

# Strategic Management of a Work Safety Company with use of Bsc and Swot Matrix, in MACAÉ-RJ, Brazil

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**Abstract**— *The purpose of this manuscript is to evaluate the importance of the use of the SWOT matrix, the competitive strategy of differentiation and the Balanced Scorecard (BSC), in the construction of the strategic diagnosis, in a company of work safety training in Macaé-RJ, Brasl, Brazil. maintain or extend their competitive advantage. The results show that it is possible to perceive that the managers approve and consider important the use of the matrix swot the competitive strategy with a broad target in the differentiation and the Balanced Scorecard (BSC) in the elaboration of the strategic diagnosis to maintain the competitive advantage of the company studied in the market. The conclusion of the present study was that the use of the swot technique, differentiation strategy and BSC are important for the success of strategic planning and the search for competitive advantage*

**Keywords**— *Planning, Swot, Balanced Scorecard, Competitive Strategy.*

## I. INTRODUCTION

The present study aims to develop the analysis of the strategic management adopted by a company of work safety training, which operates in Macaé-RJ, Brazil, in several distinct segments of the industry, under the SWOT approach, competitive strategies and the Balanced Scorecard (BSC), used to carry out internal and external environment analysis, aiding strategic and organizational planning. SWOT is used to position or verify the situation and strategic position of the company in the environment in which it operates (MCCREADIE, 2008).

Labor safety training companies understand that the market is becoming more competitive and their customers are more demanding, so they are looking for a variety of

strategies to stay competitive in a market where there is a high charge for quality of service and price. Through the context presented, a field research was carried out in the company, where it is demonstrated how the company implemented the SWOT and the business strategies adapting to the economic reality and the current scenario, visualizing the internal environments (strengths and weaknesses) and external (opportunities and threats) to maximize strengths and opportunities and minimize weaknesses and threats.

The overall intent of this analysis is focused on the company in the area of work safety training, uses strategic planning through the SWOT tool and business strategies, managing to identify vulnerabilities and strengths of its competitors, making it possible to improve their management decisions, always focusing on the excellence of its services through a model toyotism training with sustainable, innovative practices, at a fair price, attuned to its mission, vision and values: essential pillars for its maintenance and growth in the medium term in the national and international market.

## II. REVIEW OF LITERATURE

Strategic Planning is a tool widely used by the most successful organizations, in collaborating with objectives and actions to face future situations and their commitments. All this, due to his interpretation of the environment, directing and adapting the organization in the most appropriate way for the attributes (OLIVEIRA, 2010).

It aims to reduce the chance of correcting and recovering the path to the enterprise. To the many uncertainties of market, that daily arise by means of technological and the competition, and the strategic

strategy to the staged and successful steps of the business. (SLACK et al., 2002)

When an organization has goals and objectives, the search is successful, it has the sharpness defined as what it is, what it does, and where it wants to go. (DRUCKER, 1997)

The main objective of this study was the strategic diagnosis, according to Ferreira et al. (2005), is the first step in strategic planning. It is through it that the organization will obtain the information needed to guide its strategies. The diagnosis seeks to know the relationship of the company with its internal and external environment in order to know and follow the competitive variables that affect it, being able to anticipate the changes and make the necessary decisions.

One of the tools used in the strategic diagnosis phase is the SWOT matrix and the business functions that analyze the internal (strengths and weaknesses) and external (opportunities and threats) of the company.

### **2.1 Swot Matrix: Environmental Analysis Technique**

SWOT analysis is pointed out as a classic management tool, but its origin is not well defined. It is believed to have been created in the 1960s by professors at Stanford University. SWOT stands for Strengths, Weaknesses, Opportunities and Threats and serves to analyze the company's strengths and weaknesses as well as the opportunities and threats of the environment in which it operates. It's inserted. The diagnosis can be made by organizations of any size, since it is a tool of self-knowledge and contextual analysis, also serving as a guide in establishing a plan of action to minimize risks and increase the chances of success for the company (NAKAGAWA, 2012).

It is from this analysis that the posture is based to obtain a competitive advantage. In Porter's view (1989), competitive advantage results from the value a company can create for its buyers.

Ferrell and Hartline (2005) point out that the SWOT analysis has several advantages, such as:

(I). Simplicity: no training or technical skills required for its use;

(II). Costs: it allows the reduction of costs with areas exclusively linked to strategic planning;

(III). Flexibility: improve the quality of strategic planning even without extensive information systems;

(IV). integration and synthesis: it is possible to integrate and synthesize various information, whether quantitative or qualitative in nature;

(V). Collaboration: exchange of information and collaboration between managers in different areas in order to solve problems and eliminate possible conflicts before finalizing the strategic plan.

### **2.2 Generic Competitive Strategies**

Strategies are decisions that are put into practice to achieve strategic objectives, be they recover a company in bad situation, maintain a good performance, reach a new level of results, grow or remain in the market. There are different ways of classifying strategies. Classifying them into generic and adaptive strategies is a way of studying how companies act in this dimension. (Porter, 1989)

Michael Porter, through studies starting from the industrial organization in economics, articulated perhaps the most important current "paradigm" in the field of business strategy, with a great diffusion of his ideas in the last 25 years. (Vasconcelos and Cyrino, 2000, Foss, 1996). The porterian theory developed on a solid theoretical structure verifiable empirically, starting from premises of economic rationality of the theory of the industrial organization that uses the models of rationality close to the neoclassical economic theory. In this perspective, the relevant factors and aspects of the industry are known and can be analyzed in a clear, structured and objective way allowing the manager to make strategic decisions that allow the economic maximization of company resources. Within this theoretical scenario, for Porter, the leader must make decisions that aim to combine products and markets generating strategies of leadership in costs, differentiation or targeting (generic strategies). According to Michael Porter (1989), business strategies can be classified into three generic categories: differentiation, cost leadership and focus (finding a niche, either product or service, consumer group or regions).

### **2.3 Differentiation**

The first generic strategy is differentiation. In this type of strategy, a company seeks to be unique in its industry, along some dimensions widely valued by buyers. It selects one or more attributes, which many buyers in an industry consider important, positioning themselves singularly to satisfy these needs. It is rewarded for its uniqueness at a premium price. (PORTER,1989)

For Porter (1989), the means for differentiation are peculiar to each industry. Differentiation can be based on the product itself, on the delivery system by which it is sold, on the marketing method and on a wide variety of other factors. In the field of construction equipment, for example, Caterpillar Tractor differentiation is based on product durability, service, spare parts availability, and an excellent reseller network. In cosmetics, the differentiation is usually based more on the image of the product and the positioning of the counters in the stores.

### **2.4 Cost Leadership**

Porter (1989) shows that in the strategy that seeks leadership through cost, the goal is not to differentiate

from competitors, but to offer a cheaper product or service. This strategy is widely used by computer manufacturers, as technology takes very similar products and makes components cheaper. It was also the strategy used by Japanese car makers and digital watches, which destroyed the myth that higher quality means higher price. And whoever wears an Ironman watch, he's convinced by the same strategy, used by Texas Instruments.

### 2.5 Focus

According to Porter (1989), the strategy of focus is to select a niche in the market and master the resources to exploit it to the best possible way, instead of looking to confront all the competitors in the big market. The strategy, therefore, is to be the best and get the most out of narrowly selected markets or products / services.

Text item 3.2 - Generic Competitive Strategies adapted by the authors, based on the book: Entrepreneurial Strategy (Prof. Carlos Eugênio Barreto)

### 2.6 The Balanced Scorecard (BSC)

The strategies formulation and implementation stages are complemented by the monitoring activity, which monitors and evaluates the execution of the strategies. It is important that this activity should be done on the basis of the same indicators used to elaborate the strategic plan. However, the traditional systems that evaluate and control the company's results are biased in their emphasis on the final financial result (WRIGHT; KROLL; PARNELL, 2009).

The Balanced Scorecard (BSC) is a strategic management tool that converts the mission and strategy of organizations into various performance measures that serve as a foundation for a strategic measurement and management system. It not only includes financial goals, but also emphasizes their performance vectors. Thus, the company's performance is measured from four balanced perspectives (Kaplan, Norton, 1997):

- a) Financial perspective: it indicates if the strategy of a company, besides its implementation and execution, contribute to the improvement of financial results, whose objectives are generally related to profitability;
- b) Customer perspective: assist executives in identifying customer segments and markets where the company will compete, in addition to their performance measures in them;
- c) Internal Process Perspective: Executives identify critical internal processes, those that have the most impact on customer satisfaction and the achievement of the company's financial goals and on which the corporation must achieve excellence.
- d) Learning and growth perspective: it works on identifying the infrastructure that must be built by the

organization in order to generate improvement and growth in the long term.

## III. METHODOLOGY

The methodological procedures were the exploratory research and qualitative research, which are: a) semi-structured interviews, b) observation, c) field diary and d) documentary record.

For Oliveira (2002, p. 117):

Research using the qualitative approach has the ability to describe the complexity of a particular hypothesis or problem, analyze the interaction of certain variables, understand and classify dynamic processes experienced by social groups, present contributions in the process of change, creation or formation of opinions of a certain group and to allow, in a greater degree of depth, the interpretation of the particularities of the behaviors or attitudes of the individuals.

The methodological procedure used to collect and analyze the data was research-action type, this in turn can be defined as a small-scale intervention in the real world and a very close examination of the effects of this intervention (THIOLLENT, 2004). We can also say that in our studies, action research is situational, because it is concerned with the diagnosis of the problem in a specific context to try to solve it in that context.

## IV. RESULTS AND DISCUSSION

### 4.1 SWOT matrix analysis

Through the SWOT matrix of the company, the following actions can be determined:

**With regard to Opportunities:**

- (A) .The Access to new content;
- (B). Access to new technology (EAD site);
- (C). Use of hotels for larger and simultaneous events;
- (D). Concurrent companies do not often use the mechanical engineer to provide training in NR-13 (Boilers and Pressure Vessels);
- (E). Concurrent companies do not often use the electrical engineer to deliver the training provided by NR-10 (Safety in Facilities and services with electricity), according to the legislation of the CONFEA / CREA-RJ system.

### 4.2 Regarding the Threats:

- (A). New entrants in the market;
- (B). Competitors capitalized to deal with the economic crisis;
- (C). Deterioration of economic or industry conditions;
- (D). Competitor price war;
- (E). Cultural;
- (F). The physical structure of the competitors is larger, making it possible to offer more concurrent courses;

- (G). Price of oil barrel;
- (H). Exchange rate;
- (I). Gross domestic product (GDP);
- (J). Credit and Interest;
- (K). Tax and tariff policy;
- (L). Government purchasing power and investment, for example: Petrobrás;
- (M). Costs of change.
- (N). Corruption

**4.3 In relation to the Forces:**

- (A). Experienced team with great technical know-how;
- (B). Privileged location (In the center of Macaé-RJ);
- (C). Good customer relationships;
- (D). Own human resources;
- (E). Inovativity
- (F). The brand is recognized in the market; (H). The service is quality;
- (G). We offer free courses reaching a number of 80 employees in the year, strengthening the image of the contracting company before the company or converting benefits for its own employees;
- (H). Toyotism Style (Toyotista employees must be aware of all stages of the process, performing multitasking and paying attention to the complete elimination of all wastes.);
- (I). The company studied only works with one firm at a time, not mixing the employees of the company x, y or z.

**4.4 In relation to Weaknesses:**

- (A). Lean structure;
- (B). Lack of partners;
- (C). Commercial poorly developed;
- (D). Lack of position and salary plan for instructors;
- (E). Does not serve the general public.

**4.5 Choice of Business Strategy**

According to the obtained results, the company studied, adopts the competitive scope in the Wide Target, with Differentiation. Having the company informed, it is periodically made a new analysis of its strategic planning with a new study based on the various market variables.

**4.6 The BSC tool**

Finally, the monitoring and control tool that will assist the company in the implementation of its strategy is represented in Figure 1. It illustrates the unfolding of the strategic planning of the company, describing the perspectives of BSC (Financial, Customer, Internal Process and Learning and Growth), informing its objectives, the respective indicators, the goals to be achieved and the initiatives to be taken, all of

fundamental importance for the achievement of the strategy.

Figure 1: Deployment of the strategic planning of the company under the perspective of the BSC.

	GOALS	INDICATORS	TARGET	INITIATIVE
FINANCIAL PERSPECTIVE	INCREASE NET BILLING	NUMBERS OF NEW SEGMENTS	INCREASE MARKET SHARE BY 35%	EXPANSION OF COURSE NETWORK
	REDUCTION OF COST	REDUCTION IN 2% OF ADMINISTRATIVE EXPENSES	REDUCE ADMINISTRATIVE EXPENSES BY 10%	WASTE REDUCTION CAMPAIGNS
CUSTOMER PERSPECTIVE	CUSTOMER ACQUISITION	NUMBER OF NEW CUSTOMERS	INCREASE THE NUMBER OF CUSTOMERS BY 20	MARKETING CAMPAIGNS
	IMPROVING CUSTOMER RELATIONSHIP	LEVEL OF SERVICE	IMPROVE THE LEVEL OF SERVICE BY 10%	DEFINE METHODS OF CUSTOMER SERVICE
INTERNAL PERSPECTIVE	INCREASE NET BILLING	NUMBERS OF NEW SEGMENTS	INCREASE MARKET SHARE BY 25%	USE IMPROVEMENT TOOL
	REDUCTION OF COST	REDUCTION IN 2% OF ADMINISTRATIVE EXPENSES	REACH 50% OF CASE STUDIES IN TRAININGS	USE DATA MINING FOR CASE STUDIES
LEARNING PERSPECTIVE	IMPROVE PRODUCTIVITY	INCREASE EMPLOYEE PRODUCTIVITY	IMPROVE 15%	PROMOTE ACCESS TO STRATEGIC INFORMATION
	TEACHER TRAINING	TRAINING EXPENSES	INCREASE THE LEVEL OF TRAINING BY 10%	ENCOURAGE TRAINING PROGRAMS
	IMPROVE LEVEL OF MOTIVATION	EMPLOYEE SATISFACTION	INCREASE SATISFACTION BY 15%	EVENT PLANNING

Source: Prepared by the Authors (2018)

**V. CONCLUSIONS**

In the course of the research, it was verified from the introduction and the presented case that the SWOT matrix, the business functions and the BSC have a very important role in the choice of strategies and action plans, since they seek to identify the strengths and weaknesses (internal environment), opportunities and threats (external environment), taking into account the purpose of the organization. The theoretical analysis shows that the SWOT matrix is intended to understand influencing factors and to present how they can affect the organizational initiative based on the four variables, strengths, weaknesses, opportunities and threats, and the business strategies guide the way to the best competitive advantage with the help of the BSC.

It was identified that the company, located in Macaé-RJ, Brazil, uses the SWOT matrix, the generic strategy with the competitive scope in the broad target in the Differentiation strategy, as a tool within its strategic planning, together with the BSC in order to guide all sectors of the organization and their respective managers, considering points to be improved and exploring their

strengths. With the use of the SWOT matrix, the differentiation strategy and the BSC, it was possible to elaborate a plan of action in order to balance and improve the company's performance, in the analysis it was observed that the company is able to improve its internal processes. relationship with customers, suppliers and employees.

It is believed that with the subject addressed, it can be discussed in the future under other views such as: the importance of work safety training in reducing accidents and their impacts on social security. At another point we have the training as a tool to keep the employee motivated according to the concepts of maslow, thus we have a decrease of work accidents. And in another focus we have the innovation of the supervision in the area of training with respect to the Government, and lastly a correlation of the regulatory norms with their applicabilities in the current days, to exemplify we have a dubious point, as for the professionals qualified to teach training mentioned in NR-10, for example.

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