

Entrepreneurship Spirit of Asia Business Incubation

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Abstract: Business incubators must adapt internationally. In Asia as well as other countries, this adaptation leads to the support of diverse economies, the commercialisation of new technologies, job creation and wealth building. The purpose of this research is to identify the key performance of Asia business incubators (ABI) face. The methodology is based on two approaches. First, a literature review and then an examination of an Asia case studies. Findings, present the key performance, descriptions and highest percentage of incubators key performance for all case studies. It adds knowledge for both academics and practitioners who are interested in Asia business incubation. The conclusion section provides the Asia business incubation outcomes are: 1) entrepreneurship awareness, 2) jobs creation, 3) youth targets, and 4) new technology.

Keywords: Entrepreneurship, Technology, Incubators, Asia

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1 Introduction

Business incubators emerged in the early 1980s out of precursor small enterprise programs developed a decade earlier. Lalkaka and Bishop (1996) identified these programs as (a) business centers, (b) managed workshops, (c) enterprise agencies, (d) industrial estates, and (e) science parks.

An incubator focuses on nurturing the process of small enterprise development. Two features that distinguish incubators from other multi-talent facilities are shared office services and business development assistance (Allen and Dougherty, 1987).

The objectives of this paper are to review the literature relating to the key performance of BI in the Asian countries. It will be focused on the five key performance of BI such as 1) target, 2) sectors, 3) objectives, 4) jobs creation, and 5) years in operation.

The paper is structured as follows: Section 2 provides a thorough review of the literature on the Asian BI. In Section 3 the research methodology included the evidence from literature review and case studies to illustrate key performance of the business incubation. In Section 4, the authors briefly discuss the finding of the both the academic literature and published case studies. Section 5 concludes the results of the taxonomies of the key performance of BI in the Asia.

2 Related Literature Review of Asian Business Incubators (ABI)

The Asian government has played an active role in the incubators model by creating new business to achieving regional economic self-sufficiency. The business incubations are becoming more important for local communities as well as the Asian economy. (Lalkaka R. and Bishop, J., 1996; Lalkaka, D., 2003; Lalkaka, R., 1997a; Lalkaka, R., 1997b; Lalkaka, R., 2000; Lalkaka, R., 2002; Lalkaka, R., Ma, F.L. and Lalkaka, D., 2003.

The core objective of the Asia Incubation is to create a dynamic incubation environment in the Asia Region by bringing in learning, sharing and working coordination among the business incubation practice communities for networking, exchanging and partnership to promote Innovation and Entrepreneurship in the Asia region on a sustainable basis APIN (2011). The objectives of the Asia Incubation include the following:

- 1- Promotion of the Network and its services,
- 2- Creation of learning platforms including e learning, incubator, incubatee databases
- 3- Promoting, conducting and leveraging events and programmes.
- 4- Incubator help-line for advice on practices, strategies, standards
- 5- Incubation client help such as networks and facilitation.
- 6- Development and execution of plans for the financial self-sustainability of the network.

Info DEV (2011a, 2011b). Info DEV is an arm of the World Bank Group. The program of Info DEV was established in 1995 with the primarily goal to grant facility for pilot projects using information and communication technologies (ICT) in order to combat poverty and promote development. In addition, Incubator Support Center - iDISC was established under

the grant agreement with the Information for Development – InfoDEV - Program of the World Bank Group. The main objective of InfoDEV is to address the obstacles facing developing countries such as Asia to support the world economy. Furthermore, to help developing countries and their international partners to maximize the impact of information and communication technologies (ICTs) and promoting broad - based sustainable development.

InfoDEV's Business Incubator in Asia has currently support 2,980 incubated client companies created 40,900 jobs and 980 companies that graduated from the incubator since beginning of operations with total jobs creation 14,100. There are two examples of business incubators in Asia. First, The Tianjin Women's Incubator (TWBI), since its inception in 1988 has created more than 4000 jobs in incubated companies, provided business information and assistance to more than 21,000 women and promoted women's incubation throughout China. Second, The Tiruchirappalli Regional Engineering College–Science and Technology Entrepreneurs Park (TREC-STEP), India, in the last 16 yeas has assisted 180 enterprises 62% in mechanical engineering, 20% in ICT and 13% in chemical industries. Of these 45% have developed innovative new products, 10% are import substitutes and 3% export. The top ten graduates have created more than 1,200 new jobs and the incubator is working on helping more of its companies to export (idisc.net, 2011).

3 Research methodology

The research methodology that has been used in this research study is comprised of desk-research, published case study of incubator organisations in the Asia such as Afghanistan, Australia, Bangladesh, Cambodia, China, India, Indonesia, Vietnam, Japan, Malaysia, Mongolia, Micronesia, Nepal, Pakistan, Philippines, Singapore, Sri Lanka, Taiwan, Thailand and Fiji. In addition, there are many Asian countries with more than one incubator such as India 60 incubation programs, Thailand 12 incubators, Taiwan 8 incubators and China, Bangladesh, Vietnam 5 incubation programs. In addition, the case study method is recognised as the most effective research strategy to capture the rich experience of complex projects (Eisenhardt, 1989; Yin, 1994,2004,2009).

Table 1 shows the analysis of the case studies included country name with the main objective of incubator programs with the services provided by the incubators and the number of incubators in each country.

Table 1: Analysis of Case Studies

No.	Country	No. of BI in each country	Goals	Services
1	Afghanistan	1	1. Job Creation	1. Management that develops and orchestrates business, marketing and management resources and relationships tailored to the needs of the business clients. 2. Shared office services, training, technology support and equipment. 3. Selection of clients and an acceleration process by
2	Australia	3	2. Profitable	
3	Bangladesh	5	Enterprises	
4	Cambodia	2	3. Research	
5	China	5	Commercialization	
6	India	60	4. Entrepreneurship	
7	Indonesia	4	Awareness	
8	Vietnam	5	5. Export Revenues	
9	Japan	1	6. Policy Impact	
10	Malaysia	3	7. Income Generation	
11	Mongolia	4		

12	Micronesia	1		which businesses become more independent and progress to graduation. 4. Assistance in obtaining the financing necessary for business growth. 5. Providing access to appropriate rental space and flexible leases in the incubator.
13	Nepal	2		
14	Pakistan	3		
15	Philippines	3		
16	Singapore	1		
17	Sri Lanka	3		
18	Taiwan	8		
19	Thailand	12		
20	Fiji	1		

4 Findings and Discussion

From the current literature, it is evident (see section 2 above) that the number of business incubators is growing rapidly. At the beginning of 1980, the number was 200, today the number has grown to approximately 7,000 (NCEO, 2000). The Business incubators are becoming more and more popular amongst entrepreneurs and the array of benefits and services offered by incubators manager for start-up companies. In addition, Business incubators offer a range of potential economic development benefits. Their actual impacts on economic development have generally been measured in terms of number of jobs created, firm graduation rates and tax receipts (Lourenco, 2004).

Table 2: Summary of Incubators in the Asian Countries

Key performance	Descriptions	%
1- Target	1- Youth	90
	2- Rural poor	80
	3- Women	75
	4- Urban poor	58
2- Sectors	1- Technology	82
	2- Agriculture	68
	3- Mixed use	66
	4- Clean technology	46
	5- Biotechnology	42
	6- Manufacturing	40
	7- Textile	26
3- Objectives	1- Entrepreneurship	96
	2- Profitable Enterprises	92
	2- Jobs creation	82
	4- Research commercialization	80
	5- Income generation	64
	6- Policy impact	58
	7- Export revenues	44

4 - Jobs creation	1- Jobs (>61)	60
	2- Jobs(46-60)	10
	3- Jobs(31-45)	10
	4- Jobs(16-30)	20
5- Years in operation	1- >10 years	82
	2- 7-9 years	30
	3- 4-6 years	60
	4- 0-3 years	52

Table 2 summarizes of incubators in the Asian countries shows the five key performance of BI such as 1) target, 2) sectors, 3) objectives, 4) jobs creation, and 5) years in operation with description for each incubators and total percentage of each key performance. The seven objectives of the incubators program are entrepreneurship, profitable enterprises, jobs creation, research commercialization, income generation, policy impact and export revenues. In addition, chain incubators program created greater than 61 (60%) and 20% of jobs creation between 16-30 jobs. Moreover, the incubators year of operation more than 10 years 82%, 60% between 4 to 6 years and 52% within 3 years. Furthermore, the target of each incubation in Asian countries will be concentrated on the youth 90%, 80% rural poor, 75% women and 58% urban poor. Finally, there are seven sectors of Asian incubators, for example, technology 82%, agriculture 68%, mixed use 66%, clean technology 46%, biotechnology 42%, manufacturing 40%, and textile 26%.

Table 3 presents the highest percentage of the incubators key performance which is reflect the characteristic of Asia country incubators. First, the main objective is entrepreneurship 96%. Second, the target incubator is youth 90%. Third, the high demand sector is Technology 82%. Fourth, the Asian incubators are operated more than 10 years 82%. Finally, the incubator created more than 61 jobs 60%.

Table 3: Highest percentage of the incubators key performance

Key performance	Descriptions	Highest %
1) Target	Youth	90
2) Sectors	Technology	82
3) Objectives	Entrepreneurship	96
4) Jobs creation	>61 jobs	60
5) Years in operation	>10 years	82

5 Conclusion and Reflection

Business Incubation are critical drivers of social and economic development. With increasing awareness around the world, especially in developing countries such as asia to promote Innovation and 96% Entrepreneurship, policymakers and other stakeholders increasingly view business incubation as an important create sustainable jobs 60%. In addition, the 90% target is youth with 82% technology sectors.

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