

Challenges and opportunities of innovation and entrepreneurship as a tool for knowledge-based economy in the developing countries (Egypt as a case study)

GHADA AMER

Benha University, Benha, Egypt

email: Ghada.amer@bhit.bu.edu.eg

Innovation is now considered the main driver of economic growth, because technical progress combined with innovation is deemed necessary for the enhancement of economic productivity, a core factor, essential for national economies to work in a competitive world, and the components of innovation determine the performance of an economy, its growth, productivity and sustainable development. Innovation is one of the key avenues by which individuals at the base of the economic pyramid can be brought out of poverty, because Innovation creates companies, it reduces operating costs, it creates jobs, and it develops the national economy. Most importantly, entrepreneurial innovation has enormous potential to reduce the gaps between rich and poor countries by increasing the competitiveness of developing countries in the global marketplace.

In common phrasing, the term innovation refers to the introduction of a new idea, method, or device. And from a management perspective, innovation is a change that creates a new dimension of performance, and from an institutional perspective, innovation is the successful exploitation of innovative ideas.

The developed countries have developed the policies, regulations and programs to promote Innovation and Entrepreneurship and encourage young people to start business and to create some new innovative jobs. But in the developing countries the governments still struggling but they are trying to create many initiatives to supported Innovation, Entrepreneurship and business startups. Even though now the researchers, innovators and entrepreneurs receive many supports, because of these initiatives from a range of government agencies, non-governmental organizations, private-sector initiatives, and educational institutions, young entrepreneurs still facing many challenged to make their business grow and sustainable.

In this paper we will explain the relation between innovation, entrepreneurship and how we can change our researches to products or added value and how we can change all challenges that we are facing in our country to opportunities by concentrating on the problem not the solution (and will take Egypt as a case study)

Keywords: innovation, entrepreneurship, challenges, knowledge-based, economy developing countries