



Building Entrepreneurship and Management Skills among University Graduates in Egypt:

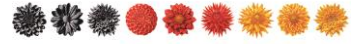
Learning from Germany? A Mutual Learning Approach!

Dialogue on Innovative Higher Education Strategies:

Stakeholder Involvement in Higher Education

University of Jordan/Center for Strategic Studies, Amman, 17/18 November 2014

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Agenda

1. Societal Background, Problem Setting and Motivation of the Project
2. Institutional Background of Project
3. Concrete Goals of the Project
4. Developing Entrepreneurial Skills among Graduates
5. Developing Practical Management Skills among Graduates
6. Interim Experiences: Lessons Learned after One Year



1. Societal Background, Problem Setting and Motivation of the Project

High Youth Unemployment in Egypt

- ▶ Youth unemployment as “traditional” challenge to Egyptian policy makers
- ▶ But: Egyptian revolution and economic downturn aggravated the situation
- ▶ Estimates suggest that about **25%** of age group below 25 are **unemployed**
- ▶ University-level graduates are among the hardest hit with a staggering **36% unemployment rate among university graduates!**



1. Societal Background, Problem Setting and Motivation of the Project

Structural Problems in Higher Education (see OECD)

- ▶ Besides the political and economic crisis, there are structural problems in Egypt's higher education that contribute to unemployment among graduates
- ▶ Key problem: Graduates are not fitting labor market needs due to
 - low practical skill development
 - disconnect of education from national innovation system

Motivation of Project

- ▶ Start-ups & Innovative SMEs as Triggers of Employment + Sustainable Development
- ▶ Scale-up of Entrepreneurship & Innovation Management Education at Universities



2. Institutional Background of the Project

DAAD: University-Business-Partnership Program

- ▶ *„University-Business-Partnerships between higher education institutions and business partners in Germany and developing countries“*
 - ▶ In many developing / emerging countries there are differences between the capabilities of university graduates and qualifications required by industry.
 - ▶ Lack of practical relevance: Graduates are unable to find adequate jobs.
 - ▶ "Brain drain" on the one hand and the employment of imported specialists on the other hamper the economic development.
 - ▶ Therefore, interaction between universities and enterprises is required.
- **German Academic Exchange Service supports cooperation projects.....**



2. Project Profile

- ▶ Project Lifetime: 2013 – 2016 (Begin in midst of political turmoil in Egypt)
- ▶ Overall budget: 600K EUR
- ▶ Institutional Project Goals:
 - Strengthening cooperation in academic education between universities and business partners
 - Strengthening cooperation in academic education between universities in Germany and Egypt
 - Joint research between universities in Germany and Egypt
(“Cross cultural perspectives on innovation culture and failures attitudes”)



2. Project Profile

Project Partners

▶ Prime Project Partners:

- Philipps University Marburg, Department of Management
- German University of Cairo, Faculty of Management Technology

▶ Business Partners:

- GER: Alumni Marburg, MAFEX, PHLINK
- EGYPT: DAIHK, GIZ, IBM, Mercedes Benz, Middle East Council for Small Business and Entrepreneurship, Siemens, Tamkeen Capital, Thyssen.



3. Concrete Goals of the Project

- 1) Developing entrepreneurial competencies and practical management skills among university students at the University in Cairo (GUC),
- 2) Building a sustainable organization and infrastructure at GUC that allows institutionalizing and perpetuating the competence building initiative,
- 3) Building a network for mutual learning for sustainability among all project partners involved.



4. Developing entrepreneurial skills

Three consecutive modules – Overview

- a. *Sensitizing*: Mobilizing and encouraging students for new business formation as a career prospect (pre-seed activities),
- b. *Training*: Qualification of student entrepreneurs, including development of new venture concepts and triggering business ideas (seed-activities)
- c. *Coaching*: Individual and specific support of new venture projects (seed-activities)



4. Developing entrepreneurial skills – Consecutive Modules

a. *Sensitizing (pre-seed activities)*

- ▶ Mobilizing and encouraging students for new business formation as a career prospect.
- ▶ Students are informed about opportunities, challenges and risks of entrepreneurship, enterprise formation and self-employment.
- ▶ Measures include...Guest lectures by experienced entrepreneurs, brown-bag lunches, regular's table for entrepreneurs, excursions to successful start-ups, idea contests, entrepreneur speed-dating events etc.



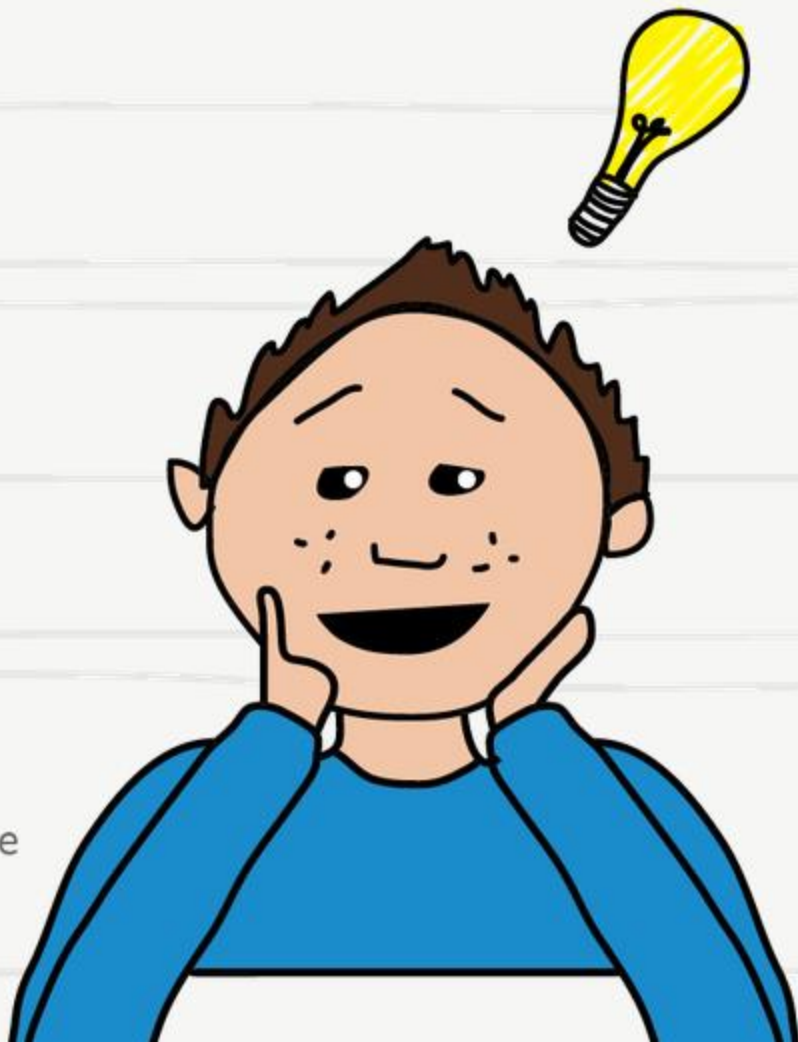
FROM STUDENT TO ENTREPRENEUR

Follow the story of Tim. He didn't settle for only being a student. He got creative, developed himself, and expanded his professional experience!



SPOTTING OPPORTUNITY

Tim was attending a lecture, when suddenly he came up with an innovative idea that had business potential.



SHARING BRIGHT IDEAS TOGETHER

Tim couldn't get the idea out of his mind, and he started gathering a team who could help him develop.





4. Developing entrepreneurial skills – Consecutive Modules

b. Training and Qualification (seed activities)

- ▶ Entrepreneurship training offers the essential skills, including drafting business plans, finance, accounting, project management & intellectual property management (idea protection with patents, copyrights etc.).
- ▶ Qualification and training is offered by qualified lecturers and coaches in business plan seminars and entrepreneurship workshops.
- ▶ It is planned to integrate entrepreneurship lectures and seminars into the official study programs of the Egyptian University.



Entrepreneurship Training Week
Marburg June 2014





4. Developing entrepreneurial skills – Consecutive Modules

c. **Coaching** (*seed activities*)

- ▶ Business take-off in post-formation period requires support & networking
- ▶ Support activities include business plan coaching
- ▶ Qualified coaches come from university and external partners
- ▶ Networking activities focus on the arrangement of contacts to partners:
 - Financial institutions: venture capitalists, business angels
 - Legal supporters: patent attorneys, auditors and accountants
 - Others: Alumni, local entrepreneurship community etc.



Entrepreneurship Coaching
El Gouna September 2014





5. Developing Practical Management Skills

Two Formats – Support by Phlink and German-Egyptian Business Partners:

- a. *Set-up of student consultancy:* Students teams offer consulting services for Egyptian business firms, NGOs, other partners (customers).
 - Marburg student consultancy “Phlink“ coaches Egyptian students
- b. *Student thesis-based projects:* Bachelor and master thesis projects which take their vantage point from real-life business problems and challenges in business partner firms.
 - Partner firms have officially signed letters of commitment but have numerous intrinsic motivations to collaborate!



6. Interim Experiences: Barriers to Mutual Learning

- ▶ Institutional, legal barriers: Differences in IP-Law
 - Germany adheres to international WIPO standards
 - In Egypt Shari'a interferes with de facto IP protection
- ▶ Institutional, cultural barriers:
 - Risk avoidance culture in Egypt blocks entrepreneurial spirit
(Fear to fail → Myths are abound „bankruptcy brings you to prison“)
 - High power distance (Egypt) versus low power distance (GER) culture



6. Interim Experiences: Beneficial Mutual Learning!

- ▶ Consecutive approach to create an entrepreneurial spirit at Egyptian University seems to work (12 Start-up Teams!)
- ▶ Mutual Learning (1): German students (and partners) learn about sustainable and social entrepreneurship projects
- ▶ Mutual Learning (2): Intercultural competencies
- ▶ Political & economic crisis as a momentum for change in Egypt!

DAAD

Deutscher Akademischer Austausch Dienst
German Academic Exchange Service

Philipps



**Universität
Marburg**

المركز العلمي الألماني
بالقاهرة



ألمانيا بلد الأفكار

Thank You for Your Attention!

Questions? Comments? Critique?