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An introduction to mindfulness and sensemaking by highly reliable organizations in Latin America[☆]

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ABSTRACT

This introduction describes exploratory studies about the relevance of Karl Weick's HRO propositions in Latin American contexts. Eleven case studies constitute the core of the special issue. The research questions include the following issues. How do Weick's concepts apply to organizations that operate in this region? What are the lessons learned from these eleven mindful organizations? How can these insights inform the management practices of other business leaders in Latin America? The organizations described in these eleven cases, which have been chosen from a sample of 396 cases produced between 2001 and 2013 at INCAE, the leading producer of cases among the top graduate schools of management in Latin America, exhibit between two and five characteristics of highly mindful organizations: (a) preoccupation with failure, (b) reluctance to simplify, (c) sensitivity to operations, (d) commitment to resilience, and (e) deference to expertise. Despite not being quoted among scholars in Latin America, Weick's concepts of mindfulness and high reliability organizations (HROs) are relevant in a region bound by uncertainty.

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1. Introduction

Latin America is a region in which management is strongly confronted with uncertainty. Volatile markets, unstable political systems, or diverse climatic and environmental influences require of organizations the ability to deal with the unexpected much more than the ability to develop and execute long term planning (Hofstede, 1980; Ogliastrì et al., 1999). To succeed, constant mindfulness is needed to detect issues that could have a negative impact on the organization, to decide quickly upon appropriate actions, and to follow through until the issue is resolved. One would thus expect Latin America to be a region where Weick's concept of mindfulness is broadly known and find theoretical and practical support.

Weick, Sutcliffe, and Obstfeld (1999) introduced the term "mindfulness" in the literature on organizations and safety. Weick's innovation consisted in transferring this concept to organization studies as "collective mindfulness." The effective adoption of characteristics of collective mindfulness by an organization appears to cultivate safer cultures that lead to improved outcomes. "Sensemaking" is the process through which individuals in an organization come to understand problems or

events that are ambiguous, unexpected, new or confusing (Maitlis & Christianson, 2014). Based on these individual level processes, organizations can become systems of mindfulness and create a sense of urgency to take corrective actions in the face of unexpected events. Persistence in the face of adversity leads to the resilience that characterizes these high performing organizations (Weick, 1995, 2001; Weick & Roberts, 1993; Weick et al., 1999).

Most Anglo-American management concepts quickly spread to the South (and elsewhere), but why some concepts achieve quick academic acclaim at home and yet fail to take root in other cultures remains a mystery. High reliability organizations (HRO), resilience, mindfulness, and sensemaking are striking examples of concepts that failed the test of intercultural adoption and are rarely mentioned in Latin American management literature, despite the significant impact observed in advanced research communities like the United States (Maitlis & Christianson, 2014; Starbuck, 2015; Woodside, 2001). Weick ranks 31 among the top 381 management scholars of the world, and seventh of 83 in Google citations (Aguinis, Suarez-Gonzalez, Lannelonge, & Joo, 2012), yet he is not cited once, between 1999 and 2015, in the *Academia Revista Latinoamericana de Administración* (ARLA), a leading Latin American management journal, ISI ranked since 2007. Are these concepts completely irrelevant to the reality of these other countries? Considering that all Spanish-speaking countries have a phrase ("ponerse las pilas," meaning to be alert, to take corrective actions and follow through) often translated into English as to get your act together, that fit well with the key messages presented by Weick and Sutcliffe (2007), probably not.

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This special issue aims to fill this gap and to contribute to the development of an understanding about the challenges of Latin American organizations by exploring how Weick's concepts are of relevance within the Latin American context. The approach is to examine individual case studies researched by top business schools in the region. How do these concepts apply to organizations that operate in this region? What can be learned from these organizations? How can these insights inform the management practices of other business leaders in Latin America? Based on the concepts of Weick, this special issue provides further understanding into the challenges faced by Latin American organizations and evaluates its relevance with regard to the management challenges of the region. An exploratory study of material produced during the past 12 years by the premier business school that has researched the greatest number of cases across the region, INCAE Business School, yielded eleven cases relevant to the concepts of Weick. The editors invited the authors to re-think their teaching cases, from the perspective of mindfulness, to apply them to this special issue. The teaching guidelines for these cases were subsequently reviewed and revised to highlight these concepts (as discussed below).

1.1. Karl Weick's methodological approach and theoretical contribution

The use of single cases as a basis to investigate how mindfulness, sensemaking, and the HRO may prove of value on the Latin American context is in line with Weick's approach to generating new insights. Starbuck (2015) discusses the work of Karl Weick in its historical context, in terms of its contributions to cognitive theories in psychology and the development of a theory of organization as well as regarding management in general. The contribution of sensemaking (to make sense of facts, to be mindful of what is going on) in organizations, an attentiveness to detail, and correcting mistakes (mindfulness) leads to highly reliable and effective organizations (high reliability organizations, or HROs). Weick's studies "do not focus on hypothesis testing, nor on deriving inferences based on samples of behavior" (Starbuck, 2015, p. 1296).

Weick focuses more on generating theories than on testing hypotheses, closer to qualitative research methodologies and in particular ethnomethodology (Garfinkel, 1967; Weick, 1989; Weick, 2010b). Far from orthodox approaches, the author often relies on "imagination, interpretation, collages in search of themes and selective simplification" (Weick, 2010b, p. 179) when striving to reveal the essence of unique and extreme cases in their importance for organizations and management in general. Interestingly, this brings him somewhat closer to the *Essays of the Latin tradition*, such as Montaigne, 2007 who claims that "...his aim (was) above all to exercise his own judgment properly" (Stanford, 2015). Ortega y Gasset (1914) wrote "The essay is science, minus the explicit proof" (Stanford, 2015).

In his research, over the last decades, Weick examines a number of specific experiences in and around organizations, such as the Tenerife air disaster (Weick, 1990), the Mann Gulch fire disaster (Weick, 1993), exchanges between pilots in the cockpit (Weick & Roberts, 1993), the Bhopal gas disaster (Weick, 2010a), and the culture and functioning of hospitals (Weick & Sutcliffe, 2003). His work combines the close up study of real-life events applying, combining, and further developing concepts and ideas many of them rooted in his seminal work on the social psychology of organizing (Weick, 1969/1979). The study of organizations facing crises has led to fundamental insights, spanning both individual and collective levels of analysis (Weick, 1988). The realization of the significance of events in critical situations is listed below, in chronological order: comprehension and transfer of individual cognitive meanings to an organizational level (Weick, 1995, 2001); organizing to achieve high reliability through the use of mindfulness (Weick et al., 1999); management of the unexpected to ensure high performance amidst the complexity (Weick & Sutcliffe, 2001); management of unexpected situations, which links complexity with deriving the meaning of

things (Weick, 2005); organizing the processes of sensemaking and understanding the meaning of the events (Weick, Sutcliffe, & Obstfeld, 2005); sound decision making in unfamiliar situations (Weick, 2006); mindfulness and the quality of care in organizations (Weick & Sutcliffe, 2006); and management of the unexpected in high reliability organizations (Weick & Sutcliffe, 2007).

2. INCAE database of teaching cases

Table 1 presents statistics pertaining to INCAE cases recorded between 2002 and 2013, per subject area. Table 2 presents these same cases, per country or region, according to extent of geographic coverage.

The search among 396 INCAE cases recorded between 2002 and 2013 for organizations that clearly manifest this trait (mindfulness to achieve a reliable organization) was carried out with the support of the case authors. These 12 years and 396 INCAE cases are thus a sample of this phenomenon in Latin America. While the cases were selected from a convenience sampling of cases that incorporate at least one of the five traits of a high reliability organization (for details see description, below), great care is taken to maintain the relative terms, for each subject area, of the percentage weight observed in the database indicated. Consequently, more cases exist for the areas of general management, finance and economics, and environmental analysis and fewer cases in the fields of control, marketing, and organization. Representativeness is also maintained per geographic area, with more case studies from Central America, Latin America, Costa Rica, El Salvador, and Nicaragua. Furthermore, the cases are diverse in terms of the industry in which they occur, as detailed below, with cases from the automotive, aviation, food, beverage, and retail industries as well as those representing NGOs, logistics, finance, and governmental institutions, among others.

In summary, the term high reliability organization (HRO) is an emergent property described by Weick and Roberts (1993); highly mindful organizations characteristically exhibit (a) preoccupation with failure, (b) reluctance to simplify (c) sensitivity to operations, (d) commitment to resilience, and (e) deference to expertise.

3. The cases in this special issue

The cases were revised and rewritten incorporating theoretical insights from Weick's concepts, thus becoming case studies for research rather than teaching cases. Below is a summary of the cases; each of the eleven cases displays one or more of the five traits of the HRO.

Zúñiga and Martínez, in "A Third-party Logistics Provider: to be or not to be a Highly Reliable Organization," present the case of a logistics service provider, located in a small country in Central America, that decides to grow by entering the regional market. One of the credentials required to go international is to demonstrate the ability to manage the complex operations of important and demanding clients. The proposal made by the country's largest chain of supermarkets corresponds with the type of operation that must be carried out to demonstrate the company's capacity to provide a world class service. However, to be accepted as a supplier by this international chain, all processes must be compared to those considered best practices in the industry, to identify areas of improvement. This could involve changes at the operational level.

Since the preoccupation with failure, the reluctance to simplify-interpretations, the sensitivity to operations, the commitment to resilience, and the deference to expertise have all been instrumental in managing the risk and complexity of the supply chains of its customers, this company has had to use the HRO framework from the start, as illustrated in the case. These elements provide some insights in support of the company's successful decision to expand geographically, a decision that due to both qualitative and quantitative considerations is not obvious.

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