

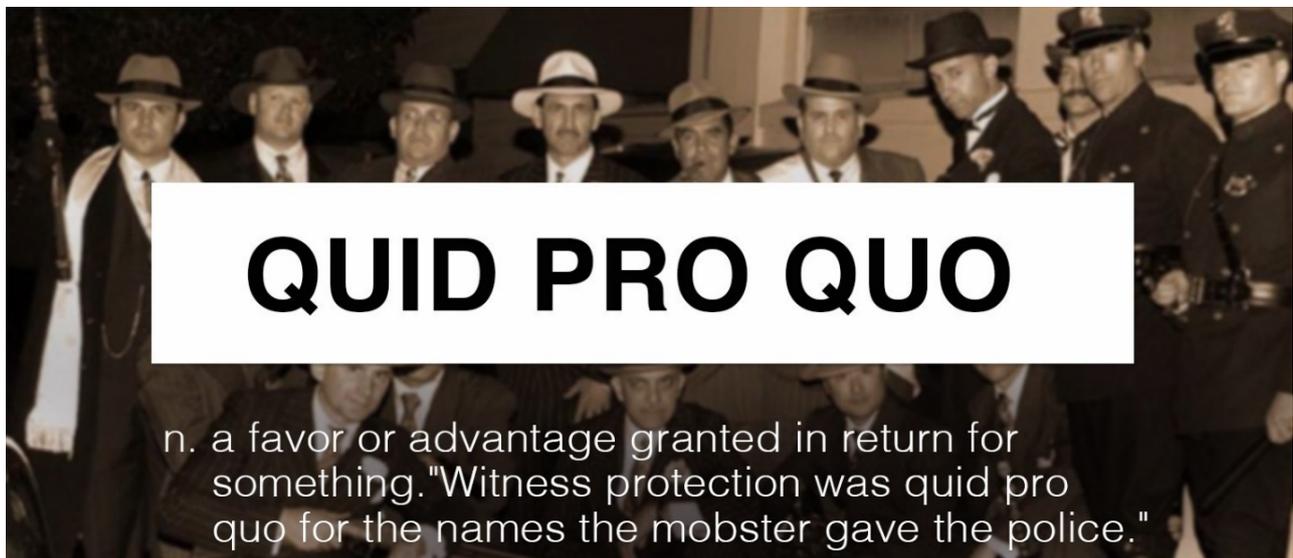
ABCs OF MSD: Q IS FOR... QUID PRO QUO

Razik Fazle & Sadia Ahmed

Quid Pro Quo – A strategy for partnerships

So, you have completed a painstaking market systems analysis, are all set with a brilliant strategy to change the system – and yet you are having cold feet about who to work with and how best to approach them...

Many of the potential private sector partners you meet regard development programmes as sources of easy money or as a direct and substantial client for their goods or services. Programmes too often approach partner selection with an equitable mindset, proposing the same support to all firms. Yet experience tells us that neither party's mindset is helpful for an MSD programme that is looking for the best partner for achieving systemic change. Hard-won experience points to the value of '*Quid Pro Quo*' as a partnership strategy – where partnership offers are made to firms and actors willing to contribute the most to innovation and change in return for project support.



In practice this means spending time with potential partners to understand their vision for the future, the changes they want to see in the system, their current investments, and the resources they are able to commit in terms of people, money, time etc. Probing a market actor's future aspirations is also about sharing information from the market analysis, such as explaining why the current growth strategy might mean more or different investment, or why the company's current strategies have not been as effective. These discussions may span several months and require numerous meetings in a market actor's office, at their point of sales, at field visits to their outlets. This effort is crucial to revealing where a market actor's vision and strategy overlaps or might overlap with your ambition for systemic change. When you find the area of overlap, only then you are ready to make a customised 'quid pro quo' partnership offer to the market actor which supports them to achieve their vision in return for stimulating the systemic change that you're aiming for.



The difference between involvement and commitment is like ham and eggs. The chicken is involved; the pig is committed. Partners need to be committed.

A quid pro quo strategy is not about signing up with a partner simply to deliver much needed outreach numbers. MSD is not just about the numbers reached; it is about the depth and sustainability of change that delivers those benefits. Deeply embedding change requires commitment from partners – a willingness to invest more of their resources based on an appreciation of how that change will benefit them.

Committed partners are convinced that the better way of doing business will take up additional effort, time, energy, people, and money. They realise this investment will take away from their regular business and they are still willing to try it. These partners, like our brave piggy, are committed – they have real ‘skin in the game’. Conversely, partners only prepared to try a new idea with minimal additional effort and risk, who expect programmes to manage and pay for parts of their existing business model are putting little skin in the game. You might be getting a few ‘eggs’ from these involved partners, so long as you continue to pay for them, but systemic changes are not likely to happen.

Partners are not vehicles for reaching Y number of beneficiaries, they are the drivers of change. To find out who is a chicken or a pig, you need to know the critical steps required in the new system, and then see during the partnership design who is willing to take the lead and who prefers to follow directions. Assessing the ‘will’ and ‘skill’ that potential partners bring to the table is critical, but so too is qualifying their appetite to take ownership of change process. This is an essential pre-requisite for partnership formulation and provides the foundation for a valid and reciprocal partnership.

Size does not matter, systemic change does

As an aid programme spending donor funds, you might face questions like: “Why are you working with the largest firm in the sector?”, “Is it ethical to work with multinationals?”, “Wouldn’t it be better to work with smaller, local businesses, to help them grow and compete with bigger firms?”. For MSD projects these questions are mere distractions, they miss the important point. Partner type is not as important as partner effectiveness. That’s the essence of the quid pro quo.

Achieving systemic change requires partners to be visionaries, changemakers, champions – perhaps all three. A quid pro quo mindset suggests that partners should have the potential to be a beacon of change. Take the case of an MSD programme partnering with the country’s large agri-input supplier, not because it was large or because it would reach the most farmers, but because it was interested in changing the way farmers sought and got information on using inputs (i.e. a visionary). The firm was even willing to do this in a way that might benefit other competing businesses, because ‘growing the pie’ is a better outcome than competing for a shrinking one. Its objectives fitted well with the programme’s goals of developing efficient, sustainable ways to get information to farmers. Being the largest firm meant that the change would happen at a scale that would be noticeable to other market actors and which others would follow. The programme might have tried something similar with a smaller actor, but it would not be seen as the changemaker, the champion. Quid pro quo suggests you select whoever is most likely to be successful and able to influence others to change, even if that means partnering with the biggest actor.

Your priority is poverty alleviation through market systems development, not supporting individual business growth.

Having a successful partnership with one firm can lead to other market actors seeking similar support. Don't get stuck in a loop, going from one firm to the next. Before you know it, what you are doing is no longer systems development – it is now (never ending) enterprise development. Knowing when to stop is always a judgment, there is no definitive answer. Here, too, a quid pro quo strategy can help. Ask that subsequent partners invest more or differently and deliver more or reach more marginal populations if they are to get your support. Expect this from each new partner even if it means some actors choose not to work with you. Meanwhile, don't forget to keep asking why firms continue to need your support. Perhaps the queue of aspiring partners indicates a more deep-seated constraint that is inhibiting 'crowding-in', such as a financing problem or an inappropriate regulation, that requires an entirely new intervention.

In the end, you need to find the partners that will be the hero that the system needs. A quid pro quo strategy helps you to find the heroes in a system who are yet to discover their superpowers, to sustainably change the system and achieve pro-poor impact.