

Strategy

01

A framework for change

Setting a strategic framework for programmes using a market systems approach.

Programmes wanting to adopt a market systems approach need a broad strategic framework setting out their main parameters so that funding approval can be sought and design can be started. The strategic framework will explain to funders and staff how the intervention will lead to changes in market systems and how the poor access those markets.

The strategic framework must be **broad and flexible**, compared to traditional or direct delivery programmes. Local contexts and markets can be affected in unexpected ways so developing a detailed, long term plan at the beginning is not useful.

▣ **M4P Operational Guide: Context**

The rationale for developing market systems.

In a market systems approach, programmes rely on local partners to change behaviours. This means they can be subject to false starts, failures and 'pivots' in their strategy. And since local contexts and markets are often affected in unexpected ways, programmes need to be able to adjust and respond accordingly.

Three steps to establish a strategic framework:

- 1. Define the poverty reduction objective.**
Consider the programme's potential for reaching large numbers of poor people and identify the

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'target group' (such as agricultural producers or industrial workers). Remember, 'the poor' is not a homogeneous category. Your programme must consider issues such as gender, ethnicity, age, physical capability, geographic location and relative poverty.

2. **Identify broad opportunities to benefit the target group.** Focus on better incorporating the target group in markets, for example through improved access to basic services or improving their ability to participate in and benefit from market activity.
3. **Assess the feasibility of system-level change.** Consider how likely it is to achieve change in short funding cycles and within the political and social context you're working in.



☑ **Strategy is as strategy does**

Link what you want to achieve (goals) and the things you actually do (tactics).

A useful starting point for establishing these programme parameters is the M4P Operational Guide chapter on strategy:

📖 **M4P Operational Guide. Chapter 1 - Strategy**

Initial steps for setting programme strategy to guide analysis and action.

Adjustments to the strategic framework will be based on continued analysis and learning. A useful and concise example of the use of strategic frameworks in Ethiopia can be found in the RAIN programme case study.

📖 **Lessons for effective resilience**

programs

How innovation and adaptation maximised the RAIN programme in Ethiopia.

▣ **Adapting lean thinking to market systems development**

Navigate ambiguity and risk while using resources effectively.