

**ABSTRACT****THE ROLE OF BUSINESS INCUBATOR SUPPORT SERVICES ON FIRM SURVIVAL: AN EMPIRICAL ANALYSIS USING COX PROPORTIONAL HAZARD REGRESSION MODEL ON BUSINESS DEVELOPMENT CENTERS (İŞGEMs) IN TURKEY****Onur SUNGUR**

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The aim of this study is to examine the effects of business incubator programs and its services on tenant firm performance. In this context, the effect of business incubator services on firms' survival was examined through the case of Turkey's Business Development Centers (İŞGEMs). The scope of this research consist of 414 firms, 238 firms which exist in incubators located in Adana, Diyarbakır, Elazığ, Ereğli, Eskişehir, Mersin, Nevşehir, Samsun, Tarsus, Van, Yozgat and Zonguldak İŞGEMs and 176 firms which left these incubators before.

Within the framework of research model, business incubator services were categorized as (1) office services, (2) shared/common services, (3) education/training services and (4) counseling services and include total of 22 sub-services. As a research methodology, Kaplan-Meier survival estimates and Cox proportional hazard regression model were used. As a result of the research models, it was concluded that all service groups have significant and positive effects on firms' survival probabilities. In this context, results show that office services increase the tenant firms' survival probability 13.5 times, shared/common services 6.3 times, education/training services 6.5 times and counseling services 3.2 times. Furthermore, internal and external networking activities among tenant firms and between tenant firms and other firms/institutions/actors also increase the survival probability 30.3 times, the highest effect on survival among the all support service groups. Besides, it was found that there are some differences among İŞGEMs in terms of providing these services and using these services by tenant firms, and these differences cause significant performance disparities among İŞGEMs in terms of firm performance.

The findings of this study offer some suggestions and foresights for incubator firms, incubator managers, economic development and policy institutions (regional development agencies and KOSGEB etc.) and other related institutions. It is considered that results about functioning of current İŞGEMs will be helpful for policy makers and practitioners and will be directive for the establishment of future İŞGEMs.

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**Keywords:** Business Incubator, Business Development Center (İŞGEM), Firm Survival, Survival Analysis, Cox Proportional Hazard Model