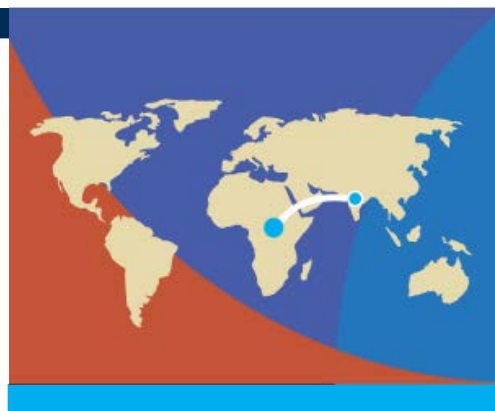


Replicating the business model into Africa through “Knowledge Transfer”



The mode of expanding the business to a new geography is often determined by the vision and mission of the inclusive business besides other factors. When the motive behind Africa expansion is to diversify geographically for making profit for the organization, the routes chosen are mostly either expanding on its own by way of setting up subsidiary or a new firm or through partnership in the form of franchise, joint venture or strategic alliance depending upon various internal and external business factors and macro environment of destination country. However, when the mission of the inclusive business is to scale the impact of its business model, organizations may opt for “knowledge dissemination” route to replicate the business model.

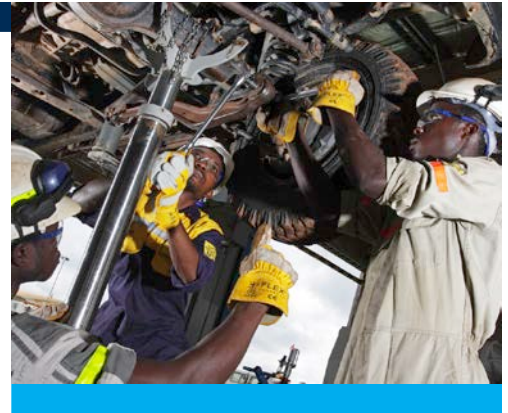
This document provides an initial checklist of assessing whether and how an enterprise can disseminate its business model through “knowledge transfer” route.

UNDERSTANDING “KNOWLEDGE TRANSFER”

Disseminating the business model through knowledge transfer essentially means that organization provides information about its business model, best practices and helps other willing organizations to adopt it. It can be done in many ways depending upon the level of involvement of the inclusive business involved in knowledge transfer. A low involvement knowledge transfer may involve just the documentation of the business model and best practices and making it available to interested organizations through physical or digital medium, whereas higher involvement by the inclusive business will also involve hands on training and handholding to the organizations interested in replicating the model. Some may even go a step higher and set up a training institute for the same purpose.

WHEN DO INCLUSIVE BUSINESSES GO FOR KNOWLEDGE TRANSFER WAY TO EXPAND?

- *When the organization is driven by mission of scaling the impact: In such scenario, the inclusive businesses understand that the extent of impact that an inclusive business can make by setting up own operations is limited and therefore decides to go for knowledge dissemination way where it can train multiple organizations or trainers to spread the model*
- *Sometimes organizations in similar business get inspired by the success of the model and are keen in adopting it and proactively reach out to the inclusive business for knowledge transfer*
- *When access to capital is limited for Africa expansion: If the inclusive business has limited financial resources to set up its own operations or partner with any other organization in the destination country, it may opt for knowledge dissemination route to.*
- *When management lacks resources to employ in new country: If the management bandwidth in source country is limited and organization does not have enough resources to directly expand to Africa, it may think of spreading the model through knowledge dissemination*
- *When the destination country environment is not conducive for direct market entry: When the business driving ecosystem, policies and business support is weak or absent in the destination country, the inclusive business may adopt knowledge dissemination over setting up operations directly there*



CHALLENGES IN GOING FOR “KNOWLEDGE TRANSFER” MODE OF REPLICATION

- *Securing donor support: Knowledge transfer or dissemination is a faster approach to scaling impact. It, however, comes with costs that sometimes cannot be borne totally by the inclusive business offering these services. The inclusive business might have to collaborate with actors in the ecosystem such as donor agencies and international NGOs to secure funding for the initiatives.*
- *Monitoring impact of knowledge transfer: One of the other key challenges for successful and sustainable replication through knowledge transfer is monitoring the progress of participating organizations. It is difficult to follow up with the participants for the monthly progress report that reflects the effect of the capacity building process sometimes. There need to be a proper monitoring system in place to mitigate this challenge*

FINDING THE RIGHT PARTNER FOR “KNOWLEDGE SHARING”

- *For a successful replication through this mode, it is imperative that mission of the organization seeking to adapt the business model has alignment with that of knowledge disseminator. Without which, the on ground implementation of the knowledge transfer process will not be at desired level. To overcome this challenge, It would be good to develop a selection process to identify the right candidate for coaching*

VARIOUS FORMATS FOR “KNOWLEDGE TRANSFER”

- *Conducting workshops and knowledge sharing sessions- This is another way of knowledge dissemination. Here the workshop curriculum and delivery formats used would essentially be designed on the basis of operational and business processes and learnings drawn from the business model of the inclusive business.*
- *Providing incubation support to entrepreneurs: The inclusive business will not only provide information to the promising entrepreneurs about their successful business model but also provide comprehensive support to catalyze their business inception and growth by way of guiding them about business support services, clustering and networking opportunities*
- *Training the trainers - building capacities of incubators present in Africa so that they can in turn provide support to a larger set of entrepreneurs on a more on-going basis.*
- *Setting up a training institute: This is to take the knowledge transfer to a higher level by institutionalizing the knowledge transfer model. It however would require, substantial capital investment and would depend upon financial strength of the inclusive business*
- *Disseminating the model through online platform: The digital platform can help in training resources in geographies where training facilities are limited or missing. The benefit of online platform is that it can provide repository of online learning tools in multiple languages*