

**How to Cite:**

El Amine, M. M. (2024). Social factors influencing entrepreneurship in Algeria. *International Journal of Economic Perspectives*, 18(11), 2459–2474. Retrieved from <https://ijeponline.org/index.php/journal/article/view/728>

# Social factors influencing entrepreneurship in Algeria

**Metaiche Mohammed El Amine**


The Higher School of Management – Tlemcen, Algeria,  
LEREMA Laboratory; w 2770100, ESM-Tlemcen  
ORCID: <https://orcid.org/0009-0005-6372-8183>

**Abstract**---This paper examines the social and sociological factors that influence entrepreneurship in Algeria, with a particular focus on cultural norms, family dynamics, education, gender roles, socioeconomic factors, and government policies. Entrepreneurship is crucial for Algeria's economic diversification, yet it faces several challenges rooted in social and cultural contexts. The paper employs a theoretical framework that combines -behavioural and social theories to analyse how these factors shape entrepreneurial -behaviour. The study highlights the significant barriers to entrepreneurship, particularly for women, and emphasizes the role of informal networks, family support, and education in fostering entrepreneurship. It concludes that while Algeria offers potential opportunities for entrepreneurs, social, economic, and political challenges persist, and comprehensive policy reforms are necessary to promote entrepreneurship as a driver of economic growth.

**Keywords**---Entrepreneurship, Social Factors, Gender and Entrepreneurship, Algeria.

## 1. Introduction

Entrepreneurship is a critical driver of economic development, innovation, and job creation, particularly in emerging markets (Krauss et al., 2005). In Algeria, the entrepreneurial activity has evolved significantly over the past few decades, yet remains shaped by a variety of complex factors. Historically Over the past two decades, Algeria has improved its infrastructure and social policies, reducing poverty and enhancing human development. However, the economy is still heavily reliant on hydrocarbon revenues, which make up a large portion of GDP, exports, and public spending. Algeria is working to diversify its economy and reduce youth unemployment, which was at 30.8% in 2023. (world bank., 2024). This dependency has created a challenging environment for private entrepreneurship,

© 2024 by The Author(s).  ISSN: 1307-1637 International journal of economic perspectives is licensed under a Creative Commons Attribution 4.0 International License.

**Corresponding author:** El Amine, M.M., Email: [ametaiche@gmail.com](mailto:ametaiche@gmail.com)

Submitted: 18 September 2024, Revised: 09 October 2024, Accepted: 21 November 2024

with limited access to capital, markets, and support infrastructure for aspiring entrepreneurs (Ferdj, 2024).

In recent years, however, there has been a growing recognition of the need to diversify the economy, reduce reliance on hydrocarbons, and encourage entrepreneurial activity (World Bank, 2020). The Algerian government has introduced several initiatives aimed at fostering entrepreneurship, such as offering financial incentives for startups, simplifying business registration processes, and providing targeted support for youth and women entrepreneurs (Badraoui & Kaddouri, 2021). Despite these efforts, the entrepreneurial ecosystem in Algeria faces significant obstacles, including high levels of bureaucracy, a lack of access to finance, and challenges related to social and cultural attitudes.

Entrepreneurial -behaviour is significantly influenced by various social and sociological factors, particularly gender, social networks, and educational background. Gender plays a crucial role in shaping entrepreneurial intentions and -behaviours. Research indicates that women often face barriers such as the "glass ceiling," which limits their access to managerial roles and the social networks necessary for entrepreneurial success (Sullivan & Meek, 2012). This phenomenon is compounded by societal stereotypes that associate entrepreneurship with masculine traits, leading to lower levels of perceived -behavioural control among women compared to men (Vamvaka et al., 2020; Ward et al., 2019). Consequently, women may exhibit lower entrepreneurial intentions, as they often perceive entrepreneurship as a domain dominated by men (Suryawirawan, 2020; Ferri et al., 2018).

Social networks also emerge as a pivotal factor influencing entrepreneurial -behaviour. Studies highlight that individuals with strong entrepreneurial social networks are more likely to develop entrepreneurial intentions (Aldrich & Zimmer, 1986; Kamrul et al., 2022; Leyden et al., 2014). These networks provide essential resources, mentorship, and opportunities for collaboration, which are critical for recognizing and seizing entrepreneurial opportunities (Cabusao, 2023). The presence of role models within one's social environment further enhances the likelihood of pursuing entrepreneurial ventures, as individuals are inspired by the successes of those around them (Sitaridis & Kitsios, 2018). This underscores the importance of fostering supportive social networks in educational settings to cultivate entrepreneurial intentions among students.

Moreover, educational factors significantly affect entrepreneurial -behaviour. Entrepreneurship education has been shown to enhance entrepreneurial intentions, particularly when it incorporates elements of social networking and practical experience (Kamrul et al., 2022; Lavelle, 2021). The interaction between personal attitudes, social norms, and perceived -behavioural control varies by gender, indicating that tailored educational approaches may be necessary to address the unique challenges faced by different genders in entrepreneurship (Wibowo, 2016; Kusmintarti et al., 2018). Furthermore, the role of entrepreneurial competencies-such as self-efficacy and risk-taking-has been identified as a critical determinant of entrepreneurial intentions, with gender differences influencing how these competencies are perceived and developed (Malebana & Vhukeya, 2023; Joensuu-Salo et al., 2020).

The interaction of gender, social networks, and education significantly shapes entrepreneurial -behaviour. Addressing these sociological factors through targeted educational programs and supportive social environments can enhance entrepreneurial intentions and participation across diverse demographic groups.

Social and sociological factors help shaping the entrepreneurial culture and -behaviour within a country (Kohn & Schooler, 1983). In Algeria, these factors are influenced by a combination of traditional cultural values, economic inequalities, family dynamics, and social networks (Badraoui & Kaddouri, 2021). While entrepreneurship may be seen as a path to economic empowerment for some, social norms and societal expectations often present barriers to others, particularly women, youth, and individuals from lower socioeconomic backgrounds (Salamzadeh et al., 2023). Moreover, the political and institutional landscape, characterized by both opportunities and challenges, further influences entrepreneurial decisions and -behaviours (Abada et al., 2022).

This paper seeks to explore the intersection of these social and sociological factors with entrepreneurial activities in Algeria. By understanding the role of cultural attitudes, social networks, education systems, gender dynamics, and government policies, the study aims to provide a comprehensive view of how these factors shape the entrepreneurial reality in the country (Yaghoubian & Karkouljian, 2018).

The key research problem addressed in this study is: How do social and sociological factors influence entrepreneurship in Algeria? This question is critical in understanding the dynamics of entrepreneurship within the unique socio-cultural and economic context of Algeria, particularly as the country navigates its transition from a state-controlled economy to a more market-oriented one.

Social and sociological factors encompass a wide range of influences, including family dynamics, cultural norms, educational background, and social networks, all of which affect entrepreneurial intentions and -behaviours. For instance, family support is often a crucial determinant of entrepreneurial success, as families can provide both financial resources and emotional encouragement Messikh (2021). In Algeria, where traditional family structures are prevalent, the role of family in fostering or reducing entrepreneurial spirit among youth is significant.

Moreover; societal attitudes towards entrepreneurship can either encourage or hinder individuals from pursuing entrepreneurial ventures. Research indicates that cultural factors, such as the perception of entrepreneurship as a viable career path, can significantly influence entrepreneurial intentions (St-Jean et al., 2014; Thornton et al., 2011). Moreover, the necessity-driven nature of entrepreneurship in Algeria, largely due to high youth unemployment, suggests that external factors often overshadow intrinsic motivations, leading to a unique entrepreneurial landscape (St-Jean et al., 2014).

In addition; social networks provide access to resources, information, and mentorship, which are essential for entrepreneurial success (Turkina & Thai, 2013). The presence of strong social ties can enhance an individual's ability to

navigate the entrepreneurial landscape, facilitating access to funding and market opportunities. Furthermore, the influence of peers and role models within these networks can significantly shape entrepreneurial aspirations and intentions (Falck et al., 2010).

Furthermore, the quality and type of entrepreneurship education received can influence students' entrepreneurial intentions and capabilities (Correia et al., 2021). In Algeria, where educational institutions are increasingly focusing on entrepreneurship, understanding how these educational experiences interact with social and cultural factors is essential for fostering a robust entrepreneurial ecosystem.

In answering this question, the paper will examine a variety of social dimensions-ranging from cultural perceptions and family support to socioeconomic factors and gender roles-that affect the entrepreneurial -behaviour of individuals in Algeria. By focusing on these factors, the study aims to understand the barriers and enablers of entrepreneurship in the Algerian context and to contribute to the wider discussion on how social and sociological influences can either promote or hinder entrepreneurial activity.

## **2. Theoretical Background**

The entrepreneurial activity in Algeria has undergone significant transformation in recent years, particularly as the country shifts from a state-directed economy to a more market-oriented approach. This transition has catalyzed the emergence of private enterprises, positioning entrepreneurship as a vital solution to combat unemployment and stimulate economic growth (Messikh, 2021). The Algerian government has recognized the importance of fostering an entrepreneurial culture, particularly among youth and women, who are increasingly seen as key players in the economic development of the nation (Sellidj et al., 2023). The rise of necessity-driven entrepreneurship, where individuals are compelled to create businesses due to lack of employment opportunities, has also been noted as a significant trend in the Algerian context (Sellidj et al., 2023).

Family dynamics, cultural values, and social networks significantly influence the entrepreneurial intentions and actions of individuals. Research indicates that family support and values are pivotal in encouraging youth entrepreneurship, as families often provide the necessary resources and emotional backing for young entrepreneurs (Badraoui & Kaddouri, 2021). Furthermore, the changing social attitudes towards women's roles in the workforce have contributed to an increase in female entrepreneurship, as societal norms evolve to support women's participation in business (Messikh, 2021).

The role of social capital cannot be understated in the Algerian entrepreneurial ecosystem since social networks facilitate access to resources, information, and mentorship, which are essential for entrepreneurial success (Turkina & Thai, 2013). Additionally, the interplay between cultural perceptions and individual motivations is critical; cultural support for entrepreneurship can enhance individual perceptions of entrepreneurship as a viable career path (Martínez-Martínez, 2022). The recognition of these sociological factors is essential for

policymakers and educators aiming to cultivate a robust entrepreneurial environment in Algeria, as they directly impact the effectiveness of entrepreneurship education and support initiatives (Mortera, 2023; Urban & Kujinga, 2017).

The role of social and sociological factors in entrepreneurship has been extensively studied, revealing several key theories and findings that have emerged to explain how social contexts shape entrepreneurial -behaviour.

## **2.1 Social Networks and Social Capital**

One prominent theory is the social capital theory, which posits that social networks and relationships significantly influence entrepreneurial success. Research has shown that individuals with strong social networks are more likely to access resources, information, and mentorship, which are critical for entrepreneurial success (Thornton et al., 2011). These networks facilitate collaboration and knowledge sharing, enhancing the likelihood of entrepreneurial ventures succeeding. Social networks are a key factor influencing entrepreneurship, as they provide resources such as information, advice, financial support, and market access. The concept of social capital-the value derived from social relationships and networks-has been particularly influential in explaining how individuals leverage their social ties for entrepreneurial success (Bourdieu, 1986; Coleman, 1988; Rijal, et al., 2024). Entrepreneurs with stronger social networks are often able to access resources more easily, overcome barriers to entry, and navigate the complexities of starting and growing a business (Uzzi, 1997). In many developing countries, including Algeria, informal networks may play a more significant role than formal institutions in supporting entrepreneurial activity (Badraoui & Kaddouri, 2021).

## **2.2 Cultural Norms and Social Expectations**

Cultural factors, including attitudes toward risk-taking, failure, and individual achievement, significantly impact entrepreneurship. In cultures where failure is stigmatized, individuals may be less likely to engage in entrepreneurial ventures due to fear of reputational damage (Davidsson, 2003). Conversely, in cultures that value innovation and self-reliance, entrepreneurship is often seen as a path to personal success and societal progress (Schwartz & Bardi, 2001). In many societies, family expectations and community pressures also shape entrepreneurial intentions. For instance, in collectivist societies, entrepreneurs may prioritize the interests of their family or community over personal ambition (Baughn et al., 2006).

Societies that promote individualism tend to foster higher levels of entrepreneurial activity, as individuals are encouraged to pursue personal goals and take risks (Liñán et al., 2016). Conversely, collectivist cultures may prioritize group harmony over individual ambition, potentially stifling entrepreneurial initiatives. This cultural dichotomy highlights the importance of understanding the sociocultural context when examining entrepreneurial -behaviours (Karimi et al., 2019).

### **2.3 Gender and Entrepreneurship**

Gender is another critical sociological factor influencing entrepreneurship, especially in societies where traditional gender roles prevail. Women entrepreneurs often face greater challenges in accessing finance, markets, and resources, and their ventures are more likely to be concentrated in lower-growth, lower-capital industries (Brush et al., 2008) (Jamali, 2009). The concept of the gender gap in entrepreneurship highlights the disparity between male and female entrepreneurs in terms of both quantity and success. Studies show that societal gender norms often restrict women's entrepreneurial opportunities, though supportive policies and shifting social attitudes can help to reduce these barriers (Ahl, 2006; Gatewood et al., 2009).

Research indicates that societal norms and expectations regarding gender roles can significantly impact women's entrepreneurial intentions and -behaviours (Harrison et al., 2020). However, as societal attitudes towards gender roles evolve, there is a growing recognition of the importance of supporting women's entrepreneurship as a means of promoting economic development and gender equality (Vätavu et al., 2021).

Social norms significantly impact women entrepreneurs, creating both barriers and opportunities. Traditional gender roles often dictate that women should prioritize family responsibilities over professional ambitions, which can deter them from pursuing entrepreneurial ventures. This cultural backdrop fosters a perception that entrepreneurship is predominantly a male domain, leading to lower entrepreneurial intentions among women (Liñán et al., 2020). Furthermore, women frequently encounter systemic obstacles such as limited access to financing, lack of mentorship, and insufficient networks, which are crucial for entrepreneurial success (Dewitt et al., 2022; , Henry et al., 2017).

Despite these challenges, there are emerging opportunities for women entrepreneurs in Algeria. The increasing recognition of women's contributions to economic growth has prompted governmental and non-governmental organizations to implement initiatives aimed at empowering female entrepreneurs. For instance, programs that provide training, financial support, and networking opportunities have been established to enhance women's entrepreneurial capabilities (Dewitt et al., 2022; Ameen & Willis, 2016). Moreover, the rise of digital platforms has enabled women to engage in entrepreneurship more flexibly, allowing them to balance family obligations while pursuing business interests.

### **2.4 Education and Entrepreneurial Intentions**

Higher levels of education are often associated with greater entrepreneurial activity, as individuals gain not only technical knowledge but also the critical thinking and problem-solving skills necessary for business development (Van der Sluis et al., 2008). Entrepreneurial education, both formal and informal, plays a crucial role in shaping individuals' self-efficacy and willingness to take risks. Moreover, regions with strong educational systems tend to have more robust entrepreneurial ecosystems, with greater access to skilled labor and a culture that supports innovation (Fayolle et al., 2006).

## **2.5 Government Policy and Institutional Environment**

Policies related to business registration, access to credit, taxation, and intellectual property protection can either encourage or discourage entrepreneurship (Autio et al., 2014; Vătavu et al., 2021; Khanani, 2019). Governments can also help creating a favorable climate for startups through targeted programs that offer financial support, mentorship, and training for entrepreneurs. In many developing countries, however, the lack of infrastructure, high levels of bureaucracy, and weak institutional frameworks often hinder entrepreneurial activity (Acs et al., 2008).

## **3. Social Factors affecting entrepreneurship in Algeria**

In the context of Algeria, the entrepreneurial environment has been shaped by a range of sociocultural, economic, and political factors. Algeria, with its largely oil-dependent economy, has faced significant challenges in fostering a diverse entrepreneurial ecosystem. However, there has been growing recognition of the need to diversify the economy and promote entrepreneurship as a path to economic development. The entrepreneurial background in Algeria has been the subject of various studies, particularly concerning the sociocultural factors that influence entrepreneurial activity. Research indicates that Algeria's transition from a state-controlled economy to a more market-oriented one has created new opportunities for entrepreneurship, particularly among youth and women (Messikh, 2021; Sellidj et al., 2023). However, the entrepreneurial ecosystem remains influenced by traditional cultural norms and social structures that can both support and hinder entrepreneurial initiatives.

Family support is needed for young entrepreneurs, as families often provide the necessary resources and emotional encouragement needed to pursue entrepreneurial ventures (Badraoui & Kaddouri, 2021). This familial influence is particularly pronounced in Algerian culture, where family ties are strong, and collective decision-making is common.

The Algerian culture is traditionally collectivist, with strong family ties and community expectations shaping entrepreneurial behaviour; failure is often stigmatized, which may discourage individuals from pursuing entrepreneurial ventures. Additionally, while entrepreneurship is increasingly seen as a means of economic empowerment, it remains a male-dominated field, with women entrepreneurs facing additional social and institutional barriers (Salamzadeh et al., 2023).

Cultural perceptions of entrepreneurship also significantly impact entrepreneurial intentions in Algeria. Research indicates that societal attitudes towards entrepreneurship are evolving, with increasing recognition of its importance for economic development (Messikh, 2021). However, traditional views that prioritize stable employment over entrepreneurial risk-taking still persist, which can deter individuals from pursuing entrepreneurial opportunities (Sellidj et al., 2023).

Moreover, gender dynamics are critical in understanding entrepreneurship in Algeria. Women entrepreneurs face unique challenges, including societal

expectations and limited access to resources (Messikh, 2021). However, there is a growing movement to support women's entrepreneurship, recognizing its potential to contribute to economic growth and gender equality (Sellidj et al., 2023). To enhance their entrepreneurial capabilities; creating supportive networks and educational programs tailored to women is needed (Messikh, 2021).

The Algerian government has made efforts to improve the entrepreneurial climate through various policy measures, including financial incentives for startups and efforts to streamline the business registration process (World Bank, 2020). However, these efforts are often hampered by bureaucratic inefficiencies and a lack of access to finance, particularly for SMEs.

The government has recognized the importance of entrepreneurship for economic development and has implemented various programs aimed at supporting SMEs (Obaji, 2014). These initiatives often include financial assistance, training programs, and the establishment of business incubators to nurture new ventures (Obaji, 2014). However, the effectiveness of these policies can vary significantly based on regional disparities and the specific needs of entrepreneurs (Demirdağ & Eraydın, 2021).

Social security systems also influence entrepreneurial activities by providing a safety net for individuals who may be hesitant to take risks associated with starting a business. In Algeria, the lack of comprehensive social security can deter potential entrepreneurs from pursuing their ventures due to fears of financial instability (Peng & Walid, 2022). Conversely, robust social security systems can encourage entrepreneurship by reducing the perceived risks associated with failure, thereby fostering a more vibrant entrepreneurial ecosystem (Oyelakin & Kandi, 2017).

Moreover, the education system has made strides in promoting entrepreneurial knowledge, particularly in universities and technical institutes. However, the practical application of this knowledge remains limited, as many students lack access to real-world entrepreneurial experiences or the resources to launch their own. Entrepreneurial education is still in its early stages, and many students are not adequately prepared for the challenges of starting and running a business.

The high level of youth unemployment in Algeria has driven many young people toward entrepreneurship, yet economic constraints and limited access to capital present significant barriers. Socioeconomic inequalities also affect access to entrepreneurial opportunities, as individuals from wealthier backgrounds have greater access to education, resources, and networks that facilitate business creation (Osmani & Beloucif 2021). Additionally, regional disparities in development and infrastructure further exacerbate these challenges, with entrepreneurs in rural areas facing even greater difficulties in starting and scaling businesses (Ferdj, 2024).

Entrepreneurship is essential to foster territorial economic development in Algeria by driving innovation, job creation, and regional growth, particularly in sectors such as agri-food. Ferdj (2024) emphasizes the need to establish a supportive environment for entrepreneurship to ensure sustainable economic development



throughout the country. The existing literature on entrepreneurship in Algeria underscores the importance of sociocultural factors in shaping entrepreneurial activity. Family support, cultural perceptions, and gender dynamics are critical elements that influence entrepreneurial intentions and -behaviours in the Algerian context. Understanding these factors is essential for developing effective policies and programs that foster entrepreneurship and economic development in Algeria.

The perception of entrepreneurship within Algerian society is shaped by a complex interplay of traditional values and modern entrepreneurial culture. Historically, Algerian culture has placed a strong emphasis on stability and security, often valuing formal employment over entrepreneurial ventures. This perspective is rooted in a collective societal mindset that prioritizes job security, which can deter individuals from pursuing entrepreneurial opportunities due to the perceived risks involved (Badraoui & Kaddouri, 2021). However, recent shifts in economic conditions, particularly high unemployment rates among youth, have begun to reshape these attitudes, leading to a growing acceptance of entrepreneurship as a viable career path (Messikh, 2021).

Traditional values in Algeria often emphasize communal support and familial ties, which can both facilitate and hinder entrepreneurial endeavors. While family support is crucial for young entrepreneurs, as families often provide emotional and financial backing, the collective nature of Algerian society can also impose constraints on individual risk-taking (Badraoui & Kaddouri, 2021). This duality reflects a tension between the desire for entrepreneurial independence and the societal expectations that prioritize stability and conformity.

Socioeconomic factors such as income inequality, unemployment, and regional disparities play a crucial role in shaping the entrepreneurial landscape in Algeria. High levels of income inequality can lead to a concentration of resources and opportunities among a small elite, thereby stifling broader entrepreneurial activity (Peng & Walid, 2022; Stoica et al., 2020). In regions with high unemployment rates, individuals may turn to entrepreneurship as a means of survival, leading to a rise in necessity-driven entrepreneurship. This form of entrepreneurship, while vital for economic sustenance, often lacks the innovation and growth potential associated with opportunity-driven ventures (Stoica et al., 2020).

Poverty also serves as a double-edged sword in the context of entrepreneurship. On one hand, it can motivate individuals to start businesses as a means of escaping economic hardship; on the other hand, the lack of resources and support can hinder their ability to succeed (Peng & Walid, 2022; Stoica et al., 2020).

Moreover, the emergence of a modern entrepreneurial culture is increasingly evident, particularly among younger generations who are more exposed to global entrepreneurial trends through education and technology (Messikh, 2021). This shift is characterized by a growing recognition of entrepreneurship as a means of self-fulfillment and economic empowerment, particularly for women and youth (Messikh, 2021). As societal attitudes evolve, there is a burgeoning entrepreneurial spirit that embraces innovation and risk-taking, albeit still

tempered by the lingering influence of traditional values.

Family support and social networks are critical components in facilitating entrepreneurship in Algeria. The family unit plays a significant role in shaping entrepreneurial intentions, as familial encouragement can significantly boost an individual's confidence to pursue business ventures (Badraoui & Kaddouri, 2021). In many cases, family members provide not only emotional support but also financial resources, which are essential for starting and sustaining a business. This familial backing is particularly important in a context where access to formal financing can be limited.

Community involvement and social networks further enhance the entrepreneurial landscape in Algeria. Research indicates that strong social networks can provide entrepreneurs with access to vital resources, information, and mentorship. These networks often serve as informal support systems that facilitate knowledge sharing and collaboration among entrepreneurs. In Algeria, where formal institutional support may be lacking, informal networks can act as substitutes, helping entrepreneurs navigate challenges and seize opportunities.

The impact of trust within these informal networks cannot be overstated. Trust is a fundamental element that underpins successful entrepreneurial relationships, enabling collaboration and resource sharing (Leyden et al., 2014). In a society where personal relationships are highly valued, the ability to build and maintain trust within social networks can significantly influence entrepreneurial success. Entrepreneurs who leverage their social capital effectively are often better positioned to access funding, market opportunities, and strategic partnerships.

The interaction between familial encouragement and community involvement creates a supportive environment that can enhance entrepreneurial intentions and outcomes. Understanding these dynamics is essential for developing policies and programs that foster entrepreneurship in the country.

The state of entrepreneurship education in Algeria is evolving, with increasing recognition of its importance in shaping entrepreneurial skills and intentions. Historically, entrepreneurship education has been limited, but recent efforts have aimed to integrate entrepreneurial concepts into formal education systems (Zidane, 2022). This shift is crucial, as research indicates that exposure to entrepreneurship education can significantly enhance individuals' entrepreneurial capabilities and intentions (Kamrul et al., 2022).

Formal education institutions are beginning to adopt more comprehensive entrepreneurship curricula that emphasize practical skills, innovation, and business management (Zidane, 2022). However, the effectiveness of these programs is often moderated by the sociocultural context in which they are delivered. For instance, educational initiatives that align with local cultural values and norms tend to yield better outcomes in fostering entrepreneurial intentions (Kamrul et al., 2022).

Extensive research shows that behavioural characteristics play a crucial role in entrepreneurial decisions (Ben Fatma & Ben Mohammed, 2020). Entrepreneurs'

dispositions, motivations, and perceptions of self-efficacy-belief in their own abilities-are influenced by both inherent traits and the external environment (Baron, 2007). This nexus between individual traits and contextual factors has been extensively studied, focusing on how personal qualities, such as motivation and self-belief, affect entrepreneurial choices (Chen et al., 1998).

Entrepreneurship is not purely an individual decision; it is shaped by social and cultural contexts (Gedajlovic et al., 2013). Identity formation is crucial in this process, as it unfolds within dynamic social structures that are shaped by values, traditions, and beliefs (Eniola, 2020). Entrepreneurs' choices are often influenced by the social groups they belong to, where peer support and validation play critical roles (Aldrich & Ruef, 2016; Boyd, 2019).

Additionally, psychological factors, particularly perceptions of control over one's environment, are integral to entrepreneurial -behaviour. A belief in one's ability to shape and influence their surroundings strengthens the drive for entrepreneurship (Frese & Gielnik, 2014). These dynamics emphasize that successful entrepreneurial development cannot solely focus on individual change but must also consider broader environmental influences, including meso-developmental factors (Fayolle & Kyrö, 2008). Ultimately, fostering long-term societal change and empowering aspiring entrepreneurs requires a holistic approach that addresses both individual and contextual elements (Acs et al., 2017).

In addition to formal education, informal education plays a vital role in shaping entrepreneurial skills in Algeria. Community workshops, mentorship programs, and networking events provide aspiring entrepreneurs with practical knowledge and skills that are essential for business success (Zidane, 2022). These informal educational avenues often complement formal education by offering real-world insights and experiences that can enhance entrepreneurial readiness.

Moreover, the integration of technology into entrepreneurship education is becoming increasingly important. Digital tools and platforms can facilitate access to information and resources, enabling aspiring entrepreneurs to develop their skills and knowledge more effectively (Zidane, 2022). This technological integration is particularly relevant in the context of Algeria, where access to information can be a significant barrier to entrepreneurship.

The state of entrepreneurship education in Algeria is improving, with a growing emphasis on both formal and informal educational initiatives. These efforts are essential for equipping individuals with the skills and knowledge necessary to navigate the entrepreneurial landscape successfully. Understanding the role of education in shaping entrepreneurial intentions and capabilities is crucial for fostering a robust entrepreneurial ecosystem in Algeria.

#### **4. Conclusion**

We explored the various social and sociological factors that influence entrepreneurship in Algeria, shedding light on the complex interplay between cultural norms, family dynamics, gender roles, socioeconomic conditions, and

government policies. Entrepreneurship in Algeria faces significant barriers, including traditional cultural attitudes that prioritize job security over risk-taking, limited access to finance, and regional disparities in resources and opportunities. Additionally, women entrepreneurs encounter specific challenges related to gender norms and societal expectations, despite emerging opportunities in certain sectors.

The research highlights the crucial role of social networks and family support in fostering entrepreneurial activity, especially in an environment where formal institutions may fall short in providing resources and guidance. The paper also underscores the importance of educational initiatives to equip future entrepreneurs with the practical skills necessary to succeed in a competitive market.

While the Algerian government has made strides in promoting entrepreneurship through various policies and initiatives, bureaucratic inefficiencies and the lack of a cohesive, supportive policy environment continue to hinder progress. Furthermore, the high levels of political instability and low social trust further complicate the entrepreneurial landscape.

To foster a thriving entrepreneurial ecosystem in Algeria, a more comprehensive approach is needed. This should include not only improving access to finance, enhancing education and training, and supporting gender equality in entrepreneurship, but also addressing the broader social and political factors that impact business formation and growth. By creating a more supportive, inclusive, and stable environment, Algeria can better harness the potential of its entrepreneurial population, driving economic diversification and sustainable growth.

## 5. Bibliography List

- Abada, A., Messaoudi, N., & Sidi, M. (2022). Political and institutional barriers to entrepreneurship in Algeria: The role of governance and policy initiatives. *Journal of Entrepreneurship and Public Policy*.
- Acs, Z., Stam, E., Audretsch, D., & O'Connor, A. (2017). The lineages of the entrepreneurial ecosystem approach. *Small Business Economics*, 49(1), 1-22. <https://doi.org/10.1007/s11187-017-9864-8>
- Ahl, H. (2006). Why Research on Women Entrepreneurs Needs New Directions. *Entrepreneurship Theory and Practice*, 30(5), 595-621. <https://doi.org/10.1111/j.1540-6520.2006.00138.x>
- Aidin Salamzadeh & Mirjana Radović-Marković & Boufeldja Ghat, 2023. "Women Entrepreneurship in Algeria," *World Scientific Book Chapters*, in: Léo-Paul Dana & Dina Modestus Nziku & Ramo Palalić & Veland Ramadani (ed.), *Environments for Women Entrepreneurship in North Africa*, chapter 3, pages 55-70, World Scientific Publishing Co. Pte. Ltd..
- Aldrich, H. E., & Ruef, M. (2006). *Organizations evolving*. SAGE Publications Ltd. <https://doi.org/10.4135/9781446212509>.
- Aldrich, H., & Zimmer, C. (1986). Entrepreneurship through social networks. *California Management Review*, 33(1), 3-23.
- Ameen, N.A. and Willis, R. (2016), "The use of mobile phones to support women's

- entrepreneurship in the Arab countries", *International Journal of Gender and Entrepreneurship*, Vol. 8 No. 4, pp. 424-445. <https://doi.org/10.1108/IJGE-10-2015-0037>
- Autio, E., Keeley, R., Klofsten, M., Parker, G., & Hay, M. (2001). Entrepreneurial intent among students in Scandinavia and in the USA. *Enterprise and Innovation Management Studies*, 2(2), 145-160. <https://doi.org/10.1080/14632440110094632>.
- Badraoui, K., & Kaddouri. (2021). Family and young entrepreneurship in Algeria: Identification and analysis of certain socio-cultural factors. *Humanities and Social Sciences Quarterly*. <https://doi.org/10.7862/rz.2021.hss.01>
- Badraoui, S., & Kaddouri, M. (2021). Family and young entrepreneurship in Algeria: Identification and analysis of certain socio-cultural factors. *Humanities and Social Sciences*, 28, 7-14. <https://doi.org/10.7862/rz.2021.hss.01>
- Baron, R. (2007). Behavioral and cognitive factors in entrepreneurship: Entrepreneurs as the active element in new venture creation. *Strategic Entrepreneurship Journal*, 1(2), 167-182. <https://doi.org/10.1002/sej.12>
- Ben Fatma, E., & Ben Mohammed E. (2020). Behavioral entrepreneurship theory: A survey and future directions. *Academy of Entrepreneurship Journal*, 25, 1-20.
- Bourdieu, P. (1986). The Forms of Capital. In J. Richardson (Ed.), *Handbook of Theory and Research for the Sociology of Education* (pp. 241-258). New York:
- Brush, C., Carter, N., Gatewood, E., Greene, P., & Hart, M. (2008). The Diana Project: Women business owners and equity capital: The myths dispelled. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.1262312>
- Cabusao, M. B. (2023). Exploring the Moderating Role of Gender in the Relationship between Personality Traits and Entrepreneurial Competencies. *International Journal of Multidisciplinary: Applied Business and Education Research*, 4(6), 1976-1988. <https://doi.org/10.11594/ijmaber.04.06.23>
- Chen, C. C., Greene, P. G., & Crick, A. (1998). Does entrepreneurial self-efficacy distinguish entrepreneurs from managers? *Journal of Business Venturing*, 13(4), 295-316. [https://doi.org/10.1016/S0883-9026\(97\)00029-3](https://doi.org/10.1016/S0883-9026(97)00029-3)
- Coleman, J. S. (1988). Social Capital in the Creation of Human Capital. *American Journal of Sociology*, 94(1), S95-S120. <http://www.jstor.org/stable/2780243>
- Correia, P., Medina, I., & Coelho, P. (2021). Business entrepreneurship and education. *Revista Organizações Em Contexto*, 17(33), 211-224. <https://doi.org/10.15603/1982-8756/roc.v17n33p211-224>
- Demirdag, İ., & Eraydin, A. (2021). Explaining regional differences in firm formation rates: How far are government policies important for entrepreneurship? *Journal of Entrepreneurship in Emerging Economies*, 13(2), 254-281. <https://doi.org/10.1108/JEEE-02-2020-0040>
- Dewitt, S., Sadeghi, V. J., Sukumar, A., Nagaraju, R., Sadraei, R., & Li, F. (2023). Family dynamics and relationships in female entrepreneurship: An exploratory study. *Journal of Family Business Management*, 13, 626-644.
- Eniola, A. (2020). Cultural identity and entrepreneurial performance. In *Cultural entrepreneurship and the changing world* (pp. 23-44). Emerald Publishing Limited. <https://doi.org/10.1108/978-1-83982-550-720201004>
- Falck, O., Heblich, S., & Luedemann, E. (2012). Identity and entrepreneurship: Do peers at school shape entrepreneurial intentions? *Small Business Economics*, 35(1), 1-21. <https://doi.org/10.1007/s11187-010-9292-5>

- Fayolle, A., & Kyrö, P. (2008). *The dynamics between entrepreneurship, environment and education*. Edward Elgar Publishing. <https://doi.org/10.4337/9781848445017>.
- Ferdj, Y. (2024). Entrepreneurship and territorial economic development in Algeria. *Management and Entrepreneurship: Trends of Development*, 1, 8-18. <https://doi.org/10.26661/2522-1566/2024-1/27-01>
- Ferri, L., Ginesti, G., Spanó, R., & Zampella, A. (2018). Exploring the entrepreneurial intention of female students in Italy. *Journal of Open Innovation Technology Market and Complexity*, 4(3), 27. <https://doi.org/10.3390/joitmc4030027>
- Frese, M., & Gielnik, M. (2014). The psychology of entrepreneurship. *Annual Review of Organizational Psychology and Organizational Behavior*, 1, 413-438. <https://doi.org/10.1146/annurev-orgpsych-031413-091326>
- Gedajlovic, E., Honig, B., Moore, C., Payne, G. T., & Wright, M. (2013). Social capital and entrepreneurship: A schema and research agenda. *Entrepreneurship Theory and Practice*, 37(3), 455-478. <https://doi.org/10.1111/etap.12042>
- Henry, C., Orser, B., Coleman, S., & Foss, L. (2017). Women's entrepreneurship policy: A 13-nation cross-country comparison. *International Journal of Gender and Entrepreneurship*, 9(3), 00-00. <https://doi.org/10.1108/IJGE-07-2017-0036>
- Joensuu-Salo, S., Viljamaa, A., & Varamäki, E. (2020). The effect of entrepreneurial competence on perceived behavioral control and perspective of gender. In L. Gómez Chova, A. López Martínez, & I. Candel Torres (Eds.), *INTED 2020 Proceedings: 14th International Technology, Education and Development Conference 2-4 March, 2020 – Valencia, Spain* (pp. 1537-1545). IATED Academy. <https://doi.org/10.21125/inted.2020.0509>
- Kamrul, H. H. M., Igel, B., & Shamsuddoha, M. (2022). Entrepreneurship education and social entrepreneurial intentions: The mediating effects of entrepreneurial social network. *Frontiers in Psychology*, 13, Article 860273. <https://doi.org/10.3389/fpsyg.2022.860273>
- Kusmintarti, A., Ismanu, S., & Riawanti, N. (2018). Gender as a moderator of the influence of entrepreneurial education and entrepreneurial characteristics on entrepreneurial intention. *International Journal of Engineering & Technology*, 7(3), 469-474. <https://doi.org/10.14419/ijet.v7i3.30.18360>
- Lai, C., Lv, W., & Jiang, Y. (2015). Entrepreneurial knowledge and the influence of entrepreneurship education on students' entrepreneurial abilities. *Open Journal of Social Sciences*, 3(7), 1-6. <https://doi.org/10.4236/jss.2015.37001>
- Lavelle, B. A. (2021). Entrepreneurship Education's Impact on Entrepreneurial Intention Using the Theory of Planned Behavior: Evidence From Chinese Vocational College Students. *Entrepreneurship Education and Pedagogy*, 4(1), 30-51. <https://doi.org/10.1177/2515127419860307>
- Leyden, D. P., Link, A. N., & Siegel, D. S. (2014). A theoretical analysis of the role of social networks in entrepreneurship. *Research Policy*, 43(7), 1157-1163. <https://doi.org/10.1016/j.respol.2014.04.010>
- Liñán et al. "Does entrepreneurship fit her? Women entrepreneurs, gender-role orientation, and entrepreneurial culture" *Small business economics* (2020) doi:10.1007/s11187-020-00433-w
- Malebana, M., & Vhukeya, M. (2023). Relationship between entrepreneurial competencies and entrepreneurial intention among South African university

- students: A gender perspective. *European Conference on Innovation and Entrepreneurship*, 18, 552-561. <https://doi.org/10.34190/ecie.18.1.1739>
- Martínez-Martínez, S. (2022). Entrepreneurship as a multidisciplinary phenomenon: culture and individual perceptions in business creation. *Academia Revista Latinoamericana De Administración*, 35(4), 537-565. <https://doi.org/10.1108/arla-02-2021-0041>
- Messikh, A. (2021). The entrepreneurial intention of algerian women (a sample study of skikda university female students). *Jwee*, (3-4), 134-150. <https://doi.org/10.28934/jwee21.34.pp134-150>
- Messikh, A. Does Entrepreneurial Risk-Taking Affect the Business Performance of Micro-Enterprises? Evidence from Skikda in Algeria. *Naše gospodarstvo/Our economy*, 2022, Sciendo, vol. 68 no. 2, pp. 65-77. <https://doi.org/10.2478/ngoe-2022-0012>
- Mortera, G. (2023). Tourism social enterprise sustainability scale in the context of community stakeholders. *International Journal of Research Publications*, 140(1). <https://doi.org/10.47119/ijrp1001401120246021>
- Obaji, N. O., & Olugu, M. U. (2014). The role of government policy in entrepreneurship development. *Science Journal of Business and Management*, 2(4), 137-144. <https://doi.org/10.11648/j.sjbm.20140204.12>
- Osmani, A., & Beloucif, A. (2021). Challenges of Algeria's economic development: A youth entrepreneurship perspective. In *Youth Entrepreneurship and the Role of Education in the Economic Development of the MENA Region* (pp. 173-191). Emerald Publishing Limited. <https://doi.org/10.1108/978-1-80071-322-220211009>
- Oyelakin, O., & Mamman, U. (2017). The moderating role of government policies on the relationship between technology, innovation, and entrepreneurship development in Nigeria: A partial least square approach. *Universal Journal of Management*, 5(10), 477-484. <https://doi.org/10.13189/ujm.2017.051002>
- Peng, H., & L'hocine, W. (2022). The effects of entrepreneurs' perceived risks and perceived barriers on sustainable entrepreneurship in Algeria's SMEs: The mediating role of government support. *Sustainability*, 14(17), 11067. <https://doi.org/10.3390/su141711067>
- Rijal, S., Utomo, B., & Ramdhani, R. (2024). The influence of social capital on entrepreneurial success: A study of networks and relationships in MSMEs. *International Journal of Business, Law, and Education*, 5(2), 1686-1696. <https://doi.org/10.56442/ijble.v5i2.678>
- Sekiou, A., Bouhala, A., & Bouzidi, N. (2017). Entrepreneurship in Algeria, reality & perspectives - Tlemcen study case. *Journal of Entrepreneurship and Business*, 1, 289-304. <https://doi.org/10.37170/1986-000-001-019>
- Sellidj, Y., Lounaci, A., & Bouchetara, M. (2023). The motivational factors of necessity entrepreneurship in Algeria. *Management of Organizations: Systematic Research*, 89, 103-121. <https://doi.org/10.2478/mosr-2023-0007>
- Sitaridis, I. and Kitsios, F. (2018). Entrepreneurship as a career option for information technology students: critical barriers and the role of motivation. *Journal of the Knowledge Economy*, 10(3), 1133-1167. <https://doi.org/10.1007/s13132-018-0519-z>
- St-Jean, É., Nafa, A., Tremblay, M., Janssen, F., Baronet, J., & Loué, C. (2014). Entrepreneurial intentions of university students: an international comparison between african, european and canadian students. *International Journal of Entrepreneurship and Innovation Management*, 18(2/3), 95.

- <https://doi.org/10.1504/ijeim.2014.062878>
- Stoica, O., Roman, A., & Rusu, V. D. (2020). The nexus between entrepreneurship and economic growth: A comparative analysis on groups of countries. *Sustainability*, 12(3), 1186. <https://doi.org/10.3390/su12031186>
- Sullivan, D., & Meek, W. (2012). Gender and entrepreneurship: A review and process model. *Journal of Managerial Psychology*, 27(5), 428-458. <https://doi.org/10.1108/02683941211235373>
- Suryawirawan, O. (2020). Theory of planned behavior approach and gender differences on students' intention to practice online business. *Jurnal Dinamika Manajemen*, 10(2), 138-147. <https://doi.org/10.15294/jdm.v10i2.19398>
- Thornton, P., Soriano, D., & Urbano, D. (2011). Socio-cultural factors and entrepreneurial activity. *International Small Business Journal Researching Entrepreneurship*, 29(2), 105-118. <https://doi.org/10.1177/0266242610391930>
- Turkina, E. and Thai, M. (2013). Social capital, networks, trust and immigrant entrepreneurship: a cross-country analysis. *Journal of Enterprising Communities People and Places in the Global Economy*, 7(2), 108-124. <https://doi.org/10.1108/17506201311325779>
- Urban, B., & Kujinga, L. (2017). The institutional environment and social entrepreneurship intentions. *International Journal of Entrepreneurial Behavior & Research*, 23(6), 1-21. <https://doi.org/10.1108/IJEBr-07-2016-0218>
- Vamvaka, V., Stoforos, C., Palaskas, T. et al. Attitude toward entrepreneurship, perceived behavioral control, and entrepreneurial intention: dimensionality, structural relationships, and gender differences. *J Innov Entrep* 9, 5 (2020). <https://doi.org/10.1186/s13731-020-0112-0>
- Ward, A., Hernández-Sánchez, B., & Sánchez-García, J. (2019). Entrepreneurial potential and gender effects: the role of personality traits in university students' entrepreneurial intentions. *Frontiers in Psychology*, 10. <https://doi.org/10.3389/fpsyg.2019.02700>
- Wibowo, B. (2016). Relationship between entrepreneurial intention among undergraduates student and entrepreneurship education: differences between gender. *Asia Pacific Management and Business Application*, 5(1), 30-50. <https://doi.org/10.21776/ub.apmba.2016.005.01.3>
- World Bank. (2024). *Economic Update: Investing in Data for Diversified Growth*. Spring 2024.
- Zidane, H. K. (2022). Impacts of entrepreneurial education on rural youth's entrepreneurial behavior in Algeria. *International Journal of Entrepreneurship, Innovation, and Business Strategies*, 1(1), 53-65. <https://doi.org/10.58425/ijeib.v1i1.44>