Crossing the Bosphorus

A culture based approach to Organisational Resilience

A joint paper by

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The principle of promoting the unknown as dangerous and possibly evil has been around for a very long time in the form of ancient stories and children's fables. This was heavily reinforced in Europe following the invention of the printing press and in particular by one of the first books to be produced the 'Liber Chronicarum' known as the Nuremberg Chronicle. This was by Hartmann Schedel, a German physician, historian and one of the first cartographers. Printed in 1493 this book has within it a map of the then known world, with Jerusalem as its centre. Areas outside of the known world were indicated as being populated by monstrous creatures, as described to him by medieval travellers, and included a man with six arms, a person with a dog's head, a Cyclops, and a person with ears that hung to their waist. These depictions were to be seen as metaphors for the strange and dangerous lands, people and cultures out in the unknown world.

The Bosphorus is a stretch of water which the huge city of Istanbul straddles and is recognised as the watery geographic border between Europe and Asia. It can also be viewed as the historic frontier of where the differing faiths and cultures of east and west meet and start to mix, or in other words the frontier of "The Land of Monstrous Creatures!"

Today with our vast array of communication channels, and personal experiences during both our business and social lives, we find the mixing of different cultures is constantly happening. This creates opportunities to thoroughly dispel these myths of demons to make a better world and cease to live in one based upon misunderstandings and intolerance. This can be a challenge for some but a challenge which should be worked on for the benefit of all. This paper we hope will help some to start to deal with such a challenge and through a clearer understanding of differing cultures in turn strengthen the resilience of their organisation through an accurate assessment and understanding of the differing cultures found in their supply chain.

An example of the different approach to resilience, based upon faith and culture and indeed the one which prompted this paper, was experienced by the authors during an assessment of a bank in one of the Middle Eastern countries.

The headquarters of the bank were located in an 8 storey office block which included a branch, open to customers, located on the ground floor. 2000 staff were located within the building which had just a single entrance/exit. Such an absence of emergency exits would be illegal in the UK and many other parts of the western world and so appeared as the 'wrong thing to do' however, this was not viewed as an issue in a country with a strong Muslim foundation where it was seen as totally acceptable and so the 'right thing'. When discussed with the CEO of the bank, Colin tried to point out from his western Christian based view that this may not be in the best interests of staff safety, especially when one takes into account the severe earthquake risk of the geographical area it was located in. The CEO's confident response was that further exits would, as they held a great deal of customers' cash and valuable papers on site, add an intolerable security risk which the bank simply could not accept.

As a result of his comments it seemed to Colin to be a simple issue of which had the most value, employees' welfare or cash of their customers! In fact his culturally and faith based approach to this was that for people's valuables, the staff of the bank were ready to sacrifice their lives instead of being accused of losing customers' valuables and seem as dishonoured.

This different value of human life is one that can be found in many parts of the world with faiths and cultures very different to those to be traditionally found in the west. This can often result in business practices which are not just unacceptable as unethical to many but also detract from the appearance of an organisation's resilience and so in turn can be viewed as a serious weak link in the supply chain.

So what to do?

In western culture, simply, you can be referred to the process of managing such risks i.e. to Tolerate, Transfer, Terminate or Treat, as defined in the Management of Risk M_o_R http://www.mor-officialsite.com/.

However, since it is a different culture, if we want to achieve our goals, we need to align our way of communication with the other party's way of communication, although it means leaving modesty behind for a minute. We can communicate the importance of a resilient system, which means installing a second fire exit in the most simplistic manner in this case, by explaining that in case of a successful recovery from a disaster, all our employees would be honoured by the customers because while saving their valuables and also they saved lives and became heroes.

A key factor in appreciating that different practices do exist is to understand them and, where appropriate, be tolerant of them. Establishing an understanding of why these practices are in place will encourage an accurate evaluation of risk and what steps to take which then lead us to a more resilient organisation.

Working with different cultures

In our world, we live in an environment that is full of different races, languages, mimics, gestures, thoughts, perspectives and behaviours. The combination of all these is what we call the "Culture".

Culture is useless without interaction which is "communication". The term "Communication" means a 2 way activity. There is a message which is transmitted by a sender to a receiver through a channel. Needless to say, without a feedback communication cannot be confirmed.
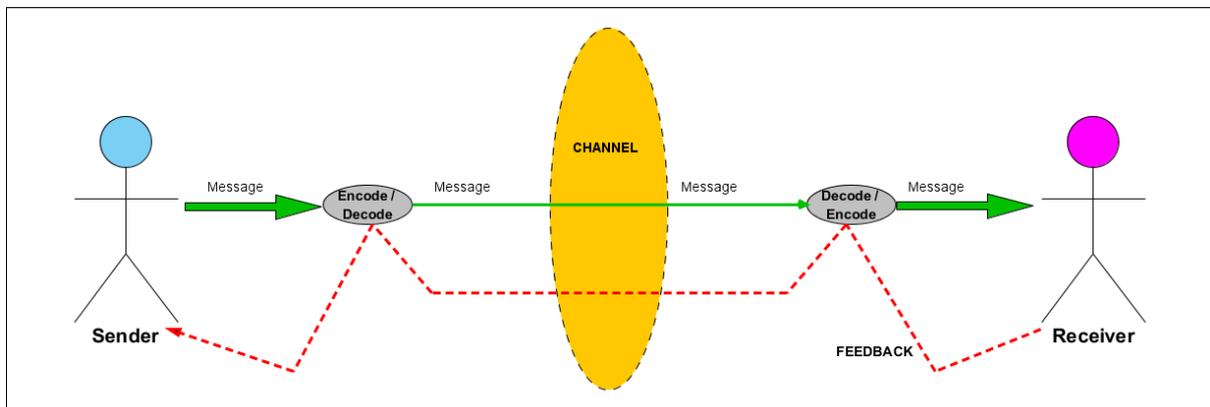
The way we communicate is a result of our cultural habits. If we communicate with a person who understands our culture, our communication becomes effective and we tell our story with the least number of words possible. However, if 2 people from different backgrounds try to communicate, then communication may become a trial and error exercise. As an example, we can easily imagine the way a technical salesman communicates to a person with non-technical background. This would be a hard conversation.

A language is a protocol between the communicators (language is represented in the above figure by the steps of encoding and decoding). It is an agreed protocol. Although communication method doesn't need to be a verbal protocol, most of the time we assume that we use a "verbal language" to communicate. This is where our assumptions don't work all the time. Therefore it is right to say we tend to use all tools in a culture to communicate. But which culture?

Cultures from different perspectives

A culture represents our style of living. In the world there are many cultures that are completely different. Something that you would like to say and the way you would like to say it can have completely different meanings in another culture. Just as an example to this, giving gifts can be considered as a must in Eastern countries while it would be a serious case of bribery in the UK.

Culture has strong relations to religion, behaviour of other people and social norms (including traditions). Whenever people start communicating with others, they can't leave their habits behind and start an effective communication. Instead, their expectations are shaped with their own culture. If culture is not known to the other person this may create misunderstandings. This is where we start having communication-traps in our own and extended organisations, our "Supply chain".

According to a study[1], people are more likely to take on larger, self-motivated work responsibility if they share major interests, lifestyle, or purpose in common with other employees. Also, the same factors that contribute to tight teamwork can also exclude competent people who don't fit so logical actions might not take place. Controversially diversity can lead to productive experiments in work roles.

To increase the Supply chain resilience, it is necessary to create a common and agreed business continuity culture. The communication amongst interested parties in supply chain and understanding the context of communication in different cultures are the key to achieve this. This is why we need to understand other cultures.

In this paper we will discuss 2 different types of classification of cultures because we would like to show you different perspectives:

1. Emotion based classification[2]
   Emotion based classification is important because it tells us "WHAT" we can say to deliver a message to the other party. There are 2 groups in this type of classification:
   o Guilt culture (self-regarded, individualistic approach)
   o Shame culture (other-regarded, collectivist approach, self sacrifice)
2. Context based classification[3]
   Context based classification, on the other hand, gives us clues about "HOW" we can deliver the message to the other party. There are 2 groups in this type of classification too:
   o High context culture (mental footprint)
   o Low context culture (words)

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[1] http://www.culture-at-work.com/office.html
[2] The chrysanthemum and the sword, Ruth Benedict, 1946
[3] http://www.marin.edu/buscom/index_files/Page605.htm

Emotion based classification; "What to say?"

What can we say to another person from a different culture in a conversation when we want to create a consensus? This is a very important question in communication. We have an idea to sell and we need support from the other side. In this situation we need to create a consensus so that we can start further negotiations.

A word or a phrase used in your culture might be completely different in another culture. For example saying YES in the UK means agreement, whereas in Turkey saying YES means "it is OK for now but it may change in the future".

Let's review the 2 different types of emotion based classification of cultures.

Shame culture

Shame cultures (including much of the Middle East, Asia, Africa, and South America) rely on the shame and honour. People assess and perceive their value by the way they are perceived by others. Their interpersonal relationships provide the motivation for their actions. Pride and honour[4] are the most important aspects of life, even more important than the life itself. Self-sacrifice for the greater good is completely acceptable.

Guilt culture

In the guilt culture (including North America and much of Western Europe), the fact is the pre-eminence of individual values over community concerns or family ties. To maintain a reasonable level of control, boundaries are set by governing bodies within which an individual has the freedom to function. These boundaries are built based upon an external standard to which we are obliged to conform.

Context based classification; "How to say?"

We can use anything to communicate with other people; Smoke, sounds, electric current (telegraphs, etc.), clothes, hair style, moustache, glasses, frames, ties, shirts or in other words anything you can think of. Once we start thinking about the endless possibilities it becomes obvious that we should understand consciously or unconsciously, what we can utilise to express our feelings and thoughts. As soon as we have the knowledge of our tools which makes up the "Context", it helps us to establish a solid base for effective communication and it is the point where most of our efforts are directed to embed the business continuity culture in a supply chain.

Let's review the 2 different types of context based classification of cultures.

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[4] The practical meanings of "Pride" and "Honour" are different in the West than in the East due to the cultural differences

High context culture

High-context cultures (including much of the Middle East, Asia, Africa, and South America) are relational, collectivist, intuitive, and contemplative. Words are not so important as context, which might include the speaker's tone of voice, facial expression, gestures, posture—and even the person's family history and status.

Low context culture

Low-context cultures (including North America and much of Western Europe) are logical, linear, individualistic, and action-oriented. People from low-context cultures value logic, facts, and directness.

High context & Shame vs. Low context & Guilt

This table shows the list of properties of "High context" and "Shame" cultures which are ultimately compared to the properties of "Low context" and "Guilt" cultures.

Low context & Guilt cultures	High context & Shame cultures
Organisational properties	
Rule oriented, people play by external rules	Multiple cross-cutting ties and intersections with others
Self organised even in the absence of severity	In need of a leader
Effective in flat organisations	Effective in hierarchies
Highly organized and structured	High levels of formalization within small communities
Personal properties	
Less humour	More humour
More interpersonal connections of shorter duration	More personal help to vulnerable
Personal responsibility	Less verbally explicit and written/formal communication
Strong personal boundaries	Strong boundaries against "outsiders"
Forward thinking	Nostalgic and past oriented
	Close and long term relationships
	Personal tolerance to disorderliness
Process properties	
Knowledge is more often transferable	Knowledge is situational, relational.

More knowledge is codified and accessible	Face-to-face relationships, often around a person with authority
Structures, separation of time, space, activities and relationships	More internalized understandings of what is communicated
Task-orientation	
Damaging properties	
Promotes self-punishment	Promotes punishment by others
Personal intolerance to disorderliness	Self-sacrifice is common
Can be hard for vulnerable people in economically hard times	Not keen on taking responsibility
	Cannot be easily organised in the absence of severity
	Seeking credit and avoiding accusation
	Tendency towards opposition right in the first place
	Interference in other people's lives

Comparison of properties of cultures

We can see that in the High context cultures people, who cannot take responsibilities and structures without a strong leader, are not rigid. If we think about the Middle East countries, the existing chaotic governmental or public structures don't seem surprising.

As another example, in the High Context cultures, the fact that people don't want to take responsibility is not a problem, it is only a norm that we need to be aware of and design our strategy accordingly. It is not good or it is not bad, it is just the fact and the reflection of the culture in those areas.

Another critical point we need to discuss is how people behave in conjunction with other people. In shame cultures people always take the other people's opinion into account. They don't want to be seen as not capable. People want credit. Therefore everything can be changed based on the other people's perceptions.

In case a member of a family shows a behaviour which is unacceptable by the community then all family members become ashamed. It is not only the individual's fault but it becomes the father's, mother's, sister's, brother's or even the extended family's fault. Clearing that shame becomes a collective desire. Therefore, individual's rights or desires are not important. The most important goal is not to be ashamed.

If we look at the following table we can see how an individual behave in a situation:

Shame Culture		
	People believe	
	I didn't do it	I did it
I know — I didn't do it	No problem	I am dishonoured I punish myself
I know — I did it	No problem because no one knows	I am guilty I have to be punished

Guilt Culture		
	People believe	
	I didn't do it	I did it
I know — I didn't do it	No problem	I fight against accusations I try to prove my innocence
I know — I did it	I feel guilty	I am guilty I have to be punished

Personal behaviour in different cultures

In the shame culture even if the individual is innocent, if the public opinion is the opposite then the individual punishes herself. When the individual talks to herself, the self-talking phrases become self-humiliating, i.e. "I am bad! How can I look in the eye of my ...", etc..

Again in the shame cultures, even if an individual is aware of the wrong-doing and if nobody is aware of the situation then it becomes acceptable by the individual since nobody knows. Bogac always remembers a taxi driver with whom he had a conversation on the way to the hotel from Ataturk airport in Istanbul. He said he used to do illegal oil transportation from Iraq to Turkey a while ago but his past was so clean and he had no shame about it. Because he was never caught by the authorities therefore he didn't have any "shame/black spot" on his name. This is what mattered to him not the nature of the activity he did.

Whereas, in the guilt cultures if the individual is innocent but the public thinks she conducted a wrong-doing then there is a fight against the public opinion.

On the other hand, if she knows she did something wrong but nobody knows she feels the guilt but not the shame. When she talks to herself the phrases become "I did something wrong! I shouldn't have done it!"

In the light of this information we can discuss some ideas for different behaviours to create a consensus amongst people:

If the other parties belong to a shame culture

- Encourage people - Encouragement should be in place while explaining what it means for the society or the world.
- Lead people - You have to be a leader, Partial totalitarianistic approach can be implemented with suitable orders and punishments

- Don't be very modest - Modesty doesn't always work. As a leader you need to be in control
- Look smart - Your outfit is important and you have to be able to speak very professionally.
- Involve only the influential people but don't ignore the others – Influential people around you are the messengers who will convince other people who are close to them than you but never ignore the others.

Guilt culture

- Encourage people - Give them incentives
- Lead people - Prepare precise orders and work instructions with targets and objectives
- Be modest - Every individual is there for the same reason, for success. You work together
- Look like yourself - Don't try to be someone else. Act consistently
- Involve other people in the beginning – Involve other people and don't let them be left-out

Additionally you can use Business Continuity as a very firm foundation to establish the consensus you need.

In 1987, Paul O'Neill was selected as Chairman of Alcoa, one of the biggest aluminium manufacturers in the world. During that time Alcoa had been facing serious health & safety problems which were well above the national average.

When Paul O'Neill was appointed he wanted to have a consensus to lead the company to a higher level. What he used as a tool to achieve this was "establishing a consensus". Employees, unions, government, media, management of the company and all other interested parties were happy to agree on the problems and policies. As a result of these actions, in 3 years period, Alcoa increased revenue and profit significantly.

O'Neill's emphasis on safety fundamentally changed Alcoa's culture. To meet the agreed targets, managers and shop-level workers started taking responsibility instead of waiting for orders. Productivity began rising. ''Paul came in and got us to do things we never thought we could do,'' says L. Richard Milner, head of Alcoa's automotive unit. ''Maybe he hasn't always told me what I've wanted to hear,'' says George Becker, president of the United Steelworkers of America. ''But I could always believe it.''[5]

This is a very good example of how consensus on human welfare can change culture of companies, even multi-national enterprises.

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[5] http://www.businessweek.com/2001/01_06/b3718006.htm

Up to now we discussed what kind of properties there were in Shame, Guilt, High context and Low contact cultures. Let's review these types of cultures versus nationalities:

Higher context/Shame culture	Lower context/Guilt culture
African	Australian
Arab	Dutch
Brazilian	English Canadian
Chinese	English
Filipinos	Finnish
French Canadian	German
French	Hebrews/Jews
Greek	Irish
Hawaiian	New Zealand
Hungarian	Scandinavia
Indian	Switzerland
Indonesian	United States (excluding the Southern United States)
Italian	
Japanese	
Korean	
Latin Americans	
Nepali	
Persian	
Portuguese	
Russian	
Southern United States	
Spanish	
Thai	
Turkish	
Vietnamese	
South Slavic	

Some nationalities vs. culture type[6]

6 http://en.wikipedia.org/wiki/High_and_low_context_cultures

How to develop more resilient supply chains

A "resilient supply chain" means a chain of structures with the business continuity culture embedded in all entities within. This means that whatever happens, it is a bigger potential that our biggest objective of caring the human life and the expectations of businesses can be achieved. It means a cultural shift where self-sacrifice is seen as a virtue. In this situation our task becomes even bigger.

What we can recommend is to set an objective as "Align the business continuity culture of all parties within our supply chain to make everybody prepared and equipped to follow an agreed plan in case of an incident."

To accomplish this objective there is a need to make people think in the same way. So, how can we make people think the same?

It is simple; We have to change thinking styles and behaviours. It means changing beliefs, expectations and thoughts. We can do this by implementing a persistent, regular and effective training, exercising and testing programme. It is that simple.

The idea of a dramatic cultural shift sounds impossible with this action. However, as soon as we look at how the brain works it becomes reasonable to expect valid outcomes from this action plan.

Cultural shift and creating new thinking patterns

The brain is one of the most fascinating organs of the human body. Brain has 2 structures in it which play big role in reactions and decisions:

- Omnifrontal cortex
- Amygdala

Omnifrontal cortex is responsible for conscious decision making and risk evaluation.

The "Thoughts" are electrical currents going through the connections (synapses) between our brain cells (neurons). The more connections we have between different structures of our brain means the more comprehensive thoughts we can come up with. Since "Risk evaluation" can be considered as a very high level brain activity this means we need to create connections in our brains.

It is fine, but how can we do this?

What makes the brain so fascinating is the way it can adapt and create new structures in it. This is what we call "Brain plasticity". It is a term that refers to the brain's ability to change and to adapt as a result of "experience". The brain continues to create new thinking styles

and alter existing ones in order to adapt to new experiences, learn new information and create new memories.

According to researchers, persistent and long term practice and the same way of thinking over a relatively longer period of time create connections between neurons and make them long-lasting[7] (this is what we call the "Memory"). In this context, the phrase "long term practice and the same way of thinking" means regular and persistent practices, actions, tests and exercises of business continuity plans.

If we explain this in Business continuity terms, it means we are exercising business continuity plans to make it a habit. We change how people think. Especially about saving lives and business priorities. This means, at least for some people in our supply chain, a "Cultural shift".

The correct way to implement this is not to carry out a business continuity test once a year. Instead, designing a programme including business continuity tests, exercises, trainings and practices to diversifying the activities at different organisational levels with different difficulty levels. Explaining the importance of the effectiveness of the business continuity programme also needs to be a multi-faceted activity.

To do these you can use the communication methods which are discussed in this paper.

Looking at the "Emergency or incident response"

As explained, regular and long term training and exercises have benefits for cultural change. Besides they have other benefits too. One of the critical benefits is they can be used to change the physical reaction patterns of people in case of emergencies. So if we manage to change these physical reaction patterns then it means more calm emergency response teams can be employed.

It is a well-known fact that people tend to panic in the emergencies. This is mental and physical activity which takes place without our control. With regular, persistent and long-term training, exercises and practices we can teach our body to stay intact in case of an emergency. A similar method is followed in "Martial Arts Training".

A part of the brain, the Amygdala, is responsible for unconscious responses in case of emergency situations. An example to these responses is the famous "Fight or Flight response".

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[7] http://www.cmu.edu/mcs/news/pressreleases/2013/0528-Neuron-Labile-Phase.html

People respond to stress in 3 stages:

- **Alarm** - Assessing the threat and identifying the best response
- **Resistance** – The response
- **Coming out of stress** – it can be either "Recovery" or "Exhaustion"

With the help of long term and persistent training and exercise programme we can make the alarm stage effective and hand over the control of the response to omnifrontal cortex for conscious decisions supported by memories.

Conclusion

Resiliency in the supply chain is hard to succeed, however and importantly, when achieved, it has a long lasting positive impact upon the strength of an organisation. But remember without involvement of people, an agreed foundation and constant practice it is not possible to achieve and maintain this great level of supply chain resilience.

Because of this fact we would recommend you to:

- Analyse the culture of your supply chain colleagues
- Create effective communication lines to achieve consensus
- Engage with them
- Provide training and exercising opportunities
- Always seek for feedback, either directly or indirectly through observations

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