

Title: The Role of Business Incubators in Supporting the Orientation Towards Entrepreneurship and Their Impact on the Economy and Unemployment. Review of Selected International and Arab Experiences

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Abstract

The importance of small enterprises in economic life is growing because of their significant role at the macroeconomic and microeconomic levels. Developed and developing countries strive to advance their economies and achieve comprehensive development for their citizens, economies, and businesses by focusing on the small and medium enterprise (SME) sector alongside large-scale projects. This approach aims to realise economic development, thus creating a critical need for business incubators. These incubators offer essential support to SMEs, enabling them to overcome significant obstacles and reach maturity levels that ensure their sustainability and effectiveness. Given the pivotal role that business incubators play in promoting economic activity and increasing the success rates of enterprises, it is necessary to understand their function and clarify their contribution to economic development. Moreover, this research paper presents some prominent international experiences to derive valuable insights and best practices.

Keywords: Business Incubators; Entrepreneurship; Small and Medium Enterprises; Economic Development; Unemployment Reduction; Innovation Support

Introduction

In recent years, the global economic landscape has witnessed a growing emphasis on entrepreneurship as a driving force for innovation, job creation, and sustainable development. Small and medium-sized enterprises (SMEs), in particular, have emerged as vital contributors to national economies, stimulating productivity and competitiveness, addressing unemployment and fostering inclusive growth. Recognising

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emerging businesses' challenges in their early stages, many countries have turned to business incubators as strategic tools to support entrepreneurial initiatives.

Business incubators play a fundamental role in nurturing start-ups by providing them with essential resources, mentorship, and a supportive ecosystem that enables them to grow and succeed in increasingly competitive markets. These institutions serve as catalysts for transforming innovative ideas into viable commercial ventures, thereby contributing to the broader objectives of economic development and social stability.

This research is divided into three main sections:

- **Section One:** The Concept and Characteristics of Business Incubators
- **Section Two:** Impact of Business Incubators on Economic Development and Unemployment
- **Section Three:** Experiences of Selected Developed Countries

Section One: The Concept and Characteristics of Business Incubators

The business administration literature offers various definitions of business incubators, among which are the following:

- A business incubator is "an integrated package of services, facilities, support mechanisms, and consulting provided by an experienced and well-established organisation for a specific period to entrepreneurs wishing to establish a small entity, alleviating the burdens associated with the start-up phase."
- Another definition is "a dynamic process for developing and supporting enterprises, particularly those in the start-up or early operational phase, to ensure their survival and growth. This is achieved by providing various forms of financial, technical, and other types of support."
- Alternatively, a business incubator is defined as *"A comprehensive system that treats each small project as a newborn requiring intensive care and holistic support."* Accordingly, an incubator is needed to nurture it from birth, protect it from surrounding risks, provide it with the energy to continue, and gradually enable it to emerge as a strong, capable, and growth-oriented entity that is well prepared for the future and equipped with tools and mechanisms for success.
- Another definition views incubators as *"institutions that rent space to new businesses or individuals seeking to start a new enterprise, with the aim of supporting the launch of new ventures. These businesses remain within the incubator for a certain period, after which they exit into the market to play their intended roles effectively."*
- Business incubators are also described as *"Developmental, nonprofit institutions that seek to support intellectual initiatives and provide the necessary assistance for their launch. This is achieved by creating a suitable environment in which projects can access supportive services and procedures, enabling them to become self-reliant in the labour market."*

- Another definition states that business incubators are *“the successful development of businesses and enterprises through a set of support activities, resources, and services coordinated by the incubator’s management and delivered through its communication networks.”*
- The **Arab Human Development Report (2003)** describes them as follows: *“A new form of support structure for the innovative activities of small and medium-sized enterprises or for creative developers filled with entrepreneurial spirit who lack the necessary means to develop, commercialise, and market their innovative research and technologies.”*
- Finally, business incubators are defined as *“An institutional structure, whether governmental or private, that carries out a range of activities aimed at providing advice, guidance, financial, administrative, and technical assistance to small enterprises and industries, whether in their initial launch phase, during their operations, or throughout their various stages of growth.”*
- Business incubators are also described as *“an integrated operating system that provides all the necessary conditions such as a fully equipped and suitable space for launching and developing a project. This system is managed by a specialised administration that offers all forms of financial, technical, and administrative support to increase the chances of success for small enterprises.”*
- A business incubator is *“An independent institution with legal personality, which provides services and facilities to small enterprises and helps them overcome the burdens of the start-up phase. A business incubator may be privately owned, publicly owned, or a public-private partnership; the latter often benefits from substantial state support.”*

On the basis of the above definitions, it can be concluded that business incubators act as intermediaries during both the prelaunch and growth phases of SMEs. Specifically, they contribute by:

- Providing owners of innovative ideas with the expertise and knowledge necessary for the success of their projects.
- Facilitating all practical procedures in coordination with various relevant stakeholders.
- Offering financial and human support to ease the burdens of the start-up phase.
- Closely monitor the projects step by step and overcome all potential difficulties.

In summary, business incubators serve as critical links designed to protect SMEs until they reach maturity and possess the capacity to continue their activities independently. This necessitates that business incubators eventually detach from these enterprises and redirect their support toward other emerging projects.

Business incubators for small enterprises significantly increase their chances of success, leading to positive performance upon graduation from the incubator. In addition to providing a fully equipped workspace, the incubator offers a comprehensive range of services and consultations, whether administrative, accounting, legal, or technical. It also facilitates interaction with other enterprises facing similar conditions, whether operating in the same sector or different fields. This fostered the acquisition of experience and the development of solutions to the challenges encountered by these enterprises.

Business incubators contribute to economic and social development. They also combat unemployment by creating job opportunities and supporting and encouraging small enterprises that meet market demands. They also identify suitable locations for establishing these enterprises.

Business incubators are considered tools for achieving economic development. They allow new ventures to access the necessary space to carry out their activities and benefit from a package of services at a reduced cost.

A business incubator typically includes the following components:

- Resident projects within the incubator share the use of certain areas of the building, such as reception halls, meeting rooms, and storage facilities.
- Emerging business ventures are allocated suitable space. This space includes various offices, production units, laboratories, etc., with each project renting an area appropriate for its activity.
- The incubator is managed by a specialised team of professionals who provide advice and training to new projects, organise various training programmes, and ensure that the necessary support is available. Resident projects can also benefit from shared administrative services within the facility, such as access to telephone, fax machines, photocopying, computer labs, and internet services, all at a reasonable cost.

Mechanism and Importance of Business Incubators

First: Mechanism of Incubator Operation

- Business incubators offer services specifically designed to support tiny enterprises. These services are generally provided only to registered incubator members (subject to the incubator's internal regulations), who have submitted applications seeking assistance for their enterprises.
- Once the incubator is established and an appropriate facility is secured, applications begin to arrive from young entrepreneurs with innovative ideas seeking implementation support. A specialised committee then reviews all submitted applications and decides which proposals are accepted. Following acceptance, the incubator provides comprehensive services and facilities, including office space, administrative support, financial and legal consultancy, and other services. These services are offered in return for rental or incubation fees.
- A contract is signed between the enterprise and the incubator, in which the enterprise commits to paying incubation fees and vacates the incubator premises after a specified period. This ensures that space can be made available for new projects, while the incubator commits to providing all necessary resources to support the small enterprises under its care.
- Regarding the criteria for project admission into incubators, the primary condition is the extent to which the project requires incubator support. These projects must be based on qualified individuals with sound ideas that enable rapid growth and prompt graduation from the incubator. The following are the key conditions that must be met by enterprises seeking admission:
 1. The entrepreneur must have a clear business idea or a well-defined project.

2. The project should serve the community in which it is established and provide employment opportunities for individuals.
3. Some incubators require the applicant to provide the necessary funding or demonstrate the ability to secure it.
4. The project must have the potential for expansion and growth.
5. The proposed project must exhibit a high growth rate, allowing it to graduate within the specified incubation period.

Second, the importance of business incubators

In our view, the importance of business incubators can be summarised in terms of their expected strategic contributions as follows:

- They provide employment opportunities for individuals aspiring to become genuine entrepreneurs, helping them start correctly and overcome early-stage obstacles, notably the bureaucracy associated with loan applications, collateral requirements, and other establishment mechanisms.
- They offer scientific advice and feasibility studies for emerging SMEs.
- They connect innovative start-ups with productive sectors, market dynamics, and requirements.
- They contribute to human resource development and help address unemployment by supporting individuals seeking suitable job opportunities.
- They contribute to the utilisation of scientific research outcomes, innovations, and creative ideas by transforming them into projects capable of progressing towards production.
- They encourage nontraditional and risk-taking investors, often called venture capital-backed enterprises, to establish their ventures.
- They help prepare a new generation of entrepreneurs by supporting and assisting them in launching serious, high-return ventures, contributing to increased production, job creation, and economic development.
- They support the establishment and development of small and medium-sized productive or service-oriented enterprises that rely on appropriate technologies and modern innovations.
- They assist SMEs in overcoming the administrative, financial, technical, and marketing difficulties typically encountered during the start-up phase.
- They provide ongoing support to help SMEs achieve high growth rates and improved quality standards.
- They promote investment in economically viable sectors, such as technology incubators, small-scale industrial incubators, supporting incubators, and information technology incubators. These factors contribute to social and economic development by creating an enabling environment for advancing

diverse small enterprises, particularly those in the technological and industrial sectors, by offering opportunities for growth and development.

Section Two: Impact of Business Incubators on Economic Development and Unemployment

Economic Importance of Business Incubators for Productive Units

Business incubators regard entrepreneurs and small enterprises as vital national resources. As such, they provide a wide range of services intended to reduce production costs on the one hand and to increase the return on investment on the other hand.

The economic significance of business incubators for productive units can be summarised in the following points:

1. **Provision of Financial Support:**
2. Business incubators support small industries during their initial establishment until they reach a state of stability. This support is facilitated through coordination with relevant entities, including governments, commercial banks, financial institutions, and investors. Incubators play a key role in securing the necessary financial support for these enterprises, such as by guaranteeing loans from commercial banks.

The costs and risks associated with technological upgrades are often disproportionately burdensome for small production units still relying on traditional methods. These enterprises face far more significant challenges than large companies that have already advanced significantly in technological transformation. This is precisely where business incubators play a crucial role: By mitigating these difficulties and risks, they empower small production units to overcome the initial formation phase and keep pace with technological advancement and innovation.

2. **Provision of Administrative and Technical Services:**
3. Business incubators establish advisory committees composed of experts, business professionals, researchers, academics, and specialists in the technical and administrative fields. These committees assist small enterprises and their entrepreneurs within their respective areas of expertise. Their support includes preparing business plans, budgets, and studies related to financing, production, marketing, promotion, and intellectual property protection. A streamlined mechanism is put in place to ensure that small productive units can easily benefit from the services provided by these committees.

In addition, in coordination with relevant authorities such as governments, agencies, and organisations, incubators support small enterprises by offering a comprehensive set of training programmes, seminars, and workshops in various areas related to the management and development of small productive units. These efforts aim to increase economic activity, reduce operational costs, and increase profitability.

Other technical and administrative services offered by incubators, which contribute to lowering overall production costs, include the following:

- Providing reception halls for meeting clients and visitors, which incubator members can use as needed.

- We supply essential office equipment such as computers, fax machines, telephones, mailboxes, and telex services and facilitate internet access through global information networks.
- 3. **Development of a specialised database and information system:**
- 4. The incubators also develop and maintain a specialised database covering the areas most relevant to the small productive units operating within the incubator. These areas include:
 - **Emerging technologies** and the potential for their integration into the production process.
 - **Target markets** and strategies for accessing them.
 - **Funding sources**, including the volume of guarantees and the conditions needed.
 - **The potential for attracting** domestic and foreign investment.
 - **The organisation, management, and development** of productive units operating within the incubator.
 - **Facilitating access** to libraries and other relevant sources of information.
 - **Encouragement and Support of Innovation:**
 - Business incubators promote and support innovation, entrepreneurial ideas, and technical specialisation within small productive units. They provide the necessary support to enable these units to acquire equipment and employ specialised labour that is technologically advanced and often unavailable to enterprises operating outside the incubator.
 - **Contribution to the Evaluation of Incubated Projects' Performance:**
 - Incubators assist consultants in continuously monitoring and evaluating the performance efficiency of the productive units hosted within the incubator. This support does not end when a project leaves the incubator; instead, it continues beyond graduation, as the challenges faced by these enterprises often become more complex and vary over time.

The economic importance of these services is particularly evident in developing countries, where the role of government and semigovernmental institutions in providing technical consultancy to small productive units remains limited. Consequently, these units frequently face technical and administrative issues and a lack of production coordination, which hinders their integration and potential to achieve high growth rates.

Role of business incubators in the economy

1. Supporting and Developing Small Industries

The small industry sector is significant within the economies of most countries, particularly developing economies. This vital and positive role is evident through the creation of employment opportunities for various social groups, especially entrepreneurs, which contributes to increasing income levels and partially achieves self-sufficiency in the goods and services required by society.

One of the main problems facing most small productive units is their limited focus on preserving narrow profit margins due to a lack of the necessary resources to overcome significant challenges, especially in globalisation. These challenges typically arise from the small size of such enterprises, their inability to keep pace with recent developments, and their limited capacity to address fundamental obstacles. Additionally, they often fail to engage in clustering or networking activities that strengthen their market presence.

As a result, these enterprises rarely achieve the dynamic competitiveness that should ideally be within their reach. Herein lies the essential role of business incubators, whose primary function is to support newly established enterprises, especially small ones, and increase their chances of success. This is achieved by providing technical and marketing support, nurturing new projects during their start-up and growth phases, and offering comprehensive financial, administrative, and community-based support services.

The positive and important contribution of business incubators is further reflected in their influence on key macroeconomic indicators, such as gross domestic product (GDP), added value, actual production rates, and the performance efficiency of the small industry sector. Incubators also facilitate networking with the public sector, increase investments in infrastructure, help meet local market demands, support access to export markets, and create new employment opportunities.

2. Supporting the Process of Economic Development

Small, productive, and service-oriented enterprises are central to the economic development of national economies. These businesses stimulate production and exports while generating financial revenues for the public budget through taxes and fees. Owing to the nature of their operations, business incubators are well positioned to localise and facilitate the establishment of such enterprises, which are often central to long-term development strategies.

Moreover, business incubators play a key role in investing in highly productive sectors that benefit from technological advancements. They also help transition the workforce into more productive sectors, improving living conditions for low-income populations.

By focusing on labour-intensive industries, incubators contribute to achieving growth strategies that consider the long-term interests of lower-income groups without necessarily leading to inflationary pressures or unstable economic outcomes.

An illustrative example of an incubator's role in supporting community development is the experience of the state of Maryland in the United States. The state established a network of six specialised incubators, which began development in December 2000. Within less than a year of launching this network, the projects initiated through these incubators contributed approximately USD 96 million in tax revenue to the state treasury. They created approximately 2,000 new and permanent jobs for local citizens.

3. Supporting Industrial and Technological Development

Business incubators, particularly those with a technological focus, play a pivotal role in nurturing creative ideas and applied research. They work to transform these ideas from the research and development phase into implementation phase by establishing small enterprises that embody these innovations. In doing so, incubators significantly enhance the role of small productive units, positioning them as one of the most effective mechanisms for technological advancement owing to their exceptional capacity to modernise and improve production processes more rapidly and at a lower cost than large corporations with substantial investments.

Establishing specialised technological incubators in specific sectors facilitates the transfer and localisation of advanced and emerging technologies, thereby supporting broader industrial and technological development initiatives.

4. Supporting and developing human resources and creating employment opportunities

The presence of business incubators within any society can contribute significantly to skill development, fostering a spirit of entrepreneurship, and enhancing individuals' capacity to manage projects. Moreover, incubators are vital in generating appropriate employment opportunities for the local workforce.

Since business incubators are fundamentally designed to attract university and technical institute graduates, they assist these individuals in finding job opportunities that align with their areas of specialisation. Thus, the importance of incubators is not limited to their quantitative capacity to absorb labour but extends to qualitative aspects.

Business incubators are instrumental in addressing the problem of educated unemployment, which is a widespread issue in many developing countries, by performing the following functions:

- a.** Providing opportunities for vocational, technical, and administrative training and enabling workers to gain the necessary experience tailored to each project's specific conditions and requirements.
- b.** Collaborating with other entities operating in human resource development, gaining insight into their objectives, activities, and areas of interest to form strategic alliances that address challenges and eliminate obstacles in this domain.
- c.** Promoting the concept of self-employment among youth by encouraging educational institutions and training centres to incorporate lessons and lectures on entrepreneurship into their curricula at all levels of education. This includes developing the necessary training programmes to motivate young people to independently venture into the labour market.

In addition to fostering an entrepreneurial culture, business incubators, especially industrial incubators, play a crucial role in improving the living conditions of low-income populations and supporting the establishment of residential areas. They represent an effective and essential mechanism for launching and sustaining these urban developments.

Business incubators can also contribute to achieving economic and social balance, mainly through their capacity to develop small industries that are well suited for localisation on the outskirts of cities, villages, and rural areas. This, in turn, leads to the creation of employment opportunities and improves the overall standard of living within the local communities where these incubators are established.

Moreover, the presence of incubators in local and remote areas helps meet the needs of low-income consumers by producing simple goods and services through the small industries housed within the incubator. These incubators also directly reduce the risks and consequences of migration from underdeveloped regions to urban centres. They may serve as practical tools in encouraging reverse migration by creating job opportunities in less developed areas. Business incubators in local and remote communities can be regarded as practical workshops for training and preparing human resources, equipping them to enter and thrive in the labour market.

5. Enhancing the Role of Universities in Society

Business incubators are among the most important mechanisms for facilitating communication between universities and research centers, as are the industrial sector and its practical applications. While discussions about technology often focus on acquiring machines and equipment for production, technology is not limited to capital goods alone. It also includes transferring intangible assets, such as knowledge, expertise, and management systems, from universities and research institutions into practical, real-world applications.

Business incubators serve as the optimal channel for such transfer. One of the most significant challenges faced by small industries is the ability to absorb new knowledge and technologies. Incubators that establish communication channels between universities and the industrial sector can address this challenge. These incubators provide a supportive environment that facilitates the transfer of research outcomes and knowledge into applied settings, strengthening the connection between academia and industry.

Moreover, incubators are considered the most effective means of transferring high-tech innovations. Patents and advanced technological inventions are among the key elements that enable this connection, supporting the integration of cutting-edge research into industrial processes and contributing to national innovation and competitiveness.

The Impact of Business Incubators on Unemployment and Their Role in Job Creation

Today, SMEs are at the center of industrial policy efforts to reduce unemployment rates in developing and developed countries, regardless of their economic philosophy or the management approach of their national economies.

One of the most significant effects of business incubators in communities is their role in fostering and developing an entrepreneurial spirit, alongside the skills and abilities required to manage projects effectively. However, various obstacles often arise during the implementation of small-scale projects. Identifying these challenges and exploring appropriate solutions to establish effective boundaries and respond to the various factors that influence such projects are essential. This, in turn, allows for the proper evaluation of incubator performance and an understanding of their impact on affiliated projects and their contribution to development and job creation.

Developing countries face numerous challenges, foremost including high population growth, the rapid expansion of educational outputs, and the mismatch between graduates' qualifications and the actual needs of the labour market. These challenges are compounded by low social and economic growth rates, which negatively affect the state's ability to employ graduates. This has led to a worsening unemployment crisis, particularly among the educated, to the extent that it has seriously threatened societal stability.

Consequently, the focus on entrepreneurship and pioneering projects is not only an end but also a means to achieve a range of broader goals. Business incubators have become a recognised mechanism for creating more employment opportunities, especially for individuals with specialised skills and qualifications.

Although business incubators have existed for more than half a century, their presence has only recently become prominent. In 2009, a public business incubator called the "Technology Park" was launched. However, this initiative has faced numerous shortcomings, particularly its geographical location and limited range of organised programmes.

Considering the significant role that incubators have played globally in addressing and resolving various economic and social issues, especially unemployment, Algeria remains far behind the advanced stages achieved by several other countries. In those countries, incubators have succeeded in strengthening the

relationship between industrial enterprises and universities, thereby accessing scientific expertise and benefiting from the capacities of academic institutions. This, in turn, contributes to relatively reducing unemployment, promoting a culture of self-employment, and alleviating dependency on public sector jobs.

Section Three: Experiences of Selected Developed Countries

This section presents a selection of successful international case studies on the establishment and operation of business incubators:

1. Business incubators in North America

Business incubators in North America exhibit a range of distinctive features and practices. Some of the most notable examples include the following:

- **Activate:** This incubator refers to itself as the "fast-track funding wheel", highlighting its focus on rapidly mobilising financial resources for start-ups.
- **Bits On the Wire:** Specialising in web-based ventures, this incubator supports internet projects from the conceptual stage to developing successful websites for companies offering market-driven products. Businesses may either use the incubator's infrastructure or establish an external site in exchange for fees and partial equity in return for the services provided.
- **Cambridge Incubator (Cambridge, Massachusetts):** This incubator, targeted at innovative electronic businesses with a sales component, offers start-up packages with initial capital support of up to USD 5 million. It aims to bring new products or services to a market-testing phase within just a few months. Companies are required to be physically located within the incubator in Cambridge, Massachusetts.
- **InterVentures (Chicago):** This incubator specialises in nurturing information technology companies. It provides mentorship, strategic guidance, and venture capital to start-ups in the Chicago area.

2. Business Incubators in Turkey

The **Cyberpark Technology Incubator** is recognised as the first private, nongovernmental incubator in Turkey. It is located within the Technopark Technology Hub and supports the establishment of companies in information and communication technology (ICT). Its main objective is to foster a culture of incubation for tech enterprises across Turkey.

The incubator enables start-ups to benefit from financial gains such as working capital and funding support. It also offers administrative assistance, favourable tax incentives, and long-term support for new businesses and young entrepreneurs to ensure market readiness.

Cyberpark adopts an ICT-focused culture by equipping incubated companies with access to networks, expertise, and the necessary tools for project success. Among its top priorities is the promotion of e-commerce among regional entrepreneurs. The incubator aims to achieve the following goals:

- Raising awareness among business owners about the innovation opportunities provided by information and communication technologies.

- Securing a USD 250,000 grant from the World Bank's Incubator Initiative Programme.
- This grant is used to cover foundational and partial operational costs.
- Becoming part of the European Union's business incubator networks.
- Organising annual innovation competitions and offering general support in collaboration with the Small and Medium Enterprises Development Organisation (KOSGEB).
- Currently, 15 companies are hosted, with a maximum capacity of 20 incubated firms.
- Successfully graduated from more than 40 companies since its establishment.

3. Business incubators in China

The Chinese experience has astonished the world due to the remarkable economic achievements that have begun to influence the global economy significantly. China is expected to become the world's largest economy by 2030. In 1972, its exports amounted to USD 4 billion and imports to USD 3 billion. By 1999, these figures had surged to USD 194.9 billion and USD 165.8 billion, respectively. At one point, China became the largest creditor to the United States, with a trade surplus reaching approximately USD 400 billion in favour. In 1997, China recorded its highest growth rate at 9.7%, marking a peak in its development trajectory.

The importance of small enterprises to China's economy is particularly evident in the following:

- Statistics indicate that China is home to approximately 8.5 million companies and factories, 99% of which are classified as small and medium-sized enterprises (SMEs), many of which are state owned. These SMEs contribute approximately 60% of the total industrial output and employ 75% of the workforce.
- SMEs account for 60% of China's total exports and industrial production. The Chinese government has shown strong support for the development of small industries and ratified a dedicated law for SMEs that came into force in early 2003 to ensure their sustainable growth.
- Small industries play a vital role in alleviating unemployment in urban and rural areas, providing three-quarters of job opportunities.

The key measures taken to stimulate small business development in China include the following:

- **Privatisation and Reform:** The Chinese economic strategy prioritised reforming and restructuring SMEs by transferring their ownership from the public to the local private sector. This policy encouraged capable private buyers to purchase these companies, enabling them to accumulate wealth over time and eventually acquire larger firms, thus reducing their reliance on foreign investors.
- **Favourable Investment Climate:** The government has created a highly supportive environment for investment. New businesses are exempt from taxes during their first and second years, not from the start of operations or trial production but from the date of their first profit distribution. After this

grace period, companies pay only 20% of their profits in taxes, with the remaining funds reinvested in research and development, expansion, and equipment upgrades.

Conclusion

The economic importance of business incubators for small enterprises is steadily increasing, despite the numerous challenges and difficulties these ventures may face during their initial phases. Therefore, experienced institutions need to extend support to such projects during their start-up stage to enable them to reach a level of maturity that ensures their sustainability and long-term success.

Business incubators are pivotal in creating new job opportunities and increasing productive capacity. This role is fulfilled by incubating small enterprises, particularly those with a degree of creativity and innovation, for a defined period. During this time, they are provided with appropriate working space and various financial, technical, administrative, and marketing services and support mechanisms. These resources are crucial for enabling the enterprise to mature and become self-sufficient.

Governments in several foreign and Arab countries have shown growing interest in developing and advancing business incubators through various forms of support. These incubators, in turn, produce positive outcomes that contribute to economic growth.

Through this study, we have reached several key conclusions, the most important of which are as follows:

- Business incubators play a significant role in overcoming the challenges that small enterprises face.
- Business incubators can provide tangible services, facilitate technology transfer, develop physical capital and human resources, create a conducive learning environment, acquire experience, optimally utilise available opportunities, and achieve sustainability for small enterprises.

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