

effects of the recent economic downturn begin to work their way through which areas of the world maintain platform leadership and where new challengers may emerge. Characteristics of the platform architecture and the related division of labor may influence whether the locus of innovative activity shifts through the recovery. One could also extend this analysis to consider the effects of modularity and design rules of platforms on jurisdictional control over the knowledge domains of the various professions involved in developing platforms. Further exploring the relationship between platform architectures and the professions involved in developing and maintaining them could generate new insights into the evolution of platforms.

This section also highlights the general limitation of the edited volume. While it engages the product development, technology strategy, and industrial economics literature, it could do more to engage the sociological and organizational literature. For instance, the concept of platform is closely related to the technology historian Thomas Hughes' concept of 'technological systems'. However, Hughes defines his systems to also include institutions, organizations, associations, and other relevant actors in the development and distribution of the technical system itself. Like the multiple network approach, this view recognizes the importance of the social context in which these platforms are embedded and how it influences platform dynamics. Hughes also points to some interesting dynamics such as technological momentum that suggests that technological factors can replace social factors as the platform evolves. In addition, he recognizes system-wide effects of platforms such as reverse salients which can influence the development trajectory of a complex system like platforms. Thus, understanding the conditions that favor architectural, social, or economic factors is an important next step. Several articles in the volume provide a glimpse of social factors – Greenstein identifies how the interests of the participants or their socio-political relations can mitigate the benefits of an open platform and, as mentioned, Brusoni and Prencipe identify the role of social networks applied at different levels. We can extend this kind of analysis to the other areas of platform research. For example, when considering the growth of platforms, much of the work proceeds without considering the structure of it and how these structures and situated relationships can influence the trajectory and pace of change and growth. Social network analysis provides some useful constructs and analytic tools to develop a more nuanced view of platforms.

However, these criticisms are not meant to deter anyone from reading this book; rather, they are intended to identify some potentially interesting new areas of research. In sum, this edited volume provides a solid foundation for platform research by identifying core areas of analysis, developing some propositions, and offering interesting empirical support.

Reference

Padgett, J., & Powell, W.W. (2003). Economic transformation and trajectories: A dynamic multiple-network approach. Working Paper available at: <http://home.uchicago.edu/~jpadgett/papers/sfi/econ.trans.pdf> (last accessed 1 December 2010).

Saïd Yami, Sandro Castaldo, Giovanni Battista Dagnino and Frédéric Le Roy (Eds.)
Coopetition: Winning Strategies for the 21st Century
Cheltenham: Edward Elgar, 2010. 288pp. ISBN: 978-1-84844-321-1. £75.00

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The neologism 'coopetition' is often used by practitioners and researchers alike to refer to the co-existence of cooperation and competition. Coopetition researchers like to think of it as a distinct research paradigm. Coopetition is said to go beyond the traditional cooperative paradigm as

it does not see competition as something to be reduced or balanced in order to make the positive outcomes of cooperation possible. At the same time, cooptation is said to go beyond the traditional competitive paradigm as it abandons the belief that competitive advantages should only be created individually by firms. The increasing number of publications on cooptation reflect the rising popularity of the concept. Most of the contemporary literature is targeted at managers, however. Academic literature on cooptation is fragmented and very often suffers from the lack of a solid theoretical foundation. As a result, only a few contributions have made their way into the top journals of the strategy and management field (e.g. Afuah 2000 and Tsai 2002). Moreover, most of the research has remained regionally restricted to Europe. These theoretical and spatial shortcomings have also been recognized and complained about by the cooptation researchers themselves.

Although over a decade has passed since the seminal work of Lado et al. (1997) and Nalebuff and Brandenburger (1996) the call is as loud as ever for a unifying theoretical base. A recent attempt to respond to this call has been made by Yami, Castaldo, Dagnino and Le Roy, who have proven themselves as active drivers in building a scientific community of cooptation in the last decade. Their newly edited book is simply entitled *Cooptation* the subtitle *Winning Strategies for the 21st Century* suggests that it is written by and for strategic management scholars. In addition, it addresses practitioners such as 'managers and consultants' by promising to 'provide both theoretical insights and empirical evidence on cooptation' (see book cover).

The aims set by the book are high. In fact, it is advertised as being 'one of the first key contributions in shaping and systematizing a novel cooptation agenda in the field of strategy'. In the introduction, the editors define cooptation as a 'new strategic perspective' (p. 2) that they wish to establish as a distinctive research stream (p. 1). The structure of the book is divided into three main parts. The first part deals with 'the emergence and relevance of cooptation strategy', the second presents 'cooptation strategy in multiple contexts' and the third tackles 'cooptation strategies at the aggregate level'. In order to obtain an initial overview of the contemporary literature on cooptation, the editors' introduction and the first chapter by Bengtsson, Eriksson and Wincent ('Cooptation: New ideas for a new paradigm') are particularly worth reading. Besides offering a review of the most influential literature in the field, both contributions emphasize the need to expand the level of analysis from the hitherto dominant meso level of interfirm relationships to other less-studied levels including the micro (i.e. individual and intraorganizational) and macro level (i.e. industrial policy).

The strengths of this book certainly lie in sketching out the colorful variety of contemporary cooptation research. Among the ideas that I found particularly inspiring, I would like to highlight two: The first is cooptation with the inclusion of third parties. An example for this novel approach would be the study by Depeyre and Dumez (see Ch. 6) who analyze the role of alternative actors such as customers and industry regulators on the development of cooptation between horizontal competitors. In a longitudinal case study of the US defense industry, they provide a vivid illustration of how the customer (i.e. the Navy, the Air Force and the Army) creates structural conditions for cooptation: The third party selected the primes (i.e. first-tier supplier) through a highly competitive process, while at the same time imposing vertical cooperation by nominating the competitor of the prime as its second-tier supplier. At a later stage, the customer also encouraged horizontal cooperation between the competitors by predominantly sourcing from alliances who act as so-called Lead Systems Integrators (LSI), thereby minimizing the risk of monopolistic industry structures. Following a somewhat related idea, Castaldo, Möllering, Grosso and Zerbini (see Ch. 7) explore the effect of third-party mediation in managing cooptation in vertical relationships between a buyer and seller. The authors argue that 'cooptation can be applied fruitfully to vertical relationships, even though the idea of cooptation arose originally in the context of horizontal

relationships' (p. 142). The empirical settings are category management projects where the cooperation between buyer and seller is moderated by a third party such as a marketing service firm.

A second idea that I found especially intriguing in the book is the multilevel analysis of cooperation. Drawing on the literature regarding collective strategy, Roy and Yami (see Ch. 9) investigate 'disruptive strategies' that are individually carried out by one dominant firm in an oligopolistic industry. Disruptive strategy breaks these strong horizontal interdependencies between firms as they are targeted against the collective interests of the other firms. By analyzing the competitive implications of a firm's deviance from the collective fate in an oligopoly from both the disrupter's and the firms' collective point of view, Roy and Yami combine the level of the individual firm with the industry level. Another example for such a multilevel approach is the contribution of Herzog who examines 'cooperative constellations from a corporate actor level perspective' (p. 201) in the industrial field of complex products and services (CoPS). Using the empirical case of the global civil aircraft industry, Herzog examines why and how strategic action unfolds under cooperative conditions. From a management perspective, he focuses on the question of how actors that are closely bound to their competitors by far-reaching cooperation agreements cope with the cooperative tensions that occur between them.

These are selected examples of the numerous insights into the multifaceted research on cooperation that the book manages to provide. The evolving picture suggests, however, that cooperation research still has not passed the explorative stage of theory building and empirical investigation. This is also reflected in the methods used. In fact, almost all empirical material in this book is based on cases that are very often used for illustration purposes. Moreover, although the book covers a decent range of theoretical discussions from the inevitable game theory (Ch. 8) to the concept of interorganizational relationship dynamics (Ch. 3), interorganizational learning (Ch. 4) and firm capabilities (Ch. 5), there is a noticeable lack of further encompassing organization theories. It would indeed be desirable for future studies on cooperation to expand the range of methods and theories. Accepting that cooperation is a distinct research stream and an active strategy of firms to combine both cooperative and competitive advantage, open questions linger that might constitute an interesting gateway for organization researchers as well: What are the intraorganizational requirements for following cooperative strategies with other firms? How can the evolving tension between cooperation and competition be managed without suppressing one of the forces? Other avenues for future research that are also mentioned in the book are the application of interorganizational concepts such as trust, opportunism and commitment to cooperative relationships (see p. 1).

In line with the editors of the book and their contributors, I believe in the potential of cooperation to be more of a distinct field of research rather than just a fashionable concept. This has yet to be proved, however, as the book does not always follow a consistent line in this respect. In some chapters of the book I was left with the impression that the logic of the cooperative paradigm is still prevailing, for example, when the need to 'resolve the cooperative tension' is emphasized (p. 213). Thus, there first needs to be a consensus in the scientific community where the line to the competitive and cooperative paradigm should be drawn. Nevertheless, the book is a good starting point for anyone who is currently doing or planning to do research on cooperation as it presents a good overview of the current research on cooperation and presents highly promising avenues for future research.

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David J. Teece

Dynamic Capabilities and Strategic Management: Organizing for Innovation and Growth
Oxford: Oxford University Press, 2009. 286pp. ISBN: 978-0-19-954512-4. £18.00.

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David J. Teece has, arguably, been one of the most influential scholars in economics and business over the last 35 years. Teece, Pisano and Shuen's (1997) famous paper, which started the research on dynamic capabilities, spent more than seven years as a working paper. After initially being rejected, it was finally printed by invitation through one of the editors of the *Strategic Management Journal*. Currently, it is one of the most cited papers in management research.

Teece's new book, *Dynamic Capabilities and Strategic Management: Organizing for Innovation and Growth*, is an ambitious one. In this book, the author takes the first step in untangling superior enterprise performance. He provides insights for managers who want to act in more thoughtful and shrewd ways, and also for scholars, who may find the conceptual frame promising as they are invited to join a venture towards 'creating a knowledge based theory of the firm'. According to Teece, understanding competition and wealth creation is at the heart of a new theory of management called 'Dynamic Capabilities'.

For space reasons, I will not discuss all chapters, but will follow Teece's three-part structure. Part one introduces and discusses dynamic capabilities. It includes five chapters about the nature, foundations, boundary conditions and history of dynamic capabilities and the role of management within this theory. A central element of Teece's analysis is an understanding of dynamic capabilities as an aggregate of three entrepreneurial capacities that involve skills, processes, procedures, practices, rules, structures and disciplines. The entrepreneurial function of management or, in other words, the capacities to sense and seize opportunities and transform them into exploitative outcomes, enables an organization to create, deploy and protect intangible assets, which will build the core of a superior business performance. David Teece and Mie Augier, who is co-author for two chapters in the first part of the book, construct their arguments by emphasizing the importance of the historical roots of dynamic capabilities. The leitmotif on which they develop and theorize about dynamic capabilities is a function of management, who ultimately bears the responsibility for rescuing a firm from the zero-profit trap by 'organizing for innovation and growth'. This centrality of management is a distinct feature of Teece's approach to dynamic capabilities. Generally, the literature on dynamic capabilities does not agree about the influence of management in developing, maintaining and segregating them. Consequently, one of the salient features of this book is the systematic derivation of the role of managers in building and deploying dynamic capabilities, which is deeply rooted in the existing theories. This future-oriented theory-historical retro-perspective book impressively filters out how to position and relate the idea of dynamic capabilities to former research approaches by highlighting their fundamental shortcomings and pointing out what needs to be added to management theory, how dynamic capabilities can fill the gaps, and in what areas further research is required.

Dynamic capabilities are an attempt to integrate modern management theory. According to Teece, the central element missing in the integration of theories is the under-theorized role of asset