**International Entrepreneurship:**

***Starting, Developing and Managing a Global Venture***

**Case**

**Business Incubator Subotica**

**Case Questions**

***1. What was the goal of establishing Business Incubator Subotica?***

Business Incubator Subotica was established on June 21, 2006 within the Vojvodina Autonomous Province Economic Development Programme and the Strategy of Economic Development of Municipality of Subotica, with the goalto create a business environment, which provides early stage businesses with all the necessary tools for developing and growing in the first three critical years following start up. Besides the necessary mentoring to service and manufacturing businesses, the Business Incubator Subotica offers equipment for production, business support services, technical assistance, business training, and favorable rental prices.

Establishing business incubators in certain locations boosts the economic development of the whole region by attracting new investment, increasing the number of new companies, and boosting international trade. They can create specialized knowledge centers and increase production output.

***2. What is the success of start-up companies from the beginning to today?***

The internal research made by Business Incubator Subotica indicates that of the beginning 26 tenants, 10 are in the process of post incubation and the others are active members of the incubator. While being relatively new, the Business Incubator Subotica is relatively successful of incubating of tenants. Generally, business incubators have a relatively high level of success – incubating 70-80% of the companies.

***3. What are the role and the characteristics of business incubators and clusters?***

Business incubators and clusters play a decisive role in the economic development of underdeveloped regions. The strength and dynamics of their activities and the total development potential depends on the nature and development of the relations among enterprises, universities, authorities, development agencies and all other economic development factors. The economic development concept is based on the extent of these relationships and the sharing of resources.

***4. What is the impact of business incubators and clusters in Serbia?***

Setting up of business incubators in a particular place boosts the economic development of the whole region, since new investment is attracted. Establishing new companies creates employment, new products and boosts international trade. Also, this can create specialized knowledge centers and increase production (see Figure 1).

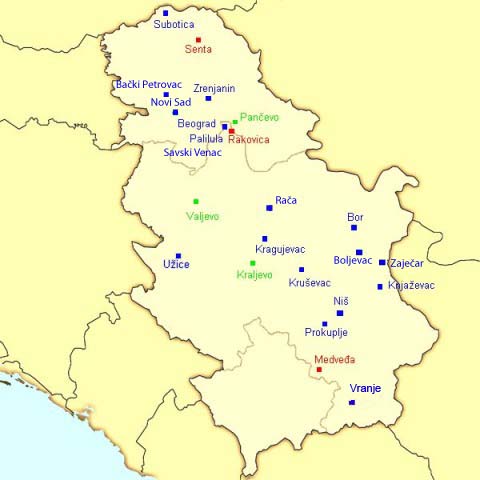


Figure 1 Network of business incubators in Serbia ( existing incubators, planned incubators, registered but not working incubators)

SOURCE: http://www.bitf.rs/cms/item/clubs/sr/networks/incubators.html

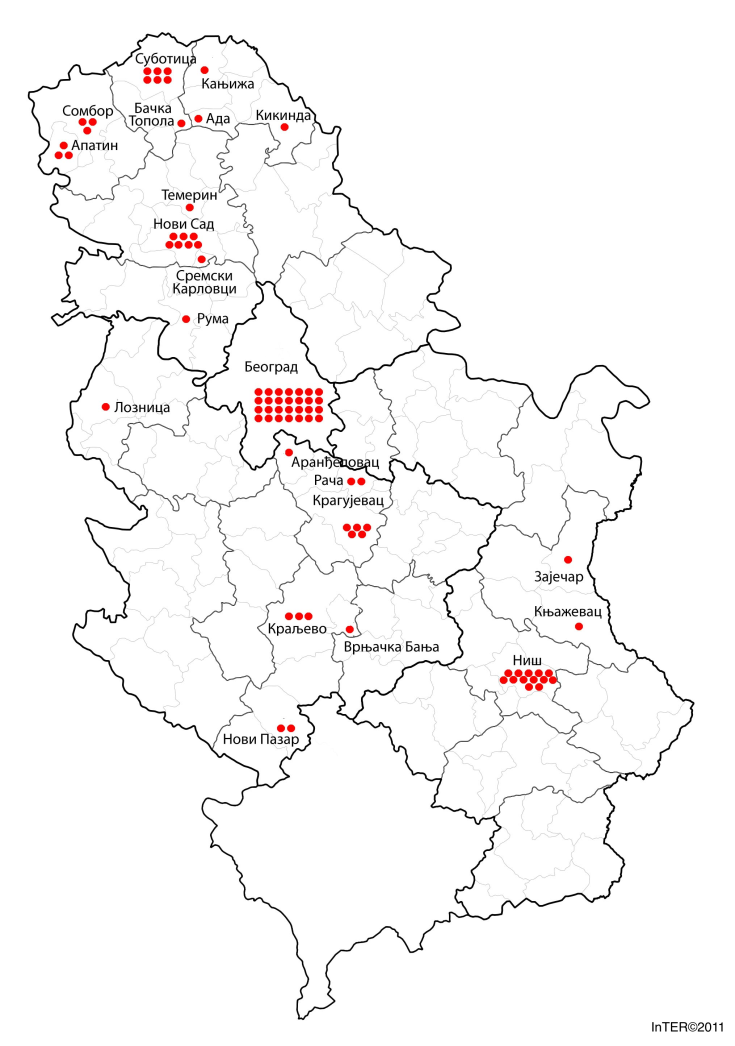


Figure 2 Map of Clusters in Serbia

SOURCE: http://www.lokalnirazvoj.org/sr/books/details/19, Retrieved from 21.11.2014.

***5. Can a building of networks be a powerful tool for multiplying the power of small enterprisers?***

Connecting of business incubators, clusters and universities can create significant development potential. This connectivity can boost the economic development of the particular area or region. The proper support of the government at all levels and the support of public institutions is also needed. It is important to prepare and train the institutions involved to enable them to fully support all these activities. Without providing the financial support for the development of businesses and clusters, business incubators, development projects and economic sustainability at local and regional levels are at risk. Establishing a strong active network is important. Clusters and business incubators play a central, and in some respects, leading role in creating networks. There is a need to understand the interests of all stakeholders, establish standards of business activities, measure involvement, and defining the possible way of cooperation.

This will have a significant impact on the economic development of the Northern Vojvodina region. In order to make this process seamless, it is necessary to provide business standards and measures, an information system with a high degree of involvement, database, training and vocational training of the staff, and promote and engage everyone in the process. Entrepreneurs generally need legal, financial and other business as well as training and IT support. Other support needed includes: promotion of the enterprises, market research and business matchmaking.

***6. Who are the participants of the cluster network (Miniregion Subotica)?***

* Business Incubator Subotica (BIS)
* Fund Cluster for Health Tourism of Vojvodina
* Tourism Cluster Fund of Micro region Subotica Palic
* Cluster Vojplast Hajdukovo
* Fruitland Subotica
* Association Bio Scientific Cluster
* Cluster Agroindustrija,
* Local regional and national governmental institutions
* Institutions offering financial support