

**“Perception of sustainable management among young entrepreneurs.
empirical study in the Algerian context”**

“تصور الإدارة المستدامة لدى رواد الأعمال الشباب: دراسة ميدانية في السياق الجزائري”

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Abstract:

Modern management can no longer be dissociated from the principles of sustainable development, which must be integrated from the early stages of designing an entrepreneurial project. An early and structured approach to sustainable management not only ensures greater resilience for businesses in the face of economic, social, and environmental challenges but also promotes more balanced and responsible growth.

The survey conducted among young Algerian entrepreneurs reveals a generally satisfactory understanding of sustainable management principles. However, it also highlights the need to strengthen their awareness and training in sustainable management.

Keys words: young entrepreneur, sustainable management, ISO 14001, ISO 26000, Algeria.

JEL classification codes: Q01,Q56, M14, Q58

ملخص:

لم يعد من الممكن فصل الإدارة الحديثة عن مبادئ التنمية المستدامة، حيث يجب دمجها منذ المراحل الأولى لتصميم المشروع الريادي. إن تبني نهج مبكر ومنظم في الإدارة المستدامة لا يضمن فقط مرونة أكبر للشركات في مواجهة التحديات الاقتصادية والاجتماعية والبيئية، ولكنه أيضاً يعزز نمواً أكثر توازناً ومسؤولية.

تكشف الدراسة الاستقصائية التي أجريت بين رواد الأعمال الجزائريين الشباب عن فهم عام مرضٍ لمبادئ الإدارة المستدامة. ومع ذلك، فإنها تسلط الضوء أيضاً على الحاجة إلى تعزيز وعيهم وتدريبهم في هذا المجال.

الكلمات المفتاحية: رائد أعمال شاب، الإدارة المستدامة، آيزو 14001، آيزو 26000، الجزائر

تصنيف JEL: Q01,Q56, M14, Q58

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Introduction

In a context marked by growing awareness of environmental, social, and economic challenges, sustainable investment is becoming a necessity, even for small businesses. Unlike large corporations, small businesses operate with limited resources and must optimize their strategies to effectively integrate sustainable development principles from the initial phase of their investment (Moore & Manring, 2009).

Moreover, international standards such as ISO 14001 (Environmental Management) and ISO 26000 (Social Responsibility) provide methodological frameworks that can inspire and guide small businesses in organizing their processes (Hahn, 2013). These standards offer valuable guidelines for structuring their practices in terms of managing environmental impacts, improving working conditions, and fostering social engagement.

This study explores the conditions necessary for small businesses to adopt sustainable investment strategies from the early stages of their business development. By analyzing the requirements and recommendations derived from these standards, the research aims to better understand young entrepreneurs' perception of sustainable management and assess their predisposition to implement these principles during the embryonic phase of their projects.

1. Challenges of Sustainable Management for Small Businesses

A small business is characterized by its limited size, a small number of employees, and often restricted resources. While these businesses benefit from flexibility and proximity to their clientele, they face specific challenges from the outset. Establishing an organization that is simultaneously efficient, competitive, and committed to sustainable management presents a significant challenge (Ngoasong, & Kimbu, 2019).

From the moment of creation, finding a balance between economic performance and environmental or social responsibility proves to be complex (Pava & Krausz, 1996). Small businesses must navigate significant financial constraints. Investing in sustainable management practices, whether in less polluting technologies, specialized training, or improved working conditions, often requires substantial financial resources (Lüdeke-Freund et al., 2019). However, these businesses typically operate with narrow profit margins, making it difficult to allocate funds for such investments without jeopardizing their competitiveness.

Additionally, the lack of qualified human resources and appropriate equipment is another obstacle. Unlike large corporations, small businesses may not have the means to hire specialists or acquire advanced equipment dedicated to sustainable management. This limitation often forces business owners to assume multiple roles and train themselves in various aspects, which can slow down the adaptation process to modern market demands.

Furthermore, integrating sustainable management is not solely a financial or material investment; it also involves a cultural transformation, a long-term vision, and strong commitment from all employees (Unruh et al., 2016). Balancing immediate profitability with sustainable development requires a complete restructuring of priorities, which can be particularly challenging in a context where every resource matters.

In summary, while implementing sustainable management provides long-term benefits such as improved brand image, customer loyalty, and business sustainability, the journey toward this transformation is fraught with financial, human, and organizational challenges for small businesses. This inherent complexity makes every step toward sustainability a victory to be celebrated, even if the initial phase appears difficult.

2. ISO Standards as a Guiding Framework

ISO 14001 and ISO 26000 serve as essential strategic tools for building a sustainable and balanced organization (Hemphill & Kelley, 2016). They offer a structured framework that enables businesses to integrate environmental protection, occupational health and safety, and social responsibility into their overall strategy. By adopting these standards, organizations can enhance their competitiveness, ensure compliance with legal requirements, and promote continuous improvement, all while building a responsible brand image. In doing so, they equip themselves to meet current economic, social, and environmental challenges, ensuring harmonious long-term development.

2.1. ISO 14001 for Environmental Management

The ISO 14001 standard is based on the need to reduce the environmental impact of business activities. It adopts a proactive environmental management approach, aiming to integrate ecological concerns into core operational strategies (Boiral & Henri, 2012). This standard provides a framework for establishing an Environmental Management System (EMS), which helps businesses identify, control, and improve their environmental performance continuously.

2.1.1. Objectives of ISO 14001

- Reduction of environmental impacts: Implement actions to reduce pollution, optimize resource use, and minimize waste.
- Regulatory compliance: Ensure that the company meets legal and regulatory environmental requirements.
- Continuous improvement: Promote an ongoing evaluation and enhancement process for environmental performance.
- Transparent communication: Encourage dialogue with stakeholders regarding environmental commitments and results.

2.2. ISO 26000 Standard for CSR

The ISO 26000 standard revolves around the concept of Corporate Social Responsibility (CSR). Unlike ISO 14001 and ISO 45001, it is not a certifiable standard but provides guidelines to help organizations operate in a socially

responsible manner. It is based on the consideration of social, economic, and environmental impacts across all business activities(Young Park et al., 2011).

2.2.1. Objectives of the ISO 26000 Standard

- Integration of societal issues: Encourage organizations to incorporate social, ethical, and environmental concerns into their strategy and daily operations.
- Stakeholder engagement: Promote constructive dialogue with stakeholders to better understand their expectations and address them responsibly.
- Sustainable development: Contribute to sustainable development by adopting practices that respect human rights, promote social equity, and protect the environment.
- Transparency and ethics: Emphasize ethical behavior, responsible governance, and transparency in the company's communication and actions.

Although these two standards focus on distinct areas—environmental management and corporate social responsibility, they share a common objective: promoting sustainable and balanced performance for organizations in economic, social, and environmental dimensions.

3. International Standards as a Foundation for Building a Business

For a new business, establishing a solid structure from the outset is essential to ensure its sustainability and competitiveness in an ever-evolving environment (Jahan, 2024). In this context, adopting ISO 14001 and ISO 26000 serves as a valuable lever for integrating sustainable management principles at the core of the organization.

3.1. Early Structuring with ISO 14001

The ISO 14001 standard, focused on environmental management, enables young businesses to establish a structured system for identifying, evaluating, and controlling the environmental impacts of their activities. By integrating resource-efficient practices, waste reduction measures, and optimized recycling processes from the outset, companies not only gain a competitive advantage by enhancing their brand image but also develop a strategic tool to anticipate and comply with future environmental regulations (Javaid et al., 2022).

This proactive approach helps instill a culture of ecological responsibility, which is crucial in a market where consumer and stakeholder expectations are rapidly evolving.

3.2. ISO 26000 as a Guide for Corporate Social Responsibility

Although ISO 26000 is not a certifiable standard, it provides valuable guidelines for corporate social responsibility. This standard encourages businesses to adopt an ethical and transparent approach, engage with stakeholders, and integrate social and environmental dimensions into their overall strategy.

For a new business, ISO 26000 serves as both an inspiration and a reference framework for developing responsible governance practices, fostering community engagement, and implementing sustainable initiatives. By integrating these principles from the beginning, the company positions itself as a

socially responsible player, capable of adapting to societal challenges and modern market expectations.

4. A Structured Learning Process and a Long-Term Vision

The combination of these international standards provides small businesses with a comprehensive reference framework. They do not merely ensure legal and regulatory compliance; they establish a continuous improvement process that fosters innovation and resilience. The management systems built upon ISO 14001, ISO 45001, and ISO 26000 act as learning tools, helping business leaders and teams to structure their operations efficiently from the start (Guterman, 2020).

By adopting these frameworks, companies equip themselves to anticipate future challenges, whether related to regulations, technological advancements, or increasing consumer demands for sustainability.

5. Methodology and Study Results

5.1. Methodology

• Population and Sampling

The study was conducted on a sample of 32 young entrepreneurs operating in various sectors. The sample was structured as follows:

- Entrepreneurs from the artisanal production sector,
- Entrepreneurs active in business services,
- Entrepreneurs specializing in maintenance and technical assistance.

The selection of this sample was based on sectoral diversity, allowing for a comprehensive analysis of sustainable management practices.

• Study Objectives

This study aims to assess young entrepreneurs' perception of sustainable management concepts.

• Measurement Criteria and Evaluation Tools

The evaluation focuses on two main areas:

Understanding the principles of environmental management, Corporate Social Responsibility (CSR).

This dimension was measured through knowledge-based tests covering key concepts of sustainable management.

• Data Collection and Analysis

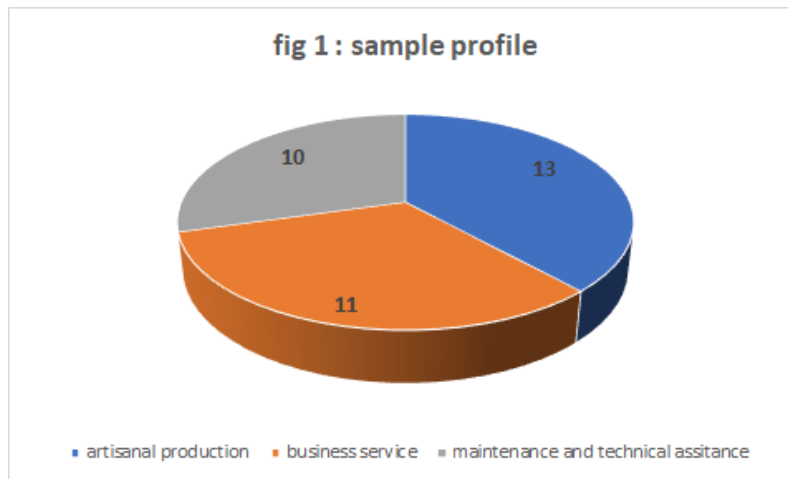
Data was collected using a structured questionnaire featuring multiple-choice questions, designed to assess entrepreneurs' knowledge of sustainable management. The result analysis was based on statistical methods to identify trends in the perception levels of sustainable management principles and practices.

5.2. Study Results Analysis

5.2.1. Sample Profile

Table 1 : Sample profile

Number	Sector of Activity
13	Artisanal Production
11	Business Services
10	Maintenance and Technical Assistance



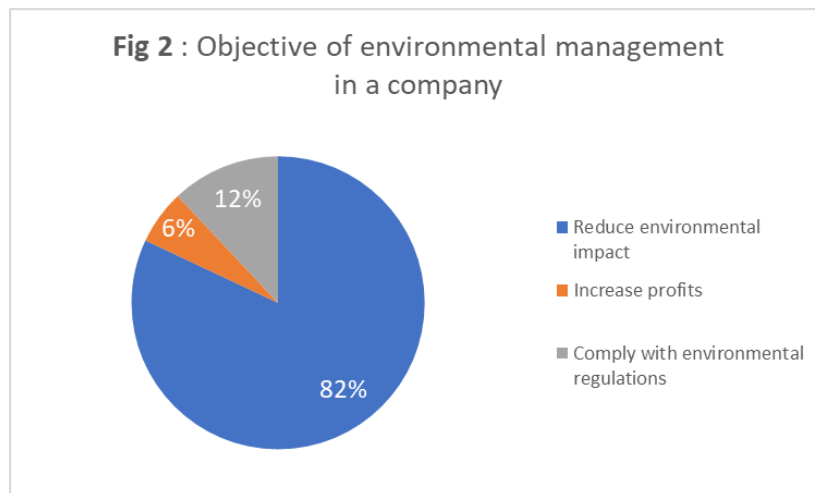
In order to collect the necessary data for this study, a total of 58 questionnaires were distributed to young entrepreneurs operating in various targeted sectors in the western region of Algeria. Among them, 39 questionnaires were returned, representing a response rate of 67.2%. However, after verifying the completeness and consistency of the responses, only 32 questionnaires were deemed usable for analysis. The remaining 7 questionnaires were excluded due to incomplete or inconsistent answers, which prevented a rigorous exploitation of the data.

5.2.2. Perception of Sustainable Management Principles

a) Assessing the Understanding of Environmental Management:

Table 2 :objective of environmental management in a company

What is the primary objective of environmental management in a company?	
Response Options	Percentage
Reduce environmental impact	82%
Increase profits	6%
Comply with environmental regulations	12%



- **Interpretation:**

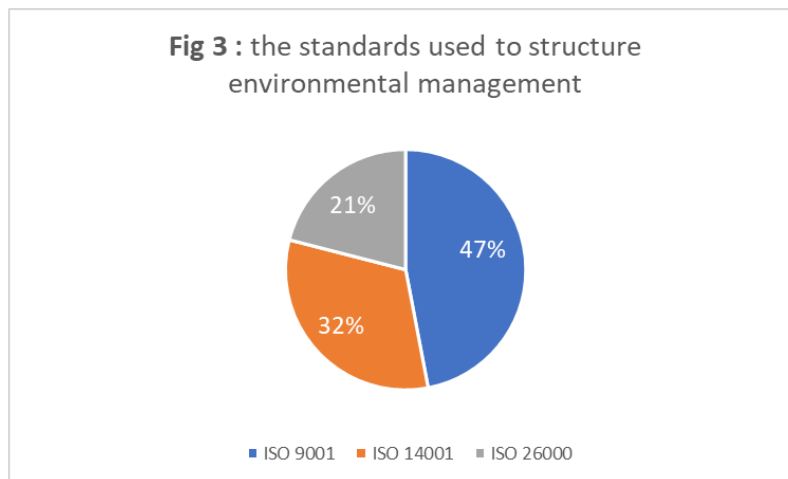
The results indicate a good understanding of environmental management among the young entrepreneurs surveyed. Indeed, 82% of respondents correctly identified that the primary objective of environmental management is to reduce the company's environmental impact. This high percentage suggests that most participants grasp the fundamental purpose of this approach, which aims to integrate sustainable practices into business operations.

However, 12% of respondents believe that the main objective is solely to comply with environmental regulations, reflecting a more restrictive view of environmental management. This perception may indicate that some entrepreneurs see this practice more as a regulatory constraint rather than a voluntary commitment to sustainable development.

Lastly, 6% of respondents think that the goal of environmental management is to increase profits, which is a misinterpretation of the concept. This could stem from confusion between the indirect benefits of environmental management—such as cost reductions from waste management, improved brand image, and resource optimization—and its primary objective, which remains the minimization of environmental impact.

Table 3 :the standards used to structure environmental management

Which standard is most commonly used to structure effective environmental management?	
Response Options	Percentage
ISO 9001	47%
ISO 14001	32%
ISO 26000	21%



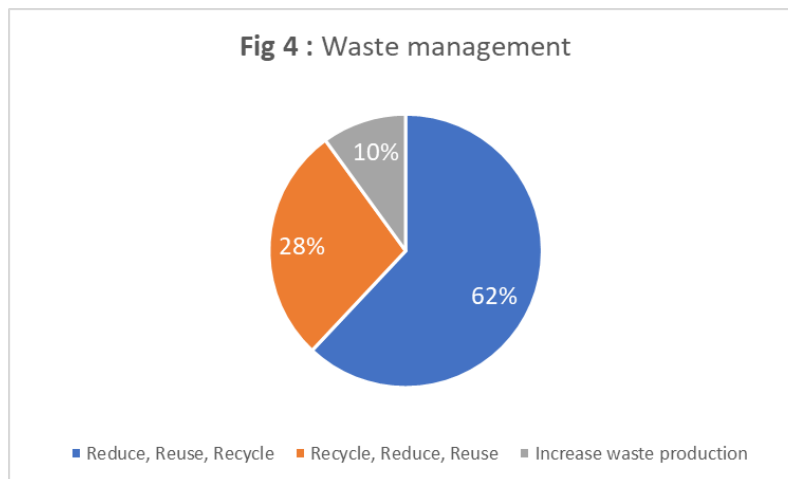
• **Interpretation:**

The results show a partial understanding among young entrepreneurs regarding the most commonly used standard for structuring effective environmental management.

- 47% of respondents selected ISO 9001, which is a quality management standard rather than an environmental management standard. This high error rate suggests confusion between different management standards, particularly between quality management and environmental management.
- 32% correctly identified ISO 14001 as the reference standard for environmental management. This indicates that less than one-third of entrepreneurs are truly familiar with environmental management tools, which may reflect a lack of training or exposure to these standards within their industry.
- 21% of respondents chose ISO 26000, which is a standard related to Corporate Social Responsibility (CSR) rather than environmental management. This confusion suggests that some entrepreneurs associate environmental management with broader CSR initiatives, without clearly distinguishing the specific standards applicable to environmental management.

Table 4 :waste management

What principle is at the core of waste management?	
Response Options	Percentage
Reduce, Reuse, Recycle	62%
Recycle, Reduce, Reuse	28%
Increase waste production	10%



• **Interpretation:**

The results indicate a relatively good understanding of the fundamental principle of waste management among the young entrepreneurs surveyed.

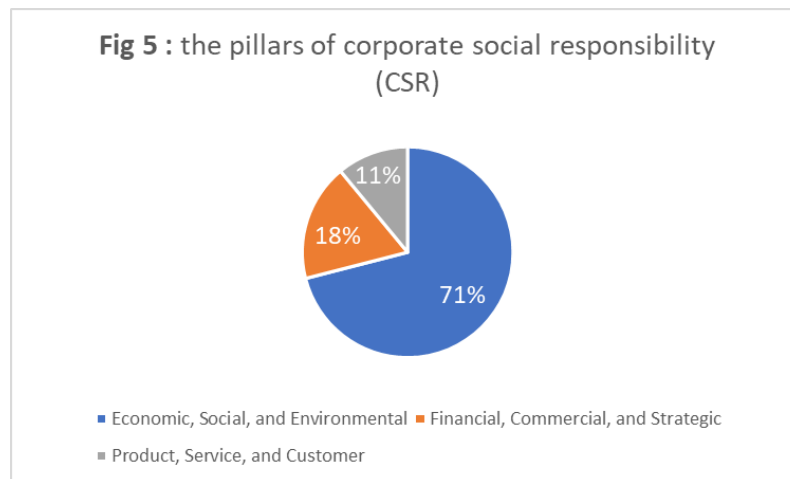
- 62% of respondents correctly identified the logical order of the "3Rs" (Reduce, Reuse, Recycle). This suggests that the majority have understood that waste reduction at the source should be the priority, followed by reuse, with recycling as a last resort.
- 28% of participants selected "Recycle, Reduce, Reuse," indicating a partial understanding of the concept. This reversal of priorities suggests that nearly one-third of respondents perceive recycling as the primary waste management solution, whereas it should be considered only after efforts to reduce and reuse. This misconception may stem from the strong media emphasis on recycling, often overshadowing the importance of reduction and reuse.
- 10% of respondents chose "Increase waste production," which is an incorrect response and reflects either a lack of knowledge or a misunderstanding of the question.

b) Assessing the Understanding of CSR Principles

Table 5 :the pillars of corporate social responsibility (CSR)

What are the three fundamental pillars of Corporate Social Responsibility (CSR)?

Response Options	Percentage
Economic, Social, and Environmental	71%
Financial, Commercial, and Strategic	18%
Product, Service, and Customer	11%



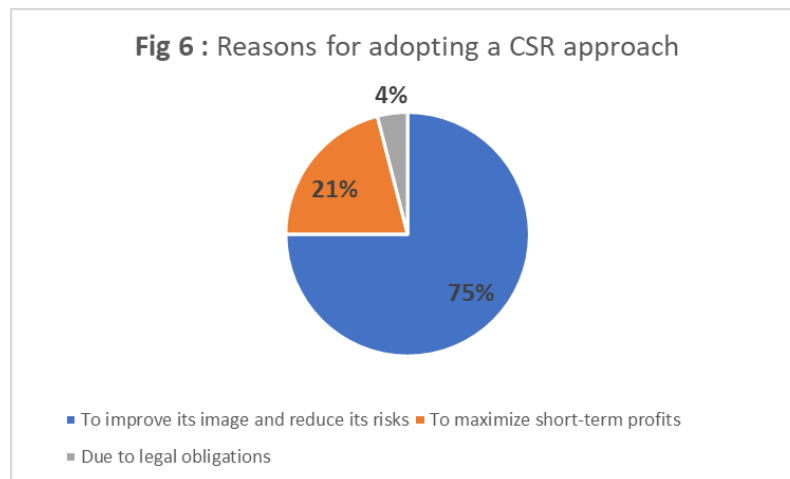
• **Interpretation:**

The results indicate a generally satisfactory understanding of the fundamental principles of Corporate Social Responsibility (CSR) among the young entrepreneurs surveyed.

- 71% of respondents correctly identified the three pillars of CSR: Economic, Social, and Environmental. This majority response suggests that most entrepreneurs have a good grasp of the foundations of CSR and understand that it is based on a balance between economic performance, social responsibility, and environmental commitment.
- 18% selected "Financial, Commercial, and Strategic," which reflects a misconception of CSR. This confusion suggests that these entrepreneurs primarily perceive CSR as a strategy focused on economic performance and business development, without fully integrating its social and environmental dimensions.
- 11% chose "Product, Service, and Customer," indicating a narrow view of CSR, reducing it to a business-centric approach focused on commercial offerings and customer relations. This response suggests that some entrepreneurs associate CSR solely with marketing strategies or customer satisfaction management, rather than considering its broader impact on society and the environment.

Table 6 : Reasons for adopting a CSR approach

Why does a company adopt a CSR approach?	
Response Options	Percentage
To improve its image and reduce its risks	75%
To maximize short-term profits	21%
Due to legal obligations	4%



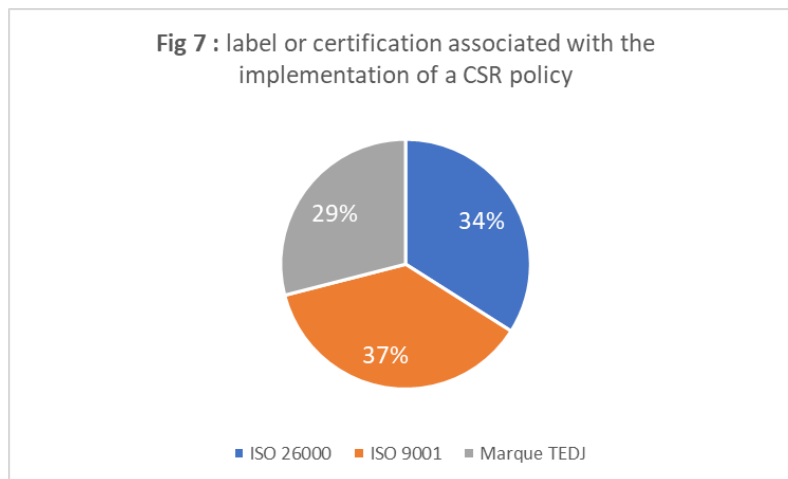
• **Interpretation:**

The results indicate a generally correct understanding of the motivations behind adopting a Corporate Social Responsibility (CSR) approach, although some misconceptions persist among the young entrepreneurs surveyed.

- 75% of respondents correctly identified that CSR is adopted to improve a company's image and reduce its risks. This suggests that most entrepreneurs recognize CSR as a voluntary strategy that not only enhances a company's reputation but also helps mitigate legal, environmental, and social risks. This perspective aligns with current business practices, where CSR serves as a strategic tool to ensure business sustainability and competitiveness.
- 21% of participants responded that CSR is implemented to maximize short-term profits. This misconception may stem from confusion between the indirect benefits of CSR (e.g., increased attractiveness, customer loyalty, reduced operational costs) and the expectation of immediate financial gains. However, CSR is typically a medium- to long-term strategy, aimed at creating sustainable value rather than generating quick financial returns.
- 4% of respondents believe CSR is adopted due to legal obligations. While some regulations encourage businesses to integrate responsible practices, CSR remains largely voluntary, particularly for small and medium-sized enterprises. This low percentage suggests that most entrepreneurs understand that CSR is not merely a legal requirement but a strategic choice.

Table 7 : label or certification associated with the implementation of a CSR policy

Which label or certification is most commonly associated with the implementation of a CSR policy?	
Response Options	Percentage
ISO 26000	34%
ISO 9001	37%
Marque TEDJ	29%



- **Interpretation:**

The results of this question reveal a partial understanding of the certifications and labels associated with Corporate Social Responsibility (CSR) among the young entrepreneurs surveyed.

- 34% of respondents correctly identified ISO 26000 as the reference standard for CSR. This standard provides guidelines for companies to integrate socially responsible practices, although it is not certifiable. This result indicates that one-third of entrepreneurs have a good understanding of the link between ISO 26000 and CSR, but also that this standard remains relatively unfamiliar to many.
- 37% of participants selected ISO 9001, which is a quality management standard rather than one specifically related to CSR. This high error rate suggests confusion between different management standards, particularly between quality management (ISO 9001) and corporate social responsibility (ISO 26000). This misconception may be due to the fact that ISO 9001 is more widely recognized and often perceived as a general standard covering various aspects of business management.
- 29% of respondents selected the Marque TEDJ, an Algerian label promoting local products and businesses. While this label may be associated with responsible practices in terms of local and sustainable development, it is not an international CSR benchmark. This result suggests that nearly one-third of entrepreneurs associate CSR with a local and economic approach, without necessarily considering its international regulatory framework.

Conclusion

Modern management can no longer be dissociated from the principles of sustainable development, which must be integrated from the earliest stages of an entrepreneurial project. An early and structured approach to sustainable management not only ensures greater business resilience in the face of economic, social, and environmental challenges but also promotes more balanced and responsible growth.

From this perspective, it is essential to raise awareness among young entrepreneurs about the importance of adopting these principles from the

inception of their business. A late integration of sustainable development into the managerial process may limit its effectiveness and result in higher adaptation costs.

The survey we conducted among a sample of young entrepreneurs allowed us to gain insights into their perception of sustainable management and assess their willingness to implement these principles from the early stages of their projects. These findings provide a valuable basis for identifying action levers to support entrepreneurs in adopting a more sustainable and integrated management approach from the very beginning of their business activities.

Key Findings from the Survey

The analysis of our survey results reveals a generally satisfactory understanding of sustainable management principles among the young entrepreneurs surveyed. The majority recognize the importance of environmental management and corporate social responsibility (CSR) in modern business practices. However, some misconceptions persist, particularly regarding standards and certifications, environmental management priorities, and the ultimate purpose of CSR.

Environmental management is mainly perceived as a tool to reduce the environmental impact of economic activities. However, some entrepreneurs still view it primarily from a regulatory or economic perspective, which limits their voluntary commitment to sustainable practices. Additionally, the distinction between ISO 9001, ISO 14001, and ISO 26000 is not always well understood, which may hinder the adoption of appropriate standards aligned with the environmental and social objectives of businesses.

Regarding CSR, while its foundations are generally well understood, some entrepreneurs continue to associate it primarily with short-term profitability or commercial strategies. This narrow perception may hinder the effective integration of responsible practices within organizations, thereby limiting their ability to generate a long-term positive impact.

Recommendations

These observations highlight the need to strengthen awareness and training in sustainable management. Targeted educational initiatives, such as training programs, real-world case studies, and support in obtaining relevant certifications, could help young entrepreneurs deepen their understanding and better structure their approach to sustainable development.

A stronger grasp of these principles would not only enhance their competitiveness but also facilitate a more effective transition toward responsible and sustainable entrepreneurial practices.

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