corpus of work which is only sketchily presented. In addition, one begins to guess, perhaps rightfully so, that the problem is not so much expository, but rather that the theory of networks is, currently, a misnomer.

Nevertheless, there is gold in these waters. If Forsgren did not choose to focus as extensively on the conventional framing of the theory of the firm as a problem of boundaries (such as, whether to rely on markets or to integrate internationally), he may have gone further in developing his embryonic, but intriguing insights into what constitutes the advantage of the firm. When the lense on this issue moves from looking at the firm sui generis to its membership in a wider industrial network, then the notion of advantage as embedded in a body of relationships raises a multitude of important questions.

This book, despite its brevity, does a fine job in stimulating new thinking on perennial problems. It looks ambitiously at the evolution of the firm as a network of subsidiaries, within a network of other firms. There is a lot more to be done, but this book provides an excellent start.

John Child and Ray Loveridge: Information Technology in European Services. Towards a Microelectronic Future


In spite of much research effort, organizational theory on information technology (IT) has not yet reached full maturity. Deterministic approaches are still dominant. Child and Loveridge report on a large-scale project of comparative case studies using a non-deterministic perspective. The introduction of microelectronics-based IT is investigated, and its impact on the nature of work and employment and the quality of the services provided to the public.

The project was carried out by the international research team 'Microelectronics in the Service Sector', consisting of research teams from six European countries: Belgium, Britain, Germany, Hungary, Italy, and Sweden. Each team studied six organizations in three selected service sectors: banking, retailing, and health care. Research material from 39 case studies was analyzed, including additional cases from the health sector in China, Yugoslavia, and Poland. The fieldwork was done between 1982 and 1985.

The report on the results by sector contains a lot of valuable material. For each sector, the relevant contextual features are described first, bearing in mind national characteristics. With reference to this contextual background, case studies of the introduction of new IT are reported. The accounts are certainly thorough, thematically ordered, and illustrated by a multitude of examples from the cases. References are also made to other empirical studies.

Reports of empirical research often lack an adequate account of the
theoretical assumptions on which the research is founded — not so the report by Child and Loveridge. The authors make an extensive assessment of the theoretical debates and their own assumptions and propositions on the three principal components of the research: technology, the service sector, and the national settings.

In a chapter dealing with perspectives on technology and organization, four prevalent approaches are discussed. Throughout the book, the authors take a strong stance against technological determinism. According to their explicit assumptions, they favour a perspective called ‘technological possibilities’, in which the potential for new choices in work organization created by technological advance, as well as the ‘political process perspective’ is emphasized, which highlights the interests and rationales of those who are able to influence the decisions concerning an organization’s technology.

This extensive theoretical account, however, is not succeeded by a further elaboration of the concept of IT. Although, observing the theoretical developments in this field, it can be said that sheer deterministic approaches, according to which the introduction of IT has certain ‘necessary’ consequences for the organization, are definitely outdated, technological determinism is not entirely rejected. Nevertheless, IT is treated as an unfamiliar element, entering from outside and bringing about certain adaptations within the organization.

This view is expressed in the operationalization of IT as a simple dichotomy between ‘IT versus no-IT’, or ‘before versus after introduction’. In this way, it is hard not to see IT as the cause of changes in organizational features. To avoid technological determinism, IT must be conceived as the subject of decision-making within the organization and should therefore be operationalized as a multi-dimensional concept, which can be studied in relation to other aspects of the organizational form. In this study, the former is a central issue, but the latter is omitted — just as in nearly every other empirical study on IT.

It is just simply asserted that each case study is about the introduction of a ‘similar IT’. This assumption is not verified and is not plausible. On the other hand, it is difficult to grasp the essentials of the divergent forms of IT used in the service sector and apply these to other dimensions. There is almost no tradition in organizational theory to build on, but this rather exploratory study offers a good opportunity to remedy this.

Regarding the impact of the national settings, the largest contrasts could be expected to occur between capitalist and socialist systems. Reference is made to the debate about the ‘convergence thesis’. Due to the proliferation of universal IT all over the world, socialist countries, in particular, could be expected to converge in the direction of the western model. This form of technological determinism is confronted with certain forms of ‘sociopolitical determinism’ giving primacy to contextual factors. In spite of this stimulating debate, the Child and Loveridge study gives no comprehensive comparison between East and West. This was no doubt impeded by obstacles met by the Polish and Yugoslavian teams, who
were only able to contribute one case study each, and Hungary always was considered an outlandish element in Eastern Europe. However, the fall of the iron curtain, after the termination of the field studies, made the old distinctions between Eastern and Western Europe much less relevant.

The research plan is somewhat ambiguous. On the one hand, it features comparative case studies in varying national and sectoral contexts, while on the other hand a certain representativeness for the entire service sector in Europe is suggested.

The comparability of the cases, however, is problematic, because each case is characterized by an almost unique combination of contextual factors. The problem is magnified by selecting a complete pallet of mutually diverging organizations within each of the three service sectors. Therefore the organizations studied differ from each other not only in national and sectoral background, but also in the kind of IT used, experience with IT, mission, size, autonomy, distribution of power, leadership style, organizational culture, and so on. Each attempt to explain the decision-making process in terms of any of these factors remains somewhat speculative because the cases are hardly comparable.

It is possible that, in the course of the project, the emphasis has shifted from comparative analysis to the consideration of the cases studies as representative of the European service sector. The concluding part of the book, entitled 'Key issues', is mainly written from this perspective. Apart from Sweden, there is hardly any participation of ordinary organizational members in the decisions taken on new IT. Further, the introduction of new IT does not lead to great changes in the organization of work. Innovative potentials of applying 'a new philosophy of organizational design', which is facilitated by the introduction of new IT, are hardly utilized. The authors call this 'organizational conservatism'. The specific circumstances under which the decision-making on IT and organizational adaptations take place — the combination of internal and external forces referred to as the 'politics of learning' — indicate whether 'organizational conservatism' or 'organizational learning' (to utilize the potentials for innovation) prevails.

What is presented as 'key issues' is more or less a review of the theoretical insights developed in earlier publications by Child, Loveridge and related authors. The problem is just that the present study was not intended to verify these propositions. Although the results seem to support them, they serve only illustrative purposes.

It is hard to make a final judgement on the book. This unique opportunity to carry out international comparative research on a low budget base is reflected in the valuable information yielded by the case studies. However, it is disappointing that the chance to establish a breakthrough in the field of organization and IT has been missed.