



Business Incubation

Business Incubation

- A *business incubator* is not about chickens, but it has everything to do with ‘hatching’—hatching the dreams of entrepreneurs into stable businesses.



Business Incubation

- A Business Incubator is a facility that provides
 - shared premises,
 - business advice,
 - business services,
 - networking,
 - mentoring, and
 - a support person.



Business Incubation

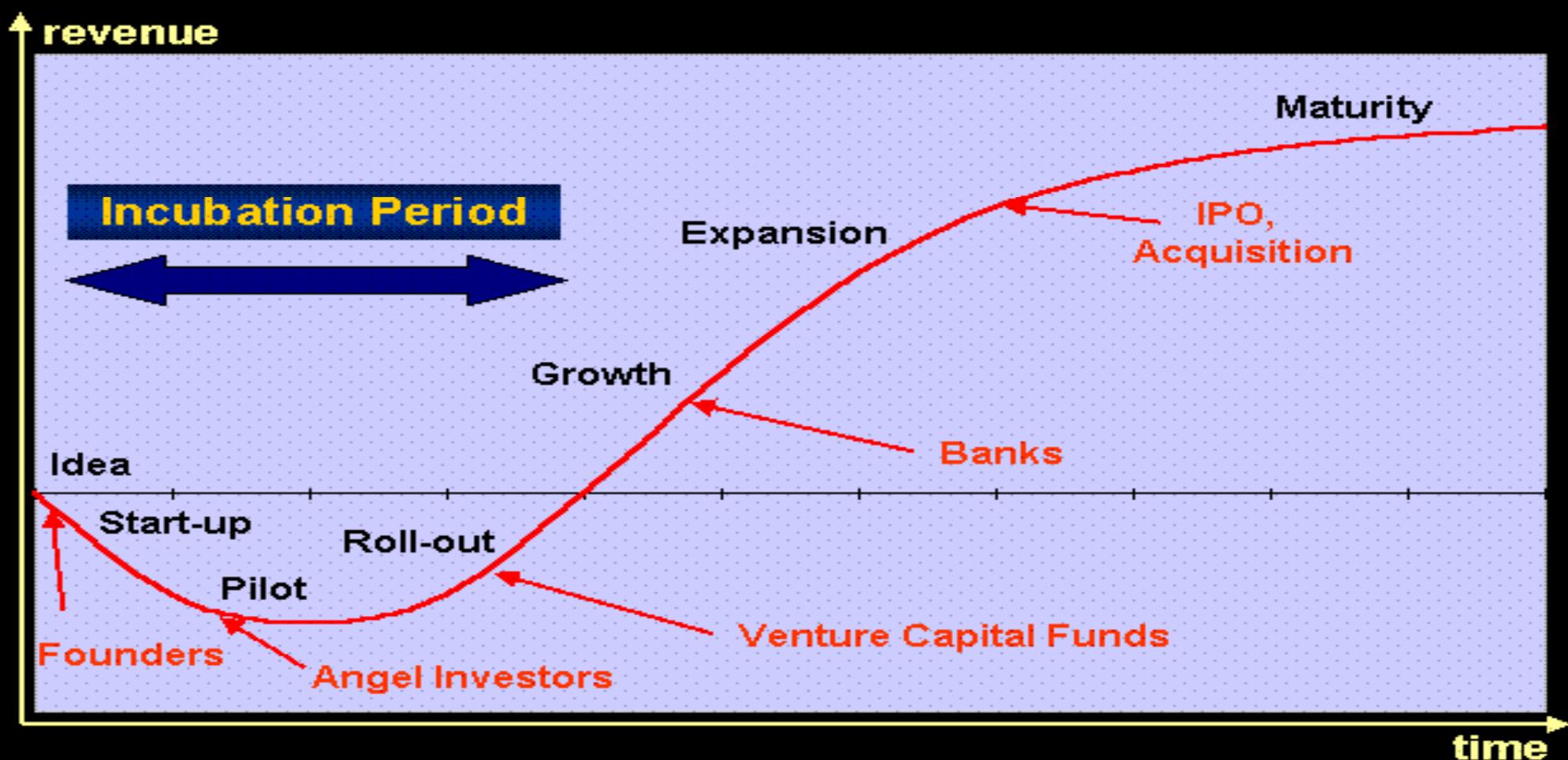
- **Business incubators** are programs designed to support the successful development of entrepreneurial companies through an array of business support resources and services, developed and orchestrated by incubator management and offered both in the incubator and through its network of contacts.



Business Incubation



Company Growth Stages & Funding Sources



Objective of Incubation Centre

- Encourage students / others with entrepreneurial bent of mind to come up with innovative ideas and channelize their efforts to give births to new ventures by providing mentorship at different stages of development of business venture



Objective of Incubation Centre

Facilitate idea generation and impart knowledge in business plan and implementation to the aspiring entrepreneurs



Key elements of a successful business incubator

- I Innovation & Entrepreneurship
- N Networks & collaboration
- C Competitiveness
- U Understanding the Roles: Public-Private
- B Buy-In
- A Access to resources
- T Technologies
- O Outreach
- R Review: Monitoring and Evaluation



What incubators do?

I joined Nirma Labs right after my graduation as I wanted to know what it really takes to be an entrepreneur. This much-needed awareness was provided through the 7-month grooming program offered by the incubator. It introduced me to the basics of marketing, finance, legal, technology and team building. This experience came handy when I started Axio Biosolutions after spinning off from the incubator in 2008-



Leo Mavely
Founder & CEO, Axio Biosolutions



Who sponsors business incubators?

- Incubator sponsors – organizations or individuals who support an incubation program financially – may serve as an incubator's parent or host organization or may simply make financial contributions to the incubator.



Myths about Incubators

Myth- By going to an incubator, success for the venture is ensured

Real Facts

- A combination of factors such as quality of the people, products/ solutions or services and the market segment that graduates target coupled with their execution capability will ensure the success. Incubators accelerate the process of the new venture development



Myths about Incubators

Myth - Incubators will provide the funding that they need

Real Facts

- On incubation, funding does not happen by default. The maturity of the team and their business strategy alone will get them funded. Incubators facilitate (directly or indirectly) the funding process in deserving cases



Myths about Incubators

- **Myth** - Incubators are supposed to provide solutions to all the business problems faced by companies

Real Facts

- Incubators' role is that of a facilitator. They provide guidance or direction, business support and access to business network in addition to office space. It is the company that has to deal with various business situations



Types of Incubators:

1. Mixed Portfolio Business Incubation

Context

- Targets high-growth firms in a range of sectors
- May select sectors that keep-up with the overall regional and national competitiveness strategy
- May exist in environments where is little entrepreneurial activity

Strengths

- Can grow new areas of competitive capacity.
- In environments with little entrepreneurial activity, may include extensive “pre-incubation” and education activities in order to source entrepreneurs and businesses.



Types of Incubators

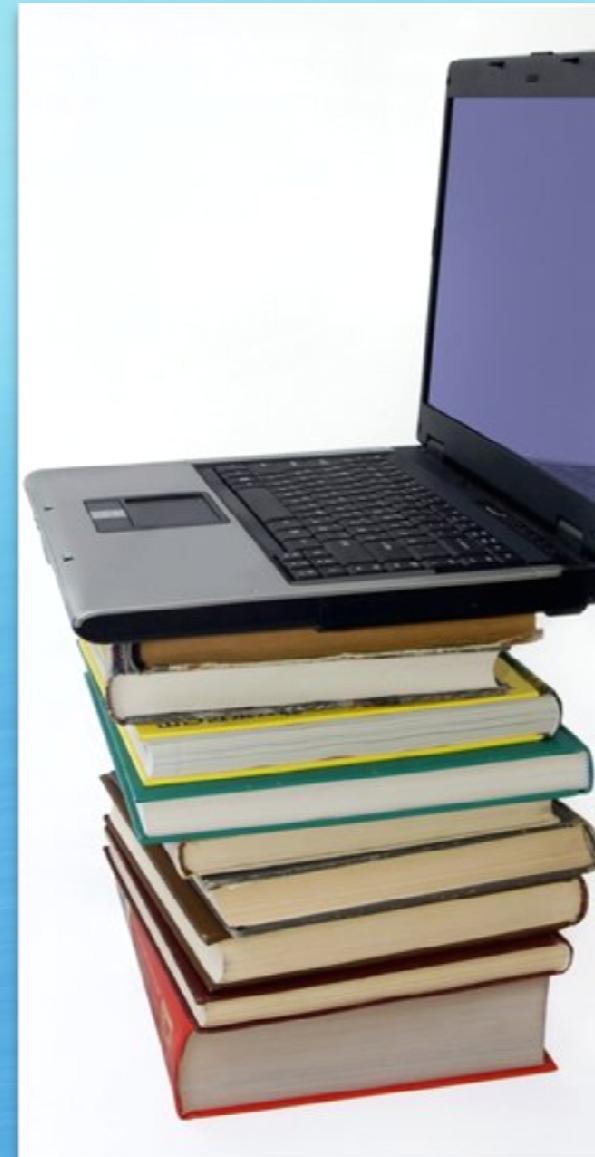
2. Technology Business Incubation

Context

- Targets high-growth technology firms
- Require foundation of strong technology and human capital infrastructure
- It may require extensive pre-incubation activities

Strengths

- Can be an economic resource by attracting and developing research, skills and businesses
- Can develop technology as a new source of competitive capacity



Types of Incubation

3. Business Incubation with University Relationships

Context

- Frequently the university has a role as founder and is a source of resources such as research, expertise, space and/or funds
- Typically targets technology firm, but may work with other sectors

Strengths

- Opportunity to bridge the gap between research and commercialization or technology transfer
- Access to intellectual property and the potential to develop competitive business from it
- Often provides financial stability for incubators



Types of Incubation

4. Agri-Business Incubation

Context

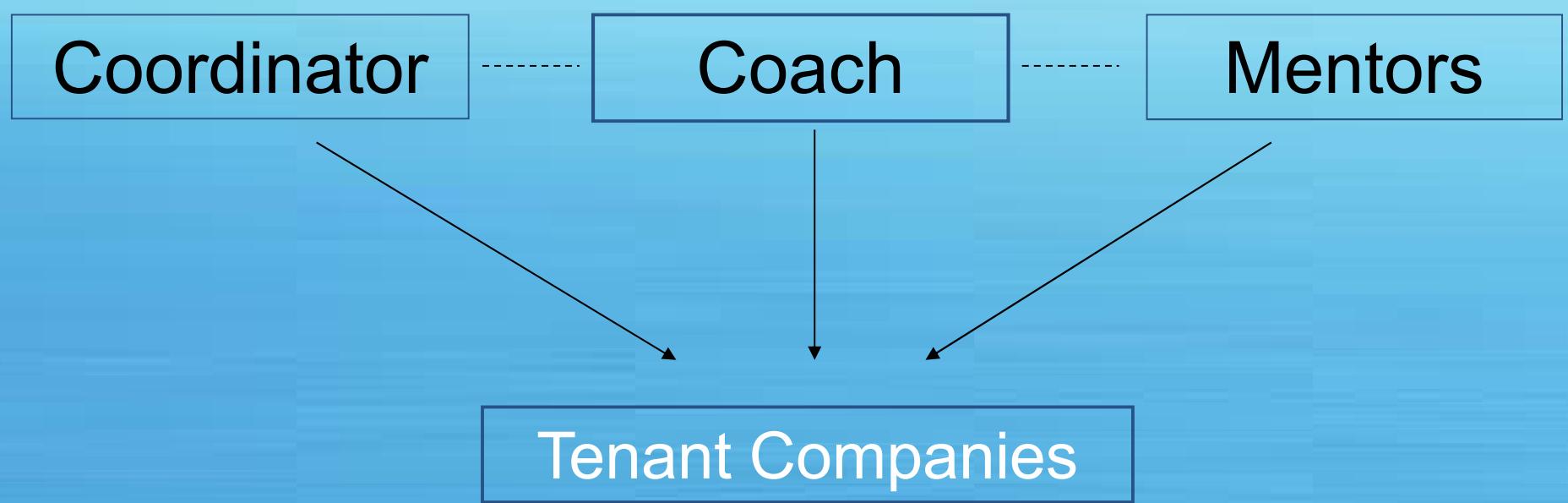
- Targets firms in the agriculture sector.
- Aim in commercialize innovative practices or transform sector firms from slow-growth to growth.

Strengths

- Can often have significant economic and social impact by improving the live hoods of communities.
- Can have a agri-technology focus and focus on commercialization.



Mentoring System



Role of Incubation Centre

Facilitating visits to various research and design institutes across the country to enable students to obtain ideas for new business ventures

Arranging for part-time assistance, short-term and long-term internships with entrepreneurial ventures.

Real-world projects with startups



Role of Incubation Centre



- To provide mentorship for converting Ideas to Business Plans to Startups.
- Offering assistance in writing a business plans.
- Networking with other Industry associations and entrepreneurial chambers

Role of Incubation Centre

Arranging interactions between students, entrepreneurs, venture capitalists, and others from the corporate world. To look in to the procedures, methodology, access funding, mentoring among other activities for setting up and sustain a business



Role of Incubation Centre

Running an incubation unit to nurture and develop innovative ideas from the community

The incubation unit help in the initial phases of the start-up to provide support for start-ups founded by different bodies/faculty, students and alumni

Provide infrastructure, networking, financial support, mentoring, etc



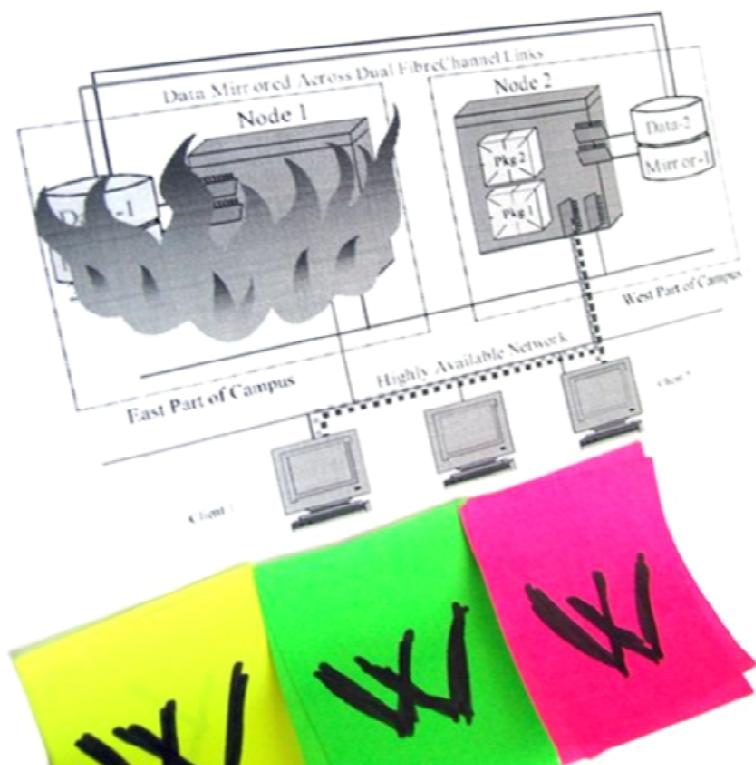
Role of Incubation Centre



Provide valuable management and consultancy advice to guide them through all the how's, why's, what's and when's of business

Impart the hand holding support that most start-ups need, to enable them to move forward and experiment with business models

Infrastructure



The Incubation Centre offers on-site business facilities like: office space, computers, printers, communication systems, and Internet connectivity etc.

It also provides a meeting room for discussion, to propel ideas and to network.

India needs 1000 startup incubators to spark mass innovation



India needs many more entrepreneurial firms to meet the myriad needs of its population. There are many reasons as to why India lags behind in the number of startups relative to the scale of requirements or in comparison to other entrepreneurial nations such as the US. Lack of early business support and mentorship is probably one of the most important reasons why India does not generate sufficient startups.

Famous incubators in India:

Nadathur S. Raghavan Center for Entrepreneurial Learning (NSRCEL) @ **IIMB**

Wadhwani Center for Entrepreneurship Development @ **ISB**

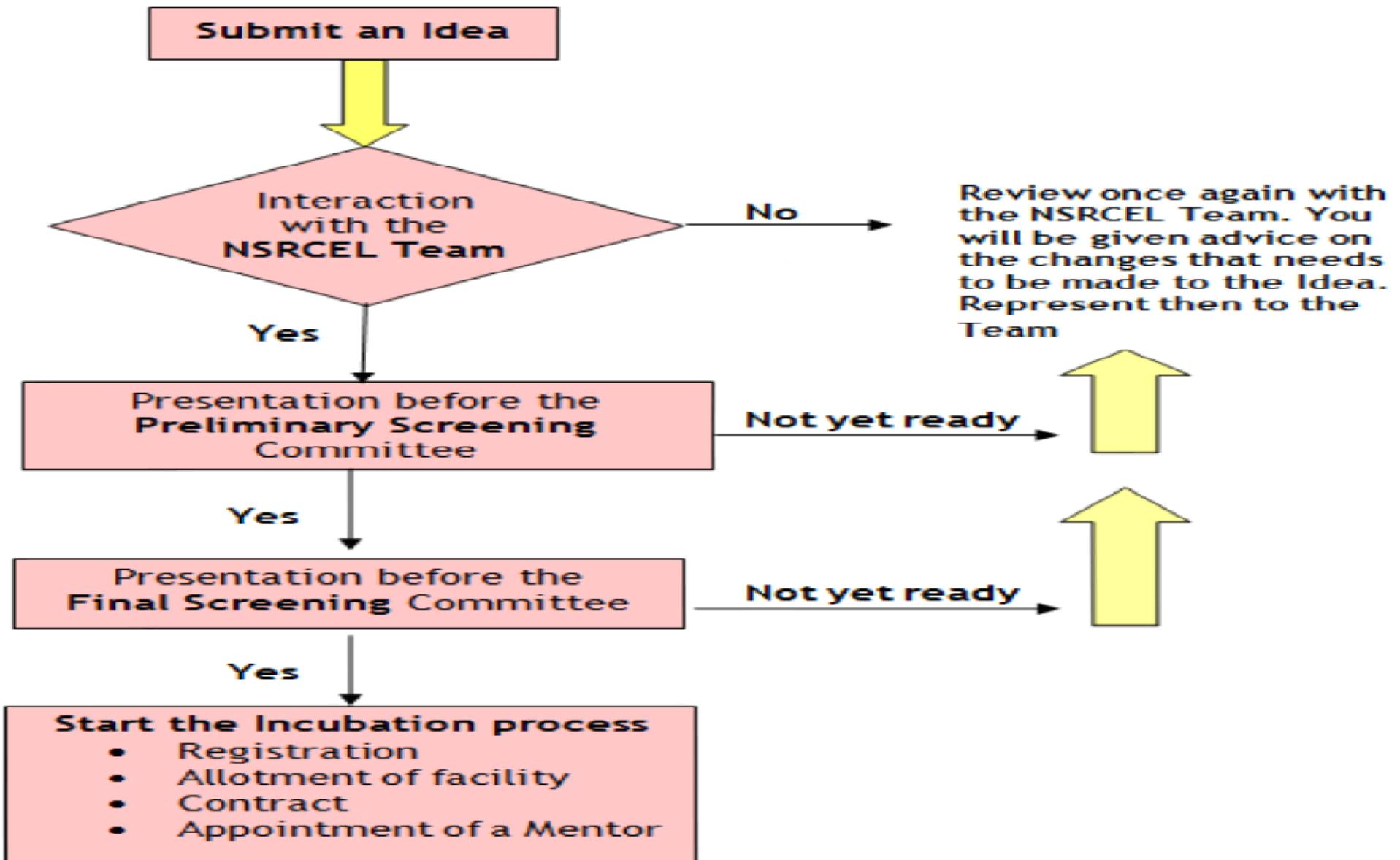
Center for Innovation, Incubation and Entrepreneurship@ **IIMA**

Nirma Labs @ **Nirma University**

Society for Innovation and Entrepreneurship @ **IIT-B**



Incubation Process @ NSRCEL- IIMB



Thank You

For more information
PK Thomas
+91 9986431562

