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## RESEARCH ARTICLE

### EXPLORING THE ROLE OF BUSINESS INCUBATION CENTERS TO BOOST UP BUSINESS CULTURE FOR SOCIO-ECONOMIC DEVELOPMENT

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#### ABSTRACT

The purpose of this study is to explore the role of Technology Business Incubation centers for the development of socio-economic and establishing of SMEs, because this area is gaining recognition day by day. Plus, the aim is to use the role of Business Incubations for future research. This study is based on the application of Business Incubation centers on the establishment of Small and Medium Enterprises and economic development of any country. A comprehensive literature review and conducted case studies to discover the impact of Technology Business Incubation centers and to apply it for establishing SMEs and developing economy. The Result of the study showed that the main purpose of Business Incubation is to accelerate the growth and success of small and medium Enterprises (SMEs) by providing them physical space, mentoring and expertise to convert the ideas into Business and alter the innovation into Product. It finds that Incubation process is very crucial way to support SMEs resulting socio-economic development.

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## INTRODUCTION

Business Incubation is a process designed to support the successfully development of entrepreneurial companies through an array of Business support resources and services, like technologies, processes, formulation, pre-feasibility/feasibility reports, lay out plan, selection and installation of machineries, equipment, training, consultancy, Business Networking and whatever incubate(s) need in startup of business. The incubatee(s) are those who come under the process of Incubation and those who run the incubation are called Incubator(s). Business Incubation concept came from USA in 1959 and spread to UK in 1980. As per International Business Innovation Association there are more than 7000 incubators in the world out of them 1400 in America, 1000 in Europe, 400 in china, 355 in Korea, 265 in Japan and 220 in UK (Irshad, 2014). It is also noted that in America helped 49000 companies through incubation programme (Irshad et al., 2014) through which created 200, 000 jobs and generated annual revenue \$ 15 billion.

The main purpose of Business Incubation is to accelerate the growth and success of small and medium Enterprises (SMEs) by providing them physical space, mentoring, training and service whatever they required in the Business to convert the ideas in Business and commercialize the research is key factors of Incubators. Incubators are places/ centers where entrepreneurs can receive pro-active, value added support and access to critical, information, education resources, contacts and capital which are unaffordable for them (Rodríguez-Pose, & Hardy, 2014). SMEs are considered as backbone of economic growth and playing major role in generation of employment (Dey, 2012) especially in developing countries, therefore, every country striving to support them through different types and international organization also funding for them. Business Incubation program is designed to support the SMEs and trend of Business Incubation centers is going to increase in Pakistan to support initial business activities, gaining access to markets, registration trademarks and promoting products. There are thirty Business Incubation Centers are established at Public Universities of Pakistan, claimed by Higher Education Commission, Pakistan (HEC).

The British Council along with Social Education Environment Development (SEED) intends to develop Incubation Centers in 50 universities of Pakistan (Mumtaz, Shafi and Zafar 2017). The trend of Business Incubation centers in Pakistan is gaining momentum and various Public and Private Sector entities offering basic incubation services for energetic entrepreneurs and educate citizen, new startup companies are encouraged by Incubators to develop their own business plan with aim to commercialize new technologies and strengthen local & national economies as instead of creating job seekers turning new graduates into job providers.

**Problem Statement:** Pakistan has about 162 universities enrolled with HEC (HE 2014-15) and Pakistan produces 4,45000 university graduates per year (Daily Dawn, Feb. 28, 2011) in different field of specialization. Some of them have great ideas and innovations which can serve as development tools for development of the economy and generating employment. Because of lack of ability, they cannot market themselves, their ideas and can not get required financial support. They do not have expertise and knowledge to convert their ideas into products and commercialize their innovation. So, business incubation plays key role here to provide entrepreneurs support to fulfill the gap of knowledge and tools to present their ideas in feasible way during the pre incubation stage. The operational cost can also be decreased because of shared services and facilities.

**Research Objective:** The objective of this paper is to highlight the silent feature of Business Incubation Centers for university graduate, SMEs and those who wish to enter in to business. We will focus on strengthen of Business Incubation Centers for socio-economic development, establishment of SMEs and job creation. In the contemporary era, developing countries are striving to accelerate and encourage people to become entrepreneur for the socio-economic development. Here trying to discover the role of Business Incubations for the development of socio-economic and its role in establishing of SMEs because this area is gaining recognition. Through this study, we draw the attention of the government and competent authority that how important are BICs.

**Research Question:** What is the impact of Business Incubation Centers in the establishment of small and medium enterprises and economic development?

**Scope of the Study:** The term business incubation has very importance in developed countries as they do not create only business personnel only but they boost economy through business incubation program. In this era, it is spreading in developing countries because of realizing that. Business incubation tools play key role to make graduates perfect business men and perform their role in GDP growth.

**Significance of the study:** Now a days, the business Incubation system spreading more fast in developing countries and attracting researchers and policy makers for the contribution of economic growth through university graduate and others who intend to have knowledge about business and start their business with minimum risk. In developed countries across the world, there are many programs for business incubation. They provide them very deep business services for helping and nurturing small and medium level companies as they grow and participate in the development of economy.

**Related literature review of Business Incubators nurturing SMEs and developing socio-economic:** The first Business Incubator was open in USA at Batavia, N.Y in 1959 with the concept of providing business assistance services to startup companies with sharing facilities (Salmon valley Business & Innovation Centre). As per European Commission Research & Innovation (ECRI, n.d) that:

The development of Business incubation is supported, along with raising the competence level of service providers and the establishment of an investor network with both local and foreign partners. The general objective of the programme is to support the establishment of enterprises with the growth potential, and its sustainable development, in order to ensure that they are viable and independent when leaving Incubator. Adelowo, Olaopa & Siyanbola (2012) conducted a study on Technology Business Incubation as strategy for SME Development and argued that SMEs/ Enterprises contribute in GDP, employment and socio-economic development so they need special attention and assistance to survive & compete in the global market. The authors informed that Technology Business Incubation (TBI) become constructive intervention process to establish a positive environment that can nurture technology base SMEs for sustainable development. It has been found that the success of TBI depends on how the incubators are designed and managed. Ayatse, Kwahar & Iyortsuun (2017), conducted a study on business incubation process and form performance by reviewing the literature on incubation phenomenon. The author expressed that to help venture survival, Government have developed a unique institutional arrangement called business incubation designed to help Business survive and grow in the contemporary competitive environment. The study showed that the Business Incubation is an important tool for firm survival, revenue generation and reducing unemployment. It has been recommended that authorities should take initiative to encourage in establishing Business Incubators to support emerging and new ventures.

Fry (1987) examined the role of incubators in small business planning and concluded that Incubatee(s) are more active planner than non Incubatee(s) and comments that while incubation process, incubatee are encouraged in planning activities. Tötterman & Sten (2005) explained startups Business incubation and social capital by addressing a question that how business incubators help entrepreneurs through evaluating three nonprofit business incubator from different part of fun land. The authors founds that Business Incubators not only support in new potential companies in their development process but also helping them to build promising support and business network as entrepreneurs try to develop a viable business. The incubator offers the network, resources and know-how that entrepreneurs do not have but they are needed because without assistance of the personnel of Incubator, the entrepreneurs might face the trouble in starting business. The authors also found that the Incubators provide their tenants at least; space office, routines managerial assistance and access to business network. The finding of authors are that those entrepreneurs who received significant support for the creation of business network are more satisfied than those who have not got such support. And recommended, that the selection of companies for the incubator must be well suited for the programme instead of just fill-up empty space as the incubator should carefully consider the type of business a tenant for acceptance.

Tsai, Hsieh, Fang & Lin (2009) examined the co-evaluation of business incubation and national innovation system in Taiwan and defined that the business incubation centers are providing office space with strategic and value added intervention system of monitoring and business assistance with the preference of helping the entrepreneurship activities and technological development of SMEs through resources and knowledge gain from prior experience as business incubator are a major tool for developing an economy by the support of tenant and innovation. In this process the performance of BIs directly or indirectly affects the success of micro level entrepreneurial business and sustainability of macro level national innovation system. The authors also disclosed that the business incubation in Taiwan were initially as "Pointers for encouraging. The establishment of SME Incubation Centers by Public/ Private institute made by MOEA's (Ministry of Economic affairs) in 1996, which was part of Policy for the promotion of Taiwan as an Asia Pacific hub for manufacturing and R&D, where the incubation activities are guided by MOEA's and funded by government SME development fund.

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Merrifield (1987) conducted the study on new Business Incubators and introduces selection criteria of candidates for Incubators by analyzing three questions.

"Is a selected business good in which someone should be involved?"

"Is selected business in which the candidates' organization has the ability to compete?"

These two questions are basic to select the business and tenant for the incubation. If a business and candidate seems good and feasible than addresses the last question "What is the best procedure to start and growth."

Bergek, A., & Norrman, C. (2008) examined incubator best practice; a framework, the author declared that the concept of inductor of incubator mostly used as an overall denomination for organizations that form or create a supportive environment that is conducive to the hatching and development of firms. The policy makers have come to view them as tool for

promoting economic development, innovativeness and the emergence of new technology based growth of firms. The author disclosed the research of researchers regarding TBICs that Incubators provide the services to incubatees regarding training, business development advice, services concerning business matter, accounting legal advertising financial assistance and so on. Incubators also concern in business development entrepreneurial training, including coaching, education related to business planning, leadership, marketing and sales.

Mian, Lamine and Alain (2016) examined the technology business Incubation: an overview of the state of knowledge through addressing the following question.

- How do we define TBIs?
- Where do we stand in terms of understanding the incubation process?
- How have TBI models along with related research emerged over last 3 decades? and found that TBIs are operationalized as Technology Business Incubator, Technology Incubators, Science Parks, innovation centers and accelerators with consideration of promising policy tools which for entrepreneurial growth.

TBIs are working through Public Private Collaboration with universities, industries and all level of government (Eliz Kowitz, 2002). Mahmood, Jamil & Yasir (2016) conducted the study on role of Business Incubators in entrepreneurship development in Pakistan by using collected data of 42 entrepreneurs through structural questioners on the effectiveness of business incubators, the result shows that the role of incubators in effective in providing consultancy, training, infrastructure and network services to entrepreneurs and found that business incubators reduce the risk of business failure, the result showed that BIs providing good networking as well as consultancy services for business, whereas, the provision of infrastructure facilities, marketing needs and training are not satisfactory provided by incubators. It is recommended that the establishment of BIs may play a positive role in other aspects as well as training, marketing and infrastructure facility but business community is currently not satisfied from services due to high exploitation.

Mahmood, Jianfeng, Jamil, Karmat, Khan & Cai, (2015) conducted the study on Business Incubators: Boon or Boondoggle for SMEs and economic development of Pakistan. It showed that business incubation system plays major role in the nurturing local, regional and national economies through development of SMEs and producing employment opportunities. It is recommended that the BIs are crucial for developing countries like Pakistan for the development of economy so policy maker should think to establish BIs. Adelowo, Olaopa & Siyanbola *et al.* (2012) has been discussed challenges facing TBIs in Nigeria followed by requisite policy measures to resolving them. SMEs has limited access to scientific knowledge, poor management skills and lack of know-how are reasons to survive new ventures. The incubator has lot of impact to create jobs, increase economy and commercialize new technologies/ formulations/ processes. It has been pointed out that as per debate of scholars, the main role of TBIs in developing countries to establish the strategies to develop TBIs in order to promote knowledge sharing of best policies for surviving of SMEs.

Wachira, Ngugi & Otieno (2017) examined Incubatee selection criteria and its role on entrepreneurship growth: A survey of university based Business Incubators in Kenya. The author maintained that the university base incubators are special type BIs located in universities with the objective of possibility of linking talent, technology capital and know-how to leverage entrepreneurial talent, boost up the development of new technology based firm and commercialized the technologies as universities play the role to develop with industries & government. The result showed that the incubatees are selected on different criteria i.e. oral presentation, business plan, experience and test also. The prime focus of university based BIs is to create and shift of scientific & technical knowledge from universities to companies & to commercialize university research. Universities play key role to establish linkages with industries as to provide their faculty of platform to conduct research & opportunities for their students to become job creator (Marwanga, 2009). It is recommended that the selection criteria for the incubator is the key focus point if the incubators are effectively perform their role. So, the government should establish more university based incubator to increase entrepreneurship growth.

Mahmood, Jamil & Yasir *et al.* (2016) analyzed business incubators in Asian developing countries through review of literature of Business incubators mostly in developing countries. It has identified that the main objective of incubators are provision of nurturing environment, approach of advanced technical equipment managerial support, access to financial capital, reducing start-up cost and guidance in development of business. The authors found that the objectives of incubators are to achieve economic growth, standard, encourage to become entrepreneur support of survival in start of business and boost-up to commercialize R&D in developing countries. BIs are in initial stage and striving to cope with human and financial capital. Masutha & Rogerson (2014) analyzed small enterprise developing in South Africa: The role of business incubators through examining evaluation of policy moving forward business incubation, current progress and institutional issues and emerging geographies of business incubator as part of unfolding and dynamic small, medium and micro-enterprise (SMMEs) policy landscape in South Africa the authors found that the government encouraging to use business incubator as part of vast policy thrusts to upgrade the role of the SMMEs in national economic development & employment creation and recommended the landscape of business incubation as its impact on local economic development. Patton (2014) conducted study on realizing potential: The impact of Business incubation on the absorptive capacity of new technology based firms through qualitative finds result shows that new technology based firms capacity enhanced through business incubation process and team comprising on incubator directors, advisor and mentors absorptive capacity may be fully released in substantially strengthened

### Research Methodology

The research methodology of this article is to review the literature and publication regarding impact the Business Incubation Centers on economy development, job creation and establishment of entrepreneurs/SMEs and the case study of one Incubator and two companies, which have successfully completed their journey from Incubatee to company. This study adopted to gain the data in depth and tried to know from

the incubator and incubatees from business Hatchery to matured business, Purpose of Incubator and Incubatee, ambitions to join incubation, Advantages and disadvantages and the main objective to analyze the effect of incubation system on economic growth and job creation. The research participants/ Respondents for this study were limited to the related field such as Incubators and Incubatees. The collected data for the study have been analyzed by mean of content analysis.

### Business incubation centers for SMEs nurturing facilities:

Mostly the purpose of Business incubation centers is to support startup companies for the development of their business either it is small or medium. The companies are generally helped by Incubator to move forward to new venture (Petree, Petkov & Spiro, 1997) for technological innovation and renewal industrialization (Allen & McCluskey, 1991). Through the incubation program new/small and medium companies are offered support in establishment and development their business (Al-Mubarak & Busler (2013a) such as consultancy in start up and planning for initiative of business, constancy in business planning, implementation and growth, consultancy in access to financing and training & connecting in network (Info, 2009). So business incubation system is known worldwide significant in developing and seeding for newly startup business ventures, transfer of technologies and commercialization of innovation and technologies for growth in economic sector (Pappas, 1997). As Volkmann, (2004) expressed that many scholars and economists believe that Business Incubation plays a vital role to nurture and develop entrepreneurs and SMEs and create more jobs consistently.

**Business Incubation centers for Job creation:** The scholars believe that jobs creation are one of main objectives of Business Incubation Centers to support regional development (Allen & Levine, 1986; Mian, 1997; Thierstein & Willhelm, 2001). Al-Mubarak, Muhammad & Busler (2014) conducted the study in US on incubators and founds three main aspects of outcomes which are 1). High number of jobs creation, graduation of companies and survival of companies lead to economic development. 2). highly cooperation or R&D and innovation lead to commercialization of R&D and Innovative technologies. 3). highly sustainable growth, entrepreneurial climate and smart growth networking lead to fostering entrepreneurship. According to Masutha *et al.* (2014) government of south Africa encourage and support Business incubation system because of economic development and jobs creation through this system and Mahmood *et al.* (2015) also conducted the study on Business Incubators in Pakistan and resulting that the BIs supporting in economic development and Jobs creation.

### Business Incubation centers for socio-economic development:

It is accepted by mostly scholars related to the Incubation programs that Business Incubation centers are used as a tool for socio-economic development. BIs help companies to boost up local economy (Molnar & Wiley, 1997). Literature showed that the most common objective of Business Incubators in US is to increase economic development, diversifying the local economy, research utilization in production, transfer of technologies and processes (McKinnon, & Hayhow, 1998). Eshun (2009) described that BIs provide services to their Incubatees to offer considerable support for promoting development of economy to across the world, small companies struggling for compete in local, domestic or

international market because of limited sources and expertise. Al-Mubarak *et al.* (2013a) conducted study on ten multiple cases studies in developed and developing countries which showed that the Incubation system of developed and developing countries support actively in development of local and regional economic through the basis of number of company served, number of graduate companies and their growth. Adelowo *et al.* (2012) informed that Technology Business Incubation is a strategy for SME Development and argued that SMEs/ Enterprises contribute in GDP, employment and socio-economic development so they need special attention and assistance to survive & compete in the global market.

#### **Case study: Business incubator in the R&D organization of Pakistan**

This study has been conducted from the personnel of the Incubator (R&D organization) who are involved in driven the Incubator and CEOs of two companies (M/s. Reign Nutro Pharma, Karachi and M/s. SOIS Pharmaceuticals, Karachi, who remained Incubatees of the R&D organization and successful to become an individual company for Nutraceutical/ Herbal products and playing their role for the development of socio-economic through production of Import substitute and export oriented products.

**The Incubator, PCSIR driven TBIC, Karachi:** It has been claimed that this is the first Business Incubator centre of any R&D organization of Pakistan came into operational in 2008 called PCSIR Technology Business Incubation Center, Karachi (TBIC). TBIC is a program introduced by Pakistan Council of Scientific and Industrial Research (PCSIR) to support the development of entrepreneurial companies through an array of business support resources and services, like Technologies / processes, pre-feasibility reports, lay out plants, selection & installation of machineries, Training & consultancy, supervision of production, Quality Control services, sources of Raw Material & Packing material etc. developed and orchestrated by PCSIR. TBIC offers SMEs / entrepreneurs / investors to do business with PCSIR through purchasing of Technologies / Processes developed by PCSIR or certify or authenticate from PCSIR for the development / production in PCSIR driven TBIC. This program has been designed for those who are SMEs or new entrepreneurs.

The Objectives of PCSIR-driven TBIC is Socio & Economic development of the country through:

- Providing Nurturing facility to Incubatees (entrepreneurial companies) through an array of business support resources and services.
- To save the foreign exchange through transforming the invention of export oriented and import substitute Technologies / processes into finished goods / products.
- Reducing unemployment as the Incubatees will hire skilled non skilled person for their plant and Marketing person for their promotional & supplying activities.
- Providing quality Goods / Products to end user.
- The production in TBIC will be under the supervision of PCSIR Scientific and Quality Control by PCSIR
- Following the objectives of TBIC, the organization took an initiative and signed first agreement with

Incubatee (M/s. Reign Nutro Pharma) in 2008 and M/s. SOIS Pharmaceuticals became an Incubatee of the Incubator in 2009 with the terms & conditions that:

- Incubatee will pay the nominal building utilization charges to the Incubator.
- Incubatee will pay the mutual agreed production royalty on the production to the Incubator
- The Incubator will transfer the technologies / Processes to the Incubatee on their demand against the charges.
- Production will be made under the supervision of Incubator Scientist(s) and the Incubatee will pay the scientist stipend.
- Quality Control testing will be done by the Incubator on 50% discounted rate.
- Incubatee will invest and install (moveable) their own machineries / equipment.

**The Incubatee, M/s. Reign Nutro Pharma, Karachi:** The proprietor (CEO) of Reign Nutro Pharma, Karachi started his professional career with a Pharmaceutical company in 1992 as medical representative and got promotion in the same company in 1996 as senior medical representative, He switched to another company as sales manager in 1998 and in 2000 he again jumped other company as sale manger. In 2004, he become a partner of Marketing and Distribution company namely Cogent Pharmaceuticals, Karachi; they were three partner and used to purchase the pharmaceutical products from different companies and marketed the same. In 2005 they visited PCSIR stall at expo centre Karachi and knew that PCSIR has formulation of food and Nutraceutical products to commercialize and came in agreement with PCSIR to produce three products for their company and they marketed. In 2008 he was approached by PCSIR and informed him about TBIC and offered him to become Incubatee. He was convinced and become an Incubatee in 2008, purchased three technologies/ processes of Nutraceutical products against Rs.1.2 million and he did other investment of Rs.1.5 million on machineries and equipment and started his production under the supervision of the incubator's scientists/experts. He got fully support of the Incubators in nurturing and every aspect related to his business, such as registration of products, purchasing of machineries, equipment, raw material, installation of machineries, processing of products, Quality control etc. The incubatee successfully shifted their setup to industrial area from the Incubatee premises in 2013, till that time the incubatee purchased twenty two technologies from the Incubator and in 2019 they have more than 170 products.

#### **Participation of the Incubatee (M/s. Reign) in socio-economic and job creation**

- Participating in GDP growth
- Producing Import substitute products more than 30% of their total production
- Producing Export oriented products are in process.
- Created jobs in house 45 numbers.
- Producing the products for other 17 companies who have 12~15 employees/each.

**The Incubatee, M/s. SOIS Pharmaceuticals, Karachi:** The proprietor (CEO) of SOIS Pharmaceuticals, Karachi started his professional career with his own distribution setup for

Pharmaceuticals, Nutraceuticals and Herbal products in 2000, He was also distributor of Reign Nutro Pharma. He became impressed the work and products of Reign Nutro Pharma produced at the TBIC. As a distributor he received good response of Reign Nutro Pharma's products. He approached PCSIR and decided to purchase one product as import substitute and market/sale it. Within 03 months he became ready to become an incubatee of PCSIR and sign an agreement with PCSIR in 2009. Purchased six technologies/ processes of Nutraceutical products against Rs.2.2 million and he did other investment of Rs.2.0 million on machineries and equipment and started his production under the supervision of the incubator's scientists/experts. He got fully support of the Incubator in nurturing and every aspect related to his business, such as registration of products, purchasing of machineries, equipment, raw material, installation of machineries, processing of products, Quality control etc. The incubatee successfully shifted their setup to industrial area from the Incubator premises in 2013, till that time the incubatee purchased thirteen technologies from the Incubator and in 2019 they have more than 130 products.

#### **Participation of the Incubatee (SOIS) in socio-economic and job creation**

- Participating in GDP growth
- Producing Import substitute products more than 20 products
- Producing Export oriented products more than 10 numbers.
- Created jobs in house more than 50 numbers.
- Producing the products for other 15 companies who have 12~15 employees/each

## **FINDING AND DISCUSSION**

This study has been conducted to analyze the literature related with Business Incubation Centers and its role in developing Small and medium entrepreneurs and socio-economic development. In this regard, publications on Business Incubation reviewed but have been kept specially focused on three variables such as Business Incubation Centers, SMEs and Socio-economic development, besides it reliable websites also visited regarding this matter. A case study also conducted on R&D organization driven Technology Business Incubation Center (TBIC) and its two Incubatees (Tenants). Keeping in view the review of literature and related studies, we found that more than 7000 Business Incubators worldwide are in operational (Irshad *et al.*, 2014) with different names such as Business Incubation, Technology Business Incubation, Science Park, Technology Park, Research Park, Technology Accelerator, Technology Precinet and Technopolis etc. (Tech Monitor, Jan-Feb 2001) out of them 1400 are in United State (Irshad *et al.*, 2014) and 1150 are in Asia Pacific Region (KOBIA) out of them 460 in china, 203 in Japan and 333 in Korea. Majority of Incubation centers are nonprofit entity, whereas 81 Incubation centers are working as profit organization in Asia. Result of the study shows that the impact of Business Incubation Centers is very positive and significant from which developed and developing countries trying their best to get benefit. It is very surprising that United State get huge benefit through Business Incubation and China has majority of its university driven Incubation system.

The case study also showed that the Incubation center has amazing results as those who were worked as employee and work as marketing personnel and become proprietor of the company because of right platform, consultancy and guidance on every step, training and mentoring every time. As both incubatees shared their ideas and expressed that without Incubation center of the R&D organization, it was very difficult to achieve the milestone, participating in GDP Growth, Socio-economic development and Jobs providing. Through their company, many personnel get the job in door or out door. The Incubator developed two companies and both companies developed 32 companies. The Result of the study is very cleared and witnessed by 7000 incubators that the main purpose of Business Incubation is to accelerate the growth and success of small and medium Enterprises (SMEs) by providing them physical space, mentoring and expertise to convert the ideas into Business and alter the innovation into Product. It founds that Incubation process is very crucial way to support SMEs resulting socio-economic development. Pakistan have also realized the importance of Business Incubation system and directed universities to operate Business Incubation center in their universities. In this regard, 30 incubation centers are in operational (HEC, Pakistan) and will provide seed money to Incubators for their setup and operational cost for the establishment of Business Incubation centers for public universities for two years (Associated Press of Pakistan, 2019). The HEC believes that the Incubation Program makes universities enable to impact the economy and society by reducing unemployment, producing skill personnel, developing liaison between academia and industries, increase number of successful entrepreneurial and also support in higher education for development of entrepreneurial ecosystem to promote entrepreneurship and generate revenue for the university.

#### **Conclusion and Reflection**

The conclusion of this study is to select, collect and gather the research from the available research and conducted a case study of successful entrepreneurs through incubation process for onward submission to the authorities of Nayya (new) Pakistan for their consideration to start the comprehensive Business assistance program for the Youth, who intend to start their own Business and for those who are already in Business but need assistance / guidance to boost up their business for the socio-economic development and SMEs development. Through this study we are able to know that Business Incubations are socio-economic development entities to support potential start up SMEs, held them like a kid to growth, accelerate them to establish and make them success by providing comprehensive program. It is also concluded that mostly incubations are run by Government support, Universities support or community support and or nonprofit entities for the sack of increasing local community wealth and national economy, jobs creation, commercialization of technologies and innovations and ideas conversion into productions. Result of the study shows that Business Incubators are on driver seats for the personnel, who start their own Business and do not know about to start and run for the business. Result shows that Incubators establish Business and companies which may create jobs.

And it has also found that the process of Business Incubation support government in socio and economic development. Developed countries' keen interest in Incubations program is an evident of Positive impact on socio-economic development.

Our two case studies also indicates that Business Incubations help companies to establish, produce quality products, develop import substitute and export oriented products, resulting create jobs, supporting other companies to establish and play role in GDP growth. It founds that Business Incubation centers make SMEs perfect Business Company which achieve their milestone, play role in development of local and national economy and create jobs. It has also found that new starts up companies also prefer to become incubatees to minimize the risk, reduce over headed expenses and get required services and guidelines of business. It is recommended that Government should take serious steps to develop Incubation Centers in every providence region where Researcher, Innovator, Business mind personnel come with their ideas, getting nurturing facilities and serve the Pakistan country through producing export oriented and import substitute products, create jobs and develop national economy. Beside it provide fully knowledge of economy under one roof, opportunities, Business process, criteria of Incubatee, selection and exit process and criteria, monitoring system, revenue generation mechanism. The proper polices should make and insure implementation and support community. In Pakistan there are many ideas, opportunities, research, innovation and potential person, need to manage it and establish proper and transparent system for playing role in developing community and GDP.

**Limitation of the study:** This study has been conducted only on impact of Business Incubation Centers on socio-economic development and SMEs development. Other aspect has not been discussed, so need to further study on Incubations' systems SWOT analysis, opportunities/ weaknesses and advantages/disadvantages etc.

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