

New national business incubation study identifies best practices for success

November 18 2011, By Bernie DeGroat

(PhysOrg.com) -- The University of Michigan's Institute for Research on Labor, Employment, and the Economy has released a new study, "Incubating Success: Incubation Best Practices that Lead to Successful New Ventures," funded by the U.S. Department of Commerce, Economic Development Administration.

The study, led by U-M's IRLEE and research partners at the State University of New York at Albany, the National Business [Incubation Association](#) and Cybergroup Inc., is the first study of business incubators to focus on best practices. Lawrence Molnar, associate director of IRLEE, is the principal investigator.

The researchers surveyed business incubator managers throughout the United States and across industry sectors, correlating specific incubator best practices with the success and stability of businesses that have graduated from incubator programs.

They found that the synergy among multiple practices, rather than a single practice, policy or service, produces success for incubation programs. At the same time, the study identifies the best practices that are the most reliable predictors of incubator client success. The findings indicate that regardless of the lead organization, age or size of the incubator or regional economic conditions, these best practices make it more likely that a [business](#) incubator will graduate successful companies.

Results from the study also include recommendations for policymakers

and funders motivated to maximize the impact of public investments incubation programs, as well as recommendations for incubation practitioners interested in developing new or reviewing ongoing incubation programs.

A supplementary free online [measurement tool](#) has been developed based on the study's findings. It provides benchmarks for evaluating existing incubator programs and provides suggestions for improving their operations, as well as offering new incubators clear models and protocols for success.

More information: Complete study and measurement tool:
www.edaincubatortool.org

Provided by University of Michigan

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