Extending Resource-Based view through the lens of Institutional Based View: A Longitudinal Case Study of an Indian Higher Educational Institution

Abstract

Scholars following the resource-based view school of thought are often criticized for overlooking the impact of institutions on their fundamental argument that the unique combination of resources and capabilities contributes towards competitive advantages of an organization. Little is known about how institutional upheavals affect organizational resource base and how managers respond to the institutional changes by re-configuring existing resources. In this paper, we combine resource-based view with institutional based view to investigate the complex relationship between organizational resources and institutional changes and the role dynamic capabilities play in mitigating the impact of institutional change. We explore this relationship by drawing upon an in-depth longitudinal processual case study of a privately owned education trust (PET) that underscored significant growth in a rapidly evolving institutional landscape in India. The findings of our study provide critical theoretical enrichment to the resource-based and institution-based explanations of organizational growth and offer important practical implications.

Keywords: Resource-based view (RBV), Institution-based view (IBV), India, Higher education, Longitudinal case study, Qualitative research

1. Introduction

The resource-based view (RBV) suggests that organizations are heterogeneous 'bundle of resources' and the variation in their growth depends upon resources owned and controlled by them (Barney, 1991). Managers, therefore, should look inward and concentrate on accumulation, exploitation and (re)configuration of the pool of resources held by firms as it enables them to differentiate and build organizational competitiveness in the market (Wernerfelt, 1984, 1995; Barney, 2001; Dierickx & Cool, 1989; Mahoney & Pandian, 1992). In contrast, the institution-based view (IBV) suggests that organizations' ability to grow and sustain in the market depends upon their ability to look outward and to adapt to changes occurring in the external institutional environment (DiMaggio and Powell, 1983; Peng, 2002). The institutional environment provides an overarching unilateral framework that brings uniformity (i.e., reduced heterogeneity) in organizational response by setting boundary conditions for organizational actions. DiMaggio and Powell (1983) have termed this as a doctrine of 'isomorphism and collective rationality' in organizational behavior and structure.

Institutional theorists have questioned the inward-looking approach of RBV and have particularly criticized it for ignoring the broader social context in which organizations are embedded and the contextual factors that underpin decisions pertaining to resource selection and utilization (Oliver, 1997; Peng, 2002). Here, IBV proposes that the local institutional environment within which organizations operate has a strong bearing on their performance. In other words, organizational strategy for augmentation and utilization of resources is a function of institutional norms as organizations constantly strive to adapt to their institutional settings in order to legitimize themselves and accrue resources (Di Maggio and Powell, 1993; Dacin, Goodstein & Scott, 2002).

While these seeming contradictions (heterogeneity vs. isomorphism; inward vs. outward looking and differentiation vs. adaptation and standardization) between RBV and IBV create theoretical tension, we argue that this helps organizations to strengthen their market positions by identifying different contextual, spatial and temporal realities, and at the same time provides a new direction to business and management research. To reconcile this contrast, RBV scholars like Barney, Ketchen, & Wright (2011) have called for greater focus on linking RBV with other perspectives, such as IBV, for exploring processes under resource acquisition, development and deployment to explicate organizational performance, and focusing on method and measurement related issues. To help resolve these different views and tease out a coherent model of organizational growth, our study attempts to combine RBV with institutional theory (North, 1991; Scott, 1987, 2005).

Organizations are embedded in institutional settings which consistently influence organizational decision making. Therefore, institutions not only affect organizational actions, as popularly advocated in the IBV, but also have an impact on the pool of resources held by organizations and, as a consequence, the very worthiness of those resources. Thus, we posit that institutions directly and indirectly affect organizational growth. In this context, it is important to emphasize that the impact on organizational resources is most profound when institutions undergo change, more so when changes emanate from exogenous sources (Dacin, Goodstein and Scott, 2002; Micelotta, Lounsbury & Greenwood, 2017).

To fully comprehend how managers, accumulate, organize and utilize organizational resources as they make strategic decisions (Beckert, 1999; Rodrigues & Child, 2003; Bustamante, 2019) to adapt to institutional changes (Oliver, 1997; Chandler & Hwang, 2015) we need a research design that could help capture an in-depth and longitudinal scrutiny of changes in institutions and organization's resource-based strategy. In our paper, we adopt a longitudinal process perspective (van de Ven and Huber, 1990; Reay, Zilber, Langley & Tsoukas, 2019), to explore how organizations accumulate, (re)configure and utilize resources in response to institutional changes, and what bearing institutional changes have on organizational resources. Thus, the overarching research question guiding our paper is *'how does institutional change affect existing organizational resource base and how do managers augment, re-configure and exploit resources to adapt to institutional changes and capitalize on them?'*

We explore this question in a unique and under researched setting of the India's higher education (HE) sector which has rapidly evolved in past few decades, going through several institutional changes. It has allowed for greater participation of private players. Given the large market size and liberalization of the institutional landscape, many private higher education institutions (HEIs) have grown significantly by availing opportunities resulting from institutional changes in India. In this paper, we focus on one such private educational trust (henceforth called PET Group), that initially started its operations as a trading company in the mid-1980s and became a provider of primary and secondary school education in the early 1990s, before establishing a business school in 2008-09, and finally emerging as a modern private university in 2012-13.

It is in this backdrop that we contribute to this special issue call for papers on 'Extending the Resource and Knowledge-based view: Insights from new contexts of analysis' (Cooper, Pereira, Vrontis & Liu, 2020) by identifying and exploring how specific and versatile resources (Nason & Wiklund, 2018), that an organization possesses and augments over time, facilitate its adaptation to institutional changes. Thus, in our paper, we combine RBV and IBV to investigate the complex relationship between organizational resources and institutional changes and following Oliver (1997) and Barney, Ketchen and Wright (2011), we adopt a 'processual' approach (Langley, 2008; Reay, Zilber, Langley and Tsoukas, 2019) to undertake this study. The contributions of our paper are two-fold. First, we posit and demonstrate through our case study that combining RBV and IBV provides a panoramic view of organizational growth. Institutional environment provides an overarching framework within which organizations behave isomorphically but grow heterogeneously by utilizing their unique resource-base. Our study helps scholars and practitioners to move away from treating RBV and IBV as competing theories and instead conceptualizing these as complementary theories (Oliver, 1997; Dubey, Gunasekaran, Childe, Blome and Papadopoulos, 2019). The second contribution of our study pertains to establishing and highlighting that value of resources is contingent upon institutional contexts and managerial ingenuity. Changes in the institutional context brings about significant variation in the value and usability of resources and in this context, managerial capability enables organizations to dovetail scarce resource-base with opportunities resulting from institutional changes to derive growth. By adopting abductive reasoning and exploring the interplay between our data and extant theory, we demonstrate this triangulation between organizational resources, institutional change and managerial ingenuity. Hence, our findings are the first to suggest that resources that might seem superfluous at a particular point in time could very well become useful at a different point in time due to changes in the environment. Usefulness of resources in a new institutional environment depends on the nature of the resource in question and how well these resources are put to use in the new landscape. In backdrop of these contributions, our study shed important managerial implications.

This paper is structured as follows. We begin by providing a brief review of the extant state of RBV and in the process we delineate the 'Barnean' and 'Penrosean' schools of thoughts that underpin contemporary RBV literature. We then provide an overview of IBV with particular emphasis on institutional change. Thereafter, we describe our research design and setting, detailing how we collected and analyzed the data. We follow this with a detailed discussion of our findings pertaining to adaptation by the PET Group to the changes in India's HE system between 1990, when India liberalized and opened up its economy and 2014-15, when the Government of India attempted but failed to pass the Foreign Education Bill in the parliament. We conclude by offering theoretical and practical implications, as well as suggestions for future research.

2. Literature Review

2.1. Resource based view

Over the last four decades, RBV has emerged as a dominant theoretical framework in the field of strategy and IB. Although initial development of the ideas underpinning RBV are credited to Penrose's (1959) seminal work, *'The theory of the growth of the firm',* wherein she emphasized the essence of organizational resources, including managerial resources, as primary drivers of organizational growth, it was only in 1980s that scholars started to pay attention to these aspects, particularly as a counter argument to the dominant industry-based view (see Zott, 2003; Lopez, 2005). At a fundamental level, RBV's key proponents (Barney, 1986, 1991; Collis, 1994; Dierickx & Cool, 1989; Peteraf, 1993; Rumelt, 1984; Wernerfelt, 1984) conceptualize an organization as a bundle of assets or resources which are 'semi-permanently' tied to it. They also suggest that differences in performance across organizations could be explained by heterogeneity in the endowment of resources held by these firms (see, e.g., Pereira and Bamel, 2021 for a nuanced review of RBV). Therefore, managers are advised to look inside their organizations to unearth sources of competitive advantage instead of merely analyzing and scanning external competitive forces, as advocated by the industry-based view (see, e.g., Porter, 1980 for details).

Nason and Wiklund (2018) in their critical review of extant state of literature on RBV suggest that, depending on how resources are conceptualized, RBV studies could be classified into two broad categories, namely, (a) the 'Barnean' perspective of resources which considers resources as valuable, rare, inimitable and non-substitutable (VRIN) and suggests that an organization can derive superior performance only when it has resources are characterized as VRIN, at a particular point in time; and (b) the 'Penrosean' perspective the differentiates between resources that could be used for specific purposes and 'versatile' resources that could be used in different settings and contexts. Below we provide a brief overview of the two perspectives.

2.1.1. Barnean view of organizational resources

Extending the work of Wernerfelt (1984), Barney (1991) classified resources an organization owns and controls under three broad categories, namely; (a) *physical capital resources*, which include physical resources of the organization such as plant and equipment, technology, location, and access to raw materials; (b) *human capital resources,* that include knowledge, intelligence, experience, judgement and insights of managers and employees within an organization; and (c) *organizational capital resources*, which include formal (and informal) organizational structure and relationships that facilitate control and coordination of organizational activities. Barney (1991) also asserted that to derive sustainable competitive advantages and Ricardian rent from its resources, an organization should test for the following attributes of its resources: (1) are they valuable? (2) are they rare? (3) are they inimitable? (4) are they non-substitutable? These four attributes are wrapped into a VRIN criterion in the literature (Barney, 1991), where (i) *Valuable* refers to the ability of resources to fruitfully exploit opportunities (or counter threat) presented in the external environment, (ii) *Rare* indicates the limited supply and unequal distribution of resources among organizations, (iii) *Inimitable* means resources are not duplicable or replicate by competing organizations, and finally (iv) *Non-substitutability* means resources are not interchangeable with alternative resources. If resource fails on any of the above said parameters, organizations will not enjoy competitive advantages from their resource base. Thus, the VRIN criteria provides a powerful tool for evaluating resources. Here it is important to highlight that the extant literature associate non-substitutability and irreplaceability of resources with an organization's ability to build complexity (Dierickx & Cool, 1989) and casual ambiguity (Barney, 1991) around its resources. In contrast, rareness of resources is attributable to market imperfections (Hymer, 1960).

Oliver (1997) was amongst the first to critique RBV for neglecting social context, specifically within which decisions pertaining to selection and use of resources are made. This is critical because organizations are embedded within socio-cultural and institutional contexts and therefore, social contexts have an influence on the decisions regarding selection and use of resources. She further criticized RBV for ignoring the 'process' question i.e., *"how firms actually make, and fail to make rational resource choices in the pursuit of economic rent'* (Oliver, 1997: 698).

Barney (2001), in his later work acknowledged these criticisms and noted, "the value of a firm's resources must be understood in the specific market context within which a firm is operating" (p. 52) and subsequently updated the VRIN criteria into VRIO (Barney, 2002) by making two adjustments: *first*, he merged non-substitutability into inimitability because inimitability encapsulates non-substitutability, i.e. resources are hard to imitate because competitors cannot duplicate or substitute them; and *second,* he introduced 'organized' as a new tenet (Barney, 2002) which accounts for the organization's managerial ability to utilize resources because resources themselves may not create competitive advantage unless these are exploited in a way that creates value for the organization. However, criticism regarding the inward looking nature of RBV has remained and to address this lacuna, Barney, Ketchen and Wright (2011) suggest that RBV must be explored by interlinking with other theoretical approaches, as well as delineating the processes underpinning resource acquisition and development that managers adopts in the light of changes in the external environment.

2.1.2. Penrosean view on organizational resources

To a large extent, the Penrosean view fills the gap with respect to the managerial capabilities aspect of resource augmentation. In her work, *The Theory of Growth of the Firm,* Penrose (1959) sought to explore ways in which the combination and renewal of resources within organizations shape and facilitate their growth. She conceptualized an organization as a collection of productive resources, including product knowledge, technology, marketing expertise and most importantly managerial capabilities that enable an organization to exploit and reconfigure their resources to create new products and services and thus create new market demands (Lockett and Thomson, 2003; Nason and Wiklund, 2018).

Penrose was also amongst the first to highlight centrality of managerial and entrepreneurial actors in shaping organizational growth. She states "*the ability to expand a firm lies in the extent to which a manager perceives there to be opportunities and his/her willingness to act upon them using existing resources*" (Penrose 1959: 84). Put simply, growth potential of an organization is directly related to the opportunities its managers sense or anticipate and succeed in creatively utilizing and reconfiguring the organization's existing set of resources (McKelvie and Wiklund, 2010). These managerial abilities to sensing, ceasing opportunities, and reconfiguring resources informs an organization's dynamic capabilities which not only affects its growth but also its ability to adapt to changes happening in external environment (Teece, Pisano and Shuen, 1997). Conversely, limited managerial resources constitutes the key factor restraining the growth of organizations (see Kay, 1999; Pitelis, 2007).

Conceptualizing organizational growth as a process, Penrose (1959) emphasizes that organizations grow over time by enhancing their understanding of the productive potential of internal resources at their disposal. She asserts, "*Physically describable resources are purchased in the market for their known services; but as soon as they become part of a firm, the range of services they are capable of yielding starts to change…" (1959: 69-70).* In other words, whereas some resources have limited use, i.e., they can only be used for a narrow range of products and services, organizations possess other resources that could be easily redeployed into alternative uses. Penrose (1959) termed such resources as 'versatile resources' (p. 539) because such resources offer an organization broad range of potential services. Furthermore, Penrose (1959) indicates that managerial resources and services other resources provide are not homogenous. In fact, exploitation of resources, including versatile resources, is contingent upon managerial capabilities. Thus, the notions of managerial sensing, seizing opportunities and reconfiguring resources provide the central underpinnings of RBV with two distinct yet related bodies of work, namely the literature on dynamic capabilities (DCV), (see for instance, Teece et al., 1997; Eisenhardt and Martin, 2000; Bowman and Ambrosini, 2003; Barreto, 2010; Pitelis & Wang, 2019) and IBV (see for instance, Peng, Wang & Jiang 2008; Peng, Sun, Pinkham & Chen, 2009).

2.2. Implications of institutional changes and dynamic capabilities on resource-based explanation of organizational growth

Institutions provide the third leg for the 'strategy tripod' – a metaphor used by the Peng et al. (2009) to articulate the importance of institutions in providing stability to an organization and its strategy in the market. He argues without integrating the ramifications of local context on resources, it is difficult to comprehend how organizations could effectively use resource-based strategy, especially in a dynamic market (emphasis added) where external institutional changes significantly affect decisions made by an organization. Although, the VRIO criteria accounts for organized resources, it neglects the impact institutional changes have on an organization's resource endowment and managerial capabilities that enable an organization to configure its resource base in dealing with and adapting to institutional changes. Interestingly, Barney (2001: 52) exhorts that scholars should appropriately consider the importance of local context as an underlying assumption of the RBV *"to have a more complete [understanding of the] theory of firm advantages"* and likewise, Penrose (1959) sensitizes us to the versatility of resources and managerial capabilities based on understanding and experience of 'context'.

However, there is limited empirical evidence of how managers use resources to attain organizational growth when markets undergo institutional changes, particularly in the context of emerging economies. We synthesize this gap in the literature, first by explaining the implications of institutional changes on organizational growth, and then by suggesting that dynamic capabilities potentially act as a moderator affecting the relationship between institutional changes and organizational growth.

2.2.1. Institutional change and implications on organizational growth

At a fundamental level, literature on institutional change explores and examines how institutional arrangements are "*created, modified, transformed, or extinguished* (Dacin, Goodstein and Scott, 2002: 45). Institutional arrangements are sociocultural constructions (Lawrence & Suddaby, 2006) that guide organizational behavior and actions, i.e., what is acceptable and what is not acceptable in a field an organization is located and embedded in. This conception of institutional arrangement, places institutions as external exogenous forces that are analytically distinct from an organization's or set of organizations' actions within an institutional field. Scholars argue institutional arrangements perform a critical function of reducing uncertainty by laying down the 'rules of the game' which guides managerial actions (North, 1991). DiMaggio & Powell (1983) suggests that organizations are caged in their institutional set up which affects their growth. The pressure exerted by institutions on organizations brings isomorphism in their actions as organizations tend to collectively legitimize to the norms, rules and regulations set by institutional forces.

Changes in the institutional environments are often considered a result of exogenous events or 'jolts' (Mayer, 1982) which alter the institutional order, thus significantly affecting incumbent organizations (Clemens & Cook, 1999; Hoffman, 1999). Different scholars have identified various disruptive events as catalysts of institutional change (see for instance Fligstein, 1991; Hoffman and Ocasio 2001). At one end, some scholars have paid attention to the impact of shifts in political regimes (Clark and Soulsby, 1995; Whitley and Czaban, 1998), and upheaval in the socio-political environment (Allmendinger & Hackman, 1996), whereas at the other end, some scholars have focused on technological changes (Romanelli and Tushman, 1994; Munir, 2005) and regulatory change (Bacharach, Bamberger, & Sonnenstuhl, 1996) to explain how alteration of institutional environment detrimentally affect organizations comprising the field. Combining insights from institutional and population ecology literature, Ruef and Scott (1998) argue that organizations that struggle to adapt sufficiently quickly to the changing environment perish, which creates conditions for emergence of new organizations. Adaptation to new institutional environment is particularly challenging when the institutional environment changes radically (Newman 2000; Péli, 2009) because it confounds managerial decision making with regard to conservation, allocation and re-allocation of resources.

2.2.2. Role of dynamic capabilities in moderating the relationship between institutional change and organizational growth

One of the critical issues that underpins RBV relates to the very functionality of resources (see Lockett, Thompson and Morgenstern, 2009). It is well acknowledged within the RBV literature that, resource per se does not matter rather the functionality of the resource and how it is put to use are more critical (Penrose, 1959; Wernerfelt, 1984; also see Pereira and Bamel, 2021). How resources are employed or put to use is influenced by subjective perception of managers and hence Penrose (1959) suggests that managers frequently reflect that "*there ought to be some way in which I can use that"* (p.77).

In specific context to the impact of institutional changes on organizational growth, we note that Penrosean view of RBV provides important insights on the need and process of building managerial capabilities which may consequently guide organizations to navigate through institutional change. This is in stark contrast to the very limited view of Barney's (2002) VRIO criteria which only suggests that resources must be organized to drive growth. In a rapidly evolving institutional context (emphasis added for our emerging economies context) resource utilization made needs to be supplemented with the managerial capabilities of sensing forthcoming institutional changes. This approach of resource management, well documented in the literature, not only allows organizations to remain competitive but also enable them to adapt and attain legitimization in the market, which is critical for their survival (Boselie, Brewster, Paauwe, Boon & Den Hartog, 2009; Peli, 2009). Put simply, organizations can grow in such an environment if and only if organizations possess (a) managerial ingenuity to explore opportunities presented by the changes in the external institutional environment; and at the same time, (b) ability to identify their resource base and functionality of resources at hand. Notwithstanding these insights, there is a distinct gap in the literature with regard to how organizational growth is affected by rapidly evolving institutional context, such as in Indian HEI, and how managers augment and re-configure organizational resources to adapt to institutional changes and capitalize on them.

3. Research Methodology

3.1. Research Design

To address our overarching research question, we carried out an empirical study. A single in-depth longitudinal case study method (Yin, 2009; Ozcan, Han and Graebner, 2017) was employed to discern deeper understanding of complex interaction between the PET Group and its dynamic institutional environment over time. Case study approach is considered vital for generating rich insights for theory enlargement and elaboration (Eisenhardt and Graeber, 2007; also see Van Maanen, Sorensen and Mitchell, 2007; Fisher and Aguinis, 2017), which fits our aim of integrating RBV and IBV. We concur with the assertion by Dyer and Wilkins (1991) and Siggelkow (2007) that a single in-depth case study provides more insights, hence more reliable and valid, as compared to multiple case studies that scratches the phenomenon under investigation only at surface level. Scholars prefer an in-depth analysis of a case wherever (a) empirical context (such as our) drives underpinning relationship among variables of interest (resources, dynamic capabilities and institutional change) (Mjoset, 2013), revealing triangulation between data and theories (Snow & Anderson, 1991); and (b) for processual studies involving a thorough analysis of events affecting organizations over a period of time (Van de Ven and Poole, 2017). Moreover, calls for longitudinal in-depth studies of single cases is one of the common aspects that underpin various perspective, such as organizational capability, dynamic capabilities, and organizational ambidexterity, that trace their roots to RBV (see for instance Helfat, 2003; Ambrosini, Bowman and Collier, 2009 and O'Reilly & Tushman, 2013).

3.2. Research setting / case background and data sources

Our research setting is PET Group, which is one of the major providers of primary, secondary and higher education in India. In line with our methodological approach, we first traced the chronological evolution of the PET Group since its inception in 1982 as a family-owned business group. It had varied interest in sourcing and exports of agricultural and non-agricultural commodities, buying and selling of land (real estate) and travel and tourism, to its current status.

When India liberalized its economy in 1990s to revitalize its economy and create a new India that could give rise to a relatively prosperous middle class (see, e.g., Budhwar, Varma, & Kumar, 2019), PET Group responded to the changes in the institutional environment by becoming a provider of K-12 education. In 1994, it opened its first school, with state-of-the-art infrastructure, with just 23 students. By 2020, the school has grown into 65 branches across India and overseas. Based on the success of the school, in 1998, PET Group decided to establish an Education City spread over 60 acres on the outskirts of the National Capital Region (NCR). This ambitious project aimed to attract children of two prosperous and opulent classes of people, namely (a) Indian and foreign citizens who were residing in the Millennium City, Gurugram, which had become the hub for multinational companies; and (b) Indian citizens who were based abroad, mainly in the Gulf countries and who were interested to provide an 'Indian school' education to their children. The Educational City was based on the concept of 'providing one-stop shop for all levels of education' based on International Baccalaureate/IGCSE curriculum. In 2008, PET Group established a Business School (henceforth called PET Business School), and thus, ventured into HE and offered Undergraduate and Postgraduate Degrees from a highly ranked UK university (henceforth International Partner, or IP). In 2013, PET established a full-fledged private university, approved by the approved by University Grants Commission (UGC), a statutory body of Government of India regulating HE.

In analyzing our case, we paid particular attention to the (a) changes in the institutional environment, specifically with respect to India's HE system pertaining to management education and (b) the strategic actions undertaken by the PET Group. Figure 2 provides the overview of PET Group's evolution and trajectory from 1982 – 2020.

Insert figure 2 about here

Consistent with our approach to adopt method triangulation (Yin, 2009; Silverman, 2013; Farquhar, Michels and Robson, 2020) to ensure validity and reliability of our data, our data sources comprises of (a) qualitative data generated from semi-structured interviews with key informants, including senior members of the PET Group, senior members of the academic staff involved in setting up and operationalizing PET business school and later of the university; and (b) various archival data including policy documents, corporate documents, press releases, annual reports and other reports compiled by numerous business and educational magazines. Considering significant institutional changes in the entire educational sector since early 1990s, policy documents published by the Government of India were of utmost importance.

Between November 2019 and November 2020, we interviewed 15 members of PET's staff. These included the Chief Administrative Officer (CAO) of the PET, who joined the PET Group in early 1990s when they established the first school in New Delhi. We also interviewed four senior faculty members of PET Business School including the founding Director and the founding Dean of PET Business School. Both these individuals were instrumental in setting up PET Business School and formalize international partnership with one of the top ranked universities in the UK. This partnership was critical for PET Business School to develop expertise in developing its operational and academic capabilities to impart higher education, since PET Group had no prior experience in HE and to gain legitimacy in a very crowded marketplace. We further interviewed 8 academic members of the PET Group university. In some instances, we interviewed respondents more than once and, in most cases, each interview lasted from one hour to over two hours.

In our interviews, we sought to gather information on (a) historical evolution of the PET Group; (b) key institutional changes in the domain of primary, secondary and HE system in India between 1990 - 2014; (c) strategic decisions made by the PET Group; and (d) implications of the decisions made by the PET group on its strategic resources. We concur that primary data collected through interviews could be affected by respondent's bias and therefore it is considered important to cross verify claims (as much as possible) with data gathered from other respondents as well as information gathered through secondary data sources (Gibbert and Ruigrok, 2010). Therefore, we adopted method triangulation, which is considered as a good practice in conducting case study research for offering validity and reliability data through use of multiple data sources (Yin, 2009; Silverman, 2013; Farquhar, Michels and Robson, 2020). We paid significant attention to policy documents regulating the Indian HE system as these secondary sources provide nuances underpinning institutional changes in the sector.

Table 1 provides the list of our respondents, their roles and designation and table 2 provides the detail of policy related documents we collated from various sources. Figure 3 provides an overview of PET's current operations in the domain of primary, secondary and HE system in India. Figure 4 provides institutional changes in the Indian HE sector.

Insert tables 1, 2 and figure 3, 4 about here

3.3. Analytical techniques

The initial analysis of case study data collected through interviews, transcribed verbatim, was undertaken using Leximancer 4.5, a specialist content analysis software. Leximancer facilitates an unbiased, objective and higher-level view of our dataset and an automated extraction of seed concepts using non-linear dynamics, statistical algorithms, machine learning and statistical processes (Smith & Humphreys, 2006; Malik, Froese, & Sharma, 2020). Based on the output generated by Leximancer 4.5, we got our concept map which has thirteen themes, such as education, institutions, change, resources, management, legitimacy, market, program, and students, by keeping the theme view at 33% output setting (see colored circles). Further, thirty-nine concepts were extracted, keeping the concept output view setting at 100% (see the grey dots within each bubble in figure 5 for details and their overlaps, connections and theme size).

Insert figure 5 about here

Following the initial analysis and extraction of the main concepts and themes from the Leximancer, a theoretical coding process was followed. We used the abductive approach (Dubois and Gadde, 2002; Gioia, Corley and Hamilton, 2012; Van Maanen, Sorensen & Mitchell, 2007) for analyzing our data because there were rich intricate data suggesting that new theoretical relationships could be explored. This process involved several iterations of going back and forth between data and theory, and recombining data with case, phenomena, and our guiding theories. This eventually led to outlining of our conceptual framework that is provided in figure 1 where we highlight the theoretical relationship between bundle of resources, institutional change, dynamic capabilities and organizational growth for answering the overarching research questions we adopted for this study.

Abduction consists of three steps, namely (i) establishment of pre-existing theoretical knowledge (conceptual framework); (b) observation of a surprising element in the empirical phenomenon; and (c) imaginative articulation of a new interpretation that resolves the surprise (theory elaboration/elaboration of conceptual framework) (see for instance Alvesson and Karreman, 2007: 1269). Considering our interest on the interplay between institutional change, resources and managerial capabilities for adaptation and growth in a dynamic contextual setting, we carried out analysis at two levels. First, we identified the changes at the institutional level in India’s education system. We considered the ‘Education Policy of 1986’ as the starting point because, for the first time, it envisaged a role for private providers in the education sector in the country, which until then was strictly the domain of the state actors. Second, we undertook analysis at organizational level, delineating and analyzing decisions PET Group made after its foray into the education sector. The choices made by PET Group, in essence, reflected managerial ingenuity of the founders and senior managers as the organization adapted to institutional changes.

One of our co-authors had prior experience of working at PET Business School and therefore we had first-hand knowledge of the transition from PET Business School to PET University. This background also helped us in gaining access to key respondents. In engaging with the data, as a first step, all the authors read each interview transcripts and policy documents published by the Government of India. Based on our reading, we organized data around (1) institutional changes and challenges emanating from them, (2) identification and usage of PET Group’s critical resources, and (3) the PET’s dynamic capabilities to response to institutional changes. This iterative process of moving back and forth between our conceptual framework and data, and the initial data mining on Leximancer allowed us to consolidate our data into three aggregated theoretical constructs, i.e. institutional changes, organizational resources and dynamic capabilities and construct a representation of the inter relationship among them. Our data structure showing first order, second order codes and aggregated theoretical constructs is presented in table 3.

Insert table 3 about here

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4. Case Analysis

We have organized our case analysis in a chronological order, covering a period of eighteen years from 1986 till 2014, to delineate the numerous institutional changes took place in Indian Education system. For each major change discussed below, we highlight how institutional changes had implications on affected the PET Group, its resource base and how dynamic capabilities enabled it to adapt to the changes. During the period of institutional changes, formal dimensions of institutions undergo re-arrangement (Dacin et al., 2002) and hence institutional changes cause exogenous ‘jolts’ (Mayer, 1982). Therefore, it is imperative that in delineating changes in the formal institutions, we must also highlight the nature and source of the exogenous 'jolt' since all jolts do not necessarily have adverse impact on organizations and in fact some may present opportunities that organizations may be able to reap by re-configuring their resources.

4.1. The Second National Policy on Education, 1986

We considered 1986 as a critical starting point in respect to institutional changes in India's primary and secondary school system. The Second National Policy on Education, for the first time, envisaged and allowed private players to play an active role to remove disparities and to equalize educational opportunity (see also, Singh, 2013; Mathew, 2016). Consequently, primary and secondary schooling system in India comprised of three types of providers, namely (a) schools that are either owned and managed by the central government or state governments; (b) voluntary and private schools that are aided by the governments at either level; and (c) unaided private schools.

Although PET Group was established in 1982 and the national policy provided the group an opportunity to diversify into education sector, they did not do so. However, during that period, PET Group acquired some land in and around New Delhi. The process of acquiring land in the NCR, *"provided us a good training group for dealing with the Government bureaucracy"* (The Chief Administrative Officer). This experience was critical for two reasons (a) it provided a valuable learning experience so far as the bureaucratic structure involving acquisition and creation of land bank and knowledge of the procedures necessary to get approvals so as to set up necessary infrastructure for the school; and (b) it introduced the founders of the Group to a demographic category, who would use the infrastructure.

4.2. Liberalization of the Indian Economy, 1991

The liberalization of the Indian economy in early 1990s brought seismic changes in the socio-economic and institutional environment in India. These paradigm shifts resulted in creating conditions leading to the emergence and proliferation of private schools at primary, secondary and HE levels (Tilak, 1996; Sharma and Ramachandran, 2009; Dukkipati, 2010). The increasing number of private schools was coupled with declining role of the 'State' as the provider of education, which took on the role of a regulator and facilitator (NCERT, 1982). Two critical inter-related implications of the liberalization of the Indian economy were: (a) the rise of so-called middle class (see, e.g., Sridhran, 2004; Fernandes, 2000); and (b) the rapid urbanization in the country (for details see Shaban and Sattar, 2019; Sadashivam and Tabassu 2016; UN Urbanization Prospects Report, 2018).

The decision of the owners of the PET Group to set up a school for pre-primary, primary, and secondary school was informed by their personal experience. Whilst evaluating primary schools for their own children, the owners of PET noted that even the most 'expensive' upmarket private schools had poor infrastructure. At one of the top schools, the owners of PET,

> "*found the wooden furniture with nails protruding, windows without glass panes, water being stored in earthenware pitcher…. and in some cases, children were asked to come with cloth to dust benches and tables"*
>
> (CAO, PET Group)

The CAO, who after his retirement from Indian Defense Force had joined the PET Group in early 1990s and was one of the oldest members in the Group, provided us with a vivid account of how the PET Group's flagship school in upmarket suburb of New Delhi came about. He informed us,

> *"We succeeded in getting 2.82 acres of land [in the capital] but to erect even a temporary structure, we had to get no objection certificate from at least 37 departments and stuff like that…we decided that the school will be fully air conditioned and we ensured that mineral water is made available and even our yellow buses were air conditioned"*
>
> (CAO, PET Group)

The above quotation provides two insights. First, the experience of the owners of PET Group in buying and selling of real-estate in and around New Delhi, in particular, and relational capital (nexus with bureaucrats) was particularly helpful in acquiring land needed to set up the state-of-the-art school. The experience was important considering the bureaucratic complexities involved in land acquisition in India, in general, and in New Delhi in particular (see, e.g., Karmakar, 2017 for more insights on this topic).As Karmakar (2017) notes, mitigating these complexities underpinning land acquisition entail developing personal relationship. This was also corroborated by an independent consultant who informed us that,

> *"a lot of the private education institutes have been blessed by the politicians so to speak or managed by politicians or families or politicians. That's how they get preferred a governmental land… tomorrow if you and I want to set up an education institute, and we have got our thoughts in place and that would be for philanthropy and not for profit, …. still try getting land… even if we have inroads, we will get land maybe 200 kilometers from humanity"*
>
> (Consultant, Grant Thornton)

The second, but very relevant insight, we garner from the comment of the CAO was that, all along the owners of the PET Group wanted to differentiate their school on the basis of exclusivity so that the school could attract children of the new affluent class in India. This would include the children of employees of various multinational enterprises that were expanding their operations to India and even the children of Indian diaspora, particularly those who were settled in Middle Eastern countries.

4.3. Amendment to the National Policy on Education, 1997

In 1997, The Government of India made amendments to the Second National Policy on Education and shifted HE from ‘merit’ to ‘non-merit’ sector, thus clearly indicating that it preferred greater participation of private education providers in the HE sector (also see Arbol, 2006; Bhoite, 2009; Kumar, 2014). Put simply, by being placed under the ‘merit category’, education up to elementary level continue to receive subsidies from the Government, whereas subsidies were phased out from ‘non- merit’ secondary and HE, thus creating conditions for participation of private players in these levels. Interestingly, unlike owners of few private primary and secondary schools who responded to this policy shift by venturing into establishing private business schools (i.e. venturing into HE domain), the owners of PET Group did not do so. Rather, they decided to consolidate their operations in the primary and secondary school domain. The owners of Group decided to capitalize on the growing reputation of their school and develop a bigger state of the art residential school with its own campus in the outskirts of the Gurugram, which had by then firmly emerged as a satellite city of New Delhi. Gurugram, from the local governance and administrative point of view, was a small town in Haryana, a neighboring state of New Delhi. Coincidentally, PET Group possessed sizable land bank in different parts of the state which they decided to use to develop the Education City Project. The Education City Project was inspired by the concept of residential schools in the UK and was envisaged to be centered around an exclusive self-sufficient residential school that would cater to the community of non-resident Indians (NRI) and children of Indian and foreign multinational employees. According to the CAO,

> *“We had lot of interest from people from diplomatic community as well as a sizeable well to do Non- Resident Indian community in the middle east, the Indian diaspora in the West having business interest in India and Indian and non-Indian executives working in MNCs. Their cumulative demand for opening a world class residential school in Delhi region triggered the idea to the PET owners to open the PET World School at Education City”*
>
> (CAO, PET Group)

He also informed us that at a point in time, the school had around 120 students from South Korea as well as many other pupils from almost 35 countries. The concept of residential schools was not new in India but most of the existing residential schools, which were single sex schools and followed the national curriculum were located in hill stations. In contrast, the proposed PET World School was located just 40 kilometers from New Delhi as a co-educational school (i.e., female and male students being taught together) and followed International Baccalaureate (IB) curriculum.

4.4. Regulatory changes pertaining to HE institutions in India, 2003 -07

Between 2003 and 2007, the Government of India recommended two major regulatory changes pertaining to regulations of HE institutions in the country. First, it brought all private institutions operating in the HE domain under the purview of the Universities Grant Commission (UGC) by pronouncing the UGC – Establishment and Maintenance of Standards in Private Universities Regulation, 2003. The UGC is the statutory body set up by the Government of India under UGC Act, 1956 which is the nodal body for overseeing functioning of universities in India. Immediately, thereafter in March 2004, the Government of India, following a notification (UGC Rules, 2004: Section 3(i)), created a category called 'deemed to be university', to allow private HEIs to function like a university. Apart from these two regulatory changes, the Government of India also initiated efforts to provide an appropriate legal framework for foreign education providers in India. In 2007, the Foreign Education Providers (FEP) Bill was approved by the Union Cabinet though it was not introduced in the Parliament.

Following these regulatory changes, PET Group in 2008 decided to establish a business school and thus expanded their operations into the HE domain.

When in 1997-98, PET Group decided to develop the Education City project 40 km from New Delhi, the owners were advised by other members of their family and friends not to pursue such an 'audacious' project as it entailed commitment of significant financial resources. According to the Chief Administrative Officer:

> *"acquiring and converting 60 acres of land, in 1998, was a massive risk. Everybody warned the family against converting this prime land to build an educational institution…no one was sure what will happen to this institution"*
>
> (CAO, PET Group)

Put simply, expending the reputation of the PET Group's flagship school to create something much bigger – a co-education residential school within a massive campus, called the Education City, presented financial and operational risks. He further informed us, *"we started in 1998…it took us five years and five years is a long time to invest, taking loans and because we were planning to run a residential school, we had to take NOC from 10-12 departments"*

(CAO, PET Group)

However, on completion of the Education City Project in 2003, did not translate into the number of recruitment that the owners had envisaged, and the PET Group has already incurred significant debt in creating this infrastructure.

"We had to match our loan with revenue from the admissions…World school being an international program the negative part of that was the admissions and withdrawal used to be through the year admissions, as people used to transfer frequently because these are people who are working in the multinationals…. So due to untimely withdrawal we missed our targets. We were always short of number in hundreds"

(CAO, PET Group)

One of the key outcomes of the liberalization of the Indian economy was the growth of an affluent middle class, with a global outlook. Alongside, there was significant growth in international education, particularly the IB curriculum (see e.g., Gardner-McTaggart, 2016), which many private schools had adopted IB curriculum. However, schools following the IB curriculum, including PET Group's flagship school in New Delhi, had to conduct their final examinations in the summer, mostly during the month of June every year and therefore publish their results at the end of July. However, by the time the results are published, the admissions process for all state universities tend to be over and as a consequence, students pursuing IB curriculum had to compulsorily drop a year or pursue foreign education, which was of course four time more expensive. The Founding Director of PET Business School summarized the situation and provided an insight on how the owners of PET Group sensed an opportunity to expand their operations into HE, specifically to fill this gap. He said:

'They (PET Owners) realized the challenge their school students were facing…which was what do they do after completing their school exams – do they wait to take admission for further studies next year or they seek admissions abroad? Their solution was why not convert what they had created (PET World School) to a higher education institution?"

(Founding Director, PET Business School)

This was corroborated by the Founding Dean of the PET Business School, who had joined along with the Founding Director in 2006 to spearhead the efforts to become a sought-after Business School in North India. According to him:

"The idea of opening PET Business School was to introduce foreign education to the off springs of upper middle class, successful business class people who could afford foreign education at the undergraduate level, however, culturally they would prefer their offspring

to be living with the family until their graduation…the owners of PET Group were instrumental in understanding this market"

(Founding Dean, PET Business School)

In establishing a business school and thus, enter into HE domain, the PET Group had to overcome two limitations. First, the owners and their management staff had no knowledge of managerial and operational issues relating to establishing and operationalizing a Business School. To overcome this limitation, the owners recruited reputed academics, Professor MK (founding director) and Professor VU (founding dean), who had experience of working with private owners in setting up HEIs. Professor MK, who having started his academic career in the USA returned to India in mid 1990s and had rich experience of leading HEIs specifically in the area of business management and Professor VU, who had worked with Professor M since his return from the USA. Both these academics had worked together in setting up two HEIs in and around New Delhi. Both the Professors, with their network in the HE sector, succeeded in attracting other academics to join them at PET Business School. Incidentally, Professors MK and VU, in their previous roles had organized strategic partnerships with foreign HEIs and considered establishing partnership with a foreign university at the core of their strategy differentiate PET Business School from other private business schools. According to Professor MK,

"Partnership from an early stage was critical and for us it was about becoming legitimate…That it will give us it will give us legitimacy, but the legitimacy will not only come from the brand, but it also come from a structured curriculum…"

(Founding Director, PET Business School)

PET Business School succeeded in forming a partnership with one of the top-ranking universities in the United Kingdom. The partnership was a franchisee – franchisor relationship, with PET Business School being the franchisee that offered UK University's business courses. However, the partnership offered an opportunity to PET Business School's faculty members an opportunity to interact with colleagues in the UK and more importantly learn from them. According to one member of the academic staff:

'If you say, the system, we followed the international partner pattern, mean to say everything from the way the classroom teaching, the evaluation and in terms of everything. The class strength generally at that point of time was 150 students in undergrad class. So 150 students, we used to have two sections. We used to teach and then we used to have the tutorials. It was essentially offering as close to UK U experience but in India"

(PET Business School, Academic 1)

The association with this top UK University had an immediate impact at two levels. First, within a short time, it helped in enhancing reputation of PET Business School as a provider of 'high quality UK education'. This was corroborated by another faculty member,

> *"students joined us because the parents had seen international partner's global ranking. And they are getting everything that international partner is providing in the UK sitting in India, with whatever home comfort. The parents of the students see both the benefits – lower cost of getting a degree from the international partner, without any compromise on the quality of education"*
>
> (PET Business School, Academic 2)

Put simply, partnership with the UK University helped PET Business School to differentiate itself in a competitive landscape and build its reputation with the economically upward population in the and around New Delhi, as the owners of the PET Group envisaged.

4.5. Regulatory changes pertaining to foreign universities in India, 2009-12

In 2009, the UGC provided guidelines to state governments/legislature to allow establishment of private universities in India. Responding to these guidelines, most private institutions and deemed to be universities started to work towards fulfilling the mandatory rules set by the UGC and approached different state legislatures to pass the bill to formalize their presence as a notified university. PET Business School, having established a strong working partnership with the UK University, was confident that the Union Cabinet, which had already approved the Foreign Education Provider (FEP) Bill, would succeed in passing the Bill in the two houses of the Parliament. As a result, PET Group did not approach any state government to register itself as a private university.

By 2009 the partnership between PET Business School and the UK University had grown to also include some engineering courses. As part of the partnership, PET had to recruit students in India and who would be offered the same curriculum as it is offered to students recruited by the UK University at its campus. The students, on completion of their studies, would be awarded the requisite degree by the UK University. Graduating with a UK University was a major attraction for students who would enroll at PET Business School.

However, the guidelines of the AICTE (All India Council for Technical Education), one of regulatory bodies to provide clearance for establishment of technical and business institutions, did not specify the status of foreign degree awarding institutions. Lack of clarity regarding status of foreign degree awarding institution had been an issue of contention between

AICTE and organizations such as PET Business School. Professor MK provided us information on this matter:

> *"In 2006-07, when we were starting the partnership with the international partner, I had major issues with AICTE…they were my back because this was the first fully foreign program. And they said that they don't recognize it. And I said, I don't need your recognition. They said, but you can't start it, I said, you cannot stop it. And they said, they will shut it down and I told them that they don't have the power and authority to shut it down and at best they can only recommend it shut down."*
>
> (Founding Director, PET Business School)

In 2012, AICTE sought to clarify this ambiguity. In a notification it categorically stated:

> *'Proposal from the Foreign Universities / Institutions shall be considered provided that they themselves establish operation in India or through collaborative arrangements with either an Indian Institution created through Society / Trust / A company established under Section 25 of Companies Act 1956, or the relevant Act in India. Franchising in any form shall not be allowed.'*
>
> (AICTE Approval Process Handbook, 2011-12: 43)

This notification resulted in blacklisting of all institutions providing degrees of foreign universities in franchiser – franchisee relationship, as was the case between the PET Business School and the UK University. These changes had a detrimental impact on student enrolment for the next academic year and the resulting situation was exploited by the competitors of PET Business School. In addition, in 2012, the Foreign Education Providers (FEP) Bill, piloted by the HRD ministry and approved by the Union Cabinet in 2005, was finally tabled in India's Parliament for debate and voting. However, the government failed in securing enough support to pass the Bill in both Houses of the Parliament. PET Group responded to these changes by moving quickly to fulfil all the mandatory requirements as required by the UGC to establish a private university. In record time, all the documentary requirements were completed and after successful inspection by UGC, the PET Group sought permission from the Government of Haryana to formalize PET as a Private University. In April 2013, PET Business School was officially gazette as PET University by the Government of Haryana and in 2019, it was featured as a one of the upcoming private universities in the country by a business magazine.

5. Discussion

Focusing on an Indian private educational trust, which evolved from being a provider of primary and secondary school education in the early 1990s to establishing a business school in 2008-09 and then emerging as a modern university in 2012-13, we have sought to discern how institutional changes affect resource base within an organization and dynamic capabilities assist organizations in augmenting and utilizing existing resources to adapt to the institutional changes. Our longitudinal study helps in capturing and deepening our understanding of the nexus between institutions, resources and dynamic capabilities in explaining organizational growth over a period of time. Below we discuss some key insights that can be gleaned from this revelatory case study.

First, based on our analyses, we identify possessing ‘land’ or ‘land bank’ as a distinctly critical and more importantly versatile resource that significantly contributed in the growth of PET Group from provider of primary and secondary education to also become a modern university. Within both schools of thoughts, Barnean and Penrosean, land and physical infrastructure are not idiosyncratic and hence are easily tradeable and do not possess the VRIO attributes. In fact, the literature acknowledges that physical resources may produce a temporary advantage for an organization (Hart, 1995). In contrast, we find that possessing ‘land bank’ and the ability to accumulate and utilize land underpinned the capacity of PET Group to navigate institutional repeated institutional changes and attain growth and hence landbank in this specific case emerge as a versatile resource. Based on these findings, we argue that specific resources an organization possesses at a point in time can determine the degree to which the organization is able to respond to changes in the environment. Clearly, the value and usefulness of ‘landbank’ as a versatile resource was also was contingent upon institutional changes per se. Without the institutional changes, the owners of the PET Group might have not utilized their landbank, particularly the 60 acres, which they held in possession in nondescript location in rural Haryana.

Seen through the Penrosean lens, growth can be attained by using excess resource to productive use as well as ensuring that resources used for one purpose could be possibly redeployed for new and more productive uses. In this context she attributed critical role of social actors who possess knowledge and capabilities to shape productive use of resources. In this respect, owners and managers of PET Group could be considered as a critical managerial resource, which together informs the group’s dynamic capabilities. It enabled the PET Group in scanning environmental changes and undertaking decisions that enabled the group to become a provider of education across the spectrum of primary, secondary and HE. Although there are bureaucratic hurdles in this process, but managers of the PET had acquired experience of sensing institutional changes and re-configuring existing organizational resources. Put simply, they not only assessed changing market demand but also managed to use their relational capital (political affiliations and nexus with bureaucrats) to obtain necessary approvals to set up the initial secondary school to cater to the rising middle class in India. In other words, they utilized their knowledge of real estate business in general and relational capital in particular for putting their resources in productive use. They also used their judgement, from the early on, to develop PET Group as an 'exclusive' institution that could cater to the emerging nouveau riche middle class in and around New Delhi.

From a theoretical perspective, our case endorsed the view that versatile resources (Nason and Wiklund, 2018) and dynamic capabilities (Teece et al., 1997; Eisenhardt & Martin, 2000) enhance an organization's capacity to withstand, and in fact facilitate growth, in the event of institutional changes. However, to derive growth in a rapidly evolving institutional environment, organizations need managerial ingenuity. It helps organizations in adapting to institutional changes. In addition, our findings highlight that institutional changes have two-way effect on organizational growth. *First*, it affects organizations directly by creating enabling and constraining conditions – an aspect that has been well recognized by institutional theorist. *Second*, institutions affect organizational growth indirectly by impacting on the VRIO attributes of the resources held by an organization. For instance, our case shows that reforms in the Indian higher education sector made the land bank held by the PET group versatile and valuable. In other words, the usability of land was contingent upon institutional change. This suggests that the '*valuable'* attribute of VRIO depends upon an organization's local context and its ability to relate existing resource with the context, where the resources could be appropriated to derive rent. Thus, depending upon the dynamics of the local context where a resource is to be deployed, the resource may gain or lose its value.

We present this critical theoretical relationship through our findings in the form of a conceptual framework in figure 1. It shows this two-way relationship with two arrows going from institutional changes - one towards the bundle of resources and the second towards organizational growth. In a similar vein, it also shows a two-way effect of dynamic capabilities on organizational growth. On the one hand, dynamic capabilities assist an organization to navigate through institutional changes by adapting and finding opportunities for growth, well acknowledged in prior studies (see, for example, Pitelis, & Wang, 2019; Dixon, Meyer & Day, 2014). On the other hand, dynamic capabilities affect how organizations augment and re-configure resources which eventually affects organizational growth. Our findings indicate that the PET Group de-fragmented its land bank and its relational capital (political affiliations and nexus with bureaucrats) and both sets of resources were exploited by PET Group in the wake of reforms in the education sector.

Insert figure 1 about here

Overall, our conceptual framework captures the interrelationships among organizational resources, institutional change, dynamic capabilities and organizational growth. It suggests that institutional changes (exogenous shocks) affect the bundle of resources (specific and versatile) possessed by an organization and in this context, dynamic capabilities (endogenous managerial resource) affect the impact of institutions on the relationship between organizational resources and organizational growth. Unlike quantitative research, we do not hypothesize directionality of relationships – rather, we acknowledge that the effect of institutions and managerial resources may work either way -- positively or negatively. This follows extant literature which points towards institutional changes having a facilitating as well impeding impact on organizations (Lewis, 2019) and the Penrosean idea of managerial resource enabling and limiting organizational growth. Strategic decisions of an organization may go on to become strategic barriers thus hindering the organization to change track when confronted with disruptive events (Sydow et al., 2009). Our model also reveals that managers prepare pools of resources in time ‘t’ that can be deployed used in time ‘t+1’ when new institutional changes take place. Broadly, our conceptual framework reflects the fact that impact of resources that an organization acquires and develops over a period of time is contingent upon institutional change and its dynamic capabilities. These novel relationships articulated in our findings can be presented in the following two propositions (P1 and P2):

P1: Changes in the external institutional environment indirectly impacts organizational performance by affecting the value and usefulness of resources held by the organization.

P2: Dynamic capabilities indirectly affect organizational performance by affecting the value and usefulness of resources held by the organization.

6. Conclusion

In conclusion, we argue that our study offers some important theoretical contributions that sits at the intersection of RBV and IBV and enhance academic understanding on connections between these theoretical paradigms. In essence, it highlights that institutions provide an overarching unilateral framework within which organizations strive for adaptation and growth by effectively configuring and re-configuring their heterogeneous resource-base. In this process, organizations that have managerial capabilities to align their resources with institutional change certainly thrive while the other may demise.

From a practitioner perspective, our case offers several interesting lessons that can be used by both education and other organizations facing rapidly evolving environmental landscape. First, it would seem likely that some organization-held resources that might seem superfluous or wasteful at one point in time, could become very useful at a different point in time. Needless to say, this depends on the nature of the resource and the implications of institutional change on the resource *per se*. Therefore, managers must keep assessing the resources held by their organization in the view of existing and forthcoming institutional changes and plan its use for future operations rather than taking the easy route of disposing off the ideal resources.

Next, turbulence in the environment could be viewed as context that would enrich managerial learning as it provides an opportunity to organisational leaders and managers to reflect and evaluate on possible growth opportunities. Such situations compel managers to assess the value of the organization's resources and be ready and agile to be able to use those resources as and when the opportunity arises. Therefore, managers must build insights for gauging external institutional environment rather than relying on ways to hedge against institutional changes, for instance by lobbying with industry bodies to prevent institutional changes or taking some kind of insurance policies to prevent a potential financial loss. Such, actions may provide some cover to the organization but at the same time they will prevent its growth that can be achieved by the managers by taking proactive institutional entrepreneurial actions.

Our findings also offer specific implications for managing in a VUCA world (Baran & Woznyi, 2020), where the environment is volatile, uncertain, complex, and ambiguous. As we write this, the world is 10 months into a pandemic that has caused extreme turbulence. Indeed, Covid-19 arrived with such short notice and spread so fast, that both governments and corporations were caught flat-footed. Initial analyses of the responses by different agencies show that organizational preparedness and human creativity can play a critical role in the level of success in dealing with such events (see, e.g., Zhang & Varma, 2020). Of course, it isn't always possible to be prepared for all future events, as was the case with Covid-19. However, having the ability to marshal one's resources in short order and to be able to capitalize on opportunities and/or react to unforeseen events is the mark of successful organizations. As we saw in the case above, the PET group was able to re-configure and use their existing resources (i.e., land bank), make necessary alliances (tie up with the UK university) and create a niche customer base as well as reputation in a relatively short amount of time. This is clear evidence of dynamic capability and managerial creativity.

We also believe that our findings have specific and immediate lessons for business organizations and educational institutions in India, where private sector organizations have a ubiquitous presence all levels of education (see Altabach and Levy, 2005; Joshi, Ahir and Desai, 2018). It is important to highlight that India has highest number of HEI’s in the world and ranks second only to China in terms of enrolment of students (Altbach, 2014; Verghese, 2015; Joshi, Ahir and Desai, 2018). Although numerous studies have focused on growth strategies, activities and capabilities of Indian business groups in general (see, e.g., Elia, Munjal and Scalra, 2020; Popli, Ladkani & Gaur, 2017; Ramaswamy, Purkayastha, & Petitt, 2017) and Indian organizations in particular (see Pereira, Patnaik, Baliga & Roohanifar, 2020; Pereira et al., 2020), there is a distinct gap so far as research on strategies and activities of organizations involved in providing primary, secondary and higher education in the country. Our study on the PET Group also fills this lacuna.

On 29th July 2020, the Government of India announced the National Education Policy 2020 (see Varma et al., 2021 for a detailed critique). This far-reaching and ambitious policy will have significant impact on the business world as well as education in India. One of the goals of this policy is to provide education to all segments of society and to make education accessible at all levels. This would mean tremendous opportunities for new players and for old players with existing resources. Clearly, those that are able to redeploy their existing resources in a timely fashion, as we note from PET Group, will have an advantage over those that are unable to do so, and those that would need to start from scratch. Finally, while our findings based on the PET case are quite provocative and offer clear lessons for business organizations and educational institutions, we must acknowledge that these findings are based on one case and should be viewed with this limitation in mind. Future research can test the underlying implications of institutions on resources and organizational performance using a large quantitative data set. Here, institutions can be conceptualized as a moderator which influence the relationship between resources and organizational performance. Alternatively, resources may be conceptualized as a mediating moderator affecting the relationship between institutional change and organizational performance. Moreover, we hope future researchers will further explore our idea in other institutional contexts and may build a comparative analysis by examining the cases from advanced and emerging economies to see if their experiences are similar are markedly different, during periods of change.

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Figures and Tables

Table 1: List of interviewees and their profile

Respondent, Designation	**Tenure (years)**	**Time (min)**	**Gender**	**Main Comments/ Remarks**
#1 Chief Strategy Officer, PET Group	8	40	M	Focus on Preschool to terminal degree, leveraging the school to establish the name in Higher education, PET to be the epitome of 'High quality Education, in Highest Quality Infrastructure'. Regulatory Bottlenecks responsible for termination of the alliance. Open to alliances with Foreign Universities.
#2 President. PET University	8	40	M	Quality of the Higher Education in India is average, Foreign Partner is a good introduction. Research should be focus of Foreign alliances.
#3 Chief Administrator, PET Group	28	75	M	PET promoters' pioneers in providing world class infrastructure in Education from Primary to Tertiary. PET promoters are risk averse, from school to University demonstrated open to strategic change to overcome bottlenecks.
#4 Founding Director, PET WI	3	75	M	Foreign education at affordable cost, To be successful holistic involvement From SMT to academics, Foreign pedagogy and curriculum well received in India, For Foreign partner they perceived the relationship to be one-sided affair, Not ready to Understand the Indian educational requirements, Promoters played the system in terms of regulatory approvals, Regulatory ambiguity responsible for alliances failure.
#5 Founding Dean, PET WI	3	55	M	Intent Vs Content dichotomy, The local promoters key interest in enrolment numbers as private education is completely funded by student fees, The quality of Intake compromised as numbers dwindle, Regulatory backlash faced by Foreign University partnerships, No compromise in pedagogy & curriculum, led to student failure, Collaborative research could not take off.
#6 Registrar, PET Business school	6	40	M	Regulatory pitfalls led to bad press, Enrolment numbers declined, Engineering department ill prepared to start led to start of the friction, QAA guidelines ignored in students assessment, Cut off requirements compromised, Overall, the more seats than the interested students, later the promoters focused shifted to PET University.
#7 Dean (PG), PET Business school	5	45	F	Intent Vs Content dichotomy, Academic practices of foreign University improved the quality of teaching, Employability was the main bottleneck, Leadership more focused on PET University.

#8 Dean (UG) PET Business school,	8	35	F	Regulatory bottleneck was the main reason for the decline, Foreign partnership in India has to start from exchange, sandwich and articulation. Research led partnership more sustainable
#9 Professor, PET Business school	6	40	F	The difference between Pedagogies & curriculum huge, Regulatory bottleneck, Private University could serve mid ranging students, QAA compromised in terms of student achievement and enrolments. Focus shifted to PET University.
#10 Associate Professor, PET Business school	5	40	M	Experience of serving two Foreign partnerships, pedagogy and curriculum world class, Students generally from Business background, Initially the employability very good, Regulatory bottlenecks kept the partnership only to business education, PET promoters more focused on PET University.
#11 Associate Prof PET Business school,	10	40	F	Students from business background more interested in entrepreneurial venture, First few batches excellent, Employability and regulatory bottleneck responsible for decline in student enrolment.
#12 Business Development Manager, PET Business school	5	30	M	The PET promoters after 2012 marketing focus on PET University, expected UKU to jointly spend on marketing, Regulatory bottleneck gave a partnership a bad press, marketing could not counter it, PET university cannibalized its own PET market.
#13 Senior lecturer, Link Tutor, IP	NA	55	M	Superb start of the partnership, Quality of students of the UKU standards, Research collaboration started, Regulatory framework not handled well, first sign of discontent with partners started in 2013 after PET University came into existence without the UKU partnership, The Malaysian articulation did not work, was not the typical foreign experience.
#14 Senior lecturer, Link Tutor, IP	NA	55	M	Quality assurance was compromised to get more student enrolment, PET Promoters has lost interest in PET and were more focused PET University, The Owners started to directly intervene in day-to-day functioning of the partnership.
#15 Consultant., GT	NA	40	M	On Land as a resource for education sector

Table 2: List of Policy and Commissions on Higher Education in India

S. N	Publication Year	Publishing Authority	Content/Guidance/ regulations
1	1986	MHRD, NEP	New Education Policy 1986, Privatization in all sectors of education encouraged. States cannot legislate creation of colleges without UGCs consent and sanction. Statutory bodies like UGC would regulate admissions as per physical facilities and faculty strength. SCHE would prepare coordinated plans of HE development in a State which would be endorsed by UGC
2	1990	Gnanam Committee, 1990	Central Government legislate that UGC's regulations as binding on all universities. No new university by States without UGC's concurrence
3	1991	Punnaya Committee, 1992	Rather than penalize, UGC should incentivize by a matching grant, universities and colleges generating own funds for development purposes. Cent per cent income tax exemptions to endowments and contributions to HE institutions. Self-financing courses only for those who can afford to pay and adequate subsidy/loan provisions for economically weaker students unable to pay high fees. Funding for HE is essentially the State responsibility
4	1994	Swaminathan Committee on Technical Education	Public technical education institutions should raise internal and external resources from industry, alumni, consultancy, sponsored research/projects, etc. Fix fees at a higher level and revise it periodically.
5	1997	GOI	Merit to Non-Merit status of Higher Education, Reducing public subsidy for higher education
6	2000	Ambani-Birla group	Establish world- class HE facility at each district HQ. − Foster a healthy mix of state and affordable private initiatives. Enforce strictly "user pays" principle in HE, with state support to economically weaker sections. Complete freedom to establish HE institutions to private agency without reference to UGC, AICTE, etc. HEIs to be out- of-bounds for politics and political parties.
7	2003	UGC	UGC (Establishment of and maintenance of standards in private universities) Regulations, 2003, Private University had to follow these Guidelines
8	2006	UGC	Private Institution which was "Deemed University "could use "University"
9	2006	National Knowledge	Private investment in HE is welcome and should be encouraged by offering land grants and other facilities

		Commission, MHRD	
10	2009	Tandon Committee on Deemed Universities, UGC	Deemed University has to drop “University” or write “Deemed to Be University” Abolish the category of 44 out of 126 deemed universities, which neither on past performance nor on future potential holds hope and deserve their status, and a national committee to salvage future of affected students. − VCs, as in traditional universities, should head governing bodies of deemed universities like Board of Management, Executive Council and Governing Council, and its membership should include more than 50% of academicians and with not more than 1-2 of Trust/President’s representatives. − Trust/President can’t nominate VC, PVC, etc. − Centralized admissions test to govern admissions. − Fees should be reasonable to the cost of the course. − Ensure that private participation does not slip into crass commercialization
11	2009	Yashpal Committee report	To double the current capacity of HE, all three approaches are necessary, viz., public, private and PPP, but with consistent ground rules to do away with lot of ills associated with private initiatives. − Private initiatives should not be driven by profit motives and confine attention to ‘commercially viable’ sectors like professional courses, but should also offer social and natural science courses. − Given considerable misuse of provisions and pending decision of Tandon Committee on Deemed Universities, UGC should suspend sanction or recognition of new deemed universities
12	2012	Narayana Murt hy Committee,	Create enabling conditions to make HE system robust and useful to attract private investments. Improve quality of HE with corporate participation. Engage corporate sector to invest in existing institutions, set up new ones and develop new knowledge clusters.
13	2012	AICTE	Listing of un approved institutions
14	2013	FICCI Education Summit	Create enabling environment with less barriers for private and foreign participation. − Change from government as a single provider of funds to a situation where students, researchers and faculty can source funds from multiple sources to ensure autonomy and freedom from any control or accountability.
15	2020	MHRD	National Education Policy, Government of India

Table 3: Data Structure

Illustrative quotes from interviews	First Order Codes	Second Order Codes	Aggregated Theoretical Construct
A1: finally, we got this 2.82 acres of land to build the school … *A2: 60 acres of land now imagine 60 acres prime land which was now it's a Delhi…* *A3: try getting land… even if we have inroads, we will get land maybe 200 kilometres from the main city…* *A4: they've got access to government in power and they've been granted land…* *A5: so it's the greed for land that, you know, let's just get the land set up something after 10 years, when it fails, the land will be mine, and I'll do something else with it…*	A: Land A: Location	Aggregation & consolidation of land resource	
B1: so if somebody is looking at air conditioned school, which was for very affluent class, mineral water, and air conditioned yellow buses… *B2: these yellow buses are a revolution in the country because safety, security, less pollution and comfort of the children made a revolution and everybody was then following…* *B3: so he said overall development of a child has to be activity based…* *B4: so you had a music room, you had an art room you are at the dance room, you add a multi-cultural room and stuff like that, which changed the concept…* *B5: we started education city… it took five years… is a long time to invest taking loans* *B6: we thought of [having] a boarding school which will be again out of the world thing…* *B7: trees coming from Calcutta and something coming from Madras and furniture being shifted from Port Blair… again something which was exclusive and unique…* *B8: you as a partner was providing the basic infrastructure… intellectual infrastructure was coming from UK…* *B9: Focus on higher education with premium infrastructure with local degree…*	B: Air-conditioned classrooms B: Fleet of modern and low emission buses B: Security infrastructure B: Activities room B: Global standards B: Education City	State of the art infrastructure	Bundle of Organizational Resource (VRIO)
C1: Catering to the elite and aspirational middle class, disrupting the hill-station based boarding schools… *C2: we had some students who came in from the diplomatic community…*	C: Aspirational middle class C: Diplomats C: Indian Diaspora	Goodwill and reputation	

C3: lot of calls from the Middle East, Sharjah, Dubai, Doha and certain other countries that do you have boarding facility, which obviously was not it was purely a day school…. *C4: then you had son of that Miss India…* *C5: the idea of opening PET BS was to introduce Foreign education to offspring of upper middle class/successful business class who could afford foreign education at the undergraduate level…*	C: Foreign MNC executives		
D1: followed the same curriculum as done by other established schools… *D2: secured IB and was only option for IB other than the American school…* *D3: we got a Spaniard gentleman, to be the Head of School at that time…* *D4: if you look at higher education, there'll be at least 20-30 different acts that will apply…* *D5: Since you are running a boarding school you had the NOC from 10 other departments apart from the 37 departments and our managers got that approval…* *D6: foreign partnership to gain legitimacy….* *D7: I feel UKU quality of education is like really good…*	D: Differentiation for target market segment D: Managing Bureaucracy D: Market legitimacy Experience	Managerial capability for adaptation	
E1: students handpicked from the first School for the dry run to see how the whole thing is operating, how the boarding is functioning… *E2: I think a lot of people Hari Walia, Kulkarni, all these people and firms partnered and contributed in the support in developing the new state-of-the art infrastructure…* *E3: I remember we demolished and recreated again because he wanted a certain structure to come in, which would satisfy the PET owner.* *E4: this meant a lot of hard work a lot of effort, dedication, apart from the money which went down the drain at certain times…* *E5: For the first time school buses were designed that had… seatbelts for children… separate drivers cabin…all edges were rounded … the focus was on safety, security and cleanliness*	E: Intrapreneurship E: Managerial orientation E: Building partnership E: Organizing and deploying resource	Operationalization of the tangible resources by managers	Dynamic Capabilities
F1: we had no clue of higher education but UK University [was] coming to guide us… *F2: have a buddy system staff development on academic teaching & learning…* *F3: it came from a curriculum, from a structure, from training…* *F4: I taught research methods course for BBA, which is uncommon in Indian Universities…*	F: Quality F: Research F: Curriculum & Pedagogy F: Knowledge Transfer	Leveraging foreign collaborations	

F5: I realized, student experience is so critical in the Universities and there was probably scope of so much more…	F: Student Experience		
G1: New Education Policy 1986, Privatisation in all sectors of education encouraged *G2: Economic liberalisation of the Indian Economy 1991* *G3: GOI Merit to Non-Merit status of Higher Education* *G4: Reducing public subsidy for higher education* *G5: Private universities allowed UGC approval* *I1: Private institution which were labelled "Deemed University" could use "University"* *I2: Deemed University had to drop "University" or write "Deemed to Be University"* *I3: Failure of parliament to pass the Foreign University bill* *I4: AICTE 2012 listed unapproved institutions* *I5: Focus on higher education with premium infrastructure with local degree*	G: Economic liberalization G: Reforms in higher education sector I: Policy "U" turn I: Preferential treatment local HEIs	Privatization in education sector Regulatory ambiguity	Institutional Change

Figure: 1 Conceptual Framework

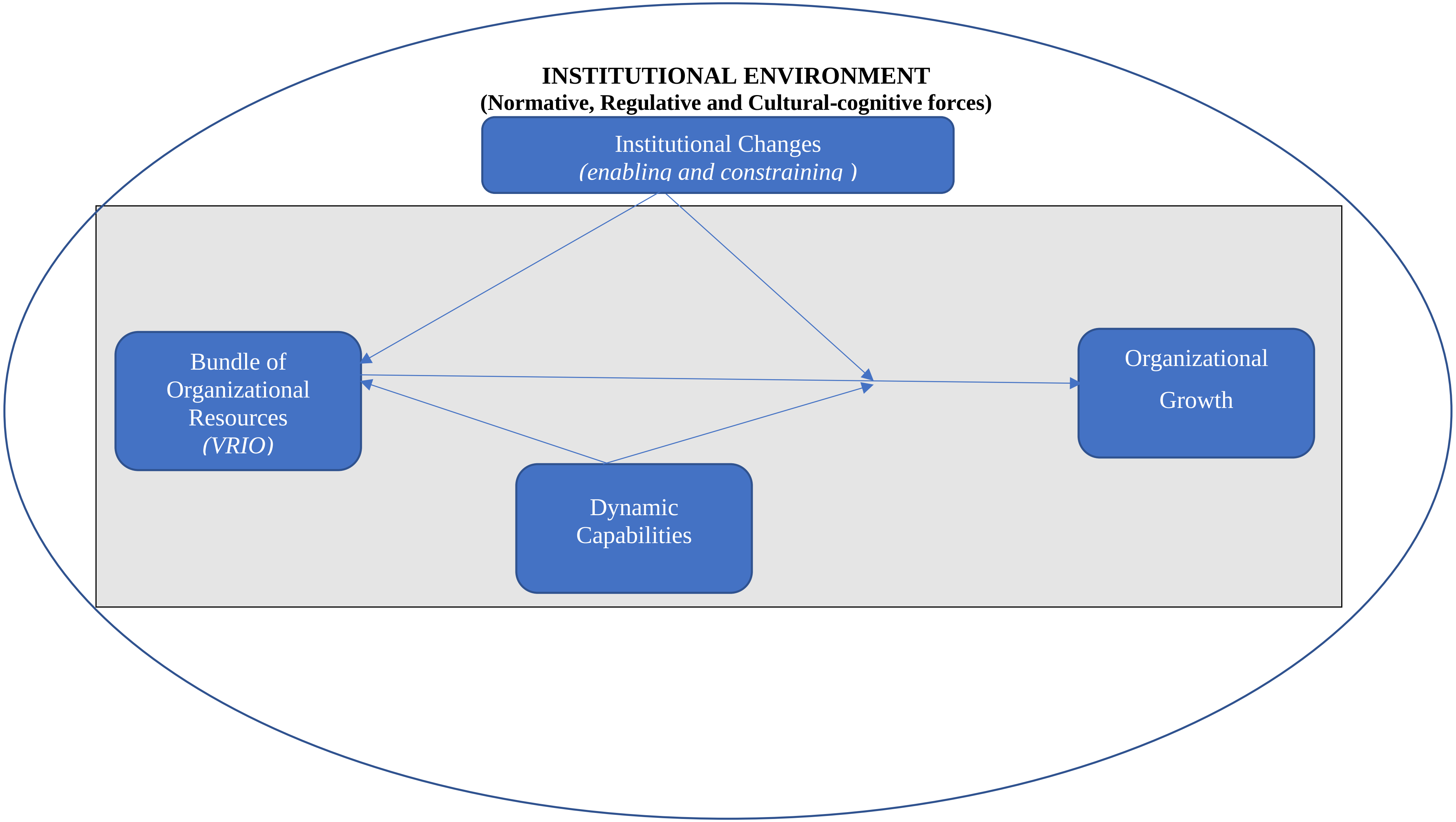

Figure 2: Evolution of PET – 1982-2013

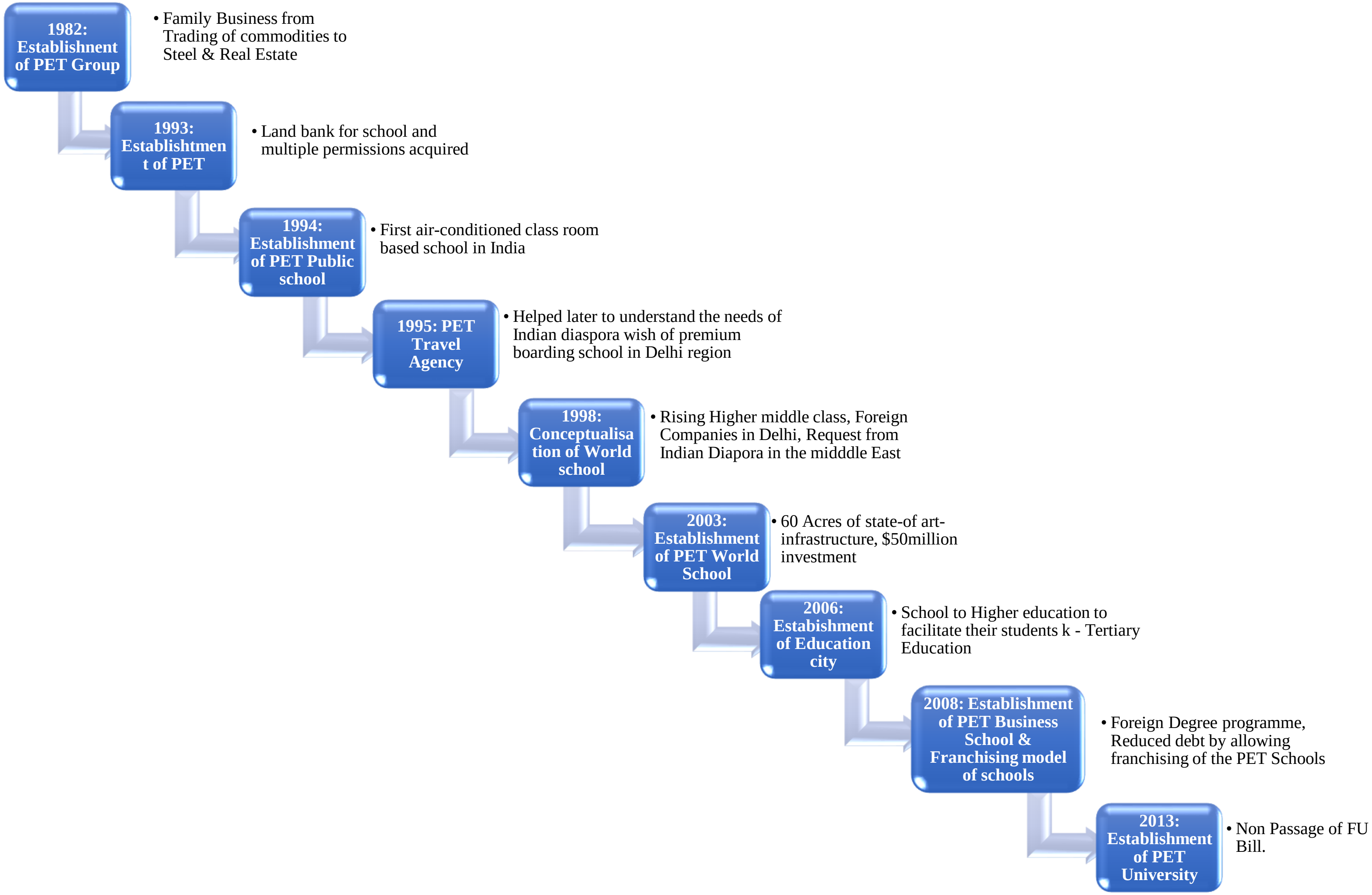

Figure 3: Overview of PET's presence in India's Education Sector (spanning Primary, Secondary and Higher Education sectors)

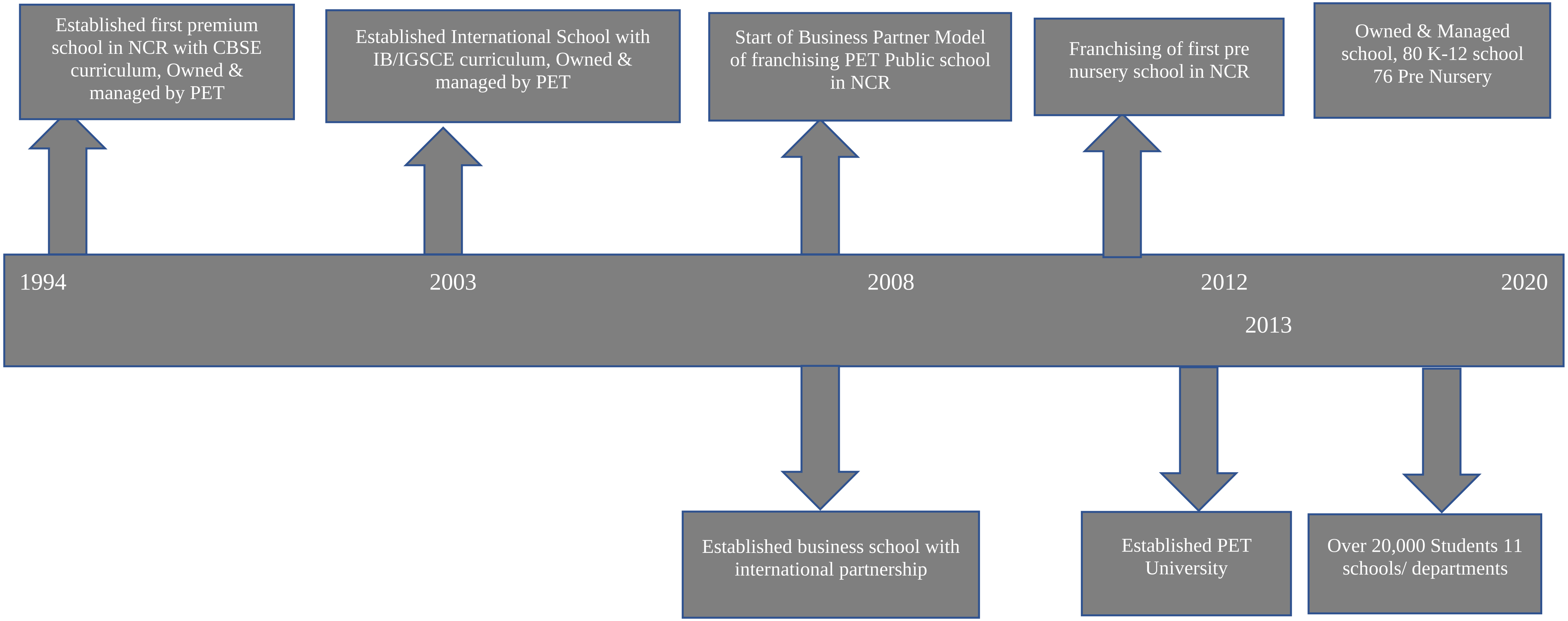

Figure 4: Institutional changes in Indian Higher Education Sector 1990 – 2020

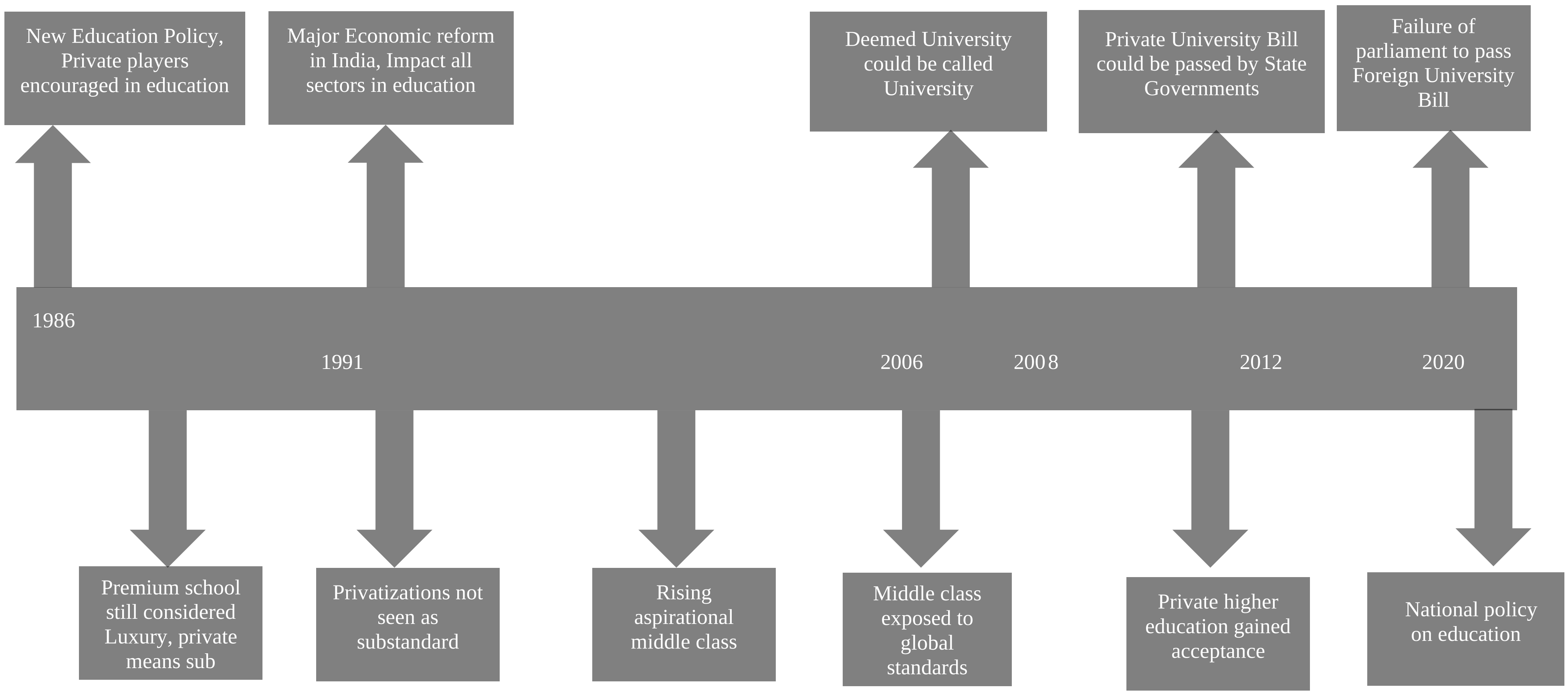

Figure 5: Concept Map