This is the authors’ final peer reviewed (post print) version of the item published as:


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Book Review: International Entrepreneurship in Family Businesses

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Many global brands that are common in today's business environment have developed from being family businesses. Heineken and Cargill are examples of family businesses that have been entrepreneurial in the international marketplace. This book is a great addition to the literature on international entrepreneurship as it focuses on family businesses. The authors divide the book into four sections (introduction, antecedents, determinants of international entrepreneurship of family business, conclusion and case studies). The structure of the book follows a logical sequence from the importance of family firms as a research agenda to what makes a family business internationalize and what determines entrepreneurship for global family firms.

The first part of the book includes one chapter on international entrepreneurship of family firms: research process. The authors state in this chapter how family firms are active agents in the global economy. They describe the research process, which combines two types of analysis: the literature on internationalization and family business and the history of multinational family firms. The authors also state the structure of the book in the introduction chapter. The second chapter discusses well how family business is complex and Table 2.1 provides useful definitions of family business. Box 2.1 provides a good example of the Ford Motor Company and these boxes as examples of family business continue throughout the book. The chapter includes a useful section on the economic importance of the family business with statistics provided on family business. For example, family business in the US counts for 40 percent of Gross National Product and 60 percent of employment. Whilst research on family business in developing countries is still gaining momentum, Table 2.4 provides a ranked list on family multinational corporations in developing countries in terms of their section, number of employees and sales.

Chapter 3 discusses globalization and growth strategies for family businesses. The factors that affect the impact of globalization on small- and medium-sized enterprises for family business are discussed, which include industrial dislocation and the opportunity for expansion of client-bases. Table 3.1 states the major family multinationals and Table 3.2 states the distribution of major family multinational corporations by country. These tables are integrated and discussed well in the chapter. There is also a section on the growth of firms from the entrepreneurial viewpoint, which is appropriate given the book's international entrepreneurship focus.

The fourth chapter is on a literature review and proposals. The fifth chapter is on environmental influences on the internationalization of the family business provide a very good and succinct explanation on the literature on family firms. For individuals who work in a family owned company or who aspire to start their own family owned company, Chapter 6 will appeal to them. The chapter discusses international entrepreneurship at the founder stage by examining the characteristics of the founder-owner. Box 6.1 gives a brilliant example of Amancio Ortega who owns the ZARA empire. Another very good example is included in Box 6.2 that contains surnames of family firms that have become global brands. These examples include Wal-Mart, Mars and Benetton.
Chapter 7 discusses the succession process for family firms and discusses the importance of managerial change. The difference between evolutionary and revolutionary succession is explained and justified. Chapter 8 continues to discuss the succession process by focusing on the antecedents, context and successor. The international orientation of the family and the business are examined, which provide a number of important points for family businesses wanting to further internationalize.

Chapter 9 examines other resources for international entrepreneurship in family businesses such as finances and managerial skills. The role of a family firm's image and reputation in foreign expansion is examined. The tenth chapter discusses entry speed of family businesses into the global market. The importance of explicit and tacit knowledge is discussed in terms of the internationalization process of family businesses. The 11th chapter includes case studies on seven family multinational histories, which provides a good summary of the information discussed in the preceding chapters. The seven companies are Bonnier, Cargill, Faber-Castell, Heineken, Michelin, Samsung and SC Johnson. These companies represent a good cross section of family businesses from around the globe. I found this chapter very enjoyable and interesting to read.

The last chapter is the conclusion chapter and it provides a good summary of all of the chapters. The authors also highlight future directions for research. Overall, the book is very well compiled and a great addition to the entrepreneurship field. The book flowed well and was well written. I would recommend the book as a great resource to anyone interested in family businesses and to those in particular who want a global perspective of family businesses.