

Makerspaces as Centers of Innovation: An Assessment of the Impact of Technology Incubation Centers in Nigeria

Authors : Bisi Olawoyin

Abstract : The idea of knowledge sharing facilitated by the internet and complemented by a collaborative offline process in form of shared workshops called Makerspaces has become an attractive economic development agenda worldwide. Towards this end, Nigeria has established a number of Technology Incubation Centers (TICs) across the country with a view to using them as institutional mechanisms for commercializing Research and Development results; thus helping to promote venture creation and economic development. This study thus examines the impact of the nurturing by the TICs, on the performance of selected incubated enterprises that have grown into medium scale businesses in different sectors of the economy. The objective is to determine the extent to which the process of incubation has contributed to their growth in relation to similar businesses that developed outside the TICs. Six enterprises nurtured by TICs and six others outside, these were selected for the study. Data were collected in respect of the twelve enterprises covering their first five years of operation. Performances in terms of annual turnover, market share, and product range were analysed by scatter diagram plotted to show these variables against time and on comparative basis between TIC and non-TIC enterprises. Results showed an initial decline in performance for most of the incubatees in the first two years due to sluggish adjustment to withdrawal of subsidies enjoyed at the TICs. However, four of them were able to catch up with improved performance and surpass their non-TIC counterparts consistently from the third year. Analysis of year on year performance also showed average growth rate of 7% and 5 % respectively for TIC and non-TIC enterprises. The study, therefore, concludes that TICs have great role to play in nurturing new, innovative businesses but sees the need for government to address the provision of critical facilities especially electricity and utilities that constitute critical cost components for businesses. It must also address the issue of investment grants, loans including the development of technology/industrial parks that will serve to boost business survival.

Keywords : entrepreneurship, incubation, innovation, makerspaces

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