



# SEED INSIGHT

## Theme 1 - Starting and growing a venture

### The four phases of growth for entrepreneurial partnerships

*This Insight sets out the four phases of growth commonly experienced by partnerships, as developed by the Collective Leadership Institute, ([www.collectiveleadership.com](http://www.collectiveleadership.com)) for the SEED Initiative.*

*The **SEED Initiative** identifies, profiles and researches promising entrepreneurial approaches to locally-led sustainable development in countries with developing economies, and provides partnership building and capacity development through a tailored support programme for start-up sustainable development enterprises.*

*Briefing notes on other topics in SEED's Insight series are available online from the SEED website: [www.seedinit.org](http://www.seedinit.org)*

#### The Partnership Cycle

Partnerships often chart unknown territory. Different forms of organizations with different internal structures, mandates, purposes, values and decision-making procedures meet in a common space, often for the first time. When people of different backgrounds decide to work in partnership towards a shared objective they need to develop their communication skills.

The diagram overleaf, developed by the Collective Leadership Institute point to 4 main phases of development in multi-stakeholder partnerships. In the **first phase (Start-up)** it is important to understand thoroughly the context for success, to build a group of supporting organisations, and to explore and exchange with potential partners the purpose and vision without structures which are too rigid. Once partners' commitment is clear it is crucial to move into the **second phase (Building the partnership)** through a more formalized dialogue, to clarify roles and structures and lay down agreements in project plans and memoranda of understanding.

In the **third phase (Growing sustainably)** attention needs to be given to smooth implementation and to celebrating success. At this point it is important to establish monitoring systems. Transparency and good communication procedures help the partnership towards stability. In the **fourth phase (Scale-up and replication)**, usually a phase of replicating or scaling-up, the key to success is to manage the transition from the initial partnership towards a larger entity. This sometime requires institutionalisation, new partners or governance structures, or a change of management.



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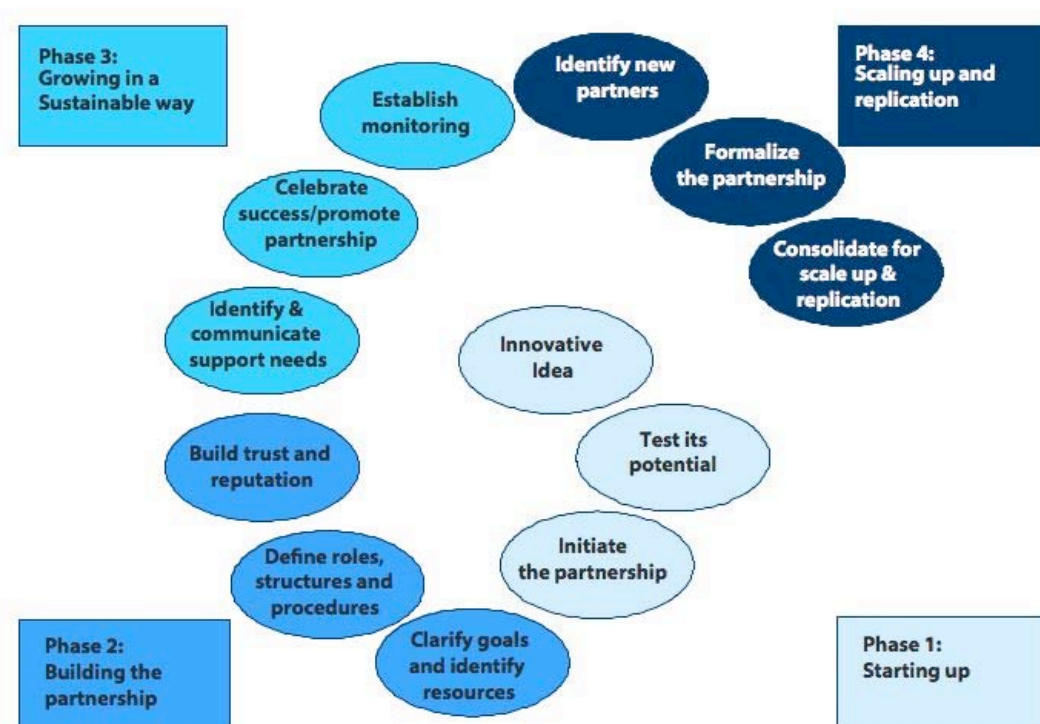
## The four phases of growth



As a project, enterprise or initiative grows, it is likely that the composition of partners will need to change. It may then be appropriate to revisit each of the stages with the new and existing partners.

The diagram below can help partnerships to assess which stage they are in with regard to the initiation, development, institutionalization, ending or further development of a multi-stakeholder partnership.

### The four phases of partnerships for sustainable development



Source: The Partnership Cycle - adapted from the Collective Leadership Institute, Germany

### Issues to consider in the four phases of the partnering cycle

#### Phase 1: Starting-up – from idea to partnership

- Simplicity of the idea: easy to understand, straightforward and practical in its application
- Carry out sufficient market research: Make sure the initiative is answering unmet potential or demand;
- Innovation or niche is key: differentiating the initiative helps to attract attention and support. It is important to define the partnership's unique approach, service or product.
- Tell a good story to inspire new partners and supporters
- Win highly motivated leaders as promoters and catalysts

# Theme 1: Starting and growing a venture

## The four phases of growth



### Phase 2: Building the partnership – creating a stable base for long-term collaboration

- Make the partnership known and build its reputation: local and international partners must be aware of and actively involved in strategy, planning, financial issues etc, but ownership of the partnership should remain with a local partner
- Build trust, for example with/between communities and other cross-sector partners: use the complementing strengths and competencies of partners
- Make strategic fundraising an early priority and allocate enough time & resources

### Phase 3: Growing in a sustainable way and ensuring delivery of the partnership

- Clearly identify and communicate support needs and expectations to potential donors and funding/financial partners (create appropriate material for distribution)
- Link with similar initiatives at national and international level to enhance outreach
- Promote the initiative at national and international level (marketing / PR strategies)
- Review and, if necessary, adjust human resources, scale-up and funding strategy early enough to ensure the long term survival of the initiative; provide for capacity building and consistency of staffing
- Ensure sustainable production methods and good coordination of the parties involved in the production process and approach relevant labelling and certification to produce competitive advantages
- Document success and inform relevant stakeholders on a regular basis
- Establish monitoring systems

### Phase 4: Taking the partnership to the next level: scaling up and replicating

- Increase the number of participants in the initiative by adopting participatory approaches which motivate and engage new partners
- Formalize the partnership: from 'project to enterprise' (potentially create a legal entity)
- Develop process innovation (e.g. via stakeholder platforms) as an environment for further (technical) innovations
- Introduce new product development and R&D to ensure long-term growth

#### SEED Partners

SEED is a global network founded in 2002 by **IUCN** (the International Union for Conservation of Nature), the United Nations Development Programme (**UNDP**) and the United Nations Environment Programme (**UNEP**). Major Supporting Partners are the governments of **Germany**, the **Netherlands**, **South Africa**, **Spain**, the **United Kingdom** and the **United States of America**.

