

# Startups, entrepreneurship, or employability condition?

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**Abstract**—This theoretical article aims to analyze startups as a way of coping with entrepreneurs in the context of unemployment and precarious work. It presents a contextualization of labor relations, which results from the global macroeconomic crisis, which deteriorated the process of global economic growth in the period between 2011 and 2016, its implications for the Brazilian market, and the repercussions on the employment situation in the country until 2019. About the understanding of the development requirements of startup entrepreneurs, the concepts of entrepreneurship, innovation, disruptive innovation, as well as startup and business incubators will be addressed from a historical-conceptual perspective. The incubators, besides offering the physical space, aims to develop entrepreneurs by promoting an entrepreneurial culture from the academic environment. The question that emerges from this analysis indicates that entrepreneurship has presented itself as an alternative route and by necessity, to subjects in conditions of unemployment and discouragement in the face of labor market difficulties.

**Keywords**—Entrepreneurship; Incubators; Startups; job.

## I. BETWEEN DISCOURSE AND PRACTICES: AMBIVALENCES AND CONTRADICTIONS

The current context of postmodernity is forged by neoliberalism, marked by technological supremacy – and neoliberalism is defined here as a model that encourages individual entrepreneurship in contrast to collective action, which, according to Rodrik (2017), guarantees the market priority in the conduct of government policies.

The understanding of the employment and health situation today requires a reflection on this socioeconomic model and its vicissitudes. On the one hand, there is an *Agenda 2030*, established by the United Nations, where global guidelines for the guarantee of socioeconomic development were presented, and broad access to health and social justice for all countries of the globe called *17 Sustainable Development Goals (SDGs)*. On the other hand, the statistical data presented in the *World Employment Social Outlook 2019* (ILO, 2019) show the signs of a lasting socio-economic crisis, a decrease in the conditions of decent work and social

justice, and the widening of the differences between the richest countries on one side and the poor and developing countries on the other – indicating a fissure of the neoliberal model. The employment crisis has been aggravated by technological advances, which do not fail to bring benefits while eliminating jobs and providing "uberization" or unsecured work. Decent work that would be a condition proper to improving the quality of life and health passes off the socio-political walls.

## II. THE PROMISE AND REALITY (OF THE LACK) OF EMPLOYMENT

The 17 objectives set out in the *SDGs* were considered by the International Labor Organization as a plan for structural, economic and social transformations around the world that were quite ambitious, as they would address the concerns of closer proximity to civil society and human rights groups aimed at establishing conditions for governance, economic growth, women's rights, environmental degradation, decent work and inequalities within and between societies. The future that

was envisioned from there would reflect the ideas in which all countries, regardless of their level of development, could reach: people, through human development; the planet, through environmental sustainability; prosperity, through inclusive economic growth and transformation; and partnership through a network of international cooperation.

From this understanding, inclusive and fully functioning labor markets could offer decent work and support social justice, understanding that paid work is the main source of income for most of the world's population action, reaffirming the principles of *equality, democracy, sustainability and proposed social cohesion*.

However, in the current scenario, the global statistical framework calls for urgent investments in neglected areas of the economy in developed and developing countries, thanks to the persistence of significant deficits in decent work and, sometimes, the total desolation in the face of the impossibility of work. In this sense, a contradiction is explicit with the directions outlined by itself ONU in 2015 when it proposes an agenda centered on the human being.

The generalization of the decent work deficit finds its indications in various representations, including the workforce employed globally, where 3.3 billion people experienced, in 2018, some lack of material well-being, economic security, equal opportunities, or space for development. Being in a job does not always guarantee a decent life. Another indication of the deficit is the unattractive jobs, tending to informality that pays with low wages and does not guarantee access to social protection and labor rights. In this sense, the numerical disproportionality between 1.1 billion self-employed workers in subsistence activities and only 360 million people regularly employed. Regarding gender differences, the participation rate of the female workforce is still 27% lower than that of the male workforce. This work context tends to worsen as 174 million people are expected to be unemployed by the end of 2020 due to the expansion of the workforce.

In Latin America and the Caribbean, according to the International Labor Organization (2018), the average unemployment rate increased for the third consecutive year from 7,9% in 2016 to 8,4% at the end of 2017 (rate equivalent to the existence of about 26,4 million unemployed in the region in absolute numbers). While youth unemployment reached 19,6% in 2018, which means that for every five young people looking for a job, one failed. The informality rate in the same year reached 53,8% for the region, which represented, in absolute

numbers, 140 million people in occupations associated with precarious conditions, lack of rights, and social unprotecteon. There is also a trend towards the transfer of the working population from the formal salaried sector to self-employment, which rose by 28,6% between 2013 and 2018. Unemployment (20%) and informality (60%) of young people up to 25 years of age bring discouragement and frustration, which added to the 164 million migrant workers are a source of concern in the socio-political aspect for the region. The lack and economic dynamism in recent years in the region directly affected 26 million unemployed people in the 2019 lights out.

The economic growth rates of 0,9% (carried out in 2018) and 2% (scheduled for 2020) are insufficient to lift the populations out of poverty with the required speed, as they do not indicate the resolution of the problems of informality, volume, and qualities of employment. Similarly, these rates are insufficient to meet and finance the demands of the middle classes in terms of quality services and jobs. The desired growth to achieve positive results in this context should reach economic growth rates of 5 to 6% (OIT, 2019).

The new technologies, the growing informality of new forms of contracting and production, the economic impacts of political instability in the globalization process, represent the criticality of the current moment not only for Latin America and the Caribbean but for other countries in the world.

In Brazil, the National Continuous Household Sample Survey corroborates global trends, indicating that the number of self-employed (24,0 million people) and the underutilized population (27.6 million people) were records of the historical series started in 2012. The number of unemployed people in Brazil jumped from 6,699 million in 2014 to 12,575 million in 2019, representing a percentage growth of 87,7% in just 5 years. While the population of employed people, in the same period, grew only 4,9% (IBGE, 2019).

The health and mental health conditions of the workforce gain greater space in a context of precariousness and reduction of work opportunities, making it necessary to elucidate the data and indicative of the area.

### III. PRECARIOUSNESS IN WORK RELATIONSHIPS AND ITS IMPACT ON

## MENTAL HEALTH

In the 2017 *Mental Health Atlas*, less than half of the world's population received all essential health services, and that in 2010 almost 100 million people were driven into extreme poverty because they had to pay for health services. The mental health situation in the world presents an even more critical picture of the disparity in its approach between the rich and the richest and the least favored countries. Despite progress in some countries regarding the policies of planning and implementation of actions, there is a lack of investments and health workers able to deal with mental health. In low-income countries, the number of mental health workers is less than 2 per 100 000 people, and who recommends as ideal number 1 worker for every 10 people with mental illnesses.

Studies by WHO and OPAS indicated that depression would be, in 2020, the greatest reason for leaving work in the world. It is estimated that currently, 322 million people in the world suffer from depression, 18% more than ten years ago, this number represents 4.4% of the world's population. Although there are known effective treatments for depression, less than half of those affected (in many countries, less than 10%) receive such treatments. In addition to the inaccurate assessment of health professionals about the disease, the main difficulties and obstacles about the treatment of depression include the lack of resources, and the social stigma associated with mental disorders and itself. In addition to depression, 264 million people suffer from anxiety disorders worldwide, an average of 3.6% of the population. The number represents a high of 15% compared to 2005. The impact on the world economy is approximately \$1 trillion a year for the treatment of mental illness. Investments in prevention and treatment are still very low, especially given that the estimates reported in the *Mental Health Atlas 2017* indicate that for every US\$ 1 invested, considering the treatment of common mental illnesses such as depression and anxiety, the rate of return is US\$ 4 in the improvement of health and work capacity. Although a larger number of countries report having national plans for suicide prevention strategies, it is estimated that around 800 000 people die by suicide each year, which is the second leading cause of death among people aged between 15 and 29.

The pressures in the world of work, which had been addressed since the 1980s due to psychosocial risks, have gained ground in the contemporary world, following the evolution of neo-capitalism. In 1984, the WHO Occupational Health Committee defined psychosocial

factors at work as "interactions between work environment, work content, organizational conditions, capacities, needs, culture, extra work, considerations that can, through perceptions and experiences, influence health, work performance, and job satisfaction" (ILO, 1986, p. 3). Stress at work has advanced as competitive pressures between organizations, and internally through departmental structures have become present around the world, the effects of advances in globalization and neoliberalism.

The precariousness of work involved in the rhythm of organizational changes, restructuring, and outsourcing, in activities regulated by contract, or even without any social guarantee, have serious consequences for mental health and well-being. In the same way that the reduction of opportunities, the fear of losing jobs, the decreased financial stability, the increase in competition, high expectations regarding performance, all are contributing to an increasingly stressful work environment. In this sense, stress at work becomes a physical and emotional response of the worker's organism to the demands of the work environment, where demands are taken in imbalance to the resources and abilities specific to the subjects, which leads them to suffer and consequently to illness.

In *Workplace Stress, the collective challenge* (ILO, 2016) showed the relationship between stress and work in both developed and developing countries. However, the changes resulting from globalization and technological advances, especially with instant communication tools, have imposed on workers a pace, pressure, and a level of competition, which has made the separation of work and private life a superhuman challenge. Work-related stress has expanded occupational health and safety demands beyond occupational medicine and psychology and social well-being. For the OIT, work would play a central role both by driving workers to psychosocial risks and to ensure measures to protect workers' health and well-being. Once again, a gap between a policy of intentions advocated by a set of countries is identified:

If occupational health is threatened, there is no basis for productive employment and socio-economic development. The burden of mental illness is highly relevant to the world of work. It has an important impact on people's well-being, reducing employment prospects and wages, with a deleterious effect on income and families, on business productivity, and causing high direct and indirect costs to the economy (OIT, 2016, p. 2).

In Brazil, according to DIESE, cases of sick leave

from work increased by 25%, between 2005 and 2015, reaching 181.608 people. Depression affects about 5,8% of the population, which makes the country the champion of cases in Latin America. The data from the INSS indicate that in 2018 there was the granting of just over 11.000 medical leave for mental disorders, indicating the evolution of 12% compared to 2017. Complementing this scenario, the Agency Nacional of Supplementary Health (ANS, 2019) indicated that between 2011 and 2018 there was an increase of 63% in the number of psychiatric attending, 146% in sessions with psychologists, 438% in hospitalizations in a day hospital for mental health and 130% in psychiatric hospitalizations.

The question of how these statistics present themselves in the face of the challenges of *startups* is a central issue for this article. For a better understanding of the contours of the theme related to these nascent businesses, it is necessary to explore the aspects related to entrepreneurship and the new configurations present in the world of work in the postmodern context.

#### IV. UNDERTAKE AND INNOVATE WHY AND FOR WHAT?

In "Theory of Economic Development" (Schumpeter, 1912/1982) being an entrepreneur meant breaking with the circular flow of the economy by performing different combinations in the means of production, innovating to ensure profitability and longevity of organizations. Thus, economic development would only occur through the entrepreneur, which is the promoter of change while consolidating a new organizational structure. Landowners and capitalists, as well as their managers in general, would not fit entrepreneurship since they have an already pre-established form of work organization. Entrepreneurs would be at risk of innovation being successful or not. For this author, there would be a limitation of the economic sciences as to the understanding of the entrepreneur's vision and what moves his behavior to break with the established economic cycle. The action of entrepreneurs would deserve an in-depth analysis of their psyche, motivations, and aspirations of conduct. The condition of being of the entrepreneur in a direct relationship with how the work is organized for himself and others involved in the work environment.

Since the middle of the 20th century and, although the global economic crisis has completed ten years in 2018, the economies of developed and developing countries have been indicating growth through investment in technological innovation. For Sousa, Gonçalves, Almeida & Sacamano (2017), this situation is linked to the creation of new

technologies and the role played by small and medium-sized organizations in generating jobs and income through entrepreneurship and innovation. According to these authors, innovation would be a new element in the Brazilian public policy agenda, since the Industrial, Technological, and Foreign Trade Policy (PITCE) was implemented only between 2003-2006.

Póvoa (2008) points out that, in Brazil, as in other developing countries, the innovation system is differentiated by being anchored much more in universities than in organizations, since in the developed countries participating in the Organization for Economic Cooperation and Development (OECD) the focus of innovation, mainly in high-tech areas, is on the priority agenda of organizations. According to the *Global Innovation Index (GII)*, Brazil has confirmed its classification thanks to the quality of its universities and the quality of scientific publications. Following the current innovation strategy, Brazil, which ranked 69th out of 128 participating countries in 2014, moved back to 72nd out of 140 participants in 2018 and rose back to 66th out of 129 in 2019.

Analyzing the data of the last 6 years of innovation research in Brazil (Pintec 2014 and 2017) there was a decrease in the innovation rate of the industry by 36% to 33,6%, with investments below 2% of the net revenue of companies, which indicates a significant reduction in investments in innovation in Brazilian industry. An important factor in this scenario in recent years was that the concentration of innovation in the product was 5 points higher than in processes or services, and these innovations were developed more internally than externally, interrupting a trend of outsourcing innovation, with consequent reduction of investments in partnerships with innovation centers. Therefore, Brazil marks an inverse trend in other countries where large companies start to have their "technologies unincorporated" and outsourced. In the same period, there was a marked reduction ( $\Delta$  -14%) in the percentage of companies that had some incentive from the government for innovation. Excessive economic risks, high costs, the fate of qualified personnel, and the scarcity of funding sources were the main reasons pointed out by the national industry for investment reductions in innovation.

To have a beacon of capital dimension invested in innovation, according to Tigre (2018), in developed countries, investment in P&D exceeds 3% of the local GDP (Gross Domestic Product), while in Brazil only 1,6% of GDP is invested, and 60% of these P&D researches in the country were conducted, according to Pintec 2014, in universities and public institutions.

Given this scenario, it is concluded that the development of activities related to innovation in Brazilian organizations is still small and tends to reduce. There are indications of the preponderant role that the incubators of organizations and university technology parks had in the strategy of encouraging and promoting innovative products and services. The speed of response to market demands (volume, cost, and logistics) and the ability to adapt to innovation became crucial for the survival of the business of any country in the world, and Brazil could not be different. New forms of production of goods and services require computerization, automation, robotization, and the increasingly frequent presence of Artificial Intelligence.

In this sense, there were historical indicators, regarding the change of university-organization link from a linear innovation model, to an interactive model, especially through the so-called *incubators of organizations* linked to universities. Transcending the production and dissemination of research, incubated knowledge is in search of new products and new forms of organization. Incubators have developed ideas of technology and business in several organizations and, to form research centers, are becoming heterogeneous P&D entities. According to Etzkowitz (2002), addresses developments, if supported by changes in the regulatory environment and government funding programs, would support the tripod university-industry-government.

Historically (Etzkowitz, Melo & Almeida, 2005) it was from 1987 that the incubation model was formed in Brazil in a "bottom-up" movement – known as the "bottom-up" model, understanding that the movement begins on the operative bases to subsequently regulated – and when the implementation of the "Innovation Law" of 2004, there were already 60 incubators created in the country's universities promoting numerous nascent businesses. Two pillars collaborated for the historical support of incubators, one was the partnership developed between university and government, the other the partnership between industry associations and public agencies to support small and medium-sized organizations (SEBRAE) that used knowledge and experiences from both organizations and technical institutes.

For authors such as Hansen, Chesbrough, Nohria, and Sull (2000) and Peters, Rice & Sundararajan (2004), there is an indication of a change in the standard of services presented by incubators, that is, they would leave and be merely training centers, training, expansion of networking, to become centers of operation helping to reduce costs and time for the beginning of commercial activities.

Concerning the direction of the business of incubators, the National Association of Entities promoting Innovative Enterprises (anprotec) points out that the initial composition had a concentration in innovation focused on information technology, and progressively, from the internal mechanisms, the lines of research and development of universities and incentive policies allowed the inclusion of the most varied areas of technological knowledge. In 2016, there were 369 incubators of organizations throughout Brazil, which in turn brought together about 2.310 incubated *startups* – dependent on incubators – and 2.815 *graduated startups* – survive through their resources. In August 2019, the numbers grew exponentially, indicating the existence of 363 active incubators and 12.790 *startups*, distributed in different markets. It should be noted that only from 2018 Brazil produced six startups "unicorns" - companies that reached a value of more than US\$ 1 billion.

The *startup* culture is liberal in principle, fitting into the free initiative and broad individual freedom and competition, following the current socio-economic model, searching for opportunities in a constant, cyclical and resilient way, making the entrepreneurial spirit, according to Ries (2012), possible throughout, and making it solely responsible for the ideation and disruptive posture – radical innovation – that depends on the survival of the business, whether in an independent *Startup* or a *Startup* belonging to a large corporation. For most authors, experts in the field, it will only be at the end of the nineties that in Brazil, *Startups* emerged as a mirror of the reality of the United States of America when the appearance of the so-called bubble of the internet – bubble "dot com", when the history of large successful corporations such as Google®, Ebay®, and Amazon®, began at this time.

The so-called "Accelerators" of business (organizations responsible for raising financial resources from the investment market) would guarantee access to the financial market through partnerships with incubators. The significance of the amounts applied by investment and venture capital funds in *Startups* in Brazil between 2011 and 2016 exceeded R\$ 12 billion, according to data from the Latin American Association of Private Equity and Venture Capital.

The Incubators and *Startups* operate in a business environment still little known from human relations, presenting singularities about the forms of appointment and vocabulary – *Startups*, Incubators, Accelerators, *Angels*, Business Ecosystem, *Lean Startup*, Canvas, Design *Thinking*, etc. – as well as the sense of resilience necessary to the entrepreneur who participates in it. The socioeconomic data presented by the *Global*

*Entrepreneurship Monitor* 2017 report elucidate extremely interesting aspects about the profile of entrepreneurs and indicate that, in Brazil, the total rate of entrepreneurship (TTE) was 36,4%, which means that for every 100 Brazilian and Brazilian adults (between 18 and 64 years old), 36 were conducting some entrepreneurial activity, and 20.3% were undertaking new or nascent businesses. According to the same report, the motivation of entrepreneurs has linked to two reasons: 59,4% of the initial entrepreneurs undertook by opportunity and 39,9% by necessity. In this perspective, unemployment rates above 12 percentage points, according to the historical series of IBGE/PNAD reports for the years 2016, 2017, and 2018, would be the second indication of the motivation for entrepreneurial action.

## V. INNOVATION, DISRUPTION, AND STARTUPS

The understanding and understanding of the universe of entrepreneurship, within a postmodern conception, is linked both to what gave rise to the third industrial revolution and to globalized processes, as well as to what emerges with the search for the anticipation of the needs of consumers through innovation and disruptive innovation. These concepts and definitions will be dealt with below. Entrepreneurship and the innovation process remain active after 100 years of the publication of "The Theory of Economic Development" (Schumpeter, 1912/1982). The innovation process confirms the central character of what it is to be entrepreneurial - considering the evolution in the market economy, technological advances, unprecedented competition and the urgency for innovation imposed for the survival of business in the neoliberal economy - the foundations of an environment conducive to a transformation of the concept of innovation.

Christensen (1995) proposed, for the first time, the concept of Disruptive Innovation in the book *Disruptive Technologies: Catching the Wave*. Disruptive innovation would happen when an organization launches cheaper, more affordable, and efficient technology, sacrificing profit margins but creating a revolution; leaving obsolete who was once a market leader. This concept has been added some characteristics of disruptive innovations: smaller profit margins, smaller target markets, and simpler products and services, which do not necessarily need to be as attractive as the solutions previously existing. The main dilemma presented by the author would be that traditional and successful organizations would be more susceptible to failure because they would be confident and stuck to their current customers and their demands for **incremental technologies**, in this way they would pay exclusive

attention to these customers, failing to discover new markets and monitoring the threat of new competitors, who in turn would propose the technologies of **rupture** – innovating in a disruptive way.

There is a revisiting of the concept of disruptive innovation when one comes to consider it as a development process focused on both the business model and the product or services offered indicating that in most innovations, disruptor agents tend to focus on getting a business model, not just the product, simply. The case of Netflix, the global provider of movies and television series, via *streaming*, currently with 100 million subscribers, which more video rental services and movie rentals on the physical platform (DVDs) obsolete would be the best example of this conceptual review for Christensen, Raynor, and McDonald (2015).

Another disruptive innovation approach was proposed in "The Blue Ocean Strategy" which comprises market innovation in its most radical form – disruption. The cornerstone of this theory is value innovation – when an organization ceases stops employing effort directed at overcoming its competitors, and begins to focus its resources and commitment to "make competition irrelevant by offering leaps in value to buyers and to the organizations themselves, which have thus pioneered new untapped market spaces." (Kim & Mauborgne, 2015, p.27). The authors present as an applied model of this new strategy the "*Cirque du Soleil*", neither circus show nor theatrical production, with the delivery of more fun and vibration with intellectual sophistication and the artistic richness of the theater." Um, a new circus concept that broke the value-cost trade-off and created a blue ocean of new market space. "(Kim & Mauborgne, 2015, p.28).

In this context, innovation would be at the service of developing an equally simple and powerful idea, reaching unexplored market spaces that would make irrelevant competition, which could result in the best expectations of outcome for an organization. Innovation gained prominence as a theme of research by official bodies from the beginning of the 1990s, through the Oslo Manual (OECD, 1992), the main systematizing source of the concepts associated with the theme. The definition of innovation has become "an implementation of a new or significantly improved product (well or service), or a process, or a new marketing method, or a new organizational method in business practices, workplace organization, or external relations." (OECD, 2018, p.20).

Disruptive innovation has become part of the competitive differential, which marks a product in such a way as to protect it from other products on the market,

making your brand have an added value. Furthermore, radical innovation would be linked to the agility with which *startups* can respond to what customers offer as *feedback* and not to the finished or watertight product. Thus, both independent *startups* and those allocated in large corporations should work to maintain the client as close as possible, making him an interlocutor in the development of the business. This task would become extremely demanding of the people involved, requiring the maintenance of structural attributes for them: "scarce but safe resources; independent authority to develop their business; personal interest in the outcome." (Ries, 2012, p. 237).

Some people are first-growing inventors, who prefer to work without the pressure or expectations of the later stages of the business. Others are ambitious and consider innovation a path towards the organization's senior management. Others are also especially focused on established business management, outsourcing, maximizing efficiency, and reducing costs. People should find the types of tasks they best adapt to.

Entrepreneurship should be considered a viable career plan for innovators within large corporations. (Ries, 2012, p. 237)

Disruptive innovation is present in the daily life of organizations, whether they are established in the market for years or new ventures, without it the risk of survival will always be greater. If for large corporations the challenge lies in how to think outside the narrow parameters of successful results so far; for small organizations or those that are still in the development phase, the challenge begins in testing the disruptive ideas and concepts of new products or services that will still come, without any guarantee of success or financial return. In this way, the universe of *Startups* is presented.

## VI. THE STARTUP CULTURE

The concept of *startup* presents itself in different ways, although it maintains a centrality in the idea of being organization information. Table 1 presents the following overview of the main concepts to signal several approaches.

Table 1: *Startup* Concept Review

Concept	Author	Year
A <i>startup</i> is a temporary organization looking for a business model that is repeatable and scalable.	Blank	2010
A <i>startup</i> is a human institution designed to create products and services under conditions of extreme uncertainty.	Ries	2012
A <i>startup</i> is a group of people looking for a repeatable and scalable business model, working in conditions of extreme uncertainty	Gitahi	2016
A <i>startup</i> is defined by three features: are companies under 10 years old, that feature (highly) innovative technologies and/or (highly) innovative business models and that have (strive for) significant employee growth and/or sales.	Hensellek, Kensbock, Kollmann&Stöckmann (SME)	2016
<i>Startups</i> are temporary organizations looking for a repeatable and scalable business model. From this definition, it is noticeable that startups are extremely flexible organizations, unlike mature companies, which already run a business model, have well-defined culture and hierarchy.	Sousa & Cavalcanti	2016
A <i>startup</i> would be a temporary organization designed to achieve a scalable and profitable business model to become a company in the future	Magalhães & Teixeira	2018

Note. Prepared by the authors.

Temporality is present in the concept of a *startup* as a form of delimitation of the initial stage of an organization that is being born that, after achieving

market volume and financial stability, could become a mature organization moving, therefore to a business model, through process, methods, defined values, and

profitability. (Blank, 2010; Hensellek, Kensbock, Kollmann&Stöckmann, 2016; Sousa & Cavalcanti, 2016; Magalhães& Teixeira, 2018).

Both in the definition of Blank (2010) as for that of Reis (2011), Gitahi (2016) and Sousa & Cavalcanti (2016) it is understood that the term *startup* was created to classify an organization that should be able to face an environment of extreme uncertainty and absence of a previously defined business model. This concept has become one of the most applied for the definition of this type of nascent organization.

By environment of uncertainty, it is understood that the entrepreneur would be proposing something new and disruptive to the consumer market, meeting existing demand, but not perceived until then, whether it is in products or services aimed at the final consumer or along the value chain of a larger organization. It would be up to the consumer to respond positively or reject the new product offered, generating market uncertainty. As for the absence of a previously defined business model, it would be a company structure, concerning the operational and administrative processes for its operation, which would come in response to this new product or disruptive service, and that, for this reason, would also require a new model to be developed and implemented. This business model should be developed as the market response becomes positive to the product or services offered (Reis, 2012).

Magalhães& Teixeira (2018) present a "manual" in which the entrepreneur is defined as the one who dedicates himself to his *startup*, unlike an executive or an employee of an organization, who would work for his monthly salary; would be dedicated to the construction of a business, deposing in this business the dream of changing the world, helping people and selling his product to as many people as possible. There would thus be a greater purpose of the idea of the cause, of a higher reason for being, about other workers. Bill Gates (founder of Microsoft) and Steve Jobs (founder of Apple) are the professional references that bring together the characteristics accepted to the *startup's* entrepreneur profile – the first went 10 years without a vacation and the second was a *workaholic*.

The uncertainty environment of startups can be represented by a recent environment carried out by the Service Brazilian of Support to Micro and Small Enterprises (SBRAE) in 2016, in which it was identified that about 30% of the analyzed *Startups* closed their doors in the last period.

In magazines and newspapers, in the success

stories of cinema and numerous blogs, we hear the mantra of the successes entrepreneurs: with determination, genius, correct timing, and – above all – a great product you can also achieve fame and fortune. There is a powerful myth-creating industry in action to sell us this story, but I came to believe that it is fake. In fact, after working with hundreds of entrepreneurs, I have personally seen how often a promising start leads to failure. The bitter reality is that most *startups* fail. (Ries, 2012, p. 2).

## VII. STARTUPS IN THE FACE OF REALITY

Cantamessa, Gatteschi, Perboli&Rosano (2018) undertook research focused on *startups* that failed in their business trajectory. Using as a basis two specific databases (*Autopsy.io* and *CB Insights*), focused on the free recording of the stories of entrepreneurs who failed in their business. The two main reasons that direct *startups* to failure are related to the absence or failures of the business model, as well as the lack of structuring processes aimed at the development of the business as a whole. The study also points out that the founding entrepreneurs focus their attention on the development of the product or service, dedicating themselves less to a commercial strategy. Also, 21% of *startups* exhausted their financial resources, which, according to the authors of the research, could be attributed to failure to conduct scheduled investment contributions, or even as a signal that entrepreneurs did not seek adequate technical support to ensure assertive decisions regarding contributions.

In a study by Anprotec (2016) with 65 incubator managers, data similar to the research by Catamessa et al., that is, 71% of the interviewees blamed the entrepreneurs themselves for the failure of *startups*, due to factors related to maturity, difficulties in teamwork, difficulties in composition and corporate management, technical domain over the product under development and lack of managerial experience.

Once these challenges have been identified, most incubation programs, from Brazil and abroad, establish the promotion of diversified actions to contribute to the entrepreneur in his training. It is concluded from there that the success or failure of *startups* would be directly related to the quality of the incubation program, and their ability to make entrepreneurs able to forward their nascent companies maturely, with mastery of techniques and knowledge that will ensure the survival of their business in the market.

Researchers like Teece (1986), Etzkowitz et al.



(2005), Longhi (2011), Ries (2012), Sousa, et al, (2017) that address the theme of *startups*, do so from their fields of research (economics, engineering, and administration), explaining the failures in the development of organizations and, consequently, proposing methodological alternatives aimed at the correction and success of the enterprises. An analysis of the point of view of human relations and the health of the workers involved in this context would present questions related to how to face reality and the demands presented by innovation, competitiveness, and technology.

### VIII. FINAL CONSIDERATIONS

The data provided by the different official bodies in the world and Brazil are impressive, pointing to a trend towards the advancement of mental illnesses and their close relationship with unemployment and/or working conditions. As a consequence, in the country of continental dimensions, the socioeconomic diversities between the federative units, and the social disparities become more evident. The unemployment rate at the level of 12% completes 5 years and remains pointing to an installed crisis of gigantic dimensions. The threat of unemployment makes room for precarious working conditions and relationships, closing a disastrous circle that compromises the mental health of workers. Both the natural increase in the workforce and the increase in technology and the media are increasingly fueling unemployment. The unprecedented economic crisis, the inequalities between poor and developed countries draw the conjuncture of international policies specific to neoliberalism. In this context, decent work is incompatible with the population migration process for the search for survival, and with increasing unemployment, both arising from an economic crisis with negative perspectives. Formal workers threatened by the ghost of unemployment are subjected to a lack of material well-being, economic security, equal opportunities or space for development, increasingly precarious working conditions, becoming increasingly passive to illness. The new modalities of employment contract impose precarious working conditions and the absence of social guarantees. Self-employed workers, formal and informal entrepreneurs, put themselves at maximum risk of work without guaranteeing pay or social security. Young people and inexperienced adults, with less and less chance of placing in the labor market, seek a form of work that can guarantee their identities as socially inserted adults, become susceptible to the seduction of neocapitalist idealism, and undertake in their *startups*.

It is in the context of this context that technological incubators occupy the space of reception and insertion of these workers in the organizational world. They offer physical space, formal training, and monitoring of business developments, but there are no guarantees in the face of such a challenge: a business still in ideation, *the startup* requires disruptive innovation, its business model, balanced corporate construction and pace of insertion in the market. The fragility of this alternative of insertion in the world of work is shown through the numbers – 30% of *startups* close their doors in the first year of existence.

It can be inferred that Brazil presents a movement of forced transfer of its workforce to entrepreneurship by necessity. Transfer justified by the lack of job opportunity and the need for survival, implying aspects of training and professional skills that are not always part of the training characteristic of the population involved.

The contextual fragility of these workers – entrepreneurs of *startups* generates several important questions about relationships and working conditions and how they could affect their mental health.

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