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### Introduction

Business incubators (BI) have proved to be effective tools for tackling unemployment, diversifying economies and creating wealth in numerous developed countries. providing timely help and support for new ventures, business incubators hold the potential to create and develop entrepreneurial talent at the micro level and to foster an environment for entrepreneurship at the macro level.

This research attempts to determine whether economic conditions in the Arab World are favourable to a programme of business incubation, and to suggest the best ways to implement BI programmes in Libya. To meet this aim questionnaires were distributed (via a snowball approach) to the incubators in Jordan. The findings of the research will contribute to the study of business support services, innovation and entrepreneurship development and will enhance the knowledge and skills within the incubation industry.

### The aim and objectives

The research investigates the development of business incubation and the policy rationale for the modality, specifically the role and importance of SMEs. It includes an investigation of business incubation as developed and practised by the Arab Business Innovation Centres and its impact on incubated businesses. In addition, this research explores and investigates the impact of business incubators on the growth and development of innovative SME's, specifically in Jordan Innovation Centres. It examines the performance of incubated firms by comparing characteristics, performance and behaviour in innovation.

### The research method and design

Jordan was chosen as a case study because of communication difficulties with all the incubator managers in the Arab Countries and also to focus on a specific geographical area (Jordan). The sampling approach used was "snowball sampling", which means that a number of incubators that fit the definition were asked to complete the questionnaire, then they forward the questionnaire to others they know matching the same definition. Using the snowball sampling method, five responses were obtained out of six required sample size; leading to a response rate around 83%. I also interviewed 10 leading figures in Jordan about SMEs, Entrepreneurship and BI.

### Data Analysis and Result

Figure 1: incubator financial model in Jordan

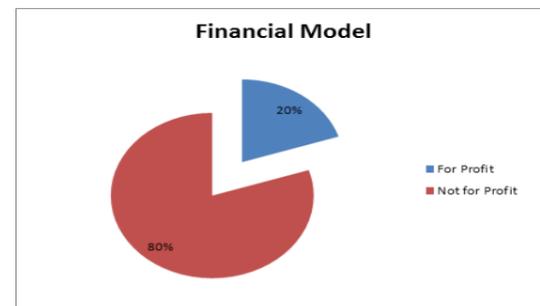
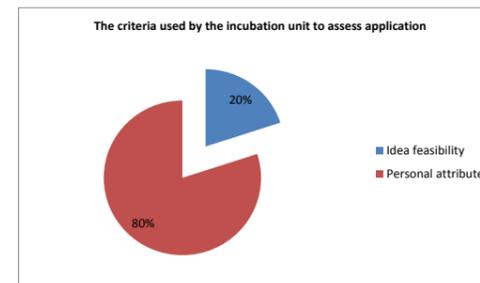


Figure 2: the criteria used by the incubation unit to assess applications



From the above figures, 80% of Jordan incubators are non-profitable and 20% are profit making organisation. This indicate the Jordanian government's commitment to support implementation of BI. The criteria used In figure 2 include 80% of Personal Attributes and 20% of Idea feasibility, this is because the BI are looking for entrepreneurs to be incubated.

Figure 3: the extent to which they think SMEs import new technology to Jordan

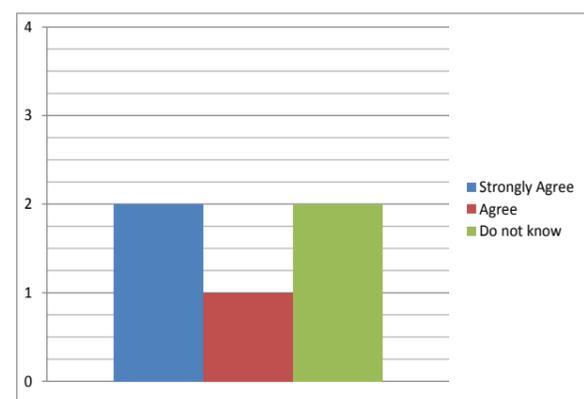


Figure 4: the extent to current legislation for SMEs encourage or discourage the use of new technology

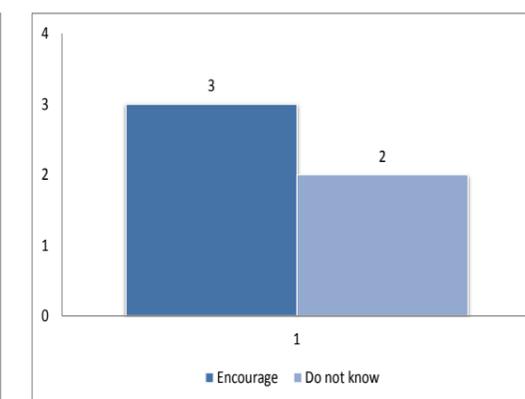


Figure 3 above shows that 40% strongly agreed, 40% did not know. Whilst 20% agrees. Figure 4 also shows that 60% agreed and 40% do not know.

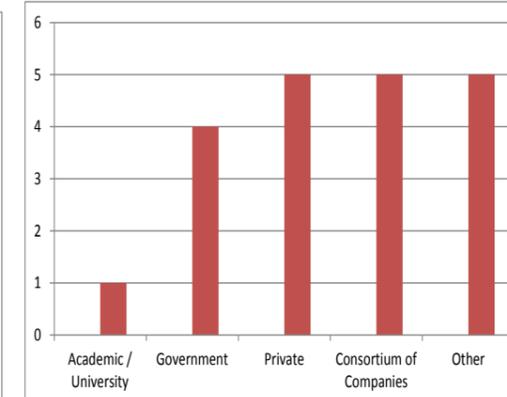
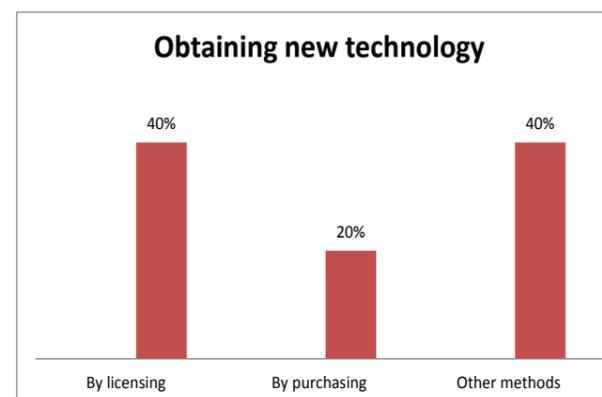


Figure 5 40% of Jordanian incubators obtained new technology by licensing and another 40% by other methods, while 20% purchases technology. Chart 6 shows that the incubation programme is supported by both government and the private sector.



### Conclusion

The research shows that businesses that have been through an incubator programme are far more likely to succeed in the long term, which is why institutions runs an incubator centre to support technology entrepreneurs. The Jordanian's incubator programme is designed to accelerate the successful development of young entrepreneurs and their businesses through an array of support resources and services. Launching incubation programmes is crucial for technology innovation and exporting tech-based products: the technology incubator can form a catalytic component of a national innovation system.

### Recommendations

- Arab countries including Libya have to raise awareness of the importance of innovation and entrepreneurship for economic development.
- Special programmes and schemes to improve the effectiveness of incubators should be implemented.
- Development agencies like Development Banks should be directly involved as key players in establishing incubators in the Arab World.

### References

Elmansori, E.& Arthur, L.2012. Innovation & Entrepreneurship in SMEs through Business Incubators in the Arab World