

# **The program of Job Creation and Rental (PROGER) and the entrepreneurs of non-essential services during the pandemic moment**

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## **Abstract**

*The research investigated how the entrepreneurs of non-essential services of the town of Paranaguá/PR/Brazil have advantaged themselves through the Program of Job Creation and Rental (PROGER), in order to reduce the negative impacts caused by the pandemic on their business. The study has been submitted to the companies' managers that are located in the job market for more than 03 (three) years, considering 03 (three) analysis categories: knowledge about the PROGER; struggle with raising funds; experience in other funding programs. For the data analysis, the Bardin's substance analysis technique. The survey revealed that the entrepreneurs make little use of the program because of ignorance, lack of dissemination and the upper bureaucracy required for the funding contract.*

**Keywords:** Small companies; Non-essential services; Funding; Management.

## **1. Introduction**

The economic and social problems provoked by the pandemic of the new coronavirus in the beginning of 2020 have affected the entire world, and, especially the small entrepreneurs. The successive interventions of the surveillance bodies by means of operating restrictions of the non-essential companies, as a way of containing the virus' dissemination, made many companies close their own activities or the companies that didn't close were left in financial hardship.

At the moment of extreme crisis, as the case of pandemic, the collaboration of the State turns out to be necessary, for an example: offering more financing lines with lower interest rates and deadlines and need bigger to relieve the damages caused to the entrepreneurs.

Therefore, the recent survey is justified by reviewing the benefits of the PROGER, bearing in mind that, in the beginning of 2020 the Federal Government released R\$5 billions to the program, in order to develop loans aimed at working capital for the small companies so that the pandemic problems could be minimized.

The program of Job Creation and Rental (PROGER) was founded in 1993, as the name says itself, it's a Program of the Federal Government and its aim is to generate jobs and rental, which uses the resources of FAT. The fund to support the employee (FAT) is a special fund, which has an accounting and financial nature, linked to the Ministry of Labor (MTB) and designed to fund the Program of Unemployment insurance, Salary bonuses and the financing of Programs of Economic Development.

The investigation searches for understanding of how the entrepreneurs of non-essential services of Paranaguá-PR have benefited themselves from The Program of Job Creation and Rental (PROGER) in the context of the pandemic on their business, by the means of a field research of multiple cases, and has also utilized a qualitative approach with descriptive procedures.

## **2. THEORETICAL FRAME OF REFERENCE**

### ***2.1 Entrepreneurship***

The basic concept about undertaking is characterized by the time of use and investment on technical expertise and behavioral, with the goal of creating values on the services and products that are offered. In other words, undertaking is part of human skills and possibilities in the job market to make available their products or services in exchange for financial feedback. There are other ways of entrepreneurship as the social one, that directs itself to maintenance and innovation in society etc. The action impacts of undertaking produce impacts from different natures on society and on its structuring axes, it can be punctuated that the job creation and rental as one of the main impacts which benefits the entrepreneurs and the local workers, in order to encourage the local, state and federal commerce. Therefore, it's evident that entrepreneurship has a function of importance for the economic and social development of a country. (DRUCKER 1987, p.40).

According to Hisrich & Peter (2004, p. 6) entrepreneurship is “the process of creating something different and with value, dedicating time and effort needed, assuming financial, mental and social risks corresponding and receiving the consequences rewards of economic and personal satisfaction”. According to the definition of Dornelas (2001), the entrepreneur is the person who the activities flow through, anticipating the facts and having in mind the future view of the company. In line with Kirzner (1979), the entrepreneur is known for following an attitude of keeping himself in alert, searching for continuous opportunities, watching out for variations and identifying lucrative negotiations. McClelland (1972) claims that the decision of undertaking is linked to the need and human motivation, due to attending the wishes and desires pegged to the need of accomplishment achievements.

On the basis of information from Brazilian Service of Support for the Small Companies (SEBRAE, 2021), there are behaviors that represent entrepreneur features, like: initiative, strategic vision, leadership and training. However, the act of undertaking is not only to open a new business, but requires major effort, search for continuous knowledge and business vision in the short, medium and long term.

The enterprises are defined in four categories according to their postage: Microenterprise, Small Company, Medium-sized Company, Great Company. According to the information that was disclosed by BNDES and SEBRAE, this classification is established on the basis of two standards, following the classification of the possession of the customers (See board 1) or the number of employees (See board 2).

**Board 1. Classification of the Possession of the Customers**

CLASSIFICATION	ANNUAL GROSS OPERATING INCOME
Microenterprise	Less than or equal to R\$ 360 thousand.
Small Company	Higher than R\$ 360 thousand and less or equal to R\$ 4,8 millions.
Medium-sized Company	Higher than R\$ 4,8 millions and less or equal to R\$ 300 milions.
Great Company	Higher than R\$300 millions.

Source: Classification of the possession of the customers (BNDES, 2021).

**Board 2. Definition of establishments' size according to the number of employees**

CLASSIFICATION	Commerce and services	Industry
Microenterprise	Until 9 employees	Until 19 employees
Small Company	About 10 to 49 employees	About 20 to 99 employees
Medium-sized Company	About 50 to 99 employees	About 100 to 499 employees
Great Company	100 or more employees	500 or more employees

Source: Annual work in micro and small companies. (SEBRAE, 2013).

The act of undertaking is essential to the maintenance of the society in the two social and economic dimensions, impacting multiple sectors of national and global economy, such companies and their collaborators generate with their products and services the development and capital turnover. According to the data of the Ministry of Economy, in 2018 the total of active settings in the brazilian job market was 7.213.504, among those 98% are projects that corresponded to the Micro and Small Companies.

The Micro and Small Companies have high importance for the development of the country. In 2017, the Sebrae presumed that until 2022 would grow up significantly the number of small business, obtaining increase of 43%. And, consequently, increasing the business network and adding positively to the power of the economy. According to the International Labour Organization (ILO, 2020), the small economic units represent 70% of the labour in the whole world. In the case of Brazil, the microenterprise (MPEs) respond to 54% of formal labour and more than 30% of PIB.

Besides being an important factor for the country, the micro and small companies deal with a high rate of mortality. The factors that contribute to the mortality of the micro and small companies are: lack of customers, lack of working capital, tributes, and insufficient experience in the job market of entrepreneurs (RODRIGUES, 2017). In face of this mortality rate of micro and small companies, it must be noted that these companies have an economical and social importance on the job creation and promotion and brazilian economy, and it could be extended to the promotion of the global economy. Thus, it mustn't be ignored that the national and international job market have been promoting discussions and elaboration of financial politics around investments, credits, raising funds, skilled labour, fiscal incentives, managers qualification, etc. Nevertheless, it's not in this direction that this research will proceed.

Following on this concept, Mendonça (2017) applied his theories based on the inexperience of the micro and small entrepreneurs, revealing that the lack of strategic planning is the main cause of mortality. In this regard, entrepreneurs search for ways to avoid the financial collapse of the companies, searching for widgets capable of helping in the development of the company. One of the widgets is the working capital, which is responsible for funding its operating cycle, current during the whole process (HOJI 2014 and FERREIRA 2017). Consequently, a relevant subject in the context and economic condition of micro and small companies, is the access to credit and funding, as it was approached in the last section.

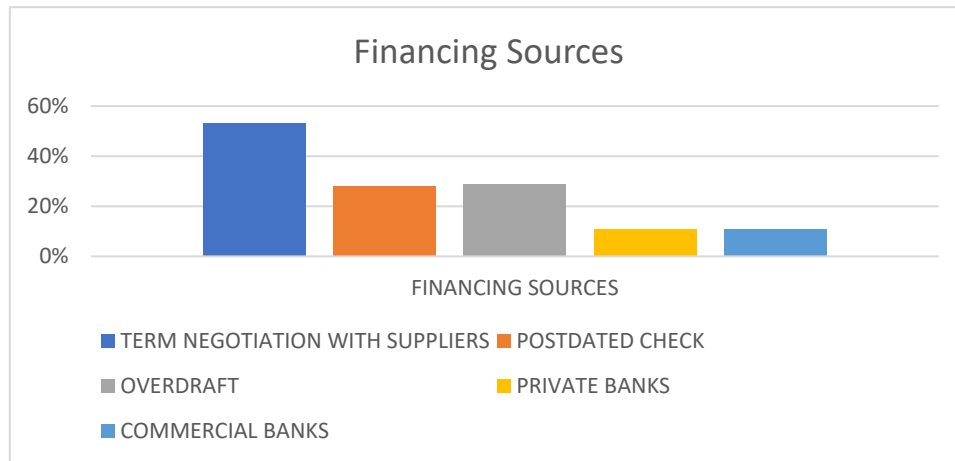
### **2.1.1 Sources of funding from the micro to the small entrepreneurs.**

In 2020, the pandemic of the new coronavirus brought challenges for the society. Subverting the ordinary social relations to new ways and models, every sector of the society had to adjust themselves to restrictions and the companies also saw themselves in this position to rethink the labour modality. For that matter, the health crisis deepened some questions that have already been dormant within Brazilian society. According to the Brazilian Geography and Statistics Institute (IBGE), the second quarter of 2021 registered a rate of 14,1% of jobless in Brazil, calculating about 14,4 millions of brazilians in a situation of economic vulnerability. In conjunction with these facts, it can be observed that these facts corroborate with the situations of challenges that the small companies and microenterprises still experience in this context of economic crisis and COVID-19. In contrast, there are a few available actions to encourage and instigate the generated economy by the small companies and microenterprises.

The sources of funding are programs that contribute to the development of MPEs, bearing in mind the growth and the improvement of its structure to perform its functions with more efficiency, also as an option of rescue for the companies that are sensitive to crisis. In this respect, SEBRAE's data (2020), demonstrates that the rate of mortality in the timeline of 5 years of existence for the individuals microentrepreneurs (MEI) is of 29%, and for the microenterprises after 5 years with a rate of 22%, and the small-sized enterprises is of 17%.

The funding lines can be accessed through many institutions, which ones according to SEBRAE (2017) are spread in 21% by the National Bank of Economic and Social Development (BNDES) whereby the funding is used: 70% for credit card, 16% for Finame (Funding of Machines and Equipments), 9% for Progeren (Funding of working capital) and 5% BNDES automatic.

According to SEBRAE, in accordance with the graphic 1, the most used funding sources in 2017 are, term of negotiation with the suppliers (53%), predated cheque (28%) and the special cheque (29%), soon after the private banks (11%) and commercial banks (11%) (SEBRAE, 2017).



**Figure 1. The most used funding sources in 2017.**

Source: Own Elaboration (2021).

The challenges of undertaking for the Microenterprises and Small Companies were expanded because of the increasing of COVID-19. According to the SEBRAE’S (2020) data, the pandemic modified the operation of 5,3 millions of small companies in Brazil, equivalent to 31% of the total, to the extent that 10,1 millions, that is to say, 58,9 millions interrupted their activities temporary period. In the case of non-essential services, it's possible to cite, for example: beauty salon, confectionery stores and products in general, night clubs, bars, among others. Such non-essential services were prevented from developing their activities during many periods in an attempt to contain the multiplication of the virus of COVID-19. Even in periods of activities, during the pandemic, the restrictions that were imposed by health determinations resulted in limitation of the performance and billing, causing financial difficulties.

Aiming to make viable ways of facing the economic crisis intensified by the pandemic of COVID-19 and focusing the actions on the small and microenterprises, in 2020, the SEBRAE designed a list of fundings that were available by the financial institutions. For example, the Central Bank has expanded its resources, so that, in its entirety, the companies shall have credit lines to the Market in special conditions. It has made available R\$ 135 billions through the rules’ changes on the mandatory deposit of financial institutions.

The State-owned Banks also have taken big steps about the subject. An example is the Brazil Bank that made available a total of R\$48 billions to the companies, reinforcing the credit lines that has already existed, which are focused on the working capital, however, the service channels are being digital, so that the entrepreneurs can perform their trades without being exposed to the risk of COVID-19. Furthermore, the bank has offered some solutions to companies’ financial health, which are: extension of time of installment payment, advance in the schedule of cards and a financial manager. The O BNDS (2021) has allocated R\$40 billions to working capital, highlighting itself by the decrease in interest of up to 45% on the working capital lines, obtaining rates of 0,57% by month. Also, the special credit lines, with up to 6 months of default for the companies that take action on commerce and service provision. In addition, the funding lines that were supplied by the Program of Job Creation and Rental (PROGER), which its limit is up to R\$ 600 thousand, with a deadline of payment of 60 months and default up to 12 months.

Thereby, it finds that the funding sources are programs that assist significantly economic politics of fomentation and the survival of entrepreneurship, bearing in mind the possibilities of economic structuring or economic restructuring from these actions, be they from state or private.

### **3. Methodology**

The goal of this research is: Investigate how the entrepreneurs of non-essential services in Paranaguá can benefit themselves from the Program of Job Creation and Rental (PROGER) in order to reduce the negative impacts of pandemic on their business. For that, it used a qualitative approach (Merriam, 2009), and also of descriptive nature, since it doesn't make interference or manipulation (SELLTIZ; COOK; WRIGHTSMAN, 1987). Paranaguá is located in the state of Paraná and had been chosen as an investigation field because it's the town where the researchers reside.

So that it could be possible to gain the necessary informations for the research, it was structured a field research, stem from a study of multiple cases (Yin, 2001) with nine MPEs of the town of Paranaguá-PR, which contributes to the comprehension of how and why the mentioned entrepreneurs had opted for the federal program of funding of the town Paranaguá-PR, which one they know it's attributions and use it. In respect of the restrictions of social isolation established by the health bodies, having in mind the containing of pandemic, so that it could be possible the communication with the interviewed was used through communication applicatives, email and phone contact. At this way, it was developed a virtual questionnaire, which one the participants of the research have filled on the first period of 2021.

The questionnaire was structured in an introduction which corresponded to the information about PROGER and later was constituted of 3 (three) open questions. The first one was to identify if the entrepreneurs had had understanding about PROGER before the questionnaire and in affirmative case, through which means this contact happened. The second question sought to determine among the entrepreneurs that had contact with the program if any of them had struggles on raising funds offered by PROGER. The third and last question was directed to the survey of information that corresponds to the entrepreneurs' experiences related to the relation of the organizations with the municipal, state and federal funding programs, requesting a description of the experience about the debureaucratization and disclosure of such programs.

Bearing in mind the goal of obtaining the necessary data for the research, it established two choice's discretion for the investigated companies. The first discretion refers to the time of Market setting, which was defined for more than 3 years. The second discretion, however, refers to the classification of non-essential entrepreneurship, taking in consideration that the Federal government has established standards such as services considered essential and non-essential, although, the discretions are decided by municipal and state's evaluation so it can be decided according to the necessity of each region.

Therefore, the research sample has evolved 9 (nine) respondents, who were responsible for information of the owners of each entrepreneurship, in other words, active companies in the retail, event and tourism Market of Paranaguá-PR. In order to achieve the collaboration and keep privacy of the entrepreneurs, it was opted to not identify the respondents and the companies researched.

After the data collection, it was applied the content analysis of Bardin (1997). According to Bardin (1977), content analysis is a set of methodological instruments more and more subtle on constant improvement which applies to very diverse contents. Bardin restructured the analysis on a content with 3 stages. The first stage has the objective of perform a pre-analysis in order to identify which ways should be followed in relation to the lifting data and if is necessary a new obtaining of information. The second stage is directed to the material exploration, which is divided into coding and categorization. At last, the treatment of the obtained result originated.

#### **4. Research context – PROGER**

The PROGER was formulated in 1993 and 1994, in the middle of the Citizenship Action against misery and for life movement. The idea was to promote the “noblest” destination to the available resources of FAT (Fund Support to the Worker), surplus from minimum stock of liquidity, applied in the financial Market in order to ensure the preservation of their heritage and earn financial return. It was established then, through strategic planning, as one of the priorities of the management, the formulation and implementation of employment policy with the use of resources from FAT. In relation to the “social area” of Government, this fact would assure the funding of most articulated actions in the job Market, putting emphasis on the excluded population (FAT, 2021).

The purpose was to assure the occupation and rental as one of the methods to overcome misery. This scenario allowed the staff of the Ministry of Labour to start some discussions about the need to indent resources of FAT to work politics, specially to funding of productive activities. After almost two years of intense discussions, The Program of Job Creation and Rental in Urban modality, Urban PROGER, was created in 1994 with the purpose of increase fight against unemployment public politics, by means of fundings to micro and private small entrepreneurs, in the formal sectors and informal sectors of economy. On the whole, since its conception, PROGER has revealed its importance, to the impact in a positive way in hiring employees, reduction of poor work and increase of formal work (FAT, 2021).

The Federal Government has published on 03/18/2020 the 850 Resolution (Board 3) which institutes the Working Capital Credit Proger Line to attend the companies during the coronavirus crisis (SEBRAE, 2020). The update of 850 Resolution of PROGER, which makes available the funding of needs linked to the organizing operating cycle, and allows the use of the program’s resources to readjustment, costs and overhead costs.

**Table 3. Summary of 850 de 02/18/2020 Resolution**

AIM	WORKING CAPITAL
Target Public	Legal entities with gross annual earning of until R\$10 millions (ten millions) RANGE of ME and EPP
Fundable items	The relatives of a company's operating cycle; in other words, expenses and costs in general, as salaries and charges, rental, water, light, telephone, stock, products for resale, etc.
Non-refundable items	Goods destined to consumption, durable or non-durable, not related to entrepreneurship. Ex: Machines, equipments, vehicles.
Affordable Limit	Until 100% of approved credit, it was observed the financial ceiling of the credit line. Own resources are not requested to complement the credit's necessity.
Affordable ceiling	R\$500 thousand (five hundred thousand), per company, banned the use of revolving credit. 71% of the loans to MPE is R\$60 thousand, according to SEBRAE's survey in 2019.
Funding period	In 48 months, including 12 months of poverty.
Financial expenses	TLP added an effective rate up to 12% (twelve percent) per year. Approximately, 15% per year or 1,16% per month.
Special Conditions	Minimum of 60% of the formalised operations' quantities linked to micro and small companies.

Source: Resolution 850: Credit Line Proger Urban Working Capital (SEBRAE, 2020).

According to the research "Companies Survival" (SEBRAE, 2020), among the sample of 3.047 opened companies in the period of 2018 and 2019, 3 among 10 people that opened their own business had ended the activities after 5 years of work, and on this are: 29% individual microentrepreneurs (MEI), 21,6% microenterprises (ME) and 17% small-sized companies (EPP). Still according to SEBRAE, 41% of the companies declared the pandemic was the key factor to the shutdown, 22% cited the lack of working capital and 20% complained about low sales; besides that, they were also questioned about what could have been done to avoid the shutdown of the companies and 34% declared that the access to easy credit would have provided the opportunity of being active in the Market (SEBRAE, 2021).

The 9 (nine) participants entrepreneurs of the research are active professionals in the Market of Paranaguá-PR, in retail markets, events and tourism, and all of them are suited to all of the legal



definitions as MPEs (Micro and Small Company); Also, they belong to the group that are defined by local and state statutes as non-essential entrepreneurship.

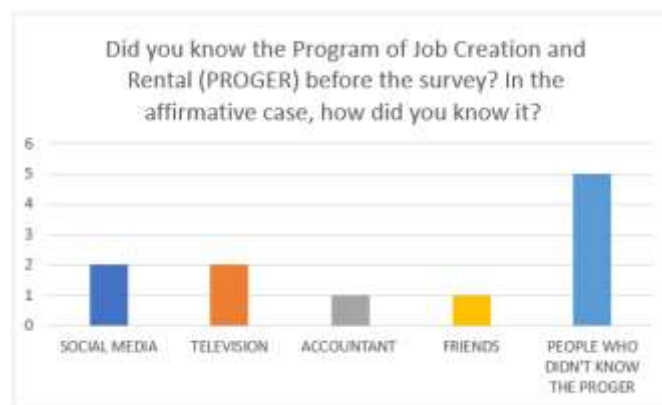
### 5. Analysis and Discussion

The survey has investigated how the active entrepreneurs of non-essential services of the Market of Paranaguá-PR can benefit themselves through the Program of Job Creation and Rental (PROGER) as a measure to reduce the negative impacts caused by the COVID-19 pandemic's complication in their business. Therefore, the research directed itself to a lift of primary data containing: (i) the identified benefits by the entrepreneurs about the PROGER; (ii) their conception about being a participant or not of the program; (iii) financial sources to MPEs– considering the perception of the entrepreneurs in front of the financial lines that were made available by financial institutions.

The financial sources contribute to the implementation of changes that the organization wishes to accomplish, in order to make the knowledge of programs of investment contribute to the development and accomplishment of new ideas, experiences and possibility of organizational restructuring.

In a moment of crisis as it was faced by the micro and small entrepreneurs of non-essential services of the town of Paranaguá-PR before the pandemic of COVID-19, the access to the sources of programs as PROGER is capable of assisting financially these entrepreneurship. That way, in order to absorb the relation of the entrepreneurs with the Program of Job Creation and Rental, it was questioned the knowledge about the program, previous to the available information in this research.

The knowledge about the subject isn't evident to the investigated entrepreneurs, since 09 (nine) of the respondents, 05 (five) answered that they don 't know the program (55%). In the affirmative case, matching with the graphic 2, the entrepreneurs knew about the PROGER through TV, social media, news, friends and accountants.



**Figure 2. Did you know the Program of Job Creation and Rental (PROGER) before the survey? In the affirmative case, how did you know it?**

Source: Own Elaboration (2021).

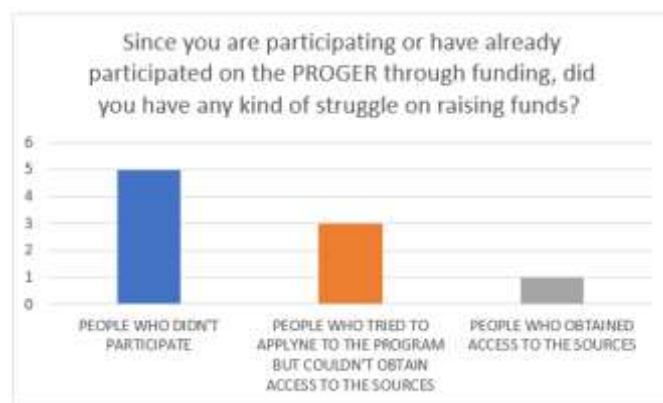
According to the graphic 2, the respondents report that the information about the program were all collected on social media, accountants and friends. Among the reasons to obtain this information on the internet, in accordance with the Strategic Management Unit – UGE (2020), it refers to the fact that 12% of small businesses started to do the management of the companies' accounts on bank applications. On the

other hand, The Foundation of Economic Researches Institute (FIPE)-2012, points out that PROGER has more visibility through official disclosure released by banking institutions.

Thus, about communication and disclosure of PROGER’s information among bank institutions and entrepreneurs, none of the respondents had direct contact on the part of financial institutions. On behalf of the negative factor in relation to the communication about the program, it can be noted a reflex of the data that were revealed by Strategic Management Unit- UGE (2020), which cites that only 38% of small business have searched for loans since the beginning of the pandemic

Having in mind the participation on PROGER, according to the graphic 3, 05 (five) respondents declared that they didn't take part on funding due to the lack of knowledge about the program, for that matter, the graphic 3 corroborates with the imbalance between communication and information among entrepreneurs and financial institutions in relation to the program, pointed out in graphic 2. In return of the 04 (four) respondents who searched for assistance which were offered by the program, only 01 (one) declared that he didn't think it was difficult to obtain the resources. Then, the 3 (three) left entrepreneurs inquired that in the moment of the economic crisis in the context of the COVID-19, they tried to find financial support, however, they did not obtain success on the funding by the program.

According to SEBRAE (2017), 53% of the entrepreneurs didn’t opt for searching the funding sources because of the high rate of interest, difficulties faced on raising funds, lack of knowledge about such processes and upper bureaucratisation.



**Figure 3. Since you are participating or have already participated on the PROGER through funding, did you have any kind of struggle on raising funds?**

Source: Own Elaboration (2021).

The hardships caused by COVID-19 have impacted the companies directly and the most affected are the ones considered of non-essential services, which ones belong to economic sectors of society. Stem from it, to be able to contain the spread of the new coronavirus, the service timetable and the number of employees were reduced, which declined the flow of customers. In line with Getúlio Vargas Foundation (2020), 12% of small businesses had dismissed their staff because of the coronavirus crisis.

With respect to the pursuit of survival to the MPES, the access to the funding is allied focusing on an organizational restructuring, although the difficulties to this access are what limit this relation. Such difficulties can be evidenced on the report’s stretch of the manager 1:

We didn't have resources to lead this loan; economically, I monitor our financial situation, and in the last few years, every Christmas that has passed by, we used to have one decrease of more or less 10%. This means that our turnover, which I used to judge to be good, was collapsing as the years were passing by, not giving margin to the loan. If it was analysed with more conditions, it would be able to see that we are not getting the loans, and that it could be reversed with the help of loans. Next, we obtained some funding through a banking network, with interests different from the government and poverty between 3 and 6 months.

Consistent with what is marked in the above stretch by the Manager 1, the reasons that link the troubles on raising funds on these companies are: high bureaucratisation over the access to the services, prioritization and direction of the resources to the Great Companies and potential customers, limited resources, favoriting its access to credit as of indication within the institutions and also because of the waiting time of the program's definitions. Then, it's necessary to search for emergency funding in private institutions, which is corroborated by the Getulio Vargas Foundation (2020), when it mentions that 63% of the entrepreneurs of small business have searched for credit at public banks and 57% at private banks.

As it was exposed for Manager 1 in his report, on searching for funding, the poverty and rate of interest established by the institutions are very important to make the right decision. The Program of Job Creation and Rental (PROGER) provides knowledge and facilitating the access with its low rates of interests if compares to private institutions; and with its poverty, the start of payment of 12 months would be able to empower the MPEs in risk situations (debts, failure), as the ones of non-essential services, benefiting the organizations on its restructuring and projects in search of development or survival.

On the basis of the collected information, it's possible to notice the lack of dialogs between the provided institutions and the analyzed entrepreneurs, also it's noted that more than half of entrepreneurs have not had access to any information corresponding to PROGER before the research. These issues reveal the failure on dissemination and offer of federal funding resources of Support Fund Resources (FAT) to create jobs and rental to the society, making possible the development and survival of MPEs.

Taking into account the smallest portion of respondents that knew and sought the offered resources by the program, only one of the entrepreneurs obtained the resource and he reported a few problems about dissemination and access. It's worth highlighting that among the 09 participants entrepreneurs, the PROGER was useful for only 11% of them, reinforcing a reflection of the collected data and presented previously in relation to the access, communication, knowledge and other questions about companies and PROGER.

Bearing in mind the struggles as the postings and accesses to the program, it was to inquire the perception of the entrepreneurs about the provision of the federal, state and municipal resources, to programs in Brazil that correspond to fundings, involving access, posting and bureaucratization of these programs.



**Figure 4. Do you consider, in a general way, that Brazil's programs, Federal, State or Municipal ones; which disclose sources for the entrepreneurs, are disseminated and make the deb bureaucratization easier so that the entrepreneurs can perform loans?**

Source: Own Elaboration (2021).

According to the exhibited on graphic 4, to 66% of the respondents, the access process of funding programs on federal, state and municipal scope suffers with high bureaucratization, in order to impair the access to the credits for micro and small entrepreneurs. In accord with 55% of the participants, the lack of dissemination is one of the main factors to not realize investment. It can be noted that the lack of investment on communication and information results in a dichotomy between small and micro entrepreneurs with the financial institutions. Thereupon, the shortage of communication and information influences negatively, and because of it the entrepreneurs don't have conscience about the instruments and resources offered by these financial institutions

Among the respondents, 01 (one) has pointed out that the programs are properly published and they also have more facility to have access. About the present bureaucracy on the fundraising through the fundings, Carlos Melles, president of Brazilian support service to the Micro and Small Companies (2020), has affirmed that 50% of the micro and small entrepreneurs didn't try to resort to credit, especially because of the present high bureaucratization on the funding sources; whereas the other 50% that searched the benefit, only 22% obtained success.

The up approached informations can be verified through the after stretches: "In my opinion, they're not published, and the bureaucracy is too high to be able to get it, it's asked for too many documents, which ones in the most of the time are not available for the people who want the resources." (Management 2). Management 3 said "Programs in Brazil are very bureaucratic at the loan time, the easiest form is through the private banks and especially the ones which the companies have connection with.". Suited to Management 4 "I think they are released in a slight way, and I also think it should be expanded, unbureaucratic of documentation, promoted and protected more the microentrepreneurs, because they make the economy spin."

In relation to the experiences of the entrepreneurs about the funding programs that were proffered at the three economic spheres, the data points to the need of debureaucratization of the programs' access. It also highlighted the programs' scarcity about their disclosure of the offers to the Market.

The micro and small entrepreneurs can contribute to the job creation, maintenance, development of capital's creation to the society. The COVID-19 pandemic impacts ravaged many economy sectors, shocking, by consequence, the non-essential services. Because of that, scientific surveys that focus on investigation and comprehension about the pandemic impacts at non-essential sectors are very important, since these acts contribute to the literature of administration.

The funding sources are meant to perform the function of solving problems that may occur by different reasons and economic contexts. In respect of federal programs, it can be noted that the funding sources has great relevance in the life of the entrepreneurs, because through the economic politics as these ones, there is a contribution so that the Market can be expanded and the Brazilian economy in terms of job and rental to be able to grow up in different sectors in the Market, mostly, in the sectors that are completely different from the great financial monopolies. Therefore, the federal, state and municipal programs, as PROGER, suffer from precautions to achieve their goals. To this end, it's necessary the debureaucratization of their processes so that the entrepreneur can be supported on his access to the resources and also develop the methods for dissemination so that the informations can be available to the public, that will encourage the transformation of these entrepreneurship and the development of the society as a whole.

## **6. Conclusion**

The actual survey has analysed the benefits of the Program of Job Creation and Rental (PROGER), as its application by the entrepreneurs of the city of Paranaguá-PR, choosing as a point of departure the financial contribution released by the Federal Government to PROGER, with the purpose of enable loan to working capital of micro and small entrepreneur while they face the economic instability reinforced by the pandemic moment caused by COVID-19.

Initially, it was discussed about the impact of new ideas attributed to entrepreneurship, starting with concepts that generated shortcoming principles related to the recent financial condition, consequently, setting up small new companies.

With it, it's possible to see the importance of MPEs in the actual economy and how the companies which belong to this sector of the economy can contribute to society, since they help with the financial instability by decreasing the number of unemployment. The pandemic context has worsened the economic crisis and the micro and small companies were impacted in a negative way. Bearing this in mind, it can be perceived that the banks invested in funding sources, which provided a long date for the discharge of acquired resources by the entrepreneurs, for example: the PROGER. In this regard, the first relevant consideration of this research is that programs as PROGER own a high social importance and, mainly, the viabilization of economic politics so that different social groups may enter on the Market and compete rightly with their entrepreneurship, services and offered products.

Counting on theoretical support, it's possible to realize through the literature used that the funding programs support the development of MPEs, searching for growth and boost of financial structures with the goal of development, generating then, job and rental. Another topic that must be emphasized is that the concept of entrepreneur performs itself as an individual action which offers products to a service sector in

return for financial return; so, after the exposed, it's evident that the economic politics elaborated by the financial private institutions contributes to the social, economic and cultural development of society.

The presented results offer analytic and important elements, and by that, it's verified that the entrepreneurs of Paranaguá-PR have a lack of knowledge about the funding sources which are available on federal, state and municipal spheres. The lack of dissemination is one of the main reasons that prejudices people from obtaining financial sources and one alternative for the change of this scenario is the propagation of funding sources through social media, News and television programs. Another question that must be exposed is that the number of respondents is small, however, contributes to the discussion of the study object. Thus, these leaves a few important reflections about local communication, the actions held by municipal operation and financial institutions by the city.

The bureaucracy is an element that stands out on the possibilities of obtaining financial support. For that matter, the expansive list of documents to make up the procedure of credit extension is a dormant question. It's understood that because of the difficulties in documentation of these entrepreneurs, they could have been broken or faced several struggles to keep their business active economically. The concrete solutions to this matter won't be given here but counts the reflection around possible flexibilization on the procedures of request for credit on crisis contexts, especially of COVID-19 pandemic.

Bringing up the considerations, in first place, it should be considered that the pandemic has pushed divergente factors in the economic sector. Different actions were made to face the instability financial moment, as the appearance of new entrepreneurship and ways to reduce a crisis that only goes deeper. About that, it's regarded that the new entrepreneurs that came up in the pandemic context might be the focus on future research. Another point that it's important and corroborates to the data that were obtained in the field is that these entrepreneurs have struggles on understand that the State offers supports as PROGER and the bureaucracy part is the main reason of the struggles, because at the same time that it's presented a support, it's also released difficult mechanisms to these entrepreneurs. It's noted that there is a palliative problem next to bureaucracy, and the other social problem is the access to information.

Thereupon, it's highlighted the funding sources to the entrepreneurs are available, but these resources have not been disseminated and there is a lot of high bureaucracy to obtain them. As a change of this situation, it's important the persistence to offer investment to micro and small entrepreneurs, so that the MPEs keep moving the country's economy and consequently, resulting in job creation and rental. After the pandemic period, it's suggested as a future survey: investigate the development of micro and small companies after they fully reopen their operation, watching the behavior of the customers, making analysis of the economic Market and correlating the Market before the pandemic of COVID-19.

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