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Businesses hit by disaster can learn from Japan quake response

Companies affected by natural disasters can learn valuable lessons from the recovery of Japanese firms after the earthquake of 2011, a study suggests.

Japanese companies' readiness to pool resources with their suppliers, customers and even competitors was vital to speed of recovery.

This willingness to offer assistance in a spirit of mutual trust – a phenomenon described as 'social capital' – was key to mobilising resources rapidly.

Resources were coordinated by ensuring that those involved in the recovery process possessed an overall picture of the recovery effort and their part in it, the study states.

Continuous updates meant that large numbers of helpers were able to work in parallel. In one company, up to 2,500 helpers from outside the organisation were on site at any one time.

Nearly 20,000 people were killed in the earthquake and 1.2 million buildings were damaged, including many electronics and automotive components factories. Damage to these threatened to interrupt supply chains around the world.

Yet many of the shattered factories quickly resumed production thanks to a remarkable ability to mobilise and coordinate resources in the aftermath of the earthquake, according to researchers from the Universities of Edinburgh and Tokyo.

Nick Oliver, of the University of Edinburgh Business School, commented: "The recovery shows the tremendous power of goodwill in unlocking latent resources when disaster happens – sometimes from unlikely places."

George Olcott of the University of Tokyo said: "When disaster strikes, companies and societies that can quickly mobilise and effectively direct resources will have a significant advantage over those that cannot."

The study has been published in *California Management Review*,

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