NAVIGATING UNCERTAINTY: APPLYING A RISK AND RESILIENCE ASSESSMENT TO A NEW, COMPLEX PROGRAM START-UP

NEPAL

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PHOTO CREDITS:

Front cover: Emilie Rex for Mercy Corps. Village women in Bajhang District, Nepal (2017).
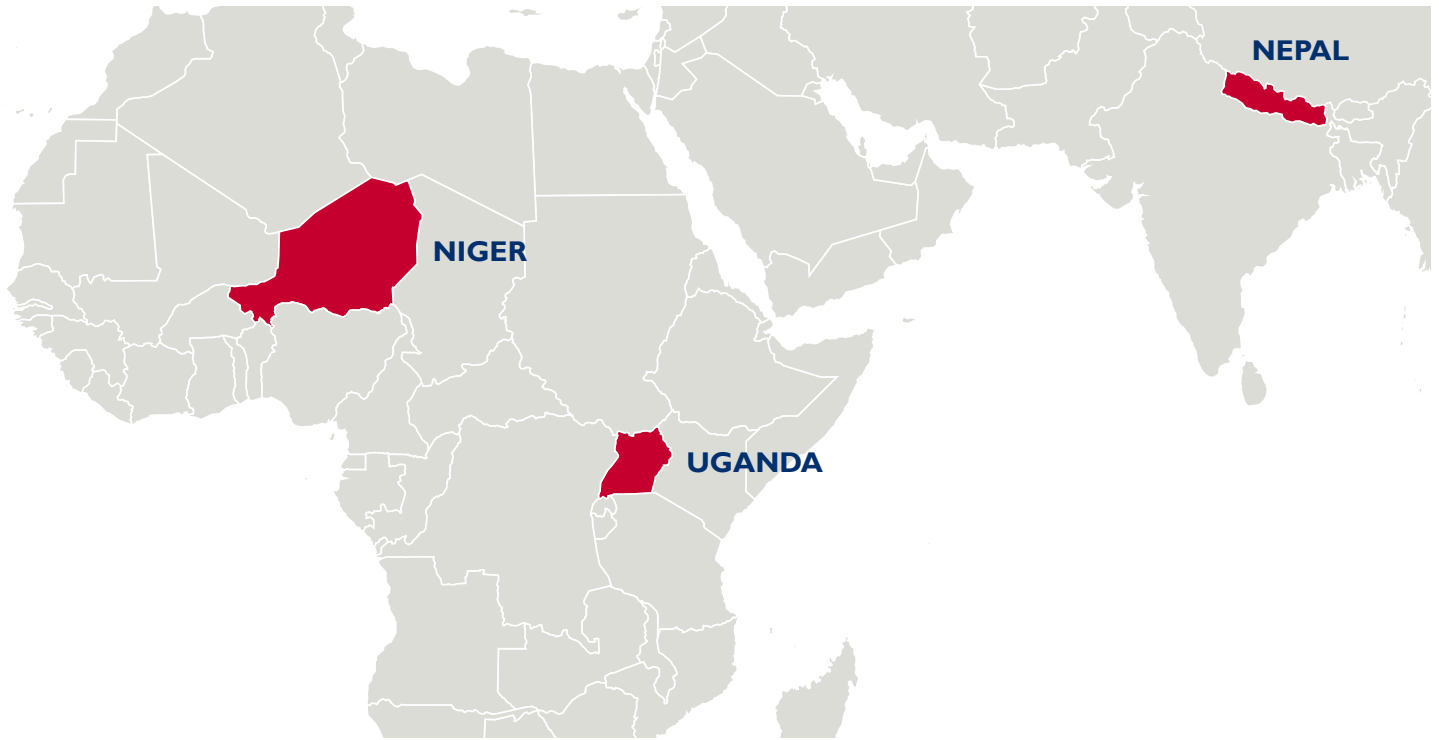
A CLOSER LOOK AT RISK AND RESILIENCE ASSESSMENTS

With generous support through the USAID-funded Resilience Evaluation, Analysis and Learning (REAL) Award, this case study series is taking a closer look at risk and resilience assessments—any process aimed at deepening understanding of risk and vulnerability within a given context—to reflect on where and how these processes have positively impacted strategy and programs.

A series of cases, representing very different applications, explore central questions for practitioners interested in conducting a risk and resilience assessment:

• Under what conditions are risk and resilience assessments most effective and why?

• What assessment components yield the most impactful findings and/or capacity strengthening opportunities?

• How can we ensure teams are able to apply findings after the assessment?

Each case explores the unique context in which Mercy Corps conducted their risk and resilience assessment, the Strategic Resilience Assessment (STRESS). We end with lessons learned and recommendations for humanitarian and development practitioners who are considering conducting a risk and resilience assessment.

WHY USE A RISK AND RESILIENCE ASSESSMENT TO INFORM A COMPLEX PROGRAM START-UP?

USAID's 2014 request for applications for a Food for Peace (FFP) program based in Mid West and Far West Nepal was different. The agency had invested in resilience before, but this would be the first development food security activity (referred to at the time as a development food aid program) to require the use of resilience as a framework for achieving food security. With deep roots in Nepal and years of experience in resilience, Mercy Corps was well positioned to develop a program that navigated this relatively uncharted territory. Developing a proposal immediately surfaced new and important questions: How should resilience be used to frame a large, complex food security program? What kind of pre-program assessment would provide the deeper contextual understanding and build the core competencies teams need to design, implement, and evaluate an effective resilience program?

Mercy Corps convened a diverse set of international and local non-governmental organization partners with strong relationships in the target regions to develop the $37 million proposal, which included the request to apply Mercy Corps' new Strategic Resilience Assessment (STRESS) process as part of program start-up. Through STRESS, Mercy Corps hoped to identify the fundamental determinants of resilience in Mid West and Far West Nepal, inform the program's design, and ensure the complex program used resilience as a means to achieve food security. STRESS also included activities designed to strengthen staff capacity in resilience and systems thinking and prepare them for the work of implementing a program in a space as challenging as Mid West and Far West Nepal.

Though Mercy Corps had conducted several similar risk and resilience assessments (early versions of STRESS), this was the first time the organization used the process to inform a complex program start-up. The application also provided the opportunity to refine the four phases of the process (i.e., Scope, Inform, Analyze, and Strategize). STRESS would challenge the PAHAL team to map the social, ecological, and economic systems communities rely on; the shocks and stresses that impact these systems most; differences in vulnerability across groups; and the capacities critical to ensuring communities can learn, cope, adapt, and transform in the face of shocks and stresses. Ultimately, STRESS findings would modify, verify, or enhance any insights gleaned during proposal research, flesh out the resilience theory of change for the program, and guide strategic directions for the Mid West and Far West Regions.

PHOTO CREDIT: REBECCA BADDE FOR MERCY CORPS (2018). PAHAL VILLAGE IN RUKUM DISTRICT, NEPAL.

Despite innumerable challenges—including the devastating Gorkha earthquake, a debilitating fuel crisis, coordination issues around local partnerships and consistent staff shortages—Mercy Corps applied its first full Strategic Resilience Assessment (STRESS) to guide a risk-informed food security theory of change under the USAID Office of Food for Peace-funded Promoting Agriculture, Health, and Alternative Livelihoods (PAHAL) program. The use of this risk and resilience assessment within a large, complex program start-up revealed its importance in contextualizing shocks, stresses, and vulnerability drivers, identifying the key resilience capacities required to achieve resilient food security, and informing a resilience theory of change. The application of STRESS in Nepal also highlighted the need to build the capacity of and consistently mentor staff to translate risk and resilience assessment findings into more deliberate and risk-informed implementation actions.

THE ASSESSMENT

LAYING THE FOUNDATION:
WHAT CONDITIONS ENABLE RESILIENCE LEARNING?

In the spring of 2015, members of Mercy Corps' technical support unit and a systems analysis consultant joined the first group of PAHAL team members hired and representatives from implementing partner organizations for the kick-off workshop, the first major convening of the STRESS process. After a brief background in resilience and Mercy Corps' approach, the PAHAL team started mapping the social, economic, and ecological systems within the Mid West and Far West regions of Nepal. Huddled around large sheets of chart paper, the teams traced shocks and stresses facing communities, asking questions like: How are shocks and stresses connected? How can one shock or stress intensify another? How do these impacts cascade through the systems and compound vulnerability? Which groups are most vulnerable and why?

The planning team pushed participants to unravel these interconnected impacts, exploring, for example, what happens when monsoon rains follow months of prolonged drought. Participants mapped the chain of events, moving from flooding to landslides to the loss of lives and destruction of property to the closing of market roads critical to sustaining livelihoods. Questions of who was most vulnerable and why took them even deeper into the governance issues and caste and gender norms that underpinned all of the systems.

As a web of interdependent shocks and stresses and vulnerability emerged on the map, an essential paradigm shift in staff toward systems thinking and resilience became palpable. "You could see how people were trying to reconfigure their program design, but they had a traditional way of doing development," one planning team member reflected. "Before this point there was hardly any systems thinking, and [their work was] very output focused. That two-hour or three-hour activity set the scene…It was about partnering with local team members, building their capacity to be self-critical."

Strict caste and gender norms govern the lives of many Nepalese women, especially those living in the most vulnerable and remote communities. Women and girls have limited decision-making power and access to resources, often eating last in the family when food is scarce. Addressing these constraints—and outlawed (but prevailing) traditional systems like Chaupadi that relegates menstruating women to outdoor structures and limits their food intake among other restrictions—is critical to the resilience of entire systems.

PHOTO CREDIT: EMILIE REX FOR MERCY CORPS (2017). WOMAN IN BAJHANG DISTRICT, NEPAL.

Once the team had created initial systems maps, they began identifying the capacities different groups would need to learn, cope and adapt in the face of shocks and stresses. As the team sorted the resulting list into absorptive, adaptive, or transformative capacities, they came to two realizations that would change the way Mercy Corps

saw resilience. First, the resilience capacities did not fit as easily into discrete categories as the planning team intended. Instead, a single capacity could often serve not one, but two or more of the absorptive, adaptive, and transformative functions. The team concluded that what mattered was how a capacity was applied in a particular context toward a specific resilience objective.

Second, during the systems mapping, the team saw how governance and social constraints underpinned all of the systems. For example, strict gender roles, rigid caste hierarchies, weak institutions, and inadequate processes for citizen participation intensified the impacts of shocks and stresses. This was a major revelation for Mercy Corps as an agency: now it was clear that transformative capacities that would address constraints were a prerequisite to communities' ability to absorb and adapt to shocks and stresses. Previous to the PAHAL assessment, Mercy Corps had treated adaptive, absorptive, and transformative capacities as a continuum, where households were first supported to absorb, later adapt, and finally transform in the face risk. On the ground, teams would often delay or fail to act in building long-term transformative capacities because of the intense time, effort, and resources required.

"They were governance issues—hidden enabling processes. If you're talking about adaptive and transformative capacities, it was the first time (for me) that people really understood the nature of the transformative norms, intellectually speaking, in terms of breakthroughs in how to address the absorptive, adaptive, and transformative," one planning team member recalled. "We were using resilience diagraming from systems thinking to help identify transformative entry points—pressure points that could be used to affect the long-term resilience of the system. There was a lot of learning going on there."

NECESSARY ADAPTATION:
HOW CAN RISK AND RESILIENCE ASSESSMENT PROCESSES THEMSELVES WITHSTAND THE IMPACT OF AND ADAPT TO SHOCKS AND STRESSES?

On April 25, 2015, a 7.8 magnitude earthquake struck central Nepal, just outside of Kathmandu, killing over 9,000 people. Mercy Corps and all staff associated with PAHAL transitioned immediately into humanitarian aid. The Scope Phase had set the stage for ambitious information gathering and analysis during the iterative Inform and Analyze Phases, but these plans had to be compressed between relief efforts and the quickly approaching monsoon season in mid-June, which leaves many parts of Nepal inaccessible.

At the close of the one-month reprieve allotted for humanitarian work, the team began preparing for data collection, their hearts still deeply committed to addressing the devastation surrounding them. STRESS was also competing with the normal and rigorous demands of a complex program start-up. After the Scope Phase, PAHAL leadership had successfully recruited new staff, but many departments remained at 50% hired. Program leadership conceded to split the team, keeping the country-level monitoring, evaluation, and learning staff behind to complete their other program duties and conduct a secondary literature review to support the STRESS process.

Given the new application of STRESS within a complex food security program, PAHAL leadership connected with Mercy Corps' Regional Resilience Hub in South and East Asia to help develop assessment tools appropriate for this new context. In consultation with the agency's technical support unit, the Regional Resilience Director developed a toolset that would help determine shocks and stresses, vulnerability criteria, and resilience capacities at district, community, and household levels. These tools focused on four key areas: 1) vulnerability analysis, 2) preparedness and response, 3) resource access and control, and 4) networks and institutions. The regional hub structure ensured PAHAL could access the technical support and expertise of headquarters via familiar staff attuned to their needs.

Originally, the team selected districts and communities for focus group discussions that would represent the full agro-ecological diversity of the Mid West and Far Western Development Regions, as well as remoteness and distance to major roads and market centers. However, time constraints often forced the team to choose more accessible villages, rather than secluded communities (some requiring a two-day trek) that were often the most vulnerable. Although this was a necessary compromise, this geographic limitation meant results might not reflect the most extreme circumstances under which communities were living. Given the new emphasis on transformative capacity, the team would conduct separate focus group discussions by gender and caste to ensure marginalized community members felt comfortable speaking.

Durga Shrestha is pictured here, clearing rubble from the house she shares with her husband, Karna. When the Gorkha Earthquake devastated communities like theirs throughout central Nepal, Mercy Corps quickly shifted away from programming obligations to address the humanitarian crisis. The required shift back to PAHAL programming after one short month was heartbreaking for the team, many of whom were affected or had family or friends impacted by the earthquake. The delay to STRESS assessment work, coupled with the intense demands of a complex program start-up made for a very challenging transition.

PHOTO CREDIT: MIGUEL SAMPER FOR MERCY CORPS (2015).
A COUPLE CLEARS RUBBLE FROM THEIR HOME AFTER THE GORKHA EARTHQUAKE.

Despite the constraints, these 64 focus group discussions and 81 key informant interviews conducted with community members, market actors, and government and institutional representatives, were still comprehensive and provided critical insights into community level vulnerability and perspectives. Staff submitted data to the central office by early June. Again, this was a monumental feat. The program was able to complete the tasks while meeting all of the other extremely rigorous demands of starting a $37 million development food security activity.

The monitoring, evaluation, and learning team officially began analyzing the data in late-June, a process that revealed a critical need to build teams' capacity in comprehensive qualitative data analysis. Gaps in Monitoring and Evaluation leadership and pressures of start-up meant that the data was analyzed through debrief workshops with assessment team leads often relying on their notes or memory to source in-depth answers to the core research questions. These limitations challenged the team's ability to integrate their already truncated literature review into the analysis. More robust analysis guidance and skill development in data management were needed.

The analysis workshops went on to inform the final Strategize Phase, aimed at revising the theory of change in the original proposal and solidifying a set of robust resilience capacities, both of which would inform the program design and log frame. Stakeholders reconvened for a strategizing workshop facing some significant challenges, from shifting gears to respond to the earthquake to larger complications with analyzing the data. But despite these issues, the STRESS team's deep systems learning, innovations around transformative elements such as gender and governance, and the rich data they collected provided the foundation for the first resilience-focused theory of change Mercy Corps had ever produced. This critical product mapped detailed resilience pathways towards food security, articulating the clear capacities and interventions required to get there.

TRANSLATING FINDINGS INTO ACTION

NAVIGATING MORE UNCERTAINTY:
WHAT HAPPENS WHEN THE PROCESS OF TRANSLATING RESULTS IS ALSO NEW?

Trailblazing through a STRESS process under such challenging and unanticipated circumstances should have been cause for celebration, but the team did not have a moment to spare. They were already under intense pressure to begin implementation. In the rushed months that followed, the team would navigate significant uncertainty in determining how to translate this theory of change into implementation-level actions. As a risk and resilience assessment, STRESS did provide strategic bearings for design and implementation, but the team quickly realized there were still necessary steps to take: What did it mean to create a results chain directly from a resilience theory of change? How would they transition from this results chain into coherent resilience work planning and measurement? Most importantly, how would they do this work in an integrated way, mirroring some of the interconnectedness mapped through the STRESS process itself?

Translating STRESS findings into action had two major challenges. First, the full recruitment of a talented, high caliber team on a complex program can take time. A number of key program staff and local partners came on board after the STRESS was finished.

In addition, the push for rapid implementation in the first year provided **little pause for reflection or thoughtful, deliberate conversation**, and competing priorities meant the program did not develop a systematic plan for orienting new team members on the depth of lessons and results from the STRESS. Rather, the team was forced to dive head-first into uncharted waters and attempt to adapt as they went. Any vagueness in how the STRESS team defined capacities allowed new team members, many of whom had never worked in a resilience program, to identify solely with language specific to the sector in which they were experts.

The program required on-going mentorship and a dedicated resilience reflection process to fully translate findings into action. Absent these features, many **team members pursued their sectoral work as they always had**, now in the context of a larger resilience program. Team members who joined PAHAL post-STRESS often described having an epiphany around the concepts of resilience and integration: this often translated as the realization that one sector would be insufficient in addressing the many interconnected shocks and stresses undermining community members' progress toward food security. But, at a granular level, this realization did not force them to alter their work until the program adopted all-team quarterly review and reflection meetings in the field, and restructured their teams around systems, rather than sectors.

> As soon as STRESS was over, the team was forced to dive head-first into uncharted waters and adapt as they went. Any vagueness in how the STRESS team defined capacities allowed team members, many of whom had never worked in a resilience program, to identify solely with language specific to the sector in which they were experts. In short, without on-going mentorship and a dedicated reflection process to determine how the sector-specific capacities might build resilience, team members pursued their sectoral work as they always had, now in the context of a larger resilience program.

Tensions about data also compounded some of these new demands on staff capacity. PAHAL was now contending with how to measure resilience in the context of a complex program—something very new to Mercy Corps as a whole. This was an important time for new investments in understanding how to do this work, but the resources critical to doing so—both time and money—were not available. The program team struggled to fully analyze their STRESS data for a variety of reasons, ranging from staff capacity to broader knowledge gaps

around how to best do this work in a resilience context. As a result, the teams were at a disadvantage when they attempted to tailor their work plans to specific districts, wards, or communities. PAHAL had made such a sizable investment in data collection, but faced immediate pressure to begin implementing at the close of year one, which did not provide an opportunity to conduct further research to contextualize their work to specific community needs. This lack of granular contextual understanding, coupled with limited systems for to translating broad strategic findings to the community level meant team members would often submit and implement work plans that required communities to build all of the capacities identified through STRESS—regardless of their risk and vulnerability profiles.

Compounding the problem of translating the STRESS findings into action were **a series of unexpected events**. For months during the first year of implementation, Nepal was hit by an oil embargo, which nearly brought the country to a standstill. Soon after, the program's chief of party left unexpectedly—this after PAHAL was already unable to retain a deputy chief of party for its first three years. Subsequent STRESS processes would highlight the critical role of senior leadership in stewarding the process, securing technical support when teams faced barriers, and maintaining the culture of adaptation and innovation necessary to translate findings into action.

Though Mercy Corps ensured other senior managers would step in to fill the gap, the **leadership vacuum** compounded how challenging the task was both operationally and programmatically. Teams often operated without consistent or established management processes that might have facilitated ongoing resilience learning, reflection, and adaptation. They were able to rely on intermittent support from the Regional Resilience Hub, but still required day-to-day guidance to support integration. During the first years of PAHAL implementation, team members and their counterparts within the nearly 70 implementing local non-governmental organizations often operated independently.

Ultimately, using a risk and resilience assessment like STRESS to inform a program start-up revealed critical lessons and opportunities for **operationalizing resilience at a strategic level, as well as developing the program management tools and monitoring and evaluation systems to translate strategic-level information into program implementation, work planning, and resilience measurement**. It had become clear that running a resilience program meant a paradigm shift in the way leadership structured reporting, collaboration, planning, and other operational processes.

While this program period presented challenges, PAHAL's commitment to managing adaptively and learning from these core challenges has allowed them to produce innovative processes applicable to other complex programs. PAHAL's work on the theory of change alone was foundational to the subsequent Niger STRESS, and the Nepal team's insights around transformational capacities signaled a profound shift in the way the agency as a whole viewed resilience. An internal review conducted in the fall of 2017 suggested the program has "strong forward momentum" demonstrating "significant turnaround in the last year [and especially] few months." Most importantly, the team at all levels—from senior management down to implementing partners—demonstrated a "clear openness [and] commitment for improvement." Specifically, the team has built a solid foundation for and implemented staffing changes around its monitoring and evaluation practice and team, in addition to developing innovative organizational structures to facilitate integrated work planning and implementation. In June 2018, the program received approval to fully implement a resilience measurement system, and data collected as part of the Resilience Measurement study showed that only 5% of households were using negative coping strategies despite 50% experiencing shocks and stresses. In addition, the program's annual 2018 report showed that Household Hunger was effectively reduced to 0.

LESSONS LEARNED

This case focuses on the use of a risk and resilience assessment, Mercy Corps' STRESS process, in a particular context, PAHAL. However, in asking the central question of whether the activity fulfilled its purpose of informing the startup of a complex development food security activity, this case (along with the others in the series) worked to generate a series of lessons for other implementing organizations looking to conduct risk and resilience assessments in any context. Here, we separate lessons learned by: 1) the structure, mechanics, and content of these assessments; and 2) capacity strengthening within them.

STRUCTURE, MECHANICS, AND CONTENT

As a risk and resilience assessment, STRESS was most successful when the process was responsive and adaptive to changing needs. STRESS hinges on the notion that no two contexts are identical, requiring teams to unpack systems to achieve a deeper contextual understanding. The same is true for conducting a risk and resilience assessment—the purpose and context of each new application will vary, sometimes significantly, from the last. Mercy Corps' application of STRESS to inform program start-up allowed the team to adapt the process quickly as circumstances changed. As one STRESS planning team member remarked, "You cannot understand a system before you intervene. The best you can do is to model it first—you only find out how the system really behaves once you start learning, which requires an adaptive management funding and structure." While PAHAL staff struggled initially to cope with the demands of applying the process in a new setting and despite many unexpected challenges, the team's long-term commitment to adaptive management allowed them to use this tool as a reflective process to enhance their resilience approach.

A plan for communicating lessons-learned through STRESS is essential to uptake. As PAHAL worked to develop solutions to the challenges of applying STRESS during the competing demands of program start-up, the team struggled to develop consistent messages around resilience and what it had learned along the way. This review revealed several opportunities during the STRESS process where the team could have cultivated a larger resilience story through simple strategies. For example, the team could have engaged beneficiaries in storytelling exercises to document their personal experiences with shocks and stresses before the program with the intention of following these stories as the program evolved. The importance of communications—to communities, larger learning and knowledge management processes, and program representation, among other objectives— cannot be overstated.

CAPACITY STRENGTHENING

As a complex, systems-based concept, resilience thinking requires practice and repeated application. Interviewees identified several core elements of STRESS that yielded critical insight or were essential to strengthening staff capacity. These included systems thinking tools and activities (especially systems mapping), data collection processes, and creating a theory of change. The review also revealed the importance of the iterative approach to these activities, which facilitated the accrual and evolution of collective contextual understanding of resilience. For example, the key learning around transformative capacities (i.e., the underlying role development constraints such as gender or governance play in building adaptive or absorptive capacities) were outlined through a systems mapping exercise drawing on the experience and collective intelligence of attendees. But several subsequent activities reinforced this learning with evidence drawn from literature reviews and data collection, reconvened different configurations of team members to validate and deepen this learning and provided a space for using this learning to shift the way the theory of change was created. Subsequent STRESS processes would reinforce the need for internal communications that would document important learning, share it back to teams, and catalyze adaptive management.

Team members often need additional training, resources and guidance to translate strategic-level findings into program design, implementation, and evaluation. Risk and resilience assessments often must achieve parallel objectives: 1) yield concrete findings that achieve the purpose of the activity, and 2) strengthen capacity among staff to translate those findings into action. For PAHAL, where the stated purpose of STRESS was informing a program start-up, achieving both objectives was particularly challenging. Though staff at all levels (from senior management to local non-governmental organization implementing partners) had development experience, implementing a complex resilience program called for new competencies, many of which varied dramatically by level of involvement. Based on learning from the process, Mercy Corps invested heavily in understanding both what staff at different levels need to know (and the skills they must possess) when completing and implementing the findings of resilience learning activities, and developing the tools and guidance to support this.

THE REAL RISK AND RESILIENCE ASSESSMENT CASE STUDY SERIES

This series takes a closer look at risk and resilience assessments to reflect on where and how these processes have positively impacted strategy and programs. A series of cases, representing very different applications, explore central questions for practitioners interested in conducting a risk and resilience assessment. Each case ends with lessons learned and recommendations for humanitarian and development practitioners who are considering conducting a risk and resilience assessment.

RESILIENCE EVALUATION, ANALYSIS AND LEARNING