



Photo Credit: Mercy Corps Liberia

PROSPECTS PRACTICE PAPER NO.1: ADAPTIVE MANAGEMENT IN PRACTICE

A case study on the Prospects program

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Recognising that aid and development programming takes place in complex contexts, Mercy Corps is increasingly seeking to understand how best to manage programs which iterate, adapt and respond to the consistently evolving settings in which we work. This brief Practice Paper provides some examples of what adaptive management looks like in practice on the Prospects youth employment program in Liberia. It does not seek to function as a manual or set of guidelines, but simply provides some practical examples and insights into how a youth employment program governed by principles of adaptive management operates.

PROSPECTS, LIBERIA

Prospects is a youth empowerment program implemented by Mercy Corps and funded by the Swedish Embassy in Liberia and Chevron, which seeks to equip young Liberians with the skills, information, and opportunities to find meaningful and sustainable employment or self-employment. Prospects combines direct service delivery with efforts to stimulate positive systemic changes in terms of youths' role in the labour and job hiring markets. The program works across a broad spectrum of youth demographics, engaging over 11,000 youth through a range of services, including psychosocial support, on-the-job training, entrepreneurial support, skills training and job matching services.

¹ Find out more at www.prospectsliberia.com

1. Adaptive Management at Mercy Corps

The aid and development sector is increasingly recognising that success arises not just from the technical approaches we pursue, but from how we operate and manage in the complex environments in which we work. Programs that recognise this complexity, and seek to respond by placing an intentional premium on responsiveness, experimentation, and iterative improvement are likely to increase their chances of delivering impact. In practice, being adaptive requires a management focus on incentives and systems that promote openness, flexibility, and iteration. To help our own agency better understand these issues, Mercy Corps has been using the following working framework to describe the factors that support adaptive management in programs.²

Culture	Organisational culture provides the cues, expectations and incentives to prioritise learning and adaptation
People & Skills	Structuring, recruiting and equipping our teams for adaptive management requires careful leadership, planning and investment
Tools & Systems	Supported and reinforced by tools (technical and managerial), processes and systems (such as finance, HR and procurement)
Enabling Environment	Requires buy-in and flexibility from the broader enabling environment, such as donors and host governments

This paper uses this framework to highlight how a focused, adaptive management approach can be established in practice, and provides a few examples of the implications of this for programming.

2. Adaptive Management in Prospects

The Prospects program has been in operation since 2012. While the program has not had the luxury of guaranteed funding over the past four years – the program has been pieced together from 6 different grants³ – it has been designed and managed with a long-term vision in mind, rather than as a series of short-term projects. This has enabled an ongoing process of iteration and consistent adaptation of activities and approaches, over time, in order to maximise impact as well as scalability.

This comes alongside a context of complexity in Liberia, with an unpredictable labour market, an under-developed and rapidly evolving economy, and external shocks, including the start and end of the Ebola crisis during the program period. It is a challenging context in which to deliver high-impact programming, and few youth employment interventions in Liberia have provided evidence of significant positive impact.⁴ This is not just because of the challenging external environment, but because of the practical

² More info available at <https://www.mercycorps.org/research-resources/managing-complexity-adaptive-management-mercy-corps>

³ Funding has been provided from the Swedish Embassy in Liberia, Chevron, and a number of corporate and private foundations.

⁴ The World Bank-funded Economic Empowerment of Adolescent Girls (EPAG) program being a notable exception, although at a high cost-per beneficiary. More information here: <http://documents.worldbank.org/curated/en/2014/04/19338849/impact-adolescent-girls-employment-program-epag-project-liberia>

challenges of implementation in a relatively low-capacity and highly corrupt context, where well-designed plans frequently come apart at the implementation stage.

In order to navigate this complexity, to respond to emerging opportunities, and to find out what really works, youth employment programming in Liberia requires an adaptive management approach. As the example below outlines, adaptive management approaches enable program models to be tested, adapted, and improved not only for maximum impact, but for administrative and cost efficiencies. The apprenticeship model – covered in a separate practice paper coming soon – arrived at a position of consistent high outcome delivery after a process of small but continuous iteration during Phase I of the program:

Iterating for impact: apprenticeship model adaptations

Prospects Phase II started in mid-2014, with apprenticeships as a key intervention. The model, which consistently achieves a near-50% job offer rate for participants, was arrived at after consistent iteration across cohorts during Phase I in response to demands (in some cases competing demands) of employers, youth, and cost and administrative efficiencies.

Adaptations included the provision of more appropriate pre-deployment training for apprentices (work readiness rather than business skills), market-responsive working hours (including 6-day weeks if the business required it), stipend reduction and subsequent removal for businesses (so that businesses value the program to get good staff, rather than just to get a stipend), simplified monthly payments and monitoring of apprentices (to enhance efficiencies), more appropriate recruitment processes (to align expectations between youth and employers), business feedback surveys (to enable better subsequent service delivery), among many others not outlined below. These iterations led to a model which not only provided cost- and administrative efficiencies compared to the first cohort, but significantly improved impact – while only half of those youth offered jobs accepted them in the early cohorts, 97% have in Phase II.

	Days/ week	Stipend (youth)	Stipend (business)	Training	Business Feedback	Monitor	Recruitment
C1	5	\$3/day	\$2/day	Business Skills	N	Daily	Mercy Corps
C2	5	\$3/day	\$60 + \$2/day	Business Skills	N	Twice / week	Shared at Mercy Corps
C3	5	\$3/day	\$60 + \$2/day	Business Skills	Y	Twice / week	Shared at Mercy Corps
C4	6	\$3/day	Matrix	Business Skills	Y	Twice / week	Shared at Mercy Corps
C5	6	\$50/ month	Matrix	n/a	Y	Spot-check	Shared at host
C6	5/6	\$70/ month	None	Work readiness	Y	Spot-check	Shared at host

Adaptations such as those outlined above do not happen without concerted effort. Using Mercy Corps’ adaptive management framework, the following sections outline practical examples of management processes – some simple, some complex – that have promoted such adaptations in Prospects.

Culture

The culture in Prospects is set by a strong outcome-orientation that views the program design as a starting point rather than an implementation plan. There is an acceptance that there are gaps in what we know, and that our plans are not perfect; staff are not only told to expect changes, but there is an expectation of them to drive changes. Specifically, there is an expectation of responsiveness – to problems, to opportunities, and to changes in context. If we see that one of our interventions is not working, staff have a responsibility to change it, rather than just hitting their ‘deliverables’. Training curricula, for example, are expected to be reviewed based on understanding and engagement at the

participant-level; a Business Skills Training curriculum went through six different iterations before finally being split into two separate curricula.

Staff are held accountable not simply for ensuring that activities are completed, but for ensuring that our work is contributing to outcomes. In each progress review session, from weekly updates to comprehensive semi-annual review workshops, teams are encouraged to review not just what has been done, but what outcomes have been achieved. This ensures that staff are oriented toward the outcomes and ultimate goals. For example, after each apprenticeship cohort, a review session examines job offer rates, and is used to ensure that host businesses that consistently fail to hire apprentices are not offered further apprentices (despite the fact that they enable us to reach our 'outputs').

This expectation of responsiveness is also matched with the power to respond: field staff are encouraged to document learning (such as on the Prospects blog), and identify new opportunities or solutions to common problems. While this drive starts with senior leadership, through promotion, demonstration, and consistent messaging, key staff replicate and encourage other staff to see similar opportunities. The importance of creativity is messaged through rewards for initiative through an 'Employees of the Quarter' system, where peers evaluate each other's abilities to find creative solutions to problems at work.

People & Skills

During the start-up of Prospects Phase II, staff were given interim titles and Position Descriptions. This was based on the fact that the structure of the team was expected to evolve over the first year. Titles and Position Descriptions were revised once an effective delivery structure had been identified, and some positions were still left unfilled for over a year to be used as a response to emerging opportunities (such as the recruitment of a Social Business Manager when our social enterprise model pivoted, and a Quality Assurance Coordinator when there was clear need to ensure consistent service delivery). While this new concept was met with some anxiety at first, staff were encouraged to see it as an opportunity to demonstrate their strengths and how they best fitted into the program.



The one consistent component of all Prospects Position Descriptions, is the inclusion of Monitoring and Evaluation (M&E) as a core responsibility for each position; this includes data collection, analysis, and evaluation, and each member of staff spends *at least* five percent of their time in some form of M&E. Data collection tasks are assigned to each member of staff, and periodic analysis and various review sessions involve all staff regardless of title. The purpose of this is to ensure that all staff are considering program progress, and opportunities for improvements.

In order to have an evidence-driven adaptive management system, resources need to be accordingly allocated. While Prospects does not have a large M&E team, the Results, Learning and Research (RLR) team is a high priority unit, capable not just of developing systems to feed learning and adaptation, but capacity building of staff. The Results, Learning and Research Manager is one of two permanent expatriate staff on the program, and is dedicated to ensuring that quality information is available for decision-making, almost as a 'decision-support unit'.

For both local and expatriate staff, we try to hire staff with highly analytical personalities and approaches, often selecting candidates with less experience and fewer pre-formed opinions about implementing development programs. For in-country recruitments, our interviews largely take the form of role plays. The situational role plays require applicants to respond to evolving scenarios with Mercy Corps HR and

program staff, to see how they deal with uncertainty and problem-solving (how much they question, how much they seek to find solutions), and therefore if they would be a good fit to an adaptive program.

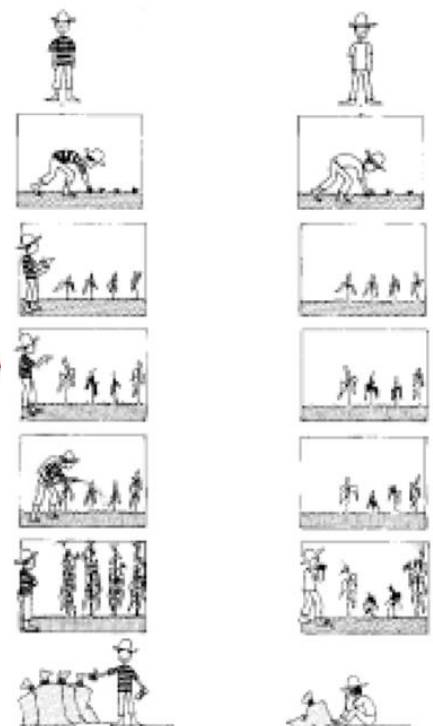
In Liberia, traditional interviews primarily test participants' experience in interviews, while role plays provide a glimpse into people's analytical qualities and approaches to evolving situations.

The promotion of analytical skills is not easy to achieve, and requires significant training; the RLR team consistently rotates between field sites providing various trainings on data collection, analysis, and/or Excel. Each staff has a Development Plan including not just training objectives, but assigned 'mini-projects' where they have the scope to take leadership and/or respond to needs they have identified. Every six months, Prospects hosts a Semi-Annual Review workshop, combining progress review, developmental evaluation, and staff training on emerging needs. This provides the scope for learning, capacity building, and an enforcement of the culture outlined in the previous section.

A Story of Two Farmers

Prospects teaches its staff about adaptive management as a fundamental objective of Monitoring and Evaluation. The following story of two farmers is used in all staff trainings on M&E.

There were two farmers. One called Daniel, and one called John. Daniel and John went to the field one day to plant cassava. The next day, Daniel returned to his field, to monitor how it was going. John did not. A week later, Daniel monitored his crops again, to see progress or challenges. John did not. During monitoring, Daniel noticed that his cassava crop was being affected by pests. In response, he sprayed pesticide to clear the cassava of pests. John, who had not been monitoring his cassava's progress, did not notice the pest and his crops got worse further. After a few months, Daniel's crop had grown large, and he was able to harvest a huge amount. John, who had conducted no M&E, and had not responded or adapted to the problem, had nothing.



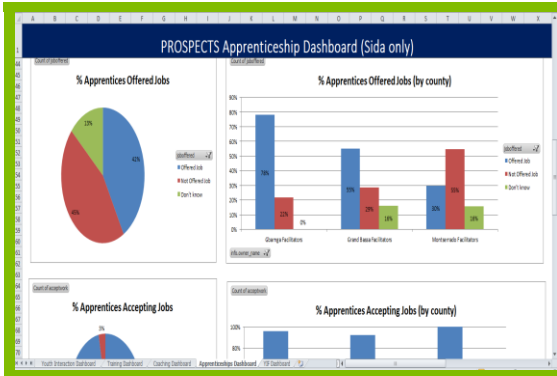
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Tools & Systems

The Prospects portfolio includes a range of different M&E systems designed to provide data required for adaptations (note that Prospects Practice Paper No. 2 extensively presents the M&E system for the Employment and Entrepreneurship program). This varies for each unique project, from highly sophisticated tech-led quantitative data on the Employment and Entrepreneurship program to qualitative, participatory, tools on the Psychosocial Program (see below). Notably, the 'Daniel Tool' (named as such by staff based on the farmers' story above) is outcome-oriented monitoring at its simplest – in order to promote localized adaptations, and to encourage field staff to be outcome-oriented, the tool supports the review of key outcome indicators (what we call 'change monitoring') at the community-level with program participants. This promotes Facilitators' focus on the ultimate goal (positive impact) rather than the intermediate tasks (delivering a training, for example), and triggers their response.

⁵ Based on D. Germann and E. Gohl (1996) PIM Booklet 1: Group-based impact monitoring (GTZ)

Below: varying M&E approaches for adaptive management in different program components



Employment and Entrepreneurship Program

High-tech case management system providing realtime activity and early outcome data on over 8,000 individual youth⁶. Quantitative activity and early outcome data collected by all staff using mobile phones, and available on dashboard. Data on participation behaviour (training completion, spread of service access) directs adaptations to service offerings. Eg. High numbers of participants completing just 1-3 soft skills training sessions caused restructuring of curriculum to start with more attractive sessions. Complemented by rigorous baseline/endline.



Psychosocial Program

Low-tech participatory review of progress towards qualitative outcomes. Using an experiential learning approach (What? So What? Now What?), the 'Daniel Tool' involves Psychosocial Facilitators working with each group on a monthly basis to discuss progress towards target 'Core Values'. Information is used by Facilitators to support groups better. E.g. to resolve disagreements with other youth in the community triggered conflict resolution mentoring. Complemented by rigorous baseline/endline.

As mentioned above, all staff are involved in data collection and analysis. Alongside this, After-Action Reviews after any major pilots, or at strategic points, encourage wider staff participation. The Prospects blog also provides an avenue for sharing learning, and motivation for staff to get involved in the documentation of learning (although we're yet to truly crack high participation in populating the blog!).

Further to ongoing M&E, Prospects' RLR team is equipped to conduct action research to explore issues of particular interest. For example, after Prospects' outcome monitoring showed that young women were more likely to be offered jobs after apprenticeships rather than young men, the RLR team conducted a follow-up investigation which identified that when given equal opportunities to prove themselves in interviews – such as through an open-access apprenticeship – women do disproportionately well, while traditional recruitment channels in Liberia – namely through contacts – favour males and their informal 'boys club' networks.

Enabling environment

The adaptive management approaches outlined above are made possible by Prospects' flexible agreements with donors. This is a crucial piece of our adaptive management capacity.

Notably, our agreement with our primary donor, the Swedish Embassy, is focused on high-level outputs (the number of youth completing employability services, for example) rather than low-level activities (the number of youth completing business skills training), giving flexibility to respond to emerging needs, identified outcomes, and participant preferences. We are not married to low-level activities that do not work. Other donors, including Chevron, provide 100% budget line flexibility, which allows us to use those funds to pilot new activities before subsequent scaling with less flexible budgets.

While a conducive donor relationship is crucial, it requires work to build this space of trust. Part of this comes from honest communication, but also through shared confidence in the M&E systems that exist. Prospects' M&E systems outlined above provide a 'safe uncertainty' between donor and implementer – while there is an inherent uncertainty of exactly which micro-level activities will be delivered, there is confidence that accurate delivery information is available on what is being delivered, and that deviations from workplans can be justified through a strong evidence-base.

⁶ This is explained in detail in Prospects Practice Paper No. 2. (forthcoming)

Additionally, the long-term nature of the portfolio, of four years thus far, and a Phase III likely to start in 2017, has also enabled a genuinely long-term vision to be developed, rather than just a rush to fulfil short-term deliverables.

3. Shortfalls and Learnings

Promoting adaptive management is not easy, and Prospects has faced challenges in a number of areas, which are also worth sharing:

- › Speed of adaptation. The Prospects team comprises almost fifty staff in ten different teams operating out of four different offices in Liberia. Programmatic and process adaptations have been much easier to introduce when working in a smaller teams, and particularly in different locations. Rollout of adaptations to teams across four offices has been slower and more costly than in early phases of the program.
- › Adaptation fatigue. Consistent adaptation can be tiring – having just mastered one approach, it can be frustrating for staff to start something new. It can also lead to mistakes; the tension of adapting in a low capacity environment is something that big thinkers sometimes overlook. We have had to reduce the frequency of centrally-driven rollout of new adaptations, and create more obvious periodic reviews to ‘launch’ new activities, as consistent change can get ‘lost’.
- › Too much information. Similarly to the above, staff have risked being overwhelmed by data. It can be challenging to track subtle changes day-by-day, and staff have proved less likely to look at a consistently available dashboard, than one which ‘triggers’ viewing through weekly mail-outs.
- › Giving things time. Impatient data analysis can lead to conclusions being made too soon, as situations are not given the chance to stabilize. This comes both from the perspective of interventions themselves and their management systems.⁷ For example, weak training outcomes of a new training program may not necessarily mean a poor quality curriculum, but a ‘wearing-in’ of the new curriculum. Sometimes, decisions to change course were made too soon, where approaches (particularly innovative ones) needed time to show positive results.
- › Limitations to scope of adaptations. From a management perspective, there are limitations to how much adaptations can be devolved; for example, entirely varying cash grant systems in four different offices would be difficult to manage, complex to account for, and susceptible of corruption. Additionally, promoting reflection and adaptation at the same time as ensuring that work is actually done requires a difficult balancing act. Placing limits on flexibility in some areas but not in others has been challenging to message, and has sometimes led to confusion.

4. Conclusion

The Prospects youth employment portfolio has sought to take an adaptive management approach to a complex context, and one with a weak history of effective program delivery. Rather than designing a perfect map of detailed activities at the design stage, the Prospects program saw the design as a compass of what the program wanted to achieve. The culture, people, tools and enabling environment outlined above have helped to guide that compass through implementation. While Prospects is far from functioning as a perfectly adaptive program, both its successes and its challenges provide lessons for other programs seeking to develop adaptive approaches to management.

⁷ Woolcock (2009) writes about the challenge in M&E in understanding where we are ‘on the curve’, as sometimes things get worse before they get better. “Toward a plurality of methods in project evaluation:”, *Journal of Development Effectiveness* Vol. 1, No. 1, 1–14

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About Mercy Corps

Mercy Corps is a leading global organization powered by the belief that a better world is possible. In disaster, in hardship, in more than 40 countries around the world, we partner to put bold solutions into action — helping people triumph over adversity and build stronger communities from within. Now, and for the future.

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