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## A MULTILEVEL EXAMINATION OF THE EFFECT OF STARTUP ASSISTANCE PROVIDERS ON STARTUP GESTATION ACTIVITY (SUMMARY)

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≈ SUMMARY ≈

**A MULTILEVEL EXAMINATION OF THE EFFECT OF STARTUP ASSISTANCE PROVIDERS ON STARTUP GESTATION ACTIVITY**

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**Principal Topic**

Startup assistance providers (SAPs) assist entrepreneurs and their emerging organizations by providing support services to develop their businesses. Support SAPs typically provide include financial, managerial, and administrative (Kuratko & LaFollette 1987; Sherman & Chappell, 1998). However, the assistance SAPs provide is not standardized (Grimaldi & Grandi, 2005). Involvement with an SAP does not always lead to success (Lumpkin & Ireland, 1988) because the objectives of the SAP may not align with some of their client ventures (Hackett & Dilts, 2004). In addition, emerging organizations differ in their resource needs (Greene & Brown, 1997), making the resources and assistance SAPs are able to provide more critical to some emerging organizations than others.

Little knowledge exists detailing the circumstances surrounding when SAPs are most effective. Despite the increasing interest in understanding the role of SAPs as a factor that fosters the entrepreneurial process, little research has examined multiple levels of analysis; instead focusing on regions SAPs are located, the SAPs themselves, the client ventures located within SAPs, or the entrepreneurs creating the client ventures (Phan et al., 2005). We fill this gap by examining three of these levels of analysis (SAPs, their client ventures, and the entrepreneur) and controlling for the region by focusing on the impact of SAPs in Boston, Massachusetts. Specifically, we explain why certain categories of startup assistance (e.g., services provided and funding source) moderate the relationship between founder characteristics (human capital, social capital, and entrepreneurial self-efficacy) and progress on startup gestation activity. Therefore, we will explain to what extent specific categories of startup assistance tend to act as a moderating variable on what we already know about nascent entrepreneurs' tendency toward startup gestation activity, based on human and social capital measures.

**Results and Implications**

This paper examines the factors that impact the extent to which SAPs accelerate the entrepreneurial process for their client ventures. This should help both SAPs and entrepreneurs seeking their support to better understand the factors influencing progress on startup gestation activities. Startup assistance programs are expensive in terms of time and money (McMullan, Chrisman, & Vesper, 2001) and the success of startup accelerators depends on the performance of their client ventures. The results of this study may help SAPs alter the support they provide or facilitate the selection of client ventures that need the services they provide.

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