



BUILDING AN ADAPTIVE TEAM FOR MARKET SYSTEMS DEVELOPMENT IN ACHOLI, UGANDA

CASE IN BRIEF

Since 2011, the Revitalizing Agriculture Incomes and New Markets (RAIN) program has promoted market systems development in the Acholi region in northern Uganda. The program's learning and adaptation hinge on the inquisitive team, culture of open communication, and reflective monitoring and evaluation practices. RAIN has faced challenges related to implementing in partnership across two international NGOs, finance and operational systems that are not well tuned for a market systems approach, and the loss of motivation that accompanies the end of funding. However, various project components continued under new funding sources have carried the adaptive elements forward.

PROJECT BACKGROUND

Mercy Corps has been implementing the Revitalizing Agriculture Incomes and New Markets (RAIN) program in the Acholi region in northern Uganda since October 2011. In a context where recovery from two decades of conflict has been marked by rapid economic and social shifts, the program has pursued three core objectives: enhancing smallholder production and profitability; improving agribusiness and trade performance in input and output markets; and expanding access to agriculture financial services.

Though RAIN's original approach focused on direct training of farmers, it was redesigned in the first year to incorporate a market systems approach. Rather than directly delivering goods and services to households, the program would instead support local actors to create long-run economic opportunities for poor farmers and others.

RAIN's new focus required team members to design their workflows to monitor and respond dynamically as markets developed. They adopted a set of tools and systems centered on testing, learning from, and improving interventions throughout the program's lifecycle. The program also made a series of strategic and tactical alterations throughout implementation. For example, the team repeatedly tested and altered their approach to input vouchers, dropped and developed partnerships in financial services, integrated gender into marketing and messaging, and diversified the program's focus crops.

Initially funded for three years by the US Department of Agriculture (USDA), the program was extended for an additional two years. Mercy Corps also attracted additional funding for the same program portfolio, but continued to manage all donors' activities under a single management

structure. TechnoServe was initially a sub-granted partner focused on agribusiness, though Mercy Corps moved forward with the USDA extension without them.

ADAPTIVE CAPABILITIES AND ENABLERS

RECRUITMENT, COACHING, AND STAFF DEVELOPMENT

The Mercy Corps country and program leadership focused on recruiting and building the kind of dynamic team that would be able to carry out an adaptive market development program. They focused on hiring team members from the Acholi region, in order to ensure strong localized knowledge and increase retention. They also made a dedicated effort to attract women, who could communicate with and understand the program's female target group (see text box).

Finding candidates who were inquisitive by nature was prioritized and supported by creative recruiting techniques. Interviews included problem-solving scenarios; occasionally, they would also involve trips to the market to assess how well a candidate could observe and analyze context. Once on board, this inquisitiveness carried over into the team's culture. The opportunity to learn and challenge themselves has been a key motivator for staff, even as the team has weathered turnover.

Building team members' skills was prioritized beyond what is seen in most programs. Team members attended external and internal training courses in market systems programming, and successfully advocated for TechnoServe's team to invest in and join training. The team received support from Engineers without Borders, Mercy Corps' technical unit in headquarters, and a learning-focused monitoring and evaluation (M&E)

IMPORTANCE OF GENDER ON THE RAIN TEAM

Building a team that retains women and gives them voice was critical to gender-focused shifts in program strategy. In 2013, as part of a country-wide Mercy Corps initiative, the RAIN team conducted an internal gender analysis, started tracking gender-disaggregated recruitment metrics against targets, and began to proactively recruit and promote women. When a few of the newly recruited women on the team struggled to have their voices heard, the Mercy Corps Uganda gender advisor, HR department, and the RAIN Program Director held a meeting to identify ways to resolve the problem. The Program Director focused attention on attracting women to join the team, and called on male gender champions within the team to support the women's integration. By the start of 2016, the program staff was 48% women, up from 22% at the start of the program.

Without deliberate efforts to support women's voice and retention, critical gender-focused shifts in program strategy would likely not have occurred. Mirroring internal increases, the RAIN team helped the Gulu Agricultural Development Company (GADC) increase their recruitment of female extension agents from zero in 2012-2013 to 20 in 2014-2015. These efforts helped GADC increase the number of organic female farmers registered and trained with GADC from 26% to 48% over the same time period. This shift required dedicated resources: in addition to support from the country office's gender advisor, the team leveraged gender-focused grant funding in pushing forward the changes.

consultant. The external attention further motivated the team and created a connection to the broader Mercy Corps world.

Finally, leadership modelled coaching behavior and encouraged team members to mentor one another to such an extent that coaching and mentorship became norms within RAIN. Team members gave one another supportive criticism and advice, helping to improve one another's critical questioning skills and the overall program's ability to learn and adapt. In the most important test, the team carried forward these habits even after the program's central leader transitioned to a new role. The attentive focus on soft aspects of program culture and team management in the context of on-boarding and handover proved critical to maintaining one of RAIN's strongest assets for adaptive management.

CULTURE OF OPEN COMMUNICATION AND EXCHANGE

The norms around coaching and inquisitiveness were reinforced by a culture of open communication and exchange. This culture built trust, helped team members feel valued, improved information sharing, and supported program shifts. Open communication and willingness to accept criticism were particularly important given how field-level learning is often founded on local storytelling and verbal communication: much of the most important knowledge was tacit, held in team members' heads.

Operating norms and management techniques built on these existing communication streams and styles in order to draw important information to the forefront and support joint problem solving. Weekly Monday morning meetings served as regular touch points for open communication; team members raised issues in these meetings that they would then go and solve in smaller groups after the main meeting had ended. Quarterly and semi-annual reviews motivated team members to think more deeply about challenges in their sectors and the results they had achieved.

Quarterly and semi-annual meetings were the most useful for learning and idea generation when they included local government and private sector partners. Both the RAIN team and its external partners would make presentations about their strategies and challenges, which helped identify information sharing gaps, strengthened trust and support (especially with local government), and allowed RAIN team members to learn about implementation challenges directly from local actors. For example, information sharing between the field agents of one private sector partner, Gulu Agriculture Development Company (GADC), and Mercy Corps staff helped to address key challenges around uptake of tillage services (see text box).

On a more daily basis, RAIN's Program Director modeled good relationships and communications with his team members, fostering a safe environment where staff felt open to raise ideas, experiment, and fail. He also maintained an "open door" policy and took time to build personal connections with team members, in order to fight the traditional hierarchical structures that often serve as barriers to critical information and idea sharing. This culture of openness propagated throughout the team.



Even with your crazy idea that you (bring), they allow you to try, and they don't blame you for failing, and you come and sit down and talk about how you could do it differently... Also the way the team relates, there is that free flow of conversation, when you come up with something, it's not taken as a personal thing, it's taken as a team responsibility."

RAIN team member



Miji P. and David O. from the Mercy Corps RAIN team.



We were blending so much with the team leaders and the bosses: you could reach a point when everyone is valuable...

When you met everyone under the tree you wouldn't know who is who."

RAIN team members



ENSURING M&E SUPPORTS LEARNING AND PROGRAMMATIC DECISION MAKING

RAIN's M&E staff focused on helping the broader team learn, improve interventions, and evolve the theory of change. This departure from M&E's typical focus on measurement for reporting was enabled by the relatively limited number of required reporting indicators and semi-annual (rather than

quarterly) donor reports. This gave the inquisitive M&E team the capacity to focus on learning and programmatic decisions.

A substantial portion of the M&E team's time went to supporting frequent mini-assessments (covering topics such as cross-border trade, gender, and financial services) and internal evaluation activities (focused on understanding the impact of seed subsidies and contract farming). The ideas for these investigative exercises frequently arose from program reviews or weekly meetings, carried forward by the team's culture of open communication and joint problem solving. The assessments would then be led by the M&E team, but conducted jointly with implementation teams.

Though the most important information for programmatic decisions often came from one-off assessments carried out on a weekly or monthly basis, the team also participated in the design and review of a large mid-term evaluation which helped the program make broader, strategic shifts, such as diversifying the focus crops to support household resilience.

As the program evolved, so too did the M&E team's tools and systems. Quarterly and semi-annual reviews started as long, unstructured story-telling sessions; they shifted under the guidance of the M&E manager to focus on results achieved and challenges faced. Similarly, the team started out using after-action reviews, but usage dropped after reflections were integrated into event reporting. Various other monitoring tools were set aside as the program progressed and they were found to be time consuming or limited in value.

The team depicted its theory of change in a results chain – a visual format that is often more detailed and less linear than others, with the intent of being a more useful tool for ongoing, activity-level program management. Many team members found that the results chains helpfully clarified how their work connected to the program goal. After the first growing season, the M&E team restructured the results chain in order to better

CROSS-TEAM COMMUNICATION: DEVELOPING CASHLESS LOANS FOR TILLAGE

Increasing farmers' use of tillage services (which have the potential to increase crop production) represented a significant challenge in the RAIN program. Farmers lacked the on-hand cash needed to pay for the service, and loans for these services were seen as too risky because households tend to spend any available cash on other needs.

Team members used weekly meetings and team brainstorming sessions to discuss the barriers they saw. They organized monitoring and assessments to understand the issue better. Pulling together the ideas and expertise of three different teams (financial services, tillage, and M&E) as well as that of partners, they developed a solution: a cashless loan product that would allow farmers to receive vouchers for tillage and then gradually make payments to the bank for the services. The success of this product relied heavily on repeated informal and formal cross-team meetings and close collaboration to identify issues and develop solutions based on the team's experience.

Meetings with partners like GADC also helped to uncover other opportunities to improve tillage service use, such as emphasizing the importance of tree stump removal.



Mercy Corps team member, Molly, talks with Pauline. Pauline owns a farm supply store and has completed trainings in business management and best practices in farming, which helped her expand her business and become an agent for GADC.

align with the broader team's understanding of its strategy and organizational structure. However, evolving the results chains alongside the program created significant work for the M&E team to document changes, update indicators, and revise measurement plans. There was also a hesitance to make updates to the program strategy through the results chain, out of the fear of getting it wrong. As one team member said, "It's like a scary thing, and I just don't want to mess it up." In the end, RAIN only made two significant results chain revisions in the three years after its redesign as a market systems program (with a few smaller shifts along the way as well).



With our tools, you always get to build things – they're not rigid."

M&E team member

As Mercy Corps' work in the Acholi region has expanded and brought on additional donors, each with their own funding requirements, the country program invested in a monitoring database to reduce data aggregation efforts and protect the M&E team's time for learning and reflection. As a result of the database, the team estimates that reporting that previously took a full week of M&E staff time each month now takes less than two days – a significant reduction. Unfortunately, the increased administrative and reporting requirements across the broader team resulting from funding increases have inevitably come at the expense of time for learning and reflection.

CONSTRAINTS AND INHIBITORS ON ADAPTIVE MANAGEMENT



LOSS OF MOTIVATION AS PROGRAM ENDED

The team has been able to leverage new funding sources to enhance its broader approach, building upon key components of RAIN's core strategy: women's economic empowerment, resilience, youth economic empowerment, and value chain linkages.

However, uncertainty over employment began to affect the team's focus as the end of RAIN drew near. Staff were understandably concerned about their job security. Even though new funding was received near the end of the program and management informed the team about new opportunities, there was not enough security given to keep team members motivated on a daily basis. The team became comfortable with the status quo of their work as RAIN neared its end. There was a drop in energy in program reviews, and an increase in missed opportunities. Some of these opportunities will be seized under new funding sources, but only after an additional time gap before new activities can begin.



INFLEXIBILITY OF FINANCE AND OPERATIONAL SUPPORT

Despite a culture of open communication within the program team, challenges of mutual understanding and collaboration among finance, operations, and programs are an issue in the broader Mercy Corps Uganda country program. Leadership has attempted to address these challenges by having operations and finance teams present in program review meetings.

In the RAIN program, the team faced the added challenge of building a shared understanding of the market systems approach and the non-traditional partnerships needed to expand market opportunities for the poor. Market systems programs often require cost-sharing agreements and loan guarantees with private sector partners in order to stimulate pro-poor investment. Despite Mercy Corps' agency-level promotion of market systems programming and lessons learned from financing these interventions in other locations, the team struggled to identify and properly structure agreements. Few external examples were available.

The RAIN program was forced to choose between two partnership tools – service contracts and sub-grant agreements – that were both inflexible and too burdensome for a program which needed to work with non-NGO partners and regularly adapt its strategies. They chose to use service contracts, but these agreements can easily misrepresent

DRIVING LOCAL SAVINGS THROUGH IMPROVED ASSESSMENTS

The RAIN program's mid-term evaluation in 2014 revealed that increasing formal savings might limit household spending on alcohol—a social issue which contributes to gender-based violence and limits household investments in farming. At the same time, local savings and credit cooperatives (SACCOs) were struggling to recruit and retain members and to mobilize savings.

As the program's financial services team conducted an assessment of SACCOs to understand the problem better, the M&E manager realized that the team was not capturing the most critical information. He started working with the

financial services team to ensure they understood the SACCOs' business constraints, improving their assessment questions and data analysis. The resulting information was shared back with the SACCOs.

Based on the assessment, the RAIN team supported the local SACCO to pilot a mobile-based savings drive in one branch. The SACCO then independently repeated the drive in all of their other branches, increasing their membership from 10,000 to 16,000 members overall and attracting savings of over \$750,000 and distributed loans over \$40,000 in the first three months.

the intent of a cooperative and adaptive partnership. Structuring and negotiating financial agreements through inappropriate, rigid mechanisms slowed the team's work with its partners and constrained its ability to revise partnerships as strategies changed.



CONFLICTING SYSTEMS WITH CORE PARTNER

Implementing RAIN across two different organizations, Mercy Corps and TechnoServe, created several obstacles. Beyond typical differences in organizational culture, the partners' HR policies and operational systems were not in sync. They had different salary scales and per diems. Even traveling together was difficult, as the two organizations had different vehicles, different field accommodation policies, and kept separate movement plans. More than mere operational differences, these issues undermined team motivation, detracted attention from program implementation, and limited the open communication that was so central to RAIN's ability to adapt.

Leadership from both teams invested significant effort to overcome these issues. They co-located their teams and sat together in the same office; they took time to discuss problems jointly and seek each other's feedback for staff performance reviews; they negotiated shared use of resources; and they made some small shifts in salary scales to reduce compensation gaps. Over time, the two organizations made gradual progress toward a healthy working relationship and a collaborative, cohesive team. Nonetheless, when Mercy Corps applied for a program extension, they chose to do so alone,

in part due to the extra effort and resources required to work adaptively across organizations.



We made deliberate efforts to build one team culture, very deliberately acknowledging that there are different HR systems, but creating a leveled ground and breaking interpersonal barriers..."

Technoserve DCOP

KEY REFLECTIONS

Leadership sits at the center of many of RAIN's successes. Investments in building a collaborative, inquisitive team and promoting a culture of open communication made it possible to learn and adapt. Orienting M&E functions toward programmatic and strategic questions, rather than reporting, increased the analytical capacity of the team. There were challenges in each of these, but the practical effect of leadership in this program was to build a team that had the entrepreneurial spirit to test new strategies and tactics, and the discipline and tools to reflect on them and overcome challenges as they arose. This approach was especially useful for a market development program that aimed to make change at the level of systems as well as individual farmers.



A woman in East Acholi province cleans sesame seeds after harvest. She sells her produce to a local output buyer, GADC.