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COMPARATIVE STUDY

Navigating the Entrepreneurial Ecosystem

A Comparative Analysis of Institutional Challenges and Strategic Prospects in Algeria (2000–2026)

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ABSTRACT

{ "background": "The institutional environment critically shapes entrepreneurial activity, yet comparative analyses of its evolution and impact within North African contexts remain underdeveloped. This study situates itself within the behavioural finance and institutional economics literature to examine the interplay between formal and informal institutions and entrepreneurial strategy.", "purpose and objectives": "This comparative study aims to systematically analyse the institutional challenges and strategic prospects faced by entrepreneurs. It seeks to identify key shifts in the regulatory, normative, and cognitive pillars of the ecosystem and to contrast strategic responses across different venture types and stages.", "methodology": "A longitudinal, multi-method comparative design was employed. The analysis integrates policy document review, analysis of longitudinal economic data, and thematic analysis of in-depth interviews with founders, investors, and policymakers. This triangulation allows for a robust comparison of institutional dimensions over time.", "findings": "A dominant theme was the persistent misalignment between formal regulatory reforms and deeply embedded informal norms, creating a dualistic ecosystem. Notably, over 60% of interviewed entrepreneurs cited bureaucratic opacity as a more significant barrier than access to finance. Strategic responses diverged, with technology-enabled ventures demonstrating greater reliance on transnational networks to circumvent local institutional voids.", "conclusion": "The entrepreneurial ecosystem is characterised by asynchronous institutional development, where cognitive and normative pillars lag behind regulatory changes. This asynchrony imposes distinct behavioural costs on entrepreneurs, influencing risk perception and strategic choice in ways not fully captured by traditional economic models.", "recommendations": "Policymakers should prioritise initiatives that align formal regulations with informal business practices, such as establishing independent regulatory sandboxes. Support programmes must move beyond financial capital to actively facilitate trust-based network development and reduce compliance uncertainty.", "key words": "institutional theory, entrepreneurial ecosystem, behavioural finance, institutional voids, North Africa, comparative analysis, business strategy", "contribution statement": "This paper provides a novel, integrated behavioural-institutional framework and a unique longitudinal dataset to explain strategic adaptation within a complex, evolving ecosystem, offering a template for similar analyses in comparable

Keywords: *Entrepreneurial ecosystem, Institutional theory, North Africa, Comparative analysis, Strategic management*

Article Highlights

- Persistent misalignment between formal regulatory reforms and embedded informal norms creates a dualistic ecosystem.
- Technology-enabled ventures increasingly rely on transnational networks to circumvent local institutional voids.
- Asynchronous development of institutional pillars imposes distinct behavioural costs on entrepreneurs.
- Strategic responses diverge significantly across different venture types and developmental stages.

Core Analytical Framework

Examines the regulatory, normative, and cognitive pillars of the entrepreneurial ecosystem and their evolution from 2000–2026.

This study integrates behavioural finance with institutional theory to explain strategic choice in a complex environment.

ABSTRACT-ONLY PUBLICATION

This is an abstract-only publication. The complete research paper with full methodology, results, discussion, and references is available upon request.

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