Business life cycle: study with small suinoculture company

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Abstract

The objective of this article is to present a performance evaluation framework for the working capital of a small company in the initial phase of its life cycle in swine farming. This research had a qualitative character. As for the research strategy, the case study was used. During this work, elements that support and compose this article, such as the SWOT analysis, are removed, the primary elements of evaluation are reached. With the primary elements, grouped into five areas of interest, Availability, Inventory, Accounts Receivable, Supplier, Capital Supplier, a tree of views was proposed, according to the model of author Keeney (1992). And, to assist us in the calculation of the value functions is counted with the help of MacBeth software. As a result, the company's working capital performance was identified and visualized, from the applications to the suppliers of capital. It allowed identifying the points where there is a need for improvement intervention, as well as maintaining good levels when it is in "excellence". It is concluded that the MCDA-C methodology fulfilled the task supporting the management of working capital, since it was able to extract relevant elements to the good performance of the small swine business.

Keywords: Business Life Cycle. Performance indicators. Pig breeding.

1. Introduction

In January 2017, the swine market in Brazil is booming. Production has been falling at a rate of 2% per year. However, the expectations for the sector are encouraging, according to Lima, Soares and Herling (2012) the consumer acceptance of pork has been increasing. Not long ago you ate a little more of a healthy diet, and that it was poor in nutrients and very rich in. Such a fact must be a pig production linked to the manufacture of fat, a famous lard of pork throughout the kitchen. With an expansion of vegetable oils, cultivation is one of the most effective ways to produce mineral water rich in nutrients.

At present, a predominant agroindustry system does not have products that end up being molded as requirements of large quantity of products as the quality in the production of the animals. The farms function as part of the organizations that prefer these industries, that is, the pig for slaughter (LIMA, SOARES, HERLING, 2012).

These small producers who start their activities must be in the middle of a business life cycle. Lezana and Lanza (1996) state that there is a set of phases of a business life cycle. From the first year of the creation of the company, that is, take stock of the idea to the decision to create a company and make it work. The main occurrences are in a positive phase: surviving; administrative requirements, by some formalization of systems and the same-work; and, the increase of activities, requiring greater effort of the manager. The same process is under way, that is, in creating a new organizational process, a new product or a new business format. It is also perceived a crisis, that is, an opportunity to create something new or favorable conditions for an organization to stay in the market.

Data from SEBRAE point out that mortality rates are changing, and for the better. In a study published by SEBRAE in 2014, considering the Brazilian bases established in 2012, and the information on the companies made available by the Federal Revenue Service, until 2014, a survival rate of companies with up to 2 years of activity was 76, 6%, that is, a mortality rate of 23.4%.

Among the companies and companies that are active, is the working capital. Lack of capital and financial resources are crucial for the closure of companies (SALES, et al, 2008).

What is all the activity, the producer needs resources to finance. With the increase in production, the industry is more demanding the higher the premium, making it more productive.

For more production, more inputs (ration, agricultural products and medicines) and more labor. An increase of significance by factors of production is observed.

As a result, pig farmers have more resources to finance. The big chance is the payment term of the inputs related to the term of receipt of the products by the industry. That is, create an unfavorable financial year. Then, the working capital problems of your business are born in the highest merit of the short-term management mechanisms. It is necessary to know the alternatives and the real requirements of the properties to adjust the performance.

Lima et al. (2006) state that MCDA-C is a methodology that adapts to small and medium-sized companies, so the purpose of this article is to present a performance evaluation framework for the working capital of a small company. has an early stage of its life cycle in swine farming?

2. Literature Review

The theoretical framework of this study is divided into two groups, the life cycle in micro and small enterprises and the short-term financial indicators.

2.1. Cycle of life in micro and small enterprises

The way in which organizations seek to develop over time is a key point in Life Cycle models. There are, in theory, different lifecycle typologies, which are based on the theoretical works of authors such as Gartner (1985), Nadler et al. (1994) who are specific to the small business and in empirical works such as Terence (2008).

Guerrazzi et al. (2017) indicates that there are five nuclei about organizational decline in an entrepreneurial environment: fundamental theoretical approaches; strategic management and performance; risk, failure and survival; opportunities and life cycle.

The models that deal with the life cycle with a traditional approach consider the analysis of the evolutionary stages of the cycle, emphasizing aspects such as the products, sales and growth of the organization. On the other hand, the models that have a managerial focus favor administrative aspect, favoring the possible problems of the transition between the stages of the cycle (LEZANA, LANZA, 1996).

The transition from one stage to the next requires a change and will be caused by crises. It is possible to anticipate crises so that the problems of change can be minimized. The knowledge that crises happen and what to expect in each stage of business life facilitates the process of change in the company.

The start-up phase corresponds to the period of conception of the company, that is, from the birth of the idea to the decision to create the firm and put it into operation. The crises in this stage are three: the emphasis on profits, due to the need for a positive cash flow, to survive; administrative requirements for some formalization of systems and to keep them functioning; increased activities, requiring more effort from the administrator. The result is an administrative crisis and requires a change for the company to survive.

The survival phase corresponds to the first years of life of the company, where it tries to act, conquer and occupy a space in the market. The crises in this stage are four: excess activities for which the company's capital is insufficient; the complexity increases, resulting in the need to restructure the company by adapting a managerial style with emphasis on remote delegation and coordination; new competitors enter the market, probably giving more emphasis on price to a value of differentiation; greater demands are placed on the company's information system. Competitive pricing will require cost control, which requires formalized systems control.

The survival stage will be fulfilled when the company reaches financial equilibrium and has adopted minimum organizational systems that allow it to support future growth (LEZANA, LANZA, 1996).

The growth phase indicates that stability has been achieved and the new challenge will be to grow business, but without major changes in the company's current structure. The crises at this stage are two: the entry of major competitors resulting in price pressure; demand for expansion into new markets or products, the structure of the organization needs to change again, and a professional approach will be needed. The entrepreneur must give up his power.

In the expansion phase the ideas traced in the growth stage begin to happen. A profound reorganization of the initial structure is carried out. The crises at this stage are two: the distance from managing the summit of action. This is often against the nature of the entrepreneur, which led him to start his own business. Professional managers gain more power and authority by diluting the traditional entrepreneur's power base; the need for external focus to maintain a competitive advantage, focusing on the needs of the consumer and the adaptation and supply of the product to meet those needs. This requires a greater external emphasis and an adaptation of the managerial style.

In the maturity phase, the company is consolidated in the market. Major investments now are for marketing, plant improvement and maintenance. A relative tranquility and the future are planned in an orderly way. Companies that reach maturity are leaving or are no longer small and usually have one of these three destinations: stabilization; the decline or the continuity of growth.

The annual growth of companies can be explained by entrepreneurial skills. Thus, from the point of view of the resource-based view, the improvement in internal processes is an entrepreneurial competence that influences the growth rate of sales (LEITE FILHO, COLARES, 2016).

The high mortality rate of micro and small enterprises, especially in the first years, shows that companies have not yet evolved to develop all organizational. However, some companies have developed the ability to evolve with longevity and success despite the constant changes. The need to survive and perpetuate forces managers to face significant challenges, whose overcoming is crucial for the survival of the organization. The crises that accompany each stage of the life cycle are challenges that need to be overcome (SILVA et al, 2010).

Villar and Walter (2017) report that clustering can increase the growth of micro and small companies, mainly by the perception of quality regarding the products.

A relevant factor for the success of micro and small companies, highlighted in this research, is having good working capital management. If this factor is not administered, it may lead to mortality. Thus, for the entrepreneur, usually a working capital manager, to succeed, it is important that there is a strong interweaving with a strategic planning. This will provide a possible solution to the working capital problem, that is, a plan that anticipates a recovery of the company's profitability and the consequent recomposition of its cash flow. FERREIRA, et al., 2011). To achieve this goal, it is necessary to have a better understanding of the different stages of the crisis.

2.2. Short-term financial instruments

For Hoji (2008), the analysis through indices corresponds to relating accounts and groups of accounts to generate conclusions about the economic trends and financial situation of the company.

One of the most important tools for an enterprise is working capital, since it uses the daily financial operations of the company, especially if it is used with few resources in the short term, resulting in considerable profits beyond expectations.

Working capital means assets that periodically circulate or replace during the business cycle of the current year, such as cash, accounts receivable, inventories and prepaid expenses (CHERRY, 1977).

According to Longenecker; Passes away; Petty (1997) consider that working capital necessarily consists of three types of assets, cash, accounts receivable and inventories, and two types of liabilities, which are accounts payable and accumulated expenses, thus reflecting the progress of resources through these accounts as part of day-to-day operations.

For Vieira (2007), the company needs to maintain a satisfactory level of working capital. The current assets of the company must be sufficiently large to cover its respective current liabilities, thus ensuring a reasonable margin of safety. If the company is forced to take loans to ensure its survival until receiving the duplicates, it tends to be more and more difficult to stay alive in business and is very vulnerable to any sudden movement of the market.

By guaranteeing more than half of the assets invested in companies, working capital has a large share in the operational development of organizations, if it is poorly managed, working capital can lead to serious financial problems, contributing to the development of insolvency (ASSAF NETO; SILVA, 2010).

Ching (2007) stresses that working capital is indispensable for the company's operations to carry out its activities, organizations need to buy goods and materials, stock, sell (cash or due) and receive money from the sale. In this period the company needs to pay dividends with suppliers, employees, electricity bills, telephone and others. Being the resources available to the company, accounts receivable inventories, suppliers and accounts to pay. With this effect the essence of working capital is in the context of the cash conversation cycle, this cycle corresponds to the point that the company deposits material and work in the production process until the period in which the money from the sale is received,

The period between the time interval between the purchase of the goods and the receipt of the sale is known as the operating cycle, ideally, in that period the company will invest in its operations with the financing from the suppliers. For Assaf Neto (2010), the operational cycle is the time between stocking of raw material until receipt of the sale of the product originated from that production.

According to Vieira (2005), the financial cycle is the result of the company's stockholding and financing policies and is also influenced by the structural conditions of the sector in which it operates and by the current economic and financial environment. Companies that have just-in-time inventory policies tend to require less working capital because their stock is minimal and spins at a higher speed, so the company does not have excess stockpiles that would cause a high cost, this policy does not only bring benefits, because its production is limited to a predefined amount, but in terms of working capital and cash flow it is quite attractive.

Many companies require working capital financing, since considerable resources are needed to get the organization to carry out its daily activities. In this way, the main means of financing working capital is usually short-term and long-term loans and financing taken from financial institutions, and resources from their suppliers that, when they offer extended payment conditions, can finance a certain percentage of activities from the company.

For Vieira (2005), most companies have at their disposal three main sources of resources, which are their suppliers' resources, short-term loans and financing, and long-term loans and financing.

When financing from suppliers is not enough, companies are obliged to borrow from financial institutions, generating cash resources to honor the commitments and make the production planning to be fulfilled. In the definition of Fortuna (2002), working capital loans are traditional lending operations that meet companies' working capital needs. They are made through a contract that establishes deadlines, rates, values and guarantees. This information of a contract is of paramount importance in hiring a working capital line, because if badly negotiated, a loan that would be to finance the company can become a major nuisance and entail many losses.

For Tortoli and Moraes (2016), cash generation is fundamental for companies in their initial stages, in their development and even now of their extinction.

Moreira et al. (2017) indicates that companies use financial instruments such as controls of bank accounts, accounts receivable, accounts payable and control of expenses. They also monitor customer delays, use Profitability Analysis in decision making, and consider all indirect costs in their financial analysis. However, they indicate that the use of more sophisticated tools and techniques is still an obstacle for most managers.

3. Materials and Methods

For this research, we will use the constructivist paradigm, qualitative approach and inductive logic. The case study will be the research strategy, whereas, in relation to the objective, the research is exploratory and descriptive. The time horizon of the study is transversal and data collection will take place with unstructured interviews, documentation and participant observation.

This research had a qualitative character, because according to Triviños (1994), allows to analyze the implicit aspects to the development of the organizational practices and the interaction among its members. It is the most appropriate technique to understand the phenomenon in the context where it is inserted and of which it is part, since it makes it possible to analyze it in an integrated perspective. The author also emphasizes that qualitative research makes possible the use of the imagination and creativity of the researcher and the reality on the chosen theme, exploring the most diverse approaches to the enrichment of his study.

This research relies on a constructivist view of knowledge, since both the subject and the object of research are directed to the construction of knowledge about the subject of study, because the problems are neither given nor created, but identified and retained by the subject (ROY, 1993). In this sense, the study was based on the search for knowledge about the variables that most impacted the performance analysis of small pig farms and, based on the result of this analysis, proposed the structuring of a performance evaluation model that meets the perceptions, to the designs and purposes of a specific decision maker for that context.

The search for the ends can be considered descriptive. It is descriptive, as it describes the information obtained through documentary research and interview. For Churchill (1987), descriptive research aims to know and interpret reality without interfering in it to modify it. Descriptive research exposes the characteristics of a population or phenomenon but is not committed to explaining the phenomena it describes, although it serves as the basis for such an explanation. The descriptive method delineates what is researched, addressing four aspects: research, record, analysis and interpretation of past events, to generalize, understand the present and the commitment to the future.

As for the research strategy, bibliographic research was used. This type of research explains a problem based on theoretical references published in documents. Thus, we seek to know and analyze the scientific contributions on the subject MCDA-C.

Data collection from the field occurred with the use of unstructured interviews with the decision maker and the participants, and by the participant observation of the researcher. The use of an unstructured interview, or depth, allows the researcher to be free to develop the topics in the direction that he / she infers is more appropriate. They can be conducted in informal conversation environments and allow a qualitative analysis of the data. (BEUREN, 2009)

A small farmer in the swine industry was analyzed. During this work, elements that support and compose this article, such as the SWOT analysis (strengths and weaknesses, opportunities and threats) were removed, we arrived at the primary elements of evaluation. The primary elements were grouped into five areas of interest: Availability, Inventory, Accounts Receivable, Suppliers, Capital Supplier. Later, a tree of points of view was proposed, according to the model of the author Keeney (1992). And, to assist us in the calculation of value functions we rely on Macbeth software, according to Bana, Costa and Vansnick (1995).

MCDA-C can be used as a method to achieve greater capacity for knowledge absorption. According to Ensslin et al. (2010), the consolidation of the MCDA-C Methodology as a scientific management tool takes place from the 1980s onwards. The authors state that the scientific bases of the MCDA-C Methodology arise with the publication of the works by Roy (1993) when defining the limits of objectivity for decision support processes. From the work of Keeney (2009), when recognizing that the attributes (objectives / criteria) are specific to each context, from the perceptions of the manager / decision maker.

The MCDA-C adopted in this work follows the current thinking of the European School (Multicriteria Decision Aid), following a constructivist one.

Adopting the MCDA-C perspective means following the following understandings: (a) a problem is configured as such, if it is perceived by someone (it has a 'owner') and is the result of a situation perceived as 'needing intervention'; sufficiently relevant; solution (LANDRY, 1995, p.313); (b) the understanding of the problem presupposes the notion of knowledge production through the discovery of how the subject values the context where the object is; thus taking into account the value systems, beliefs and objectives of those involved, the current moment and the degree of understanding of the decision-maker over the whole context; and (c) recognition of the fact that "there is not only a suitable set of tools to clarify a decision nor is there a single best way to make use of them" (ROY, 1993, p.194).

The operationalization of the fundamentals of the MCDA-C methodology is carried out through three basics, differentiated, but correlated phases: (a) the structuring of the decision-making context; (b) the construction of an alternative / action evaluation model; and, (c) the formulation of recommendations for the most satisfactory courses of action.

The phases of operationalization of the fundamentals of the MCDA-C methodology will be detailed below.

The first step is called structuring, since it configures the problem in a way that identifies, characterizes and organizes factors considered prominent to support decision making (LONGARAY et al, 2016).

It is also at this stage of the decision-making process that the values of decision-makers will be considered regarding the state of the problem. At this stage, Keeney's (1992) considerations about "value-focused thinking", that is, focusing on the values of decision-makers, are extremely relevant so that any existing objectives that are hidden may be considered and, in this way, decisions.

The second step in constructing the maps of half-purpose relationships is the definition of the Primary Assessment Elements (EPA's). Keeney (1992) mentions that these elements are constituted of objectives, goals and values of the decision makers as well as actions, options and alternatives.

From the EPA'S, the Fundamental Viewpoints (PVF's) can be defined. According to Ensslin, Montibeller Neto and Noronha (2001), the Family of Fundamental Views is defined, the construction of the multicriteria model for the evaluation of potential actions is begun. Therefore, it is necessary to construct a criterion that allows to measure the performance of each potential stock. It should be emphasized here that: the objective of the MCDA Constructivist is to generate knowledge, the evaluation to be performed will only be a means for the decision maker to master the situation of the problem in question.

The construction of the descriptors consists of the identification of the BOM and NEUTRAL levels. Ensslin, Montibeller Neto and Noronha (2001) emphasize that, in addition to being important in the process of verification of preferential independence and determination of substitution rates, the levels defined are "performance benchmarks". These levels can also identify actions with competitive performance, between the good and neutral levels, as well as actions with compromising performance or excellence - below the NEUTRAL level and above the BOM level, respectively.

The objective of this model, with a constructivist vision, is to generate knowledge to the actors of the decision-making process. The models constructed in the MCDA-C should be able to identify opportunities for improvement, as well as, they should also serve as a basis for the actors to understand the impact that the actions have on their values (ENSSLIN; MONTIBELLER NETO; NORONHA, 2001, p.75).

In the second stage, we seek to order the proposed alternatives and alternatives, using a mathematical model. This mathematical model is structured according to the decision maker's preference and impact levels. This phase is called the evaluation stage, in which the scale of preference of the criteria will be constructed, the determination of the compensation rates, which is the fixing of preference between the criteria of the same hierarchical level, and the identification of the profile of performance of potential actions (LONGARAY et al., 2016).

The MACBETH (Measuring Attractiveness by Categorical Based Evaluation Technique) software was used because it considers semantic judgments of "attractiveness differences" to determine the value function corresponding to each category. The semantic categories of attractiveness difference used by MACBETH are: none; very weak; weak moderate; strong; very strong; and, extreme. Based on the comparison between the attractiveness difference of the impacts considered for each action, the semantic matrix that corresponds to the judgment of the decision maker is established, referring to the differences of attractiveness already scored (BANA, COSTA, VANSNICK, 1995).

Compensation rates, also called substitution rates, "express the loss or gain in performance that a potential share must undergo in one criterion to compensate for the gain or loss of performance in another" (ENSSLIN; MONTIBELLER NETO; NORONHA, 2001). Among the methods for determining compensation rates, we highlight the MACBETH, which adopts logic like that used to determine the value function, that is, the semantic judgment.

The third phase is not intended to be exhaustive with prescriptions of what should or should not be done to improve performance, but to provide some options for decision makers such as (LONGARAY et al., 2016, 61):

Know the specific performance in each criterion; the establishment of different strategies to identify the impact on the overall performance assessment; cost-benefit analysis in the implementation of a strategy; the establishment of priorities in the strategies and actions that it intends to implement through the objectives with the highest degree of contribution (compensation rates).

Thus, it is emphasized once again that the model that is intended to be built in this case study will be limited to the procedures of the structuring stage.

At this stage, there are still two important activities, the generation and evaluation of actions and the sensitivity analysis.

Sensitivity analysis, according to Goodwin and Wright (1991), is usually used to examine global performance behavior in the face of sensitive variations in the parameter values applied in the decision support model. In this context, it is recommended that sensitivity analysis be applied to the model.

Generation and evaluation, according to Keeney (1992), are important aspects in this activity and can assist the facilitator in the decision support process. The first aspect refers to ways of balancing the cognitive biases of decision makers, since there is a tendency for decision-makers to simplify their problems, leading to a perception of a reduced number of potential actions and, consequently, to a loss of opportunity to generate important actions.

4. Results and Discussion

The beginning phase of the life cycle of each company corresponds to the period of conception of the company. As presented in the literature review, the main problems faced in this stage are three: the emphasis on financial results, due to the need for a positive cash flow, to survive; administrative requirements for some formalization of systems and to keep them functioning; and, increased activities, requiring more effort from the administrator.

The indicators presented serve as a basis for measuring and monitoring the short-term financial situation at this early stage of the company. The idea is that with the monitoring of these indices, the microenterprise can know its financial situation and can envisage corrective actions, when appropriate. Next, the liquidity and cash indices for the first year of operation of the microenterprises studied will be presented.

The operation of the MCDA-C methodology in the context of working capital management is demonstrated by a small swine business. First, the structuring phase will be presented, in the evaluation sequence and finally the recommendations phase.

4.1. Structuring phase

To structure the model, the decision-making context and the identification of the actors were characterized.

Description of the Context: Working capital management can promote a successful organization and lack of financial resources to honor the organization's short-term commitments.

Characterization of the Decision Context: The dissatisfaction of the manager of the swine business regarding working capital.

Identification of the Actors: as the decision maker was defined the manager of the company.

From this description we move to the second stage. Initially, through SWOT analysis, ten (10) Primary Evaluation Elements were duly grouped into five (5) areas of interest: Availability, Inventory, Accounts Receivable, Supplier, Capital Supplier. From these EPAs and their groupings, it was possible to propose a Viewpoint Tree (Keeney, 1992), according to Table 1.

Table 1: Viewpoints tree

1. Working Capital Administration	1.1 Availability	1.1.1 Cash
		1.1.2 Application
	1.2 Stock	1.2.1 Finished Product
		1.2.2 Raw material
	1.3 Accounts receivable	1.3.1 Cargill
	1.4 Supplier	1.4.1 Inputs
		1.4.2 Products
	1.5 Equity Provider	1.5.1 Own
		1.5.2 Third Party Short-Term
		1.5.3 Third Party Long Term

Source: Elaborated by the authors from the model of Keeney (1992)

Possessing the Viewpoint Tree, the descriptors were elaborated. In the descriptors the impact levels of each of the points of view are identified, thus allowing the measurement and evaluation of the model. Thus, anchor / reference levels were defined for each descriptor.

These levels define the upper limits (considered Good) and lower (considered Neutral), where the results are identified as market levels. For the levels above "Good" the result is considered benchmarking, it is the level of excellence. For the levels below "Neutral" the result is considered compromising, since it is below the expected by the manager.

4.2. Evaluation phase

After the conclusion of the study of the descriptors, the degree of attractiveness between the levels of descriptors is determined, through a value function. The value functions were elaborated with the help of Macbeth software. From these data one can make inferences about the performance of each of these levels.

After the elaboration of the previous steps, the proposed model was applied in the swine business so that it was possible to test the feasibility of using such an evaluation system. Responses were given by the manager of the company, from the level they thought was most important on the scale.

With the questionnaire answered by the manager was elaborated the figure 1 4.

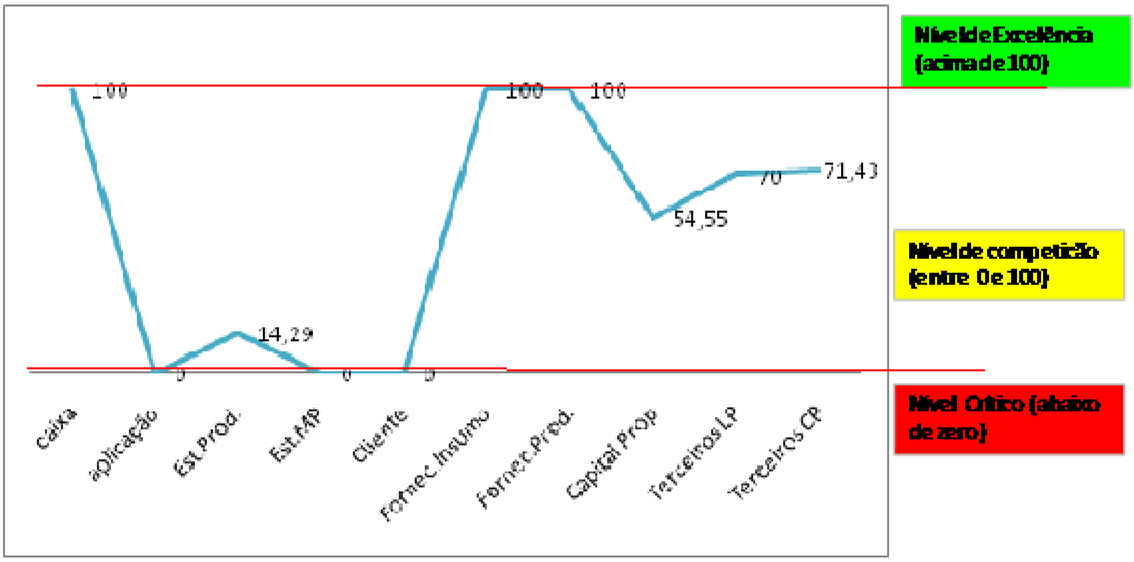

Figure 1: Descriptors

Source: Prepared by the authors

According to the results presented in the graph, we could see where each of the descriptors is level, which are in the "comfort zone" and which need special attention.

4.3. Phase of recommendations

By analyzing the graph, you can identify which points should have corrective actions and which points deserve attention for the maintenance or increase of punctuation. Most of the cases the offer is at the level of competition, considered "market". If the company works with prices above the market, it is advisable to have descriptors at the level of excellence.

Considering the values found in Graph 1, it is identified that they do not have descriptors considered Critical (less than zero) or Excellence (over 100). Thus, since the objective of the swine business analyzed is to offer quality products, it is advisable that most of the descriptors be considered superior to the level of competition. This is because, items that are rated as critical level are considered worse than competitors, already at the competition level are in the market average.

There are three main descriptors, the Cashier, the Input Supplier and the Product Supplier. These three items have the best classification by the methodology being in the linear between the level of competition and the level of excellence. The items Application, Raw Material Stock and Customer are in the linear between the level of competition and the critical level. In the initial phase of a company, it is considered normal to have an accounting deficit, in the following phases this scenario tends to improve if management occurs correctly.

Financial control is essential for the management and success of the organization, where it enables the financial manager to have a clear view of the period in which cash inflows and outflows will occur through the company's operating activity. The financial performance indicators are fundamental to measure the results obtained from the organization and to carry out an analysis of the studied period. The working capital of the small business needs constant monitoring as it continually undergoes the effects of the changes faced by the company.

The high mortality rate of micro and small enterprises, especially in the first years, evidences the need to find alternative forms of management that allow the survival of the enterprise. Relevant factor for the success of micro and small companies is to have good working capital management. Thus, management through indicators that may indicate to the company the possibility of knowing better its financial life can facilitate in this task. Working capital can help micro and small businesses to have resources to apply to the activities of the organization. Thus, it becomes a relevant factor for the success of micro and small companies. Poorly managed, working capital leads to the closure of the organization, thus it is necessary to recover the profitability and the consequent recompositions of its cash flow, causing the micro and small companies to reach the stage of maturity

5. Conclusions

As previously mentioned, the purpose of this article is to present a performance appraisal framework for the working capital of a small business in the initial phase of its life cycle in swine farming.

The results show that the model tested can be used as a source of information by micro and small re-farms, to better understand their financial reality in front of one of the main problems faced, the financial one. At the same time, it helps companies identify ways to address such problems early in their life cycle.

It can be observed that the MCDA-C is a methodology that considers both the qualitative and the quantitative aspects of the problem. It is understood that such methodology can be considered suitable for assessing the working capital performance of the swine industry. With this model, applied in all companies, the manager will be able to measure and evaluate the performance of companies and take the appropriate measures when necessary.

As limitations of the research, the following aspects stand out: the individualization of the performance evaluation instrument, and if it is to be used for another context, make its own adjustments according to the perception of another manager.

For the accomplishment of future works on the subject the following suggestion is proposed, the expansion of the number of criteria used for evaluation according to the place that is used.

The authors hope that the results presented here can be useful and used as a starting point for future research in the field. More comprehensive knowledge of the aspects examined in this study can provide important guidance to managers on new forms of management, allowing them to cope with the dynamic changes of the current market.

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