

# Policy Brief

## Enhancing the Impact of Student-led Entrepreneurial Initiatives in Egyptian Public Universities

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Innovation and entrepreneurship are increasingly viewed as key contributors to the creation of sustainable livelihood opportunities for youth and increased socioeconomic resilience. Mindful of this, a noticeable part of the existing literature underscores the essential role played by university-based student-led entrepreneurship clubs in widening students' engagement in the entrepreneurship ecosystem; increasing their entrepreneurial intention; improving their interpersonal and enterprise skills; and giving them the opportunity to gain hands-on experience through practical learning. This, in turn, improves their self-employment prospects and supports them in the creation of successful future entrepreneurs and employees. Additionally, the student-led entrepreneurship clubs help students bridge the gap between academia and the labor

market and prepares them for it. In light of this, the policy paper aims to understand the role of student-led clubs operating inside Egyptian public universities in enhancing the entrepreneurial ecosystem.

The policy paper relied on In-depth Individual Interviews (IDIs) as a qualitative data collection method to delineate the organizational structure and governance, communication strategies, mandate and goals, performance indicators, relationship with international partners and the challenges facing several stakeholders operating in the entrepreneurship ecosystem on the university level as well as the best practices that they have observed.

The said IDIs conducted with several stakeholders revealed that there is no shortage of student-led entrepreneurship initiatives. The problem, however, lies in the limited impact of existing student-led initiatives on promoting Egypt's entrepreneurship culture. In other words, student-led clubs and initiatives have a wide reach but limited impact because most of these initiatives face several structural challenges that impede their accessibility, effectiveness, and sustainability, all of which impede their overall impact on the entrepreneurship ecosystem.

To measure and assess the impact of the targeted student-led clubs on promoting entrepreneurship, a performance indicator metric was developed that comprises three key pillars: accessibility, effectiveness, and sustainability.

Each performance indicator included points of strength that characterized the existing student-led clubs operating in Egyptian public universities and some challenges that impeded their impact. With regards to accessibility, the interviewed clubs had effective communication and outreach strategies. On the other hand, however, the key accessibility challenges facing them are the absence of equal gender representation in their selection processes and limited outreach selection criteria.

Regarding effectiveness, the entrepreneurship student-club often develops content-sensitive entrepreneurship material, the ability to maintain positive club outreach and recruitment even during the COVID19-

pandemic. The interviewed clubs also showed low dropout rates among their members and the ability to ensure that all the activities planned are implemented in a timely manner before the end of the academic year. However, there are many obstacles related to effectiveness. First, there is an absence of clear direction/vision of executed entrepreneurship programs among student-led clubs. Second, the governance structure depends on the appointment of club leaders rather than by elections. Third, there is a competition and lack of coordination between the different entrepreneurship stakeholders operating inside Egyptian public universities. Fourth, there is a lack of support from the university and strong red tape. Finally, there is an absence of coherent, structured and unified performance indicators established by student-led clubs.

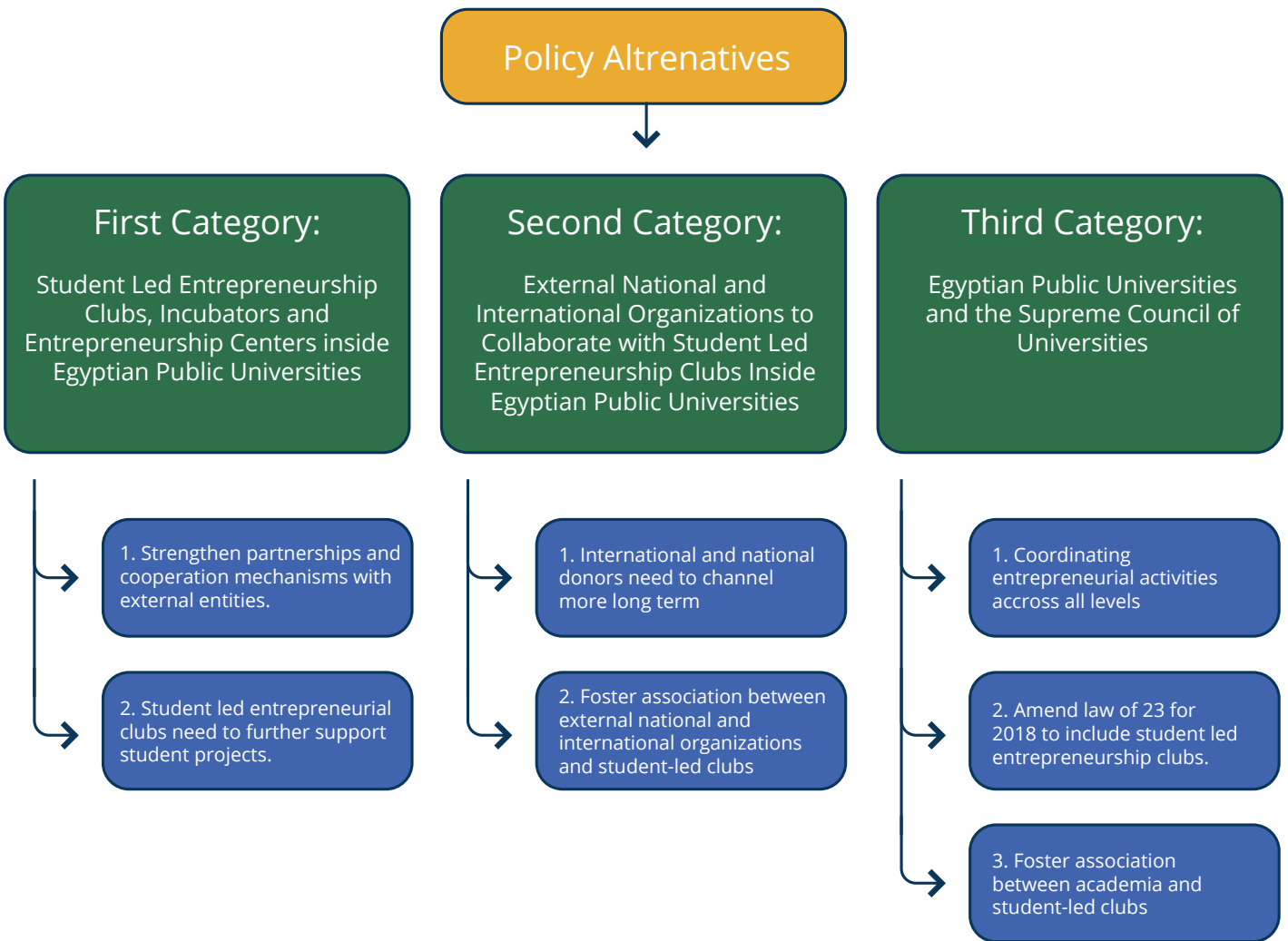
As for sustainability, the interviewed clubs showed a high level of resilience and adaptability, and some of them successfully capitalized on the role of club alumni and board members. Meanwhile, there is a noticeable absence of long-term sustained funding, a prolonged and blurred process of obtaining security permits for internationally supported clubs, as well as a limited number of student projects that successfully turned into profitable and sustainable MMSMEs.

The IDIs also helped in identifying some of the key policy interventions needed to enhance the impact of student-led entrepreneurial initiatives in Egyptian public universities, which are delineated in the following section.

## Policy Alternatives

The policy paper offers several interlinked policy recommendations that aim to improve the accessibility, effectiveness, and sustainability of student-led entrepreneurship

club. This, in turn, culminates in advancing the impact of student-led clubs in prompting the entrepreneurial ecosystem in Egypt.



There are seven policy alternatives recommended in this policy paper, classified into three categories as the following:

**First Category: Student-Led Entrepreneurship Clubs, Incubators, and Entrepreneurship Centers inside Egyptian Public Universities:**

*1. Strengthening partnerships and cooperation mechanisms with external entities working on promoting the entrepreneurship ecosystem.*

This policy alternative aims to strengthen the collaboration mechanisms between external entities (for e.g., E-Youth & INJAZ) and student-led entrepreneurship clubs on promoting the entrepreneurship ecosystem inside Egypt to enhance the effectiveness of the clubs.

*2. Student-led entrepreneurial clubs need to integrate a strategy in their plan to further the spectrum of support available to student projects that are developed as a result of engaging with student clubs.*

This policy alternative aims to persuade the entrepreneurship student-led clubs to develop and adopt a more comprehensive strategy to solidify their long-term impact by ensuring that initiated start-up project ideas formulated by clubs' delegates have been developed into sustainable start-ups. This strategy needs to focus primarily on enhancing collaboration between student-led clubs and university-based incubators to guarantee the further incubation of the initial start-up ideas.

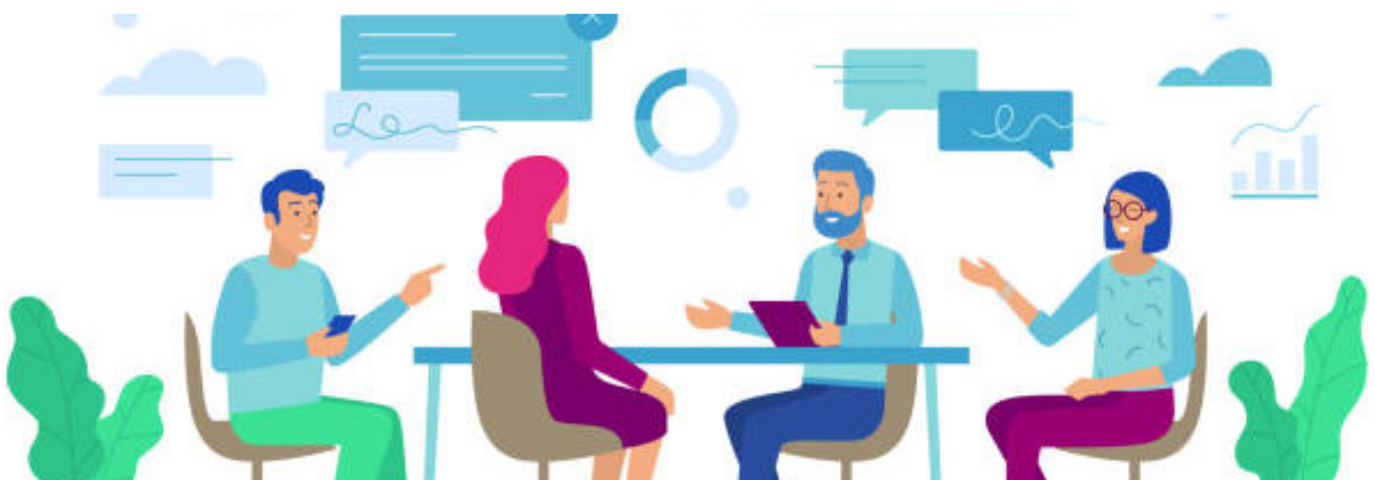
## Second Category: External National and International Organizations to Collaborate with Student-Led Entrepreneurship Clubs Inside Egyptian Public Universities:

*3. International and national donors need to channel more long-term, as well as renew and sustain funds to organizations supporting student-led clubs and diversify student-led clubs' sources of funding.*

This policy alternative aims to provide and secure sustained, flexible, and predictable funding in the form of grants and sponsorships because it is key to enhancing the sustainability and effectiveness of entrepreneurship student-led clubs (for e.g., Greenish) especially those that are internationally supported.

*4. Fostering the association between external national and international organizations and student-led clubs to provide mentorship, incubation, growth, and acceleration to initiated entrepreneurship startups and ideas from them.*

This policy alternative aims to encourage the association between external national and international organizations and student-led clubs whether through offering services and funds that facilitate the provision of mentorship, incubation, growth, and acceleration to the initiated startups and ideas that turn them into established SMEs.



## Third Category: Egyptian Public Universities and the Supreme Council of Universities:

*5. Integrating a model/strategy for coordinating entrepreneurial activities at all levels across universities and student-led activities.*

This policy alternative aims to point out the need for Egyptian public universities and the Supreme Council of Universities to adopt a strategy for coordinating entrepreneurial activities at all levels across universities and student-led activities, as well as to establish an entrepreneurship structure which coordinates activities within the university and stakeholders within the local entrepreneurship ecosystem.

*6. Amending Law no. 23 for 2018 for science and technology parks, labs, and innovative incubators to include among them the student-led entrepreneurship clubs inside Egyptian public universities.*

This policy alternative aims to endorse and/or amend law no. 23 for 2018<sup>1</sup>, which is named Science, Technology and Innovation Incentives Act for Egyptian public universities to include student-led entrepreneurship clubs. It would provide them ultimate benefits to fully function as semi-independent organizations to collaborate with external national and international organization for their activities and events and generate enough funds to carry them out. The amended policy would also enable the student-led entrepreneurship clubs to reach for external incubators and accelerators, which will provide further mentorship and growth for the initiated startups to turn into established SMEs.

*7. Fostering the association between academia and student-led clubs to put on content that bridges the gap between the academia and labor market and at the same time to provide valuable content for the delegates inside the clubs.*

This policy alternative aims to encourage initiating a bond (cooperation) between academia represented in the academic staff of relevant disciplines to entrepreneurship and business fields and student-led clubs directors and teams to provide constructive instructed outlines and plans of courses and content for the student-led clubs to give them a right and to-the-point path to formulate the delivered courses and content to the delegates (undergraduate students).

## Policy Analysis & Criteria:

The seven policy alternatives were analyzed based on five selected criteria: effectiveness, economic, political, technical, and administrative. These criteria have been chosen to determine the most effective executable timeline to arrange the policy alternatives based on it to enhance the impact of existing entrepreneurship student-led clubs that target undergraduates in public Egyptian universities.

## Policy Recommendations

The following timeline is recommended to follow when executing the policy alternative to enhance the impact of the entrepreneurship clubs in public universities:

### Top Priority

- Strengthening partnerships and cooperation mechanisms with external entities working on promoting the entrepreneurship ecosystem.
- Fostering the association between academia and student led clubs to put on content that bridges the gap between the academia and labor market and at the same time to provide valuable content for the delegates inside the clubs.
- Integrating a model/strategy for coordinating entrepreneurial activities at all levels across universities and student led activities

### Second Priority

- Fostering the association between external national and international organizations and student led clubs to provide mentorship, incubation, growth and acceleration to initiated entrepreneurship startups and ideas from them.
- Amending law no. 23 for 2018 for science and technology parks, labs, and innovative incubators to include among them the student led entrepreneurship clubs inside Egyptian public universities.

### Third Priority

- Student led entrepreneurship clubs need to integrate a strategy in their plan to further incubate the student projects that are developed.
- International and national donors need to channel more long term, and renewal sustained funds to organizations supporting student led clubs.

## The Implementing Parties:

The proposed policy alternatives have common implementing parties: the Supreme Council of Universities, the presidents of Egyptian public universities and their vices for student affairs, deans of faculties and their vices for student affairs where student-led entrepreneurship clubs exist, entrepreneurs, external international and national entities that work on promoting the entrepreneurship ecosystem, such as UN organizations, GIZ, ILO, USAID, E-Youth, and Greenish, other interested organizations that are willing to contribute, and leaders and directors of student-led entrepreneurship clubs and their academic advisors.

However, there is an exception for the second policy alternative (amending law 23 for 2018) in the second priority category, it would be addressed first to the Supreme Council of Universities, the Ministry of Higher Education and Scientific Research to propose the amendment to the Egyptian Parliament to have the alternative discussed and approved to implement it.

## Expected Limitation and Obstacles:

1. Lack of coordination.
2. No direct monetary incentives.
3. The uncertainty of approval and its duration from the side of the Egyptian Parliament.

«All the academic references used in this brief are mentioned in the policy paper.»

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