



Economic intelligence a mechanism to support and develop Small and medium enterprises in Algeria

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Abstract:

The study aims to highlight the contribution of economic intelligence as a mechanism in supporting and developing small and medium enterprises in Algeria, as it is among the most important mechanisms to improve their performance, as their success depends on the extent of their ability to obtain information of sufficient quality and speed that enables them to protect their future and anticipate the changes taking place, in order to make optimal decisions that ensure their survival and continuity in a complex and rapidly changing environment, which makes the integration of intelligence mechanisms Economic in small and medium enterprises is an imperative necessity for their development, support and increase their competitiveness. By following the descriptive approach to the need to transfer information and then analyze it and rely on many sources and references, and in the end the results of the study proved the extent to which economic intelligence contributes to the development and competitiveness of small and medium enterprises and promotes innovation and development in building effective strategies that allow facing risks and supporting decision-making.

Key Words: Economic Intelligence; small and medium enterprises; Economic Development.

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Introduction:

Small and medium enterprises always strive to achieve continuity, growth and survival, and this represents a major and difficult challenge for the owners of these projects, so the institution is required to track and monitor everything that surrounds it, whether at the economic, commercial, social or technological levels, to adapt to the fluctuations that occur in its external environment. Any institution that can adapt to external events quickly and deal better with them gains a strong point that distinguishes it from others and a competitive advantage that guarantees continuity and development in its field of activity. In light of this, economic intelligence is among the most important modern methods used that focus on identifying the information to be collected and its sources, and then collecting, processing and distributing it to the competent authorities in order to take the best appropriate decisions to increase competitiveness .



Algeria, like other countries in the world, aims to keep pace with modern technological economic developments, so it must work hard and ensure the development of procedures and policies that reduce the existing gap, and help enterprises to work in normal conditions of competition, allowing them to ensure their survival for a longer period in the market, so it resorted to supporting, developing and upgrading the small and medium enterprises sector. And its conviction that it is the most effective means of development, especially as it represents a major force for job creation, contributes to the formation and increase of added value and gross growth of GDP, promotes the diversification of economic activities, and plays an important and effective role in the process of advancement and economic development through its adoption of the economic intelligence system, which is a strategic weapon that supports the survival and sustainability of this type of institution. -Through the above and in order to address the issue, the following problem can be raised: **To what extent does the economic intelligence system contribute to the development of small and medium enterprises in Algeria?**

To answer this problem, the research was divided into three main axes:

- The nature of economic intelligence
- Small and medium enterprises and the place of economic intelligence in them
- Economic intelligence measures and the development of small and medium enterprises in Algeria

Objectives of the study:

- Introducing the concept of economic intelligence, its importance and the need to pay attention to it.
- Identify the nature of small and medium enterprises, their importance and role in the development of the national economy.
- Ensure the efficiency of the economic intelligence system by providing support and promotion to small and medium enterprises.

The importance of studying: The study derives its importance from a set of points:

- Addressing the subject of economic intelligence, which is a modern administrative approach to developing the performance of institutions and countries together.
- Shedding light on an important aspect of knowledge that has become increasingly important after the Fourth Technological Revolution and the Information Age.
- Small and medium-sized enterprises (SME) are the nucleus for the establishment of larger enterprises and contribute to economic and social development.

Study Methodology: In order to achieve the objectives of the study and in light of its nature and importance and in order to answer its problem and familiarize itself with all its aspects, the descriptive approach was used in most parts of the study, which is appropriate to know the data and clarify the role of economic intelligence in supporting small and medium enterprises that play an important and effective role in the process of economic advancement and development.

Research Structure: It was divided into three main axes, the first axis dealt with the nature of economic intelligence and its characteristics, the second axis included small



and medium enterprises, and the place of economic intelligence in them, and finally the third axis highlighted the procedures of economic intelligence and the development of small and medium enterprises in Algeria.

I. What is economic intelligence?

The term Intelligence Economic is one of the old and modern concepts to bring about economic development that appeared a long time ago, but it has evolved in recent years as a result of the increasing interest in the role of information and knowledge in the stage of the new economy.

1. The concept of economic intelligence:

There are many definitions of economic intelligence for the variation and views of this concept, but they do not differ from each other, and the most important of these definitions are:

1.1. Harold Wilensky's Definition (1967): The first definition of economic intelligence was presented in a book entitled "Intelligence Organisationelle" as it defined it: "Economic intelligence as the activity of producing knowledge that serves the strategic economic objectives of the region, stored and produced in a legal framework from open sources ". (Peguiro, 2000, p. 30)

1.2. Definition of Henri Martre (1994): The first practical definition of economic intelligence was presented by the General Planning Authority in France in 1994 by "Martre", Chairman of the Working Group entitled: "Economic Intelligence and Business Strategy", where he defined it: "The sum of the activities related to research, processing, and disseminating useful information to economic agents, these various activities are legitimately directed with the provision of all basic protection guarantees for the property of the institution under the best conditions, whether in terms of time, quality, or cost ". (Martre, 1994, p. 11)

1.3. F. Boumoi et P.J. Romani (2000): Economic intelligence is defined as: "The set of research-related actions processing and disseminating useful information to economic agents to formulate their strategy ". (Boumois, 2000, p. 02)

1.4. Alain Juillet (2004): defines it as: "a control method that controls and protects strategic information, which gives economic operators the opportunity to improve their decisions, in order to reach competition, economic security and enterprise security " . (Peguiro, 2000, p. 37)

2. Characteristics of economic intelligence:

Economic intelligence focuses on studying the tactical and strategic interaction across all levels of specific activities, starting from the foundation (internal level of the institution) through the intermediate levels (local communities) to the national levels (strategies adopted by decision-making centers in the country), then the multinational levels (multinational complexes) or international (country-specific influence strategies). (Razzaz, 2017, p. 162)

Economic and strategic intelligence is characterized by a number of key characteristics, the most important of which are: (Amziane, 2020, p. 21)



- **Participation:** which indicates the importance of farsightedness and evaluation processes in activating it among policymakers, and adopting specific aspects regarding each policy.
- **Objectivisation:** Supporting and adopting the most topical insights the pains on the way.
- **Mediation et Alignment:** Facilitating the exchange of perspectives among the creators of these policies, leading to consensus on their implementation.
- **Decision Support:** First, it activates dialogues among their creators, and then supports the successful implementation of them.

3. The importance and mechanism of applying the economic intelligence system in small and medium enterprises:

The importance of the economic intelligence system is increasing as competition intensifies and technological developments accelerate. The impact of the recent global financial crisis and the high level of inflation in some countries made organizations look for opportunities to support economic intelligence in the business environment, especially in developing countries that were not affected by the financial crisis due to their economic backwardness. Here economic intelligence is important as it protects organizations from external threats and helps them exploit opportunities before competitors and adapt to the new rules of the market. (Abdel Karim, 2012, p. 670)

The importance of the economic intelligence system for small and medium enterprises lies in the mechanism of applying economic intelligence operations and the extent of the institution's success in implementing them, especially since the institution's introduction of the economic intelligence system requires the adoption of a new dynamic in the project and organizational and operational procedures before starting the implementation of the system in order to make it more flexible and responsive to market changes and competitors and increase the effectiveness of its application for the development of the institution, the most important of which are: (Badri, Al-Baroudi, 2014, p. 74)

- Determine the objectives of the institution to be achieved transparently, accurately, objectively and professionally and within the framework of the institution's development strategy.
- Updating the relations between the integrated units of the institution and the levels of the administrative pyramid.
- Changing the work environment, work relationships, operational functions, and technology.
- Identify and understand the means and methodology by which the information was collected and how to distribute it within the project and know and in line with the types of information and administrative levels in the project.
- Clarify the importance of the economic intelligence system for small and medium enterprises and at the macro level and in its economic social, political, and technological dimensions.
- Supporting and promoting the owners of small and medium enterprises and senior management to implement the economic intelligence system and through training



and qualifying workers and increasing their knowledge of information and communication technology, adopting the principle of teamwork and activating dialogue and communication.

- Supporting and developing scientific and technological research, and providing the necessary resources and support for knowledgeable and highly skilled individuals, while assigning them the task of supervision, monitoring, and follow-up.

- Develop and apply the economic intelligence system in the project and through several interconnected and sequential stages and in a flexible manner that helps to adapt and develop, in order to enhance the efficiency of implementation, it can be applied at different levels.

II. Small and medium enterprises and the place of economic intelligence in them:

Finding a unified concept for small and medium enterprises has found it difficult for researchers due to the differences between small enterprises and large enterprises, and the overlap between them, as what is a large institution in one country can be considered a small institution in another country and vice versa, and this is due to the fact that the economy led to these problems as well as to the stairs of growth. And the countries of the country are from the other countries.

1. What are small and medium enterprises?

There are many definitions that dealt with small and medium enterprises, but they differ from one country to another according to the criteria on which they are defined, there are different criteria, including: the number of workers, capital, turnover, value added and other criteria, and two or more criteria can be combined.

1.1. Definition of Small Business Administration:

The Small Enterprises Authority of the United States of America considered in 1953 that the determining and basic factor in the definition of small and medium enterprises is the method of management, in other words, small and medium enterprises are enterprises that are freely managed, owned by the manager, and that dominate the market. (Kerrouche, Amri , 2016)

1.2. European definition:

The European Union defines a small and medium institution as any institution with fewer than 250 workers and a turnover not exceeding 40 million European monetary units, or a total balance sheet not exceeding 27 million European monetary units that is not itself owned by 25% by another institution that does not meet these criteria. where we find that it relied on the criterion of three Turnover, total budget and independence of the institution, April 1996. (El Quinai, 2019, p. 137)

1.3. Algerian definition:

The definition of small and medium-sized enterprises is based on the definition contained in Law 01-18 of December 12, 2001, which stipulates the following: "Small and medium enterprises, whatever their legal nature, are defined as an enterprise producing goods and/or services employing from 1 to 250 persons, whose annual turnover does not exceed two billion dinars or whose total annual



proceeds do not exceed 500 million dinars, and meeting the criteria of independence". (Algerian Official Gazette , 2001, p. 05)

In this definition, the Algerian legislator combined the criteria of the number of workers and the number of turnovers, as well as the criterion of independence, i.e., the contribution of external parties does not exceed 25% of it. This concept was considered a reference for all assistance and support programs and measures for these institutions and for the preparation and processing of statistics related to the sector.

However, this definition has changed according to Law 17-02 dated 11 January 2017, which states the following: " Small and medium-sized enterprises, regardless of their legal nature, are defined as enterprises engaged in the production of goods and/or services, employing from 1 to 250 individuals, with an annual turnover not exceeding DZD 04 billion or a total annual turnover not exceeding DZD 01 billion, and meeting the criteria of independence ". (Algerian Official Gazette, 2017, p. 05)

For the purposes of this Domestic Law, we mean any institution that does not own a capital of 25% or more by an institution or group of other enterprises that do not meet the definitions of small and medium enterprises. The legislator has adopted the following classification of small and medium enterprises.

a. Small Enterprise: It is an enterprise that employs between 10 to 49 individuals, and its annual turnover does not exceed DZD 400 million or its total annual turnover does not exceed DZD 200 million. (Algerian Official Gazette, 2017, p. 06)

b. Medium Enterprise: It is an institution that employs between 50 and 250 people, and its annual turnover is between 400 million Algerian dinars to four (4) billion Algerian dinars, or its total annual proceeds are between 200 million Algerian dinars to one billion (1) Algerian dinars. (Algerian Official Gazette, 2017, p. 06)

The official Algerian definition of small and medium enterprises can be summarized in the following table:

Table 1: « Classification of small and medium enterprises »

<i>Criteria</i>	<i>Number of employees</i>	<i>Annual business registration number</i>	<i>Annual revenue</i>	<i>Independence</i>
<i>Type of institution</i>				
Small	From 10 to 49	Less than 400	Less than 200	Does not own its capital by 25% or mor, controlled by another institution or a group of other institution.
medium	From 50 to 250	400 million to 4 billion	200 million to 1 billion	

Source: Prepared by the two researchers based on the Algerian Official Gazette.

2. Characteristics of small and medium enterprises:

The industrial revolution in Europe relied in its beginnings on small and medium enterprises, whose number of workers often did not exceed 20 workers, and the spread of this type of institution continued until the emergence of large institutions, but this did not reach the small and medium enterprise because of its characteristics that distinguish it, the most important of which are as follows: (Razzaz, 2017, p. 166)



- It has a limited number of users and does not require substantial capital investment.
- Small and medium enterprises enjoy independence, as they are not subsidiaries of other institutions and do not have branches. They make their decisions freely.
- The owner or owners of the enterprise are usually the managers or shareholders, and often the employees are close associates. This is why small and medium enterprises are characterized by personalization.
- In Algeria, the founder or founders of these institutions are mostly young people, because Algeria has only recently encouraged the establishment of small and medium-sized enterprises, and one of the conditions set for benefiting from assistance is that the founder must not exceed 35 years of age within the framework of the Agency for Youth Support and Employment and up to 50 years in the National Unemployment Insurance Fund.
- Its organizational structure is characterized by flexibility and allows for quick decision-making.
- Functions and responsibilities are not precisely defined, as the same person can perform multiple functions, and multiple individuals can perform the same function.
- Statistics indicate that the majority of entrepreneurs have professional experience in the sector of the enterprise they establish, whether through education or vocational training, which is not necessarily high-level.
- Its capital is small, and it varies from activity to other, and it also suffers from a lack of alternatives to finance and the difficulty of obtaining loans from banks due to the lack of annexation.
- It tends towards outsourcing as one of the forms of partnership between it and large enterprises, enabling it to continue and achieve its business turnover, covering costs and achieving the profits.
- Small and medium enterprises tend to be more specialized than large enterprises in certain activities.
- Small and medium enterprises are funded by their own resources and can also receive subsidies and assistance from the government through specific programs.

3. The importance of small and medium enterprises in economic and social development:

Small and medium enterprises occupy an important place in contemporary economies because of their importance in stimulating the economy, achieving structural development and promoting technological innovations. It plays an important role in combating unemployment as well. Small and medium enterprises are able to develop and grow into large enterprises in the future, and they are considered one of the keys to continuous economic development.

3.1. The importance of small and medium enterprises in the economic aspect:

a. Contribution of small and medium enterprises in attracting and mobilizing savings:

Small and medium enterprises are considered one of the areas of attracting savings and converting them into investments in various sectors, as they contribute to providing new jobs, based on the fact that they depend mainly on limited capital, which is an element to attract small savers because their small savings are sufficient



to establish these institutions, and on the other hand, they are compatible with the preference of small savers who do not tend to participate that does not enable them to directly supervise their investments. (Kerrouche, Amri , 2016, p. 09)

b. Contribution of small and medium enterprises to the development of exports:

Small and medium-sized enterprises play an active role in the development of exports due to several factors that earn goods and the blood provided by these export enterprises, including:

- Products of small and medium enterprises typically showcase the craftsmanship that receives acceptance and popularity in foreign markets.
- The dependence of small and medium-sized enterprises on labor-intensive productive arts, which reduces the cost of the unit produced and thus acquires a competitive advantage in export markets.
- The transformation from one market to another and from one market to another to the decrease in the volume of the in the short term.

c. Contribution of small and medium enterprises to achieving industrial integration:

Small and large enterprises compete in markets, but complementarity is necessary to drive development forward. Large enterprises control high-capital-intensive activities, while small and medium enterprises outperform activities that do not require large volumes for various reasons. The complementary relationship between them takes direct or indirect forms. (Kerrouche, Amri , 2016). Large industrial enterprises need integration with small enterprises to support their production and meet their needs. Usually, no factory can produce all the components of its product 100%, so it collaborates with small and medium enterprises to obtain components and services that support the production process. For example, in the automotive industry, they use hoses, batteries and small parts from small enterprises, thus benefiting from the feeder and intermediate industries provided by small and medium enterprises.

3.2. The importance of small and medium enterprises in the social aspect:

The goal of the development of small and medium enterprises does not stop at bringing about independent economic development, but rather at achieving comprehensive development, spreading industrial awareness and breaking free from the traditional methods of production that have haunted rural communities for long periods. We will discuss the importance of small and medium industries socially, the most important of which are:

a. The role of small and medium enterprises in providing employment: Due to the characteristics of small and medium enterprises, including that they depend on labour intensity, gave them a key role in eliminating unemployment because they contribute significantly to the creation of new job opportunities. Small and medium enterprises contribute to an effective role in providing job opportunities, as they are considered one of the most important economic sectors that create new jobs, as they exceed even large industrial enterprises in this field, despite their small size and modest capabilities, and this role resonates widely in developed and developing countries, with the need to increase unemployment rates, small enterprises are the



most able to eliminate a large part of the unemployment. (Kerrouche, Amri , 2016, p. 10)

b. The role of small and medium enterprises in meeting the needs of consumers:

Small and medium enterprises play an important role in meeting consumer needs, providing some goods and services that large enterprises may not be interested in but are necessary. In recent years, the economy is witnessing a shift from large to small enterprises, especially in the service sector, where modern technologies and electronic computers have contributed to increasing the efficiency of small and medium enterprises in production processes.

c. Achieving regional balance Decentralization in Development: Statistical data indicate that small and medium enterprises are geographically more prevalent compared to large enterprises concentrated in large economic regions. Small and medium enterprises can play an important role in achieving development by setting them up in remote regions, absorbing unemployment and stemming the flow of migration from rural to urban. This helps distribute economic activity to the largest geographical areas and reduce pressure on major cities where large enterprises are concentrated.

4. The role of economic intelligence in the development of small and medium enterprises:

The survival of the organization aims to continue and succeed in competition by improving its efficiency and outperforming its competitors, whether by reducing costs and increasing sales or by differentiating products and services based on technical development. Economic intelligence plays an important role in using information, making informed decisions, and adapting to changes in the competitive environment. Organizations rely on advanced information systems and economic intelligence to improve their support, development and sustainability as follows:

- Transitioning from analysing current competition and its past and present behaviours to attempting to study and predict its future behaviours and plans.
- Shifting from studying and reading the past to reading the future and attempting to shape it.
- Transitioning from a follower role to a leader role in the market.

The use of information related to consumer tastes, tendencies and preferences, which is the essence of economic intelligence, which focuses more on understanding customers (customers) and their requirements than on competitors because from his point of view the information gleaned from customers is information that contributes to innovation more than that gleaned from competitors that will confine the organization to a vicious circle of imitation. (Siddiqui, El - Tibi, 2018, p. 421)

Seizing opportunities and avoiding threats makes the organization stronger in achieving its competitive goals, which in turn depend on useful information provided by economic intelligence.



II. Measures to support economic intelligence and the development of small and medium enterprises in Algeria :

Algeria faces development challenges in an era of globalization of the economy and the use of technology. The search for knowledge and information has become essential to improve the competitiveness and continuity of Algerian enterprises. They must use the tools to understand the market, improve its performance, and take advantage of regional and international economic opportunities. Achieving development requires investment in education, skills development and economic cooperation with other countries. (Ministry of Industry, 2023, p. 02)

1.Measures to support the economic intelligence of small and medium enterprises:

1.1. State support for economic intelligence infrastructure:

Algeria is working to implement economic intelligence and competitiveness, but it needs to activate its efforts to meet the challenges. The state should support the policy of economic intelligence by providing infrastructure, a data bank and the training of people to make appropriate decisions for small and medium enterprises. This helps to popularize the concept of economic intelligence and achieve success in Algeria.(Razzaz, 2017, p. 169)

1.2.Creating and disseminating an organizational culture of economic intelligence at the institutional level:

Organizational culture refers to the set of ideologies, philosophies, values, beliefs, assumptions, common trends, and patterns of expectations that characterize individuals in an organization. (El-Braidy, 2006, p. 13)

The organizational culture is an essential component that highlights and defines the identity of small and medium enterprises in order to achieve excellence and continuity in light of unstable circumstances, as the aim of spreading and adopting a culture of economic intelligence in various economic and social circles in Algeria is to stimulate and develop the individual and collective behaviours of various economic actors in a collective framework.

1.3. Strengthening the element of creativity and innovation:

Achieving success and activating the national information system requires mechanisms and bodies capable of collecting and processing information. Workers in small and medium enterprises should be encouraged to develop their capabilities, creativity and innovation to achieve excellence and leadership. R&D activities should be intensified and intellectual and human capital should be provided centered on a culture of efficiency, quality and competition. Innovation and creativity are essential indicators of countries' economic progress.

1.4. Supporting the use of information and communication technology:

With the advancement of digital processing, communication and information technology, communication technology becomes more important. The goal is to keep abreast of the latest developments in this field, as these technologies are considered competitive, and help organizations promote the use of information to improve their performance and competitiveness. (Ben Brika, Ben Al-Turki, 2010, p. 245)

Algeria suffers from a relative lag in the field of economic intelligence, and this is reflected in the culture and behaviour of executives and managers, as well as in the culture of Algerian institutions. Because of this lag, Algerian institutions suffer from a lack of ICT use and a lack of vigilance and intelligence systems. This delay cannot be justified by any acceptable justification, given the existence of new opportunities and threats from competition. (Rahmouni, Bramki, 2018, p. 07)

In addition, partnership agreements with the European Union, entry into the World Trade Organization, and the new regulations governing globalization activities pose some of the greatest challenges that Algerian institutions must engage in global technology.

2.The development of small and medium enterprises in Algeria:

2.1.Distribution of the number of small and medium enterprises. Status on (31/12/2022):

At the end of 2022, the total number of SME was 1 359 803 of which 56% were legal, including 223 public economic institutions (EPE). The rest are natural persons (43.89%), of which 23.83% are craft activities.

Table 2: « Total number of SMEs at the end of 2022 »

	<i>Types of SME</i>	<i>Number of SME</i>	<i>Part (%)</i>
1	Private SME		
	Companies ¹	762 769	56,09
	Natural persons of which ²	596 811	43,89
	Professions	272 726	20,06
	Craft activities	324 085	23,83
	S/Total 1	1 359 580	99,98
2	Public SME³		
	Corporations	223	0,02
	S/Total 2	223	0,02
	Total	1 359 803	100

Source: (Ministère de l'Industrie et de la produit pharmcie, 2023, p. 06)

The following figure shows the distribution of the proportions of institutions

Fig. 1: « Distribution of institutional ratios »



Source. Prepared by the two researchers based on the data of the table 2.



2.2. Distribution of small and medium enterprises by sector of activity:

The total number of private SME at the end of 2022 was 1 359 580. Private SME are concentrated in the service sector (transport in particular), handicrafts and construction (construction in particular).

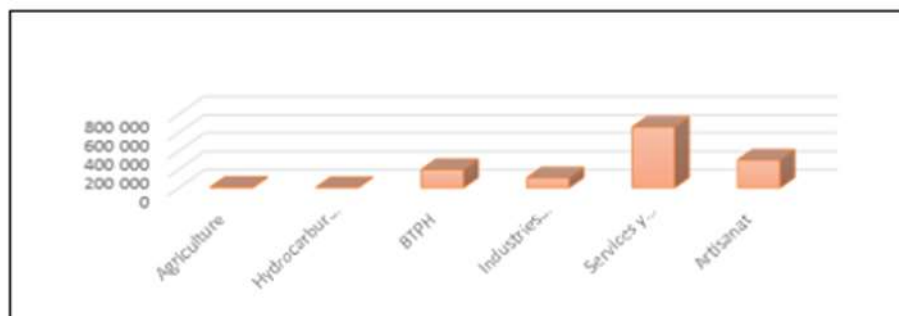
Table 3: « Private Small and Medium Enterprises by Sector of Activity »

	<i>Sectors of activity</i>	<i>Number</i>	<i>Part in (%)</i>
1	Agriculture	8 322	0,61
2	Hydrocarbons, energy, mining and related services	3 369	0.25
3	BTPH	204 438	15,04
4	manufacturing industry	115 921	8,53
5	Services, including the liberal professions	703 445	51,74
6	Crafts	324 085	23,84
	Grand total	1 359 580	100,00

Source: (Ministère de l'Industrie et de la produit pharmacie, 2023, p. 10)

The following figure shows the distribution of projects by sector of activity:

Fig. 2: « Distribution of Private SME by Sector of Activity »



Source: prepared by the researchers based on the data of the previous table

2.3. Evolution of SME (2021-2022):

Overall, the evolution of the number of SME between 2021 and 2022 was 5.71% across all legal sectors, representing a total net increase of 73 438 SME.

Table 4: « Illustrates the evolution of SME (2021-2022) »

<i>Source: CNAS/CASNOS/ECOFIE</i>	<i>Year 2021</i>	<i>Year 2022</i>	<i>Evolution</i>
Overall population of the SME	1 286 365	1 359 803	5.71%

Source: (Ministère de l'Industrie et de la produit pharmacie, 2023, p. 13)

And the following figure illustrates that:

Fig. 3: « the evolution of SME (2021-2022) »



2.4 Evolution of SME by sector of activity:

The sectors where business creation was the strongest between the two years 2021 and 2022, remain those of services with 51.74%, or 703 499 SME, in second place there are craft activities with 23.83%, and in third place there are SMEs in the BTPH sector which represent nearly 15.04% of the total SME.

Industrial SMEs are in fourth place with 115 992 at the end of 2022, compared to 109 991 entities at the end of 2021, an increase of 3.65%.

Table 5: « Evolution of SMEs by Sector of Activity (2021-2022) »

	<i>Sectors of activity</i>	<i>2021</i>	<i>Parts (%)</i>	<i>2022</i>	<i>Parts %</i>	<i>Evolution %</i>
1	Agriculture	8 010	0,62	8 404	0,62	4,92
2	Hydrocarbons, energy, mining and related services	3 243	0,25	3 371	0,25	3,95
3	BTPH	199 331	15,50	204 452	15,04	2,57
4	manufacturing industry	109 991	8,55	115 992	8,53	5,46
5	Services	662 185	51,48	703 499	51,74	6,24
6	Crafts activities	303 605	23,60	324 085	23,83	6,75
	Grand Total	1 286 365	100,00	1 359 803	100,00	5,71

Source (Ministère de l'Industrie et de la produit pharmacie, 2023, p. 13)

3. Algeria's efforts in the field of economic intelligence to support small and medium enterprises:

At an international symposium on economic intelligence on the topic "New Global Challenges and Economic Sovereignty, Economic Intelligence as a Lever for Industrial Recovery", Minister of Industry "Ahmed Zaghdar" stressed the importance of integrating economic intelligence into economic institutions to guide their strategic decisions and help them compete and sustain. The minister announced the preparation of three publications to assist institutions in applying economic intelligence, including the economic intelligence white paper, the anchoring guide and the training guide. These steps will enable Institutions can strengthen their capacities and adapt to changing economic and geopolitical challenges.

3.1. For a strategic plan for economic intelligence (2022/2026):

The design and implementation of the National Strategy for Economic Intelligence requires deep thinking that falls within the theoretical and applied foundations. This is what has been done in the context of this white paper on economic intelligence, accompanied by a formative guide on economic intelligence and a practical guide in order to facilitate its implementation. (Ministry of Industry, 2023, p. 09)



The main objective is to give the country a national vision for economic intelligence, and on this basis, to establish a national system to achieve this vision during this strategic plan 2022-2026. (White Book)

The first directions of this vision can be divided into objectives as follows:

- Building national strategies that integrate economic intelligence around the organization and the like;
- Integrate economic intelligence into the national knowledge economy policy, a model on which development must be based;
- The systematic use of technological tools such as artificial intelligence, which will become de facto necessary with a dramatic increase in the amount of information produced and the volume of data to be processed;
- Creating the necessary conditions in the short term for the production of information, ensuring its dissemination and providing the means to transform it into knowledge;
- Prepare our organization for Industry, which relies more on the knowledge economy. This major trend has already been confirmed in developed countries;
- The establishment of an Algerian school of thought on the subject of economic intelligence through a comprehensive training and administrative research strategy that includes the Ministry of Higher Education and Scientific Research and public and private training structures.

3.2. Challenges of Algerian economic intelligence as a tool for monitoring national and international developments:

a. Economic intelligence in the service of national opportunities: The national and/or global geoeconomic environment is characterized by high instability and uncertainty in the decision-making of socio-economic actors. This situation has reshaped the game of states instead of being economic actors rather than political actors through: (Kashroud, 2023, p. 07):

- Seeking information for a better global geoeconomic and geopolitical situation;
- Intensifying pressure with historical partners and international institutions at multilateral meetings;
- Food and water security as priorities for States through the replenishment and security of strategic food stocks;
- The pursuit of international competitiveness of firms is driven more by States than by firms themselves.

a.1. Economic intelligence to read and follow the government's import substitution policy: The Ministry of Industry participates in the implementation of the policy of substituting imports of industrial products with local production with the aim of improving the trade balance and diversifying exports by increasing non-hydrocarbon exports. Its non-hydrocarbon export targets to a record \$6.7 billion at the end of 2022. The goal is to reach \$15 billion by 2024.

a.2. Reading and monitoring the implementation of the sectoral economic diversification policy: The process of diversification has begun through the Government's Action Programme, which aims to promote investment and encourage



projects. To this end, the industrial recovery policy is aimed at increasing the contribution of industry to GDP to 15% in the coming years.

a.3. Economic intelligence to read and monitor the competitiveness of companies in the markets: Economic intelligence is a lever that is likely to promote the recovery of the national economy by allowing institutions and companies to better understand their environment and support decision-making in the spot market and within the framework of free trade areas (African Continental Free Trade Area - ZELCAF, Arab Free Trade Area) and in the context of trade with the European Union. (Kashroud, 2023, p. 12)

b. Economic intelligence in the service of international opportunity:

b.1. Economic intelligence for a better repositioning of Algeria in the global geoeconomic matrix: Despite the international context of political and economic tensions, a signal with favorable dynamics for Algeria has been revealed. The country (Algeria) can benefit in terms of investment attractiveness and enhance the competitiveness of its companies in regional and international markets.

Monitor the behavior of companies in the face of competition, innovation signals and disruption.

The prerequisite for benefiting from this is to ensure careful monitoring of current developments

b.2. Economic intelligence to better address Algeria's entry into the BRICS: By joining the BRICS, Algeria will enter the Committee of Industrialized Countries by offering a range of products for export. Its economic position will change from a single exporter to a producer of goods, products and services, allowing it to expand its exportable base and reduce its dependence on hydrocarbons. However, it is worth considering:

- Reaching BRICS will pose a challenge to Algeria's social status in terms of the policy of support and assistance to families.
- Access to the BRICS would challenge the prices of energy products and access to investment financing.
- Access to BRICS will challenge the exchange rate policy and the position of the dinar against BRICS currencies.

In conclusion, it is necessary to emphasize the need to master the strategic foundations of economic intelligence as well as analytical methods that allow companies to compete in the markets. This means enhancing the interdisciplinary skills to take charge of these missions.

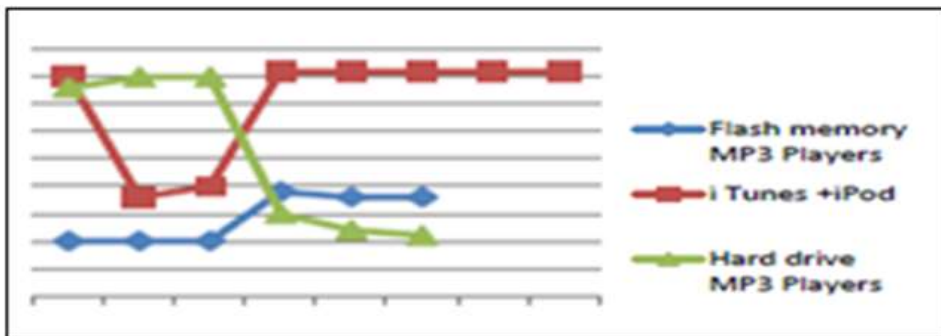
4. Economic intelligence models in the field of small and medium enterprises:

4.1. Models of some experiments:

a. Company Case of Apple: When Apple spotted the trend of illegal online music exchange, it found a direction and an opportunity, as music sharing software such as Kazaa and Napster created huge networks of music lovers who meet online and exchange files around the world but in illegal ways. By 2002, more than 2 billion music files were exchanged online every month. Apple took advantage of this crucial

trend and introduced the new music player (iPod) and launched a website called iTunes to exchange and store music files in agreement with five major music companies (EMI group, BMG) Sony, Universal Music, group, Warner, Brothers Records.). The possibility of downloading music files legally as a result, customers scrambled on the site and music companies and artists won. With (iTunes) they were getting 65% of the prices of downloading songs. In addition, the company provided protection to music companies without restricting customers when it allowed the burning of songs to laser discs by repeating only seven times, which helps to meet the desires of the charges and reduces the risk of piracy at the same time. Nelson Net estimates that Music files downloaded from the iTunes website amount to 70% of the total home files legally in the Internet market, so Apple was able to create a competitive advantage for digital music through the art of innovative strategic marketing (Obeidat, 2021, p. 446)

Fig. 4 : « Value curve of a company Apple (i Tunes +i pod) »

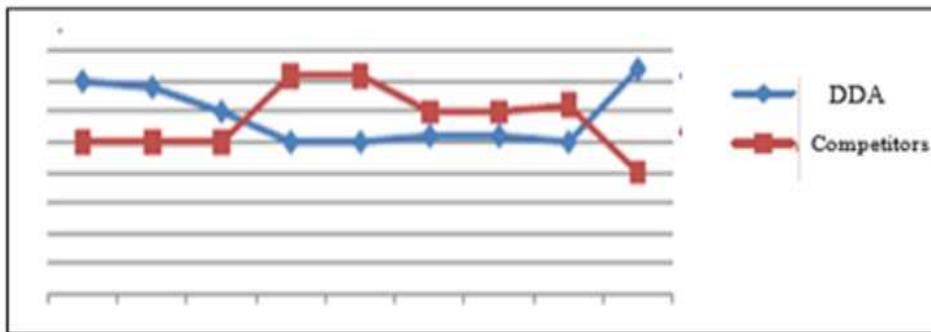


Source (Obeidat, 2021, p. 447)

b. Case of DDA, Danone Djurjura Algeria: The dairy products sector in Algeria, in which competition has intensified since any twenty-first century, especially with the increasing number of actors in the sector, whether local or international, has led to radical changes in the rules of the competitive game, and among the actors in this sector that have restructured the rules of the competition game mainly in its favor by initiating many radical measures is Danone Djurjura Algeria (DDA).). To better understand the competitive dynamics in this industry, researchers Nawal Shama and Nawara Belfoul analyzed the evolution of the strategic move from 2002 to 2003 by illustrating the company's method of stopping playing with competitors' rules, which is to create new demand and create a new strategic space. The sector and building a new competitive path through four tracks: innovation, elimination, increase and reduction, which are a set of critical elements for value innovation in the sector . (Obeidat, 2021, p. 447). Thus, the company has created a new market and created new demand through:

- Creating healthy products.
- Delete the use of plastic bag packaging and distribution .
- Increase the quality of products and develop products at reasonable prices for the middle class of society and marketing .
- Price reduction and diversification of product range and packing.

Fig. 5 : « Value curve of Danone Djurjura Algeria (DDA) »



(Obeidat, 2021, p. 448)

4.2. Models of some countries:

a .United Kingdom: The evolution of business intelligence in the UK is the result of the active role of private offices looking for Large enterprises, among the most important offices that aim to promote economic intelligence in small enterprises And medium we mention:

- Business Links: It is an organization for informatics, guidance and guidance for the benefit of small and medium enterprises, and answering the usual questions of these enterprises in an immediate and fast way.

- UK Trade and Investment: It is a governmental organization to manage trade advisers in the Kingdom's embassies, the organization guarantees basic and operational information to institutions about economic vigilance and foreign markets, and with the establishment of regional development agencies, the main service provided to institutions has become to provide support to facilitate and promote exports.

b. Japan: The search for information has been included in the section of the Japanese Society since 1968, "We will not stop collecting information in the world in order to tighten control", so Japan is the cradle of economic intelligence, where we have built a real strategy to share knowledge and technology obtained from different countries of the world. All EI support bodies in Japan work in coordination with the government (Ministry of Economy, Trade and Industry), and SMEs are no different in terms of support, stimulating innovation and benefiting from export incentives.

c. USA: In the United States, economic intelligence in SMEs focuses on export promotion and support, with the Foreign Trade Administration providing a special training and general information program for SMEs. The importance of this support has increased as competition from Chinese products has intensified. In addition, it can be said that large enterprises in the United States have been more likely to implement economic intelligence programs and benefit from support, while economic intelligence support for SMEs is focused on providing financial and fiscal support. and improve production and export conditions.

**Conclusion:**

Recent years have witnessed rapid, successive and profound global changes in their effects, as the global economy has turned into a small village on the board of the parties to the technology revolution and information and the expansion of areas of competition between business organizations at the local level. and international.

In light of these developments and challenges, small and medium enterprises have found themselves forced to keep pace and search for ways to ensure their survival and continuity. Economic intelligence is one of the effective ways to manage the risks faced by an organization. It serves as a tool for fostering innovation and competition, and it assists in building effective strategies that enable the organization to confront the risks and challenges of tomorrow.

In addition to the above, the intelligence of the economic sector provides the information and knowledge of the manufacture of the resolution. In the context of the transformations of the knowledge economy to the extent that it has become a mechanism for governments, organizations, universities, etc., to support and shape decision-making processes.

Results: Through our research, we have reached a number of results that can be summarized as follows:

- Economic intelligence is a modern means and an important element of enterprise competitiveness in an environment characterized by uncertainty.
- Economic intelligence is based on the management of information in light of the development of information and communication technology.
- The analysis of the organization of its environment by means of the Eddy is essential to build a strategic vigilance system with all its components and gives the institution the ability to influence the environment.
- Economic intelligence gives the organization the ability to make the right decisions in turbulent conditions and makes it able to attack and defend at the same time.
- These above-mentioned measures are an important step towards consolidating economic intelligence because of the advantages and information they provide that will support small and medium-sized enterprises and assist them in several areas, as well as contribute to the rehabilitation of Algerian enterprises and improve their competitiveness in international markets.

Propositions: And for the sake of the use of the economic intelligence, to address the lag in implementing its mechanisms at the national and institutional levels, it is necessary to:

- ✓ The state must intervene in providing the necessary information and legal base to push small and medium enterprises to adopt the economic intelligence system, since these institutions are unable alone to provide this base, by providing tax incentives to small and medium enterprises that promote a culture of information exchange to achieve economic intelligence within their organizations.
- ✓ Organize and revitalize the information system in the small and medium enterprise sector as it is considered a vital and effective element for planning and decision-making.



- ✓ Encourage small and medium enterprises to produce scientific and technical databases and data banks and prepare reports on an ongoing basis within them, allowing all its departments to be able to do so. By relying on methodological and technological tools.
- ✓ Encouraging the state to organize seminars, forums, training courses, and partnership between universities and institutions with the aim of training the institutional cadres of its competencies.

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