Human-Centered Enterprise Development Research and Design

**RESEARCH BACKGROUND**  The RIPA project (Resilience in Pastoral Areas) aims to improve the lives of pastoralist communities in the southern lowlands of Ethiopia through rangeland management, livelihood diversification, improved food security, and improved livestock and crop production. iDE is specifically working with people transitioning out of pastoralism (ToPs) to pursue alternative, less climate-vulnerable livelihoods. In order to understand the specific needs and interest of women and youth ToPs, iDE conducted intensive research, called a deep dive, to understand how they might diversify their livelihoods through other income-generating activities and businesses.

**METHODOLOGY**  The deep dive utilizes an approach known as human-centered design (HCD), which is a methodology used to design and deliver holistic offerings - usually a combination of products, services, marketing, and financing. The HCD process starts by developing a deep understanding of users or entrepreneurs needs, aspirations, and constraints. In the RIPA deep dives, HCD principles and methods were utilized to better understand how pastoralist women and youth engage in different value chains and markets.

The HCD process involves **hearing** and soliciting perceptions, concerns, insights, and ideas, **creating** solutions with diverse stakeholders, and **delivering** and refining the co-created ideas in the field via rapid prototyping and early testing.

This approach focuses on market-based solutions, while ensuring that each solution is **socially desirable, technically feasible, and economically viable**. Meeting these criteria leads to higher likelihood of adoption of the solution, long term sustainability, and scalability.
In the Somali Deep Dive, we utilized a tool called ‘How How,’ which prompted ToPs to share how they started or would start a business. With prompting and further discussion, they mapped out how they would start a business, why, and with whom, in order to uncover the planning process and motivations behind ToPs’ actions.
KEY FINDINGS

- As livelihoods change among pastoral communities, their valuation of assets is shifting from livestock to currency and other business-related assets.
- Increasing dependency upon and interest in crop cultivation as a means of both home consumption and income generation.
- A more sedentary lifestyle is shifting resource use and utilization to localized areas.
- Assets or income-generating activities that can provide a stable source of quick cash are desirable, for both daily needs and shock mitigation.
- Increasing devastating shocks challenge traditional adaptation strategies, but diversification is beginning to help ToPs mitigate the impacts of shocks and adapt in new ways.
- Diversification necessitates changing patterns of mobility, urbanization, and social networks, challenging youth while they undertake new livelihoods.
- Most youth find working in a group or cooperative challenging and not always beneficial (except in Somali region, where youth have positive experiences working in cooperatives).
- Youth are more oriented towards and active in local and regional markets than previous generations of agro-pastoralists.
- Youth are still heavily reliant on traders and government or NGO connections to connect them with markets.
- Value chains are traditionally gendered: women are responsible for lower value products and value chains (i.e., honey, milk, butter, and petty trade) while men dominate higher value commercial trade (mainly livestock).
- Both men and women are increasing their engagement in markets, yet lack access, agency, and commercialization to reach larger markets.
- Most youth express preference for engaging in their own businesses, and report there are limited opportunities for wage employment.
- Men and women youth are most interested in pursuing IGAs related to agro-pastoralism, rather than unfamiliar businesses or wage employment.
- Youth are increasingly connected to government actors and NGOs, increasing access to resources and knowledge but also contributing to a culture of dependency.
- Youth express high interest in NGO and government-led trainings, but often learn from observing model agro-pastoralists or business owners.
- Youth desire more than technical skills—they want to learn business management, planning, and market negotiation.
- Financial saving and accessing loans are increasingly common among youth, but significant challenges around loan repayment remain.

Photo: Ephrem Abebe / iDE / 2021
The peoples of South Omo have the largest herd size per household in Ethiopia, and have been raising livestock for hundreds of years. Given their intimate familiarity with livestock production, iDE’s intervention will focus on building upon their experience to improve production and become market-oriented. Pairing fodder production and livestock-fattening will allow pastoralist youth to utilize their existing knowledge while capitalizing on the national and international communities’ demand for quality small ruminants, such as goats. The Omo River will also allow entrepreneurial youth to pursue other business opportunities, particularly in fishery, vegetable, and banana production.

A major strength of Somali communities is their social networks - through the ups and downs of climate change, drought, and ethnic conflict, Somalis consistently support each other through resource and information sharing. To better engage women in new business opportunities, we recommend a woman to woman mentorship program, in which experienced business women share advice and information with aspiring entrepreneurs. During the co-creation session, women expressed interest in this idea and further refined how the program would work.

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Borana youth demonstrated a risk-averse and entrepreneurial mindset - many have tried different business options, and they are eager to gain more business skills and technical expertise so they can keep diversifying their livelihoods. As a result of these findings and further discussion in the co-creation session, we engaged in early testing of a Youth Entrepreneurship Hub. This hub may be piloted in a Borana town as we continue to explore how Borana youth can better access the services they need to improve and scale up their enterprises. Additionally, we will focus on engaging women in processing high quality products, such as dairy and honey, to add value to the existing, abundant resources in the Borana region.

The Guji people are experienced agro-pastoralists - despite shifting climates and challenges in livestock production, they have used their fertile land to produce both staple and commercial crops. As a result, iDE's intervention in Guji will focus on youth group enterprises to scale up their crop production through improved practices and market linkages to traders and consumers. Given the abundance of Borana cattle producing quality milk, we will also engage women to grow their milk trade through improved processing, storage, and transport.
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iDE creates income and livelihood opportunities for poor rural households across Asia, Africa, and Latin America. iDE builds markets in a range of sectors, including agriculture, water, sanitation, hygiene, and access to finance.

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