Systems & Management 12 (2017), pp 295-307

SYSTEMS & MANAGEMENT
Electronic magazine

COOPERATIVE STRATEGIES FOR COMPETITIVENESS IN THE BRAZILIAN TEXTILE SECTOR: THE ROLE OF CLASS ENTITIES

Adilson Caldeira[1], Antunielle de Fátima Fonseca[1], Débora Alvarenga Gonzales[1], Karine Grande de Souza[1]

1 Mackenzie Presbiterian University

ABSTRACT

This study approaches the view of representative entities of the Brazilian textile and clothing industry on its role of support and encouragement for cooperation among the companies that these entities represent as a means to foster the competitiveness of the sector. With reference to a conceptual model built on the foundations found in the literature concerning strategies of competitiveness and cooperation, a qualitative study of an exploratory nature was carried out. At the empirical level, data was collected through documentary analysis and interviews with seven managers working in five different institutions representing the sector. The results show that the class entities of the researched sector see themselves as agents that promote cooperation actions between the companies that they represent, between these companies and government and between other institutions, besides being of fundamental importance to providing support services and to carry out projects of Innovation and development of the sector as a means of achieving competitiveness at the international level.

Keywords: Cooperation; Competitiveness; Strategy; Textile industry

1. INTRODUCTION

The intensification of the competitive challenges in the business environment of the XXI century finds correspondence in the academic discussion about the different strategies of competition adopted by the companies. Among them, there are those that refer to the possibility of cooperation between companies that compete in the same industry with the objective of strengthening and establishing a privileged market position for the sector. According to Amato Neto (2000), companies have a series of needs, difficult to satisfy by isolated action that can be met by cooperation. According to this logic, the combination or sharing of resources and capabilities enhances the gain of market know-how, the development and improvement of technologies, products and services, the reduction of costs and risks, and the Operation worldwide. As an example of this view, the joint focus on competitiveness and cooperation as strategy originated the term "coopetition", proposed by Nalebuff *et* Brandenburg (1996). The idea finds proposals such as that of Donaire *et al.* (2008), who indicate the creation of industrial clusters, made up of companies operating in the same sector of a given region, as one of the possible forms of cooperation to favor a certain group of companies that were originally competitors. This allows the strengthening of its competitive power and representation of its interests before regulatory bodies.

One of the common mechanisms of cooperation between companies of the same industry is observed in the conception of the class entities, represented by federations, associations, employers' unions, among others, constituted with the role of assisting, orienting, facilitating, influencing and fighting for the conditions of competitiveness of the companies represented, of a given region or of a given sector of the market.

In recent years, changes in world and regional production and consumption patterns have brought Brazil the challenge of developing and maintaining competence in the Textile and Clothing Industry to meet domestic demands and ex-

PROPPI / LATEC
DOI: 10.20985/1980-5160.2017.v12n3.983

Electronic Journal of Management & System
Volume 12, Number 3, 2017, pp. 295-307
DOI: 10.20985/1980-5160.2017.v12n3.983

pand export capacity. Globalization and the opening of the Brazilian import market, which began in the last decade of the 20th century, required companies in the industry to adopt new strategic standards to adapt to the new conditions of dynamism and market volatility. The framework established in the first decade of the 21st century emphasized the need for action by the entities representing the different sectors of the Brazilian textile production chain as agents to foster cooperation among its participants in the search for competitiveness in the sector. This is the current scenario, with the expansion of the contribution potential of these entities so that the opportunity for development of the country in the international scenario is realized in the sectors represented.

Considering this context, the present study sought to answer the following central question: what is the view of managers of entities representing class of the Brazilian textile and clothing sector on the role that these entities play in promoting cooperation for competitiveness?

Thus, the general objective was to identify the role assumed by entities representing the class of the sector in order for cooperation actions to increase the competitiveness of the companies they represent. In order to reach this objective, we sought, in the specialized literature on strategies of competition and cooperation, support for the construction of a conceptual model that, later, originated the formulation of questions to mark the accomplishment of a field research developed with representative entities in the focused sector.

At the empirical plan, an analysis of texts and documentary records of public domain was done, as well as documents obtained from the entities that participated in the research. In addition to these data, seven in-depth interviews were conducted with managers from five different class representatives.

Consolidating the study, we present, in subsequent topics, the data obtained, its analysis and the considerations about the evidences found.

2. THEORETICAL REFERENCE

2.1. Competitiveness and competitive advantage

The term "Competition" is defined by Osarenkhoe (2010) as the dynamic situation in which actors in a specific market struggle for scarce resources and produce and market similar products and services that satisfy the same needs of customers. According to the author, this concept can also be associated with the internal efficiency of the industry and the development of new technologies, new sources of supply and new types of organization.

Hamel *et* Prahalad (2002) believe that when a company competes to succeed in the future, it must be able to expand its horizons of opportunity by going through three different stages. The first stage of competition is predicted by the future of the sector and intellectual leadership, based on understanding and market research to predict trends and discontinuities, in order to anticipate the actions of a company against competitors. The second stage is competition for the shortening of migration paths. The company seeks to accumulate knowledge, perform evaluations and analyses of products and services, and promote cooperation that complements its resources and capabilities. The third and final stage, characterized by competition for position and market share, establishes detailed aspects of price, service, value and cost to provide customers with greater accessibility and perceived value. The phase involves innovation in process optimization, reduction of costs, expansion in the line of goods and services and generation of marginal gains on differentiation.

In addition to the concepts and methods of competition, the literature suggests that the competitive action in the market will lead competitors to the search for competitive advantages that represent, according to Barney *et* Hesterly (2008) and Hitt *et al.* (2008), the creation of economic value by companies. In this sense, Ghemawat (2007) and Porter (2002) mention the existence of two types of competitive advantage: lower cost and differentiation, the lower cost being a company's ability to design, produce and market a similar product more efficiently than its competitors, while differentiation is the ability to provide the buyer with exceptional and superior value.

For Barney *et* Hesterly (2008), cost advantages are possible even when competing firms produce similar products. As for differentiation, according to Mintzberg *et* Quinn (2001), an organization can differentiate its offerings by quality, design, support, image, price, among other factors.

Porter (2002) argues that the creation of competitive advantage by companies happens when new and better ways of competing in an industry are perceived or discovered and brought to market. This allows some discontinuity or change in the structure of the industry to create new ways of competing. The most typical causes for this scenario are: new technologies, new or renewed buyer needs, the rise of new industry segment, costs or oscillating availability of inputs, and changes in government regulations. For this, it is necessary to constantly search for innovation, quality and speed, as a way to sustain the advantage of a company. There is also evidence of the contribution of the capacity to generate knowledge to the competitiveness of companies. Nonaka (2000, p. 43) states that "in an economy where uncertainty is the only certainty, knowledge is the only safe and enduring source of competitive advantage." For Drucker (2000),

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DOI: 10.20985/1980-5160.2017.v12n3.983

knowledge is a basic primordial resource, which, if it is not associated with a task, will become unproductive.

Paiva *et al.* (2009) understand that by rapidly introducing new products into the market, the company can generate two types of competitive advantage. The first is to anticipate competitors and exploit opportunities by making higher profits through higher prices. On the other hand, the second refers to the late entry in the market, which allows the use of advanced technologies, which were not available when the slow company began its development. In contrast to all the other models presented, Hamel *et* Prahalad (2002) create the concept of essential competences of the organization as a way to increase the competitive power and to allow the company to operate in different markets. According to these authors, any set of skills that generates a significant cost advantage in order to provide a particular benefit to the client can be considered an essential competency of the organization.

As a synthesis of the different conceptual views on competitiveness and competitive advantage presented so far, it is assumed that competitiveness in the struggle for scarce resources (Osarenkhoe, 2010) challenges companies to develop their capacity to expand their opportunities horizon. This is materialized by the ability to predict trends and discontinuities, to accumulate knowledge and to promote cooperation that complement their resources and capacities, as well as innovate and optimize processes (Hamel *et* Prahalad, 2002). Thus, the goal is to seek competitive advantages, materialized by the creation of economic value (Barney *et* Hesterly, 2008 Hitt *et al.*, 2008), resulting from the ability to offer lower cost and differentiation in terms of quality, design, support, image and price (Mintzberg *et* Quinn, 2001; Porter, 2002; Ghemawat, 2007) as essential competencies of an organization (Hamel *et* Prahalad, 2002). The constant search for innovation, quality and speed, and the ability to generate knowledge are the means for such a search (Drucker, 2000, Poraka *et al.*, 2009).

2.2. Cooperation for competitiveness

Among the studies related to the union of companies with the objective of obtaining collective solutions, there are those that are intended to understand the advantages and benefits generated to the companies that enter into a process of cooperation in search of competitiveness. This is the case of Barney *et* Hesterly's (2008) proposal, according to which some of the reasons for companies to cooperate are the pursuit of improved performance of current operations, the creation of a competitive environment conducive to superior performance, and outlets in the markets, faster and easier.

According to Hitt et al. (2008), cooperation allows companies to create value, reduce competition, increase competitive capabilities, gain access to resources, seize opportunities and build strategic flexibility. Faced with the phenomenon of globalization, Begnis *et al.* (2008) comment that the interorganizational arrangements originated in the interfirm relationships are based on cooperation that involves collaboration and partnership and it has the ultimate goal of achieving differentiated levels of competitiveness.

Yoshino *et* Rangan (2007) argue that the link between companies is a business partnership that increases the effectiveness of competitive strategies of the participating organizations and provides mutual exchange and technology benefits, qualifications or products. According to Barney *et* Hesterly (2008), these strategies allow companies to learn from competitors and thereby improve their operations, share risks and costs along the value chain, and achieve economies of scale by reducing the unit cost of production as its volume increases. Cooperation strategies can also reduce uncertainties about the environment. The reduction of uncertainties, according to Hitt *et al.* (2008), can happen in relation to financial factors, the production of new products or the establishment of a technological standard. For Barney *et* Hesterly (2008), this reduction also occurs when entering a new market or sector, so that the company does not incur the costs associated with full scale entry.

In line with these different perspectives on cooperation as a strategy for competitiveness, Nalebuff *et* Brandenburger (1996) propose a concept according to which the combination of competition and cooperation establishes a dynamic relationship and gives rise to the neologism "coopetition", which refers to the situation in which competitors compete and, at the same time, have a partnership relationship. This hybrid behavior of cooperation and competition can occur within an organization, between organizations or on a network scale (Lorgnier *et* SU, 2014). For Osarenkhoe (2010) and Tomski (2011), such concept encompasses both the economic and social factors and implies different behaviors in the same environment. There may be conflicts of interest between organizations, but at the same time, they should cooperate with each other, aiming at a common goal.

Chin *et al.* (2008) propose that the conditions for coopetition vary according to the model in which the market competes. According to the authors, there are four possible models. In the first, of a monopolistic character, companies develop low level of competition and cooperation with their competitors. In the second, made up of competing companies, there is competition for power and market share, in order to involve a high level of competition and a low level of cooperation. The third situation, where the inversion of proportions occurs, that is, less competition and greater cooperation, encompasses the model of partner companies

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DOI: 10.20985/1980-5160.2017.v12n3.983

for the sharing of resources and capacities. A fourth model brings together adaptive companies, which mutually depend on one another to achieve their goals, in order to involve high levels of both competition and cooperation.

Osarenkhoe (2010) points out that coopetition as an organizational strategy can bring benefits such as cost reduction, risk tolerance, proactivity in product development and anticipation of healthy competition. In this way, co-competitive relationships offer the organization the advantage of a combination of the need to innovate, due to strong competition and access to new resources, consequences of cooperation.

In summary, it is assumed, as a conceptual assumption in terms of cooperation for competitiveness, that this strategy aims at improving organizational performance not only aimed at creating favorable conditions of competition in current operations, but also aimed at facilitating and streamlining inputs and outputs for new markets (Barney *et* Hesterly, 2008). The resulting competitiveness allows companies to create value, reduce competition, increase capabilities, gain access to resources, seize opportunities and build strategic flexibility (Hitt *et al.*, 2008).

By means of interorganizational arrangements, involving collaboration and exchange of technology and other skills, the competitive strategies of companies become more effective, resulting in improved operations, risk and cost sharing along the value chain, and economies of scale (Yoshino *et* Rangan, 2007; Begnis *et al.*, 2008; Barney *et* Hesterly, 2008; Huang *et* Chu, 2015; Liu *et al.*, 2015). Moreover, cooperation strategies can reduce uncertainties regarding financial, market and technological factors at the moment of entering a new market, or in product innovation, or in processes (Hitt *et al.*, 2008; Barney *et* Hesterly 2008; Park *et al.*, 2014).

The combination of competition and cooperation establishes a dynamic relationship and gives rise to the neologism "coopetition" (Nalebuff *et* Brandenburger, 1996). The intensity of cooperation may vary according to the characteristics in which it is adopted: in monopolies (companies with low level of competition and cooperation), in a situation in which there is a dispute for power and market position, between companies not necessarily competing, but partners in the sharing of resources and capacities, and finally in cases of companies that depend on each other to achieve their goals (Chin *et al.*, 2008).

Whatever the intensity of cooperation, however, there is always the barrier of mistrust between competitors to hinder the joining of efforts around common benefits (Nalebuff *et* Brandenburger, 1996). Therefore, the approximation between the agents, who, in principle, could resist cooperation, can be effected through the constitution of external bodies that represent common interests, which refers to the principle of *associativism* for cooperation.

Associations and cooperation

In order to strengthen their competitive power through the union of common interests, companies resort to the constitution of class entities, in the form of federations, associations, unions, among others, which assume the support and guidance functions of the members, besides representing them in actions dedicated to influence and fight for conditions that favor the competitiveness of the represented sector, in the general market and in the regulatory organisms. Young (2007), Lüchmann (2014) and Balestrin *et* Verschore (2016) share the view that *associativism* has, among its main potential achievements, the promotion of relations of trust, cooperation and public spirit, as well as the space for denunciations of abuse of power relations, or participation in the elaboration and control of public policies.

Warren (2001) identifies three types of democratic benefits provided by associative practices. The first of these is formed by the development of individuals, with the promotion of more participatory, critical and autonomous citizens. The second occurs through effects in public spheres through the formation of opinion from the perspective of a community represented by its association as a beacon of public judgments. The third are the political-institutional effects, both for the expansion and qualification of political representation and for cooperation for the constitution of alternative forms of governance.

Although of paramount importance for the strengthening of the represented community, however, the representative organs of class have a space to develop. Research conducted by Rennó (2003) indicates that, although the level of associative engagement in Brazil is relatively low compared to other Latin American countries, there is a growth and a complexification of the subject. Other research on the subject reveals that the historical trajectory of collective actions in the country continues with the emergence of an *associativism* that breaks with the traditional patterns, characterized by homogeneity and low density, once a process of pluralization is observed, with an increase of quantity and types of associations (Rennó, 2003).

3. CHARACTERISTICS OF THE TEXTILE SECTOR AND OF BRAZILIAN GARMENTS

The Brazilian textile sector has almost 200 years in the country and stands out for its history, participation and contribution in the industrial development of Brazil. According to ABIT (2015), it can be stated that the Brazilian textile and

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DOI: 10.20985/1980-5160.2017.v12n3.983

clothing sector, which annually produces 9.8 billion pieces (clothing, bed, table and bath), is formed from the interaction of an autonomous multi-segment Industry.

It is the second largest employer sector in the country, with 16.4% of jobs. In relation to the global market, Brazil is the 5th largest textile producer and owns the 4th largest manufacturing productive park; it is the 2nd largest producer and the 3rd largest consumer of denim. In addition, the events that comprise the Fashion Week of Brazil are among the five largest in the world.

The current situation of the performance of the Brazilian textile sector is a reflection of the changes of the economy during the decade of 1990. Over time, the loss of competitiveness and the intense entry of products from abroad, especially the Asians, have led to a strong deindustrialization of the market (Keller, 2006).

In the last decade, accumulated exports of the textile and clothing chain have been significantly lower than imports, generating a deficit in their trade balance (ABIT, 2015). In this context, there is a movement of the sector towards the adoption of incentives by the government, as a way to maintain the sustainable growth of the Brazilian economy even with the worsening international crisis and shrinking markets.

In response to this situation, Mytelka (1991) points out that new strategies are forged by companies, either by establishing partnerships between the textile business and the research and technology institutes to develop new knowledge for the sector, or by reorganizing production via international subcontracting. This process is aimed at moving more labor-intensive stages to developing countries that offer favorable conditions for this, aiming at reducing costs and increasing innovation.

Keller (2006) discusses the textile production chain and clothing begins in agriculture, producing natural fibers, or in the chemical industry, producer of synthetic fibers, which provide raw material for the next link, responsible for the production of fabric threads. Next, the fabrics (weaving or knitting) are produced, then they go through the processing, which, in turn, provides us with the link responsible for the making, thus coming to the product offered to the final consumer.

According to Haguenauer *et al.* (2001), it is common in the textile and clothing chain for vertical integration in the same company or between companies of the same group through partnerships throughout the process, from spinning to weaving. Lima *et* Soares (2010) explain that the supply chain contributes to the formation of clusters and positions the competitive advantage of large companies in the location of work units. In the state of São Paulo, the most important cluster is the Textile and Clothing Technological Polo (TecTex Polo), formed by the municipalities of Sumaré, Santa Bárbara D'Oeste, Nova Odessa, Hortolândia and Americana, as presented by Lima *et* Soares (2010). According to the TecTex (2015) Pole, the main focus of this cluster is the development and strengthening of the market through the synergistic union of forces and know-how of complementary areas.

In addition to alliances and joint studies, this industrial cluster develops formal and informal meetings for the formation of a new business mentality of companies with the market. At the same time, partnerships are held with class entities, trade unions, associations and organizations that aim at the growth of the sector, jointly developing projects and actions.

3.1. The class entities of the Brazilian textile and clothing sector

With the development of the country, class entities have gained increasing prominence. By representing sectors and unions, they act strategically to support and defend the interests of the Brazilian industry. To this end, they seek to emphasize a domestic agenda aimed at increasing a favorable environment for growth that favors the competitiveness of the sectors. At the same time, strategies and actions focused on the foreign market are directed to favor the internationalization and the economic insertion of the national companies. According to FIESP (2015), the synergy and the union of the companies facilitate the obtaining of safeguard measures when they are well represented before the government. This happens when class entities play their role defending and raising the banner of industry interests.

In addition, the class entities are committed to the actions and performance of companies and the sectors they represent. In this sense, they work through partnerships, cooperation in the production chain, stability, elevation of quality standards, innovation and technology, stimulation in promotion and investments, and knowledge sharing to overcome obstacles in the productive sector, through continuous and sustained improvement.

Participating research entities

Aiming at a detailed deepening of the textile chain, it was necessary to present the aspects of each one of the representative entities of class, which contributed with information of value for the accomplishment of this work. The first of these is ABIT. Initially named as Paulista Association of the Textile Industry, the *Associação Brasileira da Indústria Têxtil e de Confecção* (ABIT - Brazilian Textile and Apparel Industry

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Association) was founded in 1957 and today is one of the most important entities among the economic sectors of the country. It represents the productive force of 30 thousand companies of all sizes, installed throughout the national territory. ABIT meets the demands of the entire textile chain: from the companies producing natural, artificial and synthetic fibers, through spinning mills and weaving and also apparel manufacturing. Three people from different positions and areas were interviewed: 1) manager of the core of innovation and sustainability of the Texbrasil program; 2) coordinator of the international area; and 3) superintendent director of the entity.

Comtêxtil - Committee of the Production Chain of the Textile, Apparel and Clothing Industry of the Federation of Industries of the State of São Paulo (FIESP) - was the second participating entity. With the mission of leveraging the industrial sectors through actions based on analyzes, studies, projects and disputes aimed at unclogging chain bottlenecks in a precise and efficient way, FIESP created the Committees of the Productive Chains. These committees are composed of legitimate representatives of the links that make up the industrial production chain of certain sectors. Established on October 19, 2004, Comtêxtil focuses on the industrial development of the country and seeks, through the union of efforts coming from all the textile chain, including clothing and apparel, the strengthening of the sector. The interview at the entity was conducted with a specialist in production chain committees at FIESP.

Also participating in the research was ABRAFAS - Brazilian Association of Artificial and Synthetic Fiber Producers. Created in 1968 as a representative entity of producers of manufactured fibers, ABRAFAS is a non-economic society, which brings together the companies involved in the production, processing and marketing of artificial and synthetic fibers, responsible for a large part of the production of these fibers in the country. The artificial and synthetic fibers represent a production of about 380 thousand tons/year and are present in various items in our daily life, from clothing to car parts and upholstery, in addition to the fabrication of interlinings and hospital and cleaning supplies. In this entity, the interview was conducted with its executive advisor.

ABINT - Brazilian Association of Nonwovens and Technical Fabrics Industries - a non-profit civil society founded in 1991, was another research participant. The entity incorporates companies and professionals whose activities are linked to the production, transformation, marketing, supply of inputs and equipment for the "Nonwoven" products market and technical fabrics. According to the norm NBR 13370, "Nonwoven" (TNT) is a flat, flexible and porous structure, consisting of a veil or sheet of fibers or filaments, oriented by direction or by chance, consolidated by mechanical, chemical, thermal and combinations of these processes. This type of material is used in the manufacture of products for the medical-hospital, domestic, filtration, automobile, footwear, confection, filling, geotextile, civil construction, furniture and upholstery and personal hygiene. Technical fabrics are composed of raw materials in the form of fibers, yarns, filaments, among others, and are not used in fashion, bedding, table and bath areas, but in the areas of agribusiness, aquaculture, automobile, footwear, roofing, civil construction, packaging, among others. The interview was conducted with the entity's executive secretary.

Finally, the Sindivestuff participated in the survey, a single entity that includes the three most important Garment Industry Unions in the country, Sindivest, Sindiroupas and Sindicamisas. Together, these entities represent more than seven thousand clothing industries that employ around 250 thousand workers and profit more than 14 billion reais per year. The three unions have the same aims: to represent the garment industries in the State of São Paulo, the state base of all, in more than 400 municipalities, and to jointly respond in all collective negotiations among workers in the sector throughout the State. The interview with this entity was carried out with the executive director.

3.2. Conceptual model of the study

The theoretical and conceptual approaches presented refer to the reflection on the relations of cooperation between different agents of a given sector of activity, enabling the knowledge, growth, increase of investments and transfer of technology that help the emergence of competitive advantage in companies, resulting in greater competitiveness.

Adding the knowledge of the dynamics, the Brazilian textile and apparel production chain and the entities representing different links that make it up to the conceptual discussion found in the literature, a conceptual model, presented in Figure 1, was elaborated as a reference for the investigation of the class entities role as mediators and facilitators of these relations.

4. METHODOLOGICAL PROCEDURES

This study adopted a qualitative approach of exploratory nature and, according to Richardson (1999) and Selltiz *et al.* (2001), it is suitable for the creation of hypotheses, the improvement of the researcher's knowledge in terms of the phenomenon investigated, the development of a more structured later study, the clarification of concepts and the establishment of priorities for future research. Initially, a bibliographical research was carried out to construct the theoretical reference that led to a conceptual model on the subject under study. At the empirical level, the study was

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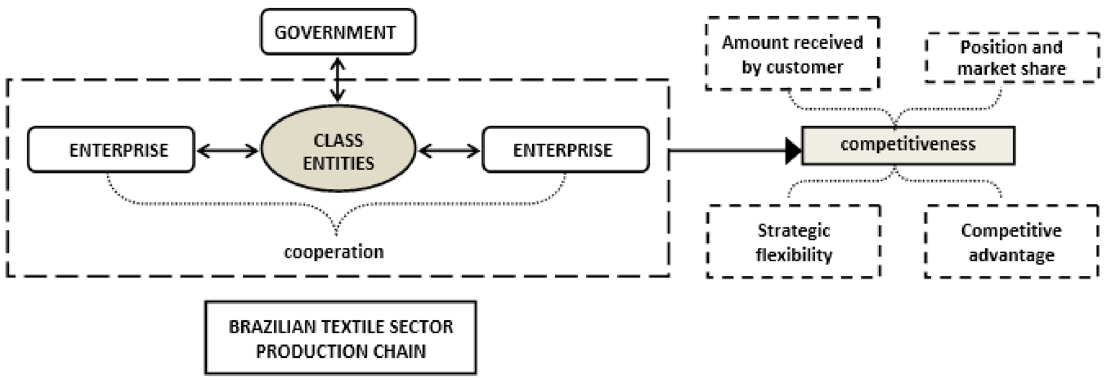

Figure 1. Conceptual model of the study
Source: The aut hors' own.

developed through documentary analysis of texts and statistical data of public domain, as well as documents obtained from the entities that participated in the research, complemented by in-depth interviews.

The research subjects submitted to the interviews were seven executives who work in strategic functions in distinguished class entities in the focused sector. Their duties are Superintendent Director, Coordinator of the International Area, Manager of the Innovation and Sustainability Center, Specialist in Production Chain Committees, Executive Advisor and Executive Secretary. The participating entities were the Brazilian Textile and Apparel Industry Association (ABIT), the Textile Industry and Clothing Manufacturing Committee (COMTÊXTIL - of the Federation of Industries of the State of São Paulo - FIESP), the Brazilian Association of Artificial and Synthetic Fiber Producers - ABRAFAS, the Brazilian Association of Nonwoven and Technical Fabric Industries - ABINT and the Union of Clothing Industries - SINDIVESTUÁRIO, as described in Figure 2.

Interviewee	Entity	Position
E1	ABIT	Director Superintendent
E2	ABIT	International Area Coordinator
E3	ABIT	Manager of the Innovation and Sustainability Center
E4	COMTÊXTIL	Specialist in Production Chain Committees
E5	ABRAFAS	Executive Advisor
E6	ABINT	Executive Secretary
E7	SINDIVESTUÁRIO	CEO

Figure 2. Research Participants
Source: The authors' own

The choice of these entities was due to the fact that they were representatives of textile and garment industries with great national power and strength. The location in the State of São Paulo, a region of the country of great importance in terms of economic and social development, was a determining factor for the selection of the entities involved in the research. In addition, the region facilitated the researchers' access to information, handling and development of the study.

The interview questions were elaborated based on the specific objectives of the present study and supported by the concepts presented in the theoretical framework adopted. In this way, we sought to comprehensively cover the theme for the identification of aspects that allowed us to understand the factors and achieve the central objective, which was channeled through an interview script composed of seven questions:

1. What are the projects that the entity develops to promote cooperation for the competitiveness of companies in the sector?

2. What is being developed for the future?

3. How do the entity's projects promote the long-term advantage of companies vis-à-vis their competitors?

4. What are the results that were obtained from the cooperation?

5. What examples of cooperation are there for achieving greater competitiveness?

6. Taking into consideration the cooperation strategy used, under what circumstances does it happen and what are the factors relevant to its success?

7. How did the partnership affect the company's innovation process?

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Data analysis was based on the techniques presented by Bardin (2006), according to Figure 3. Initially, the material was prepared during the pre-analysis phase, which, according to the mentioned author, is the phase of organization, operationalization and systematization of the initial ideas, in order to lead a precise scheme for an analysis plan. In this way, the transcript of the seven interviews recorded by digital recording was performed.

After this step, the codification was done by systematically transforming raw data into record units, also known as keywords. These registry units made the observation of the relevant aspects cited by the interviewees possible. Subsequently, the registration units were assembled by similarity in units of meaning, which facilitated the identification of standards among the information obtained. Figure 4 shows the units of meaning found from the interviews.

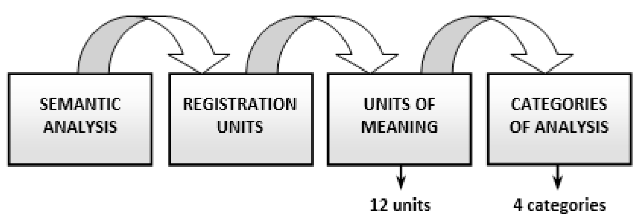

Figure 3. Steps of content analysis
Source: The authors' own

Unit of Meaning	Key Points (Registration Units)
US 1: Meetings on the textile sector	Sectoral Technical Committees Board of Directors Meeting Council meeting
US 2: Consulting and Training for companies	Activity Consulting Training of the workforce
US 3: Information for companies	Disclosure of Information and Events Newspapers and magazines Texbrasil Guide Institutional representation of the sector
US 4: Approximation of companies in the production chain	Identification of suppliers, manufacturers and customers Connection between the links of the textile chain Agreements between entity and company
US 5: Cooperation with Universities	Working in partnership with universities Support and investment in research
US 6: Cooperation between public entities	Intermediation with the public sector Agreement with the Federal Revenue Service of Brazil Participation in legislative, executive and judicial power Parliamentary Front Benefit on government purchases
US 7: Cooperation between sector entities	Partnership between associations, federations and trade unions Synergy with national and international entities Participation in international missions Joint work between different departments
US 8: Commercial Defense	Safeguard measures Anti-dumping measures Inauguration of non-automatic licensing system Semaphore System
US 9: Tax benefits for the sector	Reduction of ICMS Reduction of taxes on payroll Import tariff for clothing sector of 35% Regime of taxation: general *SIMPLES*, broad and unrestricted for the textile chain
US 10: Projects and Incentives to the sector	APEX Brazil Program Greater Brazil Plan Petrochemical Suape Strategic plan: Textile 2023 and Textile 2030 Lawsuits to benefit the sector Supporting innovation and encouraging investment in the sector
US 11: Training for public office	Course for judges working with trade defense
US 12: Preparation of documents	Brazilian Manual of Geosynthetics Development of standards for the sector Production of technical and value report

Figure 4. Units of meaning
Source: The authors' own

In a third moment, the classification of elements in thematic categories was developed by the semantic criterion. According to Bardin (2006), the categorization involves ru-

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brics or classes that gather some content under a generic title, that is, grouping made due to the common characters of these elements. Thus, four categories were established through the analysis carried out: public policies for competitiveness, services provided to companies in the sector and joint work between class entities and projects for competitiveness, as indicated in Figure 5. These categories represent the role and the actions of the class representative institutions that lead companies to competitiveness, responding to the central question of this research.

Categories	Units of Meaning
C 1: Public policies for competitiveness	US 6: Cooperation between public entities US 8: Commercial Defense US 9: Tax benefits for the sector
C 2: Services provided to companies in the sector	US 2: Business Consulting and Training US 3: Information for business US 4: Approximation of companies in the production chain
C 3: Working together between class entities	US 1: Meetings on the textile sector US 7: Cooperation between industry entities US 11: Training for public office
C 4: Projects for competitiveness	US 5: Cooperation with Universities US 10: Projects and Incentives to the sector US 12: Elaboration of documents

Figure 5. Categories of analysis
Source: Research Data.

5. PRESENTATION AND ANALYSIS OF RESULTS

In **Category 1** (C1) - Public policies for competitiveness - the formulation of public policies, political representativeness, articulation and development of dialogues with the government, and the development of partnerships with the public sector are evident. The actions of the class entities allow companies to become more competitive on a national and international level, since they highlight the search for benefits and cost reduction in the Brazilian textile and clothing sector.

The question of costs is mentioned by Ghemawat (2007), Porter (2002) and Barney *et* Hesterly (2008) as a key factor in presenting lower prices to customers, gaining competitive advantage and creating savings. Through the interlocution with the government, with the organisms and with the governmental entities, the class entities deal with general subjects, commercial defense and tributes that reach the sector as a whole. At the same time, the structure of the entities in the legislative, executive and judicial branches and this relationship of cooperation and intermediation with the government emphasize what was commented by Barney *et* Hesterly (2008): the cooperation established allows the development of a favorable environment for a superior performance in terms of ethical and legal conditions, also facilitating the creation of value, the acquisition of technology, the increase of flexibility and the use of opportunities.

The elements that made up this category were highlighted in the seven interviews carried out, being evident in the following assertions:

> [...] One of the great theses of ABIT is a broad, general and unrestricted *SIMPLES* [...] for the textile chain. The Semaphore System [...] is an ABIT invention that has now been adopted by the government [...] is the basis for placing the products on non-automatic license with a reference price. (E2)
>
> Relation with the government to be not only protecting the market, but also to be making bilateral agreements, to drain more the production, discussing the logistical costs, discussing the costs of infrastructure - lowering energy, lowering the tax burden. (E3)
>
> The main role of the entity is the one you already know, which is the intermediation of the private sector through the public sector... So the main role is to defend the interests of industries through the Brazilian government. (E5)

In **Category 2** (C2) - Services provided to companies in the sector - the constant acquisition of new knowledge, such as technical improvement, training of the workforce and the development of tangible and intangible resources and capacities of companies. In this sense, knowledge and information stand out as fundamental factors for stimulating this category.

The aspects presented are possible by the mobilization of the class entities in the approach with the companies of the sector through: the realization of specific exhibitions and seminars, involving relevant subjects; production and dissemination of information (keeping companies up to date); the fulfillment of specific demands of the companies, as a form of consultancy and technical advice; as well as the development and use of means that bring the various companies closer to the production chain. These actions play an important and fundamental role in obtaining and sustaining the

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competitive advantage of a company in a competitive market through innovation, quality and speed, as proposed by Porter (2002). Moreover, Nonaka's (2000) proposition that knowledge is the only source of lasting competitive advantage corresponds to some statements, as can be seen in the following statements:

> [...] cooperates with companies, mainly through this process of information and dissemination of knowledge and representation in all national and international fora that require participation or that have a relationship with the textile industry. At the same time, we also try to connect companies that we identify that have affinities, be they national or international. (E1)

> A program of sewing labor, which happened in 2009, aimed to lead sewing professionals to grow, because there is a shortage of these sewing professionals in Brazil. (E4)

> [...] Many people have no idea of all the technology needed to manufacture TNT [...] So we guide companies early in manufacturing. (E6)

In the analysis of **Category 3** (C3) – Joint work among class entities – the synergy of the work performed among several class entities is identified, as well as the involvement of private companies and their employees in the development of improvements to the sector in a general or specific way. The actions are mainly employed through meetings of sectoral committees, board and council, which raise discussions on issues relevant to the sector, as well as the development of proposals for improvements.

Courses and trainings for public agencies are also promoted as a way to offer greater preparation and security to deal with textile and apparel issues.

Another form of action is the development of partnerships between entities and the private sector to carry out joint work in the search for cost reduction, operational differentiation, incremental innovation, improvement of quality techniques and process speed. In this way, aspects that allow the development of the Brazilian textile and clothing industry in a sense of greater quality and competitiveness are discussed, analyzed and established.

The category highlights the structure of the three stages of the competition race, represented by intellectual leadership, management of the paths and migration and competition for market participation, mentioned by Hamel *et* Prahalad (2002). These aspects can be evidenced in the statements:

> We have about 30 sectoral committees [...] and these sectoral committees discuss these larger policies that are being presented, discuss specific issues, technology; they just don't discuss price or condition because that is forbidden. [...] And we have representatives on ABIT's board of directors from the production of the raw material to retail. (E1)

> I think we partner with all the federations and this is cool thing about ABIT. The image of "Let's get together" is very present here at ABIT, so we don't like to do anything that competes with other institutions. [...] (E3)

> We have our board meetings where companies attend; each one exposes his problems, his observations, how we can build solutions. Then I would say that the work of cooperation happens more often at the micro level within the union; ABIT usually takes care of the macro issues. (E7)

> We had a very serious ICMS problem that was known as "The War of the Ports", we worked intensely on this issue, also with the support of FIESP and ABIT to make in order to have a change in the Senate that became resolution 13. (E7)

Category 4 (C4) - Projects for competitiveness - represents the joint effort of the representatives of the class through projects, studies and research to leverage the competitiveness of the textile sector. Intermediation between business and university, encouraging scientific and academic research, encouraging innovation, developing technical manuals and technical norms, and preparing reports for operational activity stimulate the industry to add value and develop a privileged position in the market.

Structuring projects aimed at a technological and strategic route, such as the Brazil Greater Plan, the APEX Brazil Program, Suape Petrochemicals and the Textile Strategic Plan 2023 and 2030, allow the work of entities, jointly with the Brazilian government, the public sector and other institutions to rescue the systemic competitiveness of the Brazilian industry in a short and long term view.

Competitiveness projects add benefits to the textile chain, since competitiveness takes place through its entire links and must be managed as a system or network of activities connected by links, as mentioned by Porter (2002) and Ghemawat (2007). The following statements illustrate these aspects:

> There is the Texbrasil Program [...], which is a Program supported by APEX and, in it, we have

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> a financial support from APEX Brasil to carry out a series of actions to promote companies in the international market and, within these actions, we have fairs, events, missions and we organize an agenda of meetings [...]. (E3)
>
> We try to get involved with universities in this part of the research and development and innovation. Then, as an entity, we bridge the gap between academia and companies to develop joint projects [...] this is the way development is done. (E5)
>
> Last week, it is important to register that I was at the Brazilian Industrial Development Agency, whose acronym is ABDI. [...] A work in which you treat a technological route and a strategic route so that the Brazilian apparel sector, the textile sector, the textile chain, in general, have a recognition, even internationally as a leading sector, innovation generator, etc. [...] It is something totally innovative, it is to rethink the sector, to forget what we know how to make. (E7)

Based on the evidence found in the analysis, a synthesis of the roles played by the class entities in the search for the competitiveness of the textile and clothing sector through cooperation was presented, shown in Figure 6.

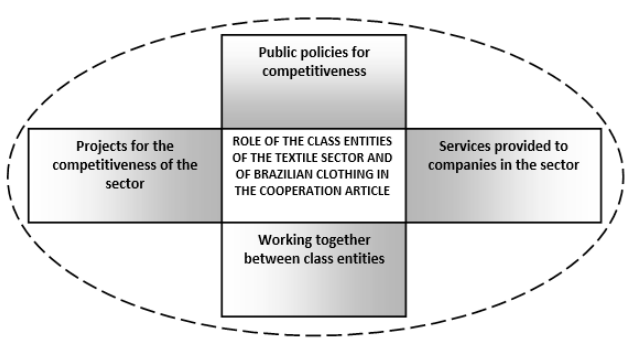

Figure 6. Considerations resulting from the survey
Source: The authors' own.

6. FINAL CONSIDERATIONS

Considering the current situation of the Brazilian textile and clothing sector, the main objective of this work was to identify the actions of the class entities that seek to promote competitiveness for companies in the sector through cooperation.

Using the qualitative method with an exploratory purpose, seven interviews were carried out with five class entities located in the State of São Paulo, during which information was collected that, after its analysis, it enabled the elaboration of the conclusion of this research. Four categories have been identified that represent, in a comprehensive and at the same time specific way, the role and actions of class representatives in an attempt to promote the competitiveness of the textile and apparel sector through the articulation of partnerships and cooperation, reaching the central objective of this study. The categories checked are: public policies for competitiveness, services provided to companies in the sector, joint work between class entities and projects for competitiveness.

In this sense, it is possible to affirm that the actions of the entities make possible the representativeness, the advising, the formulation of policies, the monitoring of the market and the promotion of competitive isonomy. Such actions encourage the Brazilian textile and clothing companies to improve efficiently and effectively in the technical, operational, innovation and strategy fields, in a fair and legal scenario in political and commercial terms. The role of the entities, in terms of cooperation, is the dialogue they establish with the Brazilian government, the provision of services that meet the specific demands of companies, the partnership of works developed with other institutions, as well as the creation of projects with the objective of leveraging the competitiveness of the sector.

The scope and importance that the representative institutions of class have in supporting the achievement of the competitiveness of the industries showed the need to verify their actions along the various links and stages of the textile and clothing chain. Although it is not possible to generalize the obtained results, it is affirmed that the aspects raised were found in all entities interviewed and were presented in a very similar way.

Thus, it is understood that the objectives established for the study were reached, since the influence of the actions of the representatives of classes was evidenced in the promotion of cooperation that leads to the competitiveness of companies in the Brazilian textile and clothing sector.

Despite reaching the proposed objectives, the study was limited only to the research subjects' view, that is, it was restricted to the class entities participating in the study; thus, it is not possible to extend the results obtained to other entities that are representatives of this study and of other sectors of the national industry.

It is also emphasized that the study is restricted to the unilateral view of the class entities, so that the results may not cover the general opinion of the companies represented by them. Although they are managed by executives who, for the most part, act as entrepreneurs or representatives

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of companies in the sector, the class entities have the institutional bias that is allowed to influence the vision stated in the interviews. Faced with these limitations, complementary studies are recommended, both for the extension of scope, through its application to entities of other links in the textile chain and to companies that benefit from the services and benefits originated by the entities, as well as conducting confirmatory research, through the application of probabilistic samples and quantitative methodology to evidence tendencies that allow the test of applicability of the factors found to a more comprehensive universe of research.

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