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INVESTOR GUIDE

The 14-Week Growth-Round Equity Process Map

How growth-stage equity cycles lengthened, and what founders should do each phase from readiness through close.

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Growth-stage equity processes have lengthened. What was often an eight-week median cycle earlier in the decade is now closer to a fourteen-week base case for many institutional rounds. Founders launching a growth raise in 2026 should plan runway for that timeline plus buffer for confirmatory diligence and legal close, not treat a compressed close as the default.

Three forces stretched the cycle. Term sheets carry more structure: participating preferences, broader pro-rata rights, and occasional anti-dilution provisions appear more frequently than in the prior easy-capital window. Syndicates are larger and more diverse, which adds coordination time. Investor diligence has deepened, multi-stage investment committee review, longer cohort analysis, and pre-term-sheet structuring conversations are now routine rather than exceptional.

This guide maps the fourteen-week cycle into phases, clarifies what founders should be doing in each window, and aligns with the readiness framework Keningford Partners uses when advising growth-stage CEOs.

KEY FINDINGS

01 Median time-to-close for US growth-stage equity rounds reached 14 weeks in H1 2025, against 8 weeks in 2023 and 7 weeks in 2021 (Source: Cooley GO Quarterly Venture Financing Reports).

02 Participating preferences appeared in roughly 38 percent of growth-stage rounds in H1 2025, against approximately 22 percent in 2022 (Source: Carta H2 2025 State of Private Markets).

03 Pro-rata-in-perpetuity provisions appeared in roughly 32 percent of growth rounds in 2024–2025, against an estimated 18 percent in 2021; full-ratchet anti-dilution re-emerged in approximately 7 percent of late growth-stage rounds in 2025 (Source: NVCA Yearbook 2025).

04 Median growth-equity syndicate size reached 5.2 named co-investors per round in H1 2026, with cross-border deals running 9 or more (Source: Bloomberg H1 2026 ECM data).

05 Lead follow-on rates range from 38 percent at the bottom quartile to 74 percent at the top quartile, meaning founders should know which quartile each mapped prospect sits in before the first meeting

(Source: NVCA Yearbook 2025).

06 A 4 percent headline valuation premium can correspond to 5 to 7 percentage points of additional founder dilution in a 4x exit when participation, pro-rata, and anti-dilution structure are modeled (Source: Keningford Partners analysis).

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Weeks " 4 to 0: Readiness Before Launch

The four weeks before the first investor meeting are the highest-leverage period in the entire cycle, because everything done here compresses the fourteen weeks that follow and everything skipped here extends them. Three workstreams should run in parallel: building the data room in investor-priority order (cohort economics, monthly P&L reconciled to budget, concentration analysis, preference math under exit scenarios), mapping twenty-five to forty prospects at the partner level, and calibrating the narrative around structural readiness, not growth metrics alone.

Data room sequencing deserves emphasis because most teams build it backwards, starting with corporate housekeeping because those documents are easiest to gather. Investors read in the opposite order: cohort economics and monthly financials answer the first investment-committee question, so they should be complete and internally consistent before anything else is uploaded. A room whose first folders are strong buys patience for the folders that follow; a room that opens with formation documents and placeholder financials signals a company that launched early.

Prospect mapping at the partner level, rather than the firm level, is the second discipline. The relevant unit of analysis is the individual partner: their board load, their check-size history, their lead follow-on record, and whether they have sponsored a company at this stage through their committee in the past year. Lead follow-on rates range from under forty percent at the bottom quartile of firms to nearly three-quarters at the top; founders should know which quartile each mapped prospect sits in before the first meeting, because it is the single best predictor of how the partnership behaves after the wire.

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Weeks 1–3: Outreach and First Meetings

Launch a sequenced outreach list in waves rather than a single broadcast. Prioritize fit over breadth: a first wave of six to ten well-matched partners generates the pattern feedback needed to tune the narrative, while preserving a second and third wave of fresh prospects for the improved version. A process that contacts all forty prospects in week one has spent its entire audience on the rough draft.

Use early meetings to test narrative clarity and identify diligence questions that will recur. Log every question asked in every meeting; questions that appear once are noise, and questions that appear three times are the diligence agenda telegraphing itself. Update materials based on pattern feedback rather than one-off objections, because rewriting the deck after each meeting reads as uncertainty, while a considered revision between waves reads as responsiveness.

Discipline about signal quality matters throughout this window. Polite interest is not progress: the meaningful positive signals are partner-level questions about structure and use of proceeds, requests for cohort data rather than the deck, and second meetings scheduled with additional partners in the room. Founders who track those signals honestly can tell by week three whether the narrative is landing or whether the second wave should wait for a recalibration.

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Weeks 4–8: Deep Diligence and Competitive Tension

Serious investors move into detailed diligence, and the process character changes from persuasion to verification. Maintain a controlled Q&A process: one intake channel, a named internal owner, a forty-eight-hour response standard, and a living FAQ so every investor receives the same answer in the same words. Parallel conversations answered inconsistently are how careless companies manufacture diligence issues out of nothing.

Keep the data room current as the quarter progresses, because a room whose financials go stale mid-process reads as a company losing control of its numbers at exactly the moment it is asking to be underwritten on them. Refresh monthly reporting on a fixed calendar day, date-stamp every update, and flag material changes proactively rather than letting an analyst discover them.

Run parallel conversations so no single counterparty controls timing, and be honest about sequencing intent without staging false tension; sophisticated investors detect manufactured competition quickly and price it as a character signal. Management should be able to speak to unit economics and capital priorities without relying solely on slides, because weeks four through eight are when partners engineer unscripted exposure, the working session, the dinner, the call with the skeptical colleague, precisely to see whether the numbers live in the operators or in the deck.

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Weeks 9–11: Term Sheets and Structure

Compare offers on more than headline valuation. Model participation, pro-rata, and anti-dilution effects on founder outcomes across at least three exit scenarios before choosing a lead, because structure compounds silently: a four percent premium on headline price can correspond to five to seven percentage points of additional founder dilution in a four-times exit once a participating preference and broad pro-rata rights are modeled through the waterfall. The spreadsheet takes an afternoon; signing without it costs real money years later.

Structure has hardened across the market and founders should negotiate accordingly. Participating preferences now appear in a large minority of growth rounds, pro-rata-in-perpetuity provisions have roughly doubled since 2021, and full-ratchet anti-dilution has re-emerged at the margins of late-stage deals. None of these terms is automatically disqualifying, but each one is a price, and the negotiating error is treating the valuation as the deal and the structure as boilerplate.

Reference-check the lead partner with the same rigor they are applying to the company. Call founders from their portfolio, including at least one whose company underperformed, and ask about behavior in the hard quarters: the bridge that did or did not come, the board dynamics after a missed plan, the follow-on decision. Terms govern the downside, but the partner is the daily reality, and this is the last window in which the founder holds full leverage to choose.

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Weeks 12–14: Confirmatory Diligence and Close

Lock exclusivity only when terms and process confidence justify shutting down the alternatives, because exclusivity is the moment leverage transfers to the buyer of the round. Before granting it, confirm that the term sheet is fully negotiated rather than agreed in outline; economics that are vague at signing do not improve in documentation, and the quiet weeks of confirmatory work are where under-negotiated deals erode one clarification at a time.

Complete confirmatory work, documentation, and closing conditions with counsel driving a dated checklist in which every condition has a named owner. Unowned closing conditions are where closings slip, and slippage in this window is expensive because the company has typically stopped fundraising, started planning against the new capital, and begun communicating internally as if the round were done.

Build a thirty-percent time buffer into runway planning for slip risk, and plan the close communications deliberately: employees, existing investors, and key customers should hear the news from the company, in that order, not from the announcement. A close is a beginning as much as an ending, and the first board cycle after the wire sets the operating rhythm for the entire hold.

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Practical Implications

If readiness work is complete at launch, a fourteen-week cycle is often manageable on existing runway.

If readiness is incomplete, a bridge sized to finish preparation plus the cycle plus buffer may be necessary, sized to the work it funds, not as a pre-emption of the growth round. The sizing discipline matters: a bridge raised to avoid the readiness work simply moves the same problems into a more expensive conversation six months later.

The arithmetic founders should carry is the honest end-to-end number. Four preparation weeks plus fourteen process weeks plus a thirty percent buffer is roughly six months from decision to funds wired, and the companies that treat that as the planning base case launch calm, negotiate from strength, and close on schedule. Founders six to twelve months from a growth process can start with Keningford's raise readiness diagnostic, then use this map to sequence preparation against a realistic close window.

NEXT STEP

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