

## **Low Power Actors Shaping External Regulatory Environment: A Resource Dependence View**

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Previous research on firm's strategic adaptation in response to change in external environment was focused firm strategies and capabilities in adjusting internal organizational structures and processes. However, whether and how firm's survival and growth may be contingent on its ability to exploit opportunities that are created in the regulatory environment has been relatively understudied. Drawing on the Behavioral Theory of the Firm concept of "negotiating the environment" (Cyert and March, 1963) and the subsequent development of Resource Dependence Theory (Pfeffer and Salancik, 1978), the findings reveal how low power firm (e.g. resource poor firm) can deploy various strategic actions in shaping external environment. By adding low power actors lens into the prior work, this study thus enables a better understanding of institutional complexity and heterogeneity in firm strategic responsiveness to change.