

A look at how entrepreneurship and innovation will lead to future job creation in North Africa

December 20 2011, By Jessica Otitigbe

It has been nearly a year since an uprising in Tunisia over unemployment and the soaring cost of living ended years of dictatorship. Today, as the county struggles to rebuild, what many do not know is that behind the scenes and for nearly five years, a team of management professors from the Lally School of Management and Technology at Rensselaer Polytechnic Institute and Institut des Hautes Etudes Commerciales (IHEC) — The Institute of Advanced Business Studies in Tunisia — have been working to develop a road map that will support sustained high economic growth in the region known as the Maghreb, specifically Tunisia, Algeria, and Morocco.

The professors recently released the publication *Entrepreneurship and Innovation in the Maghreb*, which provides current and aspiring entrepreneurs with practical tools and strategies needed for the creation of successful new enterprises in emerging markets. The publication explores a number of topics, including: the role of entrepreneurship in the economic development of the Maghreb, the expanding role of universities, incubation, intellectual property, technology transfer, new venture creation and success factors, funding sources, legal and security issues, and business plan development.

Overall, the initiative is funded through the U.S. Department of Commerce, Commercial Law Development Program (CLDP) titled “Assistance for Capacity Building of Innovative SMEs in [Tunisia](#).”

Financing for the publication was provided by the Middle East Program Initiative of the U.S. Department of State.

“This project has been part of an ongoing effort to foster international education partnerships, entrepreneurship, and technological innovation in developing countries,” said Pier Abetti, a longtime faculty member in the Lally School for nearly 30 years, who has also served as the lead coordinator for the project.

“There is an Italian proverb *Chi ben comincia è alla metà dell’ opera*, which is equivalent to the English proverb *Well begun, half done*, which really describes where we are right now in terms of the project,” Abetti added. “The start-up phase of a business is difficult, particularly for new entrepreneurial companies whose founders have little business experience, and for innovative companies that face higher technological, market, and financial risks. In the Maghreb, support systems for start-up companies are newer and weaker than in developed countries, but social and business networks are often stronger. The book serves as a useful guide for entrepreneurs, government leaders, academicians, students, and the general public.”

In addition to Abetti, other Lally School faculty involved in the initiative include Jeffrey Durgee, associate dean for academic affairs and associate professor in the Lally School; and Iftekhar Hasan, who was previously the Cary L. Wellington Professor of Finance, and co-director of the International Center for Financial Research Technology at Rensselaer. IHEC professors include Marouane El Abassi, professor and director of the master’s program in technology management; and Naoufel Ben Rayana, professor of entrepreneurship and management, who also now serves in the role of entrepreneur as co-founder and CEO of Radio Express FM, Tunisia’s first independent FM radio station and a recruitment website.

Beyond the development of the entrepreneurship manual, since 2005 the partners have been working on a long-term study on global innovation, faculty/student exchanges, and a research project focused on women entrepreneurs. The findings will reveal the conditions and key success factors for economic development in Tunisia, with future extensions in Algeria and Morocco.

“In today’s global business environment, even small- and medium-sized enterprises take on international markets,” said Thomas Begley, dean of the Lally School. “Globalization of business has changed the playing field as well as the rules of engagement. Being able to manage technology within both transnational and national settings has become an increasingly critical skill as the process of innovation — technological discovery and application — has become truly global.

“As a business school, we recognize that highly focused, multinational business teams are working in North America, Asia, and Europe around the clock as the requirements of staying competitive necessitate nonstop innovation,” Begley said. “In leading this partnership in Tunisia, the Lally School has been particularly adept at providing individuals with the valuable resources to address the multiple challenges that they may encounter on a global stage. Most important, we look forward to helping the Maghreb countries develop a foundation to stimulate businesses in the region and beyond.”

“Writing this book has helped to forge an exceptional partnership between RPI and IHEC,” said Ben Rayana, who now serves as director and CEO of Radio Express FM. “For me personally, it has been a rewarding experience which allowed me to work on a concrete project of cooperation with the RPI team led by Professor Pier Abetti, who has transmitted his enthusiasm to all the co-authors.

“In my country, Tunisia, in the entire Middle East and North Africa

(MENA) region, and even in Europe, the main social and economic challenge is how to tackle [unemployment](#),” Ben Rayana added. “In this difficult context, I believe that entrepreneurship is THE solution. Our book could be a part of this solution since it provides a viable path for young entrepreneurs in Tunisia and in the Maghreb to take their future into their hands by launching innovative projects and by being aware about risks and challenges of entrepreneurship.”

“Through this partnership, we recognize, especially now, the challenges that Tunisia, and the other Maghreb countries face in trying to expand into new markets,” said Durgee, who traveled to Tunisia in April to participate in a conference focused on entrepreneurship and innovation. “Some of the challenges include dealing with different economic, technical, and business conditions; cultural differences; lack of financing; and shortage of experienced managers and specialists. Our publication takes a holistic approach, and covers all the aspects of enterprise development from the creation of new ventures and their funding sources to harvest and exit strategies.”

Durgee also noted that originality coupled with thorough planning will serve as the key for the success of an innovative business that contributes significantly to national and regional development. “We hope this book will assist entrepreneurs in the Maghreb and the countries where they operate to achieve the success which they deserve in the world marketplace and in the community of nations,” he added.

“Today, the opportunities, first for the regional market of the Maghreb, then for the extension to all of North Africa and the Middle East, and finally to the entire world, are now more accessible and broader than in the earlier phases of industrial development,” Abetti said. “It is our duty as Americans to help these developing countries. Over the years, in working on this project, we have found that entrepreneurs in the Maghreb have always demonstrated practical initiative, creativity, and

social responsibility, qualities which are the foundation of their cultural and historical heritage, and they will continue to do so in the future.”

The publication, *Entrepreneurship and Innovation in the Maghreb*, is available in English and French. Future plans include an Arabic translation, and efforts to explore entrepreneurship and innovation in Egypt and Libya. To read the publication, visit:

[www.cldp.doc.gov/programs/cldp ... n-action/details/914](http://www.cldp.doc.gov/programs/cldp...n-action/details/914)

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