

# How incubators can facilitate serendipity for nascent entrepreneurs



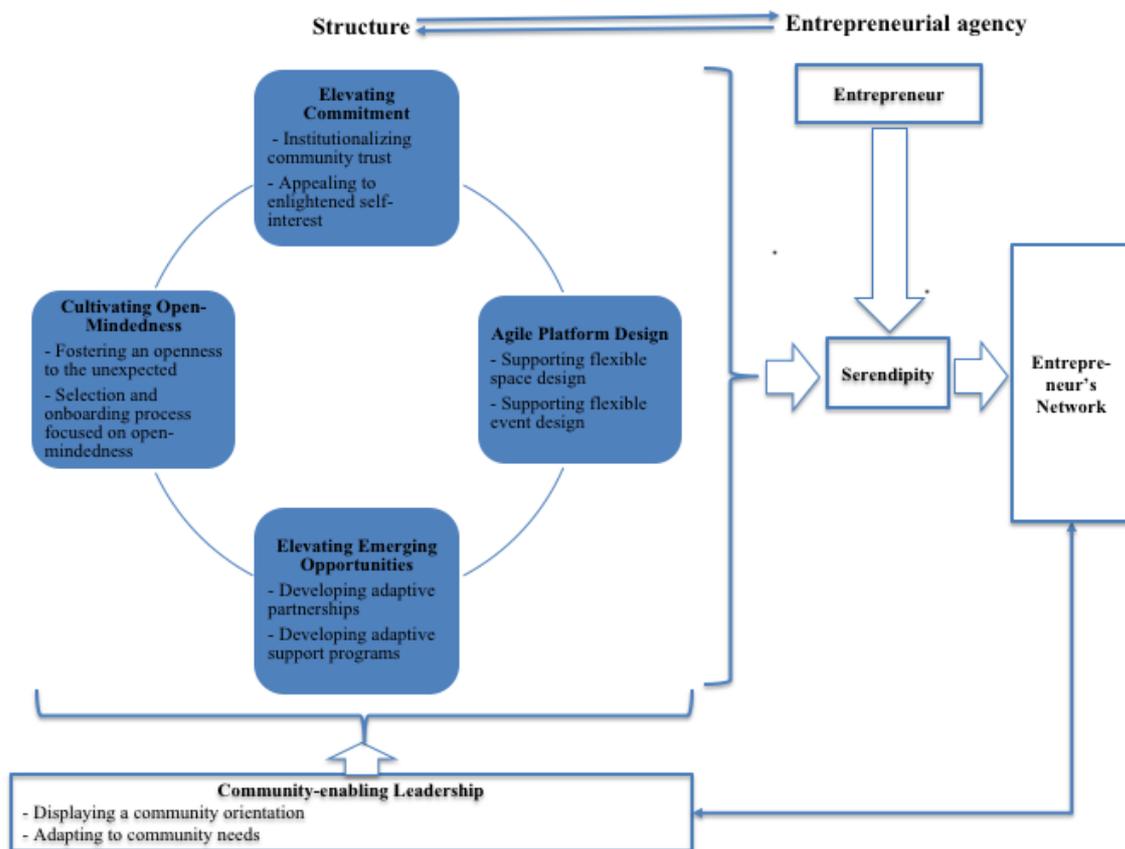
Entrepreneurs typically face high uncertainty and goal ambiguity, and often the resources and contacts needed for achieving the respective goal are unknown in advance. In light of this uncertainty, how can support organisations such as incubators (or others such as governments, accelerators, educational institutions, etc.) facilitate networks and resources for entrepreneurs? In [our upcoming paper](#), we show how an incubator in a high-uncertainty environment (Kenya’s emerging market context) facilitated a conducive environment for entrepreneurs that allowed for *cultivating serendipity*.

## Uncertainty as threat or opportunity?

Incubators often play an important role in facilitating networks for entrepreneurs. However, support organisations such as incubators tend to focus on structuring programs that specify in advance which resources and which networks (for example, particular mentors) are offered. This can disincentivise entrepreneurs from “pivoting”, from looking at more appropriate ideas, because they are “locked in”. It can also “shield” entrepreneurs from the market, potentially making them less competitive.

Given that nascent entrepreneurs typically face high uncertainty and goal ambiguity, how can support organisations such as incubators develop support programs that tackle this uncertainty? We show how the incubator we studied *cultivated serendipity* – unexpected positive outcomes – via practices such as *elevating commitment*, *agile platform design*, *cultivating open-mindedness*, and *elevating emerging opportunities* (see Figure 1).

**Figure 1. Fostering network embeddedness and the conditions for serendipity in the context of uncertainty**



## Cultivating serendipity

We studied Kenyan-based T-Hub, which was conceived as a nexus point for the local tech community. Over just a few short years, T-Hub has transformed from a local coworking space into a leading incubator in Africa.<sup>[1]</sup> Analysing this intriguing case, we show that in order to serve the unique needs of nascent entrepreneurs, incubators can adopt a social structure that embraces the unexpected.

T-Hub was designed with the unique needs of both nascent and seasoned entrepreneurs in mind. In addition to providing practical resources such as office space and Wi-Fi, T-Hub equipped its members with a cooperative entrepreneurial community, and facilitated opportunities for collaboration. Importantly, it designed practices that helped *cultivate serendipity*: For example, the team embraced the power of serendipity by sharing stories of unexpected ideas that had flourished in the past. Even as T-Hub increasingly developed more structured support programs and services, it recognised that given that many of its members were early-stage entrepreneurs, many of them would regularly “pivot” and radically change their ideas, needs, and business models.

As a result, T-Hub attempted to develop conditions “facilitating the (yet) unknown,” given the absence of any defined goals to work toward. It opted to leave its community members with the breathing space to explore what they needed to know and what resources they needed. This decision resonates with research showing the survival of enterprises depends on their ability to tackle uncertainty, and that early-stage entrepreneurs often do not know yet which resources, partners, or co-founders they might need.

Through spatial and event design, T-Hub helped to engineer organically emerging interaction between its members. For example, in a centrally positioned coffee shop, members could “bump into” each other. Members were prompted to form new bonds, and unplanned encounters became common and appreciated. Its events included regular “mixers” where random groups of people including members and outside stakeholders met, were constantly improved and extended. The purpose was for members to meet potential advisors, investors, or co-founders. A member illustrated the potential benefit, in his case, meeting his collaborator at one of the events: “I wasn’t even thinking I needed one, but then we got to know each other, and I knew that this had been missing.”

### Serendipity is not just about random chance

The characteristics of nascent entrepreneurship, such as uncertainty that makes knowing what resources an entrepreneur will need at which point impossible, make structuring programs that directly fulfil members’ needs difficult for incubators. Our analysis of the T-Hub model demonstrates the possibility of facilitating serendipity for entrepreneurs even in the most uncertain environments. The T-Hub example teaches us that serendipity is not just about random chance. It is about creating the conditions to catalyse “coincidence” into opportunity – and to create “planned luck”.

Of course, there can be drawbacks to an approach like this, including missing out on profitable “structured” partnerships or creating intense social dynamics that result from rapidly changing contexts and ideas. Further research could look into these intriguing dynamics.

**[1] Name has been changed. We use “incubator” in the broad sense of the term; of the different types of incubators (virtual, social, medical, corporate, seed accelerators, etc.), T-Hub is best categorised as a coworking space with added offline and online services (i.e., a “hybrid incubator” or “technology incubator”).**



#### Notes:

- The authors thank Alexa Wright for great editorial support.
- This blog post is based on [Planned Luck: How Incubators Can Facilitate Serendipity for Nascent Entrepreneurs Through Fostering Network Embeddedness](#), *Entrepreneurship Theory and Practice*.
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