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Review

Author(s): Reuben R. McDaniel, Jr.

Review by: Reuben R. McDaniel, Jr.

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## Book Reviews

### **Advances in Strategic Management, vol. 1.**

Robert B. Lamb, ed. Greenwich, CT: JAI Press, 1983. 229 pp. \$47.50.

This collection of ten essays, divided into five loosely organized sections, attempts to address the fundamental questions in strategic management in an effort to reach common understandings that will permit advances in the field. Unfortunately, Lamb has failed in this endeavor. Each of the essays is independent of the others in both content and style, and there is little logic to the choice of either the essays or the general areas into which they are grouped.

Part 1, "Stakeholder Strategies," has contributions from Ansoff, Freeman, and Macmillan. Ansoff makes the argument that society at large is a key stakeholder in firm behavior and proposes an analytical process for assessing the implications for this at the firm level. Freeman addresses the issue of stakeholder analysis in a traditional fashion and ends with an interesting list of research questions that emerge from using a stakeholder perspective. Macmillan addresses the development of competitive strategies for not-for-profit agencies and demonstrates the potential for applying the notions of program attractiveness, competitive position, and alternate coverage to the problem of developing strategic imperatives for a not-for-profit organization.

Part 2, "Human Resource Strategy," has contributions from Higgins, Pucik and Hatvany, and Harrigan. Higgins presents the results of a study of the effects of rewarding managers for their strategic management contributions. Not surprisingly, he finds that managers respond to rewards and that firms benefit from managerial attention to strategic planning. Pucik and Hatvany integrate findings from an analysis of human resource management in Japan with more general concepts and theories and cast the Japanese style in a context that is culturally independent. Harrigan addresses the issue of how to develop a transformation team that can enable a firm to take advantage of changes in the environment that require the firm to modify its strategic position. The analysis is built on sound group theory, with recognition of the special problems associated with using groups in highly uncertain and temporary situations.

Part 3, "New Strategic Analysis: Total Organizational Behavior Strategies; Strategic Risk Assessment," has one paper by Hertz and Thomas. The authors examine the role of risk analysis in financial planning and compare its use with the capital asset pricing model. They then suggest a method of combining the two.

Part 4, "Acquisition and Merger Strategies," has contributions from Shrivastava and Mason, and Mazzolini. Shrivastava and Mason report on an empirical study of the frame of reference (FOR) construct from sociology. The study is well done, and a careful reading of the paper leads one to a better understanding of the four FOR's discussed: entrepreneurial, bureaucratic, professional, and political. Mazzolini looks at the strategies of government-controlled enterprises (GCE's) as they behave internationally. The study involves the systematic analysis of strategic decision making in 123 GCE's that are engaged in

normal commercial activities. The results of the study are a set of empirically grounded propositions that contribute to an understanding of the special forces that guide the strategic behavior of GCE's.

Part 5, "Strategic Capability," is another one-paper section. Astley and Fombrun provide an interesting analysis of the structure of the telecommunications industry that highlights unusual interdependencies among segments of the industry and indicates the role of technology in shaping the administrative revolution that is taking place in the industry.

Lamb fails in his attempt to make an important contribution to the strategic management literature because he fails to demonstrate that the topics covered are critical to the development of the field. He also fails to provide any evidence that the papers represent truly significant advances in the study of strategic management. This collection does not add to our ability to reassess the basic questions in the field, nor does it identify meaningful advances in strategic management. Given the need in the field for periodic, comprehensive assessment of theoretical and empirical advances, this collection is extremely disappointing.

**Reuben R. McDaniel, Jr.**

Jesse H. Jones Professor of Management  
The University of Texas at Austin  
Austin, TX 78712

### **Cutting Back: Retrenchment and Redevelopment in Human and Community Services.**

Larry Hirschorn and Associates. San Francisco: Jossey-Bass, 1983. 393 pp. \$19.95.

This book provides one of the most comprehensive and practical discussions available on the cutback-management process. It is written by ten authors who have worked together in the Management and Behavioral Science Center at the University of Pennsylvania. The book is based on their extensive consulting and research experience in retrenching organizations, particularly human service agencies such as the legal aid society. Although the prescriptive orientation of this book is intended for a practitioner audience, theoretically oriented readers can also benefit from the rich descriptions and thoughtful analysis of the retrenchment management process.

The book contains four parts and 19 chapters. In part 1, the authors examine various organizational processes associated with retrenchment management, such as, why, when, and how to share threatening information with employees, how to manage rumors, and how to organize task forces to review cutback options. One of the central themes in this section is the need to identify core programs and staff members that should be protected from budget cuts. The discussion of using criteria between versus within programs in this process is particularly enlightening. Part 2 examines organizational design aspects of retrenchment. These include how to consolidate offices within an organization and how to manage the tensions between professional and managerial cultures when changes in professional work assignments are required. An important

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