



Emerging Challenges Of Technology Incubation Centres In Promotion Of Start-Ups In India

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Abstract

Technological Incubation Centre plays an important role in providing support to the promotion of start-up businesses. This paper aims to identify the challenges faced by the incubators in promoting new small businesses in India. Quantitative method is selected by this paper regarding survey process to collect information regarding research topic. Findings and analysis stated that incubators have a significant role however they face challenges regarding technology, infrastructure, and many others. Based on this identification, this paper recommends implementation of technological advancement and providing training to reduce challenges.

Keyword: Technological Incubation Centre, Technology, Infrastructure

1.1 Introduction

Technology plays a key role in the development of a new business. Technology Incubation Centre is one of the institutions or centers that support the innovative ideas of entrepreneurs to start a new business. Incubation refers to the process and infrastructure of development of business along with the combination of unique as well as being highly flexible. Such an incubation centre helps to grow small businesses from the early stages to the final stages of development.

1.2 Active users

An incubation centre helps to reduce the risks regarding failing among small-sized businesses and due to this reason, there is a need to implement such an incubation centre at universities. However, this type of incubation centre has faced issues in recruiting new tenants (Bomani et al., 2019).

1.3 Literature review

1.3 a. Overview of Technology Incubation Centre

Technology Incubation Centre is registered as a Society based on the Act of Registered Societies XXI of the year 1860 (Iqbal et al., 2020). This Technology Incubation Centre is located at Guwahati in India. The primary aim of this centre is to provide support by encouraging initiatives of entrepreneurs within the faculty and alumni as well as other technical institutions which are under the government of the state or central in the North East. This centre provides several opportunities for exploring and implementing their ideas into a business. Therefore, it can be stated that such an incubation centre is important to have in each university to explore more business opportunities. However, role of incubations center plays a wide interaction in order to developed innovative ideas and source of cost to change the authority of powers and business potential. Moreover, the technology-based incubations center helps to identify the innovation-based technology and business startups with the appropriate source and demands that evolved in the business maturity (Klofsten et al., 2020). In addition, it helps to develop the stage to promote the technology companies as well as to assist various competitions in technological field or undeveloped areas. Moreover, it provides a better interactions process, ease in doing the business as well as improved the ability on financial services.



Figure 1: Business Incubations centers

1.4 Role of centre in a start-up business

It is identified that a start-up business has to go through a few issues or challenges regarding collection of resources, sources of findings, finding an effective market to sell products, issues in society and many others. The primary reason for these issues includes lack of significant support as well as lack of an effective ecosystem of entrepreneurs. In this regard, incubators or incubation centers play an immense role in providing support and helping entrepreneurs to set up their businesses (Sanyal and Hisam, 2018). In addition, they provide shared resources for start-up businesses such as consultants, office premises, and personnel along with technical and financing support. Another journal article also showed that incubation centers play an influential role through which start-up businesses become able to achieve success in an effective way. Therefore, it can be stated that start-up businesses get significant support in several key areas of their businesses by incubation centers. However, the technology incubations are organized platforms that provide an ultimate help to the professionals as well as mitigating the issues through provide appropriate guidance and monitoring. It traditionally maintains the overall system of organizations, as the business owner has an appropriate access to support their employees top manufacturing quality products. Moreover, the incubations technology helps the startup to develop their companies to meet their necessary needs and requirements to perform initially and collaborate with the overall programs through well designing the business functions.

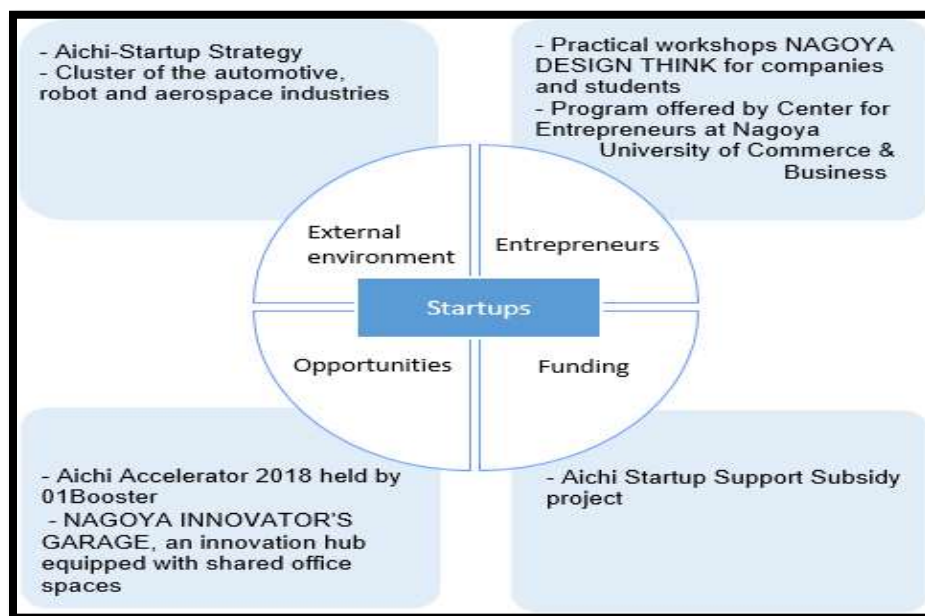


Figure 2: Role in startup business

1.5 Challenges faced by start-up business

Incubators face a few challenges during the incubation process of small and start-up entrepreneurs which are related to the technology, investment in high capacity, services regarding mentoring, related to strategies, research and development, legal issues, infrastructure, and issues in IPR (Mian et al., 2016). They also face challenges regarding cost-effectiveness and lack of communal realization (Hameed and Irfan, 2019). Therefore, it can be stated that TIC faces several issues in providing support to the start-IP business. Furthermore, it is identified that incubators face issues in the process of integrating entrepreneurship in the curriculum of the University and the development of skills for the global market. This data also represents core challenges faced by the TIC in India. The competitive companies maintain their reputational value through continuous development and implementation technology. However, company faced **fierce competitions** in terms of decrease the growth of the business. Klofsten et al., (2019) however, it is an issue in terms of **Partnership collaboration** which is due to creation of obstacles in making any authentic decision in startup facilities. Startup companies faces various discriminators due to failure of cyber security as a result company faces sever threats in terms of stolen data and misuse of technology against the company.



Figure 3: Challenges faced by startup business

It has been observed through the concerned research or present research study in terms of technology incubations. However, startup companies faced severe financial crisis in terms of

cost decrease, it has been identified that startup companies have lack of investors due to improper plan of investment (Berg et al., 2018). Therefore, lack of chance to get any financial returns in addition, although company faces various market competitions in the field of technology incubations.

1.6 Proposed work

The proposed work will provide the objectives along with a few problems that are faced by the Technological Incubation Centers in recent years.

1.7 Research Objectives

The primary objectives of this paper are presented in the below section:

- To identify the role of Technological Incubation Centre in promoting Start-ups
- To analyse the issues faced by this incubation centre when providing support to its beneficiaries

1.8 Problem Statement

Incubation centers regarding technology play an important role in providing support to the entrepreneurs to start their new small businesses. However, a few challenges have to be faced by these types of incubation centers regarding technology, infrastructure, and many other factors. Such issues can create a huge problem for the new entrepreneurs in starting their business.

1.9 Methodology

The paper selects a quantitative method of research that helps to collect data through survey and interview processes. In addition, this research paper also stated that quantitative methods gather a wide range of numeric data which helps to identify whether the research topic states accurate issues or not. The primary method of data collection is the most effective method which helps to collect data based on identification regarding a research topic (Mohajan, 2018). Therefore, it can be stated that this research paper can collect numeric data which are related to the research topic and through which, this paper can identify whether the Technological Incubation Centre in India faces issues in supporting start-up businesses or not.

In this regard, this paper selects 46 participants who are the incubators and employees in the TIC in India. This is because incubators are mostly affected in recent years in providing support.

1.10 Findings and analysis

Are Technological Incubation Centre plays an important role in providing support to start-up businesses?

Given option	Total participants	Response collected	Percentage
Strongly Agrees	46	20	43%
Agree	46	13	28%
Neutral	46	5	11%
Disagree	46	8	17%
Strongly Disagree	46	2	4%

Table 1: Importance of Technological Incubation Centre

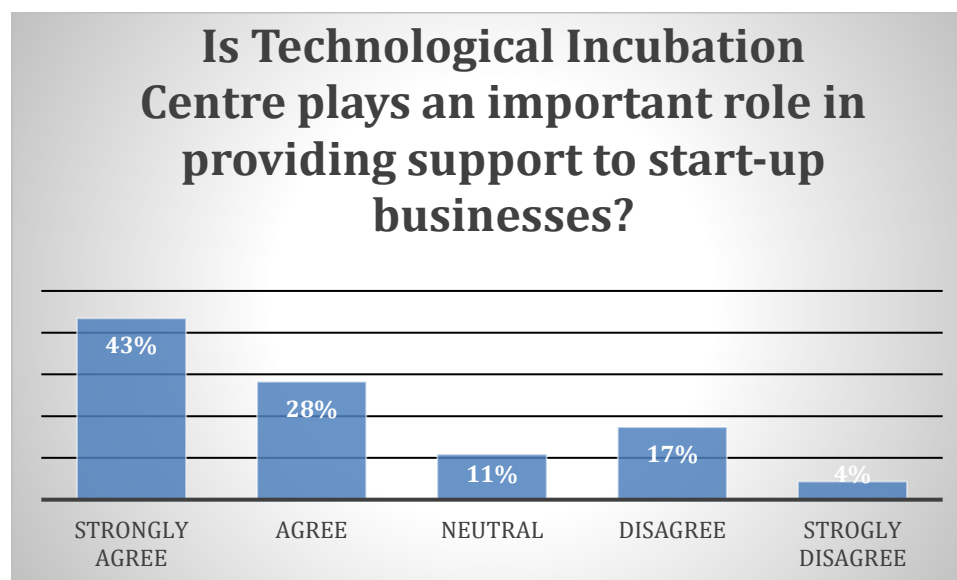


Figure 4: Importance of Technological Incubation Centre

Table 1 and Figure 1 both represent the percentage of respondents regarding importance of TIC in providing support to the entrepreneurs to build their start-up business. 43% of the total respondents strongly agreed and 28% of total respondents agreed to the question. On the other hand, 11%, 17%, and 4% of total respondents are neutral, disagree, and strongly disagree in this question respectively.

1.10.a. Do you think incubators face issues in providing support to the start-up entrepreneurs?

Given option	Total participants	Response collected	Percentage
Strongly Agree	46	12	26%
Agree	46	5	11%
Neutral	46	8	17%
Disagree	46	10	22%
Strongly Disagree	46	13	28%

Table 2: Identification of challenges faced by Incubators

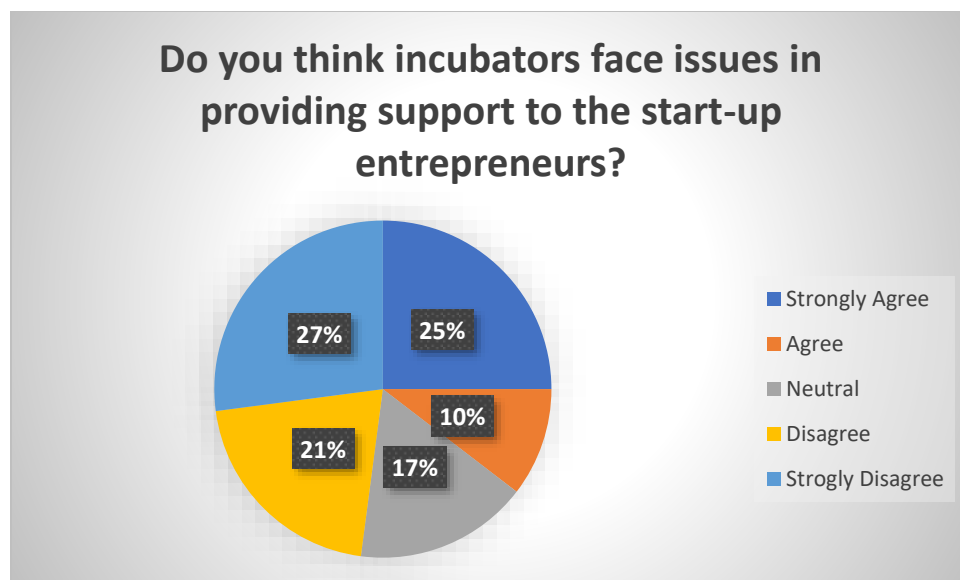


Figure 5: Identification of challenges faced by Incubators

This figure represents the survey question regarding the identification of challenges faced by the incubators in recent years. 25% and 10% of total respondents strongly agree and agree to this question while on the other hand, 17% are neutral, 21% disagree, and 27% strongly disagree with this question.

1.10.b. Do you think technological advancement and proper training can mitigate issues?

Given option	Total participants	Response collected	Percentage
Strongly Agree	46	22	48%
Agree	46	10	22%
Neutral	46	5	11%
Disagree	46	6	13%

Strongly Disagree	46	5	11%
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Table 3: Identification of ways to mitigate challenges

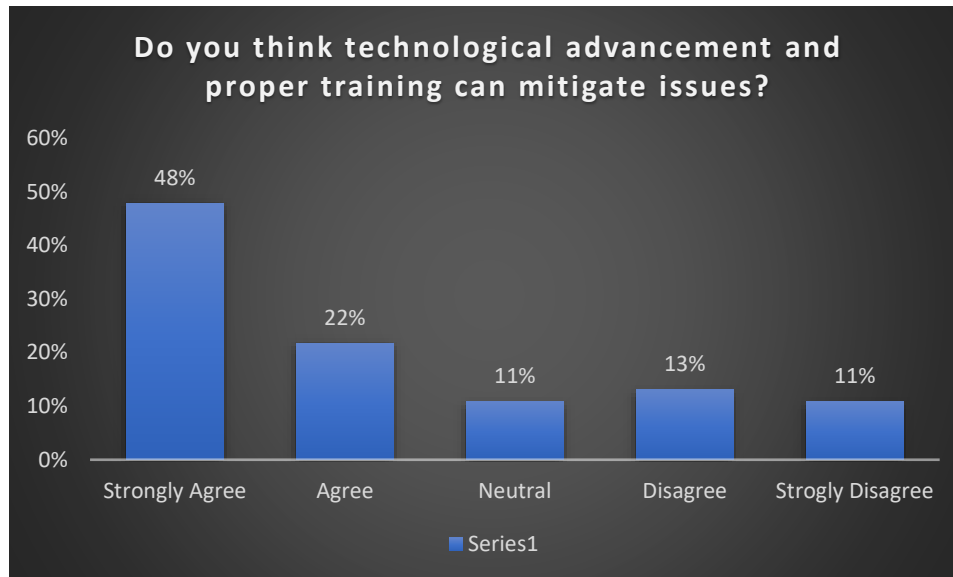


Figure 6: Identification of ways to mitigate challenges

Figure 3 represents the research question which includes identification of ways for mitigating issues related to providing support to the start-up business. In this question, 48% of total respondents strongly agree and 22% agree that such recommendations can be helpful to the incubators to reduce challenges. On the other hand, 11%, 13%, and 11% of total respondents are neutral, disagree, and strongly disagree with this question respectively.

Sanyal and Hisam (2018) incubators are like a physical location that provides significant support, however, they also face issues regarding infrastructure. On the other hand, figure 1 and figure also stated that incubators face issues in the process of providing support. Therefore, it can be stated that the topic of research is significant and incubators actually face issues. However, figure 3 stated that providing training and technological advancement can reduce issues of the incubators. Training is an essential component to reduce challenges of technological incubators in India (Li et al., 2020). Such analysis helps to identify that the incubators will be helpful to reduce challenges by considering these recommendations.

- **Threats of validity**

This research paper selects sampling methods to gather data for providing authentication of topics regarding research. In this regard, this research can face issues regarding errors in

sampling which can provide results regarding achieving the same results from various types of samples.

1.11 Conclusion

The previous discussion helps to identify the importance of technological incubators in providing support to start a new small business. The primary aim of this paper is to identify the issues faced by incubators in providing support. It is identified from this paper that technological advancement, infrastructure, and others are the primary challenges faced by the incubators. This paper recommends incubators implement technological advancement and provide training to mitigate these issues.

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