ISSN 1984-6142

Effectiveness of business strategies in Brazilian textile industry

Paulo César de Sousa Batista
Universidade Estadual do Ceará – Fortaleza/CE, Brasil

João Veríssimo de Oliveira Lisboa
Instituto de Sistemas e Robótica – Operations Management Group (Pólo de Coimbra) e Faculdade de Economia da Universidade de Coimbra – Coimbra, Portugal

Mário Gomes Augusto
Instituto de Sistemas e Robótica – Operations Management Group (Pólo de Coimbra) e Faculdade de Economia da Universidade de Coimbra – Coimbra, Portugal

Fátima Evaneide Barbosa de Almeida
Faculdade de Economia da Universidade de Coimbra – Coimbra, Portugal

Received December 04, 2014
Approved February 11, 2016

Evaluation System: Double Blind Review
Editor: Nicolau Reinhard and
Maria Sylvia Macchione Saes

DOI: 10.5700/rausp1236

RESUMO

Efetividade das estratégias de negócios na indústria têxtil brasileira

Na pesquisa aqui relatada analisa-se o efeito sobre o desempenho organizacional das empresas têxteis brasileiras da interação entre capacidades estratégicas, tipos de estratégia, qualidade da formulação da estratégia e capacidade de implementação da estratégia. Do universo das empresas têxteis brasileiras, 211 questionários válidos retornaram. Um modelo conceitual foi proposto e testado por meio do uso do sistema de equações estruturais. Os resultados suportam as relações entre a estratégia de enfoque as capacidades de *marketing* e entre a estratégia de liderança de custos e as capacidades de gestão. Contudo, a relação entre as capacidades tecnológicas e a estratégia de diferenciação não foi significativa estatisticamente. Foi ainda observada uma inter-relação entre as estratégias genéricas de foco, liderança de custo e diferenciação, o que revela o uso de estratégias combinadas. Com respeito ao desempenho organizacional, foi identificado que a capacidade de gestão e a *performance* de mercado apresentam uma relação estatisticamente significativa com a *performance* financeira.

Palavras-chave: Efetividade da estratégia, indústria têxtil brasileira, *performance* da firma, implementação estratégica, capacidades, PME.

Paulo César de Sousa Batista, Professor do Programa de Mestrado e Doutorado em Administração e do Programa de Mestrado em Políticas Públicas e Sociedade, ambos da Universidade Estadual do Ceará (CEP 60740-000 – Fortaleza/CE, Brasil).
E-mail: batista.pcs@gmail.com
Address:
Universidade Estadual do Ceará
Avenida Dr. Silas Muguba, 1700
Campus do Itaperi
60740-000 – Fortaleza, CE – Brasil

João Veríssimo de Oliveira Lisboa, Coordenador do *Operations Management Group* (Pólo de Coimbra) e Professor da Faculdade de Economia da Universidade de Coimbra (Coimbra, Portugal).
E-mail: lisboa@fe.uc.pt

Mário Gomes Augusto, Pesquisador do Instituto de Sistemas e Robótica, do *Operations Management Group* (Pólo de Coimbra) e Professor Associado com Agregação da Faculdade de Economia da Universidade de Coimbra (Coimbra, Portugal).
E-mail: maugusto@fe.uc.pt

Fátima Evaneide Barbosa de Almeida, Pesquisadora do Grupo de Pesquisa em Estratégia, Inovação e Desempenho da Universidade Estadual do Ceará e Doutora em Gestão de Empresas pela Universidade de Coimbra (Coimbra, Portugal).
E-mail: fatimaevaneide.almeida@gmail.com

1. INTRODUCTION

Competitive advantage is an important issue that has deserved special attention in the literature. Given the importance of competition, scholars have focused on the identification of the most successful competitive strategies that firms pursue and allow them to produce supernormal profits (Bowman & Toms, 2010; Ormanidhi & Stringa, 2008). Consequently, one can find in the literature a variety of typologies to describe how firms compete in specific businesses or industries by exploiting their competitive advantage (Amoako-Gyampah & Acquaah, 2008).

According to Bowman and Toms (2010), the paradigm of structure-conduct-performance of industrial organization economics was a major influence in the field of strategy, which explains how competitive advantage derives from privileged market positions.

Another explanation of superior profit performance, developed in the early 1990s, is the Resource Based View (RBV), which locates the sources of advantage inside the firm and views the firm as a bundle of resources (Bowman & Toms, 2010). In a broad view, Johannessen and Olsen (2010) refer to three theories to explain sustainable competitive advantages: the industrial organization (IO) theory, the resource based view (RBV), and the dynamic capabilities.

The IO approach received some criticisms due its inattention to dynamic environments, which strengths competitive views, namely the resource based theory and the dynamic capability approach. Knowledge has emerged as the strategically most important resource for companies, given emphasis to the knowledge based theory and the theory of organizational knowledge creation.

Recently, some authors argue that the IO and RBV approaches are complementarily to each other (Leitner & Guldenberg, 2010; Ortega, 2009). They defend that distinct competencies and resources are important for obtaining sustainable competitive advantage, especially when following a differentiation strategy (Leitner & Guldenberg, 2010).

The relationship between strategy and performance has been widely discussed over the past three decades (Hahn & Powers, 2010; Parnell, 2011; Ray, Barney, & Muhanna, 2004; Spanos, Zaralis & Lioukas, 2004; Venkatraman & Ramanujam, 1986). Hahn and Powers (2010) argue that, despite of the great importance given to an adequate strategy implementation for performance, the relationship between strategy formulation quality and its implementation did not receive the attention it deserved.

Motivated by this lack of attention, this study intends to understand how the interaction between strategy capabilities (marketing, technology and management), strategy types, strategy formulation quality and implementation capability affects organizational performance in the Brazilian textiles companies. In this context, this study also aims to contribute to the understanding of the main driving strategic factors that explain the financial performance of the Brazilian textiles firms.

To deal of these objectives, this article is structured as follows. Section 2 presents the theoretical background of the research. Section 3 explains the model used to test the hypothesis of the work. Section 4 presents the methodology of the work. Section 5 discusses the main results. Finally, Section 6 addresses conclusions, limitations, and options of future research.

2. THEORETICAL BACKGROUND

2.1. Strategic orientation

During the past 30 years, the most used framework of strategic orientation is Porter's generic strategies. A large amount of research in this theme was developed along these years (Acquaah & Yasai-Ardekani, 2008; Bowman & Ambrosini, 1997; Campbell-Hunt, 2000; Dess & Davis, 1984; Kim & Lim, 1988; Kim, Nam, & Stimpert, 2004; Miller & Dess, 1993; Robinson & Pearce, 1988; Spanos *et al.*, 2004; among others). Studies revealed different levels of results, some of them supporting Porter´s affirmation that a business must make a choice between cost leadership and differentiation strategies or it will become "stuck in the middle" or without a coherent strategy.

Nevertheless, more recently, other studies disagree with Porter´s affirmation and find support for the successful use of combination strategies. For instance, Acquaah and Yasai-Ardekani (2008) found support for the viability and profitability of implementing coherent generic competitive strategies and the combination of singular strategies. Firms implementing a combination strategy tend to experience substantial incremental performance benefits over those implementing only the cost-leadership strategy. However, the authors found that the incremental difference between firms implementing a combination strategy do not differ from those firms implementing only the differentiation strategy. Firms implementing one of the generic strategies (combination, cost-leadership, or differentiation) perform better than firms considered as "stuck in the middle".

Studies that are more recent seem to ensure the superiority of differentiation strategies and the combination strategies. According to Leitner and Guldenberg (2010), some studies indicate that Small and Medium Enterprises (SMEs) primarily follow a focus strategy, with differentiation appearing to be the most popular competitive strategy used by SMEs in market niches. These authors considered two differentiation alternatives central to SMEs: (i) product innovation and (ii) product quality. As they reinforced, product innovation is a particularly important strategy for survival in dynamic environments.

Fleury, Fleury and Borini (2013) reinforce Leitner and Guldenberg (2010) argument, by concluding that, although