Corporate Social Responsibility CSR: Interests and challenges for Algerian startups

CHADLIA Amel

Higher School of Management and Digital Economy - Kolea (Algeria),
LEREN laboratory, achadlia@esgen.edu.dz

Abstract:

CSR has recently emerged as an essential concept for assessing the extent to which sustainable development is integrated into the strategy and core mission of startups.

In this article, we investigate the challenges at stake and the expected interests of integrating CSR into the strategy of Algerian startups established under Ministerial Decree 1275, irrespective of their sector of business. We have demonstrated that the founders of these businesses have sufficient awareness of CSR practices as a factor in economic development and prosperity through an empirical analysis of a sample of 26 Algerian entrepreneurs, explaining their high level of dedication. Regarding the projected impact of incorporating CSR into the early stages of startup formation, we noticed that project managers had a 'high' anticipation of these practices having a positive and significant influence.

Keywords: CSR, sustainable development, startups, global performance, competitiveness.

JEL Classification : L25, M14, Q01.

1. Introduction:

CSR is an approach to improving industrial performance that has seen widespread success since its inception. According to this perspective, the businessmen's role is to manage society's economic units, with a broad obligation to the community in terms of economic development and public well-being (MEHIRIG & DRID, 2022).

The dynamic and complex economic environment that exists today in Algeria offers a great opportunity to examine how CSR is implemented into the business plans of Algerian startups. A CSR approach must now be integrated due to Ministerial Decree No. 1275 of September 27, 2022, which outlines the "a diploma/a startup" mechanism. The decree encourages graduates of institutions of higher education to launch their creative ideas into startups.

The major industrial and economic developments of the 20th century have prompted a search for new management systems capable of improving the performance and competitiveness of companies, particularly startups. Corporate Social Responsibility (CSR) has been gradually integrated into companies in Algeria, as in other emerging countries, since the end of the 1990s, especially through the adoption of major international standards. [United Nations Guiding Principles]. However, the implementation of CSR by companies, particularly by startups, remains below expectations. The increasing complexity of supply chains, as well as society's rising expectations of corporate responsibility, are driving new approaches to strengthening the upstream integration of CSR into corporate strategy and its effective application, while taking into account all the challenges that prevent it from working properly, whether in economic, social, or environmental terms.

1.1. The problem of the study: Several studies have been conducted to investigate the impact of incorporating a CSR approach on improving company performance. In our work, we are interested in the importance of CSR practices as a key sustainability factor for a startup. Through our empirical study, we aimed to connect these practices to the characteristics of the Algerian startup on the one hand, and to the concepts of growth and expected performance on the other hand. This was done to measure or assess their level of commitment to such an approach from the early stages of creation.

On the basis of the above, we pose the following problem:

What are the challenges and prospects for integrating CSR into the strategy of Algerian startups from the outset?

1.2. Research hypothesis:

In order to answer our question, we put forward the following hypotheses:

H1/ Project leaders have sufficient knowledge of CSR practices

H2/ The degree of integration of CSR practices by Algerian startups in their early phase is "High".

H3/ The expected impact of CSR practices on the overall performance and competitiveness of the Algerian startup is "positive".

1.3. Research objectives:

Our study aims primarily to check the awareness of the importance of integrating CSR practices into startup projects under Ministerial Decree No. 1275, and to identify the CSR practices that will be implemented by these new startup projects launched by students. To do this, we have operated a database containing answers to a questionnaire that we have distributed as part of this survey.

1.4. Importance of the research topic:

The economic and health crises would be an opportunity to increase interest in CSR as a voluntary approach taken by startups seeking to find and develop a competitive advantage. All startups in all sectors are encouraged to take on the task of implementing CSR initiatives. They must therefore take action in relation to Sustainable Development in order to improve performance, competitiveness, time, and attractiveness while attempting to find an equilibrium between the startup's activity, employee well-being, and environmental responsibility.

In this article, we show the importance of integrating CSR into the strategy of Algerian startups at an early stage, highlighting the positive impact of such a strategy on the overall performance of the company from the outset.

1.5. Study methodology:

To address our problem, we used a methodological approach divided into two complementary parts. The theoretical part, which is based on a revolutionary economic analysis of startups' CSR approach. This is divided into two sections: first, an understanding of the two fundamental concepts of CSR and startups, and second, the challenges of CSR in the context of Algerian startups.

In order to achieve this, we used this research to define CSR in Algeria from a dynamic perspective. For the practical part, we used fieldwork that was conducted as a survey of the incubators at the University of Boumerdes and the Higher School of Management and Digital Economy in Kolea. These incubators are structures that provide support for startups.

Our study is based on a thematic analysis of CSR, which was supplemented by interviews with 26 startup project leaders from various business sectors incubated at the Kolea School of Management and Digital Economy and the University of Boumerdes.

Finally, we concluded our work by making some recommendations for startups' future prospects in order to ensure their continued survival and development in a complex environment.

2. Review of the literature and basic concepts on Algerian startups :

Most of the studies we found on Algerian startups were interested in studying their conceptual and legal frameworks, stages in their creation, characteristics, and the various types of finance available to this category. To supplement our findings, we refer to the following previous studies:

According to (MEBTOUCHE, 2022), in a research paper titled " Startups.DZ: conceptual lighting, and creation," a startup is a company unlike any other. It is a new, innovative company with significant growth potential and speculation about its future value. This means that startups represent an opportunity for Algeria's economic recovery, as the country's regulatory framework is constantly being improved to create a favorable working environment. Startups can be found in all sectors of economic activity, but in Algeria, they are most common in information and communication technologies (ICT), education, transportation, health, and e-business.

The study carried out by (Beggah, 2023), entitled "Startups in Algeria: Characteristics and Creation,", sets out the main characteristics of an Algerian startup:
   a. New and Temporary: according to Article 11 of Executive Decree No. 20-254 of September 15, 2020, the company must not have been in existence for more than 8 years. In addition, a startup is a special phase in the life cycle of a company;
   b. Researching a business model: involves building a new business model. A startup's main competitive advantage is now to create value for customers with a product or service that no one has ever done before;

c. Industrialisable/reproducible: once a startup's idea has been implemented, it must be reproducible on a larger scale;

d. Scalable: A scalable company is one that is capable of sustaining strong and rapid growth, both economically and operationally. Even with a single, simple product, the company can satisfy a large number of requests, with margins rising steadily.

Algerian startups enjoy significant tax benefits (Drouiche & Menai, 2022). The amended Finance Act for 2020 announced a number of incentives and simplified regulations for startups, including exemption from Corporate Income Tax and Value added tax on commercial transactions and exemption from Tax on professional activity and Total Income Tax for a period of three (3) years from the date of commencement of business. In 2021, Article 33 of the Supplementary Finance Act for 2020 was also amended, specifying that from the date of obtaining the startup label, with an additional one (1) year in the event of renewal, companies with the startup label enjoy tax benefits for a period of four (4) years.

Another very important aspect of the financing of Algerian startups was dealt with by the author (BOUMENDIL, 2022), in his research entitled "Sources of financing for startups in Algeria". The author carried out a summary study of the main methods of financing strategies, as follows:

a. Self-financing and 3F financing (family, friends, crowd/fools): This source of financing is generally insufficient, forcing the project owner to turn to other methods of financing;

b. Business Angels: in this type of financing, an experienced entrepreneur, or an individual, uses his or her financial assets to help finance innovative companies with high potential. According to (Hattou, 2019), there are four BAs in Algeria: Casbah Business Angels (CBA), Markitor Business Angels, Business Angels Algérie Diaspora (BAALDI), and Créateurs d'avenir. It is important to note that each BA is made up of several groups;

c. Crowdfunding or participatory financing: this method of financing calls on consumer savings via a platform; the aim is to put financiers and project sponsors in contact via a platform in order to raise funds from small amounts; examples from Algeria include "Twiiza", "chriky" and "Ninvesti";

d. State aid and subsidies: Algeria has made a number of measures available to young entrepreneurs to support the creation, support and development of startups. These include The Startup Ecosystem Support and Development Fund, the National Microcredit Management Agency (ANGEM), the National Entrepreneurship Support and Development Agency (ANADE) and the National Unemployment Insurance Fund (CNAC); (Drouiche & Menai, 2022);

e. Alternative methods of financing: These alternative methods of financing can take the form of equity participation. Private equity companies include SOFINANCE, El Djazair Istithmar and FINALEP. Some public and private institutions organise competitions to encourage the creation of startups and innovative projects, where young entrepreneurs win financing for their projects.

3.Understanding the concept of CSR :

3.1. The origin and development of CSR:

According to the contingent approach, the concept of CSR has undergone a conceptual evolution that marks the gradual involvement of the company's various stakeholders, from the social responsibility of the businessman (Pasquero, 2005), to corporate social responsibility

(CSR) (Capron & Quairel, 2004), and finally to the societal responsibility of organizations (CSR) through the publication of the broad guidelines of CSR (ISO 26000).

The use of CSR as an approach that uses standardization and rules of conduct as a tool for efficient regulation has become a way of regulating companies that are increasingly globalized (Gendron, Lapointe, & Turcotte, 2004).

3.2. Definition of CSR:

CSR is an approach that requires companies to voluntarily integrate social and environmental concerns into their economic activities and their relations with stakeholders in order to meet the demands of the socio-economic environment.

The European definition of CSR is currently attempting to incorporate a broader range of responsibilities, including social, environmental, ethical, human rights, and consumer protection (European Commission, 2011). Archie B. Carroll of the University of Georgia developed the broadening of the dimensions of CSR in 1991.This researcher represented CSR in the form of a pyramid based on four levels: economic, legal, ethical and philanthropic (see figure 01).

Fig.1. Carroll's pyramid for CSR

Source: Wayne Visser, Revisiting Carroll's CSR Pyramid: An African Perspective,2005, Economics, p34.

Carroll's model is still being applied by companies to meet the demands of consumers who are looking for good corporate citizens to satisfy their needs. Empirical research has shown that socially responsible companies are more competitive, and CSR investment contributes to improving their financial profitability (Porter & Kramer, 2011). From another point of view, other research carried out by (Orlitzky, Schmidt, & Rynes, 2003) and (Margolis, Elfenbein, & Walsh, 2011) demonstrated that CSR had a small but positive impact on a company's financial performance.

According to the foregoing, CSR is an approach aimed at respecting the three principles of sustainable development through its three most responsive dimensions, social, environmental, and economic, even though statistics show that CSR is still little known in emerging countries, whether by public officials or business leaders. However, with the emergence of the health crisis of COVID-19, we are witnessing an increase in the number of initiatives that seek to integrate the concept of CSR into corporate culture and management.

3.3. Interests and challenges of CSR:

CSR issues are jointly and reciprocally defined by economic and social objectives, with one being the means of achieving the other and vice versa (Savall & Zardet, 1995).

In the European context, CSR issues tend to be implicit, in that companies have no reason to publicize their actions since stringent legislation, including social legislation,

applies in principle to all companies, unlike the American model, which is based on explicit, formalized CSR (codes of conduct, charters, etc.) (Capron & Petit, 2011).

The increasing worldwide success of the CSR discourse, which emphasizes the significance of business in sustainable development, provides the main justification for the interest in CSR for emerging nations.

4. The importance of integrating CSR practices into startups in the creation phase:
4.1. The relationship between CSR and startups:

While the theoretical links between corporate social responsibility (CSR) and startups have received insufficient attention in the literature, it is becoming a subject of academic interest as a result of the promotion of entrepreneurial culture in Algeria in general, and in the university environment in particular, with the implementation of the Ministerial Order 1275, under which students will be awarded a secondary diploma, a start-up diploma, in addition to a university degree (master's or engineering degree).

The aim of the Algerian government is to help and support graduates of higher education establishments who have transformed their innovative projects into startups as part of the implementation of the sector's strategy to contribute to the creation of wealth and strengthen their employability and integration into the socio-economic environment to boost development and promote the national economy (Bouras, 2023).

CSR and startups have a strong relationship. Because innovation is the link between CSR and the startup on the one hand and the key to the latter's survival on the other, the relationship between these two concepts deserves to be thoroughly examined in order to develop the more or less long-term competitive advantages that a startup can gain over its competitors.

Integrating CSR into the startup's management and production methods reflects the "civic startup" attitude (Porter & Kramer, 2006) insofar as the startup's value chain effectively impacts the company's environment. This integration can only improve the startup's goodwill, image, and relations with stakeholders.

4.2. The strategic challenges of CSR for startups:

The concept of CSR, which questions the purpose of a company, is just as relevant in startups as in other types of businesses. CSR presents strategic challenges for any company, regardless its size or sector of activity, and especially for startups.

The integration of Corporate Social Responsibility (CSR) into the strategy of any startup helps improving its performance, regardless of its size or sector of activity. This has already been validated by the research of Gond and Mercier (2004), which proves the positive impact of responsible management on organizational performance.

The commitment of a company to acting responsibly in economic, social, environmental, and governance terms is essential to its survival and growth. This means that CSR provides startups with socioeconomic and environmental competitive advantages, which are genuine strategic assets and relevant key success factors.

Thanks to the innovative nature of the startup, CSR can contribute to:
- Improving sales and customer relations;
- Reducing waste and costs ;
- Improving the startup's positioning;
- Improving employee relations ;
- Improving the startup's overall performance and competitiveness.

5. Empirical study:

5.1. Research Procedures and data collection:

As part of encouraging innovative projects and promoting the entrepreneurial spirit among young graduates in Algeria, the Ministry of Higher Education and Scientific Research, and with the implementation of the Ministerial Order 1275, it is now possible to transform new graduates from future labor market job seekers to entrepreneurs and creators of wealth and job opportunities. These young graduates generally lack the necessary skills and financial resources to carry out their projects; therefore, the government has put in place the necessary means to support them by bearing significant financial costs.

In light of our current scientific work and in order to ensure the success of these projects from the start, we intend to verify whether these project leaders have integrated CSR practices into their Business Model Canvas in the early stages of their creation. We will assess the degree of integration and determine their expected aspirations, taking into account the effects of implementing CSR practices in the initial phases of their startups on their future performance and competitiveness.

In order to design the study's data collection tool and produce the items of the questionnaire, we drew inspiration from a study conducted in Tunisia in 2022 by Sameh HOUARBI and Khaoual MAHBOUL within the institute of IZET of Zaghouan, titled "CSR is at the Heart of Startup Strategy." The questionnaire was then distributed to 26 project leaders/holders represented by students (last year of master's degree in the following fields: economic and commercial sciences and physical and engineering sciences) from the higher school of management and digital economy of Tipaza (Kolea) and the University of Boumerdes. The university's incubators accepted and approved their 26 projects.

A three-step plan was used to carry out the current study. We sum them up as follows:

- *First step:* is to develop a questionnaire divided into three axes, the first of which includes questions about the population being surveyed (Activity sector and Main project activity), as well as questions about their knowledge of CSR practices. The second axis is concerned with determining the extent to which CSR practices are integrated into their projects. The final axis allows us to assess the expected impact of these practices on the overall performance and competitiveness of these startups;

- *Second step:* this step entails distributing the questionnaire electronically via Google forms to project leaders via their university's incubator;

- *Third step:* is the step where data is processed and hypotheses are tested. The goal is not only to verify the integration of CSR practices as a key factor in the success of the startups in question, but also to write a report for the incubators where this study was conducted, providing them with additional elements encouraging the supervision and realization of these projects.

5.2. Sample:

The current study sample included n= (26) Algerian startups, which were distributed by sector of activity and main activities as follows:
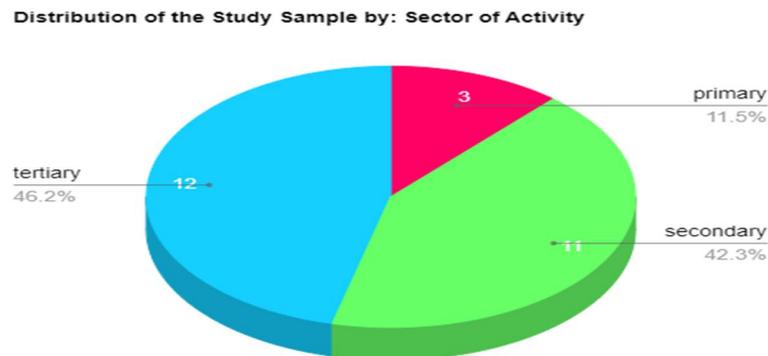
Table 1. Distribution of the Study Sample by: Sector of Activity

Sector	N	%
Primary	3	11.5
Secondary	11	42.3
Tertiary	12	46.2
Total	26	100

Source: Established by the researcher

Table 1 represents the characteristics of our study sample distributed by sector of activity, we note the dominating effect of both the "Tertiary" and "Secondary" sectors by (46.2%) and (42.3%), respectively, while the "Primary" sector is represented only by the remaining (11.5%) of total sample members, as shown in Figure 2:

Fig.2. Distribution of the Study Sample by: Sector of Activity

Distribution of the Study Sample by: Sector of Activity

Source: Established by researcher

Table 2. Distribution of the Study Sample by: Scope of the Startup's Activity

Scope of the startup's Activity	N	%
Social	5	19.2
Economic	14	53.9
Environmental	7	26.9
Total	26	100

Source: Established by the researcher

Table 2 depicts the characteristics of our study sample distributed by scope of startup activity, where we note the dominance of "Economic" scope of activity by (53.9%) of total sample members, while "Environmental" and "Social" scope of activity remain moderately represented by (26.9%) and (19.2%), respectively, as illustrated in Figure 3 below:

Fig.3. Distribution of the Study Sample by: Scope of the Startup's Activity

Source: Established by the researcher

5.3. Instruments and data collection tools:

To achieve the current study's objectives, we structured a multiaxial questionnaire with the goal of collecting data on three major themes, which are represented as follows:

- Axis 1: a qualitative set of open and semi-open questions regarding "Project leaders' knowledge of Social Responsibility Practices.";
- Axis 2:is a quantitative set of (10) items concerning "incorporation of Social Responsibility Practices by Algerian Startups in their Early Stages of Creation," with each item answering on a 5-point Likert scale with the options: None (0%), Low

(25%), Moderate (50%), High (75%), and Completely (100%) corresponding to the degrees (0, 1, 2, 3, 4);

- Axis 3: is also a quantitative set of (05) items linked to the "expected impact of Social Responsibility practices on the overall performance and competitiveness of the Algerian startup," with each item responding on a two-point Likert scale with the choices (Yes, No) relating to the degrees (1, 0).

Both the second and third Axis (validity and reliability) were codified, and the results are shown in the tables below:

> *Differential Validity:*

Table 3. Differential Validity of Axis**2** of the Questionnaire

Group	N	Mean	S.D	T Value	Liberty	Sig
Upper	6	20.8333	3.18852	10.135	8.323	0.000
Lower	6	36.3333	1.96638			Significant**

Source: Established by the researcher relying on SPSS, S.D=Standard Deviation

Table 4. Differential Validity of Axis**3** of the Questionnaire

Group	N	Mean	S.D	T Value	Liberty	Sig
Upper	6	4.0000	1.09545	2.236	10	0.049
Lower	6	5.0000	0.0000			Significant**

Source: Established by the researcher relying on SPSS, S.D=Standard Deviation

Validity is defined as the extent to which a data collection tool measures what it is specifically designed to measure, whereas deferential validity is characterized as the extent to which the questionnaire can distinguish between higher and lower degrees of respondent results. The statistical test of "independent samples" is utilized to test this type of validity. According to Tables 3 and 4, the value of (T) equals (10.135) for Axis2 and (2.236) for Axis3 at degrees of freedom (8.323) and (10) in the same order with a significance value of (0.000), all values are statistically important at the significance level (0.01) for (Aix2) and (0.05) for (Aix3). The value obtained indicate that there are statistically significant differences between the upper and lower groups' averages, implying that the Questionnaire has a high differential validity and can be applied to the main study sample.

> *Cronbach's Alpha Reliability:*

Table 5. Cronbach's Alpha results of the Axis**2**and3 of the Questionnaire's Reliability

Axis 2 Cronbach's Alpha coefficient	0.779
Axis 3 Cronbach's Alpha coefficient	0.510

Source: Established by the researcher relying on SPSS

Table 5 indicates that the Cronbach's alpha reliability coefficient was (0.779) for Axis2 and (0.510) for Axis3, suggesting a strong reliability. As a result, the tool has high reliability which can be applied to the main study specimen.

Using the calculated range value (the highest score that the subject can achieve in the axis minus the lowest score that the subject can achieve on the same axis) to establish the length of the score categories that correlate to each of the levels specified for each axis (axis2 and axis3), so that the length of each category reflects the total range value divided by the desired number of categories.

> ➢ Axis2 : example

Total range = highest score – lowest score = 40 - 0 = 40
The number of levels according to the five-point Likert scale used) is 5 levels
The length of the category represented for each level = 40/5 = 8
The following table represents the degrees and level of both Axis2 and Axis3:

Table 6. Degrees and levels Scale for Axis**2** and **3** of the questionnaire

Axis Title	Degrees	Levels
Axis 2	[0-8]	Very Low
	[9-17]	Low
	[18-26]	Moderate
	[27-35]	High
	[36-40]	Very High
Axis 3	[0-1]	Low
	[2-3]	Moderate
	[4-5]	High

Source: Established by the researcher

5.4. Findings:

a) Results of the Research's First Hypothesis:

**H1***:* 'project leaders have sufficient knowledge of CSR practices'

Table 7. In your opinion, CSR practices influence your startup's future, in terms of:

Item	N	%
A- financial (find funds)	18	72%
B- Social (Having more loyal staff, customers, staff motivation..)	18	72%
C- commercial (finding markets, improving exports, facilitating negotiations with suppliers, increasing competitiveness..)	15	60%
D- economic (less cost, increased productivity..)	14	56%
E-environmental (reduction of resources, less waste..)	15	60%
F- strategic (Innovation, Good reputation, development, governance, upstream CSR..)	19	76%

Source: Established by the researcher relying on SPSS, N=25 Respondents

We noticed from Table N 7, which represent the respondents opinions concerning the main CSR practices that may influence their startup's future, that the strategic practices (Innovation, Good reputation, development, governance, upstream CSR...) are considered to be the most influential to the startup's future by the majority of respondents (19 individuals) represented by (76%) of them, and (18) individuals represented by (72%) of respondents agree with the possible effects of financial and social practices on the future of their startup. Furthermore, we discovered that (15) respondents represented by (60%) consider commercial and environmental practices as influential, while the economic practice of CSR remained the least considered factor when it comes to the respondents' view on CSR practices and their influence on the future of Algerian startups. It should be noted that all results are statistically significant within the margin of error of (5%).

Fig.4. Bar Chart representing Table.7 Data results
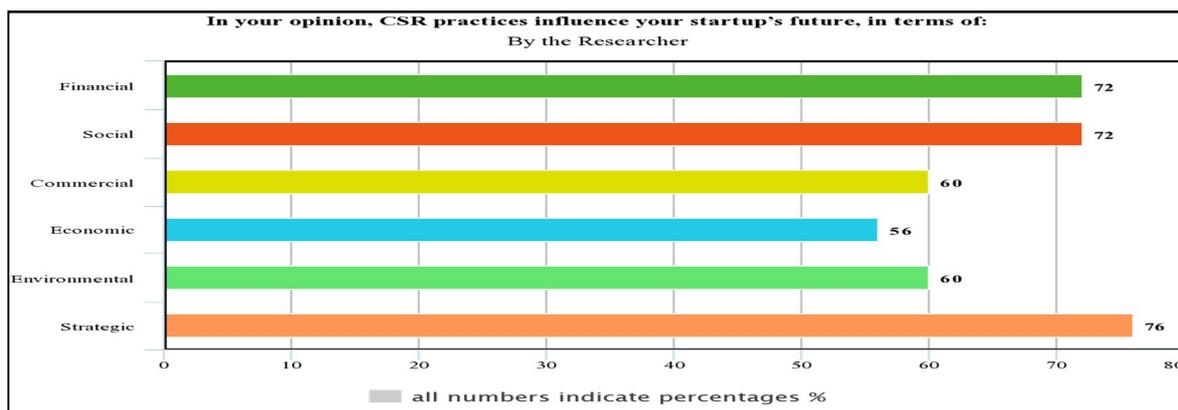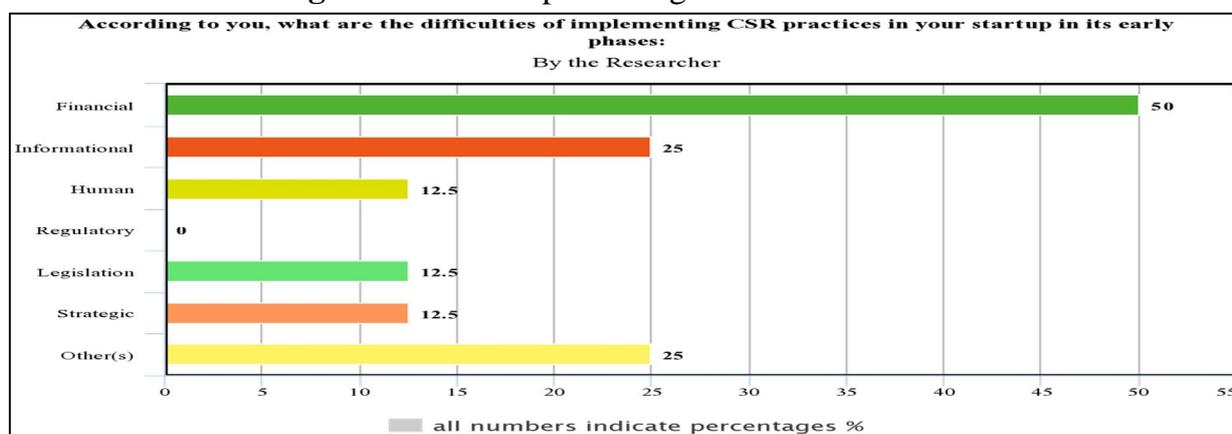

Source: Established by the researcher

Table 8. According to you, what are the difficulties of implementing CSR practices in your startup in its early phases:

Item	N	%
A- Material or Financial (fairly high cost)	4	50%
B- Informational (Surveys..)	2	25%
C- Human (Availability, Lack of skills/Training, Lack of experience..)	1	12.5%
D- Regulatory (Lack of encouragement)	0	0%
E-CSR does not constitut any legal obligation	1	12.5%
F- Strategic (CSR would be too early a concern for a company that is not even sure it will last.)	1	12.5%
G- Other(s) ………………	2	25%

Source: Established by the researcher relying on SPSS, N=8 Respondents

Based on the data in Table N 8, while a lack of encouragement and support was not a problem for all of the respondents, we observed that (50%) of them found CSR practices financially difficult. We also noticed that (25%) of respondents encountered informational and other difficulties, whereas (12.5%) faced multiple difficulties ranging from personal factors such as a lack of training, skills, or experience to strategic factors such as whether implementing CSR practices in the early stages of their startup is a good choice in the face of uncertainty, as well as legal factors (CSR practices are not required by law).It should be noted that all results are statistically significant when the margin of error is less than (5%).

Fig.5. Bar Chart representing Table.8 Data results
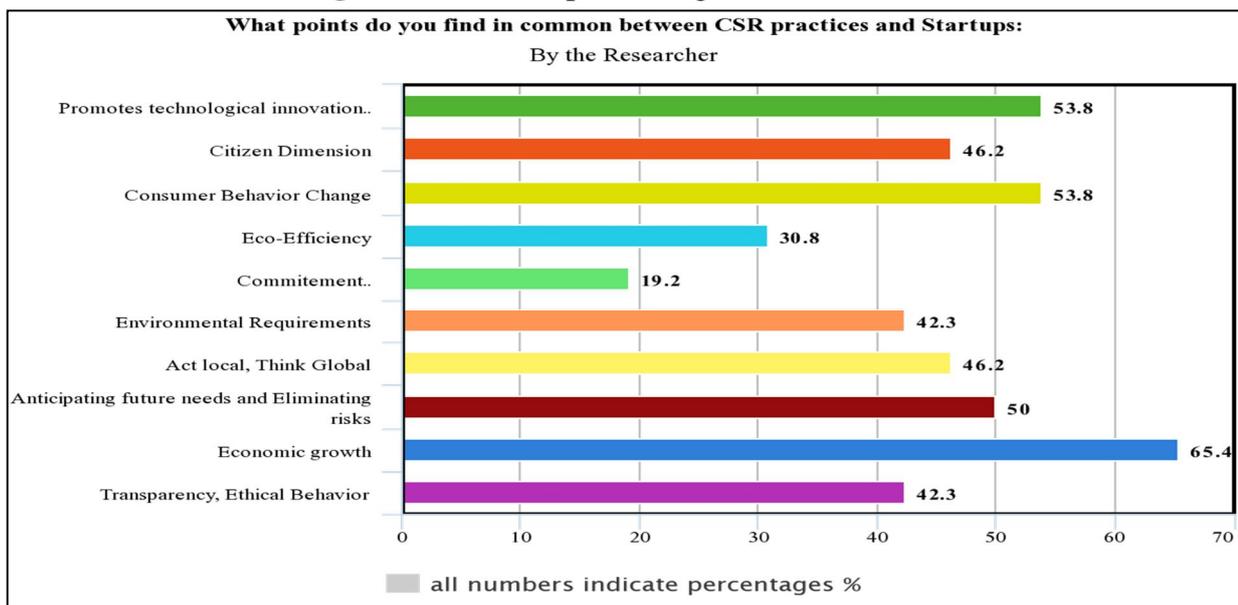

Source: Established by the researcher

Table 9. What points do you find in common between CSR practices and Startups:

Item	N	%
A- Promote technological innovation and the development of renewable energies (eco-design..)	14	53.8%
B- Citizen dimension	12	46.2%
C- Changing consumer behavior	14	53.8%
D- Eco-efficiency	8	30.8%
E-Commitment is not optional in a complex environment	5	19.2%
F- Respond to environmental requirements (scarce resources, etc.)	11	42.3%
E- Commitment in time and space (Act local, think global)	12	46.2%
G- Anticipating the needs and limiting the risks of tomorrow	13	50%
H- Stimulate economic growth and strengthen competitiveness	17	65.4%
I- Transparency, ethical behavior	11	42.3%

Source: Established by the researcher relying on SPSS, N=26 Respondents

Table N°9 provides participants' perceptions about shared characteristics between CSR practices and startups. We observed that (65.4%) of respondents believed that applying CSR is effective at promoting economic growth and enhancing the competitiveness of their firm, while (53.8%) of them evaluated both the environmental and social aspects of CSR practices such as encouraging technical innovation and the development of renewable energies (eco-design...) all while altering consumer behaviour and earning their acceptance and loyalty. We are able to determine from the table above that (50%) of respondents have issues with the shared quality of anticipating future consequences and limitations, while (46.2%) are anxious with the position that a startup holds in society and how its application of CSR practices is demonstrated through citizen dimensions and commitment. We found that (42.3%) of respondents agree that both CSR practices and startups adhere to specific ethical standards and meet environmental regulations. Though 30.8% of them acknowledge the need of eco-efficiency for both startups and CSR, 19.2% think that commitment is not optional in a complex context. It should be emphasised that all results are statistically significant when the margin of error is less than (5%).

**Fig.6.** Bar Chart representing Table.9 Data results

Source: Established by the researcher

Table 10. Give examples of possible CSR practices in startups:

Item	N	%
A- Thinking about waste reduction and sustainable energy consumption.	18	69.2%
B- Supervise recycling procedures	13	50%
C- Include respect for labor law in its development strategy	16	61.5%
D- Promote teleworking	10	38.5%
E-Choose premises that are well insulated and favorable to good working conditions	12	46.2%
F- Consider gender equality from the start of recruitment	14	53.8%
G- Encourage fast working circuits	13	50%
H- creates trust between seller and buyers	1	3.8%

Source: Established by the researcher relying on SPSS, N=26 Respondents

Table N° 10 above represents examples of possible CSR practices of Algerian startups, where we note from its data that respondents consider all aspects of CSR practices in the early stages of their startups, (69.2%) considered the option of thinking about waste and energy consumption, and (61.5%) considered including respect for labour laws. Furthermore, 53.8 % of the respondents emphasised the importance of gender equality in recruitments; half (50 percent) focused on supervising recycling procedures and encouraging sustainable short circuits of achieving goals; and 46.2% focused on selecting a location to ensure good working conditions. Moreover, while 38.5% of participants were supporting teleworking, we discovered that just 3.8% embodied in (1) individual, considered providing an example of the necessity of developing trust between sellers and buyers, or in other words, between startups and customers. It should be highlighted that all results are statistically significant when the margin of error is less than (5%).

Fig.7. Bar Chart representing Table.10 Data results
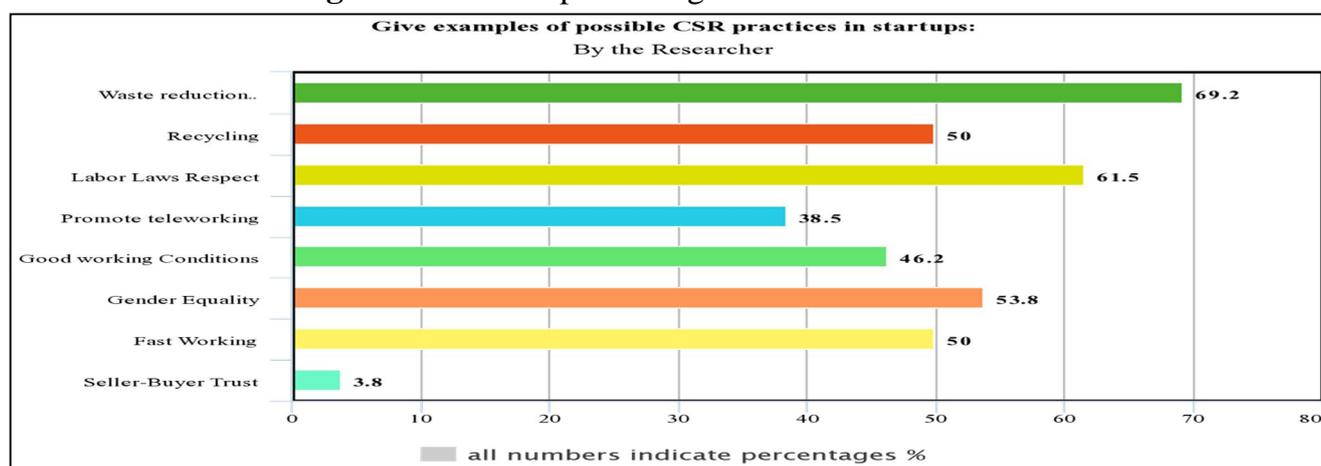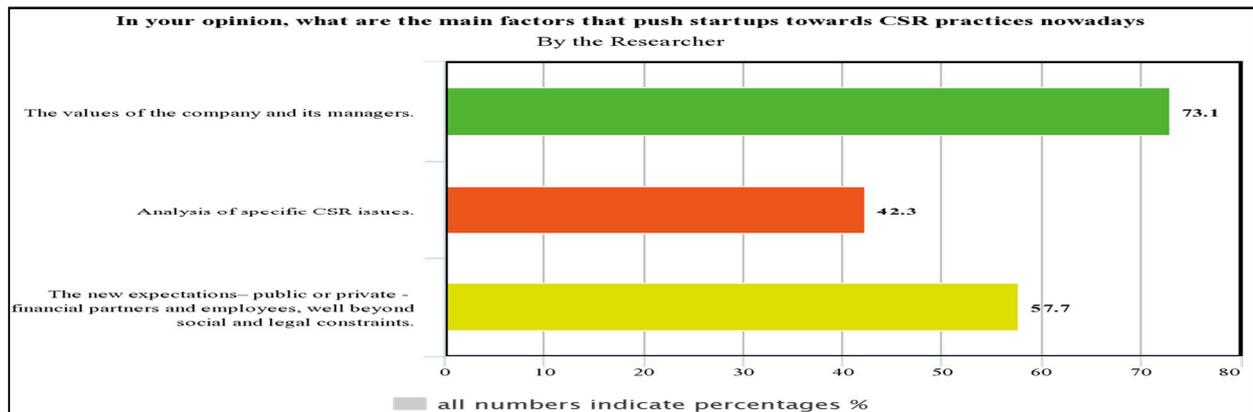

Source: Established by the researcher

Table 11. In your opinion, what are the main factors that push startups towards CSR practices nowadays

Item	N	%
A- The values of the company and its managers.	19	73.1%
B- Analysis of specific CSR issues.	11	42.3%
C- The new expectations– public or private - financial partners and employees, well beyond social and legal constraints.	15	57.7%

Source: Established by the researcher relying on SPSS, N=26 Respondents

Table 11 shows that practically all of the respondents formed an opinion about the reasons for startups' involvement in CSR practices. The idea that CSR practices protect the values of the organization and its managers was expressed by 73.1 % of the total sample members represented by (19) individuals. Additionally, reason C- came in second with (57.7%) agreement because it provided light on how CSR in startups comes to the surface. New expectations from all parties involved (leaders, financial partners, staff...), and these new expectations transcend social and legal constraints, which came in third place. Furthermore, we noticed that 42.3% of respondents considered engaging in specific CSR issues and implementing CSR practices to be a good reason for Algerian startups to integrate various CSR practices at all its stages. It should be pointed out that all results are statistically significant when the margin of error is less than (5%).

Fig.8. Bar Chart representing Table.11 Data results

Source: Established by the researcher

b) **Results of the Research's Second Hypothesis:**

'the degree of integration of CSR practices by Algerian startups in their early phases is "High".

To test the hypothesis, we compared the calculated Mean Value for each of the respondents' questionnaire item scores to the "hypothetical Mean Value" (the average value of the five-point Likert scores in the case of Axis2= 2), as well as the Calculated Mean Value of the total score for the second axis as a whole to the range of degrees and levels of the corresponding axis (Refer to: Table N°6):

Table12. Degree of integration of CSR practices by Algerian startups in their early phases

Item	Mean	S.D	Level
N^1- I have incorporated economic CSR practices into the activity of my startup	2.96	0.999	High
N^2- I have incorporated social CSR practices into the activity of my startup	2.88	0.952	High
N^3- I have incorporated environmental CSR practices into the activity of my startup	2.62	1.061	High
N^4- my startup contributes to governance of the organization	2.54	1.208	Moderate
N^5- my startup contributes to human rights	3.04	1.148	High
N^6- my startup contributes to work relationships and conditions	3.12	0.816	High
N^7- my startup contributes to the environment	3.15	1.084	High
N^8- my startup contributes to fair practices	2.73	0.962	High
N^9- my startup contributes to consumer issues	3.08	0.935	High

N^{10}- my startup contributes to communities and local development	3.12	1.071	High
Axis2	29.2308	5.95522	High

Source: Established by the researcher relying on SPSS, S.D=Standard Deviation, N=26 Respondents

Considering table N°12, with the exception of item N°4, it is evident that the study sample's attitudes towards the questionnaire's items corresponding to the second axis, which measures the degree of their integration of social responsibility practices during the early stages of their startup, were positive and consistently significant at a high level. The mean values for these items ranged from (2.54) to (3.12), respectively. Likewise, the axis's mean value has reached (29.2308) on average, with a standard deviation of (5.95522), indicating a "High" Degree of integration of CSR practices by Algerian startups in their early stages. As a result, the statistical validity of the second hypothesis of the current research is supported.

c) Results of the Research's Third Hypothesis:

'The expected impact of CSR practices on the overall performance and competitiveness of the Algerian startup is "High".

To validate the hypothesis, we contrasted the calculated Mean Value for each of the respondents' questionnaire item scores to the "hypothetical Mean Value" (the average value of the two-point Likert scores, in the case of Axis3= 0.5), along with the Calculated Mean Value of the total score for the third axis as a whole to the range of degrees and levels of the corresponding axis (Refer to: Table N6):

Table 13. The expected impact of CSR practices on the overall performance and competitiveness of the Algerian startup

Item	Mean	S.D	Level
N^1- I have integrated CSR into my business model canvas	0.85	0.368	High
N^2- I believe that adopting CSR practices is linked to the innovative nature of my startup	0.81	0.402	High
N^3- I believe that the integration of CSR practices in the strategy of my startup has a positive impact on its overall performance and competitiveness	0.96	0.196	High
N^4- I devoted efforts into integrating CSR practices during the early phase of my startup	1.00	0.000	High
N^5- I believe that CSR practices will have a strong positive impact on the overall performance and competitiveness of my future enterprise	1.00	0.000	High
Axis3	4.6154	0.75243	High

Source: Established by the researcher relying on SPSS, S.D=Standard Deviation, N=26 Respondents

Table 13 indicates that the study sample's attitudes towards the questionnaire's items corresponding to the third axis, which represents the expected impact of CSR practices on the overall performance and competitiveness of the Algerian startup, were positive and significantly consistent at a high level, with mean values ranging between (0.81) and (1.00).

Moreover, the Axis's Mean value has reached (4.6154) average degree, with a standard deviation of (0.75243), indicating a "High" Degree of expected impact of CSR practices on the overall performance and competitiveness of the Algerian startup, suggesting the validity of the current research's third hypothesis.

5.5. Discussion:

With the implementation of Ministerial Order N1275 and the support of relevant policies, it is now possible to establish startups in the university environment to promote the entrepreneurial culture and the spirit of innovation among young graduates, thus integrating a new dynamic into the national economy and adapting to changes in the global environment. It is important to note that the Algerian government has invested very significant financial and human resources for the success of this operation. The students (project leaders) responsible for creating the startups in question will benefit not only from various choices of financing of their projects but also from supervision and a quality follow-up. However, since project leaders are not always qualified in business, it is necessary to provide them with additional business training in addition to their original specialty.

In our current scientific work, we sought to determine whether CSR practices, as a key success factor of the company, are integrated by (26) project leaders into the design of their projects from the early phases of creation. All of which is conducted through testing three hypotheses in order to answer our study question.

After conducting the statistical analysis of the data collected through the valid (high deferential validity) and reliable (values of 0.779 and 0.510 alpha Cronbach) questionnaire, and by using the statistical package in social sciences program (SPSS), the results concerning the first study hypothesis revealed a "high level" in which the project managers have sufficient knowledge of CSR practices, that is, through their vast and various opinions in regards to how CSR practices can influence their startups if integrated in the early phases, as indicated by the high percentages valued from 56% up to 76% of respondents listing different areas of benefit, including but not limited to CSR practices increasing productivity, competitiveness and innovation and staff motivation of the startups. However, the studied population is well aware of the possible difficulties they may encounter relating to the application of these CSR practices. The main challenge is financial, according to the majority (50%), besides other strategic and resources reasons (between 12.5% and 25% of respondents).

Concerning the link between CSR practices and innovation as a capital factor of a startup, the project leaders find -chief among others- that CSR practices stimulate economic growth by 65.4%, contribute to changing customer behavior and promote technological innovation by 53.8%, and help in anticipating future needs and possible risks according to 50% of the respondents. Moreover, we found that 69.2% of them considered thinking about waste reduction and sustainable energy an excellent example of CSR practices in their future startup. At the same time 61.5% of them gave the example of respecting labor laws in their startup strategy phase, all the while shedding light on various other examples such as gender equality, encouraging fast working models, building trust with customers, and maintaining certain recycling procedures. These project leaders also think that the three main factors which direct startups nowadays towards CSR Practices are the values held by the company and its managers, supported by the majority of respondents represented (73.1% of them), and the new expectations which exceed social and legal constrains identified by 57.7% of respondents, and moving towards the analysis of specific CSR practices indicated by the remaining 42.3% of respondents.

With regards to the second hypothesis relating to the integration of CSR practices by Algerian startups in their early phases, and through calculating the values of both the Mean and the Standard Deviation, we can attest to the validity of the hypothesis as we found that startup leaders integrate CSR practices by a Mean degree of 29.2308, which indicates a "High" level of integration, corresponding to the standard deviation of 5.95522, which indicates that all sample members are close in the degree of integration to the mean value.

Finally, in relation to the results of the third and final hypothesis of the current study relating to the expected impact of integrating CSR practices in the startup's early phases of creation, we discovered that the project leaders have a "high" expectation concerning the effect of CSR practices on the overall performance and competitiveness with a Mean value of (4.6154) degrees, and a standard deviation value of (0.75243) indicating that all sample members have roughly the same high level of expectation.

The results of this study disclose that all hypotheses are supported, which is consistent with the findings of studies conducted by (Houarbi & Mahboul, 2022), (Porter & Kramer, 2011), and (Margolis, Elfenbein, & Walsh, 2011).

6. Conclusion and Recommendations:

Our objective from this study is to assess how much students who are startup leaders are aware of the concept of CSR practices and how much they integrate these practices in the early stages of their startup's establishment. We used a questionnaire designed by us to collect data from a sample of 26 Algerian startups in order to determine the level and degree of their expectations about the impact of these applications, and their implications on the future competitiveness and performance of their startups, and after the statistical analysis of the data, the following results were found:

✓ Startups leaders have a high level of awareness of the concepts of social responsibility and examples of its practices, as well as the possible reasons for its integrations during the early phases of startup creation and its difficulties;

✓ Startups leaders highly integrate CSR practices during the early phases of creating their startup;

✓ Startups leaders expect high level of effects CSR practices concerning the future competitiveness and overall performance of their startup.

Based on the theoretical framework of our research and the results obtained, we can conclude the following:

From a theoretical point of view, awareness of CSR is a key success factor for companies in general and startups in particular. It is important to note that even if the fundamentals of CSR are universal, their practices must be adapted to the socio-economic context of each country.

For startups, from a practical point of view, the interest of CSR lies in its pragmatic function to manage the daily organizational life. CSR is also instrumentalized either to be mobilized in "a functionalist approach" with a social function within the framework of the management of the company-society relationship.

To attain the intended results of these practices, we recommend to our country's authorities as well as entrepreneurs:

✓ To adapt CSR practices to the socio-cultural realities of our country, and to build tools adapted to our economic context;

✓ Organize awareness and training programs on the subject of CSR, for all socio-economic parties;

✓ To constantly evaluate the effect of CSR practices to ensure continuous improvement.

7. References:

Journal article :

Beggah, M. (2023). Les Startup en Algérie : Caractéristiques et création. *revue afak des sciences, 8*(3), 639-647.

Boumendil, M. (2022). Les Sources de Financement des Start-Up en Algérie. *Etudes Economiques, 22*(1), 575-593.

Bouras, L. (2023). Arrêté ministériel n°1257 : Création de valeurs. *REVUE DES SCIENCES COMMERCIALES, 22*(1), 172-191.

Capron, M., & Petit, P. (2011). Responsabilité sociale des entreprises et diversité des capitalismes. *Revue de la régulation*.

Capron, M., & Quairel, L. (2004). *Mythes et réalités de l'entreprise responsable : acteurs, enjeux, stratégies, La Découverte.* Paris: collection « Entreprise & Société ».

Drouiche, H., & Menai, L. (2022). Le financement des Start-up en Algérie entre la réalité et les attentes. *Revue Algérienne du Droit des Affaires, 3*(1), 68-86.

Gendron, C., Lapointe, A., & Turcotte, M.-F. (2004). Social Responsibility and the Regulation of the Global Firm. *Industrial Relations , 59*(1),73-100.

Hattou. (2019). *Ecosystème du financement des start-up en Algérie.* Récupéré sur https://medium.com/@hakim.hattou/ecosyst%C3%A8me-du-financement-des-startups-enalg%C3%A9rie-dcb2ae0fd14b .

Margolis, Joshua D. and Elfenbein, Hillary Anger and Walsh, James P. (2011), Does it Pay to Be Good...And Does it Matter? A Meta-Analysis of the Relationship between Corporate Social and Financial Performance, Available at SSRN: https://ssrn.com/, 1-68.

Mebtouche, N. (2022). Les Start up.DZ : éclairage conceptuel, et création. *Revue d'études en sciences de l'information et de la communication, 2*(2), 111-123.

Mehirig, A., & Drid, B. (2022). La banque islamique et La responsabilitésociale des entreprises (RSE). *Journal of business and finance economy, 7*(1), 559-574.

Orlitzky, M., Schmidt, F., & Rynes, S. (2003). Corporate Social and Financial Performance: A Meta-analysis. *SAGE Publications, 24*(3), 403–441.

Pasquero, J. (2005). la responsabilité sociale de l'entreprise comme objet des sciences de gestion un regard historique . *Presses de l'Université du Québec* , pp. 80-111.

Porter, M. E., & Kramer, M. R. (2006). Strategy and Society: The Link Between Competitive Advantage and Corporate Social Responsibility. *Harvard Business review*.

Porter, M. E., & Kramer, M. R. (2011). The Big Idea: Creating Shared Value. How to Reinvent Capitalism and Unleash a Wave of Innovation and Growth. *Harvard Business Review, 89*(1-2), 62-77.

Savall, H., & Zardet, V. (1995). The dynamics ang challenges of tetranormalization . *charlotte IPA*.

Seminar article:

Gond, J., & Mercier, .. e. (2004). Les théories des parties prenantes : une synthèse critique de la littérature. *Congrès annuel de l'Association Francophone de GRH, Montréal*.

Houarbi, S., & Mahboul, K. *CSR is at the Heart of Startup Strategy, International Congress of engineering and sustainable development* ICESD, (2022, december), Monastir, Tunisia.

8. Appendix

The social responsibility of Algerian Startups Questionnaire

As part of our scientific research concerning the practice of CSR in Algerian Startups in their early creation phase, we are carrying out an empirical study which aims to assess the degree of commitment and involvement of Startups in terms of social responsibility and its impact on their competitiveness. To carry out this study, we are therefore asking for your participation in this Questionnaire.

Note: all information and data collected through this questionnaire is used only for scientific research, all confidentiality is preserved.

Demographic Information: choose the correct choice for you

      1-   What is your sector of activity? :
- Primary Sector.
- Secondary Sector
- Tertiary Sector

2- **What is the Scope of your startup's activity? :**
- Social scope of Activity.
- Economic scope of Activity.
- Environmental scope of Activity.

Axis 1: the following questions concern your knowledge of Social Responsibility Practices in startups, answer by choosing one or more of the following options

1- **In your opinion, CSR practices influence your startup's future, in terms of?**
A- Financial (find funds)
B- Social (Having more loyal staff, customers, staff motivation..)

C- commercial (finding markets, improving exports, facilitating negotiations with suppliers, increasing competitiveness..)
D- economic (less cost, increased productivity..)
E-environmental (reduction of resources, less waste..)
F- strategic (Innovation, Good reputation, development, governance, upstream CSR..)

2- **According to you, what are the difficulties of implementing CSR practices in your startup in its early phases? :**
A- Material or Financial (fairly high cost)
B- Informational (Surveys..)
C- Human (Availability, Lack of skills/Training, Lack of experience..)

D- Regulatory (Lack of encouragement)
E-CSR does not constitut any legal obligation
F- Strategic (CSR would be too early a concern for a company that is not even sure it will last.)
G- Other(s) ………………

3- **What points do you find in common between CSR practices and Startups? :**
A- Promote technological innovation and the development of renewable energies (eco-design..)

B- Citizen dimension
C- Changing consumer behavior
D- Eco-efficiency
E-Commitment is not optional in a complex environment
F- Respond to environmental requirements (scarce resources, etc.)
E- Commitment in time and space (Act local, think global)
G- Anticipating the needs and limiting the risks of tomorrow
H- Stimulate economic growth and strengthen competitiveness
I- Transparency, ethical behavior

4- **Give examples of possible CSR practices in startups? :**
A- Thinking about waste reduction and sustainable energy consumption.
B- Supervise recycling procedures
C- Include respect for labor law in its development strategy

D- Promote teleworking
E-Choose premises that are well insulated and favorable to good working conditions

F- Consider gender equality from the start of recruitment
G- Encourage fast working circuits
H- creates trust between seller and buyers

5- **In your opinion, what are the main factors that push startups towards CSR practices nowadays:**
A- The values of the company and its managers.
B- Analysis of specific CSR issues.

C- The new expectations – public or private - financial partners and employees, well beyond social and legal constraints.

Axis 2: the following questions concern the extent and degree to which you apply Social Responsibility Practices in your startup, answer by choosing only one the following options

Item	Completely (100%)	High (75%)	Moderate (50%)	Low (25%)	None (0%)
N^1- I have incorporated economic CSR practices into the activity of my startup					
N^2- I have incorporated social CSR practices into the activity of my start-up					
N^3- I have incorporated environmental CSR practices into the activity of my startup					
N^4- my startup contributes to governance of the organization					
N^5- my startup contributes to human rights					
N^6- my startup contributes to work relationships and conditions					
N^7- my startup contributes to the environment					
N^8- my startup contributes to fair practices					
N^9- my startup contributes to consumer issues					
N^{10}- my startup contributes to communities and local development					

Axis 3: the following questions concern your expected effect of applying Social Responsibility Practices in your startup n its future performance and competitiveness, answer by choosing only one the following options

Item	Yes	No
N^1- I have integrated CSR into my business model canvas		
N^2- I believe that adopting CSR practices is Linked to the innovative nature of my startup		
N^3- I believe that the integration of CSR practices in the strategy of my startup has a positive impact on its overall performance and competitiveness		
N^4- I devoted efforts into integrating CSR practices during the early phase of my startup		
N^5- I believe that CSR practices will have a strong positive impact on the overall performance and competitiveness of my future enterprise		