



## Adaptive Management Tool: Concept Notes System

### BACKGROUND

Operating in three regions in Ethiopia through ten consortium partners that co-locate in eight offices under five technical areas, PRIME is structured to respond to complex and dynamic realities on the ground in its efforts to build resilience in pastoralist areas using a facilitative market systems approach. How can a large complex project be adaptive, flexible, inclusive and responsive?

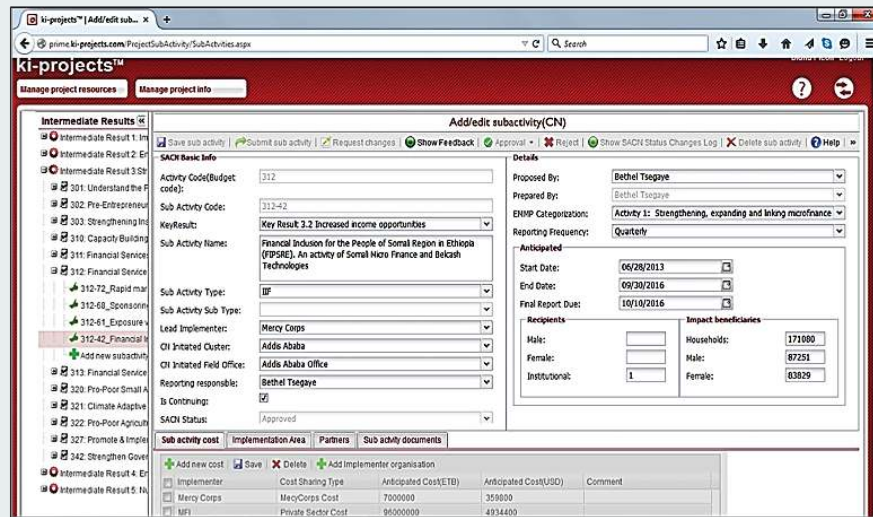
#### PRIME's Concept Note System

To operationalize adaptive management, PRIME project leaders decided to use an innovative **Concept Note system**, whereby all project activities are initiated by writing a mini business-case (the concept note). The template includes sections on background, objectives, expected linkages, description of action/approach, identifying the target

beneficiaries, responsibilities and roles of co-implementers, budget (including any cost-sharing) and a description of follow-ups on the activity beneficiaries (monitoring and evaluation). The concept note template is about three pages in length and instructions state that it should not take longer than 60 minutes to complete.

**Adaptive Management** is defined as *“a structured, iterative process of robust decision making in the face of uncertainty, with an aim to reducing uncertainty over time via system monitoring. Adaptive management is a tool which should be used not only to change a system, but also to learn about the system.”*

Mercy Corps uses the principles of adaptive management in the PRIME project to ensure that activities are responsive to the evolving needs of the systems we seek to strengthen conducting quick pilots that are monitored closely to determine their success or failure and changing gears and strategies as needed based on this information.<sup>1</sup>



*Ki-Projects was developed by Kimetrica, a Nairobi-based social enterprise focusing on monitoring & evaluation and disaster risk management.*

The concept notes are then uploaded onto an online system (Ki-projects) which then notifies the necessary approvers of the proposed activity via email. There are at least three reviewers for each concept note: a budget holder depending on the implementing partner, operational depending on the geographic location of the implementing partner, and technical approval from the field and central level to ensure that activities follow market facilitation approaches and principles determined at the beginning of the project. Once the concept note has been approved the initiator can start implementing the activity.

Any person on the PRIME team can initiate a concept note, however most concept notes are initiated by local field staff around specific strategies and

initiatives developed by technical leaders and their teams such as work with Private Veterinary Providers in form of business expansion grants, linkages, and capacity building. Approved concept notes move into implementation and activity reports for each are also uploaded as appropriate on the on-line system for monitoring, review, and approval. The Concept Note system thus decentralizes responsibility to the field to develop appropriate activities that are then fed upward, rather than the traditional approach of pushing-down activities for local partners to implement without input/reflection. The concept note system was established to follow six key principles:<sup>2</sup>

**Technical Responsiveness:**

Technical activities adapt quickly to changes in the field and in the market by enabling those closest to revise or initiate new activities.

**Progressive Learning:**

By tracking the creation, approval, and reporting processes, the concept note system captures lessons learned from design through implementation, informing future activities across technical areas

**Innovation and Integration:**

PRIME staff are empowered to be proactive and creative in their technical design while the system ensured unified programming across teams and organizations.

**Inclusive Programming:**

Field staff, as well as regional staff and management from all partner organizations, are empowered to design activities and are held accountable for their implementation.

**Quality Control:**

Repetition of bad practice is prevented via learning from previously approved or rejected concept notes as well as tripartite approval of new ones by seasoned technical experts, also ensuring institutional memory.

**Budgetary Flexibility:**

Within the fixed strategic outputs, funding can be moved between existing or new technical activities without donor or senior management approval.

<sup>1</sup>Holling, C. S. (1978). *Adaptive Environmental Assessment and Management*. Wiley, London. Reprinted by Blackburn Press in 2005.

## Benefits of using the Concept Note system

Besides the benefits listed in the six key principles above, the concept note system also ensures that regional differences are taken into consideration during activity design, while also providing a space where regions can learn from each other; providing real-time data on recipients (tracking target and actual impact data is under development); and simplifying the organizational burden through the

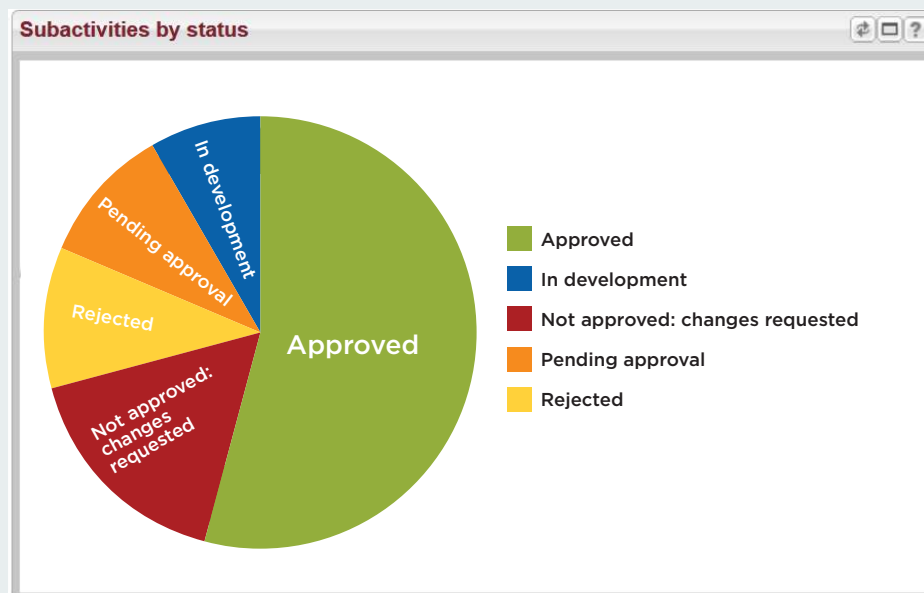
## Lessons Learned and Solutions in progress

Although the Concept Note system provides many benefits, moving responsibility for programming activities into the field level rather than the traditional top-down approach resulted in several challenges.

- Although PRIME leaders quickly adopted the tool, field staff were initially resistant as they saw the tool as an additional administrative burden. Through training and leadership support, the team has now embraced the system.

online real-time platform. PRIME continues to make improvements to the online platform as they are required. Current plans include an off-line version, an expanded dashboard which will identify bottlenecks and enable managers to make informed decisions on improvements (a dashboard exists though will be enhanced), home-page to-do list, notification of pending approvals, and management reports.

- Some staff were initially uncomfortable with the new model as they would be responsible for suggesting activities rather than being told what activities they should implement. In addition, field staff were also uncomfortable with holding managers/supervisors “accountable” to approve Concept Notes when reviews/approvals were not provided in a timely basis. “Breaking down this bottleneck required intentional socialization of field staff to empower bottom-up accountability from management’s perspective. Staff buy-in slowly increased as staff at the various levels became more familiar, confident, and productive with the process.”



As of January 30, 2015, the beginning of year three for PRIME, a total of 915 concept notes in various stages of development were in the system. Out of those: 496 approved; 154 in development, 94 with changes requested, 97 pending approval; and 74 rejected.

<sup>2</sup>INTEGRATED ADAPTIVE MANAGEMENT: A NOTABLE CONCEPT. A Teaching Case Study of the Pastoralists' Areas Resilience Improvement through Market Expansion (PRIME) Project in Ethiopia. December 2014. Boris Maguire, Carolina Mayén, Danielle Goldman, Kumar Biswas, and Samir Hamra.

- It took a lot of time to develop the online platform and so an excel-based/email concept note system was used for the first two years of the project. Transitioning to the online version meant that all the off-line concept notes had to be uploaded into the online system and “approved” by all the reviewers, which caused delays and met some staff resistance. Users’ ability to provide feedback on the system has been formalized through coordination meetings and informed through learning and knowledge management staff. Staff now see the benefits of the system and feel empowered to suggest improvements in those areas that are still works-in-progress.
- A June 2014 survey of users cited the slow concept note approval process as one of two most frustrating aspects of their work. It was initially estimated that approvals would be completed within a 24-hour period. To resolve this issue, additional features were added to Ki-projects, such as a To-do list on the homepage and automatic notifications of pending approvals. These improvements will go far in reducing the time required for Concept Note approvals.
- The concept note model requires high-performing proactive, entrepreneurial, and self-motivated field staff and teams. Hiring and retaining the right people has proven difficult, especially in some of the more remote field offices. To solve this challenge, PRIME has done the following:
  - o Trainings and role modeling. For example, the Economic and Market development team has an annual workshop to serve as a refresher for existing staff and as training for new staff.
  - o Changing the recruiting process to be based on case studies and presentations using the concept note template to better assess the candidates’ entrepreneurial mindset.
  - o Exchange trips with teams from more successful regions to share best practices/ experiences.
- Poor internet connectivity out in field offices makes using the online platform difficult. To solve this problem, we are rolling out an off-line version of Ki-projects that users can access at any time and which syncs all data once an internet connection is available.
- Individual activities are monitored, but the step to then recording the change in the next similar activity is not consistently recorded as such (the evolving /adapting nature of activities based on lessons learned) even though this information is requested in the template. To solve this, approvers are taking more care in verifying that this type of information is being captured before approving a Concept Note.

“At the beginning, it was strange for practitioners on the ground to frame and describe activities in the concept note as it needs time to complete and then go through a review process. However, in due course, staff realized that had the activities not been initiated, communicated and developed through the system, it would have been very difficult to manage the implementation given PRIME’s complex nature and new approach.”

*-Abdulkadir Jemal, EMD Field Level Technical Advisor*

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**PRIME is a five-year, \$62 million USAID-funded Feed the Future Initiative and Global Climate Change effort implemented by Mercy Corps, designed to increase pastoralist’s and people transitioning out of pastoralism’s (TOPs) household incomes and resilience to climate change through market linkages in Ethiopia’s dryland areas.**

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