



MPEP SEMINAR SERIES

Exploring Frontiers in Inclusive Market Development

A New Effort to Embed Systems Thinking into USAID

Q&A Transcript

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Presenters

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Male: Well, I mean I think that, that certainly is – can be a question about accountability and, and compliance can certainly be added to the, to the list of challenges. I mean we, we, we operate as a U.S. Government agency within, uh, a legal framework and that's determined in, in large measure by, um, legislation. So, obviously what we, you know, what we're, what we're trying to do is, is to essentially, uh, identify, uh, what we can do given the, given the legal requirements that we have at the moment.

Um, at the same time, I think that we, we, um, we do feel that by putting, putting out a clear statement on what our objectives are and how we are going to achieve them, that we hope that, uh, one result of this is to sort of ex – explain to perhaps skeptics, uh, perhaps on the Hill or, or elsewhere that, uh, providing, uh, you know, that, that this kind of an approach makes sense, uh, that sustainability is a valued objective of the agency and that indeed, um, uh, providing funding directly, uh, to organizations is an important part of it, uh, that it's all sort of part of a well thought out strategy.

So that's – and, and as part of this consultation process, we are talking to a, you know, a broad cross section of, of, of, of, uh, of, org – of individuals in organizations both, uh, our trad – you know, our, our, our partners in implementation, uh, but also others who, uh, shaped, uh, the sort of, uh, policy community around this topic. So on the Hill and think tanks and so forth, so that's the strategy.

Male: Hello?

Male: Yes.

Male: Hi. Mike Lennon, um, several I guess GWs an organization I'd say, first go, uh, you know, go Tjip, uh –

Male: Well, it's more than me.

Male: Well, uh, and, and the community of likeminded, um, and, um, a question I, I heard you say, which um, is like where to begin and how to extent might be USAID as a learning system and the degree to which people can, um, learn across the USAID world, um, and the partners and the ecosystem of USAID can become more effective at learning because it's, you know, not just aid, but _____ projects, um, the failure rates are 50 percent or higher, and, um, there's not honest exchange of why that is and how it is.

And so if we, we can transform people's experience of what it means to relate to things that didn't go as expected and how the non-results produce insight into future results, um, we can help, uh, folks get something that currently they're not getting. And, um, and, you know, once people have the experience, uh, you don't have to – they can actually start acting in the way rather than, um, needing more preaching and policy.

Male: Great, thanks. That's a great suggestion.

Female: Can I take another question from the webinar? Okay, um, this is a question from Jody Uyanik. Um, she is a Senior Technical Advisor from USAID, um, GP, and her question is how would you connect these notions of systemic thinking to cross cutting approaches and the issues related to how USAID is organized both regionally and sectorally to get work done?

Male: Well, um, I mean, I think, you put your, your finger on a, on a big challenge, and I think its, its not only, uh, a challenge for, for this effort, but, uh, as you implied, uh, for any cross cutting, um, effort because, uh, you know, for some, for some activities there are natural organizational homes within USAID and for others there, there are, uh, actually, uh, you know, these things do cross cut and there are people working on it from a variety of different perspectives. I mean I – to me, I think that, that at least one of the objectives that we were trying to do with the paper was to provide a bit of more of sort of space for, for anybody who was sort of working on these, on these systems type concepts in their own particular areas to feel as if they had more, sort of overarching support, but also I think to create the opportunities for more cross fertilization.

Um, and I think the point that, earlier point that was made about, you know, how do we learn from each other, um, and so, you know, I, you know, I think that, that on the one hand, I think that one of the, perhaps, one of the strengths is the fact that we have examples and applications and so forth in quite diverse, uh, technical, uh, areas and in different parts of the world. Um, but at, at the same time – and, and that perhaps provides opportunities for learning, but, uh, I think that one of the, you know, the challenges that keeps coming back and has been a subject of conversation even within the 60 people on the LISTSERV is, you know, how, you know, do we need sort of an organization of home?

How do we keep essentially a community of practice alive, uh, that is able to not only just sort of inform, but actually begins to have some influence on, on the actions that we take? And as I said, we don't have a magic answer for that.

Female: Yeah. So, uh, my name is Emily and I want to thank you for your presentation. Do I have –

Male: Everybody who uses a mic, just you have to click it once, it seems to be going off, so –

Female: Okay, thanks. So I have a – it's kind of a question and a comment.

Male: Mm-hmm.

Female: I think sort of one thing that would really help – you talked about incentives and how to sort of improve uptake on this, and I think sort of really articulating what the benefits of it are and that sustainability is a word that is so used in this space and that everybody promises that everything will give you sustainability all the time. As so if you – *[laughter]* a little comical, but, you know, sort of how do you articulate what the benefits of this are beyond sustainability and particularly for a very practically-minded group of people sort of what that means about how it makes their jobs and their design easier or better, as opposed to this is one more thing that has come on top of every other policy reform?

Male: Can I press you though on that? Is there any – I mean, do you have any – I mean, I, I agree with you, but the question is, um, you know, how, how, you know, how do we, how do we do that? I mean part of the – I mean it isn't – it, it – I mean there is a, there is going to be – I mean to me the way I would say it is, is that making this investment and trying to move in this direction to think more systemically may be, may take more, may take some effort on the front end. So, that is – it's not costless, but on the other hand, the benefits will be greater, so we need to figure out a way to sort of demonstrate that, but it's a little hard to do that if they haven't been willing to take that first step themselves.

So I – the question is, is that, you know, uh, I mean we – you, you, as you rightly pointed out, we have hung an awful lot of this on the sustainability, uh, lens, but if there are other ways that we can talk about these benefits and make them, you know, clear and practical, uh, maybe there are examples that we can point to. We'd love, love to know what those are because I think your strategy is absolutely right.

Female: Yeah. I mean I'd say one thing is if you've got sort of 60 people in a community of practice – [turns on microphone] um, so if you've got sort of 60 people who are in a community of practice, who are interested and excited about this, you know, they can talk about what they've been doing sort of in a broader group or are there ways to kind of showcase those examples or reach out to peer organizations that are trying to do this?

I think also some of it is framing in how this helps you avoid pitfalls, so one thing that system think is great for is that it helps you not run into a problem two years down the line because you didn't think about it, because you weren't thinking about the system. You were thinking about something much smaller. Um, so I think there are lots of benefits that you could articulate that are little shorter term and sort of easier for people to get their heads around.

Female: Jamie _____ from USAID. I just wanted to comment on that. Is – it, it – I wonder whether, um, some of these benefits would be more, more quickly realized if, if we moved from the general systems on thinking on general to the actual programmatic areas in which we work? So, Eric is working in health systems, and he has been working in health systems for some time, and has been thinking about it, and has some really interesting thinking. We've been working in market systems. Our practitioners feel we've been doing this for some years.

We clearly have a lot more to learn, but, but, whether – and, and, and when it – when you get down to the, the, the technical areas, be it health or education or market systems, then systems become a, a tool, a way of thinking that, that helps us, uh, address certain problems, you know, rather than – so, anyway, I, I just wonder whether that would help things catch on more if – yeah, if we moved to more specifics.

Male: Uh, that's good – uh, uh, that I think is a, is a very good, uh, is a very good thought. Um, I mean you are, you are absolutely right. I mean there are clearly areas, as you mentioned, where this kind of thinking has really made, you know, important inroads in, uh, in the way in which, uh, people come to the problem. So that may very well make some sense. I think one of the other things that we've, we've also considered is the possibility of, uh, perhaps identifying a limited number of missions that may, you know, where there is already perhaps a predisposition to, sort of, embrace some of this and sort of work more directly with a limited set of, of

missions to, to both, uh, support what they're trying to do as well as sort of learn some of their practical problems in terms of moving this, moving this forward. So, um the point is well – the point is well taken. Small bites of the apple.

Female:

I have another question from one of our webinar participants. Um, this is from Lauren Caskey at DAI. Um, and, the first is a comment. Um, she says that understanding the local system is key, um, and if she understands correctly, this involves examining resources, worries, relationships, results, et cetera. And her question is how do we ensure – how do we ensure during this mapping exercise that the voices of the most marginalized are heard?

Male:

Um, well, that's a very good point, and, um, I mean I think that A) there's actually some language in the paper itself that says that's part of what we, what we mean. I mean what we're – and I think that certainly one of the things – but I think it probably deserves, uh, to be – to be reemphasized. I think that one of the things, as I said, that I've, I've really sort of come to really more deeply appreciate about what Bob Williams was talking about when – is this issue around perspectives and how it really is – since we are operating and this system is essentially a mental construct, different people are going to have different visions about what the – what the system is.

And it's really – I think one of the values of this is to sort of really do – to understand that the way we may think about healthcare delivery or we may think about agriculture – you know, maize production may not necessarily be the way that even the people who were engaged in those activities think about it, and that it's really very important for us to get a – a better sense of, of perspective, of, of the range of perspectives. And I think that clearly understanding, um, and being committed to sort of looking beyond usual suspects and the power brokers in society and sort of looking at those who, who are, uh, more marginalized is an important part of it.

That said, you know, I mean, again, we, we have within USAID both now and in the past, you know, an avalanche of different assessment tools. And, and, I think that one of the challenges that we face is coming up with some sort of a sweet spot, a sort of good enough assessment. You know, what's good enough in terms of being able to understand the env – you know, to understand what's going – the system dynamic, the dynamics that are going on within a system and so on without sort of expecting that we're going to

require a two-year anth – deep anthropological study. Um, because, uh, you know, that, that, uh, that has been a road we've gone down in the past.

And so I think that, you know, it's really more a question of, of coming up with, you know, practical thoughtful ways of doing it, but at the same time trying not to overburden with too much, uh, expectations.

Male:

Hello? So my name is Jacob Gray. I'm with ACIDI/VOCA, and, uh, I found the, the comment that the, the man from GW was talking about, and that – very interesting, and also linking to the program risks component, which, you know, in some ways in a lot of the worlds that we work in as implementers, the program risk is not achieving the results and the targets that you have anticipated from day one in a proposal down to day five or down to year five. Um, and we spend a lot of time slogging through sometimes some very static approaches because the program risk of not achieving those is poor reputation, loss of funding, et cetera, et cetera.

What I find in a system approach really interesting and important is that a system is dynamic and to think that if we are having a system effect over five years, we should actually see some changes in which maybe our approaches that we started with do no longer fit with the system change that we're, we're working on. And so the question of a non-result being a non-result actually with the right questions and the right research, a non-result can actually be a very profound result in a systemic, um, approach or in a systemic program.

So some way to work through USAID and their programming and in the incentives to how to do good programming that rewards this sort of continual R&D process and the adaptation and, you know, still being held accountable surely to our targets and our results, but also being able to redefine those as we move along in our programming is really important.

Male:

No, I, I, I think you're absolutely – I mean I, I think you're absolutely right. I mean we, we do talk about – there is one of our principals about flexibility, um, and finding ways to, to, to be able to make those adjustments. I think that it's also clear that, you know, we learn as we, as we, as we, as we engage collectively and the system sort of, you know, makes adjustments. And I – so trying to create, uh, the space for that kind of thing is really, I think, central. Um, but it again goes back to – and, and, and this has been a – I'm sure has been a topic that has been sort of fairly

recurrent in this kind of seminar and so forth is, you know, but at the same time, you know, trying to, to accommodate that within the existing, um, uh, procedures and so forth is a, is a challenge. Now, I think we are trying to work on increasing the flexibility, but, uh, you know, I think we've got a ways to go.

Female:

Linda. Going back to the webinar audience. Um, it's a very active chat. Um, we've gotten a lot of questions and comments from everyone online. Um, I'm gonna state a comment first from Mary Mayberry, um, and then a follow up question from Elizabeth Dunn. Um so Mary stated that we have learned in value chain development that engagement on all fronts from businesses in the market system to policymakers and funders is that we have to have strong short, medium, and long-term results. Without strong short-term obvious results, the approach won't work on the ground or with supports. So showing that a systems approach brings stronger short-term results is key and it usually does.

And Elizabeth, um, followed onto that with a question, and asked, um – she said something that might be helpful for implementers would be early indicators of systemic change. Um, and how do we monitor so that we know when this early change is emerging?

Male:

Um, those both sound, *[laughter]* sound like, sound like great ideas. Um, I don't know if either of them have some examples where they've actually done something like, like that. Um, that would be helpful to know, but, uh, I mean I think that's, that's exactly the kind of direction that we need to go. You know, how do we – how do we see signs, uh, that, uh, the system is changing, and, and try to capture that fairly, fairly quickly? Um, not only it seems to me for the sort of re – reporting requirements but also I think to, um, uh, feed back into the process about, you know, are there – are we really on the right path? Do we need to make adjustments and, and so on?

Um, I mean and I think the thinking about short, medium, and long-term results obviously is a thought – is a sensible way to go, but, you know, I think the – you know, I – if there are examples where, uh, that has actually been suc – you know, sort of, uh, attempted in practice and, and, and there are some, you know, there is a story to be told about that, that I would, in particular, be interested in, in knowing how that, how that was done.

[coughing]

Male: Hey. *[microphone off]* _____ USAID _____ the, the _____ and _____ for indicators and _____.
[microphone on] I think the Women Empowerment Index seems like an excellent start to, uh, systematic thinking about, uh, women in, uh, developing countries, particularly in agriculture. Um, do you think that could be a great start to a more, uh, bringing that into every program?

Male: Um, I'm – I mean I think what I – the way would sort of approach this is – and it goes back to one of the questions or comments that was made earlier about making sure that you are engaging with marginalized populations, and so it seems to me that, that certainly in some cases, uh, women have been sort of ident – you know, have been, uh, a marginalized, uh, and, and sort of neglected group as a whole. So part of what I, you know, I think is really – is important is as we sort of try to understand the system, um, and the various different perspectives that we understand the perspectives also from a gender point of view. I mean – I'm – whether the index itself is a, is an appropriate one, I don't have the detail to, to be able to answer that.

Female: Let's take on a new question from the room.

Male: A lot of the comments beginning with the introduction, seem to focus on how do we get systems thinking framework to adapt itself to the way aid business operates? And I think the work of William Easterly, Chris Coyne, Ben Ramalingam pretty much have brought out, brought out the evidence that the aid business has become far too, uh, internal in its thinking. It's far less, uh, effective, uh, in the context, the larger context within which it operates. So, I'd like to turn the question on its head is, how aid business can – or how systems thinking framework can help aid business to recognize that its no longer doing the – creating the results that it thinks its creating. It's creating results that, that match its internal incentives, but don't match the needs of the larger environment within which it's working.

[Laughter]

Male: Well, I, I, *[sighs]* I, um, since I'm, I'm essentially up here, uh, uh, in talking about this paper representing the agency, um, I, you know, I'm, I'm really – I mean I have my own personal views on the matter, but I'm – I, I, think that what I would only say is that, um, you know, I think that there is a – there is a lot to be, to be said I think particularly from Ben's new book, uh, about, the, you know, the mismatch between the tools that development agencies

have at their disposal and the way they go about, uh, deploying them and the nature of the development problem.

But I think that, you know, again, the – we are a creature of both executive branch and legislative branch, uh, approaches here, and, uh, despite our own, you know, our own, what our own predilections are, um, we, we operate within a framework. And so I think those are really important, you know, those, those quick critiques are important ones. And I would just say I think there are others to whom they should be addressed.

[Laughter]

Female: Um, so we'll take, um, another couple of questions from the webinar. Um, Tjip, a couple of people have had questions. You mentioned a LISTSERV earlier, um, and some of our online participants were wondering how they might join the LISTSERV?

Male: Okay, well, that LISTSERV that I was referring to is only internal to USAID. So, if the people who are asking are internal, then, then, um, they can send me an e-mail, and we'll get them on it. I think that – but the larger point I think is, and again I don't, um, it may – we, we have platforms for broader exchange with the external, um, community, most particularly Learning Lab, which is a platform we, we've, we've created within the last year or so to sponsor these kinds of a – and, of course, this Microlinks as well.

So, um, you know, I mean, I think that clearly this, you know – one of the things I'm already taking away in sort of thinking about how can we continue to support and engage in this broader learning, you know, sort of peer-to-peer learning, uh, uh, process, uh, and use it to our advantage? And, um, so, I think that thinking about how to, uh, uh, make sure that we, you know, continue to have this kind of conversation after this session ends and so forth is going to be important.

So, uh, if it's internal, we'll get you on – you know, we can get you signed up right away. If it's external, we'll, you know, we'll put some more effort into thinking about how we can, uh, and what the appropriate vehicle is for, sort of, continuing this kind of conversation.

Female: Wonderful, thank you. Um, one more question, um, that I wanted to get in there. This is from Scott Yetter, um, over at Global Communities in Washington, D.C. Um, and he asked, where does political will and authority fit into systems thinking, and how will USAID play a more progressive role or how might USAID play a

progressive role in supporting, implementing partners, working in context where the local systems are not inclusive, but good development requires more inclusive systems? Um, and just a follow on, will this type of thinking propel – perhaps propel USAID to make a stronger stand for good development?

Male:

Okay, um, there's a lot in that question. Um, so let me, let me, let me take a couple of, of, of, uh, let me, let me sort of point out a couple of things. I mean one of them is that I think that the, sort of, the implicit concerns that were, that were in the question – so in other words, local systems are – I mean we've been talking about USAID existing within a – you know, foreign policy system here in the United States. I mean we, the, these systems exist within rules structures that distributive power and authority within the – within countries. Sometimes, though, you know, we've identified that there's an incompatibility with the objectives that we're trying to achieve and the structure – the rules structures that exist.

And so clearly by putting rules front and center in what we're talking about in these five R's is sort of saying we need to be atten – we need to be more attentive to the way in which these rules operate, and I think implicit in that, and I mean we have, uh, some track record in this area that, uh, that there are ways that we can use our programming resources including conditionality, uh, as ways to address those blinding, uh, uh, rule-based constraints.

Um, oftentimes there are reformers within the societies that we can partner with to, to achieve those particular ends. So I think one point is, is about the, the emphasis that we've placed on rules.

The second thing I would say is, is that we've made a very big emphasis in there, and there's a really nice example in the paper about accountability. And I think that one of the – I mean on one hand we say in one of the principles is, is that we need to be, you know – because of the sort of systems construct, we need to understand that there are systems operating in all environments. Now some of those systems may be quite deplorable in terms of what the – what the results are and so forth.

The question is always then do you – you know, what the best way to do it? Do you go around it? Do you engage with it? How do you engage with it and so forth? I mean that's a problem that we as implementers working in diffi – sometimes difficult situations deal with all the time. The issue that we're seeing here, though, is, again, is to sort of reemphasize a point that came out of a recent USAID strategy on democracy rights, human rights and

governance, which is to emphasize the opportunities for accountability outside of sort of the formalized political processes.

And so one of the things that we, we push on this is the fact that there may very well be opportunities to work on those accountability relationships even in otherwise difficult situations. How can you begin to start, you know, ensuring that parents have some degree of accountability over the education that their children are receiving from schools? How do you ensure that the users of health clinics have, uh, an ability to have some degree of accountability on the healthcare that's being delivered to them? Um, and there are, you know, a variety of ways, uh, of doing it, and not only does that – it's, you know – as the, as the example shows is that makes sense from an, an idea of sort of em-empowering and, and, uh, local people, but it actually ultimately improves the results as well.

Um, the last thing I would say about it and one of the reasons we made such a pitch on this accountability is that we, we – I, I think we've come to the conclusion that it is those accountability aspects of systems that give it its, its – that, that give it its, uh, adaptability, and that adaptability is really critical because that's, as I mentioned before, because ultimately that's what gives it its sustainability. I mean we're not trying to create once, you know, rigid, uh, systems here that don't have the ability to, to adapt. We, we need to create those adaptive capabilities because environments change, uh, and the systems need to be able to adapt.

So I think we've got several ways that we sort of have identified this question about, uh, you know, sort of understanding, sort of the power dynamics that exist, what we may be able to do about it, and the importance of accountability.

Female:

And we'll take one last question from the room, and if we didn't get to your question, please go on the MicroLinks even page and under Comments, post your question there, and I'll work with Chip to get your question answered.

Male:

Hi. My name, my name is Glen Burnett. I'm with, uh, Practical Action. One of my colleagues at Practical Action has been working with the SEED Network to develop, uh, a systemic approach to MNE, and I think some of the things that you're talking about right now, um, really, uh, really kind of get into almost the chicken or the eggs situation where you want to be able to show that systemic work has impact, but a lot of the impacts that you actually get with the systemic approach is actually going to be

focused more on indirect impacts that come from, uh, from some of the, uh, some of the other parts of the system that you're working in.

Um, and, I guess the question that I was going to have for you is recognizing that sometimes the MNE systems that are used to pull out, um, results that come from these kinds of approaches, uh, are, in fact, more direct, uh, in, in structure. How do you, how do you, how do you get those examples that you're looking for that maybe are not going to automatically be apparent within the current MNE structure that we use?

Male:

Um, well, I mean, I think actually, I mean, of the sort of, of the four topics that we sort of identified as sort of areas that we're, we're, we're actually slightly farther ahead on the MNE one than on some of the others. Uh, there has been an interest particularly within, um, the, uh, the lead office on a monitoring and evaluation within USAID Learning Evaluation Research to already, um, begin to sort of ask – uh, sort of say what kinds – looking more broadly and saying, what kinds of, of monitoring and evaluation techniques are out there to sort of understand how to get at these sort of deeper questions? And, uh, we have, uh, already, you know, uh, uh, a note that's, that we're, that we're making available throughout the agency that's sort of talking about they've been testing out some of these prop – these, these ideas.

I mean, I, I – this question about, you know, how do we, how do we monitor in these difficult – I mean there has been a challenge for several years, um, as we've been engaging in, uh, high conflict areas and so forth where we've needed a lot of adaptability and so on, try to figure out how to measure the per – the effects that we're having in those. And, and, so there has been this crying need, and it predated our work on the systems, although there's obviously some advantages.

So, I mean, just as, you know, one examples is essentially, it is qualitative, but I mean this is why I emphasize this point about ongoing engagement with actors in the system is like bringing them together and just asking them how – is things – are things working? You know, what needs to be changed? Are the assumptions that we made together when we started this thing really still applicable or not? And then our – do we have the ability to make adjustments?

Um, I mean I've personally been involved in a, in a, in, in a project that sort of worked that way, and I just – you know, I did realize

how unusual it was at the time, but it just worked extraordinarily well. And, to me, one of the other big important parts of it was – is that, you know, when you start talking to different parts of the, of the, of a system and they don't necessarily understand or know all the other actors that are there, and by bringing them all together and beginning to create the sense that this just happened to be in, uh, input marketing system that, you know, im – you know, the importers, the bankers, the, the distributors, the end users and so forth were all part of a system that they, you know, that they began to realize, yes, we were competitors in some respects, but we all have a shared interest in seeing the system survive and to, and to thrive, and, uh, so what do we need to do to make this, you know, make these kinds of improvements? So at least that's one technique. It's not by only means the only one.

Female: Please join me in, um, thanking Tjhip Walker.

[Applause]

Female: And thank you all for your comments and questions. Um, we are taking a break in December for the holidays, but we will resume in January. So please stay tuned for more MPEP seminars. Thank you.

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