

STRATEGIC ENTREPRENEURSHIP: OBSERVATIONS FROM THE PRACTICES OF CACHAÇA CERTIFICATION



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To cite this paper: Paiva, A. L., Andrade, D. M., Antonialli, L. M., & Brito, M. J. (2018). Strategic entrepreneurship: Observations from the practices of cachaça certification. *Revista de Administração Mackenzie*, 19(2). doi:10.1590/1678-6971/eRAMG180099

Submission: Sep. 21, 2017. **Acceptance:** Jan. 04, 2018.



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ABSTRACT

Purpose: This work seeks to achieve two central goals: 1. identifying entrepreneurial praxis and understanding how they promote the involvement of different individuals in the certification of alembic cachaça and; 2. understanding how those praxis may entail changes in the strategies of an organization.

Originality/value: The present discussion contributes to the debate regarding the fields of Entrepreneurship as Practice and Strategy as Practice, especially by exploring the gaps in both approaches through the theories of practice. Furthermore, the results serve as a reference for business development in the field of alembic cachaça.

Design/methodology/approach: A case study was performed in an organization that manufactures alembic cachaça located in the state of Minas Gerais. For that matter, data were collected through interviews, observation rounds and documental sources that presented information on the dynamics of the actors involved (practitioners) regarding their engagement in cachaça certification practices. The data were collected through the method of thematic analysis.

Findings: Results show that the practitioners in this organization were engaged in entrepreneurial practices for cachaça certification. Those activities also promoted significant changes in the productive and commercial practices previously established. Through the case studied, it was possible to understand the relationship between the webs of entrepreneurial praxis and the practices performed by the practitioners inside the organization as well as the engagement in other strategic practices, especially through the process of cachaça certification.

KEYWORDS

Entrepreneurship as Practice. Strategy as Practice (SAP). Certification. Alembic Cachaça. Minas Gerais.

1. INTRODUCTION

Studies on Entrepreneurship encompass multiple theoretical approaches, which consider different aspects of this phenomenon (Costa, Barros, & Carvalho, 2011; Fayolle, Landstrom, Gartner, & Berglund, 2016). Two main lines of research founded this field: the economics-based approach – from which the first discussions regarding entrepreneurship emerged, focused on innovation and actors considered “single entrepreneurs” – and another one, behavior-based – marked by the influence of cognitive and behavioral psychology, interested in the explanation of the attitudes and the behavior of the entrepreneurs (Fillion, 1999; Spedale & Watson, 2014).

However, those approaches have been criticized, especially in the conceptions attributed to entrepreneurship and the actors involved (Costa et al., 2011). As an answer to the criticism, alternative insights, founded in different perspectives, have been contributing to the development of the concept and the subject matter (Vale, 2014). Thereby, new perspectives are featured, such as the Entrepreneurial Action (Watson, 2013; Spedale & Watson, 2014; Gomes, Lima, & Cappele; 2013) and Entrepreneurship as Practice (Johannisson, 2011; Borges, Brito, & Lima, 2016; Anderson & Ronteau, 2017).

Those approaches seek to understand the subject matter of entrepreneurship through the analysis of the actions performed by the various actors that form the markets, distancing from atomistic and exclusivist points of view of the entrepreneur and placing their activities in practices circumscribed into specific contexts (Borges et al. 2016; Spedale & Watson, 2014). From this notion, researches have been warning about the possibility of understanding entrepreneurial activities through the theories of practice (Anderson & Ronteau, 2017; Schatzki, 2001).

Along those lines, Johannisson (2011) considers that entrepreneurial practices promote performative effects in organizations, markets and institutional fields. Thus, it is also possible to recognize that those practices impact the construction, maintenance and changes in organizational strategies, by establishing new orientation and direction for the actions. It must be observed that the convergence of entrepreneurship and strategy has already been presented by Mintzberg, Ahlstrand, and Lampell (2010) in the ‘Entrepreneurial School’. However, this school is mostly founded in the economical and psychological currents of entrepreneurship. Therefore, recognizing the criticism to those approaches and deeming relevant the



relationship between entrepreneurial actions and strategy, the perspective of the Strategy as Practice is presented (Whittington, 2006; Vaara & Whittington, 2012). This line of study embodies the practice and its different practitioners as the central elements to the production and the analyses of the strategic action. Assuming that the activities that constitute strategic practices may have an entrepreneurial orientation, Borges et al. (2016) identify the aspects of strategy as practice as close to the notions of entrepreneurial action and entrepreneurship as practice, especially with respect to epistemological and methodological premises for the analyses of these phenomena.

Seeking to investigate this relationship, this research examined entrepreneurial practices and activities, as well as their strategic implications, within the context of producer organizations of alembic cachaça. The cachaça is a typical Brazilian alcoholic beverage (with its origins dating back to the XVI century), produced through the distillation of the fermented must of sugar cane (Silva, 2015). The manufacturing system of the beverage is subdivided in two categories, industrial and alembic, or artisanal (Coutinho, 2001). The alembic cachaça is a variant of the beverage produced according to artisanal practices. Especially in the case of this variant, since colonial times the production and consumption of the beverage have been stigmatized. However, since the 1980's, a movement coordinated by producers and state agents has been promoting changes in the institutional aspects that shape the field (Silva, 2009). According to Paiva (2017), practitioners inside organizations that produce alembic cachaça are using new strategic practices, evidencing the aforementioned context. Within those practices, it is possible to highlight the commitment to cleaner productive systems, advertisement to more distinctive consumer groups (A and B classes) and conformity with quality certification programs (Braga & Kyiotani, 2015).

Considering the relevance of this last practice for the consolidation of a new productive standard and a new insertion in the market of alcoholic beverages (Soratto, Varvakis, & Horii, 2007), as well as the interactions between the producing actors of alembic cachaça, the main argument of the present article is formulated, that the construction and involvement in a certification practice may be shaped by entrepreneurial praxis. Stemming from this formulation, a case study was performed in an alembic cachaça producing organization, from the which the two central purposes of this work were established: 1. identifying and understanding the entrepreneurial praxis of the different individuals involved in the certification process of



alembic cachaça and; and 2. understanding how those praxis may entail changes in organizational strategy.

Therefore, beyond this introduction, the present article presents discussions regarding the evolution of the concept of entrepreneurship, as well as practice-based perspectives, especially Strategy as Practice and Entrepreneurship as Practice. In the paragraphs ahead, the methodological procedures, results, discussion and final considerations are presented.

2. APPROACHES TO THE PHENOMENON OF ENTREPRENEURSHIP: TOWARDS THE PRACTICES

Since the XVIII century, scholars from different perspectives and theoretical affiliations have been studying the phenomena that involve entrepreneurship. However, plurality is a hallmark of the researches and theoretical discussions over the subject (Gomes et al., 2013). Overall, Fillion (1999) draws attention to the two main approaches in entrepreneurship studies: economics-based and behavioral-based. The economists, pioneers in this field of study, associate entrepreneurship with innovation, taking as a central reference the studies of the Czech economist Joseph Schumpeter regarding the effects of the entrepreneur in the disruption of the economy and generation of development. The behaviorists, in turn, emphasize attitudinal aspects of the agents, with the central influence of the psychologist David McClelland, who identified the optimal types of entrepreneurial behavior. Overall, both economists and psychologists place the subject in the center of the entrepreneurial action as responsible for the phenomenon of entrepreneurship, stemming from an atomistic and voluntarist worldview. In this respect, the entrepreneur is considered a subject with “special” characteristics, or specific to one’s attributions (Fillion, 1999).

However, those postulations and models were criticized because of the analytic simplifications and limitations presented by researches affiliated to those currents of thought (Vale, 2014). Therefore, according to Gomes et al. (2013), it is necessary to generate research efforts in order to build a more complex theoretical framework around this phenomenon. Schumpeter himself, in the final stages of his work, defended the idea that the entrepreneurial function should be considered beyond companies and individuals (Schumpeter, 1939). In this respect, the economist considered that cooperative actions could be entrepreneurial, as well as the State itself,



which can be the connective element between technological innovations and banking credit (Gomes et al., 2013).

Spedale and Watson (2014) state that entrepreneurship is a social phenomenon before an economic one. In this regard, the authors discuss that the entrepreneur both inserted into society and an actor of its constitution. Following this discussion, some researchers have been bringing attention to the consideration of the entrepreneurial action, shifting the analytical focus from the entrepreneurial agent to the activities collectively performed. According to Gomes et al. (2013, p. 213), “this perspective took the postulation that the managerial activities along with the entrepreneurial activities performed a crucial role for the growth of the company, its distinction on the market and, consequently, for the increase of its competitiveness”.

The concept of entrepreneurial action has multiple antecedents that allude to both the internal behavior of the individual and to the external world. The concepts of action and intention (passing through human agency) are involved, as well as the recognition that behavior related to entrepreneurship is always guided by certain contexts, thereby not happening by chance or accident (Shaver, 2012). In other words, the entrepreneurial action emerges in the intersection between tensions within the institutional context and within the orientations of individual lives (Spedale & Watson, 2014).

Watson (2013) understands that the entrepreneurial action refers to the production of adventurous, creative or innovative exchanges (or negotiations) between the businesses of the entrepreneurial actors and other parts, through exchanges. In the words of Gomes et al. (2013, p. 215), the entrepreneurial actions:

[...] allow for the production of radical innovations, or not, but, mainly, incremental, either by offering new services/products, or by the acquisition of new productive/managerial resources, namely, through administrative changes or through the implementation of new processes, provided they are recognized by the environment.

Therefore, under this perspective, entrepreneurship goes beyond the simple action of opening a new company and also is not related to the development of business plans or to prosperity in businesses. Hence “entrepreneurial action can involve an existing firm (or not), can involve particular activities (or not), and can create new wealth (or not)” (Shaver, 2012, p. 283).



Considering the discussion regarding entrepreneurial action and new perspectives on entrepreneurship, some authors recognize the possibility of studying these phenomena based on theories of practice (Johannisson, 2011; Borges et al., 2016; Anderson, & Ronteau, 2017). These approaches will be presented further on, along with the discussion on the relationship between entrepreneurship and Strategy as Practice.

2.2. Practice-based perspectives: Receptions from strategy as practice and entrepreneurship as practice

Practice-based perspectives, also known as theories of practice, refer to a set of cultural and philosophical explanations that focus on the conditions that involve the realization of social life through practices (Fein, 2015). Despite the great diversity of approaches that explore those practices, this “movement” seeks to go beyond individualism and ontological and methodological collectivism. Therefore, the theories of practice recognize that it is the action of individuals, singular or collective ones, that forms social life into certain contexts, which are not only the characteristics of the relationships between individuals (Warde, 2005).

Considering the heterogeneity of the approaches that fundament the theories of practice, Schatzki (2001) highlights the importance of the different schools of thought and knowledge fields, such as philosophy, sociology, anthropology, etc. Thus, highlighting the contributions of Heidegger, Wittgenstein, Foucault, Bourdieu, Giddens, Latour, Garfinkel, Taylor, Sztompka, Schatzki, among others. The efforts those authors made by proposing new perspectives for social theory were also known as “*practice turn*”. This movement served as a reference for several areas within the social sciences for the production of new interpretations regarding social reality (Fein, 2015).

However, given the methodological and conceptual diversity of the authors that compose the practice, Schatzki (2001) argues that there is no unified concept around the conception of ‘practice’. Therefore, the present work will take as reference the works developed by Schatzki (2001, 2003) and Reckwitz (2002).

According to Reckwitz, it is important to establish a differentiation between ‘Practice’, here referred to as *praxis*, and ‘practice’ (from the German word *praktik*). The *praxis* refers to human action as a whole, to all the activity that is, in fact, performed by people in their interactions. In turn, the practice, in a broad sense, is about:



[...] a routinized type of behavior, which consists of several elements, interconnected to one another: forms of bodily activities, forms of mental activities, 'things' and their use, a background knowledge in the form of understanding, know-how, states of emotion and motivational knowledge (Reckwitz, 2002, p. 249).

In a similar sense (despite coming from a distinct ontological foundation), Schatzki (2003) classifies the practices as both performances, realizations (conceptually similar to the praxis) and as coordinated activities, also similar to the concept of practice (*praktik*) presented by Reckwitz (2002). The practices as coordinated activities refer to temporally unfolding and spatially dispersed nexus of speeches and actions (Schatzki, 2001). Therefore, people in their daily lives engage in diverse practices in order to produce diverse results. This engagement is founded in the embodied routines, in the makings, sayings and interactions with material devices in order to provide structures for social life (Reckwitz, 2002).

According to Vaara and Whittington (2012), those understandings regarding practices, as well as the practice turn, provided important references for the development of new conceptions in organizational studies and in Administration. From this approach, the studies on strategy and entrepreneurship have been attributing a greater focus on practices since the last two decades.

Within the field of researches and practices on Strategy, during the 1990's, authors such as Richard Whittington were inspired by the theories of practice, therefore developing the "movement" of the Strategy as Practice (SAP) (Vaara & Whittington, 2012). Whittington (2006) drew attention to the understanding of the practical competences of the strategists inside organizations and to the making of strategy in daily activities. To that end, Jarzabkowski, Balogun, and Seidl (2007) argued that the strategy starts to be understood as what people make in the organizations, rather than classical conceptions of the phenomenon as an asset or something reified.

For this purpose, they propose that the Strategy as Practice can be understood through different theories of practice (Whittington, 2006; Jarzabkowski et al., 2007). However, they present three central categories for the study of strategizing: the praxis, the practices and the practitioners, which can be understood from the equivalent concepts presented by Reckwitz (2002).

Since its initial formulations, the SAP has developed as a field of research of great prominence, especially in organizational studies and in the European context (Andrade, Paiva, Alcantara, & Brito, 2016). In Brazil, researches



have been exploring the Strategy as a practice in different areas and subject areas, although more studies are still necessary (Okayama, Gagg, & Oliveira Junior, 2014).

The studies on entrepreneurship are also embodying the practice-based perspectives. This approach is compatible with the discussions regarding the need to exploit theoretical alternatives that are not based on the economist or behavioral perspectives, which are the most traditional ones on the field. Borges et al. (2016) argue that the articulations between the procedural perspective of this phenomenon, as well as the concept of entrepreneurial action allow for considering entrepreneurship as a practice. In this sense, understanding entrepreneurship through practices enables a better understanding regarding what entrepreneurs in fact do, considering their decisions as founded in understandings and realizations (Anderson & Ronteau, 2017).

According to Johannisson (2011), the practical perspective on entrepreneurship understands the phenomenon as a creative social process aimed at new businesses or new activities, formed by the actions of different entrepreneurial actors, engaged in practices. Those individuals, in this articulation, organize people and resources, explore opportunities, as well as build/renew organizations. In this respect, just as the making of strategy is understood through the action verb strategizing, the act of taking an entrepreneurship may be understood as *entrepreneurizing* (Johannisson, 2011; Borges et al., 2016; Anderson & Ronteau, 2017).

This concept, aligned with the practical perspectives proposed by Reckwitz (2002) and Schatzki (2003) allows for understanding the entrepreneurial action as a type of *praxis*, placed on its own context, based on behaviors and on creative and innovative actions/activities that promote changes in the engagement and creation of other practices. Through their activities, or *praxis*, individuals may engage and produce changes in other practices (Anderson & Ronteau, 2017).

Furthermore Borges et al. (2016), and Anderson and Ronteau (2017) reinforce the approximation between Strategy and Entrepreneurship as Practice, moreover through the embodiment of the categories broadly discussed in the SAP, practices, praxis and practitioners, as pathways for the study of *entrepreneurizing*. This approximation becomes pertinent, specially when considering the relationship between entrepreneurial oriented praxis as direction for strategic practices. Therefore, those categories and concepts served as reference for the development of the research presented in this article. In the next section, the methodological procedures employed are presented.

3. METHODOLOGY

This study is based ontologically and epistemologically on developments around theories of practice (Reckwitz, 2002; Warde, 2005). In this sense, the reality and the experiences of the people are constituted by their engagement in practices of different instances, structured in a broad institutional context. Thus, the notions of practices, praxis and practitioners based on previous topics were defined as central categories of analysis of this study (Schatzki, 2003; Whittington, 2006)

This research is of a descriptive, interpretive and qualitative nature (Alencar, 2007). For the inquiry and discussion of the problematic of this research, a singular and instrumental case study (Stake, 2005) was carried out in an organization that produces alembic cachaça, referred to in this work as “Cachaça de Minas” (a fictitious generic denomination). This organization is in a municipality in the state of Minas Gerais and has been producing alembic cachaça since 1989. The criterion for the selection of this productive unit as a locus of investigation is justified by the engagement of the practitioners involved in the organization in the practice of certification of organic cachaça, started in 2009. It is understood that through the analysis of the process of construction and realization of this practice, it was possible to explore evidence of entrepreneurial praxis carried out by these subjects and their relationship with the strategies of production and market insertion.

To carry out the research, different methods were used to collect data (Alencar, 2007). Three collective interviews were held with practitioners who owned this organization, referred to here as Mr. Pedro, Mrs. Luiza, and Felipe, son of the couple (all names are fictitious). Subsequently, two interviews (via Skype) were conducted with the son, a central actor in the engagement in this certification practice. It should be noted that informal conversations were also held with employees involved in production practices. Because it is a set of practices that began in 2009, the interviews served as an essential source for analyzing the interests and actions developed by the practitioners in that period. Along with this information, data on the stages of observation and documentary research (from the organization’s website, as well as labels, newspapers, production manuals, legislation etc.) were added. The observation stages happened in three visits, made by one of the authors of this work to the productive unit. At the time, production spaces were visited and the interactions carried out by the practitioners (involving other working subjects) in the context of production practices and market insertion were observed.

After being collected, the data were transcribed and structured in a text editing software. This corpus was analyzed using the thematic analysis method according to the following steps: classification, grouping and review of themes; definition of categories of analysis and integrative analysis (Braun & Clark, 2006). In this case, the structure of themes, sub-themes and categories of analysis allowed the work to describe the actions of practitioners over the years; the practice of certification of organic cachaça in question and related praxis; as well as aspects that mark the entrepreneurial action carried out by these subjects. In the next section, the results of the research are discussed.

4. RESULTS AND DISCUSSION

In this section the results of the study are presented, considering the context of construction of the practices that make up the case that will be narrated, the elements that characterize these practices and the strategic implications of the practitioners' organization.

4.1. The context of construction and the production practices, and market insertion of "Cachaça de Minas"

To better understand the interactions and practices carried out by practitioners in this case, it is important to consider the historical and social context in which they were inserted. Since the colonial period, the consumption and manufacturing of cachaça has been imbricated to different aspects and symbolic elements of the Brazilian culture (Silva, 2009). These elements reproduce both a sense of marginalization and prejudice (marked by informal production and consumption by historically despised groups such as workers and suburbanites), as well as representations that refer to the distinction of certain segments of the drink as a product of high added value, consumed by groups with greater purchasing power (Braga & Kyiotani, 2015). It should be emphasized that the construction of these senses permeated the performance of different practitioners, in diverse power relations (Paiva, 2017).

In the alembic cachaça produced in Minas Gerais, this plurality of meanings involving production and consumption becomes more evident (Silva, 2009). It is common for organizations to act in a situation of informality, whose practitioners engage in practices that refer to traditions

built and reproduced since the colonial period. Similarly, some producers sought to build a manufacturing system in which practices were legitimized scientifically, with the intention of exploring a profile of consumers with greater socioeconomic distinction. In Minas Gerais, the actions of this group were developed mainly from the 1980s, when producers organized themselves around an association, the Association of Quality Producers of Minas Gerais (AMPAQ), articulating their interests with the State and research organizations (Coutinho, 2001). Thus, this context constituted an organizational field characteristic of alembic cachaça in the state. It is at this juncture that the practitioners involved in the production of “Cachaça de Minas” began their engagement in entrepreneurial praxis.

The history of the organization began in the 1950s, with Mr. Pedro, still a child, accompanying his grandfather and father in the production of cachaça in the rural property where he was born. Despite his familiarity with production practices, Mr. Pedro, through his parents’ influence, distanced himself from rural activities and moved to another larger municipality, where he graduated in Law School. At that time, he met Mrs. Julia and they got married. The couple raised three children, including Felipe.

Although he graduated in college, Mr. Pedro did not practice law. In the late 1970s, Mr. Pedro acquired a rural estate near the town where he had lived with his family, engaging in practices in the milk production chain. In 1982, he received, as inheritance, lands on the farm where he grew up, so he sold the property previously acquired. On this farm, Mr. Pedro continued the activities related to dairy cattle. However, due to crises in this business and by the influence of brothers who already made cachaça, he decided to abandon the milk chain and engaged in the production of cachaça in 1989.

In this period, supported by his experience, as well as by the influence of brothers and other drink producers, Mr. Pedro planted a small cane field and acquired a used alembic. From this alembic, the manufacture and commercialization of cachaça was started informally. The commercialization of cachaça produced in this organization occurred mainly in bars and restaurants in municipalities near the production unit, as well as in the farm itself. However, as Mr. Pedro states, there was an interest in “...legalizing cachaça and the brand and selling a quality product [...]”, mainly due to the knowledge of practices carried out by other alembics, seen as impure and dirty.

Guided by this interest, in 1998, with the active participation of Felipe, the son of Mr. Pedro and Mrs. Julia, the organization was formalized and the brand “Cachaça de Minas” was registered with the National Patent and

Inventions Institute of the federal government (INPI). Although the practitioners sought to change the modes of engagement in the production practices and commercialization practiced previously, few significant changes were made after this. According to Mr. Pedro, there was a great difficulty of technical assistance around the production of cachaça and the market in which they acted did not enable these transformations. It should be noted that in the early 2000s, Felipe started studying agronomy at college level. As part of his academic training, Felipe began to engage in studies related to cachaça production practices.

Due to the perceptions that practitioners (in this case, the family responsible for the organization) formulated about the field of alembic cachaça, and by Felipe's performance, now a student of agronomy, new investments related to the infrastructure of the production unit were realized and a bottler was built. Because of these efforts, the producers managed to register the beverage with the Ministry of Agriculture and Livestock (MAPA) in 2004. Some changes in the routines that made up the production practices were in order. These changes concern, specifically, compliance with certain technical standards defined by MAPA to guarantee the quality of the drink. Despite this, as the strategists said, the sales increased very little and there was no impact in the scope of marketing insertion of the organization.

From 2009 onwards, Felipe, already a graduate, began to help his parents in a more direct and active manner. Thus, the changes in the production practices and market insertion were intensified, resulting in the reformulation of the strategic practices developed until then. This process, initiated in 2004, enabled the context of observation of opportunities for action in the alembic cachaça market from the engagement in the certification practice, discussed below.

4.2. Entrepreneurial and strategic praxis for cachaça certification

The change in the direction of production practices, as stated by Felipe and Mr. Pedro, was based on the interest in producing a cachaça considered of better quality and, therefore, to allow a greater market insertion. In this sense, especially in Felipe's perception, the engagement in certification practices could provide this direction. The practitioner states that as early as 2004 he had already envisioned conforming production practices to the criteria established by both state agencies and private organizations regarding good manufacturing practices.

However, Felipe's actions away from the daily life of the company, due to academic activities and later to work as an environmental consultant, represented barriers to these changes. In addition, Felipe said that it was necessary to convince Mr. Pedro, reticent about certification practices, about the project's feasibility. This conviction was based, above all, on repertoires that Mr. Pedro reproduced in relation to the performance of "inspectors" (*fiscais*) in the context of rural organizations. In Felipe's words, it was necessary to deconstruct the meaning of "inspectors" (*fiscais*) for "auditors" (*auditores*), formulated by Mr. Pedro from his previous experiences. This change only occurred when Felipe, a scientist, began to carry out some actions in the context of production and to talk with his father, showing how new orientations were emerging in the field of cachaça and how this process could improve the insertion and quality of the beverage they manufactured.

For this reason, since 2004, small changes in the manufacturing routines have been implemented, including the acquisition of new equipment and training, both for Mr. Pedro, and for other people involved in the production. This process resulted in the first visit to the inspection of manufacturing practices in 2009 to provide certification for organic products. This procedure was granted by the Brazilian Organic Conformity Assessment System (Sisorg), regulated by MAPA and audited by Instituto Mineiro de Agropecuária (IMA). Engagement in certification practice occurred incrementally, as new understandings were incorporated into production practices. It is important to specify that the certification practice refers to the set of understandings, rules and purposes that guarantee the criteria necessary for the issuance of certification markers (stamps, in this case) which allow the organization to reproduce these symbols.

According to Felipe, the choice for certification of organic products issued by Sisorg was due to the practitioner's knowledge about other audit services provided by IMA to this organization to produce organic coffee. Felipe knew that the agency would initiate audits of organic certification in the state (from an audit conducted by IMA) and, therefore, contracted the service. Thus, "Cachaça de Minas" was the first brand certified as organic cachaça by Sisorg in Minas Gerais.

In his narrative, Felipe says that certification programs are an important parameter for the conformation of the production practices to criteria established academically about what constitutes a product of legitimized quality. Due to this understanding, the practitioner acknowledges that the certification fosters an adaptation of practitioners' praxis around production practices, to manufacture a cachaça recognized as being of good quality by

market agents. This perception was also identified by other consumers and producers of alembic cachaça that have their brands certified (Soratto et al., 2007; Paiva, 2017).

However, according to Felipe, the practice of certification of organic products also has the purpose of legitimizing practices that incur a lower cost of production, especially regarding the size of the planted area and the means of management. The criteria defined by Sisorg, and audited by the IMA, point to the appropriateness of activities for a better utilization of resources and production residues, such as the reuse of sugarcane bagasse as fuel to heat the furnaces and generate heat for the distillation process and the use of *vinhoto*, a distillation residue, as a natural fertilizer.

These changes in production practices, according to the practitioners, result in less cost and, at the same time, provide legitimacy and distinction to the drink – because of the certification seal – for the consumers. It is interesting to note that the economic aspect of certification was also incorporated as a way of convincing Mr. Pedro to engage in this practice. Thus, signaling for the consumers, which is often understood as the main criterion and advantage of a certification (Soratto et al., 2007), it was taken as a secondary result of this practice:

[...] when we had the idea of the first certification, of doing an organic one, it did not have a single commercial vision. It was a measure of cost reduction. The amount of herbicide that was put here, the amount of fertilizer, these things, were very big, out of control. I think most people who still buy it do not completely understand what that certification is. But just to take a quick look and see a seal that is written ‘without chemical fertilization’, ‘without chemicals’, it is already thought of as something of a good quality (Felipe).

Once the certification of organic products by Sisorg / MAPA was established, the practitioners sought again to act in relation to the transformation of marketing insertion practices through certification. This set of creative activities were then carried out according to the individuals’ perceptions of market opportunities. In this sense, in 2010, the strategists joined the AMPAQ with the main purpose of conforming to the criteria needed to receive the certification seal issued by the association. According to Felipe, this decision was strictly for “market” reasons, since the criteria demanded by the AMPAQ were very close to those already attended by the certification of organic products.



Also, as of 2011 a seal was added to the beverage label regarding the certification of organic alembic cachaça, issued by IMA. The choice for the representation of this seal became interesting and in line with the organization's new strategic practice, since it is not a contract for a new audit. According to Felipe, there is a seal of organic products audited by IMA itself. However, since the mark was already certified by Sisorg, and this process was audited by IMA, it would be possible to represent the exclusive organic certification seal of the latter agency.

Thus, it is observed, in this case, that entrepreneurial praxis, guided by an institutional context and by the experiences of practitioners, instituted practices of certification of cachaça in the organization analyzed here. This praxis refer to creative and innovative activities, in this case, represented by the decisions that involved the implementation of certifications. On the other hand, the engagement in these practices promoted changes in the production practices and marketing insertion (changes in planting, harvesting, fermentation, distillation, sales etc.), consequently impacting the strategic directions of this company.

Regarding the certification of organic production, compliance with the criteria established by Sisorg/MAPA, from the, made it possible to construct new facilities and acquire equipment. It also fostered apprentices' learning through courses and the incorporation of new routines. That is, the daily praxis performed by these practitioners was clearly modified because of this movement, constituted a priori by another praxis of an entrepreneurial nature (Anderson & Ronteau, 2017). The certification also promoted a reduction in production costs, even though it represents increases in expenses for complying with standards and auditing rates, which shows the creation of a network of practices and praxis (Schatzki, 2003; Reckwitz, 2002).

In this sense, considering the practitioners' reports, the certification promotes a distinction of the beverage, which, in turn, enables better competition with different brands, including the possibility of expanding the product's performance (in the foreign market, for example). In the next section, we will discuss some theoretical implications of this work.

4.3. Discussion and theoretical implications

Practice-based perspectives (Fein, 2015; Reckwitz, 2002) enabled us to understand how the interaction between practitioners occurred through their achievements mediated by entrepreneurial praxis situated in social and historical contexts. Therefore, in this work, the entrepreneurial praxis, or



entrepreneurship, was considered a set of activities directed by creative and/or innovative actions, in which the results are socially recognized. In the case analyzed, the *entrepreneurship* was characterized by the actions developed by the practitioners, Mr. Pedro, Mrs. Júlia, and Felipe, aimed at exploring certification practices as a means of transforming the organization's strategic practices. Considering that the social reality is constituted by different practices that overlap and are interconnected by the praxis of individuals, it was observed that the entrepreneurial praxis produces effects in other practices, such as production and market insertion, especially regarding the promotion of changes in the routines and activities that influence other practical arrangements.

In this case, entrepreneurial praxis, carried out initially by Felipe, led to the engagement in certification practices that, in turn, produced effects on the knowledges and sayings (Schatzki, 2001) that influenced production practices and market insertion. Consequently, entrepreneurial praxis produced effects on strategic practices (Anderson & Ronteau, 2017), showing how they are connected in a practice mesh (Schatzki, 2003). The practices in question consist of marketing and production arrangements, marked by the practices of sugar cane harvesting, milling, fermentation, distillation of cachaça, aging, bottling, promoting and selling the beverage. Considering the practical perspective of the strategy (Whittington, 2006), all these transformations oriented by entrepreneurial praxis are strategic in nature, since they constitute how the organization carries out exchanges in the market and reaches its goals.

This relationship, however, happened in an incremental and emergent manner, permeated by different intentions and interests. This is clear from the different meanings attributed to the certification of "Cachaça de Minas" by practitioners. As it was presented, the certification practice was only accepted by all individuals when effects of cost savings and social distinction in consumption promoted by the highest quality beverage were clearly shown. In addition, Felipe mentions that the certification also presents an approach connected with the interest of the practitioners (him specifically) in relation to a cleaner type of production, less degrading for the environment. These elements corroborate with what Gomes et al. (2013) defended about entrepreneurial actions/practices, which involve varied interests and meanings, and can be developed in different ways. Similarly, Whittington (2006) and Jarzabkowski et al. (2007) argue that, from a practical perspective, it is possible to understand different nuances, senses and praxis involving strategies.

This variation in praxis and forms of engagement in certification practice is related to the different repertoires and experiences of practitioners. Especially regarding the skills and experiences of Mr. Pedro and Felipe, these variations are evident. It has been seen that the first engagements with the production of cachaça by Mr. Pedro were placed in a context of informality and stigmatization of the drink, in which quality standards were not adequately systematized, nor was the State's activity directed towards the incentive to manufacturing the drink.

On the other hand, Felipe has already inserted himself in this field in a moment of institutional change (Paiva, 2017), characterized by the immersion of a new market logic and of scientific knowledge as a mechanism for the economic exploration and distinction of cachaça. In addition, Felipe's academic experience allowed the emergence of entrepreneurial praxis and modes of engagement to the practice of certification. In this sense, Nicolini (2012) explains that theories of practice allow analysts to recognize individual initiatives, since praxis requires adaptation to new circumstances that are neither unconscious repetitions nor complete inventions.

This engagement, however, is not the exclusive result of voluntarist intentions and goals, but a type of praxis situated by the historical and social context of the alembic cachaça field. In this sense, it is noted that the emergence of entrepreneurial praxis was only possible once certification practices of cachaça began to be reproduced by different practitioners in this field. In addition, these practices manifest themselves in various forms. This aspect was perceived to the extent that the practitioners reproduced meanings related to the legitimacy of the field and the economic, symbolic gains and quality of the beverage that the practice of certification could direct.

5. FINAL CONSIDERATIONS

This research sought to understand how entrepreneurial praxis promotes the engagement of individuals in diverse practices and how these produce effects in organizational strategies. Practice-based perspectives were references, especially from theoretical developments about entrepreneurship as practice and strategy as practice. Theoretical-methodological elements provided by these approaches were directed to a case study carried out in an organization producing cachaça located in Minas Gerais. In this context, the trajectory of different practitioners, involved in entrepreneurial praxis directed to the engagement in certification practices of alembic cachaça, was

described. These practices, in turn, have produced effects on the organization's strategic practices.

Regarding the theoretical elements, this article contributes to the discussions about the phenomenon of entrepreneurship from theoretical lenses that are an alternative to the historically striking economist and behavioral perspectives in this field. This contribution was due to the understanding of a set of events of an entrepreneurial nature based on the theories of practice, characterized by epistemological assumptions that surpass voluntarism and social determinism in the analysis. In addition, it has been shown that it is possible to explore the approach of entrepreneurship approaches as practical and strategic as practice, as already indicated by previous research agendas (Johannisson, 2011; Borges et al., 2016; Anderson & Ronteau, 2017).

In this theoretical exercise, it is also proposed that entrepreneurial praxis are activities characterized as creative, innovative and that produce socially recognized results. In the case discussed, the *entrepreneurship* consisted in a set of actions directed to the recognition and decision of engagement in practices of certification of cachaça. This praxis promotes the connection with organizational practices that bring impacts to the strategies, constituting a mesh of practices.

Therefore, from the perspective of the practice mesh, this type of praxis allows new engagements or resignifications in the performance of other coordinated practices, in terms of Schatzki's frame of reference. In this case, this was based on the engagement in certification practices that altered previous configurations of production practices and market insertion. The notion of an entrepreneurial praxis reinforces the dynamic, pragmatic and situational character of the entrepreneurial agents. Thus, these elements are of great importance especially for the field of organizational and management studies developed in Brazil, which still lack greater depth in the exploration of perspectives based on the practice for the study of phenomena such as entrepreneurship and strategy.

This research also contributes to the practice of entrepreneurship by allowing a better understanding of the entrepreneurial praxis and the way in which it is structured in daily practices of the organizations producing cachaça. The results discussed here show that this praxis cannot be reduced to the intentions of individuals or considered determined exclusively by structural elements. It is developed collectively, in a continuous, emergent and incremental way. The narrated case highlights how the knowledge and life experiences of practitioners as well as the historical and social context in

which they are inserted are important for the formation of relevant and sustainable business over time from the start.

It should be noted, however, that in this study not all practitioners who performed activities around the practices discussed over the years were approached. In addition, the descriptions of praxis developed since 2004 were accessed through the practitioners' narratives, so they may not have been fully realized during that period. However, the triangulation of methods as well as the circularity during the research were adopted as a means of bringing greater accuracy to the reports.

Finally, it should be emphasized that new studies involving these aspects should be carried out, bringing new theoretical-methodological contributions, as well as evidences from different organizational fields. It is increasingly important to produce new understandings about entrepreneurship, based on alternative theoretical contributions, which seek to account for the complexity of the phenomenon, avoiding simplistic analysis. The field of cachaça itself is broad and plural, so comparisons between regional organizations and different production models can contribute significantly to the knowledge about the organizational activity that permeates this drink so important for the Brazilian culture.

O EMPREENDEDOR ESTRATÉGICO: REFLEXÕES A PARTIR DE PRÁTICAS DE CERTIFICAÇÃO DE CACHAÇA

RESUMO

Objetivo: Este trabalho tem os seguintes objetivos: 1. identificar *práxis* empreendedora e compreender como esta pode promover o engajamento de diferentes indivíduos em práticas de certificação de cachaça de alambique; e 2. compreender como esta *práxis* pode implicar em mudanças na estratégia dessa organização.

Originalidade/relevância: A presente discussão contribui para o debate em torno dos campos do empreendedorismo e da estratégia como prática, sobretudo ao explorar lacunas existentes nessas duas abordagens a partir das teorias da prática. Além disso, os resultados servem como referência para o desenvolvimento de negócios no campo da cachaça de alambique.

Principais aspectos metodológicos: Foi realizado um estudo de caso em uma organização produtora de cachaça de alambique localizada em um município de Minas Gerais. Nesse sentido, foram coletados dados a partir de entrevistas, etapas de observação e fontes documentais que apresentassem informações acerca da dinâmica dos praticantes em torno de seu engajamento em práticas de certificação de cachaça. Os dados foram analisados a partir do método da análise temática.

Síntese dos principais resultados: Os resultados mostram que os praticantes dessa organização se engajaram em *práxis* empreendedora que, por sua vez, direcionou a práticas de certificação de cachaça. Essas atividades promoveram também mudanças significativas nas práticas estratégicas de produção e comercialização outrora estabelecidas na organização. No caso estudado, foi possível compreender a relação entre malhas de *práxis* empreendedora e práticas produzidas pelos praticantes da organização e o engajamento em outras práticas estratégicas, especialmente a partir da certificação de cachaça.

PALAVRAS-CHAVE

Empreendedorismo como Prática. Estratégia como Prática. Certificação. Cachaça de alambique. Minas Gerais.

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