

Móveis Rudnick's Successful History: Leadership and Commitment

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Abstract— History has been neglected lately in the world and in some countries such as Brazil one feels the strong impact on this negligence. It is not uncommon to see people trusting more in fake news spread through WhatsApp than in History based on serious research. The fact is that some people neglect History because they think history deals with the past mainly. In this work we want to argue that history does matter and it is very important to pay attention to History in order to understand the present too. We propose to study the history of a successful company in Southern Brazil: Móveis Rudnick SA from São Bento do Sul, SC,. We suggest that this corporation is a good example of a good organizational climate, leadership and commitment. Surely this depends on good management, that is, a form of interaction between leaders and subordinates, between directors managers and workers. Moreover, this fact greatly influences on the result of the organizational environment and a consequent profitability. We also discuss the characteristics of the company's leaders, claiming that these characteristics converge into authentic leadership contributing to form an authentic organization. Finally we argue that Móveis Rudnick is an organization in which authentic leaders are those who value interaction and transparency leading to an authentic organization.

I. INTRODUCTION

In a time when History is much neglected, when people prefer quick communication received through WhatsApp, when we are invaded by fake news, we want to argue that studying history, investigating the past is really necessary. History can teach us the best way to look at events and facts either good or bad ones. Besides it can help us avoid falling into the same traps that people or corporations did. Therefore, History is not only about the past, but about the present and the future. In this work we claim that studying the history of a successful company may be a way of helping people and entrepreneurial in general who are when starting

their own business. We propose to explore the history of a successful company. We believe that, often, just by having studied the histories of companies and the way they have faced work and commitment one can access the strategies and principles that made them successful. History in this sense may help encourage people in their new business. In this sense, we argue that by studying individuals and companies that are in a position you or your corporation want to be in in the future, can be a great motivation. By identifying a successful company in a country, province or city and studying it may help people not only from business but from other areas to learn about administration,

leadership, commitment and other factors. In addition to this, the process of researching how a company has unfolded and grown in a community may help us to understand the community we live in, the people who live in, and give us more knowledge on the whole context of administration, as well as authentic leadership, commitment and awareness of the need to adaptation. In this work, we are going to focus on a company located in Southern Brazil, in the city of São Bento do Sul.

II. MOVEIS RUDNICK – THE START

MÓVEIS RUDNICK S/A. is a nationally recognized industrial company in the furniture sector in São Bento do Sul – Santa Catarina, Southern Brazil. where descendants of German immigrants settled in 1873. In 1938 Mr. Leopoldo Edmundo Rudnick, started a woodwork factory, or rather, a small joinery which later became a factory. in a small shed located on Estrada Dona Francisca, in the interior of the municipality. The groups of immigrants who arrived in the city of São Bento do Sul worked with wood in their original land and this was an important motivation to continue their activities in Santa Catarina. In 1946 the small joinery (woodwork) moved to the Oxford district, where one of the company's production units is now located. Thus, in 1959 the “Industria de Móveis Rudnick was founded having Mr. Leopoldo Rudnick as the patriarch of the organization. The patriarch Mr. Rudnick cultivated values, strongly linked to his family, to the Lutheran Church and appreciated discipline and commitment. There was a “Rudnick bulletin which contextualized itself within the modus operandi of other furniture factories. It should be noted that, at the time, the reference in furniture production in the region was Móveis Cimo, whose headquarters were in Rio Negrinho, 15 miles from São Bento do Sul.

The micro-region of São Bento do Sul, located in the northern plateau of Santa Catarina (near Paraná) encompasses the municipalities of São Bento do Sul, Rio Negrinho and Campo Alegre. The forest in the region, in the period of the first German immigrants, had a great biodiversity, and the most common species found were ‘araucaria pine’, mate, imbuia, cinnamon tree, among other species of timber wood.

The combination of the existence of abundant raw material and artisans with the trade in wood and mate, responsible for generating income and accumulating regional capital, enabled the development of furniture production. The carpentry production system at the beginning of the 20th century was artisanal, little industrialized, and the product met the demands of the buyers, whose market was regional. With the increase in the flow of immigrants, the sale of

products grew, with a corresponding improvement in the quality of the products.

In the late 1950s, producers began to offer furniture made by the factories. In the 1960s, the furniture industry was consolidated in the municipalities of São Bento do Sul, Rio Negrinho and Campo Alegre, giving rise to the furniture pole, structured by the large availability of raw material (especially imbuia), by the supply of qualified labor and by its own financial resources, when the company started to sell its products in the cities of Rio de Janeiro, São Paulo and Curitiba.

It is important to emphasize, for the context of our work, that in the 1960s the Brazilian government encouraged reforestation of imported trees, which caused a strong impact on the region, as companies cleaned areas of natural wood to introduce the planting of imported pine. The first large company to settle in the city was Battistella which used to work with pine wood. The industries that were here previously, such as the extinct Móveis Cimo worked with native wood. (TERNES,

In the 60s, Rudnick company received subsidized financing and started implementation of actions to expand its industrial park. At that time, the motivation to produce furniture was the market which demanded it. Thus, most of the industries in São Bento do Sul focused on the organization and commitment of the companies, and applied all the forces in a production, with a qualified workforce that differentiated it from other regions of the country.

During the 1970s, taking advantage of the high growth of the Brazilian economy, the furniture sector experienced a strong expansion of demand in the domestic market, with the incorporation of the North and Northeast regions of Brazil as consumers of products from the São Bento do Sul hub.

III. FURNITURE INDUSTRY IN THE STATE OF SANTA CATARINA

From 1970 onwards, the organization started to import machines, thus beginning a new period, with more technology, better quality standards and an advanced commercial policy. For example, modern machines were imported from Germany in 1974, which brought the advantage of producing on a larger scale and with a laminated finish, with high gloss, differentiated from other industries in the region. It should be noted that Rudnick was the first buyer of the Agglomerate, whose industry at the time Placas do Paraná was pioneered in Curitiba.

Thus, in the 1970s, when the expansion of demand was notable, Rudnick stood out for its innovation in the

production of straight-line (modern) furniture. Contrary to the companies in the region, which, given the specialized workforce, operated with colonial furniture.

Rudnick in the face of the favorable market had an upward growth in the 1970s, becoming known in the market. Its customers were retail stores, and it operated through its own sellers and representatives throughout Brazil. It basically operated with bedroom furniture.

Another strategy, in the company's innovative era, was the acquisition of companies. When its industrial park was fully consolidated, in 1977, it bought another company in the same sector that operated with shelves from Móveis Alpes, but its production line remained with the same products, but with central administration by Móveis Rudnick.

As Rudnick had a high cash flow, its investments became operating companies with an already cooled market. At the end of the 1970's, with the abrupt reduction of the imbuia wood and with the entry of new production technologies, most furniture producing companies started to use reforested (imported) Pinus, destined for the domestic market. This phase changed the production process, which used to be more artisanal, to a straighter line, using more modern equipment, influenced by Government incentives for the acquisition of equipment. A striking fact was that, without the appropriate technology, companies started to produce furniture in Pinus for the national market, which distorted the concept of furniture made from this plant species. The quality of the furniture was a factor that, until today, a great part of the consumers of previous generations, abhor Pinus furniture.

In the 1980s, the Brazilian economy went through a period of uncertainty, with the financing crisis with a strong reduction in purchasing power in general. According to ABIMÓVEL (2003), in the case of the furniture center of São Bento do Sul, the 1980s marked a new and decisive phase in the development of the furniture industry in the region, characterized by the retraction of the domestic market, by the change in raw material (consolidation pine) and by the search for the international market.

Rudnick, in a matrix model, centralized the media activities and started to produce in decentralized way, acting in each manufacturing unit with a focus on a particular product, at the time a competitive advantage, which later on, harmed it, due to isolated activities, sometimes, with the same type of machinery.

With operations throughout the Brazilian market, as well as in the export sector, with pool tables and a very positive cash flow, the company started a phase of prominence in the Brazilian furniture market. And under the influence of inflation, it was able to evolve, taking advantage of it by

having a positive cash flow and taking advantage of suppliers.

In 1994, during the government of Itamar Franco, Brazilian currency was changed with the "Plano Real" in order to stop the inflation which was very high. This fact required new modes of operating which was successfully done by the leaders of the company.

In 2001, the company constituted the Board of Directors in which family members were transferred to it. Currently, the Rudnick Group is managed exclusively by an executive board and family members make up the organization's Board of Directors. In addition, the company has around 600 employees, an administrative headquarters, two manufacturing units and a distribution center that, together, add up to approximately 50 thousand square meters of built-up area.

Today the company has a segmented focus and manages to print more strategic actions. And it survived in the face of adversity because it had reserves built up at the time of its growth, without which, to straighten up again, it would certainly suffer setbacks.

The permanence and sustainability of the Rudnick company is based on values, as mentioned above, which it values to conserve over time. The company is integrated into the community and has always collaborated to the society, e.g., by giving land to Univille - University in São Bento do Sul and other social institutions. During its trajectory, countless professionals have passed by, important leaders who helped the company to take important steps towards their professional advancement. Important here is to have a brief discussion on the issue of leadership.

IV. MOVEIS AND THE ISSUE OF LEADERSHIP

Leadership has been studied for a long time, which is proven by the varied interpretations of this concept. While some theorists were concerned with studying what a leader is, others chose to dedicate themselves to understanding what they do, and how their work interferes with other functions around them, outlining the different styles and forms of leadership. When it comes to organizational leadership, the importance and attention must be understood, as this is a fundamental link for the success of associations, since it has its own goals and objectives, hence the dependence of companies on their leadership to achieve the success and, where a healthy climate prevails, in which the team members feel committed and integrate happily into the work environment, there are authentic leaders in "Authentizotic Organizations" (Kets de Vries, 2001). The theory of authentic leadership is a recent approach, and crosses an abundant range of studies and approaches, but in general all

of them improved that authenticity takes as a starting point that leaders, through their self-awareness, self-acceptance, self-knowledge, faith, actions and services, have authentic relationships with their followers and associates, supported by transparency, trust, integrity and high moral standards (Avolio & Gardner, 2005). Thus, in this investigation, the objective is to understand if Móveis Rudnick S.A.'s leadership is authentic, and promoter of an authentic organization.

Every company seeks good results and qualified people in their management and leadership. A leader is someone capable of leading a team to any challenge and result, for that it is necessary to know how to live with people, have self-confidence and believe in the company itself. A good leadership is able to obtain results through the interaction between the leader and his followers, as an environment with a sense of belonging and personal importance must be created. A leader must, mainly, understand the needs of his team, having the ability to visualize how personal events can interfere in the organizational day-to-day. Authentic leadership comes to transform a group of people into a team. This vision of leadership comes from the various business and world crises, more specifically from business scandals in the world, where business leaders were in disrepute with the world market and with the population. Authentic leadership gained a definition by Walumbwa et al (2008, p. 84) recently: A leader behavior pattern that builds on and promotes psychological capabilities and a positive ethical climate to foster greater self-awareness, an internalized moral perspective, processing of balanced information and relational transparency by leaders who work with followers, promoting positive self-development.

A leader must be authentic in order to be able to develop himself, the company in which he works together with his subordinates. Sparrowe (2005, p. 420) quotes Shakespeare in his famous book Hamlet, where a character Polonius talks about being who you really are. Avolio et al. (2004, p. 802) define authentic leaders as "[...] people who have achieved high levels of authenticity, who know who they are, what they believe in and value, and who act based on these values and beliefs while interacting transparently with others". Esper (2015, p. 5-6) brings that authentic leadership is a normative theory, which proposes how the leader should be and act, based on the principles of positive psychology and positive organizational behavior. Thus, it is understood that authentic leadership is nothing more than a leader's behavior. A positive behavior, based on ethics and morals.

1. INTERNAL ATMOSPHERE FOR AN AUTHENTIC COMPANY

All organizations have an internal atmosphere which favors the health of employees and the development of the

company. Currently, because of many reasons, we live in a world of stress, and this occurs within companies, creating a psychologically unstable environment. Souto and Rego (2003) point out that the stress that predominates in most organizations has devastating effects for both companies and individuals. Thus, authentic organizations arise, as a way to help workers, allowing them to maintain a balance between professional, personal and family life. Rego (2004, p. 2) brings the meaning of authenticity. "Authentizotic" is a neologism derived from the conjugation of the Greek terms *authentikos* and *zotikos*. The first means that the organization is authentic, trustworthy and the second means that it is vital to people's lives, giving them meaning to life. Authentizotic organizations are known, according to Rego (2004, p.3) as "a good workplace", a place where employees trust the people they work for and feel proud of what they do and enjoy working with others. An authentic organization is a place that helps its employees to have a balance between personal, family and work life. Thus, for Souto and Rego (2004, p. 5) the concept of authentizotic organization is inspired by this model, intending to highlight the relevance of the psychological well-being of individuals for the functioning of organizations.

2. OUR RESEARCH ON MÓVEIS RUDNICK, AN AUTHENTIC ORGANIZATION

In order to develop our research on the company we used quantitative research, with questionnaires that had already been theoretically validated, covering leaders and followers of Móveis Rudnick. The data collected from the company sought to ascertain through statistical methods the profile of the existing leadership in the organization and, if confirmed as authentic, what its influence on the organizational climate is, to confirm whether it is an organization theoretically called "organizational authentication". It is noteworthy that before applying the questionnaires, it is expected to know the researched company, organizational aspects, departments, sectors and command fluency were identified, in addition, the scientific questionnaires exclusively addressed Authentic Leadership (WALUMBWA, 2008) and Authentic Organizations (REGO and SOUTO, 2004). The collection sought to include all intermediate leaders, below the leader who runs the company, also contemplating those led, at random in a number that statistically represented a sample considered valid, by measuring the total number of workers.

The criteria for the inclusion of participants with regard to outlook, obeyed that he has a designation of manager, unit, department or sector; in relation to intermediate leaders, it followed the profile that the respondent is an intermediate leader, with a hierarchy below managers, supervisors in a department or unit of the company, regardless of any other

qualification. The others led were chosen from among Móveis Rudnick's employees, who carry out work activities, without command, in the manufacturing or administrative sectors; they were chosen through the easy access to the sectors, negotiated with the company's directors, during the day shift, without observing any other requirement, that is, at random. The first questionnaire applied deals with authentic leadership and includes 16 questions, sixteen factors that seek to assess the main characteristics attributed to authentic leadership (self-awareness, relational transparency, internalized moral perspective and balanced processing), while the second questionnaire has 21 questions, relating to Authentizotic associations, through measurement according to a structure proposed by Rego and Souto (2004), focused on the cultural perception of the organization. The questionnaires were answered with marking, using the Likert scale (RENSIS LIKERT, 1932) with five positions in the range between 1 and 5, with affirmations, where: 5 - always; 4 - almost always; 3 - from time to time; 2 - rarely; and 1 - never. In possession of the collected data, through the Likert scale of the applied statements, it was possible to analyze the existence of an authentic leadership in the organization and how the organizational climate is perceived by the approached collaborators. The results obtained with the help of 58 employees (various levels of leadership) are presented below. For better exposure of readers, the graphs will bring all the calculated percentages, to gauge the existence or not of Authentic Leadership, as well as, in terms of authentic organizational climate.

V. SOME RESULTS

Among the responses to our questionnaire, the vast majority marked the maximum score 5 representing the statement "always" and score 4 representing the statement "almost always", see: According to the averages in the table above, the minimum average reached was 3.29, a sufficient number to confirm that the researched organization has attitudes based on factors such as self-awareness and ethics, in addition to having transparent relationships that generate motivation and commitment from the organization's components (GARDNER et al, 2011). True leadership has ideas with a strong sense of value, has ethical positions and its performance goes beyond expectations, as a result the organization becomes healthier, the environment becomes beneficial to employees who in turn wear the organization's shirt with much more determination. This judgment had already been declared by Bass in 1985 in his work "Leadership and Performance Beyond Expectations", in which the author states that the ethical vision of the organization is a preconceived vision of true leadership.

Authentic leadership emphasizes the establishment of an honest relationship of the leader with the follower, guided by transparency in labor relations, in order to cultivate a relationship of mutual trust; this means that the hierarchy cannot be the cause of problems in organizations, after all, in the production chain, everyone has great value, besides the final objective does not materialize if each one does not comply with what they are willing to do. Engagement is based on a relationship of trust that presupposes access to the information you need and decent and rewarding working conditions (ESPER & CUNHA, 2015).

Other answers to our questionnaires indicate that Móveis Rudnick is an authentic, that is, a company where its employees feel integrated, are part of a general purpose and, therefore, committed to it, making the company part of their individual purpose. The confirmation of this assumption about authentic organizations at Móveis Rudnick is clear, since the numbers indicated in the table above mean that the organization offers a good organizational climate. Healthy practices in an organizational environment are bricks for a more positive performance in it, after all organizations that do not put healthy actions into practice and that treat employees only as numbers, become disreputable companies and may face problems including filling out its staff. It was noticed through the data obtained and the graphs above, that both converge to confirm authentic leaders and an authentic organization. Both tables present significant averages in the researched statements, amply evidencing the authentic leadership and the authentic environment found in the analyzed company.

VI. FINAL CONSIDERATIONS

This work is not completed. Further investigations on the history of the company will be developed. However we would like to emphasize that a study on company and leadership cannot neglect the history of the company. An Authentizotic company as Móveis Rudnick S/A could not be complete without a brief history of its foundation, and of its founder, Mr. Leopoldo Rudnick. How the company developed itself, facing several challenges it is also important to be investigated. History does matter when we study a company. We live in an important moment when some fake news seem to be stronger than the study of history and we, as students and scholars must start to show resistance towards this situation.

Moreover, through the results obtained from our study it was possible to perceive that the history of Móveis Rudnick corporation revealed important moments when a true leadership was necessary. The company nowadays, following the steps of the founder reveals to be an organization in which authentic leaders are present, leaders

who value interaction and transparency. In this way, the company promotes positive characteristics to their followers and provide feedback that fuels composition of a healthy and functional organizational environment. In further work, we will proceed our study aiming at a deeper knowledge of the company, by listening to more people involved in the company since its beginning.

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