The Company as a Network and Interorganizational Relationships

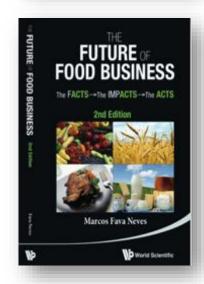
RAD2402 – Strategies in Agribusiness

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Faculdade de Administração (FEA/RP) — Universidade de São Paulo, desde 1995 Escola de Administração de Empresas (EAESP/FGV), desde 2018 Center for Agricultural Business - Purdue University (Indiana/USA), desde 2013 PAA — FAUBA — Universidade de Buenos Aires, desde 2006 Criador da Markestrat (www.markestrat.com.br) em 2004 Especialista em planejamento estratégico no agronegócio

www.doutoragro.com







Agenda



Introductions The Company as a Network **Trends in Networks Interorganizational Relationships**







Where to find the materials?



















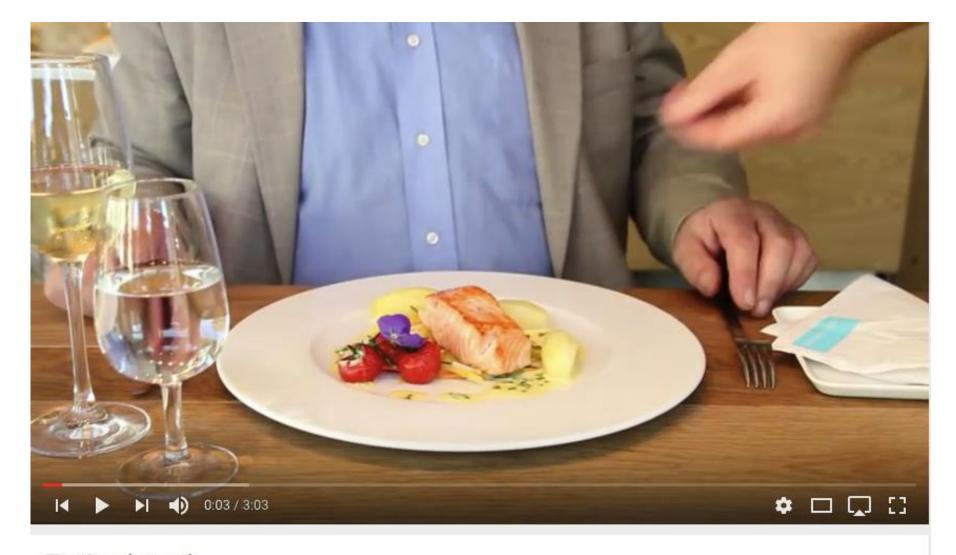
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Tracing the truth





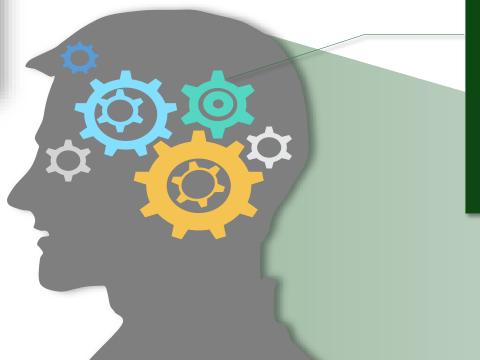












Starting with some questions:

1 – What is a company network?
2 – What are the advantages of looking at a company this way?
3 – What is a contract?
4 -What are the flows that happens in a network?











Agenda



> Introductions 1

> The Company as a Network

2

> Trends in Networks

3

> Interorganizational Relationships

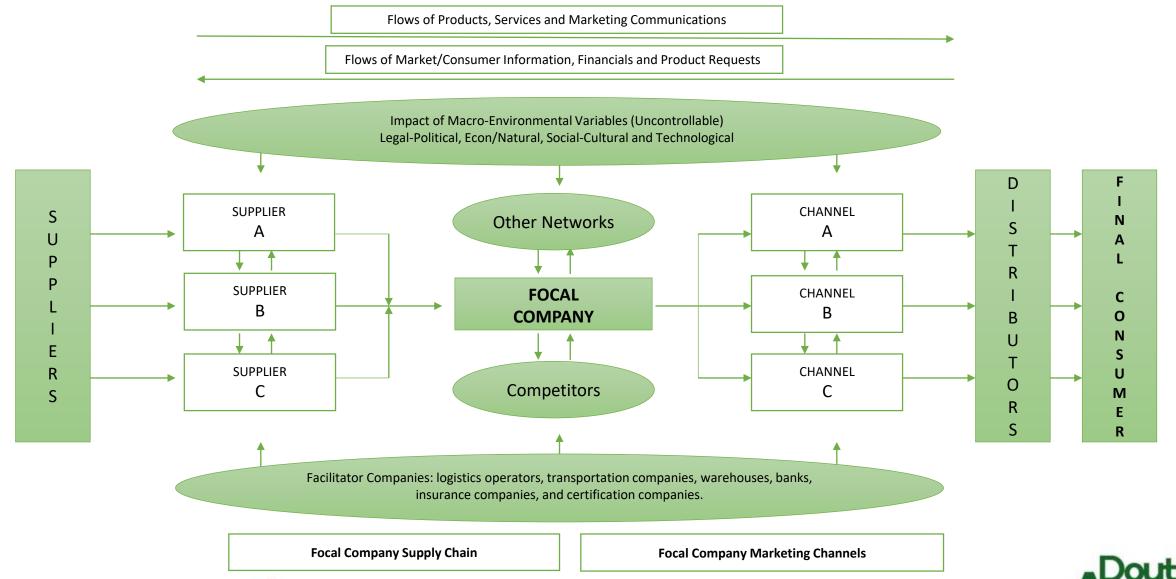
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The Focal Company Network

The Company is an Integrated Network in the New Era¹





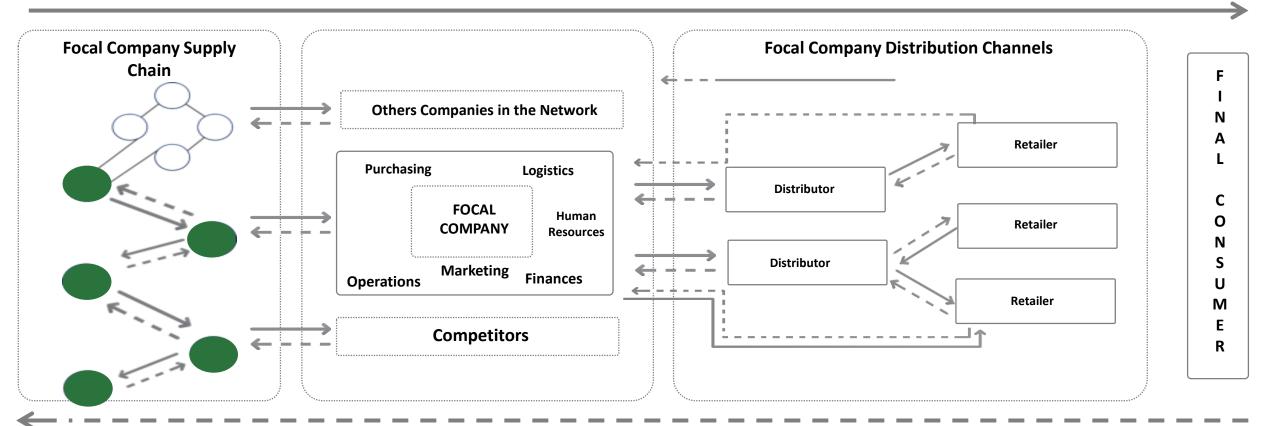






Environmental Variables Shaking the Network (PEST)

Flow of Products, Services and Marketing Communications



Information and Financial Flows

Service Providers: financial, insurance, certification, transport, storage...







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We're helping smallholder farmers to raise yields while conserving water, soil and ecosystems.

the good growth plan One planet. Six commitments. Find out more >

Quick Links

- An interactive guide to Our Industry in 2013
- Corporate Responsibility
- Crop update
- → GRI/UNGCP Index

Third quarter 2013



Third quarter 2013 trading statement

Syngenta's third quarter 2013 trading statement is now available.

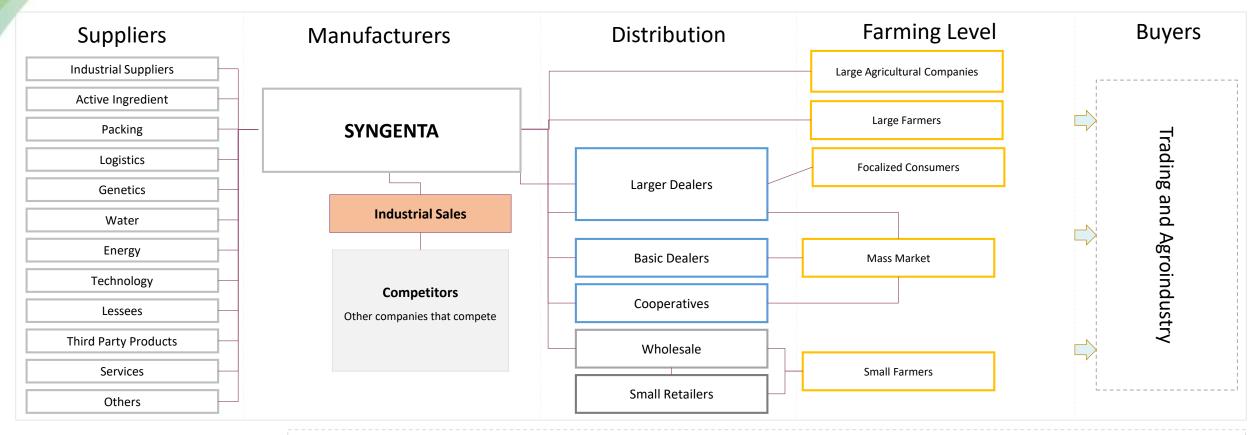








Crop Protection and Seed Business Company Network



Flows

	.\.
Logistics	\
Services	
Marketing	
Information	
Financing, Payment and Risk	
Negotiation and Sales	/

CPS manufacturers coordinates most of the flows. Logistics and Services flows are performed mainly by CP companies and dealers; the marketing and communication flow is mostly under manufacturers influence and responsibility. Information flow, even performed by dealers is organized and managed by manufacturers. Credit, Payment and Risk flows are predominantly assumed by manufacturers; negotiation and sales flows are more spread through the channel, where dealers develop an important role.





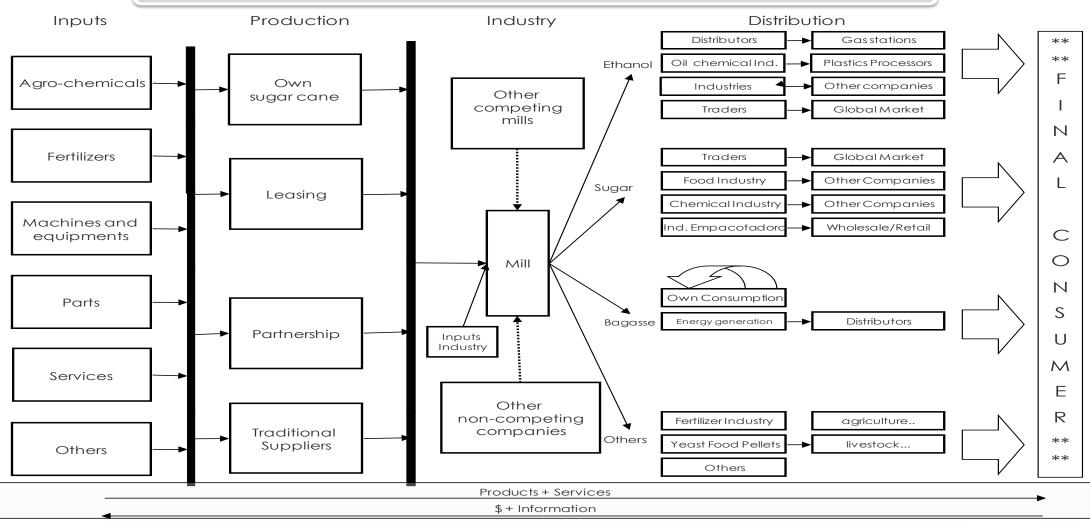






Sugar Cane Mill Network

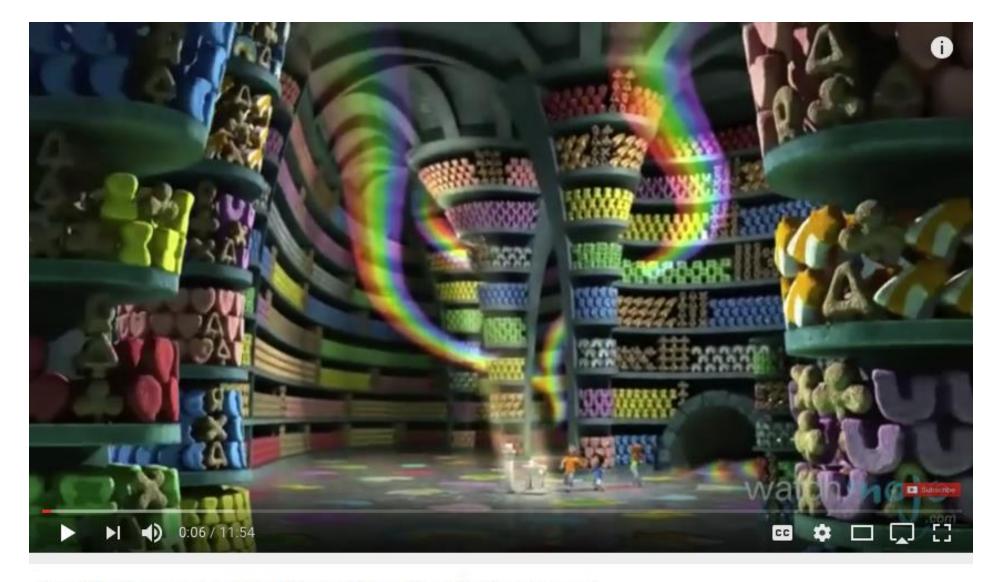
PEST (Political-legal, Economical-natural, Social-cultural, Technological environments)



Facilitators agents: Logistics, Transport, Storage, Brokers, Banks, Insurance Companies, Certificators etc.







Top 10 Companies That Control The World's Food Supply









Nestlé: 150 Years of Food Industry Dominance







Monsanto: The Company that Owns the World's Food Supply







Agenda



> Introductions

> The Company as a Network

2

> Trends in Networks

3

> Interorganizational Relationships

4





10 Major Topics

Planning Strategies for 2025¹

1. Empowerment	 Chains and networks inclusion of the base of pyramid (smallholders); Chains and networks social responsibility (working conditions); Fair trade networks; Margins allocation and distribution. 	
2. Integration of Economy	 Developing countries supply chains (trade barriers relief); Developing countries marketing channels. 	
3. Income Distribution	 Emerging consumers and chains and networks positioning; Building incentives for coordination (associations and cooperatives); Neo-consumption (volumes/grains to proteins). 	
4. Climate and Environment (preservation)	 → Low-carbon networks; → Chains and networks adaptation to climate change; → Renewable energy networks; → Measurement and certification of chains and networks; → Chains and networks resource usage efficiency / optimization of usage of by-products; Network reversal (re-use of materials or recyclable inputs). 	
5. Technology	 → Chains and networks transparency and information exchange; → Consumer "hi-touch" networks; → Innovation-driven networks. 	Doubor









10 Major Topics

Planning Strategies for 2025¹

6. Merging of Industries	 Nutraceutical networks; Nutricosmetic networks; Nutritouristic networks; "Nutri-car" networks.
7. Risks	 Integrated chains and networks risk management and mitigation; New markets risks (carbon footprint).
8. Communication	 New media chains and networks communication; Proactive chains and networks communication with stakeholders; Origin and processes (inclusion); Traceability.
9. Era of Simplicity	 → Chains and networks management; → Market segmentation; → New product launching; → Costumer focus.
10. Network Value Re-engineering	 → Supply chain redesign; → Marketing channels value capture; → Collective actions in chains and networks





Agenda



> Introductions

> The Company as a Network

Trends in Networks

> Interorganizational Relationships

4





Interorganizational Relationships

- Product and services flow;
- Communication flow (from company to final customers);
- Information flow (from customer to company);
- Payments and financial flows.

How would you improve the contracts of your company?





Products and Services in Contracts

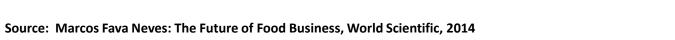
Improving Food Marketing

Function	Responsibility Analysis (who does it and how)	Possible improvement (proposals)
Products and services functions		
Inventory management and its levels		
Product delivery		
Product modification		
Product lines and variety		
New product evaluation		
Sales volume (performance) forecast		
User help/installation technical service		
After sales service and Sales service supply (team)		
Training: range and costs		
Product maintenance		
Package/specifications issues		
Exclusivity and Territorial rights		
Market coverage expected		
Exports aspects expected		
Time frame (period to carry out the flows)		
Adaptation for specific legislations		
Others		Double









Products and Services in Contracts

Function	Responsibility Analysis (who does it and how)	Possible improvement (proposals)
Products and services functions		
Exclusivity and Territorial rights		
Market coverage expected		
Exports aspects expected		
Time frame (period to carry out the flows)		
Adaptation for specific legislations		









Communications in Contracts

Function	Responsibility Analysis (who does it and how)	Possible improvement (proposals)
Communication Functions		
Advertisement (all forms)		
Sales promotion (all)		
Public relations actions (all)		
Direct marketing actions		
Information about the products		
Participation in the communication budget		
New media forms of communication		
Package information		
Others		









Information in Contracts

Function	Responsibility Analysis (who does it and how)	Possible improvement (proposals)
Information Functions		
Share info. about the consumer market		
Share info. about the competition		
Share info. about the changes in the environment		
Participation in the planning process		
Frequency and quality of the information		
Share information about complaints		
Electronic orders		
Others (fill in)		









Payments and Requests in Contracts

Function	Responsibility Analysis (who does it and how)	Possible improvement (proposals)
Variables of Payments and Requests		
Frequency of product orders		
Policies for prices and payments		
Margin analysis		
Commissions (volume and frequency)		
Grant credit to the final consumer		
Billing consumers		
Search for sources of finance		
Price guarantees		
Others (fill in)		



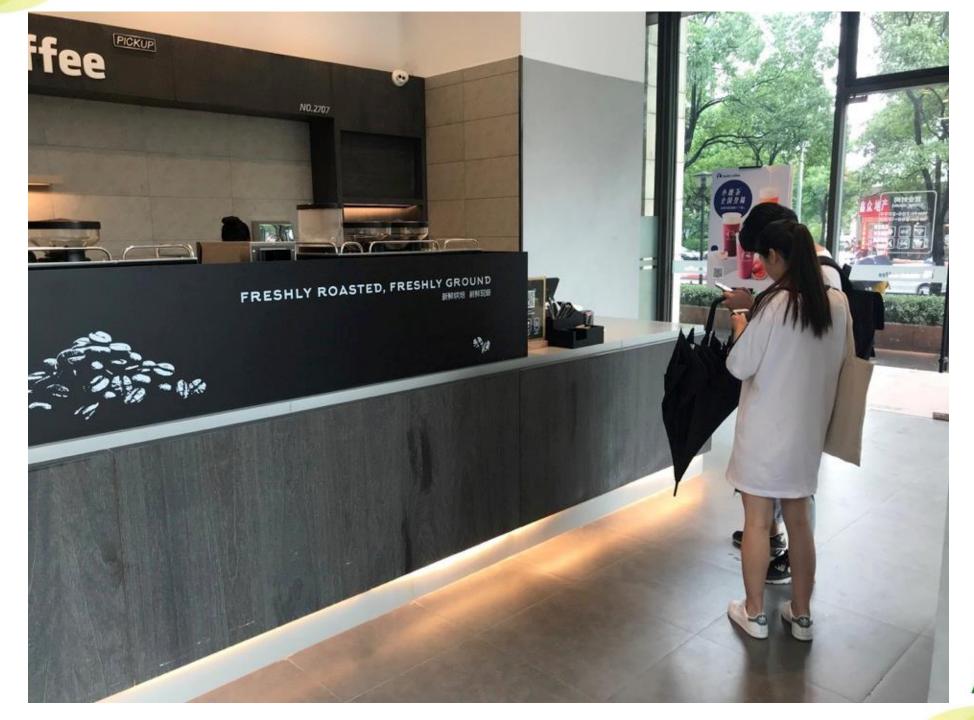






















































Discussion Question

Describe the network of your company with as many details and participants as possible.





Prof. Marcos Fava Neves

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Marcos Fava Neves is an *international expert* on global agribusiness issues and a part-time professor of planning and strategy at the School of Business (FEARP) of the University of São Paulo (USP) and FGV Business School, both in Brazil. He graduated as an agronomic engineer from ESALQ/USP - Piracicaba in 1991. He earned his master's degree in 1995 and his doctorate in management in 1999 from the FEA/USP School of Economics and Business – São Paulo. Marcos completed postgraduate studies in European agribusiness at ESSEC-IGIA in France in 1995 and in chains/networks at Wageningen University, in the Netherlands (1998-1999). In 2013 he spent the year as a visiting international professor at Purdue University (Indiana, USA) where he maintains the linkage as a permanent International Adjunct Professor. Since 2006 he is an international professor at the University of Buenos Aires, Argentina.



He has *specialized in strategic-planning* processes for companies and food chains and works as a board member of both public and private organizations, being member of mor than 10 international boards since 2004. Also in 2004, he created the Markestrat think tank with other partners, today employing around 60 people and doing international projects, studies and research in strategic planning and management for more than 250 agri-food business organizations. Some of these projects were very important in suggesting public policies for food chains that were implemented in Brazil with economic and social impacts.

- Also as an experience in the private sector, from 1992 to 1993 he worked in citrus juice exporter and from 1994 to 1995 in a veterinarian company. In 2008, he became CEO of Brazil's second-largest biofuel holding company, a position he occupied until 2009, when he returned to the University of São Paulo (USP) and Markestrat.
- At the academic side, since 1995 (when he was hired by USP), Marcos has advised more than 30 doctorate dissertations and master's theses and helped to form around 1200 Bachelors in Business Administration in Brazil with around 120 courses taught to undergraduates at USP.
- His writings are strongly focused on supplying simple and effective methods for business. He has published more than 100 articles in international journals and has been author and editor of 63 books by 10 different publishers in Brazil, Uruguay, Argentina, South Africa, Singapore, Netherlands, China, the United Kingdom and the United States. He is also a regular contributor for China Daily Newspaper and has written two case studies for Harvard Business School (2009/2010), one for Purdue (2013) and five for Pensa/USP in the nineties. Recognized as the Brazilian academic with the largest number of international publications about orange juice and sugar cane chain and one of the top 3 most cited Brazilian authors in the area of food and agribusiness. He has reached more than 4000 citations in Google Scholar index.
- Marcos is one of the most active Brazilian speakers, having done more than 1050 lectures and presentations in 25 countries. He received around 150 recognitions from Brazilian and international organizations, and is considered a "Fellow" of the IFAMA (International Food and Agribusiness Management Association), title received in Minneapolis 2015.
- Coming from a family of farmers, he is a worldwide defender of agriculture and farmer's role in the development of the society. In the social side, together with his parents, Marcos is one of the creators and maintainers of Mucapp, a NGO that in 20 years has built more than 450 houses for families in Brazil that face very unfavorable conditions.



