the individual level as either a cognition or behavior. Cognitive research suggests that orientations are generally perceptual, that employees' understandings may vary across and within an organization or business unit and that differences in perceptions can influence subsequent behaviors.

Drawing on this individual level perspective, market orientation is defined as the extent to which employees focus on the external environment beyond their organization and seek knowledge about global customers, competitors, and industry changes. Market orientation can be differentiated into cognition and its associated behaviors. The cognitive construct, entitled here as cognitive market orientation, comprises attention to customer needs and the extent to which employees understand competitors and industry changes. The concept of cognitive market orientation is conceived directly from the marketing literature and assesses the external focus of employees towards customers and competitors in the environment. In contrast, behavioral market orientation refers to a set of actions or behaviors that employees engage in to understand the context, such as making industry connections with those outside of one's organization.

The cognitive and behavioral dimensions of market orientation are expected to be distinct, providing more consistent measures of this construct. Distinguishing between cognitive and behavioral market orientation allows for greater conceptual clarity and a deeper understanding of the differential impact of each dimension of market orientation on global teams. Thus, market orientation is differentiated in term of its cognitive and behavioral foci and are examined in this study at the managerial level, since managers are responsible for making important organizational decisions and responding to their global customers.

Hypothesis 1: Market orientation among managers is characterized by two dimensions – cognitive market orientation and behavioral market orientation.

Market Orientation and Team Outcomes

Considerable research has focused on the influence of market orientation on various organizational outcomes. Studies across the marketing and strategic management literatures have examined the relationship between market orientation and various consequences, ranging from organizational performance, customer satisfaction/ loyalty, firm innovativeness, new product performance, service/ product quality, and employees' job satisfaction (Kirca, Jayachandran, & Bearden, 2005; Crick, 2021; Correia, Dias, & Teixeira, 2020). Within these studies, considerable attention has been devoted to investigating the impact of market orientation on firm performance, as well as firm innovation. Researchers have found that market orientation at the firm level is positively associated with firm performance and innovation (Jaworski & Kohli, 1993; Matsuno, Mentzer & Ozsomer, 2002), arguing that it provides a unifying focus for the efforts of the organization (Kohli & Jaworski, 1990; Narver & Slater, 1990). In contrast, other studies have noted a negative relationship between market orientation and performance (Agarwal, Erramilli, & Dev, 2003; Sandvik & Sandvik, 2003; Bhuian, 1997). These inconsistent empirical findings may result from mixed conceptualization and measurement of the construct of market orientation. Here these contradictions are resolved by drawing on a clearer specification of the construct of market orientation as either cognitive or behavioral.

In this study, the relationships between cognitive and behavioral market orientation and performance and innovation are examined in relation to global teams. Few studies have focused on these team outcomes in relation to market orientation. It is critical to understand how the cognitive market orientation of managers and their related market-oriented behaviors impact the performance and innovation of global teams. Managers must be cognitively focused on understanding the needs of their clients and the changes in their industry and marketplace, as well as be able to respond and enact market-oriented behaviors within their teams for their team to perform well and innovate. Indeed, to manage the complexity of the global environment, characterized by changing customer demands, shifting competitor strategies and a competitive marketplace, managers must demonstrate cognitive market orientation and be able to assess their environment and subsequently respond to the various stakeholders, displaying behavioral market orientation in order for their team to perform well and find innovative solutions. Thus, I hypothesize that managers' cognitive and behavioral market orientations will be positively related to team performance and innovation.

Hypothesis 2: Managers' cognitive market orientation will be positively related to team performance.
Hypothesis 3: Managers' behavioral market orientation will be positively related to team performance.
Hypothesis 4: Managers' cognitive market orientation will be positively related to team innovation.
Hypothesis 5: Managers' behavioral market orientation will be positively related to team innovation.

Last, the mediating role of behavioral market orientation is considered. As discussed above, managers of global teams cognitively engage with the global environment to understand its complexity and dynamic nature characterized by demanding customers, a competitive landscape and industry changes. Their cognitive market orientation shapes how information is processed and understood, leading to how managers react to the environment. Thus, cognitive market orientation is argued to lead to greater market-oriented behaviors focused on engaging and responding to their stakeholders to better manage their global context. Thus, when cognitive market orientation is manifested in market-oriented behaviors, team performance is enhanced, and innovative opportunities exploited. Thus, it is proposed that behavioral market orientation partially mediates the relationship between cognitive market orientation and team outcomes of performance and innovation. Partial mediation is hypothesized below, since managers' cognitive market orientation is still argued to be critical to fostering team performance and innovation.

Hypothesis 6: Managers' behavioral market orientation will partially mediate the positive relationship between cognitive market orientation and team performance.
Hypothesis 7: Managers' behavioral market orientation will partially mediate the positive relationship between cognitive market orientation and team innovation.

Methods

Data were collected from managers who were employed in a multinational IT company headquartered in India. The born-global firm designs information technology solution to organizations across 45 countries spanning multiple geographies, including North America, Europe, and Asia. The organization depends on global teams to provide IT products and services to its geographically dispersed clients. Managers across global teams completed a survey, resulting in a sample size of 188 managers. Respondents were located across 12 countries, including the United States, India, China, Japan, Mexico, United Kingdom, Australia, and several European countries. The majority of managers (85%) were located in the United States and India. Approximately 35% of the sample was tenured in the organization for over 6 years. Demographic data further reveals that 42% of managers were 31 - 35 years of age, and the majority of the sample was male (78%). All the managers in the sample had at least a bachelor's degree with 27% holding a master's degree in engineering/ sciences or business administration.

Measures

The hypotheses were tested using the measures described below. Respondents assessed the measures in the study on a five-point scale, ranging from "strongly disagree" (1) to "strongly agree" (5).

Cognitive and Behavioral Market Orientation. Market orientation is defined in this study as an employee orientation that determines the extent to which one focuses on the external environment and seeks knowledge about global customers, competitors, and changes within the industry. Unlike previous research, market orientation is differentiated into cognitive and behavioral constructs.

To operationalize cognitive and behavioral market orientations, the ideas of customer orientation and competitor/industry focus are drawn upon from the marketing and strategic management literatures. The market is defined as consisting mainly of customers, competitors, and the industry. Cognitive and behavioral items were developed through in-depth discussions with employees across teams and a review of the relevant literatures. Cognitive market orientation items assessed the extent to which the employee focuses attention to customer needs, is interested in understanding the business, and is mentally engaged in understanding market trends and industry happenings. Behavioral market orientation items evaluated employee behaviors to learn about and be engaged with customers, competitors, and the industry. A sample behavioral item is "I frequently attend professional meetings outside of this organization." Managers reported the extent to which they engaged in the cognitive and behavioral market orientation items.

To validate the constructs of cognitive and behavioral market orientation, fourteen items were factor analyzed to determine the discriminant validity of these scales from one another. First, an exploratory principal component factor analysis was conducted with direct oblim rotation, since it was theoretically proposed that the cognitive and behavioral constructs should be correlated with one another. The cognitive and behavioral items generally loaded on two separate factors. Items with low factor loadings and cross-loadings were eliminated. After several rounds of exploratory principal component factor analysis, a final two-factor structure was produced, accounting for 53.29% of the variance in the data. Table 1 lists the final results of factor analysis with direct oblim rotation and a two-factor extraction criteria. The first factor contains six cognitive market orientation items, and demonstrates strong internal consistency with an alpha coefficient of .82. The second factor contains four behavioral market orientation items and has an alpha coefficient of .66. The mean of the items was calculated to create each scale. These results demonstrate strong discriminant and convergent validity of these two measures and further confirm the proposed theoretical difference between cognitive and behavioral market orientations.

Team Performance. Managers' perceptions of team performance were assessed using a six-item scale. Items were based on a literature review of team performance and effectiveness, as well as interviews of managers who described how performance was assessed in the organization. Items measured project effectiveness, customer satisfaction, and the business impact on the client. A sample item is, "So far, I think this project has been highly effective." The scale demonstrated strong internal consistency ($\alpha = .88$).

Team Innovation. Managers' perception of team innovation was based on a thorough review of the team innovation literature, as well as interviews with managers across the organization. A seven-item measure was created for this context assessing the level of product, service, and process innovations within the team. A sample item is this "team has introduced new service innovations." The scale demonstrated strong internal consistency with an alpha coefficient of .86.

Table 1
Principal Component Factor Analysis for Cognitive and Behavioral Market Orientation

Items	Cognitive Market Orientation	Behavioral Market Orientation
Cognitive Market Orientation		
I can perform my job better if I understand the needs of customers.	.83	-.19
Learning about the customer is important to my work.	.82	-.17
I pay close attention to understanding the requirements of this project's customers.	.70	.02
It is important for me to understand what is happening in this industry.	.66	.13
I try to understand the effect of changes in our business environment on this project	.65	.21
I enjoy discussing market trends and developments in this industry.	.59	.34
Behavioral Market Orientation		
I try to make connections with people in this industry outside of this organization.	-.07	.79
I collect industry information through informal means (*e.g.*, lunch with industry friends, talks with colleagues, read websites and trade magazines/journals).	.07	.74
I frequently attend professional meetings outside of this organization (*i.e.*, technical associations, industry forums, etc.).	-.09	.68
I frequently ask questions to my manager about the customer's business.	.20	.51
Eigenvalue	3.66	1.67
Alpha	.82	.66

Analyses
Hypothesis 1 was tested using confirmatory factor analyses to assess the discriminant validity of the cognitive and behavioral market orientation scales. The remainder of the hypotheses were tested using regression analyses and Sobel's test. Harman single-factor test was conducted to address the possibility for the occurrence of common method variance. Exploratory factor analysis was used on the 23 items from all scales to assess the extent of common method variance. In this data, the total variance extracted by one factor was 35 percent, which is under the 50 percent threshold proposed by Harman.

Results

The descriptive statistics and inter-correlations among variables in this study are evident in Table 2.

Table 2
Means, Standard Deviations, and Correlations

Variables	Mean	SD	1	2	3	4
1. Cognitive Market Orientation	4.11	0.50	-----			
2. Behavioral Market Orientation	3.21	0.68	0.34**	-----		
3. Team Performance	3.81	0.60	0.39**	0.24**	-----	
4. Team Innovation	3.61	0.55	0.41**	0.37**	0.67**	-----

* p < .05; ** p < .01; n = 188

Hypothesis 1 contends that market orientation among managers is characterized by two distinct dimensions of cognitive and behavioral market orientation. Results in Table 1 demonstrate strong discriminant and convergent validity of these two measures, confirming the proposed theoretical difference between cognitive and behavioral market orientations and supporting Hypothesis 1. Hypotheses 2 and 3 predicted that cognitive and behavioral market orientations will be positively related to team performance. An analysis of the bivariate relationships indicates that both cognitive and behavioral market orientation are positively related to team performance (r = 0.39, p < .01 and r = 0.24, p < .01 respectively), indicating support for Hypotheses 2 and 3. Next, the direct effects of cognitive and behavioral market orientations on team innovation were examined. Once again, cognitive and behavioral market orientations are positively related to team innovation (r = 0.41, p < .01 and r = .37, p < .01 respectively), offering support for Hypotheses 4 and 5. Thus, managers who had higher levels of cognitive and behavioral market orientations reported higher levels of performance and innovation within their global teams.

Hierarchical regression analysis (Baron & Kenny, 1986) was used to test the potential mediation effects. Baron and Kenny's (1986) three-step mediated regression approach was followed: first, the mediator, behavioral market orientation was regressed on the independent variable, cognitive market orientation. Results evident in Table 3 demonstrated that cognitive market orientation was positively related to behavioral market orientation. Second, the dependent variable (either team performance or innovation) was regressed on the independent variable, cognitive market orientation. As noted in Table 3, cognitive market orientation was positively related to both team performance and innovation. In the final step, each dependent variable was regressed simultaneously on both the independent variable and the mediator to test for partial mediation. Hypothesis 6 proposed that the association between cognitive market orientation and team performance would be partially mediated by behavioral market orientation. As can be seen in Table 3, the mediation was not supported; cognitive market orientation had a significant positive impact on team performance with no effect for behavioral market orientation.

Finally, in Hypothesis 7, it was expected that cognitive market orientation's effect on team innovation would be partially mediated by behavioral market orientation. Results indicate support for Hypothesis 7; behavioral market orientation did partially mediate the relationship (with a standardized *b* dropping from 0.42 to 0.33). Furthermore, Sobel's z test was used to test the significance of the mediation result. The Sobel z value was significant ($z = 3.62$, p < .001), indicating significant partial mediation for the dependent variable, team innovation. Indeed, 0.46 of the variance in the total effect comprises the indirect effect. Based on these results, it is concluded that Hypothesis 7 is supported: behavioral market orientation partially mediated the relationship between cognitive market orientation and team innovation.

Table 3
Behavioral Market Orientation as a Mediator between Cognitive Market Orientation and Team Performance and Innovation

			Team Performance				**Team Innovation**			
Independent Variables	Behavioral Market Orientation		Model 1		Model 2		Model 1		Model 2	
	b[a]	SE	*b*[a]	SE	*b*[a]	SE	*b*[a]	SE	*b*[a]	SE
Cognitive Market Orientation	0.46**	0.09	0.47**	0.08	0.42**	0.09	0.46**	0.07	0.36**	0.08
Behavioral Market Orientation	—		—		0.11	0.06	—		0.21**	0.06
R^2	0.12		0.15		0.16		.18		0.23	
Adj R^2	0.11		0.15		0.15		.17		0.23	
F	24.49**		32.63**		17.89**		39.34**		28.21**	
ΔR^2	0.12**		0.15**		0.01		.18**		0.06**	

[a] =Unstandardized regression coefficients
n = 188 ** $p < 0.01$ * $p < 0.05$

Discussion

The results of this study demonstrate that the previously confounded construct of market orientation can be differentiated into cognitive and behavioral dimensions. Scales were successfully developed that reliably and validly measured cognitive and behavioral market orientation at the individual level. Drawing on these measures, the influence of managers' cognitive and behavioral market orientations on team performance and innovation was tested in a sample of managers globally dispersed across countries. Results reveal that cognitive and behavioral market orientations are positively related to team performance and innovation. Furthermore, findings demonstrate that behavioral market orientation partially mediated the effect of cognitive market orientation on team innovation, but not team performance.

There are several contributions of this study. First, findings support a more nuanced understanding of the meaning and measurement of market orientation. The varied theorizing and measurement of market orientation in previous research had resulted in conceptual confusion and contradictory findings. In this situation, it is critical to analyze the underlying dimensions of the construct, as Rao and Pearce (2016) note in previous work. By deconstructing the construct of market orientation, differentiating cognitive from behavioral dimensions, and creating distinct scales to measure each, this study provides greater conceptual and measurement clarity to the literature. Empirical results support the convergent and discriminant validity between cognitive and behavioral market orientations. The distinct scales demonstrate strong reliability and allow for a better understanding of the meaning of market orientation and its nomological network. Indeed, the nomological networks of these constructs provide additional confidence in the validity of cognitive and behavioral market orientation constructs. Both measures were positively related to each other as expected, and further correlated with the other variables in this study in a fairly similar pattern. Results show that cognitive market orientation has a stronger relationship to the variables in the study compared to the behavioral measure, suggesting that a complex mindset is critical to managing global teams. Previous research by Weick (1979) and Levy (2005) has argued for the importance of developing a complex cognitive structure to effectively interpret events and make decisions, and the results here suggest support for such an argument. Managers and employees working across countries, cultures, and organizational boundaries must first comprehend their external environment including customers, competitors and industry changes to be able to respond to these pressures. By clarifying the construct and measurement of market orientation, this study addresses calls in the literature (Schlosser, 2004) to untangle the levels of analysis issues to better understand the meaning of market orientation, as well as its nomological network. Future research can utilize the scales developed and validated here to further study these dimensions of market orientation with greater conceptual clarity and empirical consistency.

This study further contributes to management research by expanding our understanding of market orientation to global teams, which few researchers have studied. Results indicate that both cognitive and behavioral market orientations result in better performance and innovation of global teams when managers engaged in understanding the external context and embraced this mindset of cognitive market orientation, team performance and innovation were positively impacted. Furthermore, responding to the pressures of the global environment via behavioral market orientation was also positively related to team performance and innovation; however, it did not mediate the cognitive market orientation – team performance relationship as expected. Indeed, cognitive market orientation remained a strong predictor of team performance, suggesting the importance of a complex cognitive structure to comprehend the global environment and its many stakeholders. In regard to innovation, cognitive market orientation works not just directly but also indirectly through behavioral market orientation. Results indicate that behavioral market orientation partially mediated the cognitive market orientation - team innovation relationship, suggesting that for teams to create novel solutions and new products and services, both a complex cognitive structure and market-oriented actions are critical. Future research should explore the relationship between these dimensions of market orientation and other team outcomes, such as team ambidexterity, as well as contextual factors that may moderate these relationships.

There are several limitations of this study. First, data was collected at one point in time from managers across teams; thus, any conclusions regarding causality would be erroneous. To clarify the causal relationship of the arguments in this study, future research must collect longitudinal data of managers over time. A second limitation is that assessing market orientation and team outcomes from the same method and respondents creates a potential problem of common method bias (Podsakoff et al., 2003). While the results of Harman's single-factor test indicate that common method bias is not a likely contaminant of the results observed in this study, this single test cannot completely rule out common method variance. Last, data for this study was collected in a single multinational corporation with its unique organizational structure, design, policies, and procedures that impacted managerial action and the execution of performance and delivery goals for its global clients. It is possible that managers' market-oriented behaviors may have been constrained by the formalized structure and processes of the organization, impacting team outcomes. Future research should examine cognitive and behavioral market orientations in other organizational contexts to understand their development and impact on organizational outcomes.

In conclusion, this study provides insight on the inconsistent theorizing and findings on market orientation in the management literature. By disaggregating the heterogenous market orientation constructs in previous research, greater conceptual and measurement clarity was obtained. Differentiating between cognitive and behavioral market orientations provides a deeper understanding of market orientation and its cognitive and behavioral foci. Confounding these two constructs can obfuscate our understanding of the effects of market orientation, and lead to flawed conclusions on how market orientation influences organizational and group outcomes. The results of this study suggest the importance of differentiating cognitive and behavioral market orientations to better understand managerial action in the global context and the performance and innovation of global teams.

References

Agarwal, S., Erramilli, K., & Dev, C. (2003). Market orientation and performance in service firms: Role of Innovation. *Journal of Services Marketing*, *17*(1), 68-82.

Argyris, C., & Schon, D. (1978). *Organizational Learning.* Reading, Mass.: Addison-Wesley.

Baker, W.E and Sinkula, J. (1999). The synergistic effect of market orientation and learning orientation on organizational performance. *Journal of Academy of Marketing Science, 27*(4), 411–427.

Baron, R. M., & Kenny, D. A. (1986). The moderator-mediator variable distinction in social psychological research: Conceptual, strategic and statistical considerations. *Journal of Personality and Social Psychology*, *51*(6), 1173-1182.

Bartlett, C.H., & Ghoshal, S. (1989). *Managing across borders: the multinational solution.* London: Harvard Business School Press.

Bhuian, S. (1997). Exploring Market Orientation in Banks: An Empirical Examination in Saudi Arabia. *The Journal of Services Marketing*, *11*(5), 317-328.

Bollivier, M.D., & Luiz, J.M. (2021). Managing product innovation diffusion within multinational corporations: leveraging global scale and local responsiveness. *European Journal of International Management*, *15*(2-3), 431-456.

Correia, R.J., Dias, J.G., & Teixeira, M.S. (2021). Dynamic capabilities and competitive advantages as mediator variables between market orientation and business performance. *Journal of Strategy and Management, 14*(2), 187-206.

Crick, J.M. (2021). The dimensionality of the market orientation construct. *Journal of Strategic Marketing, 29*(4), 281 - 300.

Day, George S. (1994). The capabilities of market-driven organizations. *Journal of Marketing, 58* (October), 37-52.

Deshpande, R., Farley, J., & Webster, F. Jr. (1993). Corporate culture, customer orientation, and innovativeness in Japanese firms: a quadrad analysis. *Journal of Marketing, 57*(1), 23-37.

Gligor, D.M., Gölgeci, I., Newman, C., and Bozkurt, S. (2021). Performance implications of the buyer-supplier market orientation fit. *Industrial Marketing Management*, *93*, 161-173.

Harris, L. (2001). Market Orientation and Performance: Objective and Subjective Empirical Evidence from UK Companies. *Journal of Management Studies, 38*(1), 17-43.

Homburg, C., & Pflesser. C. (2000). A multiple-layer model of market-oriented organizational culture: measurement issues and performance outcomes. *Journal of Marketing Research, 37*(4), 449–62.

Huber, G. (1991). Organizational Learning: The Contributing Processes and the Literatures. *Organization Science, 2*(1), 88-115.

Hult, G.T.M., & Ketchen, D. J. (2001). Does market orientation matter?: A test of the relationship between positional advantage and performance. *Strategic Management Journal, 22*(9), 899-906.

Jaworski, B., & Kohli, A. (2017). Conducting field-based, discovery-oriented research: Lessons from our market orientation research experience. *AMS Review, 7*(1-2), 4-12.

Jaworski, B., & Kohli, A. (1993). Market orientation: antecedents and consequences. *Journal of Marketing, 57*(3), 53–70.

Jogaratnam, G. (2017). How organizational culture influences market orientation and business performance in the restaurant industry. *Journal of Hospitality and Tourism Management*, *31*, 211-219.

Katsikeas, C.S., Morgan, N.A., Leonidou, L.C., & Hult, G. (2016). Assessing performance outcomes in marketing. *Journal of Marketing, 80*(2), 1-20.

Kirca, A.H. (2011). The effects of market orientation on subsidiary performance: Empirical evidence from MNCs in Turkey. *Journal of World Business, 46*, 447-454.

Kirca, A.H., Cavusgil, S.T., & Hult, G. (2009). The effects of national culture on market orientation: Conceptual framework and research propositions. *International Business Review*, *18*(2), 111-118.

Kirca, A. H., Jayachandran, S., & Bearden, W. O. (2005). Market orientation: a meta-analytic review and assessment of its antecedents and impact on performance. *Journal of Marketing, 69*(2), 24-41.

Kohli, A.K., & Jaworski, B. (1990). Market orientation: the construct, research propositions, and managerial implications. *Journal of Marketing, 54*(2), 1-18.

Kohli, A.K., Jaworski, B. J., & Kumar, A. (1993). Markor: A measure of market orientation. *Journal of Marketing Research, 30*(4), 467-477.

Levy, O. (2005). The influence of top management team attention patterns on global strategic posture of firms. *Journal of Organizational Behavior, 26*(7), 797-819.

Maltz, E., & Kohli, A.K. (1996). Market Intelligence dissemination across functional boundaries. *Journal of Marketing Research, 33*(1), 47-61.

Matsuno, K., Mentzer, J., & Ozsomer, A. (2002). A refinement and validation of MARKOR scale. *Journal of Academy of Marketing Science, 28*(4), 527-539.

Narver, J.C., & Slater, S.F. (1990). The effect of a market orientation on business profitability. *Journal of Marketing, 54*(4), 20-35.

Petricevic, O., & Teece, D.J. (2019). The structural reshaping of globalization: Implications for strategic sectors, profiting from innovation, and the multinational enterprise. *Journal of International Business Studies*, *50*(9), 1487-1512.

Podsakoff, P.M., MacKenzie, S.B., Lee, J.-Y., & Podsakoff, N.P. (2003). Common methods biases in behavioral research. *Journal of Applied Psychology, 88*(5), 879-903.

Randhawa, K., Wilden, R., and Gudergan, S. (2021). How to innovate toward an ambidextrous business model? The role of dynamic capabilities and market orientation. *Journal of Business Research*, *130*, 618-634.

Rao, A.N. and Pearce, J.L. **(**2016). Should management practice adapt to cultural values? The evidence against power distance adaptation. *Cross Cultural and Strategic Management***,** *23*(2), 23-44.

Rosenzweig, P.M. and Singh, J.V. (1991). Organizational environments and the multinational enterprise. *Academy of Management Review, 16*(2), 158-178.

Salehzadeh, R. and Tabaeeian, R.A. (2021). Antecedents of knowledge sharing in the small and medium sized enterprises: the impact of international orientation and responsibility. *International Journal of Business Information Systems*, *36*(1), 98-118.

Sandvik, I. and Sandvik, K. (2003). The impact of market orientation on product innovativeness and business performance. *International Journal of Research in Marketing, 20*(4), 355-76.

Schlosser, F. (2004). *The Market-oriented Contribution of Individuals: Translating Strategy Into Action*. Unpublished Doctoral Dissertation. University of Waterloo.

Schlosser, F. and McNaughton, R. (2009). Using the I-MARKOR scale to identify market-oriented individuals in the financial services sector. *Journal of Services Marketing*, *23*(4), 236–248.

Senge, P. (1990). *The fifth discipline: the art and practice of the learning organization.* New York, NY: Doubleday.

Sinkula, J.M. (1994). Market information processing and organizational learning. *Journal of Marketing, 58*(1), 35-45.

Sinkula, J., Baker, W., Noordewier, T. (1997). A framework for market-based organizational learning: linking values, knowledge, and behavior. *Journal of Academy of Marketing Science, 25*(4), 305-318.

Voss, G.B., & Voss, Z.G. (2000). Strategic orientation and firm performance in an artistic environment. *Journal of Marketing, 64*(1), 67-83.

Weick, K. E. (1979). *Social psychology of organizing*. Reading, MA: Addison-Wesley.