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A 10-question pocket guide to making MSD work for you

Setting the scene

The MSD approach has been with us in some shape or form for two decades. Its increased adoption and utilisation by a growing community of funder and implementer organisations is recognition of its coherence and completeness, offering frameworks and counsel for both analysing and intervening in systems. Meanwhile, the approach's longevity, and to some extent, its resilience, is likely a virtue of its almost common-sense philosophy: improving how systems work for disadvantaged people in low-income countries is development.

Many years on from the approach's first steps, development practitioners may now easily access vast quantities of reading material and an increasing number of training services that help them to put MSD into practice. The global 'MSD library' is swelling with case studies of diverse applications, reviews, blogs and operational guidance. The approach has sidestepped into adjacent disciplines and traversed into fresh pastures, each time yielding new doses of written content highlighting its stretchiness and any challenges encountered.

However, despite all these riches, or maybe even because of them, newcomers working with the approach may struggle to transpose it from its neat and orderly paper version into their very real-world project contexts. Firstly, the approach permits a great deal of flexibility in its application; indeed, we sometimes hear that nothing is completely 'off the table'. Relatedly, it is sometimes introduced by setting out what it is not, rather than what it is. Secondly, the approach is often casually discussed using a handful of common phrases that remain open to misinterpretation – for e.g., 'tackling root causes' or 'facilitating systemic change at scale'. How can it be broken down and more effectively communicated without losing too many of its nuances?

Introducing the 'ten questions'

Many of us are by now relatively familiar with the 'straplines' of the MSD approach – its tenets as well as its suite of frameworks. Perhaps to a lesser extent, we are also familiar with the semblance of a suggested procedure for designing, implementing, and managing MSD projects that has been somewhat 'codified' in popular guidance.¹ Yet, applying or adhering to guidance that is context-generic is far from straightforward. There is a great deal of in-context, case-by-case interpretation required, particularly in highly challenging environments and/or as and when funders add more qualitative layers to project goals.

¹ "[The Operational Guide for the Making Markets Work for the Poor \(M4P\) Approach](#)" (The Springfield Centre, 2015) remains the leading resource on the MSD approach. Whilst the MSD approach is an approach, and not a highly prescriptive method 'to follow', the chronological steps detailed in *The Operational Guide*, perhaps inadvertently, lend the approach some method-like characteristics.

With this in mind, the [ILO Systems Change Initiative](#) has prepared this brief resource to help its own front-line practitioners feel more comfortable in their understanding of what the MSD approach is and – without getting stuck in too many caveats – broadly how it can be practiced. Applying a relatively reductionist ‘80-20’ (or ‘good enough’) lens to popular guidance, the ten questions presented below are offered to stimulate reflection and help practitioners chart their own course through the lifecycle of an MSD intervention. The intention is to communicate the main substance of the approach in a digestible manner, contribute towards a common understanding within project teams, and facilitate further conversation among and between project stakeholders.² Individual team members may choose to use them as a personal checklist or to facilitate team-wide discussions. They may be used in real-time or employed in a forward- or backward-looking manner (for e.g., in internal or external reviews).³

Ten questions to ask yourself

Intervention rationale	
1. Are you set up and setting out to improve how systems work for your target group?	
Part 1: Intervention design	Part 2: Intervention implementation
2. Is your analysis beginning with a specific opportunity to improve your target group’s status quo?	6. Are your intervention partnerships and activities aimed at shaping the incentives and building the capacities of system actors to uphold their new ways of working?
3. Are you putting prioritised “supporting systems” under the microscope?	7. Are you considering both ‘one-off’ versus ‘recurrent’ costs and ‘partner-only’ versus ‘multi-actor’ benefits whilst negotiating terms?
4. Do you have a vision for how each prioritised “supporting system” ⁴ will be working better in the future without you?	8. Are you committed to learning, adapting and digging deeper?
5. Are your initial partner choices going to help or hinder your scaling attempts?	9. Is your intervention strategy evolving and are your partnerships and activities diversifying?
Intervention performance review: The ‘million-dollar’ question	
10. Will presently unreached members of your target group benefit after the project closes?	

² “[Market Systems Development - Is This It?](#)” (The Canopy Lab, 2022) is another helpful resource with a similar intent.

³ Though somewhat oriented towards a private sector development audience, and specifically to projects with employment and/or income-related goals for disadvantaged groups, the content should also resonate with the wider community interested in using the MSD approach in their own contexts.

⁴ Kindly note that all specialist terms specific to the MSD approach will be denoted in quotation marks (“---”) throughout the document. Readers are recommended to consult the glossary of *The Operational Guide for the Making Markets Work for the Poor (M4P) Approach* (The Springfield Centre, 2015) for definitions of these terms and to also glance through the core chapters to understand the specialist terms in their context.

Intervention rationale

1. Are you set up and setting out to improve how systems work for your target group?

The starting point is the belief that your target group demographic are disadvantaged in their livelihood opportunities because of the socio-economic systems they live and work in. To change the target group's fortunes at scale (rather than person-by-person) means intervening to transform how these systems currently work. If our intervention can re-calibrate how systems work, each member of the target group demographic stands to benefit over time without the need for continuous external assistance, dramatically improving the developmental effectiveness and efficiency of our endeavours. The conscious decision to 'take the road less walked' requires visionary and committed leadership, team-wide buy-in, and a project culture that complements the searching (as opposed to planning) nature of the approach. This should ideally be complemented by a long project duration, permission to budget and use resources somewhat flexibly, and an acceptance from the immediate community around your project (funders, key stakeholders) that some degree of failure is likely to be encountered along the way.

Part 1: Intervention design

2. Is your analysis beginning with a specific opportunity to improve your target group's status quo?

The MSD approach requires placing a specific target group at the very heart of your analysis. You are not tasked with analysing how systems work generically for everyone, but rather analysing how they work from the perspective of your target group for a particular livelihood improvement opportunity. Moreover, it should be for an opportunity that is relevant to a great number of the target group demographic, and not pertinent to only a very small percentage of the total target group. When utilising the "market systems framework" (also commonly known as the 'doughnut'), your target group must feature clearly in the demand-/supply-side interaction at the core of the "principal system" construct that you sketch-out. The "principal system" and the "functions, rules, and norms" that are most affecting your target group's ability to grasp this specific livelihood improvement opportunity are therefore unique. Such specificity early on in the process will help to ensure that your interventions are designed to improve how systems work for your target group relative to the opportunity in question, rather than improving how systems work generally.

► **Illustration:** Would your analysis of the forestry sector be different if your target group were rural female youth for whom you see new employment opportunities in field-based sustainable forestry management or ecosystem services roles in and around timber production, when compared to a peri-urban male target group for whom you would like to improve job decency and working conditions in sawmill- and factory-based processing roles? Short answer: Yes!

3. Are you putting prioritised "supporting systems" under the microscope?

The "supporting system" construct is the analytical aid for taking your project in the direction of 'root causes'. It is therefore crucial that project teams investigate how "supporting systems" work at a meaningful level of detail and commit further time and resources to ascertaining the reasons why "supporting systems" reproduce undesirable outcomes for your target group at the heart of the "principal system" construct. It is very likely that several "supporting systems" will be playing a role in creating your target group's present disadvantage, and you are unlikely to have the bandwidth and mandate to intervene in all of them. Select wisely and prioritise. Turn the lens on yourself – where is progress most feasible? Consider the skillset of your team, budgetary limitations, and where you or co-facilitators would have the most credibility and sway with project stakeholders and system actors.

Appendix 1 offers an example of the analytical journey that MSD projects take from “principal system” through to “supporting systems” constructs. This journey begins in the design phase and continues on into the implementation phase.

► **Illustration:** Your target group are young people living with disabilities in long-term unemployment. Your project has identified several hundred job vacancies and a particularly high present and forecast demand for labour in different IT support services professions. Among other identified “functions, rules, and norms”, your analysis suggests that active labour market measures (ALMMs) could do far more to help your target group access opportunities with employers in this growing sub-sector. But exactly how and why are ALMMs under-performing in this instance? The answer is found in exploring how the “supporting system” for ALMMs works. At the heart of this “supporting system”, IT companies may be found on the ‘demand-side’ and the relevant government department, for e.g., public employment services, on the ‘supply-side’. Whilst this is only one of four “functions, rules, and norms” that your team has identified as responsible for reproducing the target group’s exclusion from the sector, it is one for which your project team feels most equipped to address and make meaningful progress against. A serious investigation of how the ALMM system works, including a little front-line ‘action research’ with four IT companies, revealed a number of “functions, rules, and norms” that need addressing through intervention. The project found that the public employment services did not consult the private sector and different target groups in ALMM design, did not have a good strategy for promoting ALMMs, and lacked the budget and human resource skillsets for evaluating the impact of their measures.

4. Do you have a vision for how each prioritised “supporting system” will be working better in the future without you?

Projects should be able to articulate approximately how a “supporting system” will be working differently (and better!) in the future. Vision-building is about seeing a future “supporting system” that works without continuous injections of external assistance. Each new practice⁵ required in the “supporting system” should be concretely ‘named’ and ‘allocated to’ a system actor counterpart. With temporary support from the project, these system actors should be both more willing and able to adopt the new practices and, latterly, continue to uphold them unaided. Next, each new practice that requires ongoing maintenance or reinvestment costs should be ‘allocated to’ a system actor that has the resources and motivation to pay for it. The aggregate of these “supporting system” practice changes and resource commitments is what ultimately brings about the different reality for your target group in the “principal system”. Visions for future “supporting systems” are best when informed and shaped by consultative processes. If not co-created, such visions should at least be supported by a number of people from outside of the project whose opinions are respected and influential.

5. Are your initial partner choices going to help or hinder your scaling attempts?

One of the most challenging aspects of applying the MSD approach is finding the right partners to accomplish your intervention vision with. When selecting your initial partners, there can be a small tension between choosing for short-term, more certain success, or for sowing the seeds for a smoother “crowding-in” phase that delivers target group impact at a greater scale later in the intervention. When piloting, projects often pick from among the better resourced and most motivated system actors, hoping that their influence is sufficient to spark others to copy or compete. Whilst it may work in certain contexts, in many cases it may be wiser to choose system actors with resources and motivations more typical of their peers. Such partnerships can be a fairer test of what it really takes to improve the performance of “supporting systems”, as well as serve as relatable precedents that others can follow more easily. It is important for projects to consider, from the outset, who else from the wider pool of prospective partners (i.e., similar system actors) would need to

⁵ The terms ‘practice’ and ‘practice change’ are used throughout this resource. These terms are intended to be synonymous with the terms ‘behaviour change’, ‘role change’, ‘innovation’ or ‘functional/rule innovation’ that are also often used across the MSD community.

change their practices for the target group to experience a change in their fortunes at scale. Is the strongest partner option really the best test of your ‘theory of change’?⁶

► **Illustration:** Your project identified the input supply system as a critical “supporting system” for its two main agricultural sub-sectors (cocoa, coffee). With the ambition of addressing systemic constraints affecting the performance of all nurseries, the project initially sought partnerships with just two (of sixteen) nurseries in the project’s geographic area. Here, the project began by brokering a collaboration with two large cocoa buyers. The buyers had agreed to provide partially subsidised technical support via their country agronomists and regional supply chain specialists to: i) network the two partner nurseries with exporters of better-quality agricultural inputs not presently available in the country; and, ii) train nursery personnel to integrate productivity- and resilience-enhancing cultivation practice, knowledge and demonstration (for e.g., shade tree positioning, polyculture farming) into their sales processes. In consultation with their funder and the two cocoa buyers, the project purposefully chose one of the weakest and one of the mid-ranking nurseries as their preferred pilot partners in order to learn whether the package of practice changes could be adopted by the majority of the fourteen other nurseries in the months ahead, or whether previously unrecognised “functions, rules, and norms” (for e.g., financial services for nurseries) would be critical to the wider cohort of nurseries adopting similar changes.

Part 2: Intervention implementation

6. Are your intervention partnerships and activities aimed at shaping the incentives and building the capacities of system actors to uphold their new ways of working?

Project interventions should work to change the practices of different system actors in line with its vision of how the “supporting system” should work in the future. These practice changes are introduced by your intervention through partnerships and supplementary activities but are very much intended to be continued and improved upon by the system actors themselves without you. In this regard, it is vital that these system actors – your partners – in particular realise these changes to be an important part of their own future going forward. It is the job of the project to use its funds and other technical and non-financial resources at its disposal to incentivise and build capacities of these system actors to not only temporarily experiment with taking on practice changes, but rather to permanently uphold/sustain them. Though it may not wholly succeed, the intervention strategy and spirit of executing it should intend to support and encourage system actors to own, be fully responsible for, and be motivated and capable to reproduce their new ways of working.

► **Tip!** Whilst partner capacities are often at the forefront of our minds, it is necessary to remind ourselves that partner incentives to adopt and, more importantly, continue with new ways of working are of equal importance. In negotiating and forging partnerships, we should have a short- and/or long-term ‘business case’ in our back pockets or, indeed, a case that is grounded in the motivations most pertinent to the type of system actor we are engaging with if it is a civil society organisation, representative association, or a public sector body. Beyond this, we must calibrate new ways of working to be as easy and appealing as possible to maintain, and preferably not burdensome and expensive! Finally, we must remember that we will need to negotiate and forge new partnerships later in the intervention. As any given partnership is the result of several rounds of iterative discussion – indeed, they are very much co-created products – it is vital that projects keep an eye on what they need to do next vis-à-vis “crowding-

⁶ The guidance presented here is encouraging projects to consider the effect that their initial partner choices have on the second half of the intervention. In some contexts, however, the guidance should be moderated: i) some system actors may not have peers or equivalents, for e.g., a national-level government agency or ministry; ii) projects operating in very thin markets and/or conflict-affected contexts often do not have more than one or two realistic partner options; and, iii) implementing organisations with highly procurement-driven approaches to partner identification, selection, and contracting may find it difficult to accommodate these considerations.

in” and not agree to creeping terms that may confer unfair advantage to initial partners or raise barriers among second-movers to copying the first-movers. Over-supporting initial partners to experiment with new ways of working creates future challenges.

7. Are you considering both ‘one-off’ versus ‘recurrent’ costs and ‘partner-only’ versus ‘multi-actor’ benefits whilst negotiating terms?

It is relatively common for MSD projects to reduce the art of negotiating a partnership to striving for a healthy cost-share. Whilst co-investment is certainly a good sign of partner ‘buy-in’, the value of a co-investment relative to the total value of the ‘joint venture’ partnership is often less important than exactly what the project is paying for and the extent to which investments in the present can deliver value to the project once again in the future. Be it a lighter-touch and lower spend tactic or a heavier-touch and higher spend tactic, your ‘joint venture’ should not only set a foundation for the partner’s practice changes to be (i) upheld (and re-invested in), but also, (ii) copied or reacted to in some way by similar system actors, where relevant.

Speaking to the first point, effective partnerships habituate system actors with the costs they must provision for and incur in the long run. If some form of temporary buying-down of risk is required, projects may look to finance one-off investment costs whilst avoiding financing their partner’s operational expenditures, recurrent costs, or re-investment costs.

Speaking to the second point, it is important for a project to hold ‘non-partners’ (or prospective future partners) in mind when agreeing ‘joint venture’ partnership terms in the present. In this regard, there are two aspects to consider. Firstly, projects must strike the balance between not disadvantaging second-movers in the medium-term, whilst also not jeopardising any short-term advantages enjoyed by first-movers.⁷ Secondly, projects need to consider whether or not it is desirable for their investments to create benefits that are highly exclusive or fully captured by one party.

Finally, whilst system actors fully owning their practice changes is clearly very important, projects need to manage the risk of partnerships not working out and consider conditionalities for assets or IP that are either costly and/or relevant to and needed by a wider cohort of similar system actors (see below illustration). Fixed-term ‘permissions-to-use’, future ownership ‘transfer agreements’ (based on performance/business model/access), or open/creative commons rights are some examples of how to mitigate the risk of partner failure and ‘lost’ investment.

► **Illustration:** Your project partners with an independent vocational college, a large company exporting customer services, and a business process outsourcing association in a service importing country to pilot a first-of-its-kind dual education degree programme in customer services, IT and technology support. The project is aware that, if successful, the dual education degree would be interesting to other independent and public sector-supported vocational colleges across the country as well as to at least 15 to 20 small to medium-sized exporters of customer services. Thinking beyond the pilot, the project decides to fund the one-off investments associated with conceiving and developing the dual education degree under a partnership agreement that would permit other colleges and companies in the future to use the syllabus, core module curricula, and applied student exercises. The project also agreed to pay for teacher training and in-company mentor training so that the content could be re-produced into e-learning material and shared freely with second-movers. Meanwhile, under the partnership agreement, dual education degree delivery, software licenses, and site-specific hardware were agreed to be paid for by the college and the customer services company. Lastly, the project agreed to cover the full cost of promoting the concept of new dual education degrees to the population in the region, while the partner college and customer services

⁷ This may be less important in thinner markets and/or where market demand for products or services linked to the practice changes is likely to be nascent in the medium-term.

company teamed-up and paid to promote its own new dual education degree, advertising both a discounted tuition fee and the promise to students of paid apprenticeship contracts with the company.

8. Are you committed to learning, adapting and digging deeper?

Projects must possess and maintain a strong cultural drive to collect and interpret data and insights from their initial intervention partnerships and activities. These insights may support continuing with a project's 'Plan A', but it is common that they lead to revisions, or even decisions to abandon 'Plan A' in favour of 'Plan B'. Furthermore, project teams must try to deepen their understanding of "supporting systems" throughout the intervention implementation phase. Regularly asking the perennial "why?" questions will help to expand a project's horizons. This is made possible when intervention monitoring is effectively resourced and when the implementing organisation and project leadership have nurtured a healthy culture of learning and self-improvement among the project team.

► **Tip!** It is rare that an MSD intervention will hit the nail on the head on the first time of asking. Many successful MSD interventions are in fact the result of the project team being alert to when 'Plan A' is not working out, whilst retaining the motivation to revise and not double-down on their existing intervention strategy. Project teams must carve out time to collectively discuss a few simple but often illuminating questions:

- What, if anything, went wrong during this partnership/pilot? What did we learn from it? How did we respond?
- How has our intervention strategy changed over time and what prompted these changes?
- Are we reflecting on our intervention strategy and theory of change as a team enough?
- What opportunities can we now see in this sector that we didn't see in the design phase?
- What are our ambitions for this intervention? Where should we take it next?

9. Is your intervention strategy evolving and are your partnerships and activities diversifying?

If partners intend to continue with their new ways of working, the long-term demand for such new ways of working is clear, and the target group impact is meeting expectations, the project should amplify what has been piloted and encourage a "crowding-in" response.⁸ Repeating a modified version of the original partnership offer with similar system actors is one option that projects working in very thin market contexts tend to explore. However, in 'thicker market' contexts, such a strategy may inadvertently benefit only a few system actors and raise barriers for those, including future new entrants, that are not among the more fortunate second-movers that the project has opted to support. Instead, project teams might consider unearthing points of greater leverage and encouraging new practice changes with different kinds of system actors – in short, spending their time and money on very different things than they did previously. This may involve one or more of the following:⁹

- **Going 'upstream'/'downstream':** Shifting towards partnerships with influential suppliers/buyers, for e.g., from working with input retailer chains to working with input importers/wholesalers, or even input exporters in third countries; or, from working with micro and small sub-contractor firms to engaging with the larger firms that contract them or even institutional buyers;

⁸ If, however, question marks remain either on the sustainability side or the target group impact side, then the project team's challenge is one of mild, moderate, or even complete intervention re-design, perhaps signalling a return to the beginning of this list of questions.

⁹ Note that these categories are not necessarily mutually exclusive but have rather been labelled distinctly for ease of readers' understanding and to better showcase the variety of ways that "crowding-in" or "scaling-up" can manifest itself. Readers should further note that successful "crowding-in" or "scaling-up" is very much dependent on the groundwork and scale-related considerations that have been factored-in at the earlier stages of the intervention – i.e., pertinent to all preceding Questions 1 to 8.

- Going ‘apex’: Moving from collaborating with single system actors to partnering with (or even creating new self-sustaining) apex actors, for e.g., sectoral committees, representative associations, or clusters; or, shifting from for e.g., sandboxed regulatory exemption pilots or regional government-level incentives to innovating national government roles, allocations, regulatory frameworks, policies and action plans;
- Going ‘deeper’ (for e.g., second- and third-tier “supporting systems”): Addressing the constraints experienced, for e.g., by service providers to the system actors you worked closely with during the intervention pilot; or perhaps addressing failures in regulatory design and impact assessment that lead to sub-optimal regulations persisting;
- Complementary “functions, rules, and norms”: If pilot intervention partners have not been representative of the wider pool of similar system actors whose practices also need to change (see Question 5), other previously unseen barriers may be affecting second-movers’ ability to respond to the first-movers, for e.g., system actors with fewer resources for investment may require financial services to follow better-resourced system actors; or, in a different type of case, having improved the supply-side of a new product or service, projects may need to initiate demand creation partnerships (for e.g., alternative sales models, retail finance, or consumer/buyer education); and
- Doubling-down on target group impact: Should target group outreach be high, projects may also wish to focus on new “functions, rules, and norms” that would deepen target group impact.

*Complementing Appendix 1, **Appendix 2** offers an example of how an MSD project’s intervention strategy may evolve throughout the project phase.*

- **Illustration:** Your project funded a training-of-trainers (ToT) activity that trained personnel from four business consultancy firms to deliver a cutting-edge industrial plant productivity training course to support manufacturing plants to simultaneously reduce costs and improve workers’ conditions. In reviewing the intervention, the project team found that the four ‘first-movers’ had secured various training and coaching contracts from 23 different manufacturing plants, all of which enjoyed the project’s 35 per cent price subsidy. However, the project now needed to take action to improve the likelihood of service sustainability, in the first instance, and a greater scale of impact. Rather than repeating the original intervention strategy and “crowding-in” more business consultancy firms (which may have undermined a very nascent commercial market for the first-movers), the project sought to diversify its partnerships and activities. The project did this through the following:
 - It produced a detailed case study of the 23 manufacturing plants that purchased the training, extracting data on cost savings and profitability benefits that it (and the consultancy firms) could then use to support an extensive targeted marketing campaign of the services now on offer commercially.
 - For further demand creation, the project engaged with each first-mover one-by-one to discuss diversified service and sales offerings for different sizes of customer, including payment by instalments, deferred payment, and performance-related remuneration elements. It also supported the first-movers to develop free ‘taster trainings’ that different regional and sectoral manufacturing associations could offer to their members, providing a few ‘quick wins’ for members en masse.
 - The project collaborated with two professional education providers that were leading regional business schools to embed the ability to train new trainers in the region, also linking the business schools to ‘master trainers’ for future curricula updates and supporting preferences to pursue relevant accreditation.
 - On a separate workstream intended to make it both easier and cheaper for companies to put recommendations from the aforementioned training services into effect, the project supported regional and sectoral manufacturing associations to learn how to commission research, undertake successful advocacy campaigns, and engage with media and civil society. Focusing on human resource and occupational health and safety issues, the associations collectively campaigned to eliminate import tariffs and taxes on safety equipment. Moreover, one manufacturing association also succeeded in agreeing the terms for a ring-fenced

sectoral fund with both government and an insurance provider to support injured workers' medical expenses for association member companies that pay into the scheme.

Intervention performance review: The 'million-dollar' question

10. Will presently unreached members of your target group benefit after the project closes?

Whether or not an intervention has put the MSD approach into practice successfully is not easily reduced to a single question. This acknowledged, the sustainability of the step changes in the intervention's theory of change (i.e., the system 'means' to target group 'ends') and the scale of target group outreach and magnitude of impact that you hoped for is perhaps best embodied by whether future target group impact is possible. Imagine a time three years from now, after your project has closed – are the practice changes of system actors in "supporting systems" continuing to produce outcomes and impacts for your target group? Might these new practices be able to react to and withstand a modest amount of shock or disruption? If so, congratulations!

Summary

At the heart of the MSD approach are two key tenets. Firstly, projects should work towards tackling the 'root causes' of target group disadvantage. Secondly, projects should "facilitate" system actors to adopt and uphold new ways of working. Whilst using project resources to encourage practice changes among system actors that are often two or more degrees of separation from your target group is challenging, the likelihood that projects benefit the many rather than the few is increased when both of these tenets are exercised. Drawing from available guidance, this resource has attempted to unpack these tenets and to repackaging them into ten bite-sized questions that hopefully offers a fair 'pocket guide' for the approach. Nevertheless, it is recommended that the questions be read as an accompaniment to or reminder of, rather than a replacement for, the popular MSD approach guidance that has long been available.¹⁰ Finally, projects should keep in mind that their success with the approach may not solely be due to their 'textbook' project design and implementation masterstrokes. Fortuitous contextual factors, project timing, and project team persistence are all equally important.



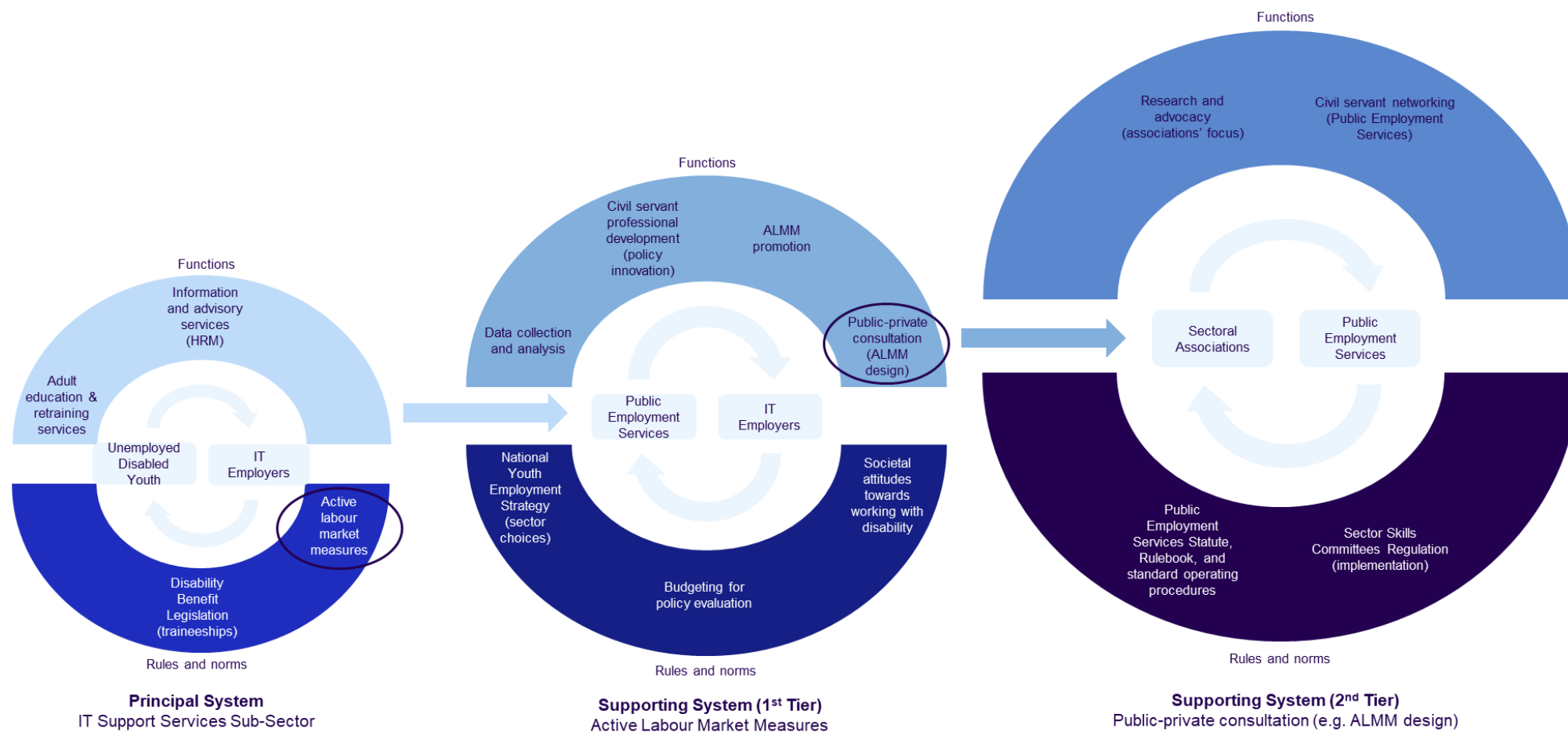
International Labour Organization
Route des Morillons 4
CH-1211 Geneva 22, Switzerland

Website: www.ilo.org/sci
Email: sci@ilo.org
LinkedIn: [The Systems Change Initiative \(SCI\)](#)

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¹⁰ In addition to the guidance mentioned earlier, readers may also consult the "[Value Chain Development for Decent Work: 3rd Edition](#)" (ILO, 2021) and "[A Rough Guide to Using the MSD Approach for Youth Employment in sub-Saharan Africa](#)" (DCED/Justin van Rhyn, 2022). Additional resources on the MSD approach can be found on [BEAM Exchange](#).

Appendix 1: “Principal” and “supporting systems” constructs



Appendix 2: Intervention strategy evolution

► Indicative evolution of an intervention strategy

Project phase	Lifecycle stage	Intervention depth	Purpose	Example continued from Appendix 1
Design phase	Action research	Principal system	To complement other research activities and learn more about how supporting systems work.	Partnership with four IT companies to walk through the process of applying for an active labour market measure and to see how the system of ALMMs works from an employer's perspective.
Implementation phase (1st half)	Pilot intervention	Supporting system (1 st > 2 nd tier)	To pilot practice changes among supporting system actors, validate the theory of change, produce a positive impact on your target group, and assess whether or not changes are likely to sustain without you.	Partnership with the public employment services of two regional governments to experiment with a number of changes to 'business-as-usual', including a joint review of current ALMM performance, a new approach to consulting different ALMM stakeholders (both employers and target groups), and increased targeting and creativity in promoting ALMMs. Civil servant training on active labour market policy innovation is also piloted.
Implementation phase (2nd half)	Post-pilot intervention	Supporting system (1 st > 3 rd tier)	<i>Assuming that the theory of change holds, the target group is positively impacted, and the piloted practice changes are likely to sustain...</i> To spread, amplify and increase the resilience of the system-level improvements piloted.	Following-up on the workstream that sought to impart changes to stakeholder consultation processes in the two pilot regions, partnerships are established with different sectoral associations in the services industries to support them to collect data from their members that are helpful to public employment services counterparts as well as to advance civil servant

				networking by institutionalising half-yearly meetings with the leadership teams from the different sectoral associations. The regulation on initiating sector skills committees is supported through to implementation with a strong leadership role for two newly created positions in the Ministry of Labour. Moreover, the Ministry and the unit responsible for public employment services invest in cementing these changes to standard operating procedures in the statute and rulebook of the public employment services and commit to review the statute and rulebook on a biennial basis.
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