



THE STRATEGIC DYNAMICS OF AN AGRICULTURAL COOPERATIVE: FROM ORGANIZATIONAL MODERNIZATION FOCUSED ON PRODUCTION ACTIVITIES TO THE CONSOLIDATION OF AN IMPORTANT PRODUCTION AND SERVICES LATINAMERICAN POLE CONCERNED WITH THE FLOWER AGRIBUSINESS.

Marly Cavalcanti* (FATEC-SP)

João Pedro de Castro Nunes Pereira (Universidade Estadual de Santa Cruz- UESC)

Marly Monteiro de Carvalho (POLI-USP)

Roberta de Castro Souza (POLI-USP)

Keywords: Strategy, agribusiness, latin-america, organizational forms

Abstract

This work presents an analytical study on the strategic evolution adopted by Holambra Agricultural Cooperative (CAPH) along its history, going from strictly organizational aspects up to the structuring of the Holambra municipality. A methodological option for qualitative analysis was the approach of a case study [26]. The consolidation of the importance of the services sector for the municipality of Holambra is characterized by the increasing force of tourism (businesses or leisure), mainly related to flower businesses, with a small parcel concerned with the peculiar aspects of the Dutch culture.

Introduction

The world economic crisis and the consequent reorganization of the capitalist competition standards have imposed an urgent need for organizational restructuring on the organizations and mainly on those which are more dynamic in their respective markets. At the end of the past century, such a scenario demanded a constant quest for the productive organizations to adapt to the current demands of the consumer markets [2], where a new standard of goods and services began to emerge, founded on the concepts of flexibility and agility, together with the need for deep modifications in the organizational structures, as well as in the intra and interorganization relationships [5], [11]. These companies started to adopt a strategy

concerned with a more productive decentralization. For this, they began to concentrate in their core business, and in parallel, to develop and subcontract a series of other companies (third parties), specialized in supporting activities and services or parts providers, components and subassemblies of final products [12].

This scenario was valid for all, independently of the mercantile or cooperative character that the company might present, as both are determinant in the Brazilian economic context. At present, the cooperatives successfully act in different areas of the Brazilian economy, and respond for about 6% of the GDP. There are more than 8 thousand cooperatives, congregating about 6 million associates, generating approximately 200 thousand direct jobs (regulated by the Brazilian labor legislation) and providing income opportunities for more than 5 million people [25]. These numbers very generally reflect the magnitude and the power of the cooperative sector in Brazil. As these cooperatives are present in the most different economic activity areas in the country, they undergo all sorts of pressures and influences the other companies do since they belong to an ever more competitive and globalized market.

Taking advantage of the importance of the Holambra municipality for the present context of the flower agribusiness in Brazil, and of the cooperative influence this municipality carries ever since it was originated, the present study opted for choosing this municipality for being a region very much influenced by Dutch immigration which provided, along with flower growth (a novelty for the region) and later its commercialization, a strong upswing for the economic activities of the region. Holambra today is one of the main productive, commercial and technological flower poles in Brazil, contributing with about 40% of the national production of this item, its derivatives and correlated products (bulbs, pot plants, etc.) according to the data provided by [2].

The present work opted for conducting a study on the strategic dynamics of the Holambra Agricultural Cooperative which caused the region to be marked by a strong character focused on the service area (specially tourism and service rendering related to the flower production and trade) under an entrepreneurial strategy focus, developed by [8], [13] and [18]. Based on this theoretical referential, this study aimed to understand how



the strategic options adopted by CAPH along its history may result in competitive gain for local business and their derivations.

For this, the work is divided into seven main parts. The first part is characterized by this introductory text. In the second part, a brief account on the cooperative principle and the importance of this type of organization for Brazil is made. The third part of the work presents the theoretical foundations supporting the study developed, focused on two lines: agribusiness and entrepreneurial strategy. The methodological approach adopted is described in the fourth part of the work. An analysis of the strategic dynamics of CAPH along its history and its reflexes in the context of local businesses is presented in the fifth part. The work concludes with the final considerations on the theme presented.

Brief history of cooperatives & its importance for Brazil

According to [1], the modern cooperative thought arose in Western Europe, with the advent of the Industrial Revolution in the early XIX century. According to the author, the origin of the cooperatives dates back from 1760, in England, with the workers who founded grain mills on a cooperative basis. With the thinkers of the time, a form of philosophy began to take shape providing the foundation for cooperativism all over the world.

This is substantially based on a philosophy concerned with the improvement of the human being in his/her economic, social and cultural dimensions, which allows for the whole development of the individual by means of collectivity. In Brazil, [1] reports that the first cooperatives were founded around 1887, as for example Cooperativa de Consumo dos Empregados da Companhia Paulista, in Campinas (SP) and the Sociedade Econômica Cooperativa dos Funcionários Públicos de Minas Gerais.

Until 1930, cooperativism in Brazil progressed very slowly. The world economic crisis stimulated the emergence of cooperatives, especially in the South of Brazil. The 1929 depression caused the government to get an interest on cooperativism and, as from 1945, the government started to offer several material and fiscal incentives to cooperatives [14]

In spite of the difficulties, [1] stresses that the Brazilian cooperative system presented some strengthening as a relevant sector with December 1971 Decree-Law 5.764, which has since regulated the operation of the cooperatives and established the OCB-Organization of the Brazilian Cooperatives, national organism, representing the cooperatives in Brazil. As from the Collor government, besides the cooperativism linked to large and medium-sized initiatives, which in practice act as capitalist companies, another form of cooperativism emerges, which begins to be mentioned as an instrument of job and income generation but is also incorporated as a concern to FAT- Fund for Workers Support.

The Brazilian cooperativism history, from its very beginning, has been closely associated to agricultural production cooperatives, many of them deriving from colonizing processes, as is the specific case of the Holambra cooperative, target of this study.

Theoretical contribution

Entrepreneurial strategy

The analysis of the literature shows, in general terms, that the study of entrepreneurial strategies is usually related to the organization link with its environment and contemplates mainly the establishment of methods and plans of action to attain the aims defined [17].

For [8], the strategy emphasizes the rational analysis regarding the high spheres of the enterprise, in which the aims are essential for orienting, evaluating performance and attaining the organizational purposes, which must be coherent with its "potentialities profile". For this author, such an approach is based on four given characteristics in terms of the ensemble product and market, associated to the growth vector and competitive advantages (which describe the quest for opportunities intrinsically in its external environment) and a synergy process which provides competences for attaining success.

According to ANDREWS mentioned by [6], entrepreneurial strategy is the decision standard in an organization which determines and reveals its aims, purposes or goals, produces the main policies and plans for obtaining these goals and defines the business scale which the company should get involved with, the type of economic organization it intends to provide to its shareholders. For this author, for a strategy adopted by a corporation to be successful, it should be taken into account that it is intimately related to the organizational structure, values and behavior adopted.

Handerson *apud* [23], approaches this strategy issue under the perspective of a plan of action which will develop a competitive advantage for the business, being that for this, it is necessary for the organization to have clearly defined what it is, where it is and what its aim is.



INTERNATIONAL JOURNAL OF RESEARCH SCIENCE & MANAGEMENT

Following the same descriptive line adopted by [8], [13] approaches the strategy with a plan integrating larger goals, policies and sequences of actions, within a cohesive whole which, if well formulated and applied, helps ordinate and allocate the resources, allowing the anticipation of alterations in the competitive environment.

In the same line of study, [6] presents a classification with five possible approaches for this theme: strategy as a plan, as a ploy, as a standard, as a position and as a perspective. In the "plan" approach the establishment of directives for a course of action stands out. In the "ploy" approach, the focus is based on the way it generates competitive advantages over the competitors. The strategy approach, as a standard of actions to be followed (prescriptive character), is based on a flow of actions, as presented by [8] and [13]). In the Strategy approach as position, the main focus is placing the organization in the environment, mediating forces in an internal and external context environment. The "perspective" approach is related to the inner portion of the organization, not as a chosen position, but as a consolidated way for the organization to see the external environment.

For [22], the strategy in the entrepreneurial context corresponds to the establishment of a single and valuable position, involving a different group of activities. On the same line, Markides *apud* [23], considers that the strategy is a process that involves the elaboration of questions, the generation of alternatives and the making of choices so that the organization can sustain that position as its own.

[24] understand entrepreneurial strategy as being "a global standard of decisions and actions which place the organization in its environment and aims to make it attain its long-term objectives".

Because of the forces affecting the industry structure, some generic strategies are defined by [20] grounded in strong and weak points, detected in the competitive industry/environment relation. In the same work, the author presents three generic strategies that may be used by the companies in a combined or isolated fashion: total cost leadership; differentiation; and focus. In Cost Leadership, the focus is to attain the smaller cost before the competitors. In Differentiation, the focus consists in the establishment of a product or service that is unique in the industry context in which the organization competes. However, the generic strategy based on Focus centers on the concentration on a certain buyer group, a segment of the line of products, or a geographical market.

Along this line, [18] states there are only two strategies levels: the Business Units Strategy (or competitive) and the Corporative Strategy (or that of the whole entrepreneurial group). For this author, the Competitive Strategy regards the establishment of competitive advantage in each of the business fields in which the group, while Corporative Strategy, establishes the way in which the company is going to compete in corporative character in the markets it acts on. [15] justifies such an approach considering that the involvement of the organization in different types of businesses. For this author, the Corporative Strategy may be defined as "... standard of purposes and goals - and the main policies to attain these goals - which define the business or the businesses with which the company is involved and the type of company it wants to be." [15].

For [23], the corporative strategy analysis is related to issues concerning the definition of the businesses in which the corporation should act and how to administer these priorities among the business units, articulating them around essential competences"

General concept of agribusiness and its possible approached

The term "agribusiness" has been widely used in studies related to productive chain organization around agricultural businesses where two focuses of study predominate: that of Commodity System Approach (CSA) initially presented in the work by Davis and Goldberg from the American Harvard School and of the concept of productive chains or Filière which is, according to [2], a product of the French school of industrial economics.

For Davis and Goldberg, *apud* [2], the concept of agribusiness corresponds to the "total sum of production operations and distribution of agricultural supplies, of the production operations in the agricultural units, of storing, processing and distributing the agricultural products and items produced based on them".

Independently of the school on which the approach is founded, the systemic character of the agribusinesses shows to be evident and is based on three segments: the rural production units ("from the farm gate inwards"); suppliers: the segment represented by the production activities, of inputs (machinery, implements, defensives, fertilizers, seeds, technology, etc); and the activities of the segments concentrated out of the productive units ("from the farm gate outwards"), represented by the storing, improving, industrialization, distribution and consumption activities .

Methodology

This work was developed based on the exploratory case study concept, presented by [26]. The study was conducted by the application of a qualitative research, using semi-structured questionnaire as a research tool, applied to the CAPH members (a representative of the board and other cooperated producers) for collecting



primary data. The present study was also based on the use of secondary data, characterized by the socioeconomic information on the municipality of Holambra. The analysis of the results was descriptive.

The strategic dynamics of CAPH along its history

The CAPH history brings along an excessively dynamic character, which corresponds to the very intensive change process that had been imposed to the Dutch community who arrived in Brazil in the post II World War period, faced with the difficulties to adapt to the new socioeconomic and cultural conditions; this occurred together with the need of also adjusting the productive conditions of the cooperative itself to the economic dynamics of Brazil at the time.

In this context, the dynamics of the changes and strategic options adopted by the cooperative, mainly up to the mid 1980s, satisfactorily responded to the needs for changes imposed by the market; nevertheless, in the 1980s, when the consolidation process of the global character in the world economy began [3]), the cooperative could not effectively respond to the pressures of this new competitive scenario, which started the most intense organizational crisis in its history, which ended in forcing its managers to take the most significant strategic decisions of all CAPH history. This resulted in the present competitive posture of the Cooperative at present.

Many of these strategic options showed not to be effective; some caused very negative results to the competitive performance of the cooperative and others allowed for new activities to be privileged, just as had firstly occurred with the consolidation of the municipality of Holambra and later with the development of the services sector, in which many cases were related to results deriving from organizational restructuring actions, which now make of Holambra the main service rendering pole (both technical and commercial) in Latin America in the flower agricultural sector.

Holambra started with the arrival of the first Dutch immigrants in 1948 to a region which comprehended the areas belonging up to 1991 (when the municipality was emancipated) to the municipalities of Cosmópolis, Santo Antonio de Posse, Jaguariúna and Artur Nogueira. With the Dutch, came the Holambra Agricultural Cooperative (CAPH), and with it the cheese making, fowl slaughtering, animal food making, among other activities until then unusual in the region. This cooperative brought a new economic and social force to the region, mainly due to the cultivation of flowers and ornamental plants, which provided the community with a great economic growth, mainly between 1966 and 1980 [4].

In the period comprehended between 1960 and 1970, the cooperative followed the so called "economic miracle" in Brazil: the number of employees increased and the organizational structure got more complex, businesses expanded and new Dutch immigrants arrived in Brazil, many of them bringing an innovative experience to the Brazilian fields - flower farming. It was then (1968-1973) that the first effective planning process of the cooperative occurred and, by reading external conditionings, the cooperative productive products were defined, cutting down from 24 items to only 15. [27]. It can thus be observed that, at the time, the exclusive character of strategic option for the production activities still prevailed, the main focus being the cooperative business. Considering [22], who states that the essence of a good entrepreneurial strategy is directly related to the capacity of a company of knowing what to do and what not to do, it can thus be considered that this was the first effective strategic action of the cooperative, which ultimately aimed to clearly establish its priorities for production, one of the three reasons pointed by this author that supports the need for trade-offs.

Up to the mid 1980s, CAPH presented an organizational structure usual to the agricultural cooperatives at the time; nevertheless, after a certain period, this structure became increasingly more complex, as the cooperative grew. At that time, the structure was composed by the general congregation, fiscal board and administrative board which directed five functional boards, each of them responsible for the products of technical assistance and commercial activities under their responsibility.

For most of its products, the cooperative then presented a strong verticalization of its activities, where the producers sold their production to the cooperative, which took care of all handling up to the market, including refrigeration, transportation and reselling to retailers in the great urban centers all over Brazil. Coupled to this intensely verticalized structure, the cooperative maintained a strong social action with the members of the cooperative, guaranteeing basic education, telephone services, electric power, paved roads, etc, spending high sums for this purpose [27]).

CAPH then presented a marked verticalization of its businesses; the cooperative also experienced the option for a strong diversification of its businesses, as the importance of the participation of the services sector increased, both in terms of structure and in terms of businesses results of the cooperative itself [27].

In the early 1980s, the multifunctional model adopted by the cooperative was wearing out, already showing signs of decadence ([27], [4]), when it could no longer support all the activities the cooperative had taken over till then. This scenario forced CAPH to start its restructuring process.



Therefore, in the mid 1980s, that structure showed to be too expensive and compromised the good performance of CAPH cooperative businesses. This forced the board to start the process of studies for restructuring the cooperative, as the organizational performance analysis at the time showed that the large number of employees, necessary to nourish the vast verticalized structure and the constant financial disbursements to meet the social and infra-structure needs of the cooperative members, jeopardized CAPH competitiveness. In that context, it is possible to observe that the analysis conducted by the Cooperative managing board shows to be very related to the competitiveness concept presented by [22], since the results of the difference between the value generated for the cooperative members were smaller than the Cooperative costs to generate such value.

Faced with that situation, some decisions were taken concerning the need for the Cooperative organizational restructuring, reducing the number of employees [27] and the intensification of actions involving the establishment of the municipality of Holambra that, besides seeing to an old expectation of the local Dutch community, it would save the cooperative a disbursement of about US\$ 2 million a year to meet the needs of the cooperative members and not supplied by the local government, represented by the Santo Antonio de Posse, Jaguariúna, Cosmópolis and Artur Nogueira municipalities.

The Cooperative was then searching for a more compact and more flexible model with direct and short command lines, providing more dynamism and agility to a swollen and centralizing model. A deverticalization of activities was then introduced by means of outsourcing processes or even by giving up some activities. There was thus a decrease in the number of employees, of about 60%, generating a number of micro-entrepreneurs among them, who bought equipment from the cooperative, in favorable conditions to start their activities, having or not the very CAPH as a client [27]. The cooperative then started a restructuring process, usual at the time, and the companies with commercial end corroborated the ideas presented by [12].

In that restructuring process, where [27] points out the emergence of micro-entrepreneurs, it is worth stressing that this author emphasizes that, among them, the majority would be related to the area of rendering services to the cooperative, specifically related to the transportation and commercialization sectors, concerning activities correlated to the flowers and ornamental plants agribusiness. According to [11], this productive competences spillover has fundamental importance for the consolidation of the local collective competences which, in the case of Holambra, is also consolidated in the services sector, having the flowers agribusiness as a base.

The CAPH strategic decisions process occurred in a very approximate way to that which [8] considered as strategy, as the managing board of the Cooperative conducted a rational analysis process founded on the "... objectives of the organization, performance assessment and the realization of the organizational purposes" proposed by the author. The same can be observed concerning [15] approach, mentioned by [6] and [24], once as from that process, a decisions standard can be observed which determined the objectives, from the moment it culminated with the main policies and plans for attaining these objectives, always related to the scale of businesses the Cooperative would be involved with, when some trade-offs were determined.

The analysis of documents of the cooperative and the reports from the oldest cooperative members show that at all times of decisions and strategic options, the CAPH managing board have always respected and founded their actions on the cooperative principles which guide an organization of that type, even if, for this reason, it was necessary to adapt those options to a cooperative reality. A typical example of this concern, one which indirectly had a very significant role for strengthening the service activities in the present context of the businesses of the now municipality of Holambra, was the option for restructuring the cooperative into Business Units which, for being an organizational alternative closely related to trading businesses, had to be adapted so that it could meet the principles of a cooperative enterprise.

According to [16], when CAPH decided to restructure its management, this was formed by five functional boards, considered too bureaucratic, seen by the cooperative members as expensive and lacking transparency, which caused a lot of suspicion among them. Therefore, they hired an external advisory that, based on the cooperative doctrine, aimed at the modernization of HOLAMBRA, coupled to the cooperative values, introducing a co-management model, where the cooperative members themselves would perform executive functions, by means of non-executive committees associated to the establishment of the business units.

[27] analyzed the CAPH Managing reports and minutes, which led him to observe that, until December 31, 1990, the following business units were effectively established: integration of fowls, general services, swine and eggs, information, financial, bulbs, inputs, veiling, animal food, seedlings, cereals, citrus, vegetables, planning and development.

The business units presented a very different behavior along time, not only explainable by the performance of each product/market, but also due to the managing capacities to which these were submitted. Another important characteristic that also partially explains the performance of the business units was the management model adopted in these units, where power, both in the legal and juridical sense, was inexistent to most of the cooperative members involved in these units management process. This had a negative influence in their good



functioning, to such an extent that the interest in dedicating time and energy to manage these units decreased dramatically which, in turn, led to a very deep discontentment among the partners. Many units started to undergo a process of decreasing activities, problems with profitability and partners dropping out [27],

[4]). It is worth pointing out that as a positive consequence of the option for the Units, the development of the first "Veiling" in Latin America occurred; with this, the delivery of the production to the cooperative was substituted by the exhibition of products to market and to the laws guiding it ([27], [4]). This was one of the main impelling forces for consolidating the importance of the trading activities together with the other CAPH activities. The importance of this change on the traditional habits for trading flowers was that in the first year of the Veiling operations (1988), there was a 7 million dollar revenue, and in the following year it reached 14 million, according to data presented by [29]. At present, according to data collected in the field research, it is estimated that the volume of businesses generated in the Veiling is of the 83 million dollar magnitude, a similar value to that estimated for the 2003 Brazilian exports in the sector [9].

The field research showed that, associated to the Veiling, there are now many companies related to the service sector, specially to the transportation sector and to trading associations. These data are in agreement with the data presented by [29], who pointed out that in the flowers agribusiness chain, the most important activities are concentrated in the "from the farm gate outwards" segment, that is, in a chaining of activities downwards in the chain, specifically represented by the trading activities and products distribution, being that the other activities related to the "from the farm gate inwards" positioning do not have their main actors established in the municipality.

Before this scenario, characterized by an extensive pulverization of the businesses, lack of effective control, lack of follow up by the partners, besides the unpreparedness of most directors and the complexity of the system, and under the command of a new Management Board, in 1993 the swine, eggs, fruit, cereals, Rio Verde, Comercial São Paulo and vegetable units were terminated, leaving only the Veiling (flowers) activities, the Fowl Slaughtering with the Animal Food Manufacturing and the Agricultural Inputs Unit. Operationally, these remaining units went back to normal and even hired new managements until they became new cooperatives linked to CAPH, with a new central cooperative (until its final liquidation).

The municipality

Established in December 30, 1991, by Law 7.664, in October 1992 it had the first election for its legal representatives. Today it counts on about eight thousand inhabitants (3,375 residents in 2012,[10] ,most of which Dutch descendants and CAPH members. The municipality now presents adequate infra-structure conditions to its inhabitants concerning housing, basic sanitation, health and education, largely promoting good life quality, as could be observed in the socio-economic:

1. Population in 2015: 13,375 inhabitants
2. Geometric population growth rate 2010/2012 3.03 % a year
3. PIB- Per capita R\$ 53,444.37
4. Human Development Rate (HDR) 0,827

The HDR is pointed out as above the average in the State of São Paulo. This situation was not true when most of these inhabitants were dispersed in the municipalities of Artur Nogueira, Jaguariúna and Santo Antonio de Posse [16], [10], [29]

At present, the municipality of Holambra presents strong economic-social dependence on the activities related to the flowers agribusiness and to the local tourism activities, the most representative sectors in terms of job generation and income at the moment. These data are very similar to the ones presented by [16], showing an upwards history of the sector faced with the municipality economic activities.

According to data presented by [29], the wholesaler market is now firmly structured in the municipality, which today counts on a total of three flower and pot plants trading associations, combined with the presence of more than 180 wholesalers involved with this trade. The data collected at the Associação Comercial de Holambra, reinforce the data presented by [29] and also show that the other commercial activities in the municipality are mostly directly or indirectly related to the flowers agribusiness and/or to the local tourist resort, as these activities are concentrated in restaurants, infra-structure activities (gas stations, stationers, markets, etc.) since the purchase priority of the local population, according to data of the Associação Comercial de Holambra, is directed to the municipality of Campinas, less than 50 km away. This local population behavior is one of the phenomena that explain the constant change in the local commerce profile, increasingly more focused on the tourist public, since this activity gets more relevant in the municipality.

In the growing tourism sector, the main attraction is related to the flower agribusiness which, in turn, is also directly related to the Dutch origin of the place; thus, a tourist attraction center was built in the town, inspired in



INTERNATIONAL JOURNAL OF RESEARCH SCIENCE & MANAGEMENT

the traditional Dutch architecture. Furthermore, festivals and events also related to the flower business are very frequent.

Among the events carried out along the year, the Expoflora can be pointed out. It happens to be the largest flower exhibition in Brazil and takes place every September (spring in Brazil), dealing with a public of approximately 300 thousand people. Together with the exhibition and the selling of plants to the public in general, Dutch cultural and folkloric activities take place, with typical foods, dances, music, clog makers, Flower Parade and Petal Rain.

Other events also end up impelling the local tourism, among which the most significant are: HORTITEC (inputs and equipment for agriculture fair), ENFLOR (flowers, plants and accessories fair, aimed at florists); TREKKER TREK (resistance competition for tractors); ZESKAMP (sports event that congregates Dutch colonies from all over Brazil); SAINT NICHOLAS FESTIVAL (traditional Dutch festival that occurs in early December). Thus, along a significant part of the year, the town welcomes tourists, motivated by the most different themes, which ultimately are concerned with the visiting tourism or businesses. To such an extent is the importance of tourism

growing in the municipality, that the mayor declared that the best opportunities for the local development can be found in that sector, followed by the implementation of the industrial district concerned with the flowers agribusiness.

The importance of the production and services sectors concerned with the flower agribusiness is also consolidated in its participation in the local economy. The analyses of the local employment and income conditions, conducted through the secondary data collected with the official socio-economic statistics sources [10], [28], show that the flower production employs about 60% of the local labor force, being 11.8% concerned with the employments related to trading associative activities and 9.8% related to the services activity related to agriculture.

Conclusion

The scenario presented points out that, up to the mid 1980s, CAPH showed to be capable of responding to the demands of the market in which it acted, since the strategic options adopted managed to guarantee the cooperative competitive potential. However, after the beginning of the consolidation of the world economy globalization process, especially concerning the agricultural markets in the mid 1980s, CAPH was forced to dramatically change its organizational and productive structure, entering a crisis period, reinforced by strategic mistakes that permeated it, from failing to correctly understand the competitive environment to failures in understanding the internal competences, as well as in the determination of the organizational objectives.

This kind of situation corroborates [15] view, mentioned by [7], that points to a measure in which there is no clear definition of objectives and goals in the corporative ambit; any strategy that comes to be delineated will end up in failure, as it brings in itself these embedded standards that, in the case of the Holambra Agricultural Cooperative, since they were not structured, had their reflection in the results found. In the scenario characterized in this study, it is clear that the managing board of the Cooperative eventually treated the strategy issue in the wrong way, as being one more of the entrepreneurial tools presented as an alternative to improve its organizational performance, going against the criticism presented by [22].

Still concerning the elaboration and implementation of the diversification strategy adopted by the cooperative, according to [21] concepts here approached, it is possible to observe that there was no attempt concerning the elaboration of their own strategies by the business units established, although they present, in thesis, management autonomy before the general management of the cooperative; in this study, there is no evidence of any attitude on the part of the units towards this issue. Another factor that may have contributed for this situation was the very fact that the autonomous management power of the business units has not been characterized in practice and this, as was clearly characterized in this study, very much contributes to the poor performance of the units. Still within the parameters presented by [21], neither was any initiative by the cooperative highest management observed that treated the elaboration of the corporative strategies approaching the management aspects of the business units established.

If, on the one hand, the results deriving from this diversification strategy presented by the Holambra Agricultural Cooperative (CAPH), were greatly responsible for the situation now presented by this cooperative, where failures in the theoretical and conceptual point of view were evident, at a point when many aspects failed to be considered, allowing for inconsequent management situations to emerge, on the other hand, one cannot fail to consider that the aspects approached for the entrepreneurial strategies analysis are mostly concerned with commercial organizations, where the relation of power and management attributes very much differ from



cooperative organizations. This fact, when approached in this study, was characterized by one of the failure factors in the performance of the business units.

As to the importance of the services sector for the CAPH businesses, and later of the municipality of Holambra, the scenario studied showed that such importance derives almost involuntarily from the management and strategic mistakes adopted by cooperative along its history, once the extreme diversification of the businesses happened to be one of the factors which mostly contributed for the competitive weakening of CAPH; this culminated with the need for a radical restructuring in its organizational structure. From this restructuring, two extremely important factors can be detached: the establishment of business units “veiling” (which later attained their autonomy in the form of a cooperative organization), responsible for the successful development and consolidation of the trading and transportation activities, as well as flowers and ornamental plants, besides the organizational restructuring itself, which generated a “spillover” process of competences, specially in the transportation area, which eventually strengthened the service rendering character, still eminent in the municipality.

The consolidation of the importance of the services sector for the municipality of Holambra is characterized by the increasing force of tourism (businesses or leisure), mainly related to flower businesses, with a small parcel concerned with the peculiar aspects of the Dutch culture.

References

- [1] Culti, M. N. Sócios do suor: Cooperativas de Trabalho. In: O Mundo do Trabalho e a Política. Maringá: EDUEM, 2000.
- [2] D. P, Claro Analise do Complexo Agroindustrial das Flores no Brasil. Lavras:UFLA, 1998. 103p. Ilust. Dissertação de Mestrado.
- [3] D.C Iglioni. Economia dos Clusters Industriais e Desenvolvimento. Tese, Mestrado, Faculdade de Economia, Administração e Contabilidade, Universidade de São Paulo, São Paulo. 154p. 2000
- [4] E. Pozzer. Cooperativa Pecuária Holambra: integração da pecuária e cooperativa comercial. Cooperativa Agopecuária Holambra. Holambra. Não publicado. 2002.
- [5] G. Gereffi. International trade and industrial upgrading in the apparel commodity chain. Journal of International Economics, Vol.48, pp.37-70. 1999
- [6] H. Mintzberg. Five ps for strategy. In: H.Mintzberg, J. B. Quinn. The strategy process. Rio de janeiro : Prentice Hall, 1992. p. 12-22
- [7] H.Mintzberg, J. B. Q. O processo da estratégia. 3.ed. - Porto Alegre: Bookman, 2001.
- [8] I. Ansoff. Estratégia empresarial. São Paulo : McGraw-Hill, 1977.
- [9] Ibaflor, Brasil: mostra sua flora. Informativo, v7. n.23. p4. Mar.2001
- [10] Ibge, Instituto Brasileiro de Geografia e Estatística. site da internet: <http://www.IBGE.gov.br> acessado em 03/09/2015 às 21:45h
- [11] J. Amato Neto. Redes de cooperação produtiva e clusters regionais: oportunidades para as pequenas e médias empresas. São Paulo, Atlas, 2000.
- [12] J. Amato Neto. Reestruturação Industrial, Terceirização e Redes de Subcontratação. São Paulo: Revista de Administração de Empresas, v. 35, n. 2, pp. 33- 42, 1995
- [13] J. B. Quinn. Strategies for change. In: H.Mintzberg, J. B. Quinn. The strategy process. Rio de janeiro : Prentice Hall, 1992. p. p. 4-12.
- [14] J. O. Schneider O Panorama Mundial, Nacional e Estadual do Cooperativismo. Perspectiva Econômica. São Leopoldo, v.12, n.38, 1982.
- [15] K R Adrews. A responsabilidade dos diretores pela estratégia. In: Montgomery, C. A., M. E. Porter (Orgs.). Estratégia: a busca da vantagem competitiva. Rio de Janeiro : Campus,1998. p. 469-480.
- [16] K. Wijnen Holambra , 1948-1998. A cooperativa de agricultores e horticultores holandeses que se transforma na cidade das flores do Brasil. Haia. Holambra. 1998. 198p. Ilust.
- [17] M. Albuquerque, and F. A. C. da Silva. Da estratégia competitiva à estratégia de manufatura uma abordagem teórica. Mimeo, 2003.
- [18] M. E. Porter. How Competitive forces shape strategy. Harvard Business Review, p.137-145, Nov-Dec.1988
- [19] M. E. Porter. Como as forças competitivas moldam a estratégia. In: C. A. Montgomery, M. E. Porter.. (Orgs.). Estratégia: a busca da vantagem competitiva. Rio de Janeiro : Campus, 1998. p. 11-27.



INTERNATIONAL JOURNAL OF RESEARCH SCIENCE & MANAGEMENT

- [20] M. E. Porter. *Estratégia competitiva: técnicas para análise de indústrias e da concorrência*. Rio de Janeiro : Campus, 1991.
- [21] M. E. Porter. From competitive advantage to corporate strategy. *Harvard Business Review*, p., May/June, 1987
- [22] M. E. Porter. What is strategy. *Harvard Business Review*, (s.n.t.), nov./dec. 1996.
- [23] M.M, Carvalho; F.J.B, Laurindo. *Estratégias para Competitividade*. São Paulo, Editora Futura, 2003, 272p.
- [24] N. Slack;S. Chambers and R. Johnston. . *Administração da produção*. 2º edição .São Paulo, Editora Atlas. 2002.
- [25] OCESP. *Organização das Cooperativas do estado de São Paulo* site: www.oces.org.br acessado em 14/09/2004 as 21:15h
- [26] R. K. Yin. *Estudo de Caso: planejamento e Métodos* .Tradução de: Daniel Grassi. 2ed. Porto Alegre: Bookman, 2001.205
- [27] S. L. Rietjen. *Holambra: emigração e cooperativismo*. Cooperativa Agropecuária Holambra. Holambra. Não publicado. 2002.
- [28] Seade, F. - internet: [http\\www.seade.sp.gov.br](http://www.seade.sp.gov.br) acesso em 03/09/2004 às 20:35
- [29] T. M. Braga. *Município de Holambra IN: Cano, W & Brandão, C A (coords.) A Região Metropolitana de Campinas: urbanização, economia, finanças e meio ambiente*. Campinas, Editora da Unicamp, 2002(Coleção Livro Texto)