ABSTRACT

Business incubators are regarded as entrepreneurial hubs, unleashing entrepreneur's ideas and businesses into the market, in turn, jobs are created and the economy of the area is improved. Due to the stiff competition for placement into an incubator program it is imperative for incubator management come-up with strategies of being more efficient and effective in utilizing resources to achieve superior performance. Hence the need to critically select clients, whose ideas fit the incubator's mission and upon graduation create high growth businesses, with a higher survival rate of 90%. The study is anchored on Resource Based Theory. The study used a correlation design that focused on causal relationship of client selection criteria and incubator centre performance (ICP). The study population was 41 incubator managers in Kenya. After missing data analysis two respondents were expunged leaving 39 respondents. Secondary data was obtained from published sources such as company reports, manuals and research done by other scholars. Structural Equation Modelling (SEM) approach was used to analyze the measurement model and test the hypothesized relationship in this study. Simple linear regression model was used to measure the strength of the relationship between client selection criteria and performance incubator centre in Kenya. The results of the combined effect model indicated that client selection criteria had a significant relationship with performance of incubator centres.