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## A Study On How Business Incubator Programmes Help Entrepreneurial Businesses Grow

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### ABSTRACT:

The growth of entrepreneurial businesses is supported by the usage of business incubators (BI), which are examined, investigated, and identified in this essay. A comprehensive business services programmer is used in the public and/or private enterprise set - up process to create and speed up the development and success of start-up businesses and business ideas. Both academics and business professionals assert that BI has the ability to diversify markets, commercialize innovations, create employment, and increase wealth. Therefore, the goal of the study is to identify and build, depending on the successful application of case studies, the best practice of BI process. In this study, desk analysis and case studies of 10 incubator groups in underdeveloped nations were used as research approaches. The results of this study suggest that business incubators are a useful and creative tool for assisting new enterprises. The empirical findings point out a few implications for creating and putting into practice best practices for company incubation programmers. This study adds to our understanding of the BI process.

**Keywords:** Business incubator, Entrepreneurial businesses grow, Diversify markets, Commercialize innovations, Create employment, Increase wealth

### 1. INTRODUCTION

According to the National Entrepreneurship Development Association, incubator programmers use a pool of resources and services that are supplied both inside the incubator and via its contacts network to help entrepreneurial businesses develop more quickly and successfully. Additionally, the likelihood that a business incubator programmer will be completed successfully rises, and start-up companies are more likely to remain in operation for an extended period of time—87% of graduates' businesses do.

This paper's goal is to identify and build the finest business incubator practices based on the use of case studies. This paper is organized as follows: This study presents a review of the literature on business incubation (BI), including definitions, the many kinds of incubators, the services that incubators offer, and the objectives of each programme. 10 successful case studies were used as part of the research approach to demonstrate various essential results of the company incubation. The study's findings, which were derived from incubators' quantitative methodologies, are briefly discussed by the authors.

## **2. LITERATURE SURVEY**

[1] A startup business owner faces a number of obstacles and difficulties, such as financial options, stringent labour laws, finding a market for their products, and social and cultural issues. Lack of assistance and an ineffective entrepreneurial ecosystem, particularly in emerging nations like the Sultanate of Oman, exacerbate these issues. In this case, business incubators can be quite helpful in assisting and supporting aspiring entrepreneurs as they launch their businesses.

[2] Policymakers are becoming more aware of the strong regional influences on both entrepreneurship and innovation. Technology company incubation has become increasingly popular over the past 5 decades as a cutting-edge strategy to support regional settings for creative entrepreneurship. There are several instances of effective incubation techniques, such as technological incubators and scientific parks, which have aided in the creation of resilient local eco-systems.

[3] The federal government made entrepreneurship study a required course for all higher education students, regardless of their field of expertise, in 2006 as a means of addressing Nigeria's macroeconomic crisis of unemployment and its attendant socio-economic difficulties. Studies have revealed that the programme has not yet succeeded in its objectives, however, as many Nigerian graduates are still jobless years after receiving their degrees. In order to research company incubation, this article employs Sen's capability method.

[4] Co-location programmes are on the rise, and they promise to help startups and entrepreneurs build their businesses. Even though there is a lot of public and policy interest, we don't really know how beneficial these programmes are. Within a larger family of co-location solutions, this study classifies accelerators and incubators. Then, we create a unified theoretical framework to analyse workplace-level effects. We summarise the evaluation data that is currently available and make some preliminary suggestions for regional economic policy.

[5] Our knowledge of entrepreneurship may be improved by the entrepreneurial ecosystem, a new and developing conceptual stream. This idea has previously been investigated from the viewpoint of universities, but it has not yet been applied to the

area of entrepreneurial assistance. Additionally, the rise of university-based company incubators has increased interest in the field of business support research. This study aims to create a more thorough comprehension of sustainable.

[6] Entrepreneurs frequently rely on intermediary groups found within their local ecosystems when they lack the resources to commercialise science. In order to further the commercialization of science, intermediaries offer a variety of specialised services. This paper aims to better understand how they function. We examine five intermediaries that are frequently cited in ecosystem research: space (incubators, accelerators, and co-working spaces); university technology transfer and licencing departments;

[7] Sub-Saharan African societies' economic progress is significantly influenced by female entrepreneurs. However, studies show that business and technology incubators don't give their businesses enough help. Therefore, this research aims to investigate and emphasise the current state of business and technology incubators' contribution to companies run by female entrepreneurs.

[8] University-based entrepreneurial support groups work harder than ever to provide a setting and possibilities for interaction amongst start-up businesses. The underlying premise of these initiatives is that networks facilitate access to information and resources and raise the likelihood of startup success. The processes that make it easier to establish commercial links with other community members have yet to be discovered and scientifically proven.

[9] investigates the degree to which external local characteristics and the support services provided by technological business incubators (TBIs) help incubated new enterprises innovate. We examine the effects of four incubator services on 3 levels of innovation in incubated firms using data on all 215 surviving Chinese incubators and their incubated firms from government surveys carried out over five consecutive years from 2009 until 2013, as well as information from nine case studies.

[10] It is essential to differentiate between the program's benefits and the effects of the host region's economic climate in order to maximise public investment in business incubator programmes. This study uses survey data from programme managers across the United States to examine the impact of incubator design and regional capability factors on incubation results. The findings imply that incubator quality variables are more causally significant than regional capacity variables for good incubation results.

[11] Western nations have experienced a tsunami of immigration in recent years.

Entrepreneurship can aid in the integration of refugees into the workforce. As a result, the authors note the growth of incubators with a social mission that address

the major difficulties faced by immigrant entrepreneurs. The aim of this research is to examine the specifics and effects of business incubation on the growth of entrepreneurship and the integration of refugee entrepreneurs in the host country using a theoretical lens.

[12] Business incubators have a complicated internal structure and have resisted significant change. They are widely replicated around the world and provide value using a variety of strategies. Thus, the question of what special structural characteristics of incubators enable the organisational form to be replicated and work well across a variety of institutional contexts arises. An exploratory-inductive methodology is used along with organisation theory's tools to shed light on this subject.

### **3. RESEARCH METHODOLOGY**

This research study's research technique is made up of desk research, interviews, and case studies of 10 incubator groups in developing nations.

#### **a. Desk Study: Developing Programmers For Business Incubation**

It is clear from the present literature that there are an increasing number of business incubators. Currently, there are about 7,000 incubators worldwide, compared to 200 at the start of the 1980s. The entrepreneurship development programme has grown in popularity among entrepreneurs and offers several strategic advantages, including: The business incubator program's primary goal must be to offer startup businesses business advice. The second requirement is that the programme should collaborate with the client companies and have the necessary resources. The establishment of a business incubator programme is the last step in helping a startup firm become self-sustaining.

There are really nine stages involved in planning and conducting company incubation programmes. Additionally, it was necessary for the steps to be in the right order for the incubation programme to profit from maximal survival.

Step 1: Analyze the local situation to find opportunities and barriers for economic development. In terms of its borders, population, structure, internal links, external connections, and degree of control over local resources, the community context's defining qualities can be described. With this knowledge, planners can carefully investigate how these traits may affect the possibility of economic progress.

Step 2: Determine the community's economic goals and objectives. For instance, when a city wants to create new jobs, it must consider

both the quantity and the kind of those occupations.

- Step 3: Decide on a business development plan to help you achieve those aims. The following four are offered to communities: 1) Attracting new business, 2) keeping existing business, 3) growing existing business, and 4) incubating new businesses. Each strategy also has a unique collection of players, assets, and laws.
- Step 4: Pick the best programme design for company incubation. To create a set of practises, incubator programme managers must assess the resources and barriers that their clients need. The incubation programme can concentrate on start-up businesses that will offer new goods and services to the public if the objective is a more diverse economy.
- Step 5: Assess the economic viability of the programme design, the likelihood that the requisite economic circumstances will be met, and the accessibility of clear data regarding those factors.
- Step 6: Define the collection of incubation techniques to be applied. Too many programme designers make the error of choosing techniques without having a clear understanding of the resources their target clients need or the barriers in their path.
- Step 7 is to put the chosen practises into action. These descriptions can be used by incubator practitioners to determine the precise steps they need to follow in order to put the practises they have chosen into effect.
- Step 8: Assess the effectiveness of the programme. the community context and programme client needs that were recognised, the efficiency of the practises that were incorporated, which ought to be jointly evaluated by the programme manager and customer, and the changes in each firm's access to necessary resources and company's overall viability, as well as how much those modifications contributed to the general situation.
- Step 9: Redesign the incubation programme and procedures using the evaluation data. A programme that does not adapt will ultimately fail. An incubation programme cannot develop unless those who administer it learn from both their failures and their achievements.

#### **b. Case Studies: Business Incubators in the Developing Countries**

Senior executives from 10 incubator groups in developing nations participated in interviews. Incubators are now located in the Middle East, 900 in Europe, 1000 in Asia, and 1400 in Latin America, according to the results of the interviews. Additionally, it has been observed that business incubators in poor nations may be

especially beneficial for boosting the economy, fostering knowledge transfer, and fostering the growth of new businesses with positive effects on employment creation.

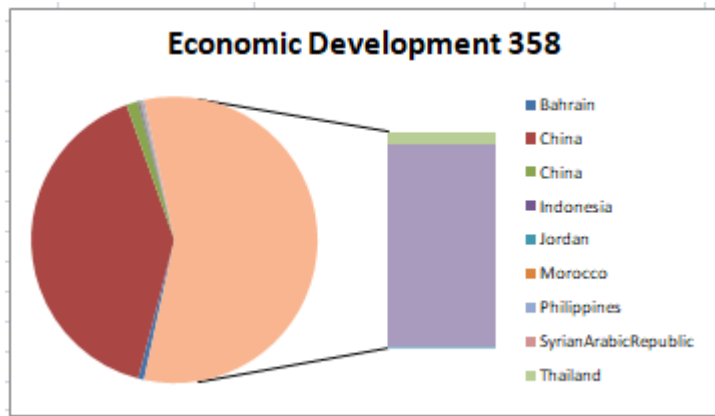
#### 4. FINDINGS AND DISCUSSION

The creation of business incubators may result in the following problems: 1) An effort to diversify the local economy and create jobs; 2) The transfer of technology and commercialization of research into new applications; and 3) The sustainability of start-up businesses to success with a 90% survival rate.

The economic growth for the case studies is outlined in Table 1 with the total number of jobs produced inside incubators at 28,02 and the total number of graduated businesses at 937. These numbers show the diversity of the local economy and the sustainability of businesses. Business incubators are appealing and have increased in popularity because they help fragile businesses get off the ground by providing direct support. Their allure is predicated on the development of jobs at little public expense. The management of the incubator's helpers are tasked with providing a range of services to the incubator.

**Table 2: Summary of the countries economic development**

	<b>Economic Development</b>	
<b>Australia</b>	358	90
<b>Bahrain</b>	35	30
<b>China</b>	2123	609
<b>China</b>	70	37
<b>Indonesia</b>	9	11
<b>Jordan</b>	6	3
<b>Morocco</b>	8	4
<b>Philippines</b>	13	2
<b>Syrian Arabic Republ</b>	7	6
<b>Thailand</b>	173	145
<b>Total</b>	<b>2802</b>	<b>937</b>
	No. of Client Firms	No. of Graduated Firms



**Figure 1: economic development**

Flexible lease terms for space, shared office support services, on-site business support, networking opportunities for tenants, and resource matching by incubator management are a few examples of this help. The flexibility of the incubator in terms of the many perks and services provided to business owners supports various forms of economic development.

The objectives, categories, and services offered by the incubation programmers are summarized in Table 2. Their ideas might be transformed into start-up businesses or profitable commercial operations with the help of a business incubator. Additionally, after completing the incubation programmed, the Entrepreneurs' companies are given support and direction to help them market their business ideas, reduce failures, and be able to stand alone in the market. Table 2 provides an overview of the nations' economic development.

**Table1: Summary of Case Studies**

No.	Country	Objectives	Services	Start Date	No. of Client Firm	No. of Graduated Firms
1	China	<ul style="list-style-type: none"> <li>• JobCreation</li> <li>• Profitable</li> <li>• Enterprises</li> <li>• Research</li> <li>• Commercialization</li> </ul>	Business information, advisory services business management and business development	2004	2123	609
2	Australia	<ul style="list-style-type: none"> <li>• JobCreation</li> <li>• Profitable</li> <li>• Enterprises</li> </ul>	Training, mentoring, advisory, angel investing	1997	358	90
3	Bahrain	<ul style="list-style-type: none"> <li>• Entrepreneurship</li> <li>• ExportRevenues</li> <li>• JobCreation</li> <li>• PolicyImpact</li> <li>• Profitable</li> <li>• Enterprises</li> <li>• Research</li> <li>• Commercialization</li> </ul>	<ul style="list-style-type: none"> <li>1. ICTwork, officespace</li> <li>2. Financial management training, financial management/accounting services, linkages to financiers, loan and venture capital</li> <li>3. Business information, business management and business development advisory services, incubation program for non-resident clients (virtualincubation), incubation program for resident client, mentoring/ coaching, pre incubation services, training in business management</li> <li>4. The linkages between incubates, network ingevents and referrals to business professionals</li> <li>5. To commercializing technology and help with</li> </ul>	2003	35	30
4	Jordan	<ul style="list-style-type: none"> <li>• Entrepreneurship Awareness</li> <li>• IncomeGeneration</li> <li>• JobCreation</li> <li>• Profitable</li> </ul>	<ul style="list-style-type: none"> <li>• To Shared laboratories and shared workshops</li> <li>• Platform to the financiers</li> <li>• Businessinformation,</li> </ul>	2004	6	3

## 5. CONCLUSION

The favorable effects of incubator adoption as a catalyst for creation of jobs and economic growth have been explored in this study. This essay outlines the critical objectives of business incubator programmers, including local economic growth, urban manufacturing renewal, entrepreneurial ventures, transfer of technology, development, and its corporatization, rises in new company creation, the creation of fresh and viable employment, growth of fast-track businesses, a decrease in the loss rate of fresh businesses, and opportunities for particular groups of entrepreneurs, with these objectives supporting teachings from the existing literature. After carefully examining the published literature, it is concluded that the incubation programmer is an effective tool for the growth of the economy and entrepreneurship. The study backs up earlier studies and clinical practise. Lastly, this study has made it abundantly evident that the Entrepreneurship Development Programs' objectives are to help local economic development by offering advice and direction to startup businesses and their



business growth. Both in the U.S.A. and the industrialised nations, this is obvious. Future research should also be conducted in order to create the best practise model for emerging nations based on the evaluation and results of global case studies.

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