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Impact of administrative empowerment on the creativity of Algerian start-ups

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Abstract--The present study aims to highlight the role of the impact of administrative empowerment on improving creativity within Algerian start-ups. The study population consisted of a few Algerian start-ups with a total of 70 questionnaire forms distributed and 50 valid forms of them were collected. The study found that there is an impact with statistical significance at the level ($\alpha \leq 0.05$). Dimensions of empowerment (employee training, effective communication and teamwork) on improving creativity among Algerian Start-Ups. It was also found that there were no statistically significant variances at Sig Level ($\alpha \leq 0.05$) between workers' tendencies toward creativity enhancement, which can be attributed to the functional variables (Age and experience). Study recommended applying modern administrative concepts such as the principle of enabling participation, the formation of working groups and teamwork and administrative decision making, also preparing the working environment in a way that supports the empowerment by adopting cooperation and coordination between administrations, divisions, groups and individuals, and by working to enable decentralization, delegation of power and participation of subordinates in decision-making, and finally by working on establish an effective system of financial and intangible incentives for employees.

Keywords---Start-ups, Administrative empowerment, creativity, Algeria.

Jel classification codes: O31, M12, M13, O15.

1. Introduction

The concept of empowerment has emerged since the late 80s of the last century and was widely adopted in the late 90s, due to increased attention to the humanitarian element within organizations. The concept emerged as a consequence of the evolution of administrative thinking from the concept of "command and empowered organization" to what is today called "empowered organization", an issue which resulted in the transformation of the multi-level organizational scale into a limited numerical scale within the organization. Organizational environment and transformations of administrative concepts towards the identification and obtaining of competitive advantage. Given the responsibility of leaders and administrators in the success or failure of organizations, interest in people and their management, direction and stimulation has surpassed interest in other issues related to money, technology and organizational structures, because it is full of many tangible capabilities. It is a sea of invisible points of view, impressions, instincts and motivations, which can neither be observed nor measured. Therefore, the topic of empowerment has become one of the modern administrative topics of the third millennium relevant to the humanitarian dimension.

1.2 Study problem

Many Algerian start-ups clearly suffer from numerous problems and negativities resulting from the long period of decentralization, the hierarchical form of administrative levels, their plurality, prolonged formal lines of communication and the secrecy of information given to employees. All these issues have become an obstacle to development and reform ambitions and a burden whose costs can no longer be borne. Empowerment has become the essence of administrative creativity in any administrative organization, including organizations in the telecommunications sector. Administrative scientists unanimously agree that contemporary organizations live in variable and complex conditions that reinforce the need for creativity.

Administrators of administrative organizations must ensure the development of workers' capabilities to have the opportunity to solve problems, participate in decision-making and generate new ideas, and work in the spirit of an excellent team and serious with the aim of showing creativity at work. From there, the problem of the study consists exclusively in determining the extent of the impact of the dimensions of administrative empowerment on the realization of administrative creativity of Algerian start-ups, because it is probable that the impact is practically low compared to what should be, particularly what other Algerian companies have in terms of many elements of competitiveness. The study problem can be formulated in the following major question: What is the impact of administrative empowerment on creativity in Algerian start-ups?

1.3 The Objectives:

The main objective of this study is to identify the effect of administrative work empowerment on creativity in Algerian Start-Ups, achieving the following objectives:

- Determine the level of importance of the working environment in Algerian Start-Ups.
- Determine the level of administrative creativity of Algerian Start-Ups
- Determine the effect of work environment factors on the administrative creativity of Algerian Start-Ups.

1.4 The importance of the study

The theoretical importance of the research appears in the following points: This study seeks to establish a link between the work environment and administrative creativity. Clarify the relationship between work environment dimensions and administrative creativity. He addressed one of the organizational concepts, namely administrative creativity, which is one of the important themes of modern management thought, being an important source of organizational survival and sustainability, especially in institutions who seek to adopt a modern management strategy that allows the participation of workers in decision-making and the exploitation of opportunities and increase their competitiveness and creativity. Drawing the attention of decision-makers in relevant public and private institutions to the concept of work environment and giving it sufficient attention, which has negative or positive effects on administrative creativity.

1.5 Study methodology

To achieve the objectives of the study and detect the impact of administrative empowerment on the creativity of Algerian start-ups, the author relied on the descriptive approach. A questionnaire is developed to collect primary data. The questionnaire was developed and analyzed to derive and interpret the relationship between the study variables. From the above-mentioned research questions and objectives, several research hypotheses can be formulated as follows.

1.6 Study hypotheses

First main hypothesis H0: There is no statistically significant impact at the significance level ($\alpha \leq 0.05$) of administrative empowerment on Creativity among Algerian start-ups.

Second main hypothesis H0: There are no statistically significant differences at the level of significance ($\alpha \leq 0.05$) in Algerian start-ups towards Creativity.

2. Previous literature

(UZUNBACAK, 2015) Aimed to analyze, by examining the relationship between empowerment and innovation which are important concepts for organizations, how empowerment efforts affect innovation and how the behavioral, psychological, social and structural dimensions of empowerment affect innovation. As a result of these reviews, all hypotheses that constituted the

research were accepted. In other words, it was concluded that behavioral, psychological, social and structural employee empowerment efforts have a very positive impact on innovation, and that the simultaneous application of behavioral, psychological, social and structural impact has a high degree of innovation.

(Aldaihani, 2020) Aimed to reveal the relationship between administrative empowerment and job satisfaction. Additionally, the objective was to identify any statistically significant differences in the study sample's responses regarding employee administrative empowerment and job satisfaction attributed to the study variables (gender and years of experience). Finally, the study aimed to determine the possibility of predicting the level of job satisfaction among Kuwait University employees through administrative empowerment. The results showed that Kuwait University employees enjoyed average levels of administrative autonomy. In contrast, employees reported high levels of job satisfaction. A statistically positive correlation was found between job satisfaction and administrative empowerment.

(Hammadi, 2018) Aimed at knowing the internal working environment and its relationship with administrative performance, a field study on Yemeni private universities. The study revealed a relationship between internal work environment and administrative performance.

(Hanaysha, 2016) Aimed to examine the effects of three factors, mainly administrative empowerment, teamwork and employee training, on organizational commitment in the Malaysian higher education context. The results indicate that employee empowerment has a significant and positive impact on organizational commitment. The effect of teamwork on organizational commitment was also found to be positive and statistically significant.

2.1 Administrative empowerment:

Empowerment occupies great importance in contemporary organizations that operate in an unstable environment characterized by a high degree of complexity, which means difficulties in achieving objectives (Ali., 2014.). Empowerment is a concept that connects individual strengths and skills, natural support systems, and proactive behaviors to social policy and social change. (Kahreh Mohammad Safari, 2011) Definitions of empowerment vary widely among researchers. There are several definitions of empowerment, depending on the perspectives of empowerment and the focus of the research conducted. Studies consider empowerment as intrinsic task motivation, or motivation reflecting person-environment fit, perceptions, commitment-based designs, dependent on management or leadership actions and human resource practices such as training programs or reward systems. Empowerment has been used in reference to behavioral or performance-related outcomes, and in terms of work structure: the transfer of power or authority and/or work support structures such as sharing resources and of information, (Effendi, 2003) considered empowerment in terms of decision-making strength. , as "the process of acquiring the strength necessary to make decisions and which helps to establish plans and in particular those which belong to the position or function of the individual and to use the

expertise of the individual to improve the performance of the organization. (Brown & D. Harvery, , 2006.)Jumped to a broader view of empowerment as "(a strategy) that aims to release the inherent energies of individuals and makes them participate in organization building operations by (Al-Utaibi S.M., 2004)focusing on power and responsibility" said in his definition of empowerment as "a transfer of energy". Responsibility and power, a call for employees to participate in the information and knowledge that is provided by the organization through its database, and in the analysis of problems, decision-making and therefore decision-making power. The employee must have a feeling of his personal abilities. This is an empowerment that must support the employee's awareness of their personal capabilities.

2.2 Creativity

(Feldhusen, 2002)says that creativity is a process that occurs in four stages: fluidity, flexibility, originality and elaboration. The fluid stage of creativity is based on the extraction of information from memory, that is, the appeal to awareness of previously acquired information. The flexible phase of creativity is largely a non-cognitive function of personality and partly a cognitive function, as it is strongly correlated with intelligence. The elaboration phase of creativity relies primarily on adding details from memory or extracting information about what to add. Originality is the final phase of creativity. It is the final tribunal that are the true evaluators of the creative product. Creativity is generally associated with cognitive abilities and cognitive tests. Most often, creativity is linked to intelligence. (Simonton, 2004). (Sternberg, 2003)Identifies five components of creativity:

- Expertise: well-developed knowledge base,
- Imagination: the ability to see things in their own way, to recognize patterns,
- Enterprising person: seeking new experiences, tolerates ambiguity and risk, perseveres in overcoming obstacles,
- Internal motivation: arouses more interest, satisfaction and challenges than external factors,
- Creative environment: initiates, supports and refines ideas.

2.3 Overview of Start-Ups

In English, the concept of start-up is clear, designating a start-up company aiming for growth. This term was first introduced in 1970 by journalists from the American economic press to describe innovative companies in the field of electronics. Anglo-Saxon studies on start-ups do not really focus on their definition, considered obvious. In France, this term is perceived as foreign because it was borrowed from the United States and has no equivalent in French. Despite Larousse's recommendation to use the term "young start-up", the word "start-up" is often preferred. The question of the concrete meaning of this category then arises. According to Larousse, a start-up is a young innovative company, particularly in the field of new technologies. (<https://www.larousse.fr/dictionnaires/francais/start-up/74493>, 2023).

A start-up is a recent entity that focuses primarily on creating an innovative product or service. It is characterized by a high level of uncertainty and risk, but also the potential for massive returns. Young companies need funding, resources

and expertise to grow, and this is where accelerators and incubators play a crucial role.

Accelerators regularly offer equity investment opportunities in exchange for a small share in the initial capital. In contrast, incubators support early-stage startups through various programs such as mentoring, networking opportunities and access to resources. Unlike accelerators, incubators generally do not provide funding or take equity in the startup. Rather, they help startups develop and perfect their business models, as well as market their products or services. Incubators, on the other hand, often offer office space, access to shared services and resources, and ongoing support from mentors and advisors. At the heart of accelerators and incubators is the desire to help startups succeed. However, there are some important differences between the two:

- 1) Duration: Accelerators generally have more structured programs that last 3-6 months while incubator programs can vary from a few weeks to several years.
- 2) Funding: Accelerators typically provide funding in exchange for startup participation, while incubators typically do not provide funding.
- 3) Theme: Accelerators tend to focus on rapid growth of startups while incubators focus on improving their business models and commercializing their products or services.
- 4) Services: Accelerators often provide more specialized services such as mentoring, access to capital and networking opportunities while incubators offer a more general range of services such as office space and shared resources. (<https://fastercapital.com/fr/contenu/Quelle-est-la-difference-entre-un-accelerateur-de-startup-et-un-incubateur.html#:~:text=La, 2023>)

3. Hypothesis testing

First main hypothesis: H0: there is no statistically significant impact at the significance level ($\alpha \leq 0.05$) of administrative empowerment on creativity among Algerian start-ups.

Table n°1: Results of the multi-regression test of the impact of administration on improving the level of creativity

Source	Squares sum	Freedom degrees	Calculated F-value	Deposit f-value	Sig. Level f	Coefficient of Determination R ²
Regression	2.26	1	14.20	4.1960	0.001	0.34
Residual	4.45	28				

Source: Prepared by the researcher based on the results of SPSS.27

*Significant at level (0.05): Multiple regression analysis was used to test this hypothesis, as shown in table no. 1, the calculated f-value is equal to 14.20, greater than its tabulated values of 4,1960 at the degrees of freedom (1-28) and the level of significance (0.05), which implies rejecting the null hypothesis and accepting the alternative hypothesis according to which there is an impact of the dimensions of administrative empowerment on the level of improvement of the creativity of Algerian Start-Ups. This result is confirmed by the significance level f

of 0.001 which is lower than the adopted significance level of (0.05), the interpretative power of the R2 model was found to be equal to 0.34, which is an average interpretive power, which therefore means that the independent variable (administrative empowerment) accounts for 34% of the dependent variable (creativity enhancement). Table 2 shows the extent of the impact of each dimension of administrative empowerment on the level of improvement in creativity among Algerian start-ups.

Table 2: Results of the strength coefficient of administrative empowerment dimensions on the level of improvement of creativity among Algerian start-ups

Variable	B	Beta	T value	Signature level
Teamwork	0.20	0.55	3.52	0.001
Employee training	0.15	0.54	3.36	0.002
Effective communication	0.15	0.53	3.36	0.002

Source: Prepared by the researcher based on the results of SPSS.27

* Significant at the level (0.05): The results of the coefficient of strength of the administrative empowerment dimensions on the level of improvement of creativity among Algerian start-ups, show that the variables (Teamwork, employee training, effective communication) have an impact with statistics. Significance at the significance level ($\alpha \leq 0.05$) and that the variable (teamwork) has no impact on the statistical significance. Second main hypothesis: There are no statistically significant variances at the significance level ($\alpha \leq 0.05$) in workers' tendencies toward creativity improvement in Algerian start-ups, which can be attributed to the functional variables (age, qualifications).

Table 3: Analysis of variance ANOVA of the test of variances of the level of administrative authorization according to the functional variables (Age, Experience)

Source		Sum of squares	Freedom degrees	Mean square	Calculated F value	Sig. level f
Age	Between groups	23.77	3	7.92	7.44	0.001
	Within groups	27.70	26	1.07		
Experience	Between groups	26.13	3	8.71	8.94	0.00
	Within groups	25.33	26	0.97		

Source: Prepared by the researcher based on the results of SPSS.27

*Significant at the (0.05) level: The statistical data in Table #3 indicates that the ANOVA test of the analysis of variance results showed no statistically significant variance at the significance level ($\alpha \leq 0.05$) in workers' tendencies to improve creativity. In Algerian start-ups, which can be attributed to the functional variable (Age), since the calculated F value is equal to 7.44 and with a statistical significance of 0.01. The results in Table No. 3 also show that the ANOVA test of variance results The analysis did not show statistically significant variances at the significance level ($\alpha \leq 0.05$) in workers' tendencies towards improvement in

creativity in Algerian start-ups, which can be attributed to the functional variable (Experience), since the calculated F value is equal to 8.94 and with a statistical significance of 0.00.

4. Results

O There is a statistically significant impact at the significance level ($\alpha \leq 0.05$) of the dimensions of administrative empowerment (employee training, effective communication and teamwork) on improving the creativity of Algerian start-ups.
 O There are no statistically significant variances at the significance level ($\alpha \leq 0.05$) in workers' tendencies toward creativity improvement in Algerian start-ups, which can be attributed to the functional variables (Age, Experience).

5. Recommendations

- Apply modern administrative concepts such as activating the principle of participation, the formation of work groups and teams and administrative decision-making.
- Prepare the work environment in a way that promotes empowerment, by adopting cooperation and coordination between administrations, divisions, groups and individuals, and by exchanging information and improving communication, in order to avoid conflicts and rivalry between individuals.
- Implementation of decentralization, delegation of authority and participation of subordinates in decision-making.
- The establishment of an effective system of financial and intangible incentives for employees.
- Highlighted the importance of human resource development as one of the strategies that can be adopted by organizations in the area of improving human resource performance within organizations.
- Strengthen the role of the culture of identification, innovation and creativity, so that it is reflected in the performance of the human resources of Algerian Start-Ups.

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