
# Starting strong: Getting inception right in projects using the MSD approach

What do hurdling and managing development cooperation projects have in common? Clattering into the first hurdle can be hard to recover from! A faltering start can be especially detrimental for projects using the MSD approach, where the relationship between higher-level results, expenditure and time is not linear. Furthermore, projects in 'catch-up mode' may face pressures from stakeholders to re-evaluate their approach, encounter new internal and external relationship management challenges, and risk falling even further out of rhythm.

This brief explores many of the commonly encountered project start-up challenges and suggests recommendations that implementing organizations can employ to navigate them more effectively. It also looks into the role of the funder in enabling smoother starts.

**Box 1: How did we do the study?**

We interviewed 20 field practitioners, implementing organisation advisors, and consultants with extensive experience in putting the MSD approach into practice. We conducted semi-structured one-to-one interviews to gain insights from their assorted proposal writing and project inception experiences. An online validation exercise was then organized where both the initial interviewees as well as new research participants were asked to critique the emerging findings and draft recommendations.[1]

## What did we learn?

### Scene-setting

Post-award, many projects begin with an inception period - an allocated period of time to explore and refine where the project should intervene and allocate its resources to best achieve its goals. While this process differs from funder to funder and sometimes within funders based on the specific procurement and contracting mechanisms used[2], the majority of inception periods involve executing a version of the MSD 'diagnostic process'. This often begins with collecting and

[1] This brief is authored by Daniel Nippard. ILO SCI is grateful to Anna Garloch, Clara Garcia Parra, Dun Grover, Elisabet Montgomery, Emmanuel Phiri, Hayden Aaronson, Holly Kreuger, John Rachkara, Justin van Rhyn, Khaled Khan, Kristin O'Planick, Lorenz Wild, Maryam Piracha, Mike Klassen, Mohasin Kabir, Nasir Ahmed, Netsaalem Bahiru Gebrie, Richard Rose, Ryan Bourque, Tim Sparkman, Timothy Stewart, and Vivekan Jeyagaran, as well as ILO colleagues Adriana Sierra Leal, Luana Ayala, Mohammad Khairul Islam, Nadja Nutz, and Naomy Lintini for their valuable insights during the interviews. Thanks also to Aishwarya Pothula, Merten Sievers and Steve Hartrich for their review and feedback.

[2] Recognising the contracting differences that exist between funders, the term "inception period" should be understood in the most general sense within this paper. We refer to the post-award project start-up period, the length of which varies in accordance with a project's overall duration. It may be a separate contract i.e., a contracted inception phase, or an allocated period of time within the main implementation contract. This paper may be less relevant where procurement rules and contracting procedures require a project's scope, deliverables, and activities to be fully detailed in advance, or where there is no designated inception period.

reviewing insights from published research, analyses and reports, and organizing key stakeholder interviews and focus group discussions to longlist sectors with high potential to meet project goals. Rapid market assessments (RMAs), multi-stakeholder roundtables, and other means of verifying high-potential sectors may then be used to arrive at a shortlist. More comprehensive market systems analysis (MSA) for each shortlisted sector tends to follow, though the depth of investigation may depend upon project scope, duration and size. Projects principally rely on key informant interviews to explore different aspects of sectoral performance and shortcomings, often by player type, though surveys and other research tools and techniques are not uncommon.

Inception periods tend to conclude with the delivery of an "inception report" (or an updated "project document"), containing a more detailed project strategy and theory of change, revisions to team structures and roles, an updated budget breakdown and results framework, operational work plans for the year ahead, and technical chapters or annexes containing analysed sectors and designed interventions.

## Lessons for implementing organizations

The insights and recommendations for implementing organizations are drawn from both collective hindsight and positive 'outlier' practices shared by respondents throughout this study. The recommendations are grouped into two time period categories: (i) pre-award, during fundraising/proposal preparation; and (ii) post-award, covering actions to be taken during the inception period; and are presented in approximate chronological order.[3]

### Keep results frameworks simple

Logframes are not meant to be precise blueprints detailing exactly how projects will achieve their overarching goals. Over-engineered logframes (or results frameworks)[4] inherited from proposal writers (or funders before them) present a significant challenge for incoming project teams. Problems tend to manifest themselves in the following ways:

- When the output, outcome and impact levels of the logframe do not align with the systems change, growth and access, and poverty reduction (or target demographic benefit) levels of the MSD strategic framework, there can be confusion about what the team should be aiming to achieve.
- When mid- and lower-level logframe objectives and their indicators are too specific, the diagnostic process is pre-empted and the team's autonomy to identify the most appropriate and feasible means of achieving higher-level objectives is undermined.
- When projects are designed with multiple components, especially when the thematic coherence between components is strained, teams struggle to develop a cogent project strategy and identity. This presents difficulties for internal and external communication, but also hiring in the right skills mix and allocating core team resources.

While desirable, it is not always possible for implementing organizations and funders to agree to (significant) changes to project logframes, post-award. Prioritizing logframe simplicity and coherence at the earliest stage of the project lifecycle, and exercising care in deciding how precise and rigid (vs. open and flexible) the logframe language and commitments should be is advised.

[3] This paper recognises the different ways in which projects begin their lifecycle and the different "procurement formats" outlined in [BEAM Exchange (2021) How To! Do MSD procurement #1: format options for MSD programming]. Terms such as "fundraising/proposal preparation", "pre-award" and "proposal writers" etc. are intended to be read as applicable across all procurement formats.

[4] For funders that do not use logframes, the issues presented here remain relevant to the different results frameworks that are used to depict a project's overall theory of change and its expected results at each level of the framework.

### Recommendations

#### During preparation

- Implementing organizations should avoid 'Frankenstein' logframes that do not present a clear project narrative. Multi-component or multi-outcome projects must ensure a coherent relationship and thematic compatibility between components, and be clear on what the components add up to when combined. There should be parity when comparing the level objectives across components with regard to the MSD strategic framework.
- Proposals must not over-specify outputs as this restricts how project teams should achieve their higher-level results. If requested by the funder, greater detail may be added to the lower levels of the logframe at the end of the inception period.
- Use "or" and "for example" formulations in the phrasing of mid- and lower-level objectives and indicators to ensure flexibility, and allow for reporting different kinds of results. Avoid naming specific sectors or value chains when not required. Avoid naming specific actors, for example, 'public TVET institutions.' Rather, use wider expressions such as 'education/training providers', or even 'service providers' or 'system actors' for extra leeway.

## Factor in time to mobilize

A commonly cited challenge is the implementing organization's inability to quickly recruit, mobilize, and upskill the project team. For many, mobilization speeds can be prepared for, though are somewhat "given factors" that cannot be easily improved. Team members are rarely unemployed or immediately available when project contracts are awarded, tend to have notice periods (some up to three months), and need time to organize moves amid closing-off responsibilities in their outgoing roles. In many cases, senior project staff arrive months after the official project kick-off. In other instances, staff positions remain vacant for substantial parts of the inception period.

With the clock ticking and expectations of visible progress on the ground, implementing organizations use a combination of headquarters staff, perhaps with little (long-term) field experience, and short-term in-country sectoral experts as temporary consultants. Against guidance and better practice[5], this temporary, stand-in team begins to deliver key inception period tasks. Important actions and decisions such as stakeholder kick-off meetings, rapid market assessments, sector shortlisting roundtables, and sometimes market systems analyses are undertaken or substantially advanced prior to project teams being fully in place. This makes it difficult for incoming team members to fully understand, endorse, own, and easily build on inherited decisions and workstreams. They may be unable to change (undo/redo) something they disagree with. Unsystematic handovers may further compound these challenges.

### Recommendations

#### During preparation

- Open dialogue on the feasibility of post-award 'grace periods' – a number of no- or low-cost months sufficient for implementing organizations to complete recruitment successfully and commence mobilization.

[5] The Springfield Centre (2015) Operational Guide for the Making Markets Work for the Poor (M4P) Approach advocates that project teams undertake their own analysis and refrain from outsourcing work that helps them to gain a stronger appreciation for how systems are not working.

- Develop and execute a project 'start-up protocol' that takes into account the operational strengths and weaknesses of the implementing organization and minimizes strategic decision-making prior to onboarding senior project personnel. The protocol should include the type of work that can and cannot start before the team's arrival, as well as a contingency plan for delayed team member arrivals.
- Plan for and invest in the continuity of decision ownership. Consider longer-term access to headquarters staff and any in-country consultants to be used. When called upon, include systematic handover responsibilities as tasks with deliverables in terms of reference.

### Plan ahead to navigate end-of-inception bottlenecks

Funders expect detailed, near-complete information spanning the breadth of the project to arrive at the end of the inception period in the form of one big "inception report". Often already playing catch-up, following a delayed mobilization, projects must spread their limited (and new) human resources relatively thinly to prepare everything ahead of the agreed deadline, jeopardizing overall quality. An extended period of feedback ensues, which may include more than one re-submission, ultimately leading to an end-of-inception period cliff-edge phenomenon where all further action is paused until everything receives a green light.

Projects tend to suffer a disjointed transition into intervention implementation as the inception report submission period drains much of the momentum that the project had managed to build. It is particularly disruptive of opportunities for partner engagement, as prospective partners grow frustrated with fleeting project contacts and partial commitments during these 'transition' months. The disrupted flow into intervention implementation also risks missing time-critical or season-dictated deadlines for preparing, signing, and operationalizing investments. This part of the project cycle is characterized as a period of heightened stress as project teams soon face a second consecutive bottleneck in getting multiple (now delayed, and sometimes time-critical) interventions going at the same time.

### Recommendations

#### During preparation

- As a first step, understand exactly what the funder will need to approve and when. If the funder can accommodate this, propose a 'staggered' approach to building the project's intervention portfolio, allowing for a higher degree of resource and attention span concentration. This, for instance, could mean that a project starts with analysing and designing two interventions in two sectors during the inception period, and increases the number of interventions and brings in other sectors as the project progresses. This maximizes opportunities to put learning into quick effect and offers greater ownership to late-arriving team members.
- Corresponding to the above, propose a case-by-case passing of selected sectors into analysis, and designed interventions into implementation. If the funder needs to be involved in lower-level portfolio decision-making, request feedback, quality assurance, and approvals on a 'rolling basis' rather than all at once, and alert funders to time-criticality or seasonal windows.

#### During inception

- In situations where a formal 'green light' approval from funders is required, seek 'partial approval' for the parts of the project's intervention portfolio where agreement is strongest while agreeing and committing to addressing outstanding items, as requested, in parallel.[6]

### Do not start from scratch

While often easily accessible, the analyses conducted by recent and similar projects are not being used as trusted points of departure. Rather than validating what has come before them in the context of the project's own identified opportunities for improving target demographic livelihoods, new project teams and their consultants are spending too much time 're-describing' relatively well-known phenomena of how a given system performs. Gaining new perspectives, including exploring why systems perform as they do, and what can be done about it, is what the majority of the inception period should be used for. Greater time should also be allocated to learning about the interventions of other relevant initiatives, whether successful or otherwise, providing valuable inspiration of what is important, what may be more likely to work, and what to avoid.

### Recommendations

#### During inception

- Convene key members of similar past and ongoing projects to assess the landscape for analyses and gain a deeper understanding of how project implementation has gone for them vis-à-vis challenges faced, ownership and sustainability difficulties, recommended leverage points, trusted allies, and potential partners.
- Work through a group of local and/or regional experts to validate or update existing analyses (where available) and common knowledge, and to generate a list of leads for primary research. Encourage project teams to triangulate further, and to build on these insights away from their desks. Get roundtables to focus on prioritized 'supporting systems' (not 'principal systems'), and later engage them for vision-building inputs.

### Manage the impact wishlist

It is now common for funders to request multiple qualitative dimensions to both the impact they wish to see generated (e.g., rural/urban, green, decent work, etc.) and to the target demographics they wish to see benefit (e.g., gender, age, ethnicity, employment status, disability, etc.). When combined with the expectation of producing impact at scale, project teams quickly encounter 'analysis paralysis'.[7] Key concerns include:

- How can such a breadth of considerations be practically integrated into a project's diagnostic processes?
- Do projects have the capacity to manage increasingly nuanced impact-level requests by donors?
- Are these requests, particularly any associated targets, realistic and evidence-based?

[6] Note that some funders and/or Embassy-based counterparts are far less 'hands-on' than others with respect to lower-level portfolio decision-making, in which case this recommendation is a moot point.

[7] 'Paralysis by analysis' was first used in the context of development cooperation projects working with the MSD approach in The Springfield Centre (2015) Operational Guide for the Making Markets Work for the Poor (M4P) Approach.

## Recommendations

### During inception

- Engage in discussions with funders to prioritize qualitative criteria and target group intersectionality. Can preferences be distinguished from imperatives?
- Do not look for 'silver bullet' livelihood-improving opportunities that cut across all qualitative criteria and target groups. Instead, manage diverse impact-level requests through a portfolio approach where different interventions contribute differently to the overall 'impact mix', though pay attention to intra-portfolio synergies and impact magnitude, and the demands of this approach on project resources.
- For longer, well-resourced projects, consider proposing two-stage intervention strategies in the inception report to respond to the diverse impact-level requests. For example, first create new employment opportunities for women in rural areas, and then target supplementary activities towards improving one or more decent work indicators.

### Cast a wider net

In working through the diagnostic process, projects are hard-wired to narrow their scope in a step-by-step manner, zooming in on what is restricting a specific livelihood-improving opportunity for their target group, often in a chosen sector. However, issues can arise when teams fail to zoom out from time to time, appreciate where else momentum may be building, and look beyond some of the walls that they have erected for themselves. Many project teams reach the end of their inception period feeling boxed into a corner with very few viable partnership options available.

If projects can cast their *partnership nets* a little wider, for example, in looking across sectors and not just within them, they may find that new doors open. Some of the risks associated with seasonal value chain-specific deadlines can also be lessened in this manner. It is important to remember that improving how systems work for the target demographic is as much an entrepreneurial and opportunistic undertaking as it is one informed by constraint-centred diagnostic work.

## Recommendations

### During inception

- If using selection criteria to rule in or rule out different options, elevate the importance of partner availability.
- Prioritise supporting functions and rules that cut across sectors, increasing the project's flexibility, scope of influence, and potential for large-scale outreach.
- Encourage project teams to be responsive to system actors showcasing a degree of energy and enthusiasm for change and investment, even if their initial plans are not fully aligned with those of the project, or if they are interested in sectors or value chains that the project did not originally select. Is there enough of an overlap in interest to justify meeting them in the middle?
- If the project team finds too few partnership options in the prioritized supporting systems, look beyond the actors that are currently present. Can system actors be encouraged to diversify or expand into systems they are not presently active in? Can cross-border investment be encouraged? Are there any new actors that can be supported?

## Control the MSA monster

Market systems analyses (MSAs) originated as a semi-structured means of capturing a project's understanding of how market systems under-perform for their target group, why they work this way, and where intervention is likely to be most feasible and impactful. However, demands on the purpose they should serve and what information they should contain have slowly shifted away from being illustrative, reasonably evidenced accounts. Projects now must demonstrate their MSAs are considerate of all lenses that might be used to review them, and that they are somewhat more definitive in their accuracy and sufficiently rigorous. Once internal, behind-the-scenes documents, the MSAs are now being published more frequently, requiring them to be politically sensitive, well-written, and consumer-friendly.[8]

Inception periods are being increasingly driven by the production of documents for funders to approve. Completing inception report chapters to a satisfactory quality, especially MSAs, is taking precedence over other important preparatory activities. Projects are spending a significant amount of time revising and finalizing documents following their initial submission and review. Moreover, MSAs appear to be under-utilized beyond their submission, and the designed interventions they contain are often adjusted, sometimes substantially, following approval. In cases where formal approval is required before projects transition into full intervention implementation mode, continuity can be severely disrupted, with project teams struggling to maintain the interests of prospective partners.

### Recommendations

#### During preparation

- Propose concluding the inception period with a presentation of supporting system visions, corresponding intervention areas, and intervention strategy outlines. Detailed intervention strategies and intervention results chains can be submitted at a later date, accounting for how partners are likely to influence them.
- Reinforce to funders that MSAs reflect an initial understanding of how and why selected systems work as they do. Projects will focus on continuous learning and find an appropriate means of regularly capturing, synthesizing, and sharing their updated understanding and new insights generated.
- Avoid proposing MSAs as formal deliverables, if funders do not require it.

#### During inception

- Use easy-to-update and concise formats to capture information during the diagnostic process.
- If projects are required to make their MSAs public, offer to publish at a later date (e.g., 12 months after the end of the inception period) once interventions are fully underway. Alternatively, offer to publish a condensed version (e.g., 2-3 pages) that simply informs stakeholders of the project's designed interventions.

[8] Furthermore, the skills required to convincingly write-up a good (or poor) piece of research can be quite distinct from the skills needed to engineer and manage partner relationships, adapt to changing circumstances on the ground, and so on.

### Box 2: What would an ideal project inception look like to you?

During research that informed this brief, we asked respondents to describe their ideal project inception period and to present specific characteristics of what a 'good start' would look like to them. To use the inception period to best prepare for what lies ahead, they advised:

- **Taking time to recruit project teams**: Prioritize 'growth mindset' attributes, interpersonal contributions to team culture, and skill diversity. If the right people cannot be found, re-advertise or change tactics.
- **Investing in people**: Build a robust, team-wide understanding of the MSD approach, assess the team's professional development needs, provide soft skills training, and support hard skill acquisition.
- **Fostering teamwork**: Demonstrate how different individuals and functions should work together and create shared spaces and opportunities for collaborative problem-solving.
- **Knowing your "customers"**: Spend time understanding the livelihoods, resources, and decision-making of the project's target demographics, as well as the priorities of key project stakeholders and government counterparts.
- **Building trust**: Familiarize project stakeholders with the unique aspects of the project (e.g., what it means to apply the MSD approach), and dedicate time towards building a trustful relationship between the implementing organization and the funder, communicating what the project needs for it to be more effective.
- **Preparing in-house systems**: Develop key internal procedures that will be used for partner identification, selection and contracting, as well as the software, systems and processes for monitoring, results measurement, and learning.
- **Getting 'out there'**: Prepare and rehearse the project's pitch, invest time in assessing the landscape of prospective partners, and network extensively to improve nascent intervention ideas and generate partner leads.
- **Experimenting and reflecting**: Practice investing project resources in alignment with MSD principles, building both confidence and learning how and why systems work as they do.

## Get away from 'good on paper' interventions

The diagnostic process largely relies on interviews with system actors to determine how and why market systems perform as they do. Yet, it can be hard to discern interviewees' true priorities, organizational capacities, and willingness to act or invest in new roles or practices from interviews alone, especially where interviewee selection is non-representative, or where too few interviews are conducted. Moreover, most project inception periods appear devoid of direct partner engagement in the form of joint activities with actors and small investments to test the waters. This relatively passive approach to discerning where and how projects should intervene is too one-dimensional and arguably not fit for purpose.

Striking a better balance between hypothesis testing in 'cold' (e.g., interview-led investigations) versus 'hot' scenarios (e.g., activity-led collaborations) may help projects to design better interventions. Here, the greater use of 'action research' and learning through experimentation at the earlier stages of the project cycle could help teams to (i) appreciate system actor appetites and abilities, and (ii) differentiate feasible interventions from those that may only be 'good on paper'. This requires a greater comfort with learning through doing shared by both the implementing organization and the funder – though such an approach would still require a premise based on some degree of initial analysis and fact-finding, and a nascent MRM system in place to track what happens.[9]

[9] Information on tools used by MRM systems that need to accommodate a more action research and experiment-oriented approach can be found in Crudeli et al (2018): Prove and Improve: Adapting Monitoring, Evaluation, and Learning (MEL) to Better Support Business Growth and Project Learning in Market System Development Projects.

## Recommendations

### During preparation

- Propose and budget for utilizing action research to engage partners during inception periods. Use action research to generate learning, augment intervention design decision-making, build networks, and create more confident teams.

### During inception

- Offer experienced coaches during project inception to help teams overcome any discomfort with experimentation and engaging partners early on. Normalize the likelihood of and response to unsuccessful partnerships.
- Accept that getting to the most appropriate solution to a system-level problem is a process of discovery. Practise adaptive management from the beginning, allowing partners space to shape intervention design and being prepared to test and compare different solutions. Depending on budget and time, spread risk by testing different actions simultaneously and cycling through iterations quickly.
- Agree with project stakeholders that intervention results chains and annual plans of operation will become more detailed as the implementation phase unfolds, though are likely to be less detailed in the beginning.

## Learn how to spend

Many project teams are not aware that they can spend funds on direct partner engagement during the inception period and prior to the approval of submitted documents. There is uncertainty around which rules apply, and whether any limitations are due to the funder's rules, or rules from within their own organization.[10] This lack of understanding leads to a particular nervousness of wrong-doing in moving from analysis to action (or investment). At the heart of this are two phenomena:

- The extent to which partnerships are considered a procurement matter
- Finance staff, project management, and technical experts rarely invest time learning about each other's roles.

Project teams are often unclear about whether partners need to be identified through calls and the procedures associated with different types of call, including whether or not engaging for-profits is materially different from not-for-profits. Teams may be confused whether intervention ideas and nominal terms of partnership can be discussed openly with would-be partners, for example, prior to a call, and how would-be partners can help shape intervention design and partnership terms. Project teams also struggle to understand how and when to build partner negotiations, counter suggestions, and the fine-tuning of contractual terms into the selection process. This overall lack of familiarity with the financial and operational mechanics of partner engagement is a significant impediment to early-stage partnerships and intervention implementation.

[10] Implementing organization, ACDI/VOCA, has invested resources to unpick several financial and operational myths encountered in USAID-funded development cooperation programming. See ACDI/VOCA (2024) Beyond the Unicorn: Creating Adaptive Partnerships Across an Organization.

## Recommendations

### During preparation

- Use the proposal to communicate the project's intention and budget for direct partner engagement in the inception period. Propose a 'special', quick partner identification and selection process for (low-cost) action research and experimentation during the inception period.

### During inception

- Organise a workshop with both the funder and implementing organization cutting across finance, project management, and technical teams to establish familiarity with one another's work. Focus on how the MSD approach is to be operationalized through partner identification and selection procedures, promoting a solution-oriented culture to the effective and responsible investment of project funds.

## Lessons for funders

Funders can also play an instrumental role in enabling projects to get off to better starts, build substantial momentum during the inception period, and transition smoothly into intervention implementation.

### Be comfortable with details emerging over time

At the beginning of the project lifecycle, funders should consider keeping the concept notes and tender notices relatively broad and impact-focused, and the provisional logframe or results framework uncomplicated and undetailed. This allows implementing organizations to propose a strategic approach to achieving higher-level project objectives and for project teams to subsequently provide more detail on how these objectives will be realized as part of the inception period. Where earlier stages of the pre-award process are too prescriptive or over-engineered, and possibly subject to an unhelpful time lag, project teams may struggle to align their plans with the funder's requirements.

Towards the end of the inception period, a focus on how projects can transition quickly and neatly into the main period of implementation when all essential needs have been satisfied through submitted reports and other associated deliverables is helpful. Separating critical comments and information requests from non-critical ones is part of this process.

This is not to say that funders should be willing to expect limited detail for the duration of the project, simply that different levels of detail should be expected at different points in the project lifecycle. For instance:

- Accepting 'good enough' MSAs on the condition that annual reports later present critical reflections on how the project's understanding has grown and new learnings about how and why market systems perform as they do.[11]
- Permitting a brief initial yearly plan of operations on the condition that future yearly plans are more detailed.
- Allowing inception periods to conclude with projects offering high-potential entry points for their initial interventions, not a complete intervention portfolio with detailed intervention designs and crowding-in/scaling-up strategies.

[11] Further insights for interpreting "good enough" analysis can be found in USAID (2016): The Utility of Market Analyses: Key Findings from a Landscape Review (LEO Report No. 40) and Wild, Lorenz. (2024) Market Systems Analysis & Strategy Toolkit. Washington, D.C.: United States Agency for International Development (USAID) – prepared by the Feed the Future Market Systems and Partnerships (MSP) Activity.

- Because initial interventions are as much shaped by 'pilot' partners as they are by the project's analysis, defer requests for detailed intervention-level results chains until approximately six months into the implementation phase. Similarly, request crowding-in/scaling-up strategies around the project mid-point.

### Think beyond accountability and quality assurance

Embassy-based counterparts play a crucial role in ensuring a successful project start-up, particularly in establishing the right project culture for using the MSD approach to achieve the desired results throughout implementation. Going beyond the classic oversight role to work actively and collaboratively with the project team, both adding value and troubleshooting with pragmatism, are key factors. This includes:

- Understanding that interventions and partnerships may fail
- Supporting projects with networking and establishing connections
- Demonstrating generosity in interpreting and applying internal procedures and requirements, so long as accountability concerns are satisfied
- Maintaining regular, positive and healthy exchanges between the embassy, implementing organization, and project team staff, including funder headquarters

### Offer a continuous contract

Funders already tend to offer one continuous project contract rather than separate "inception phase" and "implementation phase" contracts, though it is worth noting that a single, continuous contract is beneficial for facilitating a number of the implementing organization recommendations presented above.[12] For example, it allows project teams to initiate action research and direct partner engagements during the inception period without concerns about managing contractual deadlines and expenditures, as well as offering general flexibility for projects allocating budget between the inception period and the main period of intervention implementation.[13] Importantly, one continuous contract also sits well with the idea of projects building their intervention portfolios over time, staggering intervention design, and receiving funder feedback or approval on a rolling basis. This helps to reduce bottlenecks and supports the implementing organization in adopting a more adaptive approach to managing the intervention portfolio.

### Be open to alternative ways of measuring project progress during inception

The inception period is about setting the foundations in place for the project to succeed throughout its lifecycle. A project's 'fitness' to transition out of the inception period and into the implementation phase should not be reduced to submitting a set of documents. Rather, it should be informed by a more holistic appraisal of the project's advancements in building team (and co-facilitator) capacities, establishing meaningful relationships with critical stakeholders, and creating or participating actively in networks and communities that generate quality leads and ideas. If these are the desired outcomes of the inception period, then funders may need to consider whether alternative indicators for ascertaining a project's progress would be more appropriate. This could span metrics for assessing an implementing organization's strategic approach to project inception during the process of evaluating project proposals, through to metrics that help track the development of team member capacities during the inception period itself. Indeed, many of the "ideals" listed in Box 2 can be transposed into a menu of indicators that funders can use to incentivize the right kind of behaviours among implementing organizations and their project teams.

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[12] Within the context of different USAID procurement and contracting options, respondents highlighted that multiple awards (for e.g., under an umbrella IDIQ mechanism) may work better for projects using the MSD approach due to all contracting requiring a very well-defined scope, deliverables, etc. despite less familiarity and other relevant issues with it.

[13] Budget flexibility may be further augmented by easy processes for reallocating between lines and parts, though this research finding is not specific to the inception period (where there is likely to be less need for reallocation).

## Conclusion

Despite two decades of MSD programming experience, history is repeating itself with a sizeable number of projects having a problematic start. The practical guidance that seeks to inform inception period performance is perhaps too focused on how market systems are selected and analysed, and not sufficiently on how to create conditions within which such projects can thrive from the outset.

Notwithstanding the lessons and recommendations in this brief, it is important that implementing organizations take the time to reflect on their own inception period experiences and consider the changes they can make to business-as-usual. Many of these changes may be minor adjustments – first to how projects are prepared and then to how they are supported at the beginning of their lifecycles. As this brief largely relates to what implementing organizations propose to funders and how funders respond to these proposals, the insights are also relevant to proposal writers, business development teams, and those evaluating proposals and awarding contracts.

Engaging with funders in a constructive dialogue on how 'good starts' can become the norm in projects that use the MSD approach will help further. Funders have a significant role to play in incentivising and nurturing projects to establish stronger foundations during their inception periods. Indeed, a small number of subtle changes, mostly to what funders expect and what they request at different times, can ease many burdens and boost momentum. 'Good starts' don't just happen; they need to be worked towards. Funders and implementing organizations can team up to achieve this, and improve the likelihood of projects performing well over their entire lifecycles.

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