BUSINESS SUPPORT WITHIN BUSINESS INCUBATORS (INTERACTIVE PAPER)

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INTERACTIVE PAPER

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Principal Topic

Researchers and practitioners agree that business support is a crucial dimension of business incubators, among others such as space, shared resources and access to networks. Yet business support impact is seldom researched. This gap results in no insight about how and how much business support is actually being delivered within business incubators. In this study, we operationalize business support using a framework of problem solving. The chief assumption here is that such problems are intrinsic to new venture development. The incubator value lies therefore in its capability of helping tenants overcome their problems. We seek to answer three main questions: i) Does business support help to explain problem solving? ii) Does the specific business incubator support help to explain problems solving? iii) Are differences across incubator focus impacting their ability to help tenants to solve their problems?

Method

We used data coming from NENSI – North European Network of Service Incubators, a transnational network of business incubators spanning six European countries. The survey was sent to 354 tenants companies and the response rate of 29% (N=101). We examined the seriousness of problems within fundamental areas of firm development such as strategy, finance, human capital and networks. Furthermore, we enquired on where support was sought and whether the problems were solved.

Results and Implications

Our results show that incubators are not intensively helping their tenants even though they (the tenants) experience frequent and serious problems. Tenants experience only about half of the problems we inquired about. Support for solving those problems is not necessarily sought and it is even less likely to be sought within the incubator. Furthermore, our analysis suggests a mismatch between the type of problems tenants face and the support given by the incubator: strategic problems are among the most frequent and serious problems tenant face, incubator support is mostly likely sought in human capital development areas. Finally, we speculate on what reasons might be beyond the impact of the type of business incubator in our results. Further avenues for research are also suggested.

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