

APPROACHES TO STRATEGIC MANAGEMENT OF BANGKOK THEATER NETWORK

Jusana Techakana

Department of Business Administration
King Mongkut's University of Technology North Bangkok

Ronachart Butsaenkom

ASTV, Bangkok

Received: March 23, 2020; **Revised:** April 5, 2020; **Accepted:** May 22, 2020

Abstract

This research is a qualitative research with objectives to study the current state of strategic management of Bangkok Theater Network (BTN), and to look for an efficient and effective strategic management for BTN. The methods employed to collect the data is participant observations and in-depth interviews with stage play producers in the network, commercial stage play producers, and scholars in the field of stage performance. The findings reveal that the working platforms of the network are: 1) exposing the existence of the network to uphold stage performing arts. 2) looking for stages to present stage played in Bangkok, and 3) sustaining the heritage of stage performing arts among young cohorts. It is found that member of the network operate in a flexible manner. There are three types of member, namely 1) ordinary members, 2) extraordinary members, and 3) academic members. The structure of management has 4 departments—1) production, 2) art direction, 3) programming, and 4) co-ordination. There are three sources of revenue—1) collecting form member fees and ticket selling for all performances, 2) pool money of the network, and 3) sponsorship. Members of the network closely work together in family fashion. They have strong artist inclination, shared values with passion for stage performance arts, high potential, and strong projection of self existence. The most valuable asset of the network is the sustainability of talented human resources who love performing arts. Being executives of the network is voluntary to do tough jobs intensively. Each executive respects individualism; they reciprocally admire each other's expertise. An approach to a strategic management has been coined by the authors as STRONG ACT.

Key words: Strategic Management, Bangkok Theatre Network, Stage Play

Introduction

Stage play is a form of communication employing themes and plots to tell stories and convey messages with scripts and performances. Its purpose is to create drama emotions among audiences. When a stage play can implore empathy among audiences as a producer wishes, it can be used to mobilize societies and set social agendas. Hongwiangchan (2008) states the significance of stage play that it is influential, it reflects social realities, and it presents problems and solutions in its development of plot.

For several decades, commercial stage plays are gaining popularity. They are presented in big theaters. Many production groups producing commercial stage plays are competing aggressively. On the contrary, a theater network of producers producing small community stage plays is losing its popularity. It is no longer an alternative choice of entertainment as it used to be in the past. The group of audiences becomes smaller and smaller. Audiences are now familiar with extravaganza costumes and stages of commercial musicals, which feature attractive super stars. Small stage plays are perceived to be trivial with

little value because stages and costumes are not extravaganza, and actors and actresses are not popular. Consequently, small drama stage plays are no longer enchanting.

In the past, there are many small theaters for small community stage plays to perform. At that time, Thailand did not have a big theater for extravaganza musicals. Only a small number of audiences appreciate small dramatic plays. There was no marketing promotion to build popularity for those small stage plays. However, when Rajadalai Theater was erected, and has always featured musicals with aggressive marketing promotion, the number of audiences has increased tremendously. Many of these audiences believe that good stage plays must be presented in the form of musical. They perceived dramatic stage plays as stage performances with low quality. This is one of the causes of small dramatic stage plays losing popularity, and it motivated producers of small dramatic stage plays to do something to survive. One of the solutions is to set up a theater network of small stage play producers to work together in order to sustain the existence of small drama stage plays for social propose.

Bangkok Theatre Network – BTN was formed in 2002 to sustain small stage plays as alternative stage performances. It is now the largest network of producers of small entertaining stage plays and community stage plays for certain social purposes. At the beginning, the network organized an event called “The Colorful Bangkok Stage Plays”. Later on, the event was transformed to become “Bangkok Theatre Festival” (BTF). The event takes place in November every year. The event lasted for 13 years in 2015, and there was not the festival in 2016. The event featured small dramatic stage plays by many producers with supports from scholars in the field of performing arts and many performing arts lovers. The festival was designed to express an idea that small dramatic stage play producers were not alone; they have devoted fans who would loyally support them.

Bangkok Theater Network is an organization that should be supported for them to be able to produce good dramatic stage plays for the public. What it needs is efficient and effective strategic management to survive the current aggressive competition. Executives of the network must have strategic management competency. They should be able to formulate a strategy to manage the network in this competitive context.

This research was conducted with the framework presented by Scribner and Brinkerhoff (2000). The framework consists of the following elements: 1) direction setting, 2) environment scanning, 3) strategy formulation, 4) strategy implementation, and 5) evaluation and control. Not only is the research beneficial to Bangkok Theater Network, but it is also beneficial to other small networks that are encountering the same situation. The findings will help develop and sustain the existence of stage performances that are not extravaganza musicals. Small dramatic stage plays must be a part of entertainment for those who love stage performing arts. Their popularity has to be revitalized. They should be commercially viable, and their incomes should be a sizable part of the country’s GDP. This can happen only when small dramatic stage plays are popular, and audiences are willing to pay to see the plays. An efficient and effective strategic management appears to be a mandatory solution.

Research Objectives

1. To study the current situation of strategic management of Bangkok Theater Network.
2. To look for an approach to the strategic management of Bangkok Theater Network.

Literature Review

Drucker.P (2001) stated three management functions, including strategy formulation, resource allocation, and teamwork building. A strategy is a logic of being superior to competitors. Porter (1985) suggested that five forces be analyzed in strategy formulation. The five forces are competition, power of suppliers, power of buyers, new entrants, and substitutes. Thus, strategic management can be defined as a measure to be superior to competitors by deploying resources efficiently and effectively with a good team work. Meier, O’Toole, and Walker (2006) say that strategy content is an important influence on

organizational performance; it is a subset of generally accepted management functions. The strategic management has an impact on organizational performance. The concept of “management” captures directional aspects of managerial effort, management quality, managerially shaped human resources features, and managerial strategy.

Barney (2002) discusses the book “Competitive Strategy: Techniques for Analyzing Industries and Competitors,” by Michael E. Porter. He admires Porter's intellectual prowess in acknowledging the components of strategic management, and then focusing on a single objective of strategic management with a key purpose being value creation for all stakeholders involved in the operation of an organization.

Pienaar and Penzhorn (2007) introduced the concept of the Balanced Scorecard, followed by an outline of the implementation of the Scorecard on both the strategic and operational levels. It concludes by examining the ways in which the Balanced Scorecard is currently being used to facilitate the effects of strategic management in four dimensions: finance, customer satisfaction, organizational learning, and personal growth among human resources. Other than financial profits, the concepts of Balanced Scorecard pay attention to social and cultural profits as well. These concepts are essentially important in the management of public and non-profit organizations.

Nonaka and Toyama (2007) state that effective strategic management requires distributed wisdom (which the philosopher Aristotle called “phronesis”). Strategy is created out of one's existential belief or commitment to a vision of the future, the ability to interpret one's environment and resources subjectively, and the interaction between subjectivity and objectivity. These abilities need to be distributed among organizational members. Strategy as distributed prognosis thus emerges from practice to pursue “common goodness” in each particular situation since a firm is an entity that pursues a universal ideal and a particular reality at the same time. Such idealistic pragmatism means that in a specific and dynamic context, knowledge can be created and refined to become wisdom. People involved in organizational performance will synergistically form and manage approaches to organization performance; collaboration will be dependent upon and shaped by the organizational and management characteristics of partners engaged in cooperative activity.

With concepts reviewed above, a research framework has been developed as follows.

Research Framework

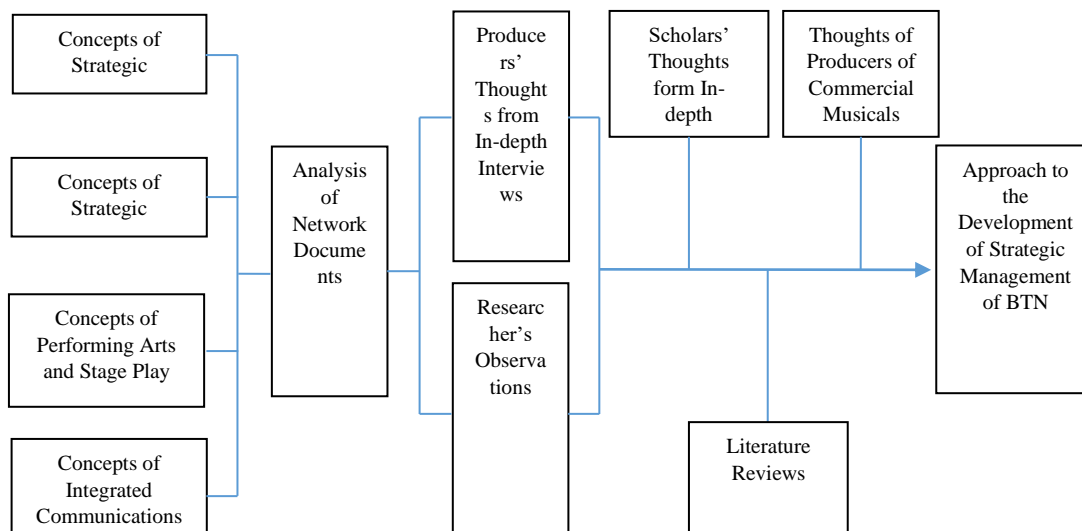


Figure 1: Research Framework

Research Method

This research is a qualitative research with three groups of key informants. They are: 1) producers of small stage plays who are members of the network, 2) producers of extravaganza commercial musicals with records of success, and 3) scholars in the field of performing arts who have involved in certain productions.

There are three research instruments; they are: 1) document analysis, 2) in-depth interviews with the three groups of key informants, and 3) participant observation by the authors. The research procedures are as shown below.

Table 1: Research Procedure

Steps	Instruments	Results
Step 1: Current situation scanning from documents	Document analysis	Research framework and interview Questions with key informants, and schedule for participant observation
Step 2: Study current strategic management of BTN	In-depth interviews and participant observation	Knowledge on the current strategic management of BTN (answers to the first objective)
Step 3: Compiling and analyzing contents to come up with a strategic management for BTN	Contents analysis of contents from the documents and interview answers	A strategic management of BTN (answers to the second objective)

Research Findings

1. Operation Platforms:

1.1 Long-term Vision: BTN has a long term vision to occupy a place in the arena of performing arts with a mission to sustain the heritage of dramatic stage plays for people who have passion for stage plays.

1.2 Medium-term Vision: For the medium term vision, BTN aims at being the organizer of a stage play festival to create opportunities for producers of small stage plays to present their works to the public.

1.3 Short-term Vision: The short term vision is to transfer knowledge and skills of performing arts to younger generations, so that they will help sustain the heritage.

2. The Structure of BTN:

2.1 Membership: The members work together with a flexible manner with three types of member: 1) ordinary members, 2) extraordinary members, and 3) academic members. Ordinary members work together without hierarchy, and they are individuals responsible for the organization of Bangkok Theater Festival. There are four functions in the organization of Bangkok Theater Festival: 1) production, 2) art direction, 3) programming, and 4) coordinating. Sources of revenue are: 1) collecting from membership fees and ticket selling, 2) pool money of the network, and 3) sponsorship.

2.2 Culture: The findings reveal that culture of BTN manifests that the members working together with a family fashion. It reflects Thainess in their working styles. The relationship among

members is informal. All of them have high artistic inclination with high potential and strong respect for individualism.

2.3 Assets: The most important asset of the network is the pool of human resources. Each member is artistically talented; however, they do not have high management competency. One of management requirements is to look for theaters of auditoriums to present productions of the network. This is a tough job, because Bangkok does not have many places to be used as theaters for stage performances.

3. Environmental Elements of BTN

3.1 Political Environments: Places to present stage plays are not easily accessible, because most of them are not in a business district, and are not on main streets. This results in a small number of audiences. It is recommended that executives look for places that are easily accessible to increase the number of audiences. This is a tough job, because places with easy access charge high fees, and the network cannot afford. Small stage plays frequently political themes and plots. Though they are dramatic, they are hard stories that need serious thoughts to appreciate and digest. Some audiences might not have a catharsis at the end of some plays. They are not as entertaining as musicals, which have light hearted stories and extravaganza dramatic elements.

3.2 Economic Environments: Economic conditions do not have high impacts on audiences' decisions to see a show, as they can come with a small fee or without paying at all. This results in a small amount of money from ticket selling. Loyal fans of the network have been conditioned that they can see a play for free or by paying very little, thus, it is difficult to ask for a higher fee, as it might have an impact on a decreasing number of audiences. Political themes and plots also make it difficult for the network to get sponsorship, because many commercial enterprises want to appear politically impartial. This results in a small budget for each producer to produce a play. The fact that a budget to produce a play is limited can constrain creativity in producing a small stage play.

3.3 Social and Cultural Environments: The social and cultural environments do not have negative impacts on the production of small stage plays. On the contrary, they are raw materials as components of plots, as small stage plays frequently present social, cultural, and political issues of the society. Producers and script writers of small stage plays are very observant and perceptive to look for social and political issues to be messages of their plays.

3.4 Technological Environments: Technological developments enhance the production of all stage plays. Producers and their technical assistants have learned how to use innovations in technological developments to improve their presentation to be catering to the needs of audiences who are now natives of Digital Nation. Not only are technologies used in the production, they are also used in marketing communications.

4. Operation of BTN

4.1 Policy: It has been agreed among the members that they all work for the network as volunteers. Executives of the network will not interfere with the internal management of any production. A notable landmark of policy changes is when the network withdrew from Banglumpoo Community, which has an image of an old town of Bangkok, to move the network center to be located in Bangkok Art and Cultural Center (BACC). This move has projected an image of the network as a part of cultural arts.

4.2 Commercial Operation: BTN operates as a non-profit organization of cultural arts. The network differentiates itself from commercial play producers with social and cultural capital. Being small stage play producers in a non-profit organization, they have to produce plays with limited budgets. A low ticket fee is another differentiator perceived by the audiences who love stage performances. Despite the fact that they have limited budgets, producers of the network have learned how to deploy advanced technologies to enhance the enchantment of their productions.

4.3 Operation Practices: The network gives priority to ordinary members to set directions of the network. They are authorized decision makers in all aspects of operation. They alternate to be on the organization committee of Bangkok Theater Festival in each year. The other members must honor decisions made by members on the committee.

5. Operation Mobility

5.1 Mobility Plan and Staffing: The mobility plan gives equality to all producers. When producing a play, producers can do their own casting. Only in the organization of Bangkok Theater Festival, members will be assigned to work in one of the four working functions, namely production, art direction, programming, and coordinating. Executives of the network do not dictate who will be in what function, but there will be a meeting session to choose members to work in one of the four functions. In this case, members will be encouraged to register as ordinary members, so that they will be qualified to be on the organization committee of Bangkok Theater Festival. Members who are well equipped with knowledge and skills of event organization will be chosen.

5.2 Structure Modification and Human Resource Delegation for Bangkok Theater Festival: The chairman of each function will have liberty to choose people to be in his team. The chairman will be empowered to make decisions in a decentralization fashion for agility. The committee work with trial and error policies with close monitoring, so that problems will be mitigated promptly when they occur.

5.3 Operation Modification and Human Resource Development: Each element of the festival organization will be flexibly executed without strict rules and requirements. Human resources working in the project will be particularly trained for each job by means of workshop camp. The training programs include both knowledge and skills of event organization. Some members who are on the organization committee will be selected to be trained abroad. The training objectives are to teach them how to create competitiveness for small stage plays, to develop acting skills, and event organization skills.

5.4 Work Assignment among Members of the Network: Work assignment is done through meeting sessions. This is done before the chairmen of all four functions will select people to work in their team. There are no dictatorial commands from executives of the network. A two-way communication is used instead of commanding. It is obvious that the network is an organization that complies with principles of liberty and equality.

6. Evaluation and Controlling

6.1 Operation practices of the network have been vigorously evaluated, especially in the first few years of the festival organization. Objectives of the evaluation are: 1) to document all elements of the festival organization to report to sponsors and the government offices that support the festival, and 2) to document criticism of critics and scholars who participate in the festival.

6.2 Controlling: The controlling measures consist of 1) budget control by the budget controller of the festival, 2) producers' budget controls of their own productions, including expenses and incomes from ticket selling for their respective plays, 3) controlling the use of government subsidies, 4) and controlling the interference of private enterprises that sponsor the events, so that they will not interfere with artistic creativity. Although producers of all plays have liberty to manage the creativity of their production, they are liable for their contents and presentation. Producers have liberty of casting; it is believed that audiences' judgment is a good control of plot and casting; thus, there is no need for the network to control these two elements of stage play production.

Conclusion and Discussion

The findings will be discussed within a theoretical framework of the concepts appearing in the literature review.

1. Directions to Create a Unique Identity of BTN

1.1 Vision: BTN has established its identity as a group of stage play producers, and the network is now strong enough to sustain the heritage of small stage play arts and culture. However, many members of the network hope that, in the future, Bangkok Theater Festival will be a major event with a larger number of audiences. This is a concept to regard human resource as an important asset of the network.

1.2 Mission: All members of the network urge that Bangkok Theater Festival be organized annually. It is a pivotal element to sustain the heritage of small stage play arts and culture. This is a strategy to use collaborative wisdom to enhance the performance of the network.

1.3 Goal: The main goal of the network is to transfer knowledge and skills of stage play production to younger generations, so that they will uphold the heritage. They believe that younger generations with knowledge and skills of stage play production and operation are mandatory to sustain the heritage of stage play arts and culture. This also emphasizes the importance of human resource development in strategic management.

2. Policies to Create Social and Cultural Profit to Project BTN Identity

2.1 The group will go on working together as a “network”, and will not change to become a federation or an association. Many members believe that a network will be more flexible and agile than a federation or an association.

2.2 Members of the network will be volunteers, as they do have their own occupations to earn money. Despite the fact that they may not make a lot of money for each production, they have to concentrate on social and cultural profits. This is the unique identity of BTN.

2.3 The producers who are members of the network will continue to produce plays with social and political implication, despite the fact that it is not commercially viable. They believe that producing plays that are commercially viable will constrain their creativity.

3. External Factors in Accordance with Porter’s Five Forces

3.1 New Entrants: New competitors are stage play producers in universities. These producers are funded by university budgets, and they have advanced technologies for production. On one hand, they are competitors; on the other hand, they motivate producers of the network to improve their production to be more competitive.

3.2 Buyers: Audiences prefer musicals to small dramatic stage plays. They are willing to pay more to see a musical, but they are not willing to pay a high fee to see a small dramatic play without extravaganza stages and costumes.

3.3 Suppliers: There are the large numbers of suppliers who rent light, sound, and other technical equipment that facilitates and enables production innovation.

3.4 Competition: The network is now the only network of small play producers. There are no competitors in the form of network or federation. However, it has to compete with new competitors that appear as substitutes.

3.5 Substitutes: University stage plays produced as thesis work are substitutes for stage plays of BTN. These substitutes are likely to grant free entrances to audiences. This can result in a situation in which plays of BTN cannot charge a higher entrance fee, or sometimes have to grant free entrance.

4. Strategy Formulation with Collaborative Wisdom

4.1 Each producer has liberty to formulate his own strategy of production and management. Executives of the network will not interfere. There is not a corporate strategy to direct or control a strategy of any production. This will reduce workloads of the executives of the network. The formulation of strategy is decentralized, and producers who are members of the network are happy with their freedom.

4.2 In terms of a business strategy, it is recommended that each play be produced with a low budget with an emphasis on differentiation. Differentiators include themes, plots, scripts, and innovative technologies.

4.3 In terms of operation strategy, members must alternate to be on the organization committee of Bangkok Theater Festival. This strategy is still controversial. Some think that it is nice for members to alternate; others think that it is better to have experienced members be committee members for several consecutive years. Finally, they choose to alternate, and share their experiences of each year.

5. Implementation of Strategies with Effective Leaders and Member Participation

5.1 The network has an effective leader who has knowledge and skills to manage the complexity of teamwork as stated by Pearce and Robinson (2009).

5.2 In order to implement all strategies efficiently and effectively, members use three tactics: 1) putting the right man on the right job, 2) developing core competencies and leveraging competitive advantages, and 3) devising a right structure of the working group.

6. Evaluation and Control in Accordance with Balanced Scorecard Concepts

6.1 Members who are producers of stage plays freedom to produce without any interference. However, they have to make sure that they have innovative creativity to differentiate their productions. Their plays must have inspiring messages for audiences. This is the dimension of customer satisfaction.

6.2 Quality control is done through informal discussion. The discussion will look into the amount of time to perform, and the value of a play. This is an internal process development—the organization learning dimension.

6.3 Members alternate to be on the committee of Bangkok Theater Festival for them to gain experiences in festival organization. All producers will use their liberty to develop innovation for their production. This is the personal growth of human resources.

6.4 Producers have to manage their own budget. The idea is to be aware that they have limited budget; therefore, they have to produce low-budget plays. At the same time, they must use digital social media platforms to conduct marketing communication campaigns to increase a number of audiences to create profits. This is the financial dimension.

Approaches to the Development of Strategic Management of BTN

In accordance with the analysis of data, the authors would like to propose an approach to the development of BTN's strategic management as a paradigm entitled "STRONG ACT", which is an acronym with the following details.

S = Social Supports: More audiences who appreciated the value of small dramatic plays, and willing to pay higher fees.

T = Technology: Producers leverage developed technologies to create innovation for their production; they have to learn to be technology savvy. At the same time, they should learn how to use digital technologies for marketing communication.

R = Rebranding: Small dramatic stage play should be positioning as an alternative form of stage performance, not a genre of play inferior to musicals. Public relations should be used to educate the public on different genres of play.

O = Organization: The organization cannot operate without hierarchy; it cannot be a flat organization without a definite line of command. Empowerment is good, but a good organization, as a system, needs hierarchy.

N = Network: Other than an internal network, there should be external network as well. This will create strategic alliance to promote and sustain the heritage of small dramatic stage play arts and culture.

G = Government: The government should support and subsidize the production of small dramatic stage play by regarding it as a part of recreational culture. The Ministry of Culture and the Ministry of Tourism and Sports should synergize to promote Bangkok Theater Festival by making it a major event to enhance culture and tourism.

A = Arts: All producers must show their artistic talents in their protection. They have to cultivate audiences to perceive that performing arts can be appreciated without extravaganza stages and costumes that they see in musicals.

C = Commercial: Members of the network must realize that it is not possible for the heritage of small dramatic plays to be sustained if all plays are not commercially viable. Money is essential to achieve quality of a play.

T = Technology: Advanced technologies must be used to enhance production with innovative techniques. At the same time, digital marketing should be used for marketing communication. All social media platforms should be used to educate the public to appreciate the value of small dramatic plays.

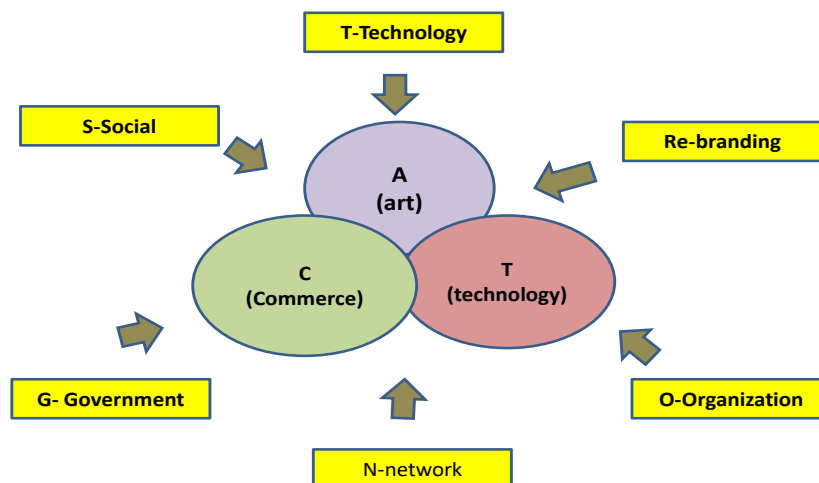


Figure 2: The “STRONG ACT” Paradigm

Recommendations:

1. BTN should reform their strategic management to be more professional.
2. BTN members must change their mindset to produce plays that are commercially viable.
3. BTN must launch a strong marketing communication strategy to educate, cultivate, and persuade audience to understand different genres of play, so that they will perceive values of small dramatic stage play as much as they perceive values of musicals.
4. BNT must make an attempt to do the external networking to get supports from government offices and private enterprises to expand the audience base.

References

- Attapol Bumjongwut. (2011). *The Management of Cultural Network: A Case Study of Theater Network: Bangkok*. Thesis Master of Arts., College of Innovation Thammasat University, Bangkok.
- Bangkok Theatre Network (2014). *BTN*. Retrieved on October 3, 2019 from <http://bangkoktheatre network.com/site/about>
- Barney. (2002). *Academy of Management Perspectives Volume 16 Issue 2 Articles Strategic Management*: From informed conversation to academic discipline.
- Belch, G.E., and Belch, M.A. (2006). *Advertising and Promotion: An Integrated Marketing Communications Perspective*. (6th Edition.). Boston, NY: McGraw-Hill/Irwin.
- Chatreewisi Raywat. (2010). *Strategic Management*. Bangkok: Image Interprets.
- David Pickton and Amanda Broderick. (2005). *Integrated Marketing Communications*. (2nd Edition). Harlow: FT/Prentice Hall.
- Don E. Schultz, Philip J. Kitchen. (2000). *Communicating Globally: An Integrated Marketing Approach*. Lincolnwood, III.: NTC Business Books.
- Hongweangchan Apaphat. (2008). *Adudiences Media Exposure to and Satisfaction with Mung Thai Rachadalai Theatre*. M.Ed. Thesis., Sukhothai Thammathirat Open University;
- John A. Pearce II, Richard B. Robinson, Jr. (2000). *Strategic Management: Formulation, Implementation, and Control*. (7th Edition). Boston: Irwin/ McGraw-Hill.
- Kenneth J. Meier, Laurence J. O'Toole, Jr, George A. Boyne, Richard M. Walker, (2006) *Strategic Management and the Performance of Public Organizations*: Testing
- Nonaka, Toyama (2007) *Strategic management as distributed practical wisdom (phronesis)* Industrial and Corporate Change, Volume 16, Issue 3, June 2007, Pages 371-394, <https://doi.org/10.1093/icc/dtm014> Published:
- Pearce, J. A., & Robinson, R. B. (2009). *Strategic Management: Formulation, Implementation and Control*. (11th Edition). New York: McGraw-Hill.
- Peter F. Drucker. (2001) *The Essential Drucker* by Harper Collins Publishers, Inc.
- Phanthomkomol Sodsai. (2007). *Performing Arts (Modern Plays)*. in Noppamas Warwhong (editor), **Bangkok**: Faculty of Arts, Chulalongkorn University
- Pienaar and Penzhorn (2007). Using the Balanced Scorecard to Facilitate Strategic Management at an Academic Information Service SA *Journal of Industrial Psychology* | Vol 33, No 2 | a378 | DOI: <https://doi.org/10.4102/sajip.v33i2.378> | © This work is licensed under CC Attribution 4.0
- Porter, M. E. (1985). *The Competitive Advantage: Creating and Sustaining Superior Performance*. The Free Press A Division of A1acmillan, Inc. New York.
- Scribner, S. and Brinkerhoff D. (2000). *Policy Toolkit for Strengthening Health Sector Reform Section*. Introduction to Strategic Management, 5, 5-3.
- Witthayudom Wichian. (2010). *Strategic Management* Bangkok: Thanatach Printing.