Chapter 7
Academic Implications
**Academic Implication:**

- The study contributes in the theory development of Organizational Slack and Adaptive Capability literature on the nature of the relationship with firm performance. The study further contribute to the theory development on the competitive mediating nature of Slack and adaptive Capability.

- The study further contribute to the importance of exploring Adaptive Capability and Organizational Slack as a multidimensional construct view rather than single composite construct.

- The study contribute to the importance of exploring Adaptive Capability and Organizational Slack as second order variable, since individually as a first order, these constructs behave differently with Slack resources and firm performance but as a second order behave differently like a football and Cricket game in which there will be difference in variation of performance on individual player but overall the team wins. This inference suggests that we can’t ignore any sub constructs while analyzing adaptive Capability or Organizational Slack.

- The study further highlights mechanism and role of Product Market Response and Speed of Response in the nomological network as *ex post* capabilities which may not consume resources. This frame work supporting the earlier literature which considered Capabilities as Mediator between organizational Slack and firm performance.

- The study also suggest that all type of slack except Human Resources Slack (HRS) is significantly related to firm performance and validated through Indian scenario. The study also first time included all type of adaptive Capabilities, apart from including
Market and Product Market only. By borrowing constructs from (Gibson & Berkinshaw) and (Akgun et al, 2012) the research has given a comprehensive shape to Adaptive Capability as a multidimensional construct.

- The study further identified the discrepancy in the Adaptive Capability to Firm performance framework with and without inclusion of Product Market Response (PMR) and Speed of Response (SR). The Non Market Strategy requires mediation of Speed of response (SR) and Product Market Response (PMR) in the theoretical framework besides having Organizational Slack to achieve firm performance. However, In contrast the Organizational Adaptive Capability (OAC) and Market Adaptive Capability (MAC) can manage firm performance without inclusion of Speed of Response (SR) and Product Market Response (PMR) in the framework. This phenomenon suggests that Indian companies achieve performance not based on Schumpeterian rent creation.