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As Long as the Cat Catches the Mice

Let us continue promoting pigeon pea instead of getting diverted by an endosulfan scare

Anish Kumar

This is in response to the wonderfully informative letter of Soumik Banerji (*Obnoxious Recommendation*, NewsReach November 2002) on the supposedly deleterious effects of Endosulfan. Let me first thank Soumik for educating us so well. His letter raised pertinent issues, which cannot be wished or washed away.

The primary issue that he so explicitly raises is our role in promoting such obnoxious pesticides. The energy with which the issue is raised also convinces the uninitiated on the very potent effects of Endosulfan. He also informs us on the availability of alternatives.

We fully and heartily agree with the points raised by Soumik. Such fulmination nonetheless does raise other equally important issues. First, how harmful is Endosulfan? One opinion quoted by Soumik is available, which is a lobbyist opinion that ignores other equally strong scientific opinions forwarded by the pesticide industry.

One in a Million

These subaltern or other views exist on everything and have existed for long. It has its purpose. For example, the information available on any allopathic drug detailing contraindications would scare even the most optimistic of people.

I confronted my doctor with this. He admitted that all drugs are essentially 'poison' but the bottom line that is not often noted is that these scare stories are one in a million. Many of us, particularly the poor, are not so uniquely blessed (one-in-a-million types).

In the 70s, many learned articles by the well-known Schumacher (author of *Small is Beautiful*), a popular icon for development-wallahs, predicted apocalypse with the then nascent oil crisis. Nothing like that happened. It seems our apocalypse theorists succeeded in spurring 'technology' to reach new heights.

It is here that I feel such 'subaltern and different' views have their use: they make technology more effective, better and also 'softer'. Such views thus need to be encouraged, patronised and disseminated a la Soumik's article.

My second point is these scaremongers have a receptive audience in people like us fed on grant funds. The development constituency working with poor communities (to which respected but limited circulation journals like *LEISA* are targeted) uses a very small proportion of effective drugs like Endosulfan - a mere 3-4% as compared to big farmers.

Poor Man's Burden?

Who then educates the rich farmers? Is it the sole duty of poor to take care of chromosomal defects? Which in any case will have a miniscule impact. Why are we scared to take this 'just' fight to the rich? It's probably because they would not listen. The poor would listen because they have fewer options. How just is it to capitalise on poverty and ignorance? If

Is it the sole duty of poor to take care of chromosomal defects? Which in any case will have a miniscule impact. Why are we scared to take this 'just' fight to the rich? It's probably because they would not listen.

the poor were to pay for our services and we had to show results, could we afford to raise such issues that could lead to lower productivity and show our methods as less effective?

The issue of 'alternatives' popularised by journals with small circulations such as *LEISA* also needs to be looked at. Long ago our project in Godda used Javik fertiliser in tasar plantations. Even now many of us look for opportunities such as compost, vermi-compost, neem bio-pesticide, etc. We are not averse to them.

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It is just that these alternatives are not *pukka* solutions, the dosage is not properly metered, quality is always uncertain and end results doubtful. These factors reduce their applicability and hence, usage. Not much should be read into it. Organic is definitely preferable over chemical and I am sure many of us consider exploring organic solutions. But such solutions need to be more effective. The apologists have their task cut out: provide a proper package rather than just shout from the rooftops.

In Kesla this year we extensively used azotobacter culture and impressed upon farmers to use *gobar*. We are talking of NBP of Mother Dairy for neem pesticides. These have their uses and limitations. Development interveners like us need to understand both.

Costly Alternatives

There is a group in Mhow, Maikal, which is a leading producer of organic cotton. But the product commands a premium. The effort took respectable shape after years of effort (a decade to be precise) and had foreign collaboration to help sustain the idea. Organic or inorganic, it requires perseverance.

There is another issue that bugs us quite a lot. Endosulfan is obnoxious, accepted. We hold no brief for Endosulfan. However, let us look at some other issues. Appalling poverty in India is also obnoxious, wide income disparity is also obnoxious. We live with it.

There are so many other obnoxious things we live with and even participate in with gusto. If *Profits from Pigeon Pea wallahs* (refer to NewsReach September 2002) do not want to live with obnoxious poverty and in the process do use a little bit of Endosulfan, where is the harm?

For now, let us raise a toast to a wonderful livelihood idea of cultivating pigeon pea, Endosulfan or no Endosulfan, as long as it brings in money to the poor. The architect of the much admired Chinese reform, Communist Party of China Chairman Deng had this favourite quote: "As long as the cat catches mice, its colour is not important."

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Journey in Agricultural Intervention

After much trial and error we might be on the verge of intervening successfully in agriculture through a specific plot intervention approach

Ajaya K Samal

We are working with the poorer sections of people in villages. More than 90% of these people have agriculture as their primary or secondary occupation. It is therefore obvious that any intervention in agriculture would have the potential to impact livelihoods of a large number of families.

This thinking is as old as the inception of Pradan. Two major themes of our work in villages have been to promote irrigated and rain-fed agriculture. Our irrigated agriculture (IA) programme has focused on promoting community managed micro-irrigation schemes and building the capacity of the farmers to take up irrigated agriculture. Our teams have promoted innovative community managed micro-lift irrigation (LI) schemes, capable of irrigating 30-50 acres of command area benefiting 20-40 families.

The rain-fed agriculture (RA) programme focused on creating water harvesting structures, using the innovative 5% model to increase the on-site moisture content of agricultural lands. Training people in improved rain-fed farming was an integral part of the programme. Our LI and 5% models have become popular in the villages where we have intervened.

Initiating Interventions

In Lohardaga we have worked hard to promote both these programme. The majority of the population in the district belongs to the Oraon tribe. They are traditionally farmers having considerable land holdings. A number of small but perennial rivulets crisscross the district. We initiated work in Lohardaga with

a strong focus on IA in 1992-93. We promoted grant-based (with labour contribution by the community), community-managed micro-LI schemes and build the capacity of the farmers for irrigated farming.

We have promoted 120 irrigation schemes with an irrigation potential of 5,585 acres benefiting 4,429 families. Most of the schemes are grant based, with about 10% of the total cost contributed by the people. The total estimated cost of these schemes is Rs 1.67 crore, a majority of which is money channelled from the district administration. The district authorities have also tried to promote a similar number of schemes through their own government machinery as the 'Pradan model of LI'.

Although exact information on all these government-implemented schemes is not available, I have observed that few of these schemes are functioning well. Most are non-functional. Although a more detailed study is necessary, wrong site selection, lack of proper processes to build farmer groups and establishing transparency in the implementation and management in the groups are the probable reasons.

Substantial Impacts

In any case, implementation of a large number of such schemes by the government proves the popularity of the schemes. If an

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outsider asks about the impact of a functional LI scheme in a village, he would certainly get a positive reply. The villagers are likely to tell him 2 things. First, it has increased their food sufficiency and secondly, it has reduced seasonal migration from the village. On closer inquiry, the visitor would find positive impacts on health and education, too.

We can safely say that such LI schemes have increased food sufficiency and reduced seasonal migration. This has not happened just in 1-2 villages. Last winter

We can safely say that LI schemes have increased food sufficiency and reduced seasonal migration. This has not happened just in 1-2 villages but on a fairly large scale.

60% of the command area of 100 schemes (out of 120) was covered. It is also safe to say that this model is cost-effective and useful.

The per-acre capital cost of the schemes varies from Rs 3,000 to Rs 4,000. The popular small irrigation schemes promoted by the government under various poverty allevia-

tion programmes are individual wells and pumps. The per acre cost of these schemes vary from Rs 25,000 to Rs 30,000. The various medium irrigation schemes also come under this range.

At the same time, in the community managed micro-LI schemes, the water users' associations (WUAs) and the not the government are responsible for management and maintenance. The utility of these schemes is also evident from their effective functioning and extent of command area crop coverage.

Is That All?

Is that all we wanted to do through the promotion of such schemes? Let us put it in

a different way: What are the things we could not do in this programme? Let us consider Lohardaga again. The district is climatically suitable for round-the-year vegetable cultivation. There are market linkages with bigger vegetable markets in Jamshedpur, Rourkela and Kolkata. Tonnes of vegetable are transported daily. But the contribution of our farmers to total vegetable production is negligible. The non-tribals produce most of the vegetable whereas the majority of our WUA members are tribal.

These farmers grow upland paddy or maize with age-old practices in the irrigated uplands for domestic consumption only. In winter, the farmers grow wheat, again for domestic consumption. Some of them grow peas in small plots. The irrigated uplands of more advanced farmers are covered with vegetables round the year. They grow cabbage and cauliflower in the rainy season, followed by peas in winter and again cauliflower and other vegetables in summer. They book huge profits out of agriculture.

Why do our farmers not do the same? The reasons may be that their economic situation does not permit them to take the risks of vegetable cultivation, lack of skills, etc.

Let us look our Kesla poultry project. The poultry rearers are poor, broiler farming is a foreign activity for them and it is highly risky. But they adopted the technology through which they are able to compete with big players, although they are small rearers. The same thing did not happen in case of agriculture. A 10-decimal piece of land could earn a farmer Rs 15,000 through round-the-year vegetable cultivation. There is an established market for this and agri-

cultural inputs are available in Lohardaga. We therefore need to critically look at our interventions in agriculture.

Lacunae in Intervention

Our starting point was the distribution of funds for agriculture extension support, also called the group fund. This fund was included in the cost estimate of the LI scheme, and was supposed to revolve within the group to meet working capital requirements, hence triggering irrigated farming.

Motivating more farmers, generating demand for seeds and fertilisers, collective seed purchase using the group fund, class room and field training for farmers either by Pradanites or by a farmer were our major agenda after installing the LI scheme. Although training was not regular, equally distributing the group fund by and large helped us plan with almost all the farmers for an irrigated crop.

But this fund did not revolve properly, perhaps because the WUA was not promoted as a financial institution. Hence planning in the group and collective seed purchase did not continue. As the group fund shrunk, the number of families taking up irrigated crops also reduced. Hence crop coverage in the irrigated command area dwindled.

Next, we channelled funds, generated demand lists, procured quality seeds and distributed them among WUA members free of cost. We also made an effort to procure the seeds centrally and sold them to WUA members either through cash or credit. Seed procurement was both for rain-fed Kharif and irrigated Rabi.

In both the above processes, we could not maintain the continuity of demand genera-

tion and seed procurement, as the flow of grant money was not always smooth. At the same time, we did not establish an institution that would be able to procure seeds and sell them efficiently. But these mechanisms of demand generation and collective seed procurement did help us to introduce many high yielding varieties (HYV) of paddy (IR36, Sita), wheat (Sonalika, UP262) and pea (Arkel, Azad P) successfully. We gained faith of villagers on quality seed procurement. Through grant money and group planning we also motivated more farmers towards IA and HYV cultivation.

Shift in Focus

In 1996-97 our team started the self-help group (SHG) programme and in 1997-98, the watershed development programme. Although the primary objective of all the programmes was impacting livelihoods of the people, the major focus shifted to the expansion of the SHG activity, and system setting and implementation in watersheds. There was no clear-cut strategy of agriculture intervention. The activity thus cooled down.

In 1999-2000, we restarted our agricultural intervention. The intervention was based upon the hypothesis that to have a greater impact upon agriculture, we need to intervene in concentrated pockets. The watershed planning exercises conducted by team members influenced this intervention.

We conducted hamlet-level Kharif planning exercises in a concentrated pocket of 30 hamlets. The objective of the exercise was

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to help farmers realise the changing cropping pattern over the year; the potential of their land resources; their present economic situation; risk-taking ability and available person power. They planned for the Kharif season based upon this realisation and could book more profits than the previous year.

The tools used in this exercise were various games, sub-group discussions with presentations, planning demonstration with group appraisal and participatory planning in sub-groups. The total exercise in a hamlet took 5 hours. Two professionals were needed to conduct the exercise where 20-30 families (both female and male) participated.

Better Productivity

The exercise led some families to draw up annual plans that envisaged better productivity. In almost all the groups people planned to increase HYV paddy, maize and groundnut (low-risk and reasonable-profit crops). We declared a 25% subsidy in HYV seeds to motivate more farmers. They were to get subsidy tokens from us and avail the subsidy from a fixed seed shop.

Only 70 out of 300 families who planned HYV crops took the subsidy. Many of them bought seeds on their own. The reasons for them not utilising the subsidy could be that the seed shop fixed for the purpose was not compatible with the farmers (in terms of distance and relationship) and the subsidy amount was negligible compared to the total input cost (seed, fertiliser and labour).

There was also a lot of deviation from the plans prepared by them. This was expected as the farmers may have rethought and revised their plans after the exercises we

Box: Golden Harvests

There has been a substantial increase in cultivation of groundnut, maize, improved Gora and IR36 over the previous year.

KASITARN VILLAGE

Groundnut: 56% growth over last year.

Maize: 66% growth over last year.

Improved Gora: 100% growth over last year.

ROCHO MAUHATOLI VILLAGE

Groundnut: 58% growth over last year.

Maize: 217% growth over last year.

Improved Gora: 0 kg to 185 kg seeds.

IR 36: 79% growth over last year.

TIKO RAJGURWATOLI VILLAGE

Maize: 27% growth over last year.

Improved Gora: 16% decrease over last year.

IR 36: 44% growth over last year.

conducted. Although we were not able to follow up after the planning exercise, agricultural productivity increased substantially (see box).

Before the Rabi season that year, we reflected upon our Kharif intervention. We realised that the coverage of the crops discussed in detail in the hamlets during the planning exercise had increased. These crops were low risk with reasonable returns. We therefore thought it would be easier to promote such crops. After discussions with some villagers we decided to promote rape-seed and gram for the Rabi season.

However, we were overenthusiastic and selected some paid service providers who were the leaders of various WUAs practising agriculture rather well. Their responsibilities included conducting meetings in the hamlets, indenting and follow-up for irrigation and pesticide spraying. The intervention was in 70 LI sites promoted by us. The area under rapeseed was 60 acres belonging to 150 families and the area under gram was 90 acres belonging to 180 families.

The selected LI sites were spread all over the district. We had made the mistake of not working in a concentrated pocket and could not monitor the work of the service providers. While the harvests fell below our expectations, results were good in pockets we monitored closely.

That year we helped 7 individuals to access grants from the district authorities to establish seed shops in various pockets. We thought it would be help in our intervention in improving agricultural productivity in these areas. These seed shops were spread all over the district. Due to wrong selection of entrepreneurs (we had not adopted any strict selection process considering their entrepreneurial ability, the command area of each seed shop and other competitors) and lack of a proper monitoring system, 5 shops closed down.

Learning from Mistakes

We tried to learn from our mistakes. In the next year (2000-01), we readopted the concentrated pocket approach for the Kharif season. The crops selected for intervention were ginger, groundnut, maize, hybrid paddy and vegetables. We prepared plans in the hamlets (not the planning exercises of 1999-2000), generated the lists and declared a subsidy of 50% for gin-

ger seeds and 30% for other seeds.

More than half the farmers put the plan into practice. This Kharif we were careful about monitoring, following up with each plot and conducting weekly monitoring meetings for 3 hours within the team. Still the harvest was not up to expectations. The ginger harvest was adequate but production was lower than what the better farmers harvested. That season all team members were involved in the intervention. We were unfortunately unable to intervene in the Rabi season because we had to concentrate on strengthening the SHGs.

In 2001-02, we kept to our concentrated pocket approach; plot-wise follow-up by professionals; hamlet-level indenting; weekly Kharif intervention monitoring meeting at team level and involvement of all team members. In the crop list we again included HYV paddy, reduced the subsidy amount and intervened without subsidy in few groups.

The above journey shows that we have perhaps done something in agriculture. That is why 1,300 farmers purchased more than 30 tonnes of HYV paddy seeds from us during Kharif this year.

Most of these farmers have shown an interest in improved practices. At the same I feel that we have not done enough because the practices and patterns of agriculture of our farmers is not the same as the advanced farmers in the area, in terms of intensity in cultivating a piece of land and harvesting more remunerative cash crops successfully.

There was a lot of deviation from the plans prepared by the farmers. This was expected as the farmers may have rethought and revised their plans after the exercises we conducted.

Specific Crop Intervention

I have realised that most of the time we have intervened in specific crops. One of the major points of attention in this specific crop intervention was helping farmers to procure good quality seeds. HYV seeds have become popular since they fetch better returns.

Pea and ginger are new crops for them. They learnt the basic skills and majority continued with the crops. But the farmers did not go for other profitable crops such as cabbage, cauliflower and capsicum.

Our specific crop interventions could not enable farmers to take up crops we have not promoted.

Other farmers successfully and profitably harvested these crops.

Some of them initiated but failed as these crops required intensive care like regular spraying of insecticides and pesticides.

Thus our specific crop interventions in most of the cases could not enable the farmers to take up a number of other crops that we did not promote. Other farmers successfully and profitably harvested these crops. The agricultural practices and productivity in the crops we promoted did not improve with time since most farmers were following the practices they had adopted earlier. Mixed cropping of ginger with cauliflower or French bean could be one such example.

Our intervention could not orient farmers to plant more risky crops and to make more profits out of the same piece of land. Perhaps that is why some of the farmers abandoned the crops despite booking good profits. Although supplying quality seeds attracted farmers, we could not make sustainable arrangement by establishing seed shops in various pockets and ensuring quality.

Second Priority

There has been discontinuity in our intervention since it has been given second priority compared to expansion of irrigation schemes and SHGs. Winters are suitable for the expansion of SHGs, which is why we have not intervened during winter in the past 3 years. Also, we have not intervened with the same farmers continuously every year although we have intervened in the same pockets. More correctly, we do not know whether we have worked with the same farmers in an area every year or not as we have not maintained any data on this.

Our selection of crops for intervention was not appropriate since it has changed in 2 consecutive years. Most of the time we have failed to provide support in risky vegetables since it involves much uncertainty and we could not ensure regular and more frequent visits. Sometimes our professional could not meet the concerned farmer during his weekly visit. Thus the entire purpose of the visit was lost. If a particular crop failed, we had no backup plan to go in for other crops.

We intervened either during Kharif or Rabi. So if in a particular Kharif season we did not plan with some farmers because of constraints of time, we left them for that year. This is despite the fact that there is an opportunity to plan and initiate crops at any time of the year. Whenever we have deviated from the concentrated pocket approach, we have failed. Our experience with rapeseed, gram and seed shops bear testimony to that.

It is therefore clear that there is a difference between our approach in enterprise development and our approach in agricul-

ture. In enterprises we work with specific people on a specific activity. We have been trying to upgrade the skills of these specific people continuously through frequent visit of professionals and supervisors. We bring new technology to compete in the market. The producers pay for the service.

Specific Plot Intervention

The same thing could also be applied in agricultural interventions. For that we have to work with the same farmers continuously. Promoting seed shops in the working pockets and linking them with the farmers will ensure quality inputs because both parties will have a stake. To achieve this we would require close monitoring for the first few years.

We need to work in concentrated pockets to implement this approach. In my opinion a specific plot intervention for round-the-year cultivation is a better approach than specific crop interventions. This would enable farmers to book more profits and thus motivate others to follow modern practices. The specific crop interventions would be suitable in plots where only one crop can be taken every year such as paddy in low lands. We also need to establish a channel to continuously upgrade technology.

This year we have intervened in specific plots with only 43 families with a verbal agreement with the farmers that we will work round the year on a selected plot of 10 decimal like any other advanced farmer of the area. They have harvested the first crop in the rainy season and earned more than Rs 2,500 per family. They had harvested risky crops like capsicum, cauliflower and hybrid tomato.

As a result, other farmers from the same villages have been motivated join us. In a few

hamlets the farmers have planned weekly meetings attended by a professional for discussions and monitoring progress. This is the first time we have intervened successfully in vegetables in the rainy season. A paid supervisor who is an advanced farmer could do most of the follow-up work. At the same time, we have to keep in mind that a supervisor cannot substitute regular visits by professionals, at least for the first few cycles.

The earning of Rs 2,500 from 10 decimals of land is half of the expected profit from off-season vegetable cultivation. Thus, our intervention package needs to be improved. The response from the people is however, good. Based on the enthusiastic response we are planning to expand this activity as a livelihood intervention package to enable our farmers to be more skilled than the advanced farmers of the area, albeit on small plots.

If each family earned Rs 15,000 from a small plot owing to this intervention, they would feel the need for continuous improvement in practices and technology. Then there is no reason why the farmers would mind paying to establish an institution for this. If 2,000 farmers came together and contributed Rs 20 each a month, it would translate into Rs 40,000 a year. This amount would be sufficient to pay for a number of supervisors and towards appointing a qualified professional to introduce modern technology and to train the supervisors. Let us work for that.

In my opinion a specific plot intervention for round-the-year cultivation is a better approach than specific crop interventions. This would enable farmers to book more profits and thus motivate others to follow modern practices.

SARAL Solution?

Issues, concerns and options in automation in micro-finance institutions

Subodh Kumar Gupta

Automation for micro-finance institutions (MFIs) is fast catching the attention of MFIs, academicians, funding agencies and promoters. Anita Campion and Sahra Halpern of Micro Finance Network conclude that automation offers MFIs to operate at lower costs with reduced risk and enhances the quality of the products they offer.

Micro Finance Network, Washington DC, USA has also published their well-researched paper, *Automating Microfinance: Experience in Latin America, Asia and Africa*. The author

of the paper has given examples from technology experiments that are being carried out in several countries across the world.

Small Industry Development Bank of India (SIDBI) and Bankers' Institute for Rural Development (BIRD) organised a workshop in Lucknow in December 2000 and discussed the importance of manage-

ment information systems for MFIs. Recently, Sa-Dhan, an association of more than 50 MFIs in India, was evaluating suitable software for MFIs on request from MFIs.

Some MFIs fear that automation is expensive and it restricts the interactions between customers and the staff. It is true that the cost of automation sometimes outweigh the benefit it provides. I feel this is because there is mismatch between requirement and the offering by vendors. Therefore I advocate no wholesale adoption of technology for all institutions.

Technology by itself is not a solution. It has to be adapted, mixed and matched according to the requirement of a particular MFI. Often, one software package may not fulfil the need for all kinds of MFIs. Each institution must examine its own systems and operations to decide which technologies may help solve its specific problems and then ascertain whether the benefit of automation outweigh the cost.

This article aims to illuminate the issues in determining the system requirement of a MFI, evaluating suitable software packages and finally suggests approaches that can give a MFI suitable and cost-effective IT solutions. If automation is followed systematically, it is possible to achieve low cost-benefit ratio without compromising on the interaction between staff and customer.

Objectives of Automation in MFIs

Manual operations are prone to human error. This is truer in MFIs and NGOs where staff is often low paid and untrained. It takes lot of institutional energy to correct mistakes that are identified late. A MFI would like to save such costs of correction of mistakes. Thus, reducing the human error is the first objective of automation.

Reducing the duplication of data recording is the second objective of automation. In manual systems, the same data is written many times and in many places. There is duplication in recording. A MFI has to employ staff for transactions at various points in the organisation, especially when the organisation is geographically spread out. Through automation, staff of a MFI can be redeployed for other productive works.

It takes lot of institutional energy to correct mistakes that are identified late. A MFI would like to save such costs of correction of mistakes. Thus, reducing the human error is the first objective of automation.

Manual systems have some inherent limitations. For instance, it is difficult to offer a large number of loan products, as there is limit to keeping track of accounting. Sometimes products can be interlinked and may be complex in computation. Such linkages are not possible in manual systems. Many MFIs opt for simple and limited number of financial products in absence of automation.

Automation could provide solutions for any MFI looking forward to expanding its range of financial services in order to offer services that are demand driven. Automation enables MFIs to offer products by choice. Customers are therefore able to exercise her choice. Soumen Biswas observed in his article, *Commercialisation of Micro-Finance* (NewsReach December 2001) on the Frankfurt Seminar that the criterion of development finance is that financial products should be demand driven and not supply driven.

Components of Automation

Automation often begins with the accounts in MFIs. Thereafter, it moves to automation of report preparation. A MFI usually uses MS Excel sheets to prepare various reports. Once the size and complexity increase, the MFI goes for a management information system (MIS) to track down portfolio quality and performance of staff.

Subsequently, they go for transaction automation. It means that transactions are captured from the point of occurrence and communicated to the main system. Then the MFI automates the impact assessment process to constantly provide insights in the strength and weakness of approaches. Impact assessment helps the organisation understand the strengths and weaknesses of the chosen approach. D Narendranath

describes this need of impact assessment of Pradan's self-help group (SHG) programme in his article, *Group Dynamics* (NewsReach July 2001).

This strengthens the decision support system (DSS) for the executive heads of a MFI. DSS is developed to study the impacts of different trends in the industry such as reducing of interest rates, direct or group lending or offering of multiple financial products.

Issues in Automations

Priority in automation

In my interactions with heads of MFIs, I find that they mostly want to automate the entire system. They have little understanding as to what it means to want to automate accounts, financial portfolio, inventory management and human resource management at the same time.

Automation could provide solutions for any MFI looking forward to expanding its range of financial services in order to offer services that are demand driven.

Each system is complex and hence one needs to go for automation gradually. Besides, organisational culture also has to change as the processes get automated. A change from manual to automation is a drastic one and members of the organisation need to be comfortable with these changes. Since organisational culture cannot be changed overnight, it is advisable to go for automation in a phased manner.

Low paying capacity of the institution

Barring few MFIs and NGOs, most are not in a position to pay for the automation since they do not have kind of money corporate companies have. They cannot afford to utilise the services of giant software companies like Wipro or Infosys. Big software companies have a high cost of writing the soft-

ware. Does that mean that these MFIs cannot get good software? This may not necessarily be true. A solution would be to opt for small software development companies that charge relatively less.

Most of the vendors are software companies
Most of the vendors are software major companies who lack the understanding of the micro-finance sector. The expectation of the vendor is that the client (MFIs) should articulate its system requirement clearly and thereafter they will provide the IT solutions.

MFIs are beginning to understand the need for interface. This is reflected in the contracts they have signed with Information Technology Solutions for Livelihood division of BASIX who provides such services.

They do not work out the cost and benefit ratio (CBR) of automation. It is the client who should be supposed to work out the CBR and then take a decision whether to opt for it or not.

Except for some, management of MFIs are not equipped to undertake the exercise of CBR. Suppose they do manage to work out the CBR, in case the CBR is high they are not equipped to work out an IT solution with low CBR (less than one). The process is quite complex as it needs a lot of alterations, adjustments and planning in order to arrive at an appropriate IT solution that are also cost effective. Otherwise the MFI are always in the danger of being swindled by software vendors.

Interface between software vendor and MFI clients

When a MFI and a vendor interact directly, it is similar to a patient going to a druggist for medicine without consulting a doctor. However, MFIs are beginning to appreciate the need for an interface agency that can work out suitable IT solutions with low CBR.

Recently, I went to visit one MFI in Hyderabad to learn about cooperative working. The head of the MFI, when he came to know that I am an IT consultant, requested me to evaluate proposals submitted by software vendors for automation. I evaluated these proposals and shared my professional views with him. My assessment was that none of the vendors had completely understood the requirement correctly. Budgetary demand was also high. What was needed was to work out the system requirement first, negotiate for cost effective IT solutions and the appropriately supervise the implementation.

MFIs are beginning to understand the need for interface. This is reflected in the contracts they have signed with Information Technology Solutions for Livelihood (ITSL) division of BASIX who provides such services.

Design of IT solution is complex

The design of IT solution is like an architectural design of a building. The quality of the design of the building will depend on the understanding of the architect of the requirements of the client and technology and skill base of the construction industry. While designing the building, one must understand the needs of the people who will use the building. Once the design is frozen, the site engineer takes the works of construction as per the design. The cost of bringing a change in the design will grow exponentially with completion of construction work. Therefore, the investment in designing and supervising the construction is socially and financially accepted.

Similarly, in case of a software package, changes at later stages are costly and time consuming and may even amount to rewriting the software. Design is crucial to any

automation effort. Unfortunately MFIs usually do not appreciate this fact.

Options in Automation

Adopting a systematic approach for automation

Once a MFI has understood the underlying complexity of the work in automation, it needs institutional investment under capacity building, which takes up the task of automation. There are two options.

First, the institution chooses a senior person who knows and understands the sector and sends him for training on technology. He may take 6 months to a year to interact with people and agencies in technology and develop IT solutions with low CBR. Such a person can then interact with software vendors and implement suitable IT solution for the automation. This option may not be practical since MFI are usually not in a position to spare a senior person for such a task.

The second option is to outsource. It means to commission a consultant or consulting agency for this task which may involve system study and subsequent system requirement for automation; identifying and negotiating with vendors for suitable and cost-effective IT solutions; IT solutions development; field trial and training; company wide implementation and tying up with local vendors for future support for hardware maintenance and supply for spare parts such as computer stationary, printer ribbon, etc.

IT Agencies for MFIs

There are 2 MFIs who have launched IT ventures. The Swayam Krishi Sangha (SKS), based in Hyderabad, has started an IT initiative to address such needs of MFIs. SKS has

developed software for the Grameen model of SHGs and smart card for capturing the transactions in the field.

BASIX, based in Hyderabad, has created an ITSL division to help MFIs in automation. The BASIX ITSL has tied up with several software vendors for developing the software. While SKS has developed its own in-house software development capability, BASIX ITSL strategically wants to keep the development of software with the vendors. BASIX ITSL is strategically strong as it has vast domain experience and experience of working with several technology vendors.

SARAL Solution

After working for past 2 years in the IT field, I have realised that these technology vendors have their own inertia to change. Most of them are very protective of their design. Unlike building architecture, software vendors do not show the blueprint of the design. In absence of the blueprint, it is rather difficult to arrive at flexible and scalable solution.

Looking at the constraints in working with vendors and the demands of automation, I plan to launch System Automation for Rural Access and Livelihood (SARAL) Solutions to develop software for MFIs. The SARAL Solution aims to be an IT solution provider for automation in the rural sector by the end of the current year. Subsequently, SARAL Solution will have its own IT solution products developed exclusively for micro-finance.

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Planning Ahead for Profit

Conducting an entrepreneurship motivation training programme in tandem with a credit planning exercise yields positive results

Bishnu C Parida & Seema Gupta

Pradan has been working in the Karanjia block of Mayurbhanj district in Orissa for the past 2 years. Karanjia is a predominantly tribal area inhabited by Bhuiyans, Juangas, Mundas, Santhals, Gonds and Bathudi. These are forest communities practising primitive agriculture, often slash and burn. The Goudas and Mahantas are more agriculturally advanced, cultivating vegetables and rearing milch cattle.

Pradan has promoted self-help groups (SHGs) in 49 villages of this block. Our team has identified potential livelihood opportunities and is working to develop these as robust investment

opportunities for poor women. We have also focussed on strengthening these SHGs to raise financial resources from local banks.

Experience has shown that although the SHGs have generated a fair sum of funds by pooling their savings, they mostly avail of loans for consumption. Idle cash in groups is high, while mainstream financial institutions such as regional rural banks are willing to finance these women's SHGs. Members are not confident that they can handle larger loans and take up activities that would ensure higher returns.

Our challenge is therefore to motivate the women to broaden their vision and help them to plan for various income generating activities. To achieve this we conducted an entrepreneurship motivation training (EMT) programme

for 11 women members of Swarga Sundar SHG of Bajenisila village in July this year.

The Swarga Sundar SHG has been active as a savings and credit group for 2 and half years. The members belong to the Munda (scheduled tribe) community. Their main sources of livelihood are agriculture, wage labour and collection and selling of minor forest produces such as mahua flower, kusum, karanja and sal seed and making sal leaf plates.

The members have been involved in regular savings and credit activities and have a group fund of Rs 14,000. It is the oldest SHG of our Karanjia project. It follows strong norms and is a good example for other groups in the area. The members take small loans (Rs 50 to Rs 300), mainly for consumption. There is a substantial amount of idle cash with the group since credit utilisation is very low. Despite low interest rates the members fear to take big loans because they do not have the confidence that they will be able to repay such loans.

Most important, the members were unable to plan for the future and did not know how to invest in some profitable activity. We felt this was an area where we could be of some help. We chose this group for an EMT exercise in order to change the attitude of group members and motivate them to avail larger and more productive loans.

Our training objectives were to help participants understand the risk taking behaviour; to facilitate them to realise their potential and to motivate them to plan ahead and come up with a credit plan.

The SHG members were unable to plan for the future and did not know how to invest in some profitable activity. We felt this was an area where we could be of some help.

Content and Coverage

We covered all aspects of an EMT programme that included introduction of members; a tower building exercise (both individually and in groups) to generate data from participants; processing and analysis of data and arriving at a credit plan (see box).

In the tower building exercise with individual participants, we assisted them to provide their own estimates of how many bricks (blocks) they can put together to form a wall (tower)

of their house. After everybody gave their estimates, we told them about the 2 conditions under which they will have to perform. The 2 conditions were that they would have to build the tower blindfolded and with their left hands. The participants then came up with revised estimates.

During the group exercise, we asked the members to voluntarily form groups of 3 and provide their individual estimates. If the estimations did not match then the group worked on

Box: EMT Programme Schedule

Micro-lab in twos and threes followed by self-introduction (30 minutes)	<ul style="list-style-type: none">● Share one thing that can be done to improve your SHG.● Share one person you admire most and why.● Share your aspiration in life.
Tower Building Session I (1 hour)	<ul style="list-style-type: none">● Initial estimates by individuals.● Individual estimates under conditions.● Individual performance under conditions.● Analysis of performance.
Tower Building Session II (1 hour)	<ul style="list-style-type: none">● Forming groups for the exercise.● Individual and group estimates.● Group performance.● Analysis of group performance.
Lunch (1 hour)	
Analysis and Processing of Data (1 hour)	<ul style="list-style-type: none">● Pick up some cases and discuss with the group.● What they felt during the whole process.● What was their reactions to specific situations and why?● Why did they not succeed?
Credit Planning (1 hour)	<ul style="list-style-type: none">● Resource mapping followed by discussion on activities to be taken up by individuals, credit requirement, sources of credit, action plan, etc.
Conclusion (15 minutes)	<ul style="list-style-type: none">● Action plan and feedback.

them to arrive at a consensus. The members also divided roles among themselves as to who would build the tower and who would be help her in the task. Each time a round was completed, we asked about the feelings of the members and the reasons why they failed or succeeded.

During the second half we conducted a credit planning with the group keeping in view their resources and interests. We were then able to generate a demand of Rs 13,000. This was significant before earlier the members were not able to demand any amount at all.

Overwhelming Response

The response of the participants was overwhelming. They were able to articulate why they succeeded or failed and how it happens in real-life situations. Many participants could relate the exercise with their group. They were comparing individual and group performances.

The response of the participants was overwhelming. They were able to articulate why they succeeded or failed and how it happens in real-life situations.

During the group performance, some members showed confidence in their partners and performed remarkably.

One of the participants even helped her partner with a new technique of tower building that she learned through her own experience. With this help, her group could make a tower higher than what their group had estimated. Another participant was very conscious about the quality of the tower. Some participants were not able to respond adequately, perhaps due poor articulation.

After the exercise we felt that EMT is a good tool for motivation. It is useful to study the goal setting and risk taking behaviour of participants. It is also a good method to study the behavioural pattern of individuals in groups.

We however found that it was a little difficult to apply the programme among tribal women, who are often not able to articulate very well. Combining credit planning with EMT could be very useful as it brings out positive results and shows the effect of the training event.

Throughout the programme we always tried to relate the participants' performances with real-life situations. In real life, too, people tend to underestimate themselves although they have greater potential. The participants needed to realise and then come up with some realistic planning. Often people get bogged down by day-to-day problems and fail to plan ahead. We tried to help participants to come out of worldly and personal blocks and plan ahead. Although we often got stuck and did not know how to move ahead with the discussion, the overall response was satisfactory.

The combination of EMT with credit planning was a novel experience and we felt the resulting plan that emerged was realistic. We were able to increase the confidence level of the participants and were able to improve their goal setting and risk taking behaviours.

The trainers are expected to pick up some of the striking cases generated by the participants, analyse them along with the participants and help them internalise the learning. We felt we were not fully equipped yet at picking up relevant data and in the processing. We were also not very sure how to check whether they had internalised the learning or not.

In conclusion, motivation alone is not enough for a person taking a decision on any kind of livelihood activity. She also has to consider various other factors that will ensure success. All these other factors cannot be covered in such a short time. This requires follow-up by professionals.

Internal Learning System and Impact Assessment

Adapting and field-testing ILS in Pradan is going apace and holds valuable lessons for impact assessment of various livelihood and micro-finance interventions

Helzi Noponen

D Narendranath and I recently participated in the Asia Regional Workshop of the Imp-Act Programme held in Sri Lanka. Imp-Act partners from Nepal, Bangladesh, the Philippines and China attended. Several Sri Lankan NGOs also attended to learn more about the impact assessment (IA) work being done by the Imp-Act programme.

Each Imp-Act partner in the Asia Region was asked to make a presentation on the progress of his or her on-going IA programme. They were asked to describe the planned impact assessment activities, the audience and the objectives for each activity, a status report of the progress achieved to date and a description of the data being collected. Narendranath presented the details of Pradan's IA Plan (See *The Contours of Pradan's Impact Assessment Plan* on page 20).

We were asked to describe the extent of organisational level awareness and understanding of the IA work we were doing. The process of adapting ILS (Internal Learning System) to Pradan began with a detailed assessment of the state of current learning tools and practice across Pradan field sites. These included several participatory PRA activities (wealth ranking, social mapping, seasonal production calendars, income and expenditure tree, etc.) and standard individual level surveys on assets and livelihood activities.

These have now been incorporated into the pictorial ILS workbooks in a manner that reduces time and effort of field staff while

enhancing participant understanding and analysis skills. Field staff across Pradan, even those not directly involved in the ILS field trial, have observed this transformation of earlier ways of doing things into a new integrated system.

The sharing of inputs into the ILS adaptation and response to draft products has been broad-based. There have been several articles in NewsReach, the in-house journal of Pradan, describing the process of ILS adaptation and thereby improving awareness and understanding of the on-going impact work.

Key Learning Points

We also detailed key learning points from the work completed during this period and gave examples where possible. The details included how these learning points have been integrated in our IA work; how they contributed to our understanding of the main beneficiaries of our programme and how they have affected the services and products our organisation provides.

Pradan's field trial process has yielded constructive feedback on which modules in the ILS workbook are working well and which need revision. The recently held workshop in Sri Lanka also provided feedback and inputs to our on-going ILS development efforts. We now have some examples of changes that will be or have

Pradan's field trial process has yielded constructive feedback on which modules in the ILS workbook are working well and which need revision.

been made.

We would create a household census page in the beginning of the diary (instead of under labour assets) that also includes age and gender so that we can obtain adjusted household size for use in our dependent variables of yearly income and expenditure.

We would quantify land, forest, livestock and wage labour utilisation and enterprise profit

In terms of IA work, we have learned that it is possible to create a system that can be integrated into institutional structure and programme processes on an on-going basis that provides information for impact proving and programme improving, while greatly enhancing participant learning, analysis and planning skills.

formats and link them to the income and expenditure tree format. The aim is to obtain a dependent variable of yearly income by aggregating the results of separate complex formats on net value (sale, consumption or exchange) of land cultivation, forest collection, livestock rearing, and net enterprise and wage earnings.

It would be very difficult to elicit this level of detail in one interview sitting. ILS over multiple sessions would guide participants to systematically assess their various livelihood

assets, enhancements to and good practices in the use of the assets, the seasonal utilisation and the problems encountered (for each livelihood arena of land, forests, livestock and labour). We would thus be able to get a good measure for household income.

We can then examine how adjusted yearly income (by adjusted family size and inflation) changes among a panel of participants on a yearly basis over a 3-year period. We can also examine every year how this varies on a cross-sectional basis among cohorts of members based on membership age in Pradan.

We will also quantify the expenditure portion of the income and expenditure tree using an additional work format that takes into account the periodicity of recall problem for various items. We would improve the training of field staff on data entry and data checking and provide greater detail in variable definitions in data codebooks and follow-up training.

We will create a 'good practices' format or set of indications for forest, land, livestock and labour livelihood activity arenas. This will result in dropping some indicators from the 'problems with livelihoods' section that were expressed as 'bad practices'. This is a learning tool for participants to consider adopting better livelihood practices over time.

There has been an improvement to the credit investment plan format that now includes a small worksheet to calculate expected net profits in order to ascertain the feasibility of loan repayments. We have also created an added set of indicators to assess the welfare of widowed and elderly participants who, although SHG (self-help group) members, are less involved in livelihood activities than younger women.

By re-sequencing and improving the well being module to incorporate more reflection on the woman and her place in the family, their welfare, etc., we no longer have to start so starkly with living conditions and assets, etc. that feels more like an extractive BPL (Below Poverty Line) survey.

Lessons from Our IA Work

In terms of IA work, we have learned that it is possible to create a system that can be integrated into institutional structure and programme processes on an on-going basis that provides information for impact proving

The Contours of Pradan's Impact Assessment Plan

D Narendranath

Cross-sectional Quantitative Survey

A sample of 1,000 participants from 2 state field sites of Alwar and Godda has been selected for a traditional quantitative impact survey. The sample includes old members in old areas, new members in old areas, new members in new areas and non-members in new areas to control for area effects. The audience for the results of the quantitative survey includes external funding organisations and the policy and practitioner arena, as well as the Pradan board, managers and field teams.

The objective of the quantitative survey is external and internal proving that Pradan's development model is having a positive impact on participants. The aim is to obtain a good quantitative baseline for future use as well as to assess impact over last 12 years using comparison of old and new and non-members.

Our interaction with the consultant, Dr Naila Kabeer of Institute for Development Studies at Sussex, in designing, implementing and analysing the results of the questionnaire will help to build internal capacity for quantitative survey work in the future.

The questionnaire for the first draft has been completed. It needs revision, coding, field-testing, sample selection, survey training and implementation and analysis. The questionnaire however is too long and detailed on some issues. This is concern about analysis to be done and whether some key indicator is missing. It needs coding and technical help.

C-Gap Poverty Assessment Survey

We have selected a sample of 576 participants in 7 areas of one state that includes 144 SHG (self-help group) members and 432 non-members. The Audience for this plan include finding organisations, Pradan board, managers and field teams and the policy and practitioner arena. Our objective is to understand the poverty outreach of Pradan in the local context and its position in the Indian poverty context. Pradan has already adapted it. We have hired and trained surveyors and completed the survey in 4 locations. The problems we have faced include language problems and limited skill level of local surveyors to probe in-depth financial issues.

The Internal Learning System

We have conducted a field trial among a random sample of 750 participants and 36 SHGs in 7 state field sites. The audience for this part of the impact assessment plan includes women members of SHGs, Pradan field teams, managers and board and funding organisations that understand ILS Values and processes. We have multiple objectives for each level in ILS - members, SHGs, field teams, program managers, etc. We have created the ILS and field-tested it. We have then revised ILS workbooks for members, SHG and staff. Sixteen field staff have been trained and the trial has been launched in 7 sites out of which data has been collected from 4 field sites and 143 member cases. Although we conducted the field trial during the worst possible season (monsoon) there is acceptance and enthusiasm for it.

Our Objectives in ILS Adaptation

The aim is to create simple data collection,

(depending on the sophistication of the adaptation) and programme improving, while greatly enhancing participant learning, analysis and planning skills.

Pradan's adaptation of ILS is much more complex than previous versions of ILS because of our strong livelihood versus micro-finance activity focus. This style of adaptation is not suitable for streamlined micro-finance NGOs.

Our field personnel are highly trained agriculture, forestry and rural development professionals at the postgraduate level that is higher than the NGO field staff norm. They are therefore better skilled to facilitate the complexity of this particular ILS adaptation. Other NGOs may not be in a position to handle this level of ILS adaptation and would therefore need a more basic and simpler ILS version, which will limit the extent to which they can use the system for external proving. ILS cannot be implemented by already over-burdened with programme work field staff unless it simultaneously greatly lessens their work burden in organising and servicing SHGs.

We see ILS as becoming an intervention in itself empowering women to meet their practical needs, improve their livelihoods, strengthen their SHG and achieve strategic interests in the home and community. So it is worth the added time, effort and cost. Those NGOs focused more on micro-finance delivery than development should not undertake ILS even for the purpose of programme improving, as less costly and time consuming methods exist for impact assessment and product improvement information. To develop such as system requires careful adaptation, field-testing, field trials involving staff time and effort. It is an involved process

with significant initial start-up costs.

Issues of Wider Concern

The ILS workbooks do a good job in addressing many aspects of the theme of wider impacts in the wider Imp-Act programme. An ILS workbook for women focused entirely on narrow individual level economic and financial information would not sustain interest over time. Hence the ILS workbooks address wider social aspects of individual lives including, education, child labour, healthcare and practices, crises and coping strategies, gender relations, political participation, household decision-making, female control over loan and enterprise, female ownership, female mobility in the public sphere, etc.

The workbooks at the SHG level track the extent to which the SHG has improved its organisational functioning and sustainability over time. The group workbook tracks the impact of SHG group dynamics on improving area conditions and services through a detailed survey of area conditions and service provision satisfaction ratings. The results of these indicators can be processed into a 'grassroots state of the district report' and used in lobbying efforts with government officials.

The detailed area conditions will also help locate Pradan's programme efforts in the national poverty context for comparison with other NGO impact reports in the region through indicators such as distance to paved road, primary school, clinic, phone connection, market, etc.

We see ILS as becoming an intervention in itself empowering women to meet their practical needs, improve their livelihoods, strengthen their SHG and achieve strategic interests in the home and community.

analysis and planning formats that encourage members and groups to understand their changing life and livelihood situation; alter their own individual and group plans or behaviour; summon needed training inputs and demand services; negotiate with financial intermediaries and governments service providers and challenge inequitable structures and practices. ILS should inform Pradan and SHGs about how well groups are progressing in each realm. ILS should also provide quantitative impact data on members and SHGs in all teams, as well as qualitative assessments from ILS processes in ILS Retreat.

ILS Data: The Well Being Module

Goal: Guide participants to reflect on their current living standards and poverty condition.

Living Conditions: Shelter, water source, fuel source, and type of sanitation.

Household Assets: Ownership of key items that indicate wealth status such as electricity appliances, motor vehicles, etc.

Poverty Indicators: Indicating extreme distress such as months of food insecurity, bonded labour, migration, etc.

Education / Child Labour

Health Care and Practices: Disease prevention, reproductive health issues.

ILS Data: The Finances Module

Goal: Guide participants to reflect on how their well being is linked to the health of their current financial situation.

Income and Expenditure Tree: The patterns of normal household income (what sources? who earns?) and expenditure (what expenses? who pays?) by gender.

Crises and Coping Strategies: The incidents of crises that result in unusual expenditures and how the household copes with it.

Debt and Savings: The levels of current debt

by source (money lender, SHG, etc.) and the level of savings by type (cash in hand, in SHG, in jewellery, etc).

ILS Data: The Livelihoods Module

Goal: Help participants improve their living standards and plan their way out of debt and vulnerability by strengthening their livelihood base in yearly set of linked exercises over a multi-year period.

Assets: The total livelihood 'availabilities' or the stock of land (including cultivated land, forest and water resources), livestock and labour assets.

Inputs: Improvements or accompanying work inputs and conditions.

Utilisation: How the asset has been utilised over the year and any decisions regarding a change in the use strategy.

Production Problems: Any problems experienced with inputs, knowledge, labour, credit, bad practices, etc.

Livelihood Production Plan: In a synthesis section, women reflect on the total set of livelihood resources and options; competing use of resources and production inputs for their chosen mix.

Credit Investment Plan: A plan to show the SHG or the banker for the desired amount of credit, source of credit, repayment instalment and repayment terms linked to the specific activity chosen in the livelihood production plan.

ILS Data: The Empowerment Module

Goal: To motivate women to improve gender relations and decision-making in the home and mobility in the public on an equity and efficiency basis.

Gender Relations: Male alcoholism, domestic violence, second wife, pressure for sons, etc.

Political Participation: In local panchayat system.

Female Ownership: Of key material assets of land, house, business.

Household Decision-making: Who makes decisions in the home?

Mobility in the Public Sphere: Practice of purdah, mobility in public places outside of home and village.

ILS Data: Synthesis & Programme Roles

Goal: To highlight the role of the SHG programme, especially proper functioning of actors in improving livelihoods.

Loan History: How has she used her SHG loans?

Credit Discipline/ Stress: patterns of repayment.

Member Role: Satisfaction with her behaviour in SHG, attendance, punctuality, participation, knowledge, tasks.

SHG Role: Satisfaction with treatment by SHG.

Pradan Role: Satisfaction with Pradan services.

Satisfaction with Life and Livelihoods: Problem-sorting exercise on categories of indicators.

Setting Priorities: Which problems will she focus her energies on?

Balancing Programme & Participant Needs

For programme learning we need

- Panel data set on a sample of individuals from each field site using a one-on-one facilitated ILS workbook process to obtain data and understanding on individual reasons for impact performance.

- Panel data set on a census on new SHGs and sample of older SHGs in each field site on selected development indicators to track and understand lagging and excelling performance among groups and effects of group dynamics on livelihood change.

- Field staff track inputs against SHG performance and carry out a 'force field analysis' of unusual groups (semi-structured format used in focus group discussions in ILS retreat).

Participant Learning

All members and some SHGs keep an ILS workbook in a group-facilitated process. The members use analysis and planning formats to make changes in their life or livelihood situations (on the spot, in real time).

They are solving problems and making better choices in their life and livelihood situation and making better use of their loan opportunities. The members and SHGs have a tool for solving larger group and community problems. The SHG workbook focuses on improving group functioning and facilitating bank linkages

Field Test Results

The programme personnel feel that ILS gathers livelihood information systematically for large numbers of participants that previously took 3 full days. The enthusiasm is high, but integration of ILS into standard operating procedure is a must so there is no added burden. Fix the flops, add-ins and the new focus for elderly women and widows.

The participant women are able to understand and complete the formats. It immediately led to serious discussions in the group and new individual plans. The women were thrilled to use and be able to 'read' their workbook.

This is an intensive process. There remains thus a trade-off between professional time spent and outputs desired. This is the challenge we need to meet in the coming months.

Field Updates

Grainage Report

This year our Godda project is supporting 132 grainages in Godda, Dumka, Banka and West Singhbhum districts. These grainages have set a combined target of producing 4 lakh DFLs (disease-free layings) to cater to the needs of about 1,800 tasar silkworm rearers. Production of 4 lakh DFLs would require examination of at least 6 lakh samples accurately through microscopes. All the grainage owners have to maintain high levels of sanitation at every step of DFL production in order to avoid any secondary contamination. Moreover, they have to offer quality services like timely delivery and compensate for germination losses. Everything needs to be done with in the grainage cycle that lasts for 20 days. Thus, the targets set by the grainages are important, more so in the context that most of the grainage owners are tribals and first generation entrepreneurs.

Recently, the in-charge of the Apex Tasar Seed Supply Organisation of Central Silk Board visited our project area. Soumen Biswas accompanied him for 2 days to our remotest places of operation in Dumka and Godda districts. He tried to assess the accuracy of the microscopic examinations being carried out in the grainages. In 6 grainages he selected a total of 100 samples and asked the grainage owners to examine the samples and record their observations and then compared them with his own. It was found that in 99 cases, the grainage owners were able to observe accurately through the microscope.

Prawn Cultivation in Purulia

There is a high scope of increasing income by pisciculture in our Purulia project area. The climate is conducive to grow prawns that fetch high prices both locally and over-

seas. An acre of water body can provide a profit of one to one and half lakh Rupees. The Galda variety, which fetches prices above Rs 200 a kg, could be suitable in our area since it can be cultivated in sweet water.

We have started demonstrations in seepage tanks of Arjundih and Baghbindha villages, supported by Sir Ratan Tata Trust. We have sown 20,000 fingerlings in 0.94 acre of water area in August. The fingerlings have grown to an average size of 10 gm, which is a standard growth. We expect to harvest it from March to April, when the size will be 60-80 gm. The cost will be Rs 35-45,000 and we can expect gross returns of Rs 1,44,000 (20000 X 60% X 60 gm/piece X Rs 200 / 1 kg).

Tasar in West Singhbhum

This year we tried to spread our tasar activity in 2 clusters of Bichaburu and Rugursai villages in West Singhbhum. We selected potential farmers based on skills, manpower in the family, enterprising ability, knowledge and interest in tasar rearing. We selected 6 new farmers and worked with 16 families in seed crop rearing.

The total production of cocoon was 1.784 lakh out of 4,145 DFLs. The average number of cocoons per DFL was 43 and the range varied from 33 to 75 (setting a record). The average profit margin per family was around Rs 6,500 from seed crop rearing. We are also conducting Tri-Voltine rearing with 55 families with 9,309 DFLs. The expected production will be around 3.45 lakh (amounting to Rs 12.06 lakh) and the average profit margin will be around Rs 2,300 per family.

People, News and Events

- D Narendranath and Soumen Biswas attended the '10 years of SHG-Bank Linkage Programme' workshop organised by NABARD on November 25-26, 2002. It was funded by GTZ, IFAD and SDC. A number of papers were presented on the impact of the bank linkage programme and on the commercial and social aspects of the SHG (self-help group) programme.
- D Narendranath attended a 'National Workshop on Community Based Organisations', where the preliminary findings of the study conducted by Sa-Dhan on SHG federations was presented. Vinod Jain, Sanjeev Phansalkar and Ramesh Arunachalam presented the preliminary findings, indicating that while federations do seem to be emerging as robust community based institutions, the financial sustainability of such institutions seems difficult to achieve.
- Deep Joshi attended the 'Partner Consultation' organised by ICCO during November 25-30, 2002. The purpose of the consultation was to help ICCO finalise its plans for the next 3 years. There were participants from 60 NGOs from Latin America, Africa, Central Europe and Asia besides the directors and senior staff from ICCO.
- Congratulations to Sameer and Gitanjali Bhattacharya at Lohardaga on the new arrival.
- Maniruddin Faruki at Dumka married Razia Siddiqi on November 29, 2002. Archana, based at Kesla and Sameer Kumar, based at Siddhi, were married on December 8. Best wishes to both couples.
- Sangram Choudhury has joined as Executive (Finance, Accounts and Administration). He is our internal auditor based at New Delhi with effect from November 5, 2002.
- Dr Tushaar Shah was conferred the 2002 Outstanding Scientist of the Year Award by the Consultative Group of the International Agriculture Research on October 30, 2002 at Manila. The CGIAR is an alliance of 46 member countries, 16 international agricultural research centres and hundreds of partner organisations that together mobilise science for the benefit of poor people. The award was announced at the Group's annual meeting that took place in Manila last week. Dr Shah is a member of Pradan's governing board and leader of the International Water Management Institute (IWMI)-Tata Water Policy Program in India, a new initiative supported by the Sir Ratan Tata Trust to introduce research thinking into state and national policy processes.
- Twenty participants attended MBTI during November 11-15, 2002.
- One, 4 and 3 apprentices from 25th, 26th and 27th batches of apprenticeship respectively, dropped out from the programme.
- Sulakshana Nandi, based at Vidisha, has resigned from Pradan. She is planning to join Action Aid in Chhattisgarh.
- Eleven participants, who attended the EMT Phase II at Jasidih, got accredited as Trainers for the EMT programme.
- Fifteen participants attended the Gender Sensitisation and Tools Programme at Kesla. Barry Underwood, freelance consultant, facilitated the group.
- Forty one participants attended the SHG Roadmap meetings during November 12-15, 2002 in Ranchi and Jasidih.
- Visit Pradan's Tasar website at www.tasarbypradan.com



PRADAN (Professional Assistance for Development Action) is a voluntary organisation registered under the Societies' Registration Act in Delhi. We work in selected villages in 7 states through small teams based in the field. The focus of our work is to promote and strengthen livelihoods for the rural poor. It involves organising them, enhancing their capabilities, introducing ways to improve their incomes and linking them to banks, markets and other economic services. PRADAN comprises professionally trained people motivated to use their knowledge and skills to remove poverty by working directly with the poor. Engrossed in action, we often feel the need to reach out to each other in PRADAN as well as those in the wider development fraternity. NewsReach is one of the ways we seek to address this need. It is our forum for sharing thoughts and a platform to build solidarity and unity of purpose.



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