# **Entrepreneurial Motivation for Algerian Women**

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#### Abstract:

Currently, more and more women are developing an income-generating activity. In a more specific way, the Algerian woman is making great efforts to ensure an income that can improve her socio-economic situation. Indeed, women's entrepreneurship in Algeria has experienced a real dynamic in recent years; nowadays, it is considered by many people as a means of integration into a patriarchal society. This research project attempts to focus on the entrepreneurial motivations of Algerian women. It aims to achieve this goal based on a field survey of 70 women. In order to answer our research problem and to study motivation, it was decided to use kirkwood's model (2009) which consists of 27 items to measure the motivation of women entrepreneurs, according to four dimensions, namely the Desire for independence, Economic motivation, Job motivation and Family motivation. The results of the study confirmed the existence of divergent entrepreneurial motivations, depending on the sector of activity (formal / informal) and whether these women live in urban or **Keywords**: Women's entrepreneurship, Motivation, Kirkwood's model, Algeria.

Jel Classification Codes:L2 L26

## Introduction

Female entrepreneurship is a fundamental factor in the creation, operation and growth of businesses, and hence in economic growth. This has been confirmed by Brush et al. (2006) by saying that "Women-owned businesses are among the fastest growing entrepreneurial populations in the world". For this reason, the subjects of women's entrepreneurship and women entrepreneurs have become an important area of research (Jennings & Brush, 2013; Leger-Jarniou et al, 2015). This research domain has gained increasing interest among researchers since the late 1980s. This new development is justified by the fundamental role played by women's enterprises in the development of the world economy (Verheul, 2005). Moreover, the very significant and famous Winn's sentence (2005) that says "Women are changing the face of modern business" sums up the new perception of the current place of women in the development of entrepreneurship. Indeed, much of the contemporary literature on entrepreneurship focuses on women-owned businesses (Metaicheand BendiAbdellah; 2016). In Algeria, a thorough evaluation of the current situation shows that female entrepreneurship is still embryonic and remains

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largely untapped. The panorama of women's contribution to the entrepreneurial activity does not provide any statistics indicating the proportion of Algerian business women who own their own business. Similarly, it is important to point out that only few studies have investigated the topic of female entrepreneurship. In fact, research in entrepreneurship in Algeria has given more interest to young Algerian entrepreneurs without considering a gendered approach to the issue.For this purpose, this study attempts to answer the following research problem:

# What are the entrepreneurial motivations of Algerian women?

In this context, the methodological objective of our research is to identify the reasons likely to motivate the woman in the region of Tlemcen (a city in northwestern Algeria) to the creation of her own business.

#### 1- Review of Literature

In general, studies on the motivational factors of women entrepreneurs are classified into two categories, namely the positive or "pull" factors and the negative or "push" factors. In these studies, researchers generally try to determine the reasons that motivate women to start their own businesses, i.e. whether they are necessity entrepreneurs or opportunity entrepreneurs. It is worth mentioning that there is no specific set of factors that can tell whether women are ready to start their own businesses or not; however, there is a combination of factors that depend on the individual characteristics of each woman (Fielden and Davidson, 2005). Positive or "pull' motivation reflects women's need for freedom, risk appetite, personal fulfillment, independence and balance between family and professional life (Duchéneaut and Orhan, 2000; Alstete, 2002; Hughes, 2006; Gabarret and Vedel, 2015; Roukatou, 2015). However, the negative or "push" motivation expresses a constraint linked to a temporary situation, such as unemployment, need for money, lack of autonomy, and insufficient family income, in which the woman can find herself(Segal et al., 2005; Hughes et al., 2012). Research studies, aimed at determining the entrepreneurial motivations for women, have grown considerably in recent years. Carrier, Julien and Menvielle (2006) compiled studies over the past 25 years in developed countries. They classified these studies into two categories. The first one includes studies that focus specifically on female entrepreneurial motivations, and the second one concerns those comparing women's motivations with those of men. It was found that the two main motivations are the "search for autonomy and flexibility" and the "opportunity to make profit". Some authors have eventually come to the conclusion that there are no remarkable differences between the motives of men and women. For others, they found out that, in general, men create their businesses rather under the effect of positive or "pull" factors, like the desire to earn more money, have a better control of one's own business, grab the opportunity to be independent, etc. ( Dempsey and Jennings, 2014). However, regarding women, a number of studies have shown that it is rather the negative or "push" factors that dominate. For women, business creation is specifically due to certain constraints, such as unemployment, financial needs, discrimination hindering access to progression in their carrier due toglass-ceiling type barrier (Cornet and Constandinis, 2004). Nevertheless, Buttner and Moore's study (1997) showed that positive factors are the main reasons for women executives in developed countries to enter the business world. Thus, many researchers (Onana, 2009; Gabarret and Vedel, 2015) have attempted to study entrepreneurial motivation through two dimensions, namely the *economic dimension* and the *non-economic dimension*, considering both positive and negative aspects.

Kane (2009) points out that the context of poverty, unemployment and frustration combined with the desire to have an income to survive, push women to undertake. However, these economic motivations also hide psychological motives together with some socio-cultural ones. With regard to the present study, we used Kirkwood's typology (2009) which classifies the motivating factors of women to undertake according to the "Push-Pull" theory. For the "Pull" factors, the author retained the desire for independence and economic motivations. Regarding the "Push" factors, he suggested the two factors of employment motivations and family motivations. Several items were associated with each of the four categories of motivations.

## 2- Empirical Study

In the second part of this article, we attempt to expose the empirical study along with the choice of the methodology and the results found.

## 2.1. Choosing the Methodological Approach

Our research seeks to identify the entrepreneurial motivations of women. To achieve this goal, it was decided to collect data using a questionnaire that was developed and validated by professionals and experts. The study which was conducted in the Wilaya of Tlemcen (northwestern Algerian) focused on a population of women entrepreneurs working in the formal sector. For a better representation of the sample, the nature of the housing area (urban, rural) was also taken into consideration.

In addition, the methods of data collection used were based on two main different approaches, namely the qualitative approach and the quantitative approach. The analytical method employed in this research aimed to identify the determinants and indicators of motivation using the Principal Component Analysis (PCA). Data collection was performed by administering a questionnaire to a convenience sample of 70 women entrepreneurs. The choice of this sampling is justified by the study's objective which seeks to knowthe motivations and decisive factors in women's entrepreneurship. The questionnaire is composed of 2 parts:

- The first part is devoted to the socio-demographic characteristics of the respondents.
- The second part deals with the factors that motivate women entrepreneurs. In order to study motivation, it was decided to apply Kirkwood's model (2009) which consists of 27 items that measure the motivation of women entrepreneurs. Kirkwood proposes a categorization in four dimensions, namely the *desire for independence* which is measured by 10 items, the economic motivation measured by 7 items, the motivation of employment measured by 7 items and the family motivation measured by 3 items.
- Each of the variables is evaluated by a five-point Likert scale, ranging from "strongly disagree" to "strongly agree".

## 2.2. Results of the Study

After determining the methodological choice to be adopted in this research, the answers collected were coded and entered, and the required statistical processes were carried out. The results of the questionnaire were analyzed using the SPSS version 20 software. The analysis of the present study was carried out in two

stages. The first one concerned the motivations and the second was about the classification of Algerian women entrepreneurs.

#### 2.2.1. Motivations of Women Entrepreneurs

Our approach is based on the use of the Principal Component Analysis (PCA) method. This method is part of the multidimensional data analysis; it consists of transforming linked variables into new independent variables. These variables are called "main components". This method is used to structure the initial variables in order to summarize most of the information provided by all these variables. The Bartlett test and KMO index (Kaiser-Meyer-Olkin) are essential to our analysis. It should be noted that the KMO index must tend towards 1. If this is not the case, then factorization is not recommended. To test the reliability of our measurement scales, we used Chronbach's alpha.

## Desire for Independence

With regard to the desire for independence, one can say that all the items selected are consistent. Therefore, the partial correlations between variables may be considered acceptable. Considering the KMO index (0.65), one can suggest that the items are sufficiently correlated to build common dimensions. In addition, the result of Bartlett's sphericity test is significant; its significance is null. The items selected may therefore befactorized. Analysis of the quality of representation allowseliminating the item "To be my own boss" whose value is less than 0.5. Performing the principal component analysis (PCA) on all items relating to the desire for independence shows that it is possible to reduce all items to 4 factors. These justify 68% of the total explained variance, and therefore the remaining 32% of the information is lost. Finally, to ensure the internal reliability of the measurement scale, we used the Cronbach's alpha which is an indicator that makes it possible to measure the reliability of the different items which are supposed to help assess a phenomenon. The alpha is greater than 0.6 and therefore the homogeneity of the scale can be considered as satisfactory.

Table 1. Results of the factor analysis relating to the variable "desire for independence"

Desire for independence
KMO = 0.65
Bartlett'ssphericity test = 0
Explained variance = 68%
Number of components = 4
Self-realization and altruism FlexibilityAutonomyProcess mastery

**Source:** Elaborated by author using SPSS .20. [N=70]

## **❖** Economic Motivation

Concerning this dimension, the KMO index is 0.611, which means that the correlations between the items are acceptable. In addition, the significance of Bartlett is 0, which means that the items are correlated to each other. The KMO index and the Barlett test indicate that the items can be factorized.

Note that 3 values are greater than 1, which means that three components account for 73.21% of the total variance and the remaining 26.79% of the information is lost. In addition, the reliability test suggests that the items constituting the dimension "economic motivation" are homogeneous with Cronbach's alpha greater than 0.6.

Table 2. Results of the factor analysis relating to the variable "economic motivation"

Tuble 2: Results of the factor analysis relating to the variable "continue mouvation
Economic motivation
KMO = 0.611
Bartlett'ssphericity test = 0
Explained variance = 73.21%
Number of components = 3
Desire for innovation Economic motivationFinancial motivation

**Source:** Elaborated by author using SPSS .20. [N=70]

#### Job Motivation

A PCA was performed on the items of this dimension and the results obtained were found to be very satisfactory in terms of quality of representation (greater than 0.5), of explained variance (75%) and of KMO index(0.613). The study of dimensionality showsthat two components have values greater than 1.

Table 3. Results of the factor analysis relating to the variable "Job motivation"

Job motivation
KMO = 0.613
Bartlett'ssphericity test = 0
Explained variance = 75%
Number of components = 2
Dissatisfaction and frustration at workNeed for satisfaction

**Source:** Elaborated by author using SPSS .20. [N=70]

## Family Motivation

This dimension is measured by 3 items. In our case, the KMO index is equal to 0.615, which is acceptable. This indicates that there are good correlations between the items. The significance of Bartlett is equal to 0.003 which is less than 0.005; this means that the variables are correlated to each other. The selected items can therefore be factorized. The study of dimensionality indicates that the dimension "Family motivation" is one-dimensional (a component having a value greater than 1). This single component accounts for 50.86% of the variance, and therefore half of the information is lost.

Table 4. Results of the factor analysis relating to the variable "family motivation"

Family motivation
KMO = 0.615
Bartlett'ssphericity test = 0.003
Explained variance = 50.86%
Number of components 1
Family reasons

**Source:** Elaborated by author using SPSS .20. [N=70]

The results obtained make it possible to suggest that all the KMO indices are greater than 0.5, which indicates the presence of a portion that is common to the items. The significance of Bartlett's Sphericity Test is still important, which makes it possible to reject the global non-correlation between variables. The factor structure obtained for all the variables is satisfactory because it explains more than 50% of the total variance.

#### Conclusion

As part of this research, we set ourselves the main objective of identifying the effective motivating factors of entrepreneurship among Algerian women. The analysis of the collected data made it possible to suggest that the results obtained are very instructive with regard to the characteristics of Algerian women entrepreneurs, and more particularly women entrepreneurs in the Wilaya of Tlemcen. These results allow making the following conclusions.

The profile of women entrepreneurs differs according to whether they live in an urban or rural area. Rural women, who have not benefited from higher education, generally turn to activities concentrated mainly on handicrafts and agriculture. Entrepreneurial motivation among these women is mainly due to family reasons and also to the need to provide financial support to the family. On the other hand, women entrepreneurs operating in urban areas have motivations that are primarily economic. They engage in a process of creating a company voluntarily; they are constantly seeking flexibility. They experience a desire for self-fulfillment and moral satisfaction, a desire to innovate and to succeed in society.

## > Implications

Regarding the practical implications, we propose to develop national strategies for financing and supporting women entrepreneurs, according to their sector of activity (formal or informal) and according to the region where they live (rural or urban).

#### Limitations of Studies and Future Research Directions

This study showed two major limitations. The first one concerns the size of the sample, which was limited to 70 women entrepreneurs, and the second is related to the choice of the motivational factors "push" and "pull";some other factors can be considered as well. In addition, it is important to note that the modest data analysis performed in this research is only a first step in their interpretation. These data deserve to be exploited more deeply, by investigating other possible correlations between variables; this will certainly help discover other facets of female entrepreneurship. For example, it is possible to compare the entrepreneurial profiles of women in the formal and informal sectors. It would be interesting also, in later works, to take into account the situational and environmental factors and to study their impact on the entrepreneurial motivations of women in Algeria.

The collected data could also be grouped differently in order to obtain a better representativeness; this would probably lead to some statistical results that are likely to explain more clearly our concern about the motivations of Algerian women entrepreneurs. Furthermore, the motivational factors deserve a richer and more detailed analysis by testing other variables related to religion and ethnology.

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