



Four Keys to Impactful Business Advisory in Liberia and Beyond – Lessons from GROW Liberia

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The private sector is critical to the growth and development of Liberia's cocoa sector – as it is for all industries. In most cases, Liberia's private sector requires support to professionalize, innovate and ready itself for the investment needed to propel this growth. Business advisory services play a valuable role here. But, quality offerings are sorely lacking in the market; many advisory companies and donor programs are failing to service Liberia's agricultural industry with the in-depth and hands-on support that it requires.

Over time, GROW Liberia developed a business advisory approach that achieved meaningful results for our agribusiness partners and offers lessons for others in the market. It centered on deep, hands-on support, outreach to partners, leveraging adaptable products, and investing in a strong, well-networked team of local and global advisors.

This article outlines our learning and recommendations for providing critical business advisory to Liberia's agricultural industry using GROW's work to prepare companies for organic certification to exemplify our approach.

About GROW Liberia

GROW was an agribusiness and investment advisory programme that partnered with key stakeholders to accelerate inclusive economic returns within high-growth industries in Liberia. Using a market systems development approach, GROW collaborated with 242 partners to increase incomes for 39,200 households, create 5,630 jobs, and facilitate \$3.7m in partner investment. It was funded by Sida and implemented by Adam Smith International. GROW closed in June 2022.

Context & Innovation Challenges

Challenging Context

Liberia has very poor infrastructure. There are few paved roads, and the long dirt tracks that are the main arteries to the cocoa-producing counties turn into pits of mud during the rainy harvest season – it can take many days to get from the city to a cocoa farm. Farmers are often cut off from communication and face-to-face engagement with exporters, the end buyers of their cocoa. Consequently, farmers are often forced to deal with unscrupulous middle-buyers.

Rural businesses like cooperatives are also cut off from quality advisory services. Local business advisory services are few in number, and those that do exist are most often oriented towards donor-funded contracts, following the ebbs and flows of program finance cycles rather than the needs of companies in the market. There are several donor programs working on initiatives in Liberia's cocoa producing area, but of those that engaged with businesses, only a few spend more than a handful of hours per month with any one partner. Typically, programs travel to the region, introduce a business idea or an agricultural concept, and leave – often without following up.



GROW's approach to business advisory was influenced by this context. Liberia is a challenging place to do business; it is a thin and crisis-prone market¹ -- and a few characteristics in particular limit cocoa sector development:

- **Low Capacities:** There are few large and high-capacity players in Liberia. The level of skill of sector actors is generally low. There is significant informality in business, including poor or nonexistent recordkeeping and word-of-mouth communication.
- **Limited number of private sector actors:** There aren't many businesses in the cocoa sector in Liberia and there are gaps at every level. We found success by collaborating with actors throughout the entire value chain from production to chocolate-making and resale in Europe. This enabled us to identify the interests, needs, incentives and disincentives at every level, resulting in a more nuanced understanding of the entire market system and enabling informed intervention design targeting the root causes of constraints. Understandably, our partners had hugely variable capabilities, which required a high level of adaptability amongst our team. For example, one day we might be working with a cocoa cooperative that struggled with literacy and is in the furthest reaches of Lofa county, with no electricity or cell service and about a two days' drive to Monrovia. The next day, though, we might work with the owner of a commercial farm with a master's degree and advanced business skills and experience.
- **Unpredictable and shock-prone environment:** Investors are challenged to enter Liberia in part because of the unpredictability of its operating context. The civil wars of two decades ago decimated Liberia's cocoa sector. Elections, economic crises, Ebola and COVID-19 have all been hugely disruptive to the economy. Further, uncertainty around the regulatory environment and political instability are always present. As a result, many investors, businesses, and traders choose to conduct business elsewhere – challenging the quality of operations in country.
- **Absence of supporting services:** Businesses in Liberia often must go it alone. There's a lack of information, extension, and government support services. Donor-funded support is fleeting and often doesn't reach those who need it most. Business advisory services are nearly absent and, when available, often poor in quality.

Innovation Requirement

Alongside the contextual challenges in Liberia are the **complexity of innovations** that are increasingly required to compete in an international marketplace. As markets become more global, connected, and fast-paced, companies need to be able to be able to respond and adapt. In the case of the cocoa, for example, supply chain transparency, traceability, and sustainability are increasingly needed to trade internationally – requiring trading houses to overcome absent recordkeeping, poor literacy, and common labor practices, as examples, in order to compete globally.

It is within this context that we designed GROW's approach to business advisory.

Case Study: Organic Certification in Liberia – Overview

To better understand Liberia's opportunities within high-value global cocoa markets, GROW commissioned [Premium Cocoa Market Research](#) which identified organic cocoa as the best target market for local cocoa companies. The global organic certified cocoa market is growing, and the price premiums offered to companies make it commercially attractive, which translate to better prices for farmers and higher incomes throughout the value chain.

But becoming organic certified is also complex and takes skill and effort. Companies need to implement [Internal Control Systems \(ICS\)](#) which is a business unit that oversees the certification. There is technology, mapping, data collection, and organizing. There is also investment and increased operational costs, and a large shift in business mindset.

In early 2021 there had yet to be any organic certification in Liberia. As such, there was no local expertise in setting up a business for organic certification and no supporting services, public or private, for organic. There were few businesses that were close to having the capability of taking on the task of certification. Several years ago, neighboring Sierra Leone had undertaken a large effort to convert a significant proportion of its cocoa production to organic certified, and the country now has many companies certified, consultancies that support organic, and an enabling government. This was not at all the case in Liberia. We had to start from scratch.

We started organic certification pilots with two companies: A commercial farm with an outgrower cooperative, and a cocoa exporter supplied by a different outgrower cooperative.

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¹ <https://beamexchange.org/resources/1494/>

² <https://www.growliberia.com/resources/cocoa>

GROW's Approach to Business Advisory

Business advisory is a valuable supporting service in any market. In light of Liberia's unique context and the increasing complexity of innovations required for companies operating here to compete globally, business advisory in Liberia necessarily looks different. We found that delivering intense and hands-on support, prioritizing outreach to partners, building adaptable products, and investing in building a solid team with strong networks are required for the delivery of good business advisory in Liberia.

1. In depth support and hands-on coaching: GROW's technical assistance and capacity building was very hands-on. Capabilities differ vastly from partner to partner, and the contextual challenges in Liberia mean that you can't do work at arm's length or capacity building from a distance or in a group and expect to see results.

We found that spending the necessary time with cooperatives (and later traders, commercial farms and export partners) taught our team a lot about the nuances of the Liberian cocoa sector. It not only enabled us to learn about local business norms to better understand the context, but also about the huge variability in capacities of local partners. Some of Liberia's cooperatives are relatively well-functioning, and some hardly function at all. Literacy levels are variable, as are engagement with farmers, recordkeeping ability, trade, and organizational structuring. In this situation, some business innovations would be too complex for some cooperatives and too basic for others, a one-size-fits-all approach does not work.

In order to achieve our objectives of developing inclusive, growth-oriented business practices that could be sustained and scaled as business norms in Liberia, we found that it was necessary to significantly increase our engagement with partners. To do so, we deployed staff across rural Liberia, spent a lot of one-on-one time in delivering in-depth and tailored business advisory and follow on coaching, and helped our partners course correct. We would sit down with each partner and do coaching sessions one-to-one. We would give specific tasks as homework to ensure partners were doing their part. Our field staff would be constantly monitoring and course-correcting. We had to be very intentional about this, allocating time and resources appropriately.

The direct and indirect benefits are huge. Directly, companies learn faster, grow faster, and the innovations have a better chance of sticking. Indirectly, trust is built, buy-in is established, and you get a much better sense of the nuances of the context.

Common mistakes by development programs in Liberia resulting in poor advisory

Lack of understanding:

- Not enough invested in one-to-one time with partners
- Interventions are developed outside of the nuanced local context
- Donors do not fully understand disparate capabilities

Intervention design:

- One-size-fits-all approach doesn't work
- Interventions are not fit-for purpose
- Modularized or cohort-style training is too generalized
- Not enough emphases on sustainability of interventions
- Too much focus on providing assets instead of building capabilities

Implementation and team:

- Not enough field presence and accompaniment with rural and low-capacity partners
- Hire adaptable generalists with solid business acumen
- Prioritize hires with broad networks



Organic Certification in Liberia – Coaching and Buy-In

When we started planning on establishing organic certification with two of our partners, we had thought it could be best to save time and resources to bring them together, with a classroom-style modular approach. However, we quickly had to abandon this idea. Our commercial farm's management was high capacity, but their farm workers and outgrower staff's capacity was low. The other partner was a large cocoa exporter. They had deep pockets, a disorganized management structure, and a well-functioning supplier cooperative. It was clear that a one-size-fits-all approach would not work considering these inter and intra-partner capacity differentials.

We adapted by siting with each partner and coaching them on the complex changes as they related to their specific businesses. We worked intensively with management, staff, and farmers. They had to restructure their organizational charts, hire and reassign staff, and set out new roles and responsibilities. They needed skills in data, organizing, communications, and marketing. It looked very different for both companies, different skills needed to be built for each, and both could lean on different extant capabilities.

Our deep coaching resulted not only in the new business innovations quickly becoming business norms within each company, it also established buy-in for the new organic certification program at all levels of each company. Alignment on the businesses working towards a common goal at the management, staff, cooperative, and farmer level was a large and necessary benefit. We were able to learn of some nuanced challenges, like conflicts within one of the organizations that needed ironing out, and some cultural conflicts with the other. Understanding these issues helped us steer the interventions more effectively.



2. Outreach, outreach, outreach: We prioritized time in the field. GROW kept junior staff in rural counties, and our senior advisors would constantly be travelling throughout the cocoa belt. Because it's so remote and the roads can be so bad, it takes a lot of time – in the cocoa harvest season our advisors would be out for months at a time. But it's what is needed to get those touch points and to get that face time with partners, and to see if interventions are working in real time, and what needs to be changed right away. You can't do it over the phone, and you can't do it quarterly.

Further, the end beneficiaries are at the field level, they are rural. Between Monrovia, the capital city, and rural areas there is a huge asymmetry in information, in infrastructure, and in capabilities. To properly understand the nuance of the contextual challenges, and work on these challenges with partners, you have to get out there and put in the time and the effort.

It was important to build partnerships so that downstream companies such as exporters or commercial farmers, who are most often based in the capital city, build up their outreach in the field as well, so that upon the cessation of GROW's interventions a self-sustaining relationship was established.

Organic Certification in Liberia – Outreach

Our partners aimed to certify organic with rural cooperatives so we needed to work closely with them as well. It takes two days to travel from the head offices of our partners in Monrovia these cooperatives in the counties, and if the roads are bad, as they often are in the rainy cocoa harvest season, it can take even longer. Once you get to the field, there aren't many services. Electricity is lacking, water and food can be tough to find, and cell service is spotty. Cooperative offices, if they exist, are usually disorganized, lacking basic supplies and equipment.

To stay connected, GROW had full-time field staff based in the areas around each partner's supplying cooperatives. This gave us nearly constant touch points, to help bolster the implementation of interventions, to monitor, course-correct, and also to collect data. It let us know what was and what wasn't working in real time so that we could quickly respond and adapt. When our field staff found out that farmers weren't understanding organic trainings, they were able to quickly communicate the issue to senior staff. Right away we worked with our partners to adapt the training materials to be simpler, in colloquial language, and to allow thumb-prints instead of signatures to accommodate those with low literacy.

This approach was reflected in the design of our private sector partnerships, in which we required that the companies designate full-time field staff to maintain a permanent presence in proximity to their suppliers. Initially, these field staff worked alongside GROW's own field staff, working with the cooperatives, integrating into activities, and supporting the delivery of services. **Eventually GROW's staff could play less of a direct role as the company field staff became permanent advisors** and their capabilities grew.

3. Build out products that could be adapted to each client: Just as cohort-style trainings do not work when partner capacities are variable, neither do most training materials and tools which accompany such trainings. At the same time, it's not realistic to build individual tools for each partner. At GROW, we built standard trainings and business tools that follow requisite business principles, but that could also be adapted and tweaked based on a partner's specific needs and abilities. So, we weren't reinventing the wheel for each partner, and also making sure our materials were fit-for-purpose and most practically useful. This allowed us to save on resources on one hand, and to also have more effective materials, on the other.

This also allowed us to publish these products, distribute them, and house them so they can be used in Liberia after the end of the GROW programme. Their adaptability will make them useful in the long term, especially compared with specific tools and trainings. A list of these resources can be found [here](#)³.

Organic Certification in Liberia – The ICS Guide

A huge part of organic certification is creating an Internal Control System (ICS), which is the business unit that oversees and implements the organic certification activity. The playbook is the ICS manual, it describes every part of the organic certification program, its practices and policies, and includes trainings and templates.

There is no one standard ICS manual. The ICS manuals of certified companies in Ghana will look a lot different from the manuals of companies in the Dominican Republic. The context is different. So we had to write an ICS manual that would be suitable for the Liberian context. Equally, a single ICS manual would not be applicable for both our commercial farm and our exporter partner. They both needed to create their own, specifying their respective Organic Systems Plans, farm mapping, organizational structures, and other required details.

GROW created the ICS Guide, which is a template ICS manual that is broadly applicable to any company wishing to build an ICS in the Liberian context. It is also adaptable for any type of company that wants to certify and can be modified as such. Both of our partners were able to use the ICS Guide to write their individual manuals based on their unique circumstances. The ICS Guide has been published and distributed widely, and will be useful for any organization wishing to certify organic in Liberia

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4. Build a strong team, leverage networks: We spent a lot of time and effort in finding the right people for the right jobs. We hired solid international experts, bolstered with the expertise of international technical consultants. We hired and built the capacity of commercially minded and growth-oriented local team members. Everyone had to have good general business acumen and had to be able to adapt their know-how to each unique partner. We prioritized team members with strong networks, which is invaluable to improve efficiency locally and to unlock opportunities internationally. Businesses benefit from connection to international markets, thought leaders, and other support that goes beyond the borders of the country of origin, and Liberia is no exception.

Organic Certification in Liberia – The GROW team and network

The certification project required a concerted and intentional team building effort, including networking to find the right researchers and technical experts.

Research was commissioned to guide our activities, and international consultants had to be brought in to fill the gaps of the lacking expertise in Liberia. These consultants worked deeply with our partners on building their certification programs. At the same time, our business advisors were on hand to bolster the implementation of these interventions with an added understanding of the local context. Our field staff were engaged in learning from the international experts to know the intricacies of organic certification so that the rural implementation would be most effective.

Our network also allowed us to connect our partners to international buyers looking for organic cocoa. They are offering a ready market and a premium price, ensuring the benefits of investing in certification could be received immediately upon certification.

Note of Caution: Be prepared for the cost. This level of support takes a lot of time and effort and must be planned and budgeted appropriately. GROW had a large portion of our budget allocated towards maintaining vehicles, team travel costs, and all of the other necessities for extended field travel. We invested significantly in sending business advisors into rural areas for bespoke coaching and monitoring with each partner. We invested in international technical

³ www.growliberia.com/resources

⁴ [GROW Internal Control System \(ICS\) Guide](#)

expertise when it was lacking locally, such as organic certification guidance. This isn't cheap, and logistical costs need to be factored in. We also had a significant allocation for hiring, onboarding, and training staff. Our staff were prepared and willing to spend time out in the field in difficult conditions, lack of comforts, and time away from friends and family. GROW senior management and our donor had to fully buy in to this approach. Without budgetary approval and commitment at all levels of decision making, it simply isn't possible.

Conclusion

There is a level and depth of business support that is needed in contexts like Liberia that many development programs often fail to achieve. Liberia is a thin and crisis-affected market with few market actors with generally low capacity and little support. At the same time, effective and transformational business innovations are increasingly complex, especially for globally traded commodities such as cocoa.

At GROW we delivered in depth and hands-on business advisory. We prioritized outreach to our partners, spending a lot of time with each. We developed standard trainings and tools that could be adaptable to variable partner capacity. And we invested heavily in recruiting a solid team, bolstered by well-networked international experts and technical advisors. There was a high cost for this necessary support.

The benefits are huge. Companies are able to learn faster, and innovations are sustained. Trust is built and invaluable knowledge of the local context can help guide and course-correct interventions for maximum effectiveness and efficiency. Companies can professionalize and, eventually, business norms shift. In contexts like Liberia, in depth, tailored business support is needed to achieve transformational change.

Organic Certification in Liberia – Impact

Our two partners in the certification project have implemented the complex innovations, and their businesses practices and norms have transformed, from loose and informal to structured and efficient. They will be certified organic in 2022 by the certification bodies Control Union and Kiwa BCS. ICS systems are operational, 2,000 farmers are registered and trained, and the companies and cooperatives have the business structures and staffing in place. The companies and their farmers will benefit from guaranteed price premiums. International buyers are engaged to provide a market, and ready to begin purchasing the organic cocoa once the harvest begins in August.

Aside from the benefits of organic certification, the business innovations have impacted their businesses, opened up new opportunities, and improved the lives of supplying farmers. Business structuring and record keeping has professionalized these businesses and their suppliers. Having staff working in-depth with cooperatives has opened up a new avenue for communication and has fostered a trusting relationship: The companies now understand the context of their rural suppliers, and they can work together with their suppliers to address emerging challenges. Collaborations have emerged as a result of engaging international stakeholders through marketing, branding and promotion. Farmers are benefitting not only from the access to new high-value markets, but also from increased yields and more sustainable practices using organic farming methods, meaning higher incomes and improved livelihoods. And, importantly, other companies within Liberia are paying attention and beginning to replicate these changes.

