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2. **Cultural Dimensions of Agile Supply Chain Management**

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CULTURAL DIMENSIONS OF AGILE SUPPLY CHAIN MANAGEMENT

1. Introduction

This paper investigates the relations between cultural dimensions proposed by Hofstede and Agile Supply Chain Management. Five cultural dimensions are used in this study: High *versus* Low Power Distance, Individualism *versus* Collectivism, High *versus* Low Uncertainty Avoidance, Masculinity *versus* Femininity and Short-Term *versus* Long-Term Orientation.

Agile Supply chain Management and cultural dimensions are dealt with in terms of their main characteristics in the next sections. At the end of this paper, the characteristics will be compared.

Mentzer *et al.* (2001, p.18) define Supply chain Management as a systemic and strategic coordination of traditional business functions and business tactics in a particular company and across businesses within the supply chain, having the aim of improving the long-term performance of individual companies and supply chains in general. In supply chains, there is a constant flow of products, services and information from the first tier of suppliers to the final customer. All processes that add value to a product and provide satisfaction to customers should be sought (Figure 1).

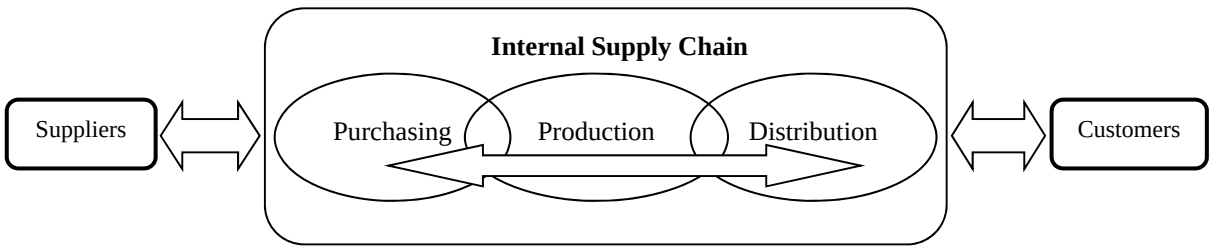

Figure 1. An illustration of a company's supply chain (Chen and Paulraj, 2004a, p.120).

2. Evolution Stages of Supply Chain Management from Stevens

Stevens (1989, pp.6-8) presents four evolution stages of supply chain management (Figure 2).

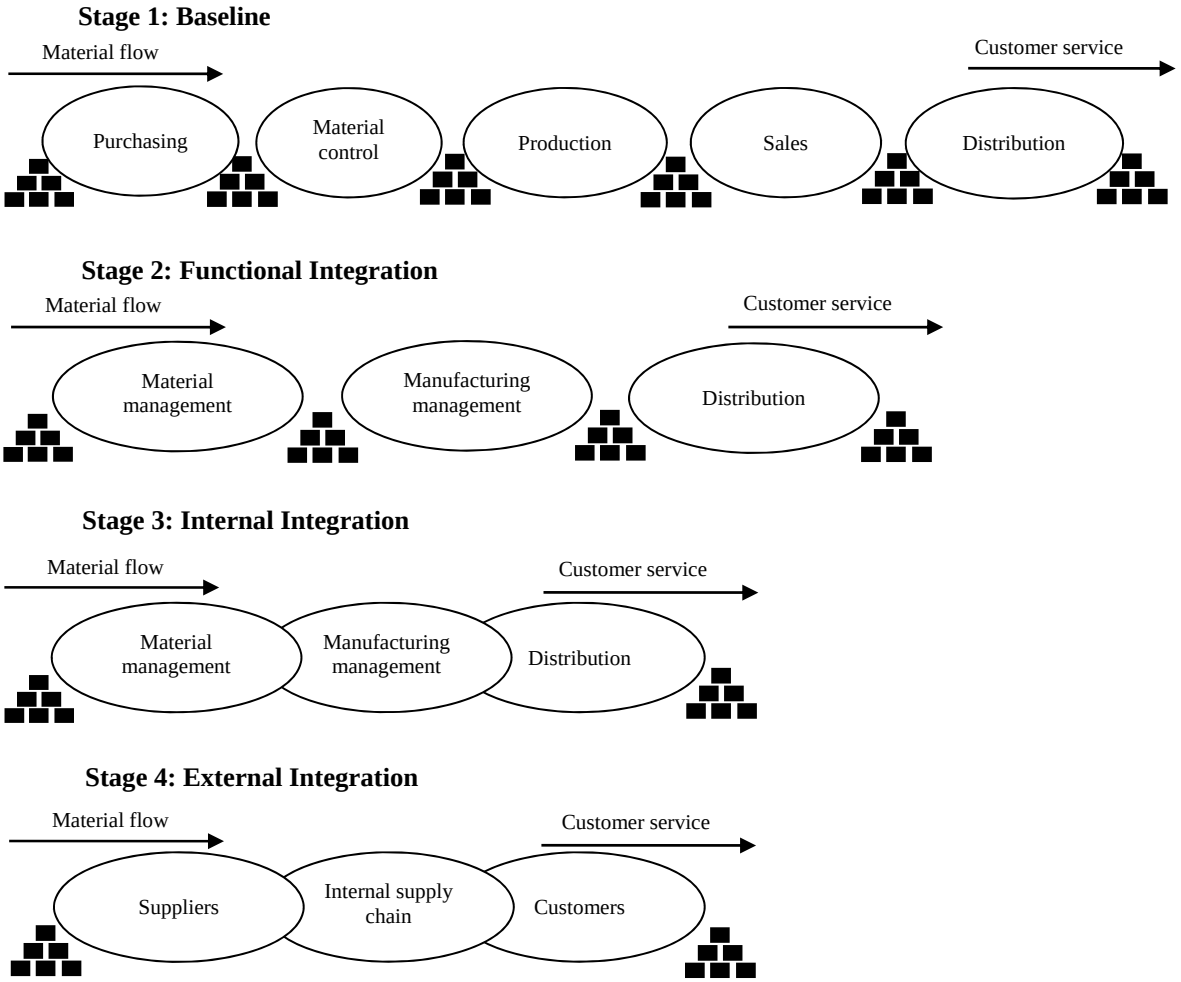

Figure 2. Achieving an integrated supply chain (Stevens, 1989, p.7).

Stage 1, called **baseline**, is exemplified by a company that is responsible for different activities in the supply chain in separate departments, which are almost independent. Although there is not much concern about the supply chain, it is divided and characterized by:

- Inventories managed in stages resulting from flaws in integrating and synchronizing activities;
- Control systems and incompatible procedures, which cover sales, manufacturing planning and material control, are independent and often incompatible;
- Organizational boundaries whereby purchases can control the material flow and stock of raw material. Manufacturing and production control would cover raw material through

capacities and inventories in process to the final products. Moreover, throughout the chain, sales and distribution participate in external chain management and its inventories.

In stage 1, the company plans the short-term supply chain up to a point in which it is almost always reactive, much more based on quick adjustments and making corrections from one crisis to another.

This situation makes sure that not only the inefficiencies increase within the operations of the supply chain, but also put at risk the global effectiveness of the supply chain, as well as increase the vulnerability of the effects of changes on the standards of supply management and demand.

The next development stage involves **functional integration** which mainly focuses on the inward flow of goods. This level of integration is characterized by:

- More emphasis on reducing costs than improving performance;
- Functions of discrete business, each having buffer inventories;
- Elements of internal trade-offs, between, for example, purchase discounts and level of inventory investment, as well as high plant utilization and batch sizing;
- Customer service still tends to be reactive, *i.e.*, the customer that “shouts the loudest” obtains the products.

Regarding planning and control systems, companies from stage 2 typically plan based on the time for manufacturing and materials management, using MRP and MRP-II techniques. Within the distribution network, the demand will continue to be aggregated. In fact, orders are still proving to be a problem for manufacturing in so far for planning purposes the distribution infrastructure is effectively separated from manufacturing. As a result, there is little visibility of real demand from the customers which leads to inadequate planning and generally dismal performance.

The third stage of development recognizes that it is not worth focusing on goods management into the organization, unless the flow is well managed on the way to the customer. This stage entails integrating those aspects of the supply chain under the control of the company and includes external management of assets, integrating supply and demand throughout the chain in the company itself. **Internal integration** can be described as an ample and integrated planning and control system. Usually companies from stage 3 use DRP systems (Distribution Resource Planning), integrated by well-managed master schedules using MRP-II and material management systems, using when practical, JIT manufacturing techniques to support the execution of the material plan.

When a company reaches this level of integration, it can truly begin to talk of synchronized management demand, synchronized to customers' demands having a manufacturing plan and flow of material from suppliers to reap the benefits by using suitable information for inventory.

Supply chains from stage 3 are characterized by:

- Systems with total visibility from distribution to purchases;
- Medium-term planning;
- More focus on tactical rather than strategic issues;
- More emphasis on efficiency than effectiveness ensuring that what is done is done well; instead of ensuring the correct activity is done;
- Reaction to customers' demands more than customer "management".

Only in stage 4, called **external integration**, is complete integration reached by increasing the scope of integration outside the company in terms of including customers and suppliers.

The significance of this stage of development goes beyond only the scale. It implies a shift of focus which guides the product to customers and truly understands their products, culture, market and organization. This should ensure that the company meets the customer's needs

and demands. Integration from the beginning of the supply chain, to include suppliers, also represents more than a simple change of scope. It represents a change in attitude, far from the attitude of opposition to conflict and turns to mutual support and cooperation.

Cooperation begins in the initial stages of development of the product and includes complete involvement in management at all levels; supplying high quality products sent directly to the production line on-time; shared products, processes and information about specification changes; changes in technology and support to the project, and above all, long-term commitment, which usually means eliminating multiple suppliers (Stevens, 1989, p.8).

3. Agile Supply Chain Management

At the most advanced phase of its evolution, Agile Supply Chain Management can be described as being agile. “Agility can be defined as the ability of an organization to respond rapidly to change in demand, both in terms of volume and variety. The market conditions in which many companies find themselves are characterized by volatility and unpredictability, which results in an urgent attempt to search for agility” (Christopher, 2000, p.38). In order to be truly agile, a supply chain should have a number of distinct characteristics as suggested in Figure 3.

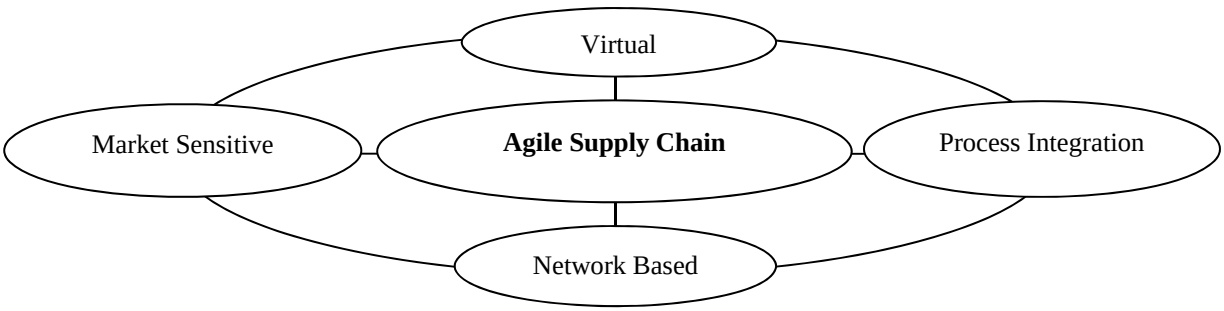

Figure 3. Agile Supply Chain (Christopher, 2000, p.40).

A supply chain is **market sensitive** when it can read and respond to the real demand. Most organizations are forecast-driven rather than demand-driven. Recent advances in terms of

Efficient Consumer Response and the use of information technology to collect data from the demand at the point-of-sale or point-of-use, are transforming the organization's ability to understand the market and respond directly to it (Christopher, 2000, p.38).

The use of information technology to share data among buyers and suppliers is, in fact, creating a **virtual supply chain**. Virtual supply chains are based on information rather than inventories. Electronic Data Interchange and the Internet have enabled partners in the supply chain to act accordingly using the same data, *i.e.*, the real demand rather than being dependent on a distorted and noisy picture, which appears when the orders are transmitted from one step to another in an extended chain (Christopher, 2000, pp.38-39).

Shared information among the partners in the supply chain can only fully benefit by process integration. **Process integration** means collaborative work between buyers and sellers, development of products, common systems and shared information. This way of cooperating in the supply chain is increasingly prevailing, depending on how much the companies concentrate on managing their core competences and outsourcing all the other activities. In this new context, trusting the suppliers and alliances more is inevitable and therefore a new style of relationship is essential. In an "extended enterprise", as it is often called, there cannot be any barriers, and an *ethos* of trust and commitment must prevail. Along with process integration comes strategy development, teams with representatives of buyers and suppliers, information made readily available and even open-book accounting (Christopher, 2000, p.39).

This idea of the supply chain, as a confederation of partners linked in a network, provides the fourth ingredient of agility. There is growing recognition that individual companies do not compete anymore as autonomous entities, but rather as supply chains. The **network based competition** era has begun, whereby the prizes go to those organizations that can improve their structure, coordination and management of relationships with partners in a network

which promises better, closer and more agile relationships with its final customers. It can be argued that in the current challenging global market, the way to sustainable advantage resides in being able to enhance the strong points and competencies of the network partners to reach the best response to the market needs (Christopher, 2000, p.39).

4. Characteristics of Agile Supply Chain Management

Agile Supply Chain Management depends on adopting the following activities: integrated behavior, mutual sharing of information, risks and rewards, cooperation, the same objective and the same focus to attend customers, process integration and building up and maintaining long-term relationships between partners (Mentzer *et al.*, 2001, pp.8-9).

In order to be competitive in a current competitive environment, companies must expand their integrated behavior to incorporate customers and suppliers.

The **mutual sharing of information** among members of the supply chain is necessary to implement the planning and monitor supply chain management processes. Effective supply chain management requires frequent exchanges of information to constantly keep members up to date. Open sharing of information involves inventory levels, forecasts, sales promotion strategies and marketing strategies. These tools reduce the uncertainties among the supply chain partners and result in better performance (Mentzer *et al.*, 2001, p.8).

Effective supply chain management requires **mutual sharing of risks and rewards** which broadens competitive advantages. Risks and rewards are important for focusing long term cooperation among members of supply chain management (Mentzer *et al.*, 2001, p.8).

Cooperation among the members of the supply chain are referred to as complementary and coordinated activities carried out by a company in a business relationship with the purpose of producing superior mutual outcomes or singular outcomes that are mutually expected over time. Cooperation is not limited to current business needs and takes place at different organizational levels (*e.g.*, both top and operational managers), involving

coordination by supply chain management members. Cooperation begins with planning together and finishing with control activities to evaluate performance of the supply chain members. Planning and assessment together entail continuous processes over many years. For planning and control, cooperation is needed to reduce the inventories and pursue supply chain-wide cost efficiencies. Furthermore, supply chain members should work together in developing new products and taking decisions about a product portfolio. Finally, quality control and delivery systems are also actions to be done together (Mentzer *et al.*, 2001, p.8-9).

A successful supply chain requires all members to have **the same focus to attend customers.** Establishing the same objective and even focus among the supply chain members is a way of integrating company policies. Successful relationships attempt to integrate policies to avoid redundancy and overlap, while searching for a level of cooperation that allows participants to be more effective having less cost levels. Integrating policies is only possible if there are compatible management cultures and techniques among the supply chain members (Mentzer *et al.*, 2001, p.9).

Implementing supply chain management requires **process integration**, production and distribution throughout the supply chain. Integration can only be reached by cross-functional teams, in-plant supplier personnel, as well as service and outsource suppliers (Mentzer *et al.*, 2001, p.9).

Effective supply chain management is made up of various partners and, therefore, requires them to build up and maintain **long term relationships**. The time horizon of relationships extends beyond the life of the contract, perhaps indefinitely, and at the same time, the number of partners should be less to facilitate the intensity of cooperation. It is not common for all the primary activities of a chain – inbound and outbound logistics, operations, marketing, sales and services – to be carried out by only one company to value the customers. Therefore, forming strategic alliances with supply chain members, such as suppliers, customers and

intermediaries (for example, transport and storage services) provide competitive advantages by creating customer value (Mentzer *et al.*, 2001, p.10).

5. Hofstede's Cultural Dimensions in Agile Supply Chain Management

Five cultural dimensions are related to Agile Supply Chain Management: high *versus* low power distance, individualism *versus* collectivism, high *versus* low uncertainty avoidance, masculinity *versus* femininity and short-term *versus* long-term orientation (Hofstede, 2001). Based on the literature review, it can be observed that the culture of Agile Supply Chain Management has the following cultural dimensions: Low Power Distance, Collectivism, Low Uncertainty Avoidance, Femininity and Long-Term Orientation. The reasons for this are as follows.

5.1 Low Power Distance in Agile Supply Chain Management

On one hand, high power distance cultures tend to accept centralized power and depend greatly on superiors to define structure and guidance. On the other hand, Low Power Distance Cultures do not tolerate highly centralized power and the staff expects to be less consulted in decision making (Hofstede, 2001).

The main characteristics of Low Power Distance Cultures, listed by (Santos *et al.*, 2010), are related to supply chain management as follows.

Decentralized decision structures, having less concentration on authority, are related to Agile Supply Chain Management as they attempt to involve, be responsible for and distribute power to all the suppliers of Agile Supply Chain Management. This decentralization makes it possible for all the staff to relate to customers and, thus for cooperation between different levels of organization (e.g., top and operational managers) and between members of the supply chain to take place (Hoek *et al.*, 2001, pp.134-135).

Horizontal organizations, having few levels of hierarchy, are also an organizational characteristic of Agile Supply Chain Management due to the aforementioned decentralization of power. There are few organizational levels in the organizations which regulate the supply chain and in the companies themselves, as well as their staff include both planning and control in their activities (Hoek *et al.*, 2001, p.134). A horizontal customer-focused, collaborative culture is firmly in place (Lockamy III and McCormack, 2004, p.275).

Listening customers is important to identify their key demands. Staff needs autonomy to build up and maintain relationships with customers. Agile Supply Chain Management complements orientation to the product focusing on the customer. It is also highly important for the company to understand products, culture, the market and organization (Stevens, 1989, p.8). The ability of the organization to understand the market makes it possible for the supply chain to respond. The best results are produced by those organizations that work more closely and have a more agile relationship with their final customers (Christopher, 2000, p.39).

Making **information readily available** to all levels of hierarchy is practiced in Agile Supply Chain Management, because together with the integration of processes comes the development of strategy, teams with representatives of buyers and suppliers, making information available, and even open-book accounting (Christopher, 2000, p.39).

Managers do not only rely on formal rules in Agile Supply Chain Management. Effective supply chain management requires frequent exchanges of information to keep the members constantly updated. Sharing information openly involves inventory levels, forecasts, sales promotion and marketing strategies which reduce the uncertainties among the partners of the chain and result in better performance (Mentzer *et al.*, 2001, p.8).

As **Empowerment** means sharing authority and considers that people at the bottom of the organization hierarchy have some essential knowledge about some decisions, it is an important aspect of Agile Supply Chain Management. The leaders are advisers and motivators

who guide their staff more about issues concerning the market than operational procedures. Organizations trust and empower employees (Hoek *et al.*, 2001, pp.133-135).

Training is important because the roles played by the staff are constantly changing and are not determined beforehand. Various areas in companies are strategic for Agile Supply Chain Management. The staff's ability to influence strategic planning has increased due to the highly competitive environment. Therefore, a growing number of staff must be trained in cross-functional areas and in strategic elements of Agile Supply Chain Management (Chen and Paulraj, 2004b, p.134). Owing to a wide range of problems from suppliers, potentially solved by better relationships between buyers and suppliers, specialization, skills and training are required for various functions (Chen and Paulraj, 2004b, pp.140-141).

5.2 Collectivism in Agile Supply Chain Management

The cultural dimension of individualism *versus* collectivism is related to the degree in which people are oriented to act as an individual *versus* acting as part of a group. Collectivist Cultures are related to a cooperative environment and team work. In individualistic cultures, individuals tend to act according to their own interests, attempting to find success and individual results (Hofstede, 2001).

The main characteristics of Collective Cultures, listed by (Santos *et al.*, 2010), are related to supply chain management as follows. Management is mainly carried out by **teams**. There is a strong belief in **collective decisions**. Agile Supply Chain Management is the responsibility of teams (Hoek *et al.*, 2001, p.134). Competition is based on networks with many companies.

Organizational success is attributed to **information sharing**, to individual commitment and political alliances. Having the purpose of finding solutions to material problems and project issues, buyers and suppliers must assimilate a large amount of information and be willing to share relevant information of the project. When communication takes place between the project, engineering, quality control and other functions among buyers and

suppliers, besides the interface between purchases and sales, supplier's quality performance is superior to that experienced when only the purchasing department of the buying company and the sales department of the supplier act as conductors of information between companies (Chen and Paulraj, 2004b, p.135).

Particularly, suppliers who do not want to share information concerning cost quality and production cannot be considered because the willingness of sharing information is seen as a sign of a strong relationship. Supplier certification is included in all the aspects of performance of a seller and it is expected that they will build up confidence and communication between the buyer and supplier, improving the quality of the supplier's product, minimizing communication flaws and inventory costs for the buyer (Chen and Paulraj, 2004b, pp.139-140).

Staff performs better in teams. The importance of interfaces between companies increases coordination and performance of the supply chain (Hoek *et al.*, 2001, p.134). The larger the integration of the supply chain, the better the performance of the chain (Frohlich and Westbrook, 2001, p.187). Figure 4 shows the outward facing arc of integration.

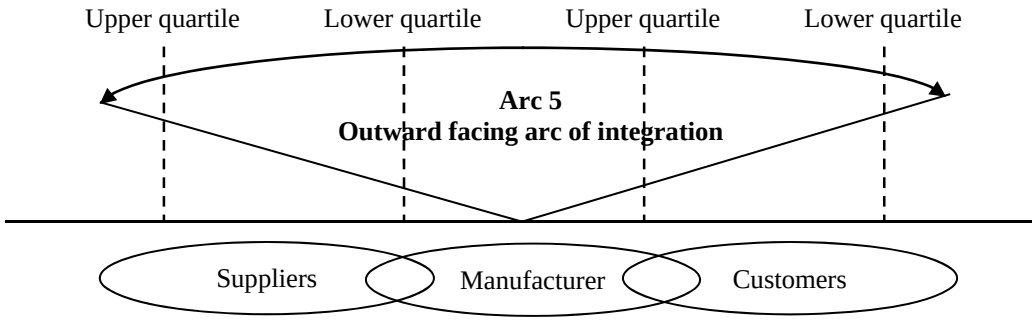

Figure 4.Outward facing arc of integration (Adapted from Frohlich and Westbrook (2001, p.191))

The best results can be found in those organizations that can better structure themselves, coordinate and manage relationships with their partners in a committed network (Christopher, 2000, p.39). Open sharing of information among partners of the chain makes it possible to improve the performance and have better mutual results or singular results that are expected long-term (Mentzer *et al.*, 2001, pp.8-9).

Strategic decisions are based on facts and information from various sources, instead of only relying on individual judgment and intuition. Information sources include information systems, work colleagues and customers (Flynn and Saladin, 2006, p.588). Cooperation in Agile Supply Chain Management begins in the initial stages of developing products and managing services at all organizational levels involved. High quality products are delivered directly to the production line on-time. Changes on the specification information of products and processes are shared. Companies exchange technology and support their projects mutually (Stevens, 1989, p.8). Forming strategic alliances with partners in the chain, such as suppliers, customers and intermediaries (*e.g.*, transportation and storage services) provides competitive advantages by creating customer value (Mentzer *et al.*, 2001, p.10).

Long term management with customers by cross-functional teams is becoming a common practice in supply chains. The biggest changes occur in those companies that interact with external agents: customers, suppliers and international partners. Cross-functional teams have been identified as being important collaborators of successful efforts such as choosing suppliers, product design, just-in-time manufacturing, reducing costs and total quality initiatives and above all, improvement in communication. Cooperation, by those companies that exchange a great deal of important information and are engaged in some relationships between suppliers and customers, have become the threshold of interaction in supply chains (Chen and Paulraj, 2004b, pp.140-142).

Strategy planners and decision makers prefer environments that can be analyzed with full involvement of the organization, which makes analyzing the environment and strategic planning structuring easier. Along with process integration comes strategy development, teams with representatives of buyers and suppliers, information made readily available and even open-book accounting (Christopher, 2000, p.39).

Sharing mutual information among the members of the supply chain is necessary to implement and plan as well as monitor supply chain management. Cooperation starts with planning and finishing control activities to assess the performance of the supply chain members. Concerning planning and control, cooperation is necessary to reduce the inventories and search for cost efficient supply chains. Moreover, members of the supply chain must work together in developing new products and taking decisions about products. Finally, design of quality control and delivery systems are also actions to be done together (Mentzer *et al.*, 2001, pp.8-9).

On a larger scale, commitment becomes more difficult for partners to act in ways that can affect global performance adversely in a supply chain. Having commitment, partners in a supply chain become integrated in the processes of their main customers and more focused on their objectives (Chen and Paulraj, 2004b, pp.141-142).

5.3 Low Uncertainty Avoidance in Agile Supply Chain Management

Uncertainty Avoidance is related to the degree in which people in a culture feel uncomfortable with situations where they notice that there is no structure. Cultures having Low Uncertainty Avoidance tend to be relatively tolerant to uncertainties and ambiguities and require considerable autonomy and less rigid structure. Cultures having high uncertainty avoidance have an emotional need to have rules and create institutions which promote security and minimum risks (Hofstede, 2001).

The main characteristics of cultures having Low Uncertainty Avoidance, listed by (Santos *et al.*, 2010), are related to supply chain management as follows.

In Agile Supply Chain Management, it is relevant that there is a tendency to have changes. Areas and partner professionals must cope with risks and be quick when taking decisions (Hoek *et al.*, 2001, p.134).

It is important to have **highly flexible ideas in management and a culture that favors new relationships**, which leads to continuous reconfigurations in the supply chain (Hoek *et al.*, 2001, p.134).

Business process management is more focused on innovation and experimentation. Implementing supply chain management requires **process integration**, production and distribution throughout the supply chain. Integration can only be reached by cross-functional teams, in-plant suppliers, as well as service and outsource suppliers (Mentzer *et al.*, 2001, p.9).

People take on tasks having uncertain results to be reached, calculated risks and problems to solve. Managers feel more at ease with instability, are less against new challenges and more open to experimenting using new initiatives which have not been tested yet. Effective supply chain management requires **mutual sharing of risks and rewards** which broadens competitive advantages. Risks and rewards are important for focusing long term cooperation among members of supply chain management (Mentzer *et al.*, 2001, p.8).

Managers seek more information than necessary to gain competitive advantage over their competitors. They collect different sources of information, whether objective or subjective. In Agile Supply Chain Management, cross-functional teams have been identified as being important collaborators of successful efforts such as choosing suppliers, product design, just-in-time manufacturing, reducing costs and total quality initiatives and above all, improvement in communication (Chen and Paulraj, 2004b, pp.140-141).

5.4 Femininity in Agile Supply Chain Management

In society in general, women tend to have values related to modesty, compassion and concern for others. Men, on the other hand, have two contrasts concerning values. At one end of the scale, they have similar values to women. At the other end of the scale, they tend to be quite assertive and competitive and therefore quite different to female values. The assertive

pole has been called “masculine” and the modest, caring pole “feminine” (Hofstede, 2001, p.280).

The main characteristics of Feminine Cultures listed by (Santos *et al.*, 2010), are related to supply chain management as follows.

It is expected that managers use initiative, treat people with feelings and attempt to find consensus. **Communication and development of strong relationships and work cooperation** should be mentioned. Process integration in Agile Supply Chain Management means collaborative work between buyers and suppliers, developing products together, common systems and shared information (Christopher, 2000, p.39).

Strong relationships built on trust, integrity, commitment and other characteristics regarding fair treatment are also considered as being important when choosing a supplier (Chen and Paulraj, 2004b, p.139).

The consensus is that trust can significantly contribute to long term stability of an organization. Trust is a belief that a partner in a supply chain would constantly have and do what he/she promises. Commitment means that commercial partners are willing to expend energy to maintain a relationship, in other words, committed partners dedicate resources to sustain and broaden supply chain objectives (Chen and Paulraj, 2004b, p.141).

Trust and mutual dependency are the glue holding the extended network together (Lockamy III and McCormack, 2004, p.275).

It is essential to make work human by creating teams. Agile supply chains are built on a foundation of trust and commitment (Chen and Paulraj, 2004b, pp.141-142). Taking this into account, more trust in the suppliers and alliances are inevitable, and therefore, a new style of relationship is essential. In an “extended enterprise”, as it is often called, there cannot be any barriers, and an *ethos* of trust and commitment must prevail (Christopher, 2000, p.39).

Supplier certification is a partnership between the buyer and supplier entailing high levels of trust and communication leading to an improvement in quality and cost reduction. More recently, supplier certification has included logistic functions (Chen and Paulraj, 2004b, pp.139-140).

Conflicts should be solved by seeking agreements and negotiation. Integrating Agile Supply Chain Management means a change in attitude, far from the attitude of opposition to conflict and turns to mutual support and cooperation (Stevens, 1989, p.8).

Negotiation is important in solving conflicts and leaders tend to be skillful in strengthening relationships. Establishing the same objective and even focus among the supply chain members is a way of integrating company policies. Successful relationships attempt to integrate policies to avoid redundancy and overlap, while searching for a level of cooperation that allows participants to be more effective having less cost levels (Mentzer *et al.*, 2001, p.9).

5.5 Short/Long Term Orientation in Agile Supply Chain Management

Short-Term *versus* Long-Term Orientation means the way and concern of dealing with situations and solving problems in the short or long term. Values associated to long term orientation are caution and perseverance. Values linked to short term orientation are respect for tradition, social commitments and protecting individual interests.

The main characteristics of Long-Term Orientation Cultures, listed by (Santos *et al.*, 2010), are related to supply chain management as follows.

In business, the most important aspect is building up relationships and market position. Effective supply chain management is made up of various partners and, therefore, requires them **to build up and maintain long term relationships**. The time horizon of relationships extends beyond the life of contracts, perhaps indefinitely, and at the same time,

the number of partners should be less to facilitate the intensity of cooperation (Mentzer *et al.*, 2001, p.10).

By having close relationships, supply chain partners can share risks and rewards and maintain relationships over a long period of time. By having a long-term relationship, the supplier becomes part of a well-managed chain and will have long-lasting competitiveness in the whole supply chain (Chen and Paulraj, 2004b, pp.138-139). In particular, cooperation involves long term commitment, which usually means eliminating multiple suppliers (Stevens, 1989, p.8).

Results are expected in the long term. In agile supply chains, planning and assessment involve continuous processes over many years (Mentzer *et al.*, 2001, p.9).

Traditions are adapted to new circumstances. The market conditions in which many companies find themselves are characterized by volatility and unpredictability, which results in an urgent attempt to search for agility (Christopher, 2000, p.38). The agile supply chain infrastructure is dynamic, active and shared. Products are configured at the moment of delivery and reconfigurable throughout their whole life cycle (Hoek *et al.*, 2001, pp.133-135).

There is an integrated and holistic vision of reality. In agile supply chains, information infrastructure must be integrated (Hoek *et al.*, 2001, p.134).

5. Final Remarks

Within the theme of Production and Management Society Conference held in 2012, “Socially Responsible Operations”, the authors chose the track “Behavioral Operations” to send the partial results of their research on “Cultural Dimensions of Agile Supply Chain Management”.

The writing of this paper was a challenge due to the complexity of exploring the interface between Production Management and Organizational Behavior. An in-depth investigation was carried out in order to identify the aspects of integration between the main characteristics of

Agile Supply Chain Management and Hofstede's Cultural Dimensions. The conclusions are that it is related to the following cultural dimensions: Low Power Distance, Collectivism, Low Uncertainty Avoidance, Femininity and Long Term Orientation. The authors expected that these conclusions can contribute significantly to the construction of "Socially Responsible Operations".

It is believed that the final results of this study are up-to-date and relevant for the Production Management knowledge area. This research will be continued by defining research methods and conducting subsequent qualitative field-work and survey research in networks of companies that form supply chains.

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