UNDP Accelerator Labs Recommendation

Entrepreneurship Inside Government

Mandy Alevra, Mia Bhuta, Jackson Painter, Louis Sterobo

Stanford University

Recommendation Based on Research

Organization Studied

UNDP accelerator labs

5 Interviews; 3 Scheduled

(60+ people contacted)

12 Virtual Interviews

Recommendation for Achieving SDG's

Labs must strongly incentivize private sector partnerships with business models that can yield them profits if they aim to achieve sustainable impact

TIMELINE

2016
UNDP has idea of accelerating progress towards towards SDGs with innovation

2019
60 Labs were founded in 78 countries with funding from Germany, Qatar, and Italy

2020
Labs gained traction and had success + secured funding from Japan

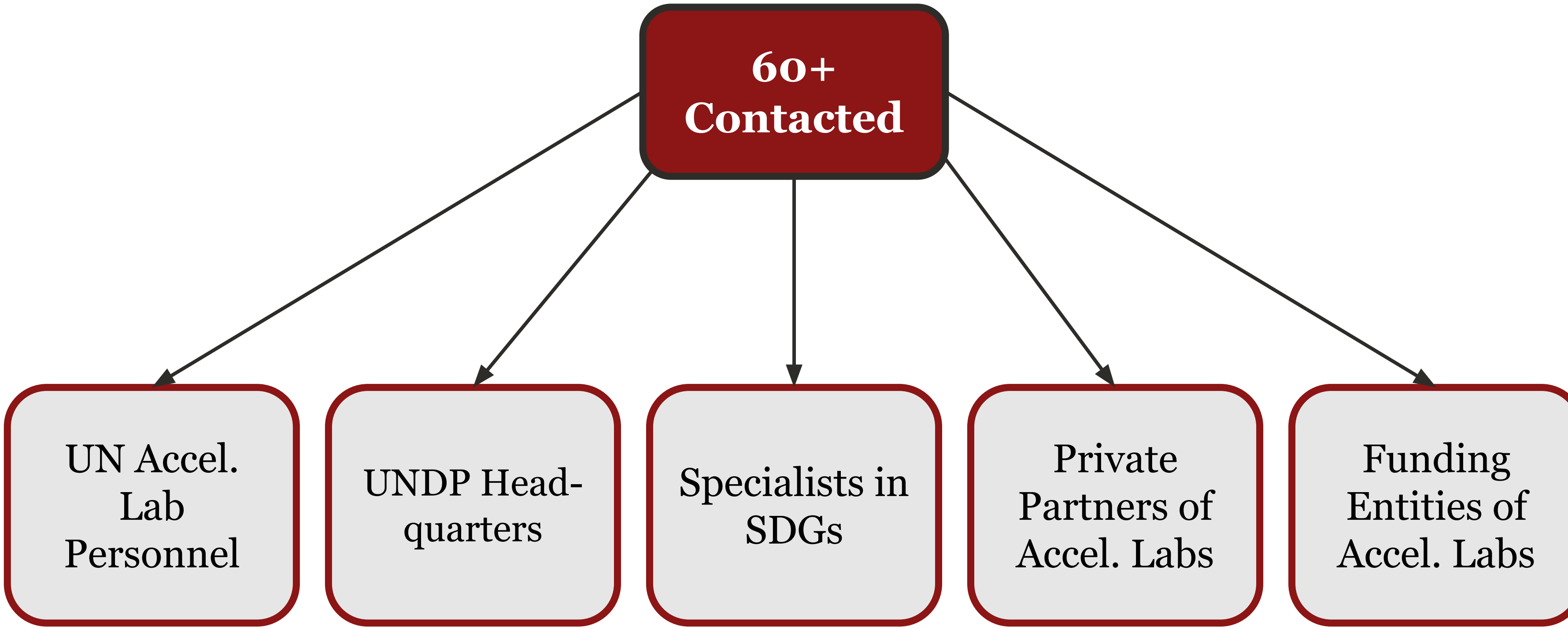
2022
Labs were expanded to 91 labs in 115 countries

2023
Funding plummeted

2024
New private partnerships were created to sustain Labs

2025-
Labs appear to have no future & close within the year

Who We Interviewed



The Four Limiting Principles

Exploratory/ Exploitation	Stakeholder Mapping
Organizational Structure	Maverick/Diplomat

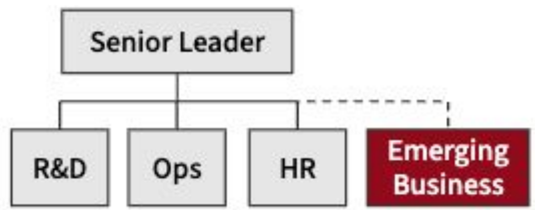
UN Accelerator Labs are Unsupported Teams

Course Principle

Explore/Exploit:
Ambidextrous Organizations

1. Functional Designs
2. Cross-Functional Teams
3. Unsupported Teams
4. Ambidextrous Orgs.

"An independent unit set up outside the established organization and management hierarchy."



Resource Constraints

"The last round of funding we got was $100,000 in 2023"
- Accelerator Lab Employee

Lack of Senior-Level Integration

"We don't communicate very much with New York."
- Accelerator Lab Employee

Inability to Influence Core Organization

Unable to get UNDP to scale projects to an effective level.

Main Stakeholders & Their Goals

Funders (Germany, Qatar)
- Drive SDG progress
- Enhance global reputation and influence

UNDP Headquarters
- Sustainable, scalable innovation
- Integration of successful solutions into broader policy frameworks

Local Communities & Governments
- Solutions tailored to local realities
- Empowerment through involvement in decision-making

Private Sector & Tech Partnerships
- Opportunities to showcase innovation
- Brand enhancement through impactful projects

Accelerator Lab Staff
- Clear, achievable objectives and stable resources
- Supportive internal structure and leadership

Stakeholder Issues

Donors vs. Local Communities

Donor-driven strategies may overlook local priorities, limiting real impact.

Private Sector vs. Sustainable Goals

Short-term profit incentives can conflict with long-term sustainability goals.

UNDP Leadership vs. Accelerator Lab Staff

Centralized decisions without clear communication lead to inefficiencies and conflict.

Local Governments vs. Lab Innovation

Bureaucracy and shifting political incentives delay or derail effective implementation.

Org. Structure: Isomorphism

You can't do any of that, we want to remain non-partisan

We want to:

- Quickly find solutions
- Work with people on the ground
- Not get stuck behind red tape
- Don't care whose toes we step on to find solutions

"It would sometimes be easier to work with the local government than the UNDP since they never want to take a political position" - UN Accelerator Lab Employee

The Labs were created to be the **opposite** of the UNDP: a decentralized network of labs that can quickly explore and solve grassroots problems.

Mavericks & Diplomats

Diplomats

🔴 **Bureaucracy & Red Tape** → Slow-moving processes, multiple approval layers

🔴 **Over Reliance on Governments & NGOs** → Risk-averse, resistant to disruptive change

🔴 **Lack of Private Sector Incentives** → No clear profit-driven model, weak scalability

Mavericks

✅ **Embrace Private Partnerships** → Work with VCs, startups, & tech firms for funding & scale

✅ **Move Fast and Experiment** → Local Labs need autonomy to experiment & pivot

✅ **Create a Profitable Business Model** → Without ROI, private partners won't engage

The labs must switch from institutional diplomacy towards entrepreneurial agility where private sector involvement is incentivised through a viable business plan

Priority Action: Stakeholder Alignment

Immediate Steps

Conduct Stakeholder Mapping:
Clearly identify each stakeholder's goals, resources, and incentives.

Prioritize Active Dialogue:
Proactively engage stakeholders through structured discussions and collaborative forums.

Align Incentives Early:
Ensure project objectives directly address stakeholder needs and priorities before implementation.

Expected Outcome

Increased support, reduced resistance, and enhanced sustainability of Lab solutions.

"Align stakeholder incentives first to maximize impact and secure long-term success."

Recommendation: Operate the Labs like a Business

Our finding: *Instead of accelerating innovation, the Labs have become slow and ineffective due to institutional inertia and a lack of market-driven incentives.*

Barriers to success

- **Bureaucracy and Red Tape** → Slows innovation instead of accelerating it
- **Misaligned Incentives** → Stakeholders lack urgency, and private sector engagement is weak
- **No Business Model** → Private companies see no clear return on investment, limiting participation

Recommendation

- **Run the Labs like a Business** → Shift from donor dependence to a financially viable, impact-driven model
- **Align profitability with impact** → Businesses will only engage if solving SDG challenges is financially beneficial

How to Implement our Recommendations

Local Government Actions

- **Tax Breaks & Credits**
  Offer tax deductions or credits for businesses that invest in initiatives that align with SDGs
- **Carbon Credits**
  Allow companies to offset emissions by developing environmental projects
- **Carbon/Pollution Fines**
  Fine organizations if carbon emissions are above a certain threshold

UN Actions

- **Preferential Procurement Policies**
  Prioritize contracts with companies that have strong sustainability practices(Infrastructure contract → sustainable construction methods)
- **SDG compliance labels**
  Create SDG compliance labels(Fair Trade or LEED certification) that improve a company's brand value and marketability
- **Long term commitment through guaranteed funding**
  Incentives private investment through guaranteed backing for multiple years

Thank You