



## Plenary II: Alliance's Management Approaches

### Success Factors in the eTrade Alliance's Adaptive Management Approach

Brett Johnson, Director at Palladium, moderated the panel, noting that the eTrade Alliance has enabled multi-stakeholder initiatives across a diverse global portfolio of activities. Their approach to adaptive management has yielded remarkable results, revolutionizing the landscape of trade and e-commerce.

The panel highlighted the following themes:

- **Collaboration and Opportunity Identification:** A pillar of the eTrade Alliance's management approach is its focus on partner engagement and opportunity identification. They bring together private sector partners, USAID Missions, and local partners to identify opportunities for collaboration. Quarterly governing council meetings and 1:1 Alliance Partner meetings serve as platforms for coordination and opportunity spotting. They also leverage Partnership Opportunity Notices (PONs) and buy-in funded initiatives to promote synergy among partners.
- **Prioritizing activities.** The Alliance prioritizes those that promise substantial impact on micro, small, and medium-sized enterprises (MSMEs) and ecosystem development. The commitment of partners to invest in co-design and implementation is a critical factor. The Alliance uses 1:1 leverage as a starting point and evaluate the potential for scale at both partner and ecosystem levels. The ability to generate learning that informs business models and MSME engagement and inclusivity are also key considerations.
- **Optimizing impact.** The eTrade Alliance continually discusses various issues related to optimizing its impact, such as whether to opt for many smaller initiatives to reach smaller groups, or fewer larger ones to reach a larger group. The Alliance also ponders the circumstances under which it is appropriate to welcome new Alliance members and how to create a foundation for more sustainable services for MSMEs. Balancing USAID/MBOU priorities with partner interests within Mission-funded buy-ins is another challenge, and they navigate the fine line between being all-encompassing without diluting their impact.
- **Measuring impact** is a vital aspect of the Alliance's management approach. The Alliance uses Key Performance Indicators (KPIs) adapted to specific initiatives. Whenever possible, they incorporate partner measurement models. Learning agendas are embedded into award milestones, and they conduct MSME/client surveys to monitor impact and best practices.

### Experiences of Key Contributors:

Several key contributors to the eTrade Alliance shared their experiences, shedding light on its success:



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*Paul Fekete, Senior Trade Advisor at USAID*, showed how the eTrade Alliance's success underscores the immense value of multi-stakeholder initiatives that can be applied across USAID. The ability to strike a balance between the private and public sectors is paramount. By working with the private sector in countries that might not initially seem compelling from a business perspective, they demonstrate that the long-term benefits outweigh the initial challenges. It is a testament to the constructive collaboration that can be achieved when public and private interests align.

*Michael Poor, Senior Manager of Nextrade Group*, highlighted the co-creation process in Kenya. He explained how projects take shape through engagement with local partners, emphasizing the importance of identifying whether a problem requires a solution or if a solution needs a beneficiary. There are often times when a partner comes with a solution and the Alliance must find someone who would benefit from that solution, or a partner comes with a problem and the Alliance must find a solution while working with local partners and private sector partners. Private sector partners presented on projects that they were planning to operationalize that would benefit from development support. The main goal of the co-creation process was to generate interest and collaboration among local stakeholders to further develop the ecosystem.

*Erica Libertelli, Executive Director of the eCommerce Institute*, shared how their network of partners in Latin America led to successful projects. The challenge of getting international sales online in a short time was met by tapping into the experience of MSMEs in digital sales. *Julia de Macedo Meira of DHL Brazil* illustrated how they developed standardized training for SMEs, covering topics from logistics to international trade agreements. The key was to understand the SME perspective and facilitate training that resonates with their needs.

*Kati Suominen, CEO of Nextrade Group and Technical Director of the eTrade Alliance*, noted the the great benefit of the Alliance and its diverse approaches is learning about “what works” for ecommerce development. The eTrade Alliance is a giant laboratory for testing various ecommerce development interventions and advancing the “science of ecommerce development.” She explained the Alliance is interested in measuring various impacts of each project:

1. **First-order effects** such as improvement in MSMEs’ knowledge and management practices as a result of the Alliance’s work;
2. **Second-order effects** such as increase in MSMEs’ sales resulting from these improvements; and
3. **Third-order effects** of greater productivity and profitability, and employment growth resulting from these sales.

These effects are being monitored through MSME surveys before and after and 6 months after an intervention, and through real-time data from ecommerce platforms the Alliance works with. By way of standardizing data across geographies and projects, the Alliance is able to compare approaches and, using econometrics and machine learning, detect its unique contributions to the development outcomes. This is hoped to enable USAID and other development organizations to learn about the most impactful approaches to promote ecommerce.



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## **Conclusion**

The eTrade Alliance's success can be attributed to its adaptive management approach, characterized by collaboration, prioritization, and impact measurement. Challenges are met with thoughtful consideration, and the value of multi-stakeholder initiatives shines through. As the Alliance continues to pave the way for inclusive digital development and e-commerce, it sets a compelling example for organizations worldwide. With a commitment to balancing the interests of both the public and private sectors, it stands as a beacon of hope in the quest for global economic growth and development.