

# UKSPA Business Incubation Focus Group Meeting

30 January 2009, York

## 1. Measuring Success

### **a) List 10 things you think incubation environments should be measuring**

Companies created; jobs created; time spent with each company, annual turnover of each company; amount of investment capital sourced; and number of deals. Occupancy rates. Companies in incubator, companies who have been in incubators, their history since leaving (success/failure).

Occupancy – number of units filled/vacant; occupancy – %age of space filled/vacant; number of enquiries received; number of applications received; number of applications approved; performance against business plan; number of companies assisted; number of gross new jobs created; number of jobs safeguarded; increase in turnover by supported companies.

- Jobs created and those at Level 4 and above (ie first degree and above)
- Sales turnover of companies incubated
- Sales growth of companies incubated
- Investment brought into the businesses
- Utilisation of public sector business support services or schemes (eg number of companies working with Business Link, UKTI, utilising GRAND funding scheme etc)
- Level of collaborations between companies
- Level of collaborations/engagements between companies and Universities/Research organisations
- Qualitative assessment from the company about what value has the incubator added to the business (we have used the same questions from Angle study on Science parks in 2003)

Jobs created, Businesses created and demonstrating growth, Investment levered (Public and Private), Number of people involved in skills development, number of capacity building initiatives carried out, Amount of press coverage, Amount of awards / nominations won by tenants, Amount of training weeks provided, Sector groups supported

1. New business created
2. New business – time from start-up
3. New jobs
4. Graduate employment (an issue here as graduate retention is very poor in the Black Country).

5. In pre-incubation – progress to develop a workable business plan
6. Business sector
7. Origin of company founders
8. Turnover
9. Growth
10. Post business graduation progress (ie departure from the incubator).

**b) How many of the above are you currently measuring?**

5 of the 10. I could pull the rest together, if needed but I don't systematically do it

All of them

All of them

All of them

1-7 (1-4 are contracted by the RDA)

**c) What other things are you measuring and why?**

Skills supported ( 6 hours of training) – to meet a funding objective

Impact on economy – see below

Please see attached annual survey we do with all of our companies

Amount of applications against criteria

None

**d) Do you measure the incubation environment's impact or interventions? How?**

No

Yes – independent research of Technium Digital.

Both. in part through the annual survey, but also through attendance at events, engagements with public sector business support organisations and schemes.

No

Not in any formal or quantitative way. We do maintain a regular dialogue.

**e) Do you benchmark your clients when they move in to the facility? If yes, how and what measures?**

No

No – but selection process measures applications against published criteria

No we have been doing this through our annual survey with some retrospective measurements eg number of jobs, sales turnover

Yes, against pre-determined criteria for entry:

<http://www.cranfield.ac.uk/business/commercialtenancies/cubic/page25599.jsp>

No

**f) Do you track your client's progress? Do you gather regular information from them? (FTE, GVA, GDP, IP etc.) If so, how?**

I gather turnover and jobs created, by asking them to complete and sign statements

Yes - Increase in turnover; increase in numbers employed; increase in profit; increase in sales

Regular review meetings

See comments on annual survey. See measurements referred to in 1a

Yes, every three months we have meeting tracking how they are progressing in line with their business plan, and expect all information to be provided. After departure we request information but have no way of ensuring this happens

We measure FTE, but most of the other measures are difficult (and some consider intrusive)

**g) How do you assess your companies 'success' or 'failure'?**

If they continue to trade after leaving the incubator = success

If they take on employees = success

If they win any competitions or awards = success

If they obtain investment capital = success

Survival during first 2 years!

As many of companies are still early stage businesses then typically we are looking at the most fundamental (ie survival) through to business growth (sales turnover and annual growth) and jobs creation.

We are also evaluating level of collaborations with Universities/Research laboratory and number of patents filed, new products launched etc

monies received, profit made, people employed, time in business

Probably not doing this in any formal way.

**h) What assistance, if any, do you think UKSPA could provide to its membership in this area?**

Probably no more than what they are doing

I think having a standard format of questions that individual science parks/incubators could use totally or in part would be very helpful for two reasons:

- a. Ability to consolidate figures to demonstrate the benefits of science parks/incubators per se
- b. Opportunity for individual science parks/incubators to benchmark themselves against their peer group

Best practice guidelines

????? Not sure ????