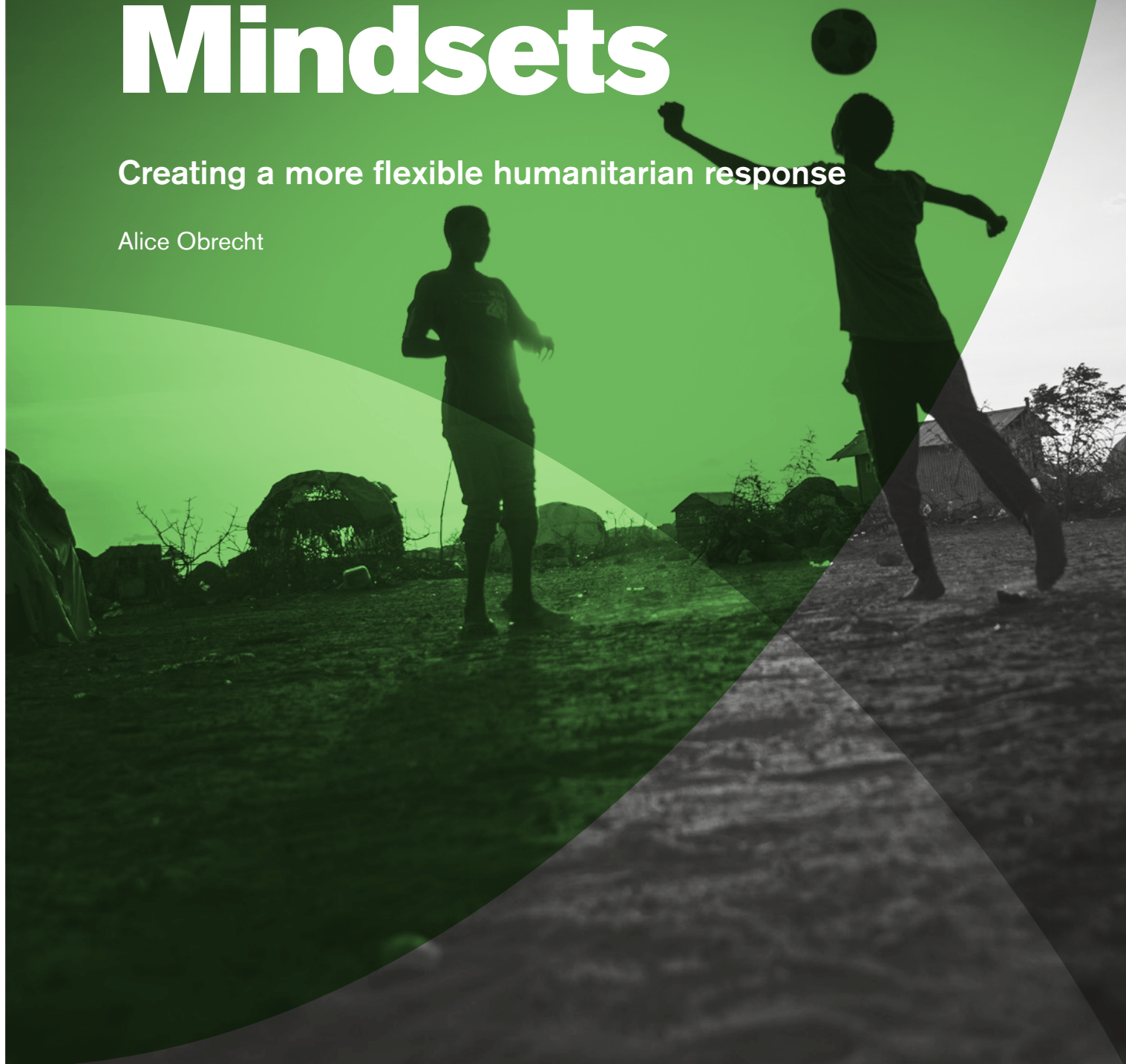


Shifting Mindsets

Creating a more flexible humanitarian response

Alice Obrecht



FLEXIBILITY

 **ALNAP**



ALNAP is a global network of NGOs, UN agencies, members of the Red Cross/Crescent Movement, donors, academics, networks and consultants dedicated to learning how to improve the response to humanitarian crises.

www.alnap.org

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Abbreviations and acronyms

ACF	Action Against Hunger (Action contre la Faim)
ALNAP	Active Learning Network for Accountability and Performance in Humanitarian Action
ARCC	Alternatives to Communities in Crisis programme
BRCiS	Building Resilient Communities in Somalia programme
CBPFs	country-based pooled funds
CERF	Central Emergency Relief Fund
DFID	UK Department for International Development
DG ECHO	Directorate-General for European Civil Protection and Humanitarian Aid Operations
DRC	Democratic Republic of Congo
ECHO	European Civil Protection and Humanitarian Aid Operations
FAO	United Nations Food and Agriculture Organization
GLAM	Global Learning for Adaptive Management initiative
GLC	Global Logistics Cluster
HFU	Humanitarian Financing Unit
HPCs	Humanitarian Procurement Centers
HQ	headquarter
HRPs	Humanitarian Response Plans
ICRC	International Committee of the Red Cross
IMAM	Integrated Monitoring for Acute Malnutrition
IRC	International Rescue Committee
KII	key informant interview
M&E	monitoring and evaluation
MSF	Médecins Sans Frontières
MTO	make-to-order
MTS	make-to-stock
NFI	non-food item
NGO	non-governmental organization
NRC	Norwegian Refugee Council
OFDA	USAID's Office of US Foreign Disaster Assistance
PBA	Programme Based Approach
PwP	People with Possibility
QRC	Qatar Red Crescent
RFID	radio-frequency identification
RRMP	UNICEF's Rapid Response for Movement of Populations

SCUK	Save the Children UK
SESRI	Social and Economic Survey Research Institute, Qatar University
SIDA	Swedish International Development Cooperation Agency
TOCAM	Theory of Change for Adaptive Management
UN	United Nations
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development
WASH	water, sanitation and hygiene
WHH	Welthungerhilfe

Key to design features



Audio companions

Executive summary

The growing flexibility challenge

Around the world there are people affected by conflict and disaster who do not receive the aid they need – and many more receive no aid at all. Evaluations of humanitarian action show that this is not simply a problem of funding but a problem of flexibility.

When populations move, or when crises take hold in new locations, it can take weeks or even months to initiate a humanitarian response or to shift aid to where it is needed most. As contexts change, or when faced with a new type of crisis altogether, humanitarians can apply the wrong approaches and be slow to adapt them. On the brink of a crisis, or as a population emerges from one, humanitarian actors are less and less visible. And when asked to deliver solutions that are context appropriate or to engage with the factors that sustain crises long-term, humanitarian programme designs often resort to ‘copy and paste’.

Once considered highly flexible, many humanitarian organisations are perceived to have grown increasingly bureaucratic and rigid. As a result, they are less suited to the highly dynamic nature of conflicts and disasters, and the complexity of protracted crises. Individual aid workers who try to do things differently must often work outside their organisation’s own systems. No longer engineered into the DNA of humanitarian agencies, flexibility happens only by breaking the rules.

The question is: what can those in humanitarian organisations do about this? It is a challenge that is particularly pressing for larger organisations, who must ask themselves how they can regain and grow their response-level flexibility. But it is also vital for smaller and possibly nimbler organisations to think about how they can protect the flexibility they have – and use it to greater effect.

A framework for thinking about flexibility in humanitarian response

This is the final report of a two-year workstream on improving flexibility in humanitarian response. It offers a framework for thinking about flexibility in humanitarian response and sets out the evidence for three core pillars that support this flexibility, and which agencies need to address.

Flexibility is a journey. This report is intended, not as a guide, but as a companion for thinking on how to shift the flexibility capacities of humanitarian agencies to better deal with the challenges of modern crises.

Flexibility is multifaceted

At their heart, flexible approaches are about humanitarian actors doing things differently when situations and contexts change, or when they learn more about what a situation requires. This makes it seem easy to be flexible and most readers will feel that flexibility is just common sense – which, in essence, it is.

But putting these simple ideas into practice is extraordinarily challenging. This is because flexibility is a multi-faceted capacity that can look very different across organisations and environments. Flexibility can refer to internal and external processes, can cut across multiple organisational functions, and can be directed for very different purposes. It is important therefore to take an intentional, strategic approach to building response-level flexibility.

Organisations need to deal with the flexibility paradox

Evidence shows that highly flexible organisations rely on some degree of structure and formality. Humanitarian agencies need to tackle this apparent paradox and recognise the balancing and trade-offs that being highly flexible requires. For example, organisations that have a high degree of geographical flexibility may need to limit what services they offer; meanwhile, organisations that offer high levels of service flexibility will need to put in place certain processes and routines that allow them to assure quality across a diverse offering. Flexibility requires prioritisation. Choosing the focus for an organisation's flexibility should be a strategic decision that considers many factors.

Understand different triggers for flexibility

Broadly, there are two types of change that organisations face in a crisis: known or reasonably expected change, and unknown or uncertain changes (which may also include new learning about programme performance or feedback from crisis-affected populations). These different types of change each require a different strategy for building flexibility: anticipatory (for better-known changes) and adaptive (for unknown and uncertain changes). At the country level, organisations should be able to apply a combination of anticipatory and adaptive approaches, to be flexible to their particular operating context.

Be clear about the area of focus for response-level flexibility

It is important that humanitarian organisations clarify what aspect of the humanitarian response will change in response to contextual change or new learning. There are five main areas on which a humanitarian organisation may focus: where and how aid is being delivered (delivery); to whom (targeting); what materials are provided (output); what overarching sectors or solutions are being offered (service) and what broader response objectives and roles are being achieved (strategy).

Decide how flexible to be

Flexibility consists of range and speed: how many potential options an organisation can execute and in what time. Different time scales will be appropriate for different aspects of a response and, similarly, organisations may choose to reduce their range in one aspect in order to expand it in another.

How to create more flexible humanitarian responses

Three main pillars support flexible humanitarian responses: organisational systems, organisational culture and people, and funding.

Creating more flexible organisational systems for programming, supply chain and monitoring

Organisational systems within humanitarian agencies are increasingly designed for top-down control rather than for enhancing response-level flexibility. But this research identifies a number of steps that senior managers in international organisations can take to change their systems for more flexible responses. It finds that there are three systems that are particularly salient to flexible humanitarian response – programming, supply chain and procurement, and monitoring – and that flexible humanitarian country teams demonstrate greater integration and communication across these three systems.

Supporting an organisational culture and teams for flexible response

Organisational culture and the skills of field-level staff need to be conducive to making changes in a timely manner, by using critical thinking and being prepared to question and revise assumptions about what's working. Cultivating the right culture and mindset for flexible action is difficult: often these do not rely on a system or a process, but rather on interpersonal relationships and a set of often unspoken rules and ways of working. Organisations can address this by recruiting people with different skillsets and facilitating cross-team conversations at country level that shift the working culture to one that seeks out and supports timely changes to programmes, rather than inhibits it.

Using flexible funding wisely

Recent reforms to humanitarian funding offer an opportunity to rethink how humanitarian action is planned, monitored and implemented. However, doing this requires both donors and implementing agencies to do much more. Donors need to continue trialling different forms of flexible funding, as well as supporting the exploration of accountability and monitoring and evaluation systems that complement rather than inhibit useful changes to programming based on learning or context.

Humanitarian agencies need to engage seriously in rethinking their systems and practices to give greater decision-making power to their field teams, local partners and crisis-affected communities. They also need to better demonstrate the difference that unearmarked and flexible funds make to their operational flexibility – and how this in turn leads to tangible improvements for people in crisis.

Shifting mindsets and stepping into the future

Ultimately, humanitarian agencies must shift their mindsets and become more flexible or face growing challenges in meeting humanitarian needs amid crises that are more dynamic, more diverse and more drawn out. This report aims to stimulate discussion within those humanitarian organisations that recognise the need to support field staff and partners to anticipate change and adapt their operations and programming based on new learning.

Greater response-level flexibility begins with conversations at the top of humanitarian organisations. These conversations must focus on the realities that frontline staff are facing and the kind of humanitarian organisations they want to be. This is the future that agencies know they must step into. ALNAP's work on flexibility and adaptiveness offers a supportive framework for thinking about how they will do this – and what it will take.



Photo credit: UN Photo/Sophia Paris.

About this report

The challenge

As humanitarian needs and situations change, and as our understanding of complex problems evolves, humanitarian agencies must be able to adapt. Yet in recent years, international humanitarian agencies have struggled with flexibility when it comes to adapting to context, changing the type and quantity of support at the right time, or responding quickly and appropriately to unexpected crises or challenges (Mitchell and Ramalingam 2014; OCHA 2015; ALNAP 2018). These weaknesses are often attributed to the way that humanitarian action is funded: long-term and fluctuating problems have largely been addressed through short-term humanitarian financing, which has led to reactive humanitarian programming (ALNAP 2003; High Level Panel on Humanitarian Financing, 2016).

There have been some attempts to improve the flexibility of humanitarian financing (Metcalf-Hough et al., 2018; 2019). But to capitalise on this, humanitarian agencies need to be equipped with the practices and tools that would enable them to use flexible funding effectively. To date, the flexibility of modern humanitarian agencies, and the capacities needed for response level flexibility, has not been explored in depth for modern crises.

The approach

This is the end-of-project report for a two-year workstream that sought to address this gap by undertaking exploratory research on the support factors and barriers to flexibility and adaptation in contemporary humanitarian action. Its findings are based on:

- two structured literature reviews on flexibility and adaptive management outside the humanitarian sector
- field research carried out for two country studies in the [Democratic Republic of Congo](#) and [Kenya](#)
- discussions and examples from a two-day ALNAP workshop on flexibility and adaptation, attended by over 60 individuals from across the ALNAP membership, in September 2018
- a case study on [user-centred design approaches](#) in humanitarian water, sanitation and hygiene (WASH) programming

- discussions and sessions from a week-long operational design training, organised by Fritz Institute and attended by country and regional logistics and procurement staff from several humanitarian agencies
- presentations of draft findings to senior leadership teams and country field teams at Médecins Sans Frontières (MSF), World Vision and Interaction
- individual interviews and written inputs from six supply chain and procurement professionals, and 22 individuals working on flexibility and/or adaptive approaches in the development and humanitarian aid sector, including field staff from four countries.

Through this work, ALNAP aimed to understand:

1. What are the types of fluctuations and changes to which humanitarian actors must be sensitive to respond effectively in a context over time?
2. What are the approaches (i.e. tools, practices, mechanisms, processes) humanitarian actors have used to change themselves and their work in response to these dynamics?
3. What are the supportive conditions for flexibility in humanitarian organisations? What are the barriers?

This report answers these questions in two parts.

Part I presents a framework for understanding flexibility at the level of a humanitarian response. At the core of this framework is a set of two different approaches to flexibility – **anticipatory** and **adaptive**. Each has different implications for organisational resource and capacity building and are rooted in different understandings of the drivers for humanitarian flexibility.

The second area of the framework looks at what is changeable within a humanitarian response. Organisations can choose to focus their flexibility on five different aspects of their response capacity: where and how aid is being delivered (**delivery**); to whom (**targeting**); what materials are provided (**product**); what overarching sectors or solutions are being offered (**service**) and what broader response objectives and roles are being achieved (**strategy**).

Finally, the third area of the framework suggests that organisations consider the depth of their flexibility, as this will have implications for resources: how quickly do they wish to be able to make changes in a response, and how wide a range do they want to cover, whether this is geographic or technical range.

Part II sets out three main pillars on which flexible humanitarian responses rely, regardless of which strategy is used. These are **systems** that support flexibility – in particular, systems for programming, monitoring and logistics and procurement, an **organisational culture and people** that support flexible working, and **flexible funding**.

How to use this report

There are different ways to deliver a flexible humanitarian response and choosing the focus for your organisation's flexibility will always need to be a strategic decision that is based on a combination of factors. This report outlines what these factors are, the strategies for flexibility that are best suited for them and starting points for humanitarian leaders and staff who wish to make their humanitarian operations more flexible.

You do not need to read this report in any particular order. Rather, it is structured to suit the different interests of a variety of readers.

Part I outlines a framework for thinking about flexibility for humanitarian organisations at the level of crisis response. Turn to:

Section 1 if you want to **understand why flexibility is important for humanitarian action** and why it's been a challenge.

Section 2 if you want to know **what we mean by flexibility**.

Part II is for readers who want to start making their own humanitarian responses more flexible. It outlines different 'starting points' based on the three distinct pillars that flexibility relies upon according to this study. Each section can be read independently, and in any order. Turn to:

Section 3 if you want to begin with **systems**, specifically 3.1 for supply chain systems, 3.2 for programme systems and 3.3. for monitoring systems.

Section 4 if you want to begin with **culture and people**.

Section 5 if you want to begin with **funding**.

Section 6 provides a brief conclusion.

**Part I: A
framework for
flexibility in
humanitarian
action**

Section 1: Flexibility in humanitarian action and its importance

Section 1: Flexibility in humanitarian action and its importance

1.1 Common sense but hard to do

At their heart, flexible approaches are about doing things differently when situations and contexts change, or when we learn about what a situation requires. Most approaches to organisational flexibility are based on a simple set of actions:

- **Information gathering and monitoring:**
Ask: 'What is happening?'
- **Analysis and learning:**
Reflect on what this means for your action. Ask: 'So what?'
- **Act:**
Identify and implement a new action based on this reflection.
Ask: 'Now what?'

This makes it seem very easy to be flexible and most readers will feel that flexibility is just common sense – which, in essence, it is.

But putting these simple ideas into practice is extraordinarily challenging. Partly this is because the simple actions of agility and adapting require very different types of organisational structures and processes that are different to those needed when environments are certain and stable. And these will in turn depend on the nature of the change that an organisation is facing, the pace or rate at which these changes are occurring and other factors such as the organisation's size or mission.

This means that organisations can select certain models to help them deal with one type of change, which inadvertently leave them less flexible to deal with other types of change. And often the ramifications of these choices are not clear until it is too late.

1.2 What kind of flexibility are we talking about?

Flexibility is complex and multi-dimensional. When studied as a characteristic of organisations, flexibility has no single empirical or theoretical measure (Volberda, 1997; Phillips and Tuladhar, 2000; Hatum and Pettigrew, 2006; Verdu, 2009). It can encompass internal structures as well as external-facing services, runs across all organisational functions and is related in complicated ways to various other organisational qualities such as efficiency, agility, responsiveness, adaptiveness, innovation and performance. Flexibility is often defined and measured differently across the empirical literature. This makes it challenging to synthesise evidence for best practices when it comes to designing flexible services.

ALNAP's work on flexibility has focused on humanitarian action within a single country context over time and included both flexibility within a programme cycle and in between responses, where humanitarian actors maintain a presence in country. This work has sought to understand how humanitarian agencies adjust their responses, clarify the internal and external barriers to doing so and identify strategies and solutions to improve how humanitarian agencies respond to change, variety and uncertainty in their operating environments. It focuses on humanitarian agencies' external-facing flexibility, and looks only at internal flexibility – the ability of an organisation to change its internal structures, processes and procedures – only as it relates to supporting external-facing flexibility in humanitarian response.¹ Overall organisational flexibility can encompass a much wider range of issues, including reform processes and innovation. Our interest in response-level flexibility is motivated by the recognition that organisational flexibility should be considered from the bottom-up rather than the top-down, and that a better understanding of the successes and barriers to changing a response based on changing dynamics or new learning in a crisis will be a more useful way of informing operational strategies and organisational design choices.

As such, this research also focuses less on how international humanitarian agencies can deal with context specificity in their response models. Previous ALNAP work has looked at alternatives to one-size-fits-all approaches to humanitarian response (Mitchell and Ramalingam, 2014) and to one-off adaptations of response models to new contexts (Campbell, 2016). One-off adaptations are also important to achieving wider uptake of humanitarian innovations (Elrha, 2018). But although this relates to the kind of flexibility that is needed within a response setting over time, it is not the primary focus of the strategies discussed herein.

ALNAP's work on flexibility in humanitarian response has taken a broad approach, seeking to understand what dynamics require flexibility in humanitarian response and what approaches humanitarian actors can use to achieve this flexibility. The definition of flexibility used in this study is:

The range and speed with which an organisation can respond to changes in its operating environment.

¹ For ALNAP's work on internal change processes in humanitarian action, see: Knox-Clarke 2017.



Photo credit: U.S. Navy/Erik C. Barker.

Flexibility involves range – the breadth of changes an organisation is capable of – and speed – the time it takes an organisation to change its response. Different types of situational change require different ranges of action and different timescales for response. In turn, different strategies and organisational designs for flexibility will lead to different combinations of range and speed.

1.3 Organisational flexibility and its implications for response-level flexibility

While this study is not focused on organisational flexibility, there are insights from the literature on organisational flexibility that are relevant for understanding how response-level flexibility can be better supported.

For humanitarian actors, the growing flexibility problem is shaped particularly by the nature of crises. But the need for flexibility is not unique to humanitarian organisations (Verdu, 2009). Organisations across numerous sectors – public, private, development aid – are facing parallel challenges of increased turbulence, uncertainty and complexity, as well as a tension between this turbulence and the ways in which most modern organisations are structured.

This is leading to a demand for new, more flexible approaches to supply chain design, organisational decision-making, business models, team structures, public service design and more. Some of this thinking is starting to enter the aid sector (Ramalingam, 2013). But the going is slow and the changes this would require are substantial.

Lessons from this wider work on organisational flexibility point to three overarching principles when it comes to thinking about the choices that organisations need to make when creating the capacity for more flexible humanitarian responses.

First, **flexibility is not an end in and of itself and will involve trade-offs and costs** (Volberda, 1997; Phillips and Tuladhar, 2000). Flexibility can support better performance in some areas while sacrificing other performance indicators. For example, the relationship between flexibility and operational efficiency is complicated and poorly understood (Phillips and Tuladhar, 2000).

Second, **there are different strategies and approaches to flexibility**, which present different costs and may work better or worse depending on the kind of change facing an organisation – either in its environment or its own objectives (Volberda, 1997; Christopher et al., 2006; Verdu, 2009). Organisations may develop flexible capacities that are well suited for certain types of change, but which may leave them less flexible and able to respond to others (Volberda, 1997; Brusset, 2015).

For example, high flexibility has been found to lead to worse performance in firms that operate in stable and less volatile operating environments (Volberda, 1997; Merschmann and Thonemann, 2011). Similarly, low flexibility contributes to poor performance in firms operating in highly dynamic and complex environments (Sanchez and Perez, 2005; Hetum and Pettigrew, 2006; Mason, 2007). To design the kind of flexibility that leads to better performance, organisations must understand the type of environment in which they are operating – specifically the nature and types of change it needs to anticipate and respond to – as well as the objectives they want to protect, or achieve, amid such changes (Volberda, 1997; Merschmann and Thonemann, 2011; Sanchez and Perez, 2005; Hetum and Pettigrew, 2006; Mason, 2007).

Finally, for most operating environments, **flexibility needs to be paired with a healthy degree of structure and control**. This is what is referred to as ‘the flexibility paradox’: organisations require a certain degree of routinisation and structure in order to be effectively flexible. If there is too little structure, routinisation and control, organisations become too chaotic and consequently underperform or fail (Volberda, 1997). For example, evidence shows that, contrary to expectation, centralised decision-making and control functions can play a supportive role in the flexibility and performance of an organisation; the key lies in selecting which decisions are handled through a centralised process and which decisions are scaled down to junior staff (Volberda, 1997; Hatum and Pettigrew 2006). But of course, too much structure, or creating formalised processes in the wrong part of the organisation, is a fast track to rigid and inflexible organisations. Working out which parts to standardise and where to build stability is a difficult but important task for organisational leaders.

Box 1: When is it OK not to change?

You must not look for adaptation for the sake of looking for adaptation, for change. It's pointless. If something works, it works.

Workshop participant

Adaptive management needs to be about agency, [and ownership] and in brackets I put not the freedom to play God. So, with all of this, we shouldn't just be adapting for the sake of it. It needs justification.

Workshop participant

As mentioned in [section 1.3](#), flexibility is not an end in and of itself. Achieving flexibility will involve trade-offs and costs and these need to be carefully balanced, taking into consideration both the nature and types of change it needs to anticipate and respond to and the objectives it wants to protect, or achieve, amid such changes.

At the ALNAP workshop, one participant shared his experience with a multi-year adaptive programme which featured a requirement for programme staff to make changes to their programming on at least an annual basis, including stopping the lowest performing activities.

Some participants felt that programme staff will only start to engage in more adaptive thinking if changes became a formal requirement. Others, however, questioned whether changes are always required, and while adaptive strategies can improve performance, there is a risk in suggesting that changing a programme is a good in-of-itself. For example, in many health interventions, there may be greater certainty that a programme is working, and changes could be harmful and disruptive. Similarly, when working closely with communities – such as on protection or resilience programming – consistency and reliability is vital and too much change can undermine the relationship between the aid agency and the people it is supporting.²

To consider when it is appropriate not to change, and when changes should be treated more as an expectation than an exception, humanitarian aid workers need a good understanding of the potential volatility in their operating environment. They also need to know if their intervention logic is more like a theory or more like an educated guess. Diagnosing this for programming is discussed in [Section 3](#).

² Example provided by a participant in ALNAP's 2018 workshop.

1.4 Understanding the demand for humanitarian flexibility

To understand the kind of flexibility that humanitarian responses require, ALNAP's research has focused on identifying the triggers, or drivers, for change within a response context. During 2017, ALNAP reviewed 30 evaluations and more than 50 key informant interviews across two country studies – one in the DRC and one in Kenya – to identify a list of events or occurrences that led to either a change or a perceived need for change in a humanitarian response (implemented or not). This list was cross-checked against the 120 evaluations from 2015 to 2017 that were reviewed as part of *The State of the Humanitarian System 2018* report and further triggers were added.

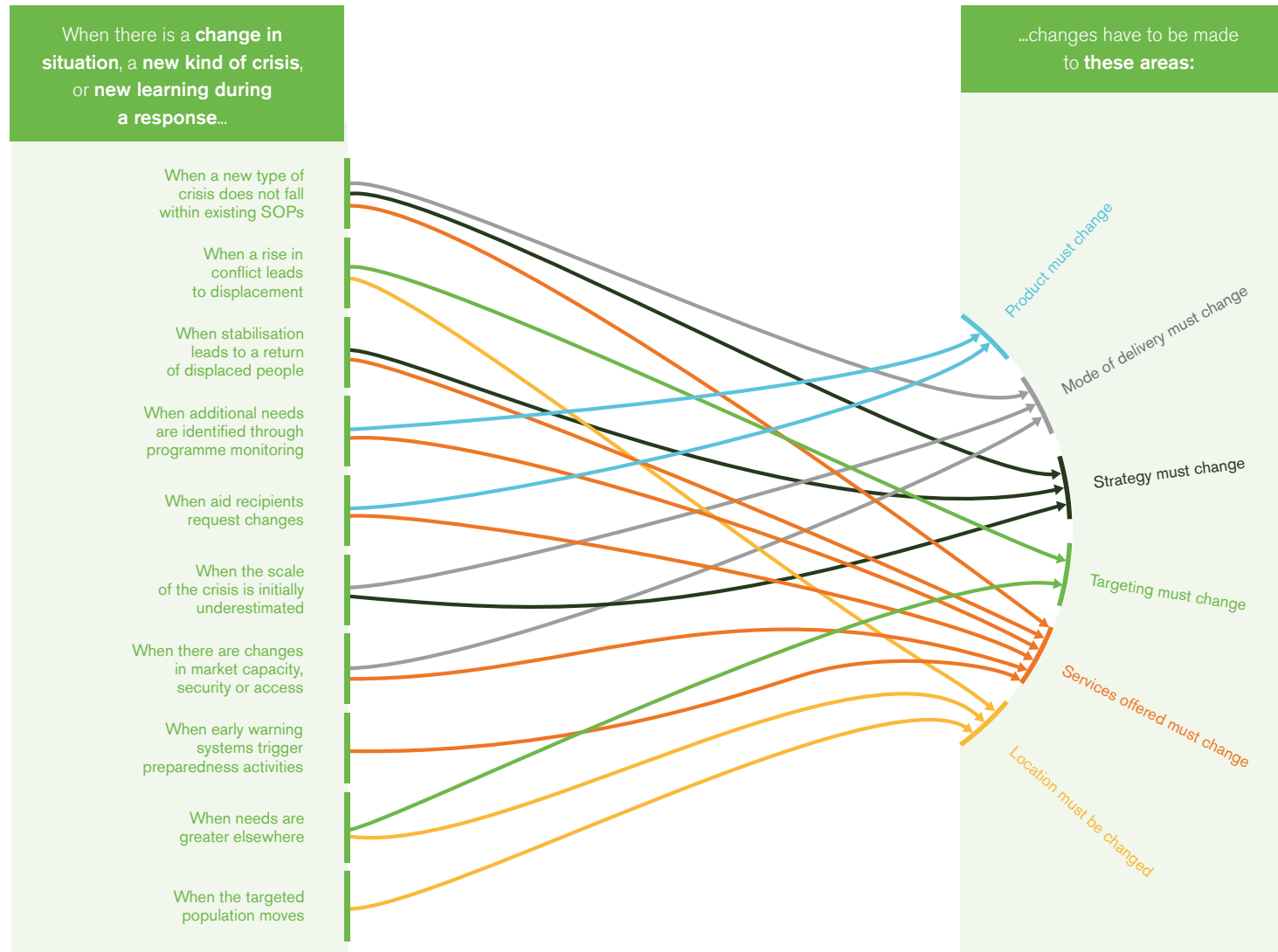
This analysis revealed four main types of trigger that lead humanitarians to change how, what and where they deliver humanitarian intervention (see also [Figure 1](#) for a more detailed list):

- 1. The start of a crisis.** In protracted or chronic crises, new outbreaks of conflict or disease, or natural hazard events can trigger a rise in acute humanitarian needs requiring additional resources or new programming.
- 2. The end of a crisis.** Many people affected by crisis still require support as they transition into early recovery or return to their homes after being displaced. If early recovery is not adequately supported, people can easily become repeated humanitarian aid recipients when another shock occurs.
- 3. The humanitarian situation (needs, location, context) has changed.** One of the most common types of change to which humanitarians must respond is a shift in the humanitarian situation itself. This includes what is most needed by people affected by crisis, where those people are located, and broader contextual factors that impinge on the situation, such as conflict dynamics and socio-economic and political trends.
- 4. Our understanding of the problem, or its solution, has changed.** Humanitarians also collect or receive regular information on how their programmes are performing, either from programme monitoring data or in the feedback from crisis-affected populations. This information can be a trigger for new understanding of the best solutions to humanitarian problems, which should ideally result in changes in programme design.

Adaptive management needs to be about agency, [and ownership] and in brackets I put not the freedom to play God. So, with all of this, we shouldn't just be adapting for the sake of it. It needs justification.

Workshop participant

Figure 1: Common triggers for changes to humanitarian responses



Source: Author's own, based on IRC's four-part Context and Evidence Framework and Green (2016).

Note: The list above was drawn from a review of humanitarian evaluations from the period 2007-2018. For the full list of the events and situations leading to changes in humanitarian responses, please refer to the table on pages 13-16 in (Obrecht and Bourne, 2018).

1.5 The flexibility challenge within humanitarian response

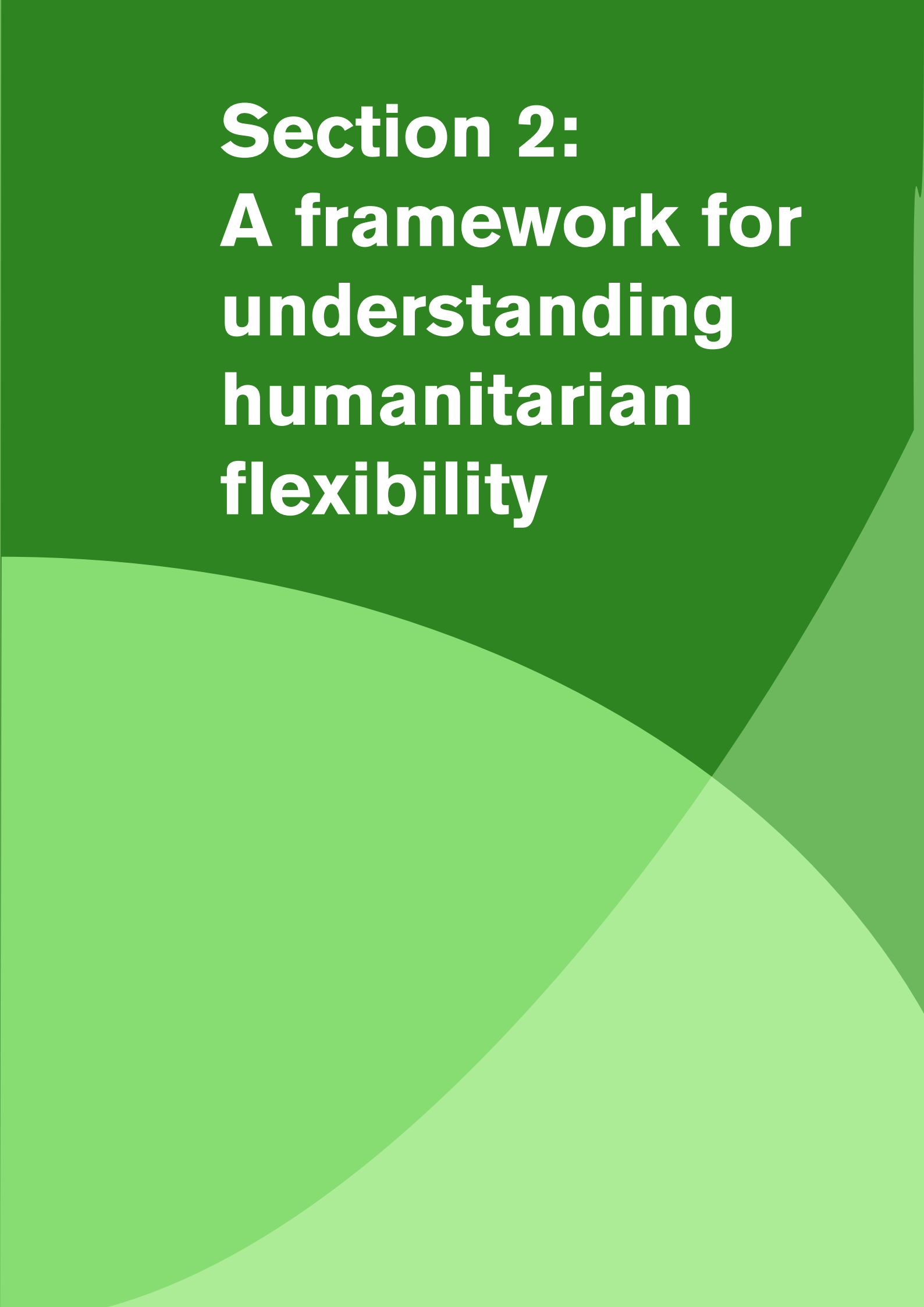
Most humanitarian organisations have been designed to be flexible with respect to one particular type of change (the onset of a crisis) and two particular types of uncertainty: where and when a disaster or crisis will occur. These factors occupy the centre of gravity for most humanitarian capacities for flexibility.

To be able to respond to any crisis, worldwide, at any time, organisations face the flexibility paradox (see [section 1.3](#)). In practice, this means paying for flexibility in one area of their organisations by creating stability and reducing flexibility in other areas. Humanitarian organisations have sought to achieve such stability by standardising services and products and creating systems that enable fast delivery of a narrow set of services.

Evidence suggests that this strategy can work well for basic packages of support over a short period – which some would argue is the traditional ‘bread and butter’ of humanitarian aid (ALNAP, 2018). But this approach is not good for supporting changes within a response or making improvements to programme designs over time.

When many people think of flexibility within humanitarian response, they point to changes such as a shift in targeting due to reduced availability of supply or a change in mode of transport. These are best described as **reactive forms of flexibility**: shifts made fairly quickly on the basis of little information and in response to incremental changes in the environment. Such changes tend to be moderate, short term changes to address operational issues. And while they may result in small improvements to the quality and effectiveness of aid, they do not generally lead to significant programmatic changes or new insights into the problem being addressed.

Moving from a system that will do the same thing anywhere at any time to a system that can do different things in different places at different times requires new thinking about the structural flexibility of humanitarian agencies. Working more collaboratively and in networks is another way that agencies can support a more flexible response without having to make those changes themselves. These models tend to be overlooked in the humanitarian sector but offer an important strategy that can sit alongside an organisation’s work to enhance its own flexibility (see [Figure 1](#) for more on networks and collective approaches).

The background is a solid dark green color. In the lower half, there are several overlapping, curved shapes in lighter shades of green, creating a layered, abstract effect. The text is positioned in the upper left quadrant of the page.

**Section 2:
A framework for
understanding
humanitarian
flexibility**

Section 2: A framework for understanding humanitarian flexibility

2.1 Choosing strategies for flexibility

Organisations can employ two different strategies for flexible humanitarian response – anticipatory and adaptive.³ These two strategies have different implications for organisational capacity and resourcing, and will be better suited for different situations. It is therefore critical to understand the difference between them and the situations for which they are most appropriate.

Flexible action consists of taking the best possible action in response to change. The essential question is whether these changes (and the best possible actions to respond to them) can be known in advance.

Humanitarian actors may not know when or exactly where displacement will occur, but can anticipate it in a setting where there has been protracted conflict and frequent cycles of displacement. They may also know a good set of response options for addressing the needs of those who have been displaced by violence. For these types of changes, it is appropriate to use an **anticipatory strategy**, which analyses and prepares for a range of potential actions that an actor may need to take, based on situational factors that can be monitored.

But what if there are changes that we do not anticipate? What if a country that was expected to be on a pathway to middle-income status descends into one of the worst humanitarian crises in the world? (Poole, 2010) What if displacement or flooding happens in a part of a country that has not experienced these types of crises before? (Davies, 2014; Peacocke et al., 2015; Obrecht, 2018)

³ These strategies were identified through ALNAP's research on operational and programmatic flexibility. This is consistent with earlier work, undertaken by the Humanitarian Futures Programme, on the characteristics of 'future-fit' humanitarian organisations, based on studies with multiple United Nations, non-governmental organisation and donor agencies over a period of 10 years. This work identified five capacities for future-fit organisations: anticipation, adaptation, innovation, collaboration and strategic leadership (www.humanitarianfutures.org/toolkit).

Alternatively, what if we don't know what might be the best response to a trigger for change? For example, we can reasonably expect that displaced people will have protection concerns, but what if we are unsure about how best to address this in a particular context? (Interaction, 2016) Perhaps we think that we should be contributing to resilience or supporting people as they move into early recovery from a crisis, which can involve the more complex objectives of supporting sustainable livelihoods or land ownership. Perhaps we try to deliver a health programme and discover that there are psychosocial and behavioural issues influencing the way people engage with the services and that we are not equipped to address them.

For these last two triggers – changes we do not anticipate, and uncertainties about programme effectiveness – anticipatory strategies cannot work. This is because there is too much that we do not know about the range of actions for which we need to prepare. Instead, to deal with these types of changes, organisations must build a different type of capacity, one that allows them to take in information, analyse or learn from this, and then apply the learning to make changes to strategy, programmes or operations. These are **adaptive strategies**.

There are some in the humanitarian sector who believe that most of the changes that arise in a humanitarian response setting are of the first type. There are others who see the second type of change as growing to become the predominant trigger for humanitarian flexibility in many crisis contexts around the world (Mercy Corps and IRC, 2015; Booth et al, 2018; Wild and Ramalingam, 2018). These perspectives are rooted in different levels of confidence in existing programme designs and beliefs about the nature of change in a crisis context. They are important to clarify within an organisation and country team as they influence the mix of anticipatory and adaptive strategies that should be applied.

The use of anticipatory and adaptive strategies also depends on how humanitarians think about participation and accountability towards crisis-affected populations. In theory, anticipatory strategies could be developed and agreed with crisis-affected populations. In practice, there are few opportunities for humanitarian actors to engage in this kind of participatory design with targeted aid recipients prior to an intervention.

For this reason, adaptive strategies may be more appropriate – though their success will depend on the boundaries a humanitarian actor (or its donor) places on the services they are willing to offer and the range of changes they are willing to make. Communities may ask for different products (e.g. wheelbarrows and clothing instead of standard non-food-item (NFI) kits), or different services (e.g. health services in addition to latrines) or come to agencies with entirely different problems to prioritise (e.g. building schools). While shifting to address these needs can increase the relevance of humanitarian action and re-centres decision-making power closer to crisis-affected people, it also raises questions about the degree to which humanitarian solutions should be customised to the preferences of a particular target population (ALNAP, 2019).

In many cases, and if well designed to the different changes being faced in a response context, a combination of adaptive and anticipatory strategies will be possible and advantageous. To understand this, agencies can ask in relation to a potential trigger:

- Is it possible to create structures and resources for specific response options in advance? Or,
- Does the nature of this kind of change/uncertainty mean that it is necessary to prepare for continuous learning and the identification of changes in real time?

2.1.1 Anticipatory strategies

With an anticipatory approach, greater variety in response options are planned for and resourced in advance, so that when changes happen, the organisation can shift. Anticipatory approaches rely on, and can in turn support, reduced uncertainty and ambiguity and improved clarity and consensus among different actors. Anticipatory strategies in humanitarian action make use of any or all of the following:

- contingency-style preparedness plans, with triggers and menus of response design options
- scenario-based modelling and prediction
- modular programming or products, e.g. dignity kits with items that can be swapped out or changed
- consortia or framework agreements that allocate roles and responsibilities for different responses in advance.

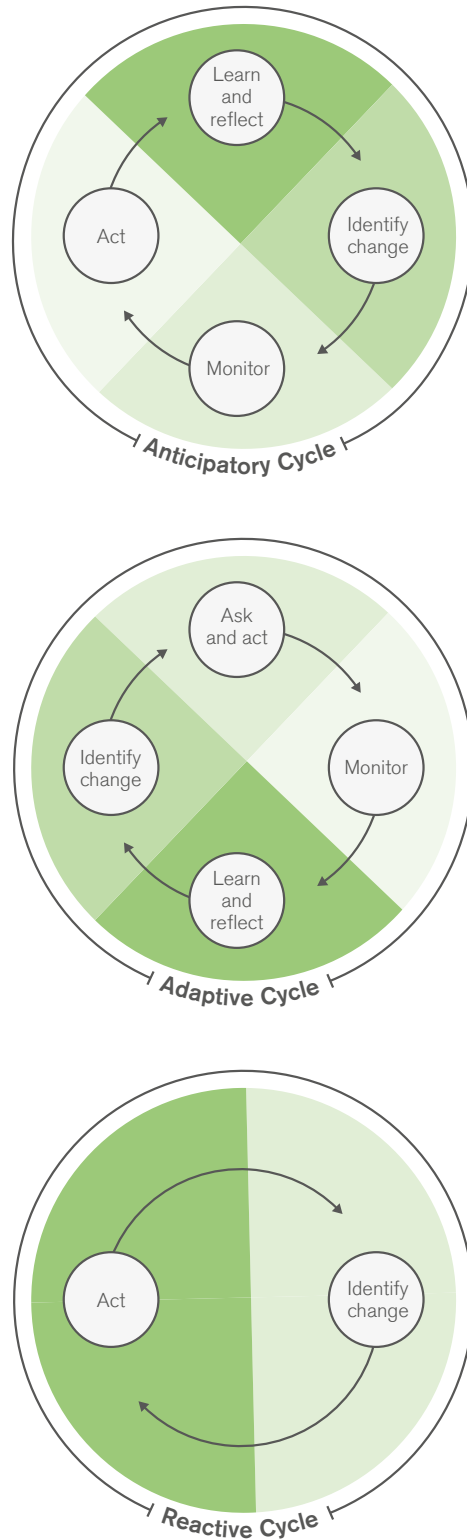
Information gathering and analysis are front-loaded in an anticipatory strategy ([Figure 2](#)). Data from previous experience is used to model potential scenarios (Step 1: learn and reflect) and identify the range of response options (Step 2: identify change). An organisation's operations and its external environment are then monitored for the relevant triggers (Step 3: monitor) that tell decision-makers it is time to switch responses (Step 4: act).

Humanitarian agencies may feel more comfortable with anticipatory strategies as they involve planning and are therefore more similar to traditional programme management. The difference is that traditional programme management picks a single response option and expects teams to execute this plan while anticipatory strategies plan for change to happen but do not necessarily prescribe which response should be used. Rather, anticipatory strategies provide a menu of options and put in place systems and resources so that teams can switch between them relatively swiftly.

Anticipatory strategies still require human agency and judgement to assess a mixture of monitoring data and interpret this for action. The difference between an anticipatory and an adaptive strategy is that options for response have largely been sketched out in advance and resources provided to enable fast implementation.

A major challenge to using anticipatory strategies is resourcing. Preparedness is generally underfunded in the sector (ALNAP, 2018) and it is difficult for agencies to manage the staff and materials necessary to be ready to switch quickly between multiple response options.

Figure 2: Anticipatory, adaptive and reactive processes for action



2.1.2 Adaptive strategies

Wherever humans have had to confront complexity, adaptive strategies have been developed as a more appropriate way to manage work and achieve value – from ecosystem management (Holling, 1978) to social change (Eoyang and Holladay, 2013); international business (Lee, 2004) to international aid (Ramalingam, 2013).

Adaptive strategies are those which support an organisation to search out information, learn or analyse and make changes based on this learning in an appropriate timeframe. The decision to use an adaptive strategy generally begins with the acknowledgement that it is not clear how best to achieve success in a given context. Adaptive management therefore starts with a mindset shift. It offers a greater departure from traditional project management approaches, which execute a single plan of action based on a linear causal model (Ramalingam, 2013; Mercy Corps and IRC, 2015; Valters et al., 2016; Grey, 2018).

In the adaptive cycle, an actor begins by identifying the best available actions take based on working knowledge of the problem and the most appropriate approaches to addressing this (Step 1: ask and act). Information is gathered on the environment and staff use this to understand what is happening around them (Step 2: monitor). There are routine opportunities to reflect on this information (Step 3: learn and reflect) and take decisions that change the programme based on this reflection (Step 4: identify change). Several advocates of adaptive programming in the aid sector suggest that this cycle should be applied across multiple activities at the same time, as a series of ‘small bets’ (Wild et al., 2015) to test multiple potential solutions when the best approach to a problem is unknown (Valters et al., 2016; Booth et al. 2018).

In comparison to the reactive decisions that are often made in humanitarian response, adaptive strategies are a more radical approach to humanitarian flexibility. This is because they require the organisation to fully internalise the idea that it cannot plan its way to reliable performance but must instead create systems, practices and a culture that allows learning to be used to create new ways forward. Christian Aid, for instance, considers its humanitarian programming to be flexible but not always adaptive, in so far as changes to its humanitarian operations and programming are not informed through regular, structured reflection on the intervention logic – in contrast to its development work, where these approaches are being applied more extensively.⁴

Similar to predictive strategies, adaptive strategies are challenging to fund in humanitarian organisations: bilateral grant funding is the dominant form of humanitarian financing and most grant agreements do not allow for the trialling of multiple activities simultaneously or for iterating and changing a programme once its budget has been agreed. In an adaptive approach, initially planned outputs may not be achieved if a set of activities is changed, which can be challenging if accountability to donors is based on output monitoring and reporting.

⁴ Email correspondence, Christian Aid, 2 May 2019.

Box 2: Adaptive management in the development sector

In the past five years, adaptive management has been the focus of an active and growing movement for change within the international development aid community (Ramalingam, 2013; Ramalingam, 2015; Booth et al., 2016; Green, 2016; Mercy Corps and IRC, 2016; Valters, et al., 2016; Desai et al., 2018), born out of frustrations with inflexible logical frameworks and contracts and the inability to gain traction on addressing complex development problems.

Adaptive management has several definitions in the development sector, all centring around similar themes of learning and continuous improvement:

The individual, programmatic and organisational ability to access and use knowledge, information and data in an ongoing manner in strategic and operational decisions (Ramalingam, 2015: 2).

An iterative process, calling for the integration of science and management, treating policies as experiments from which managers can learn (Wise, 2006).

A structured, iterative process of robust decision-making in the face of uncertainty, with an aim to reducing uncertainty over time via system monitoring ... a tool which should be used not only to change a system, but also to learn about the system (Holling, 1978; MercyCorps, 2018).

Managing adaptively is about accepting, working with, and learning from change, and using this learning to be more effective (Sugden, 2016).

Working adaptively in the development sector is closely linked to devolving power to local actors and working with highly localised solutions, rather than from 'donor preconceptions and supply-driven impulses' (Booth et al., 2016: 16). It is seen as particularly important for dealing with the institutional and political barriers that can often stymie longer term development progress, as well as relevant for addressing the unique challenges in states grappling with fragility and conflict.

Why adaptive strategies are important in humanitarian response

In contrast to the development sector ([box 2](#)), which grapples with longer-term political issues, there is a stronger assumption in the humanitarian sector that good quality assessments at the outset of a project will ensure the relevance and effectiveness of humanitarian programming throughout its lifespan. The belief that follows is that significant changes to programming do not reflect good practice but instead point to a failure in the initial assessment. Humanitarian actors already structure their organisational functions for a certain type of flexibility that is built around fast response and operational agility, which should be enough to handle unexpected challenges in their operating environment. This raises an

important question: to what extent do we think humanitarian actors should be adapting their programming over time, or do such changes reflect a poor initial investment in understanding the context and situation?

Both strong initial planning (aided by context analysis and needs assessment) and strong monitoring and adaptation (aided by continual context analysis and mechanisms to monitor feedback from affected people and the impact of programming on them and their needs) play a role in the overall effectiveness and quality of humanitarian response. And while there is insufficient performance data to understand the comparative contribution of each, there are three main reasons why adaptive management approaches merit further consideration and support in humanitarian operations.

Sometimes, initial planning is poor due to lack of time and resources. This places greater demand on the ability to monitor and make adjustments as programming is implemented. The lack of lead times has long been cited as a key barrier to incorporating the perspectives of crisis-affected people in programme design, and the humanitarian sector lacks a strong evidence base on effective programming. As such it is unclear what modifications to activities or programme design are needed from one context to another to achieve positive outcomes. This points to a clear need to monitor and learn about programming and its effects as it is implemented, and to have the ability to make necessary changes based on new information that could not have been known to an agency at the outset.

Even when preparedness measures are taken, operational uncertainty requires continuous monitoring and the willingness to change locations or activities to respond where need is greatest. Even in contexts featuring strong investment in disaster preparedness, plans are made with the recognition that, in an actual disaster, situations may occur that cannot be predicted or planned for in detail. Recent research argues that:

To be appropriately anticipatory will also mean that those organisations seeking to anticipate future threats will have to be adaptive, willing to adjust not only their perspectives, but their procedures and operations as well to meet such challenges in order to remain sensitive to myriad threats and ways to offset them. (Kent et al. 2016: 10).

Operating contexts can change quickly, requiring modifications to existing plans or entirely new approaches, particularly when populations move or when new and urgent needs are identified during a crisis response. In some respects, classical operational flexibility in humanitarian agencies is becoming more limited due to how funding is provided and due to the costs of maintaining operational agility. These constraints raise important questions on how operational flexibilities in the humanitarian sector can be maintained in the most cost-effective manner.

For certain problems and new crisis paradigms, planning is insufficient for good performance because programme effectiveness is highly uncertain. These problems are complex, requiring highly contextualised approaches with higher uncertainty as to how to achieve an intended outcome.

For certain problems and new crisis paradigms, planning is insufficient for good performance because programme effectiveness is highly uncertain. These problems are complex, requiring highly contextualised approaches with higher uncertainty as to how to achieve an intended outcome.

For particular problems, such as early action or early recovery, and for new crises such as the responses to the Ebola Outbreak or the European Migration Crisis, plans either do not exist, or must remain fairly broad and open to accommodate high degrees of uncertainty on what will be most effective. This requires the adaptive ability to modify and change programming along the way, and/or look to stronger coordination and handover between humanitarians and other actors, who can offer adaptive solutions to complex problems at a collective level.

2.2 Areas of focus for flexibility

A critical question for leaders of humanitarian actors is: where is the focus for the organisation's flexible capacity in a response setting? What do they want to be able to change? Where can they apply anticipatory strategies and where should they apply adaptive ones? ALNAP's work over the past two years identified five areas for change at the response level.⁵ These are:

- **Delivery:** where aid is delivered and how (e.g. remote vs direct delivery)
- **Product:** the mix, or variety, of goods and products offered by the agency
- **Targeting:** who is targeted for assistance and protection by the agency
- **Services:** the programme modality and type of solutions (i.e. which sectors) offered by the agency
- **Strategy:** changes to the organisation's role or organisational/country strategy.

In the development sector, areas for change are broadly separated into 'tactical' and 'strategic' changes. Tactical changes are those that alter how the intervention is delivered based on changes in the environment or new information; strategic changes are changes to the overall intervention design or its objectives (Wild and Ramalingam, 2018).

Delivery, product and targeting changes tend to be more tactical and do not require substantial rethinking of a programme logic or plan (although even these tactical changes often require approval processes). Depending on the depth of flexibility (see [section 2.3](#)), changes to services in a response can be either tactical (e.g. small tweaks to programming based on feedback from aid recipients) or more strategic, if significant changes are made to the

⁵ Previous ALNAP publications on adaptiveness have grouped these same factors into three categories (rather than five), and referred to these as operational, programmatic, and strategic adaptiveness. However, there are operational implications for changing programme modalities and, similarly, programme staff are often involved in changes in targeting or mode of delivery. This report therefore describes these more explicitly in terms of what is being changed, leading to five categories.

programme logic or modality based on new learning. Making changes to the role of the organisation or its country strategy can invite a wider perspective on what a humanitarian organisation is trying to achieve and will therefore tend to reflect more of a strategic type of flexibility than a tactical one.

2.3 Depth of flexibility

To be flexible, organisations need to be capable of executing a range of behaviours in an appropriate amount of time. We can understand the depth of an organisation's flexibility in terms of both these capacities:

- **Range:** to what extent are you willing to change or adapt in response to learning or environmental change? That is, superficial or minor adjustments, or radical shifts?
- **Speed:** how quickly do you want to be able to make these changes?

Figures 3 and 4 show how the depth of flexibility can vary across all five flexibility areas, with examples.⁶ Figures 4 and 5 give examples of organisational profiles using the framework.

⁶ The examples given in the figures are not exhaustive.



Figure 3: Range of actions

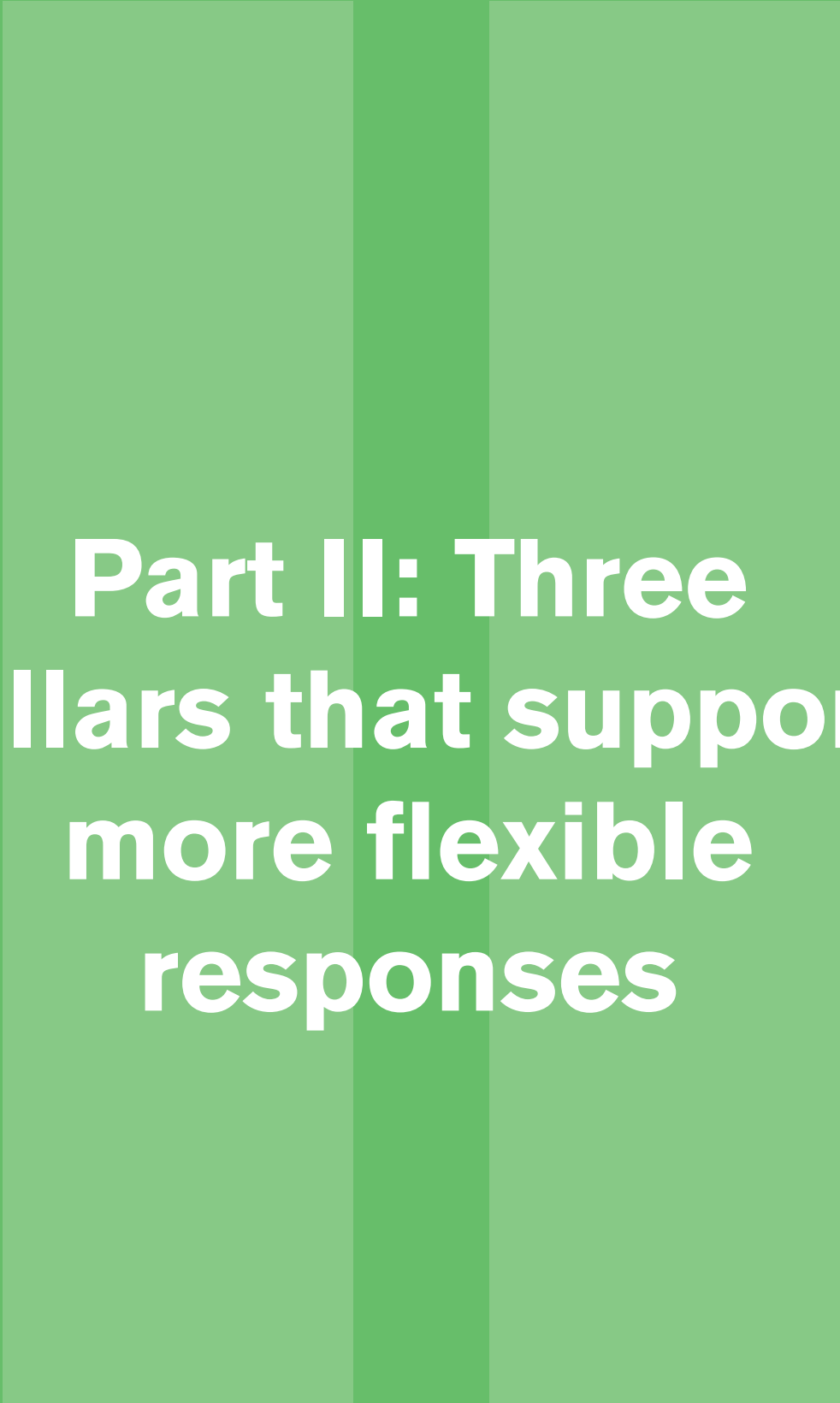
Key	The range of actions given below are examples. What is considered to be a low or a high range of action is dependent on the context and type of crisis.		
	Example of a narrow range of available actions	Example of medium range of action	Example of a wide range of available actions

Aspect of humanitarian response	Range of actions available		
	Low range	Moderate range	High range
			
Location or mode of delivery	<p>Examples</p> <p>Can respond to crisis in locations within a single province</p>	<p>Examples</p> <p>Country-wide response capacity with remote delivery</p>	<p>Examples</p> <p>Access to variety of air and ground transport options</p>
Who is targeted	<p>Cannot add new recipients to original targeted population</p>	<p>Redirects assistance to newly displaced/affected populations from those facing less severe needs</p>	<p>Can expand and reduce targeted populations on a routine basis using monitoring and updated needs analysis</p>
Products within a programme	<p>Standardised basic needs kits packaged at central locations and distributed globally</p>	<p>Centralised catalogue offers range of items that can be included in kits</p>	<p>Postponement strategies used to build kits at local distribution sites, with customised combinations of products</p>
Programme modality	<p>Unable to change programme modality</p>	<p>Changes from NFI delivery to vouchers or cash, and vice versa, based on routine market monitoring</p>	<p>Uses multi-sectoral programming approaches to address needs, adding and removing service components as required</p>
Response objectives	<p>Country strategy and programme objectives are determined by global process and not easily adjusted</p>	<p>Strategic objectives changed based on review of nature of crisis and organisation's mission, leading to different modes of operating</p>	<p>Significant changes in the types of programming offered and skillsets it recruits</p>

Figure 4: Rate of speed

Key	The timings given below are examples. The range of speed that counts as 'low' or 'high' is dependent on the context and type of crisis.	
	Example duration of a low speed change	Example duration of a high speed change

Aspect of humanitarian response	Speed at which at change can be made	
	Low speed	High speed
		
Location or mode of delivery	8+ weeks	< 2 weeks
Who is targeted	Between programme/ grant cycles	< 6 weeks
Products within a programme	4+ weeks	< 72 hours
Programme modality	Between programme/ grant cycles	< 3-4 weeks
Response objectives	5 years	1 year

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**Part II: Three
pillars that support
more flexible
responses**

Introduction

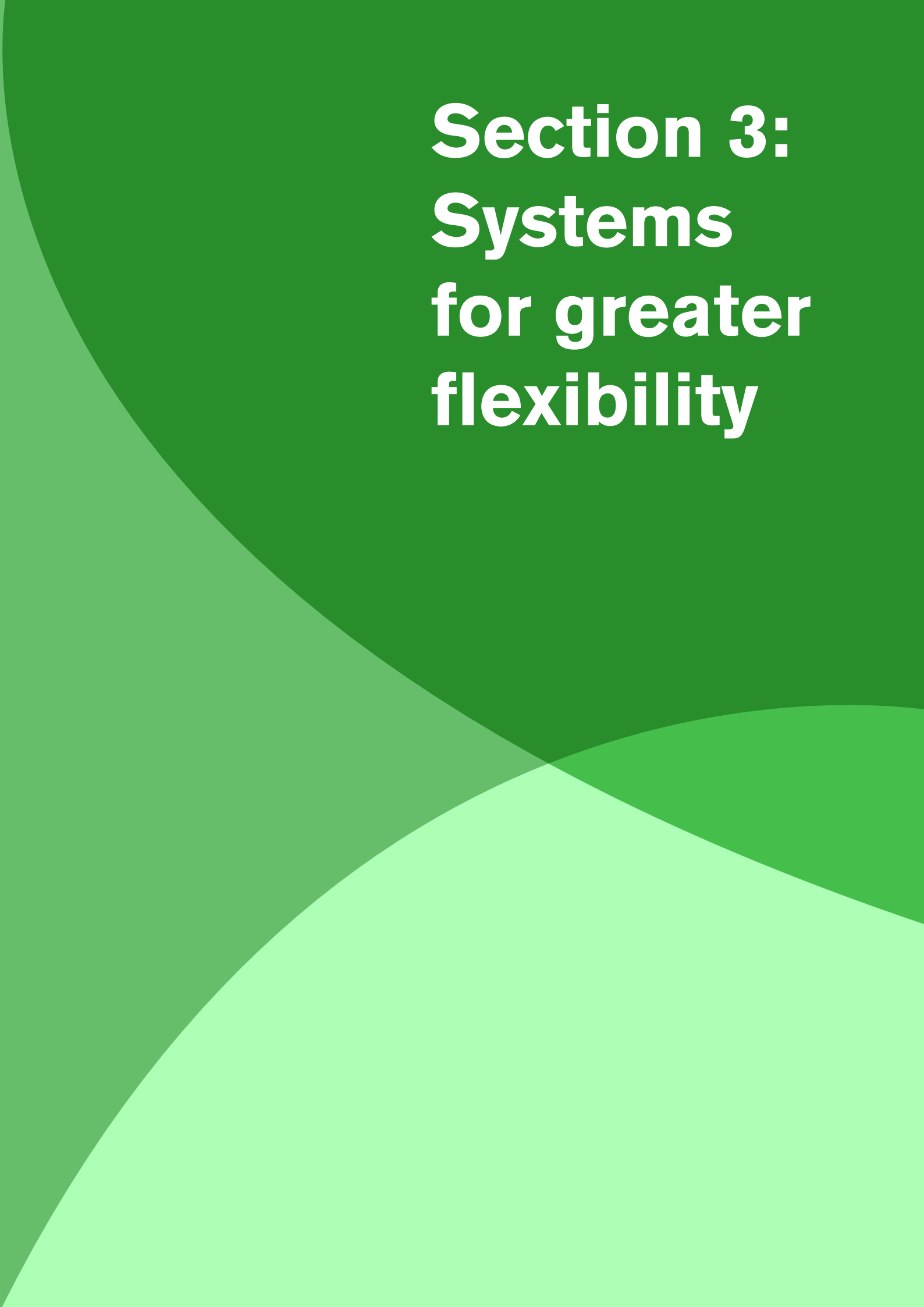
ALNAP's research identified five main factors that supported flexible humanitarian responses:

- organisational systems
- people and culture
- funding
- leadership
- collaboration

Part II of this report covers the first three of these factors. Leadership and collaboration are not covered in detail as these have been explored in other ALNAP research (Knox Clarke, 2014; Saavedra and Knox Clarke, 2015). But it is important to note their relevance here for supporting flexible humanitarian response.

To move forward on creating flexible systems, people and culture, and funding mechanisms, strong leadership is needed. Leaders set the tone for flexibility to be valued and to be possible, particularly when this involves moving away from long-held risk management approaches that can stymie flexibility and increase rigidity. The research for this study did not reveal any overwhelming evidence for the specific characteristics of leaders that lead adaptive and flexible organisations, although these characteristics can reasonably be expected to map onto similar characteristics identified for effective crisis response, as discussed in previous ALNAP research. Section 4 of this report, on people and culture, touches upon the role of managers in creating and supporting adaptive teams.

Collaboration is an important tool for flexibility, as it allows multiple agencies to gain a greater collective range of response options in comparison to what each can achieve on its own. The Democratic Republic of Congo (DRC) and Kenya studies undertaken in the ALNAP workshop identified several examples of collaborative approaches that allowed one agency or department to hand over to another when the problem being addressed no longer fit their capacity or area of expertise. Consortia approaches, while facing their own challenges in terms of management and incentives, can be a way to increase response-level flexibility, and at the ALNAP workshop participants discussed models such as UNICEF's Rapid Response for Movement of Populations (RRMP) or the Start Network's collaborative country-based pooled funding mechanisms, both of which are described in more detail in the Kenya and DRC country studies on humanitarian adaptiveness.



Section 3: Systems for greater flexibility

Section 3: Systems for greater flexibility

3.1 Flexible logistics, supply chain and procurement systems

Providing humanitarian aid generally depends upon the movement of material resources, be these cash or in-kind items, materials provided directly to aid recipients or used to support programme activities. Building flexibility into how these materials are sourced and moved is essential for humanitarian action to respond to new learning or changes in its environment. And so humanitarian logistics and procurement are just as vital to organisational flexibility as programming or monitoring.

Humanitarian logistics is:

The process of planning, implementing and controlling the efficient, cost-effective flow and storage of goods and materials as well as related information, from the point of origin to the point of consumption for the purpose of meeting the end beneficiary's requirements.

(Thomas and Mizushima, 2005: 60)

It encompasses supply chain management and is related closely to the financial function of procurement.

Supply chain management, logistics and procurement processes have a significant influence on the performance of humanitarian aid (Thomas, 2003; Mwanjumwa and Simba, 2015) and there is evidence both within and outside the humanitarian sector that agility and adaptiveness in supply chain and procurement systems are linked to better performance. For example, some suggest that agility and adaptiveness may be more important than efficiency when it comes to influencing firm competitiveness in the private sector (Lee, 2004) and response time and quality of materials in the humanitarian sector (Dubey and Gunasekeren, 2016).

Yet humanitarian programme staff commonly consider supply chain systems and procurement processes to be more of a hindrance to greater responsiveness and effectiveness rather than an enabler of flexibility (Mwanjumwa and Simba, 2015). This was borne out in ALNAP's field

research, during which many of the examples of barriers to flexibility and adaptation described by programme staff centred around their organisation's procurement and logistics processes.

Humanitarian programme staff commonly consider supply chain systems and procurement processes to be more of a hindrance to greater responsiveness and effectiveness rather than an enabler of flexibility.

3.1.1 How logistics, supply chain and procurement can inhibit flexibility

Generally, supply chain, logistics and procurement functions can support changes in a response reasonably well if anticipatory strategies are used. This means identifying potential changes up front and preparing for them with open contract agreements or the use of modular components that can be pre-positioned. However, when it comes to changes that necessitate adaptive strategies – namely unexpected changes or new learning about a programme's effectiveness – supply chain, logistics and procurement functions were found to inhibit flexible operations and programmes in the following areas.

Delivery times. If a programme is changed in a way that necessitates different quantities or types of materials, this needs to be procured either locally or globally. Stock availability is a significant problem, as well as cost and time, due to the difficulty of transporting goods to regions amid a crisis. Procuring materials locally may be faster but can be limited if supply chains have been significantly impacted by a disaster or crisis, and key informants also noted that the quality of materials can be more variable.

Standardisation. Humanitarian response supply chains are built around what is considered typical or standard for addressing a set of pre-defined humanitarian needs, rather than the preferences of individual aid recipients. They operate in a way that is similar to 'make-to-stock' in a manufacturing supply chain (see [Box 3](#)), meaning that aid recipients have little ability to shape the product or service they are receiving. Humanitarian organisations can therefore fall into delivering solutions in silo rather than addressing needs more holistically and are often limited in their ability to tailor responses to specific demands.

Standardising the basic items provided as emergency relief offers many benefits: it makes it easier to assure quality and for agencies to share stock with one another. Standardisation supports pre-positioning of relief items, which is linked to faster response times (Stumpf et al., 2017). However, the reliance on standardised stock to speed up response times means that when more bespoke or customised items are requested, it can take considerably longer to source these. Attempts to apply more of user-centred design approach to humanitarian aid – that is, one that is more customisable

and tailored to the aid recipient – have faced limitations based on agency procurement policies (Bourne, 2019; see also [section Connect the feedback loop](#)).

Compliance procedures and processing times. Requests to change the quantity of stock or the type of items in an intervention can take weeks to process within an organisation’s systems. If logistics, supply chain and procurement staff do not know the best way to speed up this process, or are not motivated to do so (see also the following two points), then this can contribute to programme staff avoiding improvements or necessary changes to their intervention, out of concern for the time and effort involved in making the change happen.

Box 3: Decoupling points in supply chains

The concept of decoupling points, and push-pull systems, plays an important role in understanding the linkages between supply chain systems and the ability of humanitarian agencies to customise and tailor support based on feedback from crisis-affected people. All supply chain systems use a combination of ‘push’ and ‘pull’ systems: ‘The demand process is driven by customer orders, and this “pulls” the product through the supply chain. The supply process is driven by forecasts, with the intention of “pushing” product to a stock point in anticipation of future demand’ (Mizushima 2019).

The decoupling point refers to where the push and pull sides of the chain meet, as it ‘decouples the order-driven and forecast-driven activity.’ (ibid.) The location of the decoupling point is an indication of the degree to which a business exposes its supply chain to variation from the customer.

Many humanitarian organisations operate a system that is initially highly ‘push’ – like made-to-stock (MTS) – with the decoupling point all the way down at the aid recipient level. In the aftermath of a crisis, or as a project continues, humanitarian supply chains introduce more ‘pull’, using a make-to-order (MTO) approach in which special items can be procured, although these still need to be pre-approved in an organisation’s catalogue. In humanitarian programmes it is rare to see the decoupling point high up the supply chain, where aid recipients can shape the design of the solution provided.

While agencies have developed their procurement systems in line with donor requirements, these systems may err on the side of greater rigidity and diligence than what is required in reality. For example, attempts made by the Directorate-General for European Civil Protection and Humanitarian Aid Operations (DG ECHO) to streamline procurement processes using pre-approved Humanitarian Procurement Centers (HPCs) were hampered by ‘unnecessarily complex procurement procedures’ that continued to

While agencies have developed their procurement systems in line with donor requirements, these systems may err on the side of greater rigidity and diligence than what is required in reality.

be used by DG ECHO partners even when these procedures were not required as part of the funding agreement (European Union, 2019: 32). And if procurement staff are not familiar or confident in a donor relationship, they may apply due diligence procedures that are not actually required to implement changes.

Capacities of logistics, supply chain and procurement staff.

Professionalisation of logistics and supply chain functions has been a longstanding gap in the humanitarian sector (Fritz Institute, 2019; European Union, 2019). This is being exacerbated by the rise in cash-based programming, a modality that requires a different set of skills than those required for managing vehicle fleets or arranging food shipments. The result is that these staff may not have the skills, knowledge or experience they need to make significant changes across modalities, and to make them swiftly and confidently.

Mindsets of logistics, supply chain and procurement staff. The mindsets of logistics, supply chain and procurement staff may be oriented towards efficiently executing an agreed plan, rather than being the sort of mindset that supports change and improvement within programmes. Some of this has to do with accountability – plans create clear expectations against which staff can be held accountable and changes can be disruptive and imply that mistakes have been made. But it also has to do with timing: programme staff can communicate changes poorly, at late stages, and can tend to regard logistics, supply chain and procurement staff as ‘support’ or ‘back office’ roles that are secondary to programming. This can further entrench these operating mindsets and contributes to a lack of shared ownership for achieving country or programme objectives.

3.1.2 Creating more flexible supply chain, logistics and procurement systems

When thinking about the flexibility of their supply chain, humanitarian organisations need to consider their capacity to:

- change location and mode of delivery (Flex area 1: delivery)
- offer a wider range of products (Flex area 3: product)
- change or adjust what is delivered within a modality or sector depending on context (Flex areas 3 and 4: product and services)
- change programme modality or sector (Flex area 4: services)
- change or manage multiple supply chains simultaneously in order to deliver different services or adopt a different role within a context (Flex areas 4 and 5: services and role/strategy).

In the business sector, supply chain flexibility has received significant attention over the past decade as markets have become more complex and competitive, with more ‘dynamic demand’: customers demanding greater variety, in faster delivery times, while maintaining lower loyalty to individual brands or service providers (Christopher et al., 2006; Verdu, 2009; Daaboul and Da Cunha, 2015).

Because humanitarian logistics and supply chain systems have been designed to deal with dynamic demand in terms of the location and mode of delivery (and to some degree in terms of product mix, or variety), there have been attempts to transfer lessons from the humanitarian sector to the private sector when it comes to these types of flexibility (Charles et al., 2010).

Equally, the private sector’s work on tackling the management of multiple supply chains to achieve more complex forms of service and strategy level flexibility may offer lessons for humanitarian organisations – particularly as they move towards combined cash-based and in-kind services (Tomasini and Van Wassenhove, 2009; Beamon and Balcik, 2014; Fritz Institute, 2019).

Designing supply chains and procurement processes for greater flexibility is a significant undertaking and will need to be tailored to individual agencies. Supply chain flexibility can be built through anticipatory or adaptive strategies (see more on each in subsections [Think strategically about logistics, supply chain and procurement](#) and [Invest in staff capacity and skills](#) respectively). Anticipatory strategies, typically in the form of preparedness planning, are much more common in current practice (though collective approaches need to be strengthened to maximise efficiency and system-wide flexibility). Adaptive strategies are rare but will be necessary to support the approaches described in section [3.2 Programme design and programme cycle management](#).

ALNAP’s workshop and subsequent interviews with supply chain and procurement professionals identified six key things that agencies will need to do if they are to create greater flexibility in these systems, whether anticipatory or adaptive strategies are chosen. It then provides examples of specific anticipatory and adaptive approaches to logistics, supply chain and procurement.

Think strategically about logistics, supply chain and procurement

Strategy is critical to achieving supply chain agility and adaptiveness. In some cases, the presence of strategy and senior management commitment to supply chain capacity have been the primary determinant of agility and adaptiveness and can amplify or block the effectiveness of other supporting factors (Dubey et al., 2017). In the business sector, taking an intentional and strategic approach to logistics and supply chain management is a common characteristic across firms considered to be highly flexible and adaptive to consumer demand (Christopher and Holweg, 2011).

In humanitarian agencies, a high proportion of funding is spent on supply chain: a study of multiple organisations found 60% to 80% (Van Wassenhove, 2006), while an internal study for ACF found an organisational average of 69% (Stumpf et al., 2017). Yet, despite this supply chain and

Supply chain and logistics systems receive surprisingly little strategic attention in most humanitarian organisations.

logistics systems receive surprisingly little strategic attention in most humanitarian organisations (Thomas and Mizushima, 2005; Schulz and Heigh, 2009; Tomasini and Van Wassenhove, 2009; Blecken, 2010). If humanitarian actors are serious about developing greater capacities for anticipatory and adaptive programming, this will need to change.

As agencies engage more and more in cash-based programming – and discover that they need to maintain both cash and non-cash based modalities to respond to market changes – the implications of the strategic thinking gap are increasingly being felt (Dubey et al., 2017; Christopher and Holweg, 2011). To help humanitarian actors think more strategically about supply chain functions and the necessary staff capacities for multiple modalities, Fritz Institute developed⁷ an operational design training for humanitarian actors. Organisational design processes are generally an overlooked area in humanitarian agencies and humanitarian studies but absolutely critical to achieving greater flexibility within a response.

Invest in staff capacity and skills. Organisations need to invest in their logistics, supply chain and procurement personnel through capacity building and training opportunities (ibid.). This should be informed by consideration of what skills will be required to deliver a more flexible logistics, supply chain and procurement function. For example, the skills needed to manage warehouses and vehicle fleets are generally considered to be different from the skills needed to monitor markets and use analytics software to manage complex and multiple supply chains. The shift in some organisations of responsibility for cash-based programming from programme teams to logistics, supply chain and procurement teams has prompted a review of recruitment profiles and raised the question of whether it is possible to construct a ‘hybrid’ logistics profile for both cash- and in-kind modalities (ibid.). It is yet unclear if these skillsets can be adequately trained or whether they require a more specialised background.

Connect the feedback loop between crisis-affected people and logistics and procurement staff. In the humanitarian sector, supply chain and logistics functions can sometimes feel removed from aid recipients, as the primary point of contact for aid recipients tend to be programming staff. Logistics and supply chain staff often encounter requests for changes from programme staff in an ad hoc way, with urgent deadlines. Logistics, supply chain and procurement key informants described several examples of making changes to kits on request from programme staff – typically based on needs assessment data or feedback from crisis-affected people – but never hearing back on what difference these changes had on the quality of aid. From their perspective, such changes introduce inefficiencies without clear gains, because the feedback on how this has improved performance is never channelled back to them.

⁷ In partnership with the Cash Assistance Learning Platform.

This speaks to an important but often missed ‘loop’ in collecting and acting on feedback from aid recipients: it is not only important to ‘close the loop’ with aid recipients, by showing how feedback has been actioned, it is equally important to close the loop *internally* to show the difference that responding to aid recipient feedback can make. If feedback doesn’t reach logistics, supply chain and procurement staff, they can perceive the experience of making changes as a costly enterprise that uses time and resources without adding tangible value to a response.

Consider customisation. Supply chains are built around what is considered to be typical or standard for addressing a set of pre-defined humanitarian needs, rather than the preferences of individual aid recipients, which means they can fall into delivering solutions in silo rather than being configured to address needs more holistically, or tailor response to specific needs or requests.

How customised humanitarian aid should be expected to become is still a matter of debate (ALNAP, 2019). There have been attempts to apply make humanitarian action more customisable and responsive, notably by using user-centred design in water, sanitation and hygiene (WASH) programming, but these have faced limitations due to agency procurement policies (Bourne, 2019). Cash-based assistance can go some way to addressing this, but its ability to offer aid recipients more customisation and control is constrained by the diversity of options on the local market and what form of cash-based assistance is provided (e.g. vouchers offer less customisation).

There are two ways in which humanitarian agencies can think about designing supply chain flexibility to better respond to the diversity and



Photo credit: European Union 2019/Christian Jepsen.

complexity of crisis-affected people's needs. The first is to consider mass customisation (see the following section) and other similar approaches that introduce more 'pull' across the supply chain. A second approach is to 'design from the customer backwards' and apply customer segmentation techniques to understand different aid recipient profiles and the kind of aid that will be most relevant (Gattorna, 2015). Existing data on aid recipient preferences and context specific adaptations from previous responses can be used for this.

Use more integrated planning approaches between logistics and programme staff. Project and programme plans create clear, shared expectations across programme and logistics, supply chain and procurement staff. These plans can be important for this latter group particularly, as it creates clarity and a certain level of stability in terms of roles as well as what and when things will happen. Making adjustments within a humanitarian response can disrupt these expectations and, if not communicated and communicated well, can lead to staff becoming resistant to certain change.

This is linked to the importance of good human resource management and team building, which we explore in the section on people and culture, but it can also be addressed through better planning processes that:

1. bring together logistics, supply chain and procurement staff and programmes and monitoring staff together at the outset of projects
2. create clear expectations that changes to project delivery should be encouraged when needed, and why this is the case
3. set clear rules for communicating changes between teams to minimise stress-based reactions.

Use data and analysis more and with purpose. Agencies should improve their use of data and analysis to build supply chain capacity for multiple programme modalities and to maintain full visibility of the supply chain across the organisation. Supply chain visibility refers to the ability to see where all materials and products are along a supply chain at any given moment and to monitor this in real time (Lee, 2004). It helps to improve response flexibility by helping organisations source, locate and move resources more quickly and efficiently up and down the supply chain.

Visibility relies on connectivity – all suppliers and partners being well connected throughout the chain – and transparency provided through high quality information-sharing systems. Measures to assess supply chain visibility include the 'tracking of location and inventory, temperature monitoring, tracing of product information, information sharing, and decision-making support' (Privett, 2016) and the visibility of demand levels throughout the supply chain (Dubey et al., 2015).

Making adjustments within a humanitarian response can disrupt [shared] expectations and, if not communicated and communicated well, can lead to staff becoming resistant to certain change.

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It is not only important to ‘close the loop’ with aid recipients, it is equally important to close the loop internally to show the difference that responding to aid recipient feedback can make.

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Humanitarian agencies have increasingly turned to software solutions to help track orders and products across their supply chain around the world. There has also been a greater move towards the use of radio-frequency identification (RFID) and barcodes for tracking warehouse stocks. But given the types of contexts in which humanitarians operate, it can be risky to over rely on technological solutions to supply chain visibility given the infrastructure needed to support them (Privett, 2016).

But visibility alone is not enough to support flexible operational capacity (Wei and Wang, 2010). An organisation may have good supply chain visibility, but they cannot use this for the flexibility of their responses if they do not have leadership-level commitment to managing supply chains strategically (Dubey et al., 2017; see also [Think strategically about logistics, supply chain and procurement](#)). Moreover, supply chain visibility should be used for specific purposes – namely supporting coordination, integration and learning about stocks and flows. When it is only used to respond quickly to environmental changes ('reactive strategies') it will not contribute to better humanitarian performance (Wei and Wang, 2010).



Photo credit: European Union 2019/Christian Jepsen.

Anticipatory strategies for humanitarian logistics and supply chain flexibility

Preparedness measures. Mass stocking and pre-positioning of goods are common examples of creating greater preparedness capacity in humanitarian logistics and supply chains. Pre-positioned items have historically been difficult to fund, although this method is considered to offer potential cost savings for humanitarian response (Stumpf et al., 2017). The past decade has seen some movement towards collaborative or collective approaches to pre-positioning, such as sharing of regional or global warehouses and sharing stock.

Beyond pre-positioning, other ways to strengthen the preparedness of logistics functions include the creation of customs agreements with governments before a crisis or disaster. Toward this end, the Global Logistics Cluster (GLC) is currently leading a ‘preparedness initiative’ to ‘strengthen national supply chain resilience and promote a common methodology towards logistics preparedness globally’, with 15 participating pilot countries as of the beginning of 2019 (Global Logistics Cluster, 2019).

Modular approaches. Common component or modular approaches are those that seek to create commonality in the materials used across a range of goods and services (Pujawan and Santosa, 2014). Full use of component commonality would mean that, for example, a country office has a complete overview of the different varieties of NFI kits or food kits it can construct, using a common set of materials. The country office can then maximise its range while minimising cost by ordering common components in bulk and smaller volumes of more specific items that are requested by some crisis-affected people but not all – e.g. soap as a common component and menstrual hygiene pads as a more specific item.

Flexible supplier contracts. The use of more open-ended contracts with suppliers creates a flexible source of supply that saves time on procurement and bids. Standing arrangements with suppliers tend to happen only at the global level; local-level procurement can take more time because there are no pre-established contracts with local suppliers and a bid process must be used. This could be addressed through better preparedness by agencies in mapping and identifying potential suppliers in high-risk countries in advance of a crisis. More work is needed to understand the best approaches to creating long-term flexible supplier contracts given the mix of short- and long-term funding with which most agencies must work.

Adaptive strategies for humanitarian logistics and supply chain flexibility

Postponement/delayed differentiation. Postponement is a long-held strategy in the business sector for improving flexibility in supply chain. It refers to ‘postponing the task of differentiating a product for a specific customer until the latest possible point in the supply network’ (Feitzinger and Lee, 1997: 1). This allows for faster and more cost-effective customisation ‘once actual consumer demand is known’ (Oracle, n.d.: 1) In recent years, ShelterBox has adopted a postponement approach to the assembly of its kits, moving supplies to the country level before assembling its boxes based on orders

in-country. This helps reduce costs and save time from shipping supplies to a regional depot and then onto the crisis-affected country. While ShelterBox does not offer significant customisation of its boxes, in theory this strategy could also be used to customise the items in each kit at country level, based on need.

Mass customisation. Consumers used to be sorted into three categories: those who wanted a product quickly, those who wanted it cheaply, and those who wanted it customised. As these demands merged over the past 15 years, the business sector has looked to develop approaches that allow them to customise more quickly and at better cost for consumers who ‘want it all.’ Mass customisation is one such approach, which ‘relates to the ability to provide customized products or services through flexible processes in high volumes and at reasonably low costs.’ (Thoben, 2003: 71). This can be useful for humanitarian action, where a perennial challenge to using feedback from affected populations is the timing and cost of customising humanitarian action to specific individuals or groups of people (Donini and Brown, 2014).

Mass customisation has been recommended, though not yet applied, in the humanitarian sector (ICRC, 2018: 79) and could be particularly appropriate for shelter or WASH items. With mass customisation, lower costs are achieved by systematising the process of customisation or by giving the customer the ability to self-customise. Examples of mass customisation in the business sector include the development of ‘smart’ light fixtures, where customers can programme lightbulbs to their own specifications (brightness, colour, what flipping a switch does) using a mobile app provided along with the sale of the lightbulb.

3.2 Programme design and programme cycle management

Programming is where a humanitarian actor’s flexibility is most visible externally. Each humanitarian agency has their own approach to organising their programme function. And though each will also have different views on approaches to programme cycle management, they tend to broadly follow the stages outlined in the IASC Programme Cycle Management of assessment, design, implementation, monitoring and evaluation.

3.2.1 How programme design and management can inhibit flexibility

There are five ways in which current approaches to programme cycle management can inhibit flexibility.

Lack of adequate attention to response design. Response design – the design of interventions and selection of programme logics – has been an overlooked area in humanitarian research and organisational policy (Maxwell et al., 2013; Campbell, 2018: 34). In practice, service design is not so much an intentional decision-making process but rather the outcome of different organisational and contextual pressures.

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If the problems that humanitarian actors are trying to address do not map onto the ways in which they structure and organise their solutions, this can limit their ability to respond.

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In-country, many staff described response design as a mechanistic process, where a limited range of services or products are applied to the needs presented by crisis affected communities, potentially with some minor changes to individual items or the way in which services are delivered, based on consultation. When asked how they selected service designs, many organisations in DRC and Kenya described these as the result of a combination of existing programme design models used by their organisation, cluster coordination discussions and donor priorities.

Moreover, while many country staff say that their programme designs are influenced by aid recipient consultation, these consultations often take place only after the proposal has been agreed with the donor, at which point very few alterations can be made.

Standardisation. Several larger humanitarian organisations have standardised their programme designs, typically through HQ-based technical advisors. Standardisation of programme design is motivated by a desire to better assure the quality of programming across a diverse range of settings, and by the belief that programming should be based on the best available evidence for what works to reduce mortality and morbidity for people in crisis. It is also driven by the use of common performance indicators by some donors, which can enable aggregation and consistent comparison of humanitarian programmes. Finally, standardisation has played an important role in getting overlooked needs – such as those related to protection – recognised as fundamental to humanitarian action by placing protection services in the standard emergency response package.

While it may have benefits, standardisation removes decision-making from field and country teams and reduces an agency's ability to significantly change or adapt programme design in response to contextual factors or more meaningful consultation with crisis-affected populations. There is also limited evidence supporting the benefits of standardisation compared to context-to-context variation across programme designs. Standardisation may be more useful when it occurs within a single context, through coordinated multi-agency processes that identify the most appropriate programme designs for that context.

Project- and sector-based. Humanitarian programming is organised according to discrete projects and often to specific sectors (e.g. nutrition, WASH). While some problems faced by crisis-affected people fall within a single sector, others can cross multiple sectors. For example, in an evaluation of an otherwise flexible shelter project in Ethiopia, the lead agency was unable to respond to aid recipient complaints about mosquitoes and other pests as these were deemed 'water, sanitation and hygiene' or 'non-food-items' concerns and therefore outside the shelter project's scope (Mutunga et al., 2015). Creating a wider range of action is core to flexibility in humanitarian response: if the problems that humanitarian actors are trying to address do not map onto the ways in which they structure and organise their solutions, this can limit their ability to respond.

Activity-oriented (rather than outcome-oriented). Humanitarian staff may not see that a programme needs to change if they are not looking at its outcomes. Much of humanitarian programming and its reporting is

oriented around 'reaching' target numbers of crisis-affected people with goods and activities, rather than reporting on the outcomes achieved for these individuals. Seeing whether outcomes are being achieved can provide crucial information for understanding whether change is required to an intervention: this is strongly supported by having clearly defined and observable outcome indicators.

Programme cycle management tools do not capture change.

The challenge with many programme cycle management frameworks is that they do not reflect the process of making changes to programming within a programme cycle – something which is both desirable in many cases and also a reality in practice. As a result, many changes that are made to programmes during implementation go uncaptured and learning from these changes is not transferred after the project ends.

Much of humanitarian programming and its reporting is oriented around 'reaching' target numbers of crisis-affected people with goods and activities, rather than reporting on the outcomes achieved for these individuals.

3.2.2 Creating more flexible programme design and management

General considerations

Decentralising decision-making is about really acknowledging that one, we don't know the answers. We're not experts. Every problem on the ground is different and needs a different solution, needs local or detailed understanding that can only be received at a local level, that we don't have the communication skills to just extract data and information and make correct decisions. From that you learn to pass power down the line and try to have your organisation act autonomously at times, at different levels, to find better results.

Workshop participant

Flexible programming looks different depending on whether anticipatory or adaptive strategies are used. However, there are some characteristics that cut across both good anticipatory and adaptive strategies. Generally, flexible programming:

- creates meaningful space for problems and objectives to be defined locally, either by local humanitarian actors or with communities themselves
- uses existing experience and evidence but also clearly identifies areas where judgement must be taken in situ, and identifies unknown or uncertain aspects of a theory of change or intervention design up front

- assumes that changes will need to be made (these are not ‘exceptions to the plan’) and encourages ceasing activities that are not seen to be working
- is outcome-oriented, meaning that it seeks to achieve outcomes and objectives, and maintains openness as to which activities or outputs will be best placed to do this (this is particularly true in relation to adaptive strategies)
- is informed by good response analysis and design (particularly for anticipatory strategies)
- is well-resourced for monitoring and small operational research activities, to inform learning throughout the programme
- uses decentralised decision-making as much as possible⁸
- uses facilitation and collaboration with other actors and with communities to expand the range of flexibility: is not simply ‘us doing it all’.

Depending on the nature of the crisis and the urgency of need, it is likely that organisations will need to apply different programme management strategies at different periods of time. Participants at the 2018 ALNAP workshop discussed the potential for ‘staging’ flexible programming, either by combining different strategies, or by starting with traditional programme management before a transition to more adaptive approaches.

The remainder of this section describes anticipatory and adaptive approaches to programming, then provides a few examples of how these approaches might be used in combination with one another or in combination with standard programming approaches.

Anticipatory strategies for programming

Contingency and scenario-based planning. When the triggers for change and the best response designs are well known, flexibility across different activities or operational modes can, to some extent, be facilitated through planning and preparation. Preparedness and contingency planning fall within this category and they are the most common approach to increasing the range of action in humanitarian agencies. This is unsurprising: contingency planning allows agencies to become more open to change while still maintaining a strong risk management approach.

The idea of having a range of scenarios then we hope is to give actors the idea that, okay you might be programming and you might be doing your contingency plans for the most likely scenario, but is your programming flexible enough? How would you tweak your programming if this scenario happened? Or if that scenario happened? Or if there was a sort of spike in wheat prices because we didn't get flour into the country, could you adapt?

Workshop participant

8 The evidence is mixed as to whether decentralised decision-making supports greater flexibility: while this is true for some functions, it is not the case for others. Instead, regardless of where the locus of decision making is placed, it is most important to have streamlined processes that can be fast, and clarity on what can be changed and by whom.

Good anticipatory programming approaches:

- identify measurable triggers for crisis and/or change in a context – typically using historical data and scenario building
- use this data and analysis to plan a range of specific actions that can be taken: single actions are not prescribed, but a menu of options is provided for decision makers to quickly assess and select
- identify the resources required for a menu of actions and pre-position or mobilise these resources in advance
- are revised regularly based on new information and analysis from responses.

Contingency and preparedness planning have been used around in the humanitarian sector for decades. But these approaches have historically lacked specific triggers and defined action plans, making them difficult to implement (Levine et al., 2010). More recently, there has been some progress in improving the quality of contingency planning, as well as the use of anticipatory analytics – especially for early action (e.g. so-called ‘forecast-based early action’ (Tanner et al., 2019)). There have also been efforts to improve the way in which humanitarian actors create and use scenarios to map out potential situations and increase their response capacity to handle these: resources include ACAPS’s Technical Briefing on Scenario Building (ACAPS, 2016), and examples of this being put into practice include World Visions’ Fragile Contexts Programme Approach, where country teams use context analysis to project three potential scenarios and plan different interventions for each.

But acting on contingency plans with timeliness continues to be a challenge, in large part due to financing. In cases of rapid onset emergencies such as floods, donors and agencies may disagree on whether the trigger for funding has been satisfied. Meanwhile, in slow onset emergencies such as droughts, humanitarian donors remain reluctant to fund early action and there have been significant delays in accessing and implementing contingency funds from development actors (see Obrecht, 2019).

While in principle contingency planning enables organisations to engage in a wider range of actions through pre-planning, there are two important caveats. First, by relying on planning, these approaches risk increased rigidity and non-responsiveness to the context when a crisis unfolds in unexpected ways. For many sectors, contingency plans should be paired with adaptive management approaches, such as a single-stream iterative approach (see the following sections), to allow for changes to targeting or services based on real-time information.

Second, experiences in applying contingency plans in drought settings show that such plans could improve how they approach response analysis and design. In particular, these plans could support a more nuanced and phased approach, in which different stages of a crisis are planned for separately, with specific actions (Bailey et al., 2018). An example of what this might look like can be seen in the IMAM Surge model, developed by Concern Worldwide and applied to health facilities in Kenya by the Ministry of Health, in partnership with UNICEF ([Box 4](#)).

Box 4: IMAM Surge: a contingency approach to changing demands for health services

The Integrated Monitoring for Acute Malnutrition (IMAM) Surge model is an approach to nutrition programming, run through the Kenyan Ministry of Health in partnership with UNICEF and Concern Worldwide, that offers a potentially valuable model for flexible health programming in times of shock or stress. The model works at county level, setting indicators to monitor both the health of the population (demand) as well as the resources and capacities of the health institutions needed to address malnutrition (supply). Both of these can vary, and the IMAM surge approach begins by recognising that adequate preparedness must take account of the specific capacities of each health facility and create specific contingency plans based on these (Ministry of Health, 2016).

Indicators for monitoring are established in each county, and thresholds are set for each health facility to understand what constitutes an 'alert' or 'alarm' situation. For example, if a facility's capacity is low, a 10% increase in intake may be enough to push it from 'alert' into 'alarm', whereas a better-equipped facility can absorb this increase without it becoming an emergency.

For each phase, specific actions are outlined for the health professionals to take, starting with mitigation to crisis response.

Early use of the model is promising. The IMAM Surge was singled out as UNICEF's most important contribution in an evaluation of the agency's 2016–2017 drought response and was noted as an example for early action that other sectors should attempt to follow (Hailey et al., 2018). To work well, such a model needs to be integrated across all levels of Kenya's health system.

Modular programming. Common component or modular programming refers to the offering of a basic service that can be adapted or customised by supplementing this with ‘add-on’ features or services if a context changes. Modular programming is a predictive strategy because it identifies and resources all possible components or varieties of a programme in advance and establishes clear expectations for when modifications to a programme can be made.

As discussed in [section 3.1](#), modularity is a concept used by flexible supply chains in the business sector as a way of increasing agility and adaptability while keeping costs fairly stable. In the humanitarian sector, a modular approach is sometimes used for NFI kits, in which a standard basic package is offered and then adapted within-context with specific items identified through needs assessments (see [Anticipatory strategies for logistics, supply chain and procurement](#)).

Multi-sectoral programming is another area where modular approaches can be used – some agencies using multi-sectoral programming have initially offered a set of core services, for example in nutrition and health, which is then expanded to include protection or WASH programming for communities with those specific additional needs.

Box 5: MSF Spain’s modular approach to population-centred mobile health units

Faced with the bombing of hospitals in Afghanistan, Syria and Iraq, Médecins Sans Frontières (MSF) Spain has moved to a modular approach when it comes to providing medical care in these regions. Instead of operating out of large hospitals – which can easily become targets for bombings – MSF Spain has created modular mobile health units which consist of a ‘minimum package’ of an intensive care unit and a surgery unit, that can be expanded to include maternity services or immunisation, if the security context allows.

These additional services are part of MSF’s standard repertoire, and discussions of whether they can be adapted to an ongoing response are based on a shared risk and security framework discussed within MSF.



Listen to Teresa Sancristoval, Operations Director, Médecins Sans Frontières (MSF) talking about MSF’s modular approach to health services.

Adaptive strategies for programming

Single-stream iterative. Some approaches to adaptive programming work with a single intervention or programme logic, which is then changed and iterated based on learning within a project or changes in the operating environment. This results in a single intervention or service being delivered and then changed over time, unlike the portfolio and experimental approaches, which run multiple activities or services to address the same problem simultaneously.

Iterative programmes look the closest to how traditional humanitarian programmes are managed, and some field teams may already feel as though they are engaged in adaptive programming as a part of routine response. But there are several important differences between a single-stream iterative programme and the way in which many humanitarian programmes are managed currently:

- In traditional humanitarian programmes, changes are considered a *deviation* from the plan, or an *exception to the rule*; in single-stream iterative programmes, plans are understood as a set of working hypotheses rather than perfect predictions, and changes are expected and encouraged rather than seen as exceptions (Wild et al., 2015; Goeldner Byrne et al., 2016).
- Changes made to traditional humanitarian programmes tend to be ad hoc and highly reactive, whereas single-stream iterative programmes will have a strong internal system or set of practices for capturing learning and using this to inform changes. These mechanisms can vary widely in their formality but will be intentionally and explicitly included in the management of the programme (Ramalingam et al., 2019).
- Changes made to traditional humanitarian programmes are typically not reported on or used to modify the programme's log frame or theory of change; in a single stream iterative programme, the intervention logic is updated to reflect learning and changes made (ibid; Wild et al., 2017).
- In traditional humanitarian programmes, it can take a long time to make adaptations, whereas in a single-stream iterative programme, improvements to the programme are prioritised and actioned quickly.

Applications of user-centred design in humanitarian action are an example of single-stream iterative approaches to adaptive programming. User-centred design is understood as a creative problem-solving approach used to design products, services and programmes across a wide range of sectors that puts the needs and experiences of intended end-users at the centre of the design process and engages the users throughout this process (Bourne, 2019; see [Box 6](#)).

Portfolio. This approach to programme management runs a humanitarian programme like an investment portfolio, hence its name. Multiple activities (a 'portfolio') are implemented simultaneously to address a problem or achieve an objective. Performance is routinely assessed, the lowest performing interventions are dropped and those that are working well are given further resource and potentially expanded (Wild et al., 2015; Goeldner Byrne et al., 2016; Wild et al., 2017).

Portfolio approaches may be more suitable for more complex interventions or operating contexts – for example, protection, resilience or early recovery. Because they run multiple activities at the same time, and review and discontinue some on a regular basis, this approach can look ‘quick and dirty’. It can also risk increasing redundancy costs because multiple activities might be achieving the same outcome, when only one is required.

To be successful, portfolio strategies rely on a high degree of budget flexibility, well-defined outcomes and strong monitoring to provide the information needed to identify low-performing and high-performing activities. Applications of a portfolio-type approach have faced challenges in post hoc evaluation where they have lacked a robust monitoring system. They can also underperform if there are bureaucratic donor approval processes that limit their much-needed flexibility to switch and expand activities (Grossman-Vermass et al., 2015).

Like all forms of adaptive programming, portfolio approaches also rely on a significant shift in the mindset of donors, agency staff and even aid recipients, all of whom are accustomed to waiting out poor-performing projects instead of being able to review and change them. Of all adaptive programming approaches observed for this study, the portfolio approach offers perhaps the biggest departure from traditional programme management approaches – and therefore changing mindsets will be a significant challenge.

Importantly, all the examples of portfolio approaches observed in ALNAP’s research were financed through multi-year funding. It is therefore unclear whether such an approach can be supported adequately with multiple iterations of annual funding alone.

The International Rescue Committee’s Context and Evidence Framework proposes that experimental strategies are most appropriate in contexts that are more predictable or better understood by programme staff. In situations that are highly uncertain or changeable, a portfolio or single-stream iterative approach may be more appropriate (IRC, internal document).

Experimental approaches are closest to the processes used in humanitarian innovation⁹ and incorporate research methods used for generating evidence of ‘what works’ in humanitarian programming. There is now guidance available on managing research designs within humanitarian innovation, which programme staff could use in setting up and designing an experimental approach to programming (Elrha, 2018).

⁹ The difference between an innovation project and an experimental approach is one of degree. But typically an innovation project is starting from scratch, with an idea that has not been developed or implemented in humanitarian settings before (Obrecht and Warner, 2016) while in an adaptive programme applying an experimental approach, programme designs may exist but there is significant uncertainty as to which one will work in a particular context.

Box 6: User-centred design in humanitarian WASH programming

In 2017 the Humanitarian Innovation Fund launched a WASH Innovation Challenge to develop and deliver user-centred WASH projects in acute emergency humanitarian settings. The purpose of this challenge was to understand 'how to design, implement, and evaluate approaches to user-centred sanitation that incorporate rapid community engagement and are appropriate for the first stage of rapid-onset emergencies' (WASH Challenge Handbook 3).

Following a call for proposals and two rounds of applications, including a workshop on user-centred design for shortlisted applicants, the Humanitarian Innovation Fund selected three partnerships to implement the challenge: Qatar Red Crescent (QRC) and the Social and Economic Survey Research Institute (SESRI) at Qatar University; Welthungerhilfe (WHH) and Snook; and Save the Children UK (SCUK) and Eclipse Experience.

User-centred design is characterised by a set of key principles:

1. **'User-centred'**, meaning that it is focused on producing solutions that are built around the needs, experiences and lives of end-users, instead of requiring the users to adapt their lives and preferences to match the solutions.
2. **Participatory**, meaning that people who are identified as users of the product or service that is being designed are involved in decision-making throughout the design process, from the problem identification stage to the final roll out of the complete solution. The level of this involvement can vary but it generally falls on the spectrum from user consultations to co-creation of solutions with the users.
3. **Iterative**, meaning that instead of progressing in a linear way, with the complete product or service being delivered at once and to standard specifications predetermined by the implementing agency, user-centred design projects are a sequence of research-design-test loops, where user research findings feed into the design of subsequent versions of a product or service that are tested and improved on in incremental steps.' (Bourne, 2019: 9)

While user-centred design processes can vary widely in their application, they generally follow the following three stages: (1) understanding the needs and perspectives of users; (2) designing and iterating potential solutions to these needs based on fast prototyping and evaluations that enhance the understanding of users' experiences; and (3) delivery of a refined solution.



Listen to Sofya Bourne, Design Researcher, Eclipse Experience, explaining the ALNAP spotlight study on user-centred design.

Box 7: The portfolio approach in the BRCiS consortia programme

Building Resilient Communities in Somalia (BRCiS) is a multi-year humanitarian programme that combines short-term emergency support with longer term resilience programming in Somalia. Created after the 2011 Famine, it is implemented through a consortia of agencies: Norwegian Refugee Council (NRC) (lead), Concern Worldwide, International Rescue Committee, Save the Children and Cesvi.

BRCiS is a rare example of humanitarian funding being applied to community-based programming approaches. Consortia members worked closely with local civil society organisations, communities and aid recipients in 22 Somali districts to identify problems relating to resilience and design programmes to address these. The result was a programming structure in which multiple projects are run simultaneously, with unsuccessful projects discontinued and more successful ones expanded on a routine basis.

The management of BRCiS required a significant departure from standard programme management approaches. The budget was set at the outcome level, allowing flexibility across activities and a separate and simplified budget template was created to track forecasted funding against expenditure as activities continually changed. Local partners and field staff could then request and receive approval for budget and activity changes by phone and email.

The programme also uses a standing rule to select the 10% lowest-performing activities each year and discontinue these to create space for better ideas. This establishes an expectation among staff that they will learn and adapt, and also shows communities that projects that are not working will not receive further support.

‘A lot of [adaptations] comes from the village being like, okay we actually have this bigger problem over here. And that second iteration we do, we have a new plan. Maybe in that first year, there was a 20-30% change of activities, though how much you change your activities each year has to do with how much time you have and how well you’re staffed. Every time we come up with a new activity – especially a new activity we’ve never done before – we’ve got to figure out how to do it. It takes a lot of staff time so we can’t just change everything all at once. It has to happen in stages. Now I can change 15-20% of my activity portfolio a year.’ Former Programme Manager, BRCiS

The transition has not been easy: during the first year, both community members and field staff approached the projects as ‘business-as-usual,’ with community members making suggestions for activities they felt the agencies were prepared to deliver rather than offering their own authentic suggestions for what should be done. Once the consortium members and donor had established that there truly was flexibility in programme design and implementation, the nature of the projects began to change.



Listen to Dustin Caniglia and Leni Wild talk about the portfolio approach.

3.2.3 Using adaptive and anticipatory strategies together, or in sequence

A combination of adaptive and anticipatory strategies can be used, depending on the urgency of the crisis and the degree of certainty in the programme model (i.e. how certain aid workers are that the programme model will be effective at addressing the problem).

At the ALNAP workshop, participants discussed different types of adaptive and anticipatory programming approaches and when these were most useful. There were also several examples of times at which it would be inappropriate to make significant changes to a programmes' objectives – such as when these had been agreed with a targeted population or when changes would negatively affect another organisation's programme.

During these discussions, the International Rescue Committee (IRC) presented their four-part matrix for identifying different designs for adaptive programming, depending on the degree of confidence (i.e. uncertainty) in the context and the degree of confidence (i.e. evidence for theory of change) in the programme. The draft decision tree in [Figure 1](#) reflects the key points from this discussion on when it is most appropriate to engage in flexible programming, and which strategies to select for this.

Further work is needed to provide a more detailed decision tree, similar to those that have been developed for supporting the application of adaptive programming approaches in development aid (see: Baker, 2019).



Photo credit: ALNAP.

Box 8: Applying an experimental approach in the Alternatives to Communities in Crisis (ARCC) programme

The Alternatives to Communities in Crisis (ARCC) programme was a seven-year cash-based assistance programme in DRC, managed by UNICEF and implemented with multiple international non-governmental organisation partners.

ARCC was based on early success in piloting NFI voucher fairs with communities, before which assistance in DRC was primarily delivered through in-kind goods. It was designed as a multi-phase programme, beginning with an operational research phase to test different design options for cash-based assistance. In this phase, UNICEF contracted a research and evaluation partner to help them design and conduct control trials, and NGO partners conducted their own qualitative studies to assess the three main variables in programme design – delivery plans (e.g. lump-sum or multiple payments), delivery mechanisms (e.g. cash or voucher) and transfer targets (e.g. wife or husband). Different designs were run simultaneously and then compared at the end of this first phase to establish which were most effective at achieving the desired outcomes, namely: an increase in access to basic needs, services, and livelihood opportunities, and a reduction in use of negative coping strategies (Bonilla et al., 2017).

In the next phase, ARCC partners refined and adapted their programming based on the findings from Phase I. They began developing a standard set of tools and approaches for cash-based programming in the DRC context. Many of the programme's learnings – for example, that mobile-based money is ineffective in many parts of DRC due to lack of capacity in local financing institutions for mobile banking – have supported an adapted approach specific to the DRC context. ARCC was formally integrated into another UNICEF programme in 2018 and continues to be used to inform context-appropriate cash-based programming in DRC.



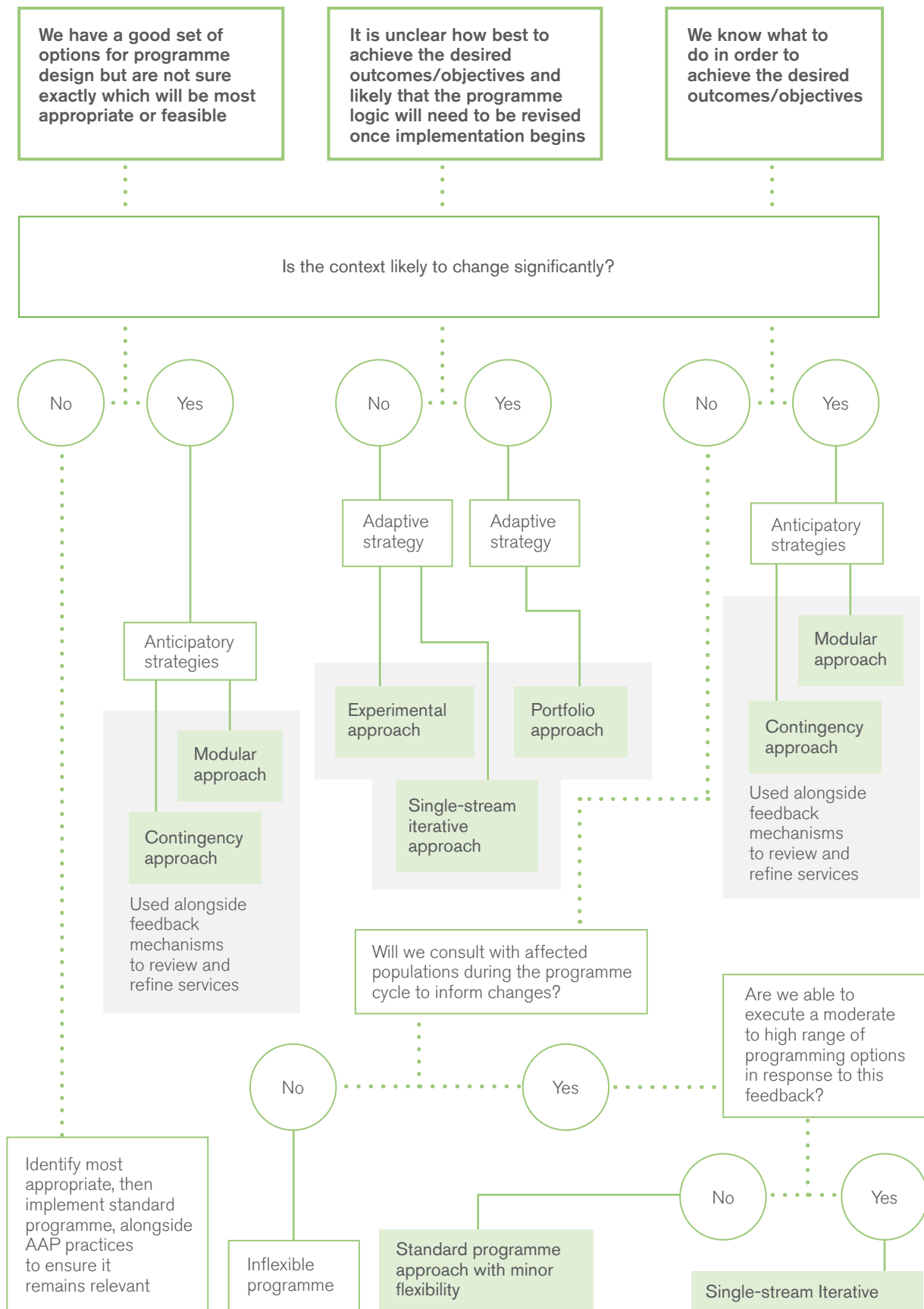
Listen to Gabriele Erba explaining the experimental approach in ARCC.

“

Current monitoring systems and practices have a long way to go in the humanitarian sector to support the reflective analysis needed for flexible programming.

”

Figure 5: Applying the framework to organisational response capacity - Example 2



3.3 Monitoring systems

Monitoring systems in humanitarian action play a number of important functions. They help ensure that programme implementation is going according to plan, improve the relevance and appropriateness of programmes, support accountability, and enable organisational learning between projects (Warner, 2017). In exploring the support factors for flexible humanitarian response, three types of monitoring arose as relevant:

- monitoring and evaluation (M&E) systems for programming
- situational and context monitoring
- monitoring that supports the function of internal systems, such as supply chains.

Both anticipatory and adaptive approaches to flexibility rely on cycles of analysis, reflection and applied learning. To this extent, monitoring data appears to be the lifeblood of flexible humanitarian organisations, which would suggest that monitoring systems are essential to flexibility.

But practice suggests a more complicated relationship. Current monitoring systems and practices have a long way to go in the humanitarian sector to support the reflective analysis needed for flexible programming (Wild and Ramalingam, 2018; Dillon, 2019). The broader challenges with monitoring systems in humanitarian action are detailed elsewhere (Warner, 2017; Sundberg, 2019a; Dillon and Sundberg, 2019), but participants at the ALNAP workshop highlighted several specific areas where existing practice fails to support more flexible programming and operations.

3.3.1 How monitoring practice can fail to support flexibility

Failure to consider use. Monitoring systems are not always designed with the purpose, or intended use for monitoring information, clearly in mind (Warner, 2017). This means they end up being designed for too many types of decision maker or designed for only one decision maker at the expense of other decision-making needs. This can result in the collection of information that is not used by any decision makers at all.

One ALNAP workshop participant described the attempt to rely on a single shared monitoring system for many layers of decision-making at their organisation as attempting to create the perfect ‘swiss army knife’ for everyone rather than using differentiated monitoring tools for different purposes. As a counterexample of this phenomenon, ALNAP’s research on outcomes monitoring notes that the Norwegian Refugee Council (NRC) carried out a user analysis for its monitoring data and, on this basis, decided not to pursue global aggregation of outcome indicators as there was no clear decision-making need for this information (Dillon and Sundberg, 2019).

The clearest example of this is seen in monitoring data for donor reporting: data collected for financial reporting is not viewed as sufficient or necessary for informing learning within a programme or identifying improvements. Often this data focuses on activities and outputs, or on highly simplistic outcomes that are easier to measure for accountability purposes.

One ALNAP workshop participant described the attempt to rely on a single shared monitoring system for many layers of decision-making at their organisation as attempting to create the perfect ‘swiss army knife’ for everyone rather than using differentiated monitoring tools for different purposes.

Poor practices in collecting and using aid recipient feedback.

Aid recipients should play a role in monitoring the quality of programming provided to them, but in reality they rarely have a meaningful say in service delivery (Donino and Brown, 2014; ALNAP, 2018). One of the challenges is a lack of understanding regarding how feedback from affected people is used in decision-making (IRC, 2017). In ALNAP’s diary-based research on decision-making, only 10 out of 1,035 decisions submitted to ALNAP from field-level decision makers were concerned with making changes to a humanitarian project or programme based on feedback from affected populations (forthcoming, Campbell and Knox Clarke 2019).

Restrictive monitoring tools and lack of incentives. ALNAP workshop participants discussed the much-maligned logical framework (‘log frame’) and whether it should be avoided completely or just used differently to support more flexible programming. Some participants felt that the issue lay more in how log frames are used rather than their inherent structure; although some agencies and independent consultants are developing alternatives to log frames (see, for example the Theory of Change for Adaptive Management approach), there is as yet no rival to the log frame (Wild and Ramalingam, 2018).

This may soon change. M&E systems have become a significant area of focus in work on adaptive management in the aid sector, reflecting the recognition that a move to more flexible operational and programming models also requires monitoring practices that can change and be adapted throughout a programme cycle. However, there are few good practices to draw on for creating monitoring and evaluation approaches that are robust yet enable flexibility. The Global Learning for Adaptive Management initiative (GLAM) is seeking to address this gap by developing new approaches to monitoring and evaluating adaptive programmes and piloting these in fragile settings (Wild and Ramalingam, 2018).

Both the GLAM scoping work and ALNAP’s recent work on monitoring in humanitarian action have identified further challenges with designing M&E systems for flexible humanitarian action in addition to those described above:

- The timeliness of M&E activities. Using monitoring data to make changes to programming requires timely data collection and quick analysis and interpretation for decision-making (Ramalingam et al., 2019). It is difficult to find approaches that can do this robustly yet rapidly, and without incurring significant time costs for staff.
- Integration between monitoring and evaluation practices. Much evaluation activity in the humanitarian sector is summative, happening at the end of a project or programme and used more for accountability

rather than learning (ALNAP, 2016; Dillon, 2019; Ramalingam et al., 2019). Within adaptive programmes, ‘an important shift is to the move from evaluation as something that is often considered only at the design and end stages of a programme, to evaluative thinking as a capacity and process which is embedded throughout the implementation of an intervention’ (Ramalingam et al., 2019: 2). This is because the information demands for adaptive programmes ‘typically cut across both monitoring and evaluation systems’ and potentially require a reconsideration of the separation between monitoring and evaluation functions (Dillon, 2019: 9).

3.3.2 Creating more flexible monitoring systems

General considerations

Designed for use. Monitoring systems need to be designed with a clear purpose and end user. This means understanding whether information is being collected for accountability purposes, or for informing decisions about which action to take. If data is being collected to guide action, then there should be a clear understanding about who can make and implement those decisions and what are their specific information needs.

Thinking about use is important for deciding how centralised or decentralised a monitoring system needs to be. Flexible programming rests on decentralised decision-making (see [section 3.2](#)) and needs to be paired with decentralised monitoring systems that can be adapted easily and according to the programme team’s evolving information needs.

By contrast, flexible supply chain capability for large organisations may benefit from monitoring systems that are more centralised and integrated across the entire organisation (while still allowing for decentralised decision-making that can draw down supply from across the network).

Selective. Monitoring systems need to be nimble and reasonably light-touch if they are to be useful for timely and meaningful adaptations. This means that these systems will need to be selective in the indicators or variables they use. Staff from several of the adaptive programmes observed for this study noted that one initial challenge was trying to measure or monitor too many things at the same time.

The problem that I see in North East Nigeria, and is very common across context, and this is particularly true for protection people, is the failure to articulate the question. What is it that we need to know? In order to know what we need to know, we’ve got to have a sense of purpose. What is the outcome we’re aiming for and the design backwards from there. Therefore, our ongoing information collection and

analysis needs to enable us to make the following decisions. I think that what we see from context to context is a failure to do that. So, you've got this massive flow of information, which is all very interesting, but ultimately unused and sometimes unusable because it's not purposeful in the sense of speaking to, I've got to be able to make the following decisions and understand the following actors.

Workshop participant

Most adaptive programming approaches begin with large sets of indicators that are whittled down as staff become more comfortable with the approach and know which variables and indicators are most relevant for them. This is partly because decision makers tend to think they need more information for an adaptive decision than they actually require: early findings from ALNAP's forthcoming work on decision-making suggest that decision makers want more information even if this does not substantially aid them in making better decisions (Knox Clarke and Campbell, 2019; Shaxson et al., 2016). Moreover, it will be difficult to know at the start of a new programme or project which indicators or issues will be most relevant for tracking success. For this reason, iteration and flexibility in a monitoring system is also important.

ALNAP workshop participants described the challenge of identifying a 'good enough' level of monitoring and analysis that would facilitate changes to programming. Undertaking a review of previous monitoring practices and decision-making and using this to create a needs analysis for information demands at different levels of the organisation can help support this.

Iterative and sense-making. Decision makers use information in different ways for adaptive action. In some cases, there are clear information gaps that need to be filled. But more commonly, when decision-making is decentralised, the information need becomes more of a 'sense-checking' or 'gut check' to make sure that what field staff are seeing or experiencing is validated by other sources of information (Dillon, 2019). For example, in Mercy Corps' Humanitarian Access Team's work in Lebanon, Syria and Yemen, a large part of their role is to engage in dialogue with field teams to fact-check information and triangulate data about security and access:

You see this daily dialogue about, 'Can you tell us more about this? That doesn't sound right. How about X and Y setting? What's happening here?' So, it's very, very iterative. The analysts themselves appreciate that dialogue because it allows them to look at different angles and test theories and test their own knowledge.

Workshop participant

Having a monitoring system that regularly tracks the same set of indicators may be needed for accountability purposes, or for comparing programme performance over time. But flexible programming approaches will also need a more iterative, and still robust, monitoring *service* that responds in real time to the information needs of programme teams. This should help field-level decision makers make sense of their environment and the interaction between the context and their activities. Qualitative data should form a critical part of this service but has been difficult for humanitarian agencies to collect and use in decision-making (Sundberg, 2019b).

At the same time, there are also examples of iteration in monitoring systems that are used for accountability purposes. In these cases, donors or funders recognise that, as circumstances change, the criteria used to assess performance should also change. The Disasters Emergency Committee, for instance, encourages a review every six months of performance indicators in its members' reporting to reflect any changes in a response setting and rethink objectives.

Monitoring outcomes. Flexible programming tends to be more outcome-oriented: activities and outputs are changed because they are not seen as being the best route to achieving a desired objective or set of outcomes. There are different ways to monitor outcomes: agencies can pre-define expected or intended outcomes and establish indicators in advance or use more open-ended approaches to identify and 'capture' emerging outcomes, such as outcome harvesting processes (SaferWorld, 2016; Sundberg, 2019a).

When we talk about early action, or kind of protective cash transfers, what does that actually trying to protect? What are the negative coping strategies, in particular, that we're trying to prevent? Because if we're not clear about that, then we can't actually monitor whether what we've set up is actually going to make any difference or not.

Workshop participant

Supports a strong framework of inquiry. Field and country teams need to put the 'E' into their M&E practices to support the kind of reflective learning needed to identify programme improvements (Dillon, 2019). As one key informant put it, flexibility requires monitoring 'for action rather than of action.' A key characteristic across all flexible operations observed in ALNAP research, and reinforced by participants at the workshop, was the ability of systems and practices to support regular analytical thinking and critical reflection.

Both anticipatory and adaptive approaches rely not just on good data or information, but on strong frameworks of inquiry to translate this information into knowledge and action. Anticipatory strategies for flexibility structure learning around previous M&E data by asking: ‘What happened in this situation? What were the anticipatory triggers for these things happening? What did we do? What happened as a result of our actions, and was this of value? When similar things happen in the future, what should we do next time?’ In contrast, adaptive strategies build inquiry into the response, regularly asking and answering: ‘What is happening? What does this mean? What action do we take now?’ (Eoyang and Holladay, 2013).

For some adaptive programmes, this has meant going beyond monitoring systems and employing a research assistant to carry out small, targeted research projects to address questions not covered through programme or context monitoring information. For other field teams, structuring monitoring systems around testing hypotheses, or tying them to programme requirements to make adaptations, was a useful way to ensure these systems supported use.

We found [it was] empowering the people to actually take the decisions. We did the exercise of defining, okay, what type of adaptation requires whichever type of decision and who validates? Taking the decision really requires you to already make the analysis on why you want to make the change, so you are not just saying to your boss, this is not working. No, you come already with a solution that you’ve discussed with your team, and it’s just a validation. So, it also gives the responsibility to the front-line staff to make decisions, and analyse why they want to make those decisions.

Workshop participant

Embedded across functions. Supply chain and logistics staff note that they rarely receive programme monitoring data to understand how changes requested by programme staff have affected quality and performance in a response (see [section 3.1](#)). Similarly, positive feedback from aid recipients after changes have been made to kits based are not passed on to all staff. Integrated monitoring functions that connect to programming as well as logistics and supply chain management are important in supporting an organisational culture of identifying and making improvements to responses.

For adaptive programming, monitoring data provides the ability to close the adaptive loop for all staff, demonstrating the benefits of having made the change and reinforcing the value of flexibility. For anticipatory programming, integrated monitoring supports learning on whether scenarios and plans have played out as expected, and where tweaks or changes might be required when revising preparedness plans across all departments.

Anticipatory approaches to monitoring

Anticipatory approaches to monitoring begin with a substantial planning phase. This should draw on past evaluations and monitoring data to outline potential changes in the humanitarian situation and the menu of actions that could be taken in response. To be flexible, this contingency planning should draw on multiple scenarios, using risk analysis and forecasting.

For example, for the implementation of a flexible programming approach in fragile contexts, World Vision has supported five country teams to develop a set of scenarios for each of their particular contexts. These scenarios are informed by World Vision's existing context analysis tools, such as the Good Enough Context Analysis for Rapid Response, and include scenarios for both improvements and for deteriorations in the situation. The needs assessment agency ACAPS has produced guidance for humanitarian actors on using scenario building to plan for a range of possible response requirements, which can be helpful for setting up an anticipatory M&E system (ACAPS, 2016).

Existing early warning systems can provide a basis for anticipatory monitoring – though they tend to be oriented around monitoring a single scenario (e.g. drought or conflict) rather than tracking indicators for multiple potential situational changes at the same time.

Contingency plans can either be too rigid – pairing particular actions with particular triggers – or too open-ended and fail to guide action. Getting the balance between over- and under-prescribing actions is a core challenge for any anticipatory strategy. This points to the need to ensure that such systems have strong periodic reviews to reflect on whether the proposed menu of actions is valid and appropriate.

Box 9: An anticipatory strategy for monitoring in FAO Kenya's Forecasting for Drought

Anticipatory monitoring typically relies on time-staggering, which offers different levels of accuracy. For example, the United Nations Food and Agriculture Organization (FAO) Kenya, in partnership with Texas A&M University, has created an anticipatory system using vegetation-condition satellite and other situational indicator data that enables a range of forecasting up to six months in advance.

The six-month predictions are less accurate but offer information on potential medium- to long-term trends, while three-month predictions offer much greater accuracy and are used to inform decisions on pre-positioning and fund mobilisation. FAO used this system to respond early to the 2016–2017 Drought in Kenya and was one of the first international agencies to begin implementing early action and mitigation activities with the Government of Kenya (Obrecht, 2019).

Adaptive approaches to monitoring

As already highlighted, M&E systems for learning and improving programmes have been identified as a key gap in adaptive approaches to development (Wild and Ramalingam, 2018), as well as a gap in supporting stronger in-programme learning in humanitarian settings (Warner, 2017; Dillon, 2019). Humanitarian innovators have faced similar challenges (Obrecht, 2017; Warner, 2017). To support adaptation and improvement, the M&E tools developed for use in humanitarian innovation projects could be applied in humanitarian programming more broadly (see [Box 10: Theory of Change for Adaptive Management](#)).

Beyond this, there are additional innovative approaches to embedding evaluative thinking into programme monitoring such as the use of developmental evaluation and complexity-sensitive approaches (e.g. social network analysis or agent-based modelling; see [Box 11](#)).



Listen to Ian Gray, Director, Gray Dot Catalyst, explaining his TOCAM approach.



Photo credit: European Union/Anouk Delafortrie.

Box 10: Theory of Change for Adaptive Management

Theory of Change for Adaptive Management (TOCAM) is a tool and approach to programme monitoring developed by the consultant Ian Gray and Toybox, a development sector organisation. Gray has since adapted and applied TOCAM with nearly a dozen humanitarian organisations working on innovation projects and elements of this are featured in Elrha's Humanitarian Innovation Guide.

TOCAM uses elements that are similar to mainstream programme management tools but emphasises particular parts of programme management that are crucial to learning, and identifying and implementing programme changes. It begins with entire teams – including logistics and procurement staff – developing a theory of change for the programme. While mainstream programme management approaches, such as log frame, involve identifying assumptions, participants in the TOCAM process classify assumptions and develop monitoring strategies for these.

For example, assumptions are classified according to whether they need to be 'tracked' – features in context or situation that are expected to change but are fairly well known – or whether they need to be 'tested' – connections or outcomes where there is a high degree of uncertainty or ambiguity, and which need further evidence. Teams are asked to prioritise assumptions based on their best available knowledge, but these are also revisited and changed throughout the process as new learning emerges.

Quarterly reviews are critical to the TOCAM approach, enabling teams to reflect as a group on what they are learning and what they need to change (the 'what-so what-now what' cycle). Using a set of structured questions, teams look at integrated monitoring data, including aid recipient feedback, and review the theory of change. More often, these reviews are an opportunity to review the rapid changes that happened in the previous quarter, to look at how those decisions were made and reflect on whether they were right. They also provide a space in which to discuss team disagreements about the direction taken or about what changes need to be made, and to identify missing information. Conflicting views on what to do can be difficult to manage and so it may be useful to combine a quarterly monitoring review with the good practices for team building piloted by Mercy Corps (see [Section 4: Culture and people](#)).

Several organisations who have used TOCAM noted that having an external facilitator – though not easy – was extremely valuable for these quarterly reviews, as it helped them think outside their normal framing and interrogate their assumptions. Also, while reviews within the TOCAM approach have largely been quarterly, their frequency can be increased to suit the organisation or the context.

A description of how assumptions are approached in the TOCAM can be found in the [Elrha Humanitarian Innovation Guide](#), and more information on the approach, including worksheets, can be found through www.graydotcatalyst.com.

Box 11: Breaking the Mould: Approaches to ‘adaptation-ready’ M&E systems

Many humanitarian agencies struggle to use the information generated by monitoring and evaluation systems for much beyond donor reporting. Using that same information for ongoing decision-making and learning at project-level remains a challenge that few have truly cracked.


The ALNAP Secretariat has conducted background research into the options for changing the way project-level M&E is done, with a view to maximising its usefulness for the sorts of ongoing decision-making and informal learning processes that often characterise humanitarian work.

M&E specialists in sectors as diverse as health, education and social innovation, have been tackling similar issues for some time. Approaches such as realist evaluation, outcome harvesting, developmental evaluation, soft systems methodology and others have been trialled and used in a range of different contexts since the late 1990s. The ALNAP Secretariat has produced a paper that summarises the most promising approaches for strengthening humanitarian M&E for flexibility and adaptation. It identifies three key areas for supporting ‘adaptation-ready’ M&E: (1) timing of M&E data provision; (2) flexibility of M&E frameworks to evolve with programme change; and (3) approaches to integrate di perspectives on project implementation in a meaningful way. The paper looks at a collection of approaches currently being used in each of these three areas through a series of ‘practice examples’, considering the key lessons learned. For more, see: [Breaking the Mould](#) (Dillon, 2019).



Listen to Neil Dillon, Research Fellow at ALNAP, discussing ways to engage in ‘adaptation-ready’ M&E systems.

Section 4: Culture and people

The background features a dark green upper section and a lighter green lower section, separated by a curved, wavy line. The text is positioned in the upper left area of the dark green section.

Section 4: Culture and people

We end up saying to people, you have to think for yourself. You have to use good judgement at the right points at all times, and you have to empower people around you. And people then kind of go away and think, well, we can do that individually, we know how to use good judgement individually, but our institutions don't actually incentivise this to use good judgement, and that's a real problem.

Workshop participant

Organisational culture and staffing are as important to flexibility as any anticipatory analytics system or adaptive management tool. Flexible systems will not lead to greater flexibility in humanitarian response unless individuals take advantage of these systems to apply learning and do things differently. This requires people who are authorised, empowered and comfortable with changing when a situation requires it and teams with the competencies needed to execute a range of actions. It also requires an organisational culture that rewards flexibility, gives staff the space to exercise good judgement, and recognises that changes to operations and programmes can be positive and necessary.

Organisational culture and its influence on staff aspirations and mindsets was raised repeatedly by key informants in the Democratic Republic of Congo (DRC) and Kenya country studies, ALNAP workshop participants and in the broader adaptive management and flexibility literature. The view generally is that many large humanitarian organisations have engaged in internal change processes over the past decade that have resulted in cultures that prioritise standardisation and planning, and which move decision-making power and trust away from the field and towards centralised headquarter offices (HQs). The recent safeguarding scandal was discussed at the ALNAP workshop as an example of how the sector responds to errors in judgement through top-down, control-oriented structures. Such approaches can provide greater assurance but come at the cost of staff being able to make decisions in context.



Photo Credit: CESVI/Yofre Morales Tapia.

Flexible systems will not lead to greater flexibility in humanitarian response unless individuals take advantage of these systems to apply learning and do things differently.

While anticipatory and adaptive strategies can complement one another in relation to systems and funding, when it comes to organisational culture these two approaches can seem to pull in opposite directions. This is because adaptive strategies are grounded in the recognition that we cannot plan for the changes we will need to make in advance, but instead must remain open to changing based on unexpected dynamics or new understanding. In contrast, anticipatory strategies are grounded in the idea that anticipating a range of potential situations and responses to these situations will help organisations and teams shift more quickly when needed. Anticipatory strategies can easily be interpreted as planned approaches, which fits the increasingly control-oriented culture of many humanitarian organisations.

This is why it is so fundamental to understand that the aim of anticipatory strategies is to increase the range of response options available to an organisation while decreasing the amount of time it takes them to move from one option to another. Anticipatory strategies should not use rigid triggers or single action-plans but should instead offer a menu of actions along with guidance on how to analyse situational changes and select the most appropriate option. In short, the difference between anticipatory strategies and rigid contingency planning is that human agency is still required to make decisions in anticipatory strategies. It is this reliance on in-context thinking and decision-making that anticipatory strategies and adaptive strategies share.

4.1 Creating more flexible organisational culture and staff

Recruiting and supporting staff to engage in flexible humanitarian response can take time, and is difficult, primarily because this involves grappling with the more emotional and psychosocial elements of working in a modern humanitarian organisation. Because organisational culture and trust are influenced so strongly by individual personalities, this makes it difficult to replicate approaches across country teams (Goeldner Byrne, 2016). During the ALNAP workshop, five key themes were identified as areas on which organisations should focus when helping country teams to be more flexible.

Building trust. The ability to trust country-level and field-level staff to make decisions without being micro-managed by HQ came up repeatedly as a core characteristic of programmes that were able to make necessary and timely changes. There is a wide body of literature on the effects of trust in the workplace. It shows that low trust has a negative impact on performance (Brown et al., 2015) and that staff focus more on protecting personal interests than achieving collective goals (Edmondson, 2002).

Trust tends to be a feature of interpersonal relationships, which means that if staff leave an organisation, trust may need to be rebuilt. For humanitarian agencies facing high staff turnover, this is a significant challenge. Instead, it may be more useful for organisations to think about creating conditions that foster trust within country teams and between country-level and HQ staff. The work of social psychologist Amy Edmondson, which focuses on creating conditions for ‘psychological safety’, has been used by Google to take a more intentional approach to building high performing teams and has since been adapted by Mercy Corps to support stronger, more flexible country teams ([Box 12](#)).

Getting people to think critically and locally. Field staff who have participated in adaptive programming approaches often describe the experience as one of ‘thinking for ourselves’. Anticipatory programming approaches, such as those used in early action, also rely on staff capabilities to interpret situational monitoring data and select the most appropriate actions from a menu of options at the outset of a response (IFRC, 2014). For changes to happen at the right time, humanitarian staff need to be capable of thinking critically. They must be able to spot situational changes that may affect programme success or notice when key assumptions in the programme logic are not being supported. Critical thinking is a nebulous concept that is difficult to unpack in clear, tangible terms. Generally, though, it can be understood as the ability to make decisions with little to no guidance (RedR, 2019), and involves identifying and comparing different potential explanations for the same phenomenon (Rudolph et al., 2009).

Local and national organisations can thrive in this area, given their ability to understand contextual factors and quickly develop locally appropriate solutions to implementation challenges. These strengths are also critical for dealing with the complexity of urban settings. For example, at the ALNAP workshop, RedR UK presented their new competency

framework for staff working in urban humanitarian response settings, which includes suggested criteria for critical thinking and working adaptively and flexibly (RedR UK, 2019).

Skilled yet holistic. Workshop participants discussed a shift away from specialist staff and towards generalists in connection to a move towards more adaptive programming, which enables individual members of staff to be more flexible to work across multiple departments or sectors. Others felt that this could be achieved through greater collaboration and hand over with other agencies, such as MSF's informal partnership with a leading WASH sector NGO, to whom they hand over WASH programming responsibilities when they arise in the communities in which MSF is operating. Others find that, although they rely on specialist skill sets to assure quality in their programming, they are also trying to encourage multi-sectoral planning and response design so that interventions are not divided by silos.

Highly technical problems require people who really, really get that. Generalists just won't have the technical knowledge. So, it's perhaps about thinking of not just programming as one organisation's programming, but how to find ways to better coordinate, so that it's not that if they encounter something where a shift might be needed, they have to do all the shifting themselves – instead, it's more about saying to someone else, okay, you guys come in.

Workshop participant

Decisions on team composition, and the best balance between technical expertise and generalist critical-thinking skills, should be informed by empirical evidence specific to the humanitarian sector. At the moment there are no studies that can meaningfully answer these questions. Given that organisations seemed to have very different experiences with hiring for specialist skills and how this impacted their flexibility, this is an area that should be examined in more detail.

Set expectations and incentives for change. Flexible country teams work under the expectation that plans will change, and that change is part of good humanitarian action. These expectations can be set by explicit rules about change and improvement, through a system of rewards or, more simply, by creating meaningful spaces for reflection that are supported by the opportunity to make real changes in a response. Face-to-face dialogue to establish shared expectations about change is critical for staff who may feel threatened or uncomfortable. This kind of dialogue has also been viewed as important for improving working relationships between programme staff and logistics, procurement and supply chain staff, and increasing the latter's responsiveness to requests for change from programme staff.

Flexible country teams work under the expectation that plans will change, and that change is part of good humanitarian action.

4.2 Anticipatory strategies: surge

Human resourcing for flexibility can have two very different areas of focus depending on the kind of change they are designed to address. For expected changes, such as the onset of a new crisis, anticipatory approaches focus on speed – that is, managing the location of skillsets to enable fast and appropriate emergency response. For unexpected changes or new learning about a programme, there is a greater focus on creating the mindsets and skillsets necessary for adaptive learning.

As with other aspects of humanitarian organisation design, human resource functions have largely developed around the objective of maximising speed in the face of geographic uncertainty. Humanitarian HR systems aim to move people with the appropriate skillsets to crisis locations, wherever they may be, in the shortest time possible. As it is expensive to retain staff when they are not working, many agencies seek to create ‘surge’ capacities.

Generally, when it comes to surge capacity, humanitarian actors opt for one of the three approaches (Austin and O’Neil, 2015):

- the ‘step-aside’ approach, whereby surge teams are deployed to manage the response when existing programmes are unable to cope with the demand
- the ‘no regrets’ approach, which involves deploying international surge capacity even if the worst-case scenario does not materialise
- the localised approach, which prioritises investment in building the emergency response capacities of national staff and partners.

Much work on surge capacity has been done since 2014 by the Transforming the Surge Capacity Project. This project brought together 11 Start Network agencies to understand and pilot new approaches to localised surge systems, collaborative approaches, and good practice in this type of activities. Findings from a learning review conducted at the end of the project suggest that localising surge capacities enables a quicker response in situations of crisis, while collective approaches built through joint rosters, shared services, coordination and preparedness mechanisms enable more effective surge responses (Austin and O’Neil, 2015). The Transforming the Surge Capacity Project has also established Go Team Asia, a roster to test a regional approach to surge (Start Network, 2017).

HumanSurge is a new online platform that links up humanitarian organisations with humanitarian professionals available for surge deployment on short notice. The platform features over 200 recruiters and more than 12,000 registered professionals. Since its launch in 2016, HumanSurge has been used by organisations such as CARE International, Action Against Hunger, Concern Worldwide, Mercy Corps, Norwegian Refugee Council, People in Need, Save the Children, among others (HumanSurge, 2018).

For multi-mandate organisations, training national staff members who lead the organisation’s development work can be an effective way to build a wider range of skillsets in staff and reduce the need for bringing

in international surge teams. However, people with experience in such programmes note that these approaches also need a ‘no regrets’ strategy, in case a disaster does not occur in the country, as well as significant investment to ensure national development programme staff will have the confidence for rapid response.

An organisation’s adaptive capacities will be more resilient if it focuses on cultivating and embedding the skillsets needed for problem-solving, critical thinking and iterative decision-making.

4.3 Adaptive strategies: creating the right mindsets and culture

We have to move away from being the heroic deliverers of life-saving assistance, to being humble facilitators. And that is one of the big challenges I think we face.

Workshop participant

The adaptive capabilities of organisations rely on the adaptive capabilities of their staff. And these link closely to competencies like critical thinking, openness to learn, willingness and ability to make informed decisions quickly with minimal or no supervision, creative problem-solving, and an ability to consider different explanations for what is happening in the environment around them (Rudolph, et al., 2009; Mistry et al., 2011; Allana and Sparkman, 2014; Mercy Corps, 2015; Maclay, 2016; Mercy Corps and IRC, 2016).

A key question is: can these skills and competencies be built in individuals or are they innate? Is staffing for adaptive programming more a matter of capacity building or a matter of recruitment?

The same questions have occupied the attention of senior executives in some of the largest companies in the world today, particularly in the IT sector. Google, for example, has invested significant sums in the science behind adaptive, innovative teams to understand how to recruit, incentivise and manage individuals to think and solve problems creatively (Edmondson, 2017).

Experience from adaptive programming approaches in the humanitarian sector suggests that good recruitment can be important, but that an organisation’s adaptive capacities will be more resilient if it focuses on cultivating and embedding the skillsets needed for problem-solving, critical thinking and iterative decision-making.

An organisation's adaptive capacities will be more resilient if it focuses on cultivating and embedding the skillsets needed for problem-solving, critical thinking and iterative decision-making.

In the aid sector, Mercy Corps has invested significantly in this area, applying practices and frameworks developed by Google and other companies for creating highly functioning, adaptive teams (Mercy Corps, 2015; Maclay, 2016; Mercy Corps and IRC, 2016; Proud, 2017; Mercy Corps, 2019). Its approach to adaptive programming and management has explicitly emphasised the need for appropriate human resource management to support flexibility, and the organisation seeks to create ‘respected, empowered and accountable team(s), equipped with the skills of critical thinking, analysis and creativity’ as essential to adaptive management (Mercy Corps, 2015).

To recruit individuals with these skills, Mercy Corps hiring processes prioritise candidates from diverse professional backgrounds and value critical-thinking skills over technical capacity, which, for many of the sectors Mercy Corps’ works in, can be developed on the job (ibid.). (This cannot be applied to all types of humanitarian programming: some sectors – e.g. health, psychosocial care – will require prior technical knowledge.)

Mercy Corps had seen some success with highly adaptive and innovative teams but wanted to see these practices engrained more fully in the organisation, rather than being subject to ‘getting lucky’ with strong individual managers. From this emerged the Mercy Corps People With Possibility programme (Box 12). Initial feedback on the programme has been positive, and the organisation’s work provides some good lessons for how thinking about organisational culture and team building can help achieve greater flexibility in humanitarian response.



Photo credit: ACF/oPt.

Box 12: Creating a culture for adaptiveness through stronger teams: Mercy Corps' People With Possibility programme

A practice of continuous learning cannot be achieved solely by recruiting the right people; it also requires the right environment within teams. Mercy Corps was keen to embed this culture throughout the organisation and began to identify characteristics around which to design a training and capacity-building programme for middle managers.

But it became clear that taking managers out of their teams to train them might not be the best approach. As Emma Proud, Director of Organisational Agility for Mercy Corps described, it would be like taking two cups of water out of a bathtub, heating it up, and then putting it back in again: the heat would immediately dissipate. Managers might struggle to bring teams along with them on a more adaptive management approach. And so Mercy Corps decided to develop a team-based training for managers and their staff – the People with Possibility programme.

People with Possibility (PwP) is a six-week training that draws on neuroscience, organisational design and systems thinking to offer a set of best practices for building innovative and adaptive teams. The programme begins with an in-person kick-off meeting attended by the manager, their team and Mercy Corps headquarters staff. Modules consist of a package of short videos and discussion exercises, around the following themes:

1. Your Brain & You
2. Your Brain & Others
3. Promote Wellbeing
4. Have Candid Conversations
5. Decision-making & Ownership
6. Adaptive management

Each week, the manager leads their team in an hour-long discussion with prompts on each of the themes. Over the six weeks, teams are encouraged to discuss how they react to stress and to change, how they communicate changes with one another and how they take decisions in the team. They are also asked to reflect on the value of adaptation.

PwP aims to change the working culture of teams by focusing on the psychological aspects that can shape team dynamics and communication, which in turn impact motivation and individual performance.

The end of the programme focuses more directly on practices to support adaptive learning and programming. Examples of the questions used in Week 6 include:

- When have you taken time to reflect? Personally? As a team?
- What is different when you have had the chance to reflect and adapt? What gets in the way?
- How might we get better at carving out time for reflection?
- What would be the impact of taking smaller decisions more often?

The training was developed iteratively over 12 months and has been piloted in Mercy Corps headquarter offices and its Jordan and Myanmar country offices. In Jordan, key informants discussed how the training had helped address long-term problems in the flexibility of their team. They found that it helped address the reasons why changes to programmes or requests for faster procurement times were taking place, and how different departments – logistics, finance, programming – could communicate and work with each other more effectively to act on new learning. Examples of projects where significant changes had been made to improve programming were presented and discussed as a team, as an example of good practice.

Initial internal feedback on PwP has been extremely positive. To sustain its benefits, teams need to be resourced adequately to engage in routine reflection in their day to day work, outside of the modules. It was also noted that one hour for the modules may not be sufficient to address some of the more sensitive issues that may arise in the discussions.



Listen to Emma Proud, Director of Organisational Agility, talking about Mercy Corps' People with Possibility programme.

Section 5: Funding



Section 5: Funding

Humanitarian financing shapes incentives and behaviours in humanitarian agencies. As such, it is often seen as the primary constraint to the flexibility of humanitarian responses. However, the systems used by humanitarian agencies for project planning and management have co-evolved with donor systems for accountability over several decades, driven by a shift towards institutional government funding for NGOs and increased donor expectations for results-based management in UN agencies. This means that changes to funding cannot be a panacea on their own and that it may take time to see results from newer, more flexible funding mechanisms.

More flexible funding requires a mindset shift on the part of implementing agencies as well as changes to their internal systems in order to use this funding most effectively and pass flexibility down to local partners. But, understandably, many agencies are reluctant to make significant changes to their internal systems if most of their funding continues to be highly restricted and inflexible.

One of the challenges in building greater flexibility in humanitarian response is that a single implementing agency's flexibility can sit in tension with a donor agency's concern for its own flexibility, coverage and aid effectiveness.

Traditionally, donors have attempted to achieve system-wide flexibility in their financing by annually allocating their funding and using short-term contracts. This allows them to review allocations regularly and make adjustments in response to changes in crisis or need. This is in addition to contingency funds that can be used to respond to rapid onset or unexpected crises within the year.

But greater allocative flexibility for donors can lead to reduced operational flexibility for agencies. In contrast, more predictable and longer-term resourcing can reduce allocative flexibility for donors but provide better support for learning and adaptation within an aid project over time (as long as other factors are present: see [subsection 5.2](#)) and can also help agencies make the investments needed for anticipatory strategies for flexibility.

Donors also seek to achieve wide geographical coverage by strategically selecting partners who are well placed to deliver in different parts of a country. This can reduce the flexibility of humanitarian operations with respect to location, as they are effectively assigned to a particular area and unable to move – even when populations move or when greater needs arise elsewhere.

Greater response-level flexibility in humanitarian agencies can also sit in tension with current approaches to aid effectiveness and accountability.

Flexible approaches are needed because situations change. And while agencies can anticipate some of these changes, there will always be high levels of uncertainty in the countries in which humanitarian actors operate. Humanitarian actors need to be more comfortable with acknowledging what they do not know in advance of an intervention, particularly for adaptive programming strategies.

One of the challenges in building greater flexibility in humanitarian response is that a single implementing agency's flexibility can sit in tension with a donor agency's concern for its own flexibility, coverage and aid effectiveness.

Accepting and acknowledging a state of not-knowing is difficult when it comes to showing accountability for public funding. Not-knowing is associated with a lack of control, which is a highly negative concept in humanitarian aid (and organisational management more broadly), as it comes with higher fiduciary risk and an inability to guarantee quality. Flexible funding therefore presents significant questions for donors around accountability and compliance: Are changes being made for the right reasons? Will these changes have a positive impact on response quality or effectiveness?

Despite these tensions, there has been some progress on moving to more flexible funding in recent years (Metcalf-Hugh et al., 2019: 2), in connection to the Grand Bargain and other, more country-specific aid sector reforms. This consists of unearmarked and lightly earmarked and multi-year bilateral funding agreements, as well as an enhanced look at flexibility and approval processes to revise grants in Country-Based Pooled Funds (CBPFs). Multi-year funding has been a particularly active area of finance reform (ibid.), although the relationship between multi-year funding and enhanced operational flexibility is potentially influenced by a number of factors (see subsection [5.2.3 Predictable](#)).

In her opening remarks at the financing session at ALNAP's workshop, Lydia Poole noted that flexible funding will require diversity and diagnosis: a range of financing mechanisms, designed for specific purposes based on a diagnosis of the financing challenges faced by agencies as they try to respond to changes on the ground. The sector is seeing greater diversity in its funding mechanisms – but this needs to be paired with good understanding of the different purposes these mechanisms can serve, and in which type of circumstances they are most useful.

For example, when it comes to increasing efficiency, a recent review of financing mechanisms notes that 'Large-scale, chronic emergencies causing similar needs among large segments of the population could be more efficiently funded through large umbrella grants to competent coordinating agencies', while flexible funding could be used to address specific gaps or under-addressed problems and direct funding to local organisations could be targeted towards 'small pockets of need and highly location-specific needs in individual areas' (Stoddard et al., 2017: 35).

With a range of choices available to them, donors need to take a strategic and innovative approach to how they finance humanitarian action in order to see greater agility and adaptiveness. To support this, the following sections aim to provide an understanding of how the main types of humanitarian funding relate to response-level flexibility (see [subsection 5.1](#)), and of the characteristics and supporting factors for funding mechanisms that enable a more flexible humanitarian response (see [subsection 5.2](#)).

With a range of choices available to them, donors need to take a strategic and innovative approach to how they finance humanitarian action in order to see greater agility and adaptiveness.

5.1 Types of humanitarian funding and their relationship to flexibility

5.1.1 Private funding and core funding from donor governments

Private and core funding offer the greatest flexibility for implementing agencies but make up a low proportion of humanitarian financing. Among NGOs, World Vision uses its private funding to provide a 20% internal ‘crisis modifier’ budget for sudden crises, which it uses to respond to crises in communities where it is already working (Obrecht, 2018). UN agencies and the ICRC enjoy core funding from donor governments, which they say helps them maintain the systems needed for operational flexibility (Stoddard et al., 2017).

To date, agencies with core funding largely seem to use this for agility (increasing speed of response), for increasing their geographic scope (delivery-level flexibility), and for anticipatory strategies such as increasing the volume and mix of products they stock (product flexibility). But there is little data on how exactly core funding is used to think *strategically* about flexibility.

Examples from field research in the Democratic Republic of Congo (DRC) and Kenya, as well as interviews with field staff in four additional countries, suggests that when private and core funding is used for flexible programming and operations, this tends to take the form of ‘gap plugging’. Core funds are used to help agencies address sectoral needs that donors are not covering, or to reach populations in areas that are left out of scope in calls for proposals. While this technically increases an agency’s range of response options, it is very different from a strategic approach to flexibility, which would directly resource the capacities and systems needed for monitoring, reflection and corrective actions.

Some agencies use core funds for targeted innovation projects, but the learning and iterative management systems set up for these projects

“

Flexible funding presents significant questions for donors around accountability and compliance: Are changes being made for the right reasons? Will these changes have a positive impact on response quality or effectiveness?

”

are largely considered to be one-off exceptions. ALNAP did not find any examples in the humanitarian sector of the use of private or core funding to initiate specific adaptive programming approaches or increase an agency's capacity to offer a wider range of services.

Using core or private funding more strategically is a challenge: the fact that so much humanitarian funding remains restricted and short-term places a high demand on how to use the limited flexible funding available. But given the potential benefits of flexibility for delivering better results and greater medium-term and long-term efficiency, it would be worthwhile for agencies to consider how they can make best use of core funding to invest in systems and practices that allow for a more embedded type of flexibility – whether anticipatory, adaptive, or both. This can allow them to move away from gap-plugging to better ways of working that demonstrate to donors the added value of this type of funding.

5.1.2 Collective funding mechanisms

Collective funding mechanisms are those in which two or more agencies can access funding in a single mechanism. These include pooled funds, where contributions from multiple donors are pooled and allocated to multiple agencies based on a proposal process, as well as multi-agency consortia which provide funding to a group of agencies who plan and report on their work collectively. Primary examples of pooled funds include the UN-managed Central Emergency Relief Fund (CERF) and country-based pooled funds (CBPF), as well as the NGO-run Start Network pooled fund. An example of a consortia-based mechanisms is the Rapid Response to Movement of Populations (RRMP) model, developed by the UK Department for International Development (DFID) and UNICEF originally for response to forced displacement in the DRC and now active across 12 countries.

Most collective funding mechanisms focus on increasing agility for rapid response to new crises. Less attention has been placed on streamlining processes for making changes to these grants once they have been agreed. In many cases, the period for implementation is so short, and the lead time for supply chain so long (four to six weeks in several examples discussed by research participants), that making changes becomes impossible even if considered valuable. Also, agencies are typically restricted on the kinds of activities they can deliver with these grants – shifting to anything resembling early recovery or transitional programming for returnees, for example, is typically disallowed despite the importance of early recovery in protracted settings with high rates of cyclical displacement (Obrecht, 2017).

While pooled funds can be considered a form of unearmarked funding from a donor perspective (because they can go to any agency for any project), once they are drawn down, they are assigned to specific agencies and projects, with agreed objectives, budget and outputs. This means that the approval processes required to agree changes to these grants are an important factor in understanding whether pooled funds support flexibility within a response.

The issue of how pooled funds support flexibility through timely changes to projects has not been studied in significant depth. One 2017 review

found that CBPFs ‘are typically too tightly circumscribed in their role to act nimbly and flexibly, despite their aspirations’ and ‘were not particularly flexible when it came to midstream modifications’ (Stoddard et al., 2017: 26). However, recent annual reports from the CBPFs suggest that this may be improving. Flexibility was one of the key performance indicators used in the 2018 annual reports of the CBPFs, with four targets under this indicator. It is worth noting that not all these targets are good proxies for flexibility. For example, one target specifies achieving an ‘appropriate’ amount of cash-based assistance without making clear how this amount is defined. Nor is cash-based assistance always indicative of a more flexible response.

The most relevant target looks at the amount of time taken to approve a project revision: ‘CBPF funding is successfully reprogrammed at the right time to address operational and contextual changes.’ Several CBPFs set this target at an average of 10 days, which can be a long time when implementing a 90-day project. According to annual reporting, the ability of pooled funds to approve changes to projects may depend on the total number of revision requests that the country office receives. [Table 1](#) shows that, generally, approval times take longer in countries facing higher volumes of revision requests.

Annual reports indicate that the process for approving changes could be improved with more streamlining and better clarity on what the process entails. In Ethiopia, ‘finalization of revision requests took time, as some partners did not submit final project revisions once the initial request was approved’ and ‘Delays were typically due to difficulties faced by a partner in securing the necessary supporting documents or providing adequate justification for the changes requested [that were] required by the HFU [Humanitarian Financing Unit] to approve the revision’ (OCHA, 2019a).

In contrast, in Afghanistan, where the average time for approval was shortest, ‘Improved and more frequent interaction between implementing partners and the fund throughout the project cycle resulted in timely revision requests’ (OCHA, 2019b), although it should also be noted that this country office had one of the lowest number of revision requests.

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Most collective funding mechanisms focus on increasing agility for rapid response to new crises. Less attention has been placed on streamlining processes for making changes to these grants once they have been agreed.

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Table 1: Number of revisions and average approval times by country

Country (in order of time taken to approve revisions)	Number of revisions requested	Average time to approve (days to the nearest half)
Afghanistan	13	5.0
South Sudan	22	8.0
Yemen	33	8.0
Pakistan	8	8.5
Somalia	52	21.0
Iraq	107	27.0
Myanmar	15	34.0
Ethiopia	78	40.0

Source: Compiled from the 2019 Annual Reports of the Country Based Pooled Funds, accessible at: www.unocha.org/our-work/humanitarian-financing/country-based-pooled-funds-cbpf/cbpf-annual-reports-2018.

5.1.3 Bilateral partnership agreements and bilateral project grants

Bilateral funding is the most common form of humanitarian financing. It may consist of framework agreements between donors and agencies or grants tied to specific projects – with the latter being the most common and considered to be the least flexible. Reporting requirements and the use of earmarking for project-based funding are major barriers to flexibility and have also been identified as challenges for the aid efficiency (Caccavale et al. 2016; ICVA, 2016; GPPI, 2017; Stoddard et al., 2017). This has led to calls to move away from bilateral funding mechanisms in favour of collective mechanisms or core funding.

But it is also the case that bilateral funding, when paired with greater budget flexibility, less earmarking, more streamlined reporting and longer-term predictability, can provide adequate support for both anticipatory and adaptive strategies. The Swedish International Development Cooperation Agency (SIDA) is piloting such an approach in collaboration with three implementing partners (see [section 5.3](#)), which was discussed in detail at the ALNAP workshop. Early indications suggest that shifting bilateral funding away from individual projects towards country strategies and greatly extending budget line flexibilities could allow agencies with limited core funding the ability to think more strategically about their work and develop deeper and more sustainable flexibility.

Bilateral funding, when paired with greater budget flexibility, less earmarking, more streamlined reporting and longer-term predictability, can provide adequate support for both anticipatory and adaptive strategies.

5.2 What are the characteristics of funding mechanisms that support flexible and adaptive humanitarian action?

Just as there is no one approach to flexible humanitarian action, workshop participants noted that there is no single ‘silver bullet’ approach to financing it. Different funding mechanisms will support different types of flexibility – or can support the same type of flexibility but in different ways.

Evidence is emerging of the kind of funding mechanisms that can support flexible humanitarian action. But, to date, it also suggests that these mechanisms are by no means a guarantee of greater operational and programmatic flexibility. Other factors must be present to achieve operational flexibility in a response – and thereby see improvements in relevance and effectiveness. This section summarises the main characteristics of funding that support more flexible humanitarian responses, along with the necessary support factor that such funding must be paired with to lead to real change.

5.2.1 Outcome focused

Necessary support factor: budget and M&E flexibility

Over the past few years, some donors have moved to more outcome-focused contracting, including the use of a standing repository or set of outcome indicators from which agencies select when submitting a proposal. Focusing on outcomes rather than outputs creates greater flexibility to change activities or revise a programme’s logic if these are not working as expected or if the situation changes in a way that leads to other, more pressing priority services. But if outcome-based contracting is not paired with budget flexibility – particularly across budget lines – then using outcome indicators will not necessarily lead to more flexible programming.

Budget line restrictions are one of the most common barriers that agencies face when trying to respond to new changes in a response context or feedback from affected populations. While bilateral grants can allow for changes in principle, these can involve lengthy approval processes. Using an outcome- or objective-oriented approach is most beneficial when paired with wider budget flexibility that holds agencies accountable for results while freeing them to find the best potential pathway to addressing humanitarian needs in a crisis.

Experience from field teams suggests that budget flexibility paired with outcome-focused reporting at the level of country strategies can lead to positive changes in how humanitarian teams carry out assessment, design and delivery (see, for example, the discussion of SIDA and its partners in [section 5.3](#)). Within a year, these field teams were able to combine sectoral assessments and service delivery, adapting their services based on the specific combination of needs in a given community. They were also able to achieve significant improvements to delivery and targeting flexibility by responding to a wider geographical range in a short period of time.

If you can manage to change your budget structure, it unlocks doors for programmes and M&E to jump ahead, that they've been closed off to.

Workshop participant

A limitation of outcome-based contracting is that it does not allow for outcomes or indicators to be revised, should these turn out to be less appropriate later on. And not all outcome-based approaches are the same: more evidence is needed on how to structure outcome-based contracts to find the best balance between incentivising flexibility and accountability. For example, payment by results, which is being trialled by DFID for humanitarian multilateral agencies, is a form of outcome-based contracting that provides funding to agencies only after agreed objectives have been achieved (DFID, 2018). The evidence for whether payment-by-results leads to improvements in the effectiveness, efficiency or flexibility of programming is mixed (Clist, 2017), and it remains to be seen whether this will lead agencies to focus more on risk-averse 'safe bets' rather than deeper, more strategic adaptations (Bryan and Carter, 2018).

5.2.2 Streamlined processes for approving change

Necessary support factor: clarity on decision-making procedures

Humanitarian staff cannot make timely, effective changes to their programmes if they are too busy with reporting requirements, or if the work required to approve a change is too burdensome. At the ALNAP workshop, participants discussed the importance of **streamlining** decision-making processes when it comes to approving changes in bilateral grants.

Where possible, more **decentralised decision-making power** in donor agencies can support timely approvals for changes to bilateral grant agreements. Donors with a country presence are more likely to have a good grasp of the situational and contextual changes that may necessitate a programming change, which can make approvals more straightforward. This was the case in DRC, where country-level donor staff proactively reached out to partners to ask why they had not come to them to discuss changes to a programme in an area that had undergone a significant movement of population.

But country-level donor staff do not always feel that they have this kind of decision-making power. In both country studies, country-level staff expressed frustration with their inability to approve 'common-sense' and straightforward requests for changes to programming without higher level sign-off, and felt that their agencies' bureaucracies were primarily responsible for delays in responding to new crises or adjusting appropriately to changing situations. Flexible funding arrangements that pass more decision-making power to implementing agencies can also be threatening to donor staff at country level, where they may feel their added value is reduced.

Streamlined decision-making may be more important than whether decisions are decentralised. For example, while CBPFs are decentralised, their processes for approving changes to grants have not always been timely or straight forward. Moreover, decentralisation may not always be possible. In these cases, donors can look to streamline the decision-making processes for approving changes by removing layers and standardising and minimising the information required for approving changes.

Donor staff sometimes have more flexibility to approve changes than they realise. In ALNAP's country-level research there were several examples of where donor and agency staff understanding of the processes for requesting and approving changes in their grant agreements differed. This is also noted in several CBPF reports as a barrier to timely approvals for project changes.

As such, it is important to provide both staff in donor agencies and implementing partner organisations with **clarity around what the rules actually are** – which, somewhat surprisingly, is not always the case. Among donor staff, perceptions vary with regard to their agency's appetite for risk, what decisions they are empowered to take, and what options they have to build more flexibility into their contracts with partners (ALNAP workshop; ICAI, 2016; Stoddard, 2017).

5.2.3 Predictable

Necessary support factor: a shift in agency management practices and an intentional approach to using funding for flexibility

Multi-year funding has received significant attention in recent years for its potential to increase the efficiency and flexibility of humanitarian assistance (FAO, 2017). There are many 'in principle' arguments for multi-year funding, on the basis that it can bring about a range of benefits: greater efficiency, greater connectedness to resilience and other longer-term objectives in fragile settings, and greater capacity for flexibility and adaptation. But until recently, there has been little empirical evidence to support this (Cabot Venton and SIDA, 2017; FAO, 2017).

Multi-year funding can support anticipatory strategies by enabling the purchase of larger quantities of stock, or by allowing agencies to maintain a longer presence in settings featuring frequent cyclical crises – both of which can support a faster response to sudden increases in need. This was observed in multi-year rapid response mechanisms such as the RRMP in DRC and has also been noted in other research on multi-year financing (Stoddard et al., 2017; SIDA et al., 2019).

The relationship between longer-term funding and **adaptiveness** – the ability to apply continuous learning to improve programmes – is less direct. In theory, longer-term funding allows the length of an intervention to be adapted based on needs rather than arbitrary short-term cut-off dates, and avoids the gaps in programming that often arise in between annual funding cycles:

[Annual funding is] so much less effective because you have so much time in between the interventions ... but then, when the contract is starting again, we don't have the supplies to directly go for it, so you have this dead time of, say, six months, where you [...] practically can't do anything.

Key Informant Interview 25

Predictable funding can also reduce uncertainty in staffing, which is often tied to grant funding. And in turn, greater staff continuity can support more experimentation and higher quality adaptations to programming as it is easier for individuals to apply learning from their own experiences, rather than from a project in which they were not involved (Obrecht, 2017).

In practice, ALNAP found that all of the strongest examples of adaptive programming observed for this study happened to be supported by multi-year funding, which suggests some link between the two. Managers of adaptive programmes viewed predictable funding as a way of helping them move gradually towards greater experimentation and willingness to change, and enabled learning to be 'rolled over' more easily into new phases of a programme (ALNAP workshop; Obrecht, 2018).

But greater flexibility is not a given without the necessary shift in agency management practices. As with core funding (see previous sections), multi-year funding is sometimes used strategically; but in other cases, when it is used to 'plug gaps' rather than to intentionally enhance an organisation's agility and adaptiveness, predictable funding will not on its own lead to noticeable gains in flexibility.

Adaptive strategies require a humanitarian staff to adopt a different mindset and work differently from how they typically deliver programming. This kind of shift can take time – particularly when it comes to increasing product, service and strategy flexibility.

Moreover, staff continuity can still be a problem even with multi-year funding (Cabot Venton and SIDA, 2017) and, if internal systems remain unchanged, field staff will continue to think in terms of annual or short-term project cycles (KII K37; K31). This is consistent with broader findings on multi-year funding, which note that 'in most cases potential benefits were not realised in the first iteration of MYHF business cases' and that, in order to achieve better efficiency and effectiveness, multi-year funding needed to be 'actively managed' by agencies (Levine et al., 2019: 6).

As with core funding, multi-year funding is sometimes used strategically; but in other cases, when it is used to 'plug gaps' rather than to intentionally enhance an organisation's agility and adaptiveness, predictable funding will not on its own lead to noticeable gains in flexibility.

Necessary support factor: budget flexibility

Donors also need to consider carefully the systems they use to create accountability within multi-year funding agreements and should avoid over-prescribing the changes that will be allowed within the grant period. Multi-year contracts that over-specify inputs and outputs will be worse for supporting flexible and adaptive responses, not better. Several donors and UN agencies have piloted the use of triggers within multi-year funding agreements to 'pre-agree' significant changes to a programme in advance. While trigger-based contingency plans reduce the approval time required to make adaptations (and can therefore support greater responsiveness (Stoddard et al., 2017; Obrecht, 2019; Valid, 2019)), they rely on being able to predict the changes that will occur in a setting. This requires a high level of certainty in the effectiveness and relevance of planned interventions.

In reality, contexts can change unpredictably over two- to three-year periods, and situations and needs often evolve to affect the performance of planned activities. Predictable funding must therefore include space for budget flexibility – ideally well beyond the 10% level that is currently the maximum flexibility for many grants and bilateral agreements. A potential approach being trialled in the development sector is to use adaptive contracting in multi-year funding arrangements (Bryan and Carter, 2018), where there are periodic reviews and opportunities to change objectives, activities and budget allocations. Irish Aid uses a process similar to this in its 'multi-annual' agreements with its partners.

5.2.4 Creates the expectation that good, timely changes will be made

In some cases, donor staff receive requests for changes by implementing agencies based on what donor staff describe as poor needs assessments or a lack of due diligence in programme planning. One country-level donor explained that they felt it was the implementing agency's responsibility to 'know what to do' and that a good quality needs assessment would mean few changes would be necessary.

Balancing accountability with flexibility is a challenge. It requires donors and their implementing partners to agree on the degree of uncertainty and ambiguity that is present in a context or programme theory of change. It also requires clear expectations about what constitutes adequate, risk-informed decision-making (for anticipatory flexibility) or what constitutes high-quality, reflective learning (for adaptive flexibility).

Reaching this consensus and establishing shared expectations has largely relied on relational trust between donors and agencies. ALNAP workshop participants and key informants in the country studies emphasised repeatedly that having strong relationships with donors – often built with specific individuals over time – was one of the most important factors in their ability to make programmatic changes or to secure resources quickly to respond to new crises. This has also been observed in flexible programming in development programming (Valters, et al., 2016) and urban settings (Campbell, 2019).

Relying on shared history and relationships is a strategy that is understandable when considering the information needs of donors. They face information asymmetries in their resource allocation: implementing agencies have better information on how much it costs to deliver a service and on what is needed by a particular population. In a better functioning system, donor trust would be generated through greater transparency on the part of implementing agencies when it comes to needs assessment and response design. But attempts to address this in the Grand Bargain have not seen significant progress (Metcalf-Hough, et al., 2018).

Relational trust is a problematic foundation for flexibility because it lies outside of any formal process or agreement and is therefore unstable over time. If there are donor staff changes, for example, this can lead to a very different approach in the middle of a framework agreement. One workshop participant expressed concerns that relational trust is potentially exclusionary and unfair: certain agencies may be able to enjoy wider flexibility than others, based on their connections.

While understandable, relying on relational trust is not the only way forward. Accountability processes can be reimagined and redesigned to incentivise smart, timely adaptations, and to differentiate between truly flexible programmes and those which require technical changes due to poor planning (Wild and Ramalingam, 2019). Participants at ALNAP's workshop discussed several potential ideas and 'quick wins' to shift donor accountability mechanisms to be more supportive of flexibility – primarily by creating expectations and incentives for changes to happen in a response. This will look different depending on context and nature of the need/problem being addressed, but can include:

- funding a 'portfolio' programme approach where a certain percentage of activities (e.g. 10%) will be dropped based on regular review and assessment of performance, and successful activities expanded
- developing alternative approaches to log frames that set expectations for how 'robust, rigorous' changes can be made using monitoring and evaluative data (see [section 3.3](#))
- using a set of questions to facilitate donor dialogue with implementing partners. These would be designed to:
 - improve the donor's understanding of its partner's monitoring systems and experiences in identifying and making timely adaptations to programming and operations
 - help the implementing partner to get clarity on a donor's expectations for justified programme changes, the steps needed to approve changes and the extent of budget flexibility.

“

In a better functioning system, donor trust would be generated through greater transparency on the part of implementing agencies when it comes to needs assessment and response design. But attempts to address this in the Grand Bargain have not seen significant progress.

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5.3 The future of flexible bilateral funding

As well as requiring internal changes to country teams and to the systems and ways of working in humanitarian agency headquarters, the move towards greater flexibility also requires changes among donors. They must be willing to work more strategically with partners, improve the clarity of their internal communications so that donor staff understand what approvals are actually necessary, and cultivate patience and understanding that flexible funding cannot change humanitarian action overnight – particularly if it continues to occupy such a small percentage of overall humanitarian funding.

For example, SIDA's humanitarian department has taken a strategic approach to engaging with its implementing partners with its new Programme Based Approach (PBA), moving away from contracts that focus on outputs to those that look at strategy and country programmes or strategic objectives (see [section 5.3](#)). This has allowed it to discuss with partners the overall vision for humanitarian action and how this can best be achieved amid contextual changes. The PBA has full budget flexibility and its reporting is streamlined: it consists primarily of the partner's annual reporting on its country strategy, along with annual audits. Agencies must contact SIDA to approve changes to a sector or a geographical region only if these sectors and regions are not covered in the existing country strategy ([section 5.2.2](#)).

Participants at ALNAP's workshop discussed several potential ideas and 'quick wins' to shift donor accountability mechanisms to be more supportive of flexibility – primarily by creating expectations and incentives for changes to happen in a response.

SIDA began piloting the PBA in 2017 with NRC, followed by ACF and IRC in 2018. There are early indications that it led to improvements in the three agencies' operational and programmatic flexibility ([box 13](#)).¹⁰

The PBA has also had several additional benefits beyond increasing flexibility at the response level:

- helping responses be more needs-based, by assisting people in areas facing access constraints, or which are underfunded by other donors due to political sensitivity
- offering more efficient and joined-up support to beneficiaries, by enabling teams to make link between ongoing and new programming, or to close gaps between annual funding cycles for ongoing programmes
- for IRC, enabling Nigeria and Central African Republic country offices to engage better in country-level coordination to support greater efficiency and flexibility across the sector.

¹⁰ ALNAP interviewed staff from country teams from each of the three implementing agencies in spring 2019, as well as with headquarters technical leads for PBA. Internal reporting data from one of the agencies was also provided to ALNAP.

Box 13: Examples of how SIDA's Programme Based Approach is supporting more flexible humanitarian responses

Implementing partner	% of total country budget	Countries piloted
ACF	12%	Bangladesh, Myanmar, Ethiopia, Somalia, Syria
IRC	2%–11% depending on country	Central African Republic, Cameroon, Nigeria
NRC	15–20% (7% SIDA; the rest provided by NMFA)	All 32 NRC country programmes (24 of which have SIDA PBA funding)

Greater agility (reactive flexibility)

Location changes. Because the PBA is set at country level, agencies can switch activities to different geographical locations within the country without need for approval. As geographic changes do not imply significant budget revisions, ACF was able to use this flexibility in its drought response in Somalia, moving activities to districts that were facing greater need due to changing drought conditions.

Responsiveness to new spikes in crisis. Some donors already support rapid response mechanisms for responding to new crises (e.g. ECHO and OFDA), but these typically require a response within 72 hours and security and logistics conditions can make this difficult. With PBA, implementing agencies could use SIDA funding to respond to new crises outside this 72-hour window as well as to initiate a response while waiting for additional funds from donors. IRC's Central African Republic office used the funding to respond to new displacements; and there were numerous examples of NRC using PBA funding for this, including its response in Cameroon to the unforeseen 'Anglophone crisis'.

Supporting anticipatory strategies for flexibility

NRC has used PBA funding for small 'stock pre-positioning' to strengthen their supply chain systems for emergency response. In Syria, ACF used scenario planning to consider potential humanitarian situations they might face in the coming year and then applied PBA funding to initiate flexible contracts with suppliers based on what these scenarios would require.

Supporting adaptive strategies for flexibility

Using learning and feedback from affected populations.

In Lebanon, during the implementation of water trucking and desludging services, NRC identified further issues with water sources due to contamination and seasonal flooding. As well as expanding its programme geographically (by including more cadastres), NRC also increased the range of services provided, which included focus group research to inform the design of their hygiene promotion. The focus groups revealed that while aid recipients had been satisfied with the kits they had received, they preferred cash assistance to cover their hygiene needs. NRC was able to use PBA funding to shift to a split modality and provide cash vouchers alongside the kits.

Multisectoral integration. Field teams from all three agencies discussed how the PBA funding had inspired more cross-team and integrated design and implementation of programmes. In several cases, this led to more joined-up assessments and targeting, which feasibly led to efficiency gains. Reporting against the country strategy to a donor brought greater collective attention to that strategy and provided a 'shared vision for addressing needs' that became more integrated into teams' day-to-day work. For example, ACF changed how it engaged in targeting and conducting joint nutrition and food security assessments, which allowed them to build synergies across their nutrition and food security services.

Piloting new solutions. In Afghanistan, NRC used the PBA funding to pilot new approaches to urban livelihoods for internally displaced persons. Being able to trial new programme designs and approaches is particularly important for crisis contexts like urban settings, where there is greater uncertainty on the effectiveness and appropriateness of traditional humanitarian programme designs (Campbell, 2018).

Higher quality learning. The implementing partners also used PBA to fund small research studies that directly informed the design and adaptation of programmes, and therefore enhanced learning within a response. For IRC, country teams with sufficient background knowledge of the PBA's unique flexibility could think more strategically about their approach and create stronger links between different intervention activities.

Source: ALNAP interviews with ACF and IRC country team staff, as well as with headquarters technical leads for PBA; and internal reporting data from one of the agencies.



Listen to Alice Obrecht, the author of this study, reflecting on the role donors can play in making humanitarian response more flexible.

Based on the experience of SIDA and its three implementing partners, the following areas should be considered for the future of flexible funding in humanitarian action.

Ensuring humanitarian objectives are met without imposing rigidity.

While it offers a great deal more flexibility than common bilateral grants, the PBA comes with a few constraints in the form of conditionalities. The most significant of these are its focus on ‘life-saving’ activities, which does not allow for early recovery or crisis mitigation activities. The second condition is the request that implementing agencies align their country strategies with the in-country Humanitarian Response Plans (HRPs).

These two conditions are linked: aligning country strategies with the HRPs helps to ensure that agencies continue to direct SIDA funding towards humanitarian need, rather than to less urgent needs that may be easier to address (e.g. working with host communities instead of displaced populations in areas with difficult access conditions). Both conditions highlight the careful balance that is required in creating more flexible funding while still ensuring that the humanitarian mission of meeting urgent needs continues to be prioritised.

Coordination mechanisms are critical to effective humanitarian action, and, when they work well, can also support greater flexibility at a collective level within a humanitarian response (Knox Clarke and Campbell, 2017; Obrecht, 2018). Aligning country strategies with the HRPs is valuable for avoiding duplication and ensuring that agency priorities remain needs based. However, the HRPs and HNOs that support them can vary in quality from country to country and are only carried out annually – meaning objectives are not updated based on contextual changes throughout the year (Stoddard et al. 2017; Taylor et al. 2017; Stoddard et al., 2017; Swithern, 2018). Tying flexible funding to a potentially inflexible planning process can risk reducing the value of the PBA and might be considered more on a country-by-country basis depending on the strength of their respective HCT and HRP process.

Moreover, while it is important that agencies continue to prioritise those in greatest humanitarian need, many of the field teams’ experiences highlight how the problems faced by people in protracted crises do not fit neatly into the categories of ‘life saving’ versus long-term vulnerability. Staff from countries as varied as Myanmar, Nigeria, Somalia and Syria discussed how there was ‘no linear movement from crisis to recovery’. In these circumstances, recovery and transition activities can play a critical role in reducing future caseloads of humanitarian need.

As policy discussions around the humanitarian–development–peace nexus show, questions remain as to who should ‘foot the bill’ for this kind of work (Development Initiatives, 2018). But there is also significant space to provide transitional support to people attempting to achieve or regain a minimum level of stability, and the diversion of humanitarian funding for long-term development goals. These issues need to be explored carefully with respect to setting objectives and outcomes.

Building stronger agency systems and mindsets for working flexibly.

A significant factor in making use of flexible funding is the shift in mindset among agency staff. When country teams are used to working with highly restricted funding, rethinking how to utilise 15% of their budget as flexible funding can take some time.

Country teams, as well as their support staff based in headquarters, are so accustomed to the boundaries set by current funding mechanisms that this new autonomy can be intimidating.

Country teams, as well as their support staff based in headquarters, are so accustomed to the boundaries set by current funding mechanisms that this new autonomy can be intimidating. One of the PBA pilot agency's field staff noted 'it can be scary'; and a country director for another agency said it took time to get used to 'thinking for ourselves instead of going with what the donors have set as the priorities.' Headquarter-level controllers may not apply different approaches to their oversight of flexible funding, which may diminish its impact on an agency's flexibility.

From the view of headquarters technical staff, changes in country-level flexibility was varied, and depended upon staffing, capacity and awareness of the PBA's unique flexibilities. Country-level teams discussed the importance of HQ and senior management support for helping them understand how PBA was different and the level of discretion that staff could exercise in using it.

IRC addressed this by introducing PBA to its country teams through in-country 'launch' workshops with an explicit focus on flexibility and adaptation. This helped to put the opportunity for using PBA to be flexible and make improvements at the centre of their staff's minds. The workshops were also an opportunity to bring together members from all departments and sectors to review the country-level objectives and discuss how they could work more adaptively together. This was seen as critical for paving the way to faster turnaround times for supply chain and procurement changes that were later made under PBA funding.

Use donor coordination and collaboration to change incentives for greater flexibility. None of the three agencies have made significant changes to their internal processes for planning and budget reallocation with PBA. Given how small a percentage PBA funding occupies of total country spend (between 2% and 20%), this is understandable: setting up new systems involves costs and if a predominant amount of funding remains project-based and inflexible, then the expense may not be justifiable.

But this does mean that there could be potential for further gains in anticipation and adaptiveness if more donor support were to go towards flexible funding arrangements and if flexible funding were to occupy a greater percentage of agency spend. This could include changes to internal financing systems that require less detailed budget lines, and different monitoring approaches that better capture the changes that are made using PBA funds.

Understanding what changes are made, and the results from these changes, can provide a better picture of the added value of operational flexibility and the funding that supports it. It also remains to be seen how the flexibility allowed through donor contracting to international agencies can be passed on to local implementing partners in contracts and partnership agreements.

While it is important that agencies continue to prioritise those in greatest humanitarian need, many of the field teams' experiences highlight how the problems faced by people in protracted crises do not fit neatly into the categories of 'life saving' versus long-term vulnerability.

Conclusion

Section 6: Where do we go from here?

Many humanitarian practitioners recognise that crises change, that responses do not always go to plan and that, to address more complex problems, it is important to be able to learn and adapt. Yet many of the systems and practices used to deliver a response are poorly equipped to support the kind of flexibility needed to manage the change, uncertainty and complexity featured in contemporary crises (Ramalingam, 2013).

The importance of thinking more deeply about operational and programmatic flexibility lies in the fact that the increasing rigidity in the humanitarian system is not caused by funding structures alone: even in cases where core funding or flexible funding is available, implementing agencies struggle to use this funding in the most agile manner due to their size and the accompanying bureaucracies and cultures of control. Without greater movement on these constraints, it will become more difficult to make the business case for flexible funding: there is little point in creating flexible funding structures if humanitarian actors are no longer nimble enough to use them effectively.

Building a more flexible humanitarian response is aligned with many other good practices, such as listening to crisis-affected people and delivering holistic, multi-sectoral responses. All of these things are acknowledged in principle to be common sense, but in practice have faced continual barriers due to the mindsets and incentives that prevent agencies from working differently.

This report argues that flexibility will look different for different organisations and that ultimately agencies need to be more intentional when it comes to thinking about their capacity for flexibility within a response. This is not a matter of introducing a new internal change initiative or top-down approach: flexibility is as much a mindset and a way of working as it is a system, and an organisation will likely need to experiment with different approaches to find one that works with its mission and values.

At the same time, flexibility is not an end in and of itself – and nor is it always the right approach: in some contexts, certain types of flexibility may be harmful and disruptive. Making responses more flexible will involve trade-offs and costs, and these need to be carefully balanced. Humanitarian actors will need to consider both the nature and types of change it needs to anticipate and respond to, as well as the objectives it wants to protect, or achieve, amid such changes.

This report is part of a much broader conversation, connected to work that has been happening in the [development sector](#), as well as within the humanitarian innovation community (Elrha 2018). It aims to stimulate discussion within those humanitarian organisations that are recognising the need to support field staff and partners to anticipate change and adapt their operations and programming based on new learning. This is in recognition of the fact that doing so will deliver more relevant, appropriate and effective responses for millions of people affected by crisis each year.

Greater response-level flexibility begins with conversations at the top of humanitarian organisations about the kinds of realities their frontline staff are facing and the kind of organisations they want to be in achieving humanitarian objectives amid such complex realities. This is the future that humanitarian agencies know they must step into. ALNAP's work on flexibility and adaptiveness offers a supportive framework for thinking about how they will do this – and what it will take.

Related ALNAP publications

- [Dynamic gridlock: Adaptive humanitarian action in the DRC](#)
- [Adapting According to Plan: Early action and adaptive drought response in Kenya](#)
- [User-Centred Design and Humanitarian Adaptiveness](#)
- [Breaking the Mould: Alternative approaches to monitoring](#)



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