

## Role of support structures within universities and institutional arrangements for the promotion of student entrepreneurship in Algeria. Case: University of Algiers 3.

دور الهياكل الداعمة داخل الجامعات والترتيبات المؤسسية لتعزيز ريادة الأعمال  
الطلابية في الجزائر. الحالة: جامعة الجزائر 3

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### Abstract:

All economic and social policies include in their recovery programmes the entrepreneurial dimension as a support to all initiatives undertaken in different geographical areas and in different types of economy.

Entrepreneurship is an economic and social phenomenon that has received much attention in recent times, given its decisive role in economic recovery and its impact on economic growth. To this end, the aim of this article is threefold, firstly, we will try to define the concept of entrepreneurship and then to outline the structures and mechanisms of assistance and support for professional insertion in the institutional context in Algeria.

Finally, we will expose the experience of the university Algiers 3 in the accompaniment of its students in search of a job or creation of a company and this via its structures of accompaniment in particular the centre of professional careers (CPC) and the house of the entrepreneurship (HE), and the university incubator which take part in an active way in the student life in the problems related to employment and the professional insertion.

In conclusion we provide proposals and recommendations for the generalisation of entrepreneurship in its different aspects within the university and beyond.

**Keyword :Entrepreneurship; Start-up; innovation; institutions; accompaniment.**

### المخلص:

تشمل جميع السياسات الاقتصادية والاجتماعية في برامج الإنعاش الخاصة بها البعد المقاوالاتي كدعامة لجميع المبادرات المتخذة في مناطق جغرافية مختلفة وفي أنواع مختلفة من الاقتصادات. تعتبر المقاوالاتية ظاهرة اقتصادية واجتماعية حظيت باهتمام كبير في الآونة الأخيرة، نظراً لدورها الحاسم في الانتعاش الاقتصادي وتأثيرها على النمو الاقتصادي. ولهذه الغاية، فإن الهدف من هذا

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المقال ثلاثي، فأولاً، سنحاول تعريف مفهوم المقاولاتية ومن ثم تحديد هياكل وآليات المساعدة والدعم للإدماج المهني في السياق المؤسسي في الجزائر. أخيراً، سنكشف عن تجربة جامعة الجزائر 3 في مرافقة طلابها بحثاً عن وظيفة أو إنشاء شركة وهذا من خلال هياكلها المرافقة على وجه الخصوص مركز المسارات المهنية و دار المقاولاتية ، و كذا الحاضنة الجامعية التي تشارك بشكل فعال في الحياة الطلابية و في المشاكل المتعلقة بالتوظيف والاندماج المهني. في الختام نقدم مجموعة من المقترحات والتوصيات لتعميم المقاولاتية في جوانبها المختلفة داخل الجامعة وخارجها.

الكلمات المفتاحية: المقاولاتية؛ مؤسسة ناشئة؛ ابتكار؛ مؤسسات؛ مرافقة.

## Introduction

Today, everyone agrees that entrepreneurship affects all countries and all areas of economic and social life. Business creation in general and the entrepreneurial phenomenon play a major role in our society, as they allow us to participate in the development of innovations, to renew the stock of businesses and the economic fabric, to create direct and indirect jobs and to make existing businesses more dynamic.

The role of entrepreneurship in economic and social life is indisputable, the virtues of this approach have been highlighted by several authors, it is considered as a vector of professional insertion and social ascension by the possibilities it offers in terms of job creation in different sectors of activity.

In Algeria, we are currently facing great challenges, the most important being the transition from an economic model based on oil rent to a more sustainable, resilient and ambitious economy based on the knowledge economy where the role of the university is essential to provide innovative projects with high added value.

The objective of this article is to highlight the environment of entrepreneurship in the student environment and how the Algerian university is accompanying these young project holders in the creation of their companies, and then to address the role of state devices in the process of creating companies, and for this and before developing, we ask the following questions:

- How can we define entrepreneurship?
- What are the accompanying structures at the level of Algerian universities and what are the roles they could play?
- What are the institutional arrangements put in place by the public authorities to promote entrepreneurship in the student environment?

## 1. Definition of the concept of entrepreneurship

The OECD defines entrepreneurship as the result of "any human action to undertake in order to generate value through the creation or development of an economic activity that identifies and exploits new products, processes or markets".

Other authors, such as (Filion, 1991) define it as "the process by which people become aware that owning their own business is a viable option or solution, think of businesses

they could start, learn about the process of becoming an entrepreneur and set about creating and starting a business".

(Gartner, 1993) said "Entrepreneurship is an organisational process that leads to the creation of a new organisation". (Timmons, 1994,) said "Entrepreneurship is the process of creating or seizing an opportunity and pursuing it within currently controlled resources".

(Valéau ,2007) 'Entrepreneurship can be defined as a set of activities associated with the creation and development of a business'.

For Julien and Marchesnay, entrepreneurship is primarily the direct consecration of the entrepreneurial spirit, of the will to undertake in business. Entrepreneurship is therefore one of the areas of application of the entrepreneurial spirit. But defining this concept is not a simple matter, as Verstraete T. points out "There is no consensus on a theory of entrepreneurship, let alone an unambiguous definition".

Thus, and in view of the different definitions above, we have seen that the concept of entrepreneurship is closely linked to the triptych: growth, innovation and unemployment.

### **1.1 Entrepreneurship and growth**

Entrepreneurship supports economic growth and development through market innovation and there is a two-way relationship between entrepreneurship and economic growth and development.

The GEM: Global Entrepreneurship Monitor provides a model comparing different countries on various social and cultural dimensions. This programme has concluded that in countries where the concept of entrepreneurship is sufficiently developed, the GDP related to entrepreneurial projects increases continuously over the years.

### **1.2 Entrepreneurship and innovation**

The role of entrepreneurship is important in the socio-economic sphere because, according to Schumpeter, entrepreneurs are considered to be the engine of innovation because they are able to identify opportunities that economic agents fail to see and also by developing the technologies and concepts that will give rise to new economic activities. Many authors, have shown the lack of evidence in favour of the Schumpeterian hypothesis that innovation is stimulated by the size of the firm. The complexity of running a large firm may affect relational capacity and create bottlenecks in search efforts

### **1.3 Entrepreneurship and unemployment**

In this respect, entrepreneurship is seen as a means of absorbing the high number of unemployed people each year, it is seen as a potential source of job creation and preservation where entrepreneurship has become a necessity for integration and social inclusion.

It allows for a new breath of life and the reconstruction of the economic fabric through the creation of companies or the takeover of companies and even the reactivation and restarting of companies, to this end it will constitute a counterweight and compensation for the possible bankruptcy of other companies.

## **2. Mechanisms put in place by the public authorities to support and promote entrepreneurship in Algeria**

In Algeria, the public authorities have created a panoply of structures and agencies to shape the landscape of support and assistance to entrepreneurship, in this paragraph, we will outline the institutional and economic actors that play an essential role in promoting the intensity of the entrepreneurial spirit in Algeria and which are:

### **2-1 National Agency for the Support and Development of Entrepreneurship**

The National Agency for the Support and Development of Entrepreneurship, abbreviated as ANADE ex-ANSEJ, created in 1996, is a public body with a specific character, endowed with legal personality and financial autonomy, placed under the supervision of the Minister of the Economy of Knowledge and Start-ups.

It supports project holders in the creation and expansion of micro-enterprises producing goods and services. It has a network of 61 agencies, located in all the wilayas of the country, as well as branches located in the major localities, and its objectives are

- To promote the creation and extension of goods and services activities by project holders.

- To encourage all forms of actions and measures tending to promote entrepreneurship.

ANADE's missions are

- To support, advise and accompany project leaders in the creation of activities;

- To make available to project leaders all economic, technical, legislative and regulatory information related to their activities;

- Develop relations with the various partners of the system (banks, taxes, CNAS and CASNOS, etc.);

- Develop an intersectoral partnership for the identification of investment opportunities

- various sectors;

- Provide training on micro-enterprise management techniques for the benefit of project leaders;

- Encourage any other form of action and measures to promote the creation and extension of activity.

### **2.2 The National Unemployment Benefit Fund (CNAC)**

It was created in 1994 as a public social security institution. Its vocation is to absorb the social effects of the massive redundancies of salaried workers in the economic sector, and in order to fight against unemployment and precariousness, the CNAC has devoted itself, since 2004, to the implementation of the support system for the creation of activity for unemployed promoters aged between 35 and 50 years old, with an overall investment threshold raised to 10 million.

### **2.3 National Agency for the Management of Micro-credit (ANGEM)**

It was created by executive decree No 04-14 of 22 January 2004. Its main objectives are

- The fight against unemployment and precariousness by promoting self-employment;
- The stabilisation of rural populations in its areas of origin;
- The development of the spirit of entrepreneurship.

#### **2.4 National Agency for Investment Development (ANDI)**

The ANDI was created within the framework of the first-generation reforms undertaken in Algeria during the 1990s, and was entrusted with the mission of facilitating, promoting and accompanying investment.

#### **2.5 Business incubators**

The incubator is like an incubator which represents a place of reception and support for the holders of business creation projects or very young companies. They therefore intervene upstream and their objectives are

- Accommodation and logistical support for business project leaders and newly created newly created businesses;
- Accompanying creators in the development of their project;
- Information and networking between industrial, managerial, financial and scientific partners for the creation and development of new businesses,
- Information and networking between industrial, management, financial and scientific partners for the creation and financing of companies;
- Training of business creators.

#### **2.6 The national agency for the valorisation of research results and technological development (ANVREDET)**

ANVREDET is an organisation created by the Ministry of Higher Education and Scientific Research in 1998. It operates on the basis of a board of directors on which sit representatives of holdings, small and medium-sized enterprises and the Chambers of Agriculture, Commerce and Industry.

ANVREDET's mission is to implement the national strategy for technological development in conjunction with the relevant structures and bodies. As such, it is responsible for:

- Identifying and selecting the results of research to be developed.
- Contributing to a better efficiency in the exploitation of research results and in the organisation of valorisation systems and methods in order to promote development.

### **3. Structures of assistance and accompaniment for the promotion of the entrepreneurship within the university of Algiers 3**

The relations between universities and the professional world are intense and at the heart of the concerns of universities, because the stakes are very numerous and obey the logic of win-win.

It covers a wide range of issues: professional integration, research, adaptation of teaching to the needs of the world of work. There are more and more initiatives in both directions to involve companies in the life of universities and vice versa.

Thus, the University of Algiers 3 has two structures of support and assistance for the promotion of entrepreneurship, namely the House of Entrepreneurship and the Career Centre.

### **3.1 The House of Entrepreneurship of the University of Algiers 3**

The House of Entrepreneurship is seen as the appropriate mechanism, capable of promoting the spirit of entrepreneurship and attracting the interest of young students to the creation of enterprises.

It is also defined as: "The main tool on which the National Agency for Support and Development of Entrepreneurship, abbreviated as ANADE ex-ANSEJ, relies to train students and introduce them to work, in partnership with the university".

The year 2014 has seen the generalization of the concept of House of Entrepreneurship, at the level of universities and colleges, across the national territory.

The first vocation of entrepreneurship is to act on the entrepreneurial intention of students and researchers via educational actions that aim to raise awareness of entrepreneurial action. Entrepreneurship house brings together educational and technical resources to support an entrepreneurial project.

Within the University of Algiers 3, the House of Entrepreneurship was created in 2018, and it represents the result of cooperation between the University of Algiers 3, ANADE ex-ANSEJ and ANEM.

Cooperation conventions are signed in order to ensure this coordination in fact, ANADE and ANEM are committed to provide students with training in the development techniques and deployment of the concept of entrepreneurship among young students.

On its part, the university undertakes to provide the premises housing the trainings and the lists of students and to create this link between trainers and learners. The House of Entrepreneurship of the University of Algiers 3 has set as its missions:

- Deployment of the entrepreneurial spirit in the teaching and scientific research sector;
- Setting up the teaching of universal standards related to the creation of companies;
- Encouraging final-year students to prepare dissertations in the form of concrete entrepreneurial projects;
- Encouraging students to see entrepreneurship as a choice, especially by becoming job creators, and to see entrepreneurship as an option and not a substitute.

### **3.2 The Centre of Professional Career of the University of Algiers 3**

The Career Centre of the University of Algiers 3 is the result of a cooperation between the International Labour Office (ILO), and the University of Algiers 3, representing a link between the university and the world of work, the Career Centre organises several practical trainings in job search techniques and psychometric tests (Tamheed) and has several partners listed below

Ministry of Higher Education and Scientific Research (MESRS); Ministry of Labour, Employment and Social Security (MTESS); Ministry of Training and Vocational

Education (MFEP); National Agency for the Improvement and Development of Entrepreneurship (ANADE); National Employment Agency (ANEM); National Unemployment Insurance Fund (CNAC); International Labour Office (ILO); Various career centres of other universities: Biskra, Bejaia, Guelma, Mostaganem, Tlemcen; The scientific clubs of Algiers<sup>3</sup> University: EGM Economic Growth Mindset, Dev Eco Economic Development, CEECO association, House of Ideas, Read More, AFAK (Faculty of Information and Communication).

### **3.2.1 Missions of the centre of professional careers**

The CPC has the following missions:

- Organisation of training workshops on job search techniques (JST), which enable students to obtain practical training to enable them to understand the professional world.
- Organising career counselling sessions with the aim of getting to know the personality of students from a psychological and professional point of view (Tamheed tool).
- Giving students useful elements to maximise their employability and providing them with the necessary teachings to better face the world of work.
- Establishing associative links with other universities, organising meetings and gatherings to share experiences.
- Bringing the university closer to the professional world by organising
- Job fairs and professional meetings.

The CPC offers a wide range of workshops that cover the 3 important phases of the job search (before and after) and that correspond to self-knowledge, knowledge of the environment and finally taking action

#### **Self-awareness workshops:**

It contains training in themes such as: Understanding attitude, My Forms of Intelligence. Identification of professional interests. Identification of professional values. Identification of desired working conditions. Identification of skills. Identification of career paths. Entrepreneurial profile.

#### **Workshop on 'Knowledge of one's environment':**

It contains training in topics such as: What is the job market, Where and how to find out about jobs, Where and how to find out about companies, carrying out a survey, Target jobs and jobs in demand: How to validate one's professional choice, Skills: Where and how to find out about professional training.

#### **Workshop 'Taking action':**

It includes training in the following themes: Preparing to draw up an action plan for your job search; Building and developing your network; Creating your LinkedIn profile; Building your argument; Writing a convincing CV; Responding to a job offer; Sending a spontaneous application letter; Succeeding in a job interview; Writing a follow-up letter; Successfully integrating into a company; Your rights and obligations; Participation and social dialogue; Health and safety at work; Leadership; Action plan; Knowing your rights and obligations; Successfully integrating into a company.

### 3.2.2 Introducing the Tamheed tool

Tamheed is an online assessment system for defining and measuring natural aptitudes, abilities, interests and motivation of individuals. It is launched on the platform : [www.eljazairta3mal.com](http://www.eljazairta3mal.com).

Psychometric assessments are used as a scientific method of evaluating an individual's abilities, personality traits and interests. These assessments have been proven to help make more objective (unbiased) and informed (knowledgeable) decisions in many areas, including career guidance.

Tamheed is a tool that has been developed by Silatech which is an innovative company, based in Doha, Qatar and working in the Arab world. The word Silatech (Your Connection) comes from the Arabic word Silah, which means connection.

Silatech was created to address the critical and growing need for job creation and opportunities for young people. The initiative promotes large-scale job creation, entrepreneurship and access to skills, training, capital and markets for young people in the Arab world.

Guidance counsellors help young people and job seekers make choices about education, training and employment. Tamheed is a partnership between Silatech and Mindmill, a UK assessment company that is at the forefront of assessment technology and the science of psychometrics.

### 3.3 Incubator of university works of the university Algiers 3

It was created in 2021 and endowed with a budget of equipment and operation allowing it to be autonomous. Its mission is to assist students in finding their start-up ideas through the techniques of **Design Thinking** and describing their projects by using **BMC** (Business Model Canvas) and a business plan as well as other training in market studies.

The incubator of the university Algiers 3 is engaged in the process of the ministerial decision N 1275 which has for object the creation of startups while obtaining its diploma: **Diploma-startup, diploma-patent**.

The incubator of the university Algiers 3 receives projects on behalf of its students and even for its former students and after a period of study, the incubator decides on the feasibility of the project and its degree of innovation, thus it will be classified in three classes: green, orange and red. The incubator of Algiers 3 university has received about **600** projects.

The green class corresponds to innovative projects with added value, the orange class indicates a project that has potential and may include an innovative part but has not yet reached a stage of maturity. The last class, which is red, is a classic project without innovation and will be directed to the House of Entrepreneurship for possible support. Once the project has been accepted, the students carrying these projects will benefit from a series of training courses in the different aspects of project management mentioned above.

### Conclusion and recommandations

The reception and support structures within universities, which are: the House of Entrepreneurship (HE), the Career Centre (CPC) and university incubators, play a major



role and represent bridges between the world of the university and the world of work and are seen as interfaces dedicated to professional integration and business creation.

Nevertheless, we found that these structures are less considered and that their role is not sufficiently appreciated or even misunderstood within the university itself, due to a lack of media coverage, which implies a second observation, which is that these structures are under-equipped for a considerable number of students who are growing every year.

Thus, we insist on the fact that they should be equipped with permanent teachers specialised in job search techniques and entrepreneurship, and that they should be motivated by the payment of their fees, and provide Hard (PCs, workstations, data-shows, telephones, Internet, furniture, etc.) and soft (software, subscriptions, etc.) computer equipment is also essential for the proper functioning of these structures and gives them a brand image and a touch of modernity.

Also on the functioning plan, we recommend giving these structures, in addition to their already established role, other complementary roles and missions which are essential, in particular

- Carrying out periodic surveys on the integration of university graduates, and determining the employment areas which will make it possible to analyse the rate of employability among graduates, duration of unemployment;
- Improvement of knowledge in terms of local and regional market needs;
- Realization of exchanges and an effective collaboration between the university and the company;
- Carrying out surveys on the needs of companies in terms of skills and forecasting the job market;
- Better informing and orienting students at the beginning of their studies towards studies that offer better recruitment opportunities;
- Organisation of multi-stakeholder round tables.
- Study on the effective practices of internships and university alumni;
- Knowledge of the training-job match.

As for the problems that shake entrepreneurship in Algeria, they are numerous and risk handicapping them, among these factors, we can cite the instability of income and the undercapitalisation of these companies especially those operating in high-risk niches, which consequently affects their financial health and which could result in payment defaults by their direct clients, and in order to counteract these risks we propose the following:

- Create funding mechanisms, managed or supported by governments, that make funding conditional on mentoring and financial studies;
- Create strong relationships and provide incentives with venture capitalists, business incubators and business angels to develop or create initiatives that enable the use of alternative sources of capital;
- Sponsor the growth of start-ups through low-cost financing for targeted groups ;
- Enable high-growth start-ups to scale up through enhanced market access support ;
- Simplify and streamline tax administration to reduce the administrative burden on young entrepreneurs ;

- Encourage and promote clusters, incubators and networks to bring talent together ;
- Create the foundations for a thriving regional entrepreneurial ecosystem ;
- Promote women's entrepreneurship ;
- Encourage women to travel abroad to bring their experience to Algeria ;
- Encourage an entrepreneurial culture by Introduce the entrepreneurship module in the university curriculum , organising seminars and colloquia for knowledge sharing and special days on entrepreneurship for secondary school students in order to "sow" the entrepreneurial spirit and also promote innovative projects by bringing together investors and entrepreneurs and finally give a prize to the best projects.
- Research and development should also be encouraged and a culture of innovation promoted:
  - Make research more dynamic, visible and attractive
  - Facilitate links between research, the economy and society
  - Make researchers aware of market needs in order to orientate their research
  - Encourage synergy between all research actors by setting up joint projects on important themes
  - Facilitating links with companies, which have effective tools for developing innovative projects
- Strengthen the coherence and effectiveness of support and guidance systems for businesses.
- The national authorities must act in favour of international cooperation:
- Open up to international trade and foreign investment to facilitate technology transfer ;
- Ease fiscal constraints ;
- Engage in joint research and development activities.

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