



*8th International Conference in Corporate
Responsibility, Sustainability, Governance and Innovation
"Innovation shaping a sustainable future"*

Track 01: Role of government in enabling sustainable business incubation

How are governments fostering innovation and the productivity gains in the start-up industry? This may include policy, incubation programs and other R&D investments that fosters greater co-production in solving social and economic challenges. What policy frameworks are being pursued and how are the measures involved being evaluated (for example impacts on productivity and economic and social development)?

Business incubators have long been considered an important aspect of new venture creation, and an effective means of fostering new jobs within an economy. Governments kick-started business incubation as an investor to create a thriving environment for incubators and emerging enterprises. However governments' investment has declined over the last decade (OECD 2018) and as government has retreated from incubation, the private sector and tertiary sector have stepped forward with universities playing a much larger role, accounting for 31 per cent of GERD (Gross Domestic Expenditure on R&D) (OECD, 2018; OECD, 2017). Also where governments have been the forerunners for business incubation investment and have failed to succeed, the failure has been linked to inept or counterproductive allocation of funds and financial subsidies, as well as established businesses making use of the funding schemes that were intended for new and emerging entrepreneurs (Lerner, 2010). This has led to a rise in numerous small and independent incubators with limited review of how their operations impact the success of incubatees and coupled with the attention in business incubators usefulness in economic and social development, it is worth revisiting government's role in stimulating sustain incubation. These findings have encouraged governments to shift their incubation polices from investor to enabler as a perceived way to more effectively and efficiently use government funds to improve incubatees' sustainable growth.

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