Changes in Organizational Environment and their impact on Organizing of Theatre

Amrita Das Dutta

Thesis Abstract

The purpose of the thesis was to investigate the changes in the organizing of theatre given the changes in their environment. Taking a contingency approach (Thompson, 1967) to explore the data at an organizational level (Greenwood et al., 2014; Khanagha et al., 2018), I studied theatre based on the assumption that theatre organizations could behave differently from other organizations in dealing with their environment. In a distinct difference with the other organizations, theatre may have value dimensions present which go beyond profit motive (Hirschman, 1983; Voss et al., 2000). For example, some of the organizations in this industry n may be guided solely by its artistic criteria. Based on these kinds of differences in the features and objectives of theatre organizations, I aimed to study how these organizations reacted to the environment. Since proscenium theatre was introduced in Kolkata during the colonial period (Rakshit, 2013), this city seemed like a fertile site to situate this study. Kolkata also had other aspects of history such as the influence of communist ideologies which had influenced the organizing of theatre (Ghosh, 2012). It has been studied that historically in Kolkata, the practice of theatre had changed over time, given the environmental influences (Bandyopadhyay, 1971; Rakshit, 2013).

Theatre cannot be mass-produced and it has no concept of an assembly line that is present in manufacturing organizations. Much of the classic work in organizational theory, such as the contingency approach, was based on manufacturing organizations (Barbini & Masino, 2017).

Hence, in this study, I attempted to translate some of the concepts to theatre organizations to understand the classic approach better and also better conceptualize theatre organizations. In the contingency approach, the aspects of age and size have been studied in the past and these factors may have a bearing on how organizations cope with an uncertain environment (Sharfman et al., 1988; Thompson, 1967). To cope with the fluctuations of the environment, the organization may want to have forms of buffering to protect its technical core. It has been studied that organizations use slack resources which is a form of buffering (Lynn, 2005; Sharfman et al., 1988). In this study, I have looked into what these fluctuations might be by using the lens of contingency approach. I have also tried to observe how theatre organizations, with their accentuated features, react to uncertainties. I attempted to explore this query by closely studying the organizations.

The thesis adopted a case study method using qualitative research consisting of interviews, observations and interspersed periods of participation (Eisenhardt, 1989). The case study method is a useful method to employ since it gives us the scope to understand the uniqueness of each case and also derive insights from a cross-case analysis. The organizations have been chosen based on age and size since these factors are said to have a bearing on how organizations cope with the environment.

Results suggest that value dimensions do exist in theatre organizations and their actions may be influenced by these dimensions. Past literature has debated whether buffering can be beneficial or harmful (Thompson, 1967; Daniel et al., 2004; Ettlie & Reza, 1992; George, 2005; Ju & Zhao, 2009; Nohria & Gulati, 1996). The results in this study suggest that relational slack is an important factor for survival for theatre organizations and the organizations resort to utilizing their relational slack during environmental changes. However, slack can also breed inefficiency and can seal the organization off from the market even when it may have the knowledge of the market. Results also

suggest that there may exist a large lag in recovering slack and this can be unplanned in nature. Moreover, the same source of slack may result in two different types of slack over time.

As suggested by past literature, during environmental shocks, buffering may be helpful. However, uncertainties in an environment may not be a bad thing if it is more gradual. If the organization does not utilize the slack in these times to explore and experiment, then it may start losing out on the market.

Keywords: *Environment, organizing, theatre, slack, relational slack, value dimension*

References

Bandyopadhyay, S., 1971. After Professionalism. *The Drama Review: TDR,* 15(2), pp. 238-240.

Barbini, F. M. & Masino, G., 2017. *J. D. Thompson's Organization in Action, 50th Anniversary: A reflection.* Bologna: TAO Digital Library.

Daniel, F., Lohrke, F. T., Fornaciari, C. J. & Turner Jr, R. A., 2004. Slack resources and firm performance: a meta-analysis. *Journal of Business Research,* Volume 57, pp. 565-574.

Eisenhardt, K. M., 1989. Building theories from case study research. *Academy of Management Review,* 14(4), pp. 532-550.

Ettlie, J. E. & Reza, E. M., 1992. Organizational integration and process innovation. *The Academy of Management Journal,* Volume 35, pp. 795-827.

George, G., 2005. Slack Resources and the Performance of Privately Held Firms. *The Academy of Management Journal,* 48(4), pp. 661-676.

Ghosh, P., 2012. Rise and Fall of Calcutta's Group Theatre. *Economic and Political Weekly,* 47(10), pp. 36-42.

Greenwood, R., Hinings, C. R. & Whetten, D., 2014. Rethinking Institutions and Organizations. *Journal of Management Studies,* 51(7), pp. 1206-1220.

Hirschman, E. C., 1983. Aesthetics, ideologies and the limits of the marketing concept. *The Journal of Marketing,* pp. 45-55.

Ju, M. & Zhao, H., 2009. Behind organizational slack and firm performance in China: The moderating roles of ownership and competitive intensity. *Asia Pacific Journal of Management,* Volume 26, pp. 701-717.

Khanagha, S., Zadeh, M. T. R., Mihalache, O. R. & Volberda, H. W., 2018. Embracing Bewilderment: Responding to Technological Disruption in Heterogeneous Market Environments. *Journal of Management Studies,* 55(7), pp. 1079-1121.

Lynn, M. L., 2005. Organizational Buffering: Managing Boundaries and Cores. *Organization Studies,* 26(1), pp. 37-61.

Nohria, N. & Gulati, R., 1996. Is slack good or bad for innovation?. *Academy of Management Journal,* 39(5), pp. 1245-1264.

Rakshit, M., 2013. Communication through Public Stage: A Study in 19th century Bengali Theatre. *Global Media Journal-Indian Edition,* 4(2), pp. 1-18.

Sharfman, M. P., Wolf, G., Chase, R. B. & Tansik, D. A., 1988. Antecedents of organizational slack. *Academy of Management Review,* 13(4), pp. 601-614.

Thompson, J. D., 1967. *Organizations in action: Social science bases of administrative theory.* New York: McGraw-Hill.

Voss, G. B., Sirdeshmukh, D. & Voss, Z. G., 2008. The effects of slack resources and environmental threat on product exploration and exploitation. *Academy of Management Journal,* 51(1), pp. 147-164.