

THE STATUS OF WOMEN ENTREPRENEURS IN ALGERIA

موقع المرأة المقاولاتية في الجزائر

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Abstract

Women are nowadays taking part in each and every part of society as equal a men. That to a women entrepreneurs play a tremendous role in this patriarchal society. Basically women entrepreneurs start their business with small scale and long scale business. Every woman entrepreneurs strives hard to secure and serve the nation by making their business as a profitable. The aim of this research is to investigate the profile and status of women entrepreneur in Algeria .

Key words: Women entrepreneur – Algerian women

Jel Classification Codes: L26-L29

المخلص :

تمثل المرأة حاليا جزءا لا يتجزأ من المجتمع مثلها مثل الرجل. حيث أصبحت المرأة المقاولاتية تلعب دورا مهما في هذا المجتمع الأبوي. وفي البداية تقوم المقاولاتية النسوية بأعمالاً تجارية قصيرة المدى ثم تتوجه إلى المدى الطويل. وتسعى المرأة المقاولاتية جاهدة إلى تأمين خدمة المجتمع عن طريق جعل أعمالها مربحة. الهدف من هذا البحث هو مناقشة موقع وخصائص المرأة المقاولاتية في الجزائر. الكلمات المفتاحية : المرأة المقاولاتية – المرأة الجزائرية .

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1- Introduction :

Entrepreneurship is a creative process in which specific goals are achieved using various resources in a planned and coordinated manner to perform activities in efficient way.

The term entrepreneurship defines as the process of setting up of business to earn profits with his innovativeness and ideas to run an enterprise solely and also liable bare risk.

The term “entrepreneur” is of a relatively recent origin and evolving one also. It is mainly associated with economic and industrial development of an economy. Richard Cantillon, an Irishman living in France, was the first who introduced the term “entrepreneur” and his unique risk-bearing function in economics in the early 18th century. He defined entrepreneur as an agent who buys factors of production at certain prices in order to combine them into a product with a view to selling it at uncertain prices in future (Mala Mahanta, p 5 ,2016)¹ .

In the field of entrepreneurship women entrepreneurs are also taking part and playing a vital role in the society. Women are highly empowered and motivated nowadays. Women entrepreneurship has been recognized as an important source of economic growth. Entrepreneurship happens to be one of the best way towards self-sufficiency and poverty alleviation for women in a country where employment is not guaranteed. Involvement of women in entrepreneurial activities would ensure effective utilization of labor, generation of income and hence improvement in standard of living. Initially, women have been confined to the private sphere of the household doing the daily works and tending to her family’s needs. So they also participate in all such activities to improve the economic status and economical growth of our country.²

Though Algerian women have played a key role in the society, their entrepreneurial quality has not been properly utilized due to lower status of women in society, through this study we will try to describe the status of Algerian women entrepreneur .

The objective of this study is to :

- Define the term of women’s entrepreneurship.

- Identify the characteristics of women's entrepreneurship .
- Identify the constraints that faced the status of women entrepreneurs.

2- Literature review :

2-1 Entrepreneurship:

Entrepreneurship has become a strategy for youth employment and socio - economic development. A strategy of entrepreneurship started in late '80s, thanks to liberal economic reforms, entrepreneurship emerged and grew, i.e. 91 % of existing enterprises in 2005 were created after 1990 (Boufeldja Ghiat ,2014,p 120) and since, the number of companies continues to increase. At the end of 2008, the number of private SMEs amounted to 392,013 and more than 126,887 artisans. Indeed, the entrepreneurship became the cornerstone of economic development"³

There is no universal consensus on defining entrepreneurship. Enormous number of definitions has been forwarded by the researchers in the recent academic studies on the area of entrepreneurship : Reynolds (2005) defines the entrepreneurship as the discover of opportunities and new innovations by which a new organisation is formed.

Shabana A. Menon (2012)explained Entrepreneurship as a key element of growth and development. It develops the country in all means by the innovativeness and by different ideas.

Entrepreneurship is defined as an activity that involves the discovery, evaluation and exploitation of opportunities to introduce new goods and services, ways of organising, markets, processes and raw materials through organising efforts that previously had not existed.⁴

Kirzner (1997), the entrepreneur is an individual who is alert to opportunities for trade. According to Onuoha (2007), entrepreneurship is the practice of starting new organizations or revitalizing mature organizations, particularly new businesses generally in response to identified opportunities.⁵

Schumpeter (1965) defined "entrepreneurs as individuals who exploit market opportunity through technical and/or organizational innovation". For Frank H. Knight (1921) and Peter Drucker (1970) "entrepreneurship is about taking risk". Bolton and Thompson (2000) have defined an entrepreneur as "a person who habitually creates and innovates to build something of recognized value around perceived opportunities.Global Entrepreneurship Monitor defines entrepreneurship as creation of new

business or any attempt to do it, expansion of existing one, new business organization, or established businesses.

Thus from the above definitions, we can conclude that there are some agreements among the definitions of different authors. Thus we can summarize the commonality of those authors as follows: ⁶

1. Entrepreneurship involves creation or expansion of business.
2. Risk taking or acceptance of failure.
3. Talent to identify and exploit new opportunities to produce new products or processes/markets

2-2 Women's Entrepreneurship :

Female entrepreneurship has been a popular research topic over a last decade .Sing defines women's entrepreneurship as "an act of business ownership and business creation that empowers women economically increases their economic strength as well as position in society."⁷

According to Singh Ranbir (2012) "Women entrepreneurs engaged in business due to push and pull factors. Which encourage women to have an independent occupation and stands on their own legs? A sense towards independent decision-making on their life and career is the motivational factor behind this urge."⁸

Women Entrepreneurs: These are women who generally come from wealthy backgrounds, who have certain financial capacities or who possess professional skills or appropriate training. They may also be female heirs who receive the logistic and financial support of the family and take over the family business. They are women entrepreneurs for whom their companies represent a duty of transmission by taking over."⁹

According to Belcourt, Burke and Lee Goselin Belcourt; (1991) the she entrepreneur is "a woman who seeks self fulfillment, financial autonomy and control over her existence thanks to the launch and management of her own business".

We can say from these definitions that the finding of a definition of woman entrepreneur is not an easy task since the definitions identified from various schools of thought as well as different areas of research make it difficult to reach a consensus on a distinct definition of female.

3- The status of women's entrepreneurship:

3-1 Factors motivating women towards entrepreneurship:

During the second half of the 20th century, women had a weak presence in managerial positions, and a very limited number of them were

entrepreneurs. The main role of women was a house wife, or having craft occupations mainly at home.

The socio-economic changes in Algeria had an impact on the socio-cultural life, attitudes and behaviours of youth from the two genders. As men workers, managers and entrepreneurs, tolerate the work of women in Algerian society, and changed their attitudes them.

Women were not attracted to entrepreneurship professions. The democratization of education and the orientation of women towards scientific and technological fields of study have pushed them to be more and more interested in jobs which are related to their training and scientific background

After the opening of the market economy in the late 20th century, the majority of entrepreneurs were males. But with the increasing number of female graduated from Algerian universities, and because of the rampant unemployment, women have become forced to create their own jobs as self-employed or entrepreneurs.

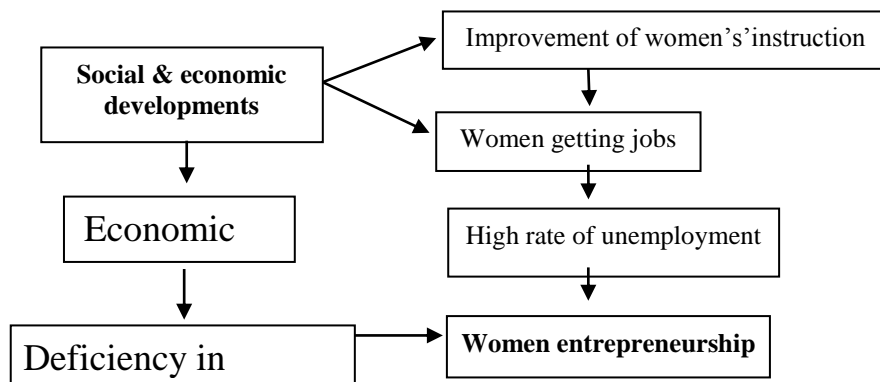
One way of combating unemployment and poverty is entrepreneurship. Men have always created enterprises in different economic and social activities, while women knew a considerable delay. Women entrepreneurship is a recent phenomenon in Algeria. At present women have characterized by taking of financial risks in the hope of profit; entrepreneurial role in order to create a meaning for themselves. A few of the circumstances responsible for these changes are better education, changing socio cultural values and need for additional income.

The success of women entrepreneurs allows them to have material incomes. That helped them to shift from a position of weakness and material needs, to a position material self –sufficiency and strength. As a result of these changes, Algerian women became more autonomous and independent from men, and from their parents, therefore more empowered and able to face the requirement of the modern society.

Women entrepreneurs enter into business field with some motives like Generation of Income, Economic Independence, Interest, Self-Dependent, Family Encouragement, Social Status and Self Prestige. Women entrepreneurship must be molded properly with required entrepreneurial traits and skills to achieve their goals and meet the changes in trends, challenges and to be competent to excel in the entrepreneurial arena.

Also several educational, economic and environmental factors helped the propagation of women entrepreneurship, as presented in figure 1.

Figure 1: Factors motivating women towards entrepreneurship



Source : Ghiat, B. (2014) Social change and women entrepreneurship in Algeria. Journal of Women's Entrepreneurship and Education, N° 1-2, 119-131.

3-2 profile of women entrepreneur:

Women entrepreneurs often have a special personality. They value autonomy and independence. They possess energy and a high need for achievement. Women Entrepreneurs often have a strong internal locus of control. They perceive change as opportunity and are willing to take careful risks. They usually have social skills and possess a balance between intuition and thinking. Women entrepreneurs generally have the same characteristics as men entrepreneurs Their entrepreneurial characteristics include adaptability, competitiveness, discipline, drive, honesty and organization, internal locus of control, skepticism, flexibility, impulsiveness and propensity to take risks, leadership, readiness for change, and endurance and high tolerance for ambiguity.

In her research , TeresiaNginaKyalo describes the different characteristics of women entrepreneur a follows ¹⁰:

Adaptability: Women find it easier to adapt their work to family life than their men counterparts. Adaptation to culture, behavioural norms, professional networks, and family relationships all affect the attitudes of women entrepreneurs.

Innovativeness and Creativity: Women entrepreneurs can easily generate idea(s), initiate business plans and nurture it to maturity stage. They are potentiallycreative and more innovativethan men.

Ability to think fast: Women have been proved to be fast in reasoning and thinking. This is a good potential for business success.

Accountability and Credibility: Patience as a unique attribute of women helps them to be accountable and credible. It has been proved that women are more reliable and accountable in financial recordings.

Managerial Skill: Women are unique in that they have the skills and competencies that help them to merge both business and family lives, managing both effectively and intentionally.

4- Constraint of women's entrepreneurship in Algeria :

In spite of accepting the work of women in different sectors and economic, social and political activities, women are still facing cultural constraints while carrying out their occupational duties even as managers and entrepreneurs.¹¹

According to Ghiat (2014) several factors affected negatively the status of women, their attitudes and behaviours in Algerian society, as shown on table 1.

Table 1: Factors inhibiting promotion of women's entrepreneurship.

Economic and educative inhibitors	Attitudes and behavioural inhibitors
<ul style="list-style-type: none"> - Economic backwardness - Lack of family support - Lack of community support - Lack of education - Lack of training - Lack of professional experience - Male domination society - Family ties 	<ul style="list-style-type: none"> - Lack of self-confidence - Preference for secure jobs - Limited mobility - Low risk bearing ability - Priority of marriage on occupation - Shyness - Ignorance of business opportunities - Lack of motivation in creating business

Source: Boufeldja GHIAT, Women's empowerment through entrepreneurship in Algeria : available at <https://www.academia.edu/people/search?q=Women%27s+Entrepreneurship>.

Backward environments, full of socio-cultural and economic constraints lead to the development of attitudes, behaviours and psychological characteristics with women, who are characterised by negativity and dependence. They rely up on men to provide them with various material necessities. In order to combat unemployment, the state encourages youth on entrepreneurship, and women became interested in this profession, traditionally reserved for men. If men in a male's society meet insurmountable difficulties during the process of creating and managing businesses, the case is more complex for women in a traditional and hostile

environment.

5- Conclusion

In conclusion, entrepreneurship is mostly about risks, innovation, creative thinking and entrepreneur is the one who creates and innovates something recognized around perceived opportunities by accepting risks and failures. Diwivedi and Mishra pointed out: "It is fact that, when there is development of women, family develops, the society develops and the country develops". Women are the catalysts of development and with them we prosper, but without them we are poor"

In order to promote women entrepreneurship, the environmental and cultural constraints should be identified and confronted.

Women's entrepreneurship is both about women's position in society and the role of entrepreneurship in the same society. Women are faced with specific obstacles (such as family responsibilities) that have to be overcome in order to give them access to the same opportunities as men. Also, in some countries, women may experience obstacles with respect to holding property and entering contracts. Increased participation of women in the labor force is a prerequisite for improving the position of women in society and self-employed women.

The economic and social benefits of women's entrepreneurship are very positive for the global economy. Some researchers claim that Female Entrepreneurship could become one of the solutions to the actual economic crisis.

To promote women's entrepreneurship development, the government should engage in redirecting and integrating the emerging women's entrepreneurship into legal and productive sectors of the economy. This requires the governmental commitment to strengthen entrepreneurship by establishing the institutional, legal and cultural supportive conditions.

The socio-cultural constraints of Algerian women, the socio-cultural changes, the empowerment of women entrepreneurs and the psychological impacts of entrepreneurship on women in Algerian society are discussed.

Marginal :

¹ Mala Mahanta.(2016), **Importance and challenges of women entrepreneurship – A case study of Sonitpur district of Assam**, OSR Journal Of Humanities And Social Science (IOSR-JHSS) Volume 21, Issue 7, PP 01-06.

² N.K.Susruthan & A.Jency Priyadharshany.(2018), **Role of Women Entrepreneurship**, International Journal of Pure and Applied Mathematics, Volume 120 No. 5 ,p 4199-4210.

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⁴Thokozani Patmond Mbhele. (2012), **THE STUDY OF VENTURE CAPITAL FINANCE AND INVESTMENT BEHAVIOUR IN SMALL AND MEDIUM-SIZED ENTERPRISES**, SAJEMS NS 15 No 1, p1.

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¹¹ Boufeldja GHIAT, **Women's empowerment through entrepreneurship in Algeria** available at <https://www.academia.edu/people/search?q=Women%27s+Entrepreneurship>.p5

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