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FAMILY AND YOUNG ENTREPRENEURSHIP IN ALGERIA: IDENTIFICATION AND ANALYSIS OF CERTAIN SOCIO-CULTURAL FACTORS

This article provides an understanding of the nature of the relationship between Algerian family values and youth entrepreneurship and management in the context of economic and social evolution and transitions. It is important to determine the roles played by Algerian families in the success of the projects of their members (entrepreneurs). The objective of this study is to understand the reasons why people devote time, energy, and money to entrepreneurship and the prevailing logics in their managerial and organizational practices. This is a question of grasping the references and scales of values, as well as the religious, moral, and social norms that entrepreneurs follow and that motivate them to create or take over and manage their enterprise.

Keywords: Young entrepreneurs, socio-cultural factors, socio-economic evolution, management, Algeria.

1. INTRODUCTION

Many sociologists in Algeria (ADDI, 1999; Bourdieu, 1958, Boutefnouchet, 1980) believe that the socio-cultural context and family are the cornerstone of Algerian society, the basic unit and the social organization's core role in absorbing the culture and thus responsible for the restructuring of the human person. Despite the fact that “the Algerian family is undergoing profound changes” (Oussedik, 13 juin 2012), these changes have influenced the social structure of Algerian society. Therefore, “the traditional family structure has broken out under the pressure of new family models” (Benali, 2005).

In this work, a comprehensive interdisciplinary study is being conducted to determine socio-cultural factors and the role of the family in entrepreneurial success, the degree of attachment to the community and beneficial ties in entrepreneurial activity. In addition, the study examines the degree of irrationality in the economic choices of African entrepreneurs in the context of the social pressure exerted by ethnicity or extended family.

The reminder of the paper is organized as follows: Section 2 describes the socio-cultural context of young entrepreneurs; Section 3 introduces the interest of research, objectives and

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perspectives of this study; while Section 4 presents the methodology of research; the preliminary results are discussed in Section 5; and Section 6 draws conclusions.

2. THE SOCIO-CULTURAL CONTEXT OF YOUNG ENTREPRENEURS

There is no doubt that the sociological or cultural environment of a country has an impact on the way organizations and companies and their staff carry out their functions. Dominant religious beliefs and cultural values, in conjunction with parental behavior, child-rearing and formal education system generally have a direct and very significant relationship with the general opinion about work and accomplishment.

Indeed, it has recently been asserted that globalization has neither standardized societies nor generated a homogeneous global culture. Thus, the emergence of entrepreneurs is tinged by the cultural influence peculiar to the Algerian context. Furthermore, entrepreneurship, as a lever for the creation of wealth and jobs, is part of Algeria's reconversion strategies. These cannot be separated from the cultural dimensions that affect the entrepreneurs' behavior (Tounes Assala, 2007).

The enterprise can be analyzed as a socio-cultural space directly influenced by family profiles and by the values of its creators and managers. Thus, society, the enterprise and the entrepreneurs influence each other and lead to a specific type of entrepreneurial process.

Many researchers emphasize the importance of cultural influence on economic behavior (Badraoui, 2014; Kombou, Saporta, 2000; Ellis, Fauré, 1995). If culture makes all the difference, the history of social and economic development proves it. Entrepreneurs in emerging countries, with their own cultural values, have become as enterprising as those in developed countries. Researchers show that entrepreneurship is a global phenomenon that takes different forms across countries (Badraoui, Kamana, 2014; Torres, 2000).

As regards the case of Algeria, a typology of entrepreneurs is revealed by analyzing the characteristics of their socio-professional trajectories and their motivations for setting up an enterprise in Algeria. Five main types are observed: the entrepreneur "Manager", the entrepreneur "Successor", the entrepreneur "Migrant", the entrepreneur of "old SMEs" and finally, the entrepreneur "Worker" (Gillet, 2002; Gillet 2004).

In this context, Algerian society has shifted from the traditional peasantry to the socialist wage system, from an "industrializing industry" to a market economy. Today, the private sector is evolving in a climate of unfinished business transition, mainly through the creation of enterprises by young people (Bachir, 2007, Tounes and Assala, 2007).

This transition is profoundly changing economic policy and entrepreneurship is becoming an important lever to alleviate unemployment in Algeria (Musette, 2013). It is part of the conversion policies that the state wants to promote with the currency reserve exceeding tens of billions of USD dollars.

The changes that Algeria underwent after independence have not completely eliminated traditional culture. They have perverted it, emptied it of its primary purpose, but because the development of the productive forces has not kept pace with social needs, it can also be said that transformations have condemned traditional culture to invest in social dynamics (Bachir, 2007; Boukhobza, 1989).

In a previous contribution, Badraoui and Kamana (2014) argued that entrepreneurship is not only an economic and social phenomenon; it is also a socio-cultural issue, i.e. a state of mind, a culture, values, education, social structures of attitudes and behavior. The authors

highlighted that a multitude of factors influence and guide the entrepreneurship culture (Badraoui, Kamana, 2014).

The entrepreneurs are not alone on board; they must deal with the socio-economic environment and their specific community. The willingness to carry out their business plan is part of a broader framework of production/reproduction and acceptance/rejection of social values and the predominant culture.

This study aims to provide an understanding of the nature of the relationship between Algerian family values and entrepreneurship and youth management in a context of economic and social evolution and transitions. Thus, what are the roles played by the Algerian family in the success of the projects of its members (entrepreneurs)?

To this end, the objective is to identify, analyze and sociologically understand the culture of entrepreneurship and the main socio-cultural factors that influence Algerian entrepreneurs in the conception and implementation of their business plans.

The research questions of this project focus on the socio-cultural values of young entrepreneurs and their managerial behavior. In this case, the aim is to collect the views and perceptions of entrepreneurs to identify the socio-cultural values and attitudes that influence them in the creation of their own business. In this perspective, what is the weight of social and familial logics (networks of relationships, family solidarity, place of women in the family and status of women, age considerations) in the values and practices of Algerian entrepreneurs?

The core challenge is to grasp the practices, representations, fundamental beliefs and social environment that structure and animate economic behavior, community entrepreneurship, business creation and private sector development. Therefore, it is necessary to identify the socio-cultural values of society that can stimulate or hinder the entrepreneurial impulse of their members, to identify the symbolic universes that cement the different groups and the multiple factors (mode of social organization, dominant local traditions, religions, history, colonial experience, relation to modernity, ecological environment), in relation to business creation and thus sheds new light on the practice, meaning or value of economic acts.

3. INTEREST OF RESEARCH, OBJECTIVES AND PERSPECTIVES

The interest of this research is to place the phenomenon at the center of the future concerns of the social sciences in Algeria, notably through the adaptation of certain analytical models applied in the "entrepreneurial" field. In addition, the research is based on models of the socio-cultural dimensions of entrepreneurship.

The paper aims to study and understand the reasons why people dedicate time, energy and money to entrepreneurship and the dominant logics in their managerial and organizational practices. To this end, from a socio-cultural perspective, it is a question of grasping the references and scales of values, religious, moral and social norms that entrepreneurs carry and that incite them to create or take over and manage their businesses.

After an initial investigation and a review of the literature, the first and main hypothesis that is subject to empirical exploration is that the family in Algeria provides its members with the various resources necessary to carry out projects and business successfully, but within the framework of its values and its community and socio-cultural logic. In other words, the young entrepreneurs in Algeria are still influenced by the family and its socio-cultural values held by its founding members.

This project has several specific objectives. Firstly, the aim is to study the relationship between the individual, the family and society, and entrepreneurial activities in the context of Algerian society. Second, it is important to clarify the perceptions of young and female entrepreneurs in Algeria on the socio-cultural values that underlie the legitimization of their activities and their attitudes towards these values. Moreover, identifying entrepreneurial practices and the factors that influence the managerial behaviors of Algerian entrepreneurs allows to establish their intentions.

From a gender perspective, it is also important to identify the mentality of entrepreneurs, as well as the main societal, ethics-religious and ideological values to which they refer in their economic behavior. Finally, the analysis of perceptions and attitudes aims to understand the phenomenon of entrepreneurship.

4. METHODOLOGY

We formed an exploratory research method to deal with the questions in this study. This led researchers to proceed with general interviews, they contained open-ended questions allowing the participants to express their notions, representations and experiences, vis-à-vis the entrepreneurial logics and the role of family in this process.

Since the study is exploratory and aimed at identifying and understanding, the sociocultural factors influenced Algerian youth to create and manage their professional project.

Sample of our study was a sub-sample from a larger and probable cohort of entrepreneurs. We conducted the task with groups comprising 12 Young entrepreneurs from Tlemcen City (West-northern of Algeria); we conducted the exploratory process between November 2019 and January 2020. We changed the general plan of research according to the disaster and the pandemic situation where we explored and analyzed the preliminary data, which is the subject of this paper.

We analyzed data collected from the interviews by using thematic analysis at the first level (as a pilot study). As well as being simple, this method is practical and thus is a suitable to extract preliminary results, and to understand some representations of the young entrepreneurs, regarding the preliminary investigations.

This enables us to prepare a ground, major and in-depth study. In addition, the analysis of the primary data according to such methods is remarkably relevant and appropriate, with disturbance situation and its effects on the research design and its chronological plan.

After an initial investigation, the paradox observed concerns the Algerian youth's reaction to the educational process offered by the family. On the one hand, it can be seen that young entrepreneurs maintain a close relationship with their families. This relationship is a kind of pragmatism evident to a certain extent, which means that the young people keep important interactions with the family as an important basis, and can be referred to this institution when necessary, especially in times of chaos, and predicting future surprises will be difficult.

The overall research perspective on the issue is based on the model of certain theories such as the Weberian theory of culture and the emergence of capitalism and those of Gary Tribou – The New Weberian Approach of Muslim Entrepreneur, The Hofstede's Theory of National Culture (Hofstede, 2010; Hofstede, 2001; Hofstede, 1994; Hofstede, 1987). In addition, the theory of Charles Hampden-Turner and Fons Trompenaars and other analyses can be noted.

5. PRELIMINARY RESULTS AND DISCUSSION

The paradox noticed is that despite the strong relationship of the young entrepreneurs with their family, to a certain extent, it seems that this relationship is characterized by a kind of clear and concrete pragmatism. The individualism of the young entrepreneur is in the making, but it remains a hybrid between social bond and reference to a culture of collectivism on the one hand and individualist/entrepreneurial choices on the other.

Young people have an important relationship with the family institution, and it is according to an Algerian daily expression: "I have your back!". This relationship provides them with important support to which they can refer whenever the situation requires it. Therefore, and since this is a real paradox, what is it that makes young people maintain this close relationship with the family institution?

The answer from the field is that the uncertainty of the future and instability make them respect adults and their traditions, even if they do not believe in them, because by confronting them, they risk losing the family support they need, especially in times of unemployment and long waiting periods.

This is particularly true and reflects the social reality that they are living in a time of chaos and where it will be difficult to predict what will happen, and to predict the future and its surprises. This observation shows why, for example, young people's investment choices are marked by low levels of entrepreneurial risk-taking.

It is important to note that the family among young entrepreneurs is an essential foundation that cannot be overlooked; it is the basic capital for the conduct of their entrepreneurial projects. From this perspective, many studies in their classification of the "Mediterranean" entrepreneur in terms of entrepreneurial logic underline the importance of the group and the extended family (parents) social network, the weight of religious belief and belonging to a regional specificity (Marchesnay, Kammoun & Karray, 2006).

Sociologically, the enterprise is a field of production and social reproduction, the family in the process of supporting and incubating their member's projects (the entrepreneur), implicitly expresses its interest in protecting its property and its hoisting. This implies that the family pushes its predisposition to achieve the success of the family entrepreneur (explicitly) and the social status and interests of the family (explicitly). This is consistent with what has been found in a series of recent studies that have indicated the character of entrepreneurship in Algeria, as a new socio-economic space, is directly influenced by the family and the values held by its members (entrepreneur/and or manager) (Gillet, Madoui, 2004; Gillet, 2002; Himrane, Hassani, 2017).

It is important to highlight the fact that the predispositions mobilized express a relationship in the form of moral debt between the person (the entrepreneur) and the family and the reverse. Whereas, these predispositions latently manage the mechanisms of inheritance and reproduction of family values.

As observed in the field, the young Algerian entrepreneur has a strong attitude towards the belief in fatalism, where there is a qualitative correlation (in the first place) between the degree of fatalism and the nature of the motivation toward the entrepreneurship.

This partially confirms the conclusions of Charles Hampden-Turner and Fons Trompenaars (2008). Furthermore, a high degree of fatalism prevails an increased motivation from external sources (community and/or societal). This is the effect of societal culture on motivation, a sort of pollination of entrepreneurial elements by socio-economic and socio-cultural reality and factors.

Young entrepreneurs have representations that associate religion, money and profit, and they perceive that there are limits to that (halal (*) profit). Among the manifestations of this association is the impact of religious perceptions on the avoidance (by a large proportion of young people) of bank credit with interest. However, these are the same forms of financing for projects established by the state to serve young people (ANSEJ, ANGEM etc.), except that the State is the refunder of bank interests. There are therefore many contradictions in the perception and representation of young beneficiaries, but for them this does not pose a problem, as long as the reimbursement of interest is not their direct responsibility.

Moreover, to a certain extent, young people see both economic and social success as a form of “El-baraka(**)” blessing and, in this context, it is increasingly linked to actions and achievements rather than to people. To this end, we note that the general trend that has emerged in the representations of young entrepreneurs, considers the family as a source of success and social blessing “El-Baraka”. Therefore, the relational form is: family – belief and religiosity – work (Bava, 2002). This reflects the correlation between the two logics, the socio-cultural logic and the entrepreneurial logic.

This shows the existence of a social figure named by Mohamed Madoui (2012) “Religious Entrepreneurs” (Entrepreneur) who seeks economic profit through his/her ambition to achieve wealth and social-symbolic profit by caring for the family, especially parents, and giving charity and “zakat (***)” for divine reward³.

6. CONCLUSION

This paper aimed to contribute to an understanding, in a context of economic and social evolution and transitions, of the nature of the relationship between Algerian family values and youth entrepreneurship and management. The results of the preliminary survey shed light on the reality of youth entrepreneurship in Algeria; it reopens a theoretical and empirical discussion on the issue.

The originality of the exploratory approach lies in the dimensions detected in the field, of a socio-cultural and socio-economic type. The preliminary results allowed not only the identification of multiple factors, but also an understanding of the societal logics that characterize entrepreneurial action.

³ Notes:

(*) Halal is a Quranic term that means permitted, allowed, lawful or legal (Miskam et al., 2015), and from the website of Halal Food Authority (HFA), the opposite of «Halal» in Arabic is the «Haram», which means forbidden or not allowed (HFA, www.halalfoodauthority.com).

(**) El-baraka: A widely used concept in everyday life of Algerian people, it is the Arabic expression is similar to the word “Gracias” and “Berakhah” in Christianity and Judaism. Without the socio-anthropological depth of the term, the common sense of Baraka is the blessing of God, the giving thanks and thankful giving. From the Geertz's work “Literally, Baraka means blessing, in the sense of divine favor. However, from this first meaning, the word came to apply, in a more particular and limited way, to a whole series of associated notions: material prosperity, physical health, bodily satisfaction, fullness, luck, satiety and magic power” (Geertz, 1992).

(***) Zakat: According to Aan Jaelani Sanusi, the «Zakat as a religious duty makes an important contribution to society and the state. Zakat is instrumental in the country's fiscal policy. The role of zakat has been practiced by the Prophet Muhammad and his successors who prove that zakat as an important asset that is collected through treasury and used not only to finance the wheels of government but can also guarantee social security. At that time, distributed alms to the people who deserve it (mustahiq), so it can help the stability of the economy» (Jaelani, 2016).

Moreover, modernity plays an important role through the market. The market economy and entrepreneurship represent another Algerian experience after that of industrialization in the 1970s. This incomplete experience leads us to ask again the question of modernity, but at the micro sociological level of young entrepreneurs in Algeria.

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