

AI 06 Determinants of market orientation in private sector hospitals in Sri Lanka

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Past literature evidenced on the research interests of scholars towards the market orientation in service sector but most of the studies were conducted in non-Sri Lankan context. Therefore the purpose of this study is to fill this gap by investigating the determinants of market orientation (MO) in Sri Lankan context with respect to the private sector hospitals. Private hospitals sector is a fast growing service sector in Sri Lanka characterized by increasing competition. Therefore the need of “to be market oriented” has become very essential to the private hospitals to cope up with the competitive challenge. The study used descriptive and single cross sectional research design. Thirty two hospitals were selected using convenience sampling technique. A structured questionnaire was used to collect data and variables were checked for its reliability, validity. Hypothesis tests were conducted to identify the relationship between MO and its dimensions namely top management’s support, connectedness between departments and organizational system. Data were analyzed using mean, standard deviation, correlation and regression analysis. The results showed that the level of top management’s support and connectedness between departments has positive weak relationship with MO. Further, most of the hospitals are having a centralized system and it weakly impacts on the MO. The regression analysis results indicated that MO is highly depending on the level of top management support. In general, strength of MO is low in Sri Lankan private sector hospitals. Therefore it is recommended to focus on strengthening MO in order to gain competitive advantage in future.

Keywords: market orientation, private sector hospitals