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What the MSD handbook doesn't tell you



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All blogs

Why it is important to think in terms of messiness when implementing market system development and the implications for programme design and management.

Development is a confusing profession

Is it still good practice to use logframes to roll out activities in a coherent and accountable manner, suitable for external evaluations?

Is it better to stick to the MSD Handbook, acknowledge the importance of market systems around the poor, and seek to facilitate changes in these in a light-touch indirect manner, captured in results chains?

Or is this still too linear? And does the complex nature of systemic change demand something else?

Look around and you will see practitioners grappling with all three.

Development is more than just 'delivery'

Why the confusion? We know that development (contrary to charity) is not simply about 'delivering' something.

For change to be sustainable it needs to stick. It needs to be owned and driven forward by local system actors. This means we should be aiming for change that

aligns with their incentives (their 'will') and, to an extent, their capabilities (their skills).

We also know that if change is rewarding and somewhat within reach, there must a good reason why it did not happen on its own. Something is missing. It could be information, a business plan, a functional example, good networks or enabling environments.

Business facilitation is rarely just about stakeholder workshops or 'massaging shoulders'. Making markets work better requires business intelligence - being able to envision what is not there yet!

We also know that even the best-informed interventions always work out differently than planned.

Here it starts to get messy. Change always takes place within a context, which is often very complex to grasp. So how change plays out cannot always be fully predicted.

Development professionals have always struggled with this - deliver 'expertise' formed in, and informed by, another country context versus 'going local'. Should they focus on delivery, ignoring the rest? Or submerge themselves in complexity thinking? Or stick to the proscriptive teachings of the methodology Handbook as a beacon in an otherwise messy world?

An alternative approach

In the Messiness Series we ask you to contemplate an alternative approach. We compare the intervention portfolios of one organisation, the Market Development Facility, in two very different countries: Fiji and Pakistan.

We demonstrate the importance of adaptive development. This is a flexible and creative development practice. It doesn't ignore context, nor does it get lost in it. It engages with it, guided and contained by core (development) principles in the process.

Fiji represents a thin market scenario in which opportunities for pro-poor growth are few and far between. Choice of partners to work with are also limited.

Pakistan represents a mix of thin markets (e.g. Balochistan) and thicker markets (e.g. Punjab). In the latter, opportunities and partners are more abundant. Access to specialised support services is significantly higher.

In both countries opportunities for pro-poor growth are typically found in the early lifecycle of emerging, rather than mature, markets. Here there is unmet demand.

There is room to expand and a need to invest and innovate to capture market share. Supporting market systems are still unformed, or just emerging. They are full of functional gaps, but not yet stifled with institutional biases. This creates opportunities to establish new social norms - favouring more inclusivity for disadvantaged groups, especially women in markets.

The difference between working in thin markets compared to thick markets is that a business facilitator must work with relatively less capable partners on relatively more ambitious business expansion strategies. They will often be virtually unsupported by specialised services.

We found motivated partners in both countries. But the skills in thin markets may be less, whereas the business expansion strategies need to be more ambitious.

Get ready for messiness! In both countries managing partnerships can be a bumpy ride, with many unexpected twist and turns. But in thin markets the rides are bumpier and take longer.

This difference in context cannot be ignored. It is neither good enough to stick to the 'proscriptive orthodoxy' of the methodology handbook nor to throw all principles out the window 'because it does not work' and settle for 'anything goes'.

The kind of support provided to partners - how long to work with them and the kind of teams we need to do this - needs to be informed by context.

Applying adaptive development

Adaptive development is about a (systemic) methodology that can:

- > analyse context
- > apply core development principles creatively yet sensibly
- > learn from its intended and unintended impact
- > respond to these by adjusting partnerships, strategies and team structures.

Using adaptive development to manage the messiness inherent in development requires:

1. **flexibility in methodology contained by principles** - let core development principles guide the artful choice between proscriptive orthodoxy and anything goes.
2. **a versatile Swiss pocket knife-like implementation team** - able to analyse context, learn from and respond to whatever the messy development process throws at them.

3. **the acknowledgement of messiness** - by policy makers, researchers, contractors and implementers who need to create contracts, networks and training grounds to help deal with it.

BEAM webinar

Join us to discuss [In search of the sweet spot in implementing MSD programmes](#) on 29 November 2018

Read the Messiness Series

Why and how embracing messiness is the key to success

How MDF's industry life cycle tool was used in Pakistan and Fiji