

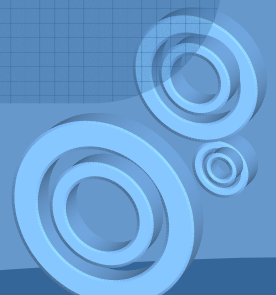
EO-TSF Model: Model for Evaluation of Business Incubators

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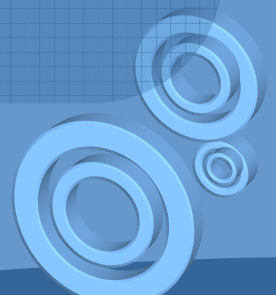
Introduction

- The business incubator is a facility (building) designed for new firms and it should help them in the starting phase of their entrepreneurial activity. Business incubators usually provide the assistance to firms in two ways.
- Business incubators have a lot of various objectives.
- Incubators are most often supported by public sector.

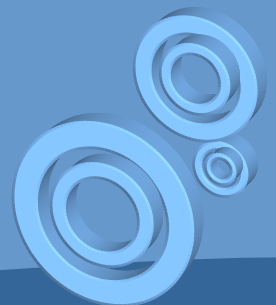
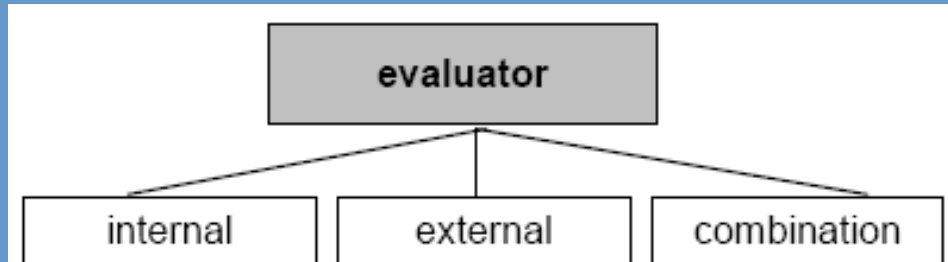
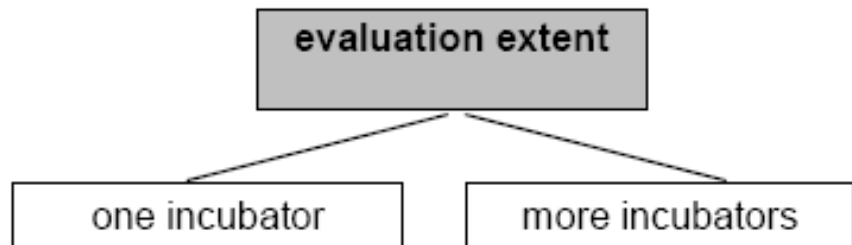
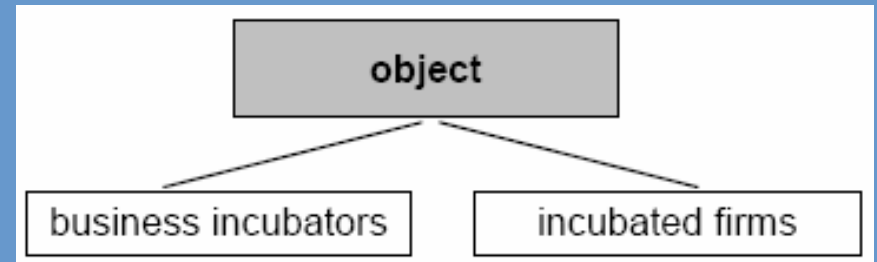
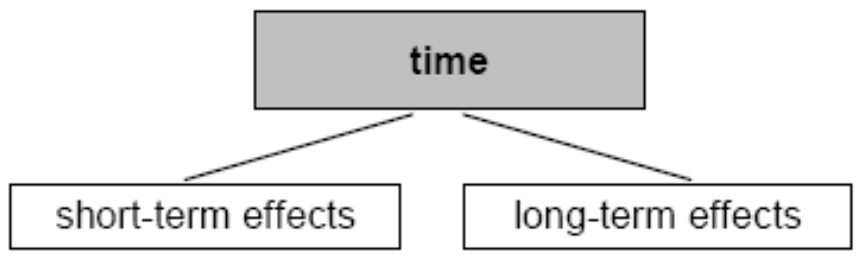


Resolved problem

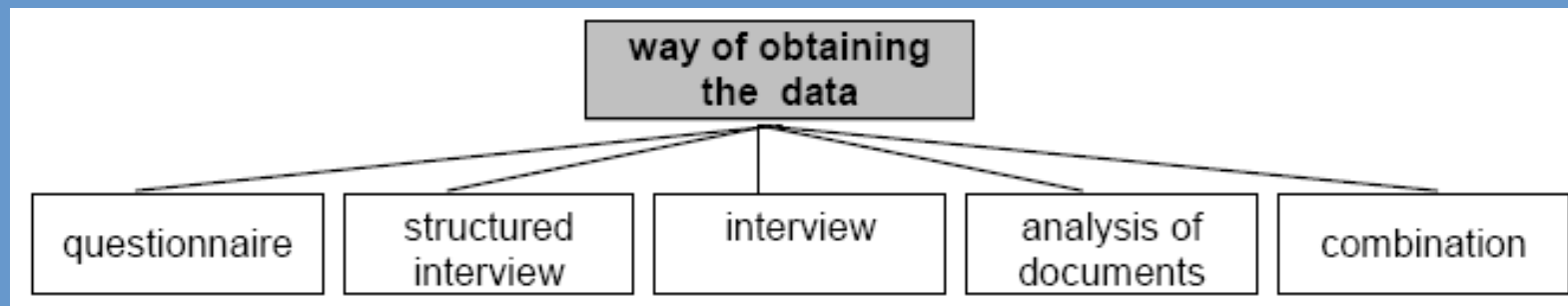
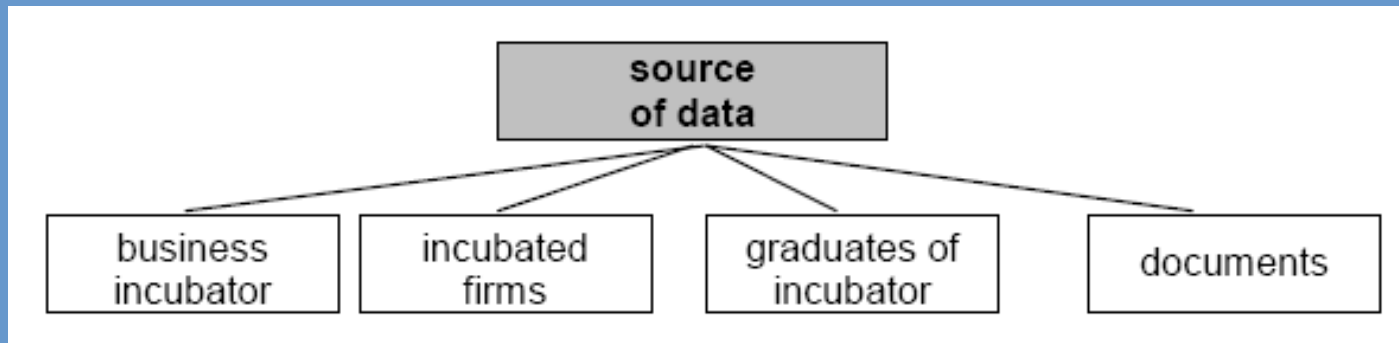
- A lot of new business incubators financed from public sources are established at the present time.
- In order to be able to reach their objectives, business incubators have to provide high-quality services.
- For that reason it is necessary to permanently evaluate and compare quality and performance of the incubators.
- However the business incubators are not enough evaluated and compared with one another.



Theoretical Basics for Evaluation of BI (1)

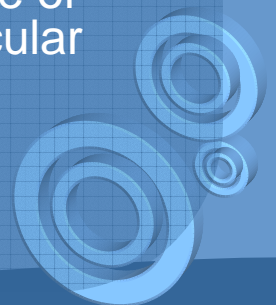


Theoretical Basics for Evaluation of BI (2)



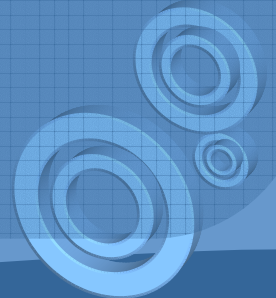
EO-TSF Model

- EO-TSF Model has been created as reaction to above mentioned problem.
- It is model for evaluation of incubators
- The purpose of this model is to define as many criteria which should serve for the evaluation of business incubators as possible.
- The purpose of this model is not to create a universal guide that would describe incubator evaluation step-by-step.
- This model should only show some of the possible criteria and evaluators and everybody can choose just those criteria that are appropriate for their own evaluation.
- The advantage of the model is the fact, that it provides wide range of indicators and that it can be flexibly modified for purpose of particular evaluation.

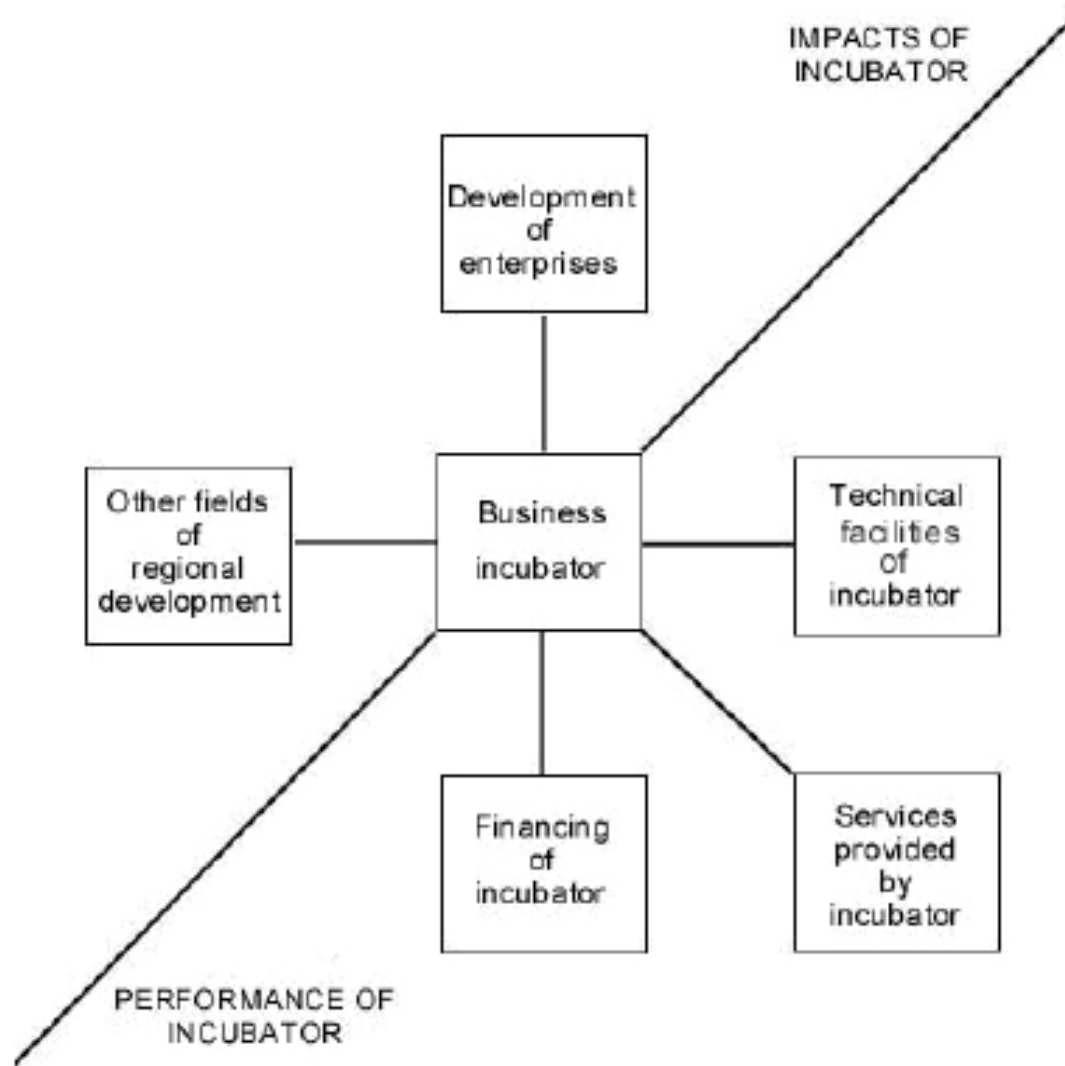


The base of EO-TSF Model

- The base of this model is the definition of **two main groups of impact indicators**...
 - **E** – Enterprise development, development of individual firms
 - **O** – Other fields of regional development
- ...and **three main groups of performance indicators**
 - **T** – Technical facilities,
 - **S** – Services offered by the incubator and their quality, the incubator staff,
 - **F** – Financing of the incubator



The base of EO-TSF Model



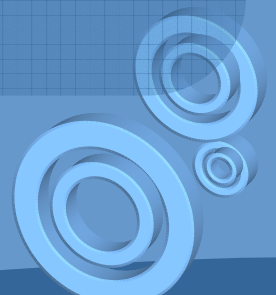
Horizontal criteria of EO-TSF Model

impact on the enterprise development and other fields of the regional development

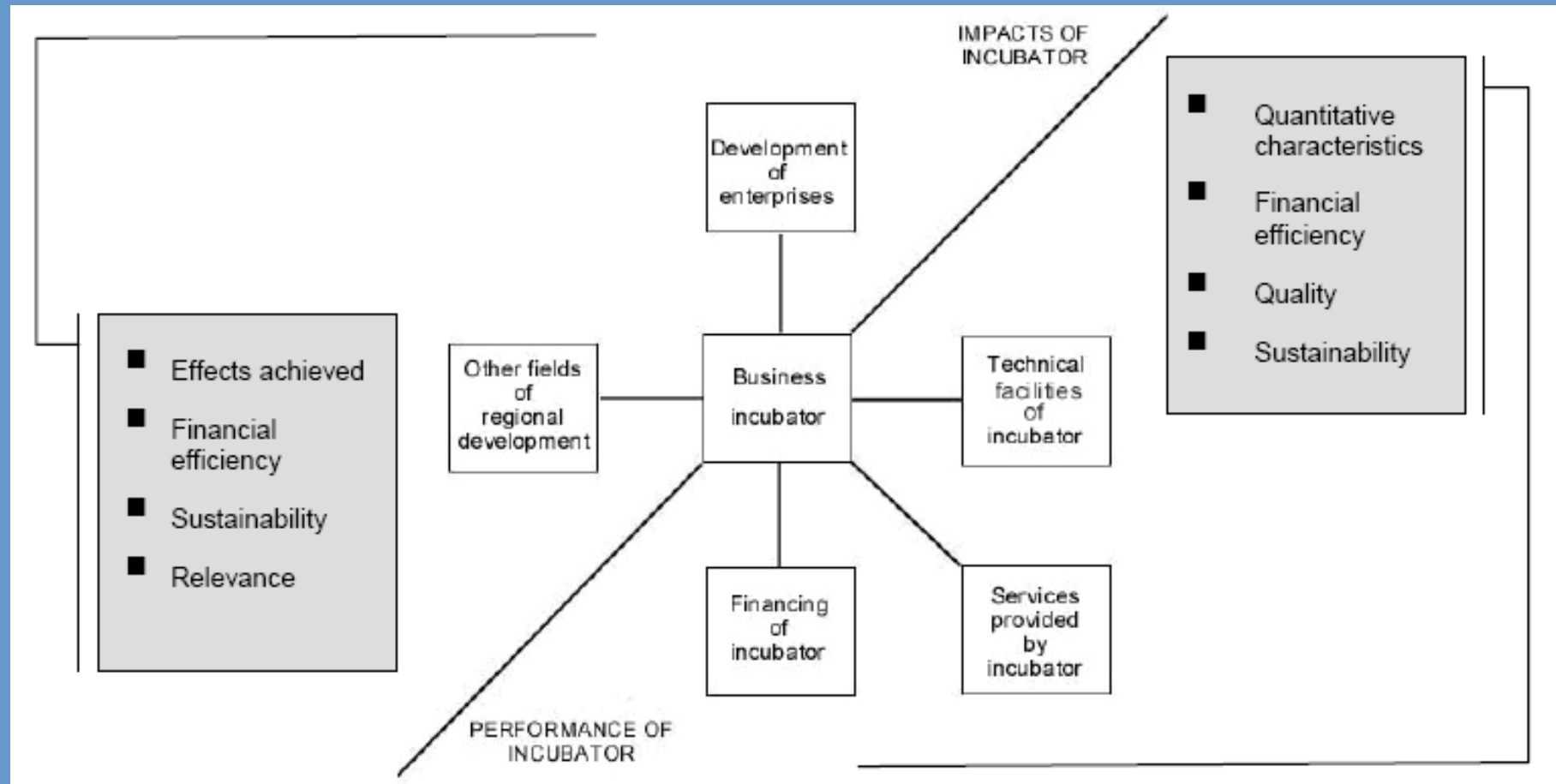
- Effects achieved
- Financial efficiency
- Sustainability
- Relevance

performance of a business incubator


- Quantitative characteristics
- Financial efficiency
- Quality
- Sustainability




EO-TSF Model




Incubator impact on the enterprise development

Incubator impact	Effects achieved	Financial efficiency	Sustainability	Relevance
Enterprise development 	Number of newly established firms	Savings of incubated firms	Survival rate of firms	Usefulness of services
	Number of newly established spin-off firms			Contribution of incubator to success of incubated firms
	Firm turnover and its growth rate			Image and credibility of firms
	Firm profit and its growth rate			
	Number of employees and its growth rate			
	Intellectual property rights owned by incubated firms			
	Mobilised risk capital			
	Comprehensive development of firm			


Incubator impact on other fields of the regional development

Incubator impact	Effects achieved	Financial efficiency	Sustainability	Relevance
<div>Other fields of regional development</div> 	Number of new jobs	Costs per one job	Retention rate	Conformity of incubator mission and strategy with development priorities
	Quality of new jobs	Tax recoverability	Graduation rate	Character of incubated firms
	Share of jobs staffed by local people	Costs per graduate		
	Technology transfer	Costs per incubated firm		
	Tax revenues			
	Contribution to GDP			
	Multiplication effects on new jobs and turnover			
	Contribution for community			


Technical facilities of business incubator

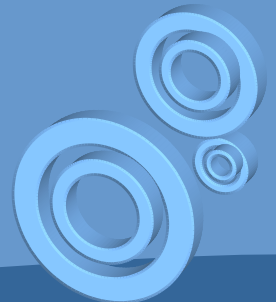
Incubator performance	Quantitative characteristics	Financial efficiency	Quality	Sustainability
Technical facilities 	Incubator space	Investment costs (per sq meter)	Satisfaction with technical facilities	Level of demand for tenancy
	Number of incubation units	Investment costs per incubation unit	Flexibility of space	
	Number of incubated firms			
	Occupancy rate			
	Length of incubation process			
	Duration of establishing			

Services offered by business incubators

Incubator performance	Quantitative characteristics	Financial efficiency	Quality	Sustainability
Services offered 	Scope of offered services	Running costs of incubator	Satisfaction of clients	Level of demand for services
	Number of provided consultations	Cost level of offered services	Proportion of incubator staff to incubated firms	Planned utilization of services
	Trainings		Quality of incubator staff	Interest in new services
	Incubator staff		Enhancement of skills	
	Performance of incubator staff		Usefulness of services	

Financing of business incubators

Incubator performance	Quantitative characteristics	Financial efficiency	Quality	Sustainability
Financing of incubator 	Rate of the rent	Financial leverage		Break event point
	Price level of offered services			Surplus of revenues (cash flow)
				Financial coverage of services



Conclusions

- The evaluation of business incubators is very important for the quality of provided services.
- The business incubators are not enough evaluated and compared with one another and for that reason EO-TSF Model for evaluation was suggested.
- The purpose of this model is to define as many criteria which should serve for the evaluation of business incubators as possible.
- In future EO-TSF Model should be tested among business incubators.



Thank you for your attention

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