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Competitive resources and exporting performance in Brazilian agribusiness: an institutional approach

ABSTRACT

The present study aims to analyze the relationship between the dimensions of the institutional environment (economic and political-legal), the characteristics of the tangible and intangible competitive resources and the exporting performance in Brazilian agribusiness in the soybean and meat industries. Brazil is competitive through products that come from agribusiness, since 48.7% of the exportation, in 2014, came from this sector. The study of the international strategies of the companies situated in developing countries should assume its own ontology, facing the challenges of the new format of the liberalization of world economy and the influence of the institutional context in its performance. This results from private-public policies and do not exclusively depend on the excellence of managing resources or attributes present in the external context. The present study is characterized by a survey with a sample of 194 respondents. Regarding the Institutional Environment, the factors regarding the Regulatory System and the Economic Aspects were positively associated with Exporting Performance. Concerning the competitive resources, the importance of the tangible resources, which is extremely relevant in consolidated companies where only large scale operations are economically viable, is highlighted. Significant associations between the concepts studied and their influence on the companies' performance are evidenced.

Keywords: Resources; Institutional Environment; Exporting Development; Agribusiness.

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INTRODUCTION

The study of the international strategies of companies situated in emerging countries (Hoskisson, Eden, Lau & Whright, 2000) should assume its own ontology, facing the challenges of the new format of the liberalization of world economy and the influence of the institutional context in its performance (Aulakh & Kotabe, 2008; Crittenden & Crittenden, 2010). The aspects of internationalization of companies (Johanson & Vahlne, 1977, 2009; Kovacs, 2009; Jansson, 2010; Ogasavara & Masiero, 2009) and the aspects that influence their economic and financial results (Beleska-Spasova, 2014; Carneiro, Rocha & Silva, 2011; Gao *et al.*, 2010; Zou & Stan, 1998) have been object of study in both the business and academic environment. It is noted that the number of countries adopting the free market ideology is increasing (Dunning, 2010).

Emerging economies present themselves, notably, as prominent actors of this scenario (Goldman Sachs, 2013), after the recently experienced period of political-economic restructuring in the face of dynamic international market (Aulakh & Kotabe, 2008; Hoskisson, Eden, Lau & Wright, 2000; Xavier, 2011). Therefore, recent studies (Gao *et al.*, 2010; Mais & Amal, 2011; Peng, Lee & Wang, 2005; Peng, Wang & Jiang, 2008) have made efforts to conjunctly analyze the perspectives of competitive strategy and internationalization of companies and the role of institutional environment.

In fact, the rules of the game (North, 1990) have suffered significant changes throughout the last years. Studies are guided by two distinct questions (Peng, Wang & Jiang, 2008), being: (i) what strategy *drivers* are effectively adopted by the company; and (ii) what determined the success in this new pattern of competition. Specific theoretical approaches are required to explain how organizations, in different national

contexts, overcome the pressure that comes from institutional changes (Aoki, 2007; Henisz, 2000), especially in the reality of emerging countries (Aulakh & Kotabe, 2008; Chittoor, Ray, Aulakh & Sarkar; 2008; Chung & Beamish, 2005; Kshetri, 2007; Shetri, 2007; Peng, 2003). Under the light of the Resource-based View (RBV), the sources of competitive advantage would be primarily in the resources (Barney, 1991, 2009; Wernerfelt, 1984) and in the essential competences (Prahalad & Hamel, 1990) developed and controlled by the company, and, secondarily, in the environment in which the company competes. Effects of the institutional environment and of the resources constitute widely disseminated theoretical approaches in the specialized literature, building consistent knowledge of empirical applicability. This allows the possibility of a discussion about the importance of internal context in the internationalization of companies.

Brazil is acknowledged as a competitive country through the agribusiness products. Data indicates that 48.7% of the exportation, in 2014, came from this sector (MAPA, 2015; MDIC/SECEX, 2015). The country consolidates its position as one of the biggest producers and exporters of food, especially when considering the sugar and ethanol, coffee, orange juice, meat, tobacco and soybeans industries. The sectors with higher volume of exportation were: (i) soybean complex (US$31.4 billion); and (ii) meat (US$16.4 billion). It is worth highlighting that these sectors represented 49.4% of the exportation in agribusiness and 21.5% of Brazil's total, being 10.8% of soybean and 6.3% of meat.

Given that the high performance of the companies results from individual and group public-private policies, and do not depend exclusively from the excellence of the management of resources or attributes present in the industry Peng, Lee & Wang, 2005; Peng, Wang & Jiang, 2008), it is the responsibility of researchers to undertake efforts

with the purpose of identifying possible paradigms that treat national characteristics as stimulants to the companies' international competition, including through competitive resources. The essential axioms that guide the present study reside: (i) in the perception of companies on how internationalization is a part of their growth strategy (Johanson & Vahlne, 1997, 2009; Melin, 1992); (ii) in the importance of international activities to the country's economy (Henisz, 2004; Hoskisson *et al.*, 1999); and (iii) in the argument that improving economic performance is one of the essential purposes of companies (Rumelt, 1974; Barney, 2011).

Therefore, the aim of the present study is to analyze the relationship between the dimensions of the institutional environment (economic and political-legal), the characteristics of the resources and the exporting performance in Brazilian agribusiness, notably in the soybean and meat industries.

THEORETICAL BACKGROUND

Exporting Performance

Empirical studies have been conducted with the purpose of better outlining the relationship between internationalization and performance (Contractor, 2007; Hitt et al., 2006), however the results found have been contradictory (Lin, Yunshi & Cheng, 2011; Xiao et al., 2013) regarding positive (Buhner, 1987; Pangarkar, 2008), negative (Collins, 1990) or with no relationship (Haar, 1989; Sambharya, 1995), therefore, highlighting the need to approach the topic with more depth. The phenomenon of performance has been given attention in several fields of knowledge, such as Economics, Strategic Management, Finances, International Business, etc., even though each field has maintained a narrow focus, not benefiting from the achievements of others (Carneiro, 2007; Seno-Alday, 2010). In the field of strategy, questions related to higher performance are deeply associated to the perspective of success, higher return

and competitive advantage (Barney, 2011), where the idiosyncratic characteristics of the company are crucial to outline the course of performance (Lin, Yunshi & Cheng, 2011). Exporting performance is understood as a combination of results from the company's international sales, which include sales, profit and growth of exportation (Shoham, 1998, p. 62).

Exporting performance is influenced by both the external environment and the particular and idiosyncratic characteristics of each company. Barney (2002) presents several criteria and definitions of organizational performance, under the following approaches: survival, countable measures, stakeholders' perspectives and measures of present value. In addition, questions referring to the strategy adopted and to the nature of formation of strategies should be considered. The measures of performance can be understood as the metrics used to quantify the action; the measurement can be defined as the process of quantification of the actions of the companies (Bredrup, 1995). The construct is presented as complex and multifaceted and is represented by latent and perceptual variables (Madsen, 1989). Performance represents the nucleus of the process of strategic control and the basis of organizational learning (Slater, Olson & Reddy, 1997).

Among the classes of performance, the following are pointed out (Carneiro, 2007): (i) economic; (ii) of clients/market; (iii) internal processes; (iv) innovation/learning; (v) behavioral; (vi) social; (vii) environmental; (viii) general. With the purpose of attending to the suggestions of Katsikeas, Leonidou and Morgan (2000), exporting performance, in the present study, will be observed through the following variables: (i) total value of exportation (Shoham, 1998; 1999); (ii) margin of profit (Shoham, 1998, 1999); (iii) growth of exported volume (Carneiro, 2007); and (iv) total annual receipt (Carneiro, 2007).

Institutional environment

The institutional theory has as most prominent representatives Merton, Selznick and Blau (1996), as well as DiMaggio and Powell (1983). In addition, the contributions of North (1990), when associating Institutions, institutional changes and economic performance, and the study of Meyer and Rowan (1992), from which organizational analysis based on an institutional perspective (Tolbert & Zucker, 2007) were performed, are also worth being highlighted. Organizational studies have given more emphasis to institutional strength and its influence on the strategy of companies (Newman, 2000; Henisz, 2000; Peng, Lee & Wang, 2005; Peng, Wang & Jiang, 2008) and the ways in which companies respond to institutional changes (Henisz, 2000; Hoffman, 1999; Newman, 2000; Peng, 2003, Xavier, 2011). The classic argument is that the organizational, institutional, technological and competitive environment, associated with the internal resources (Barney, 1991, 2011) and elements of the value chain (Porter, 1989) influence the performance of companies. Decisions referring to the costs of transaction (Williamson, 1979), to the analysis of the technical barriers of the domestic and foreign market and to the acquisition of input or to the development of resources occur in markets regulated by institutions (Khanna & Palepu, 1997).

The changes in the dynamics of the variables of the institutional environment affect the way in which companies develop their international strategy. In addition, the countries significantly differ in their national institutions, being their impact secondary over the companies in developed countries (Freeman, 2001; Peng, Wang & Jiang, 2008). Developing nations still experience stages of alternate transitions with the economic development of companies; in Brazil, especially in agribusiness. Institutional development is defined as an extension in which the economic institutions (political and

social), in a country, are developed and are favorable to foreign affiliations (Chan, Isobe & Makino, 2008; Henisz, 2004).

With the purpose of highlighting the role of the institutional environment over the international operations, and consequent exporting performance of the companies, 02 (two) categories of variables with potential of empirical investigation were identified, being: (i) macroeconomic; (ii) political-legal, which differ from the proposition made by Peng, Wang and Jiang (2008), in which the inclusion of the social-cultural dimension exists, but is valid in Xavier (2011), who studied institutional changes in Brazilian companies.

The macroeconomic variables refer to the nature and direction of the economy in which a company acts or intends to act (Naranayan & Fahey, 1999). Dimensions related to consumption and aggregated investment, costs with government and taxes, interest rates and other monetary indicators, inflation and exchange rates are highlighted. It is worth pointing out that in the last decade Brazil presented a mean interest rate of 17.54% and 7.42% of inflation. Even though the country presents good growth indexes among the emerging economies (Goldman Sachs, 2013; MDIC/SECEX, 2013), the stable macroeconomic environment, allied with the regulation policies and the strongly implemented privatizations since the 90's, allowed the growth of FDI in the country in higher value and exported volume. Notably, economic policies from the government stimulate exportations through institutionalizing benefits for exportation (Dunning, 1980, 1988). Among the variables of the financial system and economic policies of nations there are the origin of capital and the presence of institutions that promote financing policies (Perraton, 2009). Such as in a virtuous circle, the deregulation associated with a favorable macroeconomy, incurs in higher autonomy for companies

and stimulates competition, as well as increases the standards of competition (Levy, 2006).

The political-legal environment is related to questions regarding structural functioning, freedom of acquisition and application of resources, and accompanies social demands and political interactions with the government (Myers, 1995). It is the arena in which organizations and other groups of interest compete to obtain attention and resources and accompany the set of laws and regulations that guide and interaction between companies, institutions and nations (Naranayan & Fahey, 1999). The political-legal segment is composed by antitrust and tax laws, philosophy of deregulation and educational policies, labor and environment laws (Hitt, Ireland & Hoskisson, 2002). Porter (1989) defends that the government influences in the creation of specialized factors, encourages changes in industry, promotes internal rivalry, applies rigorous norms over products, security and environment, in addition to regulating competition and promoting goals that conduct to sustainable environments (Porter, 1999, p. 196-203).

Therefore: **H1: the dimensions of the institutional environment described are positively associated with the exporting development of companies.**

Tangible and intangible resources

The Resource-based View (RBV) is considered one of the ontological pillars of strategy and is a promising alternative to deterministic approaches that prevail in the literature about international business. Sustainable competitive advantage is derived from resources that are valuable, rare and hard to imitate, which allows obtaining above average return if explored by the company (Barney, 1991, 2002, 2011). In order to become essential competences (Hamel & Prahalad, 2011), the organizational resources should be complementary and mutually reinforce each other. Under this perspective, the

process of internationalization of companies is based on unique resources, given the criteria of heterogeneity and imperfect mobility (Barney, 1991) and their opportunities of exploration in the foreign market.

The distinct perception of resources and competences as a way of establishing competitive advantage for companies is analyzed in the VRIO framework (value, rarity, imitability, organization), in which Barney (2002) points out the procedures or organizational models that support the exploration of resources that are valuable, rare and hard to imitate and allow the company to obtain above average return. Such procedures are represented by the formal structure, by models of management, by explicit control systems, by compensation policies (Barney, 2002) and by the role of leadership. This key-concept is represented by two wide categories, being: (i) tangible resources; and (ii) intangible resources. Among the tangible resources, capital, infrastructure and technological apparatus are highlighted. Kovacs (2009) identified that the degree of reversion of the tangible resource (associated to the previous investment and to the onus of reverting it) should be a relevant variable in this key-concept, as well as the property of this resource (Dhanaraj & Beamish, 2003; Dunning, 1988; Wernerfelt, 1984).

The variables referring to the intangible resources comprehend human resources, innovation and reputation with society, client and suppliers (Barney, 2002). The network of relationships for Uppsala's internationalization can be considered as an intangible resource (Holm, Eriksson & Johanson, 1996). The Diamond model (Porter, 1989), when contemplating the condition of factors, includes the basic and advanced, such as qualified human resources or scientific technological base, which can be characterized as intangible resources and allow companies to locate the source of competitive advantage. The knowledge of the employees and the reputation of the

company are considered the resources that most contribute to the success of the company (Hall, 1992). In the eclectic model, the specificities of the actives are part of the determinant bases of external investment of the company (Dunning, 1988).

In addition, the role of the entrepreneur in the process of internationalization is highlighted, for it is connected to the processes inside the company and its conception includes not only the introduction of new products, but also new methods of production, opening to new markets, and reorganization of the company and the industry (Andersson, 2000). In Brazil, there is evidence of the association between entrepreneurial characteristics and the performance of the company (Schimidt & Bohnenberger, 2009). The perspective of international entrepreneurship analyzes how the entrepreneurs recognize and explore the opportunities (Andersson, 2000) and study the motivations that conduct these entrepreneurs to international operation (Zahra, 2005). Figure 1 indicates the properties for the key-concept resources considered in the present study.

INSERT FIGURE 1 HERE

Therefore: **H2: the characteristics of resources described in its properties are positively associated to the exporting performance of companies.**

In the present study, the institutional environment molds questions related to the company, among them are the characteristics of internationalization, the arrangement performed with tangible and intangible resources and its performance. Moreover, Rozeboom (1956, p. 249) states that when two or more variables are defined over the same domain of objects, it is possible that empirical relationships exist between them. Thus: **H3: there is significant association between the resources and the institutional environment of the company.**

METHODS

The present study is characterized by its quantitative nature, of the descriptive and cross sectional kind (Hair et al., 2006), and guided by a neopositive epistemology, which aims for the objectivity and neutrality towards a positive, measurable and probabilistic knowledge of the reality about the facts (Myers, 2005). In the present study, the constructs were operated as variables (Hair et al., 2007) in the collection and analysis of data. The creation of the scale involved the construction of an instrument and the association of qualitative concepts with the quantitative metrics (Pooja & Sagar, 2012). The questionnaire was structured in 5 (five) modules, being: (i) general exportation characteristics; (ii) institutional environment: economic, political-legal and sector dimensions; (iii) characteristics of the competitive resources; (iv) exporting performance; and (v) general questions such as years of experience of the respondent, company, size of company, estimated receipt, etc. The scale used was mainly ordinal, of the 5-point likert type, with differentials such as “totally disagree” and “totally agree” for the affirmations about institutional environment and resources, and “very unsatisfied” to “very satisfied” for the degree of satisfaction with the performance achieved in 2013. The constitutive and operational definitions of the variables are shown in figure 2.

INSERT FIGURE 2 HERE

Data was collected by the survey method (Hair et al., 2007), through a non-probabilistic sample, using the convenience technique, due to easy access and increased geographic coverage. This kind of method is valid once the study did not aim to interfere in the population, but to describe the relations between the studied constructs (Mcdaniel & Gates, 2003). The units of analysis were exporting companies in the following industries: (i) meat complex: poultry, bovine and swine; and (ii) soybean complex: grains, oil and pie, as long as a minimum of 25% of the exportation receipt

came from one of these industries. The portfolios available in the *brasil4export* portal (2013) of CNI (Industry National Confederation) and MDIC (Foreing Trade and Industry Development Ministry) present the list of exporting companies, categorized according to the parameters of the Harmonized System of Commodity Description and Coding (HS) considered in this investigation. The units of observation were the managers from the commercial/exportation area of the companies, in a total of 194 respondents. The questionnaires were applied through a self-administered website and by telephone, without significant differences in the mean scores of the answers between the two methods.

In order to assure the validity of the items, the instrument was examined under the perspective of the validity of the construct and the validity of the content, being conducted to the appreciation of experts in the area to assure the credibility of the content. Before raising the data, a pilot study was conducted with 10 (ten) respondents, with the purpose of refining the instrument, with later exclusion of these respondents in the final sample. The analysis of the data was performed using descriptive statistics, scale reliability and correlation tests and factorial analysis, with the help of the software SPSS 21.0.

DATA ANALYSIS

In this section, the hypotheses of the present study are analyzed under the light of the results found. The descriptive analysis showed that 52% of the respondents occupied managerial jobs (commercial and/or exportation), 17% were analysts, 20% supervisors and 11% executive directors. The mean time of experience with exporting was 10 (ten) years. Regarding the companies, 55% export products of the soybean complex and 45% of the meat complex, 34% had a mean profit in 2013 of between US$ 80 million and US$ 400 million, 12% above US$ 400 million and the rest below US$

80 million. Basically, the equity control is totally Brazilian (89%) and only 15% have an office abroad. Around 68% export to up to 10 countries and the way of entrance used is exportation, being 82% through indirect exportation, 62% through agents and 46% without agents (non-excluding options). Around 47% indicated China as their main market, 48% affirmed that the main influencing aspect in the exportation activity is the client and 42% pointed to questions regarding price and economic scenario as main influencing aspect of the activity. It is worth highlighting that the hypothesis of having significant differences between the mean of the answers for the soybean complex and the meat complex was rejected in all considered items (main characteristics and scales of key-concepts and performance) analyzed by the use of Student's t-test. Therefore, the sample was treated as one.

After the descriptive analysis, the reliability of the scale was analyzed. Failures in outlining the construct or sampling problems can affect the validity of the scales (Hair et al., 2007). In order to test its reliability, the Alpha of Cronbach was tested for the variables referring to the scale of nature of formation of strategy, being: (i) location; (ii) resources; and (iii) performance. In addition, Kayser-Meyer-Olkin's measurement of the adequacy of the sample and Barlett's Sphericity Test were performed, as shown in table 1. In general, the scales were considered very adequate.

INSERT TABLE 1 HERE

In order to explore the relationships between the constructs and the extraction of the latent variable, it is highlighted that the procedures consisted in the use of the method of the main components with *eigenvalue* higher than 1.0; formation of score factors based on regression; exclusion of the cases *listwise*; and minimum load of 0.50 (Hair et al., 2006. p. 107). The constructs presented are: (i) Institutional Environment;

(ii) Resources; and (iii) Exporting performance. Table 2 shows the statistically significant correlation between them.

INSERT TABLE 2 HERE

Factorial analyses of the constructs were performed and are shown as follows. The procedures consisted of extraction through the use of the method of main components, *eigenvalue* higher than 1.0; method of rotation *varimax*; formation of score factors based on regression; exclusion of the cases *listwise*; and minimum load of 0.50 (Hair et al., 2006). Firstly, the variables referring to the tangible and intangible resources originated 3 (three) factors, being: (i) complementary resources; (ii) tangible resources; (iii) intangible resources, with an accumulated explained variance of 63.3% (table 3).

INSERT TABLE 3 HERE

Explicitly, the aspects are related with the categories identified in the theoretical background. The tangible and intangible resources (which contemplated questions also concerning entrepreneurial action and propensity towards risk) and a combination between them formed clearly defined factors.

Moreover, the scale referring to the Brazilian Institutional Environment equally generated 3 (three) factors, being: (i) regulatory system; (ii) economic aspects; and (iii) bank system and bureaucracy. These factors were adequately represented by the theoretical background. The explained accumulated variance was of 55.8% and the results are shown in table 4.

INSERT TABLE 4 HERE

The scale referring to the Exporting Performance basically deals with indexes related to economy (Carneiro, 2007; Shoham, 1998) and to market, with 2013 as year of reference. The factorial analysis presents 02 (two) components, being: (i) economic

performance; and (ii) market performance and shows an explained variance of 65.8%. The results are shown in table 5.

INSERT TABLE 5 HERE

The construct performance showed high internal consistency and corroborated with what is suggested in the literature, including what refers to internationalization of companies (Contractor, 2007; HITT et al., 2006; Pangarkar, 2008). In fact, the questions related to higher performance are closely associated to the idiosyncratic characteristics of the company (Lin, Yunshi 7 Cheng, 2011) and to the external environment (Porter, 1989; Dimitratos, 2002; Dunning, 1988), synthesized, in the present study, between the factors concerning institutional environment and competitive resources. Table 6 shows the correlations between such factors.

INSERT TABLE 6 HERE

It is noted that the aspect referring to the regulatory system presented statistically significant correlation with resources in its three components. Given that the idiosyncratic arrangement promoted by the company operated in an institutional environment, this suggests the importance of the necessary adequacy of these resources to the characteristics present in the external context. Moreover, table 7 presents the correlation between the referred constructs and the exporting performance of the company.

INSERT TABLE 7 HERE

According to table 7, 02 (two) factors presented significant correlation with economic performance, being: (i) Regulatory System; and (ii) Tangible Resources, and 02 (two) factors were significantly correlated to market performance, being: (i) Economic Aspects; and (ii) Intangible Resources. Therefore, hypotheses H1 and H2 were partially accepted. It is worth highlighting that factors referring to the Bank

System and bureaucracy (Institutional Environment) and complementary resources (between tangible and intangible) did not present significant correlations with any of the factors referring to exporting performance. The model that underlies this construct for the meat and soybean agribusiness in Brazil, under the light of the selected sample, is presented in figure 3. Even though the aspect referring to the complementary resources is statistically correlated to the regulatory system, it was excluded for not being associated with any of the factors referring to exporting performance.

INSERT FIGURE 3 HERE

CONCLUSIONS

The present study aimed to evidence associations between the characteristics of the institutional environment, of competitive resources and of the performance of exporting companies in Brazilian agribusiness, specifically in the industries from the soybean and meat complex, responsible for 49.4% of the exportations of the sector. The strength of the agribusiness sector in the economy of the country is notable. Projections are extremely favorable in terms of production volume and exportation value for the next years (MAPA, 2014). The theoretical-empirical knowledge of the factors that have impact over the performance of internationalized Brazilian companies can benefit the business sector in its processes of decision making, adjustment of strategy according to specific situations and planning on how to apply its resources with efficacy (Leonidou, Katsikeas & Samiee, 2002). Companies pursuit growth and profit (Samiee & Walters, 1990) and the benefits for the country are explicit in terms of increasing job opportunities, possibilities of investment in science and technology etc.

The institutional environment can be considered as an environmental resource which provides transnational opportunities and is fed by the exporting behavior of the companies in this environment (Gao et al., 2010). And this network (Johanson &

Vahlne, 2006) influences the performance of companies, being even more peculiar in Brazil, as an emerging country, and for the agribusiness sector, as the most prominent vector of its economy.

The phenomenon treated in the present study is about the flux of commerce between developing countries; the literature emphasizes more the opposite perspective. It is worth highlighting that, generally, studies that aim to comprehend the dynamics of the institutional variables are strongly focused on the understanding of multinationals or corporations (Bartlett & Ghoshal, 1987; Xavier, 2011); little emphasis is given to exportation. In emerging economies, the international expansion of the companies occurs, mainly, from the manufacturing in the country of origin and later exportation of the products to foreign markets and the inherent decisions of exportations can be characterized as reactive or proactive (Piercy, 1981) according to the response to internal or external pressure (Dunning, 2010; Kuada & Sorensen, 2000).

The findings of the present study point that performance, as a latent variable, was positively correlated with the dimensions of the institutional environment and the characteristics of tangible and intangible resources. It is worth highlighting the influence of the Regulatory System, in the scope of Government, on economic performance and over resources (in its three components), which suggests that this variable can be a relevant mediator in the relationship between institutional environment and exporting performance. The commodities market propels the apparent standardization of the used technology (Vernon, 1979; Dunning, 1998), typical of the large scale agribusiness considered in the present study. Questions concerning the institutional environment direct the exporting performance of more mature companies of the Brazilian agribusiness, especially when dominated by large companies and when disseminating means of production and technological investment. Future studies can

point out the influence of the concession of general subsidies or specific lines of credit for the selected products, for investment in agricultural technology and the effective presence of agencies that foster research, such as EMBRAPA (Brazilian Agricultural Research Company), SENAI (Industry National Service), Universities, etc. It is worth reiterating that the international institutional environment was not considered as a variable in the analysis since the index of absent answers was very high. This can be attributed to the lack of knowledge of the characteristics of this environment, due to the fact that the market is dominated by large companies in which production is given through scales and there are very well defined roles.

Each one of the constructs was properly represented, which raises the exploration of the nature of the relations about performance, especially in a predictive perspective based on the statistical techniques such as regression and modeling of structural equations. Moreover, the absence of a relation with the other factors with exporting performance explicitly denotes the need for more depth on the topic (Haar, 1989; Sambharya, 1995), including other areas of knowledge, such as Economy and Organizational Studies. Given the relevance of the role of government in international activity (Gao, Murray, Kotabe & Lu, 2010; Peng, Wang & Jiang, 2008), pointed out as a relevant variable in the exporting performance of companies, the present study might help government entities in the creation of public policies that promote performance of companies in specific industries, in addition to guiding, with the achieved results, the decisions of the legal authorities over the accumulation of foreign exchange reserves, job opportunities, productivity and several other elements of the national economy.

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List of tables and figures

CATEGORY	PROPERTIES	CONCEPT
CHARACTERISTICS OF RESOURCES	COMPLEMENTARY (COM)	Gunz and Jalland (1996), consider that the complementary organization resources (tangible and intangible) are important to formulate and implement the strategies efficaciously.
	VALUE, RARITY, IMITABILITY AND ORGANIZATIONAL (VRIO)	Intangible strategic resources help to improve performance, take opportunities and neutralize threats and are hard to imitate (causal ambiguity and social complexity) and are explored by the organization (BARNEY, 2002).
	ENTREPRENEURIAL ACTION (EA)	Discovery of opportunities and adjustments to adequate exploration, as well as actions of the manager towards risk (DIMITRATOS; PLAKOYANNAKI, 2003; ZAHRA; 2005).
	TENURE OF PROPERTY (TP)	Identification of whose is the property of the tangible resources, in other words, are found rooted in the studied companies (BARNEY; 1991; PETERAF; 1993; FAHY, 2002; SHARMA; ERRAMILLI, 2004).

Figure 1: Key-concepts of the Theories of Internationalization: resources
Source: adapted from Kovacs (2009).

Construct	Variable	Definition	Theoretical background
Institutional Environment	Politics	Set of laws and regulation that guide the interactions between companies, institutions and nations. Composed by the antitrust and tax laws, regulations and educational policies, work and environmental laws.	HITT; IRELAND; HOSKISSON, 2002; MYERS, 1995; NARANAYAN; FAHEY, 1999; PORTER, 1999.
	Economy	Nature and direction of economy; includes dimensions that refer to: consumption and aggregate investment, costs with government and collected taxes, interest rates and other monetary indicators, inflation and exchange rates.	DUNNING, 1980, 1988; GREGORY; OLIVEIRA, 2005; LEVY, 2006; NARANAYAN; FAHEY, 1999; PERRATON, 2009 MDIC/SECEX, 2015.
International ization	Tangible and intangible resources	Internal tangible and intangible idiosyncratic attributes which support higher performance. Composed by: technology, capital, physical structure, leadership, organizational culture, reputation, trust, network and knowledge.	BARNEY, 1991; 2011; SHARMA; ERRAMILLI, 2004.
Exporting Performance	Economic	Combination of results generated from sales in the international market: total exportation value, margin of profit and total annual receipt	CARNEIRO, 2007; LAGES; LAGES, 2004; SHOHAM, 1998, 1999.
	Market	Results concerning to exported volume (growth/reduction).	CARNEIRO, 2007.

Figure 2: Constitutive and operational definition of the variables.

Table 1: Alpha of Cronbach, Kaiser-Meyer-Olkin and Barlett's tests

Dimension	Alpha of Cronbach Reliability Test		Kaiser-Meyer-Olkin Measurement of Sample Adequacy		Bartlett's Sphericity Test	
	Value	**Evaluation**	**Value**	**Evaluation**	**Value**	**Evaluation**
Institutional Environment	0.812	Acceptable	0.787	Adequate	X^2=516.003 NS<0.01	Satisfactory
Resources	0.842	Acceptable	0.746	Adequate	X^2=562.782 NS<0.05	Satisfactory
Performance	0.797	Acceptable	0.669	Adequate	X^2=229.550 NS<0.05	Satisfactory

Table 2: Correlation tests between the constructs (extraction of latent variable).

		Exporting performance	Institutional Environment	Resources
Exporting performance	Pearson's Correlation	1	**.304****	**.268****
	Sig. (2 tails)		.003	.001
Institutional Environment	Pearson's Correlation	**.304****	1	**.303****
	Sig. (2 tails)	.003		.005
Resources	Pearson's Correlation	**.268****	**.303****	1
	Sig. (2 tails)	.001	.005	

** Significant correlation p<0.01 (2 tails).

Table 3: Factorial analysis of the scale Resources.

	Complementary Resources	Tangible Resources	Intangible Resources
Agricultural production technology		.757	
Industrial process		.746	
Property of tangible resources		.845	
Financial capital	.702		
Own capital as source of financing	.586		
Organizational culture	.713		
Organizational leadership	.725		
Reputation in the market	.671		
Network of relationships	.724		
Knowledge and expertise of managers			.721
Innovation and creativity			.725
Propensity towards risk			.568

Method of extraction: Analysis of main component
Method of rotation: Varimax with Kaiser's normalization.[a]

Table 4: Factorial analysis of the scale Institutional Environment

	Regulatory System	Economic Aspects	Bank System and bureaucracy
Actual inflation rate		.524	
Practiced interest rate		.674	
Practiced Exchange rate		.684	
Efficacy of banking system			.827
Political practice			.466
Bureaucratic procedures			.747
Law system	.719		
Customs legislation	.829		
Customs procedures	.846		
Tax and fare system	.582		
Sanitary regulation	.770		
Work relationships	.735		
Specific lines of credit	.593		
Government subsidy	.592		

Method of extraction: Analysis of main component.
Method of rotation: Varimax with Kaiser's normalization.[a]

Table 5: Factorial analysis of the scale Exporting Performance.

	Economic Performance	Market Performance
Margin of profit	.644	
Growth of volume	.825	
Exportation receipt	.814	
Profitability	.628	
Compared performance (quantity/margin)		.939

Method of extraction: Analysis of main component.
Method of rotation: Varimax with Kaiser's normalization.[a]

Table 6: Correlation tests between the factors of the scales Resources and Institutional Environment.

		Regulatory System	Economic Aspects	Bank System and bureaucracy
Complementary	Pearson's Correlation	**.204***	.043	-.167
	Sig. (2 tails)	.030	.649	.078
Tangible resources	Pearson's Correlation	**.371****	.135	-.030
	Sig. (2 tails)	.000	.155	.756
Intangible resources	Pearson's Correlation	**.212***	-.070	-.100
	Sig. (2 tails)	.024	.462	.290

* Significant correlation p<0.05 (2 tails).
** Significant correlation p<0.01 (2 tails).

Table 7: Correlation tests between the factors of the scales Resources, Institutional Environment and Exporting Performance

		Economic Performance	Market Performance
Regulatory system	Pearson's Correlation	**.332****	.125
	Sig. (2 tails)	.000	.159
Economic aspects	Pearson's Correlation	-.063	**.289***
	Sig. (2 tails)	.483	.033
Bank System and bureaucracy	Pearson's Correlation	-.071	-.042
	Sig. (2 tails)	.426	.637
Complementary	Pearson's Correlation	.125	.094
	Sig. (2 tails)	.138	.265
Tangible resources	Pearson's Correlation	**.305***	.035
	Sig. (2 tails)	.014	.680
Intangible resources	Pearson's Correlation	.041	**.275***
	Sig. (2 tails)	.628	.036

* Significant correlation p<0.05 (2 tails).
** Significant correlation p<0.01 (2 tails).

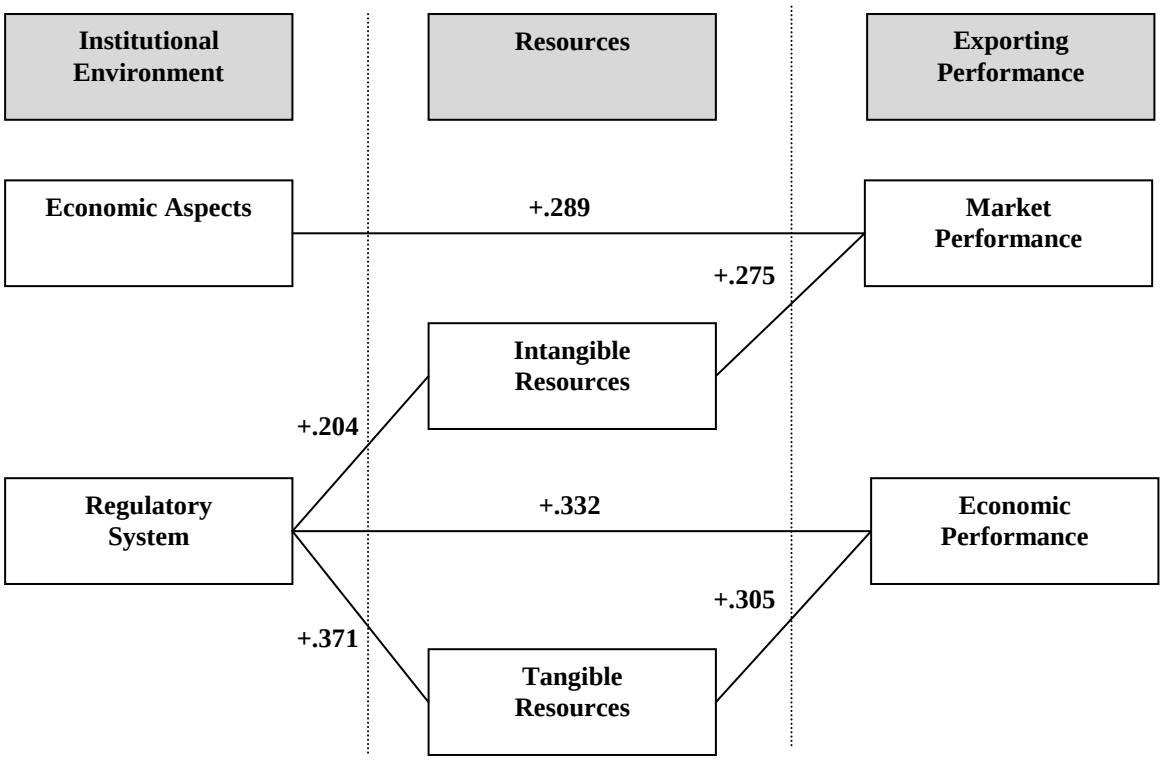

Figure 3: Model for exporting performance: institutional environment and resources.