

This was particularly true of technicians but also of engineers and chemists who, often frustrated by the lack of technical career opportunities within the project directed systems in the branch plants, left to further their careers elsewhere. This flow of frustrated engineers and chemists was not stemmed by the employers but exploited by them as it allowed them to recruit 'cheap fresh blood' in the external labour market. This also avoided the problem of holding on to and motivating professionals who, in many cases, had become bored and frustrated by the narrow range of technical and scientific activities available in most Irish branch plants. McGovern notes that only one of the plants undertook something approaching genuine R&D activity and cites a manager who stated that 'there is no genuine R&D in Ireland'. He concludes that it is unlikely that there ever will be so long as the best Irish chemists, engineers and technicians are employed by the branch plants of multinational corporations in relatively mundane technical and scientific activities.

McGovern's analysis is comprehensive, concise, critical and eminently readable. This book is essential reading for reflective technical professionals, students and researchers in human resource management, organisation behaviour and the sociology of work, and policy makers in the field of technical and scientific higher education. Extracts should be required reading on every certificate, diploma and degree level technical curriculum in Ireland.

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*Corporate Financial Crisis in Ireland*, Edward Cahill. Gill and Macmillan: 1997, Dublin, £35 (hb).

Over the last ten years a number of major Irish companies such as Goodman International, GPA and PMPA have either collapsed or been on the verge of extinction. Many of these had previously been highly successful. Some were even on the verge of becoming industry leaders in the global marketplace. So why did they fail? Edward Cahill claims that in many instances the founding entrepreneurs and their families were at fault. By combining the roles of major shareholder, chairman and chief executive they were able to dominate other shareholders and directors to the point where high risk expansion projects were pursued with the willing assistance of 'soft' banks despite weak financial control, poor management accounting systems and limited human resources. Variations of this argument emerge repeatedly in his detailed case studies of recent financial crisis in nine major Irish companies: Goodman International, Kentz Corporation, Xtra-vision, GPA, Arthur Guinness, P.J. Carroll, Irish Press, Waterford Wedgwood and Irish Shipping. For example, the dominance of the founder's instincts as a 'trader and dealmaker' in Goodman led the company into an unbalanced growth strategy. Mistakes

in the assessing the risk associated with Iraqi deals, an overly ambitious diversification project and excessive short-term debt led ultimately to the appointment of an examiner and partial takeover. Similarly, Don Carroll's dominance at P.J. Carroll resulted in the company launched into a series of expensive aquaculture and direct marketing projects with little challenge from other directors and institutional investors. These projects became a drain on the company's resources to the point where Carrolls were forced to divest some years later.

Cahill's wide-ranging account of these crises is explicitly prescriptive in orientation. He sets out to understand patterns of mismanagement in order to provide practical advice on how to recognize and avoid failure. The case study design is chosen because the author believes it is the most effective device for finding the causes of financial failure and for providing lessons to improve knowledge and future practices.

However, this book is no mere distillation of company stories and anecdotes of the kind found in management bestsellers. The author draws extensively from the academic literature relating to organizational decline and failure. Considerable use is made of the organization life-cycle model, downward spirals, and syndromes or behaviour patterns found in distressed firms. Since the author is a Professor of Accountancy it is not surprising to find that much of the analysis concentrates on financial performance (growth, profitability, cash flow/total debt, total debt/equity, etc.) and on financial control and accounting practices within the case study companies. The case study analyses make excellent use of a wide variety of documentary sources ranging from the companies Annual Reports to Tribunal's of Inquiry. Further value is added by comparing each case with another company in the same industry e.g. Goodman with Kerry Group, Irish Press with Irish Independent. All of this is clearly presented and explained so that it should prove to be quite accessible for the non-specialist reader.

Cahill's study is an important contribution to Irish business research as it is the first major study of business failure in Ireland. It is also, although to a lesser extent, a study of family-dominated Irish companies – which is what attracted this reviewer to the book. One of the most enjoyable features is the author's willingness to engage in a hard-hitting critique of Irish management, Irish corporate governance and Irish company law. His treatment of managerial incompetence is fairly damning especially where the crises could have been avoided. This is even evident in the chapter headings and sub-headings e.g. Chapter 9 'Irish Shipping: A Vessel Without a Chart or Compass.' With such sentences as 'self-inflicted injuries, delusion and blindness were the order of the day' (p. 377). Corporate Financial Crisis in Ireland will make uncomfortable reading for some managers, accountants, and bankers.

There are also a number of weaknesses. I was not always convinced that the author's evidence supported some of his claims. Cahill's penchant for stating forthright opinions may have run ahead of his data. For example, in the analytical framework presented in chapter 10 he claims that defects in the board structure were critical while 'top management balance' was only 'important'. Since the author does not present any data

in support of this categorization it would appear to be based more on assertion than evidence. He could, perhaps, have made more use of his in-depth interviews on such points.

Finally, his criticisms of family ownership and corporate governance practices seem to imply an alternative model that is never really made explicit. It was not clear whether he was calling for a reformed version of family capitalism or simply wanted it replaced by a professional managerial model. Since both cases would mean that the families involved would have to relinquish a considerable degree of control his suggestions may only be realistic if supported by legislation (e.g. to split the roles of chief executive and company chairman) or if the company is taken over.

Nevertheless, I would expect this book to become a recommended text on undergraduate business courses in general and accountancy courses in particular.

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*The Drucker Foundation Future Series: The Leader of the Future (1996)* edited by Frances Hesselbein, Marshall Goldsmith and Richard Beckhard. Jossey-Bass: San Francisco. ISBN 0-7879-0180-6, £23.00; *The Organization of the Future (1997)* edited by Frances Hesselbein, Marshall Goldsmith and Richard Beckhard. Jossey-Bass: San Francisco ISBN 0-7879-03035-0, £23.00; and *The Community of the Future (1998)* edited by Frances Hesselbein, Marshall Goldsmith, Richard Beckhard and Richard Schubert, Jossey-Bass: San Francisco, 285pp. Hb. ISBN 0-7879-1006-6, £23.00.

Over the past three years, the Drucker Foundation for Nonprofit Management has produced a volume of essays each year reflecting on leadership, organisations and communities of the future. Each volume comprises up to thirty brief, personal reflections by eminent scholars and executives on aspects of how they see the future developing with respect to pertinent themes. That these futuristic reflections are being published by Drucker Foundation for Nonprofit Management is a bit misleading, as the content of these volumes is not restricted to nonprofit organisations. Commercial, public, government and voluntary organisations, all receive due coverage across the three books.

The first volume, *The Leader of the Future* is a collection of 31 contributions on leadership – what it is and what it will be in the future. There are contributions from: Charles Handy, Edgar Schein, Peter Senge, Richard Beckhard, Stephen Covey, Rosabeth Moss Kanter, Ken Blanchard, James Kouzes and Barry Posner among others. These and the other contributors represent scholars, practitioners and leaders of a wide variety of organisations.

*The Organization of the Future* is the second volume and has 39 contributions from among others, Rosabeth Moss Kanter, Philip Kotler, C.K. Prahalad, Jeffrey