

# Condor: a reflection on a company's history, memory, and leadership

Mário Neneve, Miguel Nenevé

Universidade de Joinville – Univille – Brazil

email: [mneneve@uol.com.br](mailto:mneneve@uol.com.br)

Universidade Federal De Rondonia – UNIR - Brazil

email: [neneve@unir.br](mailto:neneve@unir.br)

**Abstract**— *In this article we propose to discuss the importance of authentic leadership for the success of a company. We focus our study on CONDOR, a company from São Bento do Sul, Santa Catarina, Brazil. We explore the history of the company since its foundation and the importance of the founder's leadership. In addition to this, we show how the leadership of founder's successors, especially during the transformation process was essential to the company's success. Our study is based on scholars such Avolio and Gardner, (2005) among others who discuss changes in companies which start as family companies. Besides, we explore the history of Condor company based mainly on the work developed by Baumgarten (2015). Our research leads us to a conclusion that in the transformation process from a family company into a joint-stock company the leader who conducts the changes plays a very important role.*

**Keywords**— *History, Company, Condor, Transformation, Success.*

## I. INTRODUCTION

What is the relevance of studying History of a company in southern Brazil to administration students and businessmen? Why does it matter to get to know what happened years ago to a company and its founder? What does the study of a company's history have to contribute to issues of leadership? We believe that History is inescapable when we want to investigate the success of a company and its fruitful leadership as an enterprise that started small and became a leader in the production of certain items in Brazil. So, in this article we want to connect the history of the founder, some memories of people who shared part of his work for the company, to issues of leadership. Our aim is to encourage entrepreneurs and students of administration to pay attention to history of a leader and founder of a successful company when they want to have a broad view of leadership. It is relevant to know how the founder's successors in the enterprise took over the function of leader and how they succeeded to lead the company towards success. Like Augusto Klimmek, the company's

founder, his successors and the company itself have living histories which can help us understand the growing of the company. The adaptation to the new is very important. As we study the history of an immigrant we have to remember that he had to be creative in adapting to new and complex cultures in Brazil, with traditions and religions that had been different from his country of origin. Further on, adaptation to the use of technologies, new ways of looking at the market, everything is related to adjustment and perception of the world: qualities of a leader.

Therefore, we believe that it is important to understand the linkages between past and present of a company such as CONDOR, in order to learn about the importance of an effective leadership. By understanding history we will understand roots and changes upon secure conditions. If the company's history matters, individual history involved in the company matters too. Having this in mind we propose to study the history of CONDOR - a company which started as a family company.

## II. CONDOR: A FAMILY COMPANY

Most businesses are born small and become familiar as soon as the heirs of the founder become capable of occupying functions within the organization. It is natural that at this stage the company is larger than at its foundation, so the number of family members within the organization increases as well, this occurs at all hierarchical levels, according to Chrisman et al. (2005); Bammens (2008); Westhead & Howorth (2006), functions are often created within the companies to be able to allocate the people of the family who are wanting to join, this ends up swelling all sectors.

However, Condor, although inserted in this context, reveals a different attitude that deserves to be investigated, coming from its founder, Mr. Augusto Klimmek, who, unlike the other immigrants to Brazilian lands, had a trajectory built through a separate and independent migration. It deserves emphasis, from the very beginning, that the Condor, then, that Klimmek, was founded when the immigrant Augusto Klimmek, was 50

years of age. Another aspect: His company was a pioneering industry, which demanded more technology at the time it was founded. Besides, it was in a small town with no more than 10,000 inhabitants. The insertion of this intrepid entrepreneurial man's trajectory shows the challenges faced by him: hard work and determination was necessary. Family company, recognized for its peculiar values and culture, endowed with an organizational culture, may be reflecting what Vries (2001) discusses when referring to Organizations and authentic leadership. A company with an organizational team in which its leaders stand out in the business environment is always recognized as a differentiated organization.

The current CEO is one of the examples of opportunities for personal growth within the organization. He joined the company at the age of 15, today, at the age of 35, does not belong to the proprietary family and has gone throughout his career through the challenges of the areas in which he acted, being chosen on his merits for the position he now competently exercises. His history shows that his evolution in time, gave a strong contribution to the company adding much to the fiber and the values cultivated by its founder. Determination, persistence in the pursuit of ideals, ethics, human vision, are characteristics that we will see in the profile of the company's founder.

Values of the founder remain in the company, talents cultivated in the company, willingness to win, united generations, love of work, commitment are attributes among others, that can be extracted from the essence of this message. We believe it is necessary, therefore, to refer to the history of the Condor company.

### III. BRIEF HISTORY OF THE COMPANY'S FOUNDER

As an authentic organization presupposes a positive atmosphere in the company, this aspect intertwines with the capacity of Authentic Leadership. According to AVOLIO and GARDNER, 2005 Authentic leadership converges to the fact that the Authentic Leaders have their balance of authenticity, through their life trajectory so that, when facing difficulties overcome them. The individuals can achieve a self-awareness and self-esteem that make them act genuinely. Below we describe a little of the history of the founder of Condor, and we will see that his life trajectory is an example of overcoming obstacles..

Mr. Augusto Klimmek was born in 1889, in a small town in the interior of Western Prussia, near Berlin. We used as a source for the trajectory of this character, the book "O Jeito Condor de Ser ("The Condor way"), written by Christina Elisa Baumgarten, (2015). The introductory

message of the grandson of the founder, Mr. Heinz Engel also translates the values of this current leader, based on values that were his grandfather's. Heinz Engel affirms that:

"[...] A company that was built based on the talent of the people who know how to do well, who commit themselves, who have a vision for the future ... I remember the teachings of my grandfather, the founder Augusto Klimmek, who older 50 years old, decided to make brushes. His entrepreneurial spirit, his enthusiasm and his will to work is what gave rise to the company of which, today, with pride, we are part. His values remain alive and give life to Condor. Because it is the love of work, the challenge of facing new projects and the willingness to develop that move the company. It is gratifying to see people growing, evolving and building their life stories linked to Condor. Equally rewarding is to see the generations united, working strategically for the future of the company [...]" (BAUMGARTEN, 2015).

Augusto Klimmek, who lends the name to the main street which provides access to the premises of this company, created the company in 1929, in a totally innovative initiative. A totally new fact in the environment where it was founded. The founder, with a unique personality, was born in 1889, in the countryside, in Gross Olschau, a town with no more than 40 inhabitants, in West Prussia, known as the Land of a Thousand Lakes, not far from Berlin. From an early age he was bound to face challenges. The first one was the hardness of confronting a stepmother who was rude to him, as Baumgarten (2016) reports. In addition, to take his technical studies of mechanics he had to go 6 km from where he lived, in the selling cooperative of agricultural implements in Neidenburg.

Baumgarten (2015) also emphasizes the rudeness received in his childhood that coined his structure of bitterness that accompanied his early in life. It should be noted, however, that in founding Condor when he was 50 years old, with his lived experience of overcoming, his strong personality, he had already learned to approach people who were committed to great moral value.

Besides, it is important to mention, in the beginnings of his studies, he excelled in his vocational course as one of the best students. At the end of the course, at the age of seventeen, he left his family and departed for Berlin, which had become the capital of the German Empire, a town familiar to the Prussians. Baumgarten (2015, p.31) confirms: "firmness of character, already developed mechanical training, and the appearance of a strong young man." He worked in Berlin as an apprentice in a foundry

and improved his knowledge of mechanics in a specific course. He served the army of German Empire. "His rigid complexion, the wholeness of character which showed in his firm and frank gaze, all contributed to his acceptance into the body of the Emperor's Honor Guard." (BAUMGARTEN, op cit, p.36). In another passage, the author emphasizes: "The intense and rigid training he received helped to forge even more discipline, order and character that accompanied him ..." (BAUMGARTEN, op cit, p.37).

In the environment of the Emperor's Honor Guard, he attended many banquets as a servant. The commanders did not allow him to feed on the remains of the food. His character of seeking justice made him revolted against that: the servants had an inadequate food while the others had banquets. He left the army at the age of 21 in 1900. At the suggestion of a friend, he contacted the existing colonizing societies, intending to emigrate to Brazil, referred to as a country full of opportunities and already possessing countless Germanic colonies formed decades ago. He then bought two tickets and departed, he and his friend Harald, in the year 1902, in the steam Halle to the south of Brazil. Unlike other immigrants of the 19th century, the intention in Brazil, was to develop their professional activity. In December of 1902 they disembarked in São Francisco do Sul, in the state of Santa Catarina.

With his entrepreneurial spirit, soon after his arrival in Brazil, he tried a business focused on power generation through a water turbine at a waterfall in Joinville. He was not successful in this endeavor, but he did not get discouraged. Gifted with a determined personality, unlike his friend immigrant, who was expelling moanings with respect to the land in which he had immigrated, he showed a strong will to stay and overcome obstacles. Demonstrating personal commitment and a just heart, he bought the tickets for his friend to return to his origins. Baumgarten tells us: "Augusto was not a man of many words, always sober and somewhat serious in his relations. As his friend who had immigrated together proved weak in the face of the challenges, he paid his way back to his country of origin "(BAUMGARTEN, op.cit., 55).

In 1903, the young Augusto was employed by the Otto Bennack Foundry, in the center of Joinville, as chief mechanic. The author points out that the young Augusto Klimmek always went to work impeccably dressed. In 1905 he married Emma Carolina Mayer, a woman from Joinville. He took over a new professional function, such as the company's master of works. He was responsible for the construction of the railroad between Joinville and São Francisco do Sul. In 1905, the first daughter was born,

and, in the following years, the other children came. The only son was born in 1911.

Returning to his entrepreneurial nature, in 1905 he joined a repair shop, Bierckholz and Klimmek. In 1913, the partners transformed this workshop into a foundry. It is worth noting that this foundry was the embryo of the Tupy Foundry, recognized at the time as the pioneer and largest foundry company in South America. In 1920 Augusto Klimek moved to Curitiba and acted as a minority partner, forming a partnership with Carlos Schmidlin in the Iguacu Foundry. Faced with the crisis of 1929, he negotiated his withdrawal from this company. He had met a professional, Germano Trempel, who worked in a toothbrush factory, at the time a restricted and promising market. This fact stimulated him to know São Bento do Sul, a German colonization, at that time with 10 thousand inhabitants, very promising.

#### IV. THE COMPANY ORGANIZATION AND ITS EVOLUTION

On July 1, 1929, at the age of 50, Augusto acquired an initial structure for the new company: the company "Klimmek & Cia. Ltda" the industry was prepared to produce tooth brushes to the market. Mr. Augusto Klimmek came in with the capital and Mr. Trempel with the knowledge. They imported machinery for the manufacture of brushes, in addition to all the necessary raw material. With the knowledge already dominated by Mr. Klimmek, the partner Trempel retired and left the enterprise. In the succession process, one of the important personages who married one of Mr. Augusto Klimmek's daughters, is Mr. Theodoro Engel, father of the leader who is focused on this research, Mr. Heinz Engel.

Theodore Engel was one of the descendants of the German immigrants who had come to Sao Bento do Sul in 1873. Baumgarten (op.cit.) reports that Theodore was a shy and gentle boy, who by his nature, had hardly ever left Sao Bento. The company, with only 90 days of production, already manufactured 160 dozen toothbrushes per day. Five months later, in addition to the whole family, there were already 8 employees. Baumgarten quotes: "working at Klimmek came to mean status, salary and social ascension." The crisis of 29 generated high prices for the importation of the raw material. One innovation for the solution of the crisis was to use pig bristles to make brushes. Worthy of record to understand a little of the culture that was beginning to build is that a 15 year old boy, João Roberto Mayer Behring, entered the company in 1930. João was a person of extreme trust of Mr. Augusto and worked for life in the company. In addition, many other professionals had the Condor company as the unique employer in the city, as Baumgarten informs. Mr. Theodore Engel, as stepchild of

Mr. Augusto, has always worked in the production area. His son, Alfredo, worked in the administration area. Baumgarten reports that Augusto had difficulty relying on one of the sons-in-law who acted in the sales area because he was very expansive, perhaps too much. Augusto had affection for people of a more reserved and respectful spirit. While Augusto valued according to the production and though, his son-in-law saw in the commercial sector the development of the company. There was, therefore, disagreements and his son-in-law left the company.

These positions well demonstrate Mr. Augusto Klimmek's strong genius. On the other hand, there were circumstances where the heart spoke louder. One example: on one of Mr. Augusto's trips to Germany, he met his cousin Adolf Tallareckand brought him to the company for him to work as a mechanic in the company. AugustoKilmek gave a participation to the same and his friend remained in the company until his death. These facts reveal his austerity, silence, zealous for discipline, but on the other hand, also an enormous heart towards those people w

ho he perceived as endowed with values that coincided with his conception of the world.

In 1935, the company created a voluntary fire company. In that same year, the company became a corporation, having as Chief Executive Officer Augusto Emilio Klimmek (founder, 1st generation). Directors-Managers: his son Alfredo Klimmek, and his son-in-law Theodoro Engel as second. Mr. Heinz Engel, as a child, was very attached to his grandfather. Baumgarten points out that Mr. Augusto had a black Oldsmobile - one of the five cars in the entire city of São Bento do Sul - and took Mr. Heinz, his firstborn grandson, on a tour. Mr. Heinz Engel, on the other hand, as his father was most closely connected with production, established a lot of contact with the settlers of São Bento do Sul; this must have shaped a humility and a human vision, characteristic of authentic leaders. Baumgarten (2015) states that Mr. AugustoKlimmek was endowed with a committed spirit, who had a mission in his business. Fiber and character, respect and rigor were identified in his profile, reflected in the nicknames of company employees, such as, "Big gray bear"; "Big boss"; "Der starke August - August the Strong".

As a result of the war, which was confronted by Germany, the company suffered persecution, mistrust and injustice in Brazil, from 1942 to 1943. The rationing of energy during this period obliged it to use its own generation by means of a truck, demonstrating creativity and overcoming of obstacles. It is important to point out that his son, Alfredo Klimmek, was a more malleable, political subject, and he became friends with politicians such as the governor of Santa Catarina at the time, Nereu

Ramos. A fact in the difficult time of obtaining, after the second war, it awarded Brazilian citizenship to Mr. Augusto Klimmek, which gave him a relief. The pioneering and enterprising spirit of the family is also visible through the fact that, in 1946, it had installed a cinema with the importation of all necessary equipment in the city, which was then inexpressive. Denoting, likewise, entrepreneurial skills, he acquired a refrigerator and a cold store as a source of bristles for the manufacture of brushes; these ventures were inactivated when new machines arrived for the purpose. Augusto Klimmek's son, Alfredo being more expansive and communicative was elected to the city council for São Bento do Sul. Theodore Engel, with a more closed profile, was the man of the wood,sawmill and timber production, as Baumgarten (2015) lets us know.

#### V. THE IMPORTANCE OF A LEADER IN THE CHANGING PROCESS

In Condor's historical context Condo it is important to emphasize that Heinz Engel played a decisive role in this important change for the professionalization of the company. Because of his vision and perception of the future, he hired the Consultancy of the Dom Cabral Foundation, whose prominence, mentioned by Baumgarten ,was Professor Elismar Alvarez. The idea was to deal with the professionalization, in view of the diversity of family members who were imprisoning management in the sense of achieving results for its sustainability. Thus, in 1996, the professionalization process began. Corporate governance was implemented. The owners migrated to the Board of Directors.

On 17 April 1997 a Belgian market CEO Jean Luc Pierre Jadoul was hired. In this year's Exame Magazine, Condor was ranked 14<sup>th</sup> Company in Brazil in the hygiene and cleaning sector. In 1999, it was elected as the Best Company to Work for. (Exame magazine).

In 1999, the CEO who took all the cutting actions with the past was replaced by a new director, Paulo Iserhard, from the Rio Grande do Sul market. He remained in the company from 1999 to 2003; in 2003 he joined the new CEO, Ernoe Eger, who kept in the job until 2006. In the same year of 2006, Vicente Donini, from the General Directorate of Marisol SA, joined the Board of Directors as a generation owner, the Advisory Board. In addition, this year OsmarMuehlbauer was elected General Director, the first CEO, to be a family member and a career professional in his own company. Baumgarten (2015) affirms that he had the wisdom to start replacement in the company with total success. The changes that needed to be madewas achieved and the results were positive. There were sequels from previous managements of market professionals and needed to reunite the team. Important

points were mentioned by Baumgarten: she states that in 2009, with the management of a professional coming from the company's own professional body, the company had the best result in 15 years. The company's motto was: "do more with less; empowering the employees; committed team. The years worked as administrative and financial director gave him the bases so that, knowing the company, he could obtain the adhesion for a commitment with the goals conquered with the engaged leaderships.

In 2010 the occupant of the post of CEO, Osmar Muhlbauer suffers a stroke accident and is removed. Two fundamental facts of organizational commitment: the management of the company was shared through a Group called G7, whose strategies and actions were discussed weekly. Thus, even with the sudden departure of its CEO, the continuity of actions is not impaired. But, for a reorganization plan, a new CEO from the market, Luiz Affonso Vidal Guardia (Venezuelan), who has been in business for 1 year and 7 months, In 2011, a new professional formed in the company Alexandre Wiggers is elected General Director, who with a competence and all dynamics with expertise in the company, molded by permanent contacts with the market through professional courses leads the company successfully giving him the condition the market in which it operates. In 2011, in the development of family governance, the Board of Shareholders

It should be noted that Mr. Heinz Engel, who is the subject of this study, came to be the leader, and the grandson of Mr. Augusto Klimmek. It is therefore to be supposed that Mr. Heinz Engel has mingled the harshness, discipline, and authority of his grandfather, Augustus, with the simplicity allied to the submissive nature of Mr. Theodore Engel, his father. Above all, however, he held the family values: honesty, commitment, human respect, dedication to their mission of overcoming, through people committed to the greater goal of the company. Baumgarten cites two people who have remained in the company for more than 50 years: Helmuth Knop from the commercial area and Élvio Becker from the industrial area. According to both workers, Mr. Klimmek and the company's culture differentiated by nurturing commitment based on organizational values. In addition, in this sense, the book also contemplates other employees who made the company a second home. An example of this is that, already in 1961, those who had worked for 25 years were honored, with 12 employees being considered. In that year of 1961, Theodore Engel retired and is succeeded in the company by his son Heinz Engel. Commitment, innovation and passion animated the young man who had studied in Germany from 1953 to 1958. He came back from Europe full of new propositions and

ideas, including bringing about a concrete negotiation of a new machine for the company.

In 1966, he returned to the company, at the invitation of his 85-year-old grandfather; which also expresses not only a human vision but also a commitment to the company and its vision of people's potential. The management of the company is thus constituted: President: Alfredo Klimmek; Industrial Director: Heinz Engel. Thus, different life-styles naturally blended. Heinz Engel, with a vision of business control, and Mr. Alfredo Klimmek, with a more liberal behavior, diplomat, who was well suited to business issues and community relations. Augustus had died in the year 1970; Mr. Alfredo Klimmek passed away in 1994, and as of this year Mr. Heinz Engel became the company leader.

## VI. CHANGES IN THE COMPANY: THE IMPORTANCE OF A LEADER

The second generation in the company disappeared. Condor was always guided, according to Baumgarten (2015), by guidelines of honest personal conduct, family, health, financial, vocational training and political preparation of trade union. It is important to emphasize that, in the present day, we find employees who were admitted in 1973, as quoted by Baumgarten (2015). As highlights, Mr. Osmar Muhlbauer, who was Managing Director of the company, was admitted in 1984; Elzo Dudda, current Industrial Director, admitted in 1986; Alexandre Wiggers, Chief Executive Officer (CEO), admitted in 1988.

The identity of the Klimmek Condor, so lavishly elaborated, stoned generations of employees, whose families were conforming to that style, also managed to transfer to the whole community an image of a correct, fair and good company in every way.

In this historical context of Condor, it is important to emphasize that Heinz Engel played a decisive role in the important change for the professionalization of the company. Through her vision and perception of the future, she hired the consultancy of the Dom Cabral Foundation, whose main point, mentioned by Baumgarten, was Professor Elismar Alvarez, in 1995, to deal with professionalization, considering the diversity of family members who were imprisoning management in order to obtain results for its sustainability. Thus, in 1996, the process of professionalization began. Corporate governance was implemented.

The owners migrated to the Board of Directors. On 17 April 1997 a Belgian market CEO Jean Luc Pierre Jadoul was sworn in. In the same year of 1997, the magazine Exame considered Condor to be 14<sup>o</sup> place of the country, if we compare it to the companies of the hygiene and cleaning sector. In 1999 she was elected, through Exame,

the best company to work for. In 1999, the CEO who took all the cutting actions with the past, was replaced by a new director, Paulo Iserhard, of Rio Grande do Sul market, who remained in the company from 1999 to 2003; in 2003 he joined the new CEO Ernoe Eger, who stayed until 2006. In the same year of 2006, he joined the Board of Directors, Vicente Donini, who came from the General Directorate of Marisol SA. In 2006, the Consulting Board was created, and Osmar Muhlbauer was elected the first General Director (CEO), a stranger to the family and having professional career in his own company. Baumgarten (2015) writes that he had the wisdom to promote changes in the company, with total success. There were consequences from previous managements of market so that professionals needed to be reunited as a team. It is important to highlight that Baumgarten states that in 2009. The company had the best result in 15 years. Muelbauer stayed nine years as Chief Financial and Administrative Officer. By getting to know the company, he would achieve adherence to a commitment to the goals achieved with the committed leaderships. In 2009 the composition of the Board of Directors underwent a renovation with family members and external ones: Vicente Donini, Rolf Buddemeyer, Marion Klimmek, Christian Meyer and Thomas Engel. In 2010, the occupant of the CEO's post, Osmar Muhlbauer, suffered a stroke and was removed. Two fundamental facts of organizational commitment: the management of the company was shared through a Group called G7, whose strategies and actions were discussed weekly. Thus, even with the sudden departure of its CEO, the continuity of actions was not impaired. But for a rearrangement planning, a new CEO from the market, Luiz Affonso Vidal Guardia (Venezuelan), was hired again. He remained for 1 year and 7 months.

In 2011, a new professional trained in the company, Alexandre Wiggers, was elected Director General, who with a complete competence and dynamics with expertise in the company, molded by permanent contacts with the market through professional courses. He led the company successfully, giving it the status of prominence in the market in which it operates. In 2011, in the development of family governance, the Board of Shareholders was created.

In 2013, Board Member Jaime Richter joins the Board of Directors. According to Baumgarten (2015) Richter states that:

"In the beginning my perception was that part of the legacy of beliefs and values are worth forever as a discipline and will to work, which could be lost due to the carelessness of the relationship between the members, motivated by their lack of preparation to be partners. In time: this fact

began to be corrected with the creation of the Family Council, whose main objective is the formation of successors partners of the heritage of values and patrimony, different from what would be with the Council, since the partners would be only heirs. In this conception, the Successor is one who preserves the legacy; even heirs do not care, because their own interests would prevail. On January 1, 2014, Condor completed 85 years of age, with 1,500 professionals.

## VII. WHAT SOME MANAGERS SAY ABOUT THE LEADER AND THE CHANGES IN THE COMPANY

We conducted some interviews in order to have a broad view of the company and its leaders. The interview with the managers of the company Condor SA, for example was very relevant. The data presented are linked to the leadership exercised by Mr. Heinz, who through the interviews confirmed that he was responsible for conducting the process of succession of the company, and also contributes to conflict management among family members who were in the company at the time.

Four interviews were carried out with some Condor managers, who were present at the time the professionalization and succession process. These interviews also contributed to our understanding of the way leadership played important role in the company. We are identified in the dialogues as a researchers and the other interviewees as interviewee 1, 2, 3 and 4, in order to maintain the confidentiality of these people. The following is the results obtained in the questions made to these people.

Asked about the importance of Heinz's leadership in the process of succession and professionalization of the company, the interviewee 2 stated that Heinz's presence was fundamental at this stage, he said "for the family, having to leave the company provokes a great impact. The management of the business reaffirms what had already been verified in the theoretical support. Respondent 4 also contributes in this sense, "the family business did not have this definition very clear perhaps", at this point the interviewee refers to the delegation of tasks among the family: there was a clear definition of the role of each family member in the company and the direction which the company wanted to follow.

The interviewee 2 reaffirms what we have read as theoretical support regarding the choice of qualified professionals for the vacancy. In addition to this, in relation to the management structure of the company he also confirms the theory by mentioning that not always the person was qualified to occupy a position, "[...] Also

in the sense of preparation I think, the person who belongs to the family and is occupying a position within the company, maybe s/he is there because of the family, but not because s/he is the best person to fill that position. " , In this case, it is important for the family to pay attention to the skilled professional to occupy a certain position, instead of simply employing someone who has family ties.

In this way a change was necessary : a change in the company was needed. The interviewee 2 was questioned if it was really important for Heinz to take the lead and to gradually carry out the professionalization of the company. He affirms "exactly, today Condor is' where it is because of the change in 1997, which was the decision to professionalize the company, ".This demonstrates the assertiveness of the leader in wanting to transform it.

According to interviewee 2, Heinz was primarily responsible for realizing that Condor needed to be professionalized, and he was responsible for conducting this process effectively, "it was the leadership of Mr. Heinz Engel that promoted this. He saw that it was necessary to change in order for the business to grow and walk in a healthy way, he realized this, [...]" And he goes on: " he was stitching it up with families, and constructing this perception by alerting families that it was healthier for the business to be done the way it was made". So he contends that Engel's leadership was fundamental for the company's success: "It is clear that there was a firm leadership role in the succession of the company, both in the organization of the company and in the management of conflicts between family members."

Respondent 2 further emphasizes Heinz's importance in conducting this process, and what could have happened if there was no such leadership, "if one of the shareholders does not have the attitude of referring the company to it, it probably does not happen, conflict installs and arrives at an almost unsustainable point." He concludes: The change was fundamental, especially after the family went to the council, the board must have a president who can manage conflicts, who can create a consensus that can converge interests. "

The process of professionalization is not always easy, the interviewee 4 provided important information about Heinz's attitude at the time, "[...] Heinz always fitted with the administration that was below him at the time. Certainly that administration has contributed and supported a lot for this change to take place, because it was a paradigm change within the company, and often the families go against it, because it implies the exit of these people from the positions that they are occupying in the company.

Today there is an agreement among shareholders that no person of the family can work for the company: " neither

grandson nor son, nobody, have grandchildren of shareholders who work in other companies, maybe in the past would work here, then it is a change of culture and strategy. "

With the creation of the board of directors and with this breakdown of paradigms many things had to change, and many conflicts had to be managed by Heinz, who stood out as leader of this process, as mentioned before. He was the one who made the decisions, but supported by the others Members of the Board.

As Heinz's leadership also remained on the board, on the issue of minimizing conflicts, interviewee 4 was also questioned about the role of the council and the council chairman in the management of conflicts caused by professionalization. The interviewee contributed in this sense, " we can see that today the committee boards are much closer to the board than in the past, with this professionalization, with the coming of these external advisors, [...]" He then concludes that "this all makes management closer to the board, and absorbs a little more of the needs that the board and shareholders have, I think this is very clear. Today condor has 6 counselors. And there are three outsiders, who have no direct connection to the family. "

Asked about the transition process and the first moments of a professionalized company, Interviewee 1 also emphasized the importance of Heinz Engel as a leader: "the transition of this process was quite serious, because in the early years there was still one or the other of the family within the corporation as well , then it did not have a "sudden" migration". The he explains: " this was not the decision taken, the decision was made in the sense that there was a certain transition and I think this made the company succeed in the process". He argues that there were people of the family leaving the company. People who had been working for years for Condor, but the presence of the leader was necessary to remove them.

The interviewee further states that, "the fact that they created the board and removed all family members from the company's operation makes the work of the managers, both the directors, the chairman and the managers, a more professional job. " He explains then that " having a clear goal, to have a definite clear objective is impo'rtant and this was the goal designed by the board of directors." He then concludes that

*when you have an executive board as it happens today, we have a well-defined hierarchy so I have someone to report to me, so my work is tied to this board, which will consequently be tied to the board of the presidency, which is going to respond to the advice. So the day-to-day work facilitates a lot, who is in the operation the fact that you do not have the family inside, it*

*facilitates a lot of work and understanding and makes us able to develop the work very well, with which we achieve these objectives with great clarity, and with as much dedication and commitment as ever.*

The process of transition and succession in the company was difficult, but with the figure of a leader things were well underway, according to the interviewee 2, "[...] as Heinz began the professionalization process of the company, he was the captain and was the ambassador of this whole process." According to the interviewer, when Heinz learned about some difficulties in the process of professionalization, he would come and ask the managers, what was happening and if the workers and managers were satisfied. He interfered in the process when the something was not very good, he made this connection between the directors and managers and clarified the situation to both sides. In other words, Heinz Engel knew to act as a mediator between the parties. In conclusion, Heinz was a born leader and the ambassador of this process of professionalization, I would say he was the key person for the professionalization of the condor.

Considering the importance of a leader in Condor's process of succession we also asked the interviewee 3 to list the main characteristics of Heinz Engel's leadership. According to him, Engel was a different leader because, being a born leader "he was important for his seriousness, objectivity, courage and decision maker." He took over his responsibilities in the decision making in the company. As a resilient leader he could recognize the suggestions of other people. He was clear transparent and accepted the things proposed by the other hierarchical levels, he questioned much the things that were being done. These were the main characteristics listed by the interviewee, who worked on managing the changes that took place at Condor.

In addition to these characteristics, respondent 3 points out that a leader like Heinz "[...] has a passion for the company, that makes all the difference in the company." Heinz Engel was able to transfer part of these characteristics also to the internal CEO. We consider that it is very important part in a succession process that the company does not lose its main characteristics during the adaptation to new ways of administration.

Heinz's leadership becomes important because it is in the company to this day, and it continues to influence people. Today Heinz Engel has a family representative, who is his son and who has a chair on the board. But the decisions are taken by the board, it is the board that takes care of the business, managing the business for the shareholders.

Heinz is no longer in the company's daily life but his leadership is still perceived by the people in the company. All the interviewed people agree that he has a true passion

for the company and people who know him respect him a lot, as well as he respects these people: workers, supervisors, directors and managers.

## VIII. SOME PRELIMINARY CONCLUSION: DISCUSSING THE RESULTS

After conducting the interviews and demonstrating the main findings, we start with the discussion of the results, in this chapter we will address questions related to the findings made in the interviews conducted at Condor S.A. We observed that there was a fundamental leadership role in Condor Company. This leadership was performed by Heinz, mainly regarding the issues of conducting the succession process.

It was also confirmed what had been researched in the theoretical support, that often family matters end up having a strong impact on the company's decisions. Through the statements of the interviewees we could verify that often the family member did not have the necessary skills to occupy certain positions, which might have harmed the organization. Another problem that can be caused by a lack of professionalization is the lack of direction of the company, as there are several people within the company there is no exact direction to be followed, there are many people who are in charge of the company.

One of the outputs for the company is to professionalize, that is take people from the family out of the management and hire professionals to run the business. These is also what scholars in the area of administration agree. However this can not be applied in all enterprises, because of some resources necessary for this transition, which may be insufficient in the case of smaller companies. In this case study the company was able to professionalize and did so.

Once again the issue of leadership appears, at the moment when the decision is made for professionalization. In this case, it is necessary that all the people who are involved with the company, especially the family members. They are the ones who need agree with the changes that will be made.

We could found from the study that this is one of the most difficult steps. This difficulty had already been verified in theory, and could be proven through the study: people are emotionally attached to the company, so it becomes difficult to leave a company. The role played by Heinz Engel in this sense was very importantly, he took responsibility and was able to carry out this process very well, reducing the conflicts that could arise due to this professionalization.

Another point verified in the research was that Heinz was responsible for thinking about the professionalization of the company and conducting this process to the end, if he



had not fulfilled this task until the end, the company would not be able to execute it, this leadership already existed prior to the creation of a council, and after Heinz took over the chairmanship of the council, this leadership role became even clearer, important decisions were made, all the family members left the management of the company, and in addition pacts were signed which determined that no person with family connection could manage the company, all these conflicts were managed with firm wrist and brought good results to the company. With the creation of the firm's profession and professionalism, it was noted that directors and managers were able to unpack their roles within the company more efficiently, there was no longer a family bond between the people who were working in the organization, and this more effective management, which also resulted in a decrease in managerial positions. Just as there was a reduction in the number of people in the council, there are now 1 representative of each family and 3 people from outside, in the council this also directs the decisions more, these reductions that were realized were also thought by Heinz, who always looked for the best both for families and for the company.

It was emphasized that this process of succession and professionalization of Condor was not easy to manage, people were very attached to the company to simply leave their functions, but Heinz was successful and always managed to soften the conflicts that arose in this process. He knew how to negotiate with both sides and kept things under control.

Heinz Engel was also responsible for managing the conflicts between the professional management and the people who were already in the company. Managers coming from other companies have a different culture, and this in a first moment may cause a conflict with the organization. This leader was responsible in managing these conflicts of culture that arose in this process of professionalization, he prized in maintaining the culture of the company.

From our study we could also observe that Condor company owned some unique characteristics, these characteristics and behaviors also influenced in the progress of the decisions and led the changes. These characteristics were grounded on: seriousness; objectivity; courage; conviction; decision-making; resilience, transparency; macro vision and above all passion for the company.

After some CEOs who came from other companies, Condor started to promote people from the company to high-impact positions, so-called "house tarps". These people have characteristics similar to the characteristics of Heinz and have a direct link with the way he led these changes in the company. Bringing people from the

company to higher positions allows the strengthening of the culture, as well as maintains the characteristics of one of the great leaders who have passed through Condor S.A. This ends up bringing the board of directors together and reduces the conflicts that may occur.

Based on the research carried out and data processed and analyzed, we can argue that there was an effective family leadership in the professionalization process of Condor SA.. Leadership was very effective in mitigating the conflicts that could have arisen in this process of changes. We can also observe that the process of professionalization of a company is not a simple process, the organization must be well prepared for this process to work without generating conflicts between the company and the family.

### REFERENCES

- [1] Alchian, A. A.; DEMSETZ (1972) H. Production, information costs, and economic organization. *The American Economic Review*, p. 777-795,
- [2] Andrade, A.; Rsetti (2006), J. P. *Corporative Governance: fundamentos, desenvolvimento e pendências*. 2. ed. São Paulo: Atlas
- [3] Baumgarten (2015), C.E. *The Condor Way [O jeito Condor de Ser]*. IVH8 Editores.
- [4] Bass, B. M (1990). From transactional to transformational leadership: Learning to share the vision. *Organizational Dynamics*, v.8, Issue 3, p. 19–31,
- [5] Benevides V.L (2016). *Leadership Styles and the main influences used by Brazilian leaders.[Os Estilos de Liderança e as principais influências utilizadas pelos líderes brasileiros]*. Fundação Getúlio Vargas – FGVescola. availableat:///F/LIDERANCA, acesso em 20.01.2016
- [6] Begaminini C. W. (1994.) *Leadership: Administration of senses [Liderança:A administração do sentido]*. *Revista de Administração de Empresa*. São Paulo, v. 34, n. 3, p. 102-114,
- [7] Berle, A.; Means, G , (1932). *The Modern Corporation and private property* .New York: McMillan.
- [8] Berhoeft (1989), R. *Family Enterprise: professional succession or committed survival*. [Empresa familiar: sucessão profissionalizada ou sobrevivência comprometida}. São Paulo: Nobel,
- [9] Bammens, Y., Voordeckers, W., & Van Gils, A. (2008).Boards of directors in family firms: A generational perspective. *Small Business Economics*, 31 (2), 163.
- [10] Casilas, José Carlos; Sanchez, Adolfo Vázquez; Fernandez (, 2007), Carmen Diaz. *Family enterprise*

- Management/Gestão da empresa familiar: conceitos, casos e soluções. Tradução de Vértice Translate. São Paulo: Thomson Learning. p. 4, 27-28, 32, 71, 78 e 119.
- [11] Cohn (1991), M. Passando a tocha, como conduzir e resolver os problemas de sucessão familiar. São Paulo: Makron Books Editora do Brasil Ltda.,.
- [12] CREMER (2017). Histórico. Disponível em: <[http://200.247.161.241/cremer/ml\\_empresa/ml\\_tem\\_p\\_historia.html](http://200.247.161.241/cremer/ml_empresa/ml_tem_p_historia.html)>. Acesso em: 20 abr.
- [13] De Massis, A.; Chua J. H.; , J.J(2008),. Fatores que impedem Sucessão Intra-Familiar. Family Business Review.Vol.21 Edição 2 . May 2008.
- [14] Döhler (2017). Available at: <<http://www.dohler.com.br/site/institucional.html>>. Accessed on: 20 April .2017
- [15] Donnelly, Robert. G. (1964) Family enterprise. Revista de administração de empresas. Junho de 1967. (Publicado originalmente na Harvard Business Reviewem 1964.)
- [16] Ecco, I. L.; Ribeiro, R.; Kock, K. F.; Marcon, R.; Alberton (2010), A. Teoria de agência em uma organização sem fins lucrativos.Estratégia e Negócios, Florianópolis, v. 3, n. 1, jan./jun. 2 010.
- [17] Eisenhardt, K. M. (1989) Agency theory: an assessment and review. Academy of Management Review, v. 14, n. 1, p. 57-74.,
- [18] FAMA, E. F(1980). Agency problems and the theory of the firm.Journal of Political Economy, v. 88, n. 2, p. 288-307, abr.,.
- [19] Fama, E. F.; Jensen, M. C. (1983.) Separation of ownership and control. Journal of Law and Economics, v. 26, p. 301-325, 1983.
- [20] Ferreira , O. T.; (2012) The influence of Germanic Culture in the development of Santa Catarina; Univali, Itajaí; Fial paper.
- [21] Gersick, K. E.( 1997.) et al. De geração para geração. (Tradução de Montingelli Jr.) São Paulo: Negócio Editora Ltda.
- [22] Hemmer (2017) Quem somos. Disponível em: <<http://www.hemmer.com.br/>>. Acesso em: 20 abr.2017
- [23] Herring (2017). Sobre a Cia Hering. Disponível em: <<http://ciahering.com.br/site/ptbr/>>
- [24] Empresa/Sobre+a+Cia+Hering>. Accessed on: 20 apr..2017
- [25] Hunter, James C (2006). Como se tornar um líder servidor: Os princípios de liderança de O monge e o Executivo. Rio de Janeiro: Editora Sextante.
- [26] German Immigration to Santa Catarina. Destaque Magazine .Herança na prática. Available: <<http://www.imigracaoalemasc.com.br/conteudo.php?&sys=1&id=1154>>. Acesso em: 20 abr.2017
- [27] <<http://www.imigracaoalemasc.com.br/conteudo.php?&sys=1&id=1154>>. Acesso em: 20 abr.2017
- [28] Jensen, M. C.; Meckling, W. H.(1976) theory of the firm: managerial behavior, agency costs and ownership structure. Journal of Financial Economics, v. 3, n. 4, p. 305-60.
- [29] Klug, João. (1992.) Imigração e Luteranismo em Santa Catarina: a comunidade
- [30] Kouzes, James M. e Posner, Barry Z. (1991) O desafio da Liderança. Rio de Janeiro: Campus. p. 31-255
- [31] Leone, N. M. C. P. G. (1992.) A sucessão em pequena e média empresa comercial na região de João Pessoa. Revista de Administração, São Paulo: Fundação Instituto de Administração, v. 27, n. 3, jul./set. 1992.
- [32] Lodi, B. A. O (1989). Empowering Family enterprise/ fortalecimento da empresa familiar. São Paulo: Pioneira
- [33] Mauch, Cláudia. Vasconcelos, N. (1994) Os alemães no sul do Brasil: cultura, etnicidade e história. Canoas: Ulbra.
- [34] Oliveira D.P R. (2006) Empresa familiar: como fortalecer o empreendimento e otimizar o processo sucessório.2.ed. São Paulo: Atlas.
- [35] Shein, E. (1985) Organization cultures and leadership : a dynamic view. San Francisco: Jossey-Bass,. p.1-26; 70-96.
- [36] \_\_\_\_\_. Guia de sobrevivência da cultura corporativa. Rio de Janeiro: José Olympio. 1999. 191p.
- [37] Seyferth, Giralda (1981). Nacionalismo e identidade étnica: A ideologia germanista e o grupo étnico teuto-brasileiro numa comunidade do Vale do Itajaí. Florianópolis: Fundação Catarinense de Cultura,
- [38] Senge, P et al. (2009), A Revolução decisiva : como indivíduos e organizações trabalham em parceria para criar um mundo sustentável. Tradução Afonso Celso da Cunha Serra. Rio de Janeiro: Campus Elsevier, .
- [39] Sobral, F.; Peci, A (2008). Administração: teoria e prática no contexto brasileiro. São Paulo: Prentice Hall.
- [40] Tigre. (2017) Available on: <<http://www.tigre.com.br>>. Acesso em: 20 abr.2017
- [41] Tupy (2017). History. Available at: <http://www.tupy.com.br/portugues/empresa/historia.php>>. Accessed on: 20 abr.2017
- [42] Westhead, P., & Howorth, C. (2006) .Ownership and management issues associated with family firm performance and company objectives.Family Business Review, 19 (4), 301-316.