

Cluster Meeting on CBHE and CBVET Projects:

“Entrepreneurial Ecosystem in Algeria”

Tuesday May 6, 2025

Ecole Polytechnique d'Architecture et d'Urbanisme, EPAU

# *HEIs Incubators and Entrepreneurial Development*

**Prof. Dr. Marcus Dejardin**

UNamur & UCLouvain

marcus.dejardin@unamur.be OU marcus.dejardin@uclouvain.be



# Contents

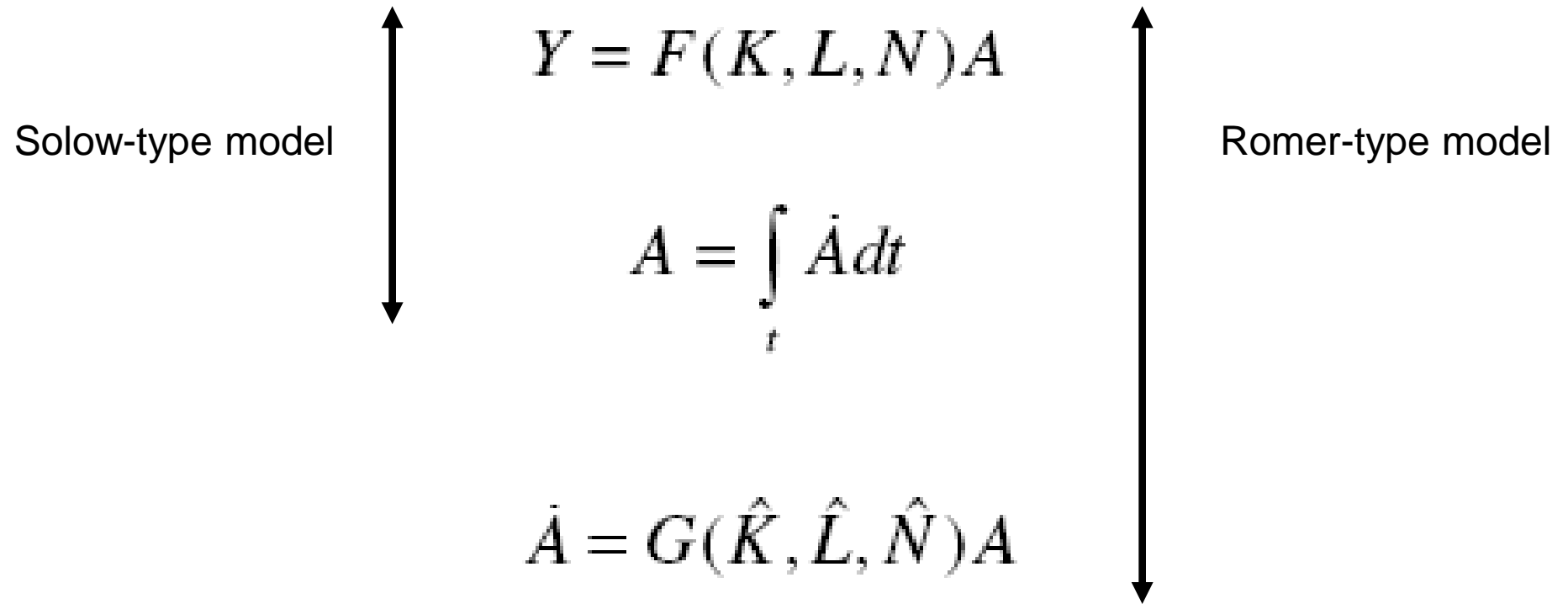
- The region (territory) as a function of sustainable value production -  
Some theoretical guiding principles
- Entrepreneurship policy
- HEIs Incubators and Entrepreneurship
- HEIs Incubators and Regional Development

# The region (territory) as a function of sustainable value production - Some theoretical guiding principles

- Endogenous development factors  
& Institutional and territorial context
- Occupational Choice and Talent Allocation
- Systemic Approach: The Entrepreneurial Ecosystem

# Regional production-function models

Karlsson, Johansson & Stough (2008), “Entrepreneurship and Innovation in Functional Regions”, CESIS Paper no. 144.



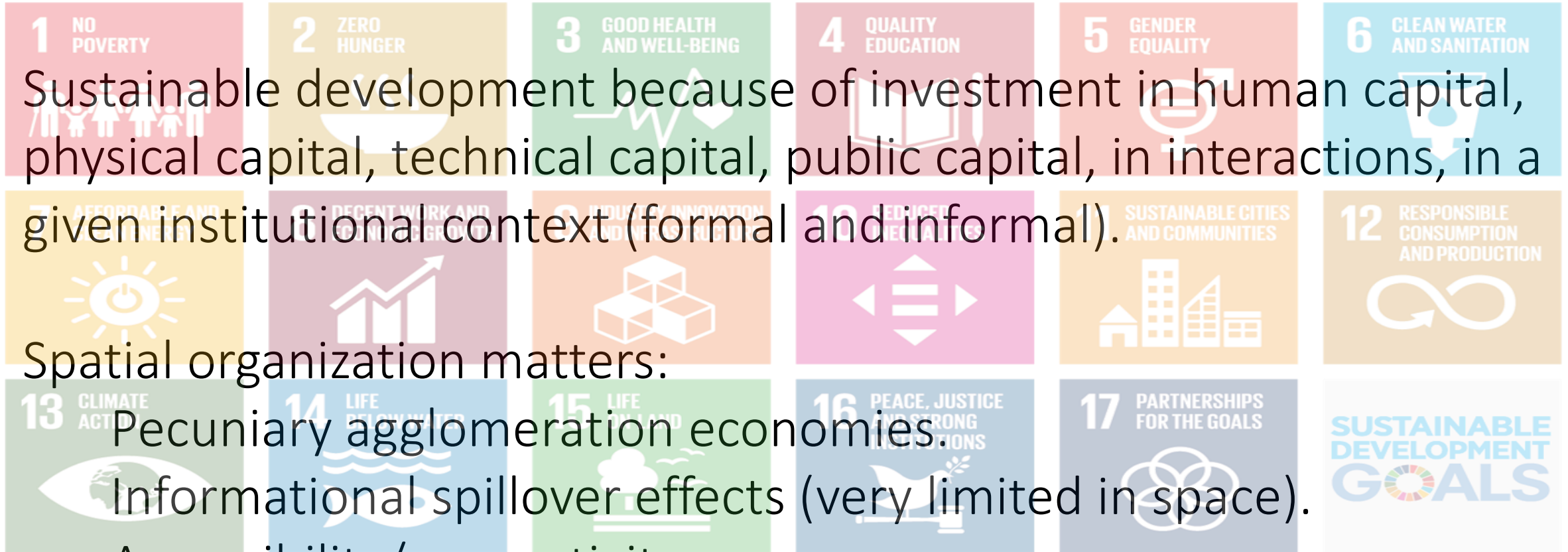
Note: Both models do not present knowledge flows, within and outside the functional region, although these are important for the sustainable competitiveness of the region.

# The region (territory) as a function of sustainable value production - Some theoretical guiding principles

- Sustainable development because of investment in human capital, physical capital, technical capital, public capital, in interactions, in a given institutional context (formal and informal).
- Spatial organization matters:
  - Pecuniary agglomeration economies.
  - Informational spillover effects (very limited in space).
  - Accessibility/connectivity.

# The region (territory) as a function of sustainable value production – Some theoretical guiding principles

- Sustainable development because of investment in human capital, physical capital, technical capital, public capital, in interactions, in a given institutional context (formal and informal).
- Spatial organization matters:
  - Pecuniary agglomeration economies
  - Informational spillover effects (very limited in space).
  - Accessibility/connectivity.



# The region (territory) as a function of sustainable value production - Some theoretical guiding principles

- Endogenous development factors  
& Institutional and territorial context
- Occupational Choice and Talent Allocation
- Systemic Approach: The Entrepreneurial Ecosystem

# The region (territory) as a function of sustainable value production - Some theoretical guiding principles

Occupational Choice and Talent Allocation

Occupational Choice = f (Expected incomes)

Expected incomes = g (individual characteristics, economic & social context)



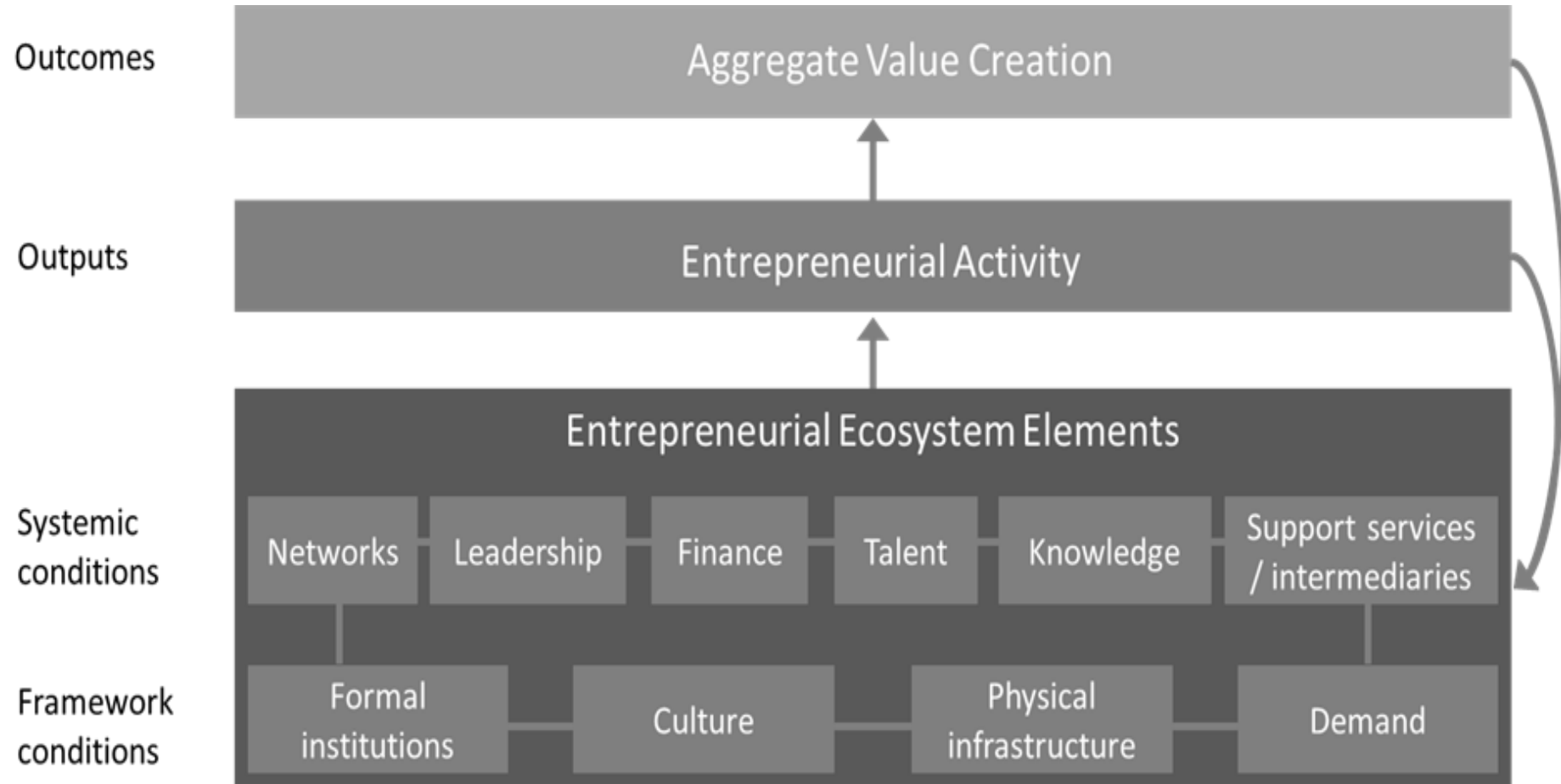
# The region (territory) as a function of sustainable value production - Some theoretical guiding principles

- Endogenous development factors  
& Institutional and territorial context
- Occupational Choice and Talent Allocation
- Systemic Approach: The Entrepreneurial Ecosystem

# Entrepreneurial Ecosystem

- “A set of interdependent actors and factors that are coordinated in such a way as to enable productive entrepreneurship within a given territory”.
- A point of attention. The entrepreneurial ecosystem approach distinguishes traditional statistical measures of entrepreneurship [self-employment and SMEs] from measures focusing on ambitious, innovative, and growth-oriented entrepreneurship.

# Entrepreneurial Ecosystem



# Entrepreneurial Ecosystem

What are the conditions for virtuous cumulative processes?

- Multiple conditions and factors
- Factors involved in a multiplicative rather than additive model
  - In an additive model, as in a multiplicative model, increasing a favorable factor increases the result. Even if the factor is missing in the additive model, a non-zero result is still possible. The result obtained is quite different in the multiplicative model:  $2 + 0 = 2$ ;  $2 \times 0 = 0$  (Dejardin & van Stel, 2025, citing Dejardin & Levratto, 2023). For an entrepreneurial ecosystem, it means that the interplay between its constituents is important.
- Feedback effects
- Governance?

# Measuring entrepreneurial ecosystems: the Regional Entrepreneurship Development Index 14 Pillars

## **Pillar**

Opportunity perception

Startup skills

Risk perception

Networking

Cultural support

Opportunity startup

Technology Adoption

Human Capital

Competition

Product innovation

Process innovation

High growth

Globalization

Financing

# Entrepreneurship Policy

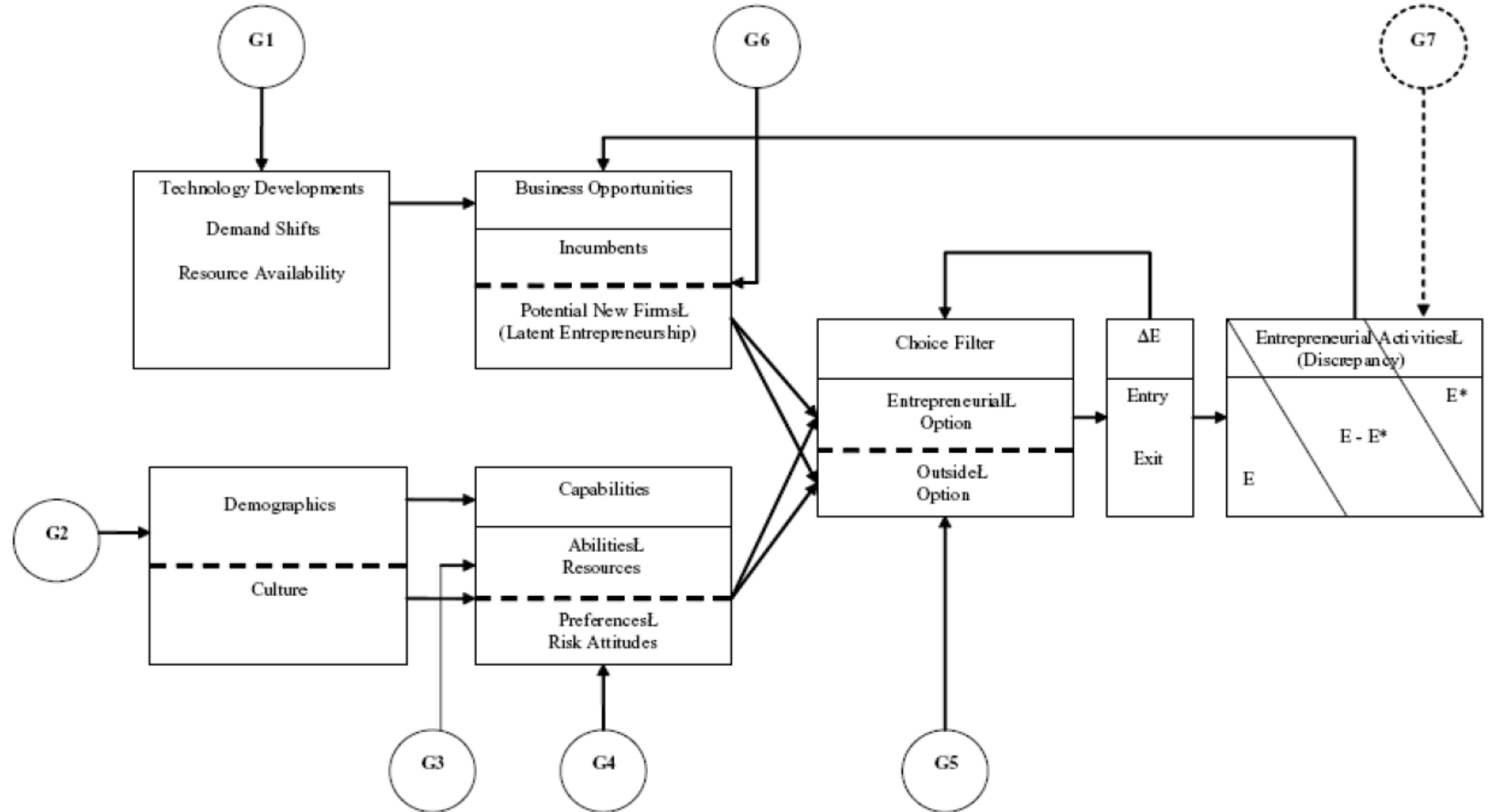
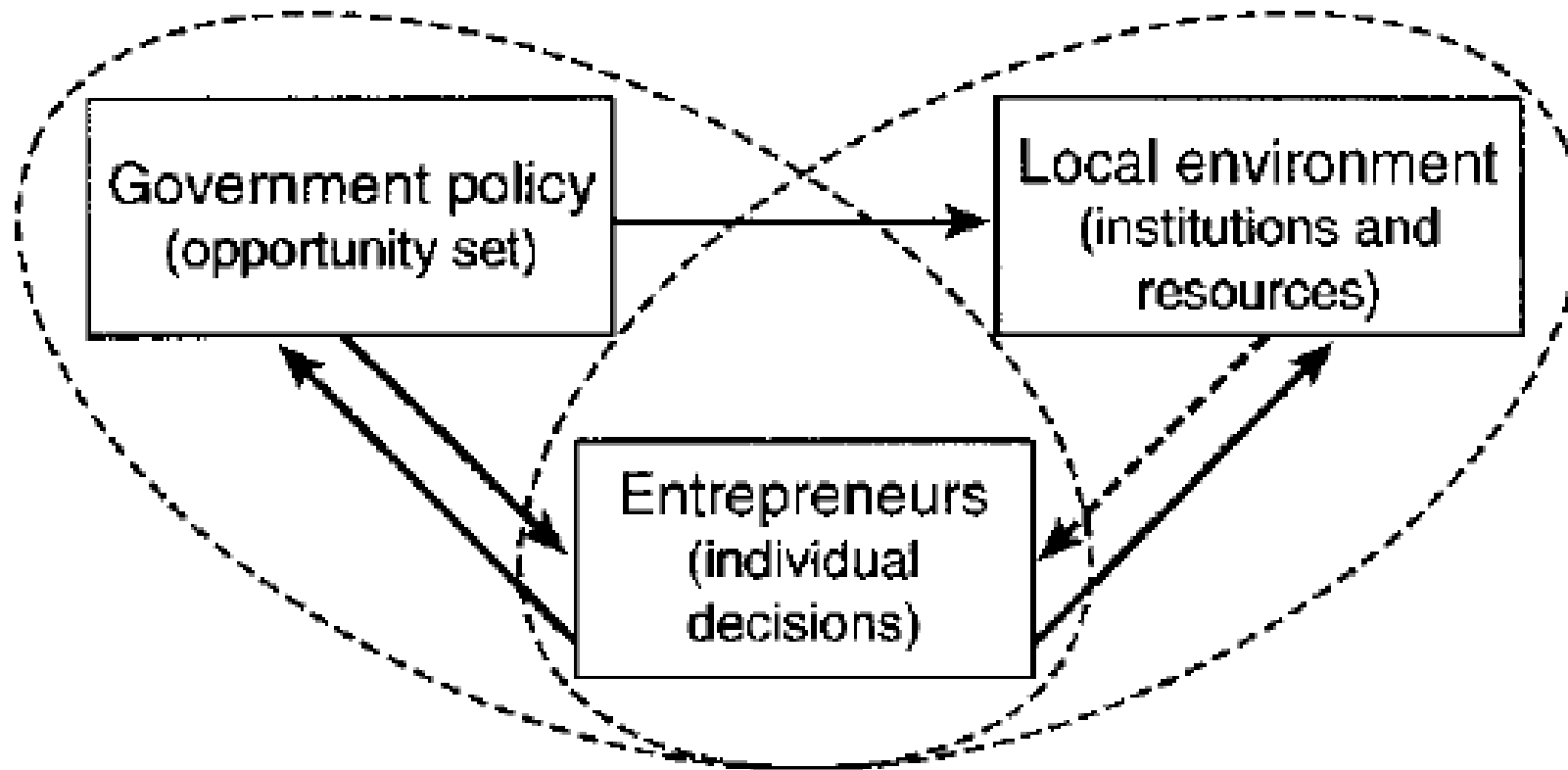


Figure 1.1 Policy framework

# HEIs Incubators and Entrepreneurship (I)

## What can we expect from HEIs incubators?

- A stakeholder promoting the “right” type of entrepreneurship (entrepreneurship creating actual net value; with impact) by its commitment and offered services
- A stakeholder actively building bridges between worlds that are not familiar with each other: academics, scientists, entrepreneurs, other development stakeholders, public authorities, etc.
- A stakeholder facilitating knowledge transfer
- A stakeholder who is itself well-connected to local, regional, national, and international business stakeholders and networks, including network of HEIs incubators.
- ... contributing to vivid and highly dynamic entrepreneurial ecosystems (EEs: a Matryoshka doll concept)



*Fig. 1. Factors in the formation of the region*



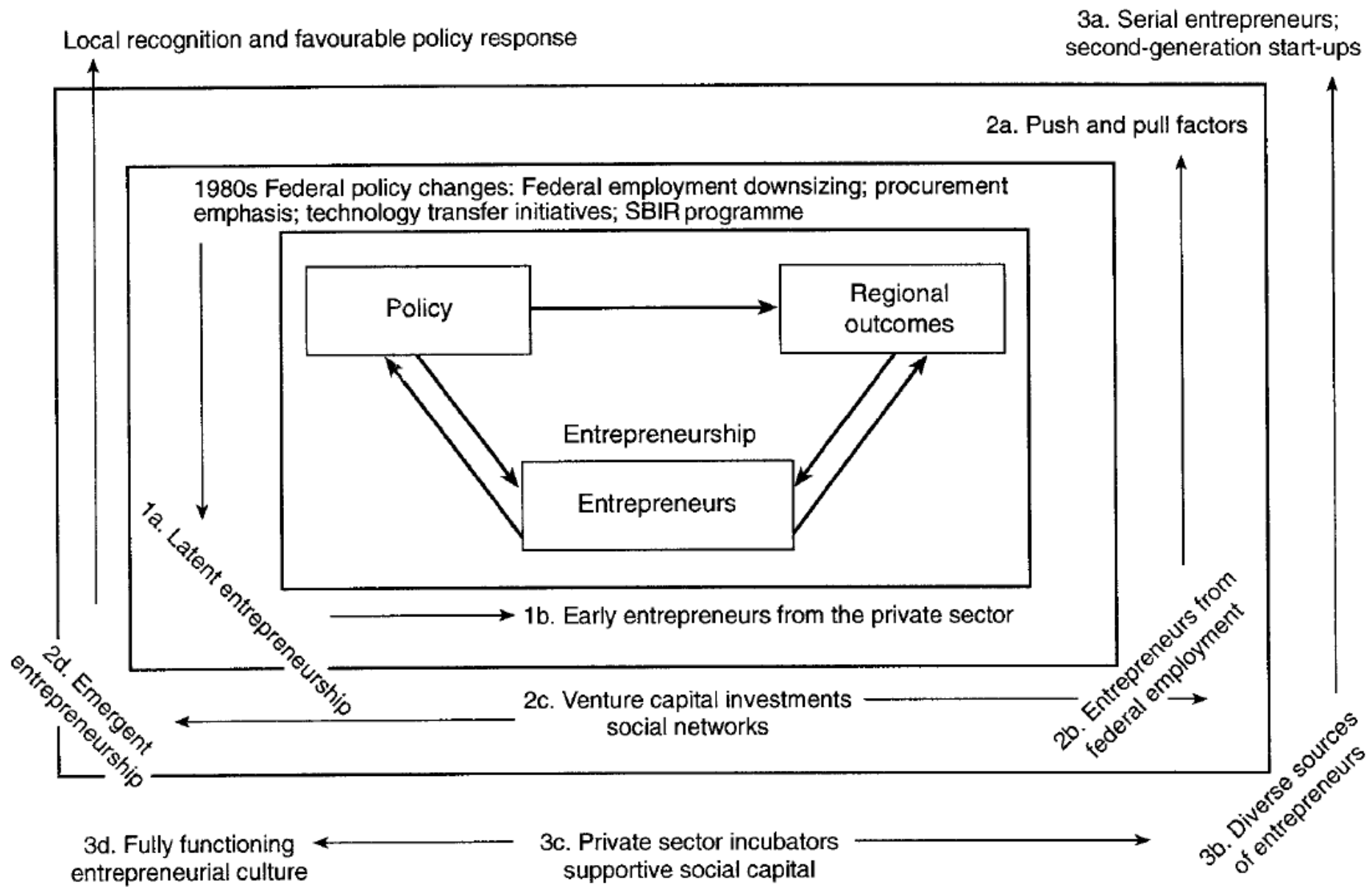


Fig. 2. Evolution of the entrepreneurial cluster

Source: Feldman et al, 2005

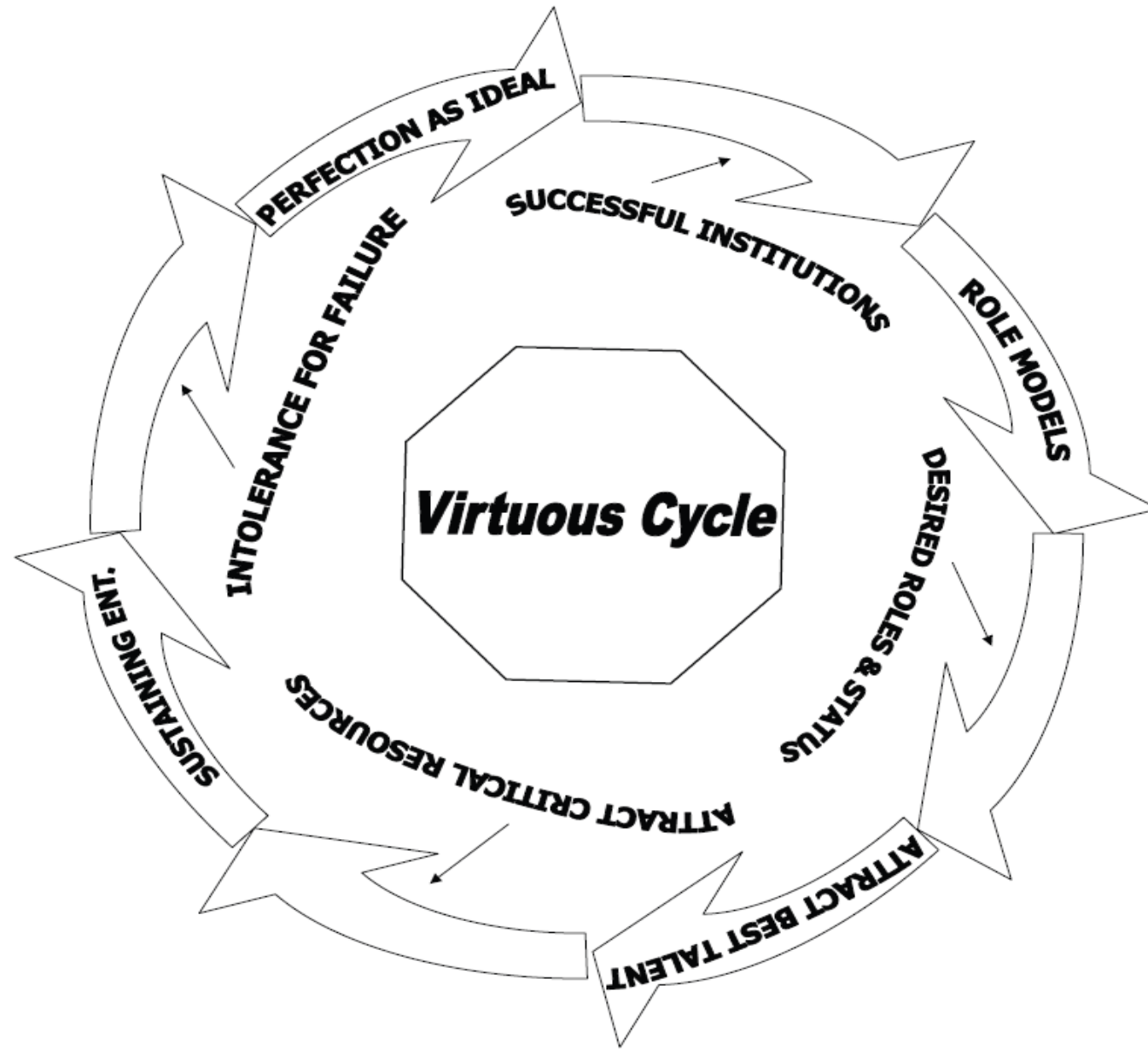


Fig. 1. The emergence of virtuous cycle.

Source: Venkataraman, 2004

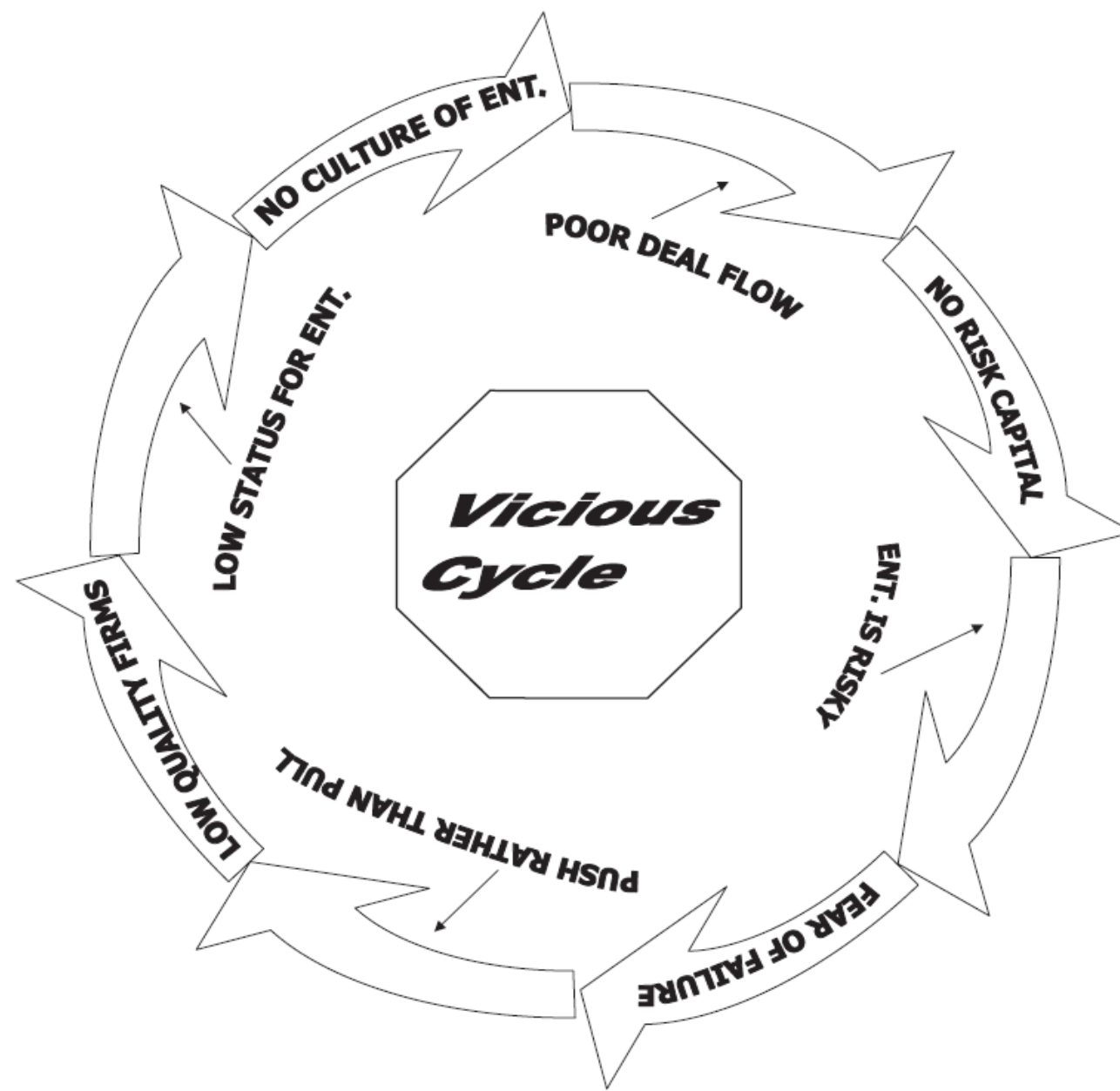


Fig. 2. The trap of vicious cycle.

Source: Venkataraman, 2004

# HEIs Incubators and Entrepreneurship (II)

## What makes an efficient HEI incubator?

- Being actually connected to the stakeholders of its (close and extended) context
- Being a very reactive, credible and trustworthy stakeholder
- Being selective
- Offering a large and adapted variety of services (by itself or through its network of partners): business development support; mentorship; HR, location, logistics, legal and financial advices; access to finance,...
- The list is not exhaustive and must be adapted to contexts

(See the brilliant works by Karim Messeghem and Sylvie Sammut on the topic)

# HEIs Incubators and Regional Development

## What can we expect from HEI incubators for regional development?

- New innovative firms and activities
- But also, other more subtle effects such as:
  - Through their presence, their visibility and the exchange of ideas, effects of imitation and knowledge spillovers
  - Multiplier and other knock-on effects
  - Contributing (with other important factors) to an entrepreneurial and innovative culture (sometimes in tension with traditions)
- Point of attention: the search for synergies with other regional development initiatives and vectors.  
*Decisive importance of good institutions and territorial governance.*

Cluster Meeting on CBHE and CBVET Projects:

“Entrepreneurial Ecosystem in Algeria”

Tuesday May 6, 2025

Ecole Polytechnique d'Architecture et d'Urbanisme, EPAU

# *HEIs Incubators and Entrepreneurial Development*

**Prof. Dr. Marcus Dejardin**

UNamur & UCLouvain

marcus.dejardin@unamur.be OU marcus.dejardin@uclouvain.be

