

Requirements of creation and succession of innovative entrepreneurial Youth

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Abstract:

The process of developing the activity of small and medium-sized enterprises(SME), the increased entrepreneurial spirit of entrepreneurship through the introduction of innovation for the purpose of increasing performance in the current period have become one of the major stakes, where many countries around the world try to give it the great importance because of their positive role in improving the economic development indicators in these countries. As a result of the sequential changes that international economic environment lives, the biggest global economic entities has become threatened because of different secretions financial crises and economic disorders. For this lots of countries tended to search for a mechanism to help it for creating new jobs and to supports the economy in order to face the foreign competition, for this, we believe that the process of creating innovative entrepreneurial activity comes at the

forefront of solutions for the purpose of achieving that, especially if these are embraced Institutions and accompanied by business incubators.

For the purpose of highlighting the role of this process and its future in the economy, this study seeks to consolidate the innovation's concept and innovative entrepreneurship, then the success's conditions of these entrepreneurships, to conclude with recommendations , solutions and important results.

Keywords: Entrepreneurship, Innovation, Performance, Vigilance, Business incubators.

ملخص:

أصبحت عملية تطوير نشاط المؤسسات الصغيرة والمتوسطة الحجم، وزيادة روح المبادرة لتصدر ريادة الأعمال من خلال مدخل الابتكار لغرض الرفع من الأداء في الفترة الحالية واحدة من الرهانات الرئيسية، حيث تحاول العديد من البلدان في جميع أنحاء العالم أن تعطيها أهمية كبيرة لما لها من دور ايجابي في تحسين مؤشرات التنمية الاقتصادية في هذه البلدان. ونتيجة للتغيرات المتتابة التي تعيشها البيئة الاقتصادية الدولية، أصبحت أكبر الكيانات الاقتصادية العالمية مهددة بسبب الأزمات المالية المختلفة للإفرازات والاضطرابات الاقتصادية. ولأن هذا العدد الكبير من البلدان يميل إلى البحث عن آلية لمساعدتها على خلق فرص عمل جديدة وتحفيز الاقتصاد من أجل زيادة يقضتها ومواجهة المنافسة الأجنبية، فإننا نرى أن عملية إنشاء نشاط مبتكر في مجال تنظيم المشاريع تأتي في مقدمة الحلول بهدف تحقيق ذلك خاصة إذا تم احتضان هذه المؤسسات ومرافقتها من طرف حاضنات الأعمال. ولغرض تسليط الضوء على دور هذه العملية ومستقبلها في الاقتصاد،

تسعى هذه الدراسة إلى تعزيز مفهوم الابتكار وروح المبادرة المبتكرة، ثم ظروف نجاح هذه المشاريع، للتوصل إلى توصيات وحلول ونتائج مهمة. كلمات البحث: ريادة الأعمال، الابتكار، الأداء، اليقظة، حاضنات الأعمال.

Introduction

If we take a look at the global economy today we'll find it gives a great importance to the Entrepreneurship, where many researchers considered that the creation and establishment of youth entrepreneurship compose a big bet and development factor for each economy as a source of wealth and a solution to the problem of unemployment. On the other hand SCHUMPTER says that the creation of new knowledge and technology leading to the creation of economic opportunities and this technology and knowledge we'll find it effective if it has been created by a dynamic entrepreneurship which interest in the field of innovation.

This innovated entrepreneurship has certain characteristics which we find essential to the success of entrepreneurship in the field of innovation, which is considered as a challenge facing ships who they do not care to innovation or as we called "Traditional", at the same time these characteristics considered as requirements for the establishment and success of entrepreneurial youth, because today the goal of the organization not just to survive, but realizing sustainability and Excellency and thus the entrepreneur can find the innovation source of excellence and sustainability.

So this paper aims to answer the following dilemma: **What are the success's requirements of the innovative youth Entrepreneurship?**

to answer this problem, we offer the following points:

Firstly : the concept of innovation and innovative entrepreneurial.

Secondly: the success's requirements of the innovative entrepreneurial by offering a model of this success.

First: innovation and innovative entrepreneurial concepts

A- The concept of innovation:

The innovation is seen as the most important standards that determine the degree of excellence of the institution, more than that is detrimental to its continuity and survival, because of what distinguishes the most business environment institutions of a quick changes and sharp competition, this is why we say that innovation offers great opportunities for the development of the competitiveness of enterprises.

The innovation as a phenomenon known many definitions depending on the viewpoint of each researcher , and that what was affirmed by Alexander and Ruska, "Innovation is a very complex process with faces and many dimensions ". then it was defined by the Austrian

SCHUMPTE¹ as "The result arising from the establishment of a method or a new method of production and as well as the change in all the product components or the of design it".

This means that innovation is to reach what is New, The new maybe a new idea or a new concept and the idea and the concept does not have importance only if the new was applicated in a new product or a new process, for this the innovation is to reach what is a new by the orderly development form and the practical application of a new idea.²

This situation resulting from innovation, which make a change in the enterprise through renovations or creating new products or in the production method called by SCHUMPTER "creative destruction" means this new product or new technology will lead to the destruction of the static and immobile institutions against the innovation.³

Also the United States central council investment of Science and Technology define the technological innovation as the

¹ Nabil Jawad, 2006, Management and Development of Small and Medium Enterprises, The Algerian Book, First Edition, page 181.

² Star Aboud Star 2003, "innovation concepts and characteristics and experiences of modern management," Dar Wael Publishing, p. 19 Alordn.,

³ Ibid., P. 181.

commercial, industrial and technical steps which leads the market of new manufactured goods and the commercial use of new equipment and technical operations, or any other technical measurements to improve production.¹ And when we talk about innovation, we are talking about the importance of the function of research and development in the enterprise especially the innovative entrepreneurial that interest in innovation. Research and development² illustrated in the process of obtaining new knowledge through a combination between production components of relation. Also, this process is done in a planned, systematic and orderly availability of intellectual effort, considering where it reached research is leading to innovations, includes theory and experimental work in order to obtain new knowledge. Where we find that's an integrated system of science, knowledge and innovation applied on products and processes, and based on what has been mentioned we'll try in the next element to integrate the phenomenon of innovation and its effectiveness in the success and excellence of entrepreneurship especially the youth one, by Clarifying the concept of innovative entrepreneurship and the factors that lead to the success, survival and the Excellency of this type of entrepreneurship.

B- the concept of innovative entrepreneurship:

The term entrepreneurship made a focus of many studies since the beginning of the nineties where began to talk about the creation of innovative entrepreneurial that interested in the technological innovation. particularly the contribution of each "Johannisson 1998, Pirnay, Peters 2003, 2004 and Moreau and 2005".

For the purpose of giving a definition of innovative enterprise and formulate a clear view of this phenomenon, we decided to give the following definitions , where searchers want by their

¹ Hisham Khawaja, 1999, "The role of scientific research and technological development in the process of technological development" printed in Arabic for the exchange of information technology, Rabat April .

² Osman Hassan Othman, 2006, "Strategic Planning for Innovation in the Industrial Enterprise", Journal of Economic Sciences, University of Sidi Bel Abbes, First Issue, April, p. 53.

definitions of entrepreneurship to highlight the dimensions of this phenomenon.

The innovative entrepreneurship according to Albert and Mougenot : The innovative entrepreneurship is the one which face with full force and voluntarily the uncertainty case, by offering a new technology for the first time in the market or following-up what's Existed and trying to put up the new which has the additional benefit.¹

If we tried to compare between the traditional entrepreneurial and innovative one, we'll find that the first one is characterized by the constant environment that does not care about any change, while the innovative entrepreneurship is characterized by the adjustment with dynamic environment that require continual change.² Because to face the competition today means follow up the developments and changes in supply and demand in the market, then to face this challenge, we find the innovation as a key pillar to keep up with these changes.

According to Gartner the entrepreneurship is a phenomenon that work for creating and organizing new activities³, which means the objective of creating this new project is bringing the new for the purpose of earning the excellence compared to others.

While Bruyat see the entrepreneurship⁴ as a dialogue between the individual and the creation of new value that is best suited to the change and renovation, this vision shows that the purpose of this investment in a form of an enterprise is creating the value, and this indicate that the establishment of any enterprise should attain a value and benefit, and the creation of value means there

¹ Albert P., Mougenot P., (1988), « La création d'entreprises high-tech », *Revue Française de Gestion*, mars-avril-mai, pp. 106-118.

² Hedlund G., (1994), "A Model of Knowledge Management and N-form Corporation", *Strategic Management Journal*, 15, pp. 73-90.

³ Gartner.W.B, (1988), "who is an entrepreneur? is the wrong question"*American small business journal*, spring, pp 11-31.

⁴ Bruyat.C, (1994), « contribution épistémologiques au domaine de l'entrepreneuriat » *revue française de gestion*, n 101, page 13.

is a change from the value T to the value $T + 1$ which means there is an addition.

Second: the requirements of the creation and the succession of innovative entrepreneurial youth

The entrepreneurship is considered as a part of the environment where many institutions operating in, and any institution whatever it's nature of activity seeks to be in the market by the conditions that ensure its survival and why not controlling the dimensions of this market.

In this context, we'll try to identify the requirements of creating an entrepreneurship not the traditional one, but rather the one which is capable to innovate through three main pillars as the follow:

1- Requirements related to the entrepreneur:

When we talk about the success of the entrepreneurship we are talking firstly about the entrepreneur and its contribution to achieving this success. In this context, the features of succession of innovative entrepreneurship represented on the following requirements:

- ◆ **Gender and Age:**¹ The creation of this type of entrepreneurship succeeds and endure if the owner of the entrepreneurship been a male as confirmed by studies in the field like " Wilson Boissin, McGree 2009, also the study of Barbosa, Brian and Krueger 2007; Baughn study in 2006 and the study of Zhao in 1994." These studies showed that the intention, the capacity of comprehension and analysis in the field of innovation will be done by males better than females. In addition there is another condition concerned by the age which is preferred to be limited between 30 and 44 years old.²

¹ Ayadi A., Arlotto J., Jordan P., (2005), « Freins et performances de l'entrepreneuriat dans les entreprises innovantes: Une étude exploratoire », 4ème Congrès de l'Académie de l'Entrepreneuriat, 24-25 novembre, Sénat, France.

² Danjou I., Dubois-Grivon B., (1999), « Les jeunes entreprises innovantes ; Profil des créateurs et comportements stratégiques », Cahier de Recherche, ESC, Lille.

- ♦ **The educational level¹:** most of studies confirmed that the innovative entrepreneurial youth distinguished of the other traditional entrepreneurship (doesn't concerned by the innovation) by the educational level, this is what is proved by both Donjoug and Dubois when they said that 95% of innovative entrepreneurs have persons who have at least an educational level of Baccalaureate + five (Bac+5), where half the entrepreneurs have an engineering and PhD levels.
- ♦ **Experience:** the experience is one of the innovative entrepreneurial success's requirements, so the success of innovative entrepreneurship well be achieved by an entrepreneur who has an experience which is gained in other institutions that are operating in the same sector of entrepreneurship concerned. According to **Borges²**, one of the secret of entrepreneurial youth that interested in innovation and renovation is the possession of entrepreneurs who have an experience by average of 12 years, and that what was referred by Lee and Wong concerning the need of providing an experience for the success and survival of this type of entrepreneurship, this is what increase the effectiveness of this experience when positions linked to technology research and development.³

2- Requirements related to entrepreneurship's environment and innovative entrepreneurship:

In addition to what has been mentioned, there are other requirements aren't less important than its predecessor like the following:

- ♦ **Motivation:** When we talk about the establishment of an entrepreneurship that concern by innovation, there should

¹ Bernasconi M., (2003), « Création d'entreprises technologiques: un modèle intégrateur en trois temps », Séminaire AIRPME, 23-24 octobre, Agadir

² Borges C et al, (2006), « Le parcours des créateurs d'entreprises technologiques : de l'idée d'affaires au seuil de rentabilité », Cahier de recherche n -10 HEC, Montréal.

³ Lee S. H., Wong P. K., (2004), "An exploratory study of technopreneurial intentions: a career anchor perspective", Journal of Business Venturing, 19, pp. 4-28.

be an incentive to build this project and make it a success in light of the strong competition.¹

- ♦ **Mergers and take advantage of networks and information networks:**² which aims to reduce the monopoly of information and to stay away as much as possible from the risk of failing the young entrepreneurs in the project, and here it shows the importance of incubators, which is considered as structures that support the success of the youth entrepreneurships, through helping the entrepreneur to integrate and adapt with the environment which operate in, through the establishment of relations with the various actors in the field of technology (Universities), economy (Customers, suppliers) and other organizations (legal, environmental organizations because of environment's information is very important and necessary in the innovation process so as not inconsistent with the protection of nature in addition to the money market ...), means keep in touch with all stakeholders.
- ♦ **Financial funding:** this item is no less important than the previous requirements through the availability of funding sources for these entrepreneurships, guaranteeing the risk of lack of liquidity that could be exposed to this type of entrepreneurships.³

3- Requirements relating to the process of innovation:

The innovation has a big role in giving the entrepreneurship excellence, which is considered as a fundamental goal, any institution seeking to achieve it through this innovation; where we find the institution today can change the rules of competition especially through technological advancement. Then the innovation has become not only a source of continuation of the institution, but a source of sustainability as

¹ Colombo M., Delmastro M., (2002), "How effective are technology incubators? evidence from Italy", Research Policy (31),

² Verstraete T., Saporta B., (2006), Création d'entreprise et entrepreneuriat, Editions de l'ADREG.

³ - op-cit, 2006.

G.Grossi ¹explained that the innovation has become a constructive basis for completion, for this, we are talking today about sustainable innovation and innovation success's requirements are represented on the follows:

- ♦ **Modernity and seriousness:** the fact of innovation is an intellectual activity demonstrates its association with offering ideas, style, technique or a good with new presence in terms of use and benefit.
- ♦ **The need to adopt a vigilant behavior:** When we talk about vigilance behavior², the role of this latest in monitoring information of the enterprise's environment will be showed clearly. Also the main pillar of vigilance is to provide a panel with a group of individuals charged by observation and monitoring and collecting of informations about the Competitors, market shares, especially the development of technology. According to Henry dou & desval, The Technological vigilance is "controlling and analyzing the environment and publishing the most appropriate information to make decisions especially the strategic ones"³. Also the technological vigilance is considered one of the first vigilance's kinds through its importance because of its relating to the fields of research and development.
- ♦ **The Utility:** The main objective of this new using of this product, method or technique by applying leading technologies is to create value and additional benefits weren't existed before, and we refer particularly to the time's quality and cost.⁴
- ♦ **Attractiveness, Acceptance and loyalty:** this feature reflects the acceptance of this innovation by the individual

¹ Nouri Mounir and Kallash Abdullah, "The role of innovation in enhancing the competitiveness of the economic institution - the case of Algeria -" the international nucleus on entrepreneurship and innovation in the developing country, Algeria

² Hawari Al-Maraj and Nasser Dadi Adon, 2006, "Technological vigilance as a factor of creativity in the institution" Journal of Economic Sciences of the University of Sidi Bel Abbes First issue April Page 158.

³ *ibid.*, P. 158.

⁴ Nuri Munir and Kallash Abdullah, reference previously mentioned.

and the community without forgetting the environment or the ecological environment, because this positive reaction increases the degree of loyalty trend this innovative entrepreneurship.¹

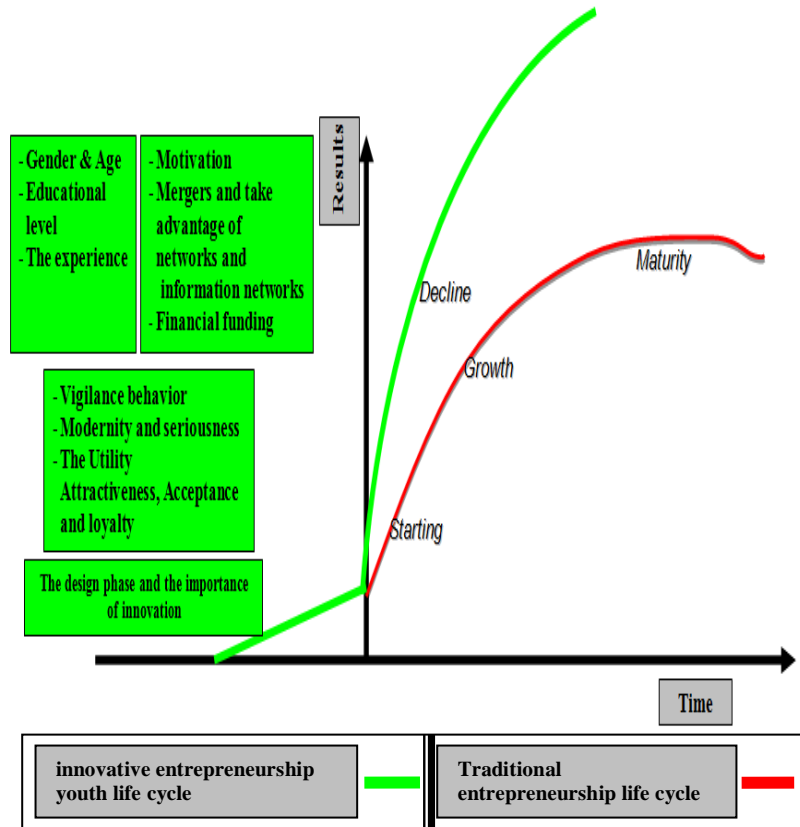
- ♦ **The importance of three propellers model:** which coordinates efforts between the three actor Parties which are the state - the university - entrepreneurship (or the organization in general) to activate the cooperation between these three poles in the success of innovation.²

Note: generally, the success of innovation will be achieved by including it within the plans of achieving the project before its execution, because to succeed the entrepreneurship and distinct from the rest of the other entrepreneurs and institutions must give great importance to the process of innovation within what is called design stage, which is the first phase of institution life cycle, which lead to get away as possible from the risk out of the market (decline); means you should enter the market with distinction or you won't ensure the survival in the market, also the success rate will be insignificant if the entrepreneurship was traditional without ideas and new techniques. As a result the following figure illustrates this trend:

¹ The same reference..

² SAAD.M, (2009) « Triple Helix Model of Innovation in developing Countries – The role of Universities? Bristol Business School. University of the West of England, UK. March, pp03

Figure 01 : Stages of entrepreneurship between tradition and innovation



Source: SAAD.M, (2009) « Triple Helix Model of Innovation in developing Countries – The role of Universities? Bristol Business School. University of the West of England, UK. March, pp03

So, The Innovation has a vast meaning includes everything new and different that distinguish the institution on the others, and give it support in its competitive position and improve its performance.

Conclusion:

Finally, we can say that there are many and varied entries may young people benefit from them to create their innovative entrepreneurship, and the business incubators is considered in the current period as an effective tool mainly aims to help and

support the owners of new ideas and creative projects, in order to establish and build their institutions and prove theirself, these helping represented in providing and creating an integrated environmental opportunities that offer different services, where business incubators works for facilitating the starting of any project which can be considered the most difficult stage, and that by depending on bases an advanced standards through the provision of appropriate financial resources to the nature of these projects to face the risks of its establishment as well as the provision of essential administrative services and aid and specialized technical consulting and marketing assistance and other according to the nature of the project.

In light of the above, the study offers the following suggestions and recommendations:

- Call to provide the suitable climate for encouraging young graduates and graduates of universities and colleges on the trend towards the development of small and medium-sized investment projects carrying the character of innovation.
- Rising the institutional and entrepreneurial sense, the necessity and the importance of research and development, innovation and the adoption of scientific management as an obliged necessity in the era of globalization.
- The creation of new and diversified investment activities, and the development of entrepreneurial spirit among the youth.
- Should exploit the opportunities available for work by young people and identify them for the purpose of renaissance the local and national development of Arabic and African economies.
- Call for organizing periodic forums and open days on agencies for youth to look forward to each new opportunities for investment and entrepreneurship.
- Work on the training and rehabilitation of small investors through the creation of business incubators and specialized agencies to support the spirit of entrepreneurship.

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