



## KEEP-IT-SIMPLE SERIES

This series showcases diverse technical components of cash and voucher assistance programming for greater clarity, understanding and implementation in humanitarian response. For technical, program and business development staff involved in the design of humanitarian response programs, this series offers simple, clear explanations of cash and voucher assistance.

We must ensure the response supports rather than undermines local economies and markets. Photo CRS staff

# Response analysis

## What is response analysis?

Response analysis is the process of using information about the local context to select the most appropriate and feasible approaches in a humanitarian response. This includes decisions on the modality for a resource transfer: cash, vouchers, in-kind transfers or a combination of these.

Good response analysis helps to answer the questions: *What modality is best here? Is market support needed? Is other service provision—such as hygiene promotion, shelter assistance or training—also needed?*

## Why does response analysis matter to CRS and its partners?

CRS is committed to using the most appropriate and feasible response options for a resource transfer. Often, these are cash transfers or other market-based responses that can swiftly reach the greatest number of people, using local channels, and promote program participants' choice and dignity while boosting local markets.

However, in-kind, non-market-based options may be the most appropriate, such as in contexts where markets are not functional or when affected communities prefer in-kind aid. Regardless of the modality or modalities chosen, CRS' commitment to program quality—and to humanitarian standards as outlined in [The Sphere Handbook](#)—requires a thoughtful analysis of the various options to ensure they are the most effective for upholding our principles of dignity, efficiency and holistic relief and recovery.

## Who should conduct response analysis?

Response analyses can be done by program teams, in collaboration with operations staff, leadership and, as appropriate, program participants or community members.

## When is response analysis done?

Response analysis is most frequently done before a program starts, to inform program design. However, it is iterative and should be revisited throughout the project cycle. This is particularly true of emergencies in dynamic contexts. Response analysis may also be conducted as part of preparedness activities.

## How is response analysis done?

The basic steps in response analysis include:

- **Step 1:** Gather assessment information on needs, markets, participant preferences and other factors.
- **Step 2:** Analyze assessment information.
- **Step 3:** Discuss findings with relevant stakeholders—including program, operations and field staff; local partners; government counterparts; and community members—and list potential response options.
- **Step 4:** Discuss response options against relevant factors (see below) and make recommendations.

## Factors to consider when choosing the best response



### Participant needs and preferences

Does the response choice meet the needs of the program participants? Which response is preferred by program participants? Does the response equitably support women, men, girls and boys?



### Program objectives

Will the response meet the program's objectives?



### Market appropriateness

Does the response support (not undermine) local economies and markets? Do market conditions\* support this modality? Do participants have equitable access to markets?

\*These can include market integration, price stability, supply chain stability, adequate competition.



### Feasibility and organizational capacity

Is the response possible in a timely manner? Are cash/voucher/in-kind delivery mechanisms strong? Is the organization able to conduct the response quickly, effectively and safely?



### Safety and risk

Can the response be conducted safely for staff, partners and program participants? Can risks such as fraud, abuse, program disruption or others be eliminated?



### Cost

Does the response achieve an impact that justifies the cost?

## When is each modality most appropriate?

When deciding between cash, vouchers and/or in-kind support, CRS is committed to first asking: *Why not cash?*

Conditions that help to determine the most appropriate modality include:

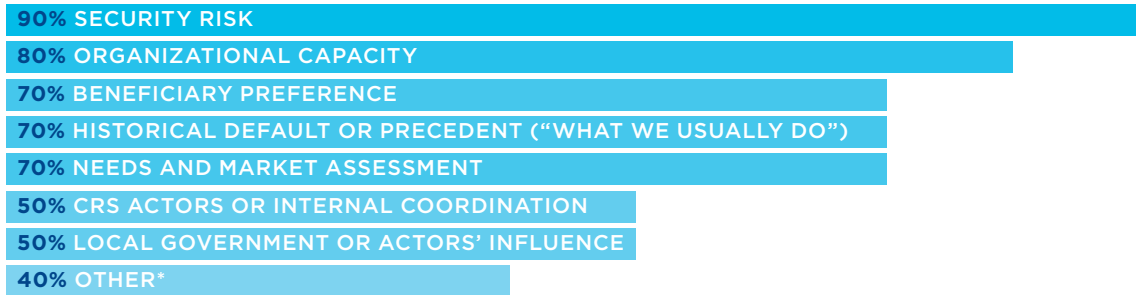
	Cash	Voucher	In-kind
Participant needs and preferences	Program participants prefer cash.	Program participants prefer vouchers.	Program participants prefer in-kind transfers.
Program objectives	The program prioritizes choice and flexibility. The program prioritizes support to help the local economy recover.	The program requires some restrictions on choice in favor of quality or other program objectives. The program prioritizes supporting local economies.	Objectives are best met if program participants access a set package of goods or services, i.e. Restrictions encourage participants to purchase certain products or services they might not otherwise.
Market appropriateness	Markets are functional or soon will be. Participants have access to markets.	Markets are functional or soon will be. Participants have access to markets.	Markets are not functional and/or participants do not have access to markets.
Feasibility and organizational capacity	CRS and our partners have, or will have, relationships with financial service providers and other systems to quickly deliver cash safely (see the Keep it Simple series issue on Cash Readiness)	CRS and our partners have experience with voucher programs, or an interest in gaining experience.	CRS and our partners can most quickly set up a pipeline for direct distributions of goods or services and/or access prepositioned goods.
Safety and risk	Women and men can safely access markets, and cash can be delivered safely.	Women and men can safely access markets, and vouchers can be delivered and redeemed safely.	Women and men can safely access distribution points, and goods and services can be delivered safely.
Cost	There is evidence to indicate that one modality (or combination of modalities) is more cost-effective and/or cost-efficient than the others.		

“ Every community is different, and what works in one town might not work in another, even if it is just 30 miles away. Being able to choose between vouchers, cash and direct distributions at the start of each new intervention ensures that we are using the most appropriate and responsible modality for that community.

Kathleen Gorden  
Catholic Relief Services

## What are some factors that influence CRS' response choice?

The decision is not always simple. A [2018 review of CRS' response analysis processes](#) showed that organizational and cultural factors often disproportionately influenced a program's modality choice. In most cases, these factors prevented the adoption of a cash response where it was otherwise the most appropriate response. Respondents (percentage in blue) cited the following factors as the primary drivers of response choice:



\*Cost-effectiveness, donor, external actors/coordination with what others are doing/access to modality transfer?

Some of these are barriers to responding in the most appropriate way. CRS response teams and partners should consider whether they are choosing a particular response option for the right reasons.

## Resources

- [Modality Decision Tool for Humanitarian Assistance](#) (USAID)
- [Cash Feasibility Checklist](#) (CRS)
- [Decision Tree Framework for Market-based Assistance](#) (CRS)
- [The use of cash and vouchers in humanitarian crises](#) (ECHO 2013) Decision tree, pp. 4-5
- [Comparing in-kind food and cash-based food transfers](#) (CRS?)
- [Comparing CTP modalities and delivery mechanisms](#) (Cash in Emergencies Toolkit, International Red Cross and Red Crescent Movement)

