

The behavior of the entrepreneur in the face of a risk: empirical evidence in Morocco

Le comportement de l'entrepreneur face à un risque: données empiriques au Maroc

Auteur 1 : Laila KADMIRI,

Auteur 2 : Hicham ACHELHI,

Laila KADMIRI,

Management, Law, Intercultural and Social Mutations Laboratory/ Polydisciplinary Faculty of Larache, Uae
University Kingdom of Morocco

Hicham ACHELHI,

Management, Law, Intercultural and Social Mutations Laboratory/ Polydisciplinary Faculty of Larache, Uae
University Kingdom of Morocco

Déclaration de divulgation : L'auteur n'a pas connaissance de quelconque financement qui pourrait affecter l'objectivité de cette étude.

Conflit d'intérêts : L'auteur ne signale aucun conflit d'intérêts.

Pour citer cet article : KADMIRI. L & ACHELHI .H (2022) « Le comportement de l'entrepreneur face à un risque: données empiriques au Maroc » African Scientific Journal « Volume 03, Numéro 15 » pp: 750 – 761.

Date de soumission : Novembre 2022

Date de publication : Décembre 2022



DOI : 10.5281/zenodo.7568805
Copyright © 2022 – ASJ



Résumé

Selon plusieurs auteurs, l'entrepreneuriat est lié aux entrepreneurs, qui assument indépendamment le risque de créer et de gérer une entreprise, mais c'est aussi un concept lié aux propriétaires d'entreprises existantes, qui participent activement à la pérennité et au développement d'une entreprise en exploitant de nouvelles des opportunités et des idées entrepreneuriales pour l'organisation à laquelle ils appartiennent. L'action d'entrepreneuriat, soumise à plusieurs types de risques menaçant le succès et la pérennité dudit entrepreneuriat, qui implique une série de mesures préventives et proactives prises par l'entrepreneur pour faire face à toutes les situations d'incertitude, de peur, de faiblesses, d'insécurité, etc. tout au long de son projet. L'entrepreneur est un être humain aux comportements compliqués qui influencent immédiatement le processus entrepreneurial. C'est sa réaction qui décide finalement de la bonne ou de la mauvaise histoire de l'entrepreneuriat. Dans ce contexte, notre article tente d'apporter un éclairage théorique et empirique sur le type de comportement adopté par un entrepreneur face aux risques entrepreneuriaux encourus par l'entrepreneur. Les résultats montrent que la majorité des risques rencontrés par les entrepreneurs interrogés sont financiers et que la plupart des enquêteurs vont vers un comportement varié entre l'action d'entreprendre, et la réaction évoquée par ce comportement face à un risque.

Notre objectif est de comprendre le comportement des entrepreneurs face au risque, à travers: Un cadre théorique par une revue de la littérature basée sur le traitement d'un ensemble de travaux de recherche dans ce contexte, et une exploration empirique.

Mots clés : Comportement, Entrepreneur, Risque du projet

Abstract

According to several authors, entrepreneurship is related to entrepreneurs, who independently assume the risk of creating and managing a business, but it is also a concept related to owners of existing businesses, who actively participate in the sustainability and development of a business by exploiting new opportunities and entrepreneurial ideas for the organization in which they belong. The action of entrepreneurship, subject to several types of risks threatening the success and sustainability of this said entrepreneurship, which implies a series of preventive and proactive measures undertaken by the entrepreneur to cope with all situations of uncertainty, fear, weaknesses, insecurity, etc. throughout his project. The entrepreneur is a human being with complicated behaviors that immediately influence the entrepreneurial process. It is his reaction that ultimately decides the good or bad story of entrepreneurship. In this context, our paper attempts to shed theoretical and empirical light on the type of behavior adopted by an entrepreneur in the face of entrepreneurial risks encountered by the entrepreneur. The results show that the majority of the risks encountered by the interviewed entrepreneurs are financial and that most of the interviewers go towards a varied behavior between the action of entrepreneurship, and the reaction evoked by this behavior in front of a risk.

Our goal is to understand the behavior of entrepreneurs in the face of risk, through:

A theoretical framework through a review of the literature based on the treatment of a set of research works in this context, and an empirical exploration

Keywords : Behavior Entrepreneur Project Risk

Introduction

Modern interest in the entrepreneur can be traced back to the 19th century, but studies of entrepreneurial behavior are comparatively recent (Moore, 1986). According to him, Research on the psychology of the entrepreneur builds on the work of (McClelland, 1961), who pointed out that a born entrepreneur is motivated by success, which creates in that person a need to focus. on himself and the search to optimize his own performance, thus an entrepreneur is characterized by his understanding that successful tasks cannot all be carried out by himself, for which he must manage a work team that will do the things for the organization according to its requirements, while trying to predict entrepreneurship from individual characteristics such as locus of control, risk taking, personal values, job satisfaction, experience, models, age, education and residence (Brockhaus, 1982). These variables have a weak positive correlation with entrepreneurship, but they do not consistently predict entrepreneurial behavior. Entrepreneurial behavior has long been a focus of economic psychology research (Delmar, 1996).

(Delmar, 1996) also included entrepreneurial behavior and performance in his model, pointing out that entrepreneur performance is difficult to measure and is sometimes confused with company performance in empirical studies, but it is vital to note that the two are not the same ones. The identification and exploitation of a new business opportunity for profit and expansion is referred to as entrepreneurial activity (Palma et al., 2009). It has recently gotten a lot of interest from researchers.

Entrepreneurial conduct encompasses all of an entrepreneur's psychological characteristics (Jaouadi, 2016). Researchers have used the study of entrepreneurship to better understand entrepreneurial behavior.

Entrepreneurs are at the heart of business because they are the ones who spot opportunities and decide to take advantage of them (Palma and al.,2009). The psychological characteristics that separate an entrepreneur from a non-entrepreneur have given rise to the study of the entrepreneur. Over the last four decades, a wide range of characteristics associated with entrepreneurs have been found, including the desire for success, risk-taking, invention, and autonomy (e.g., Begley & Boyed, 1987; McClelland, 1961).

Although, researchers have discovered a wide range of characteristics among entrepreneurs as well as between entrepreneurs and non-entrepreneurs. Because there is no single, consistent "psychological profile" of the entrepreneur, the trait method can only be used to understand how entrepreneurial activity starts and develops over time.

Many studies have highlighted the necessity of studying entrepreneurial behavior, but few have focused on entrepreneurial behavior in relation to the risk that an entrepreneur can face. Therefore, the objective of our article is to provide an answer to the following question:

What type of behavior do Moroccan entrepreneurs take up in the face of entrepreneurial risk?

To answer our research question, we will clarify in the first part the theoretical side of the entrepreneurial behavior and the risk related to this behavior, while in the second part, we will highlight the empirical evidence of types of behavior of some entrepreneurs in Morocco do they adopt in the face of risks.

1. Theoretical framework

1.1. Entrepreneurial behavior

The origin of the work on entrepreneurial behavior can be traced back to the 1990s, when a behavioral approach began to emerge, focusing on the examination of entrepreneurial behavior. The behavioral approach represented a major shift in the study of entrepreneurial behavior, as it focuses on the facts and reactions of the entrepreneur (Gartner, 1988).

In contrast to the trait approach, the behavioral approach had more advantages for both the entrepreneurs and the organization. First, behaviors are, by definition, manifest, observable and demonstrable. By seeing entrepreneurial behavior, we are able to measure it in a relatively reliable and objective way. Distinguishing between different levels of entrepreneurial behavior becomes possible. Second, because it is measurable, entrepreneurial behavior is manageable. Under the behavioral approach, entrepreneurs can be developed as their new ventures grow, facilitating the development of high-growth ventures.

Entrepreneurial performance or behavior is defined by the actions taken by the entrepreneur to achieve desired goals. Entrepreneurial performance is confined to duties that are or can be controlled by the entrepreneur, such as the board of directors' function, organization, decision-making, and goals and plans. The core premise is that the best way to understand entrepreneurial behavior is to look at the behaviors that the entrepreneur can control (Delmar 1996).

Entrepreneurial behavior, according to (Palma et al., 2009), is defined as the discovery and exploitation of a new business opportunity for profit and expansion. It involves three distinct activities:

- ✓ Identifying a new business opportunity
- ✓ Starting a new business to exploit that opportunity
- ✓ Managing the new business to grow it over time.

Starting a new business is undoubtedly the most well-known aspect of entrepreneurial behavior, as well as the one that has received the most scholarly attention. Starting a new business has a number of advantages for individuals, groups, and organizations.

1.2. Entrepreneurial risk

Risk is a multifaceted concept that is difficult to describe, it cannot be completely eradicated; it will always exist. This notion has been defined by a number of authors.

The risk is viewed as a hazard or peril in which a person takes a chance in the hopes of gaining an advantage; in this risk, the concept of chance is accused (Foulquié, 1962).

From an epistemological point of view, risk is never actual. It cannot be totally mastered insofar as knowledge about risk is knowledge about a non-knowledge (Hansson, 2005a). Furthermore,

(Pesqueux, 2011) ensure that a risk is like a reference that might circulate across multiple communities, and this risk bears the idea of a border object (Méric et al., 2009, p. 143).

For his part Hansson has shown that there is no generally accepted definition of risk. He presented the following definitions:

The risk can be defined as an undesirable event likely to occur the danger. It has a cause and a probability of occurrence (Hansson, 2004; 2005a).

Risk in the entrepreneurial concept can hinder a project, and a form of organization, inherently involves taking risk.

To undertake, implies taking the risk to succeed (positive risk perceived as an opportunity) or to fail (negative risk perceived as a threat) by the entrepreneur. He is aware that each entrepreneurial action generates different risks. We can define this risk in the context of entrepreneurship as follows:

A negative risk is a threat of an event whose likelihood is uncertain limits the ability of an organization to achieve its objectives. In this case the risk is unacceptable (Le Ray, 2010).

A positive risk is an opportunity for an event of uncertain likelihood to improve an organization's ability to achieve its objectives. The risk here is desirable (Le Ray, 2010). After this distinction between positive and negative risk, it is obvious to know the different types of business risk. All business leaderships are led to encounter risks in their entrepreneurial approach. Whether strategic, commercial, environmental, or macro-economic. We can divide these risks into four main types:

- ✓ Strategic risks: these are the risks related to the choices of marketing and commercial positioning, and to making strategic and environmental decisions.
- ✓ Operational risks: concern recruitment, management, procurement and logistics operations.
- ✓ Financial risks: these are risks related to cash flow, in particular the risk of non-payment, profitability and working capital requirements.
- ✓ Legal and fiscal risks: the risk of not adapting to ongoing changes in legislation, regulations and tax system.

2. Research hypothesis

The purpose of this study is to answer our research question: What type of behavior do entrepreneurs in Morocco adopt when faced with entrepreneurial risk?

Within this framework, we will develop the following research hypotheses:

Hypothesis1: Entrepreneurs adopt a perceptive behavior towards entrepreneurial risks

Hypothesis2: Entrepreneurs adopt a reactive behavior towards entrepreneurial risks

Hypothesis3: Entrepreneurs adopt both a perceptive and reactive behavior towards entrepreneurial risks

3. Research methodology

The methodology of this work is part of an interpretative epistemological framework since our objective is to understand the behavior of entrepreneurs in the face of risk, through :

A theoretical framework: a review of the literature based on the treatment of a set of research works in this context.

An empirical exploration: a survey took place between May 11, 2021 and June 5, 2021, and conducted among a sample of 30 entrepreneurs through a questionnaire in Google drive distributed and intervened by holders of different types of projects. The processing of the data was carried out using the Excel program.

4. Results and discussion

4.1 Classification of the sample by gender

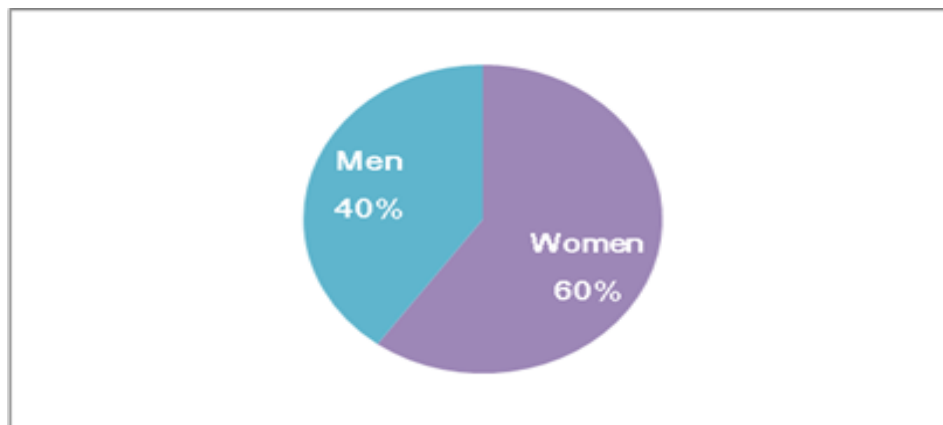


Figure 1: Classification of the sample by gender

The classification of the sample by gender showed that 60% of the interviewees were women and 40% were men. This explains why in recent years women are more oriented towards entrepreneurial action.

4.2 Classification of the sample according to the field of activity

Field of activity	Number	Percent
Alimentation	9	30%
Industry	5	16,67%
Trade	7	23,33%
Cosmetic	7	23,33%
Service	2	6,67%
Conception	0	0%

Table 1: Fields of activity

From table 1 we can see that 30% of the population interviewed have projects in the food sector, followed in the same rank by trade and cosmetics (23.33%), then by industry (16.67%), and finally by services (6.67%).

These statistics show that the area's most in demand by entrepreneurs are food, trade, services and industry. Explain by the sectoral plans provided by the Moroccan State to encourage the competitiveness of the Moroccan economy.

4.3 Classification of the sample according to the status of the entrepreneur

As for the status of the entrepreneur according to the population interviewed, we find that the most dominant percentage is that of entrepreneurs, followed by self-entrepreneurs (33.3%), and project holders (23.3%).

As for the status of the entrepreneur according to the population interviewed, we find that the most dominant percentage is that of entrepreneurs, followed by self-entrepreneurs (33.3%), and project holders (23.3%).

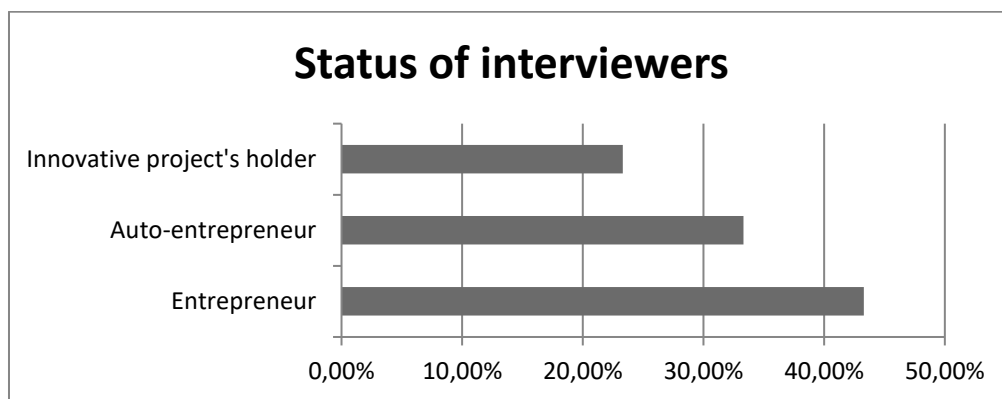


Figure 2: Classification of Status

Moreover, in their projects 66.7% of the interviewers direct and manage their projects, 23.3% are managers, 6.7% are leaders of their project

4.4 Classification by Project Type

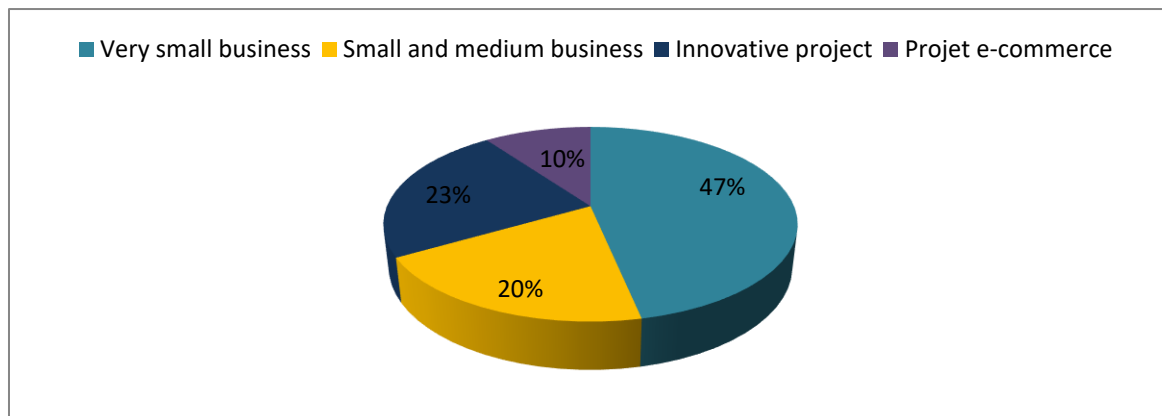


Figure 3: Types of project

The graph "Type of project" shows that 47% of the interviewees have a very small business (the most dominant type), followed by innovative projects (23%), then small and medium-sized businesses (20%), and e-commerce projects (10%). Among our stakeholders 76.7% encountered a risk throughout the operation of their project while 23.3% did not encounter a risk.

4.5 Risk Classification

As part of our study, 76.7% of people interviewed said they encountered a risk throughout their projects. The rest said they didn't run into any risks throughout the functioning of their projects.



Figure 4: Type of risk

For the interviews, the type of risk that most influenced their entrepreneurial action was financial risk, then operational risk, followed by strategic risk, and finally organizational and legal risk.

4.6 Type of behavior

According to the interviewers' answers, their behavior varied from one person to another characterized by the action and reaction of the entrepreneurs. Several people stated that they felt uncertainty, fear, stress, weakness. However, they either had the courage to overcome these behavioral obstacles through advice from credit experts and the adoption of some management strategies, or to leave or abandon the said project.

Our interviewers also presented several suggestions for successful operation of their projects, and dealing with different types of risks, such as:

- ✓ Facilitating the procedures for creating a business
- ✓ Access to financing
- ✓ The accompaniment and the entrepreneurial support
- ✓ Controlling the market
- ✓ Reacting differently than others

Conclusion

The concept of the entrepreneur has specified the importance of mentioning that an entrepreneur is a set of main characteristics that define his profile, determined by several authors such as: creativity and innovation, since entrepreneurs are not only responsible for generating ideas, but also for realizing them, self-confidence in their abilities, courage to not have difficulty in realizing new projects, quality and efficiency in the framework of internal and external tasks of the company that must be carried out effectively and in a short period of time, persistence in their objectives, despite the obstacles encountered in the process of running their project, even if they found themselves in downfalls or bankruptcies, punctuality and commitment in respecting the norms of management with the different stakeholders and finally and most importantly, risk-taking in their proposals and actions since projects generally require an investment of time and money in environments where a certain degree of uncertainty prevails. Our curiosity to know the type of behavior adopted by the entrepreneurs in Morocco pushed us to carry out this study in order to measure the perceptive and reactive type of the individuals carrying project.

The concept of the entrepreneur has specified the importance of mentioning that an entrepreneur is a set of main characteristics that define his profile, determined by several authors such as: creativity and innovation, since the entrepreneur is not only responsible for the generation of ideas, but also for their realization, self-confidence in their abilities, courage to not have difficulties in carrying out new projects, quality and efficiency in the context of internal and external tasks of the company that must be carried out effectively and in a short period of time, persistence in their objectives, despite the obstacles encountered in the process of conducting their project, even if they found themselves in downfalls or bankruptcies, punctuality and commitment in respecting management standards with the various stakeholders and last but not least, risk-taking in their proposals and actions since projects generally require an investment of time and money in environments where a certain degree of uncertainty reigns.

Our curiosity to know the type of behavior adopted by the entrepreneurs in Morocco pushed us to carry out this study in order to measure the perceptive and reactive type of the individuals carrying out the project.

The results obtained show that:

According to the classification of the sample by sex of respondents women are more than men. The thing that explains that lately in Morocco, the presence of women in entrepreneurship has become more powerful than before. Also that the types of activities most requested by these entrepreneurs are food, trade, services and industry. Explanation by the sectoral plans planned

by the Moroccan State to promote the competitiveness of the Moroccan economy.

These entrepreneurs interviewed prefer to enter the following statuses: entrepreneurs, followed by self-entrepreneurs and project holders. Explain by lack of accompaniment of follow-up and support to young entrepreneurs.

As for the types of risk, we can say from the results obtained, that the majority of the interviews confronted the financial risk, followed by the other types of risks presented in our questionnaire. It is worth noting that the risks of innovation are less confronted due to the preferred fields of activity.

According to the interviewers' answers, their behavior varies between action and reaction. In particular, several people stated that they had felt uncertainty, fear, stress, weakness, lack of courage, lack of confidence, etc. at the beginning or during their entrepreneurship. In turn, they either had the courage to overcome these attitudinal obstacles or to leave or abandon the project. In order to overcome the obstacles and behavioral challenges, and thereby encourage, support, develop, and succeed in the entrepreneurial project and its follow-up. They have the following suggestions:

The facilitation of the procedures of enterprise creation

Access to financing

Accompaniment and entrepreneurial support

Mastering the market

React differently from others.

BIBLIOGRAPHIE

Brockhaus, Robert H., the Psychology of the Entrepreneur (1982), University of Illinois at Urbana-Champaign's Academy for Entrepreneurial Leadership Historical Research Reference in Entrepreneurship.

Begley, T. M., & Boyd, D. P. (1987), a comparison of entrepreneurs and managers of small business firms. *Journal of Management*, 13(1), 99–108.

Delmar, F. (1996), Entrepreneurial behavior and business performance. PhD. Dissertation, Stockholm: Stockholm School of Economics.

Foulquié, (1962), Dictionnaire de la langue philosophique, Presses Universitaires de France.

Gartner, W. B. 1988, who is the entrepreneur? is the wrong question. *American Journal of Small Business*, 12: 11-32.

Hansson, (2005a), the epistemology of technological risk, *Techné*, 9, 2, pp. 68-80.

Hansson, (2004; 2005a), the epistemology of technological risk, *Techne*, 9, 2, pp. 68-80.

Jaouadi.M (2016), L'impact du comportement entrepreneurial sur l'intention de créer une entreprise, *international Journal Economics & Strategic Management of Business process*, 2nd International Conference on Business, Economics, Marketing & Management Research (BEMM'14), Vol 5 pp: 184-190.

Le Ray (2006), Managing Risk: Why? Why? How? La Plaine Saint-Denis: AFNOR.

Moore, C. F. (1986), Understanding entrepreneurial behavior. In J. A. Pearce, II, & R. B. Robinson, Jr. (Eds.), *Academy of Management Best Papers Proceedings. Forty-sixth annual meeting of the Academy of Management*, Chicago.

McClelland, David C., The Achieving Society (1961), University of Illinois at Urbana-Champaign's Academy for Entrepreneurial Leadership Historical Research Reference in Entrepreneurship

Méric et al., (2009), towards a multidimensional definition of risk, p. 143.

Palma.P.J. Cunhar., Lopes (2009), entrepreneurial behavior, In book: *The Encyclopedia of Positive Psychology* (pp.338-342), Publisher: Boston: Blackwell Publishing, Editors: S.J Lopez.

Pesqueux. Y (2011), Dans *Management & Avenir* 2011/8 (n° 48)