

tions among these trends, even if satisfied that ten megatrends captured all significant aspects of societal change.

The book may provide some entrepreneurs with ideas for niches that remain to be filled in Wichita, Kansas, or Lyon, France or Brisbane, Australia, but its main attraction for serious scholars will be as a guide to the latest mass media conceptions of the contemporary world. The same rationale for skimming *Megatrends I*, *Search for Excellence*, *One Minute Manager* and other works that have oversimplified the complex and important for fun and profit.

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Karel J. Samson, *Scientists as Entrepreneurs, Organizational Performance in Scientist-Started New Ventures*. Boston, Dordrecht, London: Kluwer Academic Publishers, 1990. Pp. 150, bibliography, index.

Small firms, in general, as well as technology-based firms, in particular, are contributing a far greater share of the overall growth of the economy than has been recognized. Research about small business and entrepreneurship, along with specialized studies of hightech firms has mushroomed during the last decade. However, after analyzing this literature, Karel J. Samson found that little or no research had been undertaken in either the entrepreneurial or management fields on the phenomenon of *science-started* ventures. With the increasing number of new, high-tech firms, the phenomenon of the scientist-turned-entrepreneur (STE) is extremely important. Therefore, Samson directed his attention to this special field of entrepreneurship — the venturing activities of scientists. The author hoped to develop, in his own words, “theoretical and practical frameworks for the study of the scientist-started new business venture” (p. 6). He aimed to identify and study the specific challenges and opportunities facing this kind of start-up companies and to suggest strategies for such new, scientist-initiated ventures.

Samson’s book, *Scientists and Entrepreneurs*, is based on a careful, empirical research that took place in the biomedical and medical fields. This book is written from the point of view of an insider. The author is active in research, teaching and business; his research and teaching activities focus on entrepreneurship and the application of science to industry. Currently he is president of Psychomedics Corporation, a scientist-started, biomedical venture. He is affiliated with different universities, schools and colleges in both The Netherlands and in the United States.

The study consists of eight (8) chapters, grouped into three (3) parts. The three parts are: “Introduction: Research and Methodology”; “Scientists as Entrepreneurs: the Field Studies”; and “Conclusions, Implications and Guidelines”. I shall examine each of the three parts.

Part I places this study in terms of the existing literature and applicable theoretical work. This part discusses the empirical research methodology to be employed and the design of the study. Part I is organized into three chapters. The introductory Chapter 1 is followed by some remarks about research problems and the organization of the study. The scientist-started business ventures are identified as a subgroup of the general category of entrepreneurial ventures.

The main purpose of Chapter 2 is to provide a review of the research literature in order to especially assist in exploring the STE. The author’s review of STE leads him to conclude that there is a need for special attention to the significant differences in the cultural and behavioral backgrounds between scientific-started ventures and other small firms. The author compares the sort of business organizations and professional training associated with STE. Next, the author formulates a theoretical framework and states some propositions to be tested in the empirical research.

Chapter 3 describes the qualitative research methodology adopted in the design, conduct and analysis of the field studies among no less than twenty-two scientist-started ventures in the biomedical and related fields. Overall, Part I gives an understandable introduction, and provides an overview of the book, setting out the author’s objectives.

Part II also is split into three chapters and examines new ventures in some detail. A total of

forty-two interviews were conducted; eight of the ventures in the study are located in Canada and the remaining fourteen in the United States. The field study component of the research took place over the period from March to October of 1989. The empirical study is associated with the following questions: "Which events are specific to the planning and start-up phases of ventures originated by scientists and how do these events influence organizational performance?" (p. 43). In each study Samsom interviewed the scientist-entrepreneur and also a member of the venture's organization who was not the founder and who had access to a full view of the planning and management processes. Where available, annual reports, business plans, financial and funding data, etc. were also collected.

The purpose of Chapter 4 is to review the socioeconomic data collected concerning the scientists and their ventures. Samsom discusses the following characteristics of STE: age, education, family background (father, birth order) and country of origin. And he also directed his attention to a venture profile, which will be defined in terms of ownership, age, number of employees and selected financial data.

Chapter 5 presented an in-depth review of the planning and management experiences of the participants in this research. The author dealt with such questions as why scientists decided to play a part in the commercialization activity, how they planned for their ventures and how their enterprises were actually managed. The author argued that there are large differences in the professional cultures (in planning, risk, management styles, money) between scientists and business people. For instance, entrepreneurship and management were not recognized by the scientist — in contrast to business people — as serious disciplines; science and technology dominate as serious concerns. But during the development of venture performance, both scientists and team members underscored, in retrospect, the need for more business and management skills at the start of the new venture.

Chapter 6 contributes to a general understanding of the phenomenon of the STE and his firm. Some additional findings were presented in the areas of industry-university and scientist-university relationships, and also a comparative analysis

is provided of the Canadian and United States enterprises. Part II contains some original data which are carefully evaluated. Factual details about the ventures, themselves, and the scientists who were interviewed are given on several, illuminating tables. Samsom occasionally allowed the scientists and their team members to "speak for themselves" before he moved on to interpretation and conclusions. This approach allowed the reader access to both the summarized, but uninterpreted, empirical data and the author's separate evaluation of the findings.

Part III contains the last two chapters and offers a summary and conclusions as well as some practical guidelines and checklists which may be useful in planning this special type of small firm, the STE venture. Chapter 7 summarizes the findings of both the literature and field studies, and relates the conclusions of those studies to the findings presented here.

The final chapter offers an initial framework for STE and their business partners as a guide for effective venture planning and early management processes. The recommendations and checklists suggest a number of steps and orientations which may aid the venture management team in the successful planning and developing of a venture. However, the purpose of Part III is not to provide a general introduction to starting new ventures. The author emphasizes that the goal is to focus on the specific implications which arise when the scientist decides to become an entrepreneur. These conclusions, implications and guidelines make the book worth reading.

To summarize my impression: The book is well-written and has been thoughtfully designed. Some interesting questions are asked about the socioeconomic profiles of the research participants as well as about the planning and management in STE venture. New material concerning specific characteristics of scientist-entrepreneurs and their commercial vision was presented. If the book has any weakness, it is that it has not been influenced enough by modern innovation theory. For instance, such a linear model of the transfer from scientific investigation to commercialization, as it is shown on p. 71, is too simple and not up-to-date. Structural models, e.g., technology systems innovation-networks or chain-linked models of innovation should be used as a theoretical base.

However, this weakness does not diminish the importance of the book. In this reviewer's opinion, it is an especially noteworthy effort of the empirical studies carried out.

The book should be of interest to STE and their venture partners (e.g., financiers) and to students and researchers who are specializing in small venture firms or interested also in business psychology. It could also be helpful to universities, research organizations and to other institutions which are associated with the problems of new, small firms, such as innovation centers, enterprise centers or business and technology centers.

My overall opinion of this book is that it is an interesting and quite stimulating study in the developing field that unites theory and practice.

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R. H. Frank, *Microeconomics and Behaviour*. McGraw-Hill, Inc., 1991. ISBN: 0-07021-870-6.

This is an excellent and innovative, new microtext with a difference. In addition to the careful and user-friendly exposition of the standard topics of rational consumer behavior and the theory of the firm, there is much on new developments that provides a more realistic view of the world than is customary in most textbooks. Another strong point is the wide variety of instructive applications of the theory to real-world problems in the text and by way of end-of-chapter exercises for students.

In contrast to most texts, Frank emphasizes the recent evidence that people systematically violate axioms of rational choice. Surprisingly, though, he does not discuss some important developments, such as "regret theory", that would fit naturally into his framework. The role of altruism and cooperation and the "necessity" of differing tastes (contra Stigler and Becker) is insightfully developed, reflecting the author's important, recent books on these matters. The chapter on information provides elementary accounts of search, signaling, lemons and auctions. There is also an excellent chapter on externalities and property

rights, the role of transaction costs, and Coase's Theorem. All these parts are first-rate expositions with a minimum of technicality and, therefore, accessible to students with very limited mathematical backgrounds.

The chapters on the theory of the firm are, perhaps, more orthodox, and the most interesting, new developments in this area have not been included. There is no mention of recent work on incentives, including profit sharing as a group incentive, the role of worker participation in decision making and cooperative versus adversarial labor relations. The comparative statics of perfect competition are surely as unrealistic (and often as misleading) as the perfectly informed consumer, and so could usefully be compressed to make space for more on industrial relations, labor markets, internal organization and firm behavior under uncertainty. More references for further reading would also be helpful.

While there is thus considerable scope for improvement in future editions, the present text can still be highly recommended as an excellent and thought-provoking introduction to economic behavior, with particular strength in the area of individual decision-making and consumer choice.

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Jeannie Wylie, *Poletown, Community Betrayed*. University of Illinois, ISBN: 0-25201-624-6.

Wylie tells a moving story about community called Poletown and its struggle to prevent General Motors, Inc. (GM) from building a new, huge, auto assembly plant in its midst. The struggle started in May 1980 when General Motors announced that it intended to build a new Cadillac plant on a 465 acre site in Detroit, known to the local residents as "Poletown". The plan was part of GM's "reindustrialization" effort in order to become more internationally competitive by adding a "state of the art" robotic plant.

City officials had lobbied company officials to site a plant locally in order to help provide much needed jobs for Detroit residents. Unfortunately, GM's plan required the total clearing of the

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