

# Measuring the value of a business incubator through the alumni entrepreneurs

Exploration of existing knowledge, and development and testing of a measurement system

Ida Herbertsson



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# Preface

Through this study, I will finalize my studies at Lund Institute of Technology and receive my bachelor's degree in Civil Engineering. It has been a very interesting study and I have learned a lot that I take with me to the future. It has taught me things about how to do and not to do when conducting a study, whether academic or not. I have learned more about how I work well and, not so well. The study has broadened and deepened my interest and, knowledge of entrepreneurship and it has strengthened my ability to work in an area where prior research, knowledge, and data is very limited.

I want to dedicate this work to my grandparents, especially to my grandfather, my mother's father, Mårten, who after a long life passed away last year. I dare to say that his highest wish was for his grandchildren to be well educated and since this study will be the last step towards my first University degree, I know he is proud of me where ever he is. Also, my father's father, Rune, who passed away much too early, I know he is smiling from above. I miss both of you a lot and I wish you were still here. I have many happy memories from my time spent with you, thank you for that. Both of my grandmothers, Ingeborg and Iris are still here, which I am very happy about, and I hope you will be around for a long time. Thank you, all four of you, for always being there for me and my sister, for taking part in building the amazing house we grew up in, for making dinner when our parents had to work, for playing with us and for always supporting us. Thank you for being part of my great childhood and for always believing in me!

February 2015

Ida Herbertsson



# Sammanfattning

<b>Titel:</b>	Att mäta värdet av en företagsinkubator utifrån individerna som gjort sin exit
<b>Författare:</b>	Ida Herbertsson
<b>Handledare:</b>	Kristian Widén, Avdelningen för Byggproduktion, Lunds Universitet Mårten Öbrink, Minc
<b>Problemformulering:</b>	En företagsinkubators värde och dess investerares avkastning mätts vanligtvis genom finansiella siffror utifrån de bolag som gör sin exit från inkubatorerna. Men en inkubator coacher inte företag, de coachar människor. Därmed vore det mer intressant att mäta värdet utifrån personerna, alumni entreprenörerna, som genomgått inkubatorprogrammet.
<b>Syfte:</b>	Utforska hur en inkubators värde kan mätas utifrån personerna som genomgått inkubatorprogrammet
<b>Metod:</b>	En induktiv forskningsansats. Literaturgenomgång följt av kvalitativ datainsamling genom intervjuer och enkäter. Utveckling av ett mätsystem som delvis testas genom en fallstudie
<b>Slutsats:</b>	Ett bra mätsystem ska vara kopplat till målet och mätas i både finansiella och icke-finansiella termer. Att utgå från alumni entreprenörer för att mäta värde är relevant både enligt litteraturen så väl som empiriska resultat. Men vad och hur det skall mätas är inte enkelt, och både påverkan på totala värdet och tid och tillgängliga resurser måste övervägas noggrant.
<b>Nyckelord:</b>	Entreprenörskap, Affärsinkubator, Mätsystem



# Abstract

- Title:** Measuring the value of a business incubator from the individuals who made their exit
- Author:** Ida Herbertsson
- Supervisor:** Kristian Widén, Division of Construction Management, Lund University  
Mårten Öbrink, Minc
- Problem Formulation:** The return on invest and value of a business incubator is usually calculated through financial figures from the incubators alumni companies. However, an incubator does not coach companies; it coaches people. Thereby it would be more interesting to measure value of the persons, the alumni entrepreneurs, who went through the incubation program.
- Purpose:** Explore how an incubators value can be measured through the individuals who have gone through the incubation program
- Methodology:** Inductive research approach. Literature review followed by qualitative data collection through interviews and surveys. Development of a measurement system which was partly tested through a case study
- Conclusion:** A good measurement system should measure both financials and non-financials and be closely connected to the goal of the organization. Using the alumni entrepreneurs as starting point for measurements is relevant both according to large amount of literature and empirical evidence. But, what to measure and how to do it is not easy, and impact on total value as well as time and resources available needs to be considered.
- Keywords:** Entrepreneurship, Business Incubator, Measurement system



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# Introduction

This section gives an overview of the problem and its background as well as describe the purpose of this study and the study's limitations. ,

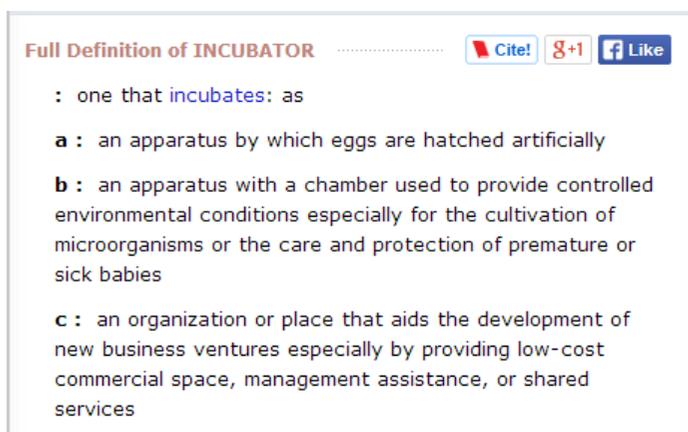
## Background

“Creation of new business opportunities through entrepreneurship, productivity and innovation leads to economic growth” (Ekmekçioğlu, 2012)

One of the main building blocks for economic growth and development of a country is the active businesses. Companies contribute to society in many ways, for example they offer people jobs and they pay taxes to the government. According to Porter (1998), the environment in which a company is working is very important for its development. Thereby, business incubators, which work to create a great environment for new companies and work to foster and develop the new companies, are important for society (Löfsten & Lindelöf, 2005).

Research shows that it is the young companies that create most of the new jobs (National Bureau of Economic Research). Young and new companies are good at disruptive innovation while existing and old ones usually are not. Disruptive innovation changes the market by creating new markets compared to sustaining innovations that develops existing products and services. One example of disruptive innovation is the first cellular phone compared to a sustaining innovation, which would be development of the landline phones. The cellular phone created a totally new market that did not exist before (Christensen, 2014). In an existing company after the sustaining innovations, what usually comes is efficiency innovations, for example making changes making the manufacturing require less people. Existing companies usually do not invest in market creating innovations, disruptive innovations, because it takes 5-10 years to get the investment back compared to efficiency innovations, which are paid back within 1-2 years. Market creating investments create jobs but need capital while efficiency innovations frees capital but reduces jobs. Existing companies have key performance indicators, which benefit investments that are paid back as soon as possible. This is why they do not choose to invest in disruptive innovations; the payback time is too long (Christensen, 2014). This

means that to create new jobs, the new companies, which do not only look at the payback time, but instead create new markets, are very important.



**Figure 1 Definition of incubator**

"Incubator." *Merriam-Webster.com*. Merriam-Webster, n.d. Web. 29 Aug. 2014. <http://www.merriam-webster.com/dictionary/incubator>

As can be read on the picture above a business incubator works to help new business ventures by, for example, offering cheap office space, business advisors and providing access to a broad network. (Merriam-Webster, 2014) Different incubators work in different ways, they offer different things, some are specialized in for example life science ventures or IT, but what they all have in common is to help develop the new ventures (Wallentén, 2014).

The history of business incubators dates back to the 1950s when the first incubators started to support the entrepreneurial academics at the Universities. The first incubators were started in the US, in 1951 The Stanford Research Park in California and in 1959 The US Business Incubator in Batavia, New York. During the 1970's the concept spread to Sweden and today incubators are found at many Universities all over the world as well as at places without a connection to a University (SISP, 2014).

Most or almost all incubators are dependent on financing from a third party. In Sweden ALMI Företagspartner (Almi), owned by the Swedish Government, gives the possibility for incubators to apply to be part in their incubator program called Business Incubation for Growth (BIG). BIG can give the incubators coaching as well as financing. In return

BIG demand that the incubators provide top quality business coaching for growth companies (Wallentén, 2014). There are also other types and forms of financing that incubators can receive, for example from the municipality as well as from private persons or companies.

Because of the fact that the incubators are dependent on financing from others they also need to show their financiers that the money they receive are used in a way that creates value. Today, the value that an incubator is creating is usually measured through the incubated companies' performance after they have made their exit. Examples of measurements are the number of jobs created, amount of tax money paid, and venture capital attracted. These numbers are all interesting to measure, but, an incubator does not coach companies, it is the individuals that go through the incubation program that are coached. Some of the companies will not continue after exit, some of the people might not continue within the company they ran at the incubator. However, even if the people choose to do other things they will still have gained knowledge and experience in through the incubator that will be valuable. This is why it would be more interesting to look at what the individuals do, not only at the performance of the alumni companies. (Öbrink, 2014)

## Short Dictionary

**Alumni entrepreneur:** A person who has taken part in an incubation program at a business incubator

**Alumni Company:** A company that is/was run by an alumni entrepreneur during the time of the incubation program

## Problem Formulation

This thesis aims to explore how the value of a business incubator can be measured through the individuals that have made their exit from the incubator (through the alumni entrepreneurs). Secondly, it will also start developing a measurement system to measure this value using the alumni entrepreneurs as the starting point. It is to prefer if parts of the measures are financial number or can be transferred into financial numbers. This is because they are easy to understand and to compare in many different ways and will thereby be more valuable for the incubators as well as for their financiers and other parties. Thirdly, data gathering and analysis of alumni entrepreneurs from Minc, an incubator in Malmö, will be conducted as a case study. Since this thesis will be dealing with persons and personal data a short section will be handling the personal data act and what possible restrictions that might apply.

## Purpose

The purpose is to explore how a business incubators value can be measured through the individuals after they made an exit from the incubator.

## Limitations

There are of course some limitations within the area due in large part to the time limits of this work and the lack of prior and existing research in the specific area.

The focus will be on Swedish incubators when it comes to more specific information, such as the goals and visions of incubators, making it broader is not possible due to time. I have chosen Sweden since this is where I personally have the most knowledge, and since the thesis is conducted in collaboration with Minc in Malmö. However, this does not say that it will not be relevant to incubators outside of Sweden as well.

It is also important for this research and the development of a measurement system to make sure that what is measured is lead back to the goals of an incubator. The goals for different incubators will differ and thereby the measurements might have to be adjusted. This thesis will aim to develop a measurement system to fit the overall goals of different incubators, so part of the work will be to find and understand the overall goals that can be applied to at least most of the incubators in Sweden.

Some incubators have specific focus areas such as life science or IT. This thesis will focus on the similarities of different types of incubators not the differences.

Due to time constraints, only one incubator will be studies in a case study and only parts of the measurement system will be possible to test within this timeframe.

# Methodology

Since this study was in a narrow area where I had little experience when starting it was first of all important to choose a research approach that was flexible. The study was conducted in a space where I was able to get access to a lot of qualitative data, through interviews and surveys but where the existing theory was limited. Due to time constraints, I also knew that it would not be possible to test the measurement system enough to be able to generalize the results. This is why an inductive research approach was selected. Using a deductive approach would have required more structure, more theory and quantitative data while an inductive approach is more flexible and the results does not necessarily have to be generalized. The research has been conducted from the outside, although when I am finishing this report I am currently working with a venture at an incubator, but not at the Minc, thereby a similar setting to what I have been studying.

The research started with a literature review to understand what knowledge already exists. Then empirical data was collected through interviews and surveys with incubators within Sweden. Following that was more data gathering, now from entrepreneurs who had taken part in the incubation program at Minc. From the theory and the data, a measurement system was then developed and parts of it was tested and analyzed in a case study at Minc.

## Literature review

This study started with a literature review. As expected, there was very little research and information to be found within the narrow area of measuring the value of a business incubator through the alumni entrepreneurs, but literature on entrepreneurship in general was easily found. Large part of the literature review have been in the area of entrepreneurial skills and competencies as well as how entrepreneurship affects economic growth. It was hard to find scientific research about business incubators, since incubators is still a fairly new concept, but some research has been done. Furthermore research have been conducted about what parameters to use when evaluating an incubator but it is fairly broad, evaluating the incubator as a whole but never the actual coaching of the entrepreneurs. Unfortunately, nothing has been found so far about evaluating the incubator based on the alumni entrepreneurs. This means that overall the area chosen for this thesis is still today quiet unknown, indicating that it is a difficult and hard area to

conduct research about but also very interesting. Except for literature about entrepreneurship, entrepreneurs and business incubators, literature about measurement systems in general have also been studied.

## **Empirical research**

The empirical research consisted of interviews and surveys (most of them conducted through e-mail). Persons in charge of incubators, usually the CEO's was invited to take part in a survey to get a broad understanding of their view of measuring their work in general and through the alumni entrepreneurs specifically. Then the alumni entrepreneurs who made an exit from the incubator at Minc were asked about their time and experiences at Minc to understand what has been valuable for them after making their exit. I have also been in contact with Margareta Wallentén at Almi to get an overall view on their work and on incubators in Sweden. Furthermore, I have also at times been having informal discussions with Mårten Öbrink at Minc especially for the case study conducted at Minc.

### **Sample of incubators**

The incubators for the survey were chosen to represent different specializations as well as cover Sweden geographically. The contacted incubators were all, at the moment of contact, part of and partly financed by Almi's initiative Business Incubation for Growth (BIG), thereby showing a certain quality of the incubators. BIG focuses on incubators working with growth companies with an international potential and the incubators showing the best results are granted financing. In total 25 incubators was contacted by email.

### **Sample of alumni entrepreneurs**

The case study was conducted at Minc since this project was carried out in collaboration with them. There was not time to do it at more incubators, even though that would have increased the reliability and possibility of generalizing the results significantly. This includes both the actual test of the measurement system as well as the survey about what the alumni entrepreneurs are valuing from their time at the incubator. In total, a bit over 100 persons have made their exit from Minc from the start and until the end of 2013. I was provided with some information about the exit companies and entrepreneurs at Minc from the personnel at Minc. These people were both contacted through email as well as researched through Google and LinkedIn.

## Other

One part of the work also consisted of understanding the personal data act and which, if any, limitations it could bring upon the development of the work and information through the webpage of Datainspektion as well as an email conversation. Information about personal names and company names for the case study at Minc as well as which incubators that answers will not be disclosed, only results and outcomes of data and analyses will be shown.



# Theory

This chapter gives an overview of some of the existing knowledge and research relevant for this thesis. Areas that are discussed are entrepreneurship, entrepreneurs, business incubators, measurements of incubators as well as measurement systems in general.

## Entrepreneurship – what it is

There are several definitions of entrepreneurship and several descriptions of an entrepreneur. (Henrekson & Stenkula 2007). The exact definitions of entrepreneurship differs between different authors and people but there is a need for a consensus concerning these definitions (Rowley & Mitchelmore, 2008).

It can be stated that entrepreneurship has to do with people and that entrepreneurship is generated through entrepreneurs. A reasonable definition is that an entrepreneur is a person who gets aware of, and creates, new economic opportunities. Entrepreneurs introduce their ideas to the market, they make decisions, they work in conditions of high uncertainty, and they always have the ambition to create value, although that value might only be for the entrepreneur him/herself and not always for other or society. Entrepreneurial people are not necessarily self-employed or starting new businesses and self-employed people and people starting new businesses are not necessarily entrepreneurial. Using the entrepreneurial talent in the right way could be as important as the talent itself. Large part of the entrepreneurial knowledge is gained through learning-by-doing. The entrepreneur plays an important role when it comes to commercialization and exploitation of existing knowledge as well as spreading new knowledge. However, it is also important to remember that an entrepreneur cannot do it alone; entrepreneurs need a network of other competencies to create something successful. (Henrekson & Stenkula 2007).

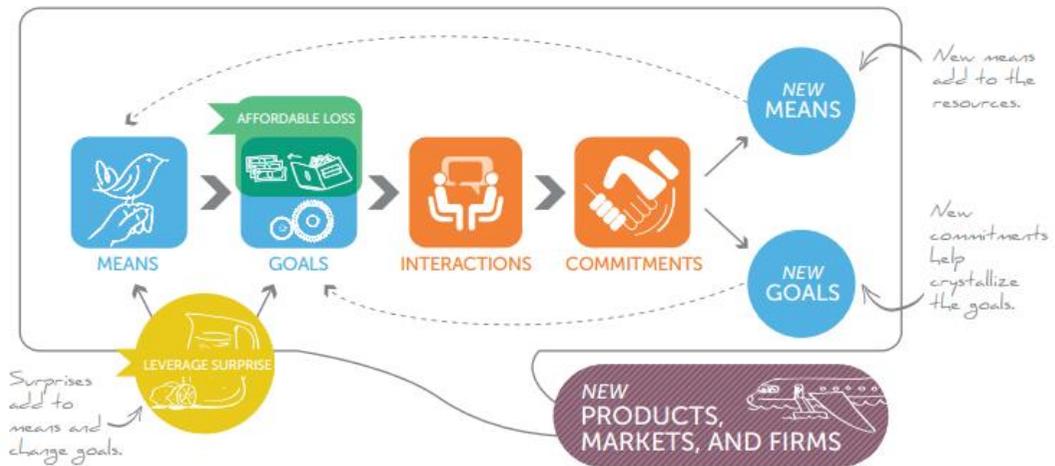
The multi-country survey Global Entrepreneurship Monitor investigated the difference in economic growth between entrepreneurship by necessity; when people has no other choice than becoming entrepreneurs and entrepreneurship by opportunity; when people choose to start a business based on the perception that a business opportunity exists. It was found that necessity entrepreneurship has no effect on economic growth while

opportunity-based entrepreneurship do. Due to high living standards in Sweden most of the entrepreneurship here is opportunity-based. (Acs, 2006)

## Entrepreneurial characteristics, skills and traits

The importance of entrepreneurship and entrepreneurial competencies will increase in the future, in large part because the importance of other competitive aspects such as natural resources, capital and national borders will decrease in comparison. Thereby the individuals are important since they, as entrepreneurs, are the ones creating and seizing the opportunities. (Svenskt Näringsliv, u.d.). There are several books written by and about successful entrepreneurs stating that the people is one of the keys to create successful businesses, for example, *Good to Great* by Jim Collins (2001) and *Business Stripped Bare* by Richard Branson (2008).

According to Saras Saravathy (2001), everyone can become an entrepreneur. She has interviewed several expert entrepreneurs and found that what makes them successful is what she calls effectual reasoning. In school and life, we are taught to set a specific goal and use that as the starting point and find the means necessary to reach that goal in the most optimal way. But, if you instead use effectual thinking, you start with the means you have and let the goal emerge from the means (Sarasvathy, 2001). The concept of effectual reasoning consists of five principles; Bird-in-Hand, Affordable Loss, Patchwork Quilt, Lemonade and Pilot-in-the-plane. Bird-in-Hand is about understanding who you are, what you know and, who you know, and from that imagine the possibilities. Affordable loss is about understanding what you can afford to lose and seek risks and opportunities where there will be an upside even if the downside happens. Furthermore, entrepreneurs leverage the surprises and eventual downsides, just like making Lemonade out of lemons. An entrepreneur does not do it alone, but builds up partnerships with committed stakeholder and co-create, which can be thought of like a Patchwork Quilt. Lastly, Pilot-in-the-plane is about focusing on what you can control and the believing that the future can be made (Sarasvathy, 2003).



**Figure 2 Effectuation and its principles. Figure from <http://www.effectuation.org/sites/default/files/documents/effectuation-3-pager.pdf>**

Lackéus (2013) writes about developing entrepreneurial competencies and he defines it as “knowledge, skills and attitudes that affect the willingness and ability to perform the entrepreneurial job of new value creation; that can be measured directly or indirectly; and that can be improved through training and development”(Lackéus, 2013).

S. Mitchelmore and J. Rowley (2008) writes in their literature review that many of the authors they read agreed on some competencies being important as an entrepreneur while others differed. The agreed competencies were; “...management skills, including the ability to develop management systems and organization and coordination skills; idea generation; conceptual and analytical competencies, including the ability to co-ordinate activities; customer management skills; delegation and motivation skills; the ability to recognize and take advantage of opportunities, the ability to formulate strategies taking advantage of opportunities; hiring skills; decision making skills; leadership skills; and commitment.” (Mitchelmore & Rowley, 2008)

Baum and Locke (2004) focused their research on finding traits or characteristics needed to overcome the challenge that entrepreneurs face. They described the challenge as a situation of extreme uncertainty, resource shortages, surprises, and rapid change. They looked at entrepreneur-CEO’s and how their passion, tenacity, and new resource skills affected venture growth. The study was conducted over a 6-year period of time and one conclusion was that the entrepreneur’s skills, traits and motivation factors that was

included in the study is significantly related to venture growth. The motivation factors: vision, goals, and self-efficacy influence business performance. The discussion in their paper states that the company's growth is only one of the things that can be studied as a relevant outcome other they suggest are profitability, survival, career satisfaction, and innovation. It was found that "...entrepreneurs' passion, tenacity, and new resource skill affected venture growth through communicated vision, goals, and self-efficacy" (p.597) (Baum & Locke, 2004)

## Measuring entrepreneurship

Measuring entrepreneurial competencies is very important and there are several different approaches into doing it but there is a big challenge in understanding the competencies. The different frameworks that have been developed have both similarities as well as differences from each other, which is one strong indicator of the challenge. (Mitchelmore & Rowley, 2008). There are also indications of the entrepreneurs competencies being contextual and situational (Hayton and McEvoy, 2006) Van der Heijden is recognized to have done the most comprehensive and rigorous development of a scale for measuring competencies where she focuses on general expertise rather than business and entrepreneurial expertise (S. Mitchelmore and J. Rowley, 2008). The method she developed measured five different dimensions and each dimension was evaluated through scales of several items. The dimensions was knowledge, meta-cognitive knowledge, skill, social recognition and, growth and flexibility. (Van der Heijden, 2000). Using qualitative methods can provide new and other information compared to the usually used quantitative methods. (Hindle & Yencken, 2004)

## Measurements business incubators

Vanderstraeten et al. (2012) argues that a balanced scorecard and strategy map tool are good measurement systems for incubators since they are accessible and comprehensible and gives both operational and financial measurements. The focus in their study has been on the not-for-profit economic development incubator, which aims to stimulate regional development through business creation and development and statistics show that the majority of incubators in the world have this focus. Performance measurements of incubators is though still a relatively new research area, which is pointed out by several sources. (Vanderstraeten et al. 2012)

The output from a performance measurement system should support strategic objectives, have an appropriate balance, e.g. short-and long-term, various perspectives, guard against

sub-optimization, have a limited number of performance measures, be easily accessible (to obtain, to present and to understand) and the purpose should be clearly defined (Tangen, 2004).

Through Business Incubation for Growth Sweden (BIG) Almi measures the performance of the business incubators in Sweden that are receiving financing from Almi. Examples of what is being measured is number of ideas that goes through the incubators and where the ideas come from, how the ideas do during the incubation time (terminated or not), financing attracted, which industries they operate in, revenues, and, jobs created. The measurements are done for alumni companies as well as existing incubator companies (Almi, 2014)



# Empirical results

This section gives an overview of the empirical results gathered from the incubators and entrepreneurs.

A business incubator aims to foster and help develop new ventures by offering for example business coaching, network and office space. After a certain time the venture/company makes an exit from the incubator, if not terminated earlier. During the remainder of this thesis a person running a venture/company at an incubator is called an entrepreneur and when making an exit the incubator, either with or without their venture/company the entrepreneurs becomes alumni entrepreneurs and the company run at the incubator becomes an alumni company.

## Goals of an incubator

The general goals of incubators are to, through their incubated ventures and companies, create new jobs in its region, and generate tax incomes. Some incubators have very specific goals such as within the industry that they focus for example ICT or Life Science, which will then of course also be stated in their goals and visions. (Wallentén, 2014)

## Measurements incubators

At different incubators both how and what you follow-up related to the alumni entrepreneurs and alumni companies differ. The differences depend on things such as time and resources as well as their needs. All the surveyed and interviewed incubators take part in BIG they are also part in Almi Assessment. Through Almi Assessment they measure for example the number of ideas and companies passing through the incubator, how many take part in the incubation program, how many make an exit, turnover percentage that is exported of companies, people employed by the companies, and capital attracted by the companies. Some incubators are also measured on the return on investment of the government money, although how this measured is not stated. Some incubators also follow-up number of women and men as well as people born outside Sweden that take

part in the program. Most of the incubators also do a follow-up with the alumni entrepreneurs about how satisfied they are with their time at the incubator.

The incubators seem to think the measurements used are all valid and interesting measurements but there are more things that they think would be interesting to follow-up both about the alumni companies and the alumni entrepreneurs as well. Starting with the alumni companies, they would also like to know what the company structure looks like, mergers and acquisitions, sales of parts of the companies and the value of the company. When an alumni company is bought or merged the information about it is lost for the incubator and it would be interesting to be able to still make measurements. Some also request to be able to follow-up capital attracted by the companies. It would also be interesting to understand how much the incubator has meant for the companies.

Looking at what the incubators would like to know about the alumni entrepreneurs, there are similarities to what they want to know about the alumni companies. The incubators would like to know what the entrepreneurs are doing today, what they are working with, and where they are working, if they have a leading position, if they have invested in other companies and if they are active in any boards. Furthermore, the incubators think it would be interesting to know if and how the time at the incubator has been important and if and how the entrepreneurs contribute and share their experiences with others. Some incubators believe they have enough information and that further information about the persons would not contribute enough compared to the time and resources needed to do it.

## What does the alumni entrepreneurs from Minc do today?

To understand what value Minc is creating through the entrepreneurs after they make their exit, it is essential to first understand what they do and then see how their experiences from Minc could be measured through that.

Through searches on LinkedIn and Google as well as surveys and interviews with alumni entrepreneurs, from 2005 to 2013, it was found that many of them have founded more companies, are involved in other start-ups and organization after their time at Minc. Just a few people are employed at bigger companies. Other interesting findings was that people from different years of exit have, after their time at Minc, founded companies together.

<b>Total number of persons</b>	<b>114</b>
if participating more the once, still only counted once	
<b>Runs their own business</b>	<b>93</b>
involved in any founded/co-founded business	
<b>Runs business from Minc</b>	<b>76</b>
involved in business founded/co-founded at Minc	
<b>Runs new businesses</b>	<b>24</b>
runs business not started at Minc	
<b>Employed</b>	<b>22</b>
full-time or part-time employed at other company than their own	
<b>Unknown</b>	<b>7</b>
not enough info found	
<i>Note: Some persons are involved in several businesses and/or are employed by another company</i>	

## What does the alumni entrepreneurs value from their time at Minc?

Answers to this question was collected through Minc the Book, a book where interviews with alumni entrepreneurs can be found, and a survey and interviews with alumni entrepreneurs from Minc. There are especially two things that stands out when it comes to what the entrepreneur's value for the time at Minc. The first is the network they build up during their time at Minc, a network that has been valuable and important many times both during the incubator time as well as after exit. There are examples of persons getting to know each through Minc and then after exit starting new companies together. The second thing common things that the alumni entrepreneurs described as valuable was to have a place to go to for work where everyone else is in the same situation as you are. Minc is described as a great environment to work where you get professional support, you get inspired and stimulated thanks to the people you have around you and that you get to meet. (For full answers see appendix)

## Handling of personal data

The measurement system that is being developed through this thesis will handle data about the alumni entrepreneur and thereby about private persons and it is important to understand what restrictions and possibilities that will incur legally. For this matter, the Swedish Personal Data Act (Personuppgiftslagen, PUL) has been investigated. Furthermore since this thesis deals with data about alumni entrepreneurs from Minc, agreements made between Minc and the entrepreneurs has also been looked in to.

### **Incubator Agreement Minc**

The incubator agreement is an agreement between Minc and the incubation company. This agreement does not include the entrepreneurs as legal entities, only the companies. This means that it does not state anything about personal data and no other agreements exists that handles this matter.

### **Swedish Personal Data Act - Personuppgiftslagen (PUL)**

Personal information in a database is considered structured information and certain laws and regulations applies to this action. When personal data is collected the persons concerned should be informed of the use the data as well as have the possibility to access the data collected about them. It is the person gathering the data that is responsible for making sure it is done according to the law. Depending on how the information is gathered and is intended to be used, the restrictions by the law will differ. For example if the information is not structured in format that is aimed for searching the handling of personal data is not restricted by the main laws, as long as it is not violating the registered persons integrity. In addition, different laws apply for this thesis since it is connected to academia (Datainspektionen, u.d.).

# Development of measurement system

Through the literature and the empirical data collected, I have developed a measurement system to use for measuring the value of an incubator through its alumni entrepreneurs. In this section, the reasoning behind the system and the system itself is described. The measurement system was then tested in a case study of the alumni entrepreneurs at Minc. The case study is described in the next section.

## What to include and why

The literature review was very hard since this narrow area has not seen much research yet, probably because incubators are still a fairly new concept but also since measuring individuals is very difficult and should be done with caution to ethical aspects as well. Due to the difficulty of finding relevant theory in the narrow field, theory with broader perspectives have been looked into.

According to Porter (1998), the environment in which a company is working is very important for its development. This means that an environment such as an incubator can play an important role for the success of a company.

As Tangen (2004) writes, it is important that a measurement system supports the strategic objectives, which in the case of incubators is to create jobs and generate tax incomes. Thereby I see it as necessary to measure how many jobs and how much tax incomes the alumni entrepreneurs have been part of creating. It is important to remember that following up the individuals after the incubator time is only one part of measuring the incubators performance and thereby this part itself will not cover all aspects of supporting the strategic objectives.

Saravathy (2001) and Lackéus (2013) among others as well as the alumni entrepreneurs themselves describe that the people are important for the success of a business. Different traits, skills, attitudes, competencies etc. that are important as an entrepreneur are described by the authors. Using this as a starting point means that first entrepreneurial competencies, traits etc. need to be defined and secondly be measured.

One way to measure these things is to have all the entrepreneurs fill in a questionnaire as they enter the incubator and then answer the same questions as they make their exit and then answers for each person can be compared. Doing it like this would also assume that entrepreneurial competencies can be taught and learned something that is not supported by all literature but by a large part of it. For the developed measurement system in this study, which questions to ask the entrepreneurs are based upon literature about entrepreneurial competencies, skills, and attitudes et cetera that have already been discussed in the theory section. The answers of the questions will of course be based on how the person perceive him/herself which means that the data can be used to compare to the individual's own earlier results. It is important to be cautious about drawing conclusions of the overall group since people perceive themselves different as well as interpret the questions in different ways. What then can be measured though are trends, one example could be that the entrepreneurs show an increase of xx% of how good they believe they are at handling setbacks after the incubation program compared to before.

Through researching what the persons who went through the incubator program Minc do today it is clear that a majority are involved in their own founded or co-founded businesses and only a minority are employed by larger companies not founded by themselves. It would be very interesting to track and understand how much impact and effect one person has within a larger company. For this, Van der Heijdens measurement system might be relevant but further research in the area is necessary for a measurement in to show financial value. Due to the fact that most of the alumni entrepreneurs at Minc are involved in their own business/businesses the measurement system will be focused on these companies. This is not saying that the people working for larger companies would be less entrepreneurial. Empirical results suggest that the amount of time between exit from the incubator until starting more companies differs, indicating that the full value measured through the alumni entrepreneurs won't show directly, which is important to remember when measuring. Furthermore, some alumni entrepreneurs are also involved in other organizations and boards for which they are not founding parties but these have not been included. Alumni entrepreneurs also sometimes invest in other companies and these have been included in the measurements when the entrepreneur's role is seen as important for making the company reach the future. These measures have only been looked from the year that the alumni entrepreneur stepped in.

The alumni entrepreneur's experiences from the incubator time is also important. It is a way of both understanding the entrepreneurs better as well as to learn how to improve as an incubator. Thereby questions of this matter should be asked to the entrepreneurs as well. This could be in the form a survey about how satisfied the entrepreneurs are about the incubator program. From the answers from the incubators it is clear that this is done by most incubators already, which is why little effort has been put on it in this thesis.

The empirical evidence tells that the expansion of the professional network during the time at the incubator is very important for the entrepreneurs. There are a few examples of where people running different companies in the incubator get to know each other and after exit start companies together. This is a measurable benefit of the networks importance. Asking the alumni entrepreneurs about how the network from the incubator has been important can definitely be relevant and I believe that could be good to include if/when contacting them for other questions. I could not find any relevant literature within this area but I choose to include few examples of what I personally think could be interesting to measure about networks activities.

It can never been known how the entrepreneurs and the companies would have done without the incubator. Taking part in the incubation program and even applying could already show some sort of drive and certain personal traits compared to not applying which would make it more possible to become a successful business founder or it may not. This means that it is extremely difficult to know what good measurements are and not, as well as what to compare the measurements with. Nevertheless, this is something that will remain unanswered since, as said, no one could know what would have happened without the incubator. Also, it is not possible to know how much one person has contributed as a founder who has gone through the incubator program compared to another founder in the same company who has not gone through an incubator program and so on.

## System and process

From the theory, empirical results and the discussion above I suggest a system consisting of two main parts, which are described below. I have also include some thoughts about the network activities and how to measure them. In the appendix the questions and information to ask for is stated in bullet points.

### *1) How has the entrepreneur changed during the incubation program?*

To see how the entrepreneurs develop during the incubator program do a survey when they start the program and when they exit in which entrepreneurial competencies, traits, skills, attitudes etc. are asked about. That survey could be anonymous but still be able to compare answers before and after program for each person. Personally, I believe that including demographics information such as age, gender, and background could be very interesting when analyzing the results for patterns and trends.

*2) What have the alumni entrepreneurs accomplished/performed/done/founded/created since making their exit from the incubator?*

Keep track of what the entrepreneurs do after their exit by a yearly email for them to answer. Put some time into going through the financial numbers of interest for the companies that the entrepreneurs are active in and/or have founded. This also includes financial numbers for the companies that were run at the incubator. To make it as time efficient as possible use numbers that are official and easy to get through e.g. retriiver-info.com. The limit of this will be that information about capital attracted and, percentage exported cannot be answered and some company forms are not obliged to have their data official. However, it may be worth putting time and effort into getting the most valuable numbers by contacting the entrepreneurs and the fewer questions you ask directly to the entrepreneur the easier and faster it will be for them to answer.

*Measurements of network activities and measurements of the importance of the incubator for the entrepreneurs*

See appendix for a short suggestion of what to ask and measure. This is based on empirical data as well as my own earlier knowledge since there was a lack of relevant literature.

# Case study at Minc

To test and analyze the process of the measurement systems as well as to see what results it would provide a case study was carried out at Minc. Since the time span of this thesis does not cover the time from entering Minc to making an exit only the part about what the alumni entrepreneurs do was tested.

## Process

To find information about which companies the alumni entrepreneurs have started, except the ones started at Minc, the alumni entrepreneurs were research through LinkedIn. I also got email address to most of the entrepreneurs from Minc and sent the entrepreneurs a survey of what they do today, a few of them was also interviewed. See appendix for the questions asked. When the company names, and in some cases the corporate identification numbers, were collected, I collected information about the companies (see appendix for details) through Retriever Business. Companies whose financial information is not public or available easily was excluded as well as companies started before the persons went through the incubation program. Also, companies that could not be found by the name given were excluded, for these companies, searches on Google and other sites were conducted before they were excluded. Last, a short analysis on the company information, including financial information was carried out.

Information found through the different sources

Source	Persons
<b>Total no. of people</b>	<b>114</b>
<i>LinkedIn</i>	
<b>no/little info LinkedIn</b>	<b>17</b>
<i>Mail/Interview</i>	
<b>No answer or No contact info</b>	<b>74</b>
<b>Total number of answers</b>	<b>40</b>
<i>Relevant info received through emails/interviews and not found online</i>	<b>18 answers effects the fin. numbers</b>

## Results

Through the process described above data was collected and put together and the most important results can be found here.

Total Number of new companies: 43

Registrations/year	
2005	1
2006	0
2007	1
2008	1
2009	1
2010	5
2011	3
2012	9
2013	17
2014	5****

New companies/year of exit*	
2005	3
2006	5
2007**	0.5
2008	..***
2009**	6.5
2010	0
2011**	21.5
2012**	5.5
2013	1

\* E.g. the alumni entrepreneurs who made exit 2006 have started 5 companies after exit

\*\* 2 of the companies started have co-founders from 2 different exit year each, 0.5 has been counted for each person

\*\*\* According to the information received from Minc no one made an exit in 2008. (Although that was probably just an error and the exit companies were instead included in another year)

\*\*\*\* Since this data was collected before the end of 2014 the total number for 2014 may be larger

<b>Industry segmentation (according to Swedish standard)</b>	
<b>Data, IT &amp; Telekommunikation</b>	<b>12</b>
<b>Juridik, Ekonomi &amp; Konsulttjänster, Konsultverksamhet avseende företags org.</b>	<b>5</b>
<b>Partihandel</b>	<b>5</b>
<b>Info ej tillgänglig än</b>	<b>4</b>
<b>Reklam, PR &amp; Marknadsundersökning, Reklam, PR, Mediebyrå &amp; Annonsförsälj.</b>	<b>3</b>
<b>Tekniska konsultverksamhet</b>	<b>3</b>
<b>Bygg-, Design- &amp; Inredningsverksamhet, Industri- &amp; Produktdesignverksamhet</b>	<b>2</b>
<b>Kultur, Nöje &amp; Fritid</b>	<b>2</b>
<b>Företagstjänster, Databehandling &amp; Hosting</b>	<b>2</b>
<b>Bank, Finans &amp; Försäkring, Kreditgivning, övrig</b>	<b>1</b>
<b>Detaljhandel, Postorder- &amp; Internethandel</b>	<b>1</b>
<b>Media, Film, Video &amp; TV</b>	<b>1</b>
<b>Motorfordonshandel, Personbilar &amp; Lätta Motorfordon, Handel</b>	<b>1</b>
<b>Utbildning, Forskning &amp; Utveckling, Personalutbildning</b>	<b>1</b>

<b>Geographical Base segmentation</b>	
<b>Skåne Län</b>	<b>38</b>
<b>Stockholms Län</b>	<b>2</b>
<b>Hallands Län</b>	<b>2</b>
<b>Västra Götalands Län</b>	<b>1</b>

Total Financial Numbers (kSEK) of the 43 companies									
YEAR	Turnover	Profit/Loss (Resultat)	Out of which is profit	Out of which is loss	No. of employees	Salary costs	Taxes out of salaries (25%)	Social costs	
2005	--	--	--	--	--	--	--	--	
2006	258	9	15	-6	1	50	13	0	
2007	789	-352	51	-403	3	364	91	52	
2008	1 240	-1 061	0	-1 061	5	1 036	259	397	
2009	870	-872	27	-899	4	601	150	215	
2010	1 551	-207	114	-321	4	609	152	188	
2011	3 445	-645	8	-653	6	1 447	362	405	
2012	12 167	-2 637	808	-3 445	21	3 823	956	689	
2013	25 580	-4 605	1 264	-5 869	36	8 225	2 056	2 878	
2014*****									
<b>TOTAL</b>	45 900		2 287				4 039	4 824	

\*\*\*\*\* Financial information for 2014 is not yet available

# Discussion and conclusions

First, it is impossible to know what would have happened with the persons and companies if they were not taking part in the incubation program. This is something that would be very interesting to look into of course but it would also require significant amount of effort.

## Entrepreneurship and economic growth

There are several sources saying that entrepreneurship and young businesses has a positive impact on economic growth. This is especially true for opportunity-based entrepreneurship, which is what most entrepreneurship in Sweden is today. Porter (1998) describes that the environment where a company works is very important and this is consistent with the empirical data collected from the alumni entrepreneurs. The conclusions I draw from this is that it is important for society to create an environment where new business can grow. Incubators thereby have an important role to play and can really contribute to society and the economic growth.

From the research conducted about what the entrepreneurs value from their time at Minc the conclusion I make is that thanks to the people you meet, you work with, you interact with, the ones who question you, etcetera, you develop as an entrepreneur and so do your company and your idea. This is also consistent with what much theory states. Some research also states that entrepreneurship can be learned and taught, which would be consistent with the way incubators say that they coach people and that the entrepreneurs learn during the incubator program and this then also makes measurements of the entrepreneurs relevant. But, to quantify and put numbers, especially financial ones to show economic growth, on this is very difficult, which is why I believe that you somehow need to look at things connected to the people that can be quantified such as companies founded and what the entrepreneurs do. This is also the main reason that these are the only financial numbers I have come up with so far.

## The measurement system

As the literature about measuring systems suggest, a good performance measurement system consists of several parts that preferably should be both financial and non-financial (Tangen, 2004). Sarasvathy (2001) and Lackéus (2013) both states that entrepreneurship can be taught, which I have taken use as the ground of the measurement system since the incubators believe that their entrepreneurs learn things when coached during the incubation program. If it would show that it cannot be taught much of this developed system as well as the concept of incubators itself would not be worth investing in for society.

I choose to develop a system that asks 1) how the entrepreneurs have changed and what they have learned during the incubator program and 2) what the entrepreneurs do after exit and put it into financial numbers of their relevant companies. Thereby this system consist of both financial and non-financial measurements. The difficulty with 1) is that the answers can be difficult to interpret for the person analyzing the results compared to the answers of 2). For both parts, it is important that the data collected will contribute in some way, directly or indirectly, to the incubators, because carrying out the measurements will of course require resources. Thereby some of the things I suggested may be better to take away and of course, other things might be added.

Important to state is that this system does, of course not, cover all important measurements of an incubator.

This first version of the measurement system I see at rough prototype that needs to be tried and iterated many times and will always need to be developed since an incubator always develops.

I suggest that anyone who wants to use the system developed should also learn and read more about how to make a survey. This is something that I unfortunately did not have time to do but something that can improve the system a lot.

It is important to have a structured process for following up, measuring, and analyzing the results as well as to develop as an incubator. However, the informal talks and discussions are also very important, something that the alumni entrepreneurs thought worked very well at Minc.

## Case Study

It was very interesting to conduct a case study and try out parts of the measurement system. Below follows a discussion of the process and then a discussion of the results.

### **The process**

For the case study, I collected data through searches at LinkedIn and Google and sent a survey to the alumni entrepreneurs. It was fairly easy to look people up on LinkedIn and the information is easy to copy and paste to where you want it. Although not everyone has a LinkedIn account and of the ones who have it the amount and details of information differs a lot. When emailing the survey, the problem was that only about one third came back with answers on the questions asked, a few of who choose to not participate mostly due to time limits. In addition, some email addresses were not even found and could not be provided by Minc either. Sending emails was also very time consuming since it required me to send reminders as well and the way the data was provided in the answers differed a lot, compared to using the data at LinkedIn. At the same time from the answers that was received through email almost half of them provided me with important information that I could not find at LinkedIn. The problem with lack of correct email addresses as well as time spent on finding and trying to find the right ones can be minimized by asking all persons making an exit from the incubator for their personal e-mail address, and not just the address connected to the company run at the incubator and not only addresses from the contact person for each company but all founders.

When the data about what the alumni entrepreneurs do today was collected and put together the next step was to collect data about the relevant companies. Minc collects data about the alumni companies by emailing the founders, and as stated earlier emailing requires much time and effort. As long as you have the corporate identification number, most of the relevant and interesting information can be found online at for example allabolag.se or retriever-info.com. Personally, I experienced Retriever-info easier and more user-friendly. (To get some of the relevant info you have to pay, fortunately I as a student could get it for free through school). I suggest that all information possible should be gathered through these kinds of databases, as long as the cost is not too high for the subscription of access to the database. Through these databases, you can also search for the people, which could be a great idea to use an extra source for learning what companies the entrepreneurs are involved in.

For the system I developed there are two things that the online information don't have access to and that is capital attracted as well as percentage of the revenues that are exported. These numbers are interesting to find out and can be answered only by

contacting the people at the companies (it does not necessarily have to be the alumni entrepreneurs). Collecting as much data as possible through the databases and minimizing the questions to the entrepreneurs will most probably increase the number of answers you get back.

## **The results**

Looking at the registrations per year we can see that this number is growing (except for 2014, but that number cannot be trusted since this was asked about in the middle of 2014). This result is as expected since for each year the total amount of alumni entrepreneurs is growing. Thanks to the increase in companies, the total turnover is growing as well as the number of employees and thereby taxes and social costs paid also increase. As can be expected in startups, the first years many companies will not show profit but losses. Due to these things, I believe that the financial numbers and the follow-up will be much more interesting a few years later when the companies become profitable.

To know whether it is actually worth spending time on following up the alumni entrepreneurs and not only the alumni companies one thing to do can be to compare the financial numbers collected here with the ones from the alumni companies. What to look at then is how much the overall financial value of the incubator would increase with these new numbers and the time and resources it takes to keep following up.

Since not every entrepreneur could be found on LinkedIn or answered the survey, there is a fairly large possibility that there are more companies that should be taken into account in the measurements. Among those that answered the survey, about fifty percent gave relevant data that could not be found online easily.

## **Other**

One thing I experienced when contacting the alumni entrepreneurs is that they are interested in why they are being contacted and what the results will be and would really like to see the results. Just as an incubator wants to know how their alumni companies are doing the alumni entrepreneurs want to know how the incubator is doing and e.g. the results collected about no. of employees at the alumni companies (in total) are interesting. Therefore, it would be great to share information with them.

# Future Studies

After some years of measurements it would be interesting to see if and how the answers about one entrepreneur's competencies et cetera as well as satisfaction of the program have any relation to how well that entrepreneur's company/companies are performing and if it has some relation to whether they are employed or running their own business. According to literature there should be, at least some, relations between it.

Furthermore it would be interesting to see what positions the founders take in new companies and if/how that changes over the years and if that is somehow is related to their traits, skills etc. In addition, relation to age and gender would be interesting. Looking into what industries people tend to work with, if they tend to stay in one area or if there is no pattern. Answers from interviews with persons after exit and see if they were positive or negative about the incubator program and if that has any correlation with what they do afterwards would be interesting as well.

It would also be very interesting to compare the alumni entrepreneurs and their companies to the ones who applied but was not accepted to the incubator program as well as to persons and companies without any connection to an incubator.

## *A few other possible research areas and questions*

- Test the measurement system on several incubators, iterate it and develop
  - Including deeper interviews to learn what the alumni entrepreneurs actually have learned
- How can a network and its benefits be measured?
- Is it possible to put financial numbers and/or value on entrepreneurial competencies?
- How could the value of an entrepreneurial person working in a larger company be measured?
- How much value can actually be traced back to the incubator?
  - After e.g. 10 years after exit



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# Appendix

## Empirical results & evidence

### Survey/Interview - alumni entrepreneurs

- Vad från du din huvudsakliga inkomst från i dagsläget?
- Namn + org. nummer på bolag du startat efter tiden på Minc,
  - Namn på ev. Medgrundare
  - Din roll idag
- Namn + org. nummer på bolag där du är delägare men som du ej startat
  - när blev du delägare
- Skriv gärna även några meningar om dina erfarenheter från Minc

### Answers alumni entrepreneurs – last question

Om att sitta på MINC så var det mest för oss en väldigt bra lösning rent praktiskt. Det gjorde att vi kunde fokusera på att göra vårt jobb istället för att leta efter lokal, köpa in allt som behövs eller binda upp oss på långa kontrakt och fasta kostnader. Utöver det var det mest rent legala aspekter kring kontrakt och avtal som vi använde MINCs personal till.

Utöver det är det ett väldigt trevligt ställe att vistas på och om man är socialt lagd så har man goda möjligheter att lära känna och utbyta erfarenheter med personer som är i samma situation som en själv.

nätverk, människorna, kan fokusera på sitt (har plats, internet etc), lärde känna han jag sen koma att starta nästa bolag med genom Minc

tillgång till affärsrådgivning, nätverk, alla andra bolag

väldigt nytt då, var x:de företaget in och strukturen som finns idag på affärsutvecklingen fanns inte alls då.

haft ett antal bolag innan. Satt kvar här ett tag efter försäljningen också

Människorna, drivet och andan man kände på Minc, alla lyfter varandra

Kort kan jag säga att jag är nöjd med att ha varit på MINC. Inte främst för incubatorprogrammet (mer om det senare) utan framförallt för att det är en mötesplats för andra entreprenörer. Deras frukostar och möjligheter att springa på andra i liknande situationer har varit avgörande för många företags framgång.

Tillbaka till inkubatorprogrammet så har det inte varit bra. När vi gick det var det inte strukturerat utan man fick be om hjälp när man själv behövde det. Jag tycker i efterhand att det hade varit bättre med en mer strukturerad process och någon som hade varit mer som en styrelseledamot som följt upp varje vecka eller liknande.

Minc gjorde nytta för oss, kanske framförallt genom billig lokal och annan infrastruktur, men även genom att ge oss kontakter till andra Minc-bolag som vi kunde utnyttja (köpa/byta) tjänster från. Jag minns också flera viktiga och intressanta seminarier och föreläsningar. De enskilda rådgivningarna (alltså om vårt företag och våra beslut) var inte så givande, men det var bekvämt att ha kunniga människor att fråga utan att det kostar pengar varje gång.

Vi har sedan tiden på MINC haft i snitt x anställda och tagit in (och spenderat) drygt x SEK i riskkapital. Även om vi inte är lönsamma ännu som företag är jag övertygad om vår tid på MINC var en bra investering för staten och kommunen, jag vet inte deras kostnader men mångdubblat mer bör ha kommit tillbaka i skatter.

Tiden på Minc var väldigt givande för min del. Att få utveckla idéer och tankar kring företagande i sällskap av andra entreprenörer och erfarna coacher var ovärderligt. Att få sina tankar ifrågasatta gav en bra träning och möjlighet att vässa upplägget.

Nätverket med andra företagare, organisationer och inspirerande människor har också varit väldigt viktigt.

Erfarenheter från Minc och hur det påverkar mitt liv idag: Det var mycket bra att få det stödet jag fick på Minc. Sådär i backspegeln med erfarenheterna som är gjorda då och sedan dess kan jag ha synpunkter på detta att man blev så uppmuntrad att skala upp verksamheten. För att göra det krävdes affärsänglar och riskkapital. Just när jag gjorde språngbräda och sökte kapital så kom dessutom världskrisen och vår bransch är mycket konjunkturkänslig, så det var ju ett under att någon valde att gå in i vårt företag ändå.

Att driva upp detta på en person med en krävande styrelse och ägare med så lite resurser har varit tufft på gränsen till galenskap.

Förhoppningsvis kommer slitet att ge utdelning så småningom och jag räknar med att det är in pensionsförsäkring!

Om jag börjar med det sista så kan jag berätta att vi byggde upp ett företag inom Mincs ramar där vi rekryterade personal successivt. Minc var en väldigt bra miljö att arbeta i och att ta emot ny personal i. Nätverkandet vid veckofrukostarna gav kontakter som vi annars

inte hade kunnat tänka oss att hitta. Mycket positivt. Jag har sålt mitt ägande för ett par år sedan och företaget är i dag ombildat med nytt namn och finns inte längre på det viset. En solskenshistoria för min och mitt företags del.

Jag skulle kunna berätta hur mycket som helst beroende på vad du specifikt är ute efter. Åren på Minc var fantastiskt roliga och utvecklande, inte pga av dess program och affärsutvecklare utan pga egen erfarenhet. Gemenskapen och andra drivna entreprenörer är nog det som höll en igång.

Min kritik är snarare att alla statligt understödda program distraherar i ett läge där entreprenören borde fokusera och ligga lågt med omvärldsbevakning. I synnerhet borde man tona ner hetsen med att skaffa kapital och snarare fostra unga entreprenörer till fokus, tålamod och försäljning. Pitchträning i all ära, men seriösa investerare ser längre en så.....

Vårt företag levde ett eget liv eftersom vi redan hade full försäljning när vi screenades in. Hade önskat att hjälpe från affärsutvecklare kunde komma in mycket tidigare, alltså någon med erfarenhet av unga företag med plötslig tillväxt - inte bara fattiga start-ups.

Jag är fortfarande med i några av Minc's nätverk och älskar stämningen där. har suttit även på Ideon Innovation, där känns det mer seriöst.

Tror att större del av inkubatorpengarna skulle gå till nya projekt/småbolag inom befintlig industri, den med potential att växa och anställa.

Det är ju tillväxt, export, kunskap och nyanställningar vi vill ha - inte att bli uppköpta av Google, Apple eller riskkapitalister från Silicon Valley, vilket många unga på Minc

Om du undrar vad jag ska göra härnäst så är det att starta bolag igen :-)

Det var ett tag sedan men den starkaste känslan då som också sitter kvar idag var den att få tillhöra en sådan professionell och stimulerande kontext. Vi kände att vi fick en helt annan tyngd bara av att referera till att tillhöra Minc och jag tror framför allt vi därmed förväntade mer av oss själva, att vi ville mer och bli bättre.

Ett annat intryck som etsat sig fast är själva miljön och medarbetarna på Minc. Alltid inlyssnande, coachande och intresserade. En underbar mix av allvar och avslappnad distans till det att vara företagare/entreprenör som hjälpte mig att fokusera på att vara mig själv i rollen som företagare snarare än försöka göra mig själv till någon slags sådan.

Ett intryck som jag allt sedan dess och varje gång jag besöker Minc består. Det verkar vara av människorna där inbakat i väggarna. Alltid varmt och välkomnade utan att tappa sin vassa och professionella egg.

Tiden på Minc var viktig för oss. Jag tror det lärde oss att tänka som entreprenörer. Vi fick också ett bra nätverk därifrån och vänner för livet.

Det var som att flytta hemifrån när vi lämnade Minc för eget kontor. Det säger mycket om tiden på Minc och alla de människor som fanns där för en.

Minc har inte direkt påverkat mitt liv mer än att det var en trevlig upplevelse att ha kontor där samt att det givit endel kontakter.

Minc har gett mig många verktyg och förmågor att starta, driva och utveckla företag, affärsidéer, projekt, koncept, tjänster och produkter.

## Suvery/Interview 2 – incubators

- När startade er inkubator och ungefär hur många personer respektive bolag har genomgått ert inkubatorprogram?
  - startår:
  - antal företag:
  - antal personer
- Vad skulle du/ni vilja veta om personerna som gjort exit från er inkubator? (Antag att all information skulle kunna vara möjlig och enkel att få fram.)
- Vad skulle du/ni vilja veta om exitbolagen efter exit? (Antag att all information skulle kunna vara möjlig och enkel att få fram.)
- Sker det någon uppföljning efter exit i dagsläget? Om, ja, hur ser den ut?
- Vilka parametrar mäts ni som inkubator på idag (från exempelvis era ägare)?

## Answers incubators

The incubators that have answered are differ in some aspects from each other for example year it was started from 1990 to 2007 which of course also means that how many persons and companies that have been in the incubators differs as well as how they work and how they follow up the companies and the work. All incubators have different focuses when it comes to follow-up due to this and also different points of interest. These differences is also very interesting and important to be aware of and can help the work forward.

- *Vad skulle du/ni vilja veta om personerna som gjort exit från er inkubator? (Antag att all information skulle kunna vara möjlig och enkel att få fram)*
  - Om de fortsatta jobbar med sitt inkubatorbolag, om de är kvar i branschen och vilka nätverk de har.
  - Vad gör personen idag. Hur har man haft nytta av tiden i xx. Vill man vara med och bidra med erfarenhet.
  - Hur många är fortfarande entreprenörer/företagsledare i det egna företaget

- Hur många har startat ett eller flera andra bolag än det som de satt i inkubatorn med.
  - Hur många har en ledande befattning i ett annat bolag än det som de har startat själv.
  - Hur många har agerat affärsängel i ett annat bolag
  - Hur många sitter som externa styrelseledamöter i andra bolag
  - Se svar på 4, vi har idag mycket värdefull information från våra inhämtade källor, så vi kan lägga tid på att analysera och sammanställa den på ett överskådligt sätt för oss och återkoppla till dagens verksamhet. Så vi anser oss ha tillräcklig information.
  - svårt - många säger att det är “bästa skolan” värdet att mäta personerna känns ganska inte så stort och inga resurser finns heller
- *Vad skulle du/ni vilja veta om bolagen efter exit? (Antag att all information skulle kunna vara möjlig och enkel att få fram)*
    - Hur mycket vår insats hjälpt dem.
    - Hur de utvecklas avseende försäljning personal och investeringar. (Kolla vilken information inkubatorerna redan har tillgång till via ALMI analys).
    - Vi följer bolagen också efter exit men vi uppköp tappar vi all info. Då skulle man vilja veta vad produkten/tjänsten från startbolaget omsätter i det nya bolaget mm.
    - Vanliga nyckeltal som omsättning, antal anställda etc, men det har vi redan idag genom Almi Analys
    - Hur många som har mergat/blivit uppköpta
    - Hur stor exportandel de har
    - Om de har avknoppat någon sidoverksamhet
    - Hur koncernstrukturen ser ut
    - Se svar på 4. Vi har mycket information både om de bolag vi examinerat från oss och befintliga.
    - kapital som investerats i bolaget.
    - värdering på bolaget
- *Sker det någon uppföljning efter exit i dagsläget? Om, ja, hur ser den ut?*

- Ja, vi har inte haft speciellt många exit ännu så de kan vi hålla koll på själva samt att det nationella inkubatorprogramet som nu ligger hos Almi har en sådan uppföljning på riksnivå.
  - ALMI analys
  - Ja, gällande bolagsdata som t ex omsättning, resultat, investeringar antal anställda och produkter på marknaden.
  - Ja, vi gör exitintervju/enkät med alla bolag som gör exit, mest med NKI (nöjd-kund-index) som utgångspunkt, dvs vad har de fått ut av att sitta på inkubatorn. Sedan sker ju uppföljning genom ALMI Analys där siffror matas in automatiskt från bolagsverket.
  - Ja, xx är en av inkubatorerna i ALMI's inkubatorprogram B.I.G Sweden. Till dem rapporterar vi halvårsvis in ett antal nyckeltal om våra bolag och själva inkubatorn, exp. möten med nya idébärare, bolag i inkubatorn, omsättning, anställda, finansiering - kapital (hårt och mjukt), antal patent mm. ALMI följer sedan upp alla bolag som vi jobbat med över tiden vilket ger en mängd nyckeltal som speglar hur det går för dem, även tiden efter det att vi 'examinerat' dem från xx. Vi som inkubator får ta del av denna information både för oss själva men också andra inkubatorer som ingår i BIG programmet (22 st i Sverige idag) vilket gör att vi även enkelt kan jämföra oss mot andra.
  - omsättning, antal anställda, skatter tas fram utifrån antal anställda - skall troligtvis börja dela uppföljningen i delpportföljer efter exitår för att få en bättre jämförelse
- *Vilka parametrar mäts ni som inkubator på idag (från exempelvis era ägare)?*
    - Antal bolag, antal som arbetar i bolagen och hur mycket kapital de attraherar samt ett NKI.
    - Ideer in, antal examinerade bolag, antal anställda, omsättning (Se ALMI analys!)
    - Det kan bli ett långt svar men jag kortar ner det med att säga att vi mäts bl a genom Almi Assessment (ca 250 frågor) enligt utvärderingen då vi deltar i nationella inkubatorprogrammet. Våra ägare gör regelbundna utvärderingar av xx som innefattar utvecklingen av verksamheten uppnådda mål enligt verksamhetsplan omsättning, resultat, ledning och styrelse. Vi mät på antal bevisligen lyckade bolag, attraherat kapital till bolagen, ROI på statliga medel till inkubatorn, omsättning i vår bolag och dess resultat, män/kvinnor/utländshärkomst hos entreprenören och styrelse i bolagen. Hur vi beaktar hållbaraffärsutveckling och vår egen hållbarhetsplan för xx. Det var några delar.
    - Antal nystartade bolag

- Antal exits från inkubatorprogrammet
  - Omsättning för alla bolag inkl alumni
  - Antal anställda i alla bolag inkl alumni
  - Finansiering av bolagen fördelat på lån, bidrag och ägarkapital
  - I samtliga möjliga nyckeltal delas det även upp på män och kvinnor respektive andel utlandsfödda.
  - I inkubatorprogrammet får vi genomgå utvärderingar varje år som handlar om hur vi arbetar med bolagen utifrån alla perspektiv. Våra processer, rådgivning, utbildning, stödtjänster, lokaler och andra faciliteter mm. Vi får också från ALMIs uppföljning bl.a. vår egen interna verksamhet som vi försöker koncentrera och sammanställa till ett mindre antal nyckeltal. Idag är de viktigaste:
    - antal bolag i inkubatorn (och i vilken fas; förinkubator eller inkubator)
    - antal sysselsatta och kön / härkomst / ålder
    - affärsidé (ursprung och uppkomst)
    - omsättning
    - förhållande av omsättning som kommer från export
    - attraherat kapital (hårt=ägarkapital, typiskt från investerare eller mjukt=från olika former av bidrag eller andra stöd)
    - bolag som efter X år är kvar / avvecklats / köpts-upp eller slagits samman.
  - ROI på den offentliga pengarna
  - antal anställda och vad de genererar
- *När startade er inkubator och ungefär hur många personer respektive bolag har genomgått ert inkubatorprogram?*
    - Sammanfattningen av svaren finns i introduktionen till detta appendix

## **Email conversation Datainspektion regarding PUL**

Hej Ida

Datainspektionen har ingen laglig möjlighet att ge något bindande besked beträffande personuppgiftslagens tolkning och tillämplighet. Det är därför du som

personuppgiftsansvarig som måste göra de bedömningar som behövs göras enligt lagen. Som vägledning lämnas dock följande information.

Personuppgiftslagen gäller för behandling av personuppgifter i automatiserad form. Från lagen görs flera undantag. I ditt fall kan det vara möjligt att behandlingen kan sägas ske för s.k. journalistiska ändamål. I sådana fall gäller i princip inte lagen. Om uppsatsen är avsedd att publiceras kan arbetet möjligen anses vara journalistiskt. Läs mer här <http://www.datainspektionen.se/fragor-och-svar/personuppgiftslagen/vad-innebar-undantaget-for-journalistiska-andamal/>. Om uppsatsen ska publiceras i ett grundlagsskyddat medium såsom tryckt skrift gäller inte heller personuppgiftslagen.

Om uppgifterna inte hanteras i register som är särskilt utformat för att söka och sammanställa personuppgifter behöver huvuddelen av lagens bestämmelser inte tillämpas. Läs mer här <http://www.datainspektionen.se/lagar-och-regler/personuppgiftslagen/strukturerat-eller-ostrukturerat/>. I sådana fall gäller i stället att behandlingen är tillåten så länge som den inte innebär en kränkning av den registrerades personliga integritet. Läs mer här <http://www.datainspektionen.se/fragor-och-svar/personuppgiftslagen/vilka-begransningar-galler-for-behandling-av-ostrukturerat-material/>.

Om personuppgiftslagen är tillämplig måste du ha rättsligt stöd för att behandla någon annans personuppgifter. I normalfallet inhämtar man den registrerades samtycket. Men det kan även vara tillåtet att behandla personuppgifter utan samtycke, t.ex. efter en intresseavvägning mellan det ändamålet behandlingen ska utföras för och de registrerades intresse av skydd för den personliga integriteten. Läs mer här <http://www.datainspektionen.se/lagar-och-regler/personuppgiftslagen/intresseavvagning/>.

Observera även att det kan vara ditt universitet eller högskola som är ansvarig för den personuppgiftsbehandling som utför i ditt examens arbete. Läs här <http://www.datainspektionen.se/personuppgiftsombud/samradsyttranden/fraga-om-personuppgiftsansvar-vid-forskning/>.

Med vänliga hälsningar

xx

## Developed measurement system

Here you find my suggestion on information to be gathered and questions to ask.

### **Survey entrepreneurial traits, competencies etc.**

The aim is to measure how the persons' entrepreneurial skills, traits competencies change. Preferable this survey should be answered when starting the incubation program and when making an exit and then the results should be compared. Taking from literature review this survey should explore things such as drive, effectual reasoning, ability to see the possibilities, knowledge of strengths and weaknesses.

Suggestion of questions:

- What is entrepreneurship for you?
- Do you see yourself as entrepreneurial? (Yes/No)
- What are your strengths?
- How do you want your co-workers to be?
  
- How do you work with risks?
- How do you handle surprises?
- Is your network important for you?
  - Why? Who not?
  
- On a scale from 1 to 5, where 5 is very good and 1 is not good. How good are you at:
  - Motivating others?
  - Being passionate about what you do?
  - Delegating?
  - Generating ideas?
  - Analyzing?
  - Co-ordinating?
  - Finding and utilizing opportunities?
  - Making decisions?
  - Building relations?
  - Handling challenges?
  - Handling set-backs?
  - Handling uncertainty?
  - Handling rapid change?

## **Measurements/info to gather regarding companies**

The following information was gathered about all relevant companies with a connection to the alumni entrepreneurs. The full excel sheet with all information is not shown here since most importantly I want to respect the alumni entrepreneurs privacy and sharing it also has restrictions according to the Swedish Data Act.

- Founding parties (both taking part in incubator program and not)
- Ev. other connections to incubator
- Corporate identity no.
- Corporate form
- Year of registration
- Geographical base
- Working places (geographically)
- Activities/purpose
- Industry classification (Svensk näringsgrensindex)
- Company/Group structure (Parent company & Subsidiaries)
- Prizes/Awards won (e.g Di Gasell)
- Private or Public Company
- Turnover
- Profit
- No. of employees
- Salaries paid
- Taxes (calculate from salaries)
- Social costs
- Investments/Venture Capital attracted
- % Export

## **Measurements – Networking**

- Events per year
- Type of events (seminars, workshops, lectures)
- Attracted people from outside the incubator
- Business Deals done within the “house”?

## **Survey/Interview of Importance of incubator**

- Why did you apply to an incubator?
- What was your ambition when you started at the incubator?

- What was your plan if you had not go accepted to the incubator?
- What earlier experiences were most valuable to you during the time at the incubator?
- How have the things you learned during the incubation program been valuable
  - During the time at the incubator?
  - After making an exit from the incubator?
- What is the most important thing you learned during the incubation program
- How would your and your companies' development have differed if you had not been part of the incubator program?
- How have your willingness to start and run your own business been affected during the time at the incubator?