

Chapter 8

Strategic and Process Management: A Model Oriented for High Business Performance

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ABSTRACT

The performance of companies has been of great interest in the organizational and academic world. In Brazil it became a matter of survival, given the high number of premature corporate deaths, especially in the field of micro and small enterprises. Following this same interest, the authors began this exploratory qualitative research to find information about the specifics of some companies that manage to remain in the market with reasonable competitiveness and for many years. In this universe, they selected three companies located in the city of Teresina (PI) that presented a significant boost in the face of a turbulent and unpredictable environment. Some characteristics, behaviors, and skills have been highlighted as likely indicators of dynamic capacity leading to the achievement of a competitive advantage, which, consequently, cause these companies to be remembered and chosen by consumers among others existing in the same place or region.

INTRODUCTION

Organizational performance has always been of great academic and business interest. Most companies have undergone several transformations to survive the numerous innovations and changes in orientation due to the dynamic nature of the markets, the increasingly competitive and complex business environ-

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ment, which has a major impact on the business environment and its performance (Hurley & Hult, 1998). Due to its holistic nature, business performance requires that all these challenges - external and internal - be handled together and simultaneously (Bocken, Short, Rana, & Evans (2014)) and Barbosa (2017).

In this context, administrative thinking needs to be reoriented to technological advances, new competition, consumer demands and product lifecycles, according to Webster (1988), cited by Naver & Slater (1990). We have observed in practice that some companies have been showing considerable momentum in recent years in the face of so many adversities and economic difficulties that the world is experiencing, especially Brazil, which is suffering a serious political, economic and social crisis, which can be evidenced by the reduction of GDP, -3.6% accumulated in the year 2015, according to IBGE data (<http://saladeimprensa.ibge.gov.br>), with severe social consequences, such as the closure of companies, the indebtedness of families, and high unemployment. The current Brazilian economic situation motivated the search of this research for the curiosity to identify the competitive differentials that present some companies with capacity to invent and to reinvent new ways to not leave the market. This almost singularity is at least a matter of curiosity and interest. After all, what are the differentials? How is it possible to explain the good performance of an enterprise that operates in the same market, in equal conditions and with the same structure as others that do not achieve the same performance or go bankrupt?

This work has the purpose of answering these questions, and presenting the competitive differentials of companies that, in addition to acting for long years, still manage to maintain a considerable performance and profitability. The interest in the subject leads to the study of topics that have already been the subject of many discussions, such as: strategic management, process quality, value creation, organizational skills, competitiveness, dynamic capacity, among others of similar importance to the corporate world, managers in the challenging job of driving companies.

ANTECEDENTS

This study aims to identify characteristics and entrepreneurial behaviors that, together with organizational competencies, can achieve high business performance. That is, identify the competitive differentials that some companies have in order to survive the innumerable and constant adversities presenting profitability. As a starting point to obtain the answers to the problem, we highlight some hypotheses that can positively influence or not the business performance, which are: effective strategic and process management; the creation of value for the client; effective information systems; and organizational skills. The choice of these hypotheses took into account the importance and participation of each of these subjects in the corporate universe, from the simplest and smallest to the most complex and robust of the companies.

It also seeks to demonstrate organizational skills and capabilities that can create and develop competitive advantage. Finally, we want to present some characteristics and business behaviors that facilitate the adaptation of companies to constant innovations and changes in the environment without losing competitiveness. Although many studies have already been worked on in these approaches, business management, especially micro and small ones, still resists informed and more assertive guidelines. The objectives are inspiring because of the possibility of contributing to aid micro and small enterprises, which represent 27% of the Brazilian Gross Domestic Product (GDP), also represent 99.2% of the 4.1 million formal enterprises, and employ 60% of the work (Sebrae, 2016). However, half of these companies close before they reach their second year of existence.

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