

**Entrepreneurship and Dynamic Capabilities: Survival and Development
of Taiwan's Small Family Firms in Transitional Economy**
企業家精神與組織動能：台灣經濟轉型中小型家庭企業的存活發展

Yu-hsia Lu 呂玉瑕¹、Kuo-yang Tang 湯國揚²

¹ Institute of Sociology, Academia Sinica, Taiwan
中央研究院社會學研究所

² Department of Sociology, University of Missouri-Columbia, U.S.A
美國密蘇里大學哥倫比亞分校社會學系

Entrepreneurship is a crucial ingredient in the establishment of thousands of small enterprises in Taiwan. Dynamic entrepreneurs pursue profit opportunities whose economic activities contribute to the economic development and enhance economic dynamics in Taiwan is well documented. Despite numerous studies have examined the effects of entrepreneurship, few studies have been undertaken to link entrepreneurship and its relation to organizational dynamic capabilities of small family firms. Dynamic capabilities are critical to the pursuit of competitive advantage and the key to the growth of the firms. Enterprises with strong dynamic capabilities are intensely entrepreneurial. The perspective of dynamic capabilities underlines the strategic importance of innovation and provides the connection to entrepreneurship. This paper identify the importance of entrepreneurial and learning processes in creating and sustaining organizational dynamic capabilities for small family firms to survive in complex and volatile business environment under Taiwan's transitional economy. Qualitative data generated through in-depth interviews of 19 small family firms in 1995 and 2010 constituted the base of this study.