



Applied Science University
Kingdom of Bahrain

The Role of Universities in Developing Small and Medium Enterprises (SMEs): Future Challenges for Bahrain

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A Taxonomy of Entrepreneurial Theory

Who is an Entrepreneur ?

The person who assumes the **risk**
associated with **uncertainty**

A Taxonomy of Entrepreneurial Theory

Who is an Entrepreneur ?

The person who supplies **financial capital.**

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Who is an Entrepreneur ?

An Innovator

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Who is an Entrepreneur ?

A Decision Maker

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Who is an Entrepreneur ?

A Leader

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Who is an Entrepreneur ?

A Manager or Superintendent

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Who is an Entrepreneur ?

An Organizer and Co-ordinator

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Who is an Entrepreneur ?

The Owner of an Enterprise

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Who is an Entrepreneur ?

A Factor of Production Employer

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Who is an Entrepreneur ?

A Contractor

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Who is an Entrepreneur ?

An Allocator of Resources

Introduction:

The **Strategic Importance** of **Small and Medium Enterprises (SMEs)** and their role in the growth of economy, both in developed and developing countries **cannot be underestimated** as they are responsible for the sustainable development of any economy.

Introduction:

The **collaboration** between **universities and the different economic sectors** is of paramount importance.

The examples referred to in this study concentrate on having some framework to **initiate strategic planning** and **policies to follow.**

Introduction:

Cooperation with universities is of immense value to a sustainable development.

The significance of this to the economy is obvious

The process of **commercializing original ideas** is a major issue in the SME's development.

Entrepreneurship

must be encouraged to **establish employment policies**, together with building the capacity for **educational institutions** to serve this purpose as well as laying down the **foundation** for sharing lessons and observing the impact of such policies.

Human Capital Challenges in GCC & Bahrain:

- Human Capital is a **measure of the economic value** of an employee's skill set. This measure builds on the basic production input of labor measure where all labor is thought to be equal.
- The concept of human capital recognizes that not all labor is equal and that the **quality of employees can be improved by investing in** **t h e m** .
- The **education, experience and abilities of an employee have an economic value** for the employers and for the economy as a whole.

Tamkeen Plan is perhaps the most vital body to hold up SMEs in Bahrain.

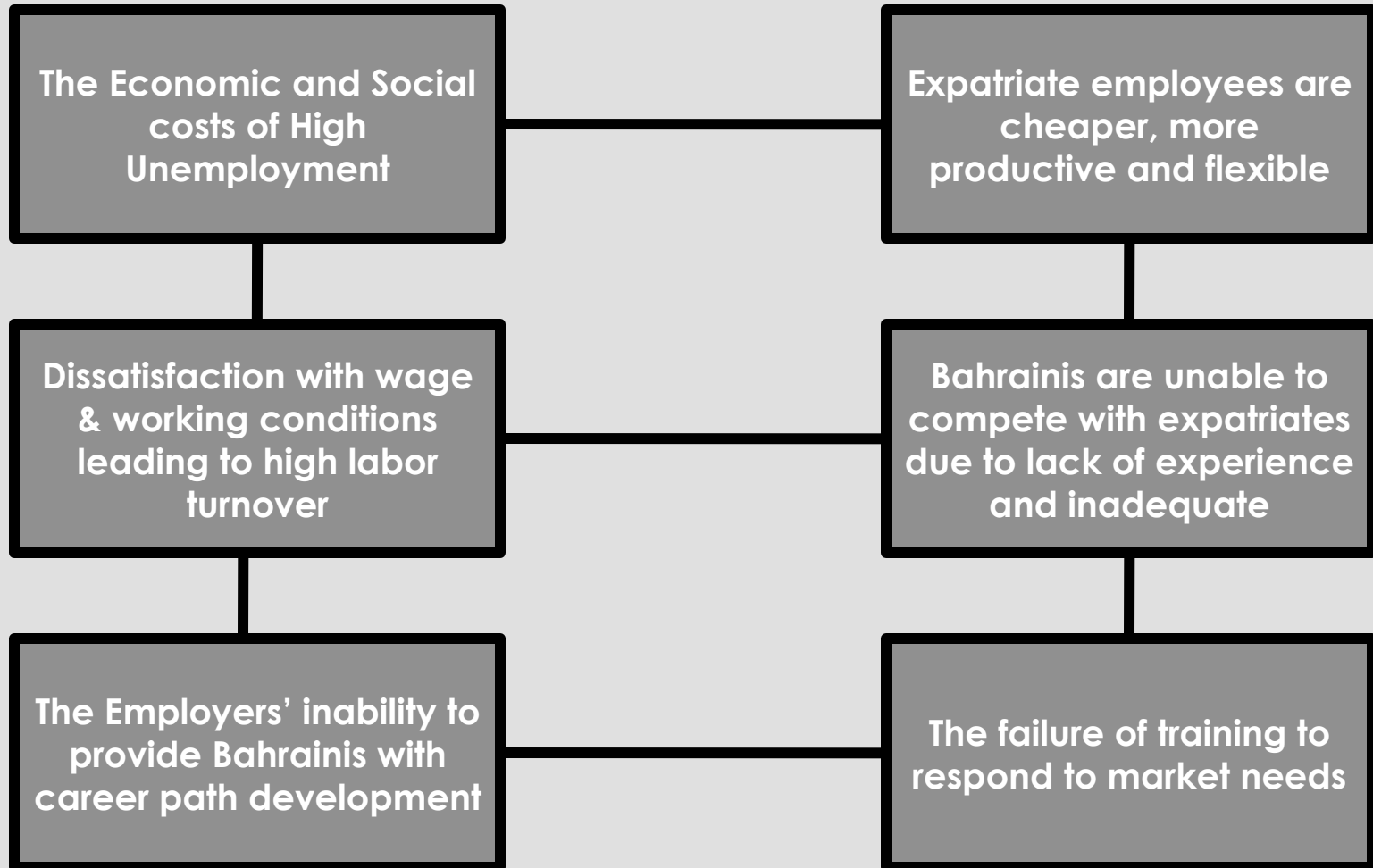
Tamkeen, as is well known, has been shaped in the trail of the recent Bahraini labour market reforms and the main aims of which are to **train and financially support small-scale entrepreneurs.**

It is financed through a fee levied on foreign labour in Bahrain.

Tamkeen has managed to partner with various training institutes and banks – such as **Ithmar Bank** and the **Bahrain Development Bank (BDB)**.

The partnerships aim to **provide training courses** on entrepreneurship, smaller-scale loans, as well as **business development grants**.

Labor Market Challenges related to the Human Capital



The Asian Dimension

It is **recommended** that the **Government** :

- **Make** a clear policy framework for the entrepreneurship education.
- **Establish** a support plan for entrepreneurship education institutions.
- **Put** in place a training system for faculty.

The Asian Dimension

The **Entrepreneurship Institution** must:

- **formulate** a unique program that confirms the institution targets for entrepreneurship ,
- **improve** program quality, and
- **make** long and short term objectives and output measurement index.

The Arab Dimension

Levels of Education and **Assessment Tools** that target the learner and that accompany curricula and textbooks can play an important role in assimilating **Entrepreneurship Education Concepts** and **Competences** in the education systems.

The Arab Dimension

Two groups of factors within the **Arab Education System** can influence the **Entrepreneurial Education**:

Personal Factors & External Factors.

Personal factors: Include professional competences, communication skills, and higher mental skills.

External factors: Include social, cultural, economic and political conditions that prevail in society and which have direct effects on EPE or The Education System

The European Dimension

According to a recent **Euro barometer Entrepreneurship survey**, three quarters (3/4th) of Europeans say that they have never taken part in an entrepreneurship course.

The **European Commission Bureau** believes that the acquisition of entrepreneurial abilities and skills enhances the employability of European youth as well.

The European Dimension

Research findings show that
78% of entrepreneurship education alumni
were employed directly after graduating
from universities

Present Globally Competitive Economic Environment requires a Number of Elements and Qualities.

It requires:

Talented enterprising workforce.

It requires:

Constant innovation in product and service development.

It requires:

Thriving culture of entrepreneurship

It requires:

**Dynamic leading-edge scientific
technological development**

It requires:

World-class research that attracts
investment

UK SME's Barometer is a series of surveys among small and medium-sized (SME) employer enterprises across the UK.

The survey assesses :

- How **well** or **badly** small businesses are performing.
- Their **needs**.
- Their **concerns**.
- The **barriers** to growth.

Technopreneurs across the Life Cycle Phases



The Entrepreneur Development Programme In **Malaysia's** MSC Cluster -- The Technopreneur Development Flagship (MTD) Programme - **Avvari V. Mohan**

Universities Offering Entrepreneurship Degrees

The following table shows the *total no. of universities* from each continent that offer a *Bachelor/Undergraduate Degree in Entrepreneurship*

Continent	Universities
America & Europe	209
Asia	8
Australia	4
Africa	3
TOTAL	224

Conclusion on Main Issues for Bahrain

- **Poor Coordination and Lack the capacity for continuation.**
- **SME support programs lack effective implementation.**
- **Lack of effective policy environment for SME formation and growth is difficult for SMEs to survive.**
- **Adequate educational programs is crucial to make SME's a success.**
- **Lack of Education may lead to poor management on part of the entrepreneurs.**

Conclusion on Main Issues for Bahrain

- The lack of prior proper trainings to the SMEs projects owners in the Kingdom of Bahrain and eastern region of Saudi Arabia has clear negative effects on their projects.
- Limited access to financing.
- Higher borrowing costs.
- Limited collateral resources.
- Poor book keeping and accounting practices.

Questions we need to ask

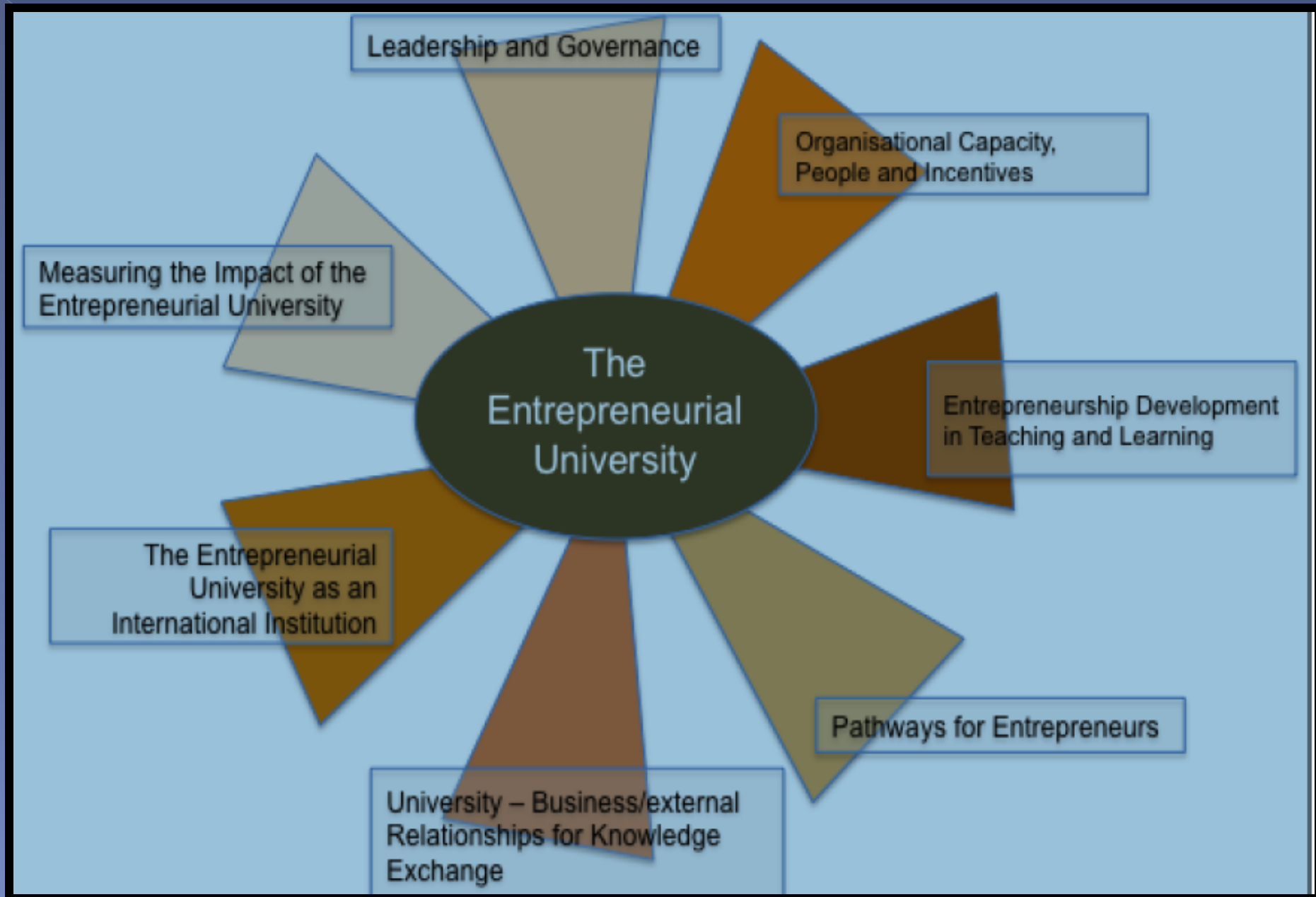
**Is it time to promote
Entrepreneurial University on
our part of the world ?**

**How does that fit with Global
Changes ?**

How can we achieve that ?

What benchmarks is needed ?

**What are the local
requirements within
Bahrain and GCC ?**



KINGDOM OF BAHRAIN

EDUCATIONAL INSTITUTIONS

SUPPORTING INSTITUTIONS

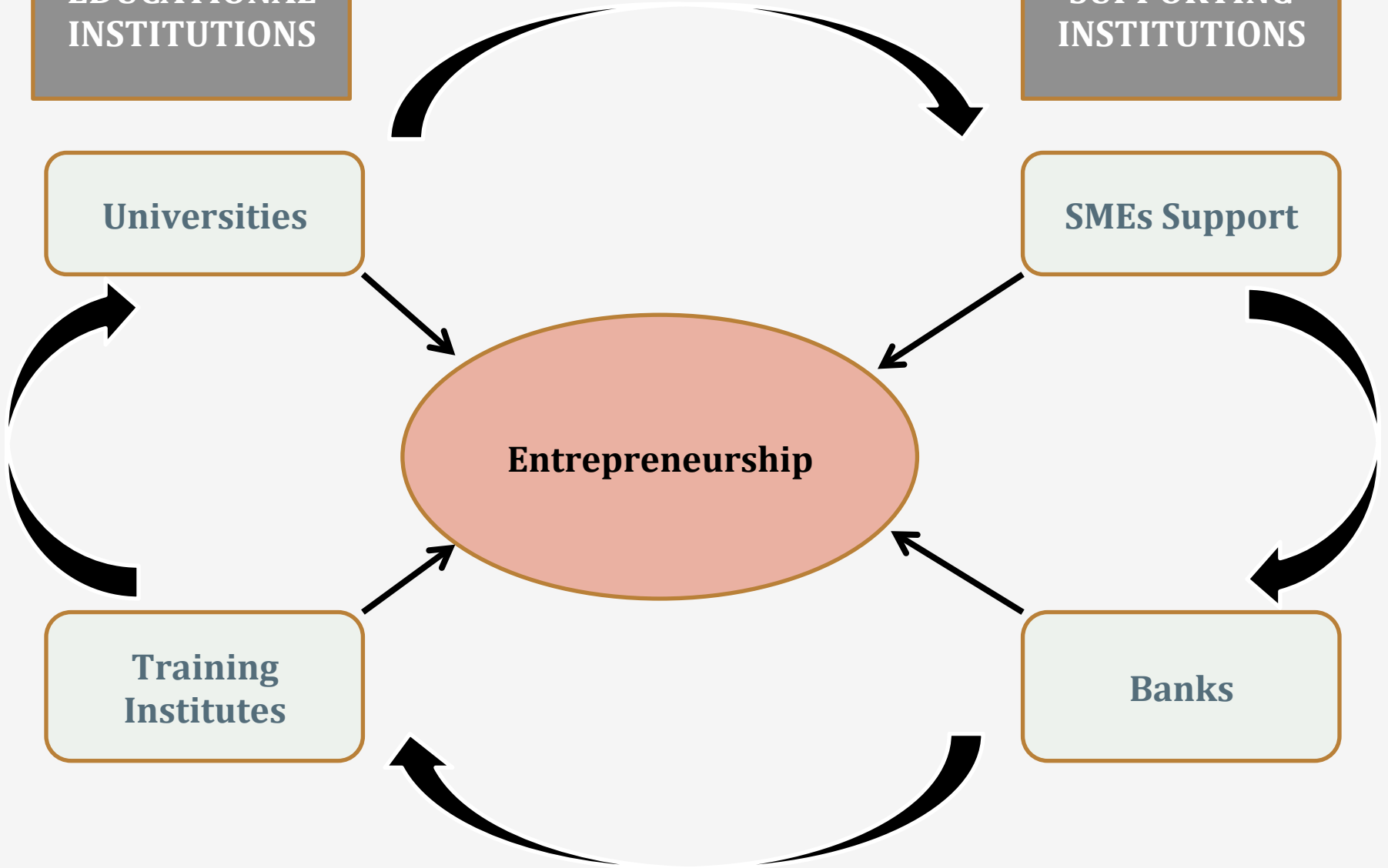
Universities

SMEs Support

Entrepreneurship

Training Institutes

Banks



**Thank you very much
for listening**