

Introduction to Market Systems Approaches in Project Implementation

11 – 20 August 2020



RESEARCH
PROGRAM ON
Livestock

More meat milk and eggs by and for the poor



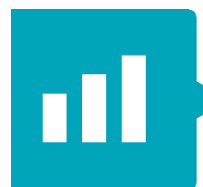
Tech platforms



Zoom
chat

breakout groups

plenary
presentations/interactions









Menti
to facilitate short interactions



Google slides
to capture discussion and
learning points



Tech tips

	Microphone off when not speaking, please
	If you can't hear or see the screen, close and restart zoom, close other programs
	Use the chat to post comments or questions during the presentations
	Raise your hand if you want to speak in plenary
	Video is optional , be aware that others may have less bandwidth than you
	The session is recorded - audio, video and chat - and any private chats are also visible to the organizers.

The training course

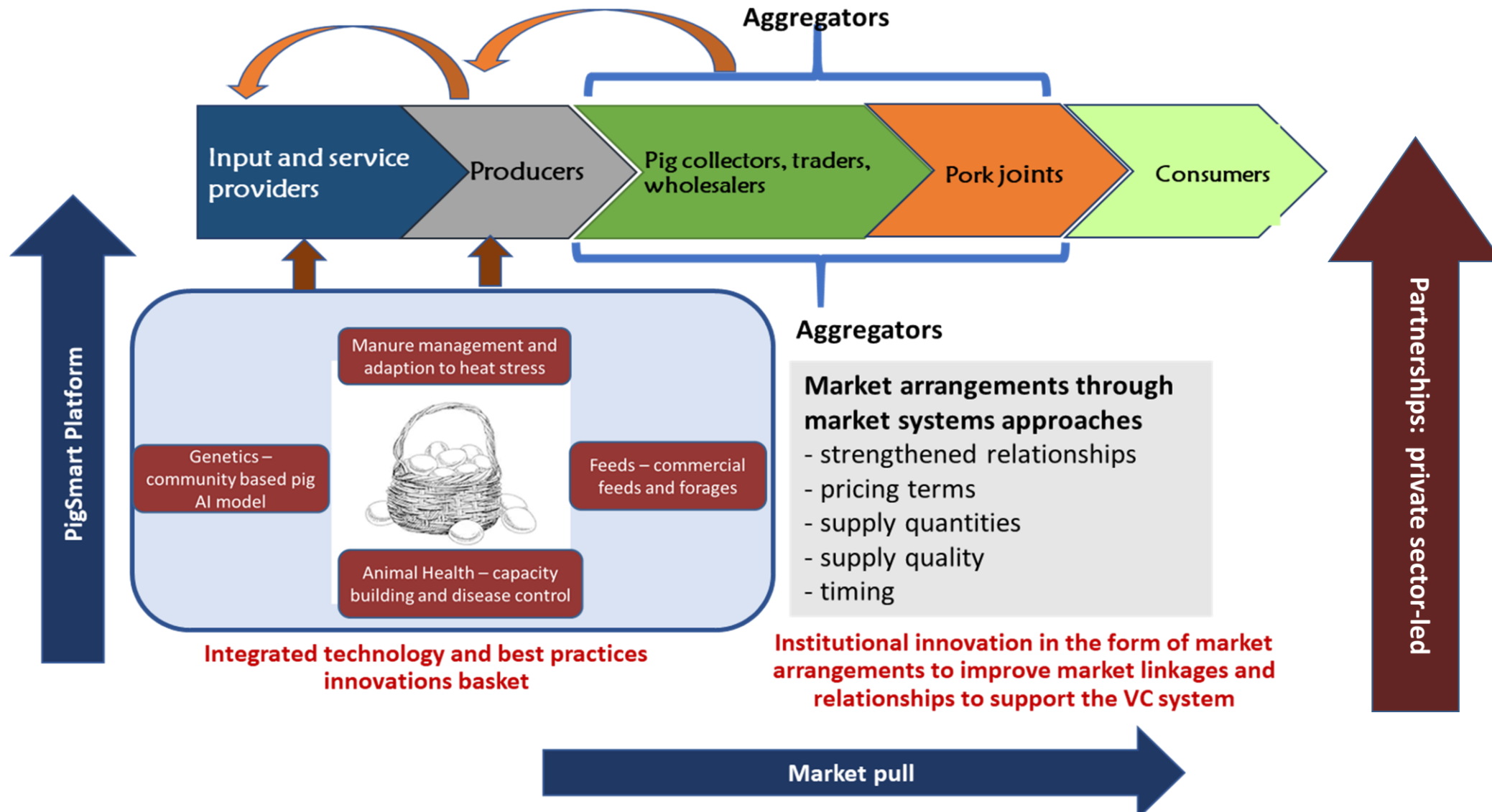




More meat milk and eggs by and for the poor

Introduction

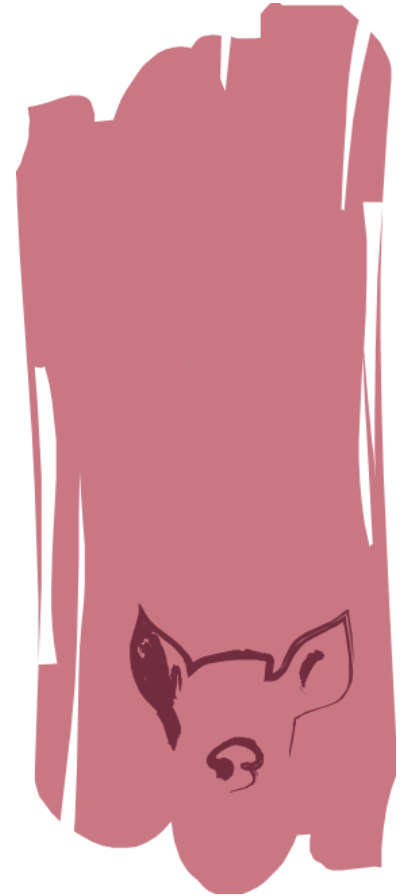
Project background



Market systems intervention

Ultimate Business Strategies sub-contracted to support in intervention implementation:

- Facilitate linkages and engagement processes between pig aggregators, farmers and ISPs
- Support development of feasible business growth strategies for scale within the pig VC
- Coach and mentor the value chain actors on the market arrangements
- Strengthen capacities of staff and collaborators in MSF approaches in development and growth of the pig VC



Training objectives

- Learn what a market systems approach is, its rationale and why it is important
- How to identify systemic constraints to the development of market systems
- The roles of different players – such as governments, the private sector, non-profit – in stimulating more inclusive systems
- Appreciate how the MSF intervention links to the other components of the project



Delivery approach

- Interactive and participatory course delivered entirely online, over two weeks, 3 days per week
- Delivery through lecture, exercises, plenary discussions and group discussions

Output: Developing a team of MSF champions



Scene-setting video

Video

<https://youtu.be/sH81IVX8M7Y>



Small groups exercise 1

- 8 minutes !
- DISCUSS the video
- From a market perspective: what success(es) or failure(s) are you seeing in the video?



Welcome back

The market failures and successes you saw in the video

Take a minute to think and type in the CHAT; Send your response when I say 'GO'



Chat

The market failures in the video – Participant responses

- Didn't hear the side of the aggregators
- Lack of knowledge, lack of extension services
- Lack of information, transparency
- Poor quality assurance systems for veterinary drugs, and other inputs
- Lack of market information for the farmer, now able to compare prices
- Poor regulation of input dealers
- Lack of access to quality inputs and services
- Lack of knowledge, standards for prices
- Market failure is mistrust between aggregator and farmers
- Farmer is not in a group, some networking
- Lack of bargaining power for smallholder farmers
- Pricing not consistent, is it by weight or otherwise
- Lack of standards - pricing mechanisms
- Low feed quality
- Lack of production records fails the farmer from determining proper prices for their pigs
- No address for buyers
- The Farmers aspires to sale per kg but Weight Systems are not explained



Chat

The market successes in the video – Participant responses

Farmers are willing to produce for the market

There is a pork market; there are inputs even

Presence of market for pigs (demand)

There's a market for pigs

There always is a ready market for pigs

The market is available for pigs

There is demand for pig

Farmers are able to reduce on cost of production

Ready demand

There are input sources though quality is an issue

Farmers willing to engage despite difficulties

High Market demand

Market is available, The farmer had a smart phone and able to use the internet to access information

Aggregators - buying low and selling high (good business strategy for them)

The farmer is able to adapt to the challenges

Role of provision of knowledge on the Mobile phone Internet

There are aggregators the farmer has access to

Farmer awareness of the importance of record keeping - however reality is that they are not keeping records

Farmers ability to use beer dregs is an innovation to reduce cost

Farmers are able to reduce on cost of production

The reality that as the pork enterprise becomes lucrative, then it may become more male-dominated. We need to ensure that we have clear strategies to involve women not just in labor provision but benefitting from the income and having a say.

Market systems approaches

Trigger Question:

What do you understand by the term MARKET in relation to the pig value chain in Uganda?

Type a few sentences in the CHAT

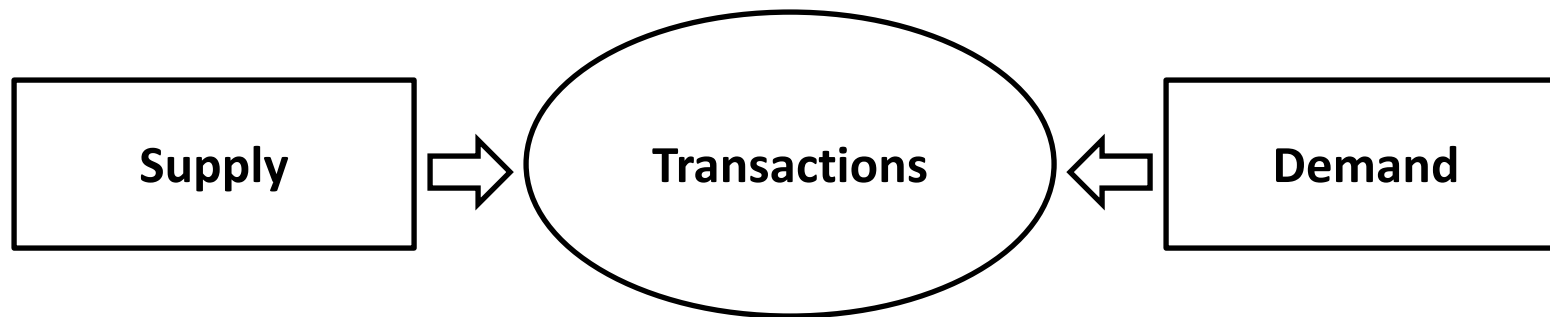
Draw from your experience in the sector and give relevant examples.



What is a Market?

An actual or nominal place or an arrangement where forces of **demand** and **supply** operate, and where **buyers** and **sellers interact** (directly or through intermediaries) to **trade goods, services**, or contracts or instruments, for money or barter.

Markets include **mechanisms or means** for determining **price** of the traded item, **communicating** the price information, facilitating **deals** and **transactions**, and effecting **distribution**. The market for a particular item is made up of existing and potential **customers** who need it and have the ability and willingness to **pay** for it.



Functions of a Market

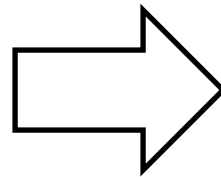
- Provide an avenue for **Distribution** of products.
- **Market research functions.** Where potential actors in the chain seek out for opportunities
- **Product offer and management-**In our case, the pigs and pig products are offered and purchased
- **Promotions** of new and old products and services, branding services etc
- **Financing options** where credit facilities, product financing, and other forms of purchases are made
- **Matching products to Consumers**
- **Pricing.** A consumer is notified of how much a desired service or product will cost.



Players and Mechanisms in the Uganda Pig Value Chain

PLAYERS

- Producers -
- Aggregators/rural assemblers
- Wholesalers or commercial farmers
- Commission agents
- Retailers
- Consumers?



MECHANISMS

- Cash Based transactions
- Credit dealings
- Negotiations
- Contract farming



Trigger Question:

What do you understand by the term SYSTEM in relation to the pig value chain in Uganda?

Type a few sentences in the CHAT

Draw from your experience in the sector and give relevant examples.



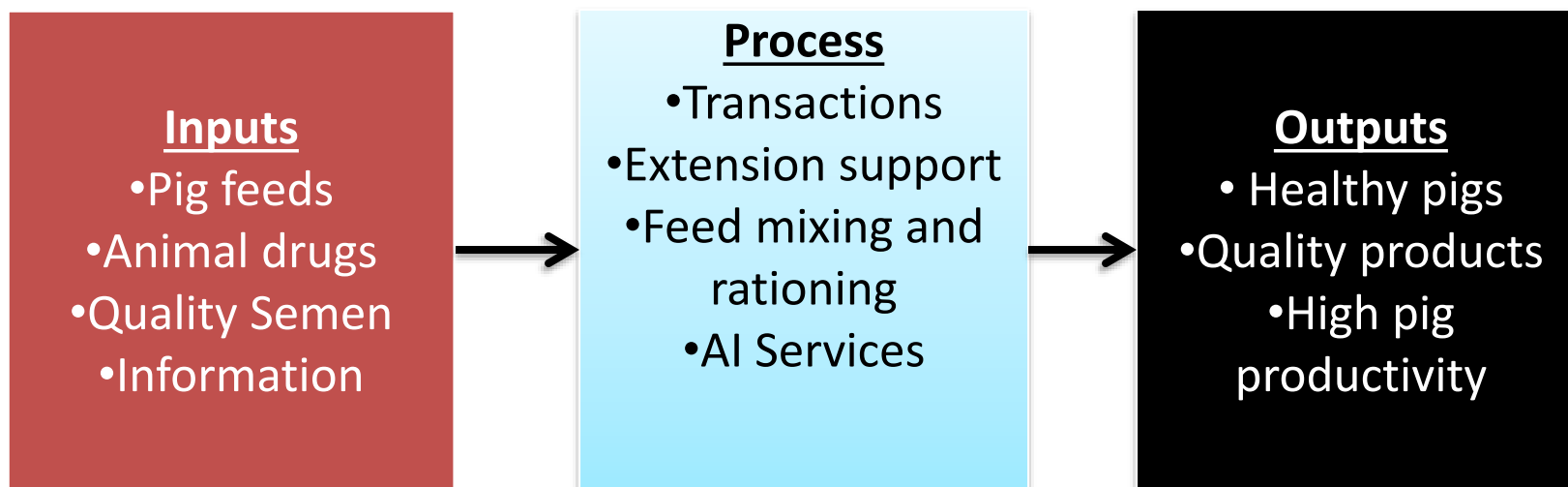
What is a System?

An **organized, purposeful structure** that consists of **interrelated** and **interdependent** elements (components, entities, factors, members, parts etc.). These elements continually **influence** one another (directly or indirectly) to maintain their activity and the existence of the system, in order to achieve the **goal** of the system.

All systems have **inputs, outputs** and **feedback mechanisms**, exist in a changing **external environment**, are not possessed by any of the individual elements and have **boundaries** that are usually defined by the system observer.



An Illustration of a System in the Pig Value Chain



Even within the Inputs, Processes and Outputs, there are various subsystems that are always in operation.

Trigger Question:

What do you understand by the term MARKET SYSTEM in relation to the pig value chain in Uganda?

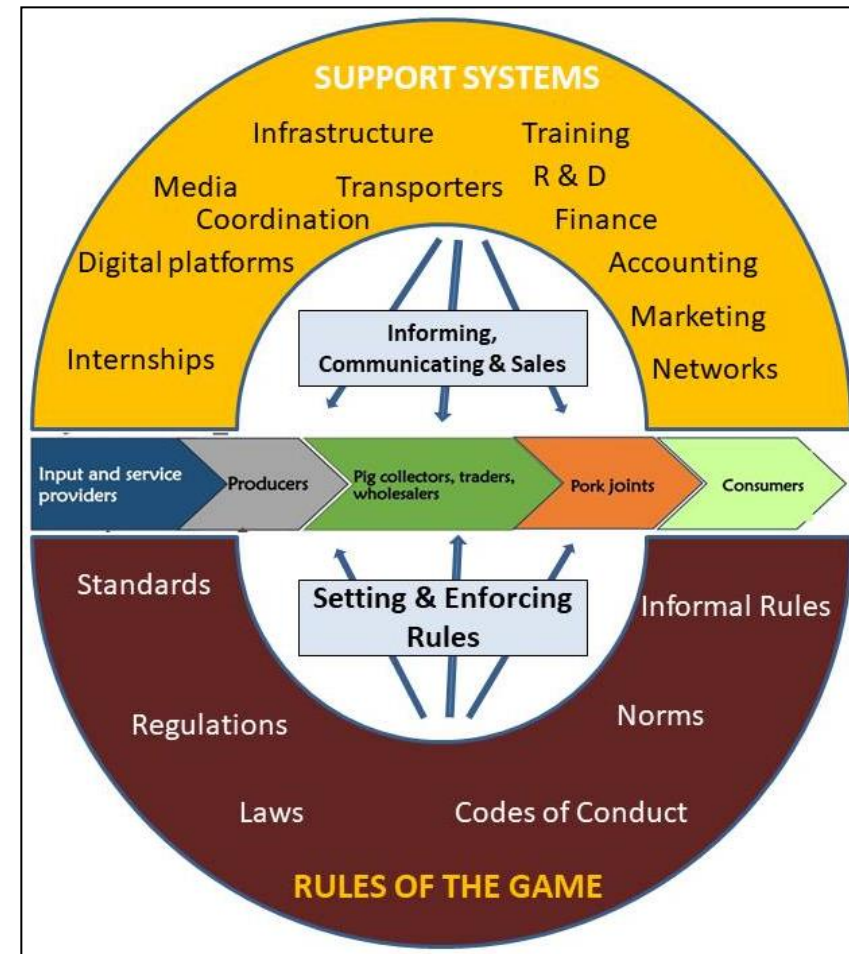
Type a few sentences in the CHAT

Draw from your experience in the sector and give relevant examples.



What then is a Market System?

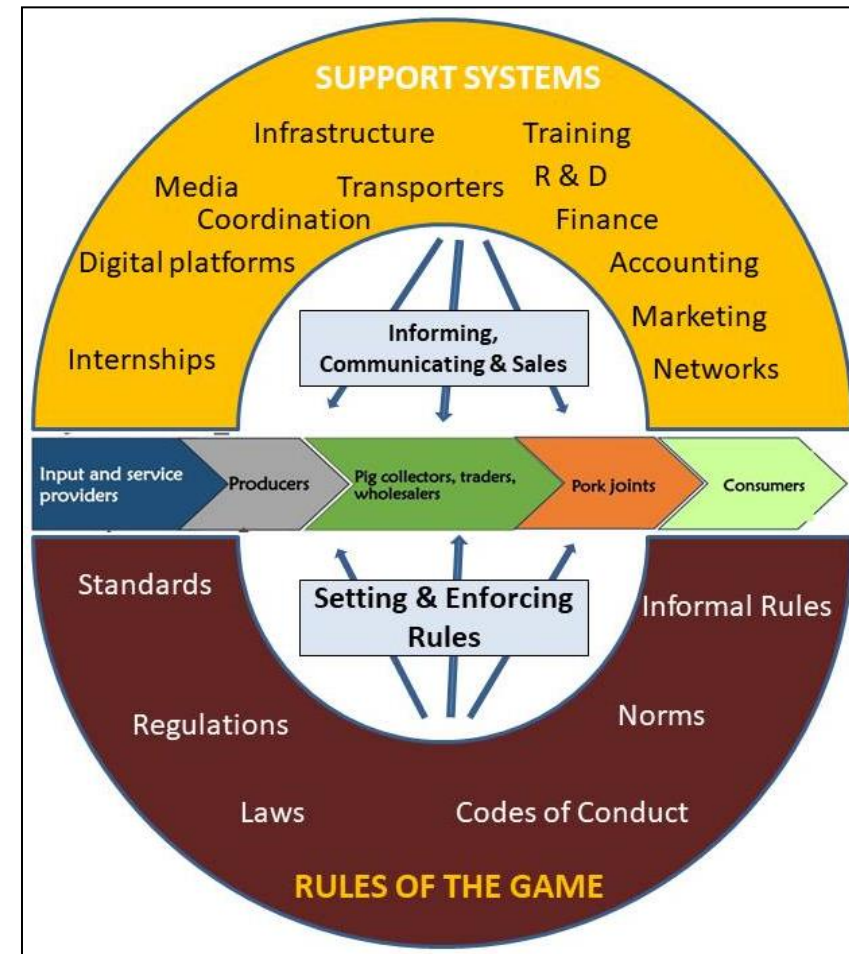
A market system is a **multi-function, multi-player** arrangement comprising the core **function of exchange** by which goods and services are delivered and the **supporting functions and rules** which are performed and shaped by a **variety of market players**



What then is a Market System?

Core function: the **exchange** between providers (supply-side) and consumers (demand-side) by which goods and services are delivered at the heart of a market system.

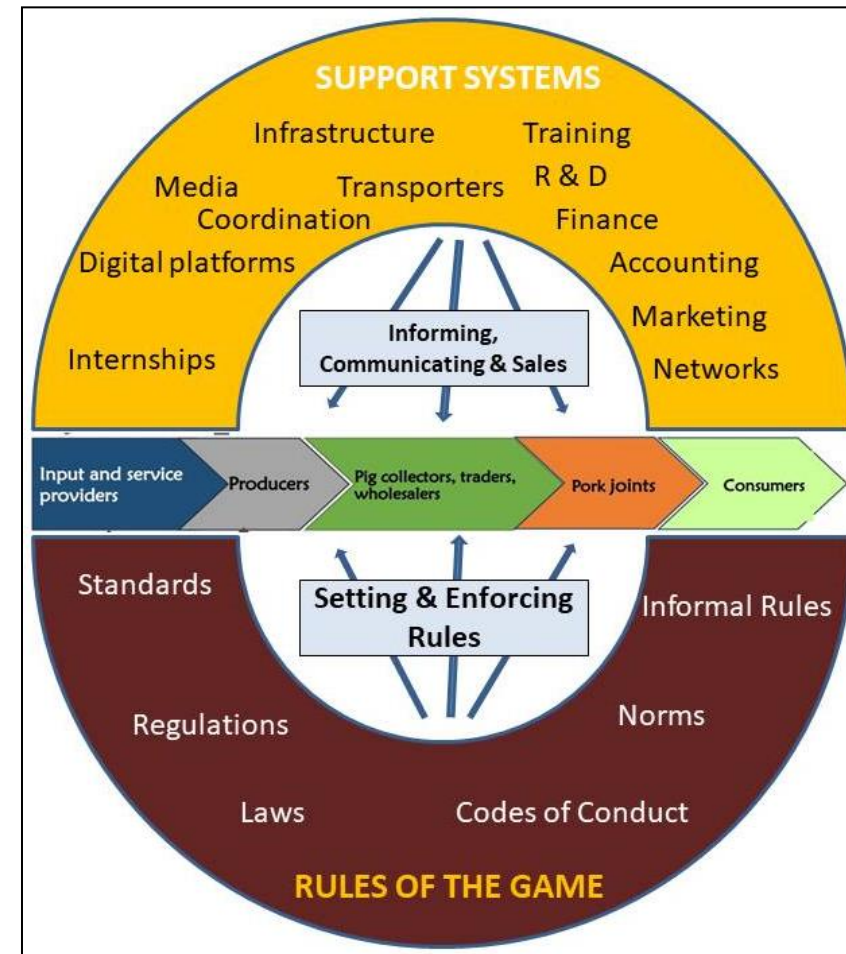
The **medium of exchange** can be commercial or non-commercial (eg the accountability mechanism between the 'setter' and 'receiver' of a regulation) and formal or informal (eg barter-based trading).



What then is a Market System?

Supporting functions: a range of context- and sector-specific functions that **inform, support, and shape** the quality of the core function and its ability to **develop, learn, and grow**.

Rules: formal (laws, regulations and standards) and **informal** (values, relationships and social norms) controls that strongly define **incentives and behaviour** of market players in market systems.



Group Assignment:

With reference to the video we watched yesterday:

1. Identify 2 challenges and 2 opportunities in the pig market system.
2. For each, explain your answer in terms of – CORE FUNCTIONS, SUPPORT SYSTEM & RULES OF THE GAME.

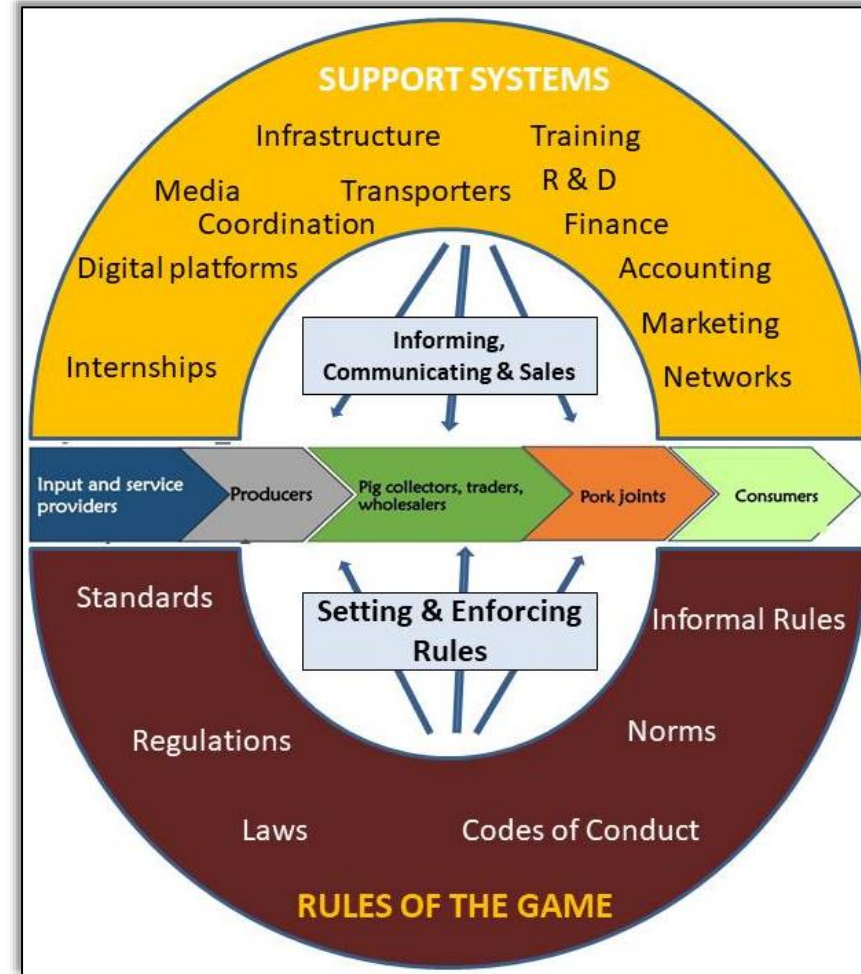
**PLEASE CAPTURE YOUR NOTES ON THE GOOGLE SLIDE
LINK WILL BE IN THE CHAT**



Why use the Market System Approach?

Trigger Questions:

1. What is the difference between a root cause, a symptom and a pattern of a symptom or symptoms?
2. What do you understand by large scale change or change at scale?

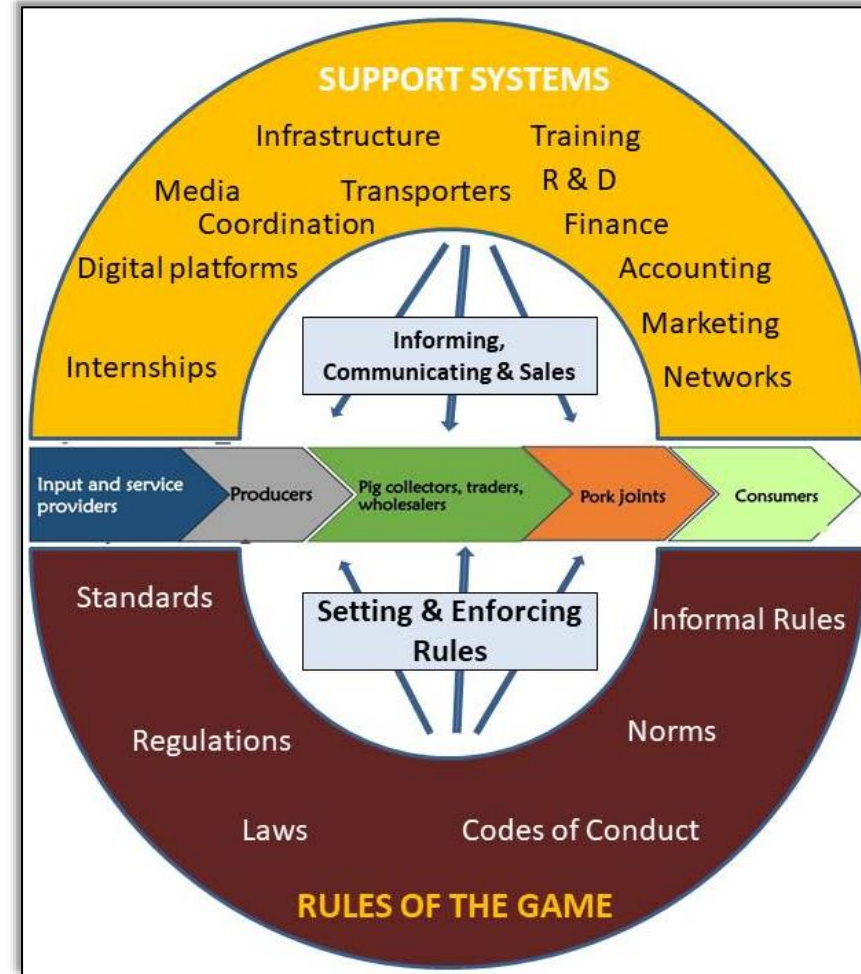


Why use the Market System Approach?

Root Causes, Symptoms, Patterns of Symptoms and Large-scale Change.

Root Causes: Market systems approaches are less concerned by **symptoms** and **patterns of symptoms** but the **underlying causes** of systems failure!

A systemic approach helps us to see symptoms, events and patterns in a new way, and respond to them differently, to bring about **lasting** and **large-scale change**

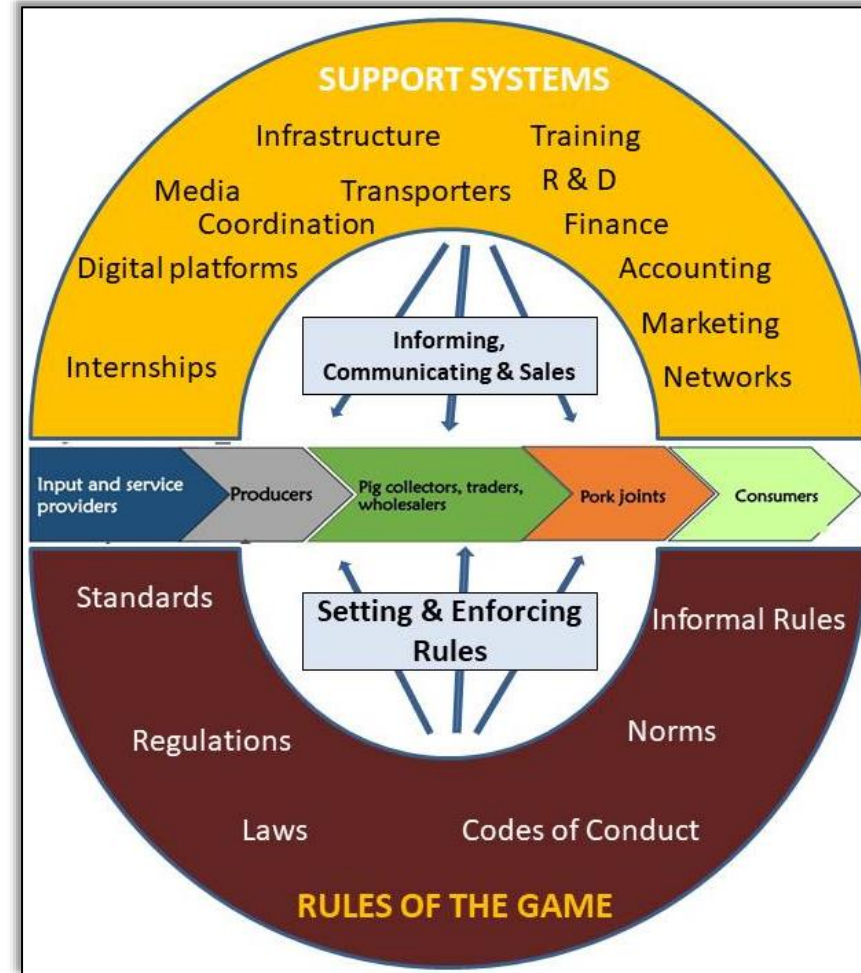


Why use the Market System Approach?

Symptoms – A symptom is a sign that something is not working well. A symptom is not a cause. It is an indication that something is wrong or failing.

Patterns of Symptoms – Defines a situation where a symptom or different types of symptoms occur concurrently or in a sequence.

Large-scale change - Making things better across many players, relationships, etc. requires us to look at symptoms and their patterns in a systemic manner. We must deal with the causes of the symptoms so that we can achieve lasting change.



Why use the Market System Approach?

Group Exercise 1

Using the short story on the next slide, identify:

- A) Symptom
- B) Pattern of a symptom
- C) The root causes of the frequent fire outbreaks in Kampala Metropolitan area

Have someone in the group keep notes to share in the plenary chat after

You have 15' then quick plenary feedback



Why use the Market System Approach?

Group exercise 1: Please read this in advance of the workshop as we will use it for the first group exercise

Frequent Fire Outbreaks

The fire department of Kampala Metropolitan area has been receiving reports of fire outbreaks around the slums of Kampala in the wee hours of the morning. The first fire broke out in Kasubi but the firefighters arrived late to save any property. The second fire broke out in Kikoni but although the firefighters arrived in time to put out the fire, there was no road for the firefighting truck to reach the house. A few weeks later, another fire broke out in Bwaise but this time it was put out by the firefighters before it could spread to the surrounding houses. More fires have since been reported in Kazo Angola and Kinnawataka. The frequency of the fires has been on an upward trend. The fires are breaking out in homesteads without electricity supply and most of them are female headed households.

In order to save lives and safeguard property, the Fire Master has decided to equip the police stations serving all slum areas in Kampala with new firefighting trucks, well trained personnel and world class personal protection gear. This is in a bid to ensure that the police fire brigade can respond quickly should a fire break out at any given time. As a result of this intervention, there is reduced loss of property as the fire personnel are able to respond quickly. The police have also teamed up with the civil society to popularize the toll free lines that people can call. Additionally, the civil society organisations and NGOs are offering relief items to affected households in order to help them recover quickly and rebuild their lives

Why use the Market System Approach?

Group Exercise 1 Feedback

Please enter in the CHAT

What the story says about the:

- A) Symptom
- B) Pattern of a symptom
- C) The root causes of the frequent fire outbreaks in Kampala Metropolitan area



Why use the Market Systems Approach?



Symptoms...

Suppose a fire breaks out in your town. This is an **event**. If you respond to that event by putting the fire out, you're reacting. You have done nothing to prevent new fires. You're only **dealing with the symptom of the problem**.

If swine fever breaks out in your town, that is an event and treating it may not necessarily mean it will not re-occur.

Why use the Market Systems Approach?

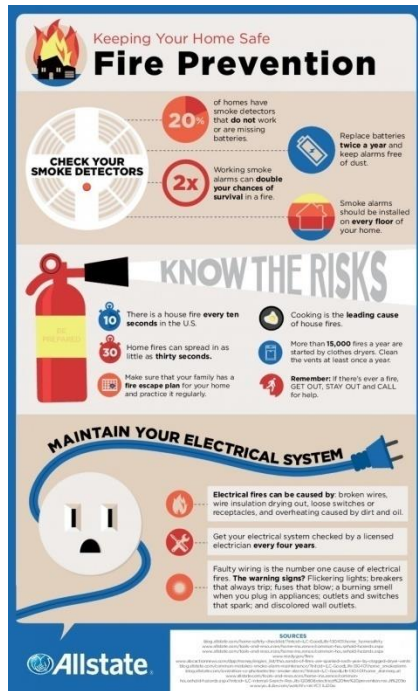


Patterns...

If you respond by putting out the fire and then study where fires tend to break out in your town, you're paying attention to patterns. You might observe that certain neighbourhoods seem to suffer more fires than others. If you locate more fire stations in those areas, you're adapting. But have you done anything to prevent new fires? No, you're just dealing with fires more efficiently. You're still dealing with the symptom of the problem.

If you employ better methods of responding to and treating swine fever, you are doing a great job. However, you are not tackling the root cause of the disease.

Why use the Market Systems Approach?



Root causes...

How might you address the underlying causes of the problem?

Study and understand these patterns more closely to discover why the fires breaking out in the first place.

Thinking about 'systems' means focusing on the underlying reasons why fires happen (the root causes) and what might need to change in the system to stop this from happening so frequently.

The problem is that development agencies often keep putting fires out, rather than preventing them from happening in the first place. A systemic approach tries to avoid this.

Thinking and acting systemically places a set of different demands on us, for instance, our objectives and what we want to leave behind, our analysis, our actions, and what we measure.

A market systems development approach is about... how not to be a firefighter

Problem, Symptoms, Root Causes and Solution Analysis – Group Exercise 2

You have been presented with a problem of **LOW PRICES OF PIGS** on the market in Uganda. Use the flow diagram provided to suggest:

- a) Symptoms
- b) Root causes (these can be at different levels)
- c) Possible solutions

Have someone in the group update the slide for your group while sharing their screen

You have 10' then quick plenary feedback

Problem, Symptoms, Root Causes and Solution Analysis – Group Exercise 2

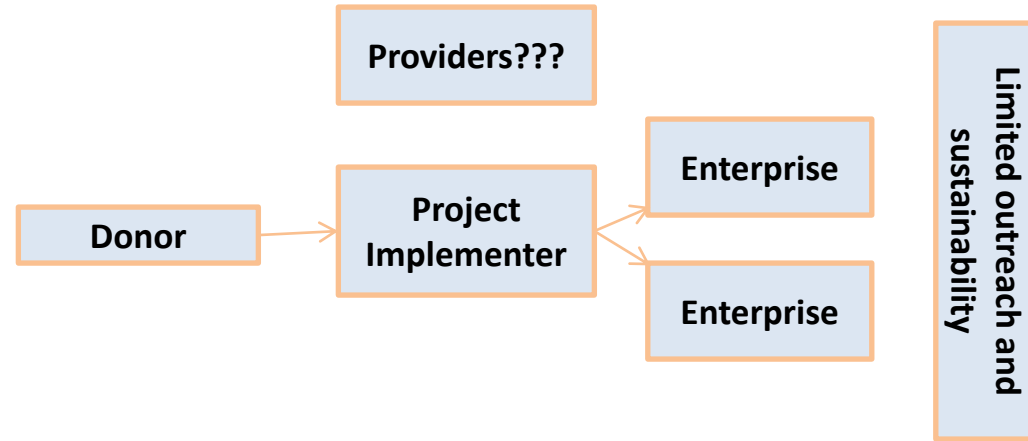
FEEDBACK



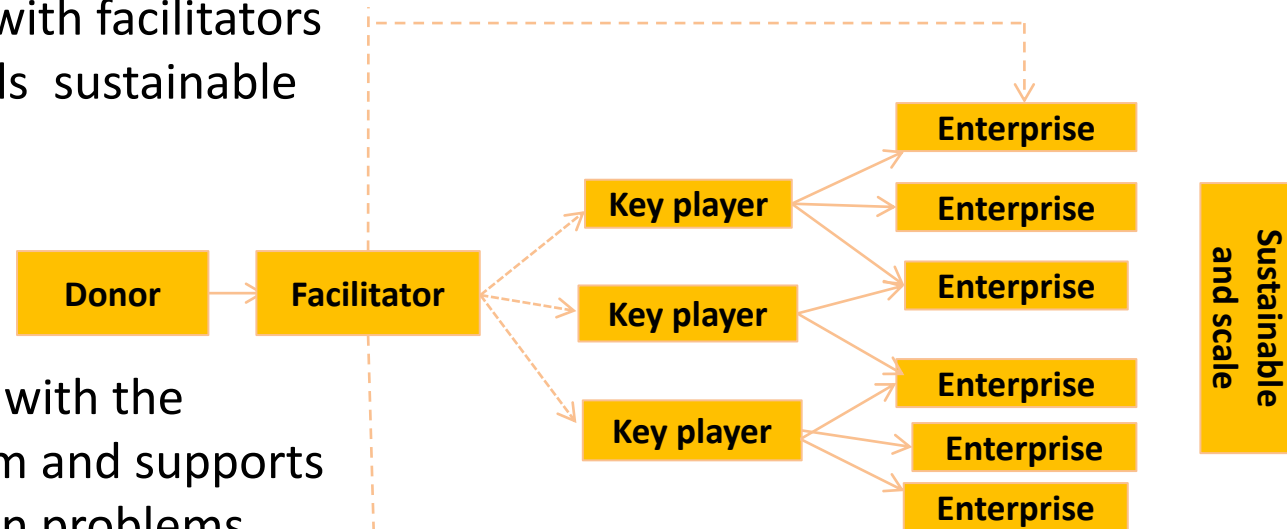
Comparison of Market Systems vs Conventional Development Approaches

Conventional development programming often omits mechanism through which growth and access is achieved.

Conventional approaches tend to provide direct support to enterprises or other actors in the market



Market systems approaches work with facilitators and key players to build role models sustainable change at scale.



Market systems approaches work with the stakeholders to define the problem and supports the stakeholders to solve their own problems.

Comparison of Market Systems vs Conventional Development Approaches - Group exercise 3

Market Systems Approaches are significantly different from Conventional Development Approaches as discussed above.

Use that knowledge to complete the table provided in the slide

Have someone in the group update the slide for your group while sharing their screen

You have 10' then quick plenary feedback



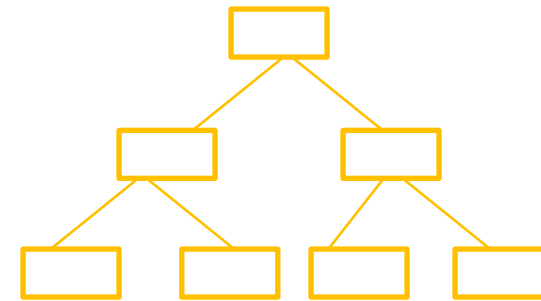
Comparison of Market Systems vs Conventional Development Approaches

Characteristic	Conventional	Market Systems Approaches
Approach		Combines coherent rational analytical framework and guidance for action
Market focus	Addressing firm – level problems	Priority and focus on changing systems
Scale of change	Limited scale of impact (reliance on direct support)	
Sustainability		
Facilitating role	Direct provider (distorts)	

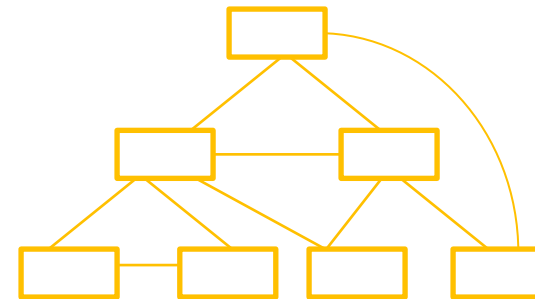
Market systems facilitation

What is Market Facilitation?

Simple Market Systems – Markets where a few well defined and known relationships exist and where it is easy to predict the result of a given event. Relationships are quite linear and occur in a fairly structured way.

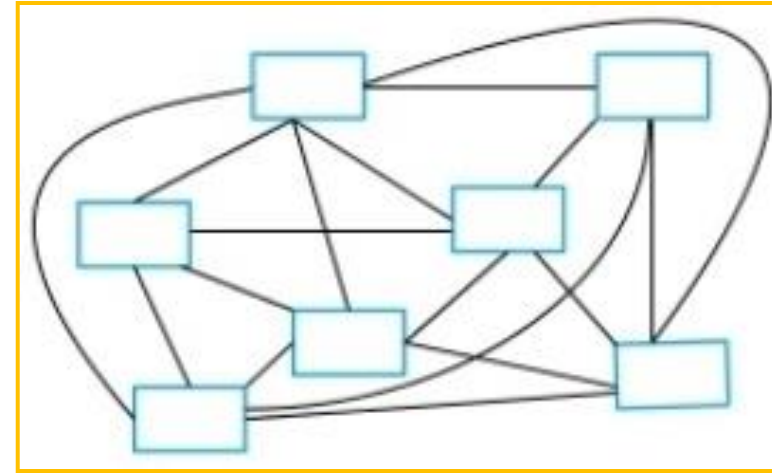


Complicated Market Systems – Defined by many well-defined relationships whose cause and effect can be accurately defined to a great degree. There is a fairly good degree of structure within which relationships exist.

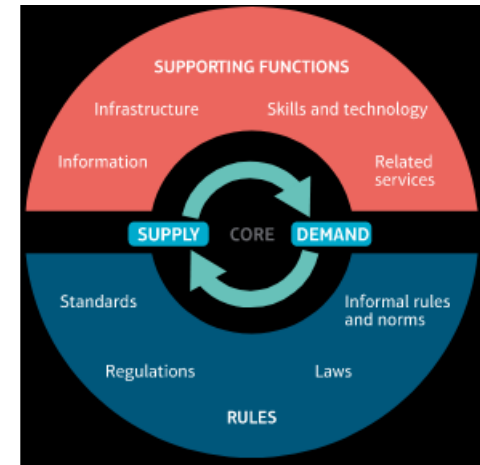


What is Market Facilitation?

Complex Market Systems – Many relationships whose form and other dimensions are difficult to determine. Many **chaotic** players whose cause and effect behaviour is difficult to predict. The relationships are **nonlinear**. It is an intricate network.



The system is in a state of constant transformation. Its **balance** is altered by the action (s) of each player. Complex systems never really achieve a **static equilibrium**, rather they are always operating in a **dynamic equilibrium**.



This is the reason why our interventions cannot be linear. We have to target various **nodes** of the market system in order to address the various failures. We have to **disrupt** the entire system. This is the only way to achieve large scale change.

Trigger Question ON THE CHAT:

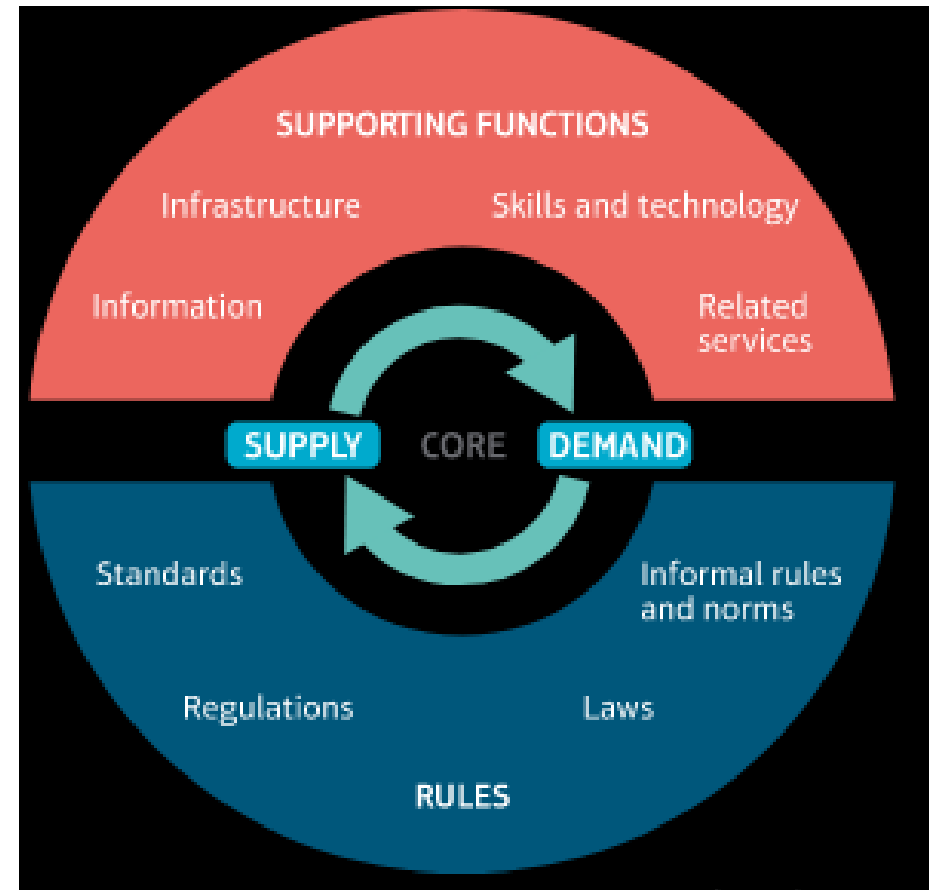
What do you understand by the term Market Facilitation?



What is Market System Facilitation?

Facilitation: A process through which a development worker can catalyse market systems change without becoming a permanent actor in that system. The process of facilitation is temporary.

Facilitator: a development agent/agency seeking to stimulate market system change, tasked with remaining outside of the market system they are intervening in. In developing market systems, facilitators actively avoid distorting those systems and must be conscious not to make market players reliant upon their continued presence.

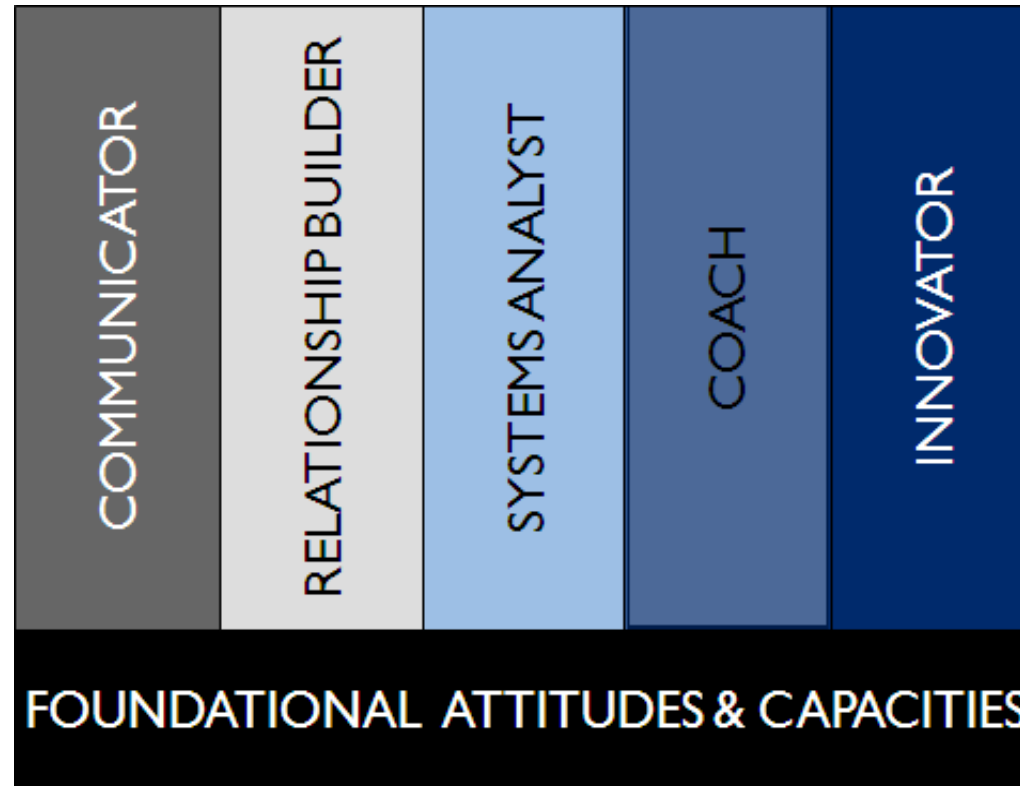


Trigger Question ON THE CHAT:

**Suppose you are facilitating a buyer /producer relation between the smallholder pig farmers' group and a pig buyer, how would you ensure that a mutually beneficial relationship evolves?
Give three broad ideas with examples.**



Characteristics & Roles of a Market Systems Facilitator



Trigger Question ON THE CHAT:

List three key characteristics of a good market systems communicator.



Characteristics & Roles of a Market Systems Facilitator

COMMUNICATOR

- **What the market facilitators do depends on the information they get, analyze, share and use.**
- **Effective communication allows actors to understand the facilitator's perspective and it helps them question their assumptions and improve their actions.**
- **Communication is an important function of all change processes. Market facilitators communicate with diverse groups of people in various ways and must adapt their communication methods and styles appropriately**
- **As a facilitator, you must listen attentively and actively to the person or people you are meeting with**



Trigger Question ON THE CHAT:

What key things, in your opinion, should a good market systems builder be looking out for?



Characteristics & Roles of a Market Systems Facilitator

RELATIONSHIP BUILDER

- At the core of market facilitation is the ability to help new mutually beneficial relationships emerge or to re-kindle old relationships between and among actors. The key to being a good relationship builder is being able to work with a range of people, understanding their different needs and positions, and helping the different parties to see how by working with each other they can form long-lasting, mutually beneficial relationships. This requires market facilitators to quickly foster trust with others and develop good working relationships
- Relationships among people are the foundation of strong business; without them, mistrust and detachment creeps in and can prevent the emergence of opportunities for both parties. It is the role of a market facilitator to create these relationships and also to help resolve conflicts and disputes when a situation deteriorates. A good market facilitator will proactively create and monitor these relationships in order to correct the course where required.



Trigger Question ON THE CHAT:

What are the key things to look out for as a market systems analyst?



Characteristics & Roles of a Market Systems Facilitator

SYSTEMS ANALYST

- Market facilitators must constantly observe and analyze a system of interconnected and interdependent actors and firms, identifying key leverage points and creating mutually beneficial opportunities for the actors. To do this, they must be able to think about many priorities and strategies at once, and then act to change this system.
- Effective systems analysts must be able to reflect on and operate in dynamic markets, looking at a situation from different angles to assess where the best opportunities lie. This requires them to research the situation ahead of time while responding to new information immediately



Trigger Question ON THE CHAT:

Who is a coach?



Characteristics & Roles of a Market Systems Facilitator

COACH

- Market facilitators use coaching skills to improve the relationships of market actors while keeping ownership of the improvement process in the hands of the actors themselves. The market facilitator must be able to assess the needs of the coachee, give and receive feedback, and help the client reach conclusions and act on those conclusions. .
- Good coaches understand that success is about the other person (the coachee) growing and improving in ways that the coachee is comfortable with. They are able to help the coachee (in this context a market actor) identify a knowledge, skill or attitude gap, and work with the coachee to improve these competencies. Being a good coach will enable the market facilitator to provide the right type of support to different value chain actors, ensuring that they are able to carry on after the project leaves—a key factor for sustainability



Trigger Question ON THE CHAT:

What are the characteristics of a good market systems innovator?



Characteristics & Roles of a Market Systems Facilitator

INNOVATOR

- Innovation is an important driver of market improvement. New ideas (big or small) can pave the way for new opportunities for the market facilitator and actors alike. The ability to try new things and recognize creative ideas is therefore critical for market facilitation.
- Thinking outside the box and working with others are essential skills for market facilitators in complex and ambiguous situations.
- The innovation can be technological (but within a firm's business model), an attitude that is driving behavior, or a behavior pattern that needs to change to stimulate stronger relationships and businesses.
- The market facilitator must be able to test these ideas or innovations with market actors and their co-facilitators. This involves a continuous process of learning from success and failure and of close collaboration with other market facilitators



Group Exercise

The pig market system in Uganda faces a challenge of poor quality feed. As a market systems facilitator, you must work with various actors in the system to address this problem. For each characteristic below, list one big idea you would do to address this issue

- As a communicator
- As a relationship builder
- As a systems analyst
 - As a Coach
 - As an Innovator
- **LINK IN THE CHAT**



Who is a role model?

A **role model** is a measure of excellence. It refers to an entity that other businesses or individuals aspire to be like, either in the present or in the future. A **role model business** may be a business or a person (or even a sector) who you know and interact with on a regular basis, or may be one who you've never interacted or traded with, like an international company.

In MSD work, many times role models are drawn from sectors different from the intervention sector (In this case Pig value chain). However, the underlying principle is to learn from the positive aspects of the role model business and benchmark to improve the sector in question.

Examples could be Beverage giants Coca-Cola in branding and distribution, MTN in growing loyal customer base and branding, Beer companies, Jesa Diaries, Bukoola agrochemical company etc

How role models support market systems change

- Role models can be used to provide mentorship to smaller business that still need support to adopt and improve desired best practices.
- They can also be used as coaches for the Laggard or slow adopting businesses.
- These businesses can be used to demonstrate the workings of a particular behavior that is being promoted. For example earlier role models mentioned can be used to facilitate behavior change relevant to a particular outcome, say improved distribution networks
- Provide bench marking of best behaviors and practices that have enabled them to perform exceptionally in their enterprises. These can then be customized for promotion at our PIG MSD Project



How role models facilitate change

- **Crowding in** : This refers to the process by which actors that are not directly supported by the project start to copy the positive behaviours exhibited by those being supported by the project or program. It also refers to a situation where other enterprises or individuals enter a sector or value chain as a result of improved incentives and environment created (at least partly) by the program.
- **Crowding out**: This means many actors and enterprises at the level of the project intervention are getting out of business due to their un-competitiveness brought about by the actions of the project. E.g. those that have failed to respond to the changing times become unprofitable and find the rules of the game strenuous for their survival and therefore opt out of business.
- **Adopt** :is when a partner takes up a pro-poor change or behavior and then develops concrete plans to scale it out in the future. This is with support of the project or programme in most cases but can also occur without it.
- **Adapt**: Is when program partners (and others) “invest” their time, effort and resources to the initial behavior learnt as a result of project intervention and are now customizing it to suit their operations INDEPENDENT of project support.

Trigger Question ON THE CHAT:

What do you understand by competitiveness in Market Systems Development?



Market Systems Facilitation: Competitiveness

This refers to the system actors' ability to effectively innovate, upgrade and add value to their products and services to match market demand and maintain or grow market share.

However, markets do not always work well, and uncompetitive markets are often those that matter most for the poor. Our job is to support the pig market system to function effectively (even for the poor people) by facilitating innovation and encouraging provision of goods and services to consumers at the lowest possible prices.

Smallholder pig farmers are small entrepreneurs. They will benefit if they can purchase quality inputs as well as the related services at fair prices, and if they are able to sell their pigs on fair terms.

Trigger Question ON THE CHAT:

What do you understand by resilience in Market Systems Development?



Market Systems Facilitation: Resilience

Market systems resilience is defined more broadly as the ability of the **system** to draw on system-level resources (such as social safety nets, early-warning systems, emergency relief systems) in the face of shocks and stresses

System actors should be supported to develop the ability to address, absorb and overcome shocks in the market, policy environment, resource base or other aspect of the system.

Our work should be geared towards ensuring that every shock experienced by the pig market system eventually leads to improvement in functionality and efficiency.

Trigger Question ON THE CHAT:

What do you understand by inclusiveness in Market Systems Development?



Market Systems Facilitation: Inclusiveness.

Inclusive market systems are those that engage and benefit a range of actors including the poor, women, youth, ethnic minorities and/or other marginalized groups who are often excluded or exploited by traditional market systems.

The crux of inclusive markets is the ability of any person to participate and benefit from it as a producer, consumer, wage earner, etc.

Our role as facilitators is to ensure that we support inclusiveness in markets so that we can achieve mutual and equitable benefits for all players.

Monitoring and Evaluation within Market Systems

What and Why M&E

Monitoring -*routine tracking of progress to improve performance*

Evaluation -*periodic assessment of program impact*

Why

- Understand if the program implemented as planned (Are we on track?)
- Effectiveness and impact of the program (**Changes in behavior and changes in outcomes**)
- Understand whether the systemic/complex challenges are addressed.

Key M&E Processes

- Results Definition: Represent the sequence of changes that are expected.
- Defining indicators of change: Define measures or yardsticks of change
- Measuring changes in indicators: Developing and implementing a monitoring plan including tools.
- Capturing wider changes in the market system: Develop a system to capture entire market system changes developed



Key M&E Processes (2)

- **Tracking program costs:** assess the value for money of the intervention by tracking how much was spent in achieving the reported results. .
- **Reporting results:** particularly to stakeholders and donors
- **Learning and adaptation:** Capturing the best practices and sharing widely for scaling up. Identifying what's not working and scale down.



Trigger Question ON THE CHAT:

What indicators or measures would you use to monitor and evaluate Market Systems Development?



What will M&E look out for?

- **What is systemic change?**
- **Key Characteristics of systemic change**
 - **Systemic change** is change in underlying causes of market system performance that can bring about a better-functioning market system.
 - **Characteristics**
 - **Scale** – influence/benefit several people who were not directly involved in the original intervention.
 - **Sustainability** - continue past the end of the programme
 - **Resilience** - Market players can adapt models and institutions



What will M&E look out for?

- **Crowding in/ Copying: Other enterprises beyond the targeted providing a new service or improving the practice.**
- **Sector growth - existing enterprises expand their businesses and new entrants come into the market.**
- **Backward and forward linkages: Changes in the market can trigger changes at other points along the value chain**
- **Other indirect impact: other indirect impacts may occur in completely different sectors. For example, if a program increases the income of pig producers, they may spend more on consumer goods, benefiting shops in the local area.**



Use of results chain – change management

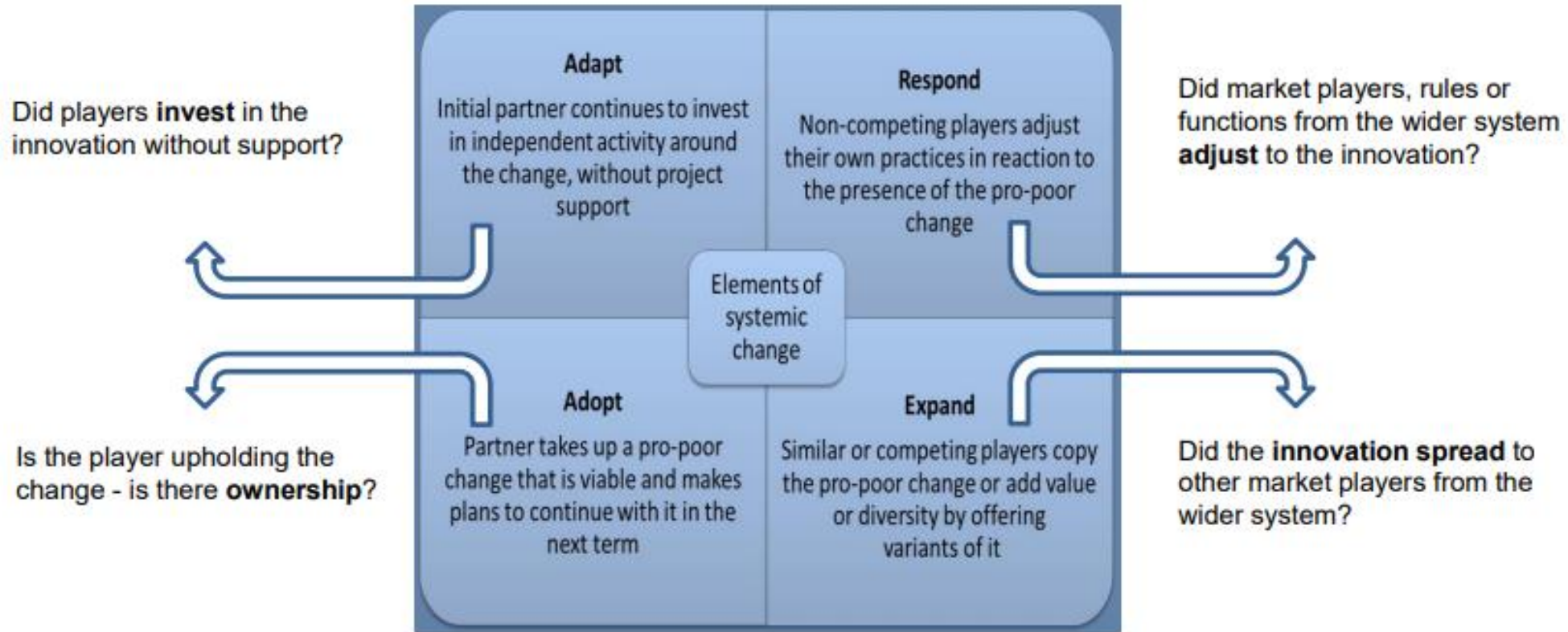
- **Results chains:** Model that displays the relationships between what a program intends to do and the changes and results it hopes to achieve.



Process

- Develop outcome statements
- Focus on the multiple strategic approaches and, develop multiple results chains that collectively illustrate how a design team believes its efforts will lead to Improved Pig Productivity and Incomes
- Show the expected state of the program through these actions

AAER TOOL



INDICATORS - MEASURING CHANGE

Example

Key issues to consider

- Both tools are useful in defining indicators – results chains and AAER.
- Each results chain should have an indicator (s)
- Key focus on AAER components
- Each indicator should have a baseline
- Each indicator should have a target

Result: Strengthened intra and inter actor relationships

Progress Indicators

- Number of firms that have contracts/ business agreements
- Percentage of pig farmers satisfied with firms' services

Systemic indicators

- Percentage of firms reporting a better relationship with their suppliers.

Qualitative Measurement tools

Method/Tool	Description
Most significant change	A participatory method based on stakeholder narratives. Stakeholders identify what they consider to be the most significant change resulting from the intervention, generating hundreds of stories. The stories are sorted into categories (domains of change) and the most representative stories are selected. Stories may be collected on a monthly, quarterly or annual basis.
Social network analysis	A number of techniques used to visualize and analyze actors in a system and the relationships between them. A network map can show the number of actors, how closely or distantly they are connected, and identify actors who are centrally located. A variety of flows between actors can be measured, including products, payments, business services, credit, information, and technology diffusion.
Outcome harvesting	The evaluator works with the evaluation user to define questions related outcomes in behavior, relationships, practices or policies. For each outcome, the harvester uses a variety of data sources to determine the degree to which outcomes have occurred and the contribution of the intervention to that outcome. The approach is retrospective in that it first describes outcomes and then seeks plausible explanations of how the outcomes occurred.
Participatory systemic inquiry (PSI)	An approach for mapping partners and relationships by engaging multiple groups of stakeholders within the system. Results from different subsystems are triangulated and shared with stakeholders to clarify how the system is operating.
SenseMaker	The proprietary SenseMaker software program captures a large number of brief narratives that are interpreted by the people telling the story, using dimensions defined by the implementer. The software identifies emerging patterns of perceptions and attitudes, providing insights the implementer can use to adjust the intervention in order to, for example, amplify or dampen emerging patterns.



Reporting

- Development of progress reports (Monthly , quarterly etc)
- Both narrative and quantitative reports
- Sharing progress to date including dashboards and or score cards to identify gaps and success factors

Learning

- Sharing through
 - Success stories
 - Learning reviews
 - Case studies
 - Abstracts
 - Exchange visits etc



Responding to questions emerging

Your question

**How do you compare or contrast value chain approaches with market systems approaches?
Assuming value chain approaches are the conventional?**

- VCs are part and parcel of Market Systems
- MSD can be used across all value chains
- MSD approaches deal with systemic failures (root causes)
- MSD is strongly against the syndrome of donor dependency



Your question

Define what is meant by **RELATIONSHIP** in the context of **Market Systems Development**

- MSD is about building a better way of working together
- The approach is hinged on finding more equitable and sustainable ways of interaction between/among actors
- As people exchange goods and services, the benefits should be mutual
- Relationship here is not about friendship or blood, it is about transaction
- Relationships in Market Systems are based on incentives



Your question

Is **CHANGE AT SCALE** the same as **SUSTAINABLE CHANGE**?

The answer is NO!

Lets share a few local examples with you to demonstrate this:

- a) Mosquito Nets
- b) The Kakasa Story
- c) The Case of ILRI



Your question

Is MARKET SYSTEM DEVELOPMENT a replacement for FREE MARKET ECONOMY?

- The answer is NO.
- Instead MSD enhances the free market economy by ensuring that markets are competitive, inclusive and resilient.
- Refer to the presentation early this morning.
- Here are a few examples to demonstrate this:
- The Uganda agricultural inputs sector





More meat milk and eggs by and for the poor

Moving forward

Fun quiz! Answers on the CHAT please

1. Simple, complicated or complex: What do all market systems have in common? (session 4)
2. Why might role models be important to the pig value chain? (session 5)
3. What do symptoms, patterns or root causes help us to do? (session 3)
4. Core functions, support systems and rule of the game are part of which tasty market system Bakery product? (session 2)
5. What key elements of market systems did William's video illustrate? (session 1)
6. How will we monitor or evaluate systemic change? (session 6)



ILRI team – next steps

CGIAR Research Program on Livestock

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