



Adaptation and Strategic Change: The Study of an Organization from the Agricultural Sector

Marcos Paulo Albarello Friedrich ^[a], Jorge Oneide Sausen ^[b], Kenny Basso ^[c], Carlos Augusto Castro de Azevedo ^[d]

^[a] Master in and PhD student in Accounting and Business Administration - Fundação Universidade Regional de Blumenau (FURB) - Blumenau - SC - Brazil. E-mail: marcos.banrisul@gmail.com

^[b] PhD in Business Administration - IMED Business School - Faculdade Meridional (IMED), Passo Fundo, RS, Brazil. E-mail: josausen@unijui.edu.br

^[c] Doctor in Business Administration - IMED Business School - Faculdade Meridional (IMED), Passo Fundo, RS, Brazil. E-mail: bassokenny@gmail.com

^[d] Doctor Master student in Business Administration - IMED Business School - Faculdade Meridional (IMED), Passo Fundo, RS, Brazil. E-mail: cacastro.azevedo@gmail.com

Abstract

The changes in sectors as economy, politics and technology have demanded higher capacity of adaptation in organizations. The current study describes and analyzes the process of adaptation and strategic change performed by a company in the agricultural sector of the Brazilian state of Rio Grande do Sul between 2005 and 2014, in order to maintain high growth rates even in decline years in the industry. The data collection was gathered after bibliographical research, documentary analysis and interviews with the organization's dominant coalition. The analysis of the events was qualitative, contextual and longitudinal, using procedures of direct research and the Hrebiniak and Joyce (1985) model. We interpreted the process of change and strategic adaptation from internal and external contexts that caused or demanded those changes. As a result, we identified three distinct strategic periods (I - Financial Crisis, II - Organizational Re-adaptation and III - Consolidation of Strategic Positioning), which were interpreted through the model of Hrabiniak and Joyce (1985), and the identification of current thought schools. Out of the analysis process, we realized that in period I the strategic choice of the organization could be classified as of natural selection. In period II, there was a transition between natural selection and differentiation or focus, while in period III the strategy was classified as of differentiation, due to the high degree of strategic choices and to the strong influence suffered by the environment determinism.

Keywords: Adaptation and Strategic Choice. Agribusiness. Determinism of the environment. Differentiation.

Introduction

Change is a characteristic that is present in all the segments of society, generating numerous challenges for organizations (MOTTA, 1998). Such challenges go through the fields of globalization, politics, economics, culture, new technologies and others, thus forcing business managers to devise strategies to deal with these changes, allowing the short, medium and long-term sustainability of the organizations.

Even today, the speed of changes is such that the survival of organizations may be directly related to their ability to adapt themselves to new market demands. Pettigrew (1987) states that organizations are able to make choices regarding their actions, and that managers must evaluate the changes in the context of their company's performance, in order to implement such strategies.

Scholars classify it as being the age of change (FERGUSON, 1980), since the world has never seen so many changes occurring simultaneously in different segments such as politics, economics, culture, technology, and ecology. For Drucker (1995) and Theobald (1994), the changes experienced in modern times are so dramatic and were never seen before in the history of humankind. Amidst this chaotic and fleeting picture, and in order to adapt to the turbulent and unpredictable changes in the environment, organizations must constantly make adjustments to their processes, as well as develop and modify their organizational strategies so they can respond effectively to environmental changes, and see those as an opportunity for growing and adding competitive advantage (ALDAY, 2000).

According to Kotler (2000), one strategy companies have sought in order to outstand and to be ahead of competition in the market is the partnership with suppliers, creating this way a network that can bring top value to customers. In the agricultural segment, for instance, Batalha (2001) states that partnerships are important factors for agro-industry companies, affording them to continue in the market, especially in countries with low Gross Domestic Product (GDP) growth, such as Brazil - which exports a large part of its crop and is able to compete in international markets.

Brazilian Gross Domestic Product (GDP) grew by 2.3% in 2013, mostly due to the agricultural sector, which grew alone 5.05% in that year. Among Brazilian states, Rio Grande do Sul (RS) stood out with 5.8%, of annual GDP growth in the country, leveraged by a growth of 39.7% in the agricultural sector for the same period (MARQUETTI, BÉRNI, 2013). This growth reflects a substantial recovery and a change of strategy in the sector, considering that in 2012 the figures had decreased by 27.6%. These indicators show that companies in Rio Grande do Sul's agro-industrial segment are also included in this climate of constant changes and that political, economic, climatic and technological factors can strongly influence these companies' results, which requires quick and successful strategical changes.

This study aims to analyze the process of organizational strategic change based on a company's study of case from the agricultural segment located in the northwest region of RS, which has activities related to irrigation, topography and surveying. The subject studied was the understanding of functions and activities at the organization, as well as the main changes and strategic adaptations in it in the period from 2005 to 2014. The study was divided this way: first section, which introduces the study group's presentation and contextualization; second section, which presents the changing types,

the strategic adaptation and the model used for analysis; then third section, which goes through the method of collecting and analyzing data; and finally fourth section, which presents data analysis and discussion. The study closes with conclusions and final considerations.

Typologies of Change and Strategic Adaptation

Every process of strategic change begins by analyzing the desired change (the content) and by knowing that any strategy created can influence the management of the processes directly involved, as well as their contexts. The content of the change encompasses aspects of the organization's culture, its analysis policies and practice. These aspects build up the context. (LAZZARETTI et al, 2012; PETTIGREW, 1987; ROSSETTO, ROSSETTO, 2005).

The wanted changes and the understanding of their consequences are parts of the perceived environment, interpreted and evaluated by the players involved in the organization (SAUSEN, DALFOVO, 2007). These perceptions go towards real and environmental conditions and are relevant because they are aimed by the ones who participate in the strategic management of an organization (LAZZARETTI et al., 2012).

Changes in the environment in which organizations find themselves into, require constant adaptation of strategy and of resources management. In this process, some companies succeed by positively responding to the environment, while others fail in interpreting its context, making divergent choices from their real needs, and eventually ending up in periods of crisis.

Studies on adaptation and strategic choice attempt to explain how organizations act in different environments and how they discern from others (LAZZARETTI et al., 2012). Hrebiniak and Joyce (1985) classify this process into two groups of perspectives, which are, determinist or voluntary choices. For Miles and Snow (1978) and Lazaretti et al. (2012), this adaptation can be proactive or reactive, making its analysis an important tool to understand the reasons for an organization's success or failure, and to interpret with more accuracy its current position in the market.

Hrebiniak and Joyce (1985) propose a two axes model for analyzing strategic choice – the determinist choices axis and the voluntary choices axis – allowing placing the organization in four different quadrants with characteristics of low or high environmental determinism and low or high strategic choice (Figure 1). These quadrants are called (I) natural selection, (II) differentiation or focus, (III) strategic choice and (IV) undifferentiated choice. Each quadrant intends to represent the way an organization can deal with the environment.

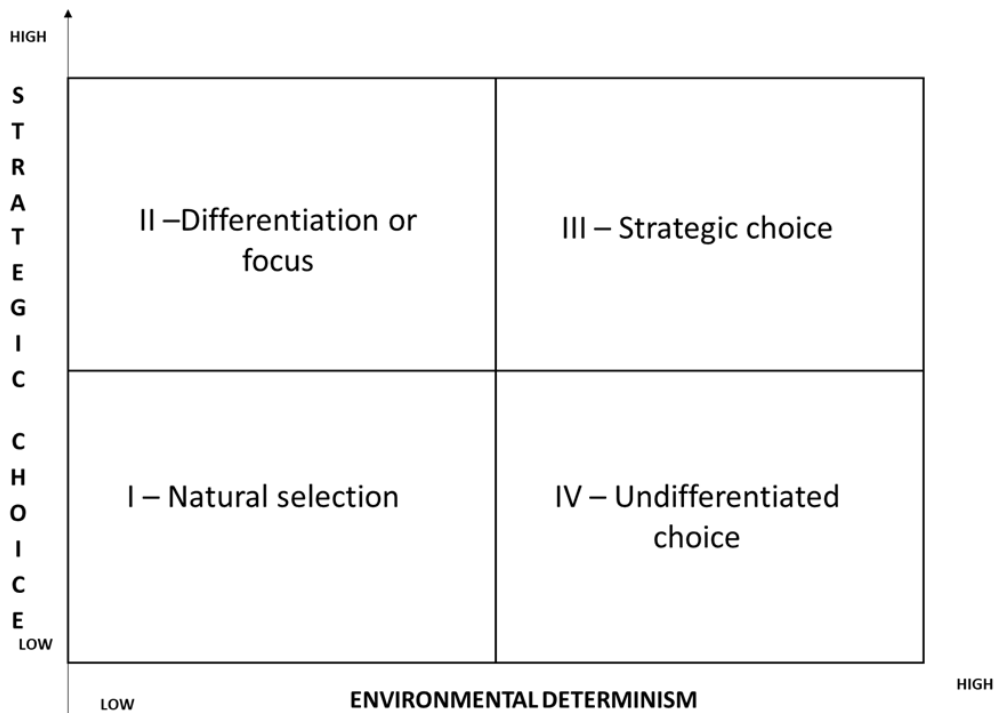


Figure 1: Model framework of strategic choice and environmental determinism.

Source: Adapted from Hrebiniak and Joyce (1985)

In the quadrant of natural selection (I) the organization has low strategic choice and high environmental determinism, needing to adapt itself to the environment, in order not to be out of the market. Hrebiniak and Joyce (1985) say there are choices on the part of the organization, but these choices are limited due to the scarcity of power and resources, therefore adaptation is determined by the environment and not by the company.

In the quadrant of differentiation or focus (II) the organization's choice is high, as well as the environment determinants, thus generating some restrictions to its adaptation. In this situation the context for strategic adaptation becomes turbulent (LAZZARETTI et al, 2012). The choices made by the organization end up turning to niches or segments that the company considers important, and always respecting the limits of the environment. (HREBINIAK, JOYCE, 1985).

In the quadrant of strategic choice (III) the organization will have either high or maximum strategic choice, making it possible to abruptly interfere in the environment. Lazzaretti et al (2012) interpret that, in the circumstances of this quadrant, high strategic choice determines the dominance of the organization and its strong interference in the market. Hrebiniak and Joyce (1985) add that such organizations finish up having no restrictive barriers, which empowers them to transit in different markets.

Finally, in the quadrant of undifferentiated choice (IV) the determinism of the environment and the strategic choice are low, often causing adaptation to be performed at random or as an incremental choice. These organizations typically have low capacity of accessing resources (Hrebiniak and Joyce, 1985).

The model of Hrebiniak and Joyce (1985) has been widely used. Aldrich and Pfeffer (1976) had already indicated that both environmental determinism and the

organization's strategic choice result in performance for the organization, implying environmental determinism is directly linked to strategic choice, even though they may look different.

Methodology

In order to ask "how" a process of change and strategic adaptation occurred, the present research used the method of study of case (YIN, 2001). This research can be classified as singular, interpretive and qualitative (SALAMANA, 1994), and it was carried out through longitudinal analysis due to the specification of the period, covering from 2005 to 2014, and which was chosen because of the relevance of events at the organization and in the context in which it operates.

The case studied is of an organization located and active in the Northwest region of Rio Grande do Sul, which has activities of surveying and irrigation; it also has the representation of an American multinational company. This organization started its activities in 1995, having nowadays a staff of more than 60 direct employees and a turnover close to the limit of a small company (higher than R\$ 2.4 million and lower than R\$ 16 million) according to the classification used by the National Bank for Economic and Social Development (BNDES, 2014).

The referred company was chosen because it meets the objectives of this study, and it went through several changes and strategic adjustments during the analyzed period. In addition, some other reasons were also relevant to the choice: the segment where the company operates; its growing number of employees; the specialization level of offered services; its operating life in the market and form of administration. However, the deciding factor of choice was the financial aspect, and in this matter, the organization presented positive and exponential growth throughout the analyzed period, even when a decline in Rio Grande do Sul's rural production was observed. It is worth saying the company has grown more than 100% in the last four years (2011-2014) in terms of billing.

Two managers of the organization were interviewed in order to collect data, one of them the company's commercial director and the other the administrative director. The managers were selected for interviews due to their responsibility for strategic decisions taken in the company and for having information about adjustments and changes that occur inside it. The interviews were carried out in-company, in September 2014, and we used a semi-structured script containing open questions. The questions were formulated according to the theory previously presented in this work, aiming to elucidate the content, the context and the processes of strategic change and adaptation that occurred at the organization, exactly the same point of view as Pettigrew et al. (1992). The content refers to what the changes were, while the process mentions how these changes occurred; the context accounts for the strategies and decisions taken internally that helped the change occur as well as the economic, political and social situation in which the organization was on during periods of change.

We checked and compared the data collected on interviews with secondary data obtained from observations at the company and from documents of the organization, such as social contract, organizational chart from different periods, annual billings, balance sheets, results statements for each fiscal year, courses certifications promoted

by the company, and analysis of its employees' curricula. This triangulation was done with the purpose of clarifying and checking the information obtained in the interviews. After the definition of relevant events and strategic periods, the model of Hrebiniak and Joyce (1985) was used to evaluate the typology of strategic adaptation in each of them.

In general the process of analysis and data collection follow the method of direct research (Mintzberg, 1979). This qualitative method suggests the use of longitudinal analysis, addressing the evolution of an organization in a certain historical period. It was developed through: (1) data collection, which identifies the important actions occurred as well as events and tendencies of the environment; (2) inference of the periods and strategies that caused change, which are related to the patterns created for identification amidst the dynamic flows of the company's decisions; (3) the analysis in periods of change, which highlights the perception of patterns encountered in the respective periods of change; and (4) a theoretical analysis of the study based on the theoretical reference table with classification of types (MINTZBERG, 1979).

An important note is that the results and the final classification of the periods and events were, by the end of the study, checked with the interviewed managers to guarantee the reliability and validity of the researchers' interpretations and categorizations. The managers did not point out differences or disagreements regarding the researchers' analysis and interpretation.

Results and Discussions

For starting the discussions, it is pertinent to characterize the organization and its activities. The organization was founded in mid-1995 and it is based in the north-west region of Rio Grande do Sul. Currently it performs agricultural services related to topography and offers irrigation products for crops and farms. The organization's goal is to generate development for country farmers by increasing the productivity of their crops, and by exchanging close and constant information with its customers.

The organization started its activities in the second half of 1995, offering back then topography services in the region, in order to meet the needs of measurement in agricultural areas involved in purchase, sale, registration and certification. We decided to analyze the period from 2005 to 2014, since in its first years the company was familiar and it did not have contracted employees, but only family employees. Furthermore, in the initial period from 1995 to 2005, no critical events that could represent significant changes in the strategy and the form of the organization were identified.

Currently the organization is hierarchically formed by the commercial director and founding partner, along with the administrative director. Following the two leaders are the other departments, which are: sales, assembly, technical assistance, after-market and topography, totaling more than 60 direct employees. Its structure is composed by two offices, one dedicated to irrigation services and the other to surveying and topography services.

Despite the number of employees, its physical structure is not large, since employees carry out their activities and spend most of their hours in customer's properties. The organization has as premise to strengthen the relationship with its clients in

order to generate confidence, reducing the response time for possible customer service and assistance.

Aiming at the objective of this study, the analysis of the period 2005-2014 was chosen to observe the three periods of change and strategic adaptation from data details collected for this purpose by the researchers. These three periods were initially arranged and analyzed through analytical categories, as proposed by Pettigrew et al. (1992), in order to identify the organizational changes that happened according to their content, context and process, and later fitted in the quadrants of the strategic adaptation model by Hrebiniak and Joyce (1985).

Periods of Change Definition and Strategic Adaptation

Period I - Financial Crisis (2005-2006)

In the first period, from 2005 to 2006, there was a considerable financial crisis in the organization, arising from previous years, where the number of services performed and the value received by each of them was insufficient to maintain the company's operational expenses and costs, mostly regarding the necessary structure to provide surveying services.

Since the activity at the time was the provision of topography and surveying services, and there were no incentives to the agricultural segment that could possibly generate significant demand for the organization activities, the company did not find a way to promote and to develop itself, demonstrating a tendency to undergo even greater financial difficulties.

Among the factors behind this situation, two of them stand out: the small or almost non-existing demand for the services, and their prices. Essentially, the demand was so insignificant and still happened due to a long-term relationship with some customers who needed such services, and to the low cost charged for them. With low demand and strong competition in the region, the price of the service was reduced to a minimum possible sometimes even below cost, just to keep customers. This attitude undermined not only the organization's financial performance, but also a better compensation for employees, investments, financings and its own development.

Some reasons for such a difficult situation were related to the strategy chosen by the organization. For instance, keeping close contact with a small number of customers who generated a high cost to the organization in phone calls and dislocation. These costs were proved higher than the incoming revenue, aggravating day after day a critical financial situation previously diagnosed.

Despite of all, the scenario began to change when the Federal Government sanctioned the Law No. 10,267 of 2001, creating the National Register of Rural Property (CNIR) and turning it mandatory the geo-referencing for registration (purchase, sale, transfer, alienation) of rural properties in registry offices (MP-RS, 2004). That way, all information regarding farms records and their measurements, should be then checked and compared with their existing documents so far. This legal change forced farmers to look for surveying and geo-referencing services not previously required. On the other hand, the company reestablished itself in the market by changing its way of acting and strategy, in order to take advantage of the growing demand. Mintzberg, Ahlstrand and

Lampel (2010) approach this phenomenon through the School of Design, which explains the conception of strategies by analyzing the external and the internal environments, taking into account implementation, weaknesses, opportunities and possible threats.

The change in the legislation created a growing demand, favoring the organization to shift its financial situation for the better. The company could invest once again, by having access to working capital lines. The funds obtained through banking operations were all used for investment in equipment, hiring and qualification of the workforce, as well as other necessary activities to meet new demands for services, which the company was not yet structured at that moment.

Period II - Organizational Re-adaptation (2006-2008)

Throughout Period I, the organization was managed alone by the same current commercial director, and his attributions permeated all the activities carried out, making him act as a centralizer of the decisions in different sectors. No activity was conducted without his participation and authorization.

In the years 2006-2008 the organization went through transformations in its way of management: restructuring of all the employees' activities, new recruitments and the division in the business management. The decisions centralized on the commercial director began to be shared with a new partner, who now is the administration's current administrative director. Thus, it was possible to separate commercial and administrative activities in two distinct axis in the organizational chart, once the objectives of the commercial area were increasing the volume of services and developing a portfolio of attractive products and services to consumers in order to keep the growing demand. In the meantime, the administrative sector was responsible to assist the commercial activities which required the recruitment of some new staff, and also the professionalization of employees, negotiations with suppliers, costs reduction, and the search for tax benefits, allowing the company to increase the profit margin without modifying the final price.

With this division of activities and attributions, the company has improved the quality of its service activities creating, at the same time, some strategies for growth and development. It was possible for the administrative director to initiate a project of professionalization of employees, which was critical for the survival of the organization, according to the board's point of view. Also, the proposal of objectives began to follow two distinct paths: the commercial path, with the increase of revenues, and the administrative path, involving the reduction of expenses and the professionalization and resizing of the collaborators.

Period III - Consolidation of Strategic Positioning (2009-2014)

The division of management and the increased professionalism of the staff allowed the company to search for new services to add to its portfolio, featuring the third and most significant period of change and strategic adaptation experienced by the organization, period in which it finally positioned itself more solidly in the market.

This search started in mid-2008, after noticing the market and the organization's customers needed improvements in their agricultural production, not only in productivity per hectare, but also in reducing the risk of losses due to climatic oscillations in the state. The administrative director looked for other companies who produced irrigation products and were interested in increasing its area of actuation and the sales in the Northwest region of Rio Grande do Sul.

The search came to fruition when an American multinational company, expert in advanced technologies in irrigation equipment, and looking for ways to enter the South Brazilian market, became interested in the partnership. After a period in which the project and contractual items were discussed, the partnership that transformed the organization's activities started, with the sale of irrigation agricultural implements in its portfolio. These sales became a commercial representation, where the seller still holds the rights to represent the American multinational throughout the Northwest territory of Rio Grande do Sul, with exclusive customer service.

Both of the interviewed clearly showed that this partnership changed abruptly the way the company operates, from a service provider to a recognized dealer of products. This led to a leap in revenue and profit margins, resulting in the necessity for specialized and trained sales professionals, maintenance and support activities. These efforts turned the company the representative of the US multinational with higher sales and billing volume in the South region of the country.

The search for new connections in other areas involving the company's services was constant, as well as the possibility of inserting activities related to agriculture in other sectors and other countries. For doing so, the company provided experiences to its employees such as periodic training in Brazil and abroad, as well as participation in agribusiness events and technology research to add value to its customers.

Table 1 gives a summary on the periods of change in the organization and the main critical events that characterized each strategic period of change:

Table 1 - Main events and their periods of change and strategic adaptation of the organization.

Period	I- Financial Crisis	II - Organizational Re-adaptation	III - Consolidation of Strategic Positioning
Year	2005-2006	2006-2008	2009-2014
Main Event	Change in legislation	Restructuring of the activities and functions of the organization	Partnership with an American multinational

Source: prepared by the authors.

Theoretical Analysis of the Periods of Change and Strategic Adaptation

Theoretical Analysis of Period I - Financial Crisis (2005-2006)

In the first period, the main feature of the organization was its positioning based on the impositions of the market that was far from having an emergent strategic position, as highlighted by Mintzberg and Quinn (2001). The organization survived due to the needs of compliance with the legislation control and records of land properties. In addition, the organization was inefficient and scarce in terms of strategies to leverage the sales of its services.

It is possible to say, in this particular case, that while management was performed exclusively by an only individual, it was not beneficial for the organization. This can be explained through criticisms to the entrepreneurial school model proposed by Mintzberg et.al. (2010), which mentions that decisions centered in one individual, in the case of the leader, can generate gaps to a point where the leader might draw his attention to details and operational activities and be away from strategic considerations. This way, the entire organization remains doing only what it is expected to be done. Another criticism of this strategy model is the fact that the leader's visionary view of the process is not clear to all his employees.

This attitude from the organization can be characterized by a period in which it was strongly influenced by the environment and that its choices were invariably dictated by the interference of laws and changes in demand. Therefore, during period I, the company acted with a minimum of strategic choice and a high degree of environmental determinism, concentrating its actions in the implementation of internal processes, positioned in the quadrant I according to the model proposed by Hrebiniak and Joyce (1985), as shown in Figure 2.

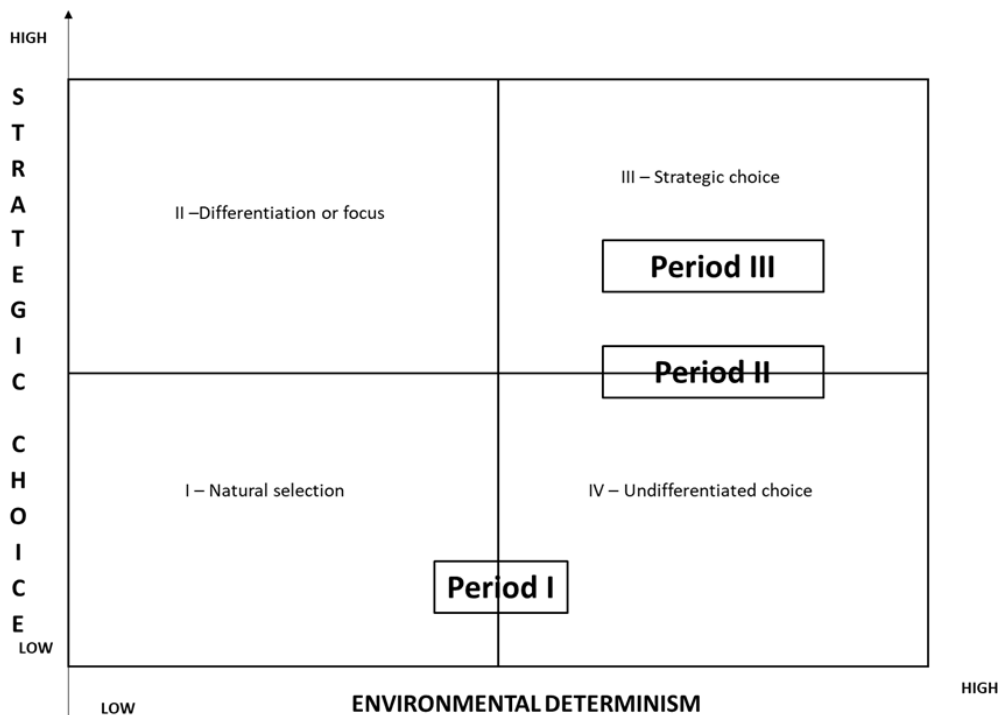


Figure 2: Periods of adaptation and strategic change

Source: Adapted from Hrebiniak and Joyce (1985)

Theoretical Analysis of Period II - Organizational Re-adaptation (2006-2008)

The restructuring occurred after the inclusion of a new member, along with environmental constraints, which made the company significantly change its decision-making process, taking into account trends and shifts in the market in which it was part of (HREBINIAK, JOYCE, 1985).

These changes brought a new posture to the organization, requiring analysis and understanding of the environment in which it was in, what the influences generated from environmental determinism were, and what strategic adaptations should be taken. One possible explanation for these changes is based on Basil and Cook (1974). They claim that the organization undergoes strategic transformation in the very moment it seeks an answer to a recent or current moment of crisis.

Child and Smith (1987) mention the manager ability to recognize, interpret and implement requirements that are emerging, so the organization can create or maintain its competitiveness before its own market. This performance of managers is explicit when the changes occurred in this period are exposed.

Through the division of responsibilities and activities since commercial and administrative management were created, the organization could use the concepts of core or essential competences, as mentioned by Prahalad and Hamel (1995). These authors argue that for an organization to achieve success, it should focus its attention on its core and fundamental competencies. That is, with the division occurred, it was possible for sales department to focus on sales and services provision, while the administrative department was focused on cost management and company strategies.

This period is characterized by a transition stage between quadrant I (natural selection) and quadrant II (differentiation or focus), as seen in Figure 2. This was due to administrative changes that occurred, and as a way to analyze and to position the company in response to the environment, leaving behind a situation of little or no strategic choice to a deliberate strategy - professionalisation of employees, reorganization of the organizational chart and sectoral division.

In this specific case the period was classified as of transition between quadrants I and II. Despite presenting features linked to a strong environment determination, like the demand growth rate superior to the service capacity, even so strategic choice was an option in the period. This capacity allowed the organization to proceed changes that would take future advantages of such market opportunities, characteristic of quadrant II.

Theoretical Analysis of Period III - Consolidation of Strategic Positioning (2009-2014)

During this period the organization positioned itself in the market from one strongly influenced by the environment - the so-called environmental determinism by Hrebiniak and Joyce (1985) - to an organization that adapts itself to the environment and can propose interferences on it. One way to highlight this change was the interviewees' position that, in addition to participating in the main agribusiness fairs in Brazil, the organization is having important role in such events, to the point where customers from other regions of the state and even from other regions of the country ask for the organizations' services, in the detriment from others in the same segment.

The strategic change in the organization and the gain in performance against its competitors can be expressed by the sayings of Porter (1991, 1999) which defines strategy or strategic positioning as the achievement of performance of a company's activities, differently from its competitors or even the performance of different activities in relation to the activities of its competitors. The search for new contacts and experiences exchanged, besides the partnership with the American multinational company, is not very common in organizations of the segment.

This search for information and experiences exchanges places the organization as a learning-oriented organization. Senge (1999; 2002) states that the searching for knowledge can only bring learning when there is exchange of knowledge and subsequent practice of activities in a different way from the old ways.

It is possible to characterize this search by the organization as a deliberate strategy, for it is defined as the strategy that an organization intended to have and had (MINTZBERG; QUINN, 2001). In addition, the environment in which the organization is inserted has provided a positive development and growth in the last few years, thanks to rural credit policies that continue facilitating and favoring agricultural producers and the sector's service providers, even with the current downturn.

Therefore, from strategic changes and adaptations occurred during previous periods, and for the current way of positioning the organization in the market by seeking differentiation, the quadrant II (differentiation or focus) is the one that best explains the process of changes and strategic adaptation occurred in this period (Figure 2). This was due to a moment where the organization could develop various strategic options, such as the partnership with the multinational company. Yet it still suffers strong determinism of the medium, because of the dependence on agricultural production quality year after year, and the sector's public policy and financing lines for producers.

CONCLUSIONS AND FINAL CONSIDERATIONS

Nowadays, change is a necessity and consequently, an organizations' adaptation ability can make a whole difference for it in the market. Thus, the present study aimed to identify the periods of a company's strategic change and adaptation in the agricultural sector and to recognize its choices according to the model proposed by Hrebiniak and Joyce (1985). The analysis followed the model which emphasizes the changes and strategic adaptations in order to understand the context, the content and the process in a continuous interaction of ideas, as proposed by Pettigrew et al. (1992).

The analyzes carried out allowed us to infer that the company history from 2005 to 2014 went through three distinct periods characterized by changes and adaptations processes, both in structure and organization as in the company's strategies. The first period (Financial Crisis) is characterized mainly by a determinism of the environment, where the company only reacts to external environment changes, searching for adaptations according to different imposed situations. In the second (Organizational Re-adaptation), there is still subjection to the determinism of the environment, but with the advent of some strategies by the managers, mainly regarding the internal organization and the staff's professionalization. The third period (consolidation of Strategic Positioning) is characterized by a broadly deliberate strategy, focused on differentia-

tion through partnerships, besides the expansion and improvement of the company's portfolio through the commercialization of products and services with high technology and specialty.

In summary, the period of 2005-2014 showed that the company endured crisis situations (period I) by presenting a non-differentiated strategy and then undergoing environmental determinism of restructuring (period II), changing its organizational chart and professionalizing employees to differentiate themselves. Finally, situations of expansion and exponential growth (period III) conquered by the usage of strategies of differentiation and focus. In this way, the company managed to position itself strategically in the environment in which it was inserted so its performance would not only improve that previous situation, but also expand the number of clients and its businesses.

The Hrebiniak Joyce (1985) model allows us to infer that the changes in the company's strategic position during the transition phases from one period to the others favored its constant growth in the three studied periods. It developed a growing path with a consequent expansion of profitability of its assets, even in the years when Rio Grande do Sul's agricultural sector did not present favorable numbers. The three periods mentioned in this study allowed us to note and reinforce the argument that organizations are susceptible to external factors that are independent of their will (eg climate, legislation, competitors) and that their continuity will depend on the capacity for strategic change and adaptation to the new context in which it will be inserted. Thus, through a high capacity for strategic adjustment, the company can transform external events in growth opportunities acts ing so focused and differentiated to also influence the market.

The choices and processes developed by the managers allow us to perceive the correct interpretation of the organization's role in the context in which it was inserted, and the understanding of the necessity to position the company in the market were fundamental to carry out the necessary changes and adjustments for its continuity and growth. The developed strategies permitted the organization's growth to be continuous through a differentiated positioning in its sector of activity, not being merely a reactive company, even with limitations imposed by the environment.

The result of the research is a cluster of theoretical inferences about the process of strategic change and adaptation of an organization that plays an important role in the development of its region, contributing to the advancement of the knowledge of how changes and strategic adaptations occur in organizations in general, in particular in the context of Brazilian agribusiness. Finally, this study does not seek to generalize the results to other specific cases, but to analyze the change processes and the strategic adaptation occurred in the context in which the organization was inserted in the period studied.

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