Potential to Scale

*Developing a measurement tool for program management*

June 13, 2012
Purpose

What?

A tool that would allow external stakeholders to identify crucial leading indicators early on in a project that lead us to believe the project has the ability to scale.

Compile and analyze leading indicators, and the metrics external parties could track to know how well progress is being made on these indicators.

Why?

Develop a dynamic addition to the field that allows external stakeholders (like donors and investors) and internal staff (like program managers) to better focus their time and energy on activities that contribute toward a pathway to scale.

A new and pragmatic perspective to an ongoing challenge in development.
Research Questions

Is there a way for external parties to observe crucial leading indicators early on in a project that demonstrate its potential to successfully go to scale or that it is on the path to scaling up?

What information within an annual report describing a successfully implemented pilot project would let you know if the project had the ability to go to scale?

What are the core characteristics of projects that have been able to reach a large number of people?

As an outside expert, how would you determine when projects reach an inflection point at which they will successfully go to scale?
Current Tools

Current tools

- Case studies explaining how specific projects successfully went to (and less so) failed to scale
- Tools targeted at practitioners that are often laundry lists of activities to undertake in planning to take a project to scale

We wanted to take it one step further…. 

- This tool aims to fill an intermediate space between practitioner manuals and higher level academic/policy documents
- We do not anticipate the following tool to be a checklist, but instead focused on the outcomes/metrics we can observe as activities are undertaken in such a way that they start to contribute to scale
## Research Process

- Conducted a thorough literature review of 31 papers, articles, and case studies
- Conducted 10 stakeholder interviews with academics, practitioners, specialists, and experts across sectors, who have studied and practiced scaling service and product delivery

### Sample Interview Questions

<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>What does it mean to you for a project to go to scale?</td>
<td>Based on your definition, imagine you are reading the annual report of an organization that has successfully implemented a pilot project. <strong>What information within that report would let you know if the project had the ability to go to scale?</strong></td>
</tr>
<tr>
<td>Based on your experience or other projects that you have heard about, what are the core characteristics of projects that have been able to reach a <strong>large number of people</strong>?</td>
<td>Either as an outside observer or a person involved in the implementation of the project, how would you determine when projects reach an <strong>inflection point</strong> at which they will successfully go to scale?</td>
</tr>
<tr>
<td>When do <strong>external conditions</strong> preclude taking a project to scale?</td>
<td></td>
</tr>
</tbody>
</table>
What We Observed as the Pathway for Scaling Up

1. Create model
2. Reach target population
3. Continuous uptake
4. Enduring results & expansion

Scale is reached when demand and supply grow together in a self-propagating loop.
## Summary of Findings – Create Model

<table>
<thead>
<tr>
<th>Factor</th>
<th>Purpose</th>
<th>Evidence</th>
<th>Observational</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Refine the Model</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>– Cost</td>
<td>Conduct financial analysis to determine viability</td>
<td>• “The first thing is that they’re cheap…sheer affordability!”</td>
<td>A cost effective model where unit costs do not exceed consumer or government budgets</td>
</tr>
<tr>
<td>– Manufacturing</td>
<td>Create a model ripe for replication and growth</td>
<td>• “We really need to figure out in a program what is absolutely essential rather than the “nice to do” – isolate the key elements and the elements that are scalable and don’t require a decision tree to implement”</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• “Making sure products/service is general enough to reach beyond a very specific audience and has a clear value proposition (a simple, compelling model)-scale is viability (simple to communicate and easy for clients to understand and access).”</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• “Allowing your service to be tailored by local communities and leaders will allow for successful adoption/scale.”</td>
<td>A simple, clear model which offers the ability to iterate or contextualize</td>
</tr>
<tr>
<td>– Team</td>
<td>Develop a team to execute the scaling</td>
<td>• “You have to have the right team implementing it, it can’t just be one person…Someone needs to understand technology, someone needs to understand client and products, someone who really knows finance, fundraising, visionary CEO, technology person, operations person.”</td>
<td>A lean team covering all the requisite skills</td>
</tr>
<tr>
<td><strong>Attracting Investment</strong></td>
<td></td>
<td></td>
<td>A solid plan to attract and maintain potential investors</td>
</tr>
<tr>
<td></td>
<td>Attract the next round of money beyond the initial investment</td>
<td>• “The scaling plan components include: who’s going to pay for this in the long run? (public/private sector) How externally valid is this idea?”</td>
<td></td>
</tr>
<tr>
<td><strong>Ecosystem Support</strong></td>
<td>Map incentives to ensure support among all stakeholders</td>
<td>• “Everything is resource constrained so we need to look at how much a project is able to get realistic funding – really focus on incentives and creating demand.”</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• “With mobile money it is important to focus on the end consumer (and their market) as well as agents’ incentives.”</td>
<td>Significantly overlapping incentives among key stakeholders</td>
</tr>
</tbody>
</table>
## Summary of Findings – Reach Target Population

<table>
<thead>
<tr>
<th>Factor</th>
<th>Purpose</th>
<th>Evidence</th>
<th>Observations</th>
</tr>
</thead>
</table>
| Messaging            | Develop messaging platform that reaches and markets to beneficiaries    | • “Important to adapt campaigns and messages to new market segments esp. low income”  
• “...they need to have very convincing value propositions, they have to be very well marketed and they have to be stable.”  
• “There’s a real role around viral marketing and word of mouth marketing – there’s that buzz factor – it’s a more accepted way to market a specific project.” | A clear targeted marketing strategy such as demonstration projects, conferences, or marketing campaigns |
| Champions            | Identify champions who will push forward the product or service delivery | • “It is vital to find local champions in the communities you work in.”  
• “Champions have to be of the people” – they have to have solid business minds, adhere to strict financial tracking protocols – it’s about teaching the locals to teach others.  
• “Without a local champion it is very hard to achieve local buy-in.” | Trusted in-community or in-organization champions who believe in the product or service |
| Service/Product Delivery | Create or leverage a delivery system that allows for ease of uptake by target population | • “There’s sheer nitty gritty of transport schedule and roll out plan and having back-up plans. That’s the big difference between those that make it and those that don’t.”  
• “In rural areas especially we have to co-design with those local communities because those businesses are so out of touch with rural life like delivery mechanisms.”  
• “If you have an infrastructure you can embed something into it will go faster. If you don’t have that infrastructure it will take more money or more time.”  
• “It’s about using existing systems – when you’re trying to scale up something that’s external or something that’s integrableable. If you’re really trying to push a square peg into a round hole will it work?” | A delivery system that leverages existing systems to the greatest extent possible |
# Summary of Findings – Continuous Growth in Uptake

<table>
<thead>
<tr>
<th>Factor</th>
<th>Purpose</th>
<th>Evidence</th>
<th>Observations</th>
</tr>
</thead>
</table>
| Needs Alignment        | Conduct market analysis to ensure market needs align with product or service deployment | • “Client and constituents need to be seen as key stakeholders – the service that you offer must really stick with them – we need to understand their drivers and their needs – **you need to have a well defined value proposition.**”  
• “There are always new entrants in the market.”  
• “We have to balance all these risks – where’s the market headed? We need to understand how a market operates and the trends.”  
• “We don’t try to change culture- help farmers do better what they do- we can’t force a culture change on people that don’t want that – we have to offer them service bundles that help them with what they already do.” | Product or service value proposition clearly fits existing market needs and there is not significant market competition |
| Trust/ Reputation      | Develop monitoring and evaluation processes that establish credibility and evidence | • “There has to already be tentative evidence that they’re having impact.”  
• “Once we enter we start very cautiously -R&D through first couple growing seasons to ensure that there will be very high compliance.”  
• “Once you show that you have a model that reaches impact. Once you can show that people start to get interested.” | Demonstrate strong results that attract donors and beneficiaries while creating ongoing feedback loop for iterative process |
| Affordability/ Willingness to Pay | Conduct financial analysis and surveys to ensure interest and affordability | • “it’s a program for farmers who want it, not those who need it.”  
• “Things that are not supply driven, but **demand driven.**”  
• “The main thing is people using the program and being happy about it.” | Beneficiaries are able and willing to pay for or use product or service over other ways to spend income or time |
## Summary of Findings – Enduring Results & Expansion

<table>
<thead>
<tr>
<th>Factor</th>
<th>Purpose</th>
<th>Evidence</th>
<th>Observations</th>
</tr>
</thead>
</table>
| System that can expand      | Identify growth path through partners or expansion | • “Do you have the right partners? Do you have partners that can help scale?”  
• “When it has a diversity of partners, a diversity of stakeholders – when there’s just a critical mass within the marketplace of orgs where it’s just so embedded.” | Committed partners who will take over long-term operations                                                                                          |
| Environmental conditions    | Determine challenging environmental conditions     | • “You have a whole array of risks (e.g. political regime change) – likelihood it would occur and how severe it would be to project.”  
• “It’s very difficult to attain a self-sustaining point, it’s very difficult in these governments – it’s a key bottleneck.”  
• “It's hard to work with governments as partners and often regulations can interfere with partnerships.”  
• “If people are used to being given stuff it doesn’t usually work (e.g. lots of NGOs) because we want people to pay for this model”  
• “You need basic infrastructure and protections to operate in most markets – the absence of basic security can halt any attempts at scale. You need a market.” | Environmental conditions, particularly in the government, that are conducive to new product or service |
| Market Potential            | Conduct analysis of long-term market potential for product or service | • “Our operations are already run by locals.”  
• “Making sure you have an offering that is relevant enough across a broader network of stakeholders – viral effect beyond initial designed market.” | Interest and market potential beyond initially identified market                                                                                     |
| Self-sustaining/ self-propagating | Implement model elements that are self-sustaining over time | • “Huge market of people to serve so want to reach as many people as possible, but don’t dilute the quality of impact.”  
• “Our definition of scale includes being self-sustained and exiting which may or may not be in other people’s definitions.”  
• “When it comes to sustainability, consistent funding and internal returns are key.”  
• “Scaling up is not just expansion, it’s institutionalization including in budgets.” | Model is based on self-sustaining revenue, partnership, or budget model that will allow self-propagation and institutionalization over time |
## Key Factors Identified

<table>
<thead>
<tr>
<th>Phase</th>
<th>Factor</th>
</tr>
</thead>
</table>
| **1. Create model** | Refine model – cost  
| | Refine model – manufacturing  
| | Refine model – team  
| | Attracting next round of investment  
| | Ecosystem Support  
| **2. Reach target population** | Champions  
| | Messaging  
| | Service Delivery  
| **3. Continuous uptake** | Needs Alignment  
| | Trust/Reputation  
| | Affordability / Willingness to Pay  
| **4. Enduring results and expansion** | System that can expand  
| | Environmental Conditions  
| | Market Potential  
| | Self-Sustaining/Self-Propagating |
**Sample Framework**

<table>
<thead>
<tr>
<th>Phase</th>
<th>Factor</th>
<th>Easy</th>
<th>Medium</th>
<th>Hard</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1</strong> Create model</td>
<td>Refine model – cost</td>
<td>Cost effective and affordable for consumers/organization</td>
<td>Expensive but worthy investment with some competition</td>
<td>Expensive model in competitive market esp. compared next alternative</td>
</tr>
<tr>
<td><strong>2</strong> Reach target population</td>
<td>Champions</td>
<td>Trusted in-country or organization champions</td>
<td>Champions outside local community or organization</td>
<td>No champions of model</td>
</tr>
<tr>
<td><strong>3</strong> Continuous uptake</td>
<td>Needs Alignment</td>
<td>Product or service value proposition clearly fits existing market needs and there is not significant market competition</td>
<td>Product or service value proposition appeals to certain parts of population but faces competition</td>
<td>Beneficiaries do not have current significant need for product or service</td>
</tr>
<tr>
<td><strong>4</strong> Enduring results and expansion</td>
<td>System that can expand</td>
<td>Partnerships or growth plan in place for long-term expansion</td>
<td>Some partners demonstrating interest but no existing commitments</td>
<td>No potential partnering organizations or plans for expansion</td>
</tr>
</tbody>
</table>
# Sample Metrics

<table>
<thead>
<tr>
<th>Phase</th>
<th>Factor</th>
<th>Factor Metrics</th>
<th>How know if successful</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1 Create model</strong></td>
<td>Refine model – cost</td>
<td>• unit cost/average income (%)</td>
<td>• Willingness to pay survey = unit cost</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• project cost/annual government program budget (%)</td>
<td>• % increase in sales by quarter (especially to new buyers)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• unit cost/comparable unit costs for similar product or service (%)</td>
<td></td>
</tr>
<tr>
<td><strong>2 Reach target population</strong></td>
<td>Champions</td>
<td>• # of in-community or in-organization champions in each targeted organization</td>
<td>• Results on key influencer survey to know if champion is attracting additional support</td>
</tr>
<tr>
<td></td>
<td></td>
<td>or community</td>
<td></td>
</tr>
<tr>
<td><strong>3 Continuous uptake</strong></td>
<td>Needs Alignment</td>
<td>• Market Analysis: # of targeted population, % of targeted population with high</td>
<td>• Alignment of results when ask potential customers Importance vs. Relevance ranking questions</td>
</tr>
<tr>
<td></td>
<td></td>
<td>need, % of targeted population with income to support, # of competing products/services</td>
<td></td>
</tr>
<tr>
<td><strong>4 Enduring results and expansion</strong></td>
<td>System that can expand</td>
<td>• # of committed and incentivized partners</td>
<td>• Partners who improve value chain and/or help expand operations</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• % of partnerships that are long-term</td>
<td>• Increase in # of people reached or covered</td>
</tr>
</tbody>
</table>
Application – How to use this tool

**Donors / Investors**

- **Reviewing project proposals:** By mapping out whether a project stands at hard, medium, and easy for each factor, donors or investors can determine a project’s starting point and the challenges to scaling this work.

- **Determining moments of success:** This exercise allows donors and investors to understand moments of success that a project will experience.

- **Analyzing at the aggregate level:** If this tool is used by donors and investors across projects, it would be possible to determine if there are common points or areas where projects are finding it difficult to scale. If so, donors and investors could devise solutions, interventions, or capacity building to help overcome those challenges.

**Project Managers**

- **Developing the most successful plans for scaling:** Project Managers can develop strong plans for scaling by foreseeing potential challenges in project design and planning.

- **Allocating time and energy:** Project Managers can use the tool to determine where to focus their time and energy to ensure projects go to scale.

- **Attracting resources:** Project Managers can use the tool to make a stronger case for why their project is scalable when looking to attract further resources.
Next Steps

• Compile feedback from this session
• Continue to refine tool
• Distribute to interested parties

Please send us any feedback

Avery Ouellette, Director Public Sector Practice
avery@missionmeasurement.com

Sophie Walker, Associate
swalker@missionmeasurement.com