

What are the common problems in entrepreneurial incubators?

 By [Lisa Illingworth](#)

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An entrepreneurial incubator is designed to take a fledgling business in its earliest stages and cushion it through the first phases so that the likelihood that the business will grow and scale is higher, because the entrepreneur has been given support and an environment within which to develop that is conducive to accelerating business growth...

The problem with incubation is that those steering the ship are often first-time entrepreneurs themselves and the incubator itself is often a startup, and like any other startup, faces the same challenges. The first business incubator opened in 1959 in the United States and the success of this incubator has been attributed to two main components. Firstly, the incubator provided real support and value, not just office space. And secondly, they measured success in more than just outside funding.



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To build a successful incubator, it needs to address the basics of starting a business. Those are whether or not there is a proven market opportunity with viable and sustainable customers willing to pay for a product or service; and the existence of the product or service that meets that opportunity. Actual incubation will help the entrepreneur realise and help them on the journey to both of those.

Many incubation projects are based on the premise that providing a space with other entrepreneurs, a working internet connection and a phone is going to steer a startup through the turbulence of the first two years. This is dreadfully incorrect and naïve. Adding real value means growing the entrepreneur and the ecosystem within which the entrepreneur must operate. From providing mentorship and training to exposure to networking opportunities and funders, the real value is in the identification of the shortfalls in each of the areas of the entrepreneur's own ecosystem and focusing on those fundamental elements and not in simply providing support services.

The seed needs the right kind of conditions to grow and expose itself to the world. Not just any seed can be planted in any soil - they have to be perfectly suited. Then, the plant will sink its roots deeply and spread its branches wide, but without the right environment, the seed will look like any other pebble. So it is with a business, particularly a startup: They need the right kind of environment and support structures to endure the hardships in the fledgling stages, many of which an incubator has yet to experience themselves.

ABOUT LISA ILLINGWORTH

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