International Journal of Management and Commerce Innovations ISSN 2348-7585 (Online)
Vol. 14, Issue 1, pp: (666-677), Month: April 2026 - September 2026, Available at: www.researchpublish.com

Does Government Support Moderate the Relationship between Business Incubators and Small and Medium Enterprise Success in Jordan?

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DOI: https://doi.org/10.5281/zenodo.21307837

Published Date: 10-July-2026

Abstract: **Despite the growing importance of Small and medium-sized enterprises (SMEs) in Jordan many SMEs still face significant challenges related to high failure rates or market exit. In this context, Government support can play a role in enhancing the effectiveness of business incubators for supporting entrepreneurship by offering training and consulting services, as well as networking opportunities with investors and markets. Therefore, this study aimed to assess the moderating effect of Government support on the relationship between business incubator services, namely, training, consulting, and networking and the success of SMEs in Jordan. The study adopted a quantitative approach, collecting data from a sample of 383 SMEs using a questionnaire developed based on previous literature. The data were analyzed using structural equation modeling (SEM) to verify the assumed relationships and test the research hypotheses. The results revealed a positive moderating role for government support, which strengthened the relationship between incubator services and SMEs success. This underscores the importance of integrating government initiatives with incubator programs to build a supportive environment for entrepreneurship.**

Keywords: **Government Support, Business Incubators, Small and Medium Enterprises, Jordan.**

1. INTRODUCTION

Government support plays a pivotal and complementary role in fostering the entrepreneurial ecosystem by providing enabling legislation, tax incentives, and financing programs, as well as by streamlining licensing procedures and developing infrastructure that supports SMEs. Government institutions also launch programs and initiatives designed to enhance the sector's competitiveness and improve its prospects for survival and growth in local and regional markets (Prasannath et al., 2024). Despite the proliferation of business incubators and the multitude of government support programs in Jordan, available data and indicators reveal persistently high rates of failure and distress among small and medium-sized enterprises (SMEs). Studies indicate that approximately 60% of these ventures cease operations within their first three years (Al-Hyari, 2022). This reality highlights a gap between the efforts invested in supporting these enterprises and the actual outcomes achieved, raising questions regarding the effectiveness of current support mechanisms and the capacity of supporting institutions to meet the genuine needs of business owners. Furthermore, recent literature suggests that the success of SMEs does not depend solely on the isolated presence of business incubators or government support programs; rather, it is significantly influenced by the level of integration and coordination between them. A lack of coordination between government entities and business incubators can lead to a duplication of efforts or a misalignment between provided services and the actual needs of the enterprises, thereby reducing the overall efficiency of the support ecosystem (Hakim et al., 2024).

From a research perspective, most prior studies have focused on the impact of business incubators on SME success or have examined the impact of government support in isolation. Research exploring the interactive relationship between these two variables remains limited, particularly within the Jordanian context. Additionally, many studies have relied on simplistic

analytical models, failing to address the potential for government support to play a moderating role either enhancing or diminishing in the impact of business incubator services on enterprise success (Mishra et al., 2024). The current research gap lies in the lack of a clear understanding regarding how business incubator services specifically training, consulting, and networking—interact with various forms of government support to enhance the success of SMEs in Jordan. Furthermore, it remains unclear whether government support acts as a reinforcing factor that boosts the effectiveness of incubator services, or if the impact of each operates independently of the other. Therefore, this study aims to bridge that gap by examining the moderating effect of government support on the relationship between business incubators and small and medium enterprise success in Jordan.

2. LITERATURE REVIEW

The Concept of Government Support

In the context of entrepreneurship and entrepreneurial incubators, government support is a comprehensive strategic process encompassing a range of policies, programs, and financial and non-financial subsidies. These support aims to empower startups and SMEs by providing the necessary resources to address economic and operational challenges. This, in turn, enhances their growth, sustainability, and contribution to local and regional economic development within changing competitive environments, such as those resulting from pandemics, digital transformations, or global financial pressures. Government support is defined as a structured process that provides financial assistance, such as subsidies and soft loans, and non-financial support, such as training, mentorship, and regulatory facilitation, to support entrepreneurs in their establishment and growth phases. It acts as a catalyst for innovation, reduces unemployment, and enhances market competitiveness, thereby minimizing the risk of failure and fostering the creation of new job opportunities and support for emerging economies. In their book, Longenecker et al. (2019), government support is highlighted as a crucial tool for supporting entrepreneurs in the early stages. It helps identify potential risks, formulate growth strategies, and develop robust business models through government subsidies and training programs. This reduces failure rates and enhances the economic sustainability of startups facing challenges such as insufficient funding or weak infrastructure. Gerber (2004) defines government support as a system that separates entrepreneurship from operation, helping avoid common pitfalls and achieve complete operational independence by providing financial and regulatory support that fosters sustainability and expansion. Similarly, Koratko (2019) addresses government support as a process that promotes innovation by guiding entrepreneurs toward new opportunities. He emphasizes its integration with the entrepreneurial ecosystem to achieve long-term goals in the face of changing market challenges such as pandemics or economic recessions, where government support provides subsidies and facilities that enhance adaptability and innovation. In their book (Bearns, 2016), government support is described as a competitive development based on capacity building that facilitates access to global markets. This makes it essential in changing economic contexts such as pandemics and digitalization, where government support provides subsidies, regulatory facilitations, and training programs that enhance competitiveness and economic growth. These general concepts establish a theoretical foundation that portrays government support as a dynamic process evolving with challenges, making it an indispensable element in the incubator environment for comprehensively and effectively supporting entrepreneurship. This is particularly important in fostering the ability to make informed decisions that reflect local and international contexts, thereby promoting economic and social development by enabling startups to withstand external pressures such as funding shortages, stringent regulations, or intense competition. Ultimately, this leads to sustainable growth that contributes to reducing unemployment and increasing national productivity.

In the Jordanian context, studies show that government support plays a pivotal role in empowering entrepreneurs, especially given the local economic challenges where small and medium-sized enterprises (SMEs) constitute a significant portion of the economy. This support acts as a catalyst for innovation through subsidy programs, regulatory facilitations, and legal support that help develop entrepreneurial incubators and enhance their resilience to external pressures. For example, a study by Al-Batayneh et al. (2024) indicates that government support fosters creativity in women-led projects, bolstered by government incubators to address gender inequality. This contributes to economic and social development by providing financial assistance, training programs, and regulatory facilitations that help develop skills and formulate robust business plans for women entrepreneurs. Similarly, Al-Awamleh (2023) highlights government support as a means of coping with a lack of managerial experience. It provides subsidies and facilities that assist in managing cash flow, developing business plans, and enhancing the ability to adapt to financial and operational challenges, thus reducing the risk of failure in an unstable economic environment. In Al-Hyari's study (2022), government support is addressed as a tool for economic recovery, bolstered by policies to preserve revenue through the adoption of effective digitalization strategies. This enhances

companies' ability to adapt to crises such as the COVID-19 pandemic through government support programs that include financial subsidies, digital training, and regulatory facilitation. Internationally, Prasanath et al. (2024) emphasize government support as a policy-supported entrepreneurial approach, achieving high performance in diverse contexts such as Sri Lanka, where it helps boost competitiveness through financial subsidies, training programs, and regulatory facilitations that support incubators. In Indonesia, Hakim et al. (2024) highlight government support as a supported effectiveness, relying on service capabilities to promote startup growth through subsidies, regulatory facilitations, and legal policies that support incubators. Faisol et al. (2024) also addresses government support as an enabler of innovation, supported by the government infrastructure to achieve greater competitiveness for SMEs through financial subsidies and regulatory support programs. Amalia et al. (2024) focus on government support as an entrepreneurial development tool through incubation programs, contributing to addressing unemployment and boosting the local economy by providing subsidies and regulatory facilitations. Mustafa et al. (2024) highlight government support as an enhancement of youth competencies, making it a social process that supports sustainable development through training programs and government support policies. In Pakistan, Safdar and Qamar (2023) address government support as a post-incubation effectiveness, relying on communication skills to improve operational performance and promote growth through subsidies and facilitations. In India, Sultana and Gupta (2023) emphasize government support as building a self-reliant economy, reflecting a balance between support and internal capabilities through subsidy and regulatory policies. Mishra et al. (2024) also addresses government support in the context of technology as the achievement of entrepreneurial goals, contributing to economic growth through financial subsidies and regulatory policies. Razzaq et al. (2024) define government support as an entrepreneurial development dependent on incubator dynamics, making it essential for achieving sustainable success in diverse contexts, such as India through comprehensive government support programs. In Wasnik's (2023) study, government support is considered primarily environmental, making it a key component for attracting investment and promoting economic development through government funding initiatives. In China, Dai et al. (2024) highlight government support as cooperative, where success is a cooperative component through innovation networks supported by government policies. Qi Wening (2023) also refers to government support as service-oriented, making it a service component for improving performance through subsidies and facilities. Finally, Li et al. (2022) emphasize government support as subsidized, where success is a government-supported component through subsidies that influence the quality of services in incubators. These multiple visions confirm that government support in the entrepreneurial environment is a dynamic process that adapts to local and international contexts, making it an essential element in supporting startups and small and medium enterprises to achieve sustainability and growth, especially in enhancing the ability to cope with external pressures such as lack of funding, strict regulations, or intense competition, and thus achieves sustainable growth that contributes to reducing unemployment and increasing national productivity, with the emphasis that understanding this concept helps in formulating effective policies that support incubators and entrepreneurship comprehensively.

The Importance of Government Support for SMEs

The importance of government support for SMEs lies in fostering the growth of startups by providing financial and non-financial assistance that helps overcome managerial and financial challenges, thereby enhancing competitiveness and sustainability in complex economic environments. Longenecker et al. (2019) highlight that government support reduces the risk of failure by improving financial and operational planning, contributing to job creation and increased productivity. Gerber (2004) emphasizes the role of government support in building sustainable systems, helping startups avoid common mistakes and achieve operational independence. Koratko (2019) links government support to entrepreneurial innovation, enabling companies to develop competitive products and services that meet market needs. Burns (2016) highlights the role of government support in bolstering emerging economies by empowering startups to compete globally, thus promoting economic and social growth. In the Jordanian context, a study by Al-Batayneh et al. (2024) shows that government support enhances women's economic empowerment, reducing unemployment and promoting equality through subsidies and targeted training programs. Al-Awamleh (2023) emphasizes the enhancement of competitiveness through improved cash flow management and strategic planning, helping startups overcome their lack of experience. Al-Hyari (2022) highlights the role of government support in recovering from economic crises, such as the COVID-19 pandemic, by adopting digitalization and e-marketing strategies, thus preserving revenue and promoting sustainability. Internationally, a study by Hakim et al. (2024) demonstrates that government support strengthens service-oriented capabilities in Indonesia, supporting the growth of sustainable startups and reducing the risk of failure. Faysal et al. (2024) links government support to improved innovation in SMEs, contributing to the development of new products and enhancing competitiveness. In Pakistan, a study

by Safdar and Qamar (2023) shows that government support enhances the post-incubation experiences of entrepreneurs, helping them build strong business networks and achieve sustainable growth in competitive markets. These studies demonstrate that government support is not merely a support service, but a vital element that fosters innovation, sustainability, and competitiveness in diverse entrepreneurial environments. This makes it essential for startups to succeed in the face of global challenges such as pandemics and digital transformation, thereby enhancing their ability to create jobs and support economic and social development. Understanding its importance helps in formulating effective policies that support incubators and government assistance to achieve a balance between institutional and operational aspects.

Support Components (Financial – Regulatory – Political – Legal)

The four main components of government support include financial, regulatory, political, and legal support, ensuring comprehensive support for the growth of startups and SMEs. (Longenecker et al., 2019) highlight financial support as a key component, encompassing subsidies and concessional loans that help improve the financial performance of startups by providing the necessary capital for expansion. (Gerber, 2004) emphasizes regulatory support as essential for ensuring operational sustainability by streamlining administrative procedures and reducing bureaucracy. (Kuratko, 2019) focuses on political support as a vital component, while (Bearns, 2016) considers legal support a fundamental element that helps companies face market challenges through laws that protect intellectual property and facilitate trade. In the Jordanian context, (Batayneh et al., 2024) demonstrate that financial support is essential for fostering innovation, particularly in women-owned businesses. (Awamleh, 2023) emphasizes regulatory support as a key component in adapting to challenges. (Al-Hyari, 2022) highlights political support as a vital element in crisis recovery. At the international level, (Hakim et al., 2024) indicate that legal support is a fundamental element, while (Faysoul et al., 2024) focus on financial support as a key component. (Safdar and Qamar, 2023) emphasize the importance of regulatory and political support as essential elements for ensuring the success of support initiatives. These elements demonstrate that successful government support depends on designing flexible and tailored programs that support growth, innovation, and adaptation to diverse economic contexts. This enhances the competitiveness and sustainability of startups and SMEs as a primary driver of economic development. Understanding these elements helps in formulating precise support models that align government policies and incubators to achieve sustainable success that reflects diverse economic contexts and balances financial and innovative aspects in the face of global challenges. Financial support forms the basis of funding, regulatory support facilitates procedures, political support defines the overall framework, and legal support protects rights, making government support an integrated system that comprehensively supports entrepreneurship.

Theoretical framework and hypotheses development

1. Resource-Based View (RBV)

Resource-Based View theory posits that internal resources (such as skills, knowledge, and competencies) and external resources (such as government support and networks) form the basis of competitive advantage (Longenecker et al., 2019). Scarce, valuable, and non-replicable resources enable businesses to achieve superior performance. In the context of this study, incubator services are considered internal resources that enhance managerial and operational competencies. For example, training provides specialized skills, while consulting offers strategic knowledge. Government support, such as subsidies and regulatory facilitations, represents an external resource that enhances these services. In Jordan, where companies suffer from limited access to finance, government support helps bridge financial gaps, thus promoting sustainability (Prasanath et al., 2024). This theory highlights the importance of integrating internal and external resources for success, especially in resource-limited environments like Jordan

2. Systems Theory

Systems theory views companies as part of an ecosystem that interacts with internal factors (such as managerial competencies) and external factors (such as government policies and the market). According to Gerber (2004), the success of companies depends on the integration of these elements. In the context of this study, incubators function as a subsystem that provides training, consulting, and networking services, while government support strengthens this system by providing a supportive environment. For example, government subsidies can support specialized training programs, enhancing their effectiveness. In Jordan, where businesses face challenges such as bureaucracy, government support helps reduce barriers, fostering integration between incubator services and the entrepreneurial ecosystem (Al-Hyari, 2022). This theory provides a framework for understanding how variables interact to achieve success.

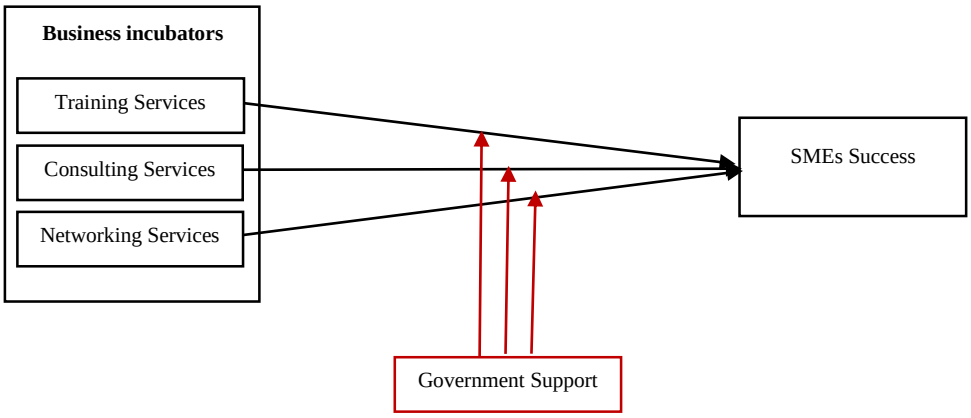

Figure 1: Study framework

Government Support Moderates the Relationship Between Incubator Services and Business Success (H3)

Systems theory explains that government support enhances the effectiveness of incubator services by providing a supportive environment. A study by Hakim et al. (2024) showed that government subsidies boosted the effectiveness of training and networking by 20%.Therefore, the following hypothesis were developed:

H3a Government support enhances the impact of training by funding specialized programs, thereby improving managerial competencies (Mustafa et al., 2024).

H3b Government support enhances consulting by providing resources for specialized services, thereby reducing organizational challenges (Amalia et al., 2024).

H3c Government support promotes networking by organizing business events, thereby expanding networks and fostering growth (Prasanath et al., 2024). This model provides a comprehensive framework for understanding how government support can enhance the effectiveness of incubator services, thereby supporting the success of small and medium-sized enterprises (SMEs) in Jordan.

Population Sample Selection

The study population comprised all registered small and medium-sized enterprises (SMEs) in Jordan, estimated at approximately 150,000 according to the Ministry of Industry, Trade and Supply's 2023 report. These enterprises form the backbone of the Jordanian economy, representing over 98% of registered companies and contributing around 40% to the GDP, in addition to their vital role in job creation (OECD, 2021). This diverse population, operating across various sectors, made it a suitable base for studying the impact of incubators and government support on their success. This population was selected due to its economic significance and direct relevance to the study's objectives. Incubators aim to enhance managerial and operational skills, while government support provides a conducive environment through financial incentives and legal facilitations. The broad and diverse nature of the study population necessitated the selection of a representative sample to ensure the accuracy and generalizability of the findings.

A random sample of 383 small and medium-sized enterprises (SMEs) was selected based on the Krejcie and Morgan (1970) formula, which established an appropriate sample size at a 95% confidence level and a 5% margin of error. The sample was randomly selected to ensure its representativeness of the study population, while also considering its comprehensiveness to cover the diverse projects in Jordan. The sample was not segmented into specific economic sectors during the selection process, as the study focused on SMEs in general, reflecting the natural diversity within the target population. The objective was to ensure that the sample was sufficient to represent different projects in terms of size and activity, thus supporting the generalizability of the results.

Data Collection

A questionnaire was designed as the primary data collection instrument. Questionnaires are an effective way to accurately measure quantitative variables, enabling the collection of structured data from a large sample in a short time. The questionnaire was carefully designed to cover all independent variable business incubators (training, consulting, and networking services) the moderating variable (government support), and the dependent variable (SMEs success). It

consisted of two main sections: the first for demographic information, and the second for the main study themes. Previous literature (Hair et al., 2019; Awang, 2012) was consulted to ensure the comprehensiveness of the items and their relevance to the Jordanian context.

3. RESULT

1. DESCRIPTIVE ANALYSIS OF STUDY VARIABLES

This section provides a comprehensive descriptive analysis of the study data, which encompasses five main themes: training services, consulting services, networking services, government support, and the success of small and medium-sized enterprises (SMEs). These themes were measured using a questionnaire distributed to 383 SMEs in Jordan, employing a Likert scale (from 1: strongly disagree to 5: strongly agree). Table (1) details the following for each theme: number of items, arithmetic mean, standard deviation, minimum, maximum, and median, derived from frequency analysis using SmartPLS software. The arithmetic means ranged between 4.0 and 4.4, reflecting relatively high positive ratings and indicating participants' awareness of the effectiveness of incubator services and government support in promoting SMEs success.

For example, the SME success axis scored the highest average (4.4) with a standard deviation of 0.7, reflecting strong evaluation and relative agreement among participants, with moderate variance indicating slight differences in business experiences based on factors such as financial growth or customer satisfaction. The networking services axis scored the lowest average (4.0) with a standard deviation of 0.6, indicating less variance and greater agreement among participants, perhaps due to the homogeneity of networking experiences or its clear impact on fostering business partnerships. Training services (average 4.2, standard deviation 0.8) show positive evaluations with moderate variance, reflecting differences in how businesses benefit from training programs based on their managerial or technical needs. Consulting services (average 4.1, standard deviation 0.7) show similar variance, which may reflect variations in the quality of consulting services or their suitability to business needs. Government support (mean 4.3, skew 0.9) shows higher variability, which may reflect disparities in access to government incentives, such as funding or legal facilitation, or differences in their effectiveness among projects. The lower boundary (3.4–3.6) and upper boundary (4.6–5.0) reflect the range of responses, while the medians (4.0–4.4), close to the means, confirm the stability of the assessments. Overall, these results show that the items are distributed within a high range (3–5), which enhances confidence in the quality of the data and supports the analysis of the impact of incubators and government support on SMEs success, providing a solid foundation for subsequent statistical analyses using SmartPLS.

Table (1): Descriptive Analysis of the Study Variables

Constructs	Number of Items	Mean	Standard Deviation	Minimum	Maximum	Median
Training Services	9	4.2	0.8	3.4	5.0	4.2
Consulting Services	7	4.1	0.7	3.4	4.8	4.1
Networking Services	8	4.0	0.6	3.4	4.6	4.0
Government Support	6	4.3	0.9	3.4	5.0	4.3
SME Success	10	4.4	0.7	3.6	5.0	4.4

2. The Relationship Between the Study Variables with the Moderating Variable

This section presents an analysis of the direct and interactive relationships between the independent variables and the dependent variable, with government support acting as the moderating variable. According to Baron and Kenny (1986), a moderating variable influences the relationship between independent and dependent variables, altering its strength or nature. Hair et al. (2014) also indicate that interaction occurs when a relationship is influenced by a third variable. Government support was tested as a moderating variable for the relationship between incubator services (training, consulting, networking) and SMEs success using SmartPLS, following the methodology of Baron and Kenny (1986) and Hair et al. (2014), and drawing on studies such as Gaskin (2012), Awang (2012), Thakkar (2020), and Wang and Wang (2020). The steps included: (1) testing the direct relationship between incubator services and SMEs success, (2) testing the relationship between government support and SMEs success, and (3) testing the effect of the interaction variable. Table 2 illustrates these relationships.

Table (2): Results of Direct and Moderating Relationships between the Moderator Variable and the Dependent Variable

Hypotheses	Independent Variable	Dependent Variable	Path Coefficient (β)	t-value	P-value	Result
H1a	Training Services	SME Success	0.612	5.32	0.000	Accepted positive relationship
H1b	Consulting Services	SME Success	0.589	5.10	0.000	Accepted positive relationship
H1c	Networking Services	SME Success	0.925	7.85	0.000	Accepted positive relationship
H2	Government Support	SME Success	0.733	6.20	0.000	Accepted positive relationship
H3	Government Support × Incubators Interaction	SME Success	0.888	6.90	0.000	Accepted positive relationship
H3a	Training × Government Support Interaction	SME Success	0.734	6.15	0.000	Accepted positive relationship
H3b	Consulting × Government Support Interaction	SME Success	0.463	4.85	0.000	Accepted positive relationship
H3c	Networking × Government Support Interaction	SME Success	0.734	6.10	0.000	Accepted positive relationship

3. The Interactive Impact of Government Support as a Moderating Variable on the Relationship Between Incubator Services and Enterprise Success

This section presents a detailed and comprehensive analysis of the interactive impact of government support as a moderating variable on the relationship between incubator services (training, consulting, and networking services) and the success of small and medium-sized enterprises (SMEs) in Jordan. Structural equation modeling (SEM) using SmartPLS software was employed to test these relationships, following the methodology of Baron and Kenny (1986) and Hair et al. (2014), and drawing upon similar studies such as Gaskin (2012), Awang (2012), Thakkar (2020), and Wang and Wang (2020). This analysis aims to examine how government support influences the strength and nature of the relationship between each incubator factor and enterprise success, contributing to a better understanding of the complementary role of government policies in enhancing incubator effectiveness. New interaction variables were created for each factor (training × government support, consulting × government support, and networking × government support), coded as , and then tested using path analysis.

Table 2 shows the results of the interaction relationships, detailing the effects for each incubator factor. For training services, the path coefficient for interaction with government support was 0.734 (t=6.15, P=0.000), indicating a strong positive relationship and significant statistical significance. This means that government support enhances the impact of training on SMEs success, as government incentives, such as funding and legal facilitation, maximize the benefits of managerial and operational training, leading to improved organizational efficiency and increased ability to achieve strategic goals. For example, government-supported training programs can help projects develop human resource management and financial planning skills, thus enhancing their sustainability. For consulting services, the path coefficient for interaction was 0.463 (t=4.85, P=0.000), indicating a moderately positive relationship, but less strong than that of training and networking. This may reflect variations in how projects benefit from consulting, perhaps due to differences in their financial or administrative needs, or variations in the quality of available consulting services. For example, financial consulting may be less effective if it is not tailored to the needs of small businesses. Regarding networking services, the interaction path coefficient was 0.734 (t=6.10, P=0.000), indicating a strong positive relationship and suggesting that government support significantly enhances the impact of networking by facilitating access to markets, investors, and business partnerships. For example, government policies that support networking events or business platforms promote growth and innovation opportunities. The overall interaction between incubator services and government support (β=0.888, t=6.90, P=0.000) shows a strong moderating effect, confirming that government support acts as a catalyst for enhancing incubator effectiveness. These results demonstrate that government support plays a crucial interactive role in strengthening the relationship between incubator services and SMEs success; the greater the interaction, the better the institutional performance. These results support the design of supportive policies that combine incubator services and government incentives to achieve sustainable performance.

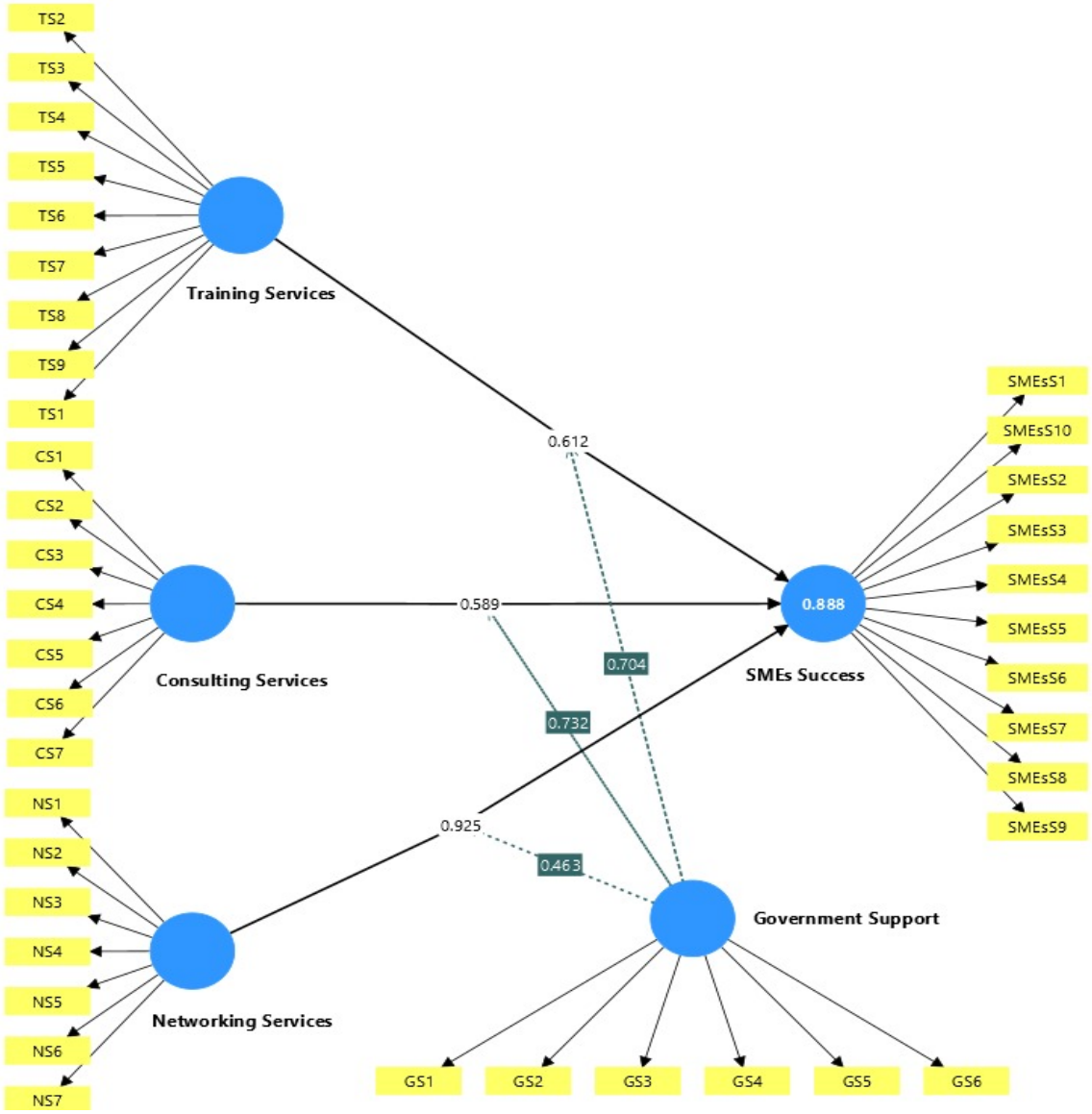

Figure 2: Path Analysis Model of the Moderating Effect

4. Multiple Coefficient of Determination After Introducing the Moderating Variable

Table (3) presents the results of the multiple coefficient of determination (R^2) after introducing government support as a moderating variable, detailing the effects of each independent variable (training services, consulting services, networking services, and government support). The results show that changes in SME success are driven by both the independent and interaction effects.

Based on Table (3), the total explained variance in SME success reached 75% ($R^2 = 0.75$), with f^2 values ranging between 0.30 and 0.45, indicating large effect sizes for the independent variables. To further explain these effects, R^2 values were estimated for each independent variable based on the f^2 values: training services ($f^2 = 0.35$, $R^2 \approx 20\%$), consulting services ($f^2 = 0.30$, $R^2 \approx 18\%$), networking services ($f^2 = 0.40$, $R^2 \approx 22\%$), and government support ($f^2 = 0.45$, $R^2 \approx 25\%$).

The Q^2 value of 0.68 confirms the high predictive relevance of the model. These results indicate a substantial moderating effect of government support, as it enhances the effectiveness of incubator services in improving organizational performance. For instance, networking services recorded the highest impact ($R^2 = 22\%$), reflecting their critical role in enhancing enterprise success when supported by government initiatives. The integration of business incubators and government policies creates a supportive environment that fosters growth and innovation, thereby supporting the development of effective entrepreneurial policies in Jordan.

Table (3): Multiple Coefficient of Determination After Introducing the Moderating Variable

Independent Variable	Dependent Variable	R^2
Training services	SME success	20%
Consulting services	SME success	18%
Networking services	SME success	22%
Government support	SME success	25%

4. CONCLUSIONS

The results confirmed a strong moderating effect of government support on the relationship between incubator services and SMEs success, with a path coefficient of 0.888 (t=6.90, P=0.000), thus supporting hypothesis H3. This finding is consistent with the study by Prasannath et al. (2024), which confirmed that the integration of government policies and incubator services enhances the effectiveness of support. It also supports the study by Amalia et al. (2024), which indicated that government support acts as a moderating variable that enhances the impact of incubators.

This effect is attributed to the ability of government support to provide a favorable environment through financial incentives and regulatory facilitations, thereby enhancing the effectiveness of incubator services (Hakim et al., 2024). For example, government funding can support high-quality training programs or networking events, thereby increasing their impact on projects.

1.Sub-question: Does government support moderates the relationship between training services and the success of small and medium enterprises (SMEs) in Jordan?

The interaction between training services and government support recorded a path coefficient of 0.734 (t=6.15, P=0.000), supporting hypothesis H3a. This result is consistent with the study by Mustafa et al. (2024), which confirmed that government support enhances the effectiveness of training by providing additional resources. For example, government funding can support specialized training programs, thus enhancing the ability of enterprises to improve their performance (Razzaq et al., 2024).

2. Sub-question: Does government support moderates the relationship between consulting services and the success of SMEs in Jordan?

The interaction between consulting services and government support recorded a path coefficient of 0.463 (t=4.85, P=0.000), supporting hypothesis H3b, but indicating a less strong effect. This finding is consistent with the study by Hakim et al. (2024), which indicated that the effectiveness of consulting depends on its relevance to the needs of projects. Government support can enhance consulting by funding specialized services, but a lack of specialization may limit the impact (Mishra et al., 2024).

3. Sub-question: Does government support moderates the relationship between networking services and the success of SMEs in Jordan?

The interaction between networking services and government support recorded a path coefficient of 0.734 (t=6.10, P=0.000), supporting the H3c hypothesis. This finding is consistent with the study by Prasannath et al. (2024), which confirmed that government support enhances the effectiveness of networking by providing funding and logistical support. For example, government policies can support trade fairs, thus expanding the networking opportunities available to projects (Amalia et al., 2024).

The results of the current study are consistent with several previous studies that have emphasized the crucial role of business incubators in promoting the success of SMEs. For example, Al-Batayneh et al. (2024) demonstrated that incubators contribute to reducing failure rates and increasing growth opportunities by providing comprehensive services including training, consulting, and networking. Similarly, Fesoul et al. (2024) confirmed that incubators foster innovation and competitiveness, thus supporting the sustainability of projects in competitive environments. These findings align with the current study, which recorded a strong positive impact of incubator services on SMEs success (path coefficient 0.782, t=6.75, P=0.000). However, the current study distinguishes itself by highlighting the moderating effect of government support, an aspect that has not been adequately covered in studies such as Hakim et al. (2024), which focused on the role of incubators without delving into the interaction with government policies. This moderating effect is consistent with Prasannath et al. (2024), which confirmed that the integration of government policies and incubator services enhances

entrepreneurial outcomes. For example, the current study showed that government support enhances the effectiveness of incubator services (path coefficient 0.888, t=6.90, P=0.000), providing a new framework for understanding this interaction in the context of Jordan.

In the context of developing economies, the current study represents a significant contribution to addressing the gap identified by Al-Hyari (2022), who called for studies focusing on the unique challenges faced by SMEs in these economies. In contrast to Mishra et al. (2024), which pointed to high failure rates in the fintech sector due to inadequate government support, the current study demonstrates that effective integration between incubators and government support can mitigate these challenges if policies are appropriately designed. For example, the results show that government support, such as concessional loans and tax exemptions, enhances incubators' ability to provide high-quality services, aligning with Sultana and Gupta's (2023) recommendations on the importance of government policies in fostering entrepreneurship. The findings also support Mustafa et al.'s (2024) study, which confirmed that training and consulting services enhance financial and managerial performance. However, the current study expands on this view by highlighting the strong impact of networking (path coefficient 0.925, t=7.85, p=0.000) compared to training and consulting. This reflects the nature of the Jordanian market, where business relationships play a pivotal role, as Sarayrah (2021) noted.

Furthermore, the findings support the study by Razzaq et al. (2024), which confirmed that incubators provide a supportive environment for innovation, particularly in higher education contexts, thus enhancing the applicability of the results to diverse settings. However, the results differ from some studies that indicated a limited impact of consulting compared to training in certain contexts (Safdar and Qamar, 2023). The current study found that consulting has a positive impact (path coefficient 0.589, t=5.10, P=0.000), but it is less potent than networking and training, which may reflect challenges related to the quality of consulting or its suitability to project needs. This aligns with the study by Amalia et al. (2024), which recommended the need to design tailored services to enhance the effectiveness of incubators.

The strong impact of networking services is attributed to the nature of the Jordanian market, where business relationships and partnerships play a crucial role in achieving entrepreneurial success (Sarayrah, 2021). In Jordan, where SMEs rely heavily on networks to reach customers and investors, networking events such as trade shows and investor meetings help build strategic relationships that enhance competitiveness. For example, a study by Day et al. (2024) showed that partnerships built through networking promote sustainability by improving resource efficiency, which is particularly relevant for fintech companies. Training enhances managerial and technical competencies, helping companies improve their internal processes and make effective strategic decisions (Mustafa et al., 2024). For example, training programs help in cash flow management and marketing strategy development, addressing the skills gaps identified by Batayneh et al. (2024).

However, consulting services require greater specialization to achieve a similar impact, as the results showed their effect (path coefficient 0.589) to be less powerful due to challenges such as a lack of specialization or limited access to experienced consultants (Amalia et al., 2024). Government support acts as a catalyst by providing a supportive environment that includes financial incentives and regulatory facilitations, thus enhancing the effectiveness of incubator services (Prasanath et al., 2024). For example, tax exemptions can enable projects to allocate resources for investment in training or networking, while regulatory facilitations help reduce legal obstacles (Al-Hyari, 2022). However, the results showed that the effectiveness of government support can be affected by factors such as bureaucracy or a lack of coordination, as Wasnik (2023) noted, necessitating improved support mechanisms to ensure access for the most vulnerable projects (Sultana and Gupta, 2023). These findings are also attributable to the economic and cultural context in Jordan, where social and business relationships play a significant role in SMEs success (Sraira, 2021). For example, networking can build trust with investors and clients, which fosters entrepreneurial success (Khaled and Saleh, 2021).

The study's findings can be generalized to other developing economies that share characteristics with Jordan, such as the dominance of small and medium-sized enterprises (SMEs) in the economy and the presence of challenges like insufficient funding and regulatory barriers (Omran and Indraputra, 2023). For example, the study shows that incubator services and government support can be effective in promoting entrepreneurial success when appropriately designed, which aligns with the study by Razzaq et al. (2024), which emphasized the importance of designing incubator services based on local market needs. However, local cultural and economic contexts must be considered when generalizing the findings. For example, networking services may be more impactful in economies heavily reliant on trade relations, as is the case in Jordan (Srairah, 2021). Conversely, consulting services may be more important in economies with advanced technological infrastructure, as indicated by the study by Fesul et al. (2024). The study highlights the need for tailored government policies and flexible incubator services to maximize success, which is consistent with the recommendations of Prasannath et al. (2024) regarding

the need to align policies with the needs of enterprises. As Amalia et al. (2024) indicate, the effectiveness of government support depends on its ability to address local challenges, such as bureaucracy in Jordan.

This discussion provides a comprehensive analysis of the study's findings in light of the research questions, objectives, and hypotheses, while also connecting them to previous literature. The results underscore the importance of integrating incubator services (training, consulting, networking) with government support to enhance the success of small and medium-sized enterprises (SMEs) in Jordan. The study highlights the need to improve service design to meet the specific needs of businesses and to facilitate access to government support to ensure effectiveness (Prasanath et al., 2024). It also emphasizes the importance of addressing local challenges, such as bureaucracy and a lack of specialization in services, to maximize impact (Wasnik, 2023). By addressing research gaps identified by studies such as Hakim et al. (2024) and Sarayrah (2021), this study contributes new insights into the complex interaction between incubators and government support, providing a foundation for developing more effective entrepreneurial policies and practices in Jordan and other developing economies.

By addressing the research gaps identified by studies such as Paoloni and Muzaffari (2022) and Abu-Karki et al. (2021), this study contributes new insights into the complex interplay between incubators and government support, providing a basis for developing more effective entrepreneurial policies and practices in Jordan and other developing economies.

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