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# COORDINATION OF JOINT ACTIONS IN MURIAÉ'S (MG) CLOTHING LPA

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# ABSTRACT

**Purpose:** It sought to understand the coordination of the local production arrangement (LPA), especifically clothing production in the City of Muriaé, MG-Brazil. **Originality/gap/relevance/implications:** This study proposes the analytical model for comprehending how coordinating happens, as well as indicate relations between the elements that compose it, and the implications for the way in which these elements are manifested in a LPA context. It consists in an advance for understanding governance in LPA. We suggest means for systematizing the coordination of joint actions and mitigating challenges regarding means of production and means of coordinating.

**Key methodological aspects:** A qualitative/descriptive research was performed, whose data was gathered through documents and partially structured interviews, conducted with twenty agents of said LPAs. The data was processed through NVivo<sup>®</sup> software and categorized by the content analysis technique.

**Summary of key results:** It was found that the coordination is characterized by low levels of formality, integration and participation of the business representatives, management structure made of some entities and average integration and participation levels of the business representatives' part. Results that support other studies developed about the practice.

**Key considerations/conclusions:** It was identified factors that allow us to grasp the complex reality and dynamics of a LPA, as well as criteria for systematizing and comprehending how coordination happens and pointing out its implication in the development [of local business]. Out of strategies devised, it will be possible to direct the activities of coordinators from others LPAs, fostering local business development.

### **KEYWORDS**

Local development. Governance in LPA. Integration. Organization. Participation.

### **1** INTRODUCTION

The Local Production Arrangements (LPAs) are recognized as wholesome environments for business development, for they allow the possibility of gaining advantages through them, producing better results and better market presence (Alves, March, Patias, & Liszbinski, 2012). Many of these benefits are due to the entities that coordinate actions in favor of LPA development (Lastres & Cassiolato, 2003).

These entities embrace public, private and non-governmental organizations; among them, we can single out education and research institutions, financial institutions, organizations for support, business organizations and the public establishment (Tavares, 2011). The role of these entities is to foster the development of LPAs (Lastres & Cassiolato, 2003); Brazilian Micro and Small Business Support Service and foster more competition through the intensification of the relationship with the participants (Baptista & Alvarez, 2007).

As for the entities' performance, the coordination of joint actions is an existing challenge in Brazil, due to LPAs problems such as: poor integration (Azevedo Filho & Ribeiro, 2011; Santos & Cândido, 2013), lack of planning (Carvalho, 2012), incipient participation (Campos, Trintin, & Vidigal, 2009) and lack of knowledge of the reality (Baptista & Alvarez, 2007).

In the Pottery LPA of Campos dos Goytacazes (RJ), the survey performed by Azevedo Filho and Ribeiro (2011) pointed towards the inexistent integration between the local education and research institution and other entities affiliated with the LPA. The actions implemented by the education and research institution were not aligned with the planning developed by entities responsible for the LPA's governance. Santos and Cândido (2013) verified that, in a survey performed in the Shoes LPA of Campina Grande (PB), that cooperation is hardly disseminated, as there is a lack of integration between involved participants, and activities are not satisfactorily developed, once they don't concur to competiveness and development.

In a survey performed in the Clothing Manufacture LPA of Jaraguá (GO), Carvalho (2012) found that business representatives do not adopt procedures for planning. Campos *et al.* (2009), in a survey performed in the Clothing Manufacture LPA of Maringá (PR), have concluded that the incipient participation of companies in the process of coordinating the activities and LPA's decisions affect the business and local development. According to Baptista and Alvarez (2007), the role of the government in the Apparel LPA of Cianorte (PR) is ineffective due to ignorance of reality of the APL, the relations of interests and conflicts between participants. According to Azevedo Filho and Ribeiro (2011), Baptista and Alvarez (2007) and Queiroz (2013), the coordination of joint actions is an important element for the development, since the purposes of the LPA will be achieved through the organization and conduction of these actions.

The findings of such aforementioned surveys concerning the problems in successfully coordinating the LPAs reinforce the importance of efficient and effective performance of participants. It also encouraged this study, guided primarily by the question: How does the coordination of joint actions performed by the Clothing LPA in Muriaé (MG) occur?

With the purpose of answering the proposed question, a broad objective was adopted: to characterize how the coordination of the Clothing LPA of Muriaé (MG) happens. Specifically, we aimed to: 1. present the joint actions taken by such LPA; 2. specify what are the factors taken into consideration for coordinating the joint actions in such LPA; and 3. identify what participant effectively coordinates such LPA.

Considered one of the greatest references of the Brazilian textile market, the Clothing Pole of Muriaé comprises the production of five other cities. It occupies a prominent position due to its significant share in the number and size of establishments and number of garment industry employees; the City of Muriaé ended up predominating in the pole thanks to such characteristics (Federation of Industries of the State of Minas Gerais (FIEMG, 2010).

This study is justified by its focus on researches developed by academics (Santos & Cândido, 2013) and politicians, as outlined in the Ministerial Decree n. 200/2004 and Law 16,296/2006. Santos and Cândido (2013) consider the LPA a strategy of joint action between the companies involved, once it implies in the possibility of creating new jobs, increasing in exportation and technological development through the coordination of joint actions on behalf of local development.

With regard to the support for LPAs, we can highlight, at a national level, the Ministerial Decree n. 200/2004 establishing the Permanent Working Group for Local Productive Arrangements (PWG LPA), in order to prepare and propose general guidelines for coordinated governmental action in supporting LPAs across the country. In Minas Gerais, the public policy of supporting LPAs, ratified by the Law n. 16,296/2006, was created to strengthen regional economies through the integration and complementarity of local supply chains and the generation of permanent cooperation processes, diffusion and innovation.

In addition to this introduction, this document is composed by five other sections. The theoretical framework will present some our understandings about LPA Coordination. In methodological procedures, the paths we followed for the performance of this study will be covered. In the fourth section, the survey data will be presented and analyzed. In the final considerations, some general thoughts on the results will be presented; constraints and possibilities for further studies, will be identified; and followed by the references used.

# **2** LPA'S COORDINATION

Coordination is related to the organization and conduction of activities performed by LPA participants' – a high level of organization and control is a key element for the achievement of their goals. The intensity and complexity of joint actions performed by a LPA highlight the need for coordination in its implementation.

For understanding the coordination of a LPA, we chose to highlight factors related to the organization and conduction of joint actions. Specifically, the organization is comprised of formality, management structure and conduction, integration and participation. In the organization, we observe the procedures and management style adopted by the LPA, by means of formality and management structure.

Formality is related to the adoption of procedures and operations for standardization, planning, implementation and control, which determine the organization of activities of the LPA. It is important to predefine such procedures and operations so a standardization of activities performed by the participation of LPA can occur.

In some cases, the adoption of such procedures and operations contributes to the adequacy of LPA companies to norms and principles related to sustainability and fiscal and social responsibility. In general, standardization favors the implementation of activities related to APL and facilitates access to new markets, due to the efficiency afforded by the organization and optimization of processes and procedures (Azevedo Filho & Ribeiro, 2011).

As regards to planning, the actors are able to define a set of actions to guide innovative activities, quality and sustainability and decide how they will be implemented to achieve the objectives of the LPA. Thus, the actors are also able to act in an organized and coordinated manner, setting the criteria to control the activities and allowing the previously defined objectives to be achieved (Azevedo Filho & Ribeiro, 2011; Calheiros, 2010; Nagamatsu, Resende, & Hatakeyama, 2009). An important factor in planning, implementation and control is the awareness of the participants with regard to the need for planning of joint actions in developing the LPA (Calheiros, 2010).

With respect to the activities linked to planning, implementation and control, we can highlight the regular meetings, in which aspects to the disclosure of information and control of activities can be discussed. The meetings have also an important role on the integration of participants, once they allow for more proximity and strengthening of relationships (Azevedo Filho & Ribeiro, 2011; Villela & Pinto, 2009).

Management structure is identified by the manner in which the coordination is performed by the LPA participants: self-management, coordination from a company and coordination from an entity. Factors such as the number of participants, objectives and interaction are observed to define the management structure. Depending upon the adopted coordination, this factor can change according to increase or decrease of the number of participants in the LPA, the complexity of objectives and the density of interaction (Balestrin & Verschoore, 2008).

In self-management, there are a few actors, the objectives are not very complex and interaction between the participants is dense, which makes easier sell--managed coordination. Coordination performed by a company is characterized by a larger number of actors present in the LPA and complexity of objectives and interaction between the participants. As a consequence of this management style, the company's dependence on the other participants can be highlighted, and lead to the weakening of interaction links and shared objectives (Balestrin & Verschoore, 2008).

When the coordination is performed by an entity, the objectives and interaction between the participants are even more complex. However, this coordination method is more efficient than the others, presenting as consequences a greater involvement from the participants, greater competiveness and a reduction in levels of complexity of both objectives and interaction, due to the adjustment of vision and interests of participants (Balestrin & Verschoore, 2008).

In the LPA, the method of coordination is similar to the task performed by the participant responsible for performing it. In self-management, there is a concentration of efforts for self-benefit, for the actions performed by the participants are, individually, directed to the development of their own company. In this form of coordination, standardization of interest and conciliation of goals give way to the maximization of individual interests and individual goals (Azevedo Filho & Ribeiro, 2011; Sacomano Neto & Paulillo, 2012; Teixeira, Villardi, Cruz, & Menezes, 2008).

When the coordination is performed by a company, there is a greater concern for the standardization of activities performed in the LPA with regard to the sector rules of activities. When the coordination is performed by an entity, however, there is commitment with the integration between the participants, the capacitation of companies, betterment of cooperation, standardization of interests and conciliation of objectives. In this manner of coordination, the need for proximity to the other actors and the knowledge of LPA's reality are stressed out (Azevedo Filho & Ribeiro, 2011; Sacomano Neto & Paulillo, 2012; Teixeira *et al.*, 2008).

As for the actor responsible for carrying out the coordination, entities are highlighted in this role. Among the entities present in the LPA, responsible for carrying out the coordination, business organizations have a prominent place (Alves *et al.*, 2012; Azevedo Filho & Ribeiro, 2011; Nagamatsu *et al.*, 2009; Sacomano Neto & Paulillo, 2012; Teixeira *et al.*, 2008). The type of coordination exercised in the LPA is directly related to the actions performed by the actor responsible for its coordination, the objectives and the intended benefits. Therefore, the most appropriate type of coordination is the one that best meets the needs of the actors and provides further development to the LPA (Sacomano Neto & Paulillo, 2012).

How the LPA is conduced is another factor that allows us to understand the coordination and is concerned to the integration and participation of actors. In LPA, the integration determines how connected are the actors, and can be perceived by observing their presence, proximity and influence.

The presence of actors in the LPA favors the emergence of cognitive, cooperative and strategic interactions. These interactions facilitate the implementation of joint actions (Baptista & Alvarez, 2007; Cario & Nicolau, 2012). The actors present in the LPA interact to achieve common goals, and their presence in the same territory facilitates the development of the competitiveness of enterprises.

As a result of this presence, we highlight the emergence of other subsidiary activities, the presence of suppliers, the generation of knowledge in the relationship between companies and suppliers, in the procurement of raw materials, professional training and in the hiring of specialized services. This interaction is directly related to the development of the actors and, therefore, of the LPA (Alves *et al.*, 2012; Azevedo Filho & Ribeiro, 2011; Campos *et al.*, 2009; Guerreiro, Monteiro, & Nanni, 2009; Santos & Cândido, 2013).

The presence of actors in the LPA implies the existence of complex relationships and multiple interests organized and conducted by creating strong links to a convergent point, in order to facilitate the development. Entities play an important role in the creation of such bonds to stimulate and facilitate the cooperation in order to carry out joint actions. In some cases, this action is crucial in maintaining companies in the APL (Azevedo Filho & Ribeiro, 2011; Santos & Cândido, 2013; Zambrana & Teixeira, 2013).

Consequently, the proximity of actors in the LPA happens due to their presence and permanence in the same space, resulting in closer relations between enterprises and organizations and the existence of ties that facilitate the implementation of joint actions, which favor the achievement of their objectives and the development.

This proximity provides benefits such as: exchange of information to assist in the introduction of new materials, getting new suppliers, loaning of raw material and joint purchases. The spatial proximity of actors is a very important factor for the development of the LPA (Almeida & Albino, 2011; Azevedo Filho & Ribeiro, 2011; Campos *et al.*, 2009; Cario & Nicolau, 2012; Santos & Cândido, 2013).

On its turn, that influence is due to the leadership exercised by an actor over the others. Each actor plays different forms of influence. It is interesting to observe how the actions of one may influence the conduct and organization of activities implemented in support of the LPA. The influence practiced by actors can be understood as an act of promoting actions that favor the strengthening of relations and encourage the achievement of common benefits, aiming at satisfactory regarding its development (Santos & Cândido, 2013).

In the LPA, each actor plays a different kind of influence depending on the activity performed (Almeida & Albino, 2011; Queiroz, 2013): entities (development and maintenance of cooperative actions), educational institutions and research (promotion of integration with businesses by providing solutions to their problems), business organizations (stimulation and encouragement of joint actions) and the government (efficient action that facilitates coordination) (Campos *et al.*, 2009; Queiroz, 2013; Zambrana & Teixeira, 2013).

As for influence, the role of the government is important to encourage cooperation between actors in the organization and conduct actions and obtain support for the LPA. It is understood that it is important to identify different types of actors able to mobilize and lead others to offer different forms of support to the LPA's development (Azevedo Filho & Ribeiro, 2011; Queiroz, 2013; Zambrana & Teixeira, 2013).

Conduction is also understood through participation, which is related to the centrality of decision-making and the involvement of actors in resolutions regarding the LPA's decision-making process.

The centrality of the decision-making process involves the participation of a small number of actors in resolutions, while a decentralized decision-making process means greater participation and better coordination, resulting in good results for the LPA (Azevedo Filho & Ribeiro, 2011; Santos & Cândido, 2013). The centrality of resolutions is lower when the decision-making process is characterized by the engagement of all actors present in the LPA to jointly discuss the matters. The presence of business organizations, the advisory board, for example, makes the decision-making process centralized. The centralization of decisions, particularly those related to the formalization of activities performed in the LPA, discourages participation (Azevedo Filho & Ribeiro, 2011; Villela & Pinto, 2009).

In order to keep the features of LPA, the decision-making process should be decentralized and composed of democratic practices of intervention and participation of different actors, able to reconcile their interests in behalf of the development of a LPA (Alves *et al.*, 2012; Azevedo Filho & Ribeiro, 2011; Campos *et al.*, 2009; Guerreiro *et al.*, 2009; Nagamatsu *et al.*, 2009; Santos & Cândido, 2013; Villela & Pinto, 2009).

### **3** METHODOLOGY

For this paper, a qualitative research of descriptive character was carried out, involving the gathering of data by direct contact of the researcher with the researched situation, including the phenomena from the perspective of subjects (Godoy, 1995; Gil, 2002).

As regards to the source, primary and secondary qualitative data have been used (Collis & Hussey, 2005; Gil, 2002), the first obtained from semi-structured interviews, and the later acquired from the last General Register of Employed and Unemployed (Caged), from 2013, and Muriaé and Region Clothing Industry Diagnostic of 2010.

The interview with semi-structured script, adopted as a data collection technique (Collis & Hussey, 2005; Gil, 2002; Richardson, 1999), was held during the month of July 2014, through audio recording, with the permission of the respondents, and subsequently transcribed. The survey was conducted in the clothing sector of the City of Muriaé, MG, whose selection is based on the analysis of data regarding the distribution of establishments and employment in that industry collected from the Annual Social Information Report (Rais) of 2009, which emphasizes the clothing industry participation of Muriaé in Minas Gerais economy in a number of establishments and jobs created.

Twenty representatives from companies or entities of the Clothing LPA of Muriaé (MG) were interviewed, with the justification of consenting in participating in the interview. To keep the sources' integrity, these representatives were identified as: Interviewee 1, Interviewee 2, Interviewee 3 and so on, as explained in the following table which sets out the profile of the subjects participating in the research.

INTERVIEWEES' PROFILE					
IDENTIFICATION	TYPE OF ACTOR	GROUP	TITLE OF INTERVIEWEE		
Interviewee 1	Entity	Financial institution	Co-owner		
Interviewee 2	Entity	Financial institution	Customer support manager		
Interviewee 3	Entity	Business organization	Manager		
Interviewee 4	Company	Outfitter	Manager		
Interviewee 5	Company	Clothing company	Co-owner		
Interviewee 6	Entity	Business organization	Chairman		
Interviewee 7	Company	Clothing company	Co-owner		
Interviewee 8	Company	Outfitter	Business manager		
Interviewee 9	Company	Clothing company	Owner		
Interviewee 10	Company	Clothing company	Financial assistant		
Interviewee 11	Company	Clothing company	Co-owner		
Interviewee 12	Company	Clothing company	Co-owner		
Interviewee 13	Entity	Teaching and research institution	Business administration course coordinator		
Interviewee 14	Company	Clothing company	Co-owner		
Interviewee 15	Company	Clothing company	Administrative manager		
Interviewee 16	Entity	Support organization	Technical analyst		
Interviewee 17	Entity	Public power	Town secretary for the economic development		
Interviewee 18	Entity	Support organization	Director		
Interviewee 19	Entity	Business organization	Regional representative		
Interviewee 20	Entity	Business organization	General coordinator		

# CHART I

Source: Elaborated by the authors.

The first interviewees were identified through desk research (Gil, 2002) and the others through statements made in the interviews, which we brought to an end once they became repetitive (Baldin & Munhoz, 2011).

To analyze the data obtained in the survey, we adopted the content analysis technique (Chart 2) performed with support of the NVivo<sup>®</sup> software, through which the steps of pre-analysis and coding and inference were carried out (Bardin, 2009), and interpretation phase based on the precepts of Laville and Dionne (1999).

At the stage of pre-analysis, there is the organization and systematization of the material in question, in which the following processes are performed: floating reading, choice of documents, formulation of hypotheses and objectives, referencing the contents and elaboration of indicators. The encoding and inference of the material phase involves the definition of categories and the identification of reporting units and context units in the documents. The interpretation phase regards the processing of results, inference and interpretation (Bardin, 2009).

In this study, we performed a thematic review of the categories analyzed, based on a closed grid, through the strategy of analysis and a qualitative pairing interpretation, taking the phrase as a category of analysis and the word as framing device as detailed in Chart 2.

CHART 2 CONTENT ANALYSIS OF INTERVIEWS IN THE CLOTHING LPA OF MURIAÉ (MG)					
CLASS THEME	CATEGORY	CATEGORY INDEX	SUBCATEGORIES		
Procedural Governance in LPA Governance (Cançado, Tavares & Dallabrida, 2013)	Coordination	Organization Conducting	Coordination by companies Coordination by entities Coordination by entities and companies		

Source: Elaborated by the authors.

In addition to the matters set out in Chart 2, we used criteria for analysis and classification forms of organizing and conducting elements to support the construction of knowledge regarding the Clothing LPA of Muriaé (MG), as outlined in the following section.

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# PRESENTATION OF DATA AND ANALYSIS

What is being coordinated? How is it being coordinated? By whom is it being coordinated? The answers to these questions, which refer to specific objectives, guided the construction of this section. Knowing that some LPA actors serve to promote its development, we emphasized that joint actions (what) are organized

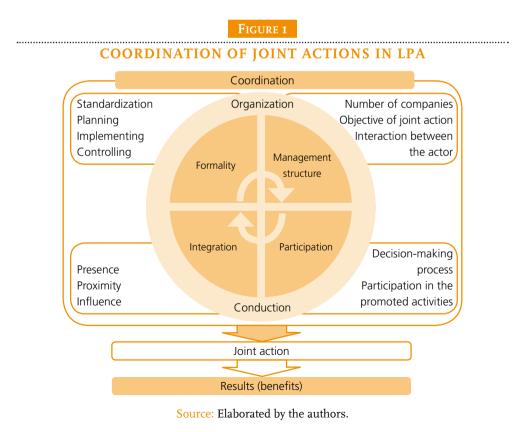
and conducted by the actors (who) through factors (how) that are used to understand the coordination of a LPA.

In featuring the coordination of the Clothing LPA of Muriaé (MG), we identified, analyzed and interpreted information about procedures for the organization and conduction of joint actions taken by the actors, as outlined in Figure 1.

While recognizing the dynamics and complexity of the LPA, to enable a better view of the coordination of joint action in Figure 1, we laid out the following factors in a static way: elements, factors and rating criteria.

In the semicircles, we highlighted the elements needed to for the happening of LPA coordination, because the implementation of a joint action requires procedures to guide the conduction and behavior of those involved. The arrows show the existing relationship and mutual influence between these elements. On half of each semicircle, the factors required to perform the conduction and organization of joint actions, which are also related and exert mutual influence, are highlighted.

The classification criteria, represented by the outer rectangle, allow us to analyze the related factors which define the way the actors coordinate joint actions can possibly make it possible for them to achieve their intended goals.



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Among the factors, the management structure has three classifications: selfmanagement, coordination by company and by coordination by an entity. Other factors can be categorized by low, medium and high level, whose classification depends on the results identified in each classification criterion. There is a prime situation, as for the coordination, when it is possible to identify high levels of formality, integration and participation and a coordinator that truly knows the reality of the LPA and that represents and attends to its collective interests. This prime situation formed the basis for analyzing the coordination of Clothing LPA of Muriaé seen below.

As for the joint actions taken by the LPA, we gathered many initiatives from the interviews, which are represented below in Chart 3.

#### CHART 3

JOINT ACTION	OBJECTIVE	ENTITIES INVOLVED		
Labor training	To offer training for the companies' workers	Sebrae-MG e CDL Muriaé		
Labor training	To promote the development of the companies	Condesc, Sebrae-MG, SMDE and Senai		
	To offer industrial sewing courses at the Open and Integrated Minas Gerais University (Uaitec)	Condesc		
Tech consulting	To identify possible failures in the companies' productive process	Sebrae-MG and Senai		
Promotion of events	To inform and invite entrepreneurs to participate in events organized in the LPA	Condesc, CDL Muriaé, SMDE and Sindivest-MG/Muriaé.		
Meetings to promote the products	To present products and identify demand.	Sindivest-MG/Muriaé and Brazilian Post Offices (Correios)		
	To offer information on the obtaining and utilization of credits	Condesc, SMDE and Sindivest- MG/Muriaé and Agra Soluções		

#### JOINT ACTIONS TAKEN BY THE CLOTHING LPA OF MURIAÉ (MG)

Source: Elaborated by the authors.

The following entities are highlighted: Agra Soluções, Muriaé's Shopkeeper's Board (CDL Muriaé), Economic, Social and Cultural Development Center of

Muriaé (Condesc), the Brazilian Federal Post Office Services (Correios), the National Industrial Apprenticeship Service (Senai), the Clothing Industry Union of Minas Gerais (Sindivest-MG/Muriaé) and the Municipal Secretary for the Economic Development of Muriaé, all of which perform the following activities: offering lines of credit, supporting business transactions, bringing knowledge/ technology, offering transportation services, management support, offering qualification, promoting actions to benefit businesses, and joint actions that foster the town's development.

It was noticed that the joint actions carried out in the LPA, led by representatives of the participant entities have few diverse goals and are concentrated in labor training, technology consulting and organization of events and meetings. The lines of the following respondents refer respectively to the joint actions highlighted in Chart 3:

So this is all a course we have... to be developing this work for the industry and those who trade in their manufactured products (Interviewee 3, personal communication, July 2014).

My organization has a partnership with Condesc and Senai, Sebrae. As Sebrae has several actions for the clothing sector (Interviewee 6, personal communication, July 2014).

We also have Uaitec, the Uaitec is for labor training... (Interviewee 6, personal communication, July 2014).

[...] A work that is performed by Sebrae alongside Senai in which we try to... reduce waste, increase the productivity, improve the layout of the factory, is... training the production process staff, making better use of the raw material (Interviewee 16, personal communication, July 2014).

[...] There is the Sindivest, right, the fosterer in this matter of training, development... (Interviewee 9, personal communication, July 2014).

Basically the activity... is marketing the product... trying to make the entrepreneur acknowledge how to get credit and how to use that credit for their benefit (Interviewee 8, personal communication, July 2014).

By observing the objective and diversity of joint actions, it should be emphasized that, given the number of actors involved and the participants in the interview, in order to consider the purpose of promoting the development to have been satisfactorily achieved, actions should be identified that benefitted different types of actors, who had a certain diversity, different objectives that involved a larger number of representatives of companies and entities. As regards to formality, whose analysis and interpretation occurred by observing the classification criteria presented in Figure 1, it was found that in the Clothing LPA of Muriaé (MG), joint actions are practiced by actors in different ways. Most respondents stated that they adopt procedures previously established, unplanned actions and do not have any control of the results:

[...] As for planning, if I'd grade it, it would be a grade 3 out of 10, just for not grading it at all. It's very weak. I think we are very disorganized in this area of planning, of finding solutions (Interviewee 5, personal communication, July 2014). There isn't anything planned (Ah... let's visit so many such and such companies, let's "do" so many companies a month. There isn't any planning for that. We go only when there is a demand for it (Interviewee 16, personal communication, July 2014).

Only one interviewee adopts planned procedures, plans the action and takes control of the results:

Before the beginning of every course, we sit down... and outline what we want to achieve with that course. And this evaluation happens during throughout the course (Interviewee 20, personal communication, July 2014).

It was noticed that there is little formality in conducting joint actions, because the actors do not adopt procedures previously established for the execution of activities inherent to the actions. It was observed that the actors mostly do not plan. When they identify the demand for an action, they hold meetings to define the tasks of each actor involved and how the action will be taken. Likewise, there is no specific activity for controlling the results.

According to the interviewees, the control of the results is done to see if the goal was reached, without the need to identify the factors that influenced the result. The specificity of a joint action, i.e., the fact that each action requires different forms of action justified such behavior.

As for the management structure, analyzed and interpreted from the classification criteria set out in Figure 1, it was found that in the Clothing LPA of Muriaé (MG) there are 359 companies, according to the Caged database from the year 2013, among which can be identified several goals. However, the representatives of companies, for the most part of it, do not conduct joint actions, they do not cooperate: There is very little of it for a number of reasons, not because we don't want it (Interviewee 5, personal communication, July 2014). I can't see this cooperation as something fully developed, no [...] (Interviewee 18, personal communication, July 2014).

When the development of the analyzed LPA is considered, joint actions, in most cases, are carried out by the representatives of entities:

I think entities get along well [...] (Interviewee 6, personal communication, July 2014) I think there is a cooperation among the entities [...] (Interviewee 18, personal communication, July 2014).

The existence of different interests for the development of that LPA and the emphasis on effective participation and involvement of the representatives of companies were observed for the purpose to analyze the promoted joint actions; from said analysis, it was found that the representatives of entities are the ones that organize and conduct joint actions in the LPA of Muriaé (MG).

Regarding the integration, analysis and interpretation, which were made through the classification criteria shown in Figure 1, one may notice the presence of different groups of actors in that LPA, as can be seen by the respondents' profiles in Chart 1. The companies develop the main activity with respect to the production, and production support activities, such as supply of raw materials and transport, and their representatives are focused on developing its core business, without being able to participate in other actions.

By their turn, the entities develop activities in order to support companies, and the performance of their representatives is crucial for the development of companies. Among the entities, we can highlight the Condesc, Sebrae-MG, Senai, Sindivest-MG/Muriaé and SMDE, whose representatives are committed to foster the development of LPA through the implementation of joint actions, as outlined in Chart 3. It was found that representatives of entities in the LPA carry out joint actions to facilitate the synchronization of actors with regard to improvement, growth and development of companies, making their commitment to it very clear.

As regards to the proximity and influence, it was found that some respondents do not relate to other actors:

[...] I have to me that there is a lack of amalgamation. We could be more closeknitted for performance reasons, the development of local industry (Interviewee 13, personal communication, July 2014). Other interviewees admit to have other kind of relationship:

We always carry out activities together and participate together [...] Basically, the joint activity is marketing... (Interviewee 1, personal communication, July 2014). Actors that exert some kind of influence over the others were identified: Yes, we do have it, because here in Muriaé there are older clothing companies that are larger, that always end up serving as a reference for those who are just starting... (Interviewee 9, personal communication, July 2014).

It was found that the representatives of companies, as they are focused on the development of their activity, do not keep in touch, almost do not realize any joint action, and are not involved in issues related to the Clothing LPA:

If they are engaging more [...] And, as they do not engage, they do not absorb what is happening (Interviewee 3, personal communication, July 2014). The majority of businessmen jas a very individualistic behavior, they do not engage. (Interviewee 4, personal communication, July 2014).

Among the representatives of the, they often contact each other, fostering proximity:

Very positive. Among the entities, we have no differences, we are not jealous nor envy one another. We are not picky (Interviewee 6, personal communication, July 2014).

We could perceive that the influence of enterprises and organizations happens by how they engage with regard to development. The influence exercised by older companies that are reference for the outstanding position they occupy, their knowledge regarding clothes manufacturing and their adoption of appropriate strategies regarding growth and development.

Yes, we do have it, because here in Muriaé there are older clothing companies that are larger, that always end up serving as a reference for those who are just starting [...] (Interviewee 8, personal communication, July 2014).

The influence of entities is exercised in different ways, catering to: initiatives for development, conduction of actions, promotion of events, participation of

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entrepreneurs at events, involvement of the representatives of companies in the Clothing LPA's issues and engaging in these issues.

We examined whether the integration of the representatives of entities in the Clothing LPA, due to the large number of actors committed to its development, the proximity between them and their influence to carry out actions committed to the development of said LPA.

As for participation, it was analyzed and interpreted according to the classification criteria highlighted in Figure 1, observing the activities promoted in the Clothing LPA of Muriaé (MG), we can emphasize the meetings, to which the representatives of companies seldom attend:

No, I'm often asked to join, sometimes I'm not, sometimes I do not participate, other tomes, I don't have time to attend meetings (Interviewee 7, personal communication, July 2014).

I myself don't go to the meetings [...] why? I have no patience. You go there 6 o.m. and sit down to solve a lot of things knowing that next day will be stressing (Interviewee 9, personal communication, July 2014).

Each time, there are different people (Interviewee 4, personal communication, July 2014).

The attendants of said meetings are different each time; there isn't any attendance, due to the lack of perception as to the benefits, to the exclusive dedication to one's own company, and to a lack of confidence due to the failing of previous actions.

The participation of the representatives of entities in the actions promoted in the aforementioned LPA is significant, due to the understanding of benefits of joint action, as are the entities that promote the actions undertaken in the LPA.

I think they are participative, they are present, and everything ends up going through some entity (Interviewee 1, personal communication, July 2014).

Specifically, when the participation in the decision-making process is considered, a similar context for participation in the actions promoted is identified: companies almost do not participate and the representatives of entities are very involved.

[...] I haven't attended Sindivest-MG/Muriaé', Condesc' meetings alongside other businessmen to discuss actions, proposals in a long time [...] (Interviewee 2, personal communication, July 2014).

[...] The decisions are made there [...] (Interviewee 10, personal communication, July 2014).

We keep ourselves distant from this situation (Interviewee 15, personal communication, July 2014).

The Condesc engages in it because it was created to support the clothing industry... (Interviewee 6, personal communication, July 2014).

[...] the Condesc, the Sindivest-MG/Muriaé, the Senai, the SMDE... have an active voice in the meetings (Interviewee 18, personal communication, July 2014).

It has been found that in the Clothing LPA of Muriaé (MG), the decisions are made by the representatives of entities and by a very small number of companies. These resolutions will generate actions to benefit all businesses. Therefore, the incipient participation of entrepreneurs can generate dissatisfaction and distrust of actions to be implemented and with respect to the decision-making process.

# 5 FINAL CONSIDERATIONS

To characterize how the coordination of the LPA of Muriaé (MG) happens, we identified, analyzed and interpreted information regarding the organization (formality and management structure) and conduction (integration and participation) of joint actions undertaken by it.

Regarding the formality, it was found that such LPA is poorly organized, as the actors do not plan for the most part, do not follow pre-established procedures for carrying out these actions and do not control the results. The inefficiency of actors responsible for coordinating is highlighted as a direct implication of this situation.

The management structure of the Clothing LPA of Muriaé (MG) is comprised by entities whose representatives seek alternatives to reconcile the various interests of actors in favor of actions that contribute to the development of the LPA. This type of structure is very likely to facilitate the integration of actors, training companies, improving cooperation, standardization of interest and conciliating the companies' goals.

As for integration, it is clear that there is a constant involvement of the representatives of entities in the implementation of joint actions, and they exert a strong influence over other actors in the LPA regarding involvement and participation. Among the representatives of companies, it was found that, despite the presence in the same territory and the similarity of the activity performed, there was any interaction or relationship of any kind among them. However, it was emphasized that the traditional companies that participate in the LPA influence the others due to their tradition and the quality of their products. The result of actions of the representatives of entities is the strengthening of relations and the emergence of strong ties and making easier to conduct joint actions, and the achievement of their objectives, contrary to what tends to happen with the representatives of companies.

Regarding the participation in the resolutions about the intended objectives and priorities for actions to be implemented, the entities decide the future of the LPA. Business representatives participate in incipient form, due to their commitment to business management. Representatives of the entities recognize those reasons for the lesser participation of the representatives of companies, and to value it, they are committed to increase their involvement. The behavior of the representatives of companies results in centralized actions, little cooperation, and impaired coordination, compromising the development of the LPA.

The coordination of joint actions is exercised by Condesc, Sindivest-MG/ Muriaé and SMDE entities, whose representatives are constantly searching for alternatives to promote the development of enterprises and also exert influence over other organizations and companies as to their involvement and participation. The Sebrae-MG and Senai entities occupy a prominent place for their committed performance by fostering the enhancement of the companies and their significant influence in carrying out actions aimed at the development, especially for being nationally recognized institutions.

It is known that the management structure identified in the LPA tends to be more efficient as the involvement of actors, reducing the complexity of objectives and interaction, as emphasized by Balestrin and Verschoore (2008). However, it was noticed that the LPA presents low levels of formality, integration and participation of companies. In order to overcome the implications of such a finding, the realization of a continuous and frequent form of planning is suggested. According to findings of Campos *et al.* (2009) and Carvalho (2012), the participation and the involvement of actors facilitates coordination by providing information on improvements to be carried out and facilitate the implementation of actions that meet their real needs.

Therefore, planning is important for both setting goals for the development of the Clothing LPA and for presenting means of achieving them. The definition of procedures to guide the actions of actors in the realization of a joint action is required and may occur during the planning stage. Initially, meetings should be held in order to involve the largest possible number of actors and in order to make them aware of the need to conduct the planning, the benefits to be obtained and the importance of their participation. Specifically, regarding the participation, we must clarify that the greater the number of actors involved, the better the performance of entities with respect to achieving the needs of companies.

This study presents limitations, such as the difficulty of generalizing the results of the research, the translation of the concept of governance in LPA for the non-academic environment, the fact that the survey was performed in a specific moment in time. Other studies, based on data evidence, after a longitudinal conception and a greater experience of the researcher with the researched subjects could enrich this work. Thus, it is suggested to continue the study in the researched LPA, as well as the replication of the study in other realities.

This study expanded the understanding regarding the coordination of LPA by defining detailed procedures for its understanding. The need to detail elements and criteria for analysis and identification of the links between them was emphasized. It also emphasized the identification of factors that influence the individualistic behavior of the representatives of companies and the consequences of this behavior in the development of the LPA, which may warrant the adoption of practices to change such behavior.

# COORDENAÇÃO DAS AÇÕES CONJUNTAS NO APL DE VESTUÁRIO DE MURIAÉ-MG

### RESUMO

**Objetivo:** Buscou-se compreender a coordenação do arranjo produtivo local (APL) de vestuário de Muriaé, MG-Brasil.

**Originalidade/lacuna/relevância/implicações:** Este estudo contribui ao propor o modelo analítico para compreender a coordenação, bem como ao apontar relações entre os elementos que a compõem e as implicações quanto à forma como tais elementos se manifestam no contexto do APL. Consiste num avanço quanto à compreensão da governança em APL, pois foram ofertados meios para sistematizar a coordenação de ações conjuntas e mitigar desafios relativos à definição de formas de cooperação e meios de coordenação.

**Principais aspectos metodológicos:** Foi realizada uma pesquisa qualitativa/descritiva, cujos dados foram coletados por meio de pesquisa documental e entrevista semiestruturada com vinte representantes de atores do referido APL. Os dados foram processados por meio do software NVivo<sup>®</sup> e categorizados por meio da técnica de análise de conteúdo.

**Síntese dos principais resultados:** Constatou-se que a coordenação é caracterizada por baixos níveis de formalidade e de integração e participação dos representan-

tes das empresas, estrutura de gestão formada por algumas entidades e níveis médios de integração e participação dos representantes das entidades. Resultados que suportam outros estudos desenvolvidos sobre a temática.

**Principais considerações/conclusões:** Foram identificados fatores que permitiram abarcar a realidade complexa e dinâmica de um APL bem como critérios para sistematizar e compreender como ocorre a coordenação e apontar suas implicações no desenvolvimento. A partir das estratégias identificadas, será possível direcionar a atuação dos coordenadores de outros APLs no fomento do desenvolvimento empresarial e local.

# **PALAVRAS-CHAVE**

Desenvolvimento local. Governança em APL. Integração. Organização. Participação.

# COORDINACIÓN DE LAS ACCIONES CONJUNTAS EN EL APL VESTUARIO DE MURIAÉ-MG

### RESUMEN

**Objetivo:** Se bucó comprender la coordinación del Arreglo Productivo Local (APL) de Vestimenta de Muriaé, MG-Brasil.

**Originalidad/laguna/relevancia/implicaciones:** Este estudio contribuye proponiendo el modelo analítico para comprender la coordinación tanto como las relaciones entre los elementos que lo componen y las implicaciones para la forma en que estos elementos se manifiestan en el contexto APL. Es un gran avance como la comprensión de la gobernabilidad en LPA, porque fueron ofrecidos medios para sistematizar la coordinación de acciones conjuntas y mitigar desafíos relacionados com la definición de formas de cooperación y coordinación.

**Principales aspectos metodológicos:** Fue realizada un estudio cualitativo/descriptivo, con datos colectados a través de investigación documental y entrevista semiestructurada con veinte representantes de actores de los dichos APL. Los datos fueron procesados mediante el software NVivo<sup>®</sup> y categorizados por la técnica de análisis de contenido.

**Síntesis de los principales resultados:** Se constató así que la coordinación se caracteriza por bajos niveles de formalidad, integración y participación de los representantes de las empresas, estructura de gestión formada por algunas entidades y niveles medios de integración y participación de representantes de las entidades. Resultados que apoyan otras investigaciones realizadas sobre el tema. 179

**Principales consideraciones/conclusiones:** Fueron identificados factores que permitieron abarcar la realidad compleja y dinámica de un APL, bien como criterios para sistematizar y comprender cómo es la coordinación y sus implicaciones en el desarrollo local. De las estrategias estrategias identificadas será posible dirigir la actuación de los coordinadores de otros APLs en el fomento del desarrollo empresarial y local.

### PALABRAS CLAVE

Desarrollo local. Gobernabilidad en la LPA. Integración. Organización. Participación.

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