

Improving the resolution of the meso layer: a case study

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This case study is an example of a project under our Meso Resilience research theme.

When working to improve the performance of any sector or value chain, we often find a range of meso organisations or programmes designed to support upgrading, skills development and better decision making in small businesses in the targeted sector.

While mapping these organisations is not too difficult, it is much harder to figure out what each organisation is doing and offering, or whom they are targeting with their services. If this is hard for development practitioners, it must be even harder for an overstretched entrepreneur with burning issues to find out where to locate the needed support.

Mesopartner was commissioned by GIZ's project ABS Compliant Bio-trade in Southern Africa (ABioSA) in collaboration with the UNIDO Global

Quality and Standards Programme (GQSP-SA) to find ways to make the meso system more visible, and to support the improvement of the dynamism in the meso landscape.

The bio-trade sector had recently undergone a detailed diagnosis, so data, supporting organisations and public programmes were known. Most supporting organisations in the sector were holding bi-monthly meetings with stakeholders co-hosted by the GIZ and UNIDO on behalf of their public sector counterparts.

We realised that it was necessary to make the mutual expectations of different supporting organisations more explicit. Besides, this was an opportunity to clarify each organisation's resources, focus areas and priorities. We requested each organisation or programme in the network to complete a survey of their programme resources and expectations towards each other. More than 40 organisations participated in the first survey. The results were collated and captured in a visual form.



We presented our approach and the results of the survey at the next stakeholder event. Each organisation had a chance to respond to the expectations expressed by other sector organisations. It was evident that most organisations were missing a specified service offering, its benefits, values and costs and who they were trying to help. While many programmes had objectives and indicators for their work in support of a specific sector, it was hard to find clear information, contact persons and engagement processes in marketing or online material.

At the end of the event, the participants asked for our recommendations on how the dynamics and value proposition of the meso system could be improved. In short, our response was:

- Make descriptions of services more explicit. For instance, clearly describe how each service offering addresses user needs, what the services cost, and what value they might create.
- Make relations between different organisations more explicit.
- Clearly state how entrepreneurs could access a service or advice.



A team reflects on the expectations expressed in their organisation



Participants clarify their organisations' offering

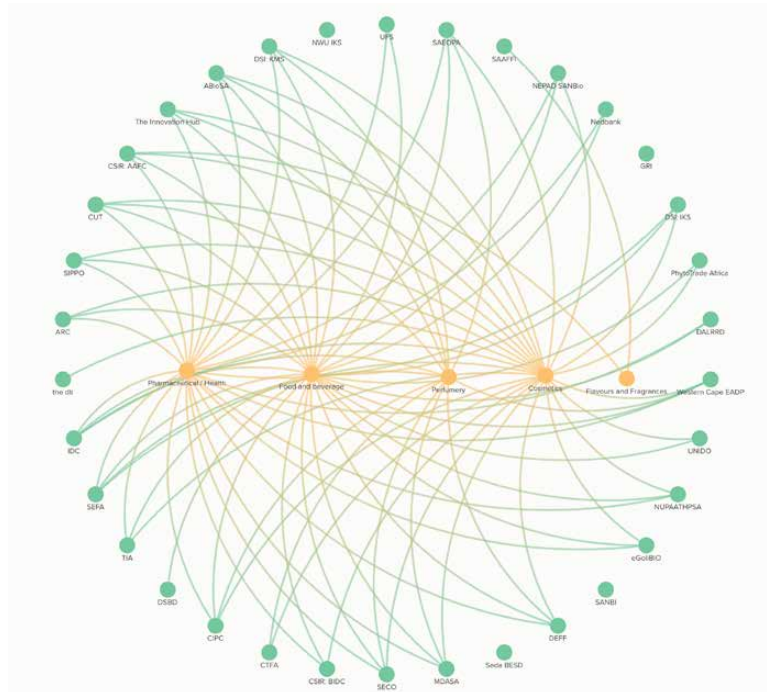
- State upfront which resources, capabilities or minimum requirements a business must have before asking for support. For instance, these requirements could be specific certifications, track records or experience in exporting.
- Make clear which end markets, processes, plant species or regions are prioritised in the support offering.
- Be clear on the kind of enterprise that cannot be assisted, e.g. in terms of company size.
- Describe the geographic programme focus, e.g. on a national, sub-national or even regional level.

The details of all the offerings are displayed

We realised that some larger support organisations had to be presented at a different programme or functional level instead of the higher organisational level, as various programmes may serve different markets with unique resources.

In preparation for the second stakeholder event, we requested all the participating organisations and programmes to refine their data based on the recommendations listed above. The survey population increased at this point as more programmes were identified or decided to join the process.

Figure 4: Mapping the meso level support system of the bio-trade sector in South Africa



We captured the results in an online data visualisation application called Kumu. This interactive map clearly showed the concentration, overlaps and gaps in the support system. Some of the sector images that were presented:

End market orientation of programme species
The size of the dots shows the prioritisation of plant

Figure 3: Mapping the meso level support system of the bio-trade sector in South Africa

We presented this map at the second stakeholder forum. Here we noticed that the terminology used by the participants had changed. Phrases like “value offering” and “focus” were used. The participants reflected that meso programmes not only had a responsibility towards enterprises but also had to purposefully work with other meso programmes to improve synergies, reduce search and discovery costs and collectively address the known constraints that may suppress entrepreneurial activity. The policy makers in the room welcomed receiving direct feedback from meso programmes on what they were doing and who they were trying to assist.

In preparation for the third and final stakeholder event in our contract, we refined the system map and the descriptions of all services provided by the stakeholders. We presented this map to the stakeholder network, including service offerings of newly joined meso programmes. Finally, we moderated a reflection with the participants on what they had learned from this process.



Here are some of the key insights that the stakeholders gained:

1. The bio-trade sector was well researched and documented. Despite available data and a range of supporting programmes, many offerings were generic and written mainly for public sector funders instead of targeting challenges and constraints faced by businesses.
2. Detailed information on diverse programmes with plenty of resources was not readily accessible to enterprises and other organisations. We concluded that the “resolution” of the meso system was low and had to become more detailed.

3. For the private sector and even some of the participating meso programmes, the meso landscape resembles a labyrinth: it is hard to navigate, and enormous tenacity or resources are needed to find specific support. The search and discovery costs are high.
4. The business membership organisations (BMOs) that participated stated that support quality and effectiveness was hard for entrepreneurs to assess. BMOs are not taken seriously by the public sector, and are seen as more of a nuisance than as development partners.
5. Using visual mapping highlighted the resources available to the system, how they spread and with whom to cooperate to avoid unnecessary

duplication. The mapping highlighted the disproportionate allocation of resources at the input side of the bio-trade system, with a lower focus on supporting value addition and export promotion.

6. Some organisations find it easy to improve their effectiveness by refining their offerings and their positioning in the meso system; others do not. The obstacles to improving the resolution of the meso space are not only technical but also political.
7. Some organisations need to improve their marketing and information material if they are clear about who, what and how to support.
8. Other organisations may need specific services to be designed, making resources available or working closely with other complementary programmes to improve impact.
9. Yet other organisations provide services to a more general target market, offering the opportunity to look beyond the bio-trade sector.
10. As a provider of meso functions, the private sector can also play a developmental role. This can happen through BMOs or supply chain development activities, and not only through corporate social responsibility activities.



We believe that improving the resilience of the meso system should be prioritised, even though this is currently not an explicit objective of any international or domestic organisations involved in the bio-trade sector. Almost all existing support is aimed directly at the micro level. The capability of public programmes to identify and address market and structural failures is low. Improving the system resilience requires some leading programmes to work together to strengthen the collective intelligence about how the system changes, and which constraints and patterns of market failures remain persistent. This should be combined with fostering an awareness of the emerging trends in the domestic, regional and international bio-trade market systems. Only then can refinements in the meso landscape be anticipated and planned timeously.

This case clearly illustrates that international development projects should not only be measured at their impact on the micro level where firms create products, enter markets or provide jobs, But we also have to find ways to measure the health and resilience of the system supporting these firms.

The bio-trade Kumu map can be viewed at <https://mesopartner.kumu.io/rsa-bio-sector-meso-support-landscape-8th-stakeholder-forum>.

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