DEVELOPING SMALL AND MEDIUM-SIZED ENTERPRISES IN ISLAMIC DEVELOPING COUNTRIES: EXPLORING THE INFLUENTIAL FACTORS FOR EGYPT

Nancy Ahmed
Seung-Hwan Kim

‘National School of Development, Peking University, Beijing, China.
Email: shalouli@yahoo.fr
‘Associate Professor, School of Business, Ajou University, South Korea.
Email: shwk@ajou.ac.kr Tel. (82)31-219-3681 (+ Corresponding author)

ABSTRACT

Egypt is one of the largest Islamic developing countries trying to improve their economies and the development of Small and Medium-sized Enterprises (SMEs) has been suggested as a potential means of doing so. This paper analyzed multiple macro level economic factors that can help the development of the Egyptian SMEs based on the data from World Bank. Our results showed that increasing the sources for financing SMEs by loans and the claims on government may facilitate the growth of Egyptian SMEs. In addition, we found that just increasing exports by eliminating the barriers that hinder Egyptian exports may not help the SMEs’ development. Finally, in the current social and economic circumstances, increasing the use of internet was found to be not significant in contributing to Egyptian SMEs. The implications from the results and the recommendations for developing Egyptian SMEs are also suggested.

1. INTRODUCTION

The small and medium-size enterprises (SMEs) sector is acknowledged as a vital ingredient of economic growth. SMEs are considered as a core component of economies in developing countries (World Trade Organization (WTO), 2016). SMEs contribute to over 55% of GDP and over 65% of total employment in high income countries, over 60% of GDP and over 70% of total employment in low income countries, and about 70% of GDP and 95% of total employment in middle income countries (Organization for Economic Co-operation and Development (OECD), 2014a).

Recently Arab nations have realized the importance of SMEs and have tried to support them (Emine, 2012). Elasrag (2012) discusses the developmental role of SMEs in the Arab countries. He states that SMEs contribute to the national economy of the Arab countries since SMEs are responsible for a large share of the labor forces in many
Arab countries. He claims SMEs play a role for fostering an entrepreneurial culture and making the economy more robust to the global fluctuations.

Egypt is the leading developing country in the Middle East and encompasses a quarter of the region’s population. With over 90 million inhabitants as per the latest statistics, Egypt is the third most populous African country after Nigeria and Ethiopia, and it has the highest population in the Arab world.

But the country has experienced important political and economic changes since 2011 when the Arab spring revolution occurred. Throughout this period, which includes periods of political unrest, the main income sources of the economy have been negatively impacted, particularly in the tourism sector, as well as revenue from all other sectors. Despite some slight progress in the economic indicators, Egypt still has not reached most of its targets in reducing the percentage of poverty, the high unemployment rate and the high percentage of inflation.

Egypt faces a new challenge for boosting its economy. According to the World Bank, Egypt is ranked as a lower middle income country. The Government of Egypt is trying to increase jobs through the development and growth of both start-ups and existing small enterprises. Egyptian SMEs are mostly in the manufacturing and trade sectors (El-Said & Ahmed, 2017). Even though Egypt has 2.5 million SMEs accommodating 75% of the total workforce (El-Said, Al-Said, & Zaki, 2014), SMEs contribute only 6% of the country’s total exports and 80% of SMEs are informal and characterized by low value-add and low production quality (United Nations Development Programme (UNDP), 2010).

To resolve this issue, the Egypt government created the Fund for Development (SFD), which was established in 1991 due to the economic reform and structural adjustment program (ERSAP). The Central Bank of Egypt launched an initiative to facilitate SMEs’ access to bank financing, issuing several instructions to the banking sector aimed at creating an enabling environment for SMEs (CBE (Central Bank of Egypt), 2018).

In addition, the Egypt government tried a variety of ways to support the funding for SMEs (El-Said & Ahmed, 2017). The Industrial Development Authority provided Egyptian SMEs with the guidance for establishment procedures and registration plans for the investors in SME sector. The Egyptian Financial Supervisory Authority executed SME promotion by building the microfinance companies providing services to SMEs. The General Authority for Investment and Free Zones improved the investment climate and facilitating the growth of SMEs through the creation of a one-stop shop that supports a wide range of services for SMEs. The Egyptian Banking Institute has given capacity building services to SMEs and tried to help entrepreneurs aware the methods and standards to access financing.

Despite these efforts, the Egypt government still faces a lot of challenges such as poor accountability, weak political parties, low citizen participation in political life, marginal role for representative civil society participation in monitoring outcomes of development, low trust of citizens in government, increase in corruption in some institutions. As a result, the percentage of establishing new enterprises per 1,000 working age people (15-64) is 0.13 compared to 4.75 in the OECD countries (World Bank, 2012) which indicates that Egypt has struggled to develop their SMEs even though SMEs can be a significant source of economic growth. Therefore, it calls for research that explores potential determinants that can help SMEs, especially in the developing countries.

Although the examination of existing literature revealed that there have been several studies which discussed related factors for supporting the growth of SMEs in developing countries, most of them implemented their research on a particular factor, such as exports, innovation, internationalization, working capital, and e-commerce. There is a lack of more comprehensive review on multiple economic factors. Many studies had a narrow scope. Some studies performed their analysis empirically based on the survey data which were somewhat limited to certain types of companies. Others focused their research on only one sector of industry, such as manufacturing.

Therefore, this study analyzed multiple macro level economic factors that can help the development of the Egyptian SMEs. Our findings indicated that the increased sources for financing SMEs by loans and the claims on government can enhance the growth of Egyptian SMEs. We showed that just increasing the national exports by
eliminating the barriers that hinder Egyptian exports may not help the development of Egyptian SMEs. Finally, we found that by increasing the use of internet only may not be effective in developing SMEs of Egypt.

The remainder of this paper is structured as follows. First, we provide the literature review on the existing related studies in Section 2. Then the development of research hypotheses is presented in Section 3, followed by Section 4 which describes the research methods. Section 5 presents the results and the discussions from our analysis, and the conclusion of the study is given in Section 6.

2. LITERATURE REVIEW

There have been several studies that investigated the problematic issues related to Egyptian SMEs. CBE (Central Bank of Egypt) (2018) pointed out the financial difficulties that Egyptian SMEs have been experiencing. It reported that the SMEs sector was able to access to less than 10% of the available financing resources and the Central Bank of Egypt’s recent report showed that only 8% of Egyptian SMEs obtained bank loans. UKEssays (2017) stated that the Egyptian SMEs is confronting marketing issues because of the deficiency in local market canals and networks, the lack of internal and external market information, insufficient resources, the weak connection between SMEs and large companies, and the low investment in market research and advertisements.

El-Said and Ahmed (2017) found that the SMEs’ performance in exports was poor. As most SMEs are focusing on the production of conventional low value-added items or services, most SMEs are not export-oriented. They pointed out several problems related to exporting for Egyptian SMEs. First, there is no specialized export agencies that help SMEs determine where, how and when to market their products abroad. Second, most of SMEs are not well-informed of the specifications needed for their products to be marketed internationally. The input prices are high and therefore SMEs cannot export or compete with their competitors around the globe. Finally, many SMEs had opportunities to export but were not able to do mass production due to the lack of financing opportunities and channels.

Some studies attempted to analyze the export-related factors that may affect the SMEs’ development. Hassan and Hart (2016) looked at the impact of exporting and innovation activities on Egyptian SMEs. They stated that exporting and innovation activities positively affected the growth of SMEs. They used a regression analysis model to see the effects of exporting and innovations simultaneously on the growth of SMEs and found that innovation seems to have more positive impact on the growth. Their results indicated that both strategies are important for firm growth. The implication of the findings is that exporting and innovation activities are essential to enhance the growth of Egyptian SMEs. The objective of the study was to investigate the relationship between working capital level and firm profitability.

Gil-Barragan and Palacios-Chacon (2018) analyzed the impact of internationalization knowledge, network structure and export stimuli on export intensity. They showed guidance for SMEs’ owners on how to increase the export intensity of their organizations. According to their outcome, there is no one way to achieve high export intensity and the important factor is the combination of network relationships that used for internationalization knowledge, strong ties, internal stimuli, and a proactive behavior. Overall, their research identified the meaningful conditions that can provide high export intensity for SMEs. They demonstrated that that export intensity might not be fully analyzed by traditional statistical analysis because of the complexity of the qualitative and quantitative relationships among internationalization knowledge, network structure and export stimuli that exist in shaping the export intensity of firms. Lastly, in a practical perspective, the authors proposed that the governments of developing countries must create their export programs in a way that the network structure and the export stimuli of SMEs in their countries in order to enhance their exports.

Damoah (2018) used a unique qualitative approach, the critical incident method, which refers to a significant episode, crisis or crucial moment that results in an opportunity for the subject of interest. The study investigated the critical incidents that trigger export initiation of Ghanaian SMEs and identified the six main critical incidents.
The contacts established at a trade fair event was the most significant event among the incidents that pushed the Ghanaian SMEs to begin exporting. The second most important was the contacts established as a result of previous residency and work abroad, followed by the established contacts and recommendations gained via having family and friends living abroad, the event of winning a government award, the receipt of unsolicited orders, and lastly the contacts and recommendations gained through having a joint venture ownership. They concluded that the owner-managers who seek to initiate export activities should understand the internal processes of the firms and must be able to align these processes to external factors such as government award schemes, availability of unsolicited orders, and networking contacts at trade fairs. Lastly the authors argued that their recommendations might help the Ghanaian SMEs facilitate the time, pace and development of their export initiatives.

One of the most important factors for success in any companies is securing and managing capital. Afrifa and Padachi (2016) investigated the influence of working capital management on the SMEs’ performance. Based on a panel data of 160 SMEs, they empirically tested for the existence of an optimal working capital level that can maximize the SMEs’ profitability and checked if deviations from the optimal working capital level reduced the profitability. They found that there is a concave relationship between working capital level and the profitability of listed SMEs and suggested that SMEs need to put their efforts in identifying the optimal working capital level. Elbadry (2018) examined the key determinants of working capital management in the Egyptian SMEs. Based on the common determinants of working capital in the existing literature, the author chose return on assets, the cash flow from internal sources, tangible fixed assets, sales growth, leverage, size, and industry. The study provided a guideline of determining the reasonable level of working capital and the most critical factors of working capital management for the Egyptian SMEs. Also García-Teruel and Martínez-Solano (2007) and Ebben and Johnson (2011) pointed out the importance of working capital management for SMEs due to the fact that SMEs usually have limitations in raising outside debt and equity capital.

In addition, there have been many studies on the impact of e-commerce to the SMEs’ development. A study by Hamad, Elbeltagi, and El-Gohary (2018) showed that the adoption of Business-to-Business (B2B) e-commerce may assist the Egyptian SMEs to grow their businesses. Their outcomes demonstrated that the adoption of B2B e-commerce could increase their sales and revenue. They recommended that the decision makers should be encouraged to invest their resources in technology. They showed that the manufacturing SMEs particularly have problems understanding the relationship between e-commerce and competitive advantage. However, this study only investigated the cases of B2B and did not consider the situations in B2C (Business-to-Consumers), and the study focused only on the competitive advantage and ignored how it could be achieved.

Alyoubi (2013) indicated that e-commerce is a catalyst and an innovation that can improve the SMEs in developed and developing countries. A new trend in e-commerce is social network services (SNS). Bocconcilli, Cioppi, and Pagano (2017) stated that SNS can be a significance resource for improving the SMEs sales process. Other than using SNS for communication, organizations use them to create new markets, innovate, and achieve efficiency. Kabanda and Brown (2017) mentioned that SMEs in developing countries are generally slow in developing e-commerce but by using mobile technology repeatedly the SMEs in those countries can develop extensive use of e-commerce to enhance their business communication and selling and purchasing activities.

Based on the previous studies, the research hypotheses of this paper are presented in the following section.

3. DEVELOPMENT OF HYPOTHESES

Among the critical factors for successful SMEs’ development, the most significant factor is securing necessary capital (Afrifa & Padachi, 2016; Ebben & Johnson, 2011; Elbadry, 2018; García-Teruel & Martínez-Solano, 2007; Ghanem, 2013). Particularly Elasrag (2012) emphasized the role of banks and their contribution in financing new SMEs. Darwish (2005) also stated that finding new sources for financing SMEs by increasing loans for them will help increase the % of GDP growth rate and reduce the percentage of unemployment. However, Ghanem (2013)
reported that only 2.3 percent of entrepreneurs were able to get a formal loan for their businesses and 2.9 percent obtained an informal loan. Consequently, most entrepreneurs (68.6 percent of total) depend on their own savings for establishing their SMEs (Ghanem, 2013). Therefore, we expect that increasing the loans for SMEs will have a positive effect on the growth of Egyptian SMEs.

Another financial factor that can facilitate the Egyptian SMEs’ development is the claims on government. This is the sum of the money outside the banks which can support the government to pay their expenditures. International Monetary Fund (2010); World Bank (2012); Bank Audi (2016) and Organization for Economic Cooperation and Development (OECD) (2014h) claim that increasing the claims on government can help the financing of Egyptian SMEs since it can broaden the financial markets for SMEs. Thus, we hypothesized that the claims on government can have a positive effect on the Egyptian SMEs’ development.

Exports are considered as important for a country’s economic development and are associated with the growth of SMEs (Damoah, 2018; Gil-Barragan & Palacios-Chacon, 2018; Hassan & Hart, 2016; Soontiens, 2002). By eliminating a variety of barriers that can inhibit exports, SMEs can easily access the channels for generating revenues through exporting their products and services, which will help SMEs. We assumed that the increase of exports would have a positive linear relationship with the growth of SMEs.

The last factor we considered is the growing role of Information and Communication Technologies (ICTs). Several papers such as Rizk (2004); Abdelghaffar and Elmessiry (2012); Alyoubi (2015); Gebba and Zakaria (2015); Bocconcelli et al. (2017); Kabanda and Brown (2017) and Hamad et al. (2018) indicated that more use of ICTs in the form of e-commerce, especially the use of internet, can facilitate economic, social, cultural and political development including the SMEs’ development. For example, by facilitating the use of internet we can provide SMEs an easy means of access for financing services via e-governments portals. Therefore, we expected that the increase of internet users in Egypt would help the SMEs’ development.

Based on the literature review in Section 2 and the papers mentioned in this section, we posited the following hypotheses:

**H1**: The loans for SMEs will have a positive effect on the Egyptian SMEs’ development.

**H2**: The claims on government will have a positive effect on the Egyptian SMEs’ development.

**H3**: Exports will have a positive effect on the Egyptian SMEs’ development.

**H4**: The use of internet will have a positive effect on the Egyptian SMEs’ development.

### 4. METHOD

To examine the hypotheses stated above, we used the following econometric model:

\[
\text{noSME}_t = \beta_0 + \beta_1 \text{LOAN}_t + \beta_2 \text{EXPO}_t + \beta_3 \text{CLAIM}_t + \beta_4 \text{INT}_t + \varepsilon
\]  

(1)

where

- **noSME** : numbers of SMEs at time \( t \)
- **LOAN** : loans granted to SMEs at time \( t \) (% of GDP)
- **EXPO** : exports at time \( t \) (% of GDP)
- **CLAIM** : claims on government at time \( t \) (% of Broad Money)
- **INT** : internet users at time \( t \) (per 100 persons)

Equation 1 investigates the potential linear relationships of the loans, the exports, the claims on government, and the internet users with the number of Egyptian SMEs. For each variable, the data from 1997 to 2015 were gathered from the World Bank (2012). Table 1 presents the descriptive statistics:

**Table 1. Descriptive statistics.**

| Variable | Mean    | Std. Dev | Min    | Max    |
|----------|---------|----------|--------|--------|
| noSME    | 607.5263| 349.6769 | 227    | 1150   |
| LOAN     | 42.2834 | 10.9676  | 25.9490| 54.9311|
| EXPO     | 21.2621 | 6.2769   | 13.2068| 33.0430|
| CLAIM    | 8.5583  | 7.1031   | 0.6194 | 21.3089|
| INT      | 14.0809 | 11.6031  | 0.0905 | 31.7000|

© 2020 IESS Publications. All Rights Reserved.
The stationarity of the variables incorporated in (1) was examined using the augmented Dickey-Fuller unit root test to check the long-run convergence of each series to its true mean. Table 2 shows the outcome of the test.

| Variable | Significance | Result      | Significance (1st difference & log) | Result      |
|----------|--------------|-------------|-------------------------------------|-------------|
| noSME    | 0.9383       | Non-stationary | 0.0835*                             | Stationary  |
| LOAN     | 0.9752       | Non-stationary | 0.0515*                             | Stationary  |
| EXPO     | 0.5583       | Non-stationary | 0.0000***                           | Stationary  |
| CLAIM    | 0.8453       | Non-stationary | 0.0692*                             | Stationary  |
| INT      | 0.9791       | Non-stationary | 0.0480**                            | Stationary  |

Note: * significant at 0.1 level  ** significant at 0.05 level  *** significant at 0.01 level.

The initial results showed that the raw data for all variables did not satisfy the stationary requirement. Therefore, we applied logarithm and the first differences to the data, which resulted in satisfying the stationary requirement for all variables. Then the transformed dataset with differencing and logarithm was used in the analysis.

5. RESULTS AND DISCUSSIONS

First, the diagnostic tests of residuals were performed for the validity of the model. The Durbin-Watson test was applied to the outputs for checking the existence of serial correlation. The Durbin-Watson statistic was 1.686. Since it was less than 2, we performed a one-tail test for positive serial correlation with the 1% significance level, where \( d_u \) was 1.60. The Durbin-Watson statistic was greater than \( d_u \) and it led to the conclusion that there was no evidence of first-order serial correlation. For the homoscedasticity of the model, we performed the Breusch-Pagan test where the null hypothesis states the constant variance of residuals. With the chi-square value of 0.69 with the \( p \)-value of 0.4066, the homoscedasticity of the model was observed. The normality of residuals was checked by the Shapiro-Wilk test where the \( p \)-value was 0.801, thus there was no evidence of non-normality. Finally, Table 3 and Table 4 present the results of the regression analysis.

| Variable | \( B \) | Std. Error | Beta | \( t \) |
|----------|--------|------------|------|-------|
| LOAN     | 1.728  | 0.352      | 0.834| 4.914***|
| CLAIM    | 0.046  | 0.021      | 0.348| 2.225* |
| EXPORT   | -0.494 | 0.192      | -0.429| -2.576* |
| INT      | 0.005  | 0.082      | 0.011| 0.056 |
| \( R^2 \) |        |            | 0.724|      |
| Adj. \( R^2 \) |        |    | 0.639|      |
| Overall \( F \) |        |    | 8.518**|      |

Note: * \( p < 0.05 \) ** \( p < 0.01 \) *** \( p < 0.001 \).

| Variable | B       | Std. Error | \( p \) | Bootstrap 95% CI |
|----------|---------|------------|--------|------------------|
| LOAN     | 1.728   | 0.41       | 0.002  | 0.812 - 2.832    |
| CLAIM    | 0.046   | 0.024      | 0.055  | 0.002 - 0.093    |
| EXPORT   | -0.494  | 0.218      | 0.046  | -0.894 - -0.099  |
| INT      | 0.005   | 0.087      | 0.944  | -0.199 - 0.16    |

Note: Bias-Corrected Confidence Interval; the number of bootstrap samples = 1000.
The results in Table 3 show that the loans granted to SMEs (LOAN) and the claims on government (CLAIM) have positive and significant effects on the SMEs’ development, which support H1 and H2. The amount of exports (EXPORT) has a negative and significant effect on the SMEs’ development, which does not support H3 and contradicts our hypothesis. The use of internet (INT) did not show a significant effect, which does not support H4. In addition, Table 4 presents the outcome of the bias-corrected confidence intervals on the coefficients by bootstrapping with a sample size 1000. It can be seen that the confidence intervals for LOAN (0.812, 2.832; p = 0.002), CLAIM (0.002, 0.093; p = 0.055), EXPORT (-0.894, -0.099; p = 0.046), and INT (-0.199, 0.16; p = 0.944) are all consistent with the outcome in Table 3, which confirms the results.

First, our results supported the importance of financing SMEs by banks and government expenditures in Egypt. The loans granted to SMEs showed a positive and the strongest effect on the SMEs’ development, and the claims on government was found to positively affect the SMEs’ development. It was consistent with other literature where the importance of providing the financial sources for SMEs by the private sectors and the government in developing countries was emphasized (Bank Audi, 2016; Elasrag, 2012; Ghanem, 2013; Organization for Economic Co-operation and Development (OECD), 2014b; World Bank, 2012).

An interesting outcome from the analysis was that the amount of exports negatively impacted the Egyptian SMEs’ development. Gabriele (2004) claims that the relationship between the exports and the GDP growth is weak in developing countries. Generally, the export-oriented activities in developing countries are under the influence of foreign entities, which may cause a poorly integrated structure with the domestic economy. Therefore, it is possible that the exports may not help the growth of domestic entities. Many developing countries invested their resources towards exports as a goal, rather than a comprehensive strategy for economic development, which resulted in diminishing returns (United Nations Conference on Trade and Development (UNCTAD), 2004). Another significant factor is the monopolistic effect of the large enterprises (LEs) in Egypt. El-Said et al. (2014) stated that the exporting sector in Egypt is monopolized by LEs or multinational corporations. It is likely that the labor and capital resources in Egypt are not equally distributed between SMEs and Large corporations. The result may be the movement of capital and skilled workers to LEs, which can help the productivity of these companies for increasing exports. As this phenomenon continues, the unbalance in available capital and skilled labors between LEs and SMEs can negatively affect the SMEs’ development, as indicated by El-Said, Said, and Zaki (2013).

Lastly, the use of internet turned out to be not significantly affecting the Egyptian SMEs’ development. Even though more use of internet can be a facilitator for SMEs, it is possible that the barriers of ICT existing in Egypt hinder the impacts of ICT on Egyptian SMEs. Zaied (2012) investigated the main factors that negatively affect the facilitation of e-commerce in Egypt and found out that many Egyptian SMEs use ICT as the additional marketing avenues for their products and services, not as the foundation for business transactions. He claimed that Egypt needs to convince their people to increase the awareness of the benefits and the advantages of ICT in their businesses. Another meaningful finding of Zaied (2012) was that these barriers were similarly identified in other developing countries such as Indonesia, Nepal, Jordan, and Nigeria, which indicates that this is a fundamental issue for SMEs in developing countries including Egypt.

6. CONCLUSIONS AND IMPLICATIONS

Egypt is facing a new challenge as a developing country for boosting their economy. Even though SMEs can be a significant source for the economic growth, Egypt has struggled to develop their SMEs. In this paper we used a multiple regression analysis to identify several factors that can help develop Egyptian SMEs based on the literature and the data from World Bank (2012). First, our results showed that increasing the sources for financing SMEs by loans and the claims on government can help Egyptian SMEs. Second, it was found that just increasing exports by eliminating a variety of barriers may not help the SMEs’ development. Finally, the use of internet was found to be not significant in developing Egyptian SMEs.
Our findings can provide some implications for developing Egyptian SMEs in the future. Our results again confirmed that helping SMEs secure necessary capital is the most important obstacle a developing country such as Egypt must overcome. After the revolution of 2011 and 2013, it has become even more difficult for any Egyptian SMEs to obtain commercial lending as banks have been financing the growing demands of the government debt. Currently, approximately 5% of bank loans in Egypt are provided to SMEs, which is below the MENA average of 8%, and much less than the 18% rate seen in middle-income countries (Oxford Business Group, 2016).

To resolve this issue, there is a need for strategic economic reforms to animate Egypt’s struggling economy and promote investment, especially for SMEs. This goal can be achieved through several actions, one of which is updating the financial methods for financial reporting. Another is changing the entrepreneurial mindset and enhancing entrepreneurship education. The Government of Egypt should prioritize SMEs encouragement as part of its short-term and long-term strategies for development. In addition, Egypt may consider the change of economic structure regarding the monopolistic effect of the large enterprises and foreign companies. Egypt should focus more on their domestic markets and try to reform some policies so they can incorporate the SMEs’ development into the growth process of the exporting sector.

Regarding the role of ICT for SMEs, we suggest Egypt should invest their efforts into two simultaneous directions. First, they need to keep working on improving the ICT infrastructure. They must show the entrepreneurs that the country can provide them the necessary platform for transforming their way of doing businesses by integrating internet communications and e-commerce. At the same time, they need to put more efforts into increasing the level of awareness in the mindset of entrepreneurs about the potential benefits of ICT. Integrating ICT into their public education systems and the more use of diverse media channels for promoting ICT-based SMEs may help the growth of Egyptian SMEs.

**Funding:** This study received no specific financial support.  
**Competing Interests:** The authors declare that they have no competing interests.  
**Acknowledgement:** Both authors contributed equally to the conception and design of the study.

**REFERENCES**

Abdelghaffar, H., & Elmessiry, I. (2012). SME’s readiness for e-government services: The case of Egypt. *Journal of E-Governance, 3*(2), 186-194. Available at: https://doi.org/10.3233/gov-2012-0319.

Afrifa, G. A., & Padachi, K. (2016). Working capital level influence on SME profitability. *Journal of Small Business and Enterprise Development, 23*(1), 44-63. Available at: https://doi.org/10.1108/jsbed-01-2014-0014.

Alyoubi, A. A. (2015). E-commerce in developing countries and how to develop them during the introduction of modern systems. *Procedia Computer Science, 65*, 479-483. Available at: https://doi.org/10.1016/j.procs.2015.09.127.

Bank Audi. (2016). Between the recovery of the domestic economy and the burden of external sector challenges. Egypt Economic Report.

Bocconcelli, R., Cioppi, M., & Pagano, A. (2017). Social media as a resource in SMEs’ sales process. *Journal of Business & Industrial Marketing, 32*(5), 693-709.

CBE (Central Bank of Egypt). (2018). External position of the Egyptian economy 61. July/March.

Damoah, O. B. O. (2018). A critical incident analysis of the export behaviour of SMEs: Evidence from an emerging market. *Critical Perspectives on International Business, 14*(2/3), 309-334. Available at: https://doi.org/10.1108/cpoib-11-2016-0061.

Darwish, A. (2005). The importance of small & medium enterprises in Egypt, the role of SMEs in national development in Egypt. *Asian Science Park Association 12, Oct 5.*

Ebben, J. J., & Johnson, A. C. (2011). Cash conversion cycle management in small firms: Relationships with liquidity, invested capital, and firm performance. *Journal of Small Business & Entrepreneurship, 24*(3), 381-396. Available at: https://doi.org/10.1080/02763312.2011.10595545.
El-Said, H., Al-Said, M., & Zaki, C. (2014). Small and medium enterprises landscape in Egypt: New facts from a new dataset. *International Journal of Entrepreneurship and Small Business, 20*(3), 286-309.

El-Said, H., & Ahmed, R. (2017). Micro, small and medium sized enterprises development in Egypt, Jordan, Moroco & Tunisia: Structure, obstacles and policies. *Euro-Mediterranean Network of Economic Studies, December*(4), 24-55.

El-Said, H., Said, M., & Zaki, C. (2013). What determines the access to finance of SMEs? Evidence from the Egyptian case. *Economic Research Forum Working Paper (No. 752), The Economy Research Forum (ERF).*

Elasrag, H. (2012). The developmental role of SMEs in the Arab Countries. *MPRA Paper (No. 40608).*

Elbadry, A. (2018). The determinants of working capital management in the Egyptian SMEs. *Accounting and Finance Research, 7*(2), 155-165.

Emine, D. (2012). Increasing the productivity of Arab SMEs through knowledge management. *Journal of Business & Management, 1*(1), 40-51. Available at: https://doi.org/10.12735/jbm.v1i1p40.

Gabriele, A. (2004). *Policy alternatives in reforming power utilities in developing countries: A critical survey.* Paper presented at the United Nations Conference on Trade and Development, UNCTAD Discussion Papers.

García-Teruel, P. J., & Martínez-Solano, P. (2007). Effects of working capital management on SME profitability. *International Journal of Managerial Finance, 3*(2), 164–177.

Gebba, T. R., & Zakaria, M. R. (2015). E-government in Egypt: An analysis of practices and challenges. *International Journal of Business, 4*(2), 11-25. Available at: https://doi.org/10.24102/ijbrd.v4i2.576.

Gil-Barragan, J. M., & Palacios-Chacon, L. A. (2018). Export intensity of SMEs from emerging markets: A configurational analysis. *Journal of Economics and Economic Education Research, 19*(3), 1-15.

Hamad, H., Elbeltagi, I., & El-Gohary, H. (2018). An empirical investigation of business-to-business e-commerce adoption and its impact on SMEs competitive advantage: The case of Egyptian manufacturing SMEs. *Strategic Change, 27*(3), 209-229. Available at: https://doi.org/10.1002/jsc.2196.

Hassan, R. S., & Hart, M. (2016). The determinants of small firm growth: An empirical study on Egypt. *The Business & Management Review, 7*(2), 41-52.

International Monetary Fund. (2010). Kuwait: Financial system stability assessment—update. *IMF Country Report No. 10/239.*

Kabanda, S., & Brown, I. (2017). A structuration analysis of small and medium enterprise (SME) adoption of E-Commerce: The case of Tanzania. *Telematics and Informatics, 34*(4), 118-132. Available at: https://doi.org/10.1016/j.tele.2017.01.002.

Organization for Economic Co-operation and Development (OECD). (2014a). *China: Structural reforms for inclusive growth, better policies.* Paris: OECD Publishing.

Organization for Economic Co-operation and Development (OECD). (2014b). Business climate review of Egypt - investment policies and public-private partnerships.

Oxford Business Group. (2016). SME financing ramps up in Egypt. Retrieved from https://oxfordbusinessgroup.com/news/sme-financing-ramps-egypt. [Accessed 2 June 2018].

Rizk, N. (2004). E-readiness assessment of small and medium enterprises in Egypt: A micro study. *Topics in Middle Eastern and North African Economies, 6.*

Soontiens, W. (2002). Managing international trade: An analysis of South African SMEs and regional exports. *Management Decision, 40*(7), 710-719. Available at: https://doi.org/10.1108/00251740210438544.

UKEssays. (2017). The role of SME’s in Egypt’s development. Retrieved from https://www.ukessays.com/essays/economics/national-development-in-egypt-economics-essay.php?ref=1. [Accessed 16 April 2020].

United Nations Conference on Trade and Development (UNCTAD). (2004). Exports of services and economic growth in developing countries. *UNCTAD/DITC/TNCD/MISC/2004/6.*

United Nations Development Programme (UNDP). (2016). Egypt human development report. *Project Document EGY/01/006.*
World Bank. (2012). International bank for reconstruction and development of international finance corporation. Egypt Country Management Unit, Middle East and North Africa Region, World Bank, Report No: 66443.EG.

World Trade Organization (WTO). (2016). Levelling the trading field for SMEs. World Trade Report.

Zaied, A. N. H. (2012). Barriers to e-commerce adoption in Egyptian SMEs. *International Journal of Information Engineering and Electronic Business*, 4(3), 9-18.