

Associativity Farmers to Contribute to Sustainable Development of the Province Manabí, Ecuador

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Abstract

Associativity interest in food production reason the development of this work, where a conceptual analysis based on the criterion of different authors performed. The concept of associativity proposed an assessment of the conceptual field and keywords in the definitions studied, examined by a matrix of concepts and use the Pareto chart. The paper addresses the types found in the conceptualizations analyzed, based on the conception that to make associativity become a mechanism for sustainable development, it is important that in this process of economic and social actors involved: family, state, organization private and public. Finally reveals the concept of associativity in the case of the Fort Valley Corporation representing four associations cocoa producer formed by 674 members, with the main objective to promote the production and marketing of fine national cocoa aroma certified organic, and fair trade, thereby promoting social, economic and environmental development of its members and families. Moreover, the measurement of income and average cost indicates that profitability associated cocoa producers is greater than the no associated.

1. Introduction

In the studied literature a boom in associative experiences, adopting modalities as productive linkages, networks, joint venture projects, cooperative and fairs observed. Both arise by spontaneous initiative of its members, for the promotion of advocacy and assistance programs focused on micro and enterprises, both state and civil society organizations.

The partnership is part of a historical record of the early period, where man as a human being had the need to partner in different ways, to seek the benefit of their objectives and achieve livelihoods; then was food and social life; that way associativity has developed, creating different social models that allow the activity an operational and organizational functioning of groups coming together to find common purposes. The association is a fundamental pillar in the economic and social development of a country; hence, the need to identify the main commonalities between the different concepts of associativity formulated by a number of scholars authors of the subject, with the goal of building a comprehensive concept.

In these networks together the interests of an association, always for the good of the group or team in general, unlimited individuality, which functions as an associative group, defend. For food businesses, this trend of cooperation or association has been transformed into a necessity taking this view as a baseline to improve their competitiveness. This network system allows moving from a system of business competition to a productive partnership of solidarity and cooperative contributing to the strengthening of each company that is part of the network.

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In Ecuador the food system based on sustainability, combining industrialization with a production process that supports sustainable production techniques is enhanced. In recent years, the development worldwide has boosted production seeking increases regardless of natural resources and the preservation of these. Kingdom to a culture system where agrochemicals and pesticides are an essential element of the culture process. Agribusiness associative models help minimize this very damaging trend for productive and environmental sustainability.

The development work has been done based on theoretical and empirical methods, among which the theoretical level: the analysis - synthesis and inductive-deductive. Among the empirical methods used, include analysis of the literature and statistical techniques. These methods play an important epistemological function; enable the conceptual interpretation of the data found. Thus, when used in the construction of the concept of associativity, create the conditions to go beyond phenomenal and surface of each concept characteristics, explain the facts and deepen the essential relations and fundamental qualities of the processes and elements unobservable directly to each definition.

Theoretically, in a first cognitive process, "analysis" allows mentally break down each concept into its parts and qualities, also allows mental division of each concept in a whole and multiple relationships of its components. In a second cognitive process, "synthesis" is the inverse operation mentally establishes the connection between the parts of each concept, previously discussed, and allows discover relationships and general characteristics of the elements of reality.

The use of methods of induction-deduction for development work, in this case "induction" admits a specific reasoning for each concept, through which it is passing knowledge of particular cases to more general knowledge that reflects what is common to the particular phenomena. For example, to get to know the general characteristics of the partnership, it is necessary to study a sample of specific definitions of associativity. Only the study of a large number of concepts of associativity allows us to reach a generalization about the characteristics and objectives of it.

"The deduction", meanwhile, allows reasoning by which we move from general knowledge to a lower level of generality. With this method, it is part of general laws and principles found in each concept of partnership, with the aim of explaining and solving particular problems arising from the theoretical and conceptual framework thereof. In the analysis and construction of the concept of associativity, deductive reasoning can be illustrated by this example: the socioeconomic principle which postulates the individual participation of the person in the partnership on the basis of collective or general work, it can be evidenced in particular benefits they receive each member of this process, and should be clearly expressed in the concept.

Development

There are many definitions and concepts about associativity as well as multiple authors point out that from different perspectives, according to the environment in which they operate, among the most important conceptualizations, you can see:

One of the concepts of associativity, has been raised by (Rosales, 1997), who describes it as a mechanism for cooperation between small and medium enterprises, where each participating company, maintaining their legal independence and managerial autonomy, decides to voluntarily participate in a joint effort with other participants in the search for a common goal.

In turn Liendo and Martinez (2001), summarizes the associativity as a cooperation mechanism where small and medium size companies join forces, to tackle the difficulties arising from the globalization. Moreover, Romero maintains that the associativity is a means that helps the creation of business competitive advantages thanks to the cooperative work done by companies along the different stages that make up the value chain of a product, the purpose of achieving greater participation in the different markets where opportunities arise for doing business (Romero, 2002).

According to the Productivity Center Tolima (2003), associativity is the ability of a production chain to work together, by developing work plans that will generate benefits in terms of lower costs and timing chain for increased competitiveness.

For Perez and Munera, (2007), business partnerships is the ability of a production chain to work together, by developing work plans that will generate benefits in terms of lower costs and timing chain to increase competitiveness. Associativity is compromise, by identifying common goals and objectives in companies of the same or similar economic activity, individual efforts scattered in purposes of improving levels of business performance, to facilitate the sustainability and growth of enterprises in order to the competitiveness of businesses, enabling them to better face global competition (Franco, 2009).

Associativity is oriented to enhance the achievement of a competitive advantage strategy, where each partner retains its legal independence and managerial autonomy, making the decision of whether or not integrated into a joint effort to achieve common objectives (Riera, 2013).

Associativity is that strategic choice through which a group of people or companies can reach a common goal; maintaining at the same time, their individual independence in certain respects, and on the other hand, fully optimizing resources available to members of associations group (Araque, 2013).

To analyze and determine the keywords within the concept of associativity, a matrix concept is realized, which aims to link each of the definitions by the author. On the side of columns and rows different authors, intersect each other and each common term is determined are located.

From there the Pareto chart was developed. The application of Pareto analysis enables a quantitative comparison and orderly elements or common factors in each defined by different authors. The purpose of this comparison is to classify these elements or factors into two categories: the very important elements in the definition of associativity and unimportant elements in it.

The graph is useful to visually identify a single revision minorities such vital features that is important to pay attention and thus use all necessary resources to carry out corrective action without wasting efforts (Sales 2002). The result of the application of Pareto chart was derived from analysis of the frequency of occurrence, in the matrix concept of different keywords, can be seen in Table 1.

Table 1: Frequency of keywords in the concepts studied associativity.

Key words in the definitions	Set out times	Frequencies
Small and medium enterprises	9	0,19
Competitive advantages	8	0,17
Value chain	5	0,10
Cooperation mechanism	4	0,08
Common goal	4	0,08
Get benefit	4	0,08
Legal independence	3	0,06
Managerial autonomy	3	0,06
Globalization processes	2	0,04
Sustainable development	2	0,04
Market share	1	0,02
Business	1	0,02
Strategic alternative	1	0,02
Optimizing resources	1	0,02

Source: self-made

According to Table 1, the keywords often equal to or greater than 0.08, corresponding with higher frequency in the definitions of different authors, representing 80% of the terms used, derived 30% of authors studied approximately necessary to incorporate in the construction of the concept, although it has been estimated in the analysis of keywords include "independence," if we look at the Pareto chart (Figure 1) and the vertical line passing through the variable independence Legal.

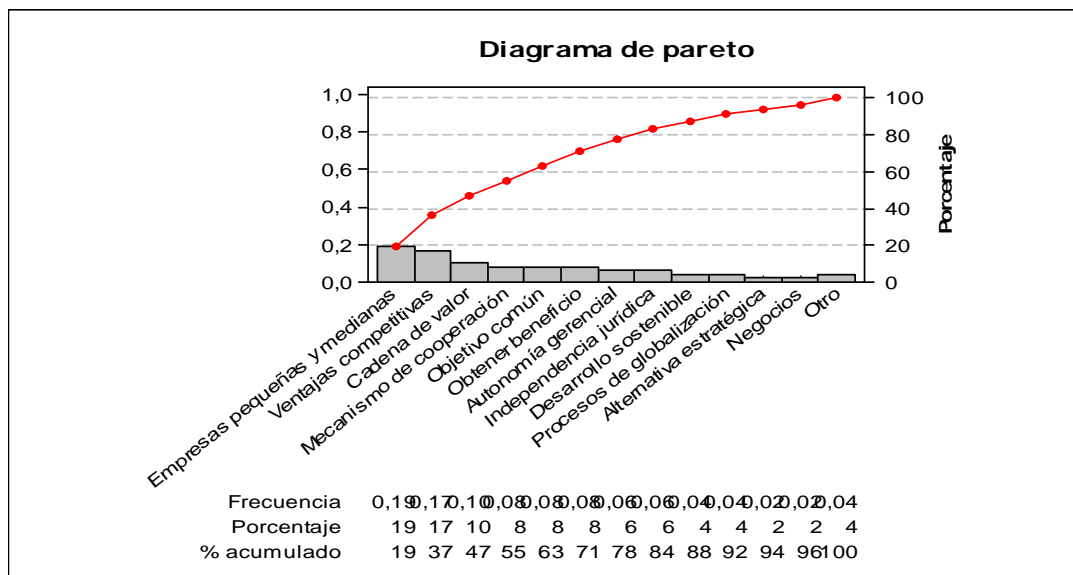


Figure 1: Diagram Pareto associativity.

Source: Prepared.

According to the results, one can show that the keywords most frequently in association definitions referenced in the study, are "companies" with a frequency of occurrence at the intersection of authors 9 times; then "competitive advantage" with a number of times of occurrence equal to 8; the value chain with a number of 5; also in the frequency of 4 times we can notice that appear: "cooperation mechanism", "common objective" and "profit"; and finally the keyword "legal independence", with a number of appearance of 3 times, this has been considered in the vertical line that touches this variable in the Pareto chart. The company is a legal entity with a productive organization that allows you to process certain goods or services to meet the needs and demands of a market needy and purchasing power, which owns and manages its own assets (Palacios C.2012).

The key word "enterprise" has relevance to the concept of associativity. The particularities of today's markets, highly competitive and tending to the great economic concentration, forcing companies who want to stay in them to adapt the difficulty of competing on an individual understanding. Faced with this situation one of the best proposals for companies is grouped. The fact collaborating allows companies to gain economies of scale through intercompany collaboration, without having to raise investment in one firm, which will improve access to markets, reduce costs and external financial resources available; are some of the natural engines that drive the decision to organize some kind of association.

However, the association process should not only be limited to companies, it should involve all stakeholders, ranging from the individual, community, public-private and government entities. The term partnership brings concepts such as small and medium enterprises, competitive advantages and value chain mechanism of cooperation, common objective and legal independence. All these contributions lead to think there are some elements that are considered essential to generate new concept of associativity. However, being a necessary associativity in the world today pillar, not articulated associative dynamics, the conceptual approaches of the authors studied are somewhat limited, refer to the partnership as a business integration strategy.

For there to be a dynamic associativity is considered to be included on the individual, the family and institutions; history records that the man needed to partner in different ways, from primitive times to the benefit of their objectives and achieve livelihood, then they were mainly food and social life, in this sense, the association has its origins from the moment that man created this need. Coupled with the above it's noted that the similarity between the criteria of the authors on the terms that must contain associativity would be below 60% (Figure 2). The consensus is insufficient to form clusters only two common criteria and one of them, the most representative, is comprised of three authors who generate 80% of the elements used in the new concept of associativity.

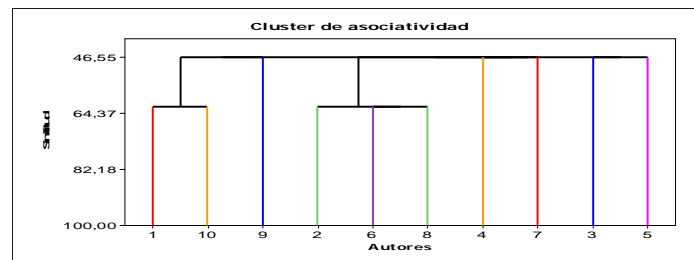


Figure 2: Cluster associativity. Source: self-made.

It is further determined that the concepts expressed by the authors in the study, no reference to the measurement is made. Feature that should be included in the concept of associativity, so associativity mechanisms are successful, it is required that conditions are met in the process and one of those conditions is the measurement that allows to examine the performance of the systems. The theoretical approach to partnership, based on the contribution of the above revised theories, exposing a broader view of the associative phenomenon is proposed. Under this approach, the following definition is offered: The associativity is a mechanism for cooperation between small and medium enterprises (SMEs), between families and public and private organizations, where each participant, maintaining their legal independence and managerial autonomy, decides to voluntarily participate in a joint effort with other participants in the search for a common goal, sharing a vision involving purposes, objectives and agreements, recognizing the need for an environment to provide enhancer elements of development, and to devise measurement and process improvement. The new theoretical approach understands associativity, in a broader sense, as a mechanism of collective action that occurs both between organizations and between individuals; in this sense it can distinguish associativity into three components: the family and public and private organizations, the process and measurement. The associative model seeks the producer group through a productive unity and integration of the value chain achieve competitiveness. Generally, associative models represent an example of design scheme for a partnership model in the food sector. These show the association of producers which through groups or cooperatives are integrated and have financing incentives, inputs, marketing, technology and training, health and safety, all integrated into the value chain.

2.1 Case Study Fortaleza Valley Corporation

One example of associativity is the case of the Fort Valley Corporation, is an organization representing four associations cocoa producer formed by around 674 small producers of cocoa in the coastal province of Manabí, created in early 2006. as one of the major cocoa traders in the region, its main objective is to promote the production and marketing of fine national cocoa aroma with certified organic and fair trade, thereby promoting social, economic and environmental development of its members and families. Due to its geographical location, Ecuador does not have a big industry, and the economy is predominantly rural. Cocoa production is much lower than that of bananas, shrimp or flowers, but is proud of the known fine flavor of the variety called Nacional Arriba, only grown in Ecuador. Some growers combine cocoa farming with growing subsistence food and livestock short cycle. Members of this organization are benefiting from the following services: micro loans, mainly for pre-financing of crops; technical support team of agronomists of the organization, land rehabilitation (cutting and planting), agricultural education and training; and dry fermentation centralized infrastructure; strengthen local organization, expanding infrastructure for post-harvest and trade, organic certification extend, renovate structures plantations and strengthen the export chain.

Moreover, the measurement of income and average costs indicates that the profitability of cocoa producer's associates is greater than that of non-members. That means that the marketing channel organization Collection Center Fortaleza del Valle guarantees higher returns than informal channels offered by intermediaries who reduce the supply of inputs in order to increase the market price and get windfall profits at the expense of cocoa producers. Currently it exports to Europe and North America. The focus of the organization is designed to work exclusively with partners, buying your product for export (Cacao Fino de Aroma) as well as domestic marketing. Fortress Valley Corporation has among its strengths favorable conditions for product development, farmers experienced in growing, Ecuador grain quality and recognized worldwide, knowledge of the dynamics of the cocoa sector, marketing channels on the market national and established technology.

Although still required to work on reducing the high informality in marketing in the area of project development, moderate reliance on technical assistance, poor agricultural infrastructure and the presence of pests and diseases uncontrollable.

Internal values that govern the professional performance of employees of Corporation Fortaleza del Valle are honesty, commitment, effort, respect and trust. An example of associativity, according to the proposed concept is represented by the Fort Valley Corporation associating families where each maintains its legal independence and managerial autonomy, decides to voluntarily participate in a joint effort with other participants in the search for a common goal in this case an organic cocoa and access to a collection center, sharing a vision that involves agreements approved between all, recognizing the need for an environment and increase competitiveness, yet it contribute to the sustainable development of the locality, the province and the country.

Conclusions

1. The research developed to analyze objectively, the conceptualization of associativity, however, a shift in focus on the facts is necessary, because you cannot analyze complex situations with the same mode of interpretation has prevailed in the generation of the problem, resulting important to consider that scientific analysis should be based on an integrated vision of science to culture and the human being as an integral part of development.
2. It is necessary to deepen the discussion on the phenomenon of associativity, there are mistakes in the academic literature, confused and limited to business integration difficult to understand.
3. The result of investigation had proposed a concept of associativity, mitigated the need to establish new forms of so associated in the environment, as a way to generate enriching social impacts of new relationships and the formation of value chains for managers the business environment.

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