

The Influence of Social Aspects on Competitiveness of the Inter Organizational Networks: the Experience of the Network of Brazilian Halal Poultry Exporters

Leandro Januário de Souza

Master in Business Administration from the Graduate Program (stricto sensu) of the Paulista University (UNIP), Brazil
leandro.januario@bol.com.br

Nawfal Assa Mossa Alssabak

Master in Business Administration from the Graduate Program (stricto sensu) of the Paulista University (UNIP), Brazil
nawfal@brasilliraq.com.br

Flávio Romero Macau

PhD in Operations Strategy Faculty Getulio Vargas, Brazil
professor@flaviomacau.com

Julio Araujo Carneiro da Cunha

PhD in Business Administration from the Faculty of Economics, Administration and Accounting (FEA), University of São Paulo (USP), Brazil
juliocunha@yahoo.com

Cristina Espinheira Costa Pereira

Doctorate in progress in Business Administration from Faculty of Economics, Administration and Accounting (FEA) University of São Paulo (USP), Brazil
cristinaespinheira@usp.br

ABSTRACT

Inter-organizational networks are groups of legally independent organizations working together to achieve both their individual goals to the collective goals of the group. The focus of this research is the influence of social aspects on the competitiveness of inter-organizational networks, and the aim is to identify the contribution of the social aspects (strategy group, trust, commitment and cooperation) to the competitiveness of the network. It is about a qualitative, exploratory and descriptive study, through the case study of a single network of Brazilian poultry exporters of Halal. Primary data were collected through semi-structured interviews, in addition, the information obtained from these interviews were checked with information from other secondary sources such as reports and institutional materials. The results indicated that these social aspects are complementary and collaborate for a more competitive network. The contribution of this research indicates the

existence of complementarities of the categories, wherein a positively reinforces the presence of another network.

KEY-WORDS: Bottom of the Pyramid. Innovation Adoption. Innovation Intensity.

A Influência dos Aspectos Sociais na Competitividade das Redes Interorganizacionais: a Experiência da Rede dos Exportadores de Frango Halal Brasileiro

RESUMO

Redes interorganizacionais são grupos de organizações legalmente independentes que atuam em conjunto para alcançar seus objetivos individuais simultaneamente aos objetivos coletivos do grupo. O objeto de estudo desta pesquisa é a influência dos aspectos sociais na competitividade de redes interorganizacionais, e o objetivo é a identificação da contribuição dos aspectos sociais (estratégia de grupo, confiança, comprometimento e cooperação) para a competitividade da rede. Trata-se de uma pesquisa qualitativa, de natureza exploratória e descritiva, realizada por meio do estudo de caso único da rede dos exportadores de frango *Halal* brasileiro. Os dados primários foram coletados por meio de entrevistas semiestruturadas, além disso, as informações obtidas por meio dessas entrevistas foram checadas com informações de outras fontes secundárias, como relatórios e materiais institucionais. Os resultados indicaram que esses aspectos sociais são complementares e colaboram para uma maior competitividade da rede. A contribuição desta pesquisa aponta a existência da complementaridade das categorias, em que uma reforça positivamente a presença da outra na rede.

PALAVRAS-CHAVE: Aspectos Sociais de redes. Competitividade de Redes. Preceitos Islâmicos em Redes.

1. INTRODUCTION

The arrangements competitiveness is a widely discussed topic in the study of inter organizational networks. Covered topics include the competitive advantage of integration in networks and the factors that contribute for greater competitiveness. In contrast to the atomized view of organization against organization, in the studies about networks, there is a collective sense, which considers competitiveness among groups of companies (Ebers&Jarillo, 1997; Verschoore&Balestrin, 2008).

Inter-organizational network configuration benefits interdependent and cooperative relations, unlike the hierarchy or market configurations, wherein prevail the power relations and the economic exchanges (Tureta& Lima, 2011).

While participating in a network, companies are seeking for goals like gaining competitiveness by accessing resources that could hardly be achieve through different sources.

In networks, companies can count on core competencies to the business development to which they would hardly have access individually, resulting in greater specialization (Balestrin& Vargas, 2004; Zacarelli, Donaire, Boaventura, Siqueira&Telles, 2008).

Beyond the economic rational aspects, the competitiveness of inter organizational networks is also influenced by social aspects, whereas confidence, commitment and cooperation are essential for the survival of arrangements among companies (Granovetter, 1985). Social aspects provide support to the competitiveness in the network, since they constitute the background of its business relationships (Giglio, 2011).

In this context, the research question guiding the investigation is: how the social aspects influence the network competitiveness? In this particular case the network competitiveness of the Brazilian Halal poultry exporters.

In this work, the objective is to identify the contribution of social aspects to network competitiveness. The object of study is the influence of social aspects in network competitiveness.

The inter organizational network that produces Brazilian Halal Poultry, the case that we analyze in this research, presents a particular business orientation, influenced by religious precepts. To ensure the Muslim buyer requirements, there are, in this network, the involvement of religious organizations that guide and inspect the production process, storage and distribution (van Waarden & van Dalen, 2013).

2. THEORETICAL FOUNDATION

In the theoretical foundation, the purpose is to clarify the definition of the constructs, to detect inter organizational network concepts and social aspects (group strategy, confidence, commitment and cooperation) for network competitiveness.

2.1. INTER ORGANIZATIONAL NETWORKS

It can be said that network is a set of interconnected knots, i.e. a group formed by flows of cash and information among individuals or organizations. A network is composed of financial transactions flows, production sites, consumer and labor markets (Castells, 2000). In a network, a group of legally independent organizations works together to achieve their individual goals simultaneously to the collective goals of the group (Provan & Kenis, 2008).

Inter organizational networks can be defined as a group of organization with common interests, that come together to improve the competitiveness of a given sector. Among networks examples, there are joint ventures, strategic alliances, cooperation networks among small and medium-sized enterprises (Braga, 2010).

The structure of inter organizational networks wherein relations of cooperation are prevailed, goes beyond traditional settings outlined by hierarchy or by market, where the power relations and economic transactions are predominant (Tureta & Lima, 2011). While participating in networks, the organizations seek to obtain competitive advantage, as well as the access to resources that would be hard to achieve individually, as information and technology (Balestrin & Vargas, 2004).

When grouped in networks the organizations benefit themselves from the split of skills required in their business. Greater specialization of companies arise. The risks are shared and frequently lower investments than in isolated business are needed. Moreover, due to greater agility in relationships with suppliers and customers the response of companies to adapt to market changes is increasingly higher (Zacarelli et al., 2008).

2.2. NETWORK COMPETITIVENESS

Organizations are associated to networks due to economic (mainly) and social motivations. Example of this are the exchanges related to transactions and to information among the participants, friendship and the competencies, organizational credibility regarding external legitimacy by the fact that companies associated to network certainly have more access to resources or markets (Human & Provan, 1997). The competitiveness between networks is based on different level from the traditional competitiveness between organizations (Gomes-Casseres, 1994).

The competitive advantage resulted from the integration to a network can appear from four sources: development of products; knowledge transference among networks' authors; adoption of co-specialization strategy and improvement of information flow (Ebers&Jarillo, 1997).

According to this classification, mutual learning leads to development of innovative products. The transference of knowledge among network's authors improves the inter-organizational performance, the adoption of co-specialization strategy among organizations leads to achieving profitable markets and to improving the information outflow, that generates better resources coordination among the network members, leading to costs reduction and time saving (Ebers&Jarillo, 1997).

The competitiveness of a network depends on the group's characteristic like dimensions of organizations and institutions and its growth process. Each company will be competitive according to the way its group is composed and the role performed by each company within the group (Gomes-Casseres, 1994).

In order to measure the competitiveness of the businesses network, Zacarelli et al. (2008) suggest ten foundations for the empirical observation of the network competitiveness. These fundamentals are divided into two groups: the first is turned possible through the self-organization; the second is unfeasible only through self-organization, demanding governance actions.

In the first group there are five foundations: 1) progressive loyalty among suppliers-customers refers to approaching movement between client and vendor; 2) direct purchase of inputs (producers-users) indicates the relationship between user and product manufacturer, fostering exchange of information and access to shared gains; 3) Extent of businesses present within the network refers to incorporation level of business process and operations, responsible by availability and by the products flows in the network; 4) Specialization of companies in the network indicates degree of mastery in skills of production, development and product innovation; 5) agility in replacing companies in the network indicates measure of speed or readiness for removing a given business or restoration of another one into network.

The second group corresponds to foundations from six to ten: 6) homogeneity of flow intensity indicates the balancing level of movements established in network; 7) the innovation of business alignment refers to ability of the system to incorporate innovative processes to improve its competitiveness; 8) improvement by introduction of new technology is related to the capacity of network members to develop, identify and adapt themselves; 9) sharing investments, risks and profits refer to collaborative strength indicator between network organizations; 10) group strategy to compete as a network indicates the effective and deliberate existence of integrated guidelines for actions and decisions of the companies parties in the network.

Besides the aspects of rational-economic nature of inter-organizational networks, social relationships are equally important to support these arrangements, because social context in which companies operate influence their competitive performance (Gulati; Nohria&Zaheer, 2000).

2.2.1. Group strategy to compete as network

The last foundation – group strategy to compete as network – highlights social relations and indicates effective and deliberate existence of integrated guideline for actions and decisions of the companies participating in the network. This integration “tends to provide results that can be translated into verifiable conditions, such as expanding the area of concentration and rising aggregate profits” (Zacarelli et al. 2008, p. 199).

When analyzing a business network from the standpoint of social aspects, beyond the rational-economic, several variables can be the guidance. We can investigate a social network considering issues related to many types of social capital (Putnan, 1993), such as identity (Hite & Hesterly, 2001), similar culture (Keiksborg, 1999), the sense of community (Walter, Lechner & Kellermanns, 2007), confidence (Gulati, 1995), commitment (Casson & Della Giusto, 2007) and cooperation (Grandori & Soda, 1995), among others.

Besides the group strategy to compete as network, this research focuses only social aspects – confidence (trust), commitment and cooperation, likely to exist in an inter-organizational network, as shown in Figure 1. The purpose is to understand how these associated social aspects affect the network competitiveness.



Figure 1: Social Aspects related to network competitiveness.

Source: Prepared by authors.

2.2.2. Confidence

Confidence characterized by the perception that both parties involved in the relationship adhere to a set of acceptable principles. It is reflected in the willingness of an actor who is vulnerable to the actions of the other, based on the expectations that the other party will perform important particular actions for he who trusts (Mayer, Davis & Schoorman, 1995) this is regardless of the ability of the latter to monitor or control the first party.

- In several studies, it is shown that individuals tend to form interpersonal relationships with other individuals and these relationships affect their interaction with others through the trust relationship (Granovetter, 1973; Uzzi, 1997). Trust or confidence can improve network performance in organizations enhancing the reach of competitive advantage of the group (Zaheer, McEvily & Perrone, 1998).

Confidence in an inter-organizational network can be defined as dependence on other party in risky conditions (Nooteboom, 1996), or the willingness of a party to be vulnerable to the actions of another party (Mayer et al, 1995). It is related with predictability of the behavior of one Partner Company to the focal company (Alves, Balsan, Moura e Pereira, 2011).

2.2.3. Commitment

Commitment "entails obligations and limitations for networks" (Giglio, 2011 p.33). Trust between participants in network enables the development of commitment among them. It is considered that social aspect is greater than individual aspect concerning collectiveness (Leana & van Buren III, 1999).

This concern exists because collective gains can contribute to leverage individual organization gains. Commitment brings the collective

perspective, which indicates higher social development in networks, regarding to the welfare of all - and considers that collective and shared capabilities are those who able to bring major economic benefits to networks (Abramovay, 2000).

The commitment can be understood as the belief that one or more players have that the relationships with others are important to the point of being worth to be kept, which in most cases ensures maximum effort to support them.

Commitment is a key factor for inter-organizational networks, it encourages players to work in order to preserve the relationships with trading partners and motivate them to resist to attractive short-term alternatives in favor of long-term benefits arising from the alliance with current partners in network.

2.2.4 – Cooperation

Cooperation emerged in response to economic contingencies in last decades and it is the basis for new forms of organization, increasing efficiency of the players involved (Verschoore & Balestrin, 2008). Cooperation of the Latin “Co” term, means together, and “operari” means working, refers to situations where parties work together to achieve mutual objectives (Morgan & Hunt, 1994).

It is characterized by coordinated actions among organizations with common aims and established collective mechanisms to achieve them efficiently (Verschoore, 2006).

Cooperation is one of the constituent events of inter-organizational networks making it possible that, as from the establishment of confidence and commitment relationships, the networks are constituted with ability to increase the scope of action, efficiency and development of a determined sector.

3. METHODOLOGICAL PROCEDURES

This research is qualitative, with exploratory and descriptive nature. This is a single case study. This method makes it possible to test a theory, conducting the study of a particular case or a representative case study. The single case study will be of the integrated type, in other words it contains a single case. In this research, a peculiar case will be studied, which is the inter-organizational network of the Brazilian Halal poultry exporters, the unit of analysis is the network itself, and the sub-units are the knots of network, i.e. the players.

Primary and secondary data sources were used. To collect primary data, semi-structured interviews have been conducted with the players of the Brazilian Halal poultry network. For the collection of secondary data, scientific articles were analyzed, books, articles published in news portals, news magazines, materials released by the Brazilian Association of Animal Protein and Islamic centers.

The stages of data analysis in relation to inter organizational network of the Brazilian Halal poultry are described below in Figure 2.

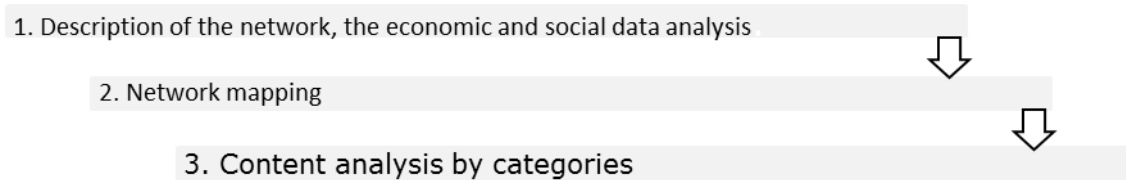


Figure 2: Steps of data analysis

Source: Prepared by authors

3.1. DATA COLLECT

In the exploratory stage of this study, interviews with semi-structured script of questions were held between the months of August 2013 and December 2013. The selection of the 15 respondents related to organizations and institutions of the export network of Halal poultry occurred by accessibility. Respondents are listed in Table 1.

Position of Respondent	Network Actor
President	Chamber of Commerce "A"
President	Islamic Center " B "
International Relations Executive	Islamic Center " B "
Halal Industrial Manager	Islamic Center " B "
Researcher	Islamic Center " B "
Religious Leader	Islamic Center " C "
Religious Leader's Son	Islamic Center " C "
President	Islamic Center " D "
Founder of the first certificate Halal in Brazil	Islamic Center " D "
<i>Executive Director</i>	<i>Islamic Inspection Service</i>
Market Director	Brazilian Association of Animal Protein
Affiliate Manager	Meatpacking Company " X "
Agricultural Manager	Meatpacking Company " X "
Halal Supervisor	Meatpacking Company " X "
Official Representative	Brazilian Embassy in Iraq

Table 1: List of respondents

Source: Prepared by authors

For this article purposes, the names of organizations and institutions have been omitted, the Islamic Center, the Trade Chamber and Meatpacking Companies in order to guarantee the respondents confidentiality. Information obtained through interviews were checked with information from other sources of secondary evidence, such as reports and institutional materials.

3.2 DATA ANALYSIS PROCEDURES

To analyze the data obtained in interviews, content analysis was used. This technique consists in the Message Handling (Content and Content Expression), to highlight the indicators that allow inferences about other reality than the message (Bardin, 2004). The enunciation technique used, consisted in defining categories.

The operational definition of the categories is essential for empirical observation; it is the "attribution of meaning to a construct, specifying how it will be handled operationally" (Kerlinger, 1980, p. 35). Therefore, in this

article, it is adopted the operational definitions as shown in Table 2, according to the theoretical framework presented.

Categories	Operational Definition
Group strategy to compete as network	Strategic actions to compete as network against another competing network
Confidence	Willingness of a party to be vulnerable to the actions of another party
Commitment	Willingness to consider the expectations of other players as from the confidence, displaying loyalty behavior on the relationship, even at the risk of future problems
Cooperation	Actions taken together with exchanges of resources and capabilities

Table 2: Operational Definition of Categories

Source: Adapted from Zacarelli et al. (2008) e Giglio&Ryngelblum (2009)

4. RESULTS ANALYSIS

4.1. FEATURES PECULIAR TO THE NETWORK OF POULTRY HALAL EXPORTERS

Inter organizational network of Brazilian Halal poultry exporters has informal and horizontal nature, since there is not an organization that holds the unrestricted control. The member organizations choose to cooperate to a certain domain, because this type of arrangement favors the concentration of efforts, without depriving the freedom of strategic action of its members (Balestrin& Vargas, 2004).

For poultry to be considered as Halal, it is essential that the poultry killing is done under the rules of slaughter method of broilers receiving the designation of Halal, which in Portuguese mean lawful. To export to the Middle East region, the Brazilian poultry industry needs to slaughter the animal under the Islam precepts.

Animal slaughter possesses its peculiarities. It is accomplished through a quick, deep incision in the neck. The hooks of the production line

are geared toward Mecca capital of Al Hejaz Province, Saudi Arabia; the poultry slaughter executed by a bleeder accompanied by a supervisor, both practicing Muslims, connected with certified Islamic centers for Halal slaughter in slaughterhouses (Brazilian Islamic Center for Halal Food Stuff, 2013).

According to the Brazilian Association of Animal Protein [ABPA] (2014), Brazil is the poultry largest exporter, and there is in these exports a significant share of Halal poultry (ABPA, 2014). In 2013, only for the Middle East, more than 1.4 million tons, representing 37% of total poultry exports from Brazil.

There is inter organizational arrangement in this sector, from the conception that all businesses are in network, whether they use or do not use their connections (Nohria, 1992). That is, even in cases where eventually the members of that network are not aware of working in network, there is an inseparable interdependence among them (Giglio, 2011).

From this perspective, it is sufficient that the players cooperate with each other and that they use the streams and resources (Giglio & Ryngelblum, 2009). Since social aspects that influence production relations are present, it can be admitted that there is inter organizational network (Castells, 2000; Giglio, 2011).

4.2 MAPPING THE HALAL NETWORK

The network of Brazilian Halal poultry exporters is formed by Exporters and Producers, Islamic Centers, Ministry of Agriculture, Livestock and Supply (MAPA), Ministry of Foreign Affairs (MFA), Ministry of Development, Industry and Foreign Trade (MDIC), National Agency for Export and Investment Promotion (AEX), the Brazilian Association of Animal Protein (ABPA) and Chambers of Commerce, as shown in Figure 3 .

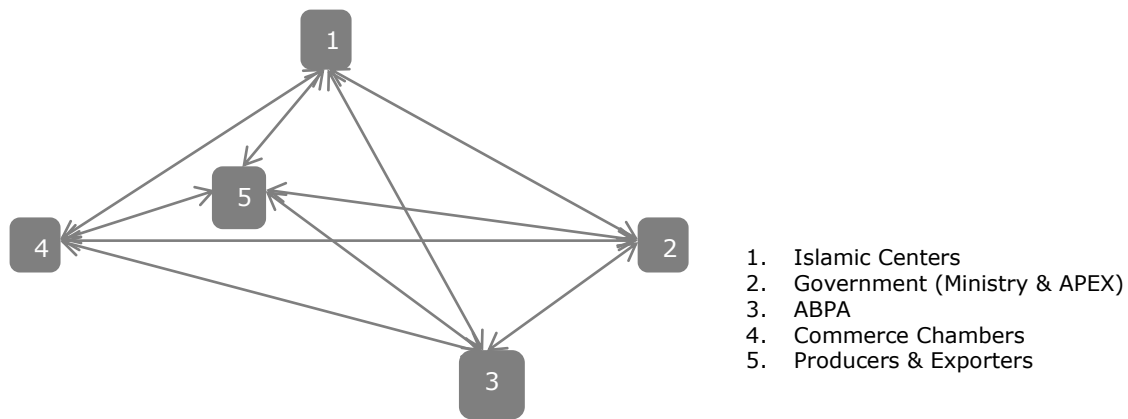


Table 3: Map of the Brazilian Halal network of poultry exporters

Source: The authors, adapted from Ucinet 6.0 software

In the network of the Brazilian Halal poultry exporters, its vital functions have been identified in the field research as belonging to:

1. Islamic centers, responsible for inspecting, habilitate and monitor the production process and conducting the Halal slaughter in slaughterhouses. The meat is exported only after the certification documentation is issued. The centers also aim to spread Islamic teachings and to offer social assistance to the community, especially the Islamic one, as stated in interviews with their highest local religious leaders (sheiks) and the institutional material (printed out and internet).
2. Government, represented by the ministries (MAPA, MRE and MDIC) and APEX, regulator that is close to exporters as an official intermediary in international trade relations of the country. The government also encourages the promotion of international trade through its agencies and ministries, as reported by Brazil's ambassador in Iraq.
3. Brazilian Association of Animal Protein (ABPA), responsible for bringing together the associations of producers and exporters, promoting Halal Brazil in the world, for example, promoting institutional documents exclusively designed for this purpose. ABPA receives government help to hold events and actions to promote the

national product, in addition to directly supporting the joint actions of Meatpacking Companies (i.e., participation in fairs, forums, symposia, industry information organization).

4. Chambers of Commerce, responsible for establishing trade relations between Brazil and the Middle East. They have the main task of legalizing the documents of Brazilian products exported to Muslim countries, officially recognizing the work of Islamic centers. The Chambers also assist in Brazilian product outreach activities in the international market (for example, studies of trends in Islamic marketing, promotion fairs, invitation and monitoring authorities of the countries involved in Halal poultry imports).
5. Meatpacking Companies, responsible for the poultry breeding by following the Islam requirements. This was, not only, found in the speech of the interviewees, as well as it has been seen *in loco* on site visits to production units in São Paulo and Rio Grande do Sul. They perform the core network activity, which is the slaughter of Halal poultry, receiving incentives and support from others actors.

4.3 CONTENT ANALYSIS THROUGH CATEGORIES

From the selected categories in literature, it was sought evidence of its influence on the competitiveness network of the Brazilian Halal poultry exporters by analyzing the interviews and examining the documents and institutional materials.

4.3.1. Category Group Strategy to compete as network

Brazil, alongside the US and China, is among the largest exporters in the world poultry market. In descending order, 98% of Brazilian exports go to: Saudi Arabia, United Arab Emirates, Kuwait, Iraq, Yemen, Oman, Qatar, Jordan, Iran and Bahrain (ABPA, 2014)

The competition with other competing networks determines the need for strategic actions connected to the collective interest (Zacarelli et al., 2008). In this regard, the respondent of the Embassy of Brazil in Iraq says, "what really counts is the quality of the product and the price, and Brazil meets these requirements, therefore it is very competitive." In the interviewed speech, it is observed that Brazilian exporters are seen as a supra company entity, in which the whole is different from the sum of the parts (Zacarelli et al., 2008) - in the fragment: "Brazil meets the requirements," it says about the whole, in other words, it is about the network and not just a particular company.

Other evidence of group of strategic actions appears in the speech of another interviewee, belonging to the Islamic Center "D": "Companies from Brazil meet the requirements of buyers and interact at all what is required in Halal aspect, more than companies of United States and Europe."

Features like the pride of belonging to the network support the further integration of the players, resulting in greater efforts to compete as network. At this point, the interviewee of the Islamic Center "B" argues:

We not only certify the Meatpacking Companies, but we also contribute for making Brazil the largest exporter of Halal poultry in the world [...]. The Brazilian Halal belongs to Brazilian industries, the Brazilian government. [...] We contribute to the opening of new markets and more effective results following the Halal standards, in order to attract new investments to improve the reputation of Brazilian Halal [...] and the goal of all is the loyalty of the buyer.

The competitive performance of the Brazilian Halal poultry exporters' network is evidenced in the statement of one interviewee from the Meatpacking Company "X": "We are exclusive suppliers of raw material for the McDonald's restaurant chain in the Middle East."

Some strategies to compete as network involve, according to Zacarelli's grounds (2008), meetings between the network business, schedule of events and visits, presence of specific advice geared towards the formulation of initiatives aimed at the network competitiveness. Some of these strategies are present in the researched network, as shown in the statement of the respondent of Chamber of Commerce "A":

We legalize documents for the Meatpacking Companies; all documents that go to the Middle East must be legalized. We carry out studies, research, trade shows, and invite Meatpacking Companies. We accompany the buyer, introduce the buyers to exporters, when someone asks for some product we present to buyers.

It was explicit in the respondents' statements that the final product, i.e. the Halal poultry, is turned possible only with the involvement of exporters, Islamic Centers, ABPA, Chambers of Commerce and government. Only with group strategies, it was possible to compete internationally and rank among the largest exporters of Halal poultry in the world to the Middle East.

The presence of the group ground strategy to compete as a network denotes that the arrangement is in the developmental stage, presenting a favorable competitive situation (Zacarelli et al., 2008).

4.3.2. Confidence Category

Confidence between network players of Halal poultry exporters is based on certain shared characteristics, such as religious identity, family lessons and common ethnicity. That is, confidence emerges and is kept as from the identity of its members, due to social and cultural factors.

In this particular case, it is essential to have confidence in the religious identity that ensures procedures that organize the whole process to culminate in the export of poultry to the Middle East. A fundamental condition for the poultry to be Halal is that the poultry slaughter is done by a bleeder, accompanied by a practicing Muslim supervisor.

On the importance of these religious precepts that guide business, the interviewee of ABPA states, "Islamic centers say what Halal is and what is not in the Meatpacking Companies. Otherwise, the production is not sold. So the seriousness given to Halal theme is a major reason for the success of Brazilian Halal".

Trust relationships between the players positively influence the Brazilian network success and reflect the willingness of a player to become vulnerable towards the actions of another through the belief in the good

faith. The interviewee of the Chamber of Commerce "A" through his speech demonstrates this consideration:

Middle Eastern buyers trust in the Islamic Centers, the buyer delegates who he wants for the Halal certification, even being for the largest Meatpacking Company in the country. However, if the buyer does not have an Islamic Center of his preference, he puts that choice in the Meatpacking Company hands.

Trust in this network occurs in two spheres, the first relates to the slaughter processes connected to religious precepts, and the second is the trust among institutions that is related to the network participants' behavior, which guarantees the maintenance of a predictable long term behavior in the relations.

4.3.3. Commitment Category

The commitment is a key element for the networks, because in a supra entrepreneurial entity, the collective interests should be prioritized to ensure the perpetuation of long-term relationships. Commitment is an intertwined concept with confidence and can be defined as the high level of certainty of a party (for example Halal poultry importer) that the other party (for example Halal poultry producer) will work according to the rules (express or implied) that regulate (formally or not) the network operation.

In addition to the commitment between companies, the export network of Halal poultry, there is the commitment to religious precepts of those who work in it. As the Halal product depends on religious and cultural rules to be produced, the commitment to these rules is something essential to the network.

It is necessary to adapt the local and the way how to work to ensure the product reliability, a factor which influences the network capacity to compete internationally. The excerpt from the interview granted by the representative of the Islamic Center "B" confirms that question:

First, we had to adapt their workplace, the bleeding must be made in the direction of Mecca, and this was a point that we needed to adopt. We had to provide rooms for them; a room for the supervisor, a prayer room so that they could lead the prayers part; that is why we had to make a structural adjustment.

The Halal poultry product is legitimized by the certification given to companies involved in the production (Meatpacking Companies). There is a commitment between the entity providing certification and the production company. This commitment is directly related to the religious beliefs. According to the interviewee of the Islamic Center "D":

"It is a commitment I have with God, you know? [...] It is a work I have been doing for God! Because there are millions of Muslims worldwide who eat today, which feed themselves using these products from Brazil, I have to give an endorsement, an opinion".

4.3.4. Cooperation Category

The cooperation contributes to the competitiveness of business networks to increase the efficiency of the players involved and can be noticed in the speech of the interviewee of Islamic Center "D": "Halal started with some importers from Arab countries who came to Brazil and taught local entities to work." The transfer of knowledge and expertise of the network companies are facilitated by cooperation, stimulated by the feeling of belonging to the supra entrepreneurial entity. In this case, as the respondent of ABPA, in the Brazilian Halal poultry export network, "there is uniqueness positioning: To teach everyone to do."

Also in the ABPA interviewed speech, "when talking about the sales case to the Muslim world, it is essential the presence of the Brazilian Association of Animal Protein, Chambers of Commerce of the Muslim countries, Islamic centers and government that helped to get it". This collaborative relationship between the players ensures the network survival and development.

As observed, cooperation exists not only between companies, it ranges from producer associations to government agencies through associations. By adopting a set of positioning, the network players strengthen their ties, their ability to overcome adversity.

In the network researched, the supervisors' commitment in relation to Muslim religious precepts of Halal slaughter is much emphasized by all the participants. The network players should work together in order to achieve mutual goals and all participants must cooperate so that the process is aligned with the standards. The network players' cooperation to strengthen the aspect of slaughter rules led to an increase of process reliability, enabling international gain of market.

In short, inter organizational network of Halal poultry exporters is characterized by factors such as: 1. appropriate capacity to religious requirements; 2. integration between the Brazilian importers and exporters; 3. facilitation of external auditors visits; 4. simplification in processes and entry visas concessions to importers; 5. government stimulus for the participation of Brazilians in world congresses and fairs , as well as sponsorship and cooperation with Islamic organizations in Brazil; 6. offering products with competitive price and reliable quality.

5 FINAL CONSIDERATIONS

In this article, the object of study was the influence of social aspects in the network of competitiveness; the goal was to identify the contribution of the social aspects of competitiveness networks, specifically in inter organizational network of the Brazilian Halal poultry exporters. Interviews were conducted with people related to organizations and institutions of the network. Based on the transcription of the interviews, it was carried out a content analysis concerning the categories taken from the theory about inter-organizational networks, they are: 1. Group strategy to compete as a network; 2. Confidence; 3. Commitment; 4. Cooperation.

This work has contributed, by means of an empirical application, to the development of the theory regarding the influence of social aspects for the networks competitiveness. It has analyzed the categories that emerged from the theory and has found the presence of elements that identify them in the researched network. All categories related to the network competitiveness of Brazilian Halal poultry exporters, indicating that these social aspects are fundamental aspects to the network competitiveness.

Furthermore, we have realized the strengthening of the categories, where one category positively reinforces the presence of other category in the network.

As result of the empirical application, it was identified that network of Brazilian Halal poultry exporters is characterized by a number of factors that corroborate the categories investigated. Examples: 1. Group strategy to compete as network, government stimulus for participation of Brazilians in world congresses and fairs; sponsorship and cooperation with Islamic organizations in Brazil; 2. Confidence, production adjustment to religious requirements; knowledge transfer through network; 3. Commitment, product offering with competitive price and Halal quality; facilitation of external auditors' visits to inspect the observance of Muslim precepts in production; and 4. Cooperation, integration between importers and Brazilian exporters and simplifying processes and entry visas concession to importers.

A limitation of this research is the fact that it is a cross sectional study. It is known that the networks are not static; they change over time, so studies that follow their development can enrich the discussion concerning the influence of social aspects in relation to their competitiveness.

Another limitation is the fact that the interviews have been by accessibility to the respondents, which may have restricted a little bit the information about the network. It is noteworthy, however, that the quality of the interviews minimizes the effects of this limitation.

As the context of the research realization was restricted to the network activities of the Brazilian Halal poultry exporters, the analysis results cannot be generalized to the networks of other sectors. It is suggested therefore, that the progress made here regarding the analysis of the influence of social aspect, in inter organizational networks be replicated in further studies on networks in other sectors. New researches in different context will allow greater generalizations about the researched object.

6 REFERENCES

- Abramovay, R. (2000). O capital social dos territórios: repensando o desenvolvimento territorial. *Economia Aplicada*, 4(2), 379-397.
- Alves, J. N., Balsan, L. A. G., Moura, G. L., & Pereira, B. A. D. (2011). As relações de confiança, aprendizagem e conhecimento em uma rede do setor imobiliário. *GESTÃO. Org*, 9(3), 463-485.
- Associação Brasileira de Proteína Animal – ABPA. (2014). *Annual Report*. Recuperado em 27 de fevereiro, 2014, de <http://www.ubabef.com.br/files/publicacoes/8ca705e70f0cb110ae3aed67d29c8842.pdf>
- Balestrin, A., & Vargas, L. M. (2004). A dimensão estratégica das redes horizontais de PMEs: teorizações e evidências. *Revista de Administração Contemporânea - RAC*, Edição Especial, 203-227.
- Bardin, L. (2004). *Análise de conteúdo* (3a ed.). Lisboa: Edições 70.
- Braga, M. J. (2010). Redes, alianças estratégicas e intercooperação: o caso da cadeia produtiva de carne bovina. *Revista Brasileira de Zootecnia*, 39(supl. especial), 11-16.
- BrazilianIslamic Center for HalalStuff. (2013). *O que é o Halal?* Recuperado em 11 de dezembro, 2013, de <http://www.cibalhalal.com.br/o-que-e-halal/halal.html>
- Casson, M., & Della Giusta, M. (2007). Entrepreneurship and social capital: analyzing the impact of social networks on entrepreneurial activity from a rational action perspective. *International Small Business Journal*, 25(3), 220-244.
- Castells, M. (2000). Materials for an exploratory theory of the network society. *The British Journal of Sociology*, 51(1), 5-24.
- Ebers, M., & Jarillo, J. C. (1997). The construction, forms and consequents of industry network. *International Studies of Management & Organizations*, 27(4), 3-21.
- Giglio, E. M., & Ryngelblum, A. L. (2009). Uma investigação sobre o ator consumidor na rede de pirataria e uma proposta de alternativa de estratégia de combate. *Revista de Administração Mackenzie - RAM*, 10(4), 131-155.
- Giglio, E. M. (2011). Proposta e sustentação de um modelo de rede que inclui o ator consumidor. *Brazilian Business Review - BBR*, 8(1), 28-50.
- Gomes-Casseres, B. (1994). Group vs. group. How alliances network compete? *Harvard Business Review*, 72(4), 62-74.

- Grandori, A., & Soda, G. (1995). Inter-firm networks: antecedents, mechanisms and forms. *Organization Studies*, 16(2), 183-214.
- Granovetter, M. (1973). The strength of weak ties. *The American Journal of Sociology*, 78(6), 1360-1380.
- Granovetter, M. (1985). Economic action and social structure: the problem of embeddedness. *The American Journal of Sociology*, 91(3), 481-510.
- Gulati, R. (1995). Social structure and alliance formation patterns: a longitudinal study. *Administrative Science Quarterly*, 40(1), 619-652.
- Gulati, R., Nohria, N., & Zaheer, A. (2000). Strategic networks. *Strategic Management Journal*, 21(3), 203-215.
- Hite, J. M., & Hesterly, W. S. (2001). The evolution of firm networks: from emergence to early growth of the firm. *Strategic Management Journal*, 22(3), 275-286.
- Human, S. E., & Provan, K. G. (1997). An emergent theory of structure and outcomes in small-firm strategic manufacturing network. *Academy of Management Journal*, 40(2), 368-403.
- Kerlinger, F. N. (1980). *Metodologia da pesquisa em ciências sociais: um tratamento conceitual*. São Paulo: Edusp/EPU.
- Kliksberg, B. (1999) Capital social y cultura, claves esenciales del desarrollo. *Revista de la Cepal*, 69, 85-102.
- Leana, C. R., & Van Buren III, H. J. (1999). Organizational social capital and employment practices. *Academy of Management Review*, 24(3), 538-555.
- Mayer, R. C.; Davis, J. H., & Schoorman, F. D. (1995). An integrative model of organizational trust. *Academy of Management Review*, 20(3), 709-734.
- Morgan, R., & Hunt, S. (1994). The commitment-trust theory of relationship marketing. *Journal of Marketing*, 58(3), 20-38.
- Nohria, N. (1992). Is a network perspective a useful way of studying organizations? In N. Nohria, & R. Eccles (Eds.), *Networks and organizations: structure, form, and action*. Boston: Harvard Business School Press.
- Nooteboom, B. (1996). Trust, opportunism and governance: a process and control model. *Organization Studies*, 17(6), 985-1010.
- Putnam, R. (1993, Spring). The prosperous community: social capital and public life. *American Prospect*, 13, 35-42.

- Provan, G., & Kenis, P. (2008). Modes of network governance: structure, management, and effectiveness. *Journal of Public Administration Research and Theory - JPART*, 18, 229-252.
- Tureta, C., & Lima, J. B. (2011). Estratégia como prática social: o estrategizar em uma rede interorganizacional. *Revista de Administração do Mackenzie - RAM*, 12(6), 76-108.
- Uzzi, B. (1997). Social structure and competition in interfirm networks: the paradox of embeddedness. *Administrative Science Quarterly*, 42(1), 35-67.
- Verschoore, J. (2006). *Redes de cooperação interorganizacionais: a identificação de atributos e benefícios para um modelo de gestão*. Tese de Doutorado, Universidade Federal do Rio Grande do Sul, Programa de Pós-Graduação em Administração: Porto Alegre, RS, Brasil.
- Verschoore, J., & Balestrin, A. (2008, setembro). A participação em redes de cooperação influencia os resultados das pequenas e médias empresas associadas? *Anais do Encontro Anual da Associação Nacional de Pós-Graduação e Pesquisa em Administração - Enanpad*, 32, Rio de Janeiro, RJ, Brasil.
- Van Waarden, F., & Van Dalen, R. (2013). Halal and the moral construction of quality: how religious norms turn a mass product into a singularity. In J. Beckert, & C. Musselin (Eds.), *Constructing quality: the classification of goods in market*. Oxford: Oxford University Press.
- Walter, J., Lechner, C., & Kellermanns, F. W. (2007). Knowledge transfer between and within alliance partners: private versus collective benefits of social capital. *Journal of Business Research*, 60(7), 698-710.
- Yin, R. K. (2010). *Estudo de caso: planejamento e métodos* (4a ed.). Porto Alegre: Bookman.
- Zaccarelli, S. P., Donaire, D., Boaventura, J. M. G., Siqueira, J. P. L., & Telles, R. (2008). *Cluster e redes de negócio – uma nova visão para o sucesso dos negócios*. São Paulo: Atlas.
- Zaheer, A., McEvily, B., & Perrone, V. (1998). Does trust matter? Exploring the effects of interorganizational and interpersonal trust on performance. *Organization Science*, 9(2), 141-159.