

How can a social joint venture survive on crisis? The case of the Regional Sustainable Development program in Taquara, Rio Grande do Sul, Brazil.

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Social joint ventures (SJV) are groups held and supported by governmental, private, and non-governmental organizations (NGOs) that have a common concern on achieving social objectives. It is a big challenge to maintain a SJV, due to its instable nature and loose governance. The success of a SJV depends on the commitment of the team with its objectives and requires leadership to maintain this commitment. This paper is the partial account of a participatory action research in a SJV established to develop small dairy farmers in the city of Taquara, RS, Brazil, called hereinafter DRS/Taquara. DRS/Taquara was proposed by the Brazilian Bank (BB), a state-owned universal bank with both commercial and community development characteristics, as part of its major DRS (Sustainable Community Development) program. The DRS program aims to enhance Brazilian communities in the economic, social and environmental dimensions, by helping entrepreneurs in a particular industry relevant to a given community, through the engagement of persons who represent organizations related to this industry. The DRS program was launched in 2003, and DRS/Taquara was implemented in 2005. The chosen industry for DRS/Taquara was the dairy chain. The objectives of DRS/Taquara were: 1) Increase the productivity and quality of milk produced in those farms (technical and management capacities); 2) The sustainable used of water and soil; 3) Enhance the awareness on partnership (co-operatives, associations); 4) Enhance the management capacities of the two co-operatives of DRS/Taquara and 5) Increase the educational level of dairy farmers. To start up DRS/Taquara, 28 dairy farmers were selected as a pilot group, and they participated in the formulation of the objectives and the path for achieving them. The components of the DRS/Taquara team were representatives from organizations like the university (FACCAT), rural co-operatives, rural unions, the City Hall, business associations, the state rural service program (EMATER), the Brazilian small business program (SEBRAE) and BB. DRS/Taquara was lead by BB's branch manager. One key partner was the co-operative of dairy farmers (COPLESA), the main supporter of dairy farmers since its creation in 1993. However, in 2006, COPLESA was extinct due to serious financial problems. Since that event, DRS/Taquara team was constantly losing motivation and cohesiveness. At that time the dairy farmers who were associated to COPLESA started to be concern about their responsibilities among the co-operative and what would happen to them. They started to look for new buyers for the milk produced in their farms and team of DRS/Taquara had to give them more support than before. The team couldn't give up of helping the farmers, new buyers were invited to engage on DRS/Taquara and the program kept going. The second crisis in DRS/Taquara was the replacement of the BB's branch manager, in July of 2007. His replacement was not well accepted by the team and many participants stopped attending the meetings. Currently, some of the partners are making efforts to get back the cohesiveness of the team and maintain DRS/Taquara. Some activities are still being done by some partners, but they are isolated activities and almost nobody speaks about DRS/Taquara. However, the dairy farmers are still working and they need help to enhance their knowledge and to improve their sustainable development. According to one of them, "we never had such help before". In this paper we discuss three alternatives for the maintenance of this particular SJV: 1) choose a new leader for DRS/Taquara; 2) check the partners' interests; and 3) extend the SJV to other cities around Taquara. *Choose a new leader for DRS/Taquara:* This alternative is supported by the idea that the DRS/Taquara kept going even after the extinction of the co-operative, due to the leader's actions. But when the BB's branch manager, the leader, was

replaced, most of the partner's representatives lost motivation and cohesiveness. This attitude shows their deep dependence on a leader and it shows also their incapacity to keep going without someone to conduct them along. Studies about leadership show that less mature teams need to be lead by someone in whom the participants trust and who can maintain their motivation and cohesiveness. One disadvantage of the change of the leader of DRS/Taquara is the possibility that a new leader can be powerless to influence external stakeholders, like government representatives, investors and the media. The BB's branch manager, due to his position, is well respected by all stakeholders. Thus, replacing him may be not a good strategy. *Check the partners' interests:* This alternative is supported by the idea that the partner organizations were invited due to their relationship with dairy chain, but they have never reflected and discussed with the group about their particular motives to take part in DRS/Taquara. Studies in motivation show that people are committed with something that can fulfill their own objectives and hopes, and so are the organizations they represent. People move themselves on tasks or programs that can bring them some return. So DRS/Taquara can invite the partners' representatives to openly discuss their objectives and set an agenda for DRS/Taquara that meets these objectives, or at least a compromise. A disadvantage of checking the partners' interests at this point can be the fact that the team already exists for two years and these discussions about particular motives should have been done in the beginning. This gap in time can incur on the redefinition of the partner's roles and, even worse, one of more partners can quit DRS/Taquara, instead of be more committed. *Extend the SJV to other cities around Taquara:* This alternative is based on the fact that some cities around Taquara have also many dairy farmers and organizations that can engage to the SJV. These organizations can be very helpfulness to the program. This alternative, however, has the disadvantage that DRS/Taquara is not very successful so far, and it is a well-known fact. Getting new partners to join a SJV with controversial results can be difficult.

Key words: social joint venture, partner, leadership, commitment, cohesiveness