

PROJECT EVALUATION SUMMARY (PES) - PART I

Report Symbol U-447

1. PROJECT TITLE AGRICULTURAL COOPERATIVES			2. PROJECT NUMBER 522-0105		3. MISSION/AID/W OFFICE USAID/Honduras	
			4. EVALUATION NUMBER (Enter the number maintained by the reporting unit e.g., Country or AID/W Administrative Code, Fiscal Year, Serial No. beginning with No. 1 each FY) 522-78-4			
			<input type="checkbox"/> REGULAR EVALUATION <input checked="" type="checkbox"/> SPECIAL EVALUATION			
5. KEY PROJECT IMPLEMENTATION DATES			6. ESTIMATED PROJECT FUNDING		7. PERIOD COVERED BY EVALUATION	
A. First PRO-AG or Equivalent FY <u>75</u>	B. Final Obligation Expected FY <u>70</u>	C. Final Input Delivery FY <u>78</u>	A. Total	\$ <u>396,000</u>	From (month/yr.)	<u>November 1976</u>
			B. U.S.	\$ <u>288,000</u>	To (month/yr.)	<u>July 1978</u>
					Date of Evaluation Review	<u>8/09/78</u>

8. ACTION DECISIONS APPROVED BY MISSION OR AID/W OFFICE DIRECTOR

A. List decisions and/or unresolved issues; cite those items needing further study. (NOTE: Mission decisions which anticipate AID/W or regional office action should specify type of document, e.g., airgram, SPAR, PIO, which will present detailed request.)	B. NAME OF OFFICER RESPONSIBLE FOR ACTION	C. DATE ACTION TO BE COMPLETED
<p>The activities of the Campesino Enterprise Development Department, which were initiated through this project, will continue to be funded by the GOH and will play a supporting role for other GOH activities directed to the agrarian reform sector. The Mission should keep in mind ways to appropriately utilize this training resource in the formulation and implementation of future programs in the agriculture sector.</p> <p>This evaluation also serves as a Project Completion Report.</p>		

9. INVENTORY OF DOCUMENTS TO BE REVISED PER ABOVE DECISIONS

<input type="checkbox"/> Project Paper	<input type="checkbox"/> Implementation Plan e.g., CPI Network	<input type="checkbox"/> Other (Specify)
<input type="checkbox"/> Financial Plan	<input type="checkbox"/> PIO/T	_____
<input type="checkbox"/> Logical Framework	<input type="checkbox"/> PIO/C	<input type="checkbox"/> Other (Specify)
<input type="checkbox"/> Project Agreement	<input type="checkbox"/> PIO/P	_____

10. ALTERNATIVE DECISIONS ON FUTURE OF PROJECT

N/A

A. Continue Project Without Change

B. Change Project Design and/or Change Implementation Plan

C. Discontinue Project

11. PROJECT OFFICER AND HOST COUNTRY OR OTHER RANKING PARTICIPANTS AS APPROPRIATE (Names and Titles)

R. Thurston, Ag. Economist KGS

W. Janssen, Food & Agriculture Development Officer WJ by STB

B. Burnett, Capital Resources Development Officer BB

K. Schofield, Evaluation Officer KGS

J.L. Lovaas, Acting Assistant Director JL

12. Mission/AID/W Office Director Approval

Signature

Typed Name
J. B. Robinson

Date

13. SUMMARY

The Project is scheduled to be completed by 9/30/78. While most of the quantitative objectives have been met or surpassed, a refinement in the target group selection and course content has been instituted for the last months of Project activities in response to qualitative weaknesses detected during the evaluation period. Specifically, it was found that the participants were generally not secure enough in their knowledge of the practices taught in the courses to carry them out with no or very little technical backstopping and that the number of basic registers/books/control formats presented went beyond the current needs of most groups.

Therefore, the content of the management and bookkeeping courses has been simplified and for the present, the courses are only being given to participants from groups which are receiving continued bookkeeping and management assistance, namely the ANACH groups affiliated with its Regional Cooperative Program.

14. EVALUATION, METHODOLOGY

The evaluation served as a combined regular and end-of-project exercise since it took place near the end of the project but served to re-orient, improve and justify a three-month continuation of project activities. It corresponded with the design, scope, methodology and issues indicated in the PP.

The following activities were undertaken or observed in the evaluation:

- 1) Visits and interviews with a sample of group participants just prior to their attendance at a course.
- 2) Observation of the conduct and content of both management and bookkeeping courses.
- 3) On-site interviews with a sample of participants who had received the course, some before and others after the scheduled follow-up activities.
- 4) Observation of follow-up activities.
- 5) Discussions with DIFOCOOP project management and field personnel, ACIDI technical advisors, and ANACH Regional Cooperative accountants and leaders.
- 6) Review of the ACIDI advisors' monthly and final reports and of the individual course reports prepared by DIFOCOOP personnel.

The participant interviews were conducted using a standard set of questions developed especially for this purpose and the results were tabulated and analyzed. The primary purpose of the participant interviews was to detect any changes in the groups' management or administration which could be attributed to the courses and the reasons for adopting or not adopting the practices taught.

15. EVALUATION FINDINGS ABOUT EXTERNAL FACTORS

At the time of project conceptualization there were few, if any, organizations providing management and bookkeeping training or backstopping to agrarian reform groups on a regular programmed basis. Consequently, it was felt that the courses should include the range of topics required to put the groups on a sound enough footing or establish, when complemented by the follow-up activities, the rudiments of internal management and control. An overriding concern was that most groups would receive minimal continued support and should therefore acquire enough information and knowledge through the courses to cope with their immediate and medium term needs.

In fact, a number of complementary accounting and management training and support projects have been developed. While these are not particularly well coordinated, in many instances groups can and do utilize these services. Had these support activities been in place at the time the project was initiated, then the course content could have been reduced and simplified since the groups could continue to gain additional knowledge and skills from other sources.

16. EVALUATION FINDINGS ABOUT PURPOSE

Project Purpose: "To increase managerial skills and financial control in small farmer cooperatives and associations."

End-of-Project Status: "Three hundred small farmer cooperatives and associations will be employing trained managers and will have installed a standardized accounting system maintained by trained bookkeepers."

The major conclusions derived from the evaluation concerning the attainment of the Project Purpose and End-of-Project Status are as follows:

1. Over 750 campesino participants received training in management or bookkeeping and, according to in-course evaluations and post-course interviews, expressed fairly unanimous approval of both the course content and conduct as well as its relevancy to their needs. Virtually all participants interviewed felt that they had a much better understanding of the need and methods to improve the internal business management and control aspects of their cooperatives or associations.
2. However, based on field visits and interviews, no groups had yet put the full range of basic books and registers presented in the course into practice. In the interview sample (No.=17 groups) nearly half had not, or only slightly, implemented the bookkeeping practices (i.e., employed up to two of the basic control practices) and slightly over half were employing from four to eight of the nineteen registers and formats taught in the course. Of the former group most were already using the control devices prior to the course. The latter group did increase the complexity of their internal controls as a result of the course. Despite the relatively low level of adoption of new practices, almost all those interviewed felt that they were doing a better job now than before the course.

3. A much larger percentage had utilized the investment planning tools taught in the management course -- 35% had partially prepared investment plans, 53% indicated that they had gone through the exercise completely for one or more crops and only 12% had not attempted to prepare an investment plan. In many cases the campesino groups had received some assistance in this exercise, either from INA, ANACH or BNF personnel. Still they felt that they understood and were able to participate more fully in this activity.

Among the principal reasons detected for the reduced impact of the courses are the following:

a. The large number of controls and registers introduced during the five-day bookkeeping course.

b. The low levels of literacy and math capability of the majority of the participants.

c. The low level of steady business activity and cash flow characterizing many of the groups. (Thus a low perception of the need to spend time and effort in keeping books up to date.)

d. The availability, at least in the case of many ANACH groups interviewed, of ANACH or INA accountants/bookkeepers who perform many of the bookkeeping functions for the groups.

e. In many other cases, a complete lack of follow-up and regular bookkeeping extension support from any source.

f. Changes in group management personnel with new untrained persons taking the place of those who attended the course.

g. The high level of dependency on credit for group economic activity coupled with the almost complete lack of internal capitalization including member contributions, results in groups perceiving the need for bookkeeping only in relation to credit monies and to the higher degree of adoption of the investment planning tools which are perceived primarily as a means for obtaining credit.

In view of the above-mentioned obstacles, the original project design appears not to have been realistic in terms of accomplishing the stated EOP results. Still, the project at a minimum, has been successful in developing a deeper awareness among the participants for the need for more assistance in this field and positive attitude toward future training opportunities of this type. Virtually all of the participants interviewed felt that the course had been useful and many expressed an interest in attending any follow-up courses in bookkeeping or management which would help them to consolidate and further their knowledge in these areas. This sentiment seemed to be held by all of the group members encountered, partly as a result of the instructions each participant received during the course to share what he had learned upon returning. (81% of those interviewed said that they had presented the information obtained in the course to their groups during formal meetings held for that purpose.)

In recognition of the group's need for more intensive and continuous support in bookkeeping and management, all courses scheduled for the last months of the project are being coordinated closely with the ANACH Regional Cooperative Program which provides for full-time bookkeeping and accounting technical support. In this way the content of the courses can be simplified but with some assurance that the basic control functions will be provided and gradually strengthened as the group enterprises demand it.

17. EVALUATION FINDINGS ABOUT OUTPUTS AND INPUTS

1. Outputs

a) A fairly complete basic bookkeeping system and an in-country capability to provide training courses and perform course-related follow-up has been established. Modifications in the course content to make it more responsive to campesino reading and math levels and to current group requirements has been undertaken.

b) A total of 374 campesino treasurers and bookkeepers have attended this course. Some 56 field-level extension personnel from DIFOCOOP and other supporting institutions (INA, MNR, JNBS, COHDEFOR) have also received the bookkeeping course.

c) A training course in cooperative management has been organized and given to 365 campesinos and to 50 DIFOCOOP and other public institution field personnel.

d) Aside from the DIFOCOOP field workers mentioned above, approximately 30 other DIFOCOOP employees have been instructed in management principles, accounting systems and in the presentation of course materials.

e) Fourteen DIFOCOOP, four INA and one ANACH personnel received five weeks of intensive work-in experience in regional agricultural cooperative management and administration in Guatemala.

f) Formal orientation and training seminars have been given to 88 personnel from supporting institutions and 97 ANACH management and field staff members.

2. Inputs

The planned inputs were provided. Initially, due to budgetary, staffing and administrative obstacles, DIFOCOOP was slow in providing all of the required facilities, counterpart personnel and secretarial/office support items. However, these problems were overcome without adversely affecting the over-all progress of the project activities. In part, this was due to the diligence of the ACDI contractors and, ultimately, to an increasingly supportive attitude toward the Project by DIFOCOOP management.

18. EVALUATION FINDINGS ABOUT UNPLANNED EFFECTS

As a result of this Project the working relationships between DIFOCOOP and the two most important farmer organizations in Honduras, ANACH and UNC, have improved dramatically. DIFOCOOP and ANACH are jointly supporting the development of a large regional cooperative at Jamastrán with others also being considered. UNC has, for the first time, approached DIFOCOOP to obtain bookkeeping and management training courses for UNC affiliates. DIFOCOOP's image and relationship has also improved with INA.

In general, the Project has enhanced DIFOCOOP's image as an action-oriented technical assistance providing institution. The morale and sense of mission of the DIFOCOOP training team is probably unique within that organization.

DIFOCOOP, assuming that it maintains its small farmer organization training program intact, constitutes, at this time, a reasonable and increasingly acceptable, GOH institutional vehicle for reaching the important small farmer organizations in Honduras.

19. CHANGES IN DESIGN OR EXECUTION

See 13., 16., 17. above.

20. LESSONS LEARNED

The design and execution of management and bookkeeping training projects for organized small farmer groups should be undertaken only after a precise definition of the educational background and level of business operations has taken place. Training of this nature should be scheduled as a repetitive exercise and the introduction of new or more sophisticated material fed in gradually as the preparation of the participants and their needs increase. The provision of continued regular follow-up and backstopping which reinforces and solidifies the tasks taught is necessary. Wherever possible, the establishment of professional regional support services in accounting, enterprise planning and credit management is highly desirable to speed the process up.