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Implementing the Balanced-MERL Approach in the Women + Water Global Development Alliance

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ABOUT THE BALANCED-MERL CONSORTIUM

The Balanced Design, Monitoring, Evaluation, Research, and Learning (BalanceD-MERL) consortium, under the U.S. Global Development Lab's Monitoring, Evaluation, Research, and Learning Innovations (MERLIN) program at the United States Agency for International Development (USAID), is identifying solutions to commonly faced challenges in design (D) and implementation of monitoring, evaluation, research, and learning (MERL). D-MERL refers to the integration of program design, strategy, and implementation with MERL activities. The consortium provided support and technical assistance to USAID programs to enhance and conduct D-MERL activities. The consortium consists of five organizations: World Vision (prime awardee), Innovations for Poverty Action, Institute for Development Impact, Search for Common Ground, and William Davidson Institute at the University of Michigan.

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BRIEF SUMMARY OF THIS DOCUMENT

The purpose of this document is to provide an insider look at the application of the BalanceD-MERL approach in a program operating in a complex environment. The Women + Water Global Development Alliance is a five-year (2017-2022) collaboration among USAID, Gap, Inc., CARE, Water.org, the Institute for Sustainable Communities and the International Center for Research on Women. Together, these organizations are leveraging their complementary strengths to improve and sustain the health and well-being of women and communities touched by the apparel industry. The BalanceD-MERL consortium delivered a MERL strategy to the Alliance. In this document, the BalanceD-MERL consortium shares their experience of applying the approach and provides key takeaways from the application of the approach. The BalanceD-MERL consortium also gives decision-makers, program implementers, and MERL practitioners action-items to undertake to enhance the effectiveness of this approach.



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LIST OF ABBREVIATIONS

AOR/COR	Agreement Officer Representative from USAID
CARE	Cooperative for Assistance and Relief Everywhere
CLA	Collaborating, Learning, and Adapting
D-MERL	Program Design integrated with Monitoring, Evaluation, Research, and Learning
E3	Bureau for Economic Growth, Education, and Environment
GDA	Global Development Alliance
I4DI	Institute for Developmental Impact
ICRW	International Center for Research on Women
ISC	Institute for Sustainable Communities
KPI	Key Performance Indicator
MERL	Monitoring, Evaluation, Research, and Learning
MERLIN	Monitoring, Evaluation, Research, and Learning Innovations
P.A.C.E.	Personal Advancement and Career Enhancement
PIRS	Performance Indicator Reference Sheets
PMIS	Performance Management Information System
RACI	Responsible, Accountable, Consulted, and Informed
USAID	United States Agency for International Development
WASH	Water, Sanitation, and Hygiene
WSS	Water Safety and Sanitation
WDI	William Davidson Institute at the University of Michigan

USEFUL DEFINITIONS

- **Adaptive management** is defined as an intentional approach to making decisions and adjustments to improve the program's activities and implementation in response to new information and changes in context that is captured through MERL data. Here decision-makers intentionally seek to incorporate learning into program delivery. This definition of adaptive management is based on the definition provided by USAID in ADS 201.6.
- **D-MERL** is defined as the integration of MERL activities with program design. *Monitoring* performance of the program, *evaluating* the program on its goals, developing a *research* agenda to generate new knowledge, and supporting iterative *learning* to adjust the program in response to new information and changes in context, are all integrated with the *design* and implementation of program activities. The goals of this is to create better programming to meet set objectives and increase developmental impact.
- **Key stakeholders** are defined as (1) the target audience(s) of the program, (2) key local partners such as local non-profits, civil society organizations, and government, (3) organizations implementing program activities, and (4) funders of a program. These multiple and varied individuals and groups may affect or be affected by the program.
- **Leadership** are the higher authority decision-makers in the organization who are often removed from the target audience(s) and communities where the program activities are being implemented. Leadership of organizations in a partnership ought to come together to set the vision for the partnership and collectively define the objectives of the program. Leadership also tend to serve as higher in the hierarchy than program managers and the MERL teams.
- **MERL activities** are both the activities and the iterative process of developing activities for performance measurement of the program. These activities measure and monitor how effective a program is at a moment in time as well as how to make the program more impactful in the future. Key activities include developing and implementing the following: (1) theory of change including program assumptions, (2) risk matrix, (3) evaluation matrix including the learning questions, (4) key performance indicators (with relevant metadata, namely definition of the indicator, unit of measure, source of data, reporting frequency, and data collection method), (5) research design including sampling strategy for the treatment and comparison group if applicable, and (6) data analysis plans and methods.
- **MERL team** is the collective term used for the person or group of individuals who develop and implement MERL activities for a program. There may be MERL teams from each organization in a partnership and/or there may be one overarching MERL team at the program-level overseeing the MERL of all program activities. The funder may or may not have a dedicated representative who focuses on the MERL of the program. Multiple MERL teams might collaborate on certain tasks and decisions or they might work individually to develop and implement MERL plans for their organization's activities. This depends on the specific needs of the partnership.
- **Target audience(s) of the program** are beneficiaries in a non-market-based program or customers, distributors, producers, and/or employees in a market-based program.
- **Program design** is both the activities that are planned to achieve the objectives of the program as well as the iterative process of developing the activities. These activities are often aimed at the target audience(s) of a program or for the benefit of them.
- **Program staff** is the collective term used for the activity design and implementation staffers. This includes the managers and field officers designing and implementing the activity to meet the objectives of the program. This does not include the program and organizational leadership nor the MERL person/team members. In programs, with multiple activities implemented by multiple organizations, program staff from each of these organizations collaborate with one another to find cohesion in the activities. There may also be an overarching program management team that oversees the design and implementation of all activities in the program.

EXECUTIVE SUMMARY

Introduction. The Balanced Design, Monitoring, Evaluation, Research, and Learning (BalanceD-MERL) consortium, under the U.S. Global Development Lab's Monitoring, Evaluation, Research, and Learning Innovations (MERLIN) program at the United States Agency for International Development (USAID), is identifying solutions to the D-MERL challenges posed when resources are limited but programs or country contexts are complex. The consortium hypothesizes: (1) A deliberate balanced *integration* of MERL activities with program design, strategy, and implementation will lead to a team's ability to rapidly and iteratively learn from their program implementation and incorporate lessons into their program design and (2) Applying four principles – *relevant, right-sized, responsible, and trustworthy* – into D-MERL can enable continuous learning as well as sustainable integration of MERL with program design, to subsequently improve the program through good program management.

The BalanceD-MERL consortium is testing its hypotheses through the delivery of technical assistance to USAID programs. To this end, this document describes the 15-month technical assistance provided to the Women + Water Global Development Alliance (Women + Water) and resultant learning and recommendations. Commencing in 2017, Women + Water is a five-year collaboration among USAID, Gap, Inc., CARE, the International Center for Research on Women, Water.org, and the Institute for Sustainable Communities. The goal of their collaboration is to improve and sustain the health and well-being of women and communities touched by the apparel industry.

USAID engaged the BalanceD-MERL consortium to provide longitudinal MERL support to Women + Water in India. Following an initial review of program and partner MERL documentation, as well as discussions with the Women + Water partners, the BalanceD-MERL consortium determined that the program design and MERL planning were nascent. However, because the Alliance and its management structure were complex, and the program would be multifaceted, the BalanceD-MERL consortium proposed and was commissioned to deliver a MERL strategy – a framework for MERL decision-making and implementation that presents an overarching program learning agenda and strategic priorities for performance management. The MERL strategy was to be developed through a structured, participatory process involving Women + Water program staff and the MERL team, commencing with co-development of the program's theory of change. Because Gap, Inc. had not worked with USAID previously and had limited D-MERL capacity, the consortium also was commissioned to provide MERL mentorship to Gap, Inc. throughout the engagement.

BalanceD-MERL's Technical Assistance. The BalanceD-MERL consortium's integration approach relied on facilitated communication among MERL teams and program staff and among partners. The BalanceD-MERL consortium's initial work focused on working with the partners to build the program's theory of change, a foundational component of the MERL strategy that informs all the other strategy components. However, these early attempts to construct the theory of change while both facilitating integration between the MERL and program teams and incorporating the BalanceD-MERL principles were hindered by the Alliance's slow progress in finalizing the program design. Continued updates to the program design resulted in backtracking and revisions to the theory of change. In response, there were two occasions over the BalanceD-MERL consortium's 15-month engagement in which the consortium paused its development of the MERL strategy to allow the program design to mature. These intermissions sought to *right-size* resources as well as to promote *relevant* and *trustworthy* MERL activities that matched the program design.

As the technical assistance progressed, there were other barriers to the integration of MERL with program design. These included a lack of cohesion and communication among partners stemming from the group's rushed formation; the complexity of USAID's management structure of Women + Water; and MERL competency issues at Gap, Inc., which was providing overall management for the partnership. The BalanceD-MERL consortium capitalized upon a Women + Water MERL strategy workshop to edify the partners' program and MERL staff about key components of the Women + Water program-level MERL strategy and to elicit the partners' *relevant* and *trustworthy* feedback on the draft MERL strategy components. Throughout, the BalanceD-MERL consortium encountered situations in which tradeoffs between the BalanceD-MERL principles were possible or necessary. For example, while the program design evolved, the BalanceD-MERL consortium proceeded with selection of key performance indicators (KPIs) for the program. This created a tradeoff between *relevant* (selecting KPIs on a ready version of the theory of change) and *right-size* (managing the resources of time). However, even during these instances, the BalanceD-MERL consortium applied the principles as possible. For example, to ensure a *relevant* and *right-sized* MERL strategy, the BalanceD-MERL consortium solicited and incorporated multiple rounds of feedback from the Women + Water partners. As the theory of change approached finalization, the other components of the MERL strategy were fleshed out.

The BalanceD-MERL technical assistance culminated with a final exit workshop with Gap, Inc.'s MERL team and USAID, to prepare Gap Inc. to implement the MERL strategy. The workshop included: (1) a detailed review of the theory of change, (2) discussion and decision-making around outstanding MERL strategy content, including key performance indicator selection, (3) capacity building exercises with Gap, Inc.'s MERL team, and (4) recommendations for next steps in implementation. The final MERL strategy incorporated content from these discussions and was transferred to Gap, Inc. for implementation.

Findings and Recommendations. The BalanceD-MERL consortium found that the technical assistance pilot with Women + Water provided limited evidence to support its hypotheses about the benefits of integrating MERL activities with program design and about application of the four BalanceD-MERL principles. The findings are limited because, as of September 2018, the program and MERL implementation activities on Women + Water are in their beginning stages. However, early feedback from the partners about the implementation of the MERL strategy are suggestive that integration is ongoing, and there is evidence of adaptive management.

Additional learning from the BalanceD-MERL consortium's experience with Women + Water can be summarized into seven takeaways, described below. The first three relate to utilization-focused MERL. Takeaways 4 and 5 concern relationship building and expectation setting in a collaboration. The final two takeaways pertain to resource management.

1. Integration of MERL with program design can improve both program design and MERL activities and in a cost-friendly manner. This integration also enables good program management and adaptive management. To enable integration of MERL with program design, example action items include (1) requesting program staff to work with the MERL team to co-develop the theory of change as well as the subsequent MERL activities and (2) building in sufficient time for the co-development of MERL activities in the program design phase.
2. Leadership's and program staff's competency in MERL bolsters integration of MERL with program design, investment in MERL, and implementation of adaptive management. To leverage the MERL competency of leadership and program staff, example action items include (1) assessing their MERL competency and developing solutions for competency gaps and (2) identifying MERL champions who can advocate for investment in MERL competency and the use of MERL for good program management.
3. Organizations tend to overlook the design and implementation of learning activities necessary for adaptive management of their programs and thus either fail to implement adaptive management or do so in an ad-hoc manner, both of which result in missed opportunities to improve the program in real-time. To give equal importance to learning activities, example action items include (1) establishing a learning culture by encouraging program staff to share information transparently and (2) thoughtfully designing learning activities during the program design phase.
4. Unless managed head-on and upfront, differences in culture, working styles, and MERL competence among organizations in a partnership can drain resources, affect timelines, and possibly compromise program design. To enable the development of a shared culture within the partnership, example action items include (1) building in extra time for partnership building and (2) using participatory processes for decision making.
5. In the event that a third-party organization provides MERL services to the partnership, this service provider ought to conduct a detailed handover process when they exit. But in addition to that, and in fact throughout the period of engagement, they should provide necessary capacity building to MERL team(s) and program staff in the partnership. To enable a successful engagement with a third-party organization providing MERL services, example action items include (1) ongoing open conversations between the parties involved and (2) conducting an in-person exit workshop with relevant partnership staff to handover each MERL activity.
6. The four principles of BalanceD-MERL have been appropriately identified and developed to design and implement rigorous MERL activities as well as to integrate MERL with program design. While all the principles are necessary, it is possible that a principle is used more frequently than another at a point in time in the development of MERL activities. In addition, there will be times when tradeoffs will have to be made between principles. To enable effective use of the BalanceD-MERL principles, example action items include (1) actively using the principles in conversations to guide the development of MERL activities and (2) developing creative solutions to minimize possible negative effects from particular tradeoffs between the principles.
7. Without a mature program design, the theory of change cannot be co-developed accurately and in a timely manner. All subsequent MERL activities, designed based on the theory of change, then suffer the same fate, resulting in a loss of resources. To right-size the development of MERL activities, example action items include (1) first assessing the maturity of the program design and (2) proceeding to theory of change development and, then, MERL strategy development only if the program design is deemed mature.

INTRODUCTION

The downfall with business as usual in monitoring, evaluation, research, and learning

When coupled with limited resources, the difficulty of planning and executing programs for complex problems or in complex contexts can force an organization's leadership to make unfortunate tradeoffs between program design (D) and monitoring, evaluation, research, and learning (MERL) activities. When one component of D-MERL is prioritized over others, any of the following challenges can occur:

- Inefficiencies in program management
- Mismatching between program activities and the specific needs of key stakeholders
- Uninformed decision-making leading to ineffective (or harmful) program activities
- Poor selection of data collection methods
- Inefficient organizational learning and adaptive program management
- Compromises in evidence quality and integrityⁱ
- Insensitivity toward the target audience of the program

Such tradeoffs may occur if the leadership lacks an understanding of the value provided by MERL and/or competence in the development and implementation of MERL activities. For example, the leadership may prioritize data provided by MERL activities for accountability, rather than for improved program decision-making. Their flawed demand for MERL can lead to a lack of investment in MERL capacity building among program staff. Leadership's poor understanding of MERL and/or their lack of competency can also lead to a disconnect between program strategy (i.e., the broad approach the program takes to achieve its goals) and the subsequent MERL activities for the program. As a result, MERL activities may be developed and implemented in a silo, whereby program staff lack assigned MERL roles and responsibilities. Without a change in mindset among such leadership, programs will continue to be poorly designed and implemented, hence failing to reach their full potential for impact.

A new approach: Balanced Design - Monitoring, Evaluation, Research, and Learning

Balanced Design, Monitoring, Evaluation, Research, and Learning (BalanceD-MERL) is a mechanism set up under the U.S. Global Development Lab's Monitoring, Evaluation, Research, and Learning Innovations (MERLIN) program at the United States Agency for International Development (USAID) to identify solutions to the commonly faced challenges listed above. The BalanceD-MERL consortium recommends integration of MERL with program design to derive full value from MERL activities and to encourage the most effective program possible. The BalanceD-MERL consortium hypothesizes:

- A deliberate balanced integration of program design with MERL activities will lead to a team's ability to rapidly and iteratively learn from their program implementation and incorporate lessons into their program design to improve developmental impact.
- Applying four principles – *relevant*, *right-sized*, *responsible*, and *trustworthy* – into D-MERL can enable good program management and adaptive management of programs as well as sustainable integration of MERL with program design (see **Box 1** for definitions of the principles).

Box 1: Definitions of the four principles of BalanceD-MERL

1. **Relevant:** D-MERL is relevant when it is informed by development theory and shaped by the local people, context, and program strategy (i.e., the broad approach the program takes to achieve its goals). D-MERL responds to the evidence, gathered by MERL activities, that focuses on how these characteristics evolve over time.
2. **Right-size:** D-MERL is right-sized when it is a match between resources (people, time, and money) and goals. D-MERL activities, processes, and methods are coordinated and efficient. D-MERL processes and data are non-duplicative and meet program management, leadership, and compliance needs.
3. **Responsible:** D-MERL is responsible when it goes beyond the "do no harm" principle to engage respectfully, ethically, and sensitively with the target audience(s) of the program and local partners. D-MERL is transparent and accountable.
4. **Trustworthy:** D-MERL is trustworthy when it is conducted according to standards of rigor appropriate to context, constraints, and/or intended use of the data. Trustworthy D-MERL is internally and externally valid, reliable, and objective, ensuring integrity of both the process and the results.

See **Box 2** for the two key ways to incorporate the BalanceD-MERL approach in a program.

Box 2: Two ways to apply the BalanceD-MERL approach in a program

1. **During program design:** The MERL team and program staff co-develop and document MERL activities, drawn from the MERL Strategy Template (see **Table 1**), to conduct good program management and adaptive management. A MERL strategy lays out an overarching program learning agenda and strategic priorities for performance management. It includes:
 - An integrated learning agenda based on the program's theory of change
 - Key performance indicators for the program's performance management that will answer learning questions
 - Key performance management activities with roles and responsibilities and competencies required
 - Data management approaches that will be used to gauge and improve the effectiveness of strategy and performance management processes
 - Resources needed to execute the MERL strategy and implement MERL activities.

The process of completing a MERL strategy should be done through a structured, participatory process involving program staff and the MERL team. This process integrates MERL with program design, in essence, linking program learning and management needs with necessary and sufficient performance management processes that will create insights for stakeholders. Development of the MERL strategy starts with co-developing the following MERL activities - the theory of change, the risk matrix, and the evaluation matrix that includes the learning agenda. This tests and validates the program's design, illuminates and integrates assumptions into the performance management system, and results in necessary adjustments prior to implementing activities.

Table 1 describes the components of the MERL Strategy Template and more information can be found at: <http://www.institutefordevelopmentimpact.com/balanced-merl-approach/>.

2. **During the program lifecycle:** Apply the four principles through the use of the BalanceD-MERL Maturity Matrix. The BalanceD-MERL Maturity Matrix is a tool to improve the quality and integration of program design, implementation, MERL design, and performance management. The matrix is organized by the four principles and includes three levels of maturity for each principle: unbalanced, emergent, and balanced. The progressive maturity of D-MERL activities is assisted by guiding questions to help program staff and the MERL team assess where their program stands regarding MERL maturity and how to move to the next level of maturity. An early version of the Maturity Matrix can be found at: <https://bit.ly/20jDvHA>.

The BalanceD-MERL consortium sought to test its hypotheses through the delivery of technical assistance in USAID-funded programs. The purpose of this document is to capture a description of the technical assistance provided by the BalanceD-MERL consortium on the Women + Water Global Development Alliance. The report describes activities undertaken to integrate MERL with program design. It also classifies activities according to the four principles of BalanceD-MERL. In this document, the BalanceD-MERL consortium identifies barriers and enables to applying the approach (in the context of this pilot), key takeaways from this experience, and action-items for three kinds of audience members (leadership of organizations in a partnership, leadership of funders of a partnership, and MERL teams of the program) to apply the approach effectively.

IMPLEMENTING THE BALANCED-MERL APPROACH IN THE WOMEN + WATER GLOBAL DEVELOPMENT ALLIANCE

The Women + Water Global Development Alliance

The Women + Water Global Development Alliance (GDA)¹ (henceforth called Women + Water) is a five-year (2017-2022) collaboration among USAID, Gap, Inc., CARE, Water.org, the Institute for Sustainable Communities (ISC) and the International Center for Research on Women (ICRW). Together, these organizations are leveraging their complementary strengths to improve and sustain the health and well-being of women and communities touched by the apparel industry. The program takes a three-pronged approach to address this complex objective in India (see **Figure 1** for the individual roles of the partners and how they collaborate on program activities). The activities that form this program are:

1. Gap, Inc.'s proprietary Personal Advancement and Career Enhancement (P.A.C.E.) program is used to deliver life-skills (to strengthen abilities in communication, problem-solving and decision-making, and time and stress management) to women who self-select into this training in target communities. The program, when delivered in

¹ USAID describes a GDA as "a partnership involving USAID and the private sector—and may also include a range of other partners". The organizations and USAID "work together to develop and implement activities that leverage and apply...respective assets and expertise to advance core business interests, achieve USAID's development objectives, and increase the sustainable impact of USAID's development investments". For more information, please see this link: <https://www.usaid.gov/gda>.

factories, has yielded results such as increased skills, workforce productivity, self-esteem, and confidence among women. To help participants learn more about water, sanitation, and hygiene (WASH) and water, safety and sanitation (WSS) financing and increase demand for these, modules on WASH, WSS financing and financial literacy have been added to supplement the P.A.C.E. curriculum in Women + Water.

2. Partners mobilize national- and state-level government partnerships and support to financial institutions to create and increase access to affordable WSS financing in the target communities.
3. Partners identify best practices for the national and global communities of WASH practitioners on management of local water resources, including policy development and review.

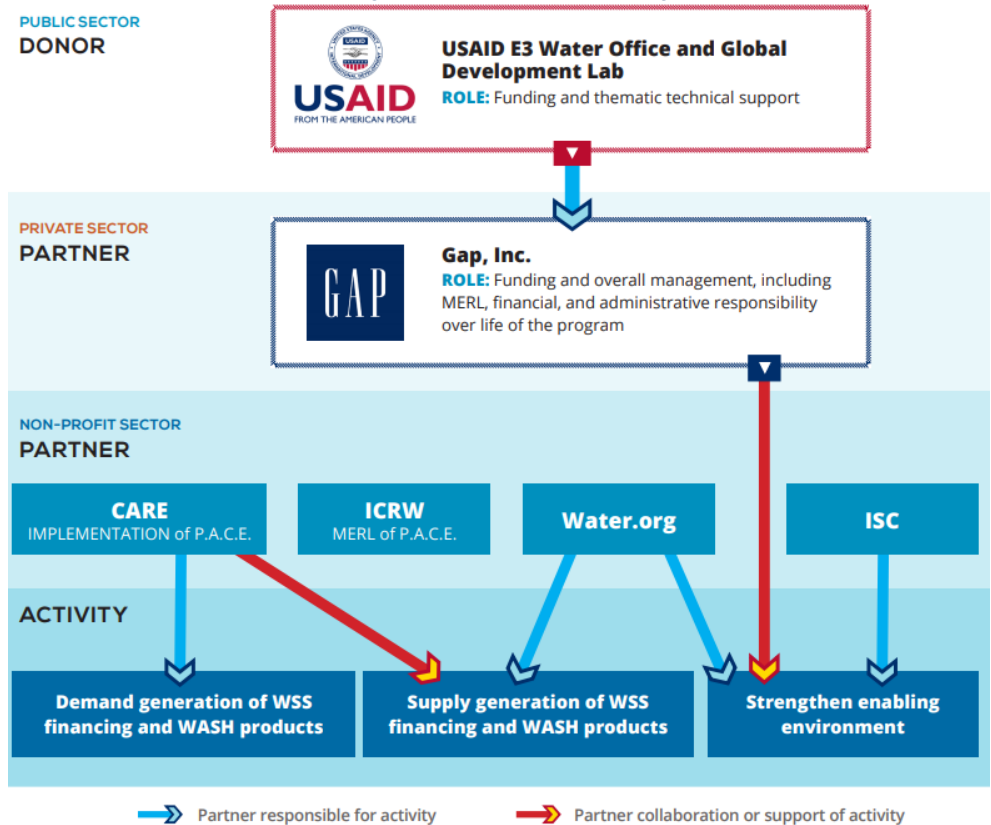
Origin of Women + Water

In 2015, the [U.S. Global Development Lab](#) (henceforth called the Lab) implemented a strategy that called for a greater integration of Science, Innovation, Technology and Partnership in USAID’s programs and closer collaboration between the Lab and other USAID operating units. As a result, the USAID [E3 Water Office](#) and the Lab developed and signed a Letter of Intent to work together toward such an integration with a focus on private sector engagement.

The ideation of Women + Water started with brief conversations among the Lab, the E3 Water office, and Gap, Inc. on common interests, followed by more in-depth discussions. The Lab and E3 Water Office (collectively called USAID for the rest of the document) had an interest in integrated program components and innovative partnerships in WASH and women’s empowerment. Gap, Inc.’s intention

to scale their P.A.C.E. program rapidly into communities, and combined with the potential for WASH financing and water stewardship through stakeholder aggregation, aligned nicely with USAID’s interests. Given this alignment, USAID invited Gap, Inc. to submit a concept note for a potential GDA. Gap, Inc. would serve in the overarching program management role including managing MERL for Women + Water and also provide funding support. USAID would provide funding support as well as technical support in WASH programming. Other organizations with a presence in India would implement P.A.C.E., WASH financing, and water stewardship activities. However, putting the co-created idea into motion and operationalizing it into a program design, along with bringing together different organizations into a partnership, took longer than anticipated.

Figure 1: Collaboration among partners of the W+W Alliance



USAID engages the BalanceD-MERL consortium

Recognizing the potential for learning from this kind of partnership, USAID also wanted a learning agenda and longitudinal MERL support for Women + Water. To do that, USAID looked internally for existing mechanisms that satisfied the requirements. Hence the BalanceD-MERL consortium was engaged to provide this support and was brought aboard before USAID made the award to the Women + Water GDA. The BalanceD-MERL consortium’s engagement with Women + Water could be divided into three stages:

- Understanding the needs of the partnership
- Drafting a MERL strategy with a focus on integrating MERL with program design
- Finalizing the design of MERL activities in the MERL Strategy Template

Understanding the needs of the partnership

As part of the process developed by the BalanceD-MERL consortium to provide effective MERL technical assistance to Women + Water, the BalanceD-MERL consortium sought to determine the status of the program's MERL plans, the MERL capacity of the partners in the GDA, and their readiness for MERL support. These assessments unfolded through a series of formal and informal conversations with Gap, Inc., USAID, and the other partners. For example, in a one-hour semi-structured discussion (a "deep dive assessment") with Gap, Inc. and ICRW, the BalanceD-MERL consortium learned that Gap, Inc. had never previously partnered with USAID and had limited experience with developing and implementing MERL in complex development programs. While ICRW had monitored and evaluated Gap, Inc.'s factory-based P.A.C.E. program, USAID's work plan, budgeting, reporting, and other compliance requirements surpassed that which historically had been undertaken for P.A.C.E. alone.

This assessment also included a review of the Women + Water program design and MERL documents with the caveat that these were still draft versions that were being co-developed by the partners. The review also included partners' relevant MERL documents. Examining these documents as well as through related conversations, the BalanceD-MERL consortium found it difficult to develop a clear sense of the MERL activities proposed for Women + Water. Some documents related to the partnership as a whole while others pertained to the MERL of select project activities. For example, one partner provided a theory of change specific to their activities; yet at the time of the initial document review, it was unclear if and how those components would be incorporated into Women + Water's overarching theory of change. However, given the complexities of the partnership including the hurried start-up and presence of multiple partners, this was not unexpected.



The review discussed above also showed that Women + Water's draft program design had joined together several separate program components and thus activities had limited coherence toward a unified goal. Additionally, alignment of program intentions with the understanding of the needs of the communities in India was key to a successful program. To meet this goal, USAID leadership invested in a needs assessment and contracted with an external organization. However, the level of the partnership's maturity especially with respect to alignment in communication mechanisms and expectations among partners, was not fully established at that time. This affected the design of the needs assessment and resulted in delays in implementation of the same. Hence, Gap, Inc.'s technical proposal, submitted to USAID before the award was made, formalized a program design that had yet to be informed by the needs assessment. The needs assessment was conducted by the external organization but ended up being conducted in locations that were no longer relevant to Gap, Inc. This was because Gap Inc. needed to move the program locations, for reasons related to their supply chain particulars. The program locations were again changed as more factors were made known to Gap, Inc. and the timeline for the localized needs assessment was repeatedly shifted.

These assessments culminated in a determination of the nascent status of Women + Water's program design and MERL planning, although the partners implementing the activities in India did have well-developed MERL practices. This was inextricably linked to Gap, Inc.'s D-MERL capacity, the rushed formation of the partnership, and the hurried start-up phase of the partnership. However, the BalanceD-MERL consortium recognized Gap, Inc. was eager to accept guidance and the evidence supporting this conclusion was manifold. In conversations throughout this period, the Gap, Inc.'s leadership responsible for Women + Water confirmed their desire for rigorous MERL and continuous learning. In fact, Gap, Inc.'s technical proposal identified the BalanceD-MERL consortium as the overarching source of MERL technical services for Women + Water, although Gap, Inc. understood that only they could carry out certain activities such as adaptive program management and overall compliance to the terms of their agreement with USAID.

The BalanceD-MERL consortium conducted these assessments and also multiple conversations with the Women + Water partners (some in-person and some remote) to develop a scope for the engagement. Gap, Inc. reflected that its own team was likely the least familiar with monitoring and evaluation approaches and practices, of all the partners in Women + Water. Gap, Inc.'s program management team for Women + Water included an in-house data analyst who would capture and store relevant program data but did not include an experienced MERL staffer. The other partners all had substantive prior MERL experience, including some that had conducted MERL for USAID-funded activities, and designated MERL personnel and routine MERL processes. At least three of the partners had their own program management information systems that, while perhaps not compatible, could inform decisions around data collection protocols and corresponding roles and responsibilities. Gap, Inc. also conveyed that while each Women + Water partner would be responsible for their own MERL work streams, there was not yet a plan for how individual partner data would feed into the broader analysis, reporting, learning, and adaptive management needs of the partnership. However, Gap, Inc. had not reserved funding for data analysis and learning, instead designating MERL funding to the other partners.

Given the complexity of the program and the Women + Water partnership and management structure, and based on the needs identified, the BalanceD-MERL consortium proposed and was commissioned to deliver a rigorous, overarching, program-level MERL solution – a MERL strategy, using the BalanceD-MERL approach. The MERL strategy was intended as a framework for MERL decision-making and implementation, in contrast to traditional monitoring and evaluation plans which are often developed in a silo by a MERL team and only provide details on how to implement monitoring and evaluation activities (see **Table 1** for components of the MERL strategy).

Another difference between traditional monitoring and evaluation plans and the MERL strategy, as developed by the BalanceD-MERL consortium in the engagement, was the latter's emphasis on iterative learning for program improvement and using the MERL strategy for good program management. Additionally, the design process - namely, co-developing the MERL strategy with the partners, integrating MERL with program design, and using the principles of BalanceD-MERL - was another distinction that the BalanceD-MERL consortium aimed to make in this engagement. In addition to the MERL strategy, given that Gap, Inc. had not worked with USAID prior to this collaboration and had limited MERL capacity, the BalanceD-MERL consortium aimed to provide Gap, Inc. with MERL mentorship. This would be achieved during the development of the MERL strategy and, depending on available resources, via an implementation phase in which the BalanceD-MERL consortium would support the partners with various MERL activities.

Table 1: Components of the MERL Strategy Template

Component	Description
Theory of change	The theory of change is a comprehensive description and illustration ⁱⁱ to establish a shared understanding of the problem and the solution given a particular context. It does so by identifying the inputs, activities, assumptions, outputs, outcomes, and goals of a program. If [inputs] and [activities] produce [outputs], this should lead to [outcomes] which will ultimately contribute to [goals], keeping in mind that the [assumptions] hold true. The theory of change is informed by literature and is adapted over time, based on lessons learned from MERL activities. This is the foundational component of the MERL strategy as it informs the remaining components.
Risk matrix	The risk matrix is used to identify the assumptions of a program. Assumptions are factors that are believed to be true but are often outside the control of the program. Assumptions are identified for each level of the theory of change, and each assumption is assessed for whether it is a risk. Each risk is then reviewed for whether it is likely to happen (low, medium, or high) and what impact it would have on the program if it were to occur (low, medium or high). This helps staff to identify which risks should be prioritized for monitoring.
Evaluation matrix	An evaluation matrix connects the monitoring and evaluation questions, indicators, and methods used to answer these questions, sources of data for the indicators, and analysis methods. Key learning questions are also included here. The evaluation matrix can be organized by the levels of the theory of change.
Key performance indicators and performance indicator reference sheets	Key performance indicators (KPIs) are measures to evaluate the success of the program implementation and the achievement of impact objectives. The risk analysis (risk matrix) and research and learning questions (evaluation matrix) inform the development and selection of KPIs to monitor progress toward intended results. The exercise to select KPIs is done iteratively, to ensure feasibility of measurement and that indicators are <i>right-sized</i> and <i>relevant</i> , methods are <i>responsible</i> , and the data <i>trustworthy</i> to provide insights on the activity's progress and changing context. Definitions for each indicator, as well as methodology, data source, frequency of collection, and unit/person responsible are developed following USAID guidelines known as performance indicator reference sheets (PIRS).
Research design and methods for data collection	Rowley ⁱⁱⁱ defines a research design as the logic that links the data to be collected and the conclusions to be drawn to the initial questions of a study. It describes the methodology for collecting data, with details ranging from sample size calculations to data storage procedures. Data collection tools such as surveys and interview protocols can be included.
Analysis and reporting, including a PMIS	An analysis plan lays out how the program staff and MERL team will use the data collected. A reporting plan captures how various reports will meet reporting requirements, including the submission schedule. A performance management information system (PMIS) is a tool to integrate data from multiple sources that also allows for analysis and reporting of the data.
Collaborating, learning, and adapting	Collaborating, learning and adapting (borrowed from USAID) provides guidance on operational processes, resource management, organizational culture, internal and external collaboration, and management adaptation to provide an overall framework for how the program will be deliberate around decision-making and course correcting for effectiveness. This component includes a plan to create space for MERL and program staff from organizations in a partnership to pause and reflect on program outcomes. It describes the types of meetings required for collaborating, learning, and adapting including frequency, participants, and content to be discussed for each meeting type.
Roles and responsibilities for MERL (as developed through a "Responsible, Accountable, Consulted, Informed" (RACI) table)	The MERL "Responsible, Accountable, Consulted, Informed" (RACI) table clarifies roles and responsibilities for key MERL milestones, bearing in mind that certain MERL activities are not one-time events, but may be repeated over the life of the program. These roles are defined as: 1. Responsible: This person or team is responsible for completing a task. 2. Accountable: This person or team will be called to account if the task is not completed. 3. Consulted: Though not accountable or responsible for completion, this person or team is consulted about aspects of the task. 4. Informed: The holder of this passive role is simply kept informed.
Level of effort and budget estimates	Level of effort is the number of hours required to conduct the MERL activities and processes by the program staff and MERL team. The budget accounts for these personnel hours as well as all other line items required to implement MERL activities, such as the PMIS platform, third-party data collection partners, statistical software, etc.
Data quality assurance plans	The data quality assurance plans detail routine procedures to guarantee data quality. In some cases, USAID requires formal assessments to determine whether the data meet the five standards of data quality (validity, integrity, precision, reliability, and timeliness).
Timeline of MERL	The timeline is a Gantt chart of all MERL activities and processes to be completed over the course of program implementation.

Drafting a MERL strategy with a focus on integrating MERL with program design

As described earlier, the BalanceD-MERL consortium was to provide MERL services using the BalanceD-MERL approach in lieu of an overarching MERL team for the Women + Water program albeit for a limited period of time. A subset of the consortium (henceforth called the BalanceD-MERL technical team) initiated the process of integrating MERL with program design, as well as using the principles of BalanceD-MERL, from the outset. To co-develop a *relevant* and *right-sized* MERL strategy, the BalanceD-MERL technical team facilitated conversations with Women + Water partners to identify contextual information. They also participated in conversations with Gap, Inc., USAID, and external experts and consultants² to connect stakeholders, while gathering information.

To integrate with program staff at each Women + Water partner organization including Gap, Inc., the BalanceD-MERL technical team facilitated conversations with and among partners to identify gaps in the nascent program design to co-develop a *trustworthy* theory of change (see **Table 1** for a description of theory of change). These were done through phone calls, video calls, and, in rare cases, in-person meetings. Beginning together with Gap, Inc. and USAID, the BalanceD-MERL technical team co-developed the statements on goals and long- and medium-term outcomes for the program followed by activities, outputs, and the near-term outcomes. Through this process, the BalanceD-MERL technical team realized that Gap, Inc. and USAID were still in the process of coordinating the individual project activities among the partners, given the fast pace of formation of the alliance.

Even post-award, while expressing that a “systems approach” would be taken, the program design lacked a comprehensive explanation of how program activities

would be linked to meet the objectives of the GDA. This realization by the BalanceD-MERL technical team that the program design was still in development and thus lacked the necessary maturity for developing a MERL strategy occurred three months into the engagement. To *right-size* resources as well as to develop *relevant* and *trustworthy* MERL activities, the BalanceD-MERL technical team agreed to pause activities for about seven weeks. The goal in pausing was to allow the partners to discuss findings from the needs assessment results as well as to refine program activities.

On re-engaging with the Women + Water partners, the BalanceD-MERL technical team continued the co-development of the theory of change and other key components of the MERL Strategy Template. They conducted individual calls with partners as well as all partner-wide calls. The goals of these calls were to: (1) address remaining gaps in the program design, (2) assist where needed by Gap, Inc. to develop the activities plan, (3) enable participatory decision-making to make MERL decisions more *relevant*, and (4) help partners think through the MERL implications on program implementation. The BalanceD-MERL technical team realized that the challenge with all of this was that USAID perceived that the MERL strategy was driving program decision-making instead of vice-versa. The facilitation of program design conversations by the BalanceD-MERL technical team also created confusion in roles and responsibilities for Gap, Inc. and pushed the BalanceD-MERL’s technical team’s work outside its original scope of work. Some of the partners perceived the engagement with BalanceD-MERL as sporadic. They were unaware of when the BalanceD-MERL technical team would pause work, when the BalanceD-MERL technical team would be backstopping Gap, Inc. to facilitate program design processes, and when the BalanceD-MERL technical team was working to co-develop a MERL strategy.

As the engagement with Women + Water unfolded, the BalanceD-MERL technical team found four factors that negatively affected the integration of MERL with program design:

1. **Program design not mature enough for MERL activities to be developed.** The existing program design was not well informed by the needs assessment conducted by the external organization. This was because the locations



² The BalanceD-MERL technical team participated in key conversations with USAID’s Office of Water, including remotely attending a presentation given by Dr. Achyuta Adhvaryu from the Ross School of Business at the University of Michigan on an evaluation of the P.A.C.E. program. Gap, Inc.’s life skills training program are given in factories that are part of their supply chain. The BalanceD-MERL technical team also participated in key conversations with an external organization that was to conduct the needs assessment for the partnership.

selected for the needs assessment were no longer *relevant* to the Women + Water program. Gap, Inc. did not have final locations for program implementation and thus another local needs assessment was unscheduled. The program activities were in flux as the partners worked to align on objectives of the program. Gap, Inc.'s management team, with their limited WASH sector capacity, strived hard to manage the activity development process.

2. **Lack of cohesion and communication among alliance members.** The BalanceD-MERL technical team noted delays, confusion, and disagreements among the Women + Water partners. They also found differing MERL capacity deficits, varied terms used for MERL, organizational cultural differences such as in decision-making between Gap, Inc. and USAID, and lack of clarity on roles and responsibilities among partners. This was further complicated by all partners having U.S.- and India-based teams with Gap, Inc. being unclear on who in which geography should engage in what topics. Gap, Inc. also often reached out to the India-based teams of a partner without notifying their U.S. counterparts. None of these issues had been addressed during the rushed formation of the alliance. This poor alignment among partners resulted in cracks in the process of program design. Just as importantly, it negatively affected the process of MERL decision-making. For example, decisions kept being overturned because all members were not represented in deliberation processes for MERL design. Furthermore, some partners felt that communicating only with Gap, Inc., rather than also directly with USAID, created miscommunications, such as on USAID goals with respect to the KPIs selected.
3. **Complexity of USAID's management structure of the alliance.** The USAID E3 Water office shifted its management point of contact from someone who was present for the ideation and design of Women + Water to someone who took over post-award. This new person thus experienced a learning curve on issues such as understanding relationship dynamics among partners. Additionally, with two bureaus (the Lab and E3 Water office) involved in the management of the GDA, more clarity on the division of roles and responsibilities between the two was needed to streamline program decision-making.
4. **MERL competency issue within the organization that was providing overall management for the partnership (Gap, Inc.).** In the opening months of the GDA, Gap, Inc. depended on USAID and the BalanceD-MERL technical team for managing the program's MERL. Gap, Inc. also depended on the MERL teams at the Women + Water partner organizations for implementing MERL activities in India. Along with creating delays in decision-making to develop a *relevant, right-sized, responsible, and trustworthy* MERL strategy, this created confusion in MERL expectations and roles and responsibilities among partners. For example, from the beginning, Gap, Inc. assumed that the partners who had worked with USAID in the past would know what data they would need to collect, package, and report to USAID. Gap, Inc. did not recognize that this was their role on the GDA and that the partners, irrespective of their experience with USAID, would turn to them for such guidance.

Despite these barriers, integration of MERL with program design remained a goal for the BalanceD-MERL technical team. Another example of this integration was leading the MERL strategy workshop in India in July 2017. This workshop provided the opportunity for the Women + Water partners' program staff and MERL teams to learn more about key components of the Women + Water overarching MERL strategy. It also offered them the opportunity to collaborate in providing *relevant* and *trustworthy* feedback to the key components of the MERL strategy. The goals of the workshop were also to foster consensus on individual roles and responsibilities for performance monitoring for CARE, Water.org, and ISC; and to discuss the research agenda for the partnership. However, given pressing challenges with the program design, as explained next, the research agenda was not addressed in the workshop. Partners' discussions on the co-developed theory of change led to identifying critical large gaps in the program design, including misalignment of ISC's activities with Gap, Inc.'s program goals. The session also prompted Women + Water partners to share misunderstandings about program objectives and individual activities with Gap, Inc. and USAID.

There were also missed opportunities for integration of MERL with program design. Because the evaluation of the program was contracted to a third-party organization, Gap, Inc. and the BalanceD-MERL technical team decided to minimize content related to the evaluation research design and data collection tools³ Only broad, high-level guidelines were developed for the analysis, reporting, and data quality assurance segments of the MERL strategy, with little input from the partners. Due to time restrictions, the BalanceD-MERL technical team developed the Collaborating, Learning, and Adapting (CLA) component alone, with minimal feedback received from the partners on these components.

Throughout this stage, from time to time, tradeoffs between the principles of BalanceD-MERL were recognized by the BalanceD-MERL technical team. For example, with a still-emerging program design, the BalanceD-MERL technical team

³ The BalanceD-MERL technical team did co-develop the data collection methods for the individual indicators with each Women + Water partner. These were subsumed into the performance indicator reference sheets (PIRS) associated with the KPIs.

began to identify key performance indicators (KPIs) for the program throughout the theory of change – thus trading between *relevant* (selecting KPIs on a ready version of the theory of change) and *right-size* (managing the resources of time). However, even during these instances, the BalanceD-MERL technical team continued to apply the principles wherever possible. A participatory process to ensure *right-sized* KPIs began with a literature review of popular WASH sector indicators, followed by multiple one-on-one calls with each partner to discuss feasibility of and methods for data collection (addressing the principles of *trustworthy*, *responsible*, and *right-size*). These calls resulted in the initial selection of 66 KPIs – a number considered burdensome by Gap, Inc. and *right-sized* over the course of the rest of the engagement.

Finalizing the design of the MERL activities in the MERL Strategy Template

The BalanceD-MERL technical team's engagement with Women + Water culminated with submission of the MERL strategy⁴ and a workshop to hand over the document to Gap, Inc. Given its lack of MERL competency, the Gap, Inc. management team hired an experienced MERL professional, who would be based in India, in July 2017 (constituting Gap, Inc.'s MERL team). During this final stage of the engagement, the BalanceD-MERL technical team worked closely with Gap, Inc.'s MERL team to transition ownership and implementation of the MERL strategy.

The BalanceD-MERL technical team continued to informally apply the principles of BalanceD-MERL to finalize the MERL strategy. For example, to ensure a *relevant* and *right-sized* MERL strategy and to continue integration of MERL with program design, the BalanceD-MERL technical team requested and incorporated feedback from the Women + Water partners. The feedback from the MERL strategy workshop was incorporated in August 2018 with another round of feedback conducted in September 2018. To address the program design challenges identified during the MERL strategy workshop, Gap, Inc., USAID, and the BalanceD-MERL technical team agreed to a second pause for about six weeks. This intermission promoted *relevant* and *right-size* D-MERL. Upon receiving an interim revision of the program design, the BalanceD-MERL technical team resumed their work and amended the components of the MERL Strategy Template to make them *relevant* and *trustworthy*. A penultimate version of the MERL strategy was shared with Gap, Inc. and USAID in early December 2017.

In each of the feedback rounds, a key request from Gap, Inc. was to shorten the MERL strategy documentation, to enhance its readability for a private sector audience and subsequently improve its usability. In response and in line with the principle of *right-size*, the BalanceD-MERL technical team trimmed the content. This also included reducing the total number of KPIs from 66 to 53, to diminish the partners' burden of data collection (*responsible* and *right-size*). The BalanceD-MERL technical team also prioritized learning questions (in the evaluation matrix) and risks (in the risk matrix) to *right-size* these components.

Interestingly, there were situations where using the principles was not foolproof. To *right-size* the MERL strategy to use existing resources, the BalanceD-MERL technical team and Gap, Inc., together appraised the Newdea program management information system (PMIS) as an appropriate solution at the beginning of the engagement. This system had been used to manage the factory-based P.A.C.E. program for the past five years. However, the PMIS that had been designed based on the NewDea system could not move forward due to contractual issues with the supplier. Hence, Gap, Inc. selected a new platform – Goodera – and was now responsible for its configuration and administration, as well as partner training, use, and support.

USAID confirmed that the BalanceD-MERL engagement would end on January 31, 2018, thus truncating the original scope of work. As a consequence, Gap, Inc. was expected to implement the MERL strategy unaided. Thus, the BalanceD-MERL technical team proposed and led a three-day exit workshop with Gap, Inc.'s MERL team and USAID in Washington, D.C., to hand over the MERL strategy. The workshop agenda included: (1) a detailed review of the theory of change to ensure it mapped to the current program design and remained *trustworthy*, (2) discussion and decision-making around outstanding content such as reporting to USAID, (3) capacity building exercises with Gap, Inc.'s MERL team to use the MERL strategy as intended, (4) refinement of the KPIs to a final selection of 28, to ensure *responsible* and *right-size* data collection, and (5) recommendations for next steps in implementation. The BalanceD-MERL technical team incorporated final revisions to the MERL strategy based on discussions from the exit workshop.

⁴In the format of a Microsoft Word document.

Updates from the Women + Water partners on the implementation of program activities and the MERL strategy

Eight months after sharing a final version of the MERL strategy with Women + Water, the BalanceD-MERL consortium reached out to the Women + Water partners⁵ to learn more about their experience in implementing the MERL strategy. Their program and MERL implementation progress to date, experiences in continued integration of D-MERL, and examples of practicing adaptive management are captured below. Partners also gave attention to continued challenges.

Program and MERL progress to date: Gap, Inc. confirmed that baseline data collection was completed and activities were being implemented by Women +Water partners. So far, 20,000 women had received P.A.C.E training. ISC was working to finalize an evaluation committee by October 2018 to conduct work to strengthen the enabling environment. Water.org had identified microfinance institutions as potential partners to enhance the supply of WSS financing and WASH products and were soon to sign a memorandum of understanding with definite partners (likely in November 2018). With respect to MERL progress, based on the data from the local needs assessment and preliminary data from the baseline, the partners found that the intended program activities would not be able to bridge gaps around certain risks like water scarcity. As a response, the partners were adding activities and/or new partners to mitigate these risks to meet programmatic goals defined in the theory of change. Gap, Inc. reported that the MERL strategy document and especially the theory of change were regularly used in MERL discussions and decisions with the partners.



Integration of MERL teams with program staff: Partners shared experiences of continued integration between their MERL teams and their program staff within their organizations. Water.org's program staff and MERL team, across the U.S. and India, collaborated on the local needs assessments, on designing project-level KPIs (for monitoring their own activities), and, subsequently, on supporting the data collection and management of these KPIs. CARE's program staff and MERL team, distributed across three locations in India, were successfully transferring validated data to internal and external stakeholders in a continuous manner. CARE's program staff and the MERL team met monthly to discuss the monitoring plan, challenges faced by the MERL team that needed the attention of the program staff, and updates on process documents. All partners' program staff and MERL teams collaborated with Gap, Inc.'s MERL team on Goodera in defining dashboard formats and data flows for data management and handling.

Adaptive management: A key goal of integrated D-MERL is adaptive management – that is, adapting programs in response to MERL data and insights. Using results of the local needs assessment and data from the baseline study, Gap, Inc.'s MERL team and Water.org's program staff together identified challenges likely to arise if they went ahead with implementing Water.org activities as intended. As a result, they decided to add activities to overcome these challenges. CARE also provided examples of how they were using the large amount of MERL data being generated by their activities to address programmatic challenges as soon as they were identified. For example, on finding a reduction in women's participation in a particular group (tracked through MERL activities), the MERL team immediately alerted the program operations manager to discuss the data and develop a solution. As a result, the operations manager advised his field agent to visit this particular group to learn more about the women's personal motivation and related household permissions. CARE reports that this has worked well in several cases, and that the operations manager often shares such success stories back with the program staff to boost morale of trainers (and also participants in similar situations). Gap, Inc. also shared the example of updating the risk matrix (a key component of the MERL strategy) based on the results of the baseline.

Continued challenges: Women + Water partners continued to flag issues in communication between Gap, Inc. and themselves as well as the lack of direct communication with USAID as barriers to collaboration on the GDA. Partners

⁵ While not all of the partners responded, the majority did.

identified concerns on collaboration among themselves as barriers to good program management and adaptive management. They also identified concerns with the decision-making processes to make timely programmatic changes based on real-time MERL results, and how the partnership would conduct decision-making to develop learning products based on all the data generated. Gap, Inc. also shared challenges related to data governance, as they had varied processes across the partners instead of one standard process; and their challenges with reporting to USAID.

KEY TAKEAWAYS FROM IMPLEMENTING THE BALANCED-MERL APPROACH IN WOMEN + WATER

The consortium's goal in collaborating with Women + Water was to answer questions about the benefits (or lack thereof) of integrating MERL with program design from the program design phase itself. These questions also included developing an understanding of how the principles of *right-size*, *relevant*, *responsible*, and *trustworthy* were applied. While answering these questions with a single Technical Assistance Pilot is not sufficient, the BalanceD-MERL technical team's engagement with Women + Water did confirm certain lessons that the larger BalanceD-MERL consortium had expected to hold true. The engagement also identified takeaways beneficial to future implementers, managers, and decision-makers including at USAID who want to strengthen program management and the practice of adaptive management through greater D-MERL integration (see **Table 2**).

This document goes on to discuss these key takeaways and offer related actions for three groups of personnel involved in a partnership (see **Box 3**). These action-items are based on actions that the BalanceD-MERL technical team conducted in the engagement with Women + Water, with limited but emerging evidence of benefits; or then, are actions recommended from a relevant literature review. There are also action items provided for consideration that are based on the BalanceD-MERL technical team and larger consortium's debrief of how challenges were addressed in the engagement with Women + Water. Through these debriefs, the BalanceD-MERL technical team identified action items that could have been conducted or done better, given what is known now.

Box 3: Three types of audience members for the action-items

The action-items presented below are targeted towards three groups of personnel involved in a partnership

- 1) Category 1: Leadership of partner organizations that manage the program and/or manage and implement individual activities. This includes leadership from private, public, or non-profit partner organizations who play this role(s).
- 2) Category 2: MERL teams from partner organizations that manage the program and/or manage and implement individual activities. This could include individual teams from each partner organization and/or an overarching MERL team that designs and implements program-level MERL activities. They are sometimes collectively referenced as the "partnership's MERL teams" in the forthcoming write-up. Action items for the program staff implementing program activities at each organization are called out where applicable, in this category.
- 3) Category 3: Leadership of funding organization(s).

Note, if USAID is providing technical support, then USAID's decision-makers are included in Category 1 and USAID's program staff (such as the E3 Water Office staff member in Women + Water) are included in Category 2. If USAID is providing funding support to the partnership, then USAID's decision-makers for the partnership fall in Category 3.

More broadly, (for more information, refer to the "Useful Definitions" provided on page 4 of this document)

- **Leadership** (of funder and partner organizations) refers to the person(s) who have final decision-making power on activities of the program as well as on management of the program. Often, leadership is not directly involved in managing or implementing the day-to-day activities of the program with the target audience. Rather, they set the vision and objectives for the program. Ideally, they do so in collaboration with leadership of other organizations in the partnership. The Chief of the Party of the program who serves as the overarching program manager and is part of the organization that is managing the partnership, is considered as leadership as he/she makes the day-to-day decisions in a program.
- **The MERL team** is the collective term used for the person or individuals who develop and implement MERL activities. There may be a MERL team from each organization in a partnership and/or one overarching MERL team responsible for the MERL of the program. This overarching MERL team could also be a third-party service provider brought in to the partnership. Multiple MERL teams can collaborate together on particular tasks as appropriate and needed such as identification of KPIs for performance monitoring.
- **Program staff** refers to operation managers and field officers at the organizations that design and implement program activities. Each program implementing organization will have their own program staff. There may also be an overarching, program-level, management staff in a partnership.

Table 2: Key takeaways identified during the engagement

Area of focus	Key takeaways
Utilization-focused MERL ⁶	<ol style="list-style-type: none"> 1. Integration of MERL with program design can improve both program design and MERL activities and in a cost-friendly manner. This integration also enables good program management and adaptive management. 2. Leadership's and program staff's competency in MERL bolsters integration of MERL with program design, investment in MERL, and implementation of adaptive management. 3. Organizations tend to overlook the design and implementation of learning activities necessary for adaptive management of their programs. Thus organizations either fail to implement adaptive management or do so in an ad-hoc manner, both of which result in missed opportunities to improve the program in real-time.
Relationship-building and expectation setting	<ol style="list-style-type: none"> 4. Unless managed head-on and upfront, differences in culture, working styles, and MERL competence among organizations in a partnership can drain resources, affect timelines, and possibly compromise program design. 5. In the event that a third-party organization provides MERL services to the partnership, this service provider ought to conduct a detailed handover process when they exit. But in addition to that, and in fact throughout the period of engagement, they should provide necessary capacity building to MERL team(s) and program staff in the partnership.
Resource management	<ol style="list-style-type: none"> 6. The four principles of BalanceD-MERL have been appropriately identified and developed to design and implement rigorous MERL activities as well as to integrate MERL with program design. While all the principles are necessary, it is possible that a principle is used more frequently than another at a point in time in the development of MERL activities. In addition, there are times when tradeoffs have to be made between principles. 7. Without a mature program design, the theory of change cannot be developed accurately and in a timely manner. Along with this, all subsequent MERL activities that are based on the theory of change, then suffer the same fate, resulting in a loss of resources.

Takeaway 1: Integration of MERL with program design can improve both program design and MERL activities and in a cost-friendly manner. This integration also enables good program management and adaptive management.

Integration of MERL with program design allows the MERL team and the program staff to engage with one another to understand the objectives of the program and its particulars. This also helps program staff to understand the value that MERL activities bring to the design, execution, and improvement of the program; in other words, they can understand what MERL data can be collected and why, how the data should be interpreted, and how the data can be used for good program management. The program staff and MERL team can engage together to problem-solve for potential threats to the program and negative findings as well as to leverage opportunities. Such collaboration also allows the MERL team to better understand the needs of program staff, including what uncertainties need to be measured and what type of data is required for reporting and action. At the same time, the MERL team can explain the *trustworthiness* of the methods that will be used to collect data to warrant its credibility and validity among program staff.

The process of co-developing the theory of change during the program design phase itself can help to identify and address gaps in the program design. This process can also help co-develop more effective MERL activities to match the refined program. All of this results in costs and time savings upfront as opposed to making ad-hoc changes during program implementation which are often costlier and time consuming overall. This integration of MERL with program design hence promotes a strong program design and a subsequent *trustworthy* theory of change, followed by *relevant, right-sized, responsible, and trustworthy* MERL activities to manage the program, all from the start of a program's lifecycle.

In the engagement with Women + Water, the BalanceD-MERL technical team facilitated conversations between the program staff of Gap, Inc. and the remaining Women + Water partners to identify and align on the objectives of the program. Together with all partners, they co-developed the program's theory of change during the program design phase. Gap, Inc. used the theory of change as a communication asset to engender a shared understanding of the problem and the proposed solution with USAID and the program staff at the partner organizations. The theory of change was leveraged to help partners iterate

⁶ Utilization focused MERL is when MERL activities are designed and delivered based on information needs of program staff to promote the use of data for evidence-based decision-making and adaptive management of programs

upon program activities when gaps were identified in the program design, e.g. as was done on activities related to strengthening the enabling environment (see **Figure 1**). This updated program design informed the theory of change (*trustworthy*), which was to serve as the foundation for all remaining components of the MERL Strategy Template. Subsequently, the BalanceD-MERL technical team and Gap, Inc. co-developed the risk matrix, the evaluation matrix, and the KPIs to align with the theory of change and serve as key variables in program management.

Another example of the benefits of integration was that through the MERL strategy co-development process, the BalanceD-MERL technical team and Gap, Inc. co-identified the use of an existing Gap, Inc. technology platform as the PMIS platform for Women + Water, in order to *right-size* resources for MERL. In feedback requested by the BalanceD-MERL technical team, partners confirmed that co-development of the MERL activities was seen as integral to ongoing program design and implementation efforts, rather than viewed as a later add-on for reporting only. However, despite these benefits, it is important to carefully manage the integration of MERL and program design in order to avoid confusion in roles and responsibilities. As discussed earlier, the BalanceD-MERL technical team stepped in to help facilitate conversations between the Women + Water partners to address gaps in the program design, which created confusion in the functional roles of Gap, Inc., USAID, and the BalanceD-MERL technical team.

To enable integration of MERL with program design:

Category 1: Action-items for LEADERSHIP OF PROGRAM MANAGING AND/OR PROGRAM IMPLEMENTING ORGANIZATIONS in the partnership

- 1) Leadership should request their organization's program staff to work with their organization's MERL team (and/or the overarching MERL team when necessary) to co-develop the theory of change as well as the subsequent MERL activities^{iv} in the program design phase. In addition, to enable integration from the MERL-side, leadership can take the following steps to empower their internal MERL teams: (1) provide the same incentives such as a performance bonus based on the success of the program, (2) allow their MERL team to form a bridge between key stakeholders to ensure gaps are closed in program design and MERL activities, and (3) give their internal MERL teams a voice to contribute to decisions on program design and implementation.
- 2) Leadership should ensure a degree of MERL competence among their program staff^v and themselves. This is to foster meaningful conversations on good program management and adaptive management^{vi} with the partnership's MERL teams.^{vii} This does mean that there are different levels of MERL competencies for each of these three groups: leadership, program staff, and MERL teams. To determine expertise required of a MERL team, leadership can use the [United Nations Evaluation Group Evaluation Competency Framework](#). To determine the degree of MERL competency required by leadership and program staff, leadership should identify this with their MERL team based on size and complexity of the program. An additional resource to inform this is shared in takeaway 2 (point 1 under action items for MERL teams). To then meet these necessary levels, leadership should invest in MERL capacity building both for themselves as well as for their program staff. And finally, to enable this, leadership should prioritize investment required for MERL capacity building and also for hiring a MERL team (if necessary) in resource allocation decisions.
- 3) Leadership should build in sufficient time and budget for the co-development of MERL activities in the program design phase to have resources for the process. Resources needed to co-develop *right-size, relevant, responsible, and trustworthy* MERL activities depend on the size and complexity of the program, along with the size of the MERL team(s) and program staff involved. Leadership should ask their MERL team (and/or the over-arching MERL team) to develop a timeline, 'level of effort' (of their own MERL team and the program staff), and an operational plan of how this integration will be conducted to set expectations. Leadership should also expect the MERL team(s) to add in contingency time for program staff to make potential changes to the program design, in the event that gaps are uncovered while co-designing the theory of change.
- 4) Given what is known now, leadership can consider the following action-item:
 - a) In addition to other enabling factors necessary to integrate MERL with program design, sharing the MERL data collected across partners or as needed, is a key success factor. Leadership should develop data governance and sharing guidelines across the partnership. For example, they should consider a formal knowledge management system and negotiate transparent MERL data-sharing guidelines. Note that data governance, as defined by the Data Governance Institute, "is a system of decision rights and accountabilities for information-related processes, executed according to agreed-upon models which describe who can take what actions with what information, and when, under what circumstances, using what methods."^{viii}

Category 2: Action-items for MERL TEAMS OF PROGRAM MANAGING AND/OR PROGRAM IMPLEMENTING ORGANIZATIONS in the partnership

- 1) The partnership's MERL team(s) should work closely with program staff to co-develop the theory of change and subsequent MERL activities. They should identify opportunities for MERL data to inform ongoing program design and implementation to contribute to *relevant, right-sized, responsible, and trustworthy* data collection and use. As shared in USAID's [Bridging Real-Time Data and Adaptive Management: Ten Lessons for Policy Makers and Practitioners](#), they should co-determine "what type of data, gathered at what frequency, is appropriate for the issue and context". Furthermore, MERL activities^x and especially the theory of change framework^x should be treated as organic products that are improved based on incoming MERL data. During this co-development process, they should discuss and identify existing resources to use to streamline MERL activities. This could be leveraging existing platforms for PMIS, platforms for data-sharing and knowledge-management, and using existing touchpoints with the target audience(s) of the program to collect data in a *right-sized and responsible* manner.

Category 3: Action-items for LEADERSHIP OF FUNDERS of the partnership

- 1) Leadership should be open to new ways of practicing MERL such as integration of MERL with program design. They should gather information needed to fund the approach before agreeing or disagreeing to it. For example, they can ask questions to their own program staff as well as the partnership's MERL teams of how this would be operationalized and what are the proven benefits of this approach.

Takeaway 2: Leadership's and program staff's competency in MERL bolsters integration of MERL with program design, investment in MERL, and implementation of adaptive management.

Lack of MERL competency and the self-actualization of its value among leadership of organizations in a partnership can contribute to numerous challenges as described in the opening section of this document. It can be difficult to practice *relevant, right-sized, responsible, and trustworthy* MERL in a program without leadership buy-in and readiness in using MERL data for program management and adaptive management.

In Women + Water, while USAID encouraged Gap, Inc. to recruit a MERL staff member to their management team very early on, this person was hired nearly seven months after signing the GDA award. In the interim, the limited MERL competency of the management team at Gap Inc. affected the comprehensiveness of the program design and MERL deliverables that Gap, Inc. submitted to USAID, such as the technical proposal and Year 1 Work Plan. Gap, Inc.'s leadership's limited MERL competency and their inexperience in managing MERL for complex programs made them question the process used by the BalanceD-MERL technical team in designing integrated and rigorous MERL activities for Women + Water during the program design phase. These challenges were to a degree addressed through their hiring of their MERL staff member in July 2017 as well as through informal trainings delivered by the BalanceD-MERL technical team to program staff and leadership at Gap, Inc.

Hence, the organization's MERL team should consider how and what MERL information to share with their leadership and program staff based on the MERL competency of these stakeholders. Throughout the engagement with the Women + Water partners, the BalanceD-MERL technical team learned this to be especially important. There were times when the MERL terminology used by the BalanceD-MERL technical team created confusion for Gap, Inc. There were often times of frustration, when out-of-habit, the BalanceD-MERL technical team used MERL acronyms that meant little to Gap, Inc. There were also times when the BalanceD-MERL technical team had to share the same information on a MERL topic twice or more to build capacity among Gap, Inc., because of the complex nature of the topic.

Note, it may be the case that a private sector partner that is new to complex development programming needs a strong external MERL partner providing this service instead of trying to internally meet this standard of competency. A complex, multi-sectoral partnership, when led by a private sector partner unfamiliar with USAID's project cycle and MERL approaches and with limited complex community-based programming experience can be a very challenging situation. Bringing aboard a MERL partner with development experience and especially one that has worked with USAID in the past, can be a valuable use of resources.

To better assess MERL competency of leadership and program staff:

Category 1: Action-items for LEADERSHIP OF PROGRAM MANAGING AND/OR PROGRAM IMPLEMENTING ORGANIZATIONS in the partnership

- 1) Leadership should engage as requested with the MERL champions (as described below in point 2 for MERL teams) and ask necessary questions to monitor and measure effective complex programs.

Category 2: Action-items for MERL TEAMS OF PROGRAM MANAGING AND/OR PROGRAM IMPLEMENTING ORGANIZATIONS in the partnership

- 1) The organization's MERL team should assess the MERL competency of their leadership and program staff. The UNAIDS⁷ [Standards for a Competency-based Approach to Monitoring and Evaluation Curricula and Trainings](#) provides essential competencies for MERL leadership (Table 1 in UNAIDS document) and a tool to assess this (Tool 1 in UNAIDS document). The UNAIDS assessment and competencies can also be extended to program staff. On identifying limitations in competency, the MERL team should have an open and transparent conversation with leadership on their findings and together identify practical solutions.
- 2) In the applicable situation, the overarching MERL team may want to extend this competency check across the partnership's leadership. They should however assess the MERL practices of the organizations in a partnership. They can do so by assessing requested MERL documents such as standard indicators used, MERL process documents, previous evaluation reports etc. from the organizations to understand the sophistication of their individual MERL practices. They can also conduct one-on-one conversations with MERL teams and program staff at the organizations.
- 3) The partnership's MERL teams (and possibly leadership) should identify MERL champions within the partner and funder organization(s). MERL champions can advocate for MERL competency, investment, and integration of MERL with program design with leadership. These individuals serve a critical role in informing leadership that investing in monitoring and evaluation is an investment in good program management. MERL champions should have good MERL competency and enough authority or influence to be able to deliver the change needed. They may be on the program side such as a senior program officer at an organization or the AOR at USAID as was seen in the case of Women + Water. MERL champions should also work closely with the MERL team to understand what roadblocks the latter face in practicing *relevant, right-size, responsible, and trustworthy* MERL with program staff and with leadership.
- 4) Given what is known now, the MERL team(s) can consider the following action-item:
 - a) Based on this competency assessment data, the MERL team should develop a communication plan on how to broach the topic of MERL with leadership and program staff. This communication plan should include how to further build MERL competency across these stakeholders and communicate complex MERL topics. In the Women + Water engagement, while the BalanceD-MERL technical team did not have a formal communication plan, they did conduct informal MERL capacity building in existing touchpoints with leadership and program staff.

Takeaway 3: Organizations tend to overlook the design and implementation of learning activities necessary for adaptive management of their programs. Thus organizations either fail to implement adaptive management or do so in an ad-hoc manner, both of which result in missed opportunities to improve the program in real-time.

Activities for learning, reflection, or simply proactive problem-solving must be embedded into the MERL strategy to make programs responsive to data. This can also help in the sustained practice of integrating the MERL team with program staff through the lifecycle of a program. An example of such an activity is conducting pause-and-reflect sessions throughout the lifecycle program (these are meetings where key stakeholders review MERL data and develop insights for program improvement). Learning activities are essential because they provide the opportunity to program staff and leadership within and across organizations in a partnership to discuss and utilize MERL data. Together they can co-develop insights with their MERL team or with the overarching MERL team and problem-solve together to find appropriate solutions in response to the MERL data. After all, learning (L) is part of the MERL acronym, and as it is included in the MERL Strategy Template.

⁷ UNAIDS is the Joint United Nations Programme on HIV/AIDS.

However, during both the design and implementation phases of a program, designing and executing learning activities can be deprioritized. This often happens as other tasks are completed to meet deadlines or more pressing concerns are managed first. This deprioritizing of the learning activities can lead to no learning occurring or an ad-hoc implementation of reactive problem-solving that depletes resources. Keeping an eye on the future through structured learning activities that are embedded in program management from the design phase can improve program implementation to meet impact goals, especially if threats or unintended negative outcomes are discovered early on. Designing such learning activities early-on in the program design phase, along with the other MERL activities, ensures that adequate time is built into program timelines. These learning activities can also improve program and MERL communication between partners through structured touchpoints to share and discuss data. This can result in a program that is *responsible* to its target audience(s) of the program and uses MERL data and learning insights for improvement (*relevant, right-size, and trustworthy*).

The CLA component of the MERL Strategy Template developed for the Women + Water MERL strategy was developed by the BalancedD-MERL technical team alone, rather than being co-designed with the partners. This occurred in order to meet deadlines. In addition, minimal attention was given to this component by the partners during feedback rounds, despite their vocal recognition of the value of practicing adaptive management. However, based on the communication that the BalancedD-MERL technical team had with partners in September 2018 (see previous section of this document), the partners have confirmed they are practicing adaptive management in multiple ways.

Please note, research is also considered a part of the MERL acronym, but little to no information has been provided on this topic in this document. In Women + Water, the BalancedD-MERL technical team had wanted to develop a research agenda especially given eagerness from Gap, Inc. Gap, Inc. positions itself as a leader in the global apparel sector that prides itself on sharing new knowledge with the sector and hence a research agenda was especially important to them. However, given the complexity in the program design in Women + Water, Gap, Inc.'s leadership made the decision to develop the research agenda only after a successful iteration of the program design had been identified (with evidence from the implementation phase). Hence, the BalancedD-MERL team deprioritized the research agenda in the MERL strategy and is unable to share more in this document.

To enable that equal importance is given to learning activities (the “L” in MERL):

Category 1: Action-items for LEADERSHIP OF PROGRAM MANAGING AND/OR PROGRAM IMPLEMENTING ORGANIZATIONS in the partnership

- 1) Leadership should lead by example to develop a learning culture and practice adaptive management, both within their own organization as well as in a partnership. A learning culture exists when both leadership and staff are willing to accept (and learn from) favorable and unfavorable MERL data. The Society for Human Resource Management provides [Eight Tips for Creating a Learning Culture](#) as a resource. Importantly, leadership plays an integral role in ensuring that structured learning opportunities are designed to effectively promote returns on financial performance and program outcomes.^{xi} In other words, leadership should encourage program staff to share information transparently (including negative findings without fear of repercussion). USAID's [Creating an Adaptive, Action-Oriented Team: 5 Ways to improve your team](#) provides information on more ways to put this into practice. Leadership should support the creation of events where this kind of information can be discussed for the purpose of learning and finding solutions (as shared in the example given by CARE in Women + Water, the operations manager shared lessons learned and best practices with all his field officers).
- 2) To be able to use the products from learning activities, leadership should negotiate for flexible donor procurement, contracting, and reporting processes^{xii} with funders in order to practice adaptive management. For example, Gap, Inc.'s MERL team discussed this topic with USAID. As a result, the USAID E3 Water office offered flexibility in reporting requirements for the Women + Water partners. Budgeting is especially tricky for practicing adaptive management, as the program may appropriately change based on insights/products developed from these activities. USAID's Learning Lab provides examples for [Procuring and Managing Adaptively: Five Case Studies of Adaptive Mechanisms](#).
- 3) Competency in MERL is a critical enabler in using MERL data for good program management and problem-solving. An associated enabler, is leadership's ability to assign MERL roles and responsibilities to program staff. As shared in a post by Abt Associates ([Adaptive Management – What's in a Word?](#)), leadership should allocate “monitoring and learning responsibilities to implementation teams; increase their resourcing by building implementation teams with multiple skill sets and competencies; insist on regular and robust internal review and reflection exercises; clarify precisely the level of delegated responsibility and authority for adaptation to be given to implementation teams; and negotiate all this with the donor.”

Category 2: Action-items for MERL TEAMS OF PROGRAM MANAGING AND/OR PROGRAM IMPLEMENTING ORGANIZATION in the partnership

- 1) The MERL team with program staff must thoughtfully design learning activities during the program design phase with operational details to embed these in the MERL strategy. Operational details include which stakeholders will be included, for example, in pause-and-reflect sessions, how often will they be conducted, and who will be responsible for action items that emerge from such meetings. Additionally, MERL teams together with program staff should determine how data can be integrated into existing design processes and decision mechanisms to use the products of learning^{xiii}. For example, CARE conducts monthly learning meetings led by its knowledge manager with participants from its program and MERL team. Together they discuss the monthly monitoring plan and the achievement against this plan, reporting status, challenges faced by the MERL team that need the attention of the program staff, and updates on process documents. Organizations in a partnership should also develop partner-wide learning activities. In the absence of an overarching MERL team to coordinate such an activity, the organizations' MERL teams should collaborate and organize learning activities. These should be done on a routine basis such as quarterly or semi-annually depending on the complexity of the program. USAID's [Collaboration, Learning and Adapting Toolkit](#) has materials for additional guidance on how to design and implement CLA activities.

Category 3: Action-items for LEADERSHIP OF FUNDERS of the partnership

- 1) As discussed earlier in point 2 for category 1 in this takeaway, funders should be willing to set up flexible contracting and reporting mechanisms that support the practice of adaptive management.^{xiv}
- 2) Funders should require learning practices and adaptive management of programs in their initial Request for Proposals, technical proposals, Annual Work Plans and Monitoring, Evaluation and Learning Work Plan documents. This will necessitate leadership of the managing and implementing organizations to pay attention to developing such activities and prioritize their implementation.
- 3) Given what is known now, leadership can consider the following action-item:
 - a) Funders can integrate proactive problem-solving and learning through their reporting requirements by asking for reports around key learning questions (as opposed to simply sharing KPIs for the quarter). This will require MERL teams and program staff to co-develop learning activities, with oversight from their organization's leadership, during the program design phase itself and align these with the reporting timeline.

Takeaway 4: Unless managed head-on and upfront, differences in culture, working styles, and MERL competence among organizations in a partnership can drain resources, affect timelines, and possibly compromise program design.

Collaboration among organizations in a partnership is critical to its success, as is their cohesion and alignment in expectations. However, in public-private partnerships, including GDAs, barriers to these factors often are endogenous. Such partnerships bring together organizations from sectors with differing organizational cultures such as on decision-making and communicative style; day-to-day terminology used such as business or development speak; design processes; and MERL expectations and/or capacity. The organizations may practice a 'collaborative culture' or a 'control culture'; a 'culture of innovation' or one of 'getting results'.^{xv} While these differences are acceptable and understandable, they are often overlooked and underestimated. Alignment among partners is necessary for collaboration. Alignment is also necessary to develop a shared understanding of expectations and requirements of the GDA mechanism. These differences should be acknowledged, discussed, and managed by the leadership of organizations in the partnership upfront. If not, resources (people, time, and money) can be drained during the design and implementation of the program resulting in an endeavor that is not *right-sized*. Poor collaboration, lack of cohesion from organizational differences, and misalignment of expectations among partners can also negatively affect the process of co-designing the program's activities, and consequently, MERL activities, implementation, and utilization. These factors can also pose a barrier to integration of MERL with program design.

Women + Water brought together six partners from the public, private, and non-profit sectors, across the United States and India. Gap, Inc., a private-sector partner that had not worked with USAID before, was to lead the management of the partnership and the program. These organizations varied in their management style, communication style, decision-making processes, organizational vernacular (especially related to D-MERL), MERL competency and investment, and attitudes toward a variety of program and process issues. Their differences went unaddressed in the beginning stages of the

partnership because of the accelerated and abbreviated formation and start-up of the partnership. Because of this, there was also not much time available for the partnership and its goals to be socialized internally, for institutional buy-in to be secured at both USAID and Gap, Inc., and for relationship-building across organizations from different sectors that had not worked together in the past. As a result, at times there was confusion about which partner was accountable for what (especially between USAID and Gap, Inc.). As discussed by multiple partners, there were issues around communication and decision-making in how program activities were originally developed by Gap, Inc. and USAID.

The confusion, gaps, and miscommunication on the program design affected timelines for program implementation. The lack of cohesion between the partners also delayed the development of the MERL strategy by affecting decision-making on MERL design. The differences between the partners required time and discussion to untangle and clarify, making it harder for the BalanceD-MERL technical team to integrate MERL into the program design. This also required more-than-usual time to help facilitate conversations between the partners to co-develop the theory of change. These delays and re-edits to both program and MERL design drained resources. The lack of budget from drained resources, was one of the reasons why the BalanceD-MERL technical team could not be involved in the implementation of the MERL strategy.

To enable development of a shared culture within the partnership:

Category 1: Action-items for LEADERSHIP OF PROGRAM MANAGING AND/OR PROGRAM IMPLEMENTING ORGANIZATIONS in the partnership

- 1) Leadership should build-in extra time to go through a period of *Forming*, which is part of the *Forming, Storming, Norming, and Performing* framework for team effectiveness.^{xvi} Collaboration platforms, coordination meetings, face-to-face events, and continuous e-mail correspondence across all participating actors are key to establishing the foundation of relationships among partners. Mindtools' [Forming, Storming, Norming and Performing: Understanding the Stages of Team Formation](#) provides leadership activities at different group formation stages.
- 2) Leadership should review a related resource developed by the BalanceD-MERL consortium, [Nine Questions Every Company Should Ask to Strengthen their Partnership with USAID](#). This document provides action-oriented questions to help leadership collaborate effectively with USAID in their engagement. The questions are organized in the order that partners would typically execute their partnership with USAID.
- 3) Leadership should use participatory processes for decision-making among partners which also helps improve communication. More information on participatory decision-making can be found in [How to Design More Effective Participatory Decision-making Processes](#), developed by Fast Track Impact. Leadership should also strategically allow for decentralized decision-making, where program staff (specifically the program manager) can make decisions independently and quickly to be responsive to a threat or opportunity. A framework on how to determine centralized versus decentralized decision-making can be found in the Harvard Business Review article, [When to Decentralize Decision Making, and When Not To](#).

Takeaway 5: In the event that a third-party organization provides MERL services to the partnership, this service provider ought to conduct a detailed handover process when they exit. But in addition to that, and in fact throughout the period of engagement, they should provide necessary capacity building to MERL team(s) and program staff in the partnership.

Partnerships can also decide to hire a third-party organization to provide MERL services. Because MERL activities are often seen as separate and disconnected to program management, and hiring a third-party may further permeate this thought, it is important to build in capacity building into the service provision. That is the service provider makes sure that the significance of each MERL activity co-developed, is explained to relevant personnel in a partnership. In other words, the activities should not just be designed and operationalized (e.g., for activity A, program staff should do X and MERL teams should collect Y data), but the reason behind this should be clearly communicated. The continuation of MERL activities is more likely when the data produced can be directly linked to strategic decisions. This requires that managers can explain how each activity relates to the objectives of the program. Not only that, they need to be able to understand and articulate results of these activities to leadership. A detailed handover by the service provider can also serve to strengthen this.

The BalanceD-MERL technical team built in capacity building throughout the engagement with Women + Water. There for instances of both formal and informal conversations and activities to conduct this with Gap, Inc.'s program management

staff and leadership. The BalanceD-MERL technical team was cognizant in always explaining the purpose of the integrated approach as well as the MERL activities. Every round of edits to the theory of change was explained as was every deletion of a KPI to Gap, Inc.'s program management staff and MERL team.

The BalanceD-MERL technical team also addressed all the feedback that the partners of Women + Water provided on the co-developed MERL strategy. The BalanceD-MERL technical team conducted an exit workshop for Gap, Inc.'s MERL team to close the engagement. However during follow-up feedback calls with Gap, Inc., they shared that on using the MERL strategy they found that the following improvements could have been made in the exit workshop and with the final deliverable:

- Providing additional guidance on data management in a complex program with multiple partners
- Creating a deeper understanding behind the “why” (in addition to the “what”) on reporting requirements from USAID. For instance, why did certain data need to be reported, why did it need to be collected at a certain frequency, why did USAID need the information, how was USAID going to use the information, and how was USAID going to engage with the partners on the reporting materials, could have provided the partnership to explore *right-sizing* data collection and ensuring data was utilization-focused.
- Ensuring the MERL strategy was accessible to leadership in the partnership. For example, the BalanceD-MERL technical team could have broken down the MERL strategy into a digestible format for leadership, such as in the format of one-pagers, or pulled out relevant information for leadership to be shared in a slide deck.
- Identifying partner-specific information in the MERL strategy and pulling out relevant sections and activities for them.
- Considering re-branding the components of the MERL Strategy Template to increased accountability of MERL with leadership and program staff within and across the organizations. This could have included rebranding components as necessary for good program management to integrate the MERL team with the program staff. For example, Gap, Inc.'s MERL team rebranded the theory of change as “the program strategy map” to align with their internal vernacular suitable for the company and leadership. Gap, Inc. also suggested rebranding the MERL strategy document to a program management document.

To enable a successful engagement with a third-party organization providing MERL services:

Category 1: Action-items for LEADERSHIP OF PROGRAM MANAGING AND/OR PROGRAM IMPLEMENTING ORGANIZATIONS in the partnership

- 1) To ensure that the third-party organization providing MERL services understands the MERL needs of the partnership, leadership should conduct multiple conversations and likely develop a Memorandum of Understanding (or another written document) with the service provider. In this agreement, leadership should include the handover they would like to receive from the service provider. Leadership should ask for a timeline and rationale of MERL activities from the service provider. These conversations should continue through the period of engagement where leadership highlights key areas of support needed by the partnership such as on data governance as was seen in Women + Water. Leadership should also build in the provision of MERL capacity building by the service provider into the written agreement. This ensures that the service provider builds in both formal and informal MERL capacity building exercises with relevant MERL teams, program staff, and leadership.
- 2) Leadership of the organization(s) hiring and managing the third-party MERL service provider should ensure that a handover process is completed by the service provider at the end of their period of engagement. At the minimum such a handover should include (1) relevant MERL teams and program staff (and most certainly that of the hiring and managing organization(s)) closely reviewing and providing detailed feedback on the service provider's deliverables and

(2) the third-party organization addressing the feedback in entirety. In addition, the service provider should conduct an exit workshop (preferably in-person) with relevant MERL teams to hand over each MERL activity.

Takeaway 6: The four principles of BalanceD-MERL have been appropriately identified and developed to design and implement rigorous MERL activities as well as to integrate MERL with program design. While all the principles are necessary, it is possible that one principle is used more frequently than another at a point in time in the development of MERL activities. In addition, there are times when tradeoffs have to be made between principles.

Through the Women + Water engagement, the BalanceD-MERL consortium found that the principles of *relevant*, *right-size*, *responsible*, and *trustworthy*, can be used to successfully develop rigorous MERL activities with a lens on practicing good program management and adaptive management. Early evidence from the partners of Women + Water also points to successful implementation of these MERL activities with the practice of adaptive management. Additionally, based on the emerging evidence, using these principles during the design and implementation of MERL activities, can help the partnership's MERL team(s) engage and integrate with program staff through the lifecycle of the program.

However, the BalanceD-MERL technical team did find that tradeoffs were made between principles when attempting to incorporate all four principles into D-MERL. These tradeoffs tended to be between having MERL activities that were *right-sized* to available resources while also being *trustworthy* or valid; or between being *right-sized* to the program objectives while also being *responsible* in collecting data from the target audience of the program.

In the beginning stages of co-developing the MERL activities for Women + Water, *relevant*, *right-size* and *trustworthy* were applied more frequently than *responsible*. This was because conversations with partners of Women + Water revolved around how the program design must be informed by a local needs assessment for it to be *relevant*; how MERL activities should be *right-sized* to the resources available for the program; and how other key components of a MERL strategy could only be developed on a *trustworthy* theory of change that was true to a mature program design. *Right-size* was often discussed throughout the course of the engagement given the challenge of developing the remaining MERL activities on the basis of a constantly changing theory of change (to keep up with the changes in the program design). This was not a *right-size* manner of using resources. In fact, in hindsight, the BalanceD-MERL technical team should have recognized early on that the program was not ready for MERL support and talked to their USAID representative to pause the engagement until Gap, Inc., CARE, Water.org, ISC, and USAID could agree to a program design.

Right-sized, *responsible*, and *trustworthy* were applied when discussing the research design, data collection tools, and analysis (these were limited conversations as the MERL strategy developed by the BalanceD-MERL technical team did not include these MERL activities in detail). *Right-sized* was applied when discussion reporting plans to USAID. However, a shortcoming of the BalanceD-MERL technical team was that they raised the principles with the partners in an ad-hoc manner. After the initial introduction of Women + Water partners to the BalanceD-MERL principles and briefly sharing an early version of the maturity matrix tool (see Box 2), the tool was not used in a structured manner with partners. However, the principles were applied internally by the BalanceD-MERL technical team when designing the MERL strategy. So although the maturity matrix and principles were not shared with the partners on a regular basis to inform MERL activities as originally intended, the BalanceD-MERL technical team who had years of MERL experience had these principles ingrained in their MERL work.

To enable the effective use of BalanceD-MERL principles:

Category 2: Action-items for MERL TEAMS OF PROGRAM MANAGING AND/OR PROGRAM IMPLEMENTING ORGANIZATION in the partnership

- 1) The partnership's MERL teams should use the BalanceD-MERL principles in conversation with program teams and leadership throughout the partnership to guide the co-development of MERL activities. A formal introduction to the principles at the beginning may also prove helpful for leadership and program staff to become familiar with the four terms and what they signify. The MERL team(s) should also ensure early on that leadership and program staff are aware of the trade-offs between principles, so that expectations are set appropriately. For example, in Women + Water, the MERL team and the program team co-selected KPIs that created a balance between the costs associated with collecting the data, the feasibility of collecting the data, the burdens on program staff and the program's target audience,

and the indicators' utility for activity management. The MERL team can also request MERL champions to openly discuss challenges that arise from trade-offs with program staff and leadership. Note, in USAID-funded programs, there are also additional standard indicators that USAID requires for congressional reporting that must be included in the KPIs.

- 2) The MERL team, in collaboration with program staff, should co-develop creative solutions to minimize possible negative effects from particular tradeoffs. For example, to *right-size* to available resources, financial incentives to the target audience of the program for their time may be forgone, creating a burden on these stakeholders (breaking away from the principle of *responsible*). In such a case, in-kind incentives may be given as compensation to them for their time.^{xvii}
- 3) Given what is known now, the MERL team can consider the following action-item
 - a) The MERL team can use this early version of the [BalanceD-MERL Maturity Matrix](#) in a structured manner with program staff to embed the principles in the design and implementation of MERL activities and utilization of MERL data. An updated, granular, and user-friendly version of the Maturity Matrix (with guiding questions) will be made available in December 2018.

Takeaway 7: Without a mature program design, the theory of change cannot be developed accurately and in a timely manner. Along with this, all subsequent MERL activities that are based on the theory of change, then suffer the same fate, resulting in a loss of resources.

The MERL activities are grounded upon an accurate i.e., trustworthy theory of change, which is in turn dependent upon a mature program design. A program design is mature when 1) the program activities are informed by a context analysis, a stakeholder analysis, and a needs assessment in the location where the program is to be implemented; and 2) the individual activities can combine to meet the partnership's objectives. The lesson reinforced from this engagement is that the organization's MERL team or the partnership's overarching MERL team should not proceed with co-developing a theory of change with program staff until a mature program design is available. Consequently, the MERL team and program staff should not co-develop other MERL activities until a trustworthy theory of change is co-developed. Creating the theory of change or subsequent MERL activities prematurely may result in duplication of efforts (not right-size), insufficient information to ground the theory of change within the local context (not relevant), and an inaccurate theory of change (not trustworthy).

In Women + Water, the BalanceD-MERL technical team, who was brought on board prematurely, began to co-develop a theory of change with Gap, Inc. and USAID, based on a nascent program design. The BalanceD-MERL technical team had to then regularly update the theory of change as new information about the program design was unveiled. The program design continuously evolved in a start-and-stop process as partners were still negotiating with Gap, Inc. on their activities and budgets. At the request of Gap, Inc. and USAID, the BalanceD-MERL technical team advanced the co-development of the MERL activities even as both program design and theory of change were edited further, breaking from the principle of *right-size* and *trustworthy*. This was because MERL activities were designed on in-flux foundations. As the theory of change was edited, so were the remaining MERL activities. This cycle of edits resulted in a loss of time and financial resources (again breaking from the principle of *right-size*). The experience from this engagement also reinforces the lesson that the design of MERL activities can be compromised by an incomplete needs assessment in addition to an under-developed program design.

To *right-size* the development of MERL activities:

Category 2: Action-items for MERL TEAMS OF PROGRAM MANAGING AND/OR PROGRAM IMPLEMENTING ORGANIZATION in the partnership

- 1) The MERL team should assess the quality of the program design on its maturity. This means the MERL team should assess if the program design has been informed by a context analysis (see United Nations Development Programme's resource: [Institutional and Context Analysis](#)), a stakeholder analysis (see Overseas Development Institute's resource: [Successful Communication: Planning Tools: Stakeholder Analysis](#)), and a needs assessment (see World Bank's resource: [A Guide to Assessing Needs](#)) in communities in which the program is to be implemented. The MERL team should also assess if the activities combine to meet the objectives set by the partnership. Only after this assessment has been made, and the program design has been agreed by all organizations' leadership as mature, should the MERL teams co-develop the theory of change with the program staff, followed by the other components of the MERL strategy with the program staff.

CONCLUSION ON THE BALANCED-MERL HYPOTHESES

The BalanceD-MERL consortium sought to test their hypotheses through technical assistance pilots, one of which was the engagement with Women + Water. The hypotheses focused on the results and benefits of balanced integration of monitoring, evaluation, research, and learning activities with program design (D-MERL); and on use of four principles for good program management and adaptive management. The BalanceD-MERL consortium found that the extent to which the engagement with Women + Water provided evidence to support the hypotheses is limited. This is because, as of September 2018, the program and MERL implementation activities on Women + Water are in their beginning stages. However while limited, evidence of integration and adaptive management and its benefits are emerging based on the early feedback from partners on the use and implementation of the MERL strategy.

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