Dominant Logics and Incubator Manager: Tandem for the Success in the Incubation Process

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Abstract
Universities are considered part of an innovation ecosystem, and are deemed key actors in creating and processing the knowledge which is to be exploited and commercialized in the market. They have gradually adapted to this new profile and have acquired an active role in transferring research results to the market and in entrepreneurship activities. Pursuing the “third mission” via technology transfer, fostering entrepreneurship, and commercializing cutting-edge research, universities have created university business incubators (UBIs), as an academic tool focusing on the business world. The role of the managers (or the management team) has been emphasized since they usually orchestrate the services offered by the incubator, the incubatees and the network of relationships. Their ability to organize the elements involved in the incubation process and the relational context for incubatees has made managers a key factor in incubation success. Paradoxically, the literature has barely considered the figure of the incubator manager. In this context, this research investigates the role of UBIs managers as drivers of the training and advice given to academic incubatees. Based on the institutional logics approach, the study proposes that the dominant logic, academic versus commercial, determines the degree of emphasis on personal assistance, business assistance and networking training. To test the proposed hypotheses, data were collected from 93 incubation programmes from Spanish and Dutch university incubators through questionnaires addressed to their respective managers. Results indicate that the greater the managers’ experience in the business and entrepreneurial world, the greater the fostering of personal and business assistance and networking activities in the incubator. Managers lacking an entrepreneurial profile weaken incubatee access to other business networks and prove less efficient in business training. This research makes a contribution to the study of university incubators, showing that managers can be involved in different institutional logics, whether they be academic or commercial, and that the dominant logic determines the activities promoted and, consequently, the success of the incubation process. Business and entrepreneurial experience is key to instilling business logic in incubatees, together with the training and assistance they require.

Keywords: University Business Incubators; institutional logic approach

INTRODUCTION
Pursuing the “third mission” via technology transfer, fostering entrepreneurship, and commercializing cutting-edge research (1-3), universities have created university business incubators (UBIs) as an academic tool focusing on the business world (4).

The National Business Incubation Association (NBIA) definition of business incubators emphasized the role of the manager and the management team since they usually orchestrate the
services offered by the incubator, the incubatees and the network of relationships (5). Paradoxically, the literature has barely considered the figure of the incubator manager (6), with research having focused rather on explaining how the field or scope of the incubator can be influenced and determined by the organism or authority developing it (7), by the professional capabilities of the managers (8), or by the manager’s success in selecting incubatees (9, 10). Some authors have also addressed the issue of networked incubators (11-14), said studies evidencing the mechanisms through which managers create and develop relationships amongst the entrepreneurs in the incubator and between the entrepreneurs and other external agents. However, empirical studies and contributions to this subject remain scarce.

In this context, the current research seeks to explore the role of UBI managers as drivers of the training and advice given to entrepreneurs. The main contribution of this work is that the profile of the manager is evaluated from the perspective of the institutional logics approach. University and business are based on different institutional logics: namely academic and business logics. On this basis, the present study proposes that managers who lack an entrepreneurial and business profile may weaken incubatee access to other business networks as well as incubatee development of social capital, and therefore prove less efficient in the business training process.

UNIVERSITY BUSINESS INCUBATION SERVICES

In university incubators, services provided to the tenants are structured, mainly, in two categories. The first concerns common services offered by all incubators, such as offices, entrepreneurial assistance and access to financing, among others. The second category refers to the services related to the university and which include academic coaches, access to graduates and students, use of the university logo, or programmes for technology transfer and training (15). Taking into account these possibilities, the current work considers three types of services which basically describe how incubators function:

1. Personal assistance thanks to a coach who can respond to each entrepreneur’s specific knowledge requirements.
2. Business assistance concerning various management functions such as marketing, human resources, finance, etc.
3. Networking activities that favour the development of social skills and the introduction of incubatees into professional networks.

Not all incubators offer these services systematically and generally. In some cases, training and assistance are common to all incubatees, yet only focus on business aspects. In other cases, incubators offer individual assistance to each incubatee, with coaches, and foster the relationships between incubatees and other agents.

INSTITUTIONAL LOGICS IN UBIs

Thornton and Ocasio defined institutional logics as “the socially constructed, historical patterns of material practices, assumptions, values, beliefs, and rules by which individuals produce and reproduce their material subsistence, organize time and space, and provide meaning to their social reality” (p. 804) (16). This concept of institutional logics is based on the idea that institutions provide individuals and organizations with the values that allow them to regulate their activities, organize their time and develop their experiences. The interests, identities, values and assumptions of individuals and organizations are embedded within prevailing institutional logics.

Universities and firms are two examples of organizations shaped by different institutional logics: academic logic and commercial logic, respectively (17, 18). Since institutional logics influences individual and organizational behaviour, it implies that university and business represent two worlds with different values, rules of work, and objectives. Under academic logic, the main prevailing values are a vocation towards science and a distancing from economic interests. Such values may hinder the stimulation or development of behaviour related to technology transfer or the creation of spin-offs (19, 20). In commercial logic, or the business world, profit and benefits govern business activity. Firms have to deal with uncertain and
changing market conditions if they are to achieve these objectives (21,22), in contrast to academics, who work in a more predictable and certain environment, although science can be unpredictable (4).

**Commercial logic: the manager’s experience in the business world**

Managers displaying a professional profile, who have their own business or who have worked outside the university domain, will identify with or at least be familiar with commercial logic. If managers have been involved in the business world, they will be market oriented, and will know that work systems and success in the business world differ from those of the university world. As a consequence of their professional experience, a manager with business and entrepreneurial experience understands how businesses operate and the benefits that can be obtained from them. Since they are familiar with or identify with this logic, and given their condition of “guarantor” of incubatees, they will build bridges between the academic and the business worlds, such that academic entrepreneurs might optimize the incubation process.

A manager displaying business logic is aware that incubatees come from an academic environment, and that, despite being novices in business, they will have to compete in the market and deal with difficulties inherent to the business world. An awareness of incubatees’ weaknesses and the potential benefits of UBI managers who possess business logic will likely foster business assistance, professional assistance and networking. First, in order to overcome certain weaknesses such as the lack of market orientation and in order to secure an understanding of different business models, business assistance is needed. Second, taking into account that incubatees are entrepreneurs launching their own businesses, many latent and inherent needs emerge at this point and dealing with them requires personal assistance through a coach, who should be ad hoc for each business. Third, developing relationships in the business world takes time, and incubators can provide an ideal environment to accelerate the process of building relationships through networking activities. Since incubatees usually display no proactive behaviour when initiating relationships with other business agents, the manager will promote activities aimed at fostering contacts, both internally, between incubatees, and externally, between incubatees and external agents. Therefore, H1: Managers’ business experience has a positive influence on personal assistance (H1a), business assistance (H1b) and networking (H1c) amongst incubatees.

**Academic logic: the manager’s scientific experience**

A priori, scientists lack entrepreneurial orientation, and evidence an academic culture and a preference for basic research (23). They may even have difficulty identifying business and commercial opportunities for their research (24). In the scientific world, individuals have the knowledge and the know-how required to get results from research. However, they are not aware that the results to emerge from research are not the same as the results to come out of the market (25).

A manager with academic and scientific experience but who lacks business and entrepreneurial experience will therefore be a novice in business logic and will be familiar with or identify with academic logic.

When academics have to play the role of UBI manager, they are likely to show an attitude which focuses on the benefits the business world might provide to the academic world and will try to merge the two logics. They will take into account that incubators are centres for entrepreneurial development and that incubatees have an academic profile and no experience in the business world. As with managers who display business logic, managers with academic logic will realize that incubatees need services that respond to their weaknesses: a knowledge of business (business assistance), specific coaching (personal assistance), and access to business networks (networking). Managers with academic logic will understand that incubatees require personal assistance and entrepreneurial training, depending on their specific needs as well as the profile and development phase of each business. Moreover, as regards access to networks, incubatees belong to academic networks (departmental colleagues, research teams, other professors and researchers, etc.). However, the manager will seek to promote incubatee contact
with other agents and access to business networks in order to obtain resources that cannot be found in the scientific world. Thus, H2: Managers’ scientific experience has a positive influence on personal assistance (H2a), business assistance (H2b) and networking (H2c) amongst incubatees.

Even if academic managers are interested in promoting personal assistance, entrepreneurial assistance and networking activities among incubatees, they are novices with regard to business logic, which might diminish efficiency when promoting such services. They have not been exposed to nor have interacted frequently with businessmen and, therefore, lack experience in the business world. They think and act on the basis of their academic learning, training, and experience in the scientific world. Hence, they have a theoretical idea about how markets operate, with research projects being the nearest they have come to the business world. This problem might prove even more noticeable when the manager has no experience with the problems linked to being an entrepreneur and starting a new business. To sum up, a lack of entrepreneurial experience may undermine the effectiveness of the services. In other words, services offered by academic entrepreneurs might not prove to be as productive as when offered by managers who employ the business logic. It is thus proposed that: H3: Managers’ scientific experience has less influence on personal assistance (H3a), business assistance (H3b) and networking (H3c) amongst incubatees than managers’ entrepreneurial experience.

METHODOLOGY AND RESULTS

Method and sample selection
Data were collected between September 2014 and March 2015 through an online questionnaire sent to managers in UBIs located in Spain and the Netherlands. Since there are no databases of the number of UBIs in Spain and the Netherlands, we consulted each university webpage or phoned to find out the number of incubators. The global population of university incubators in Spain is 53 and in the Netherlands 16. After two months, 47 questionnaires, 39 from Spanish managers and 8 from Dutch managers were received. The sample mainly consisted of managers between the ages of 36 and 45, holding a master's degree in the area of social sciences.

Managers can be in charge of different incubation programmes: pre-incubation, incubation, and post-incubation. Consequently, each manager had to answer as many questionnaires as programmes they managed. For each incubation programme or phase, they had to evaluate the services offered. Thus, the incubation programme is the unit of analysis in our research. Specifically, 93 valid questionnaires were obtained, 32 pre-incubation, 41 incubation, and 20 post-incubation.

Measurement variables
In order to measure the dominant institutional logics of the managers, the questionnaire asked questions relating to scientific and business experience. Managers’ scientific experience was measured as the years of experience in the science world, whereas their business experience was measured through two items: years of entrepreneurial experience and years of experience in the business world (from 1: No experience; until 5: Over ten years).

As for the services offered in the incubation programmes, all were measured on six-position Likert scales (1: absence of the service; 6: significantly promoting the service). Personal assistance was measured with a single item indicating the existence of coaching or mentoring for each incubatee. Business assistance was measured with a formative scale of four items which involved the different aspects of the entrepreneurs’ business training: financing, strategy, business plan, or entrepreneurship training. Networking activities were reflected on a two-item formative scale indicating the fostering of networking for incubatees, both inside and outside the incubator. Two control variables were included, incubator age and the number of years the manager had been in the incubator.

The formative scales were validated. Moreover, the reliability and convergent validity of reflective scales were warranted and we discarded the multicollinearity of the formative scales. We also confirmed the discriminant validity of the constructs.

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Results
The model for hypotheses 1 and 2 was estimated using the SmartPLS 3.0 program (26). To calculate the significance of the parameters, we used bootstrap resampling by substitution with replacement (1000 subsamples). The results are shown in Table 1. The effects of the control variables were not significant.

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Estimation</th>
<th>P-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1a Business experience → Personal assistance</td>
<td>0.306</td>
<td>0.000</td>
</tr>
<tr>
<td>H1b Business experience → Business assistance</td>
<td>0.421</td>
<td>0.000</td>
</tr>
<tr>
<td>H1c Business experience → Networking</td>
<td>0.278</td>
<td>0.002</td>
</tr>
<tr>
<td>H2a Scientific experience → Personal assistance</td>
<td>0.202</td>
<td>0.050</td>
</tr>
<tr>
<td>H2b Scientific experience → Business assistance</td>
<td>0.096</td>
<td>0.489</td>
</tr>
<tr>
<td>H2c Scientific experience → Networking</td>
<td>-0.074</td>
<td>0.614</td>
</tr>
</tbody>
</table>

In order to test hypothesis H3, managers were classified according to their entrepreneurial experience (only experience as entrepreneurs was considered, not general experience) and their academic experience. Subsequently, an ANOVA was performed to evaluate the influence of manager profile on the services offered by the incubator. Table 2 shows the results of Tukey’s test to compare the groups.

<table>
<thead>
<tr>
<th>Dependent variable</th>
<th>Compared categories</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal assistance</td>
<td>No experience – Entrepreneurial experience</td>
<td>0.131</td>
</tr>
<tr>
<td></td>
<td>No experience – Scientific experience</td>
<td>0.042</td>
</tr>
<tr>
<td></td>
<td>No experience – Experience in both fields</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>Entrepreneurial experience – Scientific experience</td>
<td>0.990</td>
</tr>
<tr>
<td></td>
<td>Entrepreneurial experience – Experience in both fields</td>
<td>0.073</td>
</tr>
<tr>
<td></td>
<td>Scientific experience – Experience in both fields</td>
<td>0.097</td>
</tr>
<tr>
<td>Business assistance</td>
<td>No experience – Entrepreneurial experience</td>
<td>0.011</td>
</tr>
<tr>
<td></td>
<td>No experience – Scientific experience</td>
<td>0.206</td>
</tr>
<tr>
<td></td>
<td>No experience – Experience in both fields</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>Entrepreneurial experience – Scientific experience</td>
<td>0.507</td>
</tr>
<tr>
<td></td>
<td>Entrepreneurial experience – Experience in both fields</td>
<td>0.490</td>
</tr>
<tr>
<td></td>
<td>Scientific experience – Experience in both fields</td>
<td>0.013</td>
</tr>
<tr>
<td>Networking</td>
<td>No experience – Entrepreneurial experience</td>
<td>0.838</td>
</tr>
<tr>
<td></td>
<td>No experience – Scientific experience</td>
<td>0.244</td>
</tr>
<tr>
<td></td>
<td>No experience – Experience in both fields</td>
<td>0.798</td>
</tr>
<tr>
<td></td>
<td>Entrepreneurial experience – Scientific experience</td>
<td>0.042</td>
</tr>
<tr>
<td></td>
<td>Entrepreneurial experience – Experience in both fields</td>
<td>1.000</td>
</tr>
<tr>
<td></td>
<td>Scientific experience – Experience in both fields</td>
<td>0.017</td>
</tr>
</tbody>
</table>

CONCLUSIONS
First, the results confirm that commercial logic proves superior to academic logic when training incubatees and instilling this commercial logic in them. Moreover, incubators managed by managers who combine both logics (a hybrid logic as a consequence of their scientific and entrepreneurial experience) will provide a better offer of services.
The manager’s scientific experience does not favour comprehensive business training for incubatees. The scientific experience of academic logic is linked to personal assistance and coaching but does not foster other services which are required by academic entrepreneurs such as business assistance for developing skills related to information and operations in the business world, or networking competences. On the contrary, managers displaying greater business experience know how the business world works and are more aware of the weaknesses of academic incubatees. As a result, the manager’s business experience or commercial logic is related with business assistance, personal assistance and networking, that is, networks of relationships which help entrepreneurs to obtain resources that prove valuable to the incubation process and to the development of their businesses.

From these results, it can be concluded that the ability of managers with business experience and a dominant commercial logic to offer business support services coupled with the effort they make is greater than the effort made or indeed the ability of managers with scientific experience who display a dominant academic logic. In addition, even if they have only basic entrepreneurial experience, managers with a hybrid logic, in other words with experience in both fields, appear to be more skilled at optimizing the work inside the incubator as an environment to guide incubatees in their business activity.

REFERENCES


