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Book Reviews : Roger Spear and Henk Voets (eds.): Success and Enterprise. The Significance of Employee Ownership and Participation 1995, Aldershot, U.K.: Avebury. 200 pages

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[What is This?](#)

It is quite possible that, in reviewing this book, I have missed something in its overall structure and have failed to see 'the forest from the trees'. During my career as an academic, I have come to believe that scientific works are much closer to works of art than we generally believe, and therefore beauty is often 'in the eye of the beholder'. Nevertheless, for this reviewer at least, it is not clear that the book succeeds in its attempt to provide a cognitive perspective on group performance, or how far the notion of 'tuning' will take us in that direction. The main function that the 'tuning' hypothesis seems to play is in organizing existing theories in a slightly different way. To continue the art metaphor, the book seems to have succeeded in putting a different frame around the existing picture but the picture itself has not changed very much.

I would recommend the book to those who would like to take a slightly different route through the social psychological literature on small groups. This is a useful achievement in its own right and will serve to keep alive the flame of traditional social psychological research into small groups. In terms of the authors' more ambitious aims of providing a cognitive re-interpretation of the small group literature, I judge the book to be less successful.

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Roger Spear and Henk Voets (eds.): *Success and Enterprise. The Significance of Employee Ownership and Participation*

1995, Aldershot, U.K.: Avebury. 200 pages.

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This book, edited by the British expert on cooperative research, Roger Spear (Open University), and the Dutch sociologist, Henk Voets (Technical University of Delft), presents the findings of the research project 'Success in Entrepreneurial Activities', carried out in 19 Dutch enterprises with special emphasis on workers' participation both in decision making and in enterprise capital. The research design, the main findings and the conclusions are presented in Chapter 4 by Henk Voets on 'Workers' Participation, Self-management and Success in the Netherlands', supplemented by the results of a survey in 69 Dutch participative enterprises (B. Heijnen and H. Landsmeer). Not surprisingly, the authors emphasize the importance of establishing an (internal) market where shares can be bought and sold as well as the need for organizations supporting the development of workers' participation.

Around this 'core' of the book, the other chapters — or rather papers — are assembled, starting with an overview by Jacques Defourny and Roger Spear on the 'Economics of Co-operation' (up to 1991); Section 6 of this chapter on the economic analysis of Dutch firms with employee ownership is not very well integrated into the text but more or less attached to the paper as a kind of appendix. Important historical experiences and deliberations, such as Franz Oppenheimer's (1896) *Law of Transformation* (the tendency of cooperatives to degenerate into traditional capitalist firms), are not even mentioned.

The following chapter on 'Social Theories for Success and Enterprise' by Henk Voets starts with a critical review of 'excellence' literature in the tradition of Peters and Waterman, then goes on to selected comments on workers' participation literature, and concludes by surveying the review by Cornforth et al. on the relevant literature. In his discussion of 'Worker Participation Structures', Nico von Alphen, Director of the Netherlands Participation Institute, argues for an integrated management beyond human resource management, mainly through autonomous groups combined with integrating mechanisms. In this perspective, he takes a closer look at three of the Dutch enterprises included in the research and gives some specific conclusions concerning all of them. According to him, the rather limited success, sometimes even failure, of participative firms could possibly be explained by the relatively strong position of the Dutch works council which perhaps already meets workers' expectations and readiness to participate. Here, the comparison with the German situation where there are, at the same time, numerous successful participative firms *and* strong works councils would have been interesting and rewarding. Wim Ravesteijn, an expert on technology transfer, then examines three Dutch case studies on the basis of an anthropological concept of organizational culture.

Job de Haan and Arthur Giesberts consider the expected development of 'Labour Managed Firms' (LMFs) in some European countries (Sweden, France, The Netherlands) which seems to be a rather narrow empirical basis both for speculations about the consequences of the European internal market on participative firms and for their derivation of four types of LMFs. In Chapter 8 on 'A Third Way in the 90s', Roger Spear looks at the similarities between participative firms in the social economy and value-based enterprises in the traditional business sector; according to him, all kinds of value-based enterprises face the challenge 'to develop participative, involving and social work practices that are not merely functional for the organization but flexible, real and meaningful for the individual too' (p. 177). The main conclusions of the book are then summarized in the last chapter.

The records of the empirical research are somewhat mixed (e.g. the authors could not find the often expected positive correlation between worker participation and economic success). The book gives a lot of interesting information about the Dutch research project, but it is less convincing with respect to the theoretical reflection of the find-

ings, and especially to the European perspective. Some countries, such as Italy, Spain, Austria or Denmark, are almost completely omitted, while others, such as Belgium or Germany, are only occasionally touched upon. In addition, the long publication lag did not contribute to the topicality of the findings and of the references. The book is, of course, worth reading, but the observations on the empirical and theoretical literature in the field as well as the hints to other European countries form neither a consistent theoretical background nor a systematic development of a European context. This volume, therefore, provides ample opportunity and lots of incentives for further work in this field.

Max H. Boisot (ed.): East–West Business Collaboration. The Challenge of Governance in Post-Socialist Enterprises

1994, London and New York: Routledge. 160 pages.

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The contributions included in this book try to provide answers to the basic question: Can socialist and ex-socialist firms learn to function like Western firms? This question was jointly addressed in a Round Table organized in Warsaw in 1991 by the Centre for Organization Studies of Barcelona. The participants were mostly academics, consultants and managers of East and West Europe. The idea of the organizer, and editor of the book, was that the Round Table would take the case study of a small Polish enterprise as its point of departure and the leitmotiv around which other themes and discussions would crystallize. Thus, the contributions in the book are of two types: accounts of vastly differing joint ventures in Eastern European countries and China, and academic models of governance and organizational learning.

The accounts of the four case studies refer to contractual and equity joint ventures, where the former should actually be rated closer to a mere subcontracting agreement. The chapters illustrate the origins and rationale of joint-venture operations in Russia, China, Poland and Hungary. One gets detailed information on issues such as: initial agreements, stages of expansion, processes of vertical integration, financial and production performance, marketing and distribution, shareholding arrangements, management, structure and future prospects. Two of these chapters also contain general assessments of joint ventures in the ex-USSR and of similarities and differences between East Europe and China.

The lessons Western academics and consultants draw from these forms of East–West business collaboration (EWBC) are expounded in the chapters by Max Boisot, John Child and Lidia Markoczy. Their model may be summarized as follows.

The economic institutions of socialism in China are mere shells hol-