

INNOVATION, INCUBATION AND ENTREPRENEURSHIP : A NEW APPROACH

Mr. Priyank Gupta*

Ms. Anshika Asthana,**

ABSTRACT

IIM Ahmedabad's Centre for Innovation Incubation and Entrepreneurship (CIIE) fosters innovation driven entrepreneurship in India through incubation, investment and training. CIIE comprise of faculty, alumni and students of IIMA, mentors and service providers from the industry who span a variety of functional areas, sectoral domains and geographies and are passionately committed to helping disruptive innovations and aspiring entrepreneurs succeed commercially. For this study data collection method involves the participation of current and past incubates of CIIE to give their input about the various initiatives of CIIE and their efficiency, for incubates the questionnaire method was used to obtain their responses about various CIIE initiatives.

Keywords : *CIIE, Entrepreneurship, Incubation, IIM, Innovation*

*Asst. Professor, MIT College of Management, Moradabad

**Asst. Professor, Invertis University, Bareilly

INTRODUCTION

IIM Ahmedabad's **Centre for Innovation Incubation and Entrepreneurship** (CIIE) fosters innovation driven entrepreneurship in India through incubation, investment and training.

CIIE's incubation and investment activities received an impetus in 2007 following the creation of a dedicated physical infrastructure with support from IIM Ahmedabad, Government of India and the Gujarat Government and setting up of an autonomous entity (called CIIE Initiatives) for CIIE's incubation and investment activities. Apart from incubating and investing in over 50 innovative ventures across the high-tech sector, CIIE has taken up several initiatives to strengthen India's entrepreneurial ecosystem by providing mentoring, financial and knowledge inputs.

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CIIE's initiatives for fostering innovation driven entrepreneurship comprises of following:

1. Power of Idea

CIIE partners with The Economic Times and Department of Science and Technology to bring the next edition of India's largest and arguably the best startup search program- The Power of Ideas 2012. Over a period of 3 months, selected startups undergoes one on one mentoring, evaluation by experts and a 10 day intensive workshop at IIM Ahmedabad to pitch for a corpus of INR 6.2 Crore.

In the previous edition, 45 startups received cash awards of INR 1.95 Crore and 15 received seed funding of INR 3 Crore. These startups went on to raise angel funding of more than INR 22 Crore from India's leading angels and VCs.

Following is the 4 phase program for Power of Idea initiative:

Phase 1	Phase 2	Phase 3	Phase 4
Business	One on One	Core team	Seed funding,

model crystallization through online application portal.	mentoring to strengthen the business model	capacity building workshop	incubation and introduction for follow on investments
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2. Mentoring the incubates

When talking about mentoring CIIE gives its incubates **Mentor Edge**. **Mentor Edge** is an initiative by Mentors and Experts across India to provide hand-holding, mentoring and networking support to innovative start-ups. It is a country wide structured network of mentors aimed at helping aspiring entrepreneurs through advisory support on various strategic and operational decisions.

MentorEdge helps create synergistic relationship between mentors and mentees. Catalyzed by Centre for Innovation Incubation and Entrepreneurship in October 2009, **MentorEdge** now has presence in eight major cities of the country - fostering entrepreneurship through advise and mentorship. **MentorEdge** is Pan India initiative which bridges a very important gap in the entrepreneurial ecosystem, that of providing hand-holding, mentoring and networking support to aspiring and established entrepreneurs. It is a structured network of mentors and experts aimed at helping entrepreneurs get the winning edge through advisory support on various strategic and operational decisions.

MentorEdge helps create synergistic relationship between mentors and mentees. Initiated by Centre for Innovation Incubation and Entrepreneurship (CIIE) in October 2009, MentorEdge has received immense interest from mentors and mentees alike.

The nature of mentoring can vary across startups/mentors and over time. It can potentially encompass the following :

- **Advice on startup related strategic and operational issues** across areas like business model/plan, startup team, funding options, scaling up, handling issues among founding team etc.
- **Access to contacts** for sales, recruitment, tie-ups, PR

- **Access to funds** (debt or equity) through self or through contacts to angel network, lending agencies, VCs etc.
- **Access to infrastructure** - Hard infrastructure (office space, IT requirements) & Soft infrastructure (legal services, accounts/payroll, IP, research

CIIE, through its evangelists and friends across the country, organize regular Face-to-face Mentor Rendezvous across major cities in India to facilitate the above process.

3. **Cleantech Incubation**

CIIE has been actively involved in supporting cleantech and sustainable energy enterprises and has supported various enterprises including Aspiration Energy, VisViva, Ecolibrium Energy, EEPLA, Indo-German Energy, Sunairpower, Wifinity, Insolare among others. To provide an ecosystem to aspiring energy entrepreneurs, CIIE has set-up INFUSE Venture - an early stage venture fund and ecosystem focused on sustainable energy

4. **ICT Incubation**

CIIE helps its incubates in Information and Communication Technology facilitation also this initiative is known as iAccelerator program. Since its inception in 2009, iAccelerator program has supported 26 startups in Internet & Mobile domain. 24 of these startups are active and going strong with 8 of them are already funded or generating revenue to support their business.

The program is three months long, residential, mentorship based and very intensive. Selected startups receive investment, infrastructure and business mentoring from iAccelerator ecosystem of experts, mentors, investors and enthusiasts. It ends with a big bang Demo Day – one day event where iAccelerator startups pitch to early stage angel and VC investors. On an average, iA startups meet and interact with 50+ investors during the program and on demo days.

METHODOLOGY

For this study data collection method involves the participation of current and past incubates of CIIE to give their input about the various initiatives of CIIE and their efficiency, for incubates the questionnaire method was used to obtain their responses about various CIIE initiatives.

FINDINGS

Enquiry from Incubates

When incubates were asked about the very first initiative of CIIE i.e. **The Power of Ideas**, following responses were obtained on 5 point likert scale (1 means least effective, 5 most effective)

S.No	Question about the phases	Average of response obtained from incubates *	Intrepretation
1	Business model crystallization through online application portal.	4	Effective
2	One on One mentoring to strengthen the business model	5	Most effective
3	Core team capacity building workshop	4	Effective
4	Seed funding, incubation and introduction for follow on investments	5	Most effective

*the responses have been rounded off.

When incubates were asked about the second initiative of CIIE i.e. **Mentoring the incubates (MentorEdge)** , following responses were obtained on 5 point likert scale (1 means least effective, 5 most effective)

S.No	Question about the phases	Average of response obtained from incubates *	Intrepretation
1	Advice on startup related strategic and operational issues	5	Most Effective
2	Access to contacts	4	Effective
3	Access to funds	5	Most Effective
4	Access to infrastructure	5	Most Effective

When incubates were asked about the third innitiative initiative of CIIE i.e. **Cleantech Incubation**, following responses were obtained on 5 point likert scale (1 means least effective, 5 most effective)

S.No	Question about the phases	Average of response obtained from incubates*	Intrepretation
1	Idea + Business Plan.	4	Effective
2	Market Research & Prototyping	4	Effective
3	Demos & Customer Validations	5	Most Effective
4	Product Development	5	Most effective
5	Piloting	4	Effective
6	Commercialization	4	Effective

*the responses have been rounded off.

When incubates were asked about the next initiative of CIIE i.e. **ICT Incubation**, following responses were obtained on 5 point likert scale (1 means least effective, 5 most effective)

S.No	Question about the phases	Average of response obtained from incubates*	Intrepretation
1	Infrastructure mentoring	4	Effective
2	Mentoring about business	4	Effective
3	Investment related mentoring	5	Most Effective

*the responses have been rounded off.

CONCLUSION

Having understood the idea behind the CIIE's initiative to help new incubates in all possible manner, the incubates had their say towards the CIIE's effective support to them.

Talking about the first initiative of CIIE i.e. The Power of Ideas, incubates have a very high degree of positive response towards the CIIE's help in coming up with the near perfect idea for them.

For second initiative of **Mentoring** the incubates (**MentorEdge**), the incubates gave full marks to CIIE and its MentorEdge program which involves great mentors from the industry and academics mentoring the incubates and making them reach the correct destination by guiding them to the appropriate path.

Cleantech Incubation i.e. CIIE's third initiative which deals about a lot of technical aspect of running a new formed business scored mostly the positive score. A true businessperson can understand the importance of technicalities and getting them perfectly aligned with the goals of the business.

ICT Incubation initiative of CIIE was provided 'Efficient' rating on our study by the incubates. This is the latest and most demanded segment in the market today.

SUGGESTIONS

Although the initiatives of CIIE are unique and are helping the new incubates to develop & polish their business skills and excel in the existing market situations which are quite challenging. As far as we have studied the working of CIIE and its initiatives, we would only suggest that CIIE must continue this wonderful work and increase the magnitude of the work. Incubates not only from India but international aspirants may also be invited.

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