Environmental determinism and strategic choice in a small family business

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Abstract

The goal of this paper is to analyze the strategic change and adaptation process of a small family business in Rio Grande do Sul throughout its trajectory, defining each strategic period according to the Hrebiniak and Joyce (1985) model. Longitudinal data analysis in small businesses help understand where the organizational changes come from, resulting from the organizational adaptation process. The study analysis covered the period between 1987 and October 2017. The needed information was collected through a semi-structured interview with the founder and the current manager. As a result, the different strategical periods by which the organization has passed were noted. Also noted, the strategical adaptation process was given by determinism at first, and as time passed, the adaptations through strategic choice were more regular.

Keywords: Environmental Determinism. Strategic Choice. Strategic Adaptation.

Introduction

The organizations are inserted in environments that influence their behavior and decision making, such environments require adaptation from the businesses, so that they can remain competitive in market. Corroborating this statement, the authors Carvalho, Rossetto and Vianna (2011) and Rossetto (2005) inform that the studies on

the strategic adaptation process are drawing the organizational researchers' attention, since the organizations are inserted in turbulent environments.

The organizations' trajectory is divided in distinct strategic periods, in which different strategies are applied for the organizations' adaptation and survival. For adaptations to be made with precision through the organizations' evolutive history, managers should know how to handle the organizations facing environmental changes (Tushman, Newman & Romanelli, 1986). However, not always decision makers notice the environmental changes efficiently, which may lead to serious crises and to organizational failure.

Strategic adaptation may be considered a dynamic process resulting from the interaction between organization and environment, and the kind of power existing between both elements (Hrebiniak & Joyce, 1985). For that to happen, organizations are capable of making the strategic choices that best fit the specific periods, even if there is a strong environmental influence (Pettigrew, 1987). In other words, even if the environment imposes them to intake certain actions, the organizations can act according to the strategy previousley defined by the manager.

To better understand the strategic adaptation process, perspectives such as environmental determinism and voluntarism or strategic choice should be considered, for the changes in the organizations happen both in account of the external environment and the choices made by the decision makers. According to environmental determinism, the environment has strong influence over the organizations' strategic actions. With voluntarism, the organization has, with its abilities, the power to shape the environment through its actors.

According to the facts exposed above, the goal of this paper is to analyze the strategic change and adaptation process of a small family business in Rio Grande do Sul throughout its trajectory, defining each strategic period according to the Hrebiniak and Joyce (1985) model. The analysis is made in a small business, because according to Schindehutte and Morris (2001), those differ in some aspects from large organizations, as in the learning ability and the vulnerability to environmental forces, being unknown so far, to which point they put an effort in realizing adaptations through their trajectory.

With that, the research's relevance is justified by the importance of the change process analysis and the strategical adaptation, for it is possible to notice how the company deals with the environmental adversities and which strategies are applied for it's survival.

Therefore, it is important to make longitudinal data analyses about small successful businesses, to understand the source of the strategic changes in the adaptation process, and the conditions that precede their adaptive behavior (Schindehutte & Morris, 2011) and if such changes were determined by strategic choice or by environmental conditions.

Theoretical References

In this section, the constructs that guide this paper will be theoretically approached. First, the strategic change and adaptation to be used will be contextualized,

and after, the Hrebiniak and Joyce Model, which will be used to analyze the research's data.

Strategic Choice, Change and Adaptation

The environmental dynamism is raising through time, with that businesses need to considerate more and more the strategic adaptation process (Schindehutte & Morris, 2001), in order for them to keep their competitivity and ensure the survival. The term "change" is nowadays more present in society and organizations, becoming a term commonly used in organizational studies (Gohr & Santos, 2012). The speed in which changes occur, and the way that organizations adapt to it are factors which affect the growth and survival of the businesses (Abratt & Mingione, 2017). Supporting such fact, the authors Friedrich et al. (2018) highlight that the survival of the organizations is connected to their adaptability to the market's and environment's requirements.

Knowing that the changes present on the environment in which the organizations are inserted end up continually imposing the need for strategic adaptation (Friedrich et al., 2018) to assure the competitive advantage in the market. These change levels are considered determinants in the moment of the strategic adaptation, as results from the study of Schindehutte and Morris (2001) show. However, such changes are not always interpreted correctly by the organizations, and when that happens times of crisis are created (Friedrich et al., 2018). On the other hand, changes which occur in the external environment offer opportunities for the organizations to better explore their resources, through technological and management innovation (Ronchi, 1980).

The organizations strategic adaptation is a way to explain the changes made by them due to environmental changes and other factors that affect organization (Gomes, 2007), depending on the strategic choices made by the managers (Gohr & Santos, 2012). With that in mind, the adaptation process involves continuous and incremental change according to the environmental needs, both internal and external, generating great transformations in the organizations (Schindehutte & Morris, 2001).

Taking into consideration both the determinist vision of the organizational environment and the voluntarist vision of strategic choices, to understand the survival or failure process of organizations (Rossetto & Rossetto, 2005). According to Schindehutte and Morris (2001) study, the adaptation is made up by three elements of major significance: i) the adaptability of the organization; ii) how much the organization adapts itself; and iii) the strategies used for the adaptation.

For some authors, the strategic adaptation is considered a multifaceted phenomenon, based in different theories like the resource-based vision (RBV), the contingency theory and the resource dependence theory, which depends on a multifaceted understanding for a perfect comprehension (Adegbite et al., 2018; Carvalho, Rossetto & Vianna, 2011). With this knowledge, the study developed by Rossetto and Rossetto (2005) concluded that in the institutional view the organizations are resistant to the environment as far as factors like tradition and/or the environmental context support those resistances. They also conclude that as the resource dependence goes, organizations adapt to environmental changes according to the right perception and

management of the changes made by managers. As for the learning theory, adaptation is the result of the organizational learnability, concerning the environmental factors involving and concerning the organization (Schindehutte & Morris, 2001).

The organizations act differently in equal environments, depending on how the actor's perceptions occur (Rossetto & Rossetto, 2005). These perceptions, taken into consideration in the decision-making moment, may influence the organization and its environment (Gohr & Santos, 2012).

Knowledge is an intangible resource for the organization, and it must be paramount for any organization that aims adaptation (Adegbite et al., 2018). Literature presents as a limiting factor for the adaptability the inertia faced by the business companies during their trajectory, which may limit their adaptability. Another limiting factor is the environmental conditions in which the organization is (Schindehutte & Morris, 2001).

Considering that it is possible to choose which strategy to go with to assure the best for the company, Rossetto and Rossetto (2005, p.4) associate organizational adaptation "to the managers ability to recognize, interpret and implement strategies, according to the needs and changes noticed in their environment, in a way to ensure the survival of their organizations, as well as their competitive advantages". The results of the research made by the authors Schindehutte and Morris (2001) with small businesses revealed that the organizations with a greater adaptability look for adaptation strategies, like frequent development of new products, innovation, besides obtaining better income and profitability. Authors Hrebiniak and Joyce (1985) claim that the adaptation process is dynamic, that is to say, the strategic position of an organization changes as the time passes, according to the strategic choices and the environmental changes faced.

In the literature about strategic adaptation it can be seen that environmental determinism and strategic choice are considered, in most studies, as mutually exclusive (Hrebiniak & Joyce, 1985; Rossetto & Rossetto, 2005). In the view of strategic choice, the organizational actors have the ability to affect the organization's environmental context, for both the organization and the environment are mutually connected (Gohr & Santos, 2012). The authors Fonseca and Machado-da-Silva (2012) complement this by reporting that the strategic choice consists in choosing or creating a organization-turned strategy and solving certain situations, keeping an eye for opportunities and environmental threats. Aside from the business company having the ability to overcome the organizational apathy determining its future (Judge et al., 2015).

The organization's success often is not dependent on an entrepreneur with visionary choices, but on the strategic adaptation often applied correctly in the right period, say Schindehutte and Morris (2001). In this sense, Stein (2002) states that adaptation is one of the ways for the organization to build valuable knowledge. According to Pettigrew (1987), the managers must pay attention to environmental changes, and implement new organizational strategies based on them, with that the organization may choose the appropriate strategies for each situation. By analyzing the organizations' strategic adaptation both the environmental determinism and the strategic choice made by the managers should be considered (Rossetto & Rossetto, 2005).

The Hrebiniak and Joyce Model (1985)

The authors Hrebiniak and Joyce (1985) came up with a new analysis model for determinist and voluntarist choices. For them, strategic choice and environmental determinism were independent variables for the environmental adaptation of an organization. And their interaction is capable to explain both the strategic adaptation process through the organization's trajectory and the management behavior (Carvalho et al., 2011).

Aiming environmental determinism only, the adaptations are made to adjust the functions and the organization processes to the changes that happen in the environment, not considering the managers' choices (Rossetto & Rossetto, 2005). Unlike the strategic choice view, in which adaptation happens according to the perspectives of the decision makers, about the environmental changes (Rossetto & Rossetto, 2005).

The interaction between determinism and strategic choice should be evaluated jointly so clearer conclusions about organizational behavior can be reached (Hrebiniak & Joyce, 1985). The same way, Gopalakrishnan and Dugal (1998) report that companies are not completely dependent on the external environment, as they are not completely free from the choice of the managers actions.

With that, it was possible to divide the organizations in four strategic adaptation moments, with different strategic choice and environmental determinism characteristics, as Figure 1 shows. Each quadrant represents the way in which the organization deals with the environment that is on (Friedrich et al., 2018). The strategic choice is both cause and consequence of the environment influences, where the result of the cause and consequence interaction is adaptation (Hrebiniak & Joyce, 1985). Strategic choice meaning the strategy selection process made by the decision makers (Adegebite et al., 2018).

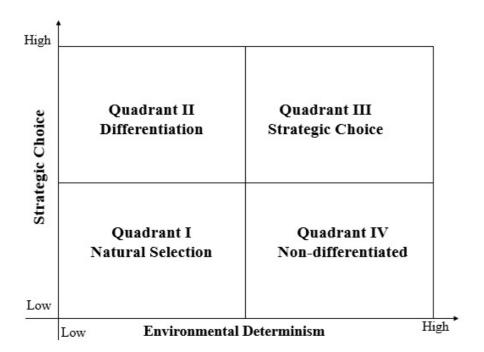


Figure 1 - Strategic choice and environmental determinism structure model Source: Adapted from Friedrich et al., (2018).

Quadrant I represents the adaptation in the natural selection mode, in which there is low strategic choice and high environmental determinism. In this quadrant organizations need the adaptation to remain competitive in the market. Here the organizations do not have any control over the external factors, therefore the adaptation is determined by the environment, not the business company (Friedrich et al., 2018). There are some restrictions and management limitations for companies in this quadrant (Hrebiniak & Joyce, 1985). In this mode choices are possible but limited by a lack of resources and organization.

Quadrant II represents adaptation in the differentiation mode, where the strategic choice and the environmental determinism are high, with excessive resources available, besides a turbulent environment for the conduction of strategic adaptation and a high countervailing power (Friedrich et al., 2018). In account of the exposed there are restrictions as to the companies' adaptation in this quadrant, such adaptations end up being segments considered important for the company. They're composed by business companies that are in more regulated sectors, usually big companies (Hrebiniak & Joyce, 1985).

Quadrant III represents the adaptation in the strategic choice mode, with high or maximum strategic choice and low environmental determinism. In this quadrant the resource dependency is low on the organization and has a high number of strategic options (Friedrich et al., 2018). In other words, organizations interfere with the environment in which they are inserted, as they do in the market, easily transitioning through different types of market. Factors such as risk, creativity and the prospector's innovation are found in this quadrant. Organizations in this quadrant are found in market segments or niches (Hrebiniak & Joyce, 1985).

Quadrant IV represents the adaptation in the non-differentiated choice mode, with low strategic choice and low environmental determinism, where the adaptation ends up happening by chance, or in an incremental way (Freidrich et al., 2018). The inner factors are inhibitors in the decision making, and the organizations do not have access to the necessary resources to seize the opportunities offered by the environment (Hrebiniak & Joyce, 1985). The reactor profile, characterized by lack of clarity in the results, has a higher probability of occurrence in organizations present in this quadrant (Friedrich et al., 2018).

If the organizational power is high, the probability of a higher level strategic choice high, if there is more power in the external parts, the probability of the environmental determinism to happen is high (Hrebiniak & Joyce, 1985). The Hrebiniak and Joyce model (1985) was also used in other researches like those from Carvalho et al. (2011), in which they analyzed the determinism's and the voluntarism's influence in the strategic adaptation process of a retailer company in the furniture and household appliances in Brazil. In that same year, the authors Rossetto et al., (2011) published their study analyzing the adaptation process in a Professional Education Institution. Later the authors Friedrich et al. (2018) used the model in their research with an agricultural company from the state of Rio Grande do Sul.

Methodology

The methodology used in the study development is presented here in four sections. Starting with the presentation of the research strategy, followed by the procedures used for the data collection. Afterwards the procedure used for the data analysis is presented, and at last we bring a brief contextualization of the analyzed enterprise.

Research strategy

This paper made a longitudinal data analysis of the developments of a family business between 1987 and 2017. Characterized by the qualitative approach, and using the case study as research strategy, semi structured interviews were conducted in order to gather information, conducted spontaneously, as oriented by Yin (2001). Longitudinal data study is necessary to analyze the change and context processes in the organizations, considering the content, the process and the context of change in Pettigrew's perception (1987).

Data collection

For data collection interviews were made with the founder of the commercial establishment and with the current manager, in person, in October 2017. The interviews had a semi structured script, which is a method that enriches the investigation, because it allows the person who is being interviewed to answer the questions in a more spontaneous way (Triviños, 1987). The script was developed by the authors of this study, using as contribution the literature about strategic change and adaptation (Carvalho *et al.*, 2011; Hrebiniak & Joyce, 1985; Pettigrew, 1987; Tushman *et al.*, 1986).

Photographs of the establishment in its former installations and layouts were also analyzed. First the company founder answered the questions and described the trajectory of the organization. Later the current manager answered the questions, complementing some of the answers from the first interview. Bearing in mind that the current manager begun acting ten years after the company was founded, she answered questions that corresponded to her period of acting.

Data analysis

The interviews were transcribed according to the objective of the study. No transcription software was used, for it was not necessary, since the key points for the study were easy to understand. Right after, mapping and tabulating of all the strategic points identified were made. With that, it was possible to reunite the main strategic points identified, which helped with the data analysis. Starting there it was possible to verify the kind of strategic adaptation, if by environmental determinism or by strategic choice, with the help of a theoretical analysis of each event, following the Hrebiniak and Joyce (1985) mode, according to the context in each event was inserted.

The business company context

The organization was chosen due to the relevance it has in the context it is on, for having familiar characteristics and for adaptations made through its trajectory, remaining active and on focus on the market in which operates, besides its constant growth. The business company is situated by the south of Rio Grande do Sul, it is considered a small family business, has currently 15 collaborators, its activity is retail trade of general goods, with a highlight on food products.

Founded in 1987, to provide extra income for the family, the organization started from zero. With no resources, no proper structure, nothing but the entrepreneur spirit from its founder. After going through several unstable moments, both on the inside and outside of the organization, and even putting activities on hold for a while, nowadays the company is managed by the founder's daughter-in-law, has great infrastructure for the commercialization of different food and drink products, as well as a performance that overcomes the partners' expectations. Is considered one of the main commercial establishments by local costumers.

Presentation and Result Analysis

To start with the data analysis there is figure 2, which illustrates the main changes that occurred in the organization. The events are presented in chronological order, with proper indication of the strategic adaptation typology, which will later be discussed by stages. Stage I – Creation covers the events between 1987 and 1992, and the adaptations are characterized as strategic choice. Stage II – Reopening, structural changes, covers the events between the years of 1994 and 2005, and the adaptations are characterized as a transition from strategic choice to differentiation, the environment presents trouble, but still the company manages to choose its strategies. Stage III – Management, focused on results, covers the events between the years of 2011 and 2017, and the adaptations are characterized as high strategic choice differentiation and high environmental determinism.

Figure 2 - The principles of the United Nations Global Compact

Strategic Stage	Year	Event	Type of stra- tegic adapta- tion
Stage I - Creation	1987	Funding, in the south countryside of the state of Rio Grande do Sul.	Strategic Choice
	1989	Market opening in the urban area.	
	1989	Closing of the market on the countryside.	
	1992	Ending of market activities for construction on the roof.	
Stage II - Reopen- ing, struc- tural changes	1994	Reopening of the market in urban area.	Transition from Strategic Choice to Dif- ferentiation
	2000	Changes in layout.	
	2005	Creation of new sector, structure amplification.	
Stage III – Managing focused on results	2011	Luciana takes over the management, with the help of Maria.	Differentia- tion
	2015	Luciana takes over the full management.	
	2018	Modern accommodations.	

Source: Authors

From then onwards it is possible to describe the data analysis based on the research. The data will be presented accordingly to the similar periods, allowing the adaptation typology classification according to the Hrebiniak and Joyce (1985) model.

Stage I - 1987 to 1992.

In this stage there was the opening of the business, in its first address, on the rural area. The business started through necessity entrepreneurship, as denominated by the *Global Entrepreneurship Monitor* (GEM) (2006), for entrepreneurs that begin their business due to need of increase in the family income, as it was the founder's case. At the time, the family cultivated potatoes, upstate Rio Grande do Sul, but there was a lowering in the price paid for each tuber sac, creating the need to increase the family income. In this stage, a dominance of environmental determinism can be noted, which demanded adaptation from the owner in order to ensure the family sustain.

Yet the establishment was not paying the expected income, so the strategy used was to transfer the company to a place with a greater consumer flow, the urban area. However, they encountered a hostile environment, with limited resources (Dess & Beard, 1984), hindering the profitability of the business. The environmental factors were not taken into consideration by the manager, which, according to Jansen *et al.*, (2005), exposes organizations to fragile strategies, leaving them unprotected against environmental threats.

Supporting this statement, Ravichandran and Liu (2011) claim that the managers' cognitive limitations limit the process of interpretation of the complex and multifaced environment in which the organizations are.

The business company did not have any sales or financial strategies. Since the strategic choices in this period were low, there is little room for innovation (Carvalho *et al.*, 2011). Another factor which influenced the company was the lack of market credit, that led the company to spot product purchase, and the establishment did not have a variety of products available, so it could not fulfill all their client's needs. The structure was small and unsuitable, and there was barely any profit. The company's manager was also the founder, so it is safe to say that in this case the company was doing nothing beyond the expected (Friedrich *et al.*, 2018).

On top of all that, the building where the organization was situated had to go through an emergency renovation. The house where the family lived in the city was in poor conditions, so they had to remove the store's roof and built a house above the establishment. Without a specific strategy for this situation, they decided to suspend all activities, until the structure was done being renewed. The entrepreneurs, sometimes, when starting their first business, are not used to the functions addressed to them, with their part in the company when it is vulnerable to a series of errors (Schindehutte & Morris, 2001). In this stage the strategic choice was possible, but low due to the lack of resources and the environmental determinism was considered high, being in Quadrant I (natural selection) of the Hrebiniak and Joyce (1985) model.

Stage II - 1994 to 2005

This stage begins with the company's re-opening and with the manager's new environment perceptions. The way the environment perception happens helps to understand the chosen strategies (Carvalho & Rossetto, 2014). In the year of 1994, with the building recently renewed, the family re-opened the company, once more for the need of an income raise, since the resources were spent in the recent renovation. During the renovation the family continued to cultivate potatoes upstate, but still had a low income. The first few years were not much different from the previous ones, there was a low costumer flow and scarce resources. They did not have any supplier partners, and that brought once again the difficulty to acquire marketable goods. The company did not have any market credit, nor cash on hand, they had to acquire the products in cash payment.

The owner then looked for strategies to turn this situation, one of them was identifying the neighbors around the establishment who had any empty drink bottles to lend, so they could start buying drinks. The strategic adaptation in this case refers to main elements of the organization, it could be considered through numbers of the dimensions that affect the businesses, such as offered services or products (Schindehutte & Morris, 2001). The manager, then, was paying attention to the market's changes and need, the uncertainty in that environment was noticed in an effective way, in which opportunities were taken and strategies to end or alleviate upcoming threats were created.

The environment's influence in the organization could interfere in its performance and in the managers decisions (Montana & Charnov, 2003).

By the year 2000 there was the need to change the business' *layout* to improve the costumer flow inside the establishment. Sales, marketing and purchase management

strategies were launched, that made it possible to adapt the establishment's physical structure to the client's need, as well as identifying the right actions to be taken. In 2005 new sectors were created, such as the bakery and the butchery, sectors requested by the costumers. The changes in the organization boosted the sales and profits.

Stage II is in a transition between Quadrant I and Quadrant II (differentiation) according to the Hrebiniak and Joyce model (1985). At first the environmental determinism still prevails over strategic choice, however, as time passes, the organization manages to adapt and reach differentiation, in which the environment keeps pushing the organization, but the company manages to equally choose its strategies for environmental changes.

Stage III - 2011 to 2018

As years went by the founder felt the need to reduce her decision-making tasks, some health problems helped with that choice. The company that used to be individual became a partnership, in 2011, with the addition of a partner, the founder's daughter-in-law, which strengthened the re-opening strategies, she also helped to manage the business. At first the decision-making was a joint work, an agreement between both. Satisfied with her partner's acting in the company, the founder gave her the job of absolute manager, in the year of 2015, the voluntarism is highlighted in this period, even with the determinism that influenced the founder's decision-making.

In this stage the respondents pointed that many of the changes were necessary to keep up with the demands of the market, and specially, the legislation. The legislation related changes were the most present, both in the accountability areas and in the butchery sector, for being perishable foods. Considering that the new manager strongly invested in updating the environment, with, for example, the acquisition of new machinery for the bakery and butchery, installation of a more complete software for the cashiers' stations, and for the accountability. As well as in the acquisition of cold rooms and counters for fruits and vegetables. The founder quoted that sometimes she did not understand the reason of all those changes made by the current manager, but that she accepted them, trusting her partner's eye for opportunities. Judge *et al.* (2015) explains that in the "imprinting" theory the things that the organization went through in its founding became milestones that could end up supporting the resistance to change, and to overcome such resistance the strategic choice theory comes up as a way for the manager to determine the future of the organization.

After the deployment of new machinery, there was a growing number of sales, according the respondents, costumers were satisfied with the new accommodations. The manager's environmental perception and her ability to make the necessary changes are fundamental to assure the organizations competitive advantage (Rossetto & Rossetto, 2005).

Adaptations such as the proper use of uniforms, timecards, proper packaging for the food products, amongst others. In this case, the environmental determinism was high, as it guided the changes to be made, even so the company used its high strategic choice to conduct the changes that were not only defined by the environment, but to her preferred.

The hiring of a corroborator for the administrative assistant position to deal with the administrative functions in the company was necessary, since without this

person the work was piling up and at some moments, created financial expenses such as fines for delay in the delivery of fiscal documents.

Another factor taken into consideration for this professional's recruiting was the work overload on the manager, who was in charge of the decision-making in all of the company's sectors, the purchase of products for commercialization, administrative, financial and accounting tasks, besides her personal life. This decision was based both in determinism and voluntarism.

The company's goal is to innovate to stand out from the competition, as well as adapting according to the environmental needs and its external necessities. The authors Schindehutte e Morris (2001) emphasize that the adaptative behavior in small companies can be explained through the learning theory, its ability to learn in a collective way about the environmental factors that affect the organization. Stage III is in Quadrant II, differentiation due to high environmental determinism and to high identified strategic choice.

Conclusion

The goal of this paper was to analyze the strategic change and adaptation process of a small family business in Rio Grande do Sul throughout its trajectory, defining each strategic period according to the Hrebiniak and Joyce (1985) model. Throughout the research, it was possible to notice the different strategic moments lived by the organization. Just as the evolution throughout the organization's adaptation process, which at first occurred with environmental determinism's predominance and, at last, the strategies chosen by the managers turned out to raise voluntarism, and by that allowing more strategic choice on the part of the managers. Advancing the way the adaptations were made, at first with greater environmental determinism and later with more strategic choice contributed to the success of the organization in its market, which is a benchmark in its region. Such advance is related with the strategical choice theory, which according to Judge et al. (2015), directs the company to beat the period of inertia and deliberately choose its new path.

Sometimes small business companies do not have a formal or specific strategic planning, the strategy adopted by these companies varies according to the evolution of their behaviours, usually appearing through incremental, and not intentional, adjustments (Schindehutte & Morris, 2011). This can be seen in stage I, at the beginning of the business, but as time went by formal strategies were adopted, with specific strategic planning to fulfill the mission and the organization's objectives. As Cappellari, Walter and Sausen (2017) highlight, each end every organization has, or had, through its trajectory, change periods, less or more intense, what varies are the characteristics and capacities of each organization and the context in each one of them is in.

This research allowed us to realize that by going through different changing periods the organization broke the organizational inertia, allowing the necessary adaptations to be made, making the evolution of the organizational possible. This conclusion contributes for the management of small family businesses, for the managers have now scientific proof that strategic adaptation is important for the organizations to survive.

As a contribution for the managers of small family businesses, the study concludes that when realizing the organizational context effectively, acknowledging the incoming changes, tracing strategies for adaptations is made possible. This process can lead to the assurance of the competitive advantage, survival or the growth of the organization.

As a limitation, the fact that the study took in consideration the analysis of the trajectory based on the perception of the managers only, being one of them the founder, that being, limiting the perception of both. As a suggestion for the continuation of the study it is recommended an analysis in the next years, to verify the types of strategical choice that are being used after this analysis, considering the perception of more collaborators.

Future studies with small family businesses that, unlike the business company used in this research, have not obtained success are recommended, using the Hrebiniak and Joyce (1985) model, to try and identify strategic organizational behavior, based on the Miles and Snow (1978) typology, along with the organizational adaptation process from Hrebiniak and Joyce (1985), in small family businesses, both in successful and unsuccessful trajectories.

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118

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