



# BUILDING A TEAM CULTURE FOR ADAPTIVE MANAGEMENT IN MSD: *5 Strategies MEL Managers Say Work*

Adaptive management is a critical component of successfully implementing a market systems development (MSD) approach. And yet, putting that into practice in the day-to-day it can raise challenging questions:



To tackle these challenges, four senior Monitoring, Evaluation, and Learning (MEL) Managers came together to exchange experiences as part of a larger initiative (see Figure 1). The group represented full-time, program-based MEL Leads working on MSD programs funded by USAID and DFAT, in Ethiopia, Jordan, Mozambique, and Sri Lanka, working for Palladium, DAI, iDE, and Mercy Corps.

The guidance in this paper summarizes five practical strategies MEL Managers shared that have worked for them and their teams in building a culture that enables the use of an MSD approach. The strategies are:

1. **Cultivate capacity in the MEL team to have a ‘journalistic style.’**
2. **Invest in sensing early signs of change.**
3. **Make sure staff are clear what it is they should be looking for—and involve non-traditional sources.**
4. **Use and revisit CLA plans to provide structure and accountability.**
5. **Model healthy feedback loops in how the MEL team interacts with the broader team.**

## WHAT DO WE MEAN BY A ‘TEAM CULTURE’?

Program teams are mini systems too: practices, norms, flows of resources and information that incentivize patterns of behavior that we see. There are many great resources on the role of adaptive management in MSD and on elements of a team culture that can support MSD<sup>1</sup> (*footnote on next page*). Many (rightfully) focus on the important role that program leaders play in shaping such a culture. Yet few focus exclusively on the important and distinct role that MEL Managers can play, which is the focus of this brief.

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## FIGURE 1: BACKGROUND TO THIS PAPER: THE MSD IN MEL CLINICS

In 2022, as part of its learning agenda strategy for the M&E and CLA theme, MSP launched a series of virtual “clinics” to strengthen peer learning networks between senior MEL staff leading innovative MEL systems on MSD programs around the world.

Thirteen specialists from 12 countries—working on programs funded by USAID, DFAT, Sida, and SDC, participated in a series of interactive discussions—organized into three thematic groups: (i) monitoring systemic change; (ii) MEL’s role in building an adaptive culture on an MSD program, and (iii) facilitating learning within the private sector as a change strategy. Participant-authored briefs captured key insights, with each brief reflecting the unique voice, dynamic, and discussion pathway of that group. All three briefs are available [here](#).

We started the discussion by asking ‘What does the word ‘culture’ mean to you?’ One participant said: *“A living and breathing organism—you have to have rules and norms in place to capitalize on it. There are formal ways, those are usually operational manuals, guidance meetings, which tend to be very prescriptive. You have processes, structures, and norms that can support or inhibit your ability to get to know each other and capitalize on the learning of others.”*

Some elements of culture MEL managers saw as feeding learning and adaptation included: curiosity (e.g., ‘hungry for information’); empathy; ability to listen and react; receptive to feedback; and processes for feedback loops. These shaped the aim of the five intentional strategies discussed below.

## STRATEGIES TO BUILD AN ADAPTIVE CULTURE

### I. CULTIVATE CAPACITY IN THE MEL TEAM TO HAVE A JOURNALISTIC STYLE

The Market Development Facility (MDF) is a regional program working across several countries in Asia Pacific. To build ownership within the monitoring and results measurement (MRM) team around critical inquiry and debate, MDF’s Ajla Vilogorac has invested heavily in cultivating her team to see themselves as akin to journalists— asking critical questions to get answers, triangulating sources, proactively investigating to dig deeper.

One way she cultivates a journalistic style is to embed within the MRM team itself a **market intelligence function**, so that ongoing inquiry and investigation becomes an ingrained part of the work. *“MEL can be so reactive, and often team members can be shocked by findings. For example— we don’t want to just be asking ‘how many shipments of coffee were there?’ We want to ask ‘why did it increase?’ ‘Are there new entrants?’ ‘What are the wider market trends?’”* In addition to vocalizing this expectation and seeking out staff that are naturally curious, here are two specific tactics MDF does to build this ‘journalistic’ style within MEL:

**A ‘Challenge Slide’** : MDF has a policy at every quarterly portfolio review meeting (a meeting where intervention results chains get reviewed and decisions around adapting intervention pathways are made)—that either the first or the last slide should be an MRM slide. It is called the ‘challenge slide,’ and is one slide the MRM team contributes to the portfolio review deck, developed collaboratively with the technical team. The ‘challenge slide’ either supports or challenges what the technical team is saying, using historical data, observations from market intelligence, etc. *“We encourage the MRM team to challenge as way of building their ownership, their agency, their role in inquiry and in enhancing the ultimate quality of results chains.”*

**News Scan**: Each week, an MRM team member goes through major publications such as the Financial Times, Oxfam, the New York Times, and shares snippets of significance with the program

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<sup>1</sup>Resources include “Basket 3 – Culture” in *The Road to Adaptive Management [in MSD]: Knowledge, Leadership, Culture, and Rules*. [https://beamexchange.org/uploads/filer\\_public/db/3a/db3a35b4-7fdf-4a61-8426-d05532f5bf1a/the\\_road\\_to\\_adaptive\\_management\\_compressed.pdf](https://beamexchange.org/uploads/filer_public/db/3a/db3a35b4-7fdf-4a61-8426-d05532f5bf1a/the_road_to_adaptive_management_compressed.pdf) and the broadly-applicable article [www.strategy-business.com/feature/10-Principles-of-Organizational-Culture](http://www.strategy-business.com/feature/10-Principles-of-Organizational-Culture).

team. Staff rotate the responsibility week by week. This builds the MRM team’s understanding of shifting market dynamics and trends and supports their ability to be knowledgeable inquirers.

## 2. INVEST IN SENSING EARLY SIGNS OF CHANGE

Assessing change is important for capturing impact and for donor reporting—but participants also drew a direct connection between investing in sensing early signs of systemic change and **connecting ‘culture to outcomes,’** or ‘proving the value’ of being learners and adapters. Raul Pitoro, Chief of Party of the Feed the Future Mozambique Inova Activity and previously its MEL Manager over three years, linked Inova’s focus on investing in early signs of change to their efforts to build a team that was seeking to learn about change and anticipating regular adaptations, discovering more, little by little, about the systems and how change happens. *“The team is rewarded when they see those changes, and it builds buy-in for staying the course...when management monitored this, and that feedback loop went back to staff about what was being seen, it also helped boost morale and commitment to the MSD approach.”*

This resonated with the experience of many in the group, and participants shared a variety of concrete tactics, such as use of custom indices, iterative outcome harvest exercises, and interactive team reflection sessions.

a. **Custom Indices:** The Inova program saw that the path to a more competitive market system lay through greater innovation, including around more customer-centric products and services. This required cooperation and trust. The program developed two custom indices to help the team ‘keep its finger on the pulse’ of change—a Business Innovation Index (see text box) and a Trust and Cooperation Index (see example below).

### TRUST AND COOPERATION

DIMENSIONS OF TRUST	Subject of the norm	Assessment Criteria	Score 2018	Score 2020	Confidence level (2018 and 2020)
Competence	Provider	Consumers expect that providers have the ability to do what they say they will do.	1	1.67	3
	Consumer	Providers expect that consumers have the ability to do what they say they will do.	0.75	1.33	3
Reliability	Provider	Consumers expect that providers will do what they say they will do.	0.5	2	3
	Consumer	Providers expect that consumers will do what they say they will do.	0.5	1.33	3
Integrity	Provider	Consumers expect that other providers are fair and just.	0.5	1	3
	Consumer	Providers expect that consumers are fair and just.	1	2	3
Overall Score			0.71	1.55	3

DIMENSIONS OF COOPERATION	Subject of the norm	Assessment Criteria	Score 2018	Score 2020	Confidence level (2018 and 2020)
Belief in importance of relationships	Provider	Consumers expect that providers value a relationship with them enough to make determined efforts to maintain it – i.e. input firms are expected to be customer oriented.	0.75	1.33	3
	Consumer	Providers expect that consumers value a relationship with them enough to make determined efforts to maintain it – i.e. farmers show customer loyalty to input firms.	0.5	2	3
Belief in mutually beneficial gains	Provider	Consumers expect that their interests are aligned with the interests of providers.	0.5	1	3
	Consumer	Providers expect that their interests are aligned with the interests of consumers.	1	1	3
Overall Score			0.69	1.33	3

Inova started by surveying market actors—some were program partners, some were not—to understand their perspective on how the market was changing. A contribution analysis came later. If changes were happening fast, that was a signal to the program to focus its efforts on amplifying. If changes were happening slowly, that was a signal to the

#### Key questions shaping the Business Innovation Index:

Have you invested in any innovation in the last 6 months?

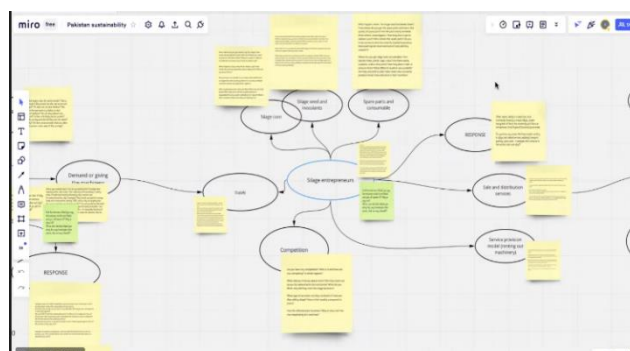
If yes, then probe around the categories of innovation such as product (e.g., new brands, new types of products such as seeds) or process (e.g., customer service by telephone, granting credit).

program to focus its efforts on understanding why, so they could better target root causes<sup>2</sup>. And while custom indices worked well on Inova, another participant shared that their program had less success with them, emphasizing they must be **set in the context of several other triangulated sources of information**.

**b. Outcome harvesting:** Several programs—including MDF and USAID’s Jordan Water Innovation Technologies (WIT) program, which applied an MSD approach to the water sector—shared how they **use outcome harvesting<sup>3</sup> as a continual learning exercise**, ‘not just a final act,’ to feed insights on change back to the team and shape work planning. For example, in early 2021, WIT conducted an outcome harvest to assess change at two levels<sup>4</sup>, an ‘intervention lens’, that investigated and tracked the trail of changes triggered or attributed to the WIT interventions; and a ‘helicopter lens’, which zoomed out beyond just the program and focused on changes at the level of the market and supporting functions. MEL Manager Dania Hussein shared that the findings supported management to adapt strategies and interventions that addressed programming gaps in their FY 2021-2022 work plan.

**c. Surfacing staff observations through team reflection exercises:**

To provide a structure to surface more organic observations by staff on what’s changing, where, and why—MDF frequently brings technical teams together using the online tool Miro. They start with a mapping of the core value chains—key actors and functions within it, moving to supporting services as relevant—and facilitate conversations to capture technical staff insights such as how things are shifting, where, and why. This ‘pause and reflect’ exercise helps the MEL team trace the change pathway, weave and surface connections between teams, brainstorm ways to support targeted action research, adjust result chains if needed, and more.



As an evolving strategy, MDF also puts **systemic change research in the work plan each year**, consultatively identifying each year which systems or change areas need investigating and dedicating resources for two-three studies. The MEL team backstops some, and the program team independently leads others. Similarly on WIT in Jordan, the team developed an **annual plan for learning** as part of work planning.

### **3. MAKE SURE STAFF ARE CLEAR WHAT IT IS THEY ARE SUPPOSED TO BE LOOKING FOR – AND INVOLVE NON-TRADITIONAL SOURCES**

*“In Ethiopia, we were always finding out early signs [of change] when we invited the regional field coordinators to a monthly meeting. Then we thought, why didn’t you tell us?”*

*The truth is, they didn’t know that was information we really cared about and to prioritize it among the million other pieces of information they observed. So, we learned to better communicate what we deemed as important—for example, how adoption of a land rental service provider model was progressing and being perceived - and what they should tell us right away. This is often not at all obvious.”*

<sup>2</sup>More on these indices can be found in Section 5.5 in the final report: [https://pdf.usaid.gov/pdf\\_docs/PA00ZNVH.pdf](https://pdf.usaid.gov/pdf_docs/PA00ZNVH.pdf) and in the start-up MEL plan where initial plans were laid out: <https://beamexchange.org/tools/1294/>.

<sup>3</sup> For more on adapting outcome harvesting to assess systemic change, see <https://beamexchange.org/resources/1108/> or explore the BEAM Exchange’s resources at <https://beamexchange.org/search?q=outcome+harvesting>.

<sup>4</sup> Leveraging outcome harvesting and applying it at two levels (intervention and system aka ‘helicopter’) is explored more in [A Pragmatic Approach to Assessing Systems Change](#).

Henok Begashaw, who supports MEL for iDE across a portfolio of countries (Ethiopia, Mozambique, Bangladesh, and Zambia) shared his experience on shifting the frequency of assessments and who led them. For example, traditionally the head MEL team in Addis would go out to do semi-annual assessments alongside intervention managers, but the team then developed a quarterly monitoring survey that was administered by regional-level field coordinators which created an opportunity for them to actively engage in documenting key findings from their engagements.

Furthermore, several programs spoke about more intentionally using non-traditional people—especially program drivers, but also community members like priests and nuns—to collect information from and from whom to intentionally seek insights and found the level of information and fresh insights “amazing.” For example, in Mozambique, drivers with iDE are assisting in collecting stories as part of implementing a Most Significant Change methodology to validate the organizational ‘moonshot’ (e.g., 10 year-ish objective). *“This is helping us in situations where we want to have same-gender interviewers as well as bringing folks that have a different perspective than program staff, with a good understanding of the context.”*

*“After these two changes (clearly communicating the signals we wanted to hear about and involving them in monitoring these shifts) we started to get much richer information.”*

Creating awareness and understanding about the big picture is a process. Pitoro says, *“think about building MSD capacity as a journey, and build in regular activities designed to iteratively shift mindsets.”* In Mozambique, Inova did this exercise with staff during quarterly portfolio reviews: someone would write on a piece of paper a word that had been emphasized in strategy documents or an MSD training— such as ‘disruption,’ ‘behavior’; ‘hypothesis’; ‘scaling agents’; ‘last mile’. The team would spend some time ‘ironing them out’ – bringing non-technical people into discussing what it means in everyday terms, in order to build a shared understanding and buy-in across the team for the project’s approach.

Pitoro also shared how the team hosted gatherings coined ‘Ignite sessions’, where they would come together to open mindsets into ‘what’s possible’ by bringing in mini cases or a video from something innovative elsewhere, surfaced on YouTube or Harvard Business Review, for example, and then debate and internalize how this plays out in Inova. It also helped generate ideas and deepen understanding as to the type of changes the team should be looking for. Ignite sessions including idea generators like how an innovative transport start-up is disrupting a market elsewhere in the region; an academic visualization about how ideas spread in systems; or an interview with a company about how they manage farmer supplier clubs.

#### **4. USE AND REVISE CLA PLANS TO PROVIDE STRUCTURE AND ACCOUNTABILITY**

There was widespread endorsement of the value that a Collaborating, Learning, and Adapting (CLA) plan played in providing accountability and a structure for learning and adaptive management<sup>5</sup>. One participant shared how the MEL team commissioned an internal ‘CLA audit’ at the end of year 2, bringing in a Home Office advisor to revisit with the COP and the MEL Manager how well the program had implemented its CLA plan, and importantly, if the actions mapped out in that plan had achieved their purpose or not, and why or why not. Having an “Intended Outcome” and “Frequency” column in their CLA

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<sup>5</sup> USAID often requires an initial CLA plan as a component of an Activity’s Monitoring, Evaluation, and Learning plan, and good practice is to revisit and update a CLA plan iteratively over a program’s lifespan. Many CLA plans outline anticipated process and commitments across all six components of the CLA Framework, which includes a component on Culture. For more on CLA plans, see <https://usaidlearninglab.org/cla/cla-toolkit/planning-cla>.

plan helped to prompt this level of reflection. The CLA plan review process also involved feedback sessions with staff (*what’s working? what isn’t? are the CLA actions we set out to do resulting in the outcomes we hoped?*) and some light-touch outcome-harvesting, using small group semi-structured interviews, to help link outcomes (e.g. *higher-performing partnerships with private sector partnerships, more streamlined grants making*) directly to CLA processes, and share these stories back out to the team to reinforce buy-in for CLA.

Several participants also shared how they handled learning and adapting in their theories of change (TOC):

### CLA and TOCs: Three Different Perspectives

<p><i>“We felt the TOC would be emerging.</i></p> <p><i>CLA helped make the project adjust, learning and adapting very fast.</i></p> <p><i>If we had a rigid TOC, every time, we would have to change it. It's important to be flexible.”</i></p>	<p><i>“For us, it was completely the other way around. We always start every initiative with a TOC.</i></p> <p><i>We see the TOC boosts our creativity. It may change in a month, in a year, or never. We use mind maps, results chains, and more.</i></p> <p><i>We started integrating CLA into the intervention plans, with “TOC change because of what we learned” boxes. We keep all those TOCs because we can see the trajectory. By keeping all these versions, we have managed to remove the approval from the client for a new MEL plan every time the TOC changes.”</i></p>	<p><i>“We started with the work plan. We revised the CLA plan every quarter, looking at learning questions, who is going to do it, and more.</i></p> <p><i>Every six months, we met with Team Leads to see if we should make adjustments.”</i></p>
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## 5. MODEL HEALTHY FEEDBACK LOOPS IN HOW THE MEL TEAM INTERACTS WITH THE BROADER TEAM

MEL teams rely on dynamic information and observations from technical teams and management filtering back to them, and this is especially true for MSD programs. MEL Managers shared several simple actions that have helped them ‘model’ healthy feedback loops between them and the rest of the team as well, to support a cycle of exchange, feedback, and transparency.

For example, MDF’s MRM team has embraced a wider range of internal communication mediums— for example, instead of lengthy reports, MDF has pivoted to **recording short videos** to package information back to staff in useful ways that can inform decision-making. Similarly, iDE is **opting for more slide deck-based evaluation and assessment reports** to enhance absorption of key messages. MEL teams often host after-action reviews for other teams, but iDE’s MEL team is also embracing conducting **after-action reviews** for their own research efforts, as part of a six-month learning cycle built into a project. MDF’s MRM team also did a **pulse survey** to hear feedback from staff on the portfolio reviews and shared this feedback in the program’s monthly internal newsletter, including adjustments being made as a result.

## CONCLUSION

Running MEL on an MSD program takes skill, vision, and leadership. It is also often a vastly under-resourced position. These five strategies reflect the experience and wisdom of senior MEL specialists around ‘what’s worked’ as they join program leadership to actively leverage MEL processes, networks, and tools to build a learning, adaptive team.