

Women entrepreneurship in Algeria : overcoming challenges, acquiring support, and empowerment المقاولة النسائية في الجزائر بين مجابهة العراقيل وتحصيل الدعم والتحفيز

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ملخص:

تشهد الساحة الاقتصادية مؤخرا حركية كبيرة فيما يخص المقاوالاتية بشكل عام والمقاوالاتية النسائية على وجه الخصوص وذلك قصد المشاركة في دفع عجلة التنمية الشاملة والمساهمة في الانتعاش الاقتصادي للبلاد وهو التوجه والمسعى الحثيث للقائمين على القطاع الاقتصادي نحو تجسيده في الميدان نظرا لما يتوفر عليه من آفاق كبيرة وواعدة في المجال الاقتصادي، وعليه تهدف هذه الورقة البحثية لمناقشة واقع المقاولة النسائية في الجزائر من حيث التشجيع والدعم والعراقيل التي تواجهها هذه الاخيرة.

الكلمات المفتاحية: المقاولة، المقاولة النسوية، آليات الدعم والتحفيز.

Abstract:

Recently, there has been significant activity in the economic sector, particularly in entrepreneurship in general, and specifically in women entrepreneurship. This is aimed at contributing to comprehensive development and economic revitalization of the country. It represents the persistent pursuit and aspiration of those involved in the economic sector to materialize their objectives in the field, considering the significant and promising prospects it offers in the economic domain. Accordingly, this research paper aims to discuss the reality of women entrepreneurship in Algeria in terms of encouragement, support, and the obstacles faced by these entrepreneurs.

Key words: Entrepreneurship, Women Entrepreneurship, Support and empowerment Mechanisms,

Introduction:

Entrepreneurship has emerged as one of the key drivers in both the local and global economies. Entrepreneurship, in general, and women entrepreneurship, in particular, have garnered significant attention from economic and social actors due to its achievements in the investment field. Which have made it one of the most crucial sources and means of sustainable development, for it offers employment opportunities. Recognizing the effectiveness of women's participation in the workforce, stakeholders in the construction sector, post-independence, realized the urgent need for women's involvement as an essential requirement for national development. Recently, women's issues have gained international prominence, expanding beyond women's movements and civil society, calling for concerted efforts to promote women's advancement and their active presence in society as one of the fundamental elements underlying development in various communities. As a result of the long journey women have undertaken in the struggle for their progress, this contemporary phase has become largely independent in terms of direction and oversight.

Consequently, Algeria has implemented urgent and diverse reforms to promote women, especially in the entrepreneurial field (finance and business). This includes the approval of agreements to eliminate all forms of discrimination against women, most notably the CEDAW convention, which came into effect in 1981 and was ratified by Algeria in 1996. The convention aims to integrate women into the fields of education and employment effectively by allocating financial resources and administrative facilitations to support women's advancement projects wherever they may be.

First : problem Statement

What is the reality of women entrepreneurship in Algeria in terms of support, empowerment, and the obstacles faced by these entrepreneurs?

1. **the Study objectives:** The study highlights its objectives through the following aspects:

- Analytical presentation of the concept of entrepreneurship and women entrepreneurship, along with the key definitions relevant to this field.
- Presentation of the main supportive mechanisms for women entrepreneurship in Algeria, including programs and projects.
- Examination of the implementation of these programs in practice (results recorded in the field).
- Identification of the significant obstacles facing women entrepreneurship in Algeria.

2. Study Sections:

First Section: Conceptual and Theoretical Framework of women Entrepreneurship.

Second Section: Presentation of the Reality of women Entrepreneurship and Support Mechanisms for women businesses

Third Section: Understanding the overall obstacles faced by women entrepreneurship.

Second : conceptual Introduction:

In recent times, entrepreneurship has garnered significant attention, becoming a common concept among many specialists and stakeholders in various fields. It is considered a fundamental axis and a tool for advancing national economies. Therefore, we will first delve into the concept of entrepreneurship and then focus on women entrepreneurship.

1. Entrepreneurship :

Entrepreneurship entails striving for innovation while organizing and reorganizing economic and social mechanisms to utilize specific resources. It also involves assuming risks and accepting failure. It is a path that works towards creating something different, generating value by dedicating necessary time and work, along with bearing financial, psychological, and social risks associated with it, all while achieving financial and personal satisfaction.

Peter Ferdinand Drucker, one of the pioneers who introduced the concept of entrepreneurship, mentioned it in 1985 by referring to the shift in modern economics from management economics to entrepreneurship economics. **Peter Drucker** defines entrepreneurship as "the act of innovation that involves viewing change as an opportunity to give currently available resources the ability to create new value." Meanwhile, **Bruch** defines it as "a set of activities that focus on attention, providing opportunities, meeting needs and desires through innovation and establishment." **Dollinger** defines it as "the process of creating an economic organization to achieve profit or growth under conditions of risk and uncertainty."¹

Alain Fayol defines entrepreneurship as a "special case in which economic and social wealth is created, characterized by non-routine and stable aspects, i.e., the presence of risk, integrating individuals who should have a behavior based on accepting change, shared risks, and taking initiative and individual intervention."² Some believe that There are two ways to define entrepreneurship:

- First, it can be seen as an activity or a group of activities and processes that involve establishing and developing an enterprise or, more broadly, creating an activity.
- Second, it can be seen as an academic discipline, explaining the environment and the process of creating wealth and social formation through individual risk-taking.

2. Women Entrepreneurship:

This concept is not defined independently of entrepreneurship as a whole. However, it can be defined as "every woman who tries to establish and create an activity on her own or with a partner, whether using her own resources or provided resources." The female

entrepreneur refers to a person who takes on the financial risks of establishing or acquiring an organization and manages it in a creative manner by developing new products and entering new markets. The term "entrepreneurship" includes the following: women engaged in entrepreneurial professions, independent women who control decisions and manage their own businesses, and women who have established innovative and creative enterprises.

Therefore, women entrepreneurs refer to any woman who has seized a market opportunity or has the ability and creativity to transform her ideas into a project, regardless of its size. She is dedicated to its success, development, and bears the associated risks, as well as contributes to its daily management.⁴

Therefore, a female entrepreneur is a woman who possesses qualities and characteristics that enable her to take the risk of conducting business for her own account. She is the woman who possesses a risk-taking spirit, assumes responsibility, deals with flexibility and skill in organization and management, and is confident in her abilities and potentials. Her goal is success and excellence.⁵

Third : Characteristics of Female Entrepreneurship:

In recent years, entrepreneurship has received increased attention due to its significant role in the economic life. Women entrepreneurship is essential in improving the living standards of families, creating employment opportunities, developing exports, directing activities in development areas, highlighting women's potential in entrepreneurship, considering them as economic clients. Their role focuses on creating projects that fall within the economic cycle, either in manufacturing or services, as they are creative in responding to environmental variables (internal and external environment). Thus, their activities involve innovation and introducing new forms such as new products, new markets, and new production methods.⁶

The Deputy Director-General of UNIDO emphasized the importance of rural women as active participants in economic and social development. They ensure food security and nutrition, eradicate rural poverty, improve the well-being of their families, and yet they face serious challenges.⁷

Several studies have identified the characteristics of women entrepreneurship. These characteristics focus on the personal qualities of the female entrepreneur, the nature of the activity or the type of institution she manages, as well as their entry into the field and how they obtain deals and investments in the economic environment. The most important characteristics of female entrepreneurship include:⁸

1. The characteristics of female entrepreneurs are generally determined by the following:

- Often, women enter the field of entrepreneurship after a long period of unemployment due to their family commitments or difficulties in establishing their own projects.
- They are often less efficient than men in managing projects, especially in financial and managerial aspects.

2. Regarding the distinguishing characteristics of institutions:

- Managing institutions led by female entrepreneurs tend to be smaller and younger compared to those owned and operated by male entrepreneurs. They also have fewer employees, less exposure, and lower sales.

3. Distinctive characteristics of the management methods employed include:

- Female entrepreneurs prefer management approaches that are simple and encourage participation in decision-making and information sharing.
- Most female entrepreneurs prioritize personal and social goals, which means their efforts are usually divided between their projects and family commitments.

Fourth : Supportive institutions and projects for women entrepreneurship include:

1. Encouragement programs and initiatives:

Algeria has adopted several important programs to support female entrepreneurial activities, acknowledging the active role of female entrepreneurs in job creation and reducing unemployment rates. These programs aim to enhance the well-being of female entrepreneurs and their families, making them active contributors to society.

Key programs include:⁹

- Collective Needs Activities Program: This program aims to facilitate the professional integration of young job seekers. Female participation in this program reached 48.9% in 2005.
- Social Integration Program for Graduates: This program is designed to provide university graduates with professional experience. The female representation in this program is 65% of the total percentage.
- Training Enhancement Program for Women: This program aims to address the concerns of female entrepreneurs and assist them in achieving their projects, such as opening vocational training institutions for stay-at-home women.
- Rural Women Development Program: This program focuses on 9,000 local projects in rural development, aiming to improve the living and cultural standards of 100,000 rural families in the agricultural and traditional industries.
- Expanded State Strategy for Women's Development and Entrepreneurship Promotion: This strategy focuses on increasing support for women, accompanying them, removing obstacles, and facilitating their path to success.
- Working Women Charter Project: This project, issued on 11/10/2015, aims to facilitate professional tasks for women, considering their family commitments, and enhance their positions in leadership and decision-making roles, whether in the public or private sectors.
- women entrepreneurship Promotion Project 2016: This project, initiated by the National Council for Family and Women, seeks to enhance the contribution of female entrepreneurs to economic development, eliminate unemployment issues, and promote an entrepreneurial culture among women.

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- **National Plan to Promote Gender Equality 2017/2021:** This comprehensive project, overseen by the Ministry of National Solidarity, Family, and Women's Affairs, includes various key aspects, such as organizing vocational training courses through joint committees and ensuring its implementation in the field.
 - **Special Award for women entrepreneurship:** This initiative serves as a motivational mechanism for innovation and female entrepreneurship. It was announced by the former Minister of National Solidarity and Women's Affairs, demonstrating the sincere intention to support and accompany female entrepreneurs using all available means. This award is granted annually to outstanding female entrepreneurs in practical fields.
 - **National Caravan to Encourage women entrepreneurship:** Similar to the Special Award, this event was specifically organized for female entrepreneurs and pioneers in the business sector. It aims to create successful female role models, support their projects, and foster competition in the field of female entrepreneurship. The caravan includes exhibitions and forums where numerous successful models from various sectors, such as agriculture, culture, trade, crafts, and art, participate. It offers encouraging prizes, such as financial loans, to improve the participants' projects.

Fifth : Mechanisms of Costly Support (Funds and Institutions)

Algeria has undertaken efforts to develop women's entrepreneurship by establishing a group of specialized entities in this field, referred to as support mechanisms. These state-created entities target the small investment sector, including small and medium-sized enterprises, as well as the youth category. In addition, there are some non-governmental financial institutions among these mechanisms, including:

1. National Agency for Youth Employment Support (ANSEJ):

This agency was established by Executive Decree No. 96-296 dated 09/08/1996. It operates under the authority of the Prime Minister, and the Minister responsible for employment oversees its operational activities. It is a national body with a special character, enjoying legal personality and financial independence. Its aim is to encourage all formulas that contribute to revitalizing the youth employment sector through the creation of small enterprises for the production of goods and services (SEED).

2. National Agency for Investment Development (APSI):

APSI was established as a government agency under the supervision of the Prime Minister, based on the Investment Law issued in 1993. Since the issuance of the Investment Law in August 2001, APSI replaced the Promotion and Monitoring Agency for Investment. The establishment of this agency is stipulated in Article 7 of the Investment Law, which states that an agency for promoting and monitoring investments is created under the Prime Minister. APSI aims to enhance investment in Algeria and promote a favorable environment for investment.¹⁰

3. Guarantee Fund for Small and Medium Enterprises Loans (FGAR):

The fund was established by Executive Decree No. 02-373 dated 11/11/2002 with the aim of guaranteeing the necessary loans for investment that small and medium-sized enterprises must undertake, as specified in Law No. 01-18 dated 12/12/2001, which includes the guiding law for promoting small and medium-sized enterprises.¹¹

4. National Agency for Microcredit Management (ANGEM):

The Microcredit Institution was established by Executive Decree No. 04-14 dated 22 January 2004. It provides financial services that align with the needs of citizens who are not eligible for bank loans, particularly those without income, individuals with unstable income, the unemployed, or those engaged in informal sectors. Its benefits include :

- interest-free loans of up to 29% of the total project cost.
- training programs, and development of expertise in the field of entrepreneurship and establishing micro-enterprises.
- The program also ensures monitoring of projects and activities carried out by women entrepreneurs in accordance with agreed-upon conditions between the agency and the project owner. In addition, it establishes ongoing relationships with banks within the financial structure of women-led projects, implements financing plans, and monitors project progress. The program seeks to enter agreements with institutions or organizations involved in media or awareness activities. One of the significant initiatives of the National Agency for Microcredit Management is the National Meeting held on February 26-27, 2015, under the theme "Microcredit Institution: Achievements and Prospects." This meeting aimed to evaluate the agency's plan, study issues related to microcredit institution implementation, enhance decentralization mechanisms, and bring support services closer to women entrepreneurs.¹²

5. Technological Incubators:

Technological incubators are collaborative units between science parks, which are knowledge-based centers for university members and students, and industrial enterprises, commercial companies, and other service entities. These science parks, through their members and students, aim to develop the capabilities of these institutions and companies and open new avenues for joint intellectual work and investment. These parks also include what is known as technological incubators, which are dedicated spaces for entertainment institutions that develop new knowledge and university research and bring them to the market as new and distinctive products or services.¹³

6. Nursery System and Facilitation and Support Centers for Institutions

The system of incubators and facilitation centers for enterprises aims to support and manage the conditions for launching businesses. It involves developing and providing temporary accommodation facilities, as well as offering essential services such as

communication tools and others. These incubators take three forms: nurturing workshops, business hotels, and others.

7. Industrial handling:

It is a financially supported entity by the United Nations Industrial Development Organization. The first handling exchange was established with funding from the United Nations program. Thanks to this initiative, 600 small enterprises have been integrated into the global markets, aiming to enhance the fabric of small and medium-sized projects.¹⁴

Sixth : The Reality of Women Entrepreneurship in Algeria

Women's presence in the workforce in Algeria is diverse across various sectors, but the majority of female activity is concentrated in the services and trade sectors. Although women also compete in other sectors, it is often challenging. Recent statistics indicate that there are 142,000 female entrepreneurs, 132,000 female traders, and 10,000 female managers. Furthermore, women constitute 8.5% of the construction sector, while retail trade in food products accounts for 16.8%. The clothing, jewelry, and cosmetics sectors make up 10.5%, 7.6%, and 5.5% respectively for private services and media and advertising services.¹⁵

The National Support Fund for Entrepreneurship (CNAC) is one of the most important funded funds for women entrepreneurship projects. However, the contributions of female entrepreneurs in several fields remain minimal or exclusive to men due to physiological and social considerations. The Director-General of the National Employment Agency stated in the first edition of the International Forum on Algerian Women in Entrepreneurship that the participation of women in entrepreneurship is still weak compared to other countries worldwide. According to the National Statistics Office, there are 400,000 employed and active women in self-employment, while more than 814,000 women, representing 39% of the total registered with the Employment Agency, are mostly first-time job seekers.

The Director-General also mentioned that 54% of registered women with the agency are university graduates, and 22% have graduated from vocational training centers and institutes. This percentage has been slowly increasing compared to the post-independence era when the percentage of women among the active population did not exceed 5.2%. Today, it has exceeded 19%. Moreover, the level of active women in the entrepreneurial field has improved, with a majority of them being university graduates.¹⁶

Seventh : Challenges and Difficulties

The reality of women entrepreneurship in Algeria shows that their representation remains low, despite recent developments. Women entrepreneurs are mainly concentrated in the textile, traditional crafts, and services sectors, with a gradual shift towards the industrial, import-export sectors. Available figures, although lacking

precise statistics, indicate that female entrepreneurs in Algeria represent only 6% of the total. This can be attributed to various obstacles, including:

1. **Social Difficulties:**

- Male-dominated societal norms hinder women's entrepreneurial pursuits due to paternalistic hierarchy and traditional structures that limit women's opportunities compared to men.
- Societal restrictions often hinder women's capabilities and aspirations, such as travel, participation in the workforce, and education.
- Balancing family responsibilities and work can be challenging for women.

2. **Stereotypical Image and Lack of Trust in Women's Management Experience:**

- Women often face a lack of trust in their abilities and success as entrepreneurs. This lack of confidence affects their access to financing and support from banks and other institutions, fearing they may not repay their debts on time.
- Women tend to have limited networks, particularly with employers and company executives, which hinders their access to funds and business opportunities.
- Difficulties in navigating administrative procedures and bureaucratic obstacles to obtaining administrative facilitations for their projects.
- The scarcity of successful female role models discourages women from entering the entrepreneurial field and benefiting from their experiences and expertise.

Conclusion:

Women entrepreneurship in Algeria has made significant progress, thanks to the efforts made by the government to provide resources and facilitations for women's participation in the economy, despite the competition faced from male entrepreneurs. It is evident that women have been able to establish their presence and achieve satisfactory results, reaching leadership positions in sectors such as commerce and handicrafts. However, they have not yet reached the desired level due to various obstacles and difficulties, particularly social and administrative barriers that both genders face in the field of entrepreneurship in our country.

Recommendations:

- Paying more attention to the concerns of women entrepreneurs and addressing the problems they encounter, including financial, administrative, and logistical challenges.
- Increasing opportunities for women in various fields of entrepreneurship by diversifying investment sectors, especially in industries and technology.
- Developing supportive mechanisms through programs and initiatives that encourage and support women entrepreneurs in improving and developing their projects.
- Valuing the role of women entrepreneurs by providing incentives such as awards, supportive programs, and financial loans.

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