

# Recognition of Key Drivers to the Improvement of Competitiveness Strategies in Brazilian Coffee

Luísa Paseto, Marco Túlio Ospina Patino

FEAGRI - UNICAMP, Campinas/SP

**Abstract**— *The adequacy of the coffee properties and the production systems for the certification has allowed the improvement in the management and the sustainability of the companies raising the degree of their participation in the international markets. The agricultural management about productive assets and human capital is the real challenge for the recognition of the key drivers that are associated with competitiveness. The changes that segment is expressed in the development of relations and interactivity among the stakeholders of the value chain, suggesting that, training and knowledge are a guide to the new productive and competitive of producers. The need for management for coffee quality, improvement of management techniques, and training of social capital presented as potential tools to increase competitiveness in coffee production.*

**Keywords**— *interactivity, Knowledge, management, social capital, value chain.*

## I. INTRODUCTION

Brazilian coffee industry has been working to increase opportunities for market participants and the possibilities for improvement that presented in the innovations and social-environmental technologies applied to management.

As a result, the average yield of Brazilian coffee production in the period from 2006 to 2016 increased by approximately 23% and the area harvested decreased by approximately 12%. These indicators point out that the continuous improvements applied to coffee production have allowed market expansion and positive results for rural owners, without the dependence of new productive areas.

The emphasis on the adequacy of rural farms and production systems for certification has allowed the improvement in the management and sustainability of agricultural coffee enterprises in general, as well as increasing their participation in international markets.

In parallel, a global movement of the coffee segment to the main focuses of collective interventions in the coffee value chain, increasing the agricultural extension, technical assistance, training and training of the producers, preparing them for access to available to small and medium-sized producers.

Some studies by BUAINAIN et al. (2014) allow us to infer that the family farmer in Brazil, mainly the cooperative and or associates, differentially enjoy technical assistance, private-public partnerships for the market, diffusion of technologies and knowledge for certifications and good agricultural practices, which

reflect in continuous improvement, cost reduction and efficiency in rural production.

However, it is not only the cooperative with its philosophical principles that attract farmers to the association but the economic advantages that this may mean, since for the current coffee market competition is no longer at low cost and scale production, but mainly in the quality of the product, keeping the costs low (production by positioning).

The reorganization of rural management about productive assets and human capital become challenges for the recognition of *key drivers* that can improve competitiveness.

In this way, the primary objective of this project was to recognize the changes that are beginning to characterize the Brazilian coffee segment, when expressing themselves in the development of relations and interactivity among the stakeholders of the value chain (*key drivers*), suggesting that, training and knowledge are a new productive and competitive reality of rural producers.

Focusing specifically on knowledge and skills in environmental management and management for small and medium-sized coffee-producing farmers and exploring the potential of value chain partnerships, authors such as STEENSMA, 1996; SCHMITZ, 2005; UTTING, 2009; SAES et al., 2014, recognize and admit indicators (actions) that improve the insertion of rural organizations in the market.

It is essential to progress in recognition of assets and capital, which specifically concern the creation of differentials in opportunities for the agricultural company

to participate in the market and its adaptation to the production standards for sustainability.

## II. LITERATURE REVIEW

It is a consensus in coffee cultivation that the property management process has paradigms to be worked. It observed in interviews and data collection, in line with the literature reviewed here (PINHEIRO, 1996; KASSAL, 1997), that rural owners often make production decisions based on feelings and without planning.

In this way, it suggested that for the rural owner to adapt to the context of current competitiveness, his management efforts should be related to production planning, production quality, innovation, and technology.

The synergy between the links in the value chain makes it possible to recognize influences and adaptations in management, education, quality, training and training of producer organizations; as well as what are the opportunities for partnering.

A synergistic capability is considered the set of strategically understood business processes that add value. This synergistic capacity is still little thought of as a long-term strategy (PORTER, 1980: 1989: 1991, PRAHALAD, 2009 and 2010).

Porter (1980, 1991) introduced the idea of collective analysis (different from the neoclassical idea), where the determination of the behavior of agents in the industrial structure is the main responsible for organizational failure or competitive success. The term essential competency gained importance in management from Prahalad and Hamel (1990) and Prahalad (2009), arguing that "in the long term, the systematic development of learning and innovation in organizations can model the capture of values that generate competitiveness and operational productivity."

By definition, core competency designates the strategic, unique and distinctive competencies of an organization. The concept presents competence from the skills that companies must develop to compete for participation in market opportunities and not for market share.

Some authors (Porter, 1989; Reeves and Bédar, 1994; DUNCAN, 1988; CASTRO JUNIOR and REIS, 1998 and 2003) have suggested the potential strengthening of organizations in the quest for product quality and the management and information flow processes are indicators that allow us to analyze and compare the challenges to achieve efficiency in continuous improvement.

As well as good agricultural practices (GAP) permeated the value chain and the generation of

competitive opportunities, analyzes were developed for the recognition of key drivers (DUNCAN, 1988 and NELSON, G. C. et al., 2005).

The influencing agents or drivers of change (DUNCAN, 1988) are elements of reality that directly influence the strategic environment, investments, P & D activities or knowledge.

Change drivers (guiding forces) are real indicators that impact the environment of influence, are elements that can cause changes according to the strategies, chosen for the management of organizations (NELSON, G. C. et al., 2005). Drivers, as considered in the present work, are indicators resulting from the management process applied in the coffee production cycle, which can cause significant changes in rural properties, considering the knowledge and the available training and the possibility of changes and improvement.

Certification, introducing the improved quality of rural properties, can be seen as a result of synergistic dialogue and general technical assistance among all stakeholders in the value chain. In this way being cooperated has been considered as a critical strategy to reach the highest quality of specialty and gourmet coffee for the markets (MAPA, 2017).

In processes of certification and adoption of good agricultural practices, management, social capital, and environmental compliance are tools of analysis to understand the influence of training and knowledge of the actors involved in productive activities.

Utting (2009) in the analysis of social capital management and environmental impact on coffee in Nicaragua, considered the use of analysis techniques to recognize the influence of knowledge and management on human, social and physical capital based on income and productivity of farms.

Technically, BUREAU / UFLA (2016) recognizes the management of farms when analyzing the knowledge and management of social and human capital and identifies contributions and limitations of partnerships or certifications regarding the strengthening and preparation of the farmer and its property to the market.

The results of the approaches and analyzes of the partnerships that can potentially strengthen organizations and producers, for Barret, 2008 and Markelova et al., 2009 are in recognition of the technological improvements of the productive assets and the social and human capital of the organizations.

In the same way, other authors (Porter, 1985: 89, BOWMAN, C & J.SWART, 2007; BOJNEC, S. & FERTÖ, I., 2009; MARKELOVA et al., 2009; PRAHALAD, 2009: 2010; LATRUFFE, (GARDEN et

al., 2011), with an approach on the technical knowledge and the applied management in the supply chain value of specialty coffee, that is, its relation to the continuous potential flow of dialogue among value chain agents.

### III. MATERIALS AND METHODS

#### 3.1 Characterization of the Study Area: Meso-region, Microregion, and Cities

The identification of chain actors for the analyzes explores changes in welfare systems and patterns for sustainable development, identifies potential conflicts of interest and compromise solutions between different local actors and potential evidence of innovation and continuous improvement in agricultural holdings and its surroundings.

The low and middle Mogiana Paulista, the reference in this research, is located in the Campinas Meso-region; which is into two micro-regions, the first being the Micro-region of São João da Boa Vista, composed of the municipalities of Espírito Santo do Pinhal, São João da Boa Vista, Divinolândia. The second Amparo Micro-region formed by the municipalities of Amparo, Serra Negra, and Socorro, with a total of four cooperatives and production for the year 2014: 2015 of 31,972 tons (IBGE, 2018).

Middle and low Mogiana Paulista is the third largest national producer, and second in overall quality in the production of Arabica coffee. The characteristics of the grains appear with a pronounced aroma, medium body (full bodied) and balanced acidity.

In the Mogiana Region, the most traditional denomination in the State of São Paulo, coffee introduced almost 200 years ago. The planting is in sandy soil, at an average altitude of 900 to 1,000 meters.

Is economically located in the lower and middle Mogiana Paulista Region, being a research reference to Meso-region Campinas with its central municipalities and micro-regions, and the production in tons for the harvest of 2015/2016, is 25,514 production tons significant, that is, 22,850 / scs.

Approximately 97% of the production of municipalities with representation by IBGE / WEBCART, 2018. The cooperatives and associations identified for these two micro-regions are COOPINHAL, COOXUPE, APROD, ACECAP \*, COOCASER \* and SPECIALITY COFFEE \*, (\* non-existent physically).

The South Meso-region of Minas was into two micro-regions: the Alfenas micro-region, formed by the rural coffee-producing properties of the municipalities of Alfenas, Machado and Poço Fundo and the micro-region of Poços de Caldas, formed by the farms of the

municipalities of Andradas, Ouro Fino and Poços de Caldas.

In each micro-region, a total of 15 farms searched. The South Minas grouping comprised of eight coffee cooperatives; its properties were responsible for a total of 80,432 tons of Arabica coffee in the 2015/2016 harvest, that is, 140,500 scs.

It is representing 20% of the production of the meso-region, except for the surrounding municipalities and the influence of the Cooperative of Guaxupé - COOXUPÉ.

These municipalities excluded so that there was no distortion in the results, the fact that COOXUPÉ, corresponds to 95% of agents in Brazil. The South of Minas Gerais produces coffee with a sweet and mild flavor, sharp aroma, balanced body, and citric acidity.

Currently, it corresponds to 70% of the income of the rural properties of the South of Minas. The average altitude of the planting is approximately 950 meters.

#### 3.2. Interviews and Variables Used to Recognize Key Drivers

The indicators (51) used to construct the questionnaire, the basis for collecting the information and analyses, preserve the shared characteristics between the different codes and norms. Consequently, its construction took into account differences in social, environmental and political aspects; and in the institutional context of each area of application, as well as the distinct nature of resources and the number and different actors involved.

The productive groups analyzed were recognized according to the concepts of Malhotra (2006), to characterize the groups and their performance in terms of socioeconomic variables, about management and administration conformities in the farmer has studied.

In order to gather the necessary information for the stakeholder characterization analyzes, a questionnaire was on the leading standards, codes of conduct of certification programs and laws in force in the country and the world, in GAP.

The application and construction of the questions started from the premise that the indicators vary according to nature and the management system applied in the rural properties, and include a characteristic of each meso-region, micro-region, and surroundings, relevant in the proposed recognition.

Thus, the indicators are grouped to meet the three dimensions that are the focus of the research: Environmental Management with 30 indicators; Economic Management with 12 indicators and Social Capital Management with nine indicators. In its modeling, the questionnaire combines economic, social and environmental indicators, to allow the recognition of

the specificities of influencing competitiveness, helping in the suggestion of actions to take advantage of market growth opportunities and product quality.

The answer to the questions provided a four-point scale for the arguments: "yes," "partially," "no" and "not applicable" (dummy). By maximizing comparable similarities between properties, the questionnaire gathers production data, as well as qualitative and contextual data from properties, cooperatives, and due to certification bodies or market (value chain/stakeholders).

It is important to emphasize that when quantitative indicators (binary forms) and qualitative (often subjective) indicators used, for each analyzed dimension, one or more indicators of influence can be in the opportunities for improvements to competitiveness.

A sum of approaches to quantitative and qualitative research has been used to adequately qualify the information of the different stakeholders and their expertise in the productive processes.

### 3.3.1 Environmental Management

The first investigative set of recognition for environmental management consists of 30 indicators divided into 06 indicators for analysis of machine management and benefactors, being they:

- ✓ Number of tractors: quantitative; for knowledge of applied technology and mechanization;
- ✓ Harvester: quantitative for knowledge of applied technology and mechanization;
- ✓ Benefit Machine: dummy for knowledge of applied technology and characteristics of harvested coffee;
- ✓ Granary: dummy for knowledge of applied technology and characteristics of coffee;
- ✓ Terrace: dummy yard for knowledge of applied technology, coffee quality ratio;
- ✓ Irrigation: quantitative for knowledge of applied technology, interference in cost.

The second division for environmental management and opportunity recognition in a production environment, composed of 14 indicators:

- ✓ Erosion: qualitative; control compliance with GAP standards;
- ✓ Chemical fertilization/tons: quantitative; correlation with production costs;
- ✓ Organic fertilization/tons: quantitative; correlation with production costs;
- ✓ Does organic fertilization buy waste? Quantitative; related to management costs and opportunities;

- ✓ Applies insecticide: quantitative; disease prevention and productivity, related to management costs and opportunities;
- ✓ Applies fungicide: quantitative; disease prevention and productivity, relative to manage costs and opportunities;
- ✓ Manually harvested area (ha): quantitative; disease prevention and productivity, related to management costs and opportunities;
- ✓ Mechanically harvested area (ha): quantitative; related to management costs, opportunities and productivity;
- ✓ It has technical guidance in the property: qualitative; related to management costs and opportunities, related to management costs;
- ✓ It controls costs of production: quantitative; productivity, relative management costs, and opportunities;
- ✓ The number of plots: quantitative; related to management costs, opportunities, and productivity;
- ✓ The number of economic tables: quantitative; productivity, relative to manage costs and opportunities;
- ✓ Descartes of packaging: quantitative; adequacy of GAP;
- ✓ Disposal of waste: quantitative; relative to manage costs and opportunities productivity and GAP adjustments.

The third division for Environmental Management for recognition of opportunities in management and production, consisting of 11 indicators, being their:

- ✓ It has enough terrace: quantitative; related to the quality of production;
- ✓ Complies with the standards APP's, RL: qualitative; adjustments to GAP;
- ✓ Preservation of energy resources, firewood, water: quantitative, adequacies for GAP;
- ✓ Performs annual soil analysis: quantitative; opportunities to reduce costs and risks in production;
- ✓ It performs organic fertilization with the bark of the coffee: quantitative; opportunities to reduce costs for production;
- ✓ It records the operations in the field: quantitative; opportunities to reduce costs for production;
- ✓ It carries out selective harvesting: quantitative; opportunity for production quality;

- ✓ Separates the harvested coffee (cloth and machine): dummy; sweeping opportunities for production quality;
- ✓ Sparing and gathering according to technical recommendations: dummy; opportunities for production quality;
- ✓ Monitors moisture in the process of drying and storage: dummy; opportunities for production quality;
- ✓ Controls environmental impacts: dummy; GAP adjustments;

### 3.3.2 Economic Management

It evaluates the size of the administration and management of the property, formed by 12 indicators, and it involves information on specifics for the efficiency. In this dimension, indicators on the income of the establishment, the diversity of sources and the distribution of income among those involved in the productive processes and data on the quality of housing considered.

- ✓ Type producer: analyzes the production systems used being conventional (commodities) or certificates;
- ✓ Area of the property (ha): quantitative variable for characterization of the productive project and its management;
- ✓ Planted area (ha): quantitative variable for characterization of the productive project and its management;
- ✓ Total Production coffee (sacks): variable for calculating productivity, the profitability of properties;
- ✓ Quantitative productivity (ha): informed by the owner;
- ✓ Cost/sack (R\$): quantitative; informed by the owner;
- ✓ Cost/ha (R\$): quantitative; informed by the owner;
- ✓ Qualitative certification highlights the loyalty of the producer and its synergy to the collective;
- ✓ Percentage of production receives by quality: quantitative differentiated value, analyzes business risk and generation of other incomes;
- ✓ Quantity harvested: quantitative; indicative of productivity;
- ✓ Exchange inputs by coffee: analyzes the producer's knowledge regarding opportunities for risk and cost sharing;
- ✓ Estimates production: quantitative; use of technology and management in the properties;
- ✓ Quantitative fixed employees: determination of a type of labor;

### 3.3.3 Social Capital

The term Capital refers to relational networks based on trust, cooperation, and innovation (individuals inside and outside the organization) facilitating access to information and knowledge. In this study the networks are informal, involving horizontal (between peers) and diagonal (between employees of different areas and stakeholders) (PRAHALAD, 2004).

Buyers and consumers have demanded products with differentiated quality, regarding the environment and social responsibility, which requires an effort of the producers to maintain their improvements continuously.

It also includes considerations about the quality of life of the residents of the property, including access to education, essential services, consumption patterns, employment characteristics such as quality and benefits; occupational health and Safety; and job opportunity in a qualified location.

The third set of 09 social capital management indicators includes verification of the consolidation of integration mechanisms among the actors in the chain for continuous improvement.

- ✓ Offers to a house; Accommodation; Access drinking water; Offers protection equipment: are variables dummy for GAP Adequacies and legal compliance;
- ✓ Portfolio registration: dummy; GAP adjustments and legal compliance;
- ✓ Social security: dummy; GAP adequacies and legal compliance;
- ✓ Training and qualification of labor: dummy; opportunities for improvement in production and management;
- ✓ Heirs provide continuity in the activity: dummy; adherence and opportunity for fixation in the field;
- ✓ Children of employees remain in the activity: dummy; adherence and opportunity for fixation in the field.

## IV. RESULTS AND DISCUSSIONS

The results presented in the analyzes accurately represent the answers given by the rural owners. The interviewers, even though they understood the impossibility of the constant attainment of the presented performances, abstained from directing the answers.

The emphasis on the adequacy of rural properties and production systems for certification has allowed the improvement in the management and sustainability of agricultural coffee enterprises in general, as well as increasing their participation in international markets. In



parallel, a global movement of the coffee segment to the main focuses of collective interventions in the coffee value chain, increasing the agricultural extension, technical assistance, training of the producers, preparing them for access to available to small and medium-sized producers.

The better understanding of the productive system as the need to improve the management of coffee quality, the management techniques, training of social capital, are presented as potential tools to increase competitiveness in coffee activity in a general and collective manner, in the two Meso-regions. In general, the results of this work contribute to the rural owners, recognize and interact with opportunities for improvements in knowledge and training in the management of their properties; in order to take advantage of the continuous flow of dialogue with the value chain of coffee production.

#### 4.1 Characterization of Meso-regions.

This characterization of the Southern Meso - regions of Minas and Campinas / SP, was made in such a way as to individualize each municipality and researched property. The analyzes express information obtained through the application of the guiding questionnaire, from 2015 to 2017.

All 30 answers were given by the interviewees without the researcher's guidance, even in cases of data that diverged from the bibliographies consulted mainly.

In the "Table 1" average economic outlook of the surveyed properties for the Southern Meso-region of Minas and Meso-region Campinas / SP.

*Table 1: Economic management indicators average panorama of 30 properties*

Indicators	Average Campinas/SP	Average South of Minas
Production Area/ ha	93,6	22
Planted Area / ha	70	21
Production/ scs	1.408	659
Productivity/ha average	22	31
Custs/scs	R\$ 396,00	R\$ 386,00
Custs/ha	R\$ 11.705,00	R\$ 10.789,00
Sale with Added Value above 80 points	60 %	68 %

#### 4.2 Meso-region of the South of Minas Gerais

In this study, the Southern Meso-region of Minas is of the micro-regions: Poços de Caldas and Alfenas. The questionnaire was composed of 51 variables divided into Economic, Environmental and Social Management. The

results extracted by adapted analyzes of the key driver's concept found in the study by DUNCAN (1988).

The influencers with emphasis on training and knowledge improvement focused on improving the management analyzed in the 30 researched farms and according to the owners' responses without suggested induction. Even when the reported data diverged from the bibliography referenced in other analyzes or data collection, stand out in key drivers for Economic Management: Where the response rate of the variables was 85% among the properties. The rationale for this adherence lies in the predominance of family labor, property area of up to 20 ha and exclusive dedication to coffee production.

Key drivers with the possibility of improvement in Economic Management:

- ✓ 43% of the properties are not certified;
- ✓ 33% of the properties sell less than 70% of their coffee production with a quality or special recognition;
- ✓ 46% of the properties are unaware of or are not interested in switching from future production to production inputs.

Key drivers for Environmental Management (Machinery and Equipment, Production, Environment and Management).

In this case, the adhesion index of the properties was 61%. Justifications for low adherence is in the fact that mechanization and irrigation not used in coffee production due to the terrain and altitude of the crops.

Key drivers with the possibility of improvement in Machines and Processing:

- ✓ 27% of the properties are not self-sufficient in residues for organic fertilization;
- ✓ 6% of the properties do not control the cost of production and does not make estimates.

Key drivers with the possibility of improvement in Production and Management:

- ✓ 16% of the properties have an insufficient terrace, but the answers note that this insufficiency reflects in loss of quality in the production;
- ✓ 23% of the properties do not make soil analysis annually;
- ✓ 46% of properties do not record field operations;
- ✓ 26% of the properties carry out a selective harvest of production.

For Indicators with the possibility of improvement in Social Capital, adherence in 90%, it is noted that there is no future vision among heirs of properties; however, this fact repeated in the Meso-region Campinas; which may

indicate lack of suitability of the heirs and new career paths.

4.3 Mogiana Paulista Region (lower and middle)/ Meso-region Campinas.

The municipalities that form the meso-region are in the middle Saw of Mantiqueira.

In this study, the Mogiana Paulista region geographically formed by the Meso-region Campinas and two of its micro-regions: Amparo and São João da Boa Vista.

The questionnaire was composed of 51 variables divided into Economic, Environmental and Social Management. The results extracted by adapted analyzes of the tool of key drivers found in the studies of DUNCAN (1988).

Influencers with emphasis on training and knowledge improvement, focused on improving the management analyzed in the 30 research in according to the owners' responses without suggested induction, even when the reported data diverged from the bibliography referenced in other analyzes or data collection, stand out in key drivers for Economic Management.

Where the index of adherence to the variables was 80% among the properties surveyed, the rationale for this grip is in the predominance of other sources of income from production in properties, 70% of properties sell production below the level of 80 points.

Is noted in the responses and structures of the properties that the commercialization of the production of coffee with gourmet quality and or, is in own and individual way, either in export sales or through coffee shops.

Key drivers with a possibility of improvement in Economic Management:

- ✓ 43% of the properties are unaware of or do not exchange future production for productive input;
- ✓ 26% of the farms do not estimate production costs.

Key drivers for Environmental Management (Machinery and Equipment, Production and Production Environment and Management):

In this case, the adhesion index of the properties was 87%. The rationale for this adherence lies in the fact that the farms are self-sufficient in residue for organic fertilization, and only two do not control production costs.

Key drivers with the possibility of improvement in Machines and Processing:

- ✓ There were no variables with significant prominence; all properties showed a balance of adherence with the variables studied.

Key drivers with the possibility of improvement in Production and Management:

- ✓ 30% of the properties do not perform soil analysis annually in their production;
- ✓ 23% of farms do not record field operations.

The indicators with the possibility of improvement in Social Capital, adherence of 90%, we can see that there is no vision of the future among the heirs of the properties, however, this fact is in the Southern Meso-region of Minas too; which may indicate lack of suitability of the heirs and new career paths.

In the comparison of the two meso-regions studied it is evident that the producers that have a synergic and shared information line have better conditions for differentiation in their performance as a rural company.

This information, knowledge, and skills evidenced the higher the grouping approaches a certification or cooperative. In the comparisons carried out, the Southern Meso-region of Minas Gerais is the grouping of greater synergy between the essential competencies of the actors in the production chain.

The South of Minas Gerais is a typical case of the configuration of a competitive region to produce coffee. Its productive potential is justified by the concentration of various technical and regulatory systems, to make coffee production and logistics efficiency.

The Meso-region consists of many infrastructures, institutional, and strategic-operational that give competitiveness to the productive space circuit of the coffee and, consequently, to its leading economic agents (FREDERICO, 2004).

On the other hand, the properties surveyed in the Meso-region of Campinas favor the quality of the beverage, as it enters its producers in the globalized market, with differentiated certifications and denomination of origin.

Among the most evident transformations in the Mogiana Paulista region is the development of new practices in the field related to agricultural technical systems, endowed with science and information and new field-city relations (components, people, news).

Meso-region of Campinas presents excellent infrastructure and easy access to technology, skilled labor, and good highways to transport production, thus explaining the ease of properties in producing thinner coffees in a less synergistic way (less exploitation of essential collective skills) concerning the Southern Meso-region of Minas Gerais.

In the Amparo micro-region, unlike the other micro-regions surveyed, both in São Paulo and in the South of Minas, the presence of associations and cooperatives is

practically nil; not being able to find the physical headquarters of COOCASER, SPECIALITY COFFEE, and ACECAP.

No property claimed is associated with these entities and what was detected was the presence and partnership with the production of each municipality, playing the role of cooperative and seeking to accompany and develop the rural owners in their initiatives.

## V. CONCLUSIONS

Certifications require a high standard of synergistic quality, for excellence in management, reflecting the exploration of the essential competencies, access to information, knowledge, and training in the production cycle.

The Southern Meso-region of Minas Gerais explores in better conditions the essential competencies of the value chain. The Fairtrade certification in the Southern Minas brings improvements to social capital on the properties and is confirmed by the strengthening of the productive capacities of the small producers, offering technical support and training as was verified in the interviews made with the cooperatives in general, although they present opportunities in relation to the labor force employed in production.

Another relevant fact is that the cooperatives of Minas Gerais consider and comply with the requirements required by law; this may suggest a process of empowerment, in which the people or groups act to reach their defined goals, through the mobilization of resources, becoming more connected to the networks.

The Southern Meso-region of Minas Gerais is the most synergistic grouping in the essential competencies of the actors in the production chain. It is essential to highlight the organizational infrastructure of joint production and the continuous flow of dialogue among the agents of the chain, perceived in professionalism, in the qualification of the coffee grower and of the workforce, in the expressive organization of properties in cooperatives and the diffusion of technology and technical assistance for sustainability.

Regarding the Mogiana Paulista Meso-region, the producers favor the quality management of the beverage, with a focus on the insertion in the globalized market of its production. Differentiated certifications and designation of origin are handled individually by the landowners. Several significant properties do not just produce coffee in the area. The Meso-region has excellent infrastructure availability, easy access to technology, skilled labor, and right roads to transport its production.

The better understanding of the productive system as the need to improve the management of coffee quality, improvement of management techniques, training of social capital, are presented as potential tools to increase competitiveness in coffee activity in a general and collective manner, in the two Meso-regions.

In general, the results of this work contribute to the owners, recognize and interact with opportunities for improvements in knowledge and training in the management of their farms; in order to take advantage of the continuous flow of dialogue with the value chain of coffee production.

In terms of economic management, owners are advised to practice "diseconomy of scale" for the commercialization of production; to work synergistically with cooperatives and associations to alleviate difficulties in the market access for small quality lots and to improve tools for maximizing intangible property revenues (quality, GAP, and environmental legal compliance).

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