# The Retreat from the Ambiguities of Entrepreneurship

# A study of Business Incubators



# Master's Thesis, Degree Project

Managing People Knowledge and Change

# **Authors:**

Rasmus Jonsson

**Emilia Olandersson** 

# **Supervisors:**

Kate Sullivan

&

Stefan Sveningsson

Spring 2013

## **Abstract**

**Title:** The retreat from the ambiguities of entrepreneurship: A study of Business Incubators

**Submission date:** May 22<sup>th</sup> 2013

Course: BUSN49 Degree Project in Managing People Knowledge and Change- Master Level

Authors: Rasmus Jonsson & Emilia Olandersson

**Supervisor:** Kate Sullivan, Department of Business Administration, School of Economics and Management, Lund University & Stefan Sveningsson, Department of Business Administration, School of Economics and Management, Lund University.

**Purpose:** Our purpose is to gain a greater understanding of business incubators, through addressing the missing focus on tenants' experiences of business incubators.

**Methodology:** The research is based on an interview study of a business incubator located, in the south of Sweden. The research was conducted from an interpretative perspective, but during the process we also took on a critical stance.

Research Question: How do tenants experience being part of a business incubator?

**Findings:** The tenants at the studied business incubator experienced the resources provided by the business incubator as having an ambiguity reducing effect, through structure and submission. Moreover, due to the business incubator promotion of a certain way of being, the tenants may have put more of their real-self into the entrepreneurial process and thus contributing to a self-disciplining effect.

**Originality/value:** The study adds nuances to existing theories and contributes with insights for practitioners regarding how to create business incubators that better fits the needs of the tenants. By applying an interpretative and critical perspective we also put the tenants' experiences in center.

**Keywords:** Business Incubators, Entrepreneurs, Resources, Structure and Ambiguity.

**Acknowledgement** 

Writing a Master's Thesis is a journey of both pleasure and pain. As having accomplished this

great journey we first and foremost would like to thank our supervisor, Kate Sullivan. When

feeling lost she has encouraged us by her always so humble and cool attitude. Also in times of

flow she has supported us to be a little bold and make it our way. We would also like to thank

Stefan Sveningsson who has been very kind to assist in the supervision and giving us valuable

feedback. Thanks Kate and Stefan!

We would also like to thank all our participants for sharing their time and talking to us. By

giving us many interesting hours of interviews, you are the foundation of our study. Without

you this thesis would not have been possible. Thanks to all of you!

Last but not least we also want to thank our families and friends for being a great support

during our study. We might not have been the most social creatures during these months but

with your support the journey has been so much easier. Thanks guys for coping with us!

Lund, May 22<sup>nd</sup>, 2013

Rasmus Jonsson & Emilia Olandersson

# **Table of Contents**

1.	Introduction	1
	1.1 Research problem	2
	1.2 Research purpose and question	3
	1.3 Layout	4
2.	Litterateur Review	5
	2.1 The concept of business incubators – definitions and purposes	5
	2.2 Tenants in business incubators	7
	2.3 Entrepreneurial theories as providing less functional perspectives	9
	2.4 The theories of escape from freedom and neo-normative control	10
	2.4.1 Escape from freedom	10
	2.4.2 Neo-normative control	11
3.	Method and Methodology	13
	3.1 Epistemological and ontological considerations	13
	3.2 Design and process	14
	3.3 Participants and sample	15
	3.4 Analysis of empirical material	15
	3.5 Trustworthiness and authenticity	16
	3.6 Reflexivity	17
4.	Empirical Material and Analysis	20
	4.1 The site	20
	4.1.1 A tale of structure and socializing	22
	4.2 The Incubators as a provider of resources.	23
	4.3 The ambiguities of entrepreneurship and the Incubator as providing structure	27
	4.3.1 Ambiguities of entrepreneurship	28
	4.3.2 The Incubator as providing structure	29
	4.4 How one should be as an entrepreneur and in the Incubator	32

5. Discussion	35
5.1 The business incubator as reducing ambiguities of entrepreneurship	35
5.1.1 Guidance and advice, infrastructure, network and legitimacy reduction	
5.2 Escaping freedom	38
5.3 Be whoever you want	40
6. Conclusion	44
6.1 Our process	44
6.2 Main findings	45
6.2.1 The business incubator as an ambiguity reducer	45
6.2.2 Escaping freedom	46
6.2.3 Be whoever you want - as long as you are social and outgoing	46
6.3 Theoretical and practical contributions	47
6.4 Reflections and suggestions for further research	49
References	50

# 1. Introduction

"When I was in college, guys usually pretended they were in a band - now they pretend they are in a start-up." Observer (The Economist, 2009)

We apparently live in an entrepreneurial society, having an entrepreneurial economy, and pretending to be in a start-up in college has replaced pretending to be in a band as a social status marker (The Economist, 2009). Moreover, in the European Union (EU), entrepreneurship is highlighted as crucial for the economic development and small and medium-sized companies account for more than 98 % of all companies within EU (Ecorys, 2012). However, entrepreneurship and start-up companies are also faced with issues that more mature companies do not face to the same extent. These issues can be related to things such as lack of economy of scale and difficulties to gain access to certain resources, but also to more everyday problems such as lack of know-how (Bøllingtoft & Ulhøi, 2005).

With the increasing focus on entrepreneurship, policymakers seek to create supporting arrangements for start-up companies. One such arrangement is business incubators. Business incubators are often referred to as shared facilities that seek to provide newly formed companies with support and assistance in order to survive and grow (Hackett & Dilts, 2004). Between 1998 and 2006, the amount of business incubators in North America almost doubled to approximately 1400 (Vanderstraeten & Matthyssens, 2012) and in EU there were around 900 business incubators in 2002, which are estimated to contribute to approximately 40 000 new jobs each year (CSES, 2002). In the light of the increased popularity of business incubators and considering the growing number of them, the notion of business incubators is relevant to study.

The reason for the growth of business incubators is probably due to the idea that they contribute to economic growth through facilitating the start-ups' survival and growth. Previous research has depicted three main purposes with business incubators: (1) To enable companies to startup successfully and to leave the business incubator financially freestanding and viable (Al-Mubaraki & Busler, 2013; Schwartz & Hornych, 2008); (2) to stimulate the economic development of its community by contributing to start-ups' survival rate, business growth, and job creation (Ahmed & Ingle, 2013; Al-Mubaraki & Busler, 2013); (3) and as

tools for policy makers to increase economic development, innovation and the emergence of new firms (Ahmed & Ingle, 2013; Bergek & Norrman, 2008). What all these purposes have in common is the assumption that an incubator through provision of resources such as office space (Aerts, Matthyssens & Vandenbempt, 2007), networks (Bøllingtoft & Ulhøi, 2005), guidance and advice (Bergek & Norrman, 2008) and legitimacy (Smilor, 1987) can contribute to these desired results. We will argue that the prevailing view of business incubators, as providers of certain resources in order to contribute to desired results, assumes a functionalistic view. This functionalistic view is excluding the experiences of the tenants in the business incubator, which is where our research problem is based.

# 1.1 Research problem

Through evaluating the existing literature on business incubators and the depiction of business incubators in business magazines, we found that the prevailing view of business incubators assumes a functionalistic view. Business incubators are depicted like machines that produce certain results: put start-up companies under one roof, add some support functions, and voila! Out comes economic growth and job creation. We argue that this assumption is missing a critical piece; a business incubator consists of different companies represented by individuals. By excluding the individuals' experiences of working in a business incubator, we argue that research only can gain limited understanding of the phenomena of business incubators.

When analyzing our empirical material we also noticed how existing theories on business incubators were insufficient to explain the experiences of the tenants in the business incubator. For instance, the tenants seemed to experience being part of a business incubator as having a structuring effect on their work-lives, as well as entailing a certain way of being. We argue that this amplified the problem of the one-sided, functionalistic, research on business incubators and further motivated this study to take an interpretative approach. This also highlighted the need to bring in additional theories from other research fields in order to gain more insight on business incubators. We argue that such insight is important because it adds nuances to theories about business incubators and the role of resources in business incubators. Such nuances could contribute to creating business incubators that better fit the tenants' needs.

<sup>&</sup>lt;sup>1</sup> Tenants refer to the individuals or companies that rent office space from a business incubator.

As a comparison, research on the related field of entrepreneurship has already acknowledged this problem and explored entrepreneurs from an interpretative and critical perspective. Jones and Spicer (2009) argue that the functionalistic view is not enough to understand entrepreneurship and instead argue for an interpretive and critical perspective. For example, Morris, Kuratko, Schindehutte & Spivack (2012) highlight that entrepreneurs construct their realities and Steyaert (2004) and Johannisson (2007) highlight the importance of taking the prosaic and everyday-life into account. In brief, some of the perspectives that have been taken on entrepreneurship have been largely unexplored when it comes to business incubators.

In line with this, we suggest that these aspects are important to bring into the research area of business incubators as well. We argue that the tenants' experiences are important to emphasize in order to develop a greater understanding of business incubators, both to scholars and practitioners. With regard to this identified research problem we have come to formulate the following purpose of our research.

## 1.2 Research purpose and question

The purpose of our study is to gain a deeper understanding of business incubators and of tenants' experiences of business incubators. This study also sets out to put the tenants' experiences on the research map. The aim is however not to generalize but to study how a group of tenants at a particular business incubator located in the south of Sweden, experience being part of the incubator. We have done this by conducting an interview study and applying an interpretative perspective, which we have found to be less emphasized in the previous research on business incubators. With regard to this we have formulated the following research question:

How do tenants experience being a part of a business incubator?

The research question has mainly been used as a guiding question for this thesis. The benefit with this rather wide research question is that it has enabled multiple interpretations and led the research into paths that have been limitedly explored in previous research on business incubators. For example, during the process of analyzing we ended up examining critical theory in order to make sense of our findings. This resulted in that we also took a critical stance in addition to our interpretative paradigm.

## 1.3 Layout

This thesis is divided into six chapters whereas the first chapter is this introduction. Chapter two consists of a literature review on previous literature on business incubators and tenants. In line with our interpretative paradigm, we drawn upon theories within the related filed of entrepreneurship in order to make sense of our findings. The chapter is then concluded by a presentation of the concepts of escape from freedom and normative control, since we came to find these theories to be essential in order to make sense of the tenants' experiences.

Having presented our literature review and concepts, we will in chapter three present our methodology and method. Here we present our interpretative paradigm with a critical stance, our interview method, the way we conducted our analysis, as well as a discussion of trustworthiness, authenticity, and reflexivity. In chapter four we will then present our empirical findings and analysis. This chapter is introduced with a presentation of our case and a story to describe essential aspects at the studied business incubator. The rest of the chapter is divided into three main sections where we show the tenants' experiences in relation to resources, structure and how to be in the Incubator. We will also provide a great amount of quotes in this chapter as we find this to be valuable for the richness of the analysis.

We then continue our theses with a chapter of discussion. With the findings of resources, structure and how to be, from the analysis chapter, we here develop these findings in a both an interpretative and critical approach. Our thesis is then concluded by a chapter of conclusion. Here we summarize our research, present our contributions to research and give practical implications and suggestions to further research.

# 2. Litterateur Review

In this chapter we will provide an overview of existing literature on business incubators We will present a selection of definitions, explore the support functions of business incubators as well as the different purposes of business incubators. We will also give an overview of how tenants have been depicted in the literature. The chapter then continues with presenting entrepreneurial theory, in order to view tenants form a more interpretative and critical perspective. The chapter ends with the two theories of escape from freedom and neonormative control, as we find these theories essential in order to discuss and make sense of the empirical material.

# 2.1 The concept of business incubators – definitions and purposes

In its most simple definition, business incubators provide start-up companies with support in order for the companies to survive and grow (Hackett & Dilts, 2004). The concept of business incubators has been studied during the last 30 years, despite this there exists no agreed upon definition. One problem with the construct is the many overlapping concepts to business incubators, such as business accelerators, research parks, science parks, knowledge parks, seedbeds, industrial parks, innovation centers, technopoles and networked incubators (Bøllingtoft & Ulhøi, 2005). However, according to Bøllingtoft and Ulhøi (2005) all these concepts reflect the overall objective of business incubators: "to provide some degree of supporting infrastructure to compensate for perceived failures or imperfections in the market mechanism" (p. 269). In line with Bøllingtoft and Ulhøi's (2005) argument, that supportive functions are essential, Hackett and Dilts (2004) give a similar definition to business incubators: "a shared office space facility that seeks to provide its incubatees [...] with a strategic, value-adding intervention system [...] of monitoring and business assistance" (p. 57). Furthermore, the Swedish industry association for Swedish incubators and science parks (SISP) offers the following definition for incubators: "Incubators assist entrepreneurs with active and appropriate management, technical, commercial and financial network as well as a creative growth environment" (SISP, n.d.). One recurring element in the definitions is that an incubator is assumed to provide support functions.

Business incubators' support functions have developed over time (Bruneel, Clarysse, Ratinho & Groen, 2012). In the beginning, business incubators' support functions consisted of what Bergek and Norrman (2008) categorize as a shared office space with more or less favorable

rents and a bundle of shared services to reduce overhead costs. However, a shared infrastructure is still seen as fundamental to contemporary business incubators (Hackett & Dilts, 2004). Aerts, Matthyssens and Vandenbempt (2007) argue that by providing facilities and offices, it allows start-up companies to focus on their business plans. Moreover, Chan and Lau (2005) studied technology-based start-ups in a technology incubator within a science park, and found that cost advantages such as rental subsidies was the most important benefit that the tenants gained from the business incubator.

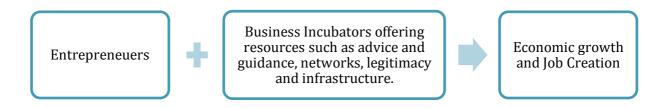
The support functions later expanded (Bruneel et al., 2012) and today they also include what Bergek and Norrman (2008) categorize as business support and advice, and provision of internal and/or external networks. In a study of 24 businesses incubators in Australia, the training and advice was found as something that tenants had high expectations on (Abduh, D'Souza, Quazi and Burley, 2007). However, some authors, like Tötterman and Sten (2005), have questioned business incubators' actual ability to provide such services. Tötterman and Sten (2005) ask the question: "How can incubator staff, with general business know-how, assist entrepreneurs who face some product- or industry-specific issue that their own expertise is not capable to solve?" (p. 503). Regarding internal and/or external networks, business incubators have the potential to foster cooperatives and synergies (Schwartz & Hornych, 2008). However, in Schwartz and Hornych's (2008) study at a sector-specialized business incubator in Germany, the authors concluded that such synergies hardly take place (Schwartz & Hornych, 2008). McAdam and Marlow (2007) argue that this might be due to a reluctance to share information due to business secrets. However, Bøllingtoft and Ulhøi (2005) studied a business incubator that had a strong emphasis on networking. The authors found that business incubators can give access to collective social capital and this may give rise to social and economic opportunities.

In addition to this, business incubators can provide some more intangible resources, such as legitimacy. Smilor (1987) argued that it is important for business incubators to provide a perception of success to the surrounding community. According to the author this can help to position the tenants' companies in the market. Similarly, Ferguson and Olofsson (2004) found that new-technology based firms located in two Swedish science parks, reported a higher image benefit than off site companies. Schwartz and Hornych (2008) argue that this kind of intangible resource is especially important to newly founded companies, which need to develop legitimacy in the market. Today focus is arguably on the networking aspect as

business incubators highlight a resourceful network, provision of specialized services and shortening companies' time-to-market (Grimaldi & Grandi, 2005). In sum, business incubators' main purpose is to provide different sorts of support to small businesses. The focus of the supportive functions varies, though today's focus is arguably on the networking aspect. What is then the purpose of the support functions?

The aim of providing a supporting environment for businesses can be seen as twofold. On the one hand, by providing support functions, business incubators seek to enable companies to start up successfully and to leave the business incubator financially freestanding and viable (Al-Mubaraki & Busler, 2013; Schwartz & Hornych, 2008). On the other hand, business incubators can also be seen as aimed at stimulating the economic development of its community by contributing to start-ups' survival rate, business growth, and job creation (Ahmed & Ingle, 2013; Al-Mubaraki & Busler, 2013). Further, policy makers have come to view business incubators as tools for economic development, innovation and the emergence of new firms (Ahmed & Ingle, 2013; Bergek & Norrman, 2008). In brief, business incubators' objective is to support start-up companies, through providing resources, and thus produce successful companies and economic growth. In model 1 we summarize the view of business incubators in the literature. The model intends to show how adding entrepreneurs with business incubators, which offer different resources, can contribute to economic growth and job creation.

#### Model 1.



#### 2.2 Tenants in business incubators

Research on tenants within business incubators seems to be sparse. According to Hackett & Dilts (2004) this is probably an effect of the somewhat overlapping research within entrepreneurship and new venture development (Hackett & Dilts, 2004). However, some scholars have examined the role of tenants within business incubators or similar settings (Fry

1987; Sherer & McDonald, 1998; Stuart & Albetti, 1987). Sherer and McDolad (1998) examined how tenants prioritize among long-term and short-term product-development loops at a high-tech incubator. Their conclusion was that there need to be an improvement in separating long-term loops and short-term loops, in order for product development to run smoother. The authors emphasize the tenants' priorities and how this relates to improvements in product development. Similarly to Sherer and McDonald's (1998) study, Stuart and Abetti (1987) examined a high-tech incubator with the purpose to outline success in relation to market, company and entrepreneurial characteristics. In the relation between entrepreneurship and success, they found that the entrepreneurial characteristics, or level of entrepreneurship, are correlated with initial success. In addition Fry (1987) emphasizes the tenants within business incubators as he examines planning and its division between managers of an incubator and the tenants. Further Fry (1987) suggests that tenants and business incubator managers should make planning activities together. He also argues that the purpose of the study is to contribute to further research of setting rules for business incubator managers' involvement in the tenants businesses. Moreover, Aerts, Matthyssens and Vandenbempt (2007) also put the tenants more in focus in their study. The authors examined the European field of business incubators and focused on tenants in relation to screening processes in order for tenants to pass or fail in joining a business incubator. The authors suggest stricter screening processes in order to decrease the amount of tenant failure.

To conclude, previous research on business incubators has mostly emphasized the different supportive functions in order to contribute to the companies' survival and growth. The role of the tenant has also been emphasized in order for business incubators to accomplish this. It can thus be argued that business incubators have been viewed in a rather machine-like manner. Business incubators are assumed to produce certain results, through providing certain resources. What we notice is that this dominant view on business incubators and tenants do not account for the tenants' experiences of business incubators. This leads us to explore theories within the field of entrepreneurship. The field of entrepreneurship overlaps to a certain extent with the field of business incubators (Hackett & Dilts, 2004), or similarly, business incubators are examined in the light of the entrepreneurial processes (Peters, Rice & Sundararajan, 2004). Hacket and Dilts (2004) make the distinction between entrepreneur (the individual) and incubatee (the group or firm). With the exception of two tenants, in our study the entrepreneur and the incubatee would be the same since the other tenants do not have employees. Through viewing the tenants as entrepreneurs, it allows us to draw upon theories

with a more interpretative and critical stance. We therefore think entrepreneurial theory can help us gain a greater understanding of our findings, and especially interpretative and critical entrepreneurship theory.

## 2.3 Entrepreneurial theories as providing less functional perspectives

According to Jones and Spicer (2009) "The failures of functionalist studies of entrepreneurship have led some researchers to give up the search for causes and effects of entrepreneurship" (p. 12) and instead study the social construction of entrepreneurship. Authors have focused on viewing entrepreneurs in the light of experiences and less formal aspects (Hjort & Steyaert, 2004; Johannisson, 2007; Morris, Kuratko, Schindehutte & Spivack, 2012). For example, Morris, Kuratko, Schindehutte and Spivack (2012) examine the entrepreneurial multidimensional experiences, which they argue bring great value to both entrepreneurial studies and to better understand learning, behavior and identity. Moreover, Morris et al. (2012) highlight that entrepreneurs construct their realities and pass through different events in their every-day life. These events are further viewed as sources of feelings and emotions that share the characteristics of experiences in other dominant parts of our lives (Morris et al., 2012). Further, Johannisson (2007) argues that in organizational contexts, as well as in entrepreneurship, we always have to take into account the notion of chaos and disturbances similar to our everyday-life. Johannisson (2007) further argues that the 'heroic stamp' on entrepreneurship contributes to an unrealistic perspective on entrepreneurship. The 'heroic stamp' needs to be washed off in order to recognize entrepreneurship as an everydaylife-activity where meaning-making and identity-construction are essential (Johannisson, 2007).

As seen above, several authors argue that entrepreneurship needs to be understood in its context where similarities to our everyday-life not are far away. In line with this, Sarason, Dean and Dillan (2006) state that, "Entrepreneurship is a social undertaking. That is, it must be carried out, and therefore understood, within the context of social systems." (p. 287). Through structuration theory, Sarason et al. (2006) argue that social contexts need to be taken into account as entrepreneurs both interpret and influence their contexts. In this section, we have presented theoretical examples of how entrepreneurs are viewed in a less functional way, compared to literature on tenants in business incubators. We argue that by emphasizing a more social approach of tenants in business incubators we can, in line with the existing

literature on entrepreneurial experiences, better understand the tenants' experiences and business incubators.

## 2.4 The theories of escape from freedom and neo-normative control

According to Jones and Spicer (2009) entrepreneurship can also be understood and approached critically. The authors argue that it is "vital that we consider entrepreneurship as a way of talking, a language used by people that produces power, relations and that these power relations may involve problems" (p. 14). Moreover, according to the authors, a critical perspective adds something that the interpretive lacks; Entrepreneurship is not just about creating meaning, but also about producing and reproducing domination. For example, Pettersson (2004) studied the discursive construction of entrepreneurs in the Swedish society Gnosjö (famous for its entrepreneurial spirit) and found that the construct was highly linked to the notion of masculinity. In our empirical material we interpreted certain aspects of the tenants' experiences to be in the area of power, especially the studied business incubator's structuring effect and how one should be. We would therefore like to introduce two critical frameworks below, escape from freedom and neo-normative control.

## 2.4.1 Escape from freedom

In our study we observed how the entrepreneurs where liberated from the bonds of traditional work (such as where to be and what to do), but simultaneously anxious about their entrepreneurial life. In a similar manner Fromm (1942/2005) argues that people have grown freer during the rise of Protestantism and capitalism. People have become more economically free, free from mystifying elements and begun to see oneself more objectively. Individuals have also become more politically free, which peaked in the modern democratic state based on the principles of equality among people. At the same time, the author argues that the individual have become more isolated and alone. The bonds that used to trap the individual also used to give the individual security and a feeling of belonging. According to the author, this can cause an overwhelming sense of nothingness and helplessness. On a similar note, Sennett (2001) argues that the contemporary society is more flexible and this is claimed to give people more freedom. In the beginning of the capitalistic society work-life was more routinized and controlled, which also entailed a certain sense of security for individuals. However, the new order of society also entails new ways of control, which the authors argue are more difficult to understand. This new flexible order contributes to a situation where it is

difficult for individuals to create coherent self-narratives (Sennett, 2001). How might then individuals cope with these ambiguities of contemporary society?

Fromm argues that in order to escape the freedom, the overwhelming sense of nothingness and helplessness, two courses of actions are possible. The first course entails a progress to "positive freedom" where the individual can "become one again with man, nature, and himself, without giving up the independence and integrity of his individual self" (p. 121). The other course entails giving up the freedom and eliminate the gap between oneself and the world. The author calls this escape because an individual's separateness form the world cannot be reversed. Instead, all the individual can do is to try to escape.

Further, Fromm (1942/2005) argues that there are three different mechanisms of escape: destructiveness, conformity and authoritarianism. Destructiveness is an escape mechanism that assumes that the individual can escape the feeling of powerlessness in comparison with the outside world by destroying it. Conformity refers to the process of adopting the type of personality offered by cultural patterns and to cease to be oneself. By doing so, the individual escape from the discrepancy between the world and the "I" through becoming like everyone else. In our study, we will focus upon authoritarianism. If the destructiveness is a way to response to a painful existence through destroying the world, authoritarianism is an attempt to cope with the painful existence through more or less eliminating oneself. Authoritarianism is the tendency to give up freedom through fusing oneself with others. There are two ways of doing this: One is to become an authority, as in a person who wishes to gain control over other people and apply structures to others. The other way is by submitting to the control of some superior external power outside the self. This can be a person, God, an institution and so on. By becoming part of such external power, one fuses with the power's strength and glory, but at the cost of submitting oneself to the external power and glory (Fromm, 1942/2005). Freedom can thus be seen as an anxiety producing state, which individuals try to escape through submission or fusion. Below we will examine the aspect of neo-normative control as way to affect individuals' behavior.

## 2.4.2 Neo-normative control

The studied business incubator promoted people to be whoever they wanted. Similarly, Fleming and Sturdy (2009) studied a call-center in Australia with around 1000 employees. The authors argue that by encouraging the employees to 'be themselves', this call-center tried

to control their employees through neo-normative control. The authors propose five dimensions of neo-normative control, which we will explore briefly. The first dimension is that neo-normative control reinforces broader societal constructions of identity. The second dimension refers to that the expressions of individual differences become limited. That is, not all differences are welcomed. The third dimension is concerned with a selective utilization of the more private elements of oneself as a resource at work. The fourth dimension of neo-normative control stresses that when individuals are encouraged to bring more of their 'real-selves' to work; the so-called real self becomes responsible for success and failure at work. This has, according to the authors, a self-disciplining effect. Lastly, neo-normative control inspires resistance. At the call-center Fleming and Sturdy (2009) studied, resistance was expressed through cynicism and challenging the individualism by emphasizing the uniformity and solidarity of the workplace.

In this chapter we have presented theories on business incubators and the tenants within them. We have also presented theories on entrepreneurship in a more social context in order to provide theories that we find to also be applicable on tenants within business incubators. Further, the concepts of escape from freedom and neo-normative control was presented in order to give an overview of more critical theories that we find essential to some of our interpretations of the tenants' experiences. In the next chapter we will present our methodology and methods.

# 3. Method and Methodology

As argued above, we have identified a problem regarding a dominating functional perspective on business incubators. In order to gain a greater understanding of tenants' experiences of business incubators, we chose to examine how a group of tenants actually experience the incubator they are a part of. The research site, i.e. the studied incubator, will from now on be referred to as the Incubator. In the following section we will outline our methodological understandings and explain how these understandings are connected to semi-structured interviews as our chosen research method. We will also present the research processes during the study. The method section will end with a discussion on trustworthiness and authenticity as well as a discussion on reflexivity.

## 3.1 Epistemological and ontological considerations

We have applied an interpretative paradigm in order to better understand the tenants' experiences of the Incubator. From an epistemological perspective we take an interpretative approach that emphasizes understanding, in contrast to the positivistic that highlights explaining (Bryman & Bell, 2007). From an ontological perspective we emphasize a constructional position, which entails that we cannot assume that reality is objective, instead reality must be examined as socially constructed. The epistemological and ontological standpoints can be seen as expressed in the interpretative paradigm, which views individuals as socially constructing their realities through experiences (Morgan, 1980). According to Sandberg and Targama (2007) there are three underlying assumptions of the interpretative paradigm: reality is subjective, but simultaneously shared and constantly negotiated with other people; knowledge is socially constructed and truths stem from collective experiences; and lastly, we act according to our understanding of our reality.

We would argue that by applying an interpretative perspective, we are able to gain a deeper insight of business incubators. However, by applying an interpretative perspective, we treat business incubators as dynamic, as socially negotiated, and tenants' actions as highly linked to their interpretations of the business incubator. As a result, we hope to gain deeper insight of the phenomenon of how tenants experience business incubators and thus add nuance to existing theories, which could contribute to creating business incubators that better fit the needs of the tenants.

During the process of analyzing the empirical material, we started to look at critical theory. We did this in order to gain a greater understanding of our findings such as why some tenants wanted to submit themselves to more control, and why tenants experiencing that they should be in a particular way. As seen in the literature review, the research field of entrepreneurship has previously been examined from a critical perspective (e.g. Hjort & Steyaert, 2004; Jones & Spicer, 2009; Pettersson, 2004). Alvesson and Sköldberg (2009) argue that thinking in a dialect way can facilitate interesting interpretations, such as the submissive entrepreneur. Thus, by introducing for example Fromm's (1942/2005) ideas, we seek "counter-images [...] to make interpretations in which empirical phenomenon are elucidated in the established order and the transcendental" (Alvesson & Sköldberg, 2000, p. 139). We would therefore like to add a critical stance to our interpretative paradigm. Next follows a presentation of our design of the study as well as certain processes that we find important to discuss.

## 3.2 Design and process

In order to answer our research question 'How do tenants experience being a part of a business incubator?' and due to our epistemological and ontological stance, we employed a qualitative method. We employed semi-structured interviews, which also enabled us to discover new and unexpected themes. In addition to the semi-structured interviews we also examined the Incubator's home page and a brochure and observed the surroundings and how people interacted with each other. Overall, both the observations and the examination of the home page and brochure should be seen as complementing the primary empirical material, derived from the semi-structured interviews.

We conducted 13 semi-structured interviews with tenants and personnel that were a part of the Incubator. The semi-structured interviews allowed us to be flexible and to take new directions during our interviews. All of the interviews were conducted at the Incubator and lasted between 50 and 70 minutes. We conducted the interviews at the Incubator and by sitting down in the common area before and after the interviews we got a sense of the atmosphere at the Incubator. By doing this, we were able to observe how people were interacting with each other under less formal circumstances, but also to talk to people. For example, between two scheduled interviews we got the chance to have a less formal interview with two tenants that just had moved in a couple of hours earlier. Moreover, conducting our interviews at the business incubator may also have helped in making the participants feel more comfortable. Both researchers were present at all interviews, though one of us was in

charge during the interview and asking the questions while the other filled in when appropriate. All interviews were recorded and transcribed.

## 3.3 Participants and sample

At the studied business incubator, there are approximately 18 companies. During our fieldwork some companies have moved out whereas new have moved in. We conducted interviews with 11 tenants, from 10 different companies. In addition to this, we also interviewed two people who are a part of the Incubator's staff. One is a business advisor and the other CEO of the Incubator. The two interviews with the business advisor and the CEO were made before the interviews with the tenants. This was made with the purpose of getting a better understanding of the activities and objectives at the Incubator before we started interviewing the tenants. When selecting our participants (the tenants) we used a purposeful sample, which according to Merriam (2002) is useful in qualitative research as it selects a sample from which most can be learned. Our sample of 11 tenants includes nine men and two women with the age range from approximately 25 to 60. The participants operated in industries such as recruiting, staffing, management consulting, software development, communication and PR and more. The sample also represents both newer members of the business incubator as well as older members.

## 3.4 Analysis of empirical material

As the interviews were conducted we transcribed and analyzed them on an ongoing basis. This allowed us to both remember different moods and atmospheres during the interviews, but also to discover themes that directed our research and to adjust the interview guide to get more out of the interviews. We analyzed our empirical material by identifying themes in the transcripts. To do this we applied a hermeneutic reading. We first read the transcripts looking for common themes, based on repetitions, contradictions, metaphors and transitions (Ryan & Bernard, 2003), which related to our research question of how tenants experience being part of a business incubator. Our initial themes were influenced by business incubator literature and concerned topics such as advisement, legitimacy, knowledge sharing, etc. We then developed these themes through reading the transcripts more closely, but still with the themes as a guiding frame. This enabled us to find more support for our themes, but also to aggregate some scattered themes (such as "collaborations", "meeting new people", and "getting customers") to a more overarching theme (i.e. "how one should be").

We tried to work in a circular process and not to get stuck in the original themes. We did this by relating the part to the whole in an objective hermeneutic manner, where for example statements were interpreted in the context of information we learned from observations or secondary sources. Moreover, we also tried to consider our own pre-understandings in an alethic hermeneutic manner, in order to develop new understandings. For example, we had the preconception that business incubators in general concern how to start and run a successful business, and we questioned whether this really could be taught. Even though there are elements of this notion at the business incubator, the primary purpose and concern is that of a facilitator of business survival and growth.

# 3.5 Trustworthiness and authenticity

To evaluate our research we applied Guba and Lincoln's (1994) way of evaluating qualitative research, which is underpinned by the criteria trustworthiness and authenticity. Trustworthiness includes four aspects: credibility, transferability, dependability and conformability. Credibility addresses the problem of having accurate account of reality even though the ontological standpoints we depart from enable multiple accounts of reality (Bryman & Bell, 2003). To gain credibility we tried to spend prolonged time in the field in order to get an in-depth understanding of the phenomenon (Creswell, 2003). Moreover, previous to this research, one of the researchers has spent six months working full-time in the business incubator. We also tried to triangulate different sources of empirical material, through interviewing two different sources (personnel and tenants) and examining the home page and the brochure. Lastly, in order to gain credibility, we looked for discrepant information, which runs counter to the themes (Creswell, 2003).

Transferability, which is the second aspect of trustworthiness, is concerned with the issue of how to assess if the findings can be transferred to other contexts. The major technique for establishing transferability is thick description, which refers to a broad and in-depth description of the time, the place, the context and the culture (Guba & Lincoln, 1989). We have aimed at providing a thick description by presenting many quotes and trying to show rather than tell the reader what to think.

The third dimension of trustworthiness, dependability, refers to the stability of empirical material over time (Guba & Lincoln, 1989). In order to gain dependability we used a research diary, where we wrote down observations from the interviews when certain interpretations

were formed, and what influenced them. Furthermore, we also tried to gain dependability by accounting for our research process in our method and methodology chapter, by describing how, what and why we did certain things.

Conformability is the last dimension of trustworthiness and refers to assuring that empirical material, interpretations, and outcomes of inquiries are rooted in the studied individuals and contexts (Guba & Lincoln, 1989). The main way we try to achieve conformability is through reflexivity, which will be discussed in a separate section below.

Authenticity, which is the second criteria proposed by Guba and Lincoln (1994), is concerned with fairness, ontological authenticity, educative authenticity, catalytic authenticity and tactical authenticity (Guba & Lincoln, 1994). The first criterion is fairness. The criterion is concerned with the accuracy of the study, regarding represent the studied group and their opinions (Guba & Lincoln, 1989). To assure this we tried to give voice to both different opinions among the tenants and the different topics the tenants seemed to think was important. Taken together ontological and educative authenticity can be argued, to be a call for evaluating if the study has contributed to a greater understanding, both for the participants and an understanding of the participants' understandings. Guba and Lincoln's (1994) two other authenticity criteria, catalytic and tactical, can be argued to highlight the importance of empowering participants to take action. To account for this we will provide the tenants and the business incubator personnel with our thesis. Moreover, we would argue that simply by talking and discussing with the tenants have contributed to the authenticity. People asked us what others thought about the Incubator, what we thought, and what suggestions we would make. With as much respect for other individuals' anonymity and trying to not influence them in saying certain things, we participated in these discussions and thus probably contributing to a greater understanding and change.

## 3.6 Reflexivity

Since our intentions were to examine how individuals in a business incubator experience and create meanings of their world, we had to make interpretations of the individuals' interpretations. As Alvesson and Sköldberg (2009) argue, social science is a matter of interpreting interpretative beings. This forced us, as researchers in social sciences and qualitative research, to be the primary research instrument (Merriam, 2002). Since we are the primary instruments, there will be biases that need to be managed regarding our

interpretations, such as our preconceptions. Since one of us has worked at one of the tenants companies, this might add some extra biases that need to be managed. Simultaneously, this also contributed to better understanding of the business incubator and more intimate relationships with the tenants. Further, some of the preconceptions we had about business incubators were that: people who are drawn to business incubators are social and outgoing, they have also (at least partly) an entrepreneurial identity and the business incubator itself want to appear as successful and attractive. Moreover, we also needed to manage the individuals' interpretations to some degree. In order to manage our different preconceptions and the individuals' interpretations, we tried to be reflexive.

Alvesson and Sköldberg (2009) argue that reflexivity is important in four areas, interaction with empirical material, interpretation, critical interpretation and reflection on language use. Some of the ways we tried to be reflexive in our research were by being of aware of own pre-understandings. We tried to take advantage of the fact that we are two persons, with partly different educational backgrounds, who both make individual interpretations and experience situations in different ways. We also initially analyzed our material individually in order to get a broader perspective and then compare our findings and interpretations.

In the situations of us conducting the interviews, a certain power- and language relation occurs that distinguishes the interviews from regular conversations (Kvale, 1996). To manage this we aimed for relaxed surroundings and attitudes when conducting the interviews as well as providing the participants with anonymity. To be reflexive about biases in social science is essential to the aspects of trustworthiness and authenticity (Guba & Lincoln, 1989). Though, in the same time it is important to remember that we cannot overcome our preconceptions completely and separate ourselves from the social world. Rather, we constantly interpret our surroundings and therefore we are only able to manage them in certain ways (Alvesson & Sköldberg, 2009).

In this chapter we have discussed our interpretative and critical standpoints of methodology together with our choice of interviews as research methods. We argue that these standpoints can add greater understanding of business incubators, which could contribute to creating business incubators that better fit the needs of the tenants. This has been followed by discussions of how trustworthiness and authenticity as well as reflexivity impact our study and how we are managing these. We want to finish this chapter by highlighting that our

methodological standpoints and our qualitative method has guided our research in a certain way and that other paradigms and methods might have provided other characteristics of the study. In the next chapter we will present our empirical findings and analysis.

# 4. Empirical Material and Analysis

In this chapter we will present and analyze the empirical findings of our research. The analysis will be based on the research question of how tenants experience being part of a business incubator. Due to the research problem of previous literature on business incubators being based on a functionalistic perspective, this analysis will depart from a more interpretative perspective. The chapter is divided into four sections where we in the first section present the scene and a story about our case. In the following sections we will present our three main findings to the question how does tenants experience being part of a business incubator. We will first present how the tenants experienced the Incubator as a provider of resources. We will then present how being part of the Incubator, was experienced as having a structuring effect. Lastly, we will present how the tenants experienced being part of the Incubator as associated with a certain way of being and acting and having certain characteristics. The aim with this chapter is to point to some interesting interpretations that can be made from the empirical material that is being presented. The interpretations will be further discussed in relation to relevant theories in the next chapter.

## 4.1 The site

This section is based on information that is available at the Incubator's homepage and interviews with the CEO and an administrator of the Incubator. The business incubator is part of a non-profit foundation. The foundation helps people to start companies and give advice about running a business. One part of the foundation's services is the Incubator, which has the purpose to provide an environment for companies that stimulates business growth (Home page). The incubator is located in a science park, which consists of multiple buildings with many different companies and organizations. This area will from now on be referred to as the Cluster. At the Cluster there exist a couple of other organizations that also have the purpose of supporting companies (Home page).

The Incubator can be seen as consisting of two groups of people. The first group we call the personnel (Michael and Luke). The personnel are the people who work for the Incubator as business advisors and coaches. The other group is the tenants. The tenants are the individuals who have started a company and who rent office space at the Incubator. On top of the personnel and the tenants, there are also the external experts, consisting of people from law firms, accounting firms, and the business community. People from law firms and accounting

firms visit the Incubator regularly in order to help tenants, whereas the people from the business community can be part of the tenant's advisory boards (a group of advisors that meet quarterly).

The aim with the incubator is to give the tenants' companies support on two levels: a physical environment and a supporting business environment. The former consists of furnished offices, with telephone services, postboxes, Internet and cleaning of the facilities. Furthermore, the surroundings provide many shared spaces such as conference rooms, a kitchen, coffee machines and microwaves. The business support consists of a business development program, a fact school, continuous coaching and access to business advisors, access to certified public accountants, the opportunity to benefit from the Incubator's network, monthly follow-ups regarding agreed upon goals and an advisory board (Home page).

The Incubator targets service companies with a service (or product) with what they refer to as having a high knowledge level. Moreover, the companies should have the ambition and the right conditions to grow. In order to fit into the Incubator, the companies should be in need of help and support, but also willing to share their knowledge and experiences (Home page). In practice, the requirement to be a service company is not that strict. Michael pointed out that "if you are good enough it does not really matter what you do". On top of that, the tenants' companies need to have customers that they are already billing (Luke). The service or product therefore needs to be fully developed (Homepage). Thus the focus is on developing companies and not to help them to start up (Michael). The purpose of this is to focus on growth. There is thus no requirement to be in a particular industry. At the time of the research, the companies within the Incubator belonged to a wide range of industries, such as: recruitment, staffing, PR, organizational consultancy, software development, engineering consultancy, e-commerce, etc. Likewise, the Incubator is open for both first-time business founders, but also people who previously operated one or several businesses (Michael).

In order to give a broader understanding of the Incubator, we will below present a story about the current practices and issues that we found present. In the story we will also show how we have interpreted a shift in interior and focus of the Incubator. The story will be used as part of the foundation to the analysis and discussion.

## 4.1.1 A tale of structure and socializing

One year ago one of the researchers visited the Incubator frequently during a period of six months. Back then the most striking thing in the interior was the big plastic cylinder nailed to the wall. The tube was filled with red and yellow balls. At the weekly Tuesday meetings the business incubator's sales coaches asked each tenant about their sales and gave them advice. Yellow balls were handed out to tenants that had booked new sales meetings since the last weekly meeting. Red balls were given to those who had closed a sale. The tenants then placed the balls in the plastic cylinder. This created a distinct visual marker in the interior for the overall sales progress at the business incubator. The participants at the meetings also sat goals for the forthcoming week, regarding their sales processes. The sales meetings focused on quantitative goals, such as booked meetings, sales calls, and actual sales. Lloyd recalled about the meetings:

In the beginning they had a good approach, when the idea was that they should focus on selling and that we constantly should set goals regarding the number of sales calls and other quantitative goals.

Lloyd appeared to like the Tuesday meetings and referred to them as the "weekly sales meetings". When we visit the Incubator today, the plastic cylinder is empty and due to weekly visits during the last months, we know it has been so for a couple of months. One of the most striking things in the interior today is instead the long table with approximately 20 chairs. The striking thing with the table is that it practically occupies the entire common area and is as long as almost four tenant-offices. Luke, one of the Incubator's personnel, explained the purpose with the table:

Look at how we think! Everything that surrounds us... It is structured so that you can meet everywhere [...], everything so that we are able to get together and meet each other. At the Coffee-place and have coffee, but also inside the Incubator where you have this big table assembly where you always want people to come together and meet.

The table is intended to contribute to more interactions between the tenants. Furthermore, the table also allows for having more people at the business incubator in order to create some "form of critical mass out of having people meeting" (Michael). The change in interior is

mirrored in a change in the agenda of the Tuesday meetings. Lloyd explained to us what he thought was a change in content at the meetings:

I went to a Tuesday meeting with the new form and they had completely abandoned the sales, which was the only reason why I would go there at all. Instead, they talked about how the tenants together can help each other and how to develop the Incubator.

Lloyd seems quite critical about what he experienced as a complete shift in the weekly meetings. The tenant explained that the new focus on the weekly meetings was on how to collaborate and how to make the Incubator better. We do not argue that the change in interior and the agenda on meetings are an organizational change or a new strategic direction. In addition to giving a broader understanding of the Incubator, we think this tale shows, on the one hand, how the Incubator provides resources in order for the tenants' companies to grow. On the other hand, the story also shows that resources can play a part in the experiences of the Incubator. Below we will continue by presenting our interpretations of the tenants' experiences of the Incubator and of being part of the Incubator.

# 4.2 The Incubators as a provider of resources

In this paragraph we will present how we interpreted the tenants' experiences of the Incubator as a provider of resources. The resources we found as essential can be seen in table 1. These resources are also in line with what much of previous literature on business incubators have focused on.

#### Table 1

# An overview of the resources provided

- Guidance and advice:
  - o Coaching, advisory boards, the business program and informal meetings.
- Infrastructure:
  - o Offices, Internet-connections, conference rooms, receptionist etc.
- Network:
  - o To new customers, collaborations, and feedback.
- Legitimacy:
  - o The Incubator and its location at the Cluster provides legitimacy.

Many of the tenants stressed that guidance and advice were valuable parts of the Incubator's offer. This is in line with Grimaldi and Grandi's (2005) argument that business incubators provide specialized services. It is also in line with Bruneel's et al. (2012) argument that business incubators' value proposition includes learning, coaching, and training. The guidance and advice at the Incubator can be seen as consisting of both formal and informal parts. With the formal we refer to the coaching, education, regularly mentoring, advisory boards and the business program. With the informal we refer to the spontaneous meetings with advisors to bounce ideas. Regarding the formal guidance and advice many experienced this as something very important in the overall value offering of the business incubator. Elizabeth talked about when she first joined the Incubator:

It was really, really great! First, you got the colleagues, but you also constantly have access to counselors [...]. So when I met Ken here, Ken Blake, an incredibly knowledgeable man! He is a fantastic counselor because he has such a huge amount of experience.

Elizabeth expressed the importance of having access to counselors, but also the high quality of them. The tenants used the advisors in varying ways, some as experts in areas such as accounting: "We use the counselors a lot, especially the one who is doing accounting" (Lloyd). Others used them more for bouncing of ideas and getting inspired: "it is very much about getting someone to bounce off ideas with and get support" (Alex). The Incubator can thus be argued to be experienced as a source of guidance for the tenants, both formally and informally. In addition to the guidance and advice as a resource, many tenants also highlighted the office as a resource and linked it to the notions of networks and legitimacy.

Regarding the facilities or in other words, the office, three tenants mentioned this as being a part of what they highly value at the business incubator. This is in line with early literature on value propositions of business incubators, as providers of shared infrastructure (Bruneel et al., 2012) and logistical services (Grimaldi & Grandi, 2005). However, the tenants often bundled up the office with the idea of network and legitimacy because of the particular location of the Incubator at the Cluster. We would, therefore, like to expand on what we call network as a resource. Networks were addressed in many different ways and sometimes overlapping. Therefore, we decided for the sake of clarity to make four distinctions within the concept of

networks: customers, collaborations, and feedback are expected outcomes of networks and the so-called spontaneous meeting is the overarching idea of networking.

Many tenants viewed the Incubator as a way of getting access to new networks, which could lead to new customers. Sarah talked about why she joined the Incubator:

If you want to be completely crass perhaps the location here, with the Cluster surrounding us, was the interesting thing. There were a number of companies that would be interesting to approach.

Sarah stated that the Incubator's position at the Cluster, have facilitated for her to approach some potential customers in the surrounding networks. This shows how networks were experienced as contributing to new customers. Moreover, the networks were also considered a source of partnership and collaborations. More than half of the tenants have created different forms of collaborations and partnerships with other tenants or other people in the Cluster. Frank told us about his first weeks at the Incubator:

I mean, it didn't take me more than a couple of weeks before I had an established partnership with one of the other companies. So that was great, you get the network.

In agreement with other tenants' experiences, this shows how the business incubator was understood as a source of partnership through networks. Lastly, and perhaps overlapping with the notion of partnership, the tenants experienced the networks as a source of feedback on ideas and new innovative ways of doing business. Sebastian talked about the benefits of being surrounded by networks:

This environment with many networks and combinations makes it possible to create new combinations and not to get stuck in old routs.

The network as a source of feedback highlights how networks can create input on your business, without having partnerships as the main intention. We interpret Sebastian as emphasizing how connections and combinations with different people may facilitate creativity and innovation. Sebastian's argument also ties into the idea and practice of the spontaneous meeting. The spontaneous meeting can be said to consist of the idea that when people meet, great ideas and partnership may emerge from unexpected meetings. Many tenants seemed to

think that this was something the Incubator promoted. Lloyd described how the Incubator tries to achieve spontaneous meetings:

The spontaneous meeting is something they promote really hard right now... and that's why they have this really long table at the Incubator where everyone can sit and talk and come up with new ideas.

Lloyd seemed to experience that the Incubator tries to promote people to meet in an unexpected way. He referred to the table in the common area, which we addressed in the tale above, as part of how the Incubator tries to do this. Frank also described the opportunities of unexpected meetings due to that his office being located at the Cluster:

There are fantastic opportunities. Basically one can stand at the coffee machine and have exchanged 15 business cards in one hour.

Frank considered standing at the coffee machine as a fantastic opportunity since it enables him to exchange business cards and make new connections with people. We would argue that this line of thinking could be seen as partly rooted in the idea of the spontaneous meeting. In brief, the Incubator can be seen as a provider of networks, which enable meeting customers, collaborations, and feedback. The guiding idea seems to be the spontaneous meeting, which the tenants experience as promoted by the Incubator. As stated above, the Incubator was also experienced as a source of legitimacy. Through the office's particular location, the business incubator was seen as indirectly contributing to legitimacy. On the topic of legitimacy Frank stated that:

The Cluster is such a thing. Considering how there has been some very exciting companies produced from there. I think so and surely that is something you are not shy to write on the business card either. But how the Incubator fits into the picture, well I don't know.

The Cluster is here considered providing legitimacy to the tenant's company, not the Incubator itself. Like most other tenants that experienced the business incubator as a source of legitimacy, Frank related the legitimacy to the Incubator's physical location at the Cluster. Hugo argued that the Incubator provides legitimacy for his company:

Just having the Cluster-address provides certain legitimacy. That is, I think the Cluster-brand is valuable. I think I see the responses in my clients too, that I am not some basement business. One might say that the Incubator gives a certain kind legitimacy.

Hugo's statement can be interpreted as him experiencing the Incubator as a source of legitimacy to his clients. However, we would argue that it is not only directed to how external clients view him, but also to how he views himself and in this case as not being a basement company. Similarly, Sarah talked about how her friends and former colleagues viewed her business and the role of the Incubator:

It legitimizes it. That it is not a... home-office company. To have an office at the Incubator at the Cluster, seemed to give the impression that 'oh, that was kind of interesting'.

Sarah talked about the idea of the Incubator as having a legitimating effect. However, as discussed above, she referred to the Incubator as having a legitimating affect to her friends and former colleague and perhaps also to herself. The legitimacy seems to consist of that she is not being perceived as a home-office company. In sum, the Incubator can thus be argued to be experienced as a source of legitimacy, both directed outwards to external stakeholders but perhaps also inwards to the tenants themselves. The idea of the legitimacy as targeted at the tenants themselves can be seen as connected to the following topic of the ambiguities of entrepreneurship. Below we will address the ambiguities of entrepreneurship as a foundation to understand how the Incubator provides structure for the tenants.

## 4.3 The ambiguities of entrepreneurship and the Incubator as providing structure

In this paragraph we will present findings under the theme we have labeled structure. Structure is the umbrella term under which we have collected many of the tenants' experiences of uncertainties. Many of the different forms of structure we propose below obviously overlap to a certain extent. We will nonetheless treat them as analytically separate, in order to give room for the nuances and contradictions of structure. However, we will first explore the ambiguities of entrepreneurship the tenants experienced.

## 4.3.1 Ambiguities of entrepreneurship

Regarding being an entrepreneur and running your own company, most tenants did not regard themselves as actual entrepreneurs. Those who did view themselves as entrepreneurs did this with some kind of reservation. Alex did not know "if he could handle it", Frank saw himself as a "potential future entrepreneur" and Sebastian as "a sort of society entrepreneur". Instead, they were people who ran their own companies.

Many of the tenants experienced running their own company as associated with loneliness and uncertainty. Loneliness in the context is both associated with having no people around, "you have to run around looking for a lunch buddy" (Hugo), but also associated with that it is only yourself that you can rely in order for your company to survive. Moreover, the tenants seemed to experience an uncertainty due to not knowing if their companies would survive or if they were on the right track. As Frank states, "it is not clear when certain operations should happen". Elizabeth told us about the downsides of running your own company:

The negative aspect is that you can get very lonely plus that the risk is on you. If you are hired you can always juggle a bit more [...]. When you are alone it is financial decisions and so on, and just the fact that you are alone.

Elizabeth expressed worries of being alone in relation to the financial risks and having to make decisions on her own. She compared her situation with being hired, which she experienced as more safe in comparison with her current situation. In addition to loneliness as a source of uncertainties, many tenants felt that uncertainties regarding their performances and know-how were an issue. Some related this issue to practical know-how, concerning accounting or sales. The uncertainties regarding know-how issues are something that the tenants felt they can decrease by joining the Incubator. Henry told us about why he joined the Incubator:

You don't have to run into all the mistakes yourself when you're new. It would take so much longer to get started then.

Henry expressed one of many uncertainties of starting up a new business; alone you have to know a little about everything. By joining Incubator you get help and advisement in the start-up phase.

#### 4.3.2 The Incubator as providing structure

The tenants seemed to experience that the incubator had a structuring effect. We propose a division of the structure into three different forms. The first is structure related to making a distinction between work life and private life. The second concerns getting things done and become motivated. The third we call guidance as structure, which relates to getting help in decisions and being told what to do.

The first form of structure that the tenants seemed to experience was the Incubator as structuring every-day life. For some it was the distinction between work life and private life that provided structure, by having some place to go in the morning and leave in the afternoon. Sarah told us about the benefits of having joined the Incubator:

It's probably to get structure in my work. When I'm at my office it's basically Monday to Friday, and then some work on weekends. But it's Monday to Friday, you get structure, it has become a job.

Sarah expressed the differences of having your office in your home compared to having an office at the Incubator. She associated the office at the Incubator with having an ordinary job, working Monday to Friday. Sam seemed to share the same perspective of the aspect of working from home compared to working at the Incubator. He told us about the time before he joined the Incubator:

It was pathetic in some way, the family woke up and I was already up eating breakfast and then I walked three meters to the living room and the computer.

Sam shared the same argument as Sarah, highlighting the aspect of having a routine and a place to go. We interpret these arguments as a search for structure in the everyday life. Even though the tenants do not have any obligations of being present, we interpret the office at the Incubator as in some way experienced as a job. Similarly, Elizabeth stated that:

The benefit of being at a business incubator is that you get the same feeling of having colleagues.

Elizabeth appeared to experience the other tenants as her colleagues. This connects to the tenants' experiences above, of the Incubator being almost job-like. However, not all

Emilia Olandersson

experienced the Incubator as job-like, but still stressed the importance of having people

around as a source of structure. Henry talked about his experiences of the office hotel he

previously had been at:

Most of them had been employed for a long time and they had families and so too. So

they went home quite early. So it was not like they put that much effort in their

companies.

Henry appears quite disappointed about his previous office, due to that people went home

early. Henry could be argued to previously have lacked a social structure in his work-life.

However, he expressed that by joining a business incubator with people "in the same phase as

we", he hoped to be able to stay longer and put in more effort. We would interpret Henry as

also viewing the Incubator as providing him with work-structure, as in being able to work

more and harder.

The Incubator can also be seen as providing structure in the form of guidance. With that we

do not mean that they provide advice, but that the tenants experienced the Incubator as

influencing, or wanting the Incubator to influence how they operated their businesses. Sarah

talked about her consultation with one advisor:

Then Ken [the advisor] says "there is no money in that". He sees it purely economically

and I need that sometimes.

Sarah referred to an advisor who told her to not pursue a certain kind of customer due to lack

of money in that industry. Sarah stated that she needs someone who tells her what to do from

a pure economical perspective. However, some tenants appeared to experience the Incubator

as lacking structure or lacking enough structure, both in regard of what to do and getting

things done. Arthur talked about why he joined the Incubator:

It was not innovation I needed support with [laughter], but it was to bring out the

product to market and grow - to give structure to the whole.

What do you mean by structure? (Interviewer)

30

It is the order you grow in as a business. If you have a hundred choices, you have to make them in the right order.

Arthur here expressed a wish for more help in what decisions to make regarding how to run his business. Regarding getting things done, Arthur talked about that it would have been better if there were an even higher number of people present at the Incubator:

I think I've had expected a bit more hunger in that aspect [regarding being present] and thereby also a bit more around the clock activity. It also gives a moral support because that is something that you need.

Arthur expressed that it was a problem when there were too few people at the Incubator because then he did not get moral support in the work. We would therefore argue that both Henry's statement, about people going home early, and Arthur's statements indicate that some tenants experience that having people around themselves contribute in a work-structuring way. In this case, the structuring refers to getting things done, being able to work long hours and put in much effort. However, many tenants seemed to experience a want for even more work-structure: Lloyd talked about working with the business advisors:

I thought it would be nice to have someone that tells me 'this is how it should be done and this is what you should complete this week', and if you have not done it, then it's really bad and you get a bit ashamed.

Lloyd expressed that he would like someone in the Incubator plainly telling him what to do. Once again, we would argue that this reflects an experience of the Incubator as providing insufficient work-structure. Moreover, we interpret Lloyd as also addressing what can be seen as a motivational aspect of someone telling you what to do. That is, get the things done or feel ashamed. Likewise, Arthur also addressed the motivational aspect of structure. He explained how his friend's behavior changed when his friend joined a company with what Arthur called a performance culture:

It is quite natural [for him] that he is always working and he has become a hell of a lot more polished because he adapted to his environment. That's how it is obviously. It is not stranger than that, and it is that kind of environment that one might want the Incubator to provide to a much larger extent.[...] When the employees have left and called it a day, this [the performance-oriented culture] would provide one with a work morale.

Arthur here expressed a wish that the Incubator provides a more performance-oriented culture. According to Arthur such a culture would contribute to him being able work more when his employees have left for the day.

In the section above we have presented empirical findings of how the tenants experience running their own companies and the ambiguities of it. Further we have showed how the tenants experienced that being part of the Incubator provided them with a form of structure. In the next section we will present how tenants experienced being part of the Incubator entailed an expectation to be in particular way.

#### 4.4 How one should be as an entrepreneur and in the Incubator

Many tenants also seemed to experience that being an entrepreneur and being part of the Incubator brought with it an expectation of how one should be and act. The personnel we talked to at the Incubator did, however, not express any requirements that you needed to be a particular kind of person. They seemed to have a 'be whoever you want'-approach. Nonetheless, Michael did stress that "you get what you give" when talking about selecting tenants. He emphasized that *if* one is willing to meet and support other people; one could get a lot in return. Luke was asked if there were any particular requirements on a personal level or certain kind of person that was particularly suited for being in a business incubator:

Yes, there is. It should be someone that is already billing customers. You got to have a company that is in progress.

Luke's statement can be seen as basically referring to the Incubator's requirements on companies joining them, but applied to the individual instead. This might indicate that there is no particular requirement of whom or how a tenant should be. Similarly, almost every tenant also stated that there are no official requirements to become accepted as a tenant regarding being a particular kind of person. However, simultaneously many tenants expressed a feeling that they experienced the Incubator as preferring people being social and outgoing. Alex was

talking about "building something", which led him to the topic of having certain qualities when running your own company:

But ... then you have to have the right qualities and so much drive. And, it's lonely as hell and a lot of work [...] I'm starting to get... so damn tired to put it bluntly [laughs]. But seriously, to be an introvert person does not necessarily mean that one is unsociable, but I get pretty tired of all the meetings and all such contexts.

Alex can be seen as expressing frustration and almost despair about his situation. Alex can be interpreted as frustrated due to whether or not he has the right qualities to make it as an entrepreneur. Moreover, he also seemed to experience an expectation of being more social and outgoing. Obviously this might not solely be due to the expectations of the Incubator, but rather expectations of entrepreneurial life. However, we interpret the tenants as experiencing being part of the Incubator as at least contributing to this requirement. Sarah told us about a friend of hers that was a tenant at another business incubator:

I have a friend who is in the same situation as me, who has started a company. He has ended up in another business incubator and yesterday I got an e-mail [from him] saying 'I think I must find something else. It is so damn youthful!'. So I went to see him and it was very much open doors and basically just offices. I can imagine that I would not fit in there because I need to close the door sometimes so to speak.

Sarah stated that she would not have fitted in at the other business incubator, which was very youthful and open. This might indicate that being social and outgoing not is solely linked to entrepreneurship, but also to business incubators and that this might cause some people to feel that they do not fit in. Furthermore, Elizabeth can be argued to be a very social and outgoing person. She has during her time at the Incubator so far initiated a couple of partnerships and Arthur described Elizabeth as really good at it too. Elizabeth told us how you as a tenant can facilitate the collaboration and networking.

That you go out of your room and then try to meet other people and see what we can dream up, what we can do together. However, everyone is really not that way and some are never included on any meetings, no names! [laughter]

Social people are here seen as contributing to collaborations and new ideas. Furthermore, the tenant jokes by saying that she will not name those who do not do this. Similarly, Sebastian reflected about how some might have a difficult time in the Incubator:

On the other hand we have our upbringing. Many of the people here and my kids, they are very strict and systematic because that's what they have been taught and that could be a barrier in an incubator, which wants to create innovation.

Sebastian argues that it might be hard for some individuals to accept a more spontaneous and creative environment due to their upbringing. Lloyd did not seem to regard himself as good at socializing nor participating in what he called "the social thing". He told us about how he thought the business incubator perceived him and his company:

In the eyes of those who lead or run the business incubator, we are not the most popular company so to speak. They probably think it is more fun with the people or companies who run around and speak to everyone and who are present at all their events. That's just not us.

Lloyd's statement can be interpreted as experiencing an expectation from the Incubator to be social and outgoing. Moreover, the expectation seems to be associated with a certain degree of discomfort. As Lloyd stated, they are not the most popular company. In brief, some tenants appeared to experience that one should have particular qualities to make it as an entrepreneur. The tenants also experienced being part of the Incubator as connected to certain expectations of being social and outgoing.

In this chapter we have presented our case and the scene in which this research was conducted. We have presented empirical findings related to our research question of how tenants experience being part of a business incubator. We have showed how the tenants experienced the Incubator as a provider of resources. We then showed how being part of the Incubator, was experienced as having a structuring effect. Lastly, we presented how the tenants experienced being part of the Incubator as associated with expectations of being social and outgoing. Our findings in this chapter will below be discussed and further developed in our next chapter of discussion.

# 5. Discussion

In existing research on business incubators, providing resources has been assumed to contribute to the survival and growth of tenants' companies. It has been argued that this can be accomplished by providing resources such as guidance and advice, networks, infrastructure and legitimacy. In this section we will discuss how existing theories on business incubators not are sufficient to explain the interpretations made from the findings in this study. Instead, this calls for an integration of interpretative and critical theories in order to answer our question, how do tenants experience being part of a business incubator?

## 5.1 The business incubator as reducing ambiguities of entrepreneurship

As presented in the previous chapter, the studied business incubator is experienced as a provider of resources and structure. In traditional business incubator literature, this will help the tenants to grow their companies (Bøllingtoft & Ulhøi, 2005). However, we would argue that resources, beside the functional aspect, also have an additional effect, which concerns coping with the ambiguities of entrepreneurship. Our approach is based on regarding the tenants as meaning-making entrepreneurs (Johannisson, 2007) that interpret and influence their context (Sarason et al., 2006). Our interpretation can also be seen as inspired by the work of Alvesson and Kärreman (2007) and Kärreman, Sveningsson, and Alvesson (2002). Alvesson and Kärreman (2007) argue that HRM can be seen as a meaning-creating device, in contrast to an objective functional system. Kärreman, Sveningsson, and Alvesson (2002) argue that bureaucracy can be seen as shared meanings, in contrast to the traditional view of bureaucracy as a mode of operating. Moreover, what unites these interpretations is the claim that HRM and bureaucracy can contribute to coping with ambiguity. In line with this, we argue that in addition to the functional aspects of the Incubator, the Incubator also contributes to coping with the ambiguities of entrepreneurship. This will be elaborated on in the next sections.

In the previous chapter we discussed how being an entrepreneur, or running your own business, were associated with different ambiguities for the tenants. The ambiguities concerned both loneliness and insecurity, in regards of what to do and whether you will make it or not as an entrepreneur. We argue that the tenants who experience the ambiguities of entrepreneurship probably would seek some way to cope with these ambiguities. Against this

background we will below argue that the Incubator could be seen as having an ambiguity reducing effect on the tenants' experiences.

## 5.1.1 Guidance and advice, infrastructure, network and legitimacy as ambiguity reduction

According to traditional business incubator literature, providing guidance and advice will more or less help the tenant to grow his or her company (e.g. Bergek & Norrman, 2008; Bruneel et al., 2012). However, as observed above the tenants seemed to regard the guidance and advice as having a structuring effect as well. For example, guidance and advice seemed to help the tenants to get things done and to know what to do. Therefore, the structuring effect of guidance and advice can be seen to eliminate some insecurities about what to do, and possibly also whether you will survive as a company. In addition to getting tangible help about their business, receiving guidance and advice may to some degree help the tenants to cope with the ambiguity of not knowing what to do and if one will make it as an entrepreneur. This can be seen as reflected in Alvesson's (2004) argument that the result of much knowledge-work is difficult to evaluate, especially service work. Thus, by seeking advice, the tenants may try to reduce the ambiguities of knowing what to do. As Alvesson (2004) argues, there is an (simplistic and naive) "idea that 'knowledge solves problems' in a straightforward and self-evident way" (p. 67). The tenants can thus be interpreted as seeking knowledge, in the form of advice, in order to reduce the ambiguities of their performances.

Infrastructure is in business incubator literature considered a basic but fundamental ingredient in business incubators' offer, in order for the companies to grow (e.g. Bergek & Norman, 2008; Chan & Lau, 2005; Matthyssens & Vandenbempt, 2007). As seen in the empirical material, the tenants bundle up the notion of the office with the networks and the legitimacy. We will, however, address these three aspects separately, starting with the office. What we would like to highlight is the ambiguity coping aspects of infrastructure and especially the office. The office itself seems to be very important for some of the tenants. As seen in the previous chapter, many of the tenants had the opportunity to work from home, but chose not to do so. This might be interpreted through the work of Sennett (2001) who argues that work can be a source of building a coherent self-narrative, even though the flexible work-life has made constructing a coherent narrative more difficult. Viewing the Incubator as a job and having a place to go in the morning and leave in the afternoon, seems to give the tenants a form of structure. This structure can thus be interpreted as contributing to the construction of coherent self-narratives and as reducing the insecurities of entrepreneurship.

Possibly overlapping with the experience of having an office, could be having people surrounding you. In business incubator literature, networks are stressed as means to building social capital and stimulate synergistic collaborations (e.g. Bøllingtoft & Ulhøi, 2005; Schwartz & Hornych, 2008). As seen above, the tenants seemed to share this experience, but also emphasized the importance of simply having people around you. Some even regarded the other tenants as colleagues. In the light of the loneliness of entrepreneurship, which seemed to be experienced by several tenants, it would make sense for the tenants to want colleagues. It is also possible that the office also gave a feeling of fellowship, as in the tenants are on the same journey towards business growth. Moreover, similarly to the guidance and advice discussed above, the synergistic collaborations might also contribute to exchange of knowledge, which may reduce some of the ambiguities regarding what to do. As one tenant expressed it about joining the Incubator, you do not have to do all the mistakes yourself. To conclude, being surrounded by other people may have an ambiguity reducing effect, both regarding loneliness and what to do.

The business incubator literature further suggests that companies may gain legitimacy through being associated with a business incubator (e.g. Schwartz & Hornych, 2008; Smilor, 1987). The tenants' experiences can be seen to share this notion, but also to expand it. In addition to bringing legitimacy to their business in the eyes of customers and clients, some tenants seemed to experience that the legitimacy, provided by the Incubator, was important for themselves or to friends and colleagues as well. As seen above, the Incubator enabled the tenants to not regard themselves as home-based businesses. We would argue that this form of legitimacy also could be seen from the perspective of ambiguity. Hatch and Schultz (2002) argue that how others view an organization's image affects how the members in the organization view themselves. Similarly, by being part of a business incubator, which provides a certain degree of legitimacy, might affect how tenants' view themselves. In our case the Incubator's legitimacy seems to contribute to a stronger sense of 'this is for real'; the tenants' companies are not some basement businesses as one of the tenants expressed it. We would therefore argue that legitimacy can entail a notion of 'this is for real' for the tenants, which may help the tenants with the ambiguities regarding if one will make it as an entrepreneur or not.

To conclude, providing certain resources might not only have the traditional functional value, which is emphasized in the business incubator literature. Instead, resources may also contribute to reducing the ambiguities connected to entrepreneurship. In the following section we will, however, give a more critical interpretation of the resources as providing structure.

## 5.2 Escaping freedom

In this section we will mostly draw upon the empirical material related to structure and legitimacy, and make an alternative and more critical interpretation than in the analysis of structure. By doing so, we follow Jones and Spicer's (2009) line of thinking, which regards entrepreneurship as also producing and reproducing domination. We will first argue that entrepreneurs can be viewed as liberated or free-standing from the bonds of traditional work. We will then argue that this freedom entails a certain anxiety (the ambiguities of entrepreneurship) and that the tenants may try to reduce this anxiety through escaping their freedom. We will apply Fromm's (1942/2005) quite dramatic language (e.g. eliminate, submission, anxiety of freedom, etc.), even though we would prefer to express ourselves more balanced. Nevertheless, we think that Fromm's (1942/2005) language is not only dramatic, but also powerful and creative and can enable a greater understanding of the tenants' experiences of being part of a business incubator.

Entrepreneurs may in many ways be argued to be freer than the more traditional workers: they decide what they do, when they do it, and where, more or less themselves. The idea that entrepreneurs are the masters of their own fates is for example central in the Gnosjö<sup>2</sup> discourse on entrepreneurship (Pettersson, 2004). However, it could be objected that entrepreneurs are not freer due to the ambiguities the tenants expressed above. Nonetheless, we would argue that the entrepreneurs are freed from the "bonds" of employment, which simultaneously gave them security and limited them. Similarly, according to Fromm (1942/2005), when modern man grew freer, people also became more isolated, causing anxiety and powerlessness. In order to cope with the anxieties of freedom, people need to escape their freedom. If we apply Fromm's (1942/2005) theory to our case, the way to cope with this anxiety and powerlessness would be for entrepreneurs to escape their freedom.

<sup>-</sup>

<sup>&</sup>lt;sup>2</sup> Gnosjö is a small town in Sweden, but often used as a metaphor of successful entrepreneurship by other places and regions. Despite the size of the town, it is discursively uphold as an example for other places to imitate. (Pettersson, 2004).

According to Fromm (1942/2005), the individual may escape the anxiety of freedom through authoritarianism and thus give up ones freedom through fusing ourselves with others or submitting ourselves to an external power. Below we will first focus upon the submission part of authoritarianism. The author argues that one way to eliminate the self is through submission to something external of the self. We would argue that the tenants could be interpreted as trying to eliminate themselves through submitting to the business incubator.

The attempt to escape freedom can be seen in the ways the tenants wanted more structure, regarding having someone else guiding what decisions to make or being told explicitly what to do. Through this a tenant may feel "saved from the final responsibility for the fate of his self, and thereby saved from the doubt of what decision to make" (Fromm, 1942/2005, p. 134). Some tenants also expressed a wish for more control. Two tenants argued that it would be motivating if the Incubator told him what to do or that they provided a strong performance culture. This could be argued to be a wish to be subjected to more direct behavioral control and normative control. The tenants, in the role as the freestanding entrepreneurs, could thus be argued to trying to eliminate themselves through submitting to the Incubator and thus escaping the ambiguities of entrepreneurship.

From the perspective of authoritarianism, and particular escaping freedom by fusing oneself with an external power (Fromm, 1942/2005), we would like to make a reinterpretation of the legitimacy we addressed above. Above we argued that the legitimacy might influence how the tenants viewed themselves. From the perspective of escaping freedom, this could be interpreted as a fusion between the tenants and the Incubator. The Incubator is here seen as the external power, which the individuals fuse themselves with, "in order to acquire the strength which the individual self is lacking" (p. 122). The fusion with the Incubator's legitimacy can thus be interpreted as a form of escape from freedom through fusion. The tenants here fuse themselves with the Incubator in order to reduce the anxiety of being freestanding entrepreneurs. In brief, from this more critical perspective, the wish for more structure and the legitimacy can be seen as an attempt to escape their entrepreneurial freedom. In the following section we will continue on the critical path and discuss the empirical theme related to how one should be.

#### 5.3 Be whoever you want

As seen in the empirical section of how one should be, the tenants seemed to experience that being an entrepreneur and being part of the Incubator entailed the expectation to be a particular kind of person or behave in a certain way. We also saw in the empirical material how having certain entrepreneurial qualities and being social and outgoing seemed linked to entrepreneurship in general and business incubators in particular. We do therefore not argue that the expectation to be social and outgoing is something unique about the Incubator. However, we would still like to discuss why the tenants felt that they needed to be a particular kind of person since we think it is relevant to understand their experience of being part of a business incubator. Below we will argue that this experience can be understood in terms of neo-normative control.

The Incubator did not promote a certain kind of person, but rather sent the message that it did not really matter who you were. Still, some of the tenants experienced that they were not social and outgoing enough. One way to make sense of this, from a slightly more critical perspective, would be to treat it as an expression of neo-normative control (Fleming & Sturdy, 2009). According to Fleming and Sturdy (2009) neo-normative control was used at a call center to control the employees by promoting employees to just be themselves. We would argue that, despite the differences in setting (call center versus business incubator), the concept of neo-normative control might be a fruitful concept in order to make sense of the tenants' experiences of the expectations to be social and outgoing. Below we will use Fleming and Sturdy's (2009) five dimensions of neo-normative control as a framework to interpret the tenants' experiences. By doing so, we do not seek to 'prove' that the Incubator use neo-normative control as a way to control the tenants. Rather, we use the five dimensions and also some other theories, as tools to gain a greater understanding of some tenants' experiences of not being social enough.

According to Fleming and Sturdy (2009) neo-normative control includes a reinforcement of broader societal constructions of identity. As seen in the empirical section, the Incubator did not seem to promote any particular kind of person. We would therefore not argue that the Incubator reinforced broader social constructions of identity. At best, the Incubator seemed to promote people to with a willingness to support and meet other people. Nonetheless, the Incubator seemed to have a laissez-faire approach to whom or how people should be, but still the tenants seemed to experience that not all forms of being whoever were accepted.

The second dimension of neo-normative control is that not all expressions of 'being yourself' are accepted (Fleming & Sturdy, 2009). As seen in the previous chapter some tenants appeared to feel that being less social, or 'closing the door' as one tenant expressed it, were not really acceptable forms of being. We also saw in the empirical material how some tenants wanted other tenants to be more social and outgoing in order to contribute more to the group. This might thus also be understood as a group phenomenon. For example, Feldman (1984) argues that groups will promote norms that enhance the chance for survival of the group. In addition, Sinclair (1992) argues that behavior in groups will be judged as constructive when it defers the dominant power holder of the group. From a group perspective, being social and outgoing could thus be seen as strengthening the chance for survival, due to the assumption at the Incubator that spontaneous meetings are vital to innovation and creativity. Moreover, being social and outgoing can also be seen as constructive because it recognizes the Incubator as the dominant power-holder, due to the Incubator's promotion of networking. However, the Incubator did not promote people to be social and outgoing explicitly, in order to facilitate networking and spontaneous meetings. Instead, they stressed that you could be whoever, but still some tenants experienced that they did not fit in. We therefore argue that this particular aspect of the tenants' experiences may be understood in the terms of neo-normative control. The expressions of yourself that was not accepted in this particular case would then be to be less social.

Fleming and Sturdy (2009) further emphasize that neo-normative control entails that more of the 'real-self' is used as a resource at work. One expression of this at the Incubator could be being 'good enough'. As stated in the empirical section, if you were 'good enough' as an entrepreneur, it did not really matter what you did. This was explicit also in the selection of tenants. It did not really matter if your company was up and running or strictly a service company, as the official requirements demanded, as long as you were 'good enough'. Being good enough was seen as a substitute to having a good business idea. When having a good business idea is downplayed in favor of being a particular kind of person or a good enough person, more of the 'real-self' becomes a resource to grow your company. This could be seen as reflected in Alex's questioning of himself, whether he had the right qualities to make it as an entrepreneur. However, being good enough could also be part of a discourse on entrepreneurship, where the entrepreneurs are independent heroes (Johannisson, 2007) that behave ethically (Smith & Anderson, 2004). Nonetheless, we would argue the promotion of

being good enough could draw more of the (real) person into to the entrepreneurial practice at the Incubator.

If more of the so-called real-self is present at work, more of what was once private becomes accountable for success and failure. This can then have a self-disciplining effect on the individual (Fleming & Sturdy, 2009). If being good enough entails that more of your real-self is drawn in to your entrepreneurial practice, then it is possible that this might have a self-disciplining effect on the tenant as a person. However, it can be objected that most of the tenants run their business themselves, without employees, and thus the success and failure of the company naturally is linked to the tenants as person. Nonetheless, in the empirical section we saw that one tenant stated that he did not know whether he has what it takes to be an entrepreneur. Perhaps this can be seen as an expression of that the success or failures of the tenants' companies are not solely tied to the entrepreneurs as a person, but also to an inherent entrepreneurial quality within the tenants. If so, the promotion of being good enough could have a disciplining effect on the tenants. Furthermore, if the tenants are subjected to neonormative control, are they then trying to resist it?

According to Fleming and Sturdy (2009) the promotion to be yourself, entails resistance. In the authors case the resistance consisted of cynicism and challenging the individuality. In the empirical section there might have been some accounts of cynicism. For example, regarding the value of certain network activities and why the new focus of the weekly meetings was on networking and collaborations. However, we do not think these accounts are the expressions of cynicism, but rather criticism. Whether or not the tenants resisted this the neo-normative control is not something that our empirical material gives an answer to. The tenants in our study are not employees, as in contrast to the individuals studied at the call-center (Fleming & Sturdy, 2009). They are thus not dependent upon the Incubator for a monthly salary. On the one hand, this makes the tenants more like clients to the Incubator. On the other hand, the Incubator has an interest to produce good results in order to receive new money grants. This entails a situation where the Incubator might try to shape the tenants to be in a particular way in order to produce certain results, but lacks some of the power an employer might have to do so. In brief, the tenants' lack of resistance might be due to that they have a stronger position than a traditional employee and may thus not need to resist or express resistant differently.

To conclude, by being part of a business incubator the tenants seemed to experience that they needed to be social and outgoing. Through applying the framework of neo-normative control, this particular experience can be understood as a form of limited expression of being whoever. Moreover, the Incubator can be seen as contributing to the idea that you need to be good enough and have certain qualities in order to make it as an entrepreneur. This can be seen as drawing more of the real-self in to the entrepreneurial practice and my thus also have a self-disciplining effect.

Above we have discussed our empirical findings in a wider perspective were we found additional theories and interpretations to be valuable for a broader understanding of the tenants' experiences. We argued that resources not only to contribute to tenants in a traditional functional way but also to have a value through reducing ambiguity, both through structure and submission. Moreover, we also argued that the Incubator's promotion of be whoever and being good enough might draw more of the real-self into the entrepreneurial process, which can have a self-disciplining effect. The discussion above calls for some theoretical and practical implications, which we like to discuss in the conclusion.

# 6. Conclusion

In this chapter we will summarize the process of our research as well as our findings. We will also discuss the theoretical contributions and practical implications of our work. Lastly, we will discuss limitations in our research and give suggestions to further research.

#### **6.1 Our process**

With regard to that we are living in a so-called entrepreneurial society (The Economist, 2009), and with business incubators as an increasing phenomenon (Vanderstraeten & Matthyssens, 2012; CSES, 2002) we found it both timely and interesting to examine the topic of business incubators. The prevailing focus on business incubators from a functional perspective motivated this study to take an alternative, interpretive approach with a complementary critical stance. In addition, the apparent lack of the tenants' experiences in the existing research, made it interesting to conduct an interview study to explore how the tenants experience being part of a business incubator. The aim was to acknowledge the lack of tenants' experiences and add nuances to the research field of business incubators. Before we began our field studies, we therefore formulated our research problem to the following: a business incubator consists of different companies represented by individuals. By excluding the individuals' experiences of working in an incubator, we argue that research only can gain limited understand of the phenomena of business incubators.

The research question came to be 'how do tenants experience being a part of a business incubator?'. With an open question like this, our strategy was, therefore, to enter the field as open-minded as possible and listen to the tenants' experiences. In order to answer our question we conducted an interpretative interview study. The process took an iterative approach where the field studies were alternated with analysis and further exploring of the literature on the subject. This process resulted in that we added a critical stance to our interpretative perspective, in order to explain our findings. We analyzed our interviews by searching for themes, initially with regard to earlier literature, but later also in line with emerging themes such as structure. Below we will present our main findings from our empirical material.

#### **6.2 Main findings**

Our findings show that a business incubator can be seen as more than tools to create successful companies and economic growth through providing resources. In our study we identified that the tenants experienced different ambiguities, which seemed connected to their entrepreneurial role. The ambiguities can be seen as consisting of two parts: loneliness and insecurity. Loneliness refers to both having none or few people around and being responsible for a company yourself. Insecurity refers to both not knowing what to do and whether you will make it or not as an entrepreneur. It is against this background that our main findings can be understood, and we will discuss these below.

### 6.2.1 The business incubator as an ambiguity reducer

Our study showed how resources provided by a business incubator can be experienced as not only having a functional value to the tenants' companies, as emphasized by previous literature on business incubators (e.g. Ahmed & Ingle, 2013; Al-Mubaraki & Busler, 2013; Hacket & Dilts, 2004) but also as having an ambiguity reducing value. Resources, such as guidance and advice, were showed not only to contribute to tenants in a traditional functional way but also to have a value through reducing ambiguity. Guidance and advice was experienced as structuring, which we have argued may reduce the ambiguities of entrepreneurship regarding what to do. Moreover, by knowing what to do, we have argued that the guidance and advice also contributes to reduce the ambiguity regarding whether if one will make it as an entrepreneur, by engender a sense of security.

Having a shared infrastructure is also experienced as having a structuring effect. Having a place to go in the morning and leave in the afternoon seemed to give the tenants a form of structure. We have argued that this facilitated the construction of a more coherent self-narrative and thus the shared infrastructure contributed to reducing ambiguities regarding insecurity.

Lastly, the tenants experienced the office as linked to resources such as networks and legitimacy. We have argued that networks reduced some of the ambiguities of entrepreneurship through making the tenants less alone, but also contributed with a sense of security concerning what to do through learning from each other. We have also argued that the legitimacy the tenants experienced entailed a notion of 'this is for real', which may help the tenants with the ambiguities regarding if one will make it as an entrepreneur or not. In

brief, the resources that the Incubator provided was experienced as having an ambiguity-coping value in regard to the loneliness and insecurity an entrepreneur might face.

#### **6.2.2 Escaping freedom**

Our second finding also addressed the ambiguity reducing value of the Incubator, but from a critical perspective. We have argued that the tenants, in the role of entrepreneurs, can be seen as having liberated themselves from many of the bonds of traditional work, such as where to work, what to do, and when to do it. We have also argued that being a free-standing entrepreneur entails some anxiety (the ambiguities of entrepreneurship addressed above). In order to cope with this anxiety, we have suggested that the tenants may try to escape their so-called freedom through submitting or fusing themselves with the Incubator. Therefore, we reinterpreted the tenants' experiences of the Incubator as providing structure to their work-life and what to do, from the perspective of escaping freedom (Fromm, 1942/2005). By doing so, we have argued that the wish for being told what to do and wanting more control from the Incubator can be seen as a form of submission. Moreover, we also argued that by drawing upon the Incubator's legitimacy in order to gain strength they themselves might lack, the tenants can be seen as trying to fuse themselves with the incubator. To conclude, we have argued that the tenants experienced the Incubator as contributing to reducing ambiguity and this can be interpreted as achieved through escaping their freedom.

## 6.2.3 Be whoever you want - as long as you are social and outgoing

Our third and last finding concerns the tenants' experiences that you need to be social and outgoing and have certain qualities, despite no official claims from the Incubator supporting this. Instead, the Incubator seemed to promote the tenants to be whoever they wanted. By applying the five dimensions of neo-normative control (Fleming & Sturdy, 2009), we tried to make sense of this.

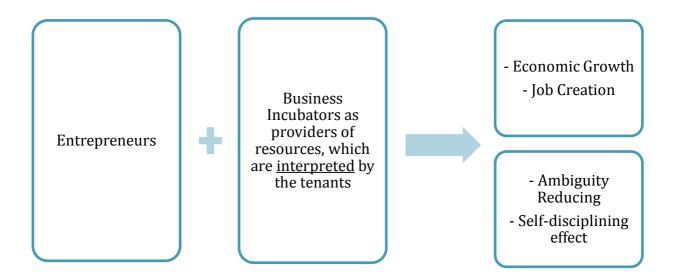
We argued that the tenants' experiences of expectations to be social and outgoing, can be understood as a form of limited expression of being whoever. In this case, the limitation concerned not being a less social person. Moreover, we also argued that the Incubator's promotion of that if you are good enough it does not really matter what you do, as drawing more of the real-self into the entrepreneurial practice. We thus also argue that when more of the real-self is drawn into the entrepreneurial practice, success of failure of the company becomes more linked to the person real self and may thus have a self-disciplining effect. In

brief, the promotion of be whoever and being good enough might draw more of the real-self into the entrepreneurial process, which can have a self-disciplining effect.

## 6.3 Theoretical and practical contributions

In this section we will argue for our research to have theoretical contributions as well as practical contributions. We will also discuss some practical implications for business incubators that we have noticed during our research process.

The main theoretical contribution this research has provided is to show that there is a need to extend the research on business incubators to contain more perspectives, such as interpretative and critical perspectives. As shown in the literature review, previous research on business incubators has focused on how business incubator may contribute to survival and growth for companies, by providing resources. Some studies have been made with a focus on the tenant at a business incubator (e.g. Fry, 1987; Sherer & McDonald, 1998; Stuart & Albetti, 1987), but these do no account for the tenants' experiences of business incubators. However, within the field of entrepreneurship, there has been a stream of research with an interpretative or critical approach. Through introducing such entrepreneurial theories within the field of business incubators, we argue that this study has contributed to the understanding of how tenants experience business incubators. In particular, this study add nuance to theories on business incubators. We argue that resources need to be understood not only in a static functional way, but also in an interpretative way. In this particular case the resources can be understood as ambiguity reducers, both through structure and submission. Moreover, we have also argued that being part of a business incubator may entail an expectation of a certain way of being and acting, which can have consequences for the individual. To show how our findings add nuance to the existing theories on business incubators, we have extended the model presented in literature chapter. In model 2 we summarize how resources are not only given to the tenants, but also interpreted by the tenants. Model 2 also highlight how business incubators may contribute to reducing ambiguity and entail a self-disciplining effect, through drawing more of the real-self into the entrepreneurial practice.



Moreover, this study also shows the value of viewing business incubators from a critical perspective. By doing so, we highlight how business incubators are arenas for power relations and that this might entail some problems. Below we will see how a greater understanding of business incubators in the literature also can affect practical issues of business incubators.

One of the main practical implications that can be drawn from our study is that business incubators can become more aware of how tenants experience business incubators. Most previous literature has not focused on the experience of the tenants and thus may this study give some insight to business incubators regarding tenants' experiences. Moreover, the business incubators may also become more aware of that the tenants are social beings that make sense of the business incubators. In our study we showed how tenants experienced the resources the business incubator provided as not solely having a traditional functional value (i.e. to grow the tenants' companies). As a result, business incubators may gain a greater understand of what resources they need to offer, but also what tenants gain from the resources. Moreover, this study might also give insight to practitioners regarding power-relations at a business incubator. Taken together, this insight might facilitate for business incubators to provide better services for the tenants and operate their organization with increased moral awareness.

### 6.4 Reflections and suggestions for further research

This research was conducted in the time frame of a few months and with regard to specific requirements of a Master's Thesis. This could thus be seen as limitations to our research, where we otherwise could have gained an even broader perspective of tenants in business incubators. Furthermore, we think it is important to acknowledge that the business incubator was located in a science park in Sweden, with mostly single-man/women service-companies as tenants. Even though we do not seek to generalize our findings, we still think it is important to consider the context's impact on our findings. It could be speculated that a high-technology business incubator with bigger companies as tenants, might experience a business incubator a hole other way. With this said we would like to end this thesis by giving a few suggestions to further research within the area of business incubators.

We would like to suggest that the topic of tenants in business incubators would benefit from further research from a more interpretative and critical perspective. We would argue that business incubators are important to consider as potential platforms for identity construction. People who join business incubators are often in a transition in their live. They might leave a steady work for a situation where they only have themselves to lean on to make it economically. It seems, therefore, reasonable that business incubators play an important role in individuals' identity work.

# References

- Abduh, M. D., Souza, C., Quazi, A. & Burley, H. T. (2007). 'Investing and Classifying clients' satisfaction with business incubator services'. *Managing Service Quality*, 17(1): 74-91.
- Ahmad, A. & Ingle, S. (2013), "Business Incubators and HTSF Development: Setting an Agenda for Further Research", in Ray Oakey, Aard Groen, Gary Cook, Peter Van Der Sijde (ed.) New Technology-Based Firms in the New Millennium (New Technology-Based Firms in the New Millenium (pp. 119-140). Emerald Group Publishing Limited
- Aerts, K., Matthyssens, P. & Vandenbempt, K. (2007). "Critical role and screening practices of European business incubators". *Technovation*. 27(5):254-267
- Al-Mubaraki, H., Busler, M. & Aruna, M. (2013). "Towards a New Vision for Sustainability of Incubator Best Practices Model in the Years to Come". *Journal of Economics and Sustainable Development*. 4(1): 114-127.
- Alvesson, M. (2004). *Knowledge Work and Knowledge-Intensive Firms*. New York: Oxford University Press Inc.
- Alvesson, M. & Kärreman, D. (2007). Unraveling HRM: Identity, Ceremony, and Control in a Management Consulting Firm. *Organization Science*. 18(4): 711-723.
- Alvesson, M. & Sköldberg, K. (2009). Reflexive methodology, 2nd Ed. London: Sage
- Bergek, A., Norrman, C., (2008). "Incubator best practice: A framework". *Technovation*. 28 (1/2): 20–28.
- Bruneel, J., Clarysse, B., Ratinho, T., & Groen, A. (2012). "The evolution of Business incubators: Comparing demand and supply of business incubation services across different incubator generations". *Technovation*. 32(2): 110-121.
- Bryman, A., & Bell, E. (2007). Business Research Methods. Oxford: Oxford University Press.
- Bøllingtoft, A. & Ulhøi, J, P. (2005). "The networked business incubator—leveraging entrepreneurial agency?" *Journal of Business Venturing*. 20(2): 265–290.
- Chan, K. F., & Lau, T. (2005). "Assessing technology incubator programs in the science park: the good, the bad and the ugly." *Technovation*. 25(10): 1215-122

- Creswell, J, W. (2003). Research Design: Qualitative, Quantitative, and Mixed Methods Approaches. Thousand Oaks, CA: Sage.
- CSES. (2002). *Benchmarking of Business Incubators*. Available from: http://www.cses.co.uk/upl/File/Benchmarking-Business-Incubators-main-report-Part-1.pdf [Accessed 26 February 2013].
- Ecorys. (2012). *EU SMEs in 2012: at the crossroads*. Available from: http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/performance-review/files/supporting-documents/2012/annual-report\_en.pdf [Accessed 26 February 2013].
- Feldman, D. C. (1984). "The Development and Enforcement of Group Norms". *Academy Of Management Review*. 9(1): 47-53.
- Ferguson, R., & Olofsson, C. (2004). "Science Parks and the Development of NTBFs—Location, Survival and Growth". *Journal Of Technology Transfer.* 29(1): 5-17
- Fleming, P. & Sturdy, A. (2009). "Being Yourself in the electronic Sweatshop: New forms of Normative Control". *Human Relations*. 64(2): 177-200.
- Fromm, E. (2005). *The Fear of Freedom*. London: Routledge. (Original work published 1942)
- Fry, F, L. (1987). "The Role of Incubators in Small Business Planning". *American Journal Of Small Business*. 12(1): 51-61.
- Grimaldi R. & Grandi, A. (2005). "Business incubators and new venture creation: an assessment of incubating models". *Technovation*. 25(2): 111-121.
- Guba, E. G., & Lincoln, Y. S. (1989). Fourth Generation Evaluation. Newbury Park: Sage.
- Guba, E. G., & Lincoln, Y. S. (1994). "Competing paradigms in qualitative research". In N.K. Denzin & Y.S. Lincoln (Eds.), "Handbook of qualitative research" (pp. 105-117). Thousand Oaks, CA: Sage.
- Hackett, S.M., Dilts, D.M. (2004). "A systematic review of business incubation research". *The Journal of Technology Transfer.* 29 (1): 55–82.
- Hatch, M. J., and Schultz, M. (2002). "The Dynamics of Organizational Identity". *Human Relations*. 55(8): 989-1018.
- Hjort, D. & Steyaert, B. (2004). "Conceptualizing the opening phase of regional development as the enactment of a 'collective identity". *Concepts and Transformation*, 8(1): 69-92.

- Johannisson, B. (2007). "Towards a practice Theory of Understanding Entrepreneurship". Small Business Economy. 36(2): 135-150.
- Jones, C. & Spicer, A. (2009). *Unmasking the Entrepreneur*. Cheltenham: Edward Elgar Publishing Limited.
- Kvale, S. (1996). *Interviews: An introduction to Qualitative Research Interviewing*. Thousand Oaks: Sage Publications.
- Kärreman, D., Sveningsson, S. & Alvesson, M. (2002): "The Return of the Machine Bureaucracy? Management Control in the Work Settings of Professionals".

  International Studies of Management and Organizations. 32(2): 70–92.
- McAdam, M. & Marlow, S. (2007). "Building Futures or Stealing Secrets? Entrepreneurial Cooperation and Conflict within Business Incubators". *International Small Business Journal*. 25(4): 361-382.
- Merriam, S. B. (2002). *Qualitative Research in Practice: Examples for Discussion and Analysis*. San Francisco, CA: Jossey-Bass.
- Morgan, G. (1980). "Paradigms, Metaphors, and Puzzle Solving in Organization Theory". *Cornell University*. 25(4): 605-622.
- Morris, M, H. Kuratko, D, F. Schindehutte, M. & Spivack, A, J. (2012). "Framing the Entrepreneurial Experience". *Entrepreneurship Theory and Practice*. 36(1): 11-40.
- Peters, L., Rice, M., & Sundararajan, M. (2004). "The Role of Incubators in the Entrepreneurial Process". *Journal Of Technology Transfer*. 29(1): 83-91.
- Pettersson, K. (2004) ''Masculine entrepreneurship the Gnosjö discourse in a feminist perspective''. Hjorth, D. & Steyaert, C. (Eds.), *Narrative and Discursive Approaches in Entrepreneurship* (pp.177–193). Cheltenham: Edward Elgars.
- Ryan, G, W. & Bernard, H, R. (2003). "Techniques to identify themes". *Field Methods*. 15(1): 85-109.
- Sandberg, J. & Targama, A. (2007). *Managing Understanding in Organizations*. London: Sage Publications.

- Sarason, Y., Dean, T. & Dillard, J, F. (2006). "Entrepreneurship as the nexus of individual and opportunity: A structuration View". *Journal of Business Venturing*. 21(3): 286-305.
- Sennett, R. (1998). The Corrosion of Character. New York: W: W Norton.
- Sherer, A. & McDonald, D, W. (1998). "A model for the Development of Small High-Technology Businesses Based on Case Studies from an Incubator". Development of High-Technology Businesses, 5(4): 282-295.
- Schwartz, M. & Hornych, C. (2008). "Specialization as Strategy for business incubators: An assessment of the central German Multimedia Center. *Technovation*. 28(7): 436-449.
- Sinclair, A. (1992). "The Tyranny of a Team Ideology". *Organization Studies*. 13(4): 611-626.
- SISP. (n.d.). *Om inkubatorer. Vad är en inkubator?*. Available from: http://www.sisp.se/ominkubatorer [Accessed 26 February 2013].
- Smilor, R. W. (1987). "Managing the incubator system: Critical success factors to accelerate new company development". *Engineering Management, IEEE Transactions on*. 34(3): 146-155.
- Smith, R. and Anderson, A.R. (2004). 'The devil is in the e-tale: forms and structures in the entrepreneurial narratives'. Hjorth, D. & Steyaert, C. (Eds.), *Narrative and Discursive Approaches in Entrepreneurship* (pp.125–143). Cheltenham: Edward Elgars.
- Stuart, R. & Albetti, P, A. (1987). "Start-Up Ventures: Towards the Prediction of initial Success". *Journal of Business Venturing*. 2(3): 215-230.
- Steyaert, C. (2004). 'The prosaic of entrepreneurship'. Hjorth, D. & Steyaert, C. (Eds.), Narrative and Discursive Approaches in Entrepreneurship (pp.8–21). Cheltenham: Edward Elgars.
- The Economist. (2009). *The United States of Entrepreneurs*. Available from: http://www.economist.com/node/13216037 [Accessed 26 February 2013].
- Tötterman, H. & Sten, J. (2005). "Start-Ups, Business Incubation and Social Capital". International Small Business Journal, 23(5): 487-511.

Rasmus Jonsson Emilia Olandersson

Vanderstraeten, J. & Matthyssens, P. (2012). "Measuring the performance of business incubators. A critical analysis of effectiveness approaches and performance measurement systems". *Technovation*, 32(12): 656-670