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TECHNOSERVE, INC.
PARTNERSHIP GRANT PDC-0280-A-00-6205-00
ANNUAL PROGRESS REPORT
JULY 1989 -- JUNE 1990

TechnoServe

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Prepared for
The Office of Private and Voluntary Cooperation
Bureau of Food for Peace and Voluntary Assistance
Agency for International Development
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FOREWORD

TechnoServe is pleased to present this progress report to the Agency for International Development in compliance with reporting requirements of Partnership Grant PDC-0290-A-00-6205-00. This is the fourth, and penultimate, report due under the grant, and covers events and developments which occurred in the period July 1, 1989 through June 30, 1990. This document covers activities in Primary Country programs, now expanded to six countries, and summarizes significant project activity, consolidation of trends, and progress toward the specific targets in such areas as: sector focus, critical mass, and their respective implications in policy areas. Buy-in activities, and new country start-ups, feature prominently throughout the year as does TechnoServe's Replication and Policy Analysis Department (R&PA) with its ever-growing capabilities for research and comparative analysis. In presenting this report, TechnoServe wishes to renew its often stated expressions of gratitude for the Partnership Grant and to the executives and staff of the Bureau of Food for Peace and Voluntary Foreign Assistance who have done so much to make the "partnership" concept work.

I. EXECUTIVE SUMMARY

Throughout its twenty-two years of service, TechnoServe has benefitted from the collaboration and assistance of many groups and institutions. Most prominent among these is the Agency for International Development which has been a major partner, providing support for TechnoServe's institutional and programmatic growth since 1974. This partnership has taken several forms, including country and project specific cooperative agreements, operational program grants, special consultancies, and the centrally-funded Development Program and Matching Grants administered by AID/FVA/PVC, a series which has culminated in the Five-Year Partnership Grant now in progress.

TechnoServe specializes in promoting community-based, rural, enterprises--traditionally in Africa and Latin America--utilizing an integrated approach which concentrates on several key elements: location (rural), ownership/control (community-based), scale (small to medium), and sector (commodity, or commodity type such as dairy, food grains, vegetables, edible oils, etc.).

Partnership Grant PDC-0280-A-006205-00 has made it possible for TechnoServe to improve and strengthen this integrated enterprise development system and to achieve greater impact in primary countries of operation. This impact is measurable in terms of numbers of rural enterprises assisted, direct and indirect beneficiaries, improvement in crop yields, processing and marketing, increased rural employment and better understanding at national policy levels of the problems and potential of small-scale agriculture. Although Year-Four of the Partnership Grant was rife with widening political and economic disruptions in nearly all program countries, TechnoServe's programs continued to improve in terms of service outreach and measurable impact. Its commodity sector focus continued to prove itself, with outstanding results in such countries as El Salvador, Peru, Kenya, and Ghana.

TechnoServe was no stranger to tragedy during this period. The deaths of Controller Adrian "Shep" Wheeler in October 1989, was followed by the sudden death of TechnoServe's Vice President for Africa, Tom Giddings, in January 1990. Both were young men, who had dedicated their careers to overcoming Third World poverty and whose contributions to the development of TechnoServe programs was immeasurable. Their loss sent shock waves through the TechnoServe organization, and beyond.

Despite such unexpected setbacks, Year-Four was highly productive. The numbers of major agricultural enterprises receiving long-term

assistance (a primary growth indicator) totalled 121, an increase of 20 percent over the previous year. This continuing shift to longer-term project agreements is a positive sign, an indication that country programs are more securely in place as national development resources. This shift will be noted in grant outputs (See 4.2.1.) for Year-Four, specifically in the contrast--that is, the decrease--in numbers of project investigations between Years Three and Four.

The number of development institutions assisted rose to 33, reflecting Technoserve's concern for replication, and the growth of local recognition and demand for services on the part of national development institutions.

Partnership Grant buy-ins in Kenya and Zaire, now in their second year, made substantial contributions to program continuity and to sectoral impact. While new programs were firmly established in Nigeria, Tanzania, and Guatemala, program replication assistance continued in Mexico and in Belize.

In terms of financial growth, TechnoServe is projecting a private income growth rate of 25 percent in 1990 over the same private category in 1989. Program expenses for the same two years (i.e., calendar years) were steady at the $6.5 million level.

Concerning the Partnership Grant funding, by June 1989, TechnoServe had received a total Core Grant funds of $4,527,000, which completed the total (PVC) obligation. Buy-in obligations from the missions in Kenya and Zaire totalled $516,253 bringing the total of obligated funds to $5,043,253. During Year-Four (July 1989 through June 1990), TechnoServe expended $892,677 in core grant funds and $176,496 in buy-in funds.

With respect to cumulative totals, TechnoServe continues to stay ahead of its matching obligation, with a four year, core grant, matching contribution of $5,091,548 already on the books, against a cumulative Partnership expenditure (core grant) draw-down of $4,052,854.

Of the $516,253 in obligated buy-in funds, a total of $438,500 was expended in Years-Three and Four when the buy-ins were in effect. TechnoServe has provided buy-in matching funds--on the three-to-one basis--or a total of $145,228.

In summary, during Year-Four most program developments were good, and the long-range goal of achieving wider impact--through innovative partnerships, wholesaling of services and organizational decentralization--seems to be within our grasp. With the unprecedented series of difficulties--political and economic--which surrounded our programs during the past year, TechnoServe is cautiously optimistic for continued progress in the fifth, and final year, of the Partnership Grant.

II. KEY ACHIEVEMENTS OF YEAR-FOUR

- TechnoServe's "sector focus" as exemplified by oil palm and food grains enterprises in Ghana, coffee and non-traditional vegetables production in El Salvador, milk processing micro-enterprises in Kenya, matured to the stage of critical mass, drawing international attention as models for replication by host country development institutions, World Bank, and host country governments.

- New country initiatives were consolidated in Tanzania, Nigeria, and Guatemala. All three new programs are being developed through "innovative partnerships" with indigenous private and public sector development agencies.

- Assistance to TechnoServe Mexican affiliate, SOLIDARIDAD, was completed during the year; while assistance to the Belizean agency, BEST, our first effort in institutional "replication" was continued via the short-term, monitoring, mode.

- In Costa Rica, ACAIPADE (Costa Rican Association for Integral Development Assistance) was established in 1989 to carry on TechnoServe's work. Another replication model, ACAIPADE, will take over from TechnoServe fully in 1991.

- Mission buy-ins in Kenya and Zaire provided strategic support to the development of sector activities in both country programs. Subsequently, Zaire was admitted to the list of Primary Countries under the terms of the Partnership Grant.

- TechnoServe's "New Directions" Strategy under study, since 1988, received the full approval of TechnoServe's Board of Directors in May 1990. Innovative modes of field activity, and new internal support mechanisms and structures to be employed in this five-year program, will result in wider provision of services to community-based rural enterprises around the world.

- During the year, TechnoServe turned its attention, and brought its enterprise development services, to other parts of the world where market economies are resurgent, namely, the Mideast (Jordan) and Eastern Europe (Poland).

- In Peru, TechnoServe and the W.K. Kellogg Foundation embarked on a new three-year partnership to secure integrated community development through medium and small enterprise development. Working with special cooperative subcommittees, TechnoServe is providing guidance and special training to committee members to enable them to plan for, and establish, linkages to social service agencies and to secure the social and medical services so necessary to sustain improved quality of village life.

- TechnoServe's Department of Replication and Policy Analysis continued to earn recognition for TechnoServe. Its major paper on cost-effectiveness issued in Summer of 1989 ("Measuring Our Impact: Determining Cost-Effectiveness of Non-Governmental Organization Development Project") continued to attract national attention throughout the year. As a result of the widening interest in this subject, TechnoServe will be joined by Independent Sector in co-sponsoring a workshop/ seminar on cost-effectiveness in the non-profit sector. Currently planned for Summer 1991, the seminar will be hosted by Stanford University.

- A significant achievement for R&PA (and TechnoServe) was the awarding of Biden-Pell Development Education Grant to TechnoServe's R&PA Department. A three year "matching" grant of $190,000 will support work of the R&PA Department as it develops, writes and publishes a series of 16 teaching cases for use at college and university (undergraduate and graduate level) courses. Thirty-four colleges and universities in the U.S. have written to indicate their interest in and need for such teaching cases.

III. THE PARTNERSHIP GRANT STRATEGY

3.1.0. OBJECTIVES

One of several agencies chosen by AID/FVA/PVC to pioneer the Partnership Grant mechanism, TechnoServe commenced its special partnership with PVC in July 1986, in a five-year effort to achieve critical mass, or major impact levels, of enterprise development activity in Africa and Latin America. The four special (or synergistic) program elements are an expression of this effort are:

- Agricultural Production, Processing, Marketing and Policy Reform;
- Agriculturally Related Institutional Development;
- Expansion into New Countries; and
- Replication and Policy Analysis, Evaluation and Training.

3.1.1. AGRICULTURAL PRODUCTION, PROCESSING, MARKETING AND POLICY REFORM

In its effort to increase small-scale farm productivity, and assure food security, TechnoServe is addressing a wide-range of agricultural products, including livestock and dairy products, food crops, cash and non-traditional export crops. In this context, the commodity sector focus combined with processing and marketing activities has continued to develop and mature, as in Ghana where the emphasis is on edible oils and basic grains; El Salvador, where the focus is on coffee, livestock (dairy) and non-traditional vegetables; Kenya and Tanzania, with their cultured milk processing focus; and Peru, where fruits and non-traditional vegetables, combined with irrigation and land reclamation, are providing highly visible pilot models in the coastal valleys.

Appropriate land and water use and development are emphasized in all countries, as are land entitlement and distribution in Peru, El Salvador and Panama. Environmental problems are being addressed as a matter of course, as well as priority, within the larger context of developing sustainable agricultural enterprises. At the direction of TechnoServe Headquarters, environmental inventories have been undertaken by each country program.

3.1.2. AGRICULTURALLY RELATED INSTITUTIONAL DEVELOPMENT

Working relationships with agriculturally related development institutions, of both public and private sectors, continued in effect in Panama, Peru, El Salvador, Ghana, Kenya, Rwanda, and Sudan, where TechnoServe provided major training in credit

management and agricultural extension services to major government agencies. As a deliberate strategic choice, working partnerships are being developed with counterpart organizations as a major vehicle for replication of programs and for the transfer of TechnoServe's technical assistance methodology and enterprise models. This is the model TechnoServe is favoring for the development of new country programs--Guatemala, Tanzania and Nigeria--where such innovative partnerships have been, or are being, forged and in Costa Rica, where TechnoServe has been working to transfer its enterprise development methodology to ACAIPADE. A total of 33 major institutions received assistance during Year-Four of the Partnership Grant.

3.1.3. NEW COUNTRY PROGRAMS

At the outset of the Partnership Grant, TechnoServe projected initiating a total of three to four New Country programs. As Year-Four commenced, this goal had been realized in two new countries, Guatemala and Tanzania, with replication activities in Mexico coming under the category of the "affiliate" model. During Year-Four, initiatives progressed in both Guatemala and Tanzania, while "New Country" investigations in Nigeria brought that country into a strong position as the third "new country" program. Exploratory visits are scheduled in Latin America and Africa for Year-Five, although a decision to undertake a fourth new country initiative is likely to be held in abeyance throughout the final grant year for largely budgetary reasons.

3.1.4. REPLICATION AND POLICY ANALYSIS--EVALUATION AND TRAINING

Established by mandate of TechnoServe's Board of Directors in 1984, the Department of Replication and Policy Analysis (originally Department of Replication and Dissemination) received a mandate to conduct development research; investigate, document and evaluate the impact of individual enterprises; publish and disseminate development studies and development lessons learned to appropriate audiences. During Year-Four, under its new director, Peter A. Reiling, R&PA strengthened TechnoServe linkages to academic circles in the U.S., and abroad, notably at Columbia University's School of International and Public Affairs; and with Notre Dame University. Major publications included Spanish editions of earlier FINDINGS papers; the cost-effectiveness study; and papers on TechnoServe's sectoral approach.

During the year, internal training seminars were largely concerned with installation of a computer-based management information system. MIS training sessions were conducted on an ongoing basis throughout the year, at headquarters and in the field, under the guidance of TechnoServe's MIS Director, Alberto Espinosa.

Institutional evaluation activities focused on evaluation of the first "affiliate" model, BEST in Belize.

IV. PARTNERSHIP GRANT MONITORING

4.1.0. TechnoServe's project information system provides data for the organization to track performance against goals set forth in the Logical Framework. (See Appendix)

As indicated in the foregoing section, this information system is being transferred to a computer-driven Management Information System. Indicators for Year-Four of the grant (July 1989 to June 1990) are summarized in the following table.

4.1.1. . DEFINITION OF PROJECT OUTPUTS/RESULTS

4.1.1.1. MAJOR ENTERPRISES/PROJECTS ASSISTED

These are the number of major enterprises receiving long-term assistance throughout the report period. Major enterprises are expected to exert measurable impact on the enterprise/community as a result of assistance received. All major enterprises have signed agreements which are on file with TechnoServe and progress is tracked by quarterly operating reports prepared in the field. The concept of "major" enterprises is one which has evolved over a period of years within TechnoServe. As now defined, major enterprises are those which have a minimum of 25 active members, and a total membership of no less than 40 persons. Such enterprises have annual gross incomes of more than $25,000 and more than $25,000 in total assets. In certain African countries, this limit is fixed at $10,000.

4.1.1.2. MAJOR INSTITUTIONS ASSISTED

These are the number of major institutions assisted in country programs during the year. Included in this category are local PVOs, community organizations, host country government agencies, para-statal organizations, development banks, and local branches of international agencies, including PVOs and multi-lateral agencies.

4.1.1.3. TOTAL PROJECTS ASSISTED

This figure represents the number of projects (enterprises and institutions) assisted during the report period. Short-term consultancies (those of one year duration or less) are included in this category. Assistance to long-term projects are covered by formal agreement. Short-term assistance consultancies are documented by a letter of understanding.

4.1.1.4. PROJECT REQUESTS INVESTIGATED

This relates to the number of requests which TechnoServe investigates or pre-screens during the report period. Requests are documented in field office records.

4.1.1.5. PROJECT ANALYSES

This item records the number of economic, institutional, or social analyses completed during the report period, on file in field offices.

4.1.1.6. PROJECT PLANS

This category reflects the number of economic, or institutional management plans prepared during the report period to guide the implementation and operation of assistance packages. Plans are on file in field offices and at Norwalk Headquarters.

4.1.1.7. PROJECT AGREEMENTS

This category reports the number of formal long-term agreements signed with enterprises and institutions which are in effect during the grant period.

4.1.2.0. DEFINITION OF OUTPUTS/RESULTS FOR OTHER ACTIVITIES

These outputs relate to New Country initiatives, R&PA activities and outputs, staff training seminars, evaluation seminars and studies, staff development, and financial growth.

4.2.0. ACHIEVEMENT INDICATORS

4.2.1. PROJECT OUTPUTS

	Actual Year-Three	Goal Year-Four	Actual Year-Four
Project Investigations	162	-	87
Project Analyses	71	-	58
Project Plans	64	-	54
Project Agreements	93	-	99
Total Projects Assisted	189	125-150	245
Major Enterprises Assisted	97	85-90	121
Major Institutions Assisted	29	15	33

4.2.2. OTHER ACTIVITIES

	Actual Year-Three	Goal Year-Four	Actual Year-Four
New Country Programs			
. Investigations	3	-	2
. Start-ups	2	1	1
Eval/Staff Training	24	-	32
Evaluation Studies	14	-	11
Seminars/Speeches	8	-	59
Publications & Studies	15	-	9
Replication of Programs	1	-	0
External Evaluations	0	-	0

4.2.3. STAFFING

	Actual Year-Three	Goal Year-Four	Actual Year-Four
Salaried Officers	5	5	5
Country Program Directors	10	11	11
Project Officers & Advisors	94	-	89
Replication/Policy Analysis	4		3
Admin/Program Support	71	-	73
Interns	5	-	8
Total Staff	189	225	189

V. REVIEW AND ANALYSIS OF PROGRAM RESULTS BY REGION & COUNTRY

5.1.0. AFRICA DIVISION

Although the sudden death in January 1990, of Tom Giddings, TechnoServe's Vice President for Africa, was a particular shock for divisional and country program staffs, good progress is nonetheless reportable in almost every instance and country. This is particularly true in regard to "commodity sector" activities. TechnoServe defines a "sector" as a specific commodity or product area in which an enterprise is involved, and it has pioneered this concept and methodology in its rural development work in Africa.

During the report period, July 1989 through June 1990, TechnoServe programs in Ghana, Kenya, and Tanzania, made significant progress in their chosen sector areas, boosting agricultural production and processing of basic grains, edible oils and milk products, and achieving the critical mass/policy level goals sought by TechnoServe through this development strategy. While not a beneficiary program under the Partnership Grant, TechnoServe/Rwanda also made notable progress in promoting the "sector" focus in that country through a successful pilot demonstration of sunflower oil production.

In the same report period, new country programs were been officially opened in Tanzania and Nigeria. In both countries, program strategies are being developed on two-levels: 1) institutional (or through transferring enterprise capabilities to a TechnoServe "counterpart"); and 2) at the community level with direct services to community-based enterprises. With respect to institution-building, it is important to note that both programs are unfolding in partnership with women's organizations, and with a special focus on enterprises owned and operated by women.

The Kenya "mala milk" enterprise was successfully tested in Tanzania during the year. Replication of the Ghana edible oil model is scheduled for a later phase of the Tanzanian program.

In May 1990, Ron L. Gillespie, who had directed TechnoServe/Sudan program since 1986, was named to succeed Tom Giddings as Vice President/Africa Division.

During the period July 1989 through June 1990, TechnoServe/Africa country programs provided assistance to 60 major enterprises and 13 institutions. In all, a total of 95 projects were assisted in a mix of short-term and long-term service programs.

5.1.1.0. PRIMARY COUNTRIES

5.1.1.1. GHANA

With the continuing, strong support provided by the Partnership Grant, TechnoServe/Ghana sustained its drive toward critical mass levels of activity in "commodity sectors" of edible (palm) oils and basic grains. Staff level increased to 23, an increase of four over the previous report period (Year-Three). The annual budget level for the same period was $344,476; of this amount, $147,694 was drawn from the Partnership Grant.

TechnoServe began its palm oil sector program in Ghana in 1986 with financial support from the Partnership Grant, and start-up and matching funds from private donors such as PACT (Private Agencies Collaborating Together), IBM, the Pew Charitable Trusts, and the United Methodist Committee on Relief. After studying 30 possible project sites, TechnoServe/Ghana selected the village of Ntinanko in Bekwai District in Ashanti Region to be the pilot model. After three years of careful, hands-on assistance (a TechnoServe advisor lived at the project site), the Ntinanko processing enterprise was successfully handed over to its 34 members in October 1989. TechnoServe continues to assist through a phased-down, monitoring assistance mode to ensure a uninterrupted progress toward capacity utilization and output. The project, however, has been effective as a catalyst and pilot model. Project records for FY1990 show operations at the 53 percent level according to plan, with an estimated net profit of 841,000 cedis. TechnoServe estimates that the Ntinanko plant will stabilize at 65 percent of capacity by 1992.

In October 1988, long-term assistance commenced at another palm oil processing site at the Western Region village of Prestea, where a group of 85 oil palm farmers were eager to set up a community-based oil palm processing plant, one which would employ machinery slightly more sophisticated than that in use at Ntinanko. By mid-1990, the Prestea model was well on its own way to self-sufficiency, having established, not one, but two processing facilities (the second processing facility at Bogoso) with operations beginning there in late July 1990.

With four palm oil processing enterprises in progress, TechnoServe/Ghana is now in a phase of aggressive replication of the oil palm model, a phase which will include collaborative work with UNDP/ILO and support from the EEC/Micro-Project Program and the World Bank. Perhaps the most exciting development in this sector program has been the recognition extended the Ntinanko model by the Ghanaian Ministry of Agriculture, the FAO and the World Bank. As a result of the study prepared by TechnoServe (see Partnership Grant Report, Year-Three), the World Bank and the Government of Ghana invited TechnoServe to participate in their deliberations concerning promotion of independent, farmer-owned

processing enterprises. In July 1990, these meetings culminated in the joint GoG/World Bank decision to proceed with the establishment of 60 small-scale, privately-owned palm oil processing facilities. In addition to being a partner in this policy-dialogue, TechnoServe has been selected by the Bank to launch the replication effort.

On a parallel course with the palm oil processing sector focus, TechnoServe/Ghana has been working in partnership with Global 2000 promoting basic grains production in Eastern and Central Regions of Ghana. With TechnoServe providing cooperative organization, credit and marketing services, and Global 2000 providing the agricultural inputs and training, the program has been expanded from its two pilot cooperatives to include thirteen farmers' cooperatives situated in Volta (one), Eastern Region (four), and Central Region (eight). Bank timing in making input loans available has been a major impediment to farmer management of input credits. In recent months, TechnoServe efforts have, of necessity, been focused on ensuring repayment of 1989/90 inventory loan provided the cooperatives by the Agricultural Development Bank and on sustaining the good performance of the thirteen coops, rather than on expanding the program as such. Progress is also being made toward the aggregation of these co-ops into cooperatives unions.

A newer program component is a World Bank Rural Finance Pilot Project which TechnoServe will inaugurate in Upper Western Region in conjunction with the Department of Cooperatives. These negotiations, which were carried on through the report period, culminated a World Bank contract. As a result, TechnoServe will commence the training program of three farmer cooperatives and prepare them to undertake the ownership and management of three farmer service centers. Approximately 1,000 farmers will be involved in this project. In the event that bureaucratic processes persist beyond this date, TechnoServe will commence the program with marketing assistance, rather than agronomic assistance during the 1990 planting season.

In March 1990, the TechnoServe/Ghana Charitable Trust was officially registered as a Ghanaian charitable organization. The establishment of this Trust marks the first step toward the evolution of TechnoServe/Ghana into an autonomous organization. In the shorter term, the Trust will provide improved access to local commercial finance for project investment and enable TechnoServe to participate in projects more fully as an equity partner.

5.1.1.2. KENYA

Designated a "primary" country in April 1988, the Kenya program enjoyed substantial Partnership Grant benefits in Year-Four. With a staff of 11 persons, the budget for the period totalled $498,275; of which $14,604 came from the "core" portion of the grant, and $120,167 from the buy-in to the grant.

TechnoServe/Kenya programs are based on four major activity areas:

1) Community-Based Water Utilities;

2) Cultured Milk Processing;

3) Strengthening Local Non-Governmental Organizations and Development Agencies; and

4) Strengthening Agricultural Cooperative Management.

TechnoServe's involvement with cultured milk enterprises is primarily one of technical assistance to associations of small-holder dairy farmers in several parts of Kenya. The problem addressed in this "sector" activity is that small-scale dairy farmers, who individually lack adequate transportation and/or storage facilities, have been unable to preserve, and therefore, market, their surplus evening milk, earning less than their full potential income from their dairy operations. TechnoServe's solution has been to promote the concept of producing mala, short for "maziwa lala" or fermented milk, a product achieved through a simple process of heating and cooling milk, and then adding a basic culture. Fermented or "mala" milk, which has a shelf life of up to ten day, is popular with Kenyans, whose diet is largely based on milk and milk products. The production of mala milk can enable small dairy farmers to sell milk which had formerly been wasted.

TechnoServe began to promote mala milk enterprises as a specific "sector" activity in 1987, intending over a five-year period (1987-1992) to establish and assist six mala milk processing plants and one transport company. When the USAID Mission "bought-in" to the project as a USAID/Kenya/PVO Co-Financing activity, TechnoServe's project was providing assistance to two mala milk enterprises. Over the two-year buy-in period (October 1988 through September 1990), a total of four mala milk enterprise had received technical assistance, and--in some cases--financial inputs from TechnoServe's Charitable Investment Trust. The trust model--replicated in Ghana during 1990--enables TechnoServe to provide needed capital and loan guarantees to client projects, and thus become a working partner of enterprise participants. In addition to private source contributions, the Trust has received funds form the Ecumenical Cooperative Development Fund.

TechnoServe/Kenya also revised its buy-in project documentation to provide more realistic outputs for the buy-in period, now projected at four functioning mala milk projects by September 1990. A joint USAID/TechnoServe evaluation has been scheduled to commence immediately upon completion of the buy-in period. Two key issues to be addressed in this evaluation are:

1) Progress Toward the Stated Objectives, and How to Improve the Enterprise Model; and

2) Should USAID Continue Funding Mala Milk as a Regional Model.

Community-operated water systems comprise another "sector" focus of the TechnoServe/Kenya program. Work with the fifteen-village Ngorika Water Society--a project begun in 1986 and now in the advanced stage of development--recorded 380 new household connections during the report period, on target with the 1990 goal of 400 household connections. TechnoServe has been assisting the project since 1986. During the current year, with a trained office staff fully in control of the day-to-day operations, TechnoServe removed its resident advisor and commenced the monitoring phase of the project. Assistance will continue on this basis throughout 1991. The project, praised by the Government of Kenya in 1989 as a model for self-sustaining community projects, is providing a model for other communities. As a result, TechnoServe/Kenya has commenced project designs for four new community water project sites with support from international development organizations, such as DANIDA, likely by 1991. TechnoServe/Kenya and Kenya Water for Health Organization (KWAHO) commenced discussions in July 1990 in regard to a special training program to transfer to that organization TechnoServe's "community-based water utility" methodology.

A third program component in Kenya focuses on vegetable production. The Taita Farmers' Cooperative Society is a cooperative with a membership of 360 farmers in the Mombasa region. The Kreditanstalt fuer Wiederaufbau (Federal Republic of Germany) is providing technical assistance funding for this project.

TechnoServe/Kenya continues to represent Heifer Project International in Kenya, providing ongoing assistance to rural groups on livestock purchasing, care and management.

5.1.1.3. ZAIRE

In October 1988, the TechnoServe/Zaire program was awarded a USAID mission buy-in to the Partnership Grant. The grant of $280,000 (effective for the period of one year, i.e., to September 1989) was made in support of TechnoServe's agricultural enterprise assistance activities in Bas-Zaire, Kinshasa and Kwilu (Bandundu) regions. Consistent with the goals of the buy-in, services were provided to

community-based enterprises through both short-term and long-term modes. Several major enterprises and major institutions were combined with short-term service packages over the last report period (Year-Four), in effect bringing direct benefits to 200,000 of Zaire's rural poor.

Despite good progress in all project areas, the unexpected withdrawal in 1989 of two major PVO partners who had previously committed to the program brought unusual pressure to bear on TechnoServe/Zaire. TechnoServe again appealed to both USAID/Kinshasa and PVC, and their resulted in Primary Country status for the program. Under the terms of the Partnership agreement, this meant core grant funds could be allocated program support in Zaire, once buy-in funds were exhausted, and provide additional funds necessary to maintenance of program activities. Thus during Year-Four (July 1989 through June 1990) a total of $126,329 in AID funds were expended in support of the Zaire program: $70,000 from the balance of buy-in funds, and $56,329 from the Core Grant funds. A total of $422,782 in private grants and contributions provided the balance of the Year-Four budget.

TechnoServe's program activities in Zaire have been focused specifically on the removal of production and marketing constraints affecting a variety of food crops produced by community groups and cooperatives. Vegetables and fruits, groundnuts, basic grains and fishing are the main production activities of the rural enterprises which TechnoServe has assisted during the past year. Among the eight major projects which received TechnoServe assistance during the period were:

- Developpement pour le Progres Populaire (DPP), a multi-functional, agricultural, Catholic diocesan organization in Bandundu Province.

- The PNPF National Fish Pond Project (assisted by the Peace Corps as well).

- The Bas Zaire Marketing Union Trucking Project, organized by TechnoServe in 1988 to assure effective crop marketing by small-scale Bas Zaire Cooperatives.

- The SANRU Health Project, an AID-supported rural health zone project.

- The Centre Agricole Lusekele, a Baptist sponsored agricultural production and marketing organization in Bandundu.

As indicated in previous Partnership Grant reports, the financial constraints plaguing the Zaire program resulted in the cutting-back of the BASIZ, or short-term service program. In Year-Four, reduced private funding, coupled with the high cost of operations in Zaire, forced additional cutting-back, reflected in the withdrawal of

expatriate staff, and cutting-back on the size of the professional staff in Zaire, now down to five persons. Since future Zaire operations will depend entirely on private source support, TechnoServe faces a major decisions with respect to continuing a program presence in Zaire. Given the high program costs, and the limits to private source income growth, termination of program in 1991 is unfortunately under active Board consideration.

5.1.2.0. NEW COUNTRY INITIATIVES

5.1.2.1. TANZANIA

TechnoServe's priority in Tanzania is to develop a full program of assistance to rural agricultural community-based enterprises. This will be accomplished through the medium of the "innovative partnership" approach, coupled with a commodity sector strategy focused on milk processing and basic grains production.

Throughout the year (July 1989 through June 1990), TechnoServe has worked in partnership with the Presidential National Trust Fund (PNTF) of Tanzania, a non-governmental development agency, to upgrade the project management skills of its staff, and to inculcate, and transfer, TechnoServe's enterprise development methodology to the institution. As part of the institutional training effort, the PNTF participated in the development of feasibility studies and test marketing of cultured milk projects focused on the Northeastern regions of Arusha and Kilimanjaro.

To introduce this new enterprise model to the Kilimanjaro Region, TechnoServe will replicate the cultured "mala" milk enterprise model developed in Kenya. Significantly, the first project will be developed with the Ushiriika wa Waanawake (literally, Women's Partnership), a 351-member women's sub-group of the Nronga Farmers Cooperative Society, located in Nronga village in the Hai District of Kilimanjaro Region, where milk production is traditionally owned and handled by women. Early in 1990, a committee member of the Nronga sub-group, accompanied by PNTF staff visited one of the Kenya "mala" projects. This was followed by a demonstration of the process at Nronga, and experimental production of cultured milk to test the market and consumer acceptance of the product in Moshi Town. Now in the early stages of implementation, the project will take three years to complete. In line with its "sector" strategy, TechnoServe anticipates replication of this model with other women's groups in Kilimanjaro and Arusha regions.

In addition to its partnership with the Presidential National Trust Fund, TechnoServe plans to collaborate with Sasakawa/Global 2000 on a replication of their partnership in Ghana. As in Ghana, the Tanzania project will be a major intervention in support of maize farmers to overcome production and credit problems.

TechnoServe/Kenya staff and Africa Divisional program officers working from a Nairobi base, acted as "Tanzania" program staff during the year. A full-time resident advisor will be transferred from Kenya in 1991. From July 1989 through June 1990, a total of $25,144 was allocated from the Partnership Grant to develop this program.

5.1.2.2. NIGERIA

During the period July 1989 through June 1991, laid the foundation for a new country program in Nigeria, with formal operations scheduled to commence October 1990. Margaret Bowman, formerly of TechnoServe's R&PA Department, has been appointed Country Director.

The Nigeria program, which will be developed in partnership with local NGOs, will start operations in partnership with the Country Women's Association of Nigeria (COWAN). Partnership Grant funds in the amount of $7,214 have been used during the report period to assist program start-up. Additional start-up funds were provided by the Ford Foundation, which will also provide major funding for program operations over the two year period 1990-1992 (October 1990 through September 1992).

TechnoServe/Nigeria's assistance programs will be largely women-focused. Through its partnership with COWAN, TechnoServe will provide enterprise assistance to community-based enterprises of rural organizations. In addition to COWAN, this assistance will be provided to--and through--other women's associations such as the Farmers' Development Union, and Nsukka United Self-Help Organization. These three counterparts include approximately 1,000 community-based food processing enterprises and involve more than 20,000 owner/members who share the same goals of increasing crop productivity and processing capacity.

The TechnoServe/Nigeria program will consist of:

1) Enterprise Development Assistance to Community-Based Enterprises;

2) Management and Administrative Assistance to Strengthen the Counterpart Organizations; and

3) Technology Assistance for Small-Scale Women Food Processors with Special Attention to Fuel-Saving Designs Which Will Impede the Rate of Deforestation.

By July 1991, TechnoServe/Nigeria will have two professional Nigerian staff, a business and finance specialist, and a training specialist, working under the direction of Ms. Bowman. Within a year, they will be joined by an agri-business specialist and a credit specialist.

5.2.0. LATIN AMERICA DIVISION

During the period July 1989 through June 1990, the officers, advisors and staff of Latin America Division continued to concentrate program efforts in two main areas. First, is that of promoting country program autonomy, a fundamental goal of the long-term divisional strategy. In this connection, as reported last year, the Division was working to develop "new models", or country structures, which encourage greater local initiative and responsibility for program operations and funding, reducing control from, and dependency on, the headquarters office in the United States.

Secondly, the Division staff has continued to work to improve the enterprise development methodology as applied in Latin America, and make strenuous efforts to extend the benefits of technical assistance to a greater number of poor farmers.

As reported in Year-Three, a major tool in the promotion of country program autonomy has been the formation of local support groups, or "Amigos de TechnoServe" (Friends of TechnoServe.) These were strengthened in Year-Four, and in countries like Costa Rica, Panama and Peru, they provided important linkage to government circles in terms of policy and program recognition. In the instance of Costa Rica, the existence of an "amigos" group provided a major stepping stone in the formation of a counterpart NGO, the Costa Rica Association for Integral Assistance for Development (ACAIPADE), which has been in operation since January 1989.

In the long-term, over the next five to six years, divisional plans anticipate a (1995) LA program structure comprised of two traditional model country programs and five "new", or semi-autonomous, models. Traditional is defined as a "branch office" model, with all staff directly on TechnoServe/Norwalk payroll, and 90-100 percent of funding generated by TechnoServe/Norwalk. The "new model" will consist in reduction of staff directly on Norwalk payroll; and will involve establishment of an official "local" entity with staff complementing TechnoServe-hire team (as in Costa Rica today). Finally it is foreseen that autonomous programs will generate from 25 percent to 50 percent of total country funding.

As of the date of this report, Costa Rica, Peru and Panama are those countries that have progressed the farthest toward the autonomous country model, while El Salvador is the country program that has the largest self-financing component.

New country investigations undertaken in Guatemala during Year-Three, culminated in the initiation of a country program in that country the last quarter of 1989 (FY1990). Program activities in Mexico were redefined as a replication model, possibly to be followed by additional TechnoServe activities with other NGOs in Mexico during 1991.

As a result of the February 1990 elections in Nicaragua, TechnoServe has been at work to re-establish a country program there. To this end, TechnoServe has been in communication with USAID/Nicaragua and with high level officials of the Chamorro government.

During 1989-1990, TechnoServe/Latin America provided long-term assistance to 160 major, community-based, enterprises. The division also provided assistance to 20 major institutions during the same period.

TechnoServe maintains resident country programs in Peru, Panama, and Costa Rica, all of which are "primary" countries under the terms of the grant. Program replications are those activities in Belize and Mexico; while Guatemala qualified, under the grant, as a formal, new country program. El Salvador, another full-scale country program, is funded through a USAID Cooperative Agreement.

5.2.1.0. PRIMARY COUNTRIES

5.2.1.1. COSTA RICA

During Year-Four (July 1989 through June 1990), TechnoServe/Costa Rica provided technical assistance to twelve major community-based rural enterprise, two regional cooperative associations and one major development institution. Of the 1989/1990 budget of $294,826, the Partnership Grant supplied $114,098.

Since TechnoServe initiated its operations in Costa Rica seven years ago, it has dedicated its efforts to improving small-farm production with a special focus on identifying appropriate exportable crops for introduction to the small farm sector. During this period of program growth, TechnoServe/Costa Rica has assisted from eight to ten farmer associations each year to improve their agricultural production levels, and introduce them to non-traditional vegetable and fruit crops to achieve higher export levels.

TechnoServe's enterprise assistance program has had four main components:

1) Provision of Technical Agronomic Assistance to Increase Quantity and Quality of Production;

2) Provision of Integrated Business Management Expertise, Inclusive of Marketing to Cooperatives and Cooperative Unions;

3) Organizational Strengthening and Social Consolidation of Enterprise Memberships; and

4) Provision of Technical Advice and Assistance Focusing on Reduction and Reversal of Soil Erosion and Deforestation.

During Year-Four, TechnoServe/Costa Rica continued to work on the formation of the local counterpart, ACAIPADE. This new organization became active officially in January 1989. Under the terms of the agreement currently in effect with the organization, TechnoServe's Country Program Director has been acting in the capacity of Executive Director of ACAIPADE as well as continuing his role as director of TechnoServe. In addition to training an executive director and staff for ACAIPADE, Director Silvio Baltodano, and his TechnoServe colleagues, are busy transferring TechnoServe's enterprise development methodology and capability to this new organization. Full transfer of powers and authority is scheduled for sometime in 1991.

Subsequent to transfer of authority and operations to ACAIPADE, a core TechnoServe staff, consisting of two professionals, will be maintained in Costa Rica to monitoring assistance to ACAIPADE and also to assist in the strengthening of other NGOs.

This institution-building activity of TechnoServe both anticipates, and reflects, the "New Directions" strategy decreed by TechnoServe's Board of Directors in May 1990, and the "wholesaling" of technical assistance programs as defined in the Five-Year Strategic Plan of May 1988.

5.2.1.2. PANAMA

Last year's U.S. invasion of Panama interrupted TechnoServe program operations in more than one sense. When the invasion occurred, two TechnoServe advisors were in the field working with cooperatives in Veraguas Province; and that is where they remained until the fighting had ceased and General Noriega was out of the country. In Panama City, however, TechnoServe Director, Jose Agustin Espino and the remaining staff, kept their heads down at home, returning to the office after several days to find that the office, which is located in the commercial zone of Panama City, had been broken into, ransacked, and looted by Dignity Battalions. All TechnoServe computers, telephone and typewriters had been stolen, along with office chairs. Contributions from the local support group "Amigos de TechnoServe" came in the form of both cash, and kind, enabling the office to resume normal functioning.

TechnoServe program activities in Panama were resumed as were services to several small-holder cooperatives and with the Association of Cooperatives of Veraguas Province (ASCOVE), an association of 26 small-holder cooperatives, all located in Veraguas Province, with virtually no prolonged interruption of service.

In the aftermath of the invasion, TechnoServe has taken an active part in support of Panamanian government efforts to get a social action program underway in Panama (FES-Social Emergency Fund). In

addition to its ongoing consultations with government ministries, and with U.S. sanctions finally lifted, TechnoServe advisors began meeting with the USAID/Mission Director relative to a TechnoServe role in the FES program and the Mission's natural resources project.

A priority for TechnoServe/Panama has been promoting rural enterprises that are sustainable in the fragile environmental context brought about by years of destructive and unimpeded deforestation with its attendant soil erosion. TechnoServe's planned collaboration with environmental NGOs--Institute of Renewable Natural Resources (INRENARE) and The Nature Conservancy (ANCON) in the Lake Alajuela/Chagres National Park project--will deal with the problems of sustainable agriculture for small-holder farmers in a program that seeks to protect and preserve the watershed and replenish and restore the forests.

During the period July 1989 through June 1990, TechnoServe/Panama, with a staff of seven, provided technical and managerial assistance to five major cooperative enterprises, bringing direct benefits to 2000 small-scale farmers and their families. The ASCOVE program, an institutional strengthening project, indirectly benefitted 7,300 farm families in Veraguas Province. These activities were sustained, despite budget reductions during Year-Four. TechnoServe/Panama program costs for this period totalled $280,895; $42,099 of this was drawn from the Partnership Grant (between January and July 1990).

5.2.1.3. PERU

During the Year-Four grant period (July 1989 through June 1990), TechnoServe/Peru operated on a budget of $508,761. As in previous years, support for the program was derived principally through private grants and contributions. With Peru now qualified as a Primary Country under the Partnership Grant, a total of $176,952 was drawn down from the grant in support of the year's activities.

For most of the year, TechnoServe operations had to unfold in a period of rapidly spiralling inflation, averaging 100 percent each month. The necessary adjustments in program costs, notably staff salaries and benefits, placed a severe strain on TechnoServe financial resources. Nevertheless, the necessary cost accommodations have been made, and program operations were sustained with no diminishing of services to rural enterprises. In the report period, TechnoServe/Peru continued long-term technical and management assistance to 13 community-based enterprises and three major institutions, on par with the program dynamic of the previous year.

TechnoServe/Peru program is focused on community-based rural cooperative enterprises in the Santa, Huaral and Canete river

valleys. This program represents a "sector" focus in several ways: a concentration on a specific geographic region (coastal river valleys); a concentration on community-type (agrarian collectives); and a concentration on commodities (basic grains, cotton and non-traditional vegetable crops). The direct beneficiaries of this program are 10,000 subsistence farmers and their families (61,000 persons of the Santa, Huaral and Canete valleys); indirect beneficiaries approximate 56,000 persons. All of them are rural poor with a current per capita income of $250-$300 per year. In working with these farmers, the TechnoServe/Peru program has several inter-related components:

1) Increase of Agricultural Production;

2) Promotion of Agro-Industrial Processing and Marketing;

3) Re-organization of Collectively-Owned Rural Enterprises into Service Cooperatives;

4) Land Redistribution and Entitlement;

5) Strengthening of Service Cooperative and Farm Association, Organizations through Training in Administration, Credit, and Extension Services; and

6) Improvement of Irrigation Infrastructure and Water Resource Utilization.

TechnoServe is working in close partnership with Peruvian development institutions to achieve these goals. These institutions include: the ChiNeCas Water Authority (a regional development agency), the Ministries of Agriculture and Education, and the Banco Agrario. Institutional training programs are being provided by TechnoServe to credit officers of the Banco Agrario and ChiNeCas. Banco Agrario has adopted new small-farm credit practices introduced by TechnoServe on a national level.

A key element in the TechnoServe/Peru program has been the development of the Santa Valley Water Users' Association, which TechnoServe has re-organized, and trained, in setting and collecting tariffs for water use. With the support of Ford Foundation for this activity, TechnoServe has worked with the Association since 1987 to help it develop a more efficient and equitable distribution system, and to make the association financially self-sustaining.

In June 1990, the W.K. Kellogg Foundation renewed support to TechnoServe/Peru by awarding a three-year grant ($415,000). The purpose of the grant is to enable TechnoServe to work toward integrated community development of cooperative enterprises in the Huaral and Santa valleys. To this end, TechnoServe/Peru will introduce a new component to its enterprise assistance methodology,

one which will provide guidance and training to cooperative members to enable them to adapt their newly acquired management skills to focus on the social and medical needs of their communities. This will be an educational process through which enterprise participants will learn how to plan and establish medical, social and educational services and amenities by drawing upon the services provided by government and private NGOs.

In 1988, TechnoServe/Peru became a member of an NGO coalition in a debt-for-development swap endeavor. The $15 million debt-swap package, approved by the necessary bureaucratic offices, reached the Presidential offices in December 1989. With the financial balances lacking, and Presidential elections a month away, final approval did not come through. While TechnoServe has withdrawn its dollar contribution, it remains a member of the coalition, ready to re-submit funds should negotiations be resumed by the Fujimori Government.

5.2.2.0. NEW COUNTRY INITIATIVES

5.2.2.1. GUATEMALA

In September 1989, USAID/Guatemala awarded TechnoServe a grant of $39,000 to start a new program in Guatemala. With additional funding pledged by the Ministry of Agriculture's Program for Agricultural Diversification (PRODE), TechnoServe transferred staff from its Costa Rica program and initiated resident program activities in 1990. In addition, a modest amount of funds ($2,143) were drawn down from the Partnership Grant during Year-Four in support of this new program.

Under an agreement with PRODE, TechnoServe has agreed to provide training and management assistance to strengthen the Agricultural Production Cooperative Service Centers which are engaged in agricultural diversification of the Altiplano. By means of this "innovative partnership", TechnoServe/Guatemala will provide direct training assistance to staff of PRODE and to Service Center staff participating in the Development of the Altiplano (PDA) program. This is a long-term program which foresees establishment of a modest TechnoServe presence (five professional staff) within three years.

Program start-up has been deterred by budget difficulties arising within the Ministry during the year, and TechnoServe/Guatemala director, Atilio Bravo, has of necessity had to confine program activities to continuing the planning sessions with PRODE, negotiations with the Ministry. Contacts with USAID are ongoing and focus on areas of OPG (or buy-in) possibilities, including--among others--assistance to honey-producers cooperatives. In addition, EEC representatives are showing an interest in the PDA technical assistance project.

5.2.2.2. NICARAGUA

From 1977 to 1983, when circumstances forced a shut-down, TechnoServe carried out a highly successful program in Nicaragua. As with other TechnoServe programs, this Nicaraguan effort focused on assisting farmer organizations to operate profitable and sustainable agricultural enterprises. The program was funded from local, as well as international sources, and also through an OPG ($700,000) which was in effect from 1980 through 1983.

Subsequent to the election of a new government in February 1990, TechnoServe initiated contact with officials of the new government, and also with officials of the Agency for International Development in Washington; and later in Managua, relative to procurement of grant funding, through the OPG or Partnership Grant buy-in mechanisms, to re-start a service program. These negotiations continue. While no core grant funds have been budgeted for this activity, both the need and importance of a resumption of program, and the potential for Partnership support, mandate reporting in this pages.

TechnoServe plans to re-enter Nicaragua and pick-up where it left off in 1983. It would focus on two kinds of project activities:

1) Reviving traditional small-farm agriculture including the involvement of farmer groups and associations as owners of agricultural processing, marketing and service enterprises;

2) Assisting beneficiaries of land reform cooperatives to make their collectively-owned agricultural businesses viable enterprises.

5.2.3.0. COUNTRY REPLICATIONS

5.2.3.1. BELIZE, THE AFFILIATE MODEL

Through the early support (Year-One) of the Partnership Grant, TechnoServe began to experiment with institutional replication. While the interpretation of "replication" has changed and broadened over the past four years, it was initially thought of as a vehicle for entry into new country programs. The most successful of these efforts has been TechnoServe's collaboration in the establishment of the Belize Enterprise for Sustained Technology (BEST). Under the guidance of Latin America division staff, this institutional replication effort involved the active participation of the Katalysis Foundation, and modest financial support for drawn from the Partnership Grant for TechnoServe's training and guidance efforts since 1986. Since 1988, TechnoServe maintains a largely collegial relationship through membership on BEST's Board of Directors. TechnoServe advisory services were continued to BEST through the project monitoring mode throughout Year-Four.

In an evaluation of BEST conducted in 1990, AID consultants concluded that:

> "BEST performs an essential service in assisting rural organizations, particularly with management and financial skills ... and that it's forte, as compared to other NGO/PVOs is a relatively well-focused agenda of services ... and that it does fill a very necessary role in fostering better managed rural organizations."

5.2.3.2. MEXICO

In October 1988, TechnoServe began work in Mexico to establish SOLIDARIDAD, a non-profit grant-making agency established by Catholic Relief Services (CRS) subsequent to the Mexico City earthquake. This TechnoServe activity got under way when CRS requested TechnoServe to help develop SOLIDARIDAD as a technical assistance agency. During 1989 and the first half of 1990, TechnoServe, drawing on Latin America Divisional staff, continued to provide the institutional formation and staff training necessary to transform this institution from a purely grant/loan making agency into a technical assistance agency. This "replication" effort was completed by July 1990, with SOLIDARIDAD carrying on its own. Unlike BEST, this organization has not been affiliated with TechnoServe.

VI. REVIEW OF SPECIAL ACTIVITIES

6.1.0. REPLICATION AND POLICY ANALYSIS

To strengthen its linkages within the development community (NGOs, international agencies, and academia) in 1984, TechnoServe inaugurated its Replication and Policy Analysis (R&PA) Department. Functioning as an in-house "think-tank", R&PA has become integral to TechnoServe's program operations through its capacity for investigating and addressing a wide range of development issues, and through its growing expertise in the area of project and program evaluation.

As a function of its research activities, R&PA distills TechnoServe's field experience as "FINDINGS", or lessons learned--a series of publications, now totalling eleven--which have been disseminated widely through the development community-at-large. During the report period, two of these documents were translated into Spanish for circulation within the development community in Latin America. Appropriately re-titled "REFLEXIONES" ("Reflections"), the documents now being circulated in Latin America are: "La Olvidada Escala Mediana" ("The Forgotten Middle Scale"), and "Las ONGs y la Trampa de la Replica" ("NGOs and the Replication Trap"). (See Appendix)

In 1990, R&PA inaugurated an in-house document, a "LESSONS LEARNED" newsletter, as a vehicle for informal sharing of the lessons and insights being derived from various TechnoServe country programs and projects. Through this sharing of lessons learned about project and program management, financial management, fund raising/grant solicitation, evaluation, and replication, TechnoServe advisors can improve the management of home and field activities.

Leadership of R&PA changed during the report period. Tom Dichter, who since 1984 pioneered the formation and program for the R&PA Department, resigned his position at the end of 1989 to take up a leading position in Geneva with the Aga Khan Foundation. Peter A. Reiling, formerly of TechnoServe's Africa Division, and Adjunct Professor at Columbia University's School of International and Public Affairs, took on the position of Director of R&PA in March 1990.

Although the transition in leadership caused a temporary slowing-down of R&PA activities, there have been several significant developments and additions to its roster of activities.

With growing linkages in the academic community, in June 1990, R&PA succeeded in winning a $190,000 three-year Biden-Pell Development Education Grant. Over the period October 1990 through September 1993, with the support of this grant, TechnoServe/R&PA will research, write, publish and disseminate a series of 16 teaching

cases covering a wide spectrum of issues in development management. The young adult audience to be addressed through this medium will be students in colleges and universities throughout the United States. An innovative educational program, the teaching case program will integrate issues in international economic development into the curricula of universities and graduate schools across the United States; and in Year-Three of the grant, into like institutions abroad. To date, R&PA has received requests for the cases from 20 American universities.

Mr. Reiling participated in a Curriculum Development Conference at Notre Dame University in June 1990, and presented a paper on the use of the case method of instruction for issues in international development. As a result, the Pacific Northwest International Education Association has invited Mr. Reiling to address its a conference in October 1990. Additional invitations to speak on the teaching case methodology have been issued by Stanford University, the University of California at Berkeley, and World College West.

In September 1990, TechnoServe/R&PA became a member of the GEMINI Project, with the specific task of working--with Development Alternatives Inc. (DAI) and Michigan State University--on the development of the sub-sector concept. At the request of the Project Management Team, R&PA has updated and re-issued its March 1989 paper "Expanding the Benefits: A Sector/Systems Approach". This document, which is included in the Appendix to this report, will be used in the Fall (1990) GEMINI retreat.

A major achievement for TechnoServe/R&PA is the attention being given--by the non-profit sector--to TechnoServe's "cost-effectiveness" methodology which has been shared with the public through the FINDINGS paper published in 1989. Greenwood Press, a major non-profit publishing house, has invited TechnoServe to edit a volume on cost-effectiveness in the non-profit field. To precede publication of this work--and with the sponsorship of Independent Sector--TechnoServe will convene a special seminar/conference on the subject. The conference, tentatively planned for July 1991, will be hosted by Stanford University.

With a full-time staff reduced to three persons, R&PA was able to sustain a high level or productivity with the assistance of several interns. Recruited from Yale and Columbia Universities, these interns carried out important research task on such subjects as the Japanese AID system, and innovative training methodologies including software for professional staff and rural enterprises.

R&PA has also taken a major role in TechnoServe's outreach in Eastern Europe, with Mr. Reiling scheduled to participate in October 1990 as a member of a TechnoServe team to study the potential for rural enterprise development in Southeastern Poland.

R&PA's cost for Year-Four of amounted to $168,030; of this total, $136,718 was charged to the Partnership Grant.

6.2.0. EVALUATION AND TRAINING

At Country Program and Headquarters levels, TechnoServe continued its commitment to improving agency expertise in project management, and program and project evaluation.

As is customary with TechnoServe, annual Divisional seminars were held on site in Africa and Latin America. Country program advisors have participated in staff seminars throughout the program area, and special training opportunities were provided for individual country program staff members in both program divisions, in some instances these have been out of country.

Special training opportunities have also been provided by donors such as the W.K. Kellogg Foundation which provided travel grant to TechnoServe/Peru for the purpose of visiting integrated community development projects in Latin America. Luis Vega, TechnoServe Country Program Director/Peru, also participated in an impact evaluation seminar convened by Kellogg in Brazil in June 1990.

6.3.0. ADMINISTRATION AND PROGRAM SUPPORT

In May 1990, when it mandated its "New Directions" program--with goal of decentralization and innovative modes of program activity--TechnoServe's Board of Directors made official the preparations for organizational "decentralization" that had been underway for over a year. In a definite move away from its formerly hierarchical structure, Norwalk headquarters has taken on a clearly supportive relationship to the autonomous country programs.

In 1989, Richard Redder, formerly Senior Program Officer/Latin America Division, was appointed Vice-President for Administration and Program Support, with oversight responsibilities for all home office support functions. These include the following departments: Human Resource Management, Financial Services, R&PA, Management Information Systems, and Program Support. During the report period, Mr. Redder began the task of forging--from these several offices--the central support center required by the New Directions strategy. Mr. Redder reports directly to TechnoServe's President and Founder, Ed Bullard.

As reported in Partnership Grant Report--Year-Three, the old "Marketing Department" has been revamped, and renamed the Department of Program Support, with responsibilities that include Partnership Grant management, communications and fund raising, and advisory and support services to country programs in respect of all aspects of resource development. The latter activity will become increasingly important in helping country programs achieve the desired degree of autonomy. To this end, Program Support will provide resource development training and manuals, help develop with fund raising strategies for each country, and will carry the strategic oversight responsibility that increased local resource development will require.

6.3.1. MANAGEMENT INFORMATION SYSTEMS

TechnoServe's Management Information Systems department was formed in January 1990, reflecting management's commitment to promoting the use of microcomputers to increase staff productivity, and to improve the quality and timeliness of enterprise development information. The Department manager, Mr. Alberto Espinosa and his assistant report to the Vice-President for Administration and Program Support, Mr. Redder.

Prior to 1990, Mr. Espinosa helped to develop the IFOAFM (field accounting system) and he also has been instrumental in installing the system in the field. Now 80 percent completed, this task has involved a significant amount of field training.

Since January 1990, the Department has completed a prototype for the world-wide field operations database. Drawing on the traditional Quarterly Program Operating Reports as a model, the database is being expanded to provide for collection of more base-line information, environmental, and economic and social data, and --thus expanded--to help produce reports for a wider variety of audiences, including the Board of Directors and management, donors, program directors and field advisors.

During Year-Four, the MIS Department has also implemented desktop publishing in-house. This has significantly reduced TechnoServe's publication costs, and has improved the presentation of TechnoServe documents, such as proposals, reports, and Newsletters.

In the coming year, MIS Department will complete the development of the TechnoServe field operations database with linkage to a central database in the home office. With adequate training by MIS--a process which will be ongoing--every program on the TechnoServe network will be able to access and use field office computers, and vice-versa. TechnoServe is committed to use industry standard software.

Additionally (in Year-Five of the grant), MIS will complete a study on ways to promote the use of microcomputers as development tools, in cooperation with PVOs, and also with community-based enterprises.

VII. FINANCIAL REPORT

7.1.0. INSTITUTIONAL FINANCIAL PERFORMANCE AND MANAGEMENT

As noted in the Executive Summary, Year-Four proved to be a particularly trying time for TechnoServe, particularly in the area of financial management. Adrian "Shep" Wheeler, Technoserve's first, and only Controller and architect of the organization's financial management systems, succumbed to cancer, and died in October of 1989. Shep had served TechnoServe faithfully for fifteen years, and was key to effecting TechnoServe's entry into the computer age during the 1980's.

Shep's demise occurred at a particularly crucial time, when a major restructuring of the home office role was taken into consideration and, subsequently, implemented. This resulted in an increased demand on the training capability of the small Financial Services Department staff, for it is in the financial services area that the decentralization process has been inaugurated.

TechnoServe's Financial Services Department, however, has been able to manage its way effectively through the transition period. Not only were core responsibilities met, but progress on new department projects were also made. With the promotion of Luis Chavez to Controller, and addition of new staff in May 1990, the Department is firmly poised to provide the type of financial management that TechnoServe will need going into its "New Directions" program.

During the year, the Department met all of its core responsibilities including preparation of the IRS-990 and other regulatory agency reporting, completion of the Price Waterhouse external audit, completion of three field audits, donor financial reports, etc.

In addition, Financial Services was able to make significant progress in its special projects area, including: bringing four countries on line with the IFOAFM Accounting System (Refer Partnership Grant Report Year-Three), thus bringing to seven the total number of countries now operating under TechnoServe's new, decentralized, net-work connected, accounting system. This process has involved installation of hardware and software as well as training of field staff. In addition, Norwalk Headquarters has switched to commercial software for its accounting applications, thereby reducing dependence on in-house programming capabilities, and simultaneously improving internal controls.

7.2.0. PARTNERSHIP GRANT FINANCIAL PERFORMANCE

The Core Budget of the Partnership Grant--$4,527,000--has been fully obligated. As noted, in previous pages, mission buy-ins in Kenya and Zaire--obligated in Year-Three--totalled $516,253. While additional buy-in opportunities have since been explored--notably in Guatemala--there is no new buy-in situation under negotiation.

TechnoServe's Partnership Grant draw-down for Year-Four totalled $892,677. The cumulative draw-down total now stands at $4,052,854. TechnoServe's cumulative match now stands at $5,019,548.

Expenditure Statements for the grant period July 1, 1989 through June 30, 1990 are provided in the following pages. In accordance with AID reporting guidelines, the statements include:

(1) Comparison of Budget to Actual for Years One through Four;
(2) Expenditures and Sources of Funds for Mission Buy-Ins;
(3) Expenditure Statement and Sources of Funds for Years One through Four, including the Cumulative Totals through Year-Four; and
(4) Overall Five-Year Grant Budget.

TECHNOSERVE FINANCIAL REPORT
AID PARTNERSHIP GRANT NO. PDC-0280-A-00-6205-00
BUDGET VERSUS ACTUAL
(CORE GRANT ONLY)

YEAR 1 7/1/86 TO 6/30/87

PROGRAM EXPENDITURES:	AID BUDGET	AID ACTUAL	TNS MATCH BUDGET	TNS MATCH ACTUAL	TNS OTHER
PRIMARY COUNTRIES:					
GHANA	195000	190819	110000	108856	35009
PANAMA	220000	263747	125000	96635	34277
COSTA RICA	145000	153531	35000	35662	116545
BELIZE	45000	33985	0	913	4
KENYA	0	0	260000	333927	104693
ZAIRE	0	0	50000	60079	407390
PERU	0	0	260000	272149	249103
NEW COUNTRIES	95000	42864	0	21034	0
REPLICATION & DISSEMINATION	140000	129479	0	27283	909
G & A OVERHEAD	160000	157465	160000	182655	181074
TOTAL EXPENSES	1000000	981890	1000000	1139193	1129004

YEAR 2 7/1/87 TO 6/30/88

PROGRAM EXPENDITURES:	AID BUDGET	AID ACTUAL	TNS MATCH BUDGET	TNS MATCH ACTUAL	TNS OTHER
PRIMARY COUNTRIES:					
GHANA	165000	121992	95000	196198	39015
PANAMA	165000	218030	155000	184597	24520
COSTA RICA	130000	122570	0	13687	182867
BELIZE	70000	49435	0	8404	0
KENYA	0	13075	240000	237286	94816
ZAIRE	0	0	50000	50017	554329
PERU	0	7647	200000	209721	115868
NEW COUNTRIES	100000	85529	40000	39156	0
REPLICATION & DISSEMINATION	160000	208922	35000	7793	4335
G & A OVERHEAD	135000	158327	135000	181229	194415
TOTAL EXPENSES	925000	985527	950000	1128088	1210165

TECHNOSERVE FINANCIAL REPORT
AID PARTNERSHIP GRANT NO. PDC-0280-A-00-6205-00
BUDGET VERSUS ACTUAL
(CORE GRANT ONLY)

YEAR 3 7/1/88 TO 6/30/89

	AID		TNS MATCH		
PROGRAM EXPENDITURES:	BUDGET	ACTUAL	BUDGET	ACTUAL	TNS OTHER
PRIMARY COUNTRIES:					
GHANA	165000	123061	100000	211473	17065
PANAMA	165000	191716	225000	151981	4919
COSTA RICA	120000	137436	0	22516	169671
BELIZE	80000	50277	0	-9120	0
KENYA	0	102758	225000	164094	76329
ZAIRE	0	0	50000	148313	429719
PERU	0	111119	150000	248736	43543
NEW COUNTRIES	125000	79813	50000	79219	9185
REPLICATION & DISSEMINATION	110000	208671	0	35176	3916
G & A OVERHEAD	135000	187907	150000	196983	141063
TOTAL EXPENSES	900000	1192760	1000000	1250371	895410

YEAR 4 7/1/89 TO 6/30/90

	AID		TNS MATCH		
PROGRAM EXPENDITURES:	BUDGET	ACTUAL	BUDGET	ACTUAL	TNS OTHER
PRIMARY COUNTRIES:					
GHANA	120000	147694	100000	183295	13487
PANAMA	120000	42099	225000	236021	2775
COSTA RICA	120000	114098	0	2727	178001
BELIZE	80000	15174	0	0	0
KENYA	0	14604	235000	200345	163159
ZAIRE	0	56329	50000	93500	329282
PERU	0	176952	150000	331189	620
NEW COUNTRIES	150000	41472	50000	191413	21372
REPLICATION & DISSEMINATION	137000	136716	0	15182	16130
G & A OVERHEAD	125000	147538	140000	248224	143517
TOTAL EXPENSES	852000	892677	950000	1501896	868343

TECHNOSERVE FINANCIAL REPORT
AID PARTNERSHIP GRANT NO. PDC-0280-A-00-6205-00
BUDGET VERSUS ACTUAL
(CORE GRANT ONLY)

4-YEAR SUMMARY TOTALS

	AID		TNS MATCH		
PROGRAM EXPENDITURES:	BUDGET	ACTUAL	BUDGET	ACTUAL	TNS OTHER
PRIMARY COUNTRIES:					
GHANA	645000	583566	405000	699822	114576
PANAMA	670000	720593	730000	669234	66491
COSTA RICA	515000	527676	35000	74592	147084
BELIZE	275000	153871	0	1197	4
KENYA	0	130437	960000	935652	438997
ZAIRE	0	56329	240000	351909	1720720
PERU	0	195718	770000	1061795	409134
NEW COUNTRIES	470000	249678	140000	330822	30557
REPLICATION & DISSEMINATION	547000	283790	35000	85434	25290
G & A OVERHEAD	555000	651227	585000	809091	660069
TOTAL EXPENSES	3677000	4052854	3900000	5019548	4102922

TECHNOSERVE FINANCIAL REPORT
AID PARTNERSHIP GRANT NO. PDC-0280-A-00-6205-00
EXPENDITURES STATEMENT
FOR THE PERIOD OF 7/1/86 TO 6/30/90
(MISSION BUY-IN ONLY)

PROGRAM EXPENDITURES:	OBLIGATED	EXPENDED	MATCH
ZAIRE BUY-IN	280000	280000	92400
KENYA BUY-IN	236253	158500	52828
TOTAL MISSION BUY-IN	516253	438500	145228

TECHNOSERVE FINANCIAL REPORT
AID PARTNERSHIP GRANT NO. PDC-0280-A-00-6205-00
FOR THE PERIOD OF 7/1/86 TO 6/30/90
EXPENDITURES STATEMENT
(CORE GRANT ONLY)

A. PROGRAM EXPENDITURES:	YEAR 1 7/86-6/87	YEAR 2 7/87-6/88	YEAR 3 7/88-6/89	YEAR 4 7/89-6/90	CUMULATIVE 4-YEAR TOTALS
PRIMARY COUNTRIES:					
GHANA	334732	357204	351599	344475	1388010
KENYA	439620	345177	343182	378107	1505086
PANAMA	399670	427147	348616	280896	1456329
COSTA RICA	305751	319125	329624	294825	1249325
PERU	521252	333237	403399	508761	1766649
BELIZE	39905	57839	42156	15174	155074
NEW COUNTRIES	63901	124686	168218	254258	611063
REPLICATION & DISSEMINATION	157671	221049	247764	168030	794514
SECONDARY COUNTRIES:					
ZAIRE	467469	604346	578032	479111	2128958
G & A OVERHEAD	521116	533970	525954	539279	2120319
TOTAL EXPENSES	3250087	3323780	3338544	3262916	13175327

B. SOURCE OF FUNDS:					
AID PARTNERSHIP GRANT	981890	985527	1192759	892497	4052673
PRIVATE CHURCHES	223784	356698	353664	402590	1336736
PRIVATE FOUNDATIONS	373249	280193	316736	255863	1226041
PRIVATE CORPORATIONS	220225	258897	282346	311514	1072982
PRIVATE INDIVIDUALS	4802	4721	10963	19862	40348
PRIVATE UNRESTRICTED	423730	340834	193748	178677	1136989
PACT & OTHER PVO'S	236884	249367	307485	338906	1132642
HOST GOVERNMENT	100727	41533	61195	87751	291206
PROJECT FEES	151941	175422	133703	50960	512026
OTHER INCOME	31403	36358	56985	206876	331622
OTHER AID GRANTS	501452	594230	428960	517420	2042062
TOTAL	3250087	3323780	3338544	3262916	13175327

TECHNOSERVE PARTNERSHIP GRANT BUDGET
CORE GRANT ONLY
($000)

	YEAR 1 7/86-6/87		YEAR 2 7/87-6/88		YEAR 3 7/88-6/89		YEAR 4 7/89-6/90		YEAR 5 7/90-6/91		5 YEAR TOTALS	
COST CATEGORY	AID	TNS	AID	TNS	AID	TNS	AID	TNS	AID	TNS	AID	TNS
PRIMARY COUNTRIES												
GHANA	195	110	165	95	165	100	120	100	110	100	755	505
PANAMA	220	150	165	190	165	225	120	225	110	200	780	990
COSTA RICA	145	35	130		120		120		120		635	35
BELIZE	45		70		80		80		80		355	
KENYA ‡						225		235		220		680
ZAIRE ‡‡										60		60
PERU ‡						160		150		190		500
NEW COUNTRIES	95	35	150	40	125	50	151	50	125	50	595	225
REPLICATION & DISSEMINATION	140	35	135		110		137		185		707	35
EVALUATION			25								25	
SECONDARY COUNTRIES:												
KENYA		260		240								500
ZAIRE		80		80		90		50				300
PERU		260		200								460
OVERHEAD	160	185	135	155	135	150	125	140	120	130	675	760
TOTAL	1000	1150	925	1000	900	1000	852	950	850	950	4527	5050

‡ KENYA & PERU WERE CLASSIFIED AS PRIMARY COUNTRIES PER AMENDMENT NO. 3
‡‡ ZAIRE WAS CLASSIFIED AS A PRIMARY COUNTRY PER AMENDMENT NO. 5

APPENDIX

Partnership Grant Logical Framework

Partnership Grant Implementation Schedule

Country Data Sheets

Replication & Policy Analysis Papers & Publications:

The Case Method of Instruction
"Reflexiones"

Partnership Grant Logical Framework

TECHNOSERVE LOGICAL FRAMEWORK
Partnership Grant 1986-1991

A-1 GOAL STATEMENT

(a) To improve the economic & social well-being of low-income people in the developing countries through a process of enterprise development.
(b) To achieve a self-sustaining process of enterprise development which creates more jobs, produces more food and helps people meet their basic needs and contribute to community growth and national prosperity.

A-2 MEASUREMENT OF GOAL ACHIEVEMENT

The impact of Technoserve assistance may be measured in terms of increased personal income, increased farm productivity, employment generation; changes in local & regional infrastructure; revitalized regional development changes in government policies affecting small farm production.

A-3 MEANS OF VERIFICATION

- Threshold Evaluation 1989-90
- Case Studies & impact evaluation exercises
- Project Termination Reports
- Post Program Evaluation
- Small Enterprise Evaluation Project

A-4 BASIC ASSUMPTIONS FOR ACHIEVING GOAL

The self-help process of enterprise development is one of the most effective mean of promoting social and economic growth with the greatest benefit to the greatest number.

B-1 PURPOSE

- To stimulate and strengthen rural community enterprises and local & national development institutions which support self-help enterprise development.
- To provide increased support in the agricultural sector to enterprises focused on food production marketing & processing and in sectors which impact on national development policy.
- To enhance capabilities of Technoserve programs in order to achieve greater impact in the rural sector in terms of production & institutional development.
- To extend these services to new countries through establishment of new resident programs.
- To achieve wider impact through sharing of Technoserve knowledge & precesses and replicate projects & programs where possible.

B-2 END OF PROJECT STATUS

- Enhanced & improved core country programs in good functional relationships with host country governments.
- Well established working & service relationships with development agencies & institutions.
- Increased numbers of major community-based rural enterprises assisted.
- Stabilized, major community-based enterprises working on a self-sustained basis.
- New countries in operation.
- Projects and country programs being replicated.

B-3 MEANS OF VERIFICATION

- Monthly & quarterly project monitoring reports
- Semi-annual country program reports
- Project "participation" evaluations
- Divisional field reports, including evaluational officers, R&D staff

B-4 ASSUMPTIONS FOR ACHIEVING PURPOSE

- Government and local development groups provide necessary support and referrals and recommendations.
- Availability of necessary equity and del capital.
- Prioritization by AID and bilateral development institutions.

C-1 OUTPUTS

- New countries investigated.
- New country programs established.
- Increased services to rural enterprises and increased numbers of enterprises assisted.
- Changes in national development policies.
- Staff training and evaluation seminars.
- Replication of programs and projects.
- Publication of major position papers, impact case studies.
- Convening of development seminars & training sessions for development students & professionals.

C-2 MAGNITUDE OF OUTPUTS

- 250 projects investigated annually.
- 200 projects receiving assistance each year by 1991
- 500 enterprises assisted by 1991.
- 3 - 4 new country programs by 1989.
- 3 - 6 staff seminars (training, evaluation) per year.
- 1 - 2 major development seminars (R&D) each year.
- 1 - 3 country replications; & 5 project replications by end of 1990.
- Major development articles & position papers.

C-3 MEANS OF VERIFICATION

- Project feasibility analyses
- Management & Executive Committee Memoranda
- Project agreement documents
- Monthly & quarterly project monitoring reports
- Staff training seminars documentation & reports
- Replication agreements & studies
- Seminar documentation & reports
- New country investigation studies & plans & government agreements.

C-4 ASSUMPTIONS FOR ACHIEVING OUTPUTS

- Retention of effective Technoserve professional staff
- Sponsor groups (community enterprises) sustain cooperation with Technoserve to accomplish objectives
- Sponsor groups (enterprises) have continued freedom of operation
- Political stability of host country
- Absence of natural disasters
- Public and private institutions continu to have freedom of operation and sustai cooperation.

D-1 INPUTS

Increased professional staff
Refined & completed participatory project methodology.
Improved evaluation systems.
Increased private funding base.
Capital leveraging capability.

D-2 IMPLEMENTATION TARGETS

- Budget projections (intermediate level)
  - CY 86 $6,150,000
  - CY 87 $6,705,000
  - CY 88 $7,200,000
  - CY 89 $8,400,000
  - CY 90 $10,000,000
- Staff total: 225 by CY 1990.
- Methodology manuals published.
- Replication manuals published.

D-3 MEANS OF VERIFICATION

- Technoserve financial records
- Annual audit
- Personnel records
- Technoserve publications list

D-4 ASSUMPTIONS FOR PROVIDING INPUTS

- Availability of support from AID and other development institutions
- Continued support of private donors
- Availability of financial support from host country governments & development institutions
- Availability of motivated & qualified staff.

Partnership Grant Implementation Schedule

'TECHNOSERVE PARTNERSHIP GRANT NO. PDC-0280-A-00-6205-00
ACTIVITIES SCHEDULE 1990-199'

PROGRAM COMPONENT	AS SCHEDULED PER PROPOSAL		UPDATED SCHEDULE	
	Year 4	Year 5	7/1/90 TO 6/30/91 (Year 4)	7/1/91 TO 6/30/92 (Year 5)
Agricultural Production Policy Development	Regional policy strategy conferences on policy development Expand OPG relationships Strengthen linkage component in commodity sector project activity Provide services to 125-150 enterprises	Hold Senior Staff Policy Development Conference Provide services to 150 200 enterprises Complete staff building	Aggregate "beacons of success" projects in primary country programs, i e Kenya, Ghana, Zaire, Costa Rica, Panama and to promote program autonomy and release local initiatives, and to promote policy leveraging at the national level. Provide services to 75 major enterprises Provide services to 25 enterprises, including BASIX Strengthen commodity sector focus in Africa & Latin America: (e g. oil seeds, milk processing, basic grains, non-traditional crops) Establish and develop local counterpart entities in several primary countries over balance of Partnership Grant period	Aggregate "beacons of success" projects in primary country programs, i e Kenya, Ghana, Zaire, Costa Rica, Panama and Peru, to promote program autonomy and release local initiatives, and to promote policy leveraging at the national level Provide services to 85-90 major enterprises Provide services to 125-150 enterprises incl short-term BASIX activities Strengthen commodity sector focus and leveraging capabilities Consolidate TechnoServe staff level world-wide at 200 persons
nstitutions	Provide services to 5 major institutions Phase BASIX programs into longterm project relationships Broaden, strengthen longterm service programs in support of local development institutions	Provide services to 5-6 major institutions Sustain longterm service component to local and national level institutions Continue short-term service component (BASIX) on reduced basis	Provide services to 15 major institutions. Broaden & strengthen services to local institutions and develop institutional partnerships as a variation of replication activity. Scaling down of BASIX activities as scheduled	Provide services to 15-20 major institutions Scaling down of BASIX activities, as scheduled Expansion of replication effort through formation of institutional partnerships as in Tanzania, Mexico, Costa Rica Strengthen agricultural service programs and technical assistance capabilities of select institutions
ew Countries	Strengthen three new country programs. (2 Africa and 1 Latin America). Commence 4th New Country Program	3-4 New Country programs up and running Strengthen agricultural and Institutional Components	Commence formal programs in two countries: Tanzania and Guatemala Undertake indepth investigations in Nigeria, Madagascar	Start up program activities in third, and possibly, in fourth, country. Alternatively, establish new country activities through using institutional replication models as in Belize, Mexico Guatemala and Tanzania
plication & Dissemination olicy Analysis aff Training rogram Evaluation	Produce 4 major studies incl case histories Work on 2nd Country Replication Work on 2nd country replication Evaluate Belize replication Conduct two replication seminars Hold 4 staff seminars on evaluation processes Publish divisional evaluation studies Participate in threshhold evaluation	Continue TechnoServe participation in seminars & conferences Continue research and documentation on TechnoServe' work through work on new FINDINGS papers Commence integration of country programs into all phases of R&PA document production Commence work on major cost-benefit study comparing non-profit systems. Assist country & project replication efforts Externally conducted threshhold evaluation	Participate in development seminars & conferences Continue FINDINGS series Publish short position papers and articles on development problems and policy issues Commence integration of field programs into all phases of R&PA document production Commence series of teaching case studies Publish divisional evaluation documents. Assist country & project replication efforts. Continue internal review of 1987 external evaluation	Complete case study series and place in circulation Publish comparative cost-benefit volume Publish major agrarian reform study Publish FINDINGS papers and sector studies Take on wider, leadership role in internat on[illegible] & conferenc[illegible] Produce and publish field designed training manuals for external use Convene International Senior Staff Conference Assist in documentation of replication packages Conduct self-evaluation per Partnership Grant Agreement

Country Data Sheets

ON AID SUPPORTED PVO PROJECTS

FOR OFFICIAL USE ONLY

PVO Type	Project Number	
Appropriation	Level	
Country Code	Fund Type	Technical Code
Project Officer	Key 1	Key 2

PROJECT INFORMATION (PRIMARY)

Name of Organization: TECHNOSERVE, INC.		Grant/Contract Number: PDC-0280-A-00-6205-00
Start Date (MM/DD/YY): 7/1/86	End Date (MM/DD/YY): 6/30/91	AID Project Officer's Name: Karen Anderson

AID OBLIGATION BY AID-FY ($000)

FY	AMOUNT	FY	AMOUNT
LOP			

Activity Description

To enable Technoserve to strengthen the capability of its program to provide direct assistance to agricultural, community-based enterprises and thereby stimulate production. Emphasis will be given to bringing women into the process. Efforts will be made to affect policy reform through host-country decision makers. Business advisory services will be provided to related for-profit and service institutions that benefit low income people.

Status

Technoserve/Costa Rica currently has a staff of 11 employees and is assisting 11 enterprises in the production of vegetables, milk, coffee and cacao.

The Costa Rica program was visited by the Partnership Grant evaluation team in April 1988.

COUNTRY INFORMATION (SECONDARY)

Country: COSTA RICA	Location in Country (Region, District, Village): SAN JOSE
PVO Representative's Name: Barbara Magner and Douglass Ray, Norwalk, CT Headquarters	Local Counterpart/Host Country Agency: None

COUNTRY FUNDING INFORMATION ($000)

YEAR	1986	1987	1988	1989	1990-91
AID $	100	171	141	174	100
PVO $	44	123	232	187	300
INKIND					
LOCAL	47	63	29	15	50
TOTAL	191	357	402	376	450

AID 1550-11 (11-85)

ON AID SUPPORTED PVO PROJECTS

FOR OFFICIAL USE ONLY

PVO Type	Project Number	
Appropriation	Level	
Country Code	Fund Type	Technical Code
Project Officer	Key 1	Key 2

PROJECT INFORMATION (PRIMARY)

Name of Organization: TECHNOSERVE, INC.		Grant/Contract Number: PDC-0280-A-00-6205-00
Start Date (MM/DD/YY): 7/1/86	End Date (MM/DD/YY): 6/30/91	AID Project Officer's Name: Karen Anderson

AID OBLIGATION BY AID-FY ($000)

FY	AMOUNT	FY	AMOUNT
LOP			

Activity Description

To enable Technoserve to strengthen the capability of its program to provide direct assistance to agricultural, community-based enterprises and thereby stimulate regional economies. Emphasis will be given to bringing women into the process. Efforts will be made to influence policy by improving host-country decision making process. Business advisory services will be provided to related private and non-government institutions with the aim to make more effective delivery of technical assistance services to low income groups.

Status

Technoserve/PANAMA currently has a Staff of 11 employees and is assisting enterprises involved in vegetable, fruit and coffee production, agro-industry and fishing activities. It has cooperative agreement with the Agricultural Development Bank by which training is being provided to their staff.

COUNTRY INFORMATION (SECONDARY)

Country: PANAMA	Location in Country (Region, District, Village): PANAMA CITY
PVO Representative's Name: Barbara Magner or Douglass Ray, Norwalk, CT Headquarters	Local Counterpart/Host Country Agency: Agricultural Development Bank

COUNTRY FUNDING INFORMATION ($000)

YEAR	1986	1987	1988	1989	1990-91
AID $	157	318	295	76	50
PVO $	59	156	185	270	330
INKIND					
LOCAL		33	33	4	20
TOTAL	216	507	513	350	400

AID 1850-11 (11-85)

ON AID SUPPORTED PVO PROJECTS

FOR OFFICIAL USE ONLY

PVO Type	Project Number	
Appropriation	Level	
Country Code	Fund Type	Technical Code
Project Officer	Key 1	Key 2

PROJECT INFORMATION (PRIMARY)

Name of Organization: TECHNOSERVE, INC.		Grant/Contract Number: PDC-0280-A-00-6205-00
Start Date (MM/DD/YY): 7/1/86	End Date (MM/DD/YY): 6/30/91	AID Project Officer's Name: Karen Anderson

AID OBLIGATION BY AID-FY ($000)

FY	AMOUNT	FY	AMOUNT
LOP			

Activity Description

To enable Technoserve to strengthen the capability of its program to provide direct assistance to agricultural, community-based enterprises and thereby stimulate regional economies. Emphasis will be given to bringing women into the process. Efforts will be made to influence policy by improving host-country decision making process. Business advisory services will be provided to related private and non-government institutions with the aim to make more effective delivery of technical assistance services to low income groups.

Status

Technoserve/Peru currently has a staff of employees and is providing services to several agricultural cooperatives. Services rendered include all typical management functions, plus membership promotion and participation and specific agricultural services including irrigation and water management.

COUNTRY INFORMATION (SECONDARY)

Country: PERU	Location in Country (Region, District, Village): LIMA
PVO Representative's Name: Barbara Magner, Norwalk, CT Headquarters	Local Counterpart/Host Country Agency: None

COUNTRY FUNDING INFORMATION ($000)

YEAR	1984	1985	1986	1987	1988	1989	1990
AID $	65	286	199	200	124	160	115
PVO $		128	262	197	330	301	405
INKIND							
LOCAL		3	9	10	6	63	47
TOTAL	65	417	470	407	460	524	567

AID 1550-11 (11-85)

ON AID SUPPORTED PVO PROJECTS

FOR OFFICIAL USE ONLY

COPY

PVO Type	Project Number	
Appropriation	Level	
Country Code	Fund Type	Technical Code
Project Officer	Key 1	Key 2

PROJECT INFORMATION (PRIMARY)

Name of Organization: TECHNOSERVE, INC.		Grant/Contract Number: PDC-0280-A-00-6205-00
Start Date (MM/DD/YY): 7/1/86	End Date (MM/DD/YY): 6/30/91	AID Project Officer's Name: Karen Anderson

*** AID OBLIGATION BY AID-FY ($000) ***

FY	AMOUNT	FY	AMOUNT
LOP			

Activity Description

To assist Technoserve in its goal of sponsoring BEST (Belize Enterprise for Sustained Technology) as a local entity which replicates Technoserve's approach to enterprise development. BEST is provided with support and training in Technoserve's project assistance methodology.

Status

Funding began 7/1/86.

BEST is incorporated and functioning, and has itself received an OPG from USAID/Belize.

Assistance has been ongoing since 1986. An AID/W evaluation in 1988 concluded that the success of the Belize experiment (BEST) suggests using it as an "affiliate" model for further replication of Technoserve's approach to development.

COUNTRY INFORMATION (SECONDARY)

Country: BELIZE	Location in Country (Region, District, Village): BELMOPAN
PVO Representative's Name: Barbara Magner or Douglass Ray, Norwalk, CT Headquarters	Local Counterpart/Host Country Agency: BEST (see above)

COUNTRY FUNDING INFORMATION ($000)

YEAR	1986	1987	1988	1989	1990/91
AID $	24	55	75	23	20
PVO $	1	1			
INKIND					
LOCAL					
TOTAL	25	56	75	23	20

AID 1550-11 (11-85)

ON AID SUPPORTED PVO PROJECTS

*** FOR OFFICIAL USE ONLY ***

PVO Type	Project Number	
Appropriation	Level	
Country Code	Fund Type	Technical Code
Project Officer	Key 1	Key 2

PROJECT INFORMATION (PRIMARY)

Name of Organization: TECHNOSERVE, INC.		Grant/Contract Number: 519-0312-A-00-6376-00
Start Date (MM/DD/YY): 5/28/86	End Date (MM/DD/YY): 5/31/90	AID Project Officer's Name: Jeffrey Allen

*** AID OBLIGATION BY AID-FY ($000) ***

FY	AMOUNT	FY	AMOUNT
LOP			

Activity Description

To assist cooperative enterprises, providing them with technical assistance and training to improve their management, production and marketing skills and increase profitability; and to provide institution building support to the Federation of Salvadoran Cooperatives of the Agrarian Reform (FESACORA) to improve its operational efficiency.

Status

Program is on-going, with a staff of 39 Salvadorean technical advisors and support personnel assisting about 20 projects, including assistance to the Federacion Salvadorena de Cooperativas de la Reforma Agraria (FESACORA) and Ministry of Agriculture, and also providing short-term assistance to selected small groups requesting it. Over 3000 cooperative members are currently benefitting from Technoserve's activities.

COUNTRY INFORMATION (SECONDARY)

Country: EL SALVADOR	Location in Country (Region, District, Village): SAN SALVADOR
PVO Representative's Name: Francisco Lino Osegueda	Local Counterpart/Host Country Agency: FESACORA

COUNTRY FUNDING INFORMATION ($000)

YEAR	1986	1987	1988	1989	1990
AID $	554	1403	1154	1341	1372
PVO $	8	39	106	300	516
INKIND					
LOCAL	70	155	90	66	100
TOTAL	632	1597	1350	1707	1988

AID 1560-11 (11-85)

ON AID SUPPORTED PVO PROJECTS

FOR OFFICIAL USE ONLY

PVO Type	Project Number	
Appropriation	Level	
Country Code	Fund Type	Technical Code
Project Officer	Key 1	Key 2

PROJECT INFORMATION (PRIMARY)

Name of Organization: TECHNOSERVE, INC.		Grant/Contract Number: PDC-0280-A-00-6205-00
Start Date (MM/DD/YY): 7/1/86	End Date (MM/DD/YY): 6/30/91	AID Project Officer's Name: Karen Anderson

AID OBLIGATION BY AID-FY ($000)

FY	AMOUNT	FY	AMOUNT
LOP			

Activity Description

To enable Technoserve to expand its operations into 3-4 new countries, with most of this expansion taking place in sub-Saharan Africa.

Status

Technoserve has used Partnership Grant funding to explore program possibilities in Bolivia, Guatemala, Uganda, Tanzania, Honduras and Nigeria. We currently have staff in-country in Nigeria, Guatemala and Tanzania. We expect to evolve these 3 into affiliate or full field office status during 1990.

COUNTRY INFORMATION (SECONDARY)

Country: New Country Start-Ups in Africa and Latin America.	Location in Country (Region, District, Village): N/A
PVO Representative's Name: Barbara Magner and Douglass Ray, Norwalk, CT Headquarters	Local Counterpart/Host Country Agency: N/A

COUNTRY FUNDING INFORMATION ($000)

YEAR	1986	1987	1988	1989	1990-91
AID $	27	88	124	21	120
PVO $	25		5	107	380
INKIND					
LOCAL					
TOTAL	52	88	129	128	500

ON AID SUPPORTED PVO PROJECTS

FOR OFFICIAL USE ONLY

PVO Type	Project Number	
Appropriation	Level	
Country Code	Fund Type	Technical Code
Project Officer	Key 1	Key 2

PROJECT INFORMATION (PRIMARY)

Name of Organization: TECHNOSERVE, INC.		Grant/Contract Number: PDC-0280-A-00-6205-00
Start Date (MM/DD/YY): 7/1/86	End Date (MM/DD/YY): 6/30/91	AID Project Officer's Name: Karen Anderson

AID OBLIGATION BY AID-FY ($000)

FY	AMOUNT	FY	AMOUNT
LOP			

Activity Description

To strengthen the capability of Technoserve's program to provide direct assistance to agricultural, community-based enterprises and thereby stimulate the development of agricultural commodity sectors. Emphasis will be given to bringing women into the process. Effort will be made to affect policy reform by systematically dialoguing with host-country decision-makers. Business advisory services will be provided to related for-profit and service institutions.

Status

Technoserve/Ghana currently has a staff of 17 employees and is assisting enterprises involved in palm-oil production, processing and the production and marketing of basic food crops through service cooperatives.

COUNTRY INFORMATION (SECONDARY)

Country: GHANA	Location in Country (Region, District, Village): ACCRA
PVO Representative's Name: Barbara Magner or Douglass Ray, Norwalk, CT Headquarters.	Local Counterpart/Host Country Agency: None

COUNTRY FUNDING INFORMATION ($000)

YEAR	1986	1987	1988	1989	1990-91
AID $					
PVO $	175	108	191	231	150
INKIND	27	297	226	208	500
LOCAL					
TOTAL	202	405	417	439	650

AID 1550-11 (11-85)

PROJECT REPORTING INFORMATION ON AID SUPPORTED PVO PROJECTS

FOR OFFICIAL USE ONLY

PVO Type	Project Number	
Appropriation	Level	
Country Code	Fund Type	Technical Code
Project Officer	Key 1	Key 2

PROJECT INFORMATION (PRIMARY)

Name of Organization: TECHNOSERVE, INC.		Grant/Contract Number: PDC-0280-A-00-6205-00
Start Date (MM/DD/YY): 10/1/88	End Date (MM/DD/YY): 9/30/90	AID Project Officer's Name: Karen Anderson

AID OBLIGATION BY AID-FY ($000)

FY	AMOUNT	FY	AMOUNT
LOP			

Activity Description

Technoserve's global 5-year Partnership Grant with AID provided for a "buy-in" mechanism. Through this mechanism, Technoserve has been able to contract with USAID Missions for project funding on a case by case basis. A buy-in with USAID/Kenya for the period of 10/1/88-9/30/89 provides funding for mala milk projects.

Status

The goal of the project is to assist smallholder Kenya dairy farmers to market and process afternoon or evening milk supplies in a manner which increases their income and contributes to their skill and ability to add value to their dairy output. Technoserve plans to achieve this goal through development of a replicable and sustainable enterprise model via a program of direct technical assistance and enterprise development. One mala model is operational and several are in the pipeline.

COUNTRY INFORMATION (SECONDARY)

Country: KENYA	Location in Country (Region, District, Village): NAIROBI
PVO Representative's Name: John Makilya	Local Counterpart/Host Country Agency:

COUNTRY FUNDING INFORMATION ($000)

YEAR			1988	1989	1990
AID $			130	96	220
PVO $			309	324	230
INKIND					
LOCAL					
TOTAL			439	420	450

AID 1550-11 (11-85)

PROJECT REPORTING INFORMATION
ON AID SUPPORTED PVO PROJECTS

FOR OFFICIAL USE ONLY

PVO Type	Project Number	
Appropriation	Level	
Country Code	Fund Type	Technical Code
Project Officer	Key 1	Key 2

PROJECT INFORMATION (PRIMARY)

Name of Organization: TECHNOSERVE, INC.		Grant/Contract Number: PDC-0280-A-00-6205-00
Start Date (MM/DD/YY): 10/ 1/88	End Date (MM/DD/YY): 9/30/89	AID Project Officer's Name: Karen Anderson

AID OBLIGATION BY AID-FY ($000)

FY	AMOUNT	FY	AMOUNT
LOP			

Activity Description

Technoserve's global 5-year Partnership grant with AID provided for a "buy-in" mechanism. Through this mechanism, Technoserve has been able to contract with USAID Missions for project funding on a case by case basis. A buy-in with USAID/Zaire for the funding period of 10/1/88-9/30/89 was secured in late 1988 to provide funding for Technoserve's ongoing activities.

Status

The one-year buy-in was to continue Technoserve's work in strengthening and promoting private enterprise, especially agriculturally-related initiatives, and development institutions in Zaire through direct technical assistance and the transfer of management skills. The requirements of the buy-in were achieved and work continues primarily through a series of small AID contracts and private funding.

COUNTRY INFORMATION (SECONDARY)

Country: ZAIRE	Location in Country (Region, District, Village): KINSHASA
PVO Representative's Name: Ebaka Ebongo	Local Counterpart/Host Country Agency:

COUNTRY FUNDING INFORMATION ($000)

YEAR	1986	1987	1988	1989	1990
AID $	345	397	457	480	125
PVO $	173	236	272	143	125
INKIND					
LOCAL					
TOTAL	518	633	729	623	250

AID 1550-11 (11-85)

PVO PROJECT REPORTING INFORMATION
ON AID SUPPORTED PVO PROJECTS

FOR OFFICIAL USE ONLY

PVO Type	Project Number	
Appropriation	Level	
Country Code	Fund Type	Technical Code
Project Officer	Key 1	Key 2

PROJECT INFORMATION (PRIMARY)

Name of Organization: TECHNOSERVE, INC.		Grant/Contract Number: PDC-0280-A-00-6205-00
Start Date (MM/DD/YY): 7/1/86	End Date (MM/DD/YY): 6/30/91	AID Project Officer's Name: Karen Anderson

AID OBLIGATION BY AID-FY ($000)

FY	AMOUNT	FY	AMOUNT
LOP			

Activity Description

To enable Technoserve to strengthen and expand the capability to conduct specific evaluations and replicate Technoserve's methodology by:

- producing and disseminating in-depth case studies, "how-to" manuals, position papers, major articles, and policy analysis related to enterprise development.
- conducting one to two major development seminars to share the Technoserve methodology within the development community.
- holding two to four staff training workshops per year to ensure that this information is thoroughly transmitted internally.

To replicate program and assistance packages at lower cost, both financially and in terms of staff time. See 1550-11 on Belize.

Status

Funding began 7/1/86.

The Replication & Dissemination department has been staffed and organized. Numerous case studies, papers and major articles have been written and made available to the development community, including AID. Development seminars have been conducted, and others addressed.

COUNTRY INFORMATION (SECONDARY)

Country: USA - Replication & Dissemination	Location in Country (Region, District, Village): Norwalk, CT
PVO Representative's Name: Barbara Magner or Douglass Ray, Norwalk, CT Headquarters	Local Counterpart/Host Country Agency: N/A

COUNTRY FUNDING INFORMATION ($000)

YEAR	1986	1987	1988	1989	1990-91
AID $	67	190	272	261	100
PVO $	31	4	27	22	200
INKIND					
LOCAL					
TOTAL	98	194	299	283	300

ON AID SUPPORTED PVO PROJECTS

FOR OFFICIAL USE ONLY

PVO Type	Project Number	
Appropriation	Level	
Country Code	Fund Type	Technical Code
Project Officer	Key 1	Key 2

PROJECT INFORMATION (PRIMARY)

Name of Organization: TECHNOSERVE, INC.		Grant/Contract Number: 696-0121-A-00-4011-00
Start Date (MM/DD/YY): 9/1/84	End Date (MM/DD/YY): 6/30/90	AID Project Officer's Name: Mike Fuchs-Carsh

AID OBLIGATION BY AID-FY ($000)

FY	AMOUNT	FY	AMOUNT
LOP			

Activity Description

The Rwanda Private Enterprise Development Project has been initiated to promote the Rwandan private sector, especially agri-business initiatives, through technical assistance to enterprises and by contributing to an improved institutional and policy environment. Specifically, to:

1) Establish a business advisory and management assistance program to provide assistance to businesses and institutions supporting private enterprise;
2) Improve business and management skills through short-term, in-country training programs and seminars; on-the-job training; and long-term training of local accountants.
3) Undertake field investigations to guide project implementation and to support policy dialogue with the Government of Rwanda (GOR) on major issues affecting private enterprise in Rwanda.

Status

An internal review conducted by USAID/RW found, in 2/88, that "...Rwanda Private Enterprise Development (RPED) Project, implemented by Technoserve, Inc., has achieved notable results since start-up in mid-1985. Technoserve's program has been instrumental in encouraging the development of the nascent Rwandan small and medium enterprise (SME) sector.""The Project has assisted Government in its efforts to encourage SME development...(assisted) AID in its focus on generating rural incomes and growth..., and the World Bank's activities in the manufacturing sector...".

"Technoserve/Rwanda has, to date, exceeded training, business advisory, extension and management service targets called for in the original Project Paper."

COUNTRY INFORMATION (SECONDARY)

Country: RWANDA	Location in Country (Region, District, Village): KIGALI
PVO Representative's Name: James G. Herne	Local Counterpart/Host Country Agency

COUNTRY FUNDING INFORMATION ($000)

YEAR	1984	1985	1986	1987	1988	1989	1990
AID $	30	472	714	1010	1040	848	769
PVO $					10	6	
INKIND							
LOCAL							
TOTAL	30	472	714	1010	1050	854	769

AID 1550-11 (11-85)

ON AID SUPPORTED PVO PROJECTS

FOR OFFICIAL USE ONLY

PVO Type	Project Number	
Appropriation	Level	
Country Code	Fund Type	Technical Code
Project Officer	Key 1	Key 2

PROJECT INFORMATION (PRIMARY)

Name of Organization: TECHNOSERVE, INC.		Grant/Contract Number: 650-0054-A-00-6011-00	
Start Date (MM/DD/YY): 2/15/86	End Date (MM/DD/YY): 12/30/90	AID Project Officer's Name: Micky Feldt	

AID OBLIGATION BY AID-FY ($000)

FY	AMOUNT	FY	AMOUNT
LOP			

Activity Description

To enable Technoserve, in collaboration with the Agricultural Bank of Sudan (ABS), to implement the agricultural credit component of the Kordofan Region (KORAG) Rainfed Agricultural Project in Western Sudan. Technoserve will provide 2 expatriate advisors to the ABS to improve and upgrade the Bank's system for the delivery of agricultural credit to cooperatives and farmer's associations in the Kordofan Province of Western Sudan. USAID/SUDAN believes that the support of Rainfed Agricultural Production in this area of Sudan provides the greatest potential for improving food production in Sudan.

Status

Program initiated late 1986 and baseline survey conducted. Office established. Two expatriates on site and Sudanese professional and administrative staff recruited. Training programs being implemented. Working relationships with Global 2000, Western Sudan Agriculture Research Station, and Cooperative Training Center in El Obeid established.

COUNTRY INFORMATION (SECONDARY)

Country: SUDAN	Location in Country (Region, District, Village): EL OBEID
PVO Representative's Name: Ron Gillespie	Local Counterpart/Host Country Agency: Agricultural Bank of Sudan

COUNTRY FUNDING INFORMATION ($000)

YEAR	1986	1987	1988	1989	1990
AID $	98	437	431	474	535
PVO $			47	113	55
INKIND					
LOCAL					
TOTAL	98	437	478	587	590

AID 1550-11 (11-85)

Replication & Policy Analysis Papers

Curriculum Development Institute
Notre Dame University
June 1990

THE CASE METHOD

OF

INSTRUCTION

FOR

ISSUES IN INTERNATIONAL DEVELOPMENT

AT THE

UNIVERSITY LEVEL

Presented by:

Peter A. Reiling
Director, R&PA

TechnoServe
148 East Avenue
Norwalk, CT 06851
(203) 852 - 0377

WHAT IS A TEACHING CASE?

...the vehicle by which a chunk of reality is brought into the classroom...

P.R. Lawrence

...a record of a business issue which actually has been faced by business executives, together with the surrounding facts, opinion, and prejudices upon which the executive decisions had to be made...[all] presented to students for considered analysis...

C. I. Gragg

...a practical experience in group behavior and in the benefits of group discussion in arriving at business decisions...

B. Fox

WHY USE THE CASE METHOD?

...Teaching cases provide students with the opportunity to bring to bear on business problems an unlimited variety of knowledge and skills acquired in all their previous academic and practical experience...

Harvard University Catalogue

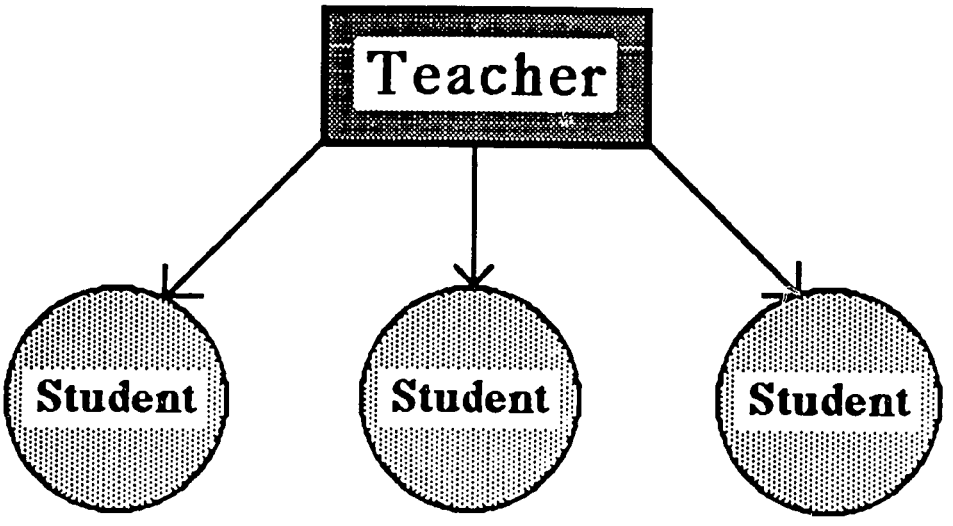
...Only by wrestling with the conditions of the problem at hand, seeking and finding his own way out, does [the student] think...If he cannot devise his own solution (not, of course, in isolation but in correspondence with the teacher and other pupils) and find his own way out he will not learn, not even if he can recite some correct answer with one hundred percent accuracy...

A. S. Dewey

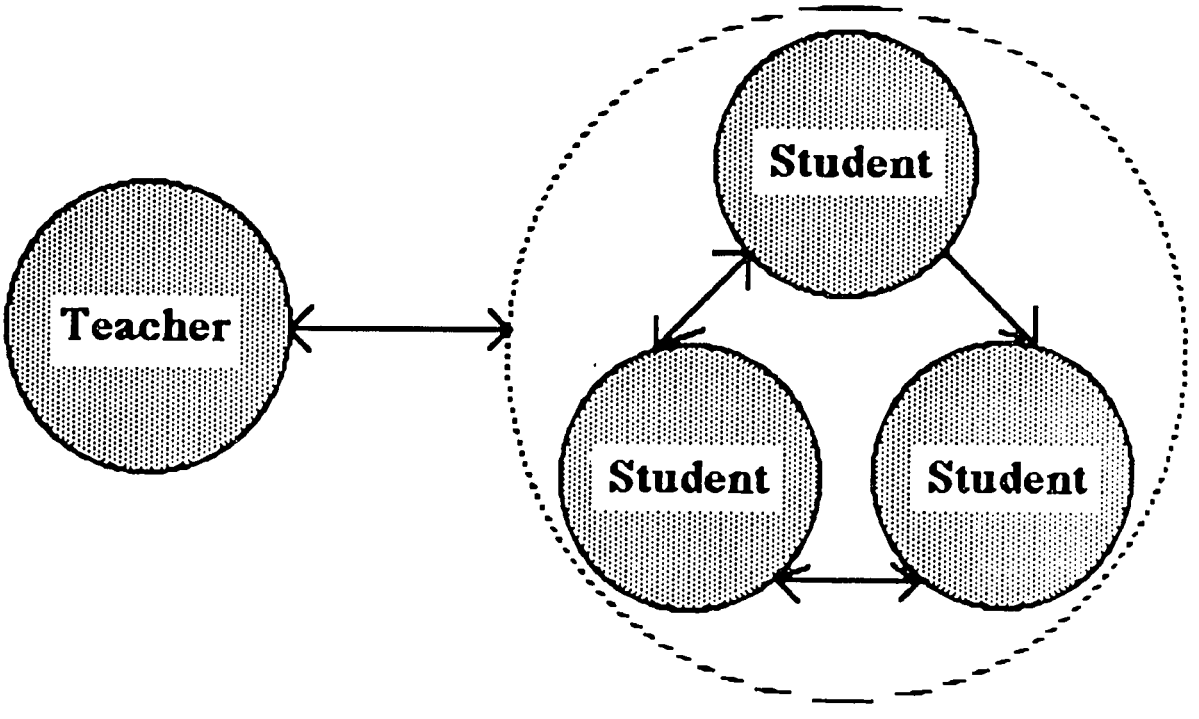
...A student of (business) with tact
Absorbed many answers he lacked
But acquiring a job
He asked with a sob
How does one fit answer to fact?

Anonymous

TRADITIONAL TEACHING METHODOLOGY



CASE METHOD



RESPONSIBILITIES OF PARTICIPANTS IN TEACHING CASE METHODOLOGY

	TEACHER	STUDENT
A. Before Class	1. Assigns case and accompanying readings	1. Receives case/ readings
	2. Prepares teaching notes	2. Reads and prepares case individually
	3. May consult with case author to clarify details	3. Participates in group discussion/ (write-up) of case
B. During class	1. Leads case discussion by raising critical questions, facilitating student participation, probing student responses	1. Shares insights on case based on theory and/or actual experience
	2. Provides data and insights to enhance learning	2. Absorbs/reacts to views expressed by other students
		3. Raises issues for clarification
C. After class	1. Evaluates student participation	1. Reviews class results in light of preparation
	2. Evaluates case in light of objectives	2. Notes major insights gained/lessons learned
	3. Revises teaching notes	

NOTE: Chart derived from similar presentation by Erskine and Leenders in Teaching with Cases.

REQUIREMENTS FOR SUCCESSFUL APPLICATION OF THE CASE METHOD

- An **issue** with the following characteristics:
  - Complexity and management-level challenge
  - Potential to prompt several viewpoints/solutions

- **Participants** with the following characteristics:
  - Potential to organize and analyze a large amount of information
  - Potential to express personal views and challenge the opinions of others
  - Potential to accept opposing opinions

- An **instructor** with the following characteristics:
  - Skill in facilitating discussions of controversial issues
  - Ability to offer feedback without making decisions for participants
  - Patience for dealing with participants who become frustrated by the case method's unconventional nature.

The SOBUPRORIZ Rice Cooperative Teaching Case

The attached teaching case is actually more of a prototype case than a complete one. In its final form, it will include several more appendices with organizational charts, financial statements, etc.

As is, however, the case has been successfully tested in the classroom at Columbia University's School for International and Public Affairs. The class was my own, entitled "Enterprise Development in the Third World." It was held in the recently completed Spring semester of 1990.

The case was used as part of the introductory section of the class. Its purpose was to expose the students to the variety of development-related issues with which we would be dealing over the course of the semester.

The case was distributed to students one week prior to its in-class discussion. During that week, students, organized into case study groups, were asked to read the case, discuss it as a group, and prepare a write-up addressing the questions raised on the last page of the case. In-class discussion lasted one and one-half hours.

As I will explain in the course of the workshop, TechnoServe is about to embark on a three-year program to produce a series of 16 applied case studies dealing with issues in international development. They will be geared to a wide audience -- not just business students. Specific topics will be chosen by a university advisory committee made up of representatives of 6-10 institutions. Please be sure to see me if you or your institution would be interested in being a part of this advisory group.

The SOBUPRORIZ Rice Cooperative

I. Background

You are the Director of a U.S.-based non-governmental organization (NGO) engaged in rural enterprise development in the East African nation of Burundi.

The NGO has been in Burundi -- and under your direction -- for just over two years. In that time, you have built up a staff consisting of two American and ten Burundian "field advisors".

Eight of the Burundian staff have advanced degrees and/or significant hands-on experience in business administration. Two are recent graduates of the local agricultural training institute. Many have worked in government ministries or with private firms.

One of your expatriate staff has an advanced degree in business (MBA) and considerable training experience. She, along with two Burundian counterparts, is running a series of business-related workshops in three cities in Burundi on a monthly basis, covering issues such as accounting, marketing, personnel management and the like.

The other American has a BA degree in economics and was a Peace Corps Volunteer working in a government-sponsored agricultural education program in Sierra Leone. He is in charge of "business development" for your organization -- managing the eight agricultural/business field advisors on your staff.

Your NGO's global mission, as defined by your Board of Directors, is:

> to support rural men and women in their efforts to develop viable, community-owned and -operated enterprises of significant scale, providing them with professional, long-term, on-site, integrated management assistance. (1)

---

(1) "Significant size" is defined in terms of ownership (i.e. 20 or more member/owners) as well as assets (precise definition varies from country to country). "Integrated management assistance" means assistance on several fronts, e.g. production, marketing, accounting, finance, etc. All assistance is conducted in a business-like manner: Beneficiaries are "clients;" Clients sign "management contracts" and pay "management fees."

In Burundi, your client list includes a traders association, a metalworking shop, a radio repair store, a furniture workshop and several other small businesses -- all located in the capital city. You have been providing them with short-term assistance under a so-called Business Advisory Service program. For example, you helped the metalworking shop to prepare a loan application, the furniture makers to prepare a market analysis.

Pressure is mounting from your Home Office in the States "to get on the ball." In fact, the Vice President for the Africa Region (your boss), Bill Brooker, has just paid you a visit from his office in Nairobi. His message was clear: The President of the company is not happy with the pace of your program's development. In addition to the fact that you do not seem to be respecting the corporate mission, your program is a costly one that has yet to show significant impact.(2) This last point, he worries, might raise some problems with the donors financing your work.

Over a few beers at the American Club, you have tried to explain to Bill that this country is quite different from others where your NGO is working and, therefore, demands a different programmatic approach: Organized groups of rural farmers are few and far between. The real need for assistance is in the urban areas where there is a large informal sector. Moreover, the traders and merchants one finds in the urban areas, you argued, are the country's real "engines of development". If they can be assisted, they will use their accumulated capital to invest in new businesses.

Besides, you noted to Bill with an audible sigh, the rural areas have been "locked up" by another international NGO, the World Cooperative League, anyhow.

This line of reasoning did not go over very well with Bill. The mission statement for your NGO, he asserted just before boarding the plane back to Kenya, prescribes a focused approach to economic development. Focused as in rural. Focused as in farmers. Focused as in long-term. You have been with this NGO for over ten years and are a valued employee. Nonetheless, you had better get your ducks in order.

---

(2) Impact evaluation in your organization is based on five key indicators. Chief among them is the number of "CBE's" --community-based enterprises. The other sub-indicators tracked are: level of assets, gross revenues, profits/(losses), and number of employees.

II. The Situation

It is a Monday morning in June. A group of farmers representing a rice cooperative located in rural, northeastern Burundi -- on the Zaire-Rwanda-Burundi border (and about as far from your office as one could get in this tiny country) -- has just walked into your office.

Judging by their demeanor and their nervous but curious glances around the office with its whirring ceiling fans and beeping computers, they are obviously infrequent visitors to the capital, as well as to the office of a foreign organization. Nonetheless, one of them has approached your receptionist, a Tutsi woman named Helene, and, in a quiet voice, requested permission to meet with you in order to discuss a request for assistance.

Helene looks them over, then turns to her typewriter, begins typing and, after a minute or so, mumbles something to the men. They look confused and begin to move towards the door. One of the older men, however, comes forward and speaks to her again, this time in a louder, more confident voice.

Without offering your visitors a drink or even a seat, Helene stands up and comes into your office. She informs you rather coldly that "a bunch of Hutu old men that look like they have come straight from their coop's rice fields in Cyangungu" want to meet with you. She has told them to come back later because of the regular Monday morning staff meeting, but "they are stubborn and will not listen."

"Cyangungu?" you think to yourself. You know that cooperative from a Canadian Aid Agency study that you were reading last week. Called SOBUPRORIZ, it boasts almost 180 members -- almost unheard of in this tiny country! Its size and its rural location make it an ideal client by your Home Office's standards!

Despite the fact that you really had scheduled a staff meeting that morning -- before all of your advisors head out to their respective clients -- you decide to see the farmers immediately. You also make a mental note to talk with Helene about her behavior.

The farmers enter your office and, after a brief scramble for chairs and an elaborate series of greetings, you begin your discussion. They speak only broken French, so you decide to proceed in Kinyarwanda, the local language, using Chrysostome, one of your senior Burundian advisors, as translator. Jean, another local advisor (and a recent university graduate), also sits in. As the meeting progresses, you take the following notes:

- SOBUPRORIZ is located in a valley which was developed some 15 years ago by the North Korean international aid program for the specific purpose of growing rice. Canals are in place as are irrigation gates, etc.

- They share the valley with a government-owned and -operated project called Riz D'Or. In fact, many of the farmers' fields are interspersed with those of the project's.

- Riz D'Or owns a large capacity rice mill but has not, heretofore, allowed the coop to use it. This is troubling to these farmers because they have heard on the radio that the government wants to encourage small farmers and wants to increase the country's production of rice for local consumption. The coop does own an old Chinese rice mill of its own. But it breaks more rice than it cleans.

- Their land appears to be fertile, yet is not producing nearly as well as other bottomland plots in the country.

- The farmers are not sure exactly how much rice they have produced in recent years. The coop manager keeps production and marketing records but does not share them with the members.

- The coop has traditionally sold its rice to local merchants who arrive with trucks on a more or less ad hoc basis in the post harvest period. These merchants often claim that the rice is of poor quality and pay rather low prices for it. (The farmers have brought you some tattered, illegible receipts as proof.)

- SOBUPRORIZ has been in existence for some twenty years, but is not very cohesive. Very few members are up-to-date on their dues. In fact, many farmers are bypassing the cooperative to sell their rice directly to local merchants.

- When confronted with this issue of cohesion at the last general meeting of the coop, held last October, one group of farmers claimed that the coop's manager, an ex-customs official from the nearby Burundi-Zaire border station (who could not make it to today's meeting in your office because he has other business to attend to in the capital), was dishonest, i.e. all too willing to collect the farmers' rice, but not to pay them for it.

- At that same meeting, the manager had responded that his inability to pay was due to the simple fact that the coop lacks working capital. He had approached the government banks for financing on the coop's behalf, but, due to an outstanding debt and unpaid back-taxes, they were refused.

- The coop had tried to access capital from the private commercial banks but were only handed a confusing bundle of loan applications (written in French) and told to come back when they were completed and accompanied by a business plan.

The farmers conclude the meeting by saying that they want your help because, to paraphrase, "you are from America and, therefore, you have lots of money and can make their cooperative run properly. Besides that, because you are American, you are honest and will not cheat them."

By year's end, they add just before leaving, they hope to have sold significantly more rice and to have used the proceeds to build a butcher shop and a video parlour for the members of the coop.

As they leave, Helene snorts in mild disgust, and turns up the fan.

You turn to Chrysostome who shrugs and smiles. He is eager, he says, to assist these farmers. "The rice from that part of the country is nationally-renowned!"

Jean laughs. When you ask why, he says that Cyangungu is "la brousse" (bush country), and "too far from the capital." He, for one, would never live way out there as an on-site advisor -- good rice or not.

III. Issues for Discussion

1. What are the major issues raised in this scenario:

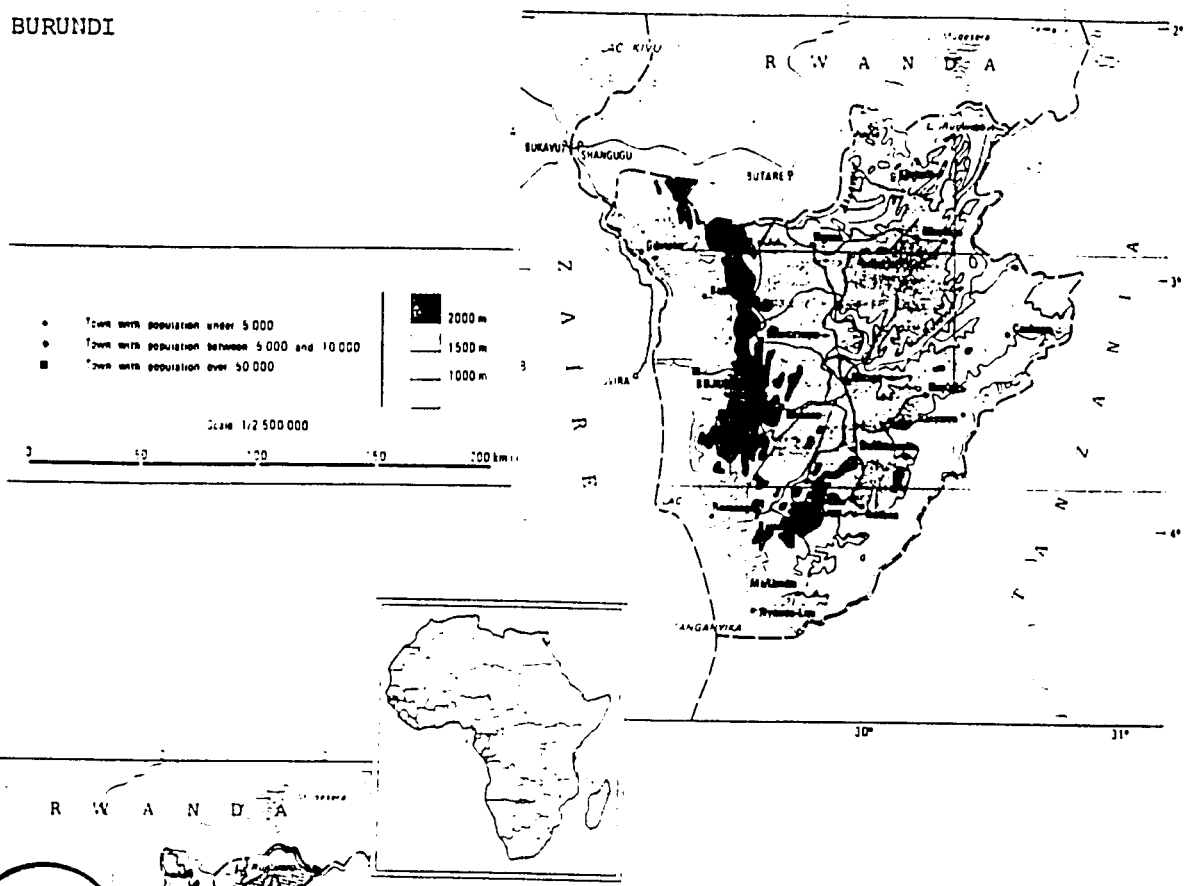
    a. Facing the NGO?
    b. Facing SOBUPRORIZ?

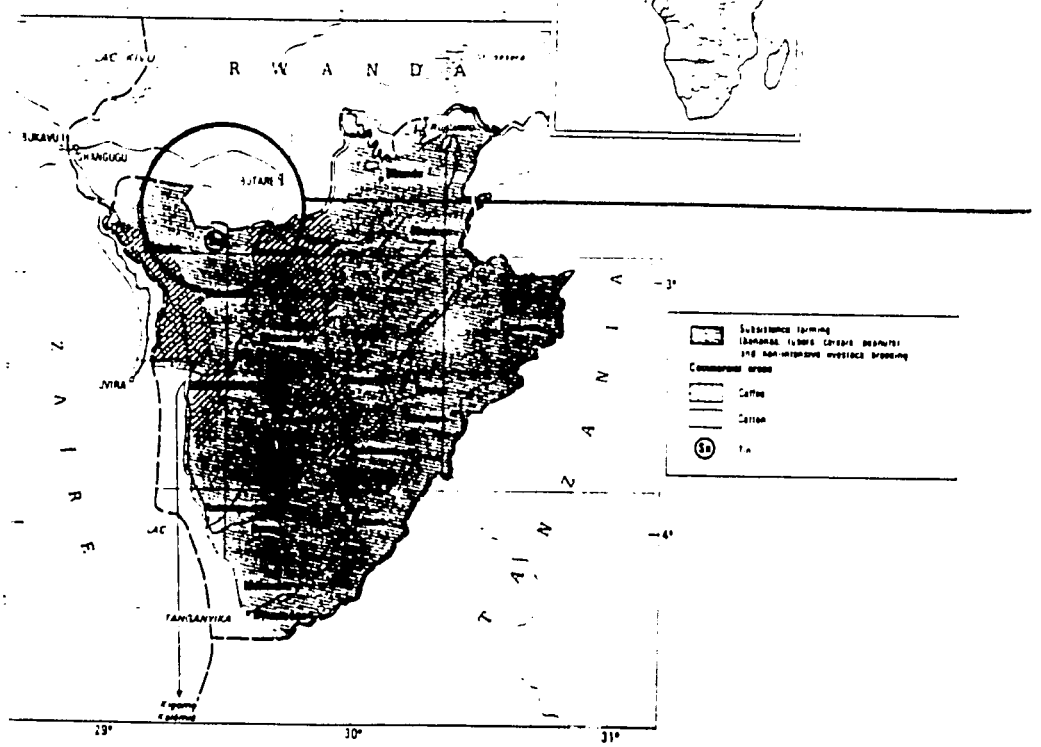
2. What more do you need to know before going ahead to negotiate an assistance contract with SOBUPRORIZ?

3. How would you proceed?

PAR
Columbia University
Enterprise Development in the Third World
Orig: 1/90
Rev: 6/90

BURUNDI





CYANGUNGU

EXPANDING THE BENEFITS: A SECTOR/SYSTEMS APPROACH

Margaret Bowman and Peter Reiling

TechnoServe Replication and Policy Analysis Department

Written for the PACT, Expansion of Benefits Program, March 1989
Revised August 1990

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Figure 1 Horizontal Sectors vs. Vertical Sectors: An "Entrepreneur-Centric" View of Enterprise Development

EXPANDING THE BENEFITS: A SECTOR/SYSTEMS APPROACH

PREFACE

This paper describes an approach to enterprise development projects which TechnoServe uses in several of its country programs. We have found the approach very useful in allowing TechnoServe to expand the benefits of its assistance far beyond direct project participants.

An important note: TechnoServe did not invent and analyze a sector/systems approach on paper and then set out to apply it methodically to its programs. Rather, the approach evolved out of trial and error, and with hindsight, the methods which worked best were brought together and defined as a logical approach.

The origins of TechnoServe's systems approach date back to the early 70's. Staff experiences in Kenya, El Salvador, Honduras, and Nicaragua showed that achieving effective and sustainable enterprise development was far more difficult and complex than originally anticipated. We discovered that providing good technical and managerial assistance was not enough. Even if the assistance we provided was entirely appropriate to the needs of the enterprise, factors out of TechnoServe's or the group's control may have reduced the chances of the enterprise succeeding. These factors included, among others, lack of demand for goods produced, government price controls, transportation problems, lack of access to capital, and government regulations. No matter how small the enterprises we assisted were, these factors played a large role in enterprise success and were important to understand. Many of these aspects will always be out of our control, but we can influence others. The more we understand the "total enterprise system," the more strategic we can be with our assistance -- and, thereby, have greater impact.

Our focus on sectors grew out of a natural tendency to apply experiences gained in one intervention to the next. We had not intended to limit the focus to only several sectors, and indeed this was not the case in all programs. However, in Honduras and Nicaragua we found that the more we focused on livestock enterprise projects, the better we became at providing assistance to such projects. In Kenya, our work with a savings and credit institution in 1975 was successful and eventually we were asked to assist 11 other savings and credit institutions.

The more we concentrated on a sector, the more well known TechnoServe became for competent assistance in that area, the more our expertise was requested by similar institutions. Others, including government representatives, recognized that due to the variety of interventions we had in the same sector, we had developed significant expertise in those fields. Moreover, and especially attractive at the government level, our staff

weren't "experts" from other countries: They were nationals familiar with the particular constraints of their own country. Therefore, sectorally focused experience gave us credibility -- which might allow us to have an impact on policy. Only after we had such experiences in the field did we decide that policy impact was a laudable and attainable goal for TechnoServe to have at the outset of program development; impact through a sector focus was thus adopted as an institutional goal and as an accepted approach to rural enterprise development.

Another important note is that the sector/systems approach is not applied to all TechnoServe programs. The approach has been more relevantly applied to our African programs, and is slowly spreading to other programs. In fact, most of our programs in Latin America might more accurately be characterized as following a regional approach, focusing on specific geographic areas to have the greatest impact and use our resources effectively. Within regions, staff focus on several sectors, resulting in a modified sector/systems approach.[1]

So, what may seem like a very orderly, rational approach described below, was, in fact, arrived at by trial and error attempts to improve our efficiency and effectiveness. The sector/systems approach is presented in sequential steps that may appear too detailed or rational for local staff to follow in a developing country. Do not be daunted by this. We presented the approach as briefly and clearly as we could, which meant we left out many of the caveats and deviations that actually occur in each setting. Indeed, not all our offices have the capability or manpower to systematically analyze a sector to the degree implied. The stages of analysis we describe are ideals TechnoServe works toward. Our field representatives do not follow a "cookbook" of these steps. However, they have learned over the years that they need to be systematic and thorough to achieve the results they strive to attain. Most of all, they must use their good judgement to apply models which will best meet the meeds of their program.

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[1] The enterprise environment in TechnoServe's programs in Africa differ considerably from the environment in Latin America. The main elements which cause us to adopt different approaches to our work in each region are attributed to differences in the existence of 1) strong support institutions (which allow TechnoServe to help more people through strengthening institutions which can carry on the work and who provide support services needed by entrepreneurs) and 2) trained human resources. In Africa, because of weaknesses in these areas, we often have been the first to conduct detailed studies of a sector, whereas in Latin America we could rely on the work done previously by ministries or other organizations. Also, we must play a more active role in the enterprise process by thinking about obtaining inputs, marketing, transport, etc. in addition to helping a processing enterprise improve its technical, management, and administrative capabilities. In many cases, since we cannot assume the other parts of the enterprise system are working in Africa, we have to play a more involved role.

I. WHAT IS THE PURPOSE OF THIS CASE STUDY?

PVOs can extend the benefits of their projects to have a greater impact by:

1) Expanding programs to work with a greater variety of activities or incorporating greater numbers of people directly;

2) Developing a model program which can function in a variety of settings and which other organizations may adopt, thereby impacting a greater number of people indirectly;

3) Processing and teaching lessons learned so other organizations can share the benefit of ones experience; and

4) Affecting change at a level, and in strategic locations, that benefits not only direct project participants, but others involved in the same activities.

Although TechnoServe is active in all the above areas of benefits extension and replication, this study deals specifically with the fourth area of benefits extension -- improving a sector's "enterprise environment" to benefit all involved in that sector. The key to success is to approach enterprise development as a system of interrelated skills, processes, and institutions which make up the enterprise operating environment, while focusing on a specific sector. This sector/systems approach leads to more sustainable improvements in enterprise development and lets TechnoServe positively affect more people than would be able to benefit directly.

A Note About TechnoServe and its Work

TechnoServe is a U.S. headquartered non-governmental organization (NGO) with substantial experience and expertise in African and Latin American enterprise development. TechnoServe staff number 190 worldwide, 90% of whom are host country nationals. We try to attract staff from various disciplines so that each office may provide a variety of services. They have experience in agriculture, economics, savings and credit systems, animal husbandry, management, sociology, water systems, and other related areas. Although many have degrees in their specialization, most of their expertise has been gained through years of field work.

TechnoServe provides technical assistance, managerial advice, and training to community-based enterprises and development institutions (including NGOs) to improve the quality of life and increase incomes for low-income people in developing nations.

We concentrate on the development and rehabilitation of locally-owned, mainly agricultural, enterprises which are run by at least 20 and up to 1000 owners or members. TechnoServe believes that successful small and medium-scale enterprises increase jobs, productivity, and income, and, therefore, directly benefit the local community, increase the economic participation of the poor, and ultimately contribute to a more viable national economy.

Enterprise development is carried out most successfully by people who believe in themselves and who contribute their time and resources to the enterprise. Such people have some basic skills of their trade and perceive real prospects for the success of their enterprise or project, but may not know how to realize that potential on their own. TechnoServe assists such groups to achieve their goals by providing practical training and technical assistance, and advice on organizational and legal issues, bank procedures, business management, etc. This training is offered at any stage of enterprise growth. TechnoServe conducts comprehensive feasibility studies, prepares detailed business plans, provides management personnel for a specified time period, and trains employees/members of the enterprise to gradually assume overall operational responsibility. This includes training beneficiaries to conduct feasibility studies, needs assessments, and business plans on their own. Through the introduction of appropriate technologies, TechnoServe is also able to broaden the scope of technologies available to the enterprise. When suitable opportunities for productive enterprises exist, but others are reluctant to lend money, TechnoServe may take the role of entrepreneur and invest share capital to help establish these enterprises.

In addition to assisting community-based enterprises, TechnoServe builds and strengthens local institutions that benefit low-income people. It has formal and informal collaborative relationships with local, public, and private institutions in the 13 countries in which it works. These organizations include women's groups, indigenous and international non-governmental organizations, religious organizations, cooperative unions, local financial institutions, and government ministries and departments. Through this assistance, TechnoServe shares its enterprise development know-how with a broader audience, thus increasing the impact and multiplying the effects of its programs.

To strengthen its linkages to local and international institutions, in 1984, TechnoServe inaugurated it Replication and Policy Analysis (R&PA) Department to serve as an in-house "think tank." Among other research studies, R&PA distills TechnoServe's field experience as "FINDINGS" or lessons learned --lessons which are of value to both TechnoServe and the development community at-large. It also produces teaching case materials for use in training workshops.

TechnoServe hopes its accumulated expertise and field experience will lead to constructive dialogue with host country governments, and ultimately, policy impact.

II. WHAT ARE SECTORS?

There are many existing notions of what sectors are. Most definitions imply horizontal groupings of concepts or projects. The informal sector is an example of a horizontal sector. It focuses on enterprises and entrepreneurs of similar size, cutting across a wide range of activities that are not tied to the mainstream economy in a country. Although this is a valid notion of what sectors are, this is not how TechnoServe defines sectors in its approach. From the perspective of an organization that provides technical assistance and training, this grouping appears too broad to be practical for project-level planning.[2]

TechnoServe defines sectors vertically, as a specific commodity or subject area in which an enterprise is involved. A vertical sector is grouped along "product lines" such as palm oil, textiles, milk, bakeries, etc. Having chosen key sector(s), we then study the sector system and choose key points of intervention.

For example, the bakery sector includes many persons, institutions, and regulations that define the environment, or system, of bakery enterprises. Actors in the system include: the wheat farmers; those who market wheat; the grain mill; the flour sellers; the baker and his enterprise; the baker's competitors; the banks that lead to the baker and his peers; the importers or producers of ovens (technology); the government ministry that sets the prices of wheat, flour, and even, perhaps, bread; and those who purchase bread. TechnoServe's intervention in the system might be to improve the efficiency of the bakery, improve wheat production, or influence government restrictions on the price of bread. Each of these interventions in the sector assist bakery enterprises, however indirectly.

Another way to understand a vertical notion of sectors is to imagine that you are the entrepreneur. All of the factors that affect you directly in your life as you produce bread are relevant to the success of your enterprise. With a more entrepreneur-centric view of sectors, the needed background information for assisting a baking enterprise is broadened to include all of the prices, markets, processes, ministries, and regulations which affect the bakery.

Providing assistance along the lines of this notion of sectors and systems is what TechnoServe refers to as a sector/systems approach. TechnoServe believes that the

[2] There are so many types of small enterprises that assistance to a wide variety could easily overwhelm a staff person providing technical advice. The diversity of skills needed, and the knowledge of different processes and institutions therefore limits the effectiveness of an institution to provide adequate assistance. We feel that specialization in related areas facilitates enterprise assistance.

vertical view of a sector which highlights these backward and forward linkages between the entrepreneur and the outside world is more helpful to an organization which provides assistance to enterprises. (See Figure 1.)

Most of TechnoServe offices have identified several sectors on which to focus their efforts. In Zaire, TechnoServe focuses on cassava and banana-related activities; in Ghana we focus on palm oil and on maize/sorghum-based activities. Other sectors in which we work that can lead to positive impact for small farmer producers are listed below, with the sectorial interventions in parentheses:

Agricultural Credit	(Farm-level credit education, Savings mobilization, Enhanced delivery systems, Financial institution-building, Macro-level sector analysis)
Coffee/Tea	(Improved production, Processing, Marketing)
Dairy	(Improved production, Processing (Cultured milk processing, marketing)
Edible Oils	(Production, Processing, Marketing, Credit access, Technology, Macro-level sector analysis)
Vegetable	(Production, Processing, Marketing, Credit access, Technology)
Water	(Improved delivery, Sustainable management of delivery systems, Environmentally-sound usage)

Each focal sector must meet certain requirements specific to the surrounding environment to attract TechnoServe assistance. Among these:

1) There must be an expressed <u>need</u> by enterprise owners, the government, or institutions (such as banks) for TechnoServe assistance to the sector;
2) There must exist a market <u>demand</u> for the good;
3) It must lend itself to the development and/or strengthening of <u>community-based enterprises</u>;
4) It must represent a <u>priority for national development</u>;
5) It must be <u>free from government over-regulation</u>.
6) The enterprise process or model must be <u>replicable</u> in other enterprises;
7) TechnoServe staff must have, or be able to easily develop, <u>expertise</u> in the sector.

Other criteria for identifying appropriate focal sectors vary from country to country. In some sectors we prefer to have a minimum number of existing enterprises which potentially require our assistance so that our work can have a visible impact. Other times we may choose a sector which has strong potential for development, but in which few existing businesses focus. In such cases, we act as a catalyst -- developing an environment conducive to the entry of new entrepreneurial groups. Ultimately, we choose a sector because it is the best means to achieve our mission: to increase income, jobs, and the well-being of low-income people.

FIGURE 1

HORIZONTAL SECTORS VS. VERTICAL SECTORS: AN "ENTREPRENEUR-CENTRIC" VIEW OF ENTERPRISE DEVELOPMENT

HORIZONTAL SECTORS: 2 Examples

Formal Sector * Enterprises	Shoemakers Tailors	Restaurants Carpenters	Fruit Market Bakers	
Informal Sector ** Enterprises	Shoemakers Tailors	Food Stalls Carpenters	Mobile Fruit Vendors Bakers	

VERTICAL SECTOR EXAMPLE: The "Shoe" Sector

Political Environment

Social Environment — Economic Environment

Regional Markets

Local Markets

Direct/Indirect Competition

Shoe-Making Enterprise

Technology

Credit

Inputs (Leather, Rubber, etc.)

* The formal sector is characterized by legally registered, large scale, organized businesses with access to credit and other services.

** The informal sector is characterized by non-registered, small scale unorganized, businesses with no access to credit or services.

III. TECHNOSERVE'S SECTOR/SYSTEMS APPROACH

Why a Sector/Systems Approach?

TechnoServe believes that concentrating its efforts in well-studied and well-defined sectors can increase its overall impact and cost-effectiveness.

TechnoServe focuses on sectors for four main reasons:

1) To increase backward and forward linkages between enterprises, the economy, and society;
2) To increase the networks between grassroots enterprises, institutions, ministries, extension services, management schools, etc.;
3) To influence government policies and market forces to increase opportunities for poor enterprise owners; and
4) To use its own resources (money and staff) cost-effectively -- thus enabling it to expand the benefits of its work.

By addressing an enterprise sector rather than a variety of unconnected enterprises, we consider the backward and forward economic connections of the enterprise as part of a larger system. TechnoServe's goal is to enhance the future for the entire sector, not only for enterprises with which we work directly.

Our staff work with beneficiaries to investigate the sources of inputs as well as the market for outputs of an enterprise. That way, if problems are identified at either end of the process, we can help to resolve them, or can recommend someone who can. By committing ourselves to a sector, our staff can train beneficiaries to adopt a broad view of goals which encompass parts of the surrounding environment. [For example, in working with a baker whose supply of flour was dwindling due to problems with a grain harvest, we might do what we can to resolve the root of the problem.] Actions which increase benefits for the local economy, such as promoting the use of local resources, are encouraged whenever possible. To keep our assistance on target, we evaluate enterprise results over the long run and the impact on the broader community. We feel this view of an interconnected enterprise system lets us provide more long-lasting enterprise assistance to more beneficiaries.

Through TechnoServe's interventions with enterprises in particular sectors, we become active participants in the sector ourselves.

Sectors are integrated systems which require our understanding at many levels. Our sector research introduces us to many players and institutions in the system. Not only does our experience allow us to act as an advocate within the system, but as we proceed with our enterprise assistance and establish contact between the enterprises and those other players, we facilitate enterprise members' understanding of the system. This knowledge enables them to function within the system after we are gone. For example, we may attract existing extension agents to the enterprise, help an enterprise to obtain government permits, teach owners how to work with tangled bureaucracies, or encourage exchange of ideas among similar enterprises.

A sector/systems approach gives us the experience and connections in an enterprise area to facilitate policy changes.

This may be a far reaching goal, but it is one that needs to be addressed by non-governmental organizations. NGOs are in a good position to know the systematic constraints faced by enterprise owners. NGOs are also in a better position to address policy changes than are individual entrepreneurs. Grassroots experience lets NGOs understand problems at different levels, see trends within sectors, and articulate possible solutions to policy constraints. This experience makes NGOs legitimate representatives of the people and of the groups with which they work. By developing relationships and providing policy makers with access to data that supports NGO positions, we may bring about changes that improve the enterprise environment for other enterprises within the sector.

There are practical internal (organizational) reasons why TechnoServe uses a sector/systems approach.

We are a relatively small non-profit organization with limited staff and resources. We cannot involve ourselves in all aspects of development, so we focus on enterprise development in specific countries. Because demand for enterprise assistance is high, we further focus our efforts on specific types of enterprises. We believe that development activity is only truly effective if it is self-sustaining, i.e. if local enterprise members can manage the business long after outside assistance has ended.[3] By the time we have

[3] Because TechnoServe assistance is intensive and long-term, interventions require substantial investments of time and resources. The TechnoServe role is not completed until project participants are trained to manage the systems and make decisions among themselves when future issues arise.

learned enough about a sector and trained a group to this crucial level of sustainability, our investment costs can be high. To reduce the cost per group assisted, we work with other similar groups, spreading the lessons learned about the sector environment and reducing the cost per group. To reduce training costs, we chose a sector focus instead of reducing the intensity or quality of our assistance.

Steps to Leveraging Greater Impact Through a Sector Approach

TechnoServe's sector/systems approach assumes that the entire environment in which an enterprise operates is relevant to the enterprise's viability. Hence, our phased approach starts with national and regional-level research and analysis. This knowledge informs our direct assistance with community-based groups, and the combined experience leads to sustained community benefits and policy impact.

STEP 1 - Choosing a Sector

The first step is to identify one sector from among many which exist in a country. The greatest determinants of a good sector to pursue (as mentioned above) are beneficiary need, market demand, and sector potential.

STEP 2 - "Industry" Analysis of the Enterprise Sector

A "sector study" includes analysis of relevant political, economic, technological and social trends; industry development; market trends; competition; customer preference and motivation, and so on. We hope to better understand factors such as government input policies, key industry success factors, barriers to entry, distribution channels, and product life cycle. Equally important are competitive strategies, competitor strengths and weaknesses, customer segmentation, buyer motivation and substitute goods.

To capture all of this, TechnoServe staff members contact local development organizations, government offices, existing enterprises, local universities and others who may provide relevant data. Wherever possible, we use secondary research materials -- first verifying their validity, then incorporating their findings into our analyses. Often, we come across valuable studies hidden away on bookshelves or in obscure offices. Our goal is to bring their contents out to the countryside.

In the process of conducting our analyses, we identify valuable future contacts, potential partners, competitors, etc. In short, we have an industry map which identifies key players, bottlenecks, opportunities and constraints.

STEP 3 - Choosing an Appropriate Intervention Within a Sector

Once the sector research is conducted, TechnoServe staff must analyze at which point in the sector they should intervene to provide assistance. This step is informed by knowledge of existing enterprises, and so goes hand-in-hand with STEP 4. Staff would determine the stages of production or marketing which present the most difficulty to enterprises in the sector, answering the question, "Where is there an opportunity to dramatically improve the sector with only limited assistance?" The answer might be to work with several groups to improve their bookkeeping, while also conducting a workshop for bank officials who want to extend credit to small enterprises, but who are unfamiliar with the different conditions of small-scale operations. TechnoServe might intervene at several different levels within the sector (production, storage, packaging, marketing, transportation), depending on the knowledge and resources of the individual country office.

STEP 4 - Identifying Appropriate Member-Owned Enterprises in the Sector

Once TechnoServe staff are convinced of the overall viability of assisting a particular sector, they must identify specific enterprises therein which need TechnoServe's assistance. We try to work with enterprises which (a) have a strong potential to succeed based on their product and the overarching business environment, and (b) have the internal capacity to benefit from TechnoServe services and advice. The exact method for identifying such enterprises varies from country to country, but includes an evaluation of variables such as:

Human Resources - Motivation and commitment of group members and leadership; Local understanding of proposed project and assistance; Availability of skills for production and management. Client commitment to the enterprise is considered to be one of the major factors in this evaluation.

Technical Feasibility - Availability of raw materials, supporting physical infrastructure, technology (and technical support for it); Production potential.

Economic Feasibility - Scale of enterprise; Availability of equity and loan capital, and of ready markets; Cost of production, profitability, etc., (as determined through business plans, cash flow projections, etc.)

TechnoServe's Objectives and Abilities - Fit with criteria for projects, i.e. sector, scale, client group characteristics, costs of assistance, factors of risk; Fit with corporate annual and strategic plans.

STEP 5 - Providing Assistance to Those Enterprises

Once TechnoServe chooses an appropriate sector, we commit ourselves to developing a highly trained staff with expertise therein. We may start working with only one or two businesses -- helping them to plan, to manage their finances, their marketing, and so on. With time, however, as staff deepen their skills in dealing with enterprises within the sector, we begin to search out new interventions with other new or existing enterprises. With knowledge of the entire system that surrounds enterprises in a given sector, TechnoServe can help prepare enterprise groups to avert common pitfalls of that sector.

STEP 6 - Analyzing Experience in a Sector

After gaining experience with a number of enterprises at the grassroots level, TechnoServe will have developed insights into the particular external constraints which continue to impede the growth or greater success of enterprises in the sector.

As project advisors and program managers learn more about the similarities and differences between the experiences of different enterprises, they understand more about the sector itself. These experiences are discussed among staff and analyzed. They might see patterns not apparent before, which help to improve TechnoServe's ability to provide assistance. Staff continually learn about and evaluate what approaches work best in that sector. Sometimes the experience will be captured in a sector study conducted by TechnoServe's Replication and Policy Analysis Department with the assistance of field staff. Such documents can be shared internally (i.e. with other TechnoServe offices) as well as with other organizations and policy makers, thus sharing our observations and experiences with those who can help to expand the impact of our work.

STEP 7 - Effecting Change at the Regional Level

Through concentrated work in a sector, staff meet virtually all of the regional extension workers, development bank officials, NGO professionals, and others working in similar activities. They can effect regional change by building networks with these other players and by finding ways to collaborate with them. This might include providing training to government extension workers who then will disseminate information, informing the local business leaders about constraints on the small enterprise sector which prevent economic growth of that sector, linking up enterprises and institutions in a region who have similar interests into associations, and so on.

STEP 8 - Effecting Change at the Macro/National Level

As NGOs, we can have some effect on which policies are adopted to improve the ability of beneficiaries to function within the macro-environment. However, for this to happen,

policy dialogue must be explicitly recognized as a program output. Staff must be encouraged and motivated to share their experiences and observations with their public sector counterparts. Regional and national political structures are a powerful reality in most communities, and cannot be ignored. They must be able to present reliable, useful data which can show how recommended changes will improve the existing situation. Also, to be effective, staff must be able to understand the sensitivities of policy makers to the social, political, and economic environment and communicate the same to groups and enterprises.

IV. AN EXAMPLE OF THE SECTOR/SYSTEMS APPROACH IN AFRICA

PALM OIL IN GHANA

The development of TechnoServe/Ghana's palm oil assistance program is an excellent example of the TechnoServe sector/systems approach in action:

Choosing the Palm Oil Sector

By 1985, TechnoServe had been operating in Ghana for 17 years. The early 1980s were a time of political turmoil and, not surprisingly in light of this turmoil, considerable economic hardship.

Enterprise development, even in the best of times, is not an easy undertaking. In Ghana, at that time, it was downright daunting. Nonetheless, believing that the country was finally "turning the corner", TechnoServe set out to identify new areas of economic activity to which we could apply our skills and energies.

A cursory look at palm oil processing, an activity which we came across in our travels throughout southern Ghana, seemed to indicate a good fit between our capabilities and our criteria for assistance. Moreover, it appeared that the long-term world outlook for the commodity was good (thereby ensuring the profitability and sustainability of an enterprise built around it); that Ghana had, in fact, a long-term comparative advantage in the product; and that the internal and regional markets for palm oil were strong and getting stronger.

In late 1985, then, two TechnoServe/Ghana staff members were commissioned to undertake a detailed analysis of the palm oil sector as a potential new point of intervention within the Ghanaian economy.

The purpose of this undertaking, or sector study, was made clear from the start: It marked the beginning of an open-ended process of education, a basis and direction for future discovery and analytical efforts. Through its findings, we would be better equipped to determine whether or not the palm oil sector was, in fact, one through which we might offer cost-effective assistance to low-income farmers in the Ghanaian countryside.

The Palm Oil Sector Study

The sector study began with a thorough literature search. Relevant general and technical documents from a variety of sources -- the Government of Ghana, World Bank, FAO, Tropical Development Research Institute, assorted local universities and technical centers, etc. -- were reviewed and appropriate information digested.

The next step entailed interviews with knowledgeable sources ("key informants") in three main groups:

- **Technical and business consultants to the industry**
- **Palm oil mill owners and managers**
- **Palm oil equipment manufacturers**

Each interview produced additional referrals to local experts in both the public and private sectors. A consistent yet flexible (rapid appraisal) interview format was employed, with all sessions revolving around the following key issues:

- **Industry trends: Global and local**
- **Industry profitability**
- **Key success factors**
- **Barriers to entry**
- **Technical requirements of the industry**

Related questions inevitably led into more in-depth discussions of, for example:

- **Sector-related policy considerations:** National balance of trade, tariffs, currency valuation, subsidies, price supports, taxes, import substitution, etc.

- **Production issues:** Appropriate tree varieties, agronomic inputs, environmental impact, managerial and technical skill requirements, financing channels, oil processing technologies, use of by-products, etc.
- **Marketing opportunities and constraints:** Demand, pricing, oil quality standards, distribution channels, storage, transport, etc.
- **Competition:** Substitute products, local production, food imports, etc.
- **Consumption trends:** Palm oil, kernel oil

The sector study concluded that there was strong evidence supporting the palm oil sector as a viable one for continued TechnoServe work: The industry was agriculturally-related, rural-based, made use of locally available raw materials, and used local labor. Moreover, there was significant unsatisfied demand for the product; potential to increase local efficiency and productivity through improved management; potential for profitability, local income enhancement, and job creation; locally available equipment for the production process at a cost which was not beyond the reach of local communities; potential for significant impact on women in terms of jobs, income, and quality of life; potential for replication; and potential for significant policy impact. Finally, assistance in this sector was in line with the development priorities of the Government of Ghana.

All of these factors, when added to the fact that (a) several local staff members had prior experience in the palm oil industry and (b) our in-country enterprise development methodology had been well-refined, led us to conclude that TechnoServe/Ghana could provide efficient and cost-effective assistance to the sector.

Choosing an Appropriate Intervention

Having decided that the sector was indeed "ripe" for intervention, we had to decide next where and how to intervene.

The sector analysis helped to identify a variety of bottlenecks to the smooth functioning of the palm oil industry. Many were endemic to just about all industries in Ghana at the time. These included inconsistent government policies vis-a-vis imports, taxes, etc.; a focus on government-owned plantations and processing facilities; insufficient availability of credit, agronomic inputs and managerial expertise; and so on.

It was decided to focus our initial efforts, however, on our traditional client -- the community-based enterprise (CBE). In line with our strategic thinking at the time, it was felt that if we could work with several such CBEs over the coming years, we could learn more about critical constraints to their development and then focus on these constraining factors.

Assistance to palm oil-producing CBEs would entail an "integrated" approach. This meant concurrent training in community organization, business formation, general management, financial management, technical management, marketing and so on. This training would be provided through a combination of short-term technical advice from staff consultants with specific expertise, and long-term management assistance from an on-site TechnoServe management advisor.

On the technical side, we decided that we would assist committed communities already familiar with palm oil processing to mechanize their production process. Through the sector study, our staff had learned that the mechanization of traditional processing methods could increase oil yields by 50% or more. A review of locally-available technologies pointed to the promotion of a hand-operated screw press developed at the University of Science and Technology at Kumasi.

On the organizational/managerial side, prior experience had led us to focus on a community-owned and -operated enterprise comprised of 20-30 farmers as the most appropriate and viable option for the Ghanain setting.

Our task was to identify communities in palm oil producing regions which had strong leadership and management capabilities, and a desire to make a long-term commitment to self-help through a process of sustainable community enterprise development. They also, not incidentally, needed good access to local and regional markets.

Identification of Appropriate "Clients"

The TechnoServe/Ghana project identification process was an intensive one, to say the least.

Over the course of five months, TechnoServe staff visited over 30 villages in the Ashanti, Western, and Central Regions of Ghana. Our goals were (a) to further develop our understanding of local community groups -- their development and processes, of local production techniques, of market demand, and of the intricacies of the many other facets of the palm oil industry, and (b) to identify appropriate "client" communities.

Over long hours in the homes and fields of these communities, TechnoServe staff met with local farmers and traditional oil processors (predominantly women) to observe their activities and to describe our "product."

We also presented our operating methodology: Any assistance would have to be highly participatory. We were not interested in setting up TechnoServe processing plants, but community-owned and -operated processing plants. Collaboration, the TechnoServe

advisors continued, meant sharing the risks -- including the financial risks. The relationship between TechnoServe and the community would not be one of "donor" to "beneficiary". Rather, it would be structured as a business relationship: A management assistance contract clearly laying out the respective responsibilities of TechnoServe and the community would be signed -- and a management fee levied. The community enterprise would have to officially register with the Government of Ghana, thereby giving it legal standing and legitimizing its status as a signatory to a business contract.

Many groups expressed their "willingness" and "commitment" to work with us. We asked, however, for a tangible expression of that commitment -- in this case, 25% of the capital required for the venture, up front. This request was, and is very much in line with our organizational philosophy, i.e. that people appreciate something more when they have paid for it and, therefore, "own" it.

As expected, this request "separated the wheat from the chaff", so to speak. Some groups responded that they were "too poor" to respond to such a request. Others promised that "the money would come" and requested that we begin work in the meantime.

Ntinanko was one community that came up with the investment money. It was by no means a booming metropolis, but rather a village of smallholder farmers on the far outskirts of Kumasi. Shortly thereafter, another community in Ghana's Western Region, Prestea, also gathered their investment. Since both communities matched our target client profile, we decided to proceed with both -- in a staggered sequence.

Enterprise Assistance

Full-time, on-site assistance to the Ntinanko Oil Palm Farmers Cooperative Society -- our pilot palm oil assistance beneficiary -- began in early 1987.

TechnoServe worked closely with the group to develop operational by-laws and to formally register as a legal entity. Simultaneously, we worked together to establish a plan of action for the business start-up phase --defining the management team, organizing the fruit supply, assembling the finance package, sourcing equipment, planning construction of the processing facility, etc. An appropriate accounting system was designed and installed, and training in its use was begun.

Ntinanko palm oil processing operations began in the communally built plant in October 1987. Initially, the processing plant was designed as a "buy-sell" operation. This meant that the plant would buy and assume responsibility for bringing in the fruits from the fields, for processing them, and for marketing the oil. After only a few months of

operations, however, we determined that this model was not a viable one. The management demands were simply too great for this early stage of the business and costs too high. The latter condition was exacerbated by an unanticipated tax on palm oil.

As such, a strategic decision was taken to move instead to a "custom processing" or "service" mode -- one in which, for a fee, the Society would process the fruits of local producers and processors. These clients, however, would assume responsibility for getting the fruits to the plant and for marketing the oil. This model has proven to be a viable, as well as a replicable, one.

By the end of year #1 of operations:

- The plant was processing all of the available fruit from the village and attracting fruit from neighboring villages as well.
- The eight women in the village who previously produced palm oil by traditional methods had all adopted mill processing. As a result, they had doubled their volume, increased their paid labor, and increased their net profits.
- More than 20 other women in the village had also adopted processing as a means of supplementing their incomes.
- Farmers were able to sell all of their production, and at prices higher than previously anticipated. Several were rehabilitating neglected farms; many were planning to increase their acreage.
- The cooperative had established a nursery to produce improved oil palm seedlings for sale to members.

An obvious sign of success was that oil sellers from Kumasi were driving past a larger parastatal processing plant to purchase Ntinanko-oil at a higher price.

The first year of operations at Ntinanko permitted TechnoServe to work out many "kinks" in the palm oil processing business: The processing technology was upgraded to include a more efficient hydraulic press; incentive payment schemes were developed for workers to improve productivity levels; local banks were lobbied for financing; and so on. This first year also permitted us to hone the skills of our staff in the many intricacies of the industry.

The Ntinanko model was now ready for replication. Our belief in this regard was reinforced by the enthusiasm shown by both community members and local dignitaries at the official inauguration ceremonies at Ntinanko in late 1988. One representative of the Government of Ghana applauded the venture as just the sort of undertaking required for

the success of the Government's PAMSCAD (Program of Actions to Mitigate the Social Costs of Adjustment) initiative.

Replication

In October 1988, long-term assistance began at the Prestea mill site. The Prestea Cooperative Oil Palm Farmers Society, a group of 85 oil palm farmers in the Western Region of Ghana, had successfully raised 825,000 Cedis in equity (25% of the total capital needs for start-up) for the establishment of a community-based palm oil processing plant. This one would employ machinery slightly more sophisticated than that in use at Ntinanko.

TechnoServe would assist the Prestea Society in accessing bank financing, building the mill, hiring managers and employees, establishing appropriate general and financial management systems, and in ensuring that all of the owner/members could evaluate the facility's performance and profitability. (The latter was especially necessary in order to allay local concern based on widely-recognized abuses by cooperative managers elsewhere in Ghana in prior times.)

Projections made at the time called for profitability in Year #1 of Prestea's operations, the hiring of 12 employees, and benefits which would reach well over 400 farmers in the surrounding catchment area.

By late 1988, Ntinanko was solidly on its feet. Full-time management of the processing facility was turned over to a local manager designate, the latter having received a full year of on-the-job training in general management and financial accounting from the resident TechnoServe management advisor. TechnoServe moved into a Monitoring Agreement with the community, providing ad hoc advice and assistance upon request.

For the year 1989, the Ntinanko mill processed 680 tons of fresh fruit bunches (FFB) as against a projected 527 tons, realizing a net surplus of 500,000 Cedis.
A dividend was paid out to community shareholders and a new profit center, a community-owned and -operated nursery, was turning out additional funds for community use. A fledgling community credit union was also established as a place to safeguard -- and productively recycle --cash flow from the mill. Prestea was working out its own "kinks", but, along the way, processed 977 tons FFB.

In 1990, with the pilot model successfully spun-off and Prestea well on its way to self-sufficiency[4], TechnoServe/Ghana is now is a phase of aggressive replication. This phase includes direct and indirect promotion (via media, other development organizations -- foreign and local) of the Ntinanko/Prestea models, or modified versions thereof:[5]

- As of June 1990, draft feasibility reports have been prepared for the establishment of two palm oil mills in early 1991 at Hwidiem and Goaso in the **Brong-Ahafo Region.** The first mill is being promoted by the Asutifi District Assembly. The Assembly would hold 45% of the shares of the enterprise, while smallholders, operating through a cooperative society, would hold the balance. Equity contributed to date amounts to 235,000 Cedis. The second mill would be owned by the 25-member Ahafo Cooperative Oil Palm Farmers Society which has already raised 269,000 Cedis in equity to-date. The Society has already acquired a building belonging to Ghana Commercial Bank for the enterprise. Capital investment funds for both enterprises are being sought through the **European Economic Community's** Micro-Project Programme.

- At the request of **UNDP/ILO/DRHCI**, TechnoServe has also conducted a pre-feasibility study for a third mill -- modelled after that at Ntinanko -- to be established in the Brong-Ahafo Region. It is anticipated that the three mills would collaborate to form a regional association for common services such as fruit transport, palm oil storage, and kernel oil extraction.

- In the Western and Ashanti Regions, three communities are currently in the community organizational stages of project development.

"Scaling-Up" -- Regionally, Nationally...Internationally

Perhaps the most exciting development within the TechnoServe Palm Oil Sector Program has been the recognition of the Ntinanko model as a viable and highly desirable model for replication by the **Ministry of Agriculture**, the **FAO** and the **World Bank.**

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[4] In fact, the Prestea group has established a second processing facility at Bogoso, with mill operations beginning July 31, 1990.

[5] Throughout the past two years, TechnoServe palm oil team members have visited dozens of communities to discuss the possibility of assistance in the establishment of community palm oil processing capabilities. In many cases, they have been invited by community leaders who have heard about the Ntinanko success through television, radio and/or print ^Rmedia coverage^R of the enterprise or else through word-of-mouth via the scores of international development workers (including those from PACT and ATI, among other agencies), government officials, extension agents, or private citizens who have visited the site.

Ministry of Agriculture

During 1989, 24 rehabilitated State Oil Palm Plantations were transferred to the authority of the Ghanaian **Ministry of Agriculture.** At the handing-over ceremony, the Secretary for Agriculture stressed the need for efficient milling facilities and reiterated the Government's intention to withdraw from direct State participation in agricultural production in favor of more efficient private participation. Smelling an opportunity, TechnoServe promptly submitted a proposal to the Secretary of Agriculture and his Deputy Secretaries in Ashanti, Eastern and Central Regions, recommending the Ntinanko model as a practical mechanism for the privatization of these State plantations as viable economic entities. At a meeting of the Consultative Coordinating Committee for the State Oil Palm Plantations in mid-August 1990, the Chairman indicated that the Committee would recommend to the Secretary of Agriculture that TechnoServe's proposal, in fact, be adopted on a pilot basis.

FAO/World Bank

In 1988, an employee of the FAO, participating as a consultant in a World Bank mission to Ghana, singled out Ntinanko as just the sort of activity which was most appropriate in scale and cost for the improvement of the lot of the small farmer -- as well as for the most appropriate development of the palm oil sector -- in Ghana. He also commended the model for its "environmental friendliness."

Not only did this consultant contact TechnoServe Headquarters with regard to the possibility of replicating the Ntinanko model in Benin and Guinea-Conakry; he convinced the World Bank to include its replication as an integral part of the Bank-sponsored Ghana Agricultural Diversification Project. This project was being designed to assist the Government of Ghana in its stated policy objective of "diversifying agricultural production and exports for greater efficiency in internal resource use and for the enhancement, diversification and stabilization of smallholder incomes."

In June 1989, in an effort to explore innovative means of assisting the Government to reach its objective, the World Bank hired TechnoServe to prepare a feasibility study on the establishment of a Regional Community-Based Palm Oil Processing Training and Service Center in Ntinanko -- a center capable of handling the replication of the Ntinanko model 45 times over the next 5 years.

Since the issuance of that study in July 1989, the Bank and the Government of Ghana have been engaged in a dialogue to discuss the merits of a focus on small-scale palm oil processing by private, independent farmers as opposed to (or alongside) the original Project's *modus operandi* -- i.e. expanding the oil palm acreage of small-scale outgrowers

of the Ghana Oil Palm Development Corporation (GOPDC). TechnoServe has been invited to participate in that **policy dialogue**, promoting the Ntinanko/small-scale, private, independent farmer-model of palm oil processing as the most promising, and appropriate, model of sectorial development.

In July 1990, the Government of Ghana and the World Bank signed an agreement to proceed with the establishment of sixty small-scale, privately-owned palm oil processing facilities under the Agricultural Diversification Project.

True to the "sector/systems approach", therefore, TechnoServe has been involved at a variety of levels within the vertical palm oil sector. As illustrated above,

- We have assisted in the establishment of **nurseries** so that the oil palm planting stock may be upgraded;
- We have successfully assisted in the establishment of profitable and sustainable community-based **processing** facilities;
- We have worked with a variety of **other development organizations** (providers of inputs such as capital and expertise) by sharing our methodology and expertise;
- We have engaged in significant **policy dialogue.**

But this is not the complete story:

- Throughout the process, we have been working with the Rural Banks as well as with the Agricultural Development Bank, Barclays Bank, and other **financial institutions** to promote increased lending to the rural sector.
- We have worked with local **technology research centers** and **technology suppliers**, providing field data on the performance of their machinery.
- Our staff in Ghana are now investigating the feasibility of assisting in the establishment of a new, or the strengthening of an existing, **local NGO** which, at the end of the five-year Bank project, would ensure continuity and sustainability in the provision of assistance to local communities.

An interesting, and final note on replication:

With the opening of TechnoServe's new program in Nigeria, we are now looking at the possibilities of **"cross-fertilization"** between Ghana and Nigeria.

The Nigeria program will focus on assistance -- via local community associations -- to women's groups engaged in cassava and palm oil processing. In 1991, we plan to use staff from TechnoServe/Ghana to share the expertise they have acquired with their counterparts in Nigeria.

The flow of information and expertise, however, will not be unidirectional: Several groups with whom we have come in contact in Nigeria appear to be more advanced than their Ghanaian neighbors in the processing of palm oil into ... bar soap and laundry soap powder.

V. ANALYSIS OF THE SECTOR/SYSTEMS APPROACH

Lessons Learned from TechnoServe's Experience

Some key lessons have emerged from our experience with the sector/systems approach as applied to enterprise development projects:

- **Effective, sustainable enterprise development must always be "demand driven."**

  The communities with which we work in Ghana are committed to the development of viable enterprises centered around palm oil processing as a means of increasing the well-being of their inhabitants. Gauging this commitment is a demanding process. It requires significant "up-front investment" -- time spent in numerous village meetings talking over the entire process of starting a business there from star-up to maturity. This includes making sure that the community understands the level of resources -- both human and financial -- which must be committed before the enterprise can flourish. Only when the community has absorbed all of this information and has demonstrated that it is truly committed -- by making a formal request for assistance, by signing a contract, by putting up the equity, and so on -- does TechnoServe fully commit its own resources.

- **The size of the enterprise does not necessarily correlate with the amount of background information or experience required to effectively ensure its development and its sustainability.**

  No business, no matter how small, no matter where it is, exists in a vacuum. All businesses operate within the context of a broader business environment and are vulnerable to unanticipated changes therein. Those providing assistance must teach entrepreneurs to regularly and holistically scan their business environment and to understand the possible implications of seemingly remote policy changes on their livelihoods.

  Moreover, the less developed the country's business environment, the greater the expertise required to assist budding enterprises therein. Assistance in such an economy may have to be administered at a variety of points in the vertical sector, thereby requiring greater breadth of expertise and experience.

- **A sector/systems approach to enterprise development is cost-effective for our clients as well as for TechnoServe.**

  The amount of background research and expertise invested in the sector/systems approach ensures that quality, informed business judgement will be applied to all aspects of the community enterprise and its development. This means that less time will be spent on pilot, experimental efforts -- with all the false starts and changes of course they usually entail -- more on fine-tuning successful, sustainable enterprises solidly grounded in the accumulated knowledge of all those who have ventured down the path before.

  For TechnoServe, focus on particular sectors within a country means that we can attract and fully engage staff with in-depth experience in these sectors rather than relying on a generalist. With each new venture, these staff can further deepen their experience and knowledge, thereby improving their assistance, rather than having to learn a whole new business each time around.

- **The sector/systems approach offers greater opportunity for TechnoServe to have <u>policy-level impact</u>.**

  Ideally, policy formulation is based on informed judgements. Many policy-makers are the first to admit that they wish they had more access to reliable information upon which to base their judgements. By building up a "critical mass" of information based on multiple replications of an enterprise model within the local

environment, TechnoServe can perform a valuable service for the given country's policy makers. Our constant dealings with the major players in each sector -- the suppliers, the buyers, the bankers, the extension agents, the researchers, etc. -- bring us credibility and, therefore, leverage to be applied on behalf of the rural farmer.

Drawbacks (or Costs) of Using the Sector/Systems Approach

- **In choosing one sector activity over another, an NGO must necessarily decide to assist one deserving set of entrepreneurs over another.**

  This can be difficult, especially in barrios and villages where everyone knows one another and where advisors are living in the community alongside the neglected group.

  Local politicians are responsible for the development of geographic areas, not sectors. Therefore, the NGO must be prepared to defend its strategy by pointing to its increased efficiency and cost-effectiveness.

- **The sector/systems approach carries high "start-up costs."**

  Few in this world like to invest without seeing tangible results. But as every farmer knows, the ground must be prepared before his or her crop can flourish. It is true that sector research is costly and time-consuming. It does not, however, have to be overly so on either count.

  We are convinced that the investment is well worth the cost: It permits sustainable enterprise development and paves the way for expanded impact via policy-level dialogue.

- **The sector/systems approach requires competent, more high-cost staff.**

  To be effective, the sector/systems approach does indeed require skilled staff with a certain level of expertise. And, to be sure, such people command a higher salary in light of the greater opportunity costs they face in their own employment decisions. Such staff, however, as alluded to above, can make more informed judgements in the development of community enterprises, lessening the risk of failure, heightening the community's level of confidence in -- and commitment to -- the venture.

TechnoServe indeed recognizes the costs associated with the sector/systems approach. We feel strongly, however, that the benefits outweigh these costs. Moreover, through a commitment to replication, we aim to spread the costs out over a greater base. This includes a base of TechnoServe-assisted enterprises -- as well as ventures assisted by fellow NGOs and local institutions. From whence the motivation for this paper...

Implications of the Sector/Systems Approach for Fellow NGOs

It goes without saying that the sector/systems approach is not for everyone. It is, however, particularly effective for TechnoServe's work with small- to medium-scale, community-based agricultural enterprises, especially in light of our commitment to engage in meaningful policy dialogue at every opportunity.

Smaller or local NGOs especially may find the approach simply too costly to employ. NGOs focusing on microenterprise development, many of whom tend to target their clients based on income levels and geographic proximity rather than industry sectors, might find the approach unwieldy and/or overly-demanding. Such characteristics and client selection criteria, however, do not make the need for sound business advice based on an informed view of the sector any less acute.

We believe than an NGO without the internal resources or capabilities to carry out sector research can at least inform itself as to who else in the country might be able to provide such information for their clients.

International PVO/NGOs such as TechnoServe have a comparative advantage in access to information on market trends, alternative technologies, policy impact, lessons learned, etc. We believe it is our responsibility to use this advantage to benefit our low-income, often illiterate, partners in the developing world.

VI. CONCLUSIONS

The sector/systems approach as described above may not be desirable for all organizations, however, there seems to be a good fit between the objectives and methods TechnoServe uses and the sector/systems approach.

Whether an organization decides to extend the benefits of its program incrementally by working with more people in the same ways, or exponentially, by affecting larger changes in the enterprise environment, will ultimately depend upon each organization's objectives.

As noted by Katherine McKee at the 1988 Ford Foundation Conference on Women in Development:

> "An organization's decision about which lead strategy to pursue tends to reflect its basic philosophy of how socio-economic change and empowerment occur and can best be promoted... Does the development organization seek to generate new employment or is it content with increasing its client's sources of supplemental income? How does it resolve the likely trade-offs between helping large numbers of participants achieve incremental improvements in their livelihood base, or assisting a smaller number to make major gains that might remove them permanently from poverty?"[6]

It is interesting to note that in Ms. McKee's view, a sector/systems approach offers more promise for attaining significant improvements to the prospects of minority (poor women) enterprises than an approach that seeks to offer a broad range of services to an unfocused client group.

Looking to the future, TechnoServe will continue to focus its interventions in specific sectors wherever possible. Enterprise and institutional level intervention opportunities will be consciously reviewed in a manner which factors in the potential for transforming entire commodity sectors. In all instances, lessons learned -- whether in-country or in another TechnoServe program, by TechnoServe or another agency -- will be integrated into the program/project planning process in order to increase and expand the impact of our efforts.

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[6] Excerpt from a paper presented by Katherine McKee, "Micro-Level Strategies for Supporting Livelihood, Employment, and Income Generation of Poor Women in the Third World -- The Challenge of Significance," Ford Foundation Conference, Nairobi, 1988.

TechnoServe

R & PA

REFLEXIONES

LA OLVIDADA ESCALA MEDIANA
Implicaciones de Tamaño

Thomas W. Dichter

Reflexiones sobre
Desarrollo
Internacional

T E C H N O S E R V E

TechnoServe es una organización privada sin fines de lucro. Proveemos entrenamiento y asistencia técnica a empresas compuestas por un considerable número de personas del área rural. Las llamamos "empresas de base comunitaria".

Estas empresas de base comunitaria se relacionan principalmente con la agricultura; nuestro entrenamiento les ayuda a aumentar la productividad, modernizar su comercialización y mejorar la administración en general.

Los resultados de esta asistencia incluyen la creación de nuevas fuentes de trabajo, aumento en los niveles de ingreso de las personas pobres, y mejoramiento de las condiciones de vida en general, sin crear dependencia de asistencia externa.

TechnoServe fue fundada en 1968. Trabajamos en Africa y América Latina. Actualmente nuestro personal está compuesto por más de 180 personas, principalmente de ciudadanos altamente calificados de los diez países donde operamos.

TechnoServe recibe sus fondos de organizaciones religiosas, individuos, fundaciones, corporaciones, instituciones de los países anfitriones, y la Agencia Internacional para el Desarrollo.

PROGRAMA DE REPLICA Y ANALISIS DE POLITICAS

El Programa de Réplica y Análisis de Políticas (R & PA) de TechnoServe combina la investigación con el esfuerzo para documentar nuestra experiencia y aplicar los resultados en un determinado número de nuevos contextos. El interés primordial que impulsa las actividades de R & PA persiste en su propósito de ser sólidamente consistente con la trayectoria de TechnoServe, caracterizada por un contínuo autoexamen y aprendizaje, de manera que el trabajo que hacemos y que está destinado a mejorar el nivel de vida de la gente de bajos ingresos, pueda llegar a ser más efectivo. Los documentos de nuestras series REFLEXIONES, HISTORIAS DE CASOS, Y ESTUDIOS DE SECTORES, están hechos para compartir nuestra experiencia y estimular el debate y el diálogo con otras personas que al igual que nosotros estén preocupadas por los problemas del Tercer Mundo. Los invitamos a transmitirnos sus comentarios con respecto a éste y a otros documentos de R & PA.

LA OLVIDADA ESCALA MEDIANA
Implicaciones de Tamaño

PUBLICACIONES DE R & PA – TECHNOSERVE

Editor General: Thomas W. Dichter

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LA OLVIDADA ESCALA MEDIANA: Implicaciones de Tamaño

Thomas W. Dichter, TechnoServe, Inc.

INTRODUCCION

Como voluntario del Cuerpo de Paz en Marrakech, Marruecos hace casi 20 años, atravesaba a pie todos los días uno de los sectores más turísticos de la ciudad para llegar al trabajo. Frecuentemente me topaba con un muchacho bajito y flaco, quien parecía tener unos siete años, aunque probablemente tenía unos 15. Tirando de mí, intentaba fríamente convencerme para que lo contratase como guía turístico. Con una guiñada, me repetía siempre la misma frase en inglés—"Señor, señor, guía pequeño, precio pequeño."

Las soluciones a los problemas del pequeño productor no tienen que ser pequeñas.

Lo que más recuerdo es la guiñada. Lo hacía para reconocer lo chistoso de nuestro juego siempre igual, o lo ilógico de su silogismo? Los dos sabíamos que el tamaño del guía no tenía nada que ver con el precio cobrado. Las fuerzas del mercado determinan el último, así como los genes, nutrición y el pasar del tiempo lo primero. Pero su lógica superficial era ineludible - tan irresistible que él seguía usándola y a mí siempre me hizo vacilar.

En años recientes, la misma lógica ha aparecido en el campo del desarrollo. Con el cambio de intervenciones de gran escala a proyectos locales más pequeños, existe la creencia de que las tecnologías que transferimos deberían ser reducidas radicalmente.

En una reciente publicación de la Oficina de Evaluación Tecnológica de los Estados Unidos, hemos leído:

"Las tecnologías deben tomar en cuenta las necesidades y limitaciones particulares del productor de bajos recursos: Debe dársele énfasis al uso de técnologías relativamente menores, baratas e intensivas en mano de obra, más apropiadas para las fincas y empresas pequeñas, así como a los bajos ingresos del pobre."[1]

El propósito es combinar "las necesidades y limitaciones particulares" de los pobres con "tecnologías... relativamente menores." Dado que el pequeño agricultor u otro "productor de bajos ingresos" operan en una escala muy pequeña, nuestra asistencia también debe ser "pequeña."

En cierto sentido esta lógica sí es válida. Uno no haría un análisis de mercado de

tomates para un productor que tiene sólo una hectárea que produce acaso unos 920 kilos útiles por temporada. Tampoco se le aconsejaría utilizar equipo muy costoso para cultivar su hectárea.

Pero, mejoraría usted su parcela con un nuevo arado?

El hecho de que un productor tenga poco terreno o recursos no quiere decir que las soluciones pueden ser "pequeñas" para mejorar su situación significativamente. Podrían más bien contribuir a perpetuar su existencia marginal.

Por lo menos es lo que nos sugiere la historia de la agricultura. El largo historial del desarrollo agrícola, así como la realidad empírica de la asistencia al desarrollo en el Tercer Mundo de hoy, indican que soluciones pequeñas, por muy apropiadas que parezcan en el corto plazo, no son muy eficaces ni eficientes y tampoco dan resultados duraderos.

Si los agricultores del Tercer Mundo son miembros marginales de la economía nacional, con regalarle un asno o un saco de semillas sólo se le ayuda a no morirse de hambre: se logra poco en su integración en la economía, o en mejorar su parcela a largo plazo. Muchas veces está marginado precisamente porque es pequeño, porque escarba la tierra para improvisarse el pan de cada día, porque casi nunca tiene control sobre los factores que lo afectan. Vive al día y nunca pasa de eso.

El pequeño productor, aislado, marginado, sin instrucción, sin capital, ni confianza en si mismo, verdaderamente tiene pocas oportunidades para escapar de su situación, no importa cuan pequeña o apropiada sea la tecnología aplicada a él a su nivel. Ciertamente podemos ayudarlo donde está, pero no debemos abandonarlo ahí.*

Algunos dicen, está bien, dele al productor un mercado, ayúdele con precios ventajosos. Qué pasa entonces? De seguro el pequeño agricultor producirá más tomates, hasta en demasía, y casi siempre con las mismas herramientas, pero pronto todo el mundo estará produciendo toneladas de tomates, el precio baja después de un tiempo, y el exceso de tomates se pudre en el campo. El pequeño productor pierde de nuevo.

Y probablemente seguirá perdiendo hasta que logre asirse al sistema - un sistema que es, como aprenderá rápidamente una vez que trate de actuar en él, bastante tramposo. Para introducirse en ese sistema y para poder tomar ventaja de él, no es sólo asunto de producción, es cuestión de comercio y gerencia. Como por sí solo no puede aprender a ser un agroindustrial moderno, debe colocarse en una posición que le permita accesar a ese tipo de perspicacia.

El pequeño productor tiene que encontrar formas para lograr, o tomar ventaja de las economías de escala. De una u otra manera, debe salir de su pequeñez.

* En el campo del desarrollo frecuentemente se presume que existe una diferencia fundamental entre las motivaciones internas del campesino, o pequeño productor, en el Tercer Mundo y las del gran productor. Por ejemplo, en una reciente publicación de la FAO, se declara: "Los campesinos, a diferencia de los capitalistas, no se interesan por grandes ganancias; no creen en producir sólo porque sí, una vez satisfechas sus propias necesidades."[2] Esta idea nos parece equivocada. Nuestras observaciones del ser humano de hoy nos sugieren que casi todos quieren ir más allá de la supervivencia. Los campesinos y pequeños productores, no menos que otros, tienen sus ambiciones y tienen tanto racionamiento económico como los demás.

Esto no significa que deba hacerse grande. La grandeza, o escala mayor, no tiene que ser en términos geográficos, medible por la extensión de su terreno, o número de cabezas de ganado. Puede lograrse mediante nuevas formas de agrupaciones - asociaciones de agricultores, cooperativas, empresas, sociedades de responsabilidad limitada, sociedades de comercialización, asociaciones de servicio - cualquier entidad de tamaño suficiente que le permita accesar a un sistema complejo. Pero sea de la forma que sea, es claro que la historia del desarrollo agrícola a lo largo de los siglos muestra claramente una relación contínua, lógica y racional entre las necesidades, el crecimiento y las economías de escala.

EL HISTORIAL: EL DESARROLLO AGRICOLA EN LA HISTORIA MUNDIAL

Por qué será que quienes ven el futuro del Tercer Mundo en las manos del pequeño productor ignoran el desarrollo de la agricultura del mundo industrializado? Pues, en nuestro mismo ambiente, la tendencia a partir de fines del siglo 19, ha ido siempre en contra del pequeño productor. El análisis histórico de las dinámicas del crecimiento agrícola indican que el futuro desarrollo del sistema agrícola mundial evolucionará muy semejante que en el pasado. Dado que la dinámica fundamental no parece haber cambiado, sería fácil adivinar que las tendencias pasadas continuarán en el uso intensivo de la tierra y economías de mayor escala.

Claro está que estas tendencias tienen sus razones. A partir de mediados de los años 60, los teóricos del origen y crecimiento de la agricultura (p.e., E. Boserup[3] y M.N. Cohen[4]) parecen haber armado las piezas del rompecabezas.

La llamada revolución agrícola ocurrió hace unos 10 a 12 mil años. Por primera vez en los aproximadamente dos millones de años de existencia de la raza humana en la Tierra, cambiamos de la caza y recolección para el sustento, por el cultivo de las tierras. Por qué? Es interesante notar que la nueva teoría contradice lo que se había pensado por décadas. No cambiamos porque el cultivo fuese un sistema intrínsecamente más fácil, o más atractivo, sino por presiones del crecimiento de la población. Los arqueólogos han comprobado que dicha presión ocurrió en casi todo el mundo, aproximadamente al mismo tiempo (debido a que el crecimiento de la población había llegado al punto de que la migración o movimientos a nuevas áreas despobladas ya no era factible). El ser humano tuvo que abandonar la caza y recolección para comenzar a cultivar plantas y domesticar animales.

La dinámica aquí es bastante

reveladora. La aclimatación de las plantas (agricultura) no fue descubierta de repente. La historia indica que sabíamos cultivar alimentos mucho antes de empezar a hacerlo. Como lo explica Cohen, "El hombre no necesitó educación, tanto como motivación." [5] En otras palabras, el hombre prehistórico hubiera preferido continuar cazando y recolectando, y demostró esa preferencia durante milenios.

Debido a nuestra creencia occidental sobre el "progreso" y las maravillas de lo nuevo y moderno, tendemos a asumir que los humanos siempre hemos cambiado métodos viejos, ineficientes y difíciles por nuevas formas eficientes y fáciles de hacer las cosas. De esta manera hemos presumido que la cacería y recolección eran maneras "difíciles" de conseguir comida. En realidad es todo lo

contrario. Para el hombre primitivo, el comenzar a cultivar las tierras implicaba un alto "costo de oportunidad" - era mucho más trabajo. Sólo decidió cambiar cuando las condiciones cambiaron tanto que valió la pena.

La misma dinámica continúa después del nacimiento de la agricultura. Los métodos agrícolas cambian cuando tienen que cambiar, cuando una necesidad apremia al agricultor.

Parece que el crecimiento de la población siempre ha representado la mayor presión. Cohen declara que éste ha sido el verdadero motor del crecimiento de las economías agrícolas, y lo ha sido durante toda la historia y prehistoria. Contrario a la antigua visión de que la población buscaba un equilibrio, esta teoría dice que la raza humana (a pesar de toda la dinámica del origen de la civilización) ha estado basada inherentemente en un modelo de crecimiento. (Esto no significa que la población siempre crecerá sino que ésta ha sido la tendencia.) Cohen también dice que "La población ha crecido a través de toda su historia y...tal crecimiento es la causa, en vez del resultado simplemente, de gran parte del 'progreso' y cambios tecnológicos de la humanidad, particularmente en cuanto a la esfera de supervivencia." [6]

Una vez nacida la agricultura, la tendencia clave ha sido hacia su intensificación. Hace unos 2000 años, la revolución agrícola había terminado - en casi todas partes los seres humanos cultivaban sus alimentos. La próxima fase comenzó, impulsada de nuevo por el mismo motor - crecimiento de la población. Como ha demostrado Boserup en su estudio innovador (1965), desde hace unos 2000 años, ha sido hacia una más intensiva utilización de la tierra; desde dejar las tierras en descanso por un largo período (destroncando, desmontando y quemando para ganar áreas cultivables, cultivando durante dos o tres cosechas, luego dejando ceder a un bosque secundario y limpiando de nuevo 20 o más años más tarde), pasando de eso a varios otros métodos de utilización de la tierra, hasta que llegamos a un

amplio uso de cultivos múltiples. No más cambios en el uso de la tierra, no más períodos rutinarios de rotación. En Europa, por ejemplo, esto alcanzó su punto culminante a mediados del siglo 18, más o menos al comienzo de la revolución industrial.

La tendencia general ha sido hacia una intensificación más y más grande. Con el pasar del tiempo, esto ha significado que la rotación prolongada del uso de la tierra ha decaído, aunque todavía vemos algunos vestigios de este método en el Tercer Mundo de hoy.

Guste o no, el pequeño productor está cada vez más atado a un sistema de comercialización mundial. La realidad es que el pequeño productor necesitará adaptarse al sistema en vez de lo contrario.

Es importante reconocer que estos patrones de cambio en la utilización de la tierra no representaban invenciones. La gente que practicaba corta y quema en períodos prolongados estaban conscientes de otras formas de cultivar. De nuevo, la clave aquí es la motivación. Los estudios demuestran que la corta y quema es más fácil que cavar y arar, y que el rendimiento por hectárea es mayor. No siendo tonto, por qué iba a cambiar el agricultor si no tenía presión para hacerlo? Por qué cambiaría sin presión de la población o la falta de tierras?

Ahora volvemos al Tercer Mundo de hoy. Las mismas dinámicas todavía funcionan - crecimiento de población, intensificación agrícola, las mismas características de motivación del agricultor. De hecho, estas últimas las hemos presenciado nosotros. En muchas partes del Africa el agricultor se ha resistido a utilizar el arado, no porque sea tradicionalista, sino porque para él no ha valido la pena. El es un maestro en el costo de oportunidad. Para que pueda usar el arado, tendrá que renunciar a otras cosas (tiempo, energía, dinero o terrenos para forraje) y tal vez para él la ganancia no le recompensa. También lo hemos visto dejar de sembrar lo que podría, simplemente porque su precio no va la pena. Ese hecho, que tanto se comenta en estos días, es otro ejem del punto de vista básicamente sensitivo del agricultor.

Pero ahora existe otro factor que complica la situación en el Tercer Mundo - la yuxtaposición de un sistema agrícola básicamente primitivo, con un sistema moderno comercialización orientado cada ve más hacia el sistema agroindustrial nivel mundial. La agricultura en Estados Unidos y Europa se desarro con ese sistema y por lo tanto pudo ajustarse a él y aprender sus método de una forma orgánica. Por lo gener las economías agrícolas del Tercer Mundo no han tenido esa ventaja. P el sistema moderno está a la puerta - sus patios, ese sistema moderno que pesar de todas sus fallas no se desvanecerá. Inevitablemente, será c sistema agrícola de subsistencia primitivo, de pequeños agricultores marginal el que tendrá que adaptarse en vez de lo contrario.

Juzgando por lo que observamos actualmente en el Tercer Mundo, el pequeño productor ya se siente bastante atraído por el nuevo sistema En cierto sentido él sabe que tiene q adaptarse a él. Muchos colegas suyo están "votando con los pies," por un opción que sus antepasados no tenía pueden ir donde está el sistema de comercialización agroindustrial moderno - a la ciudad. Esto complic más las cosas. Y aún, la migración a las grandes ciudades (plaga de much economías del Tercer Mundo) se asemeja, de una manera superior, al movimiento que se llevó a cabo durante la transición de las economía agrícolas de Occidente a las economí industriales.

En resumen, posiblemente no lograremos mantener los agricultores en sus fincas. No debemos formarnos fantasías idealistas sobre ellos o sus fincas. Tal vez no debemos pretender siquiera que todos los pequeños productores se queden donde están. Haríamos mejor brindando asistencia a los pequeños productores, y pequeños propietarios que puedan ser ayudados, para mejorar y asociarlos en unidades más grandes, de manera que puedan penetrar en el negocio de la agroindustria y la comercialización.

"LO PEQUEÑO COMO LO MAS APROPIADO" Y EL MOVIMIENTO DE LA TECNOLOGIA APROPIADA

Para esclarecer el tema, supongamos que el lector está convencido: el pequeño productor tiene que penetrar a la fuerza al sistema moderno de comercialización y producción agroindustrial. Su único remedio es incorporarse al sistema, a la corriente económica principal.

Entonces, por qué será que el Movimiento de Tecnología Apropiada (MTA) se ha resistido, o no ha tomado realmente en cuenta las economías de escala? Por qué será que los defensores de la filosofía "lo pequeño como lo más apropiado" rechazan en seguida la mayor parte de la tecnología avanzada del mundo industrializado, así como sus procedimientos comerciales?

Parece evidente, en parte, que el Movimiento de Tecnología Apropiada ha reaccionado ante los fracasos de las intervenciones de gran escala, y considera (igual que nosotros) que tienen más sentido proyectos más modestos, administrados principalmente por OPVs. Pero con respecto al viejo esquema de desarrollo (de los años 50 y 60), el MTA decidió que lo que las naciones industrializadas podemos ofrecer al Tercer Mundo no conviene porque está cargado de valores culturales. Por lo tanto, nuestra grandeza, nuestras tendencias hacia corrientes económicas principales podrían contaminar. Wignaraja (1984), quien comparte esta opinión, resume esta situación: "Se había asumido que esta tecnología de las naciones industrializadas no dependía de valores culturales. Hoy día es claro, no solo que la tecnología no está libre de valores culturales, sino que es también una carrera de códigos culturales"[7].

Una vez que la tecnología avanzada esté ligada con los "códigos culturales", no es difícil ver a dónde conduce esto. Un buen ejemplo es Coca-Cola - el mundo de los grandes negocios, capitalismo, Occidente.

Adaptando sus técnicas a las pequeñas intervenciones y limitándose a lo modesto, parece que el MTA también pretende evitar este gran mundo de "Coca-Cola." Cuando se utiliza bambú en vez de hierro colado para entubar un pozo, la intervención

A veces nuestra propia nostalgia romántica de un pasado más sencillo penetra en nuestros criterios de lo que es una tecnología o escala apropiada.

se considera "apropiada" no sólo porque es barata sino también porque es "natural" y preindustrial. Efectivamente, la entubación de pozos con bambú funciona muy bien en sitios con fuentes poco profundas y ha permitido que personas que no podían costear otras tecnologías consiguieran pozos. Pero tiene probabilidad de durar sólo unos tres o cuatro años.[8] Aunque satisface una necesidad inmediata, no hay pruebas concretas de que contribuya al crecimiento a largo plazo, ni que ayude a integrar al agricultor marginado a la corriente económica de forma más duradera. Parte del porqué tales métodos son usados puede ser por la imagen romántica del uso de herramientas simples para gente sencilla y de más simple persuasión que las nuestras.

De modo semejante, las fuentes "alternativas" de energía - energía solar, molinos de viento, para mencionar dos - son preferidas en vez de otras fuentes de energía. De hecho, como las define Heller (1985), las tecnologías caracterizadas como "apropiadas" se encuentran muchas veces agrupadas bajo el término genérico "alternativa". "Tecnología alternativa" es el término utilizado para "describir toda una gama de tecnologías que son sustitutos viables de las tecnologías dominantes, que casi siempre son modernas."[9] Lo no moderno, lo no dominante - otra vez lo romántico de lo primitivo.

En parte, el atractivo de lo primitivo es que supuestamente está libre de los valores culturales que acompañan a la transferencia tecnológica avanzada. Como lo describe Heller: "Las pruebas parecen indicar que, al menos a largo plazo, y a pesar de alguna resistencia, los recipientes de tecnologías, particularmente en países en vías de desarrollo, han estado 'comprando' no sólo equipo y programas del mundo industrializado, sino también los valores de consumo que sirven de fundamento a los sistemas económicos mayormente capitalistas que los producen. Dichos sistemas están orientados hacia un alto grado de industrialización, una sociedad de consumo, el afán de lucro, la 'cultura de los negocios', hasta el idioma inglés que los acompaña, todo cuanto es difundido por la tecnología occidental,... Ya sea que tal evolución - si de verdad está occuriendo - representa una especie de imperialismo cultural que mina identidades, valores y estilos de vida locales y, de ser así, todavía se está debatiendo en una forma general, si tal tendencia es indeseable, . Sin embargo, no hay duda acerca de ello entre aquellos que pertenecen a un movimiento de tecnología apropiada"[10].

En el Movimiento de Tecnología Apropiada "no cabe duda" sobre la relación entre la "cultura comercial" e "imperialismo cultural", y consecuentemente, se hacen frecuentes esfuerzos para mantener las estrategias de intervención a nivel primitivo, para mantener a los indígenas "puros", o lo menos contaminados posible.

Existen algunas ironías obvias aquí, y una nueva forma de paternalismo en el trabajo. Quién decidirá cuáles intervenciones están libres de valores culturales y cuáles no? Seguramente, nada de lo que es tocado, utilizado, poseído, propuesto, adaptado o fabricado por un ser humano está libre de valores culturales? Seguramente, todo el compromiso del desarrollo, a partir de su nacimiento en los años 60, está fundamentado en la transferencia de algo de valor del donante al recipiente? La intervención, cualquier intervención, produce cambio, una

reacción que tiene efecto en los valores culturales locales.

Por supuesto, podemos tratar de ser sensibles con las verdaderas necesidades del grupo beneficiario y no confundir sus valores culturales con los nuestros. Pero este esfuerzo es mucho más complicado que mover un péndulo. El hecho de que muchos proyectos de gran escala hayan resultado inmanejables e insensitivos no siempre significa que lo "pequeño" sea la respuesta inevitable. De grandes a pequeños, de arriba para abajo o de abajo para arriba, de enchapes culturales imperialistas a tecnología apropiada, cualquier cambio que hagamos debemos esforzarnos por evitar los errores del pasado.

Sin embargo me parece que se están cometiendo nuevos errores. Tampoco estos pueden reclamar inmunidad cultural. Si, como muchos de los seguidores de la teoría de "lo pequeño como lo apropiado" parecen creer, los proyectos de desarrollo del pasado reflejaban un complejo post-industrial de la vida de occidente, entonces su propio carácter - valorizando a un pequeño productor usando herramientas y estrategias simples - es, por supuesto, igualmente occidental. Solamente entonces, los valores que están promoviéndose son aquellos de la vieja contracultura.

Representa el pequeño agricultor, la mujer o el hombre con un azadón, el vendedor urbano ambulante, un nuevo héroe de la contracultura? Los valorizamos tanto porque son humildes, como porque verdaderamente necesitan asistencia? Como lo declara el sociólogo A. Emmanuel, uno de los pocos críticos del Movimiento de Tecnología Apropiada, ser subdesarrollado puede llegar a parecer algo bueno, porque así subdesarrollado, el productor pobre es "auténtico", otra versión del indígena no contaminado. "La autenticidad cultural," dice Emmanuel, "es también una imagen pintoresca del subdesarrollo para el turista." [11]

La versión romántica del autóctono pobre, pero pintoresco, no es un problema ficticio. Es real y puede hacer un verdadero daño. Cuando las soluciones de "lo pequeño como lo apropiado" son aplicadas al pequeño productor, puede haber un tipo de derrotismo dentro de este concepto: éste tiende a condenar al pobre a algo (pequeñez) que ellos no ven tan románticamente como nosotros. Dichas soluciones tienden a relegar al pequeño propietario o agricultor a una marginalidad y pobreza perpetua.

ECONOMIAS DE ESCALA

Existen buenas razones históricas e ideológicas para cuestionar el énfasis en las soluciones muy pequeñas para la producción agrícola rural. Al mismo tiempo, los problemas de las grandes corporaciones están bien documentados -dificultades de control, ineficiencia, burocratización e inmanejabilidad, entre los más obvios.

Sin embargo, los dos extremos han sido ampliamente perseguidos, mientras que las empresas agrícolas de mediana escala han sido abandonadas. Por lo que hemos visto, estas últimas son las más prometedoras para el futuro inmediato. Como dice el viejo refrán, la unión hace la fuerza, y cuando la empresa es mediana, todavía es manejable.

Intencionalmente estamos siendo vagos acerca de los números aquí presentados, pues Technoserve ha trabajado con empresas de entre 25 y 1600 asociados, todas definidas como "medianas" - se definen sólo por sus circunstancias. El Banco Mundial utiliza los siguientes criterios generales, son arbitrarios y están expresados en dólares:

	Bienes	Volumen	Personal
Pequeña	5 a 150 K	3 a 120 K	3 a 30
Mediana	150 a 750 K	120 a 500 K	30 a 100
Grande	más de 750 K	más de 500 K	más de 100

Aquí podemos tomar como punto de partida la polémica actual sobre las repercursiones del tamaño de una empresa en Estados Unidos. El tema central de la teoría gerencial contemporánea es separar una gran corporación en unidades funcionales de tamaño mediano, o modificar la filosofía y ambiente de la entidad para que sus unidades puedan operar de manera autónoma. En Estados Unidos se está comprobando que las grandes corporaciones privadas y las grandes burocracias del sector privado empiezan a tropezar con deseconomías de escala. Las operaciones pueden volverse ineficientes y la habilidad de las firmas para cambiar con las circunstancias de mercado se vuelven anticuadas, torpes y lentas, mientras que los departamentos medianos parecen venir ya de regreso.

Los que están teniendo éxito en la economía industrial de los 80's son las firmas que son capaces de crear, establecer y/o mantener nuevas formas de relaciones con su ambiente, quienes pueden responder a cambios en diferentes condiciones. Las grandes corporaciones gigantes (p.e., IBM) han visto que pueden lograrlo dividiéndose en unidades más pequeñas. Parece que el tamaño de la empresa es una clave importante.

Es obvia la relación entre esta tendencia en los Estados Unidos y lo que más convendría para desarmar y privatizar grandes entidades paraestatales en el Tercer Mundo. Esta estrategia también vale para la agricultura del Tercer Mundo en general. En tanto que las grandes instituciones paraestatales parecen ser ineficientes, en parte por su tamaño, debemos también pensar lo que representa en el productor individual (nivel de intervención micro y pequeño) en el futuro. La mejor oportunidad para un crecimiento agrícola significativo en el Tercer Mundo yace en las empresas medianas y pequeñas, administradas por un número pequeño de propietarios.

Mientras que la "escala mediana" es por supuesto relativa, un punto moderado entre pequeño y grande es manejable, así como puede aún beneficiarse de las economías de escala. Esta puede convertirse fácilmente en la tendencia a largo plazo para la mayoría de las organizaciones.

Cómo podemos fomentar la empresas de mediana escala en la agricultura del Tercer Mundo? Empezando con personas que ya están motivadas y encaminadas hacia economías de escala. No podemos crearlas. En cambio, la clave es localizar grupos que ya están organizados, o listos para organizarse como empresas. Habiendo logrado este punto crítico, y estando altamente motivados (ya sea por presiones de hambre o simplemente baja producción) tales grupos estarán deseosos de trabajar. Ellos son excelentes candidatos para la asistencia que podemos brindar. (Como ejemplos específicos de empresas de mediana escala y su labor, véase la serie de Estudios de Caso publicadas por TechnoServe en 1986).

Además, con las semillas de empresas ya sembradas, o aún creciendo, la pregunta sería, es la "cultura" comercial "apropiada"? Esto se torna discutible. El beneficiario parece desearla y la pide.

Un grupo de campesinos que nunca controló nada en su vida, una vez organizado como cooperativa u otra forma, de repente se encuentra con que no sabe cómo poner a producir su empresa. Ellos desean romper las barreras que los separan de la corriente económica y rápidamente se dan cuenta de que el factor tamaño es la respuesta. Es esa escala la que les da fuerza económica colectiva y los coloca en una posición para operar a nivel de empresas modernas. Esa escala es también la que les permite utilizar un enfoque de "sistemas".

EL AUMENTO EN LA PRODUCCION AGRICOLA DEPENDERA DE UN ENFOQUE DE SISTEMAS HACIA EL CRECIMIENTO DE LA EMPRES - LA VISION GLOBAL VS. LA PEQUEÑA.

Recientemente se le preguntó al representante de una agencia de desarrollo si con su labor lograba algún cambio en Africa. Su respuesta fue: "Lo que usted debe hacer - lo que yo debo hacer - es olvidar la visión globa y enfocarnos en los individuos. Se ayuda a éste, a aquél, a aquéllos, uno por uno. Y para ellos sí se logra cambiar algo... Viendo la situación actual en Africa, uno se desanima fácilmente... Tomado como un todo, las cosas no parecen mejorar. Hay demasiadas personas y muy pocos recursos." [12]

Esta es una salida atractiva. Efectivamente es doloroso ver el panorama global, y ciertamente más alentador ver los pequeños cambios y mejoras que suceden ante nuestros ojos. Pero los tiempos de ese enfoque minúsculo hacia el desarrollo ya pasaron. En primer lugar estamos reconociendo que algunas de las premisas están equivocadas. Por ejemplo, universalmente ya no es aceptado que el problema es "muchas personas "y "pocos recursos". De hecho, no existe una proporción "correcta" entre personas y recursos.

Si la pequeña escala es exitosa, crecerá y estará más integrada dentro de un sistema mayor. Los prejuicios en favor de los pequeños proyectos pueden prevenir que se piense sobre esta etapa de integración.

Lo que cuenta es cómo esos recursos y las personas trabajan relacionados unos con otros - el sistema en el cual las personas y los recursos se encuentran.

Reconocer la naturaleza de las cosas sistemáticamente significa ver y actuar dentro del panorama grande. Y mientras el panorama grande no signifique que nuestras acciones deben ser grandes; inevitablemente, eso significa que debemos integrar nuestras acciones a niveles más altos y a agrupaciones más grandes que la micro.

El desarrollo, en años recientes, de lo que se llama Investigación de Sistemas Agrícolas, es un paso en esta dirección. El concepto de investigación de sistemas agrícolas es básicamente muy simple: es ver la pequeña finca como un sistema - observando, estudiando "las interacciones dentro del sistema." [13] Pero por el año 1985, ya se empezaba a reconocer que la misma pequeña finca formaba parte de un sistema mayor y que era contraproducente para esa teoría estudiarla como una entidad cerrada y aislada. Dice Little (1985), por ejemplo, que ha llegado el momento de reconocer que la "definición del medio ambiente externo es de igual importancia." [14] En otras palabras, la finca por sí misma es parte de un sistema mayor.

Parece que por la emoción de descubrir que la pequeña finca representa un sistema, y por la urgencia de sacar conclusiones de la teoría requirió que se cerraran los ojos al lugar que ocupa la pequeña finca en un sistema más grande, o la posibilidad de que esta pudiera estar integrada en un sistema mayor. Esto recuerda el cuento del hombre que pierde su billetera y la busca bajo un poste de alumbrado, no porque la haya perdido ahí, sino porque en ese lugar hay más luz. Afortunadamente, este limitado punto de vista ya está cambiando.

Las fincas forman parte de un gran sistema de comercialización, así como de la economía nacional, mejor dicho, deberá serlo si desea sobrevivir. Se sabe, por ejemplo, que en el análisis de los factores que limitan la mano de obra agrícola y la comercialización de productos, la clave podría estar a nivel nacional o internacional.

Una vez que el pequeño productor y su finca se miren bajo esta perspectiva, las intervenciones "apropiadas" pueden cambiar y desempeñarse en una escala mayor. Como sugiere William Duncan, "Una vez que uno comprende una industria y empieza a desarrollar una estrategia mediadora, a veces podemos comprobar que los controles que necesitan adaptar sólo se pueden alcanzar a otro nivel de agrupación." [15] *

Este "otro nivel", la escala que tiene sentido, sólo puede descubrirse por inducción y dentro de un contexto específico. Insistiendo de antemano en "tecnologías más pequeñas, menos costosas y más intensivas en mano de obra" - como las llama la Oficina de Evaluación Tecnológica - no nos permitimos ver el proyecto agrícola tal

* Otro reconocimiento similar de que los niveles micros y macros no son exclusivos, pero de hecho están muy relacionados, aparece en un libro de próxima publicación sobre Tecnología Apropiada, en que el autor sugiere que, una de las principales razones del poco éxito de TA, en términos de inversiones en el sitio de operaciones, ha sido el enfoque casi exclusivo en las intervenciones a nivel micro El autor sugiere además que tal limitación de enfoque, en el sentido de que ignora la macroeconomía (el "sistema" como un todo) que es donde están siendo utilizados la mayoría de los recursos, resultará en una aplicación ineficiente de la tecnología apropiada que se está promoviendo. En efecto, el autor parece estar exhortando al Movimiento de Tecnología Apropiada a sacar la cabeza de la arena y mirar a un mundo más grande.[16]

como es. Esto significa, a su vez, que nos cegamos a tecnologías transferibles, una vez que enfocamos la mediana empresa.

Tal ceguera ha ocurrido en la Oficina de Evaluación Tecnológica. Su informe arriba citado dice categóricamente que "Las tecnologías para ayudar estos productores de bajos recursos son muy escasas, particularmente en países desarrollados como los Estados Unidos... Por lo general las tecnologías agrícolas estadounidenses - tanto equipo como sistemas administrativos - no tienen las características que más necesitan los productores de bajos recursos." [17]

Por tal razón, el informe recomienda que "Quizás la AID debería usar como modelo para sus programas aquéllos de pequeña escala de algunas organizaciones privadas voluntarias, los cuales son calificados particularmente eficaces por muchos expertos." [18]

El mismo prejuicio de nuevo: solamente lo pequeño es apropiado para el pequeño agricultor. Se asume que Estados Unidos tiene poco que ofrecer de su tecnología tradicional. Lo único que tenemos para ofrecer, continúa la teoría, son los pocos programas de pequeña escala, montados por unas pocas organizaciones en los Estados Unidos a niveles pequeños y micros.

Pero de hecho tenemos mucho más que ofrecer si nos elevamos a empresas agrícolas de mediana escala. Ciertas tecnologías americanas tienen precisamente las características que necesita el productor de bajos ingresos. Solamente cuando los productores no son parte de un grupo, cuando se mantienen marginados es que nuestros sistemas modernos de administración se vuelven inaplicables.

LOS CONOCIMIENTOS GERENCIALES Y COMERCIALES PUEDEN CONSTITUIR UNA TECNOLOGIA MUY APROPIADA PARA LA AGRICULTURA DEL TERCER MUNDO

Los sistemas administrativos nunca pueden aplicarse a un solo individuo. La gerencia implica una empresa, y una empresa implica un grado de escala.

Una vez que un grupo de agricultores se une para formar una cooperativa o compañía de responsabilidad limitada, es muy apropiado un sistema administrativo moderno que incluya planificación, controles, análisis de ingresos y egresos, toma de decisiones basadas en lo anterior. Esta es una tecnología muy necesaria en el sector agrícola del Tercer Mundo.

Tampoco debemos afinar detalladamente los sistemas administrativos según cada caso. Aunque conviene dar lugar a variaciones apropiadas para diferentes circunstancias, la esencia de la buena gerencia no es tan arcana. La

verdadera búsqueda no es de un sistema gerencial correcto, sino de fijar metas de escala suficientemente significativa y con suficiente predisposición o motivación para aprovechar la tecnología gerencial.

LA RELACION ENTRE TAMAÑO Y POLITICAS

En Technoserve, hemos trabajado con empresas de mediana escala, de entre 25 a 1600 asociados-propietarios. Nuestra experiencia nos dice que ellos no sólo pueden tener éxito, sino que también pueden contribuir a modificar la forma de pensar en su región y hasta en su país. Esta escala mediana puede ser la clave a la integración sistemática del nivel "superior" con el "inferior."

La tecnología gerencial y de comercialización americana puede ser apropiada para muchas empresas del Tercer Mundo.

Esto es porque el trabajo de una empresa mediana es más visible que el de un solo agricultor, y con frecuencia resulta más positivo. Cuando es exitoso, la gente lo nota. Esto significa que, a nivel nacional, algunas políticas empiezan a cambiar y, a nivel local, las actitudes hacia la vida en el campo cambian.

Tales actitudes son cruciales puesto que cada año que pasa, más y más jóvenes del área rural están emigrando a las ciudades. Sus motivos varían y para muchos quizá el campo nunca más podrá competir con las luces de la ciudad. Pero algunos escogerán la vida en el campo, *si lo ven factible, y con un futuro real.*

Los pequeños préstamos y tecnologías no han logrado que el campo parezca factible para los hijos e hijas del pequeño agricultor. Pero una empresa cooperativa de escala significativa, o una compañía de responsabilidad limitada de treinta o cuarenta pequeños agricultores asociados, sí tiene un buen futuro. Los jóvenes lo saben. Ellos reconocen las posibilidades de empleo y crecimiento equitativo que no existían antes. Aún más, empiezan a ver posible más educación, más asistencia técnica, más préstamos y mejor equipo. Y esta promesa de futuros programas – retoños del éxito de la empresa – son un imán y un catalizador para el crecimiento del pequeño agricultor.

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TechnoServe

R & PA

REFLEXIONES

LAS ONGs Y LA TRAMPA DE LA REPLICA

Thomas W. Dichter

Reflexiones sobre
Desarrollo
Internacional

TECHNOSERVE

TechnoServe es una organización privada, sin fines de lucro. Proveemos entrenamiento y asistencia técnica a empresas compuestas por un considerable número de personas del área rural. Las llamamos "empresas de base comunitaria".

Estas empresas de base comunitaria se relacionan principalmente con la agricultura; nuestro entrenamiento les ayuda a aumentar la productividad, modernizar su comercialización y mejorar la administración en general.

Los resultados de esta asistencia incluyen la creación de nuevas fuentes de trabajo, aumento en los niveles de ingreso de las personas pobres, y mejoramiento de las condiciones de vida en general, sin crear dependencia de asistencia externa.

TechnoServe fue fundado en 1968. Trabajamos en Africa y América Latina. Actualmente nuestro personal está compuesto por más de 180 personas, principalmente de ciudadanos altamente calificados de los diez países donde operamos.

TechnoServe recibe sus fondos de organizaciones religiosas, individuos, fundaciones, corporaciones, instituciones de los países anfitriones, y la Agencia Internacional para el Desarrollo.

PROGRAMA DE REPLICA Y ANALISIS DE POLITICAS

El Programa de Réplica y Análisis de Políticas (R&PA) de TechnoServe combina la investigación con el esfuerzo para documentar nuestra experiencia y aplicar los resultados en un determinado número de nuevos contextos. El interés primordial que impulsa las actividades de R&PA persiste en su propósito de ser sólidamente consistente con la trayectoria de TechnoServe - caracterizada por un contínuo autoexamen y aprendizaje - de manera que el trabajo que hacemos, que está destinado a mejorar el nivel de vida de la gente de bajos ingresos, pueda llegar a ser más efectivo. Los documentos de nuestras series REFLEXIONES, HISTORIAS DE CASOS, Y ESTUDIOS DE SECTOR, están hechos para compartir nuestra experiencia y estimular el debate y el diálogo con otras personas, que al igual que nosotros están preocupadas por los problemas del Tercer Mundo. Los invitamos a transmitirnos sus comentarios con respecto a este y a otros documentos de R&PA.

LAS ONGs Y LA TRAMPA DE LA REPLICA

RESUMEN:

La comunidad ONG parece haber aceptado la "replicabilidad" como un objetivo auténtico del desarrollo. Este documento cuestiona esa autenticidad. En primer lugar, discute los antecedentes de la réplica, e indica que las ONGs se sienten atraídas a la réplica porque ella simplemente resuelve una deficiencia de la ONG - el limitado impacto. El documento también ofrece la tipología de la réplica y argumenta que la réplica no necesita ser convertida en proyectos. Mejor dicho, este documento sugiere que si el enfoque global de la organización es estratégico, concentrado y sistemático, se logrará un impacto más amplio. Finalmente, el documento presenta una lista de las trampas ocultas de la réplica (costo-conciencia), que las ONGs deben abordar con cuidado.

RECONOCIMIENTO:

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LAS ONGs Y LA TRAMPA DE LA REPLICA

Thomas W. Dichter

INTRODUCCION

Todos aquellos que ejercen las tareas vinculadas al desarrollo "rural" entre la gente pobre del Tercer Mundo enfrentan una nueva frustración. En un campo que requiere de alta tolerancia frente al fracaso, y donde pocos proyectos son exitosos sin equivocación, ya no basta con dirigir un buen proyecto o programa. Regularmente se nos hace una nueva y dolorosa pregunta acerca de nuestro trabajo: "Sí, es bueno", afirman nuestros donantes, "pero, es replicable?"

Ya no basta con dirigir un buen proyecto o programa. Regularmente se nos hace una nueva y dolorosa pregunta acerca de nuestro trabajo: "Sí, es bueno", afirman nuestros donantes, "pero, es replicable?"

Para miles de Organizaciones No Gubernamentales (ONGs) que son cuestionadas de esta manera, y para muchas agencias de desarrollo bilaterales, organizaciones privadas financieras, y para las agencias multilaterales de desarrollo que la formulan, esta pregunta es en gran medida aceptada como apropiada, pero, lo es en realidad?

La "réplica", un término que suena un poco raro y ligeramente pretensioso, generalmente significa la propagación de los resultados positivos de un determinado proyecto o programa. Las metas de la réplica son a menudo complejas - e incluyen impacto a largo plazo, eficiencia y costo-efectividad - de manera que las grandes sumas de dinero empleadas para desarrollar un enfoque exitoso se reducirán cuando éste sea replicado.

Uno de los antecedentes de la réplica es la manufactura; la repetición de un proceso para reducir costos y aumentar el impacto (o "ganancia" en el mundo de la manufactura). Cuando los practicantes del desarrollo internacional hablan de modelos, o de transferir una metodología, y recomiendan repetir una intervención exitosa, o transformar un enfoque para crear un "libro de recetas" para los demás, reflejan esta visión mecanicista.

Para las ONGs, esta adaptación de la economía industrial y laboral tiene un lado tanto positivo como negativo.

En el lado positivo, el pensar "industrialmente" nos acostumbra a relacionar el impacto con la extensión de los beneficios del proyecto y nos pone en contacto con el costo-efectividad (la eficiencia de la producción mecanizada).

En el lado negativo, los "replicacionistas" tienden a aceptar que aunque es difícil, uno puede alcanzar altos niveles de eficiencia y lograr efectos multiplicadores significativos en las metas sociales fundamentales, así como en los procesos sociales. Hay buenas razones para cuestionar esto.

Los "replicacionistas" tienden a aceptar que aunque es difícil, uno puede finalmente alcanzar altos niveles de eficiencia y lograr efectos multiplicadores significativos en las metas sociales fundamentales y los procesos sociales. Hay buenas razones para cuestionar esto.

La urgencia por replicar conduce a una paradoja. Las supuestas ventajas de las ONGs (su flexibilidad, pequeñas dimensiones y el énfasis en las bases) son las razones que dificultan que las ONGs logren un impacto significativo. Simplemente, las ONGs no pueden mover montañas con facilidad, utilizando equipo para mover tan solo colinas.

La Economista, Política y Crítica de las ONGs, Judith Tendler dice que existen limitaciones estructurales que obstaculizan la eficiencia y el impacto de las ONGs, y que éstas podrían ser insuperables. En "Actividades de Vivencia, Empleo y de Generación de Ingresos", informe que preparó Tendler para la Fundación Ford en 1987, ella declara lo siguiente:

"El sector no gubernamental, donde está concentrado el programa de la Fundación LEIG (Actividades de Vivencia, Empleo y de Generación de Ingresos), presenta cierta incapacidad estructural para expandirse o hacer que sus experimentos sean replicados. Esta es la razón del porqué el impacto de los proyectos ONGs es usualmente bastante limitado, un descubrimiento inquietante para los donantes interesados en lograr un impacto sobre la pobreza.

Las coacciones que obstaculizan tanto la expansión de las ONGs, como la réplica por otras personas, tienen que ver con el hecho de que: 1) la fuerza y efectividad de las ONGs se derivan a menudo de la pequeñez y homogeneidad social, características que se pierden cuando las ONGs tratan de expandirse; 2) las ONGs se miran entre sí, y al sector público, como competidores que luchan por captar los escasos fondos provenientes de los donantes, en vez de cooperadores en búsqueda de formas que sirvan para aliviar la pobreza, lo que hace inherentemente difícil para ellas el cooperar unas con otras, o imitar el éxito de cada una; 3) el hecho de que una parte importante de los fondos con los que cuentan las ONGs provengan de donaciones externas, coloca a este sector hasta cierto punto en malas relaciones con el Estado, lo que a su vez bloquea el camino a la réplica de los experimentos de las ONGs que eventualmente podría llevar a cabo el sector público; 4) aunque los proyectos de las ONGs puedan contar con presupuestos pequeños, en comparación con los que maneja el sector público, sus costos por beneficiario son con frecuencia altos, lo que significa que inclusive sus proyectos exitosos no son necesariamente factibles como modelos que puedan servir a poblaciones más grandes; y 5) las mismas ONGs no se esfuerzan por servir a grandes cantidades de clientes, como tampoco se encuentran presionadas para hacerlo, lo que significa que regularmente se conforman con realizar programas que funcionan bien para un puñado de comunidades".[1]

Existen limitaciones gerenciales como resultado de los orígenes de las ONGs como organizaciones voluntarias. Muchas ONGs todavía tienen una predisposición cultural hacia las estructuras no jerárquicas y son muchas veces anti-gerenciales.

Aun cuando las ONGs son gerencialmente fuertes, a veces tienen una imperfección importante relacionada

[1] Judith Tendler, "Livelihood, Employment and Income Generating Activities" ("Actividades de Vivencia, Empleo y de Generación de Ingresos" - La Fundación Ford, 1987, p.v.)

con su éxito - no saben dirigir bien su propio crecimiento.

En el debate sobre el impacto de una ONG, la réplica se presenta como la gran pacificadora; es aquí donde está la gran esperanza. Si las ONGs son capaces de mantener su tamaño pequeño y a la vez tener un impacto mayor, habrán logrado alcanzar lo mejor de ambos mundos. Las ONGs podrán satisfacer su cultura interna de pequeñez y de proyectos hechos por medio de un diseño, y además satisfacer la demanda de los protagonistas más grandes del desarrollo, quienes desean ver un mayor impacto.

Pero hay un elemento tanto sensitivo como fantástico en tal esperanza. El elemento sensitivo es familiar - la búsqueda de métodos para mejorar el desempeño y el impacto. La fantasía es la expectativa de que podemos lograr una extensión geométrica de beneficios de modo que 1 se convierta en 100 y 100 en 10,000. Cada vez más, las ONGs quieren ponerse a tono con los tiempos.

Muchos programas estudian el modo de lograr estas metas. En los Estados Unidos, una ONG, Techno-Serve, creó en 1984 un departamento cuya única función es la Réplica (Réplica y Diseminación). Nos hemos entregado en cuerpo y alma a esta tarea y deseamos compartir con los demás los conocimientos y lecciones que hemos adquirido hasta el momento. La esencia de nuestra experiencia es: la réplica no es lo que con bombos y platillos se proclama que es. Hay de ambos más y menos de réplica que lo que salta a la vista.

POR QUE LA OLEADA DE INTERES EN LA REPLICA Y LA SUBITA DIFUSION EN EL USO DEL TERMINO?

Estamos respondiendo a las presiones que se ejercen en el mercado de la industria del desarrollo. El desarrollo se encuentra ante un escrutinio creciente - y por una buena razón. Hay más actores involucrados en el desarrollo y muchas organizadores tienen interés en él.

Las ONGs están dentro de una coyuntura crítica. El sector ONG (incluyendo las ONGs "Norteñas" - . aquellas de las naciones miembro de la OECD y las ONGs "Sureñas" - las del Tercer Mundo) es el de más acelerado crecimiento dentro del campo del desarrollo. El número de ONGs norteñas enlistadas en la OECD, prácticamente se han duplicado desde 1980 (de 2500 a más de 4000). Las expectativas con respecto a las ONGs han crecido también. Los fondos son más difíciles de encontrar, y se ha producido un cambio importante, parte del proceso de maduración que ocurre dentro de la evolución de cualquier industria. Las ONGs están conscientes, algunas ligeramente, otras profundamente, de que deben dar mayores pruebas de su valor a los donantes. Ellas quieren entrar también en una relación más equilibrada con los principales artífices del desarrollo y esto significa tener un impacto digno de consideración.

Estos cambios forman parte del movimiento muscular de la más reciente área de la industria joven, y va de la mano con el profesionalismo de lo que alguna vez fué una "ocupación"

El dilema que enfrentan las ONGs se origina en un prejuicio muy común que va contra las características organizacionales que podrían resultar en un impacto mayor. A las ONGs les gusta

Encontrando un medio de extenderse sin expandirse - crecer en impacto pero no en burocracia - llena la fantasía de las ONGs de tener un impacto significativo mientras mantiene su cultura fundada en la pequeñez. De nuevo, la réplica mantiene esa promesa.

El impulso por réplicar, en el entendido de que está basado en la impaciencia, puede ser contraproducente. Puede distraer nuestra atención de consolidar lo que hemos aprendido, y nos lleve a tomar atajos donde nada puede ser posible.

su pequeñez, flexibilidad y el enfoque en los estratos populares y a nivel comunitario. Para obtener un mayor impacto de una manera mecanicista anticuada significa expandirse -por lo tanto poniendo en peligro la cultura interna. Pero, encontrando un medio de extenderse sin expandirse - crecer en impacto pero no en burocracia - llena la fantasía de las ONGs de tener un impacto significativo mientras mantiene su cultura fundada en la pequeñez.. De nuevo, la réplica mantiene esa promesa.

Como la presión ya está encima, las ONGs quieren aprender rápidamente el arte de la réplica. Sin embargo, tendemos a ignorar una lección de la historia - pocos cambios se producen de repente - especialmente cuando ellos se relacionan con clases sociales enteras. Los campesinos europeos no se volvieron agricultores mecanizados de la noche a la mañana, y cuando lo hicieron, fue parte de una serie de cambios mayores. Parte de lo que está dirigiendo el movimiento de la réplica hoy día es nuestro deseo impaciente de cambios concretos.

Esta impaciencia está moralmente justificada. La pobreza y los males que la acompañan son inaceptables, pero en muchos otros aspectos, la impaciencia no es justificable. El mundo no soluciona todos sus problemas de un solo golpe. La pobreza y la injusticia no pueden ser reducidas a simples teorías ("libertad de mercado", Marxista o cualquier otra teoría) y existe muy poca evidencia histórica (excepto quizá en los casos de plagas o guerras de gran magnitud) que sugieran que los cambios fundamentales puedan ocurrir en forma rápida en el reino humano.

El impulso por replicar, en el entendido de que está basado en la impaciencia, puede ser contraproducente. Puede distraer nuestra atención de consolidar lo que hemos aprendido, y nos lleve a tomar atajos donde nada puede ser posible.

APRENDIENDO LOS LIMITES DE LA REPLICA DE PROYECTOS

TechnoServe es una ONG con 20 años de experiencia en el desarrollo de empresas agrícolas de la zona rural. La asistencia técnica que brindamos a grupos de personas de escasos recursos económicos permite a los agricultores, y a los trabajadores vinculados con la agricultura, transformar sus propias fincas en pequeñas y medianas empresas viables. Estos agricultores, quienes pueden estar asociados en condición de accionistas dentro de una empresa de responsabilidad limitada, una cooperativa, asociación informal u otra entidad legal de propiedad compartida, reciben entrenamiento en agronomía, mercadotecnia, contabilidad, comercialización, análisis de futuros mercados, así como administración y gerencia. Trabajamos con agricultores que se encuentran en el extremo inferior de la escala de ingresos. En Zaire, Kenya, Rwanda y Ghana, estos agricultores son pequeños propietarios clásicos. En lugares como el oeste de Panamá, El Salvador, y la Costa del Perú, estos agricultores tienden a ser miembros de cooperativas, con frecuencia antiguos jornaleros de las grandes fincas, que les fueron entregadas por medio de programas de reforma agraria.

ALGUNOS EJEMPLOS DE INTENTOS DE REPLICA:

Debido a que TechnoServe limita su actividad a un solo sector del desarrollo - desarrollo de empresas rurales agrícolas - parecería que

FIGURA 1

REPLICA TRADICIONAL I		
	PROMISORIA *La Difusión*	
Experimento de demostración piloto en la Periferia	Se mueve hacia	Una adaptación más amplia en la corriente principal
	ACCIDENTAL *La intencionalidad*	
El proyecto falla en "x"	Pero es imitado, copiado	Y triunfa en ubicación "y"
	O	
La consecuencia buscada no ocurre	Pero	La consecuencia no buscada ocurre y es justo como se quería

estamos en una buena posición para tener muchas posibilidades de réplica. La cronología es interesante:

En Centroamérica y a comienzos de los años setenta, TechnoServe trabajó con un cierto número de criaderos organizados como cooperativas. Nuestro enfoque se basó en la creencia de que la mejor forma de asistir a los campesinos de bajos ingresos era ayudándoles a manejar sus respectivas operaciones en forma de negocios viables generadores de ganancias. Al ver que estas fincas se volvían viables, nos concentramos tan intensamente en el producto final, que no atinamos a ver nada más que la empresa misma. Creímos que la perspicacia comercial era el único ingrediente que faltaba y optamos por emplear hombres de negocios pensionados como voluntarios para que fueran a Centroamérica para ayudar a poner estos negocios a devengar ganancias.

Fué entonces cuando empezamos a comprender uno de los aspectos de la réplica - la repetición de proyectos. Como habíamos adquirido experiencia en criaderos de animales, naturalmente fuimos a trabajar con otros criaderos. Esto es la réplica en su forma primitiva, mecánica y unidimensional: hazlo bien una vez y luego hazlo de nuevo. Sin embargo, la réplica puede y debe producirse también de otras maneras.

La tipología de la réplica que sugerimos tiene dos categorías: "Tradicional" y "No-Tradicional".

REPLICA TRADICIONAL

La réplica tradicional es la que aplicamos en Centroamérica durante la década de los setenta y lo que muchas ONGs han practicado por muchos años.

La réplica tradicional se presenta en dos formas. La primera podría ser llamada **PROMISORIA** o **ACCIDENTAL**, esto es, que se espera que el impacto se difunda para ser copiado en otros lugares. La réplica **PROMISORIA** tiene límites *(Ver figura 1)*.

La segunda modalidad dentro de la categoría de Réplica Tradicional, podríamos llamarla **CONSTRUC-**

FIGURA 2

REPLICA TRADICIONAL II CONSTRUCCION ESTRICTA		
Pequeño	*El Tamaño* Escala hasta	Grande
Un área, región o país	*El Espacio* Transferido a	Otro lugar
Una vez	*La Frecuencia* Repetición del Proyecto/Programa	Muchas Veces

CION ESTRICTA - en donde es usado el sentido elemental (mecanicista) de réplica. ***(Ver Figura 2)***

La réplica de nuestra experiencia en los criaderos se produjo a este nivel - englobando los tres ejemplos del tipo de la **CONSTRUCCION ESTRICTA.**

Sin embargo, el proceso del desarrollo empresarial es multidimensional según aprendimos. Luego nos dimos cuenta de que muchos aspectos claves de los programas estaban ausentes, que en última instancia limitaron el impacto de la réplica. Descuidamos el hecho de que la empresa agrícola está compuesta por propietarios, hasta el punto de que comprendíamos la empresa compuesta por tierras, equipo y ganado. Replicamos con éxito los aspectos comerciales, pero habíamos olvidado la gente que debía mantener funcionando la empresa. No sólo no prestamos suficiente atención al entrenamiento a largo plazo, sino que tampoco prestamos atención a la participación comunitaria en el trabajo - fuimos muy impacientes. Como resultado de nuestro intento de replicar proyectos de esta manera, pocos duraron por mucho tiempo.

También aprendimos que utilizando voluntarios en asignaciones por uno o dos años, supuestamente para que los proyectos fueran más replicables reduciendo costos, socavamos nuestros esfuerzos por aprender de la experiencia y hacer los proyectos futuros más exitosos. La tasa de rotación de personal empezó a contribuir en la falta de una memoria organizacional, reduciendo las oportunidades de aprendizaje. Finalmente, las posibilidades de un salto significativo - de simple repetición de proyectos en la misma área de productos, hasta un aprendizaje acumulativo que condujera a un verdadero efecto multiplicador - fueron drásticamente eliminadas antes de que pudieran ser realizadas. Se descubrió un principio muy simple: la acumulación de experiencia que reside en las mentes y los corazones de un personal comprometido, estable (preferiblemente local) puede conducir a un tipo de réplica más indirecta y más sofisticada.

Para 1979, creímos que habíamos incorporado las lecciones aprendidas y habíamos desarrollado una metodología de desarrollo empresarial que incluía otro principio - la confianza puesta en estudios de factibilidad cuidadosos, amplios y sistemáticos. Antes de empezar un proyecto dado,

Descubrimos que con paciencia, continuidad y enfoque, la réplica podría ser alcanzada apegándonos a lo que sabíamos que podíamos hacer mejor, por lo tanto creando, con el tiempo, una ventaja comparativa para asegurar que el aprendizaje fuera monitoreado y registrado sistemáticamente. Esto nos ayudó a influenciar las macro políticas. La evaluación del por qué funcionaba un proyecto, y analizando lecciones aprendidas, fue la clave para poder replicar el éxito en un ambiente diferente.

Las metas ambiciosas de la réplica son alcanzables pero no como una función de diseñar algo llamado "replicabilidad" dentro del proyecto. Antes bien, aquellas metas funcionan como principios elementales incorporados en la organización que emprende la tarea del desarrollo.

nuestros técnicos examinarían la disponibilidad de capital, mano de obra, mercados y mercados potenciales para el producto involucrado. Muchos proyectos empezaron a rendir un éxito significativo después de este cuidadoso trabajo, pero empezamos a pensar que la metodología era tan importante que olvidamos que ella no tiene vida propia más allá de las personas que la implementan. Esto llevó a cometer nuevos errores y de nuevo tuvimos que revisar el principio básico de la gente "adecuada".

Por ejemplo, al haber tenido éxito en Kenya con el tipo de enfoque analítico arriba mencionado, lo transferimos a un proyecto de cría de conejos en Ghana. TechnoServe dirigió un estudio de factibilidad, obtuvo la participación de los pequeños productores, estudió el mercado y la disponibilidad de factores de la producción, puso en práctica un plan de trabajo basado en nuestro análisis, y decidió iniciar el proyecto. El resultado fue un desastre. El proyecto parecía prometedor al comienzo, pero en ningún momento mostró resultados positivos significativos. La evaluación original del mercado, así como disponibilidad de factores de producción y destrezas técnicas requeridas estaban equivocadas. En resumen, la forma del esquema analítico fué aplicado adecuadamente, pero el contenido era equivocado porque nuestro personal no lo entendía plenamente.

La metodología demostró ser un cuerpo sin alma. Como estábamos tan convencidos de que nuestra metodología funcionaba, sentimos que podíamos transferir la fórmula de Kenya a Ghana y verla funcionar de igual manera. Obviamente, comprendimos la importancia que tiene la gente en este proceso, pero estábamos tan impresionados por el éxito del método que no miramos con espíritu crítico el nivel de capacidad de la gente que administraría el proyecto en Ghana.

A principios de los 80's, en tres países donde TechnoServe tenía entre 8 y 10 años de experiencia, habíamos alcanzado un personal local sustancial, guardábamos registros de nuestros proyectos en áreas de productos claves, y sabíamos lo que habíamos aprendido. Por primera vez, nos dimos cuenta de que estábamos en una posición capaz de influenciar la política en niveles superiores. De hecho, ya habíamos realizado lo que David Korten llama "Reforma micro-política" en las bases: entrenamos comunidades exitósamente para que ellos manejaran sus propias empresas agrícolas. Ahora encontramos un lazo entre lo micro y lo macro. Usamos los conocimientos acumulados de los proyectos rurales en áreas de productos seleccionados para influenciar políticas a nivel de ministerios de gobiernos. Estábamos en una capacidad de influenciar en las políticas de gobierno sobre ahorro y crédito, precios de leche y ganado, importación de fibras sintéticas y préstamos para agricultura.

Descubrimos que con paciencia, continuidad y enfoque, la réplica podría ser alcanzada apegándonos a lo que sabíamos que podíamos hacer mejor, por lo tanto creando, con el tiempo, una ventaja comparativa para asegurar que el aprendizaje fuera monitoreado y registrado sistemáticamente. Esto nos ayudó a influenciar las macro políticas. La *evaluación* del *por qué* funcionaba un proyecto, y el *análisis* de las lecciones aprendidas, fue la clave para poder replicar el éxito en un ambiente diferente.

REPLICA NO TRADICIONAL

Este último ejemplo nos conduce a

FIGURA 3

REPLICA NO TRADICIONAL		
Intervenciones fragmentadas y dispersas de tipo "PROMISORIO"	*El Enfoque* Se mueve hacia	Intervenciones regionales, sectoriales, o de "Nicho"
Asimismo, el principio de acumular un entendimiento de los trabajos de un sector particular resulta en una integración vertical del descubrimiento de coacciones económicas en las bases (abajo) con poder y política en la cima.		
Trabajar sólo en las bases	*La Integración* Se mueve hacia arriba en dirección a	La Integración con políticas a niveles más altos
Otro modo de expresar esto es:		
La repetición	*La Estrategia* Se mueve hacia	La Integración Estratégica en un sistema o sector con implicaciones políticas

la segunda categoría no tradicional de réplica. Esta es por naturaleza, más exponencial que lineal. Esta amplia categoría es mucho menos directa y es no tanto un asunto de transferencia de modelos de proyecto, sino un asunto de transferencia de principios fundamentales, tales como el valor de concentrarse o enfocarse en una región o sector determinado *(Ver Figura 3).*

Irónicamente, a medida que TechnoServe se desplazaba de los medios tradicionales de réplica hasta los no tradicionales, una lección clave que aprendimos fué que debido a que el fomentar empresas viables pequeñas y sostenibles involucra muchos factores, *la palabra réplica resulta ser un término sin fundamento.* Dicho de otro modo, siempre ha sido posible aumentar el impacto (réplica tradicional) en formas limitadas y con efectos multiplicadores limitados. Pero, cuando una organización desea aumentar el impacto significativamente en proyectos complejos, necesita comprometerse con la réplica No Tradicional. Y en vista de que esas formas de réplica (como se ilustró arriba) son realmente aplicaciones de principios básicos de organizaciones eficaces en general, la atención puede ser desviada de este hecho usando un término tal como "réplica".

En otras palabras, las ambiciosas metas de la réplica son alcanzables pero *no como una función de diseñar algo llamado "replicabilidad" dentro del proyecto.* Antes bien, aquellas metas funcionan como principios elementales incorporados en la organización que emprende la tarea del desarrollo. Una organización debe

considerar lo que hace que un buen proyecto funcione; esto significa contar con un sólido sistema de monitorco y evaluación. Una organización necesita observar cuidadosamente los costos de los proyectos, los cuales serán siempre un factor clave si se quiere que otros imiten (repliquen) el proyecto. Una organización también necesita considerar el uso de activos extraordinarios dentro de un programa (activos a los cuales otros podrían no tener acceso) para ver si otros podrían ser capaces de imitarlo. Estos asuntos acrecientan la efectividad en cualquier campo.

En el caso de TechnoServe, el conocimiento acumulado sobre un producto de determinado sector puede ejercer influencia sobre las políticas que buscan el bienestar de pequeños agricultores y pequeños empresarios. Esto hace que el rol de la divulgación de la información interna sea determinante. Hemos tenido muchos ejemplos de fracasos al transferir el conocimiento aprendido en un programa de país a otro, simplemente porque nadie sabía nada con respecto a él. Aún con conocimientos que tienen cualidades genéricas (tal como la comprensión de los aspectos técnicos y comerciales que requiere el almacenaje de cierto producto tropical), cuando realmente logramos un sistema mejor organizado de divulgación interna, encontramos que éste era únicamente el primer paso. Una vez enviado, nadie puede garantizar que será usado, ya que entre mucha gente de "oficina" a menudo sufren del síndrome "no inventado acá".

Ellos no pueden ser forzados a utilizar bien la información. Por eso, el intercambio del personal puede ser una forma de superar este problema. En resumen, para realizar progresos en cuanto a réplica se refiere, una organización necesita primero hacer progresos en sus funciones internas en general.

Cuando TechnoServe inició su Departamento de Réplica en 1984, una primer hipótesis fue que podríamos ampliar el impacto si transferíamos nuestro método y las características de nuestra organización a otras organizaciones, especialmente a aquellas nativas del Tercer Mundo.

Nos dedicamos a buscar socios filosóficamente predispuestos hacia nuestras características organizacionales y hacia nuestra metodología de desarrollo participativa. Aún con tales socios, encontramos que el proceso de transferencia consumía mucho tiempo y era incómodo porque involucraba compromisos, ajustes y asuntos relativos a la "propiedad", propios del ego organizacional. Finalmente, estas lecciones aprendidas no son enseñadas fácilmente a otros que no han tenido las mismas experiencias.

El primer experimento exitoso de transferencia organizacional empezó en 1984 cuando ayudamos a la Fundación Katalysis de California a iniciar el programa Belize Enterprise for Sustained Technology (B.E.S.T.), una ONG nativa de Belice especializada en desarrollo empresarial agrícola.

Naturalmente, B.E.S.T. tiene sus propias ideas con respecto a metas y métodos y quiere aprender las cosas a su manera, no a la nuestra. Aún así, ellos han adaptado lo que hemos aprendido y está siendo evitada la repetición de nuestros errores. El punto importante, por supuesto, es si existe un impacto local que mejore las vidas de la gente de manera significativa. Si se puede demostrar que ese es el caso, entonces habremos logrado nuestra meta.

De acuerdo con un informe proveniente del Comité de Asistencia de Desarrollo perteneciente a la

Hasta ahora hemos hablado de formas y medios de replicar. Debe haber también algo que valga la pena replicar, y el saber qué replicar no siempre es claro.

OECD, este enfoque "asociado" es bastante nuevo con respecto a la réplica:

> *"Es tan sólo recientemente, y en especial a través de evaluaciones, que la investigación del potencial para la réplica ha cambiado hacia factores tales como la suficiencia de entrenamiento en liderazgo local o una deliberada búsqueda de contactos con servicios gubernamentales y otros socios potenciales, para adoptar y replicar un 'modelo' particular..."*[2]

Podemos resumir con una simple tipología de la réplica:

- Programática/Operacional (repitiendo proyectos exitosos en varias formas, a lo largo de diferentes espectros).
- Comunicativa/Informativa (informando a otros los éxitos y fracasos de los proyectos).
- Entrenamiento/Educativa (enseñando a otros a hacerlo).
- Colaboración (trabajando con otros, organizaciones asociativas de modo que más grupos adopten enfoques similares).

Puede que existan umbrales dentro de la comunidad, o en organizaciones individuales, donde la dificultad de saltar hacia la réplica exponencial es considerablemente mayor que la de repetir mecánicamente un "modelo" varias veces en diferentes regiones. Estos umbrales requieren ser mejor entendidos.

CONDICIONES PARA LA REPLICA

Hasta ahora hemos hablado de medios y formas de replicar. Debe haber también algo que valga la pena replicar y el saber qué replicar no siempre es claro. Para que la réplica sea posible, un proyecto debe:

- Poseer algo que funcione suficientemente bien como para garantizar la réplica.
- Contar con razones claras y reconocibles que aseguren el éxito del proyecto.
- Tener suficientes recursos, incluyendo los conocimientos administrativos necesarios para reproducir las condiciones para el éxito.
- Ser aplicadas por una organización que sea efectiva, esto es, que pueda aprender, aplicar su aprendizaje internamente, recordarlo, tener el enfoque, establecer un nicho, usar ventajas comparativas, ser eficiente, poder decir no, etc.

OBSTACULOS PARA LA REPLICA

Además del obstáculo "cultural" interno mencionado que bloquea el esfuerzo de la comunidad de ONGs por mejorar el record de réplicas alcanzadas, existen otros obstáculos de los cuales hay que estar conscientes:

1. Obstáculos organizacionales - Generalmente no hemos invertido el tiempo suficiente analizando rigurosamente lo que hacemos, y si funciona, por las razones que creemos. Por eso no estamos aún preparados para cumplir algunas de las condiciones que requiere una réplica exitosa.
2. También, podríamos no tener la madurez y sofisticación organizacional (incluyendo las habilidades gerenciales internas) para asumir los tipos más exponenciales de réplica.
3. Puede que existan umbrales dentro de la comunidad, o en organizaciones individuales, donde la dificultad de saltar hacia la réplica exponencial, es considerablemente mayor que la de repetir mecánicamente un "modelo" en diferentes regiones. Estos umbrales requieren ser mejor entendidos.

[2] Organización para la Cooperación y el Desarrollo, "Ayuda Voluntaria para el Desarrollo" El Rol de las Organizaciones no Gubernamentales" -París, 1987, p. 49.)

Tratar de saltar sobre y más allá de ellos antes de comprender que uno mismo se encuentra ubicado en tal umbral, podría resultar en altos costos, fracaso del proyecto, sobre extensión organizacional y tensiones destructivas internamente.

PRESIONES CUESTIONABLES CON RESPECTO A LA REPLICA DE PROYECTOS

Actualmente existen algunas corrientes interesantes dentro de la comunidad del desarrollo que empujan hacia formas de réplica que vale la pena cuestionar. Nos referimos aquí a cinco de ellas:

LA TENDENCIA AL PROYECTO "ESTRELLA"

La tendencia al proyecto "estrella" surge a partir de nuestra necesidad de encontrar "modelos" de proyectos para el éxito. Existe un sentido de urgencia dentro del ambiente del desarrollo, el cual se refleja en esquemas de tiempo de proyectos irracionalmente cortos de dos a cinco años - la tendencia "estrella" con frecuencia nos presiona a declarar prematuramente éxitos aislados como modelos.

Detrás de esto está la idea de que algo bueno, un proyecto como el programa de crédito del Banco Grameen en Bangladesh, es demasiado bueno como para no ser probado en otra parte. Por lo tanto, lo elevamos a la categoría de modelo - algo que puede ser transferido tomando sus elementos básicos y estableciéndolos de nuevo en otro lugar (como sucede con una casa modelo, donde el diseño de planta y la estructura se despliegan sobre una mesa, para que la gente pueda elegir el modelo que más le gusta y construirlo en un lugar diferente).

Como sucede en la casa modelo, los elementos del diseño de planta pueden ser fácilmente adaptados a nuevos lugares y al gusto de los nuevos dueños. Reconocemos que los elementos que caracterizan al Banco Grameen podrían tener que ser adaptados a otros ambientes con diferentes políticas, cultura y economías.

El problema radica en el hecho de que no estamos perfectamente seguros de porqué el caso Grameen funciona del modo en que lo hace. Mientras que las técnicas de construcción en una casa modelo son perfectamente entendidas y probadas, aquellas de un proyecto como el de Grameen no lo son. Al elevar el modelo a la categoría de "estrella", podríamos estar alentando su réplica prematuramente, a la manera de una venta al por mayor de un libro de cocina, en vez de una forma experimental limitada, la cual fomentaría nuestro aprendizaje sobre las sutilezas que lo hicieron funcionar por primera vez.

EL DESCONCERTANTE PROYECTO PILOTO

El concepto del proyecto piloto se ha convertido en una trampa dentro de nuestra forma de pensar acerca de la réplica. Las ONGs parecen sentir cada vez mayor incomodidad frente a los proyectos piloto, a causa de nuestra creciente impaciencia con respecto a nuestras propias limitaciones y también debido a la presión exterior de un impacto cada vez mayor. Implícitamente nos comparamos nosotros mismos con la industria, donde sabemos que hay poca tolerancia para continuar dando rienda suelta al hábito de elaborar proyectos piloto o experimentos. En algún momento, las demandas del mercado ejercen presión sobre los fabricantes para que se

Dado que todavía la nueva naturaleza del desarrollo no es del todo irrazonable, el continuar experimentando y perfeccionando un programa piloto en sectores donde nuestra experiencia se remonta a unos pocos años atrás, necesitamos aprender a asumir una actitud menos defensiva con respecto a nuestros proyectos piloto frente a los donantes.

trasladen de la mesa de dibujo al producto y pasar del prototipo a la producción en masa.

Es por eso que después de cierto tiempo los proyectos piloto nos terminan desconcertando. En nuestra cultura, que marcha aceleradamente, el hecho de que los practicantes del desarrollo podamos decir (después de todos estos años) que aún estamos experimentando y confeccionando proyectos piloto, parece ser una causa legítima como para cohibirnos. La presión para replicar está ligada con esta cohibición. Frecuentemente toleramos los desconciertos que nos ocasionan los proyectos piloto. Pero, dada la naturaleza todavía nueva del desarrollo, no es del todo ilógico continuar experimentando y perfeccionando un programa piloto en sectores donde nuestra experiencia se remonta a tan solo unos pocos años. Necesitamos aprender a estar menos a la defensiva con respecto a nuestros donantes para proyectos piloto.

LA TENDENCIA "CIENTIFICA"

El elemento de la "ingeniería" social que impregna nuestro profesionalismo en desarrollo, frecuentemente interfiere en nuestro completo reconocimiento de que estamos tratando con seres humanos y no con sistemas mecánicos. La presión para replicar fortalece la tendencia de los practicantes del desarrollo de pensar que podemos arreglarlo todo por medio de modelos y fomenta nuestro olvido de los factores humanos. Desde que los pensadores han estado analizando los sistemas humanos, no ha habido hasta ahora ningún esquema satisfactorio y comprensivo que permita explicar toda la complejidad e incertidumbre del comportamiento humano y de los sistemas sociales. Si miles de científicos sociales, economistas, antropólogos y sicólogos han fracasado en sus intento por reducir al género humano en postulados concisos, cómo podremos hacerlo nosotros?

En el caso del Banco Grameen debemos formular preguntas sobre las variables claves en el "modelo". Cuál es el elemento único acerca del Banco Es acaso el personal que realiza el trabajo, o el fundador del banco? Es quizá el grado al cual el fundador estaba conectado con la estructura de poder de Bangladesh? Es que las actividades consolidadas ya están comprometidas por los prestatarios?

La tendencia que nos conduce a aplicar el método científico en un sistema humano complejo es comprensible dada la presión que existe para que la réplica se lleve a cabo. Pero nuevamente, necesitamos recordar que a pesar de los avances logrados en la teoría económica y sicológica, el comportamiento humano no puede ser reducido meramente a fórmulas científicas. Un mayor aprendizaje sobre el proceso de desarrollo parecería llegar a producirse bajo una condición de humildad sobre el mismo. Esta postura permitiría un punto de vista más abierto sobre lo que hace la diferencia en el "éxito". Cuando nos enamoramos del desarrollo como una "ciencia" en vez de un arte, nos arriesgamos a perder eslabones vitales dentro del proceso del desarrollo.

LA TENDENCIA COSTO-EFECTIVIDAD

Una cuarta presión sobre nuestro pensamiento acerca de la réplica es el factor costo. Estamos bajo una creciente presión para reducir costos, pero no utilizamos las conexiones entre réplica y costos tan bien como deberíamos hacerlo en dirigir esas presiones. Las calculadoras que costaban US$100.00 a principios de la

década de los 70, ahora cuestan menos de US$10.00. Igualmente, ciertos costos aparentemente altos de algunas clases de proyectos de desarrollo, se justifican ya sea por la fuente de beneficios que daría en adelante, o porque reduciría los costos del proyecto una vez que se replicara.

Tanto los donantes como los practicantes, se han vuelto obsesivos con respecto a los costos: costo-efectividad, análisis de costo-beneficio, costo de recuperación, costos recurrentes y así sucesivamente. Los donantes como USAID pueden criticar aún el mejor de los proyectos diciendo "es bueno, pero cuesta demasiado". Por supuesto, somos producto de nuestro tiempo y cultura - el costo y la eficiencia nos obsesionan. De todos modos no debemos olvidar otras tendencias dentro de nuestra cultura (como se refleja en antiguos proverbios tales como "obtienes lo que pagas" "hay que cuidar los centavos, porque los pesos se cuidan solos"), que sugieren que los costos podrían tener una relación más ambigua y complicada con respecto a la calidad, que la expresada en un análisis estándar de costo-beneficio. El desarrollo todavía se encuentra en una fase experimental y no debemos temer incondicionalmente a los altos costos. Si las ONGs pueden evitar las constantes consideraciones de escases de precios, podemos resistir las cuestionables presiones para replicar.

Existe un lado débil con relación a la tendencia de la réplica: podríamos incorporar demasiada ortodoxia proveniente de las lecciones aprendidas. Cuando un proyecto es juzgado de no haber funcionado, no deberíamos concluir automáticamente de que algo similar no debería ser intentado de nuevo. Así como hay éxitos accidentales, puede que también existan fracasos accidentales.

LA TENDENCIA DE LAS LECCIONES APRENDIDAS

Existe un lado débil con relación a la tendencia de la réplica: podríamos incorporar demasiada ortodoxia proveniente de las lecciones aprendidas. Cuando un proyecto es juzgado de no haber funcionado, no deberíamos concluir automáticamente de que algo similar no debería ser intentado de nuevo. Así como hay éxitos accidentales, puede que también existan fracasos accidentales. La reevaluación de un proyecto puede revelar un fundamento para una aplicación exitosa de metas y técnicas en otra parte.

CONCLUSIONES

La réplica constituye una meta loable para las ONGs, pero necesita mantenerse dentro de la perspectiva de dónde estamos en la práctica del desarrollo. Si las ONGs se concentran en hacer un buen trabajo de desarrollo, y si apadrinamos proyectos sostenibles de alta calidad, entonces el hecho de preocuparnos con respecto a la réplica puede ser gratuito. Los programas de desarrollo exigen un análisis sofisticado y la divulgación de las lecciones aprendidas. Muchos proyectos son replicados, no porque son notablemente buenos, sino porque son comúnmente citados por investigadores académicos, quienes frecuentemente eligen los mismos países para trabajar.

Si ajustamos nuestras creencias para ver que un modo experimental no es un modo inapropiado para mantenernos en ello por algún tiempo, y si reconocemos la naturaleza de nuestras tareas, es difícil decir, *ipso facto*, que los proyectos piloto son muy caros.

Gran parte del trabajo de desarrollo emprendido por las ONGs a nivel rural es un oficio y un arte. No es algo que pueda ser producido en masa fácilmente.

Nos contradecimos cuando demandamos que se realice una réplica antes de que el proyecto tenga éxito. Es aquí donde llevamos la réplica más allá de lo que entendemos como verdadero acerca de los proyectos. Tendemos a pensar que como la réplica es buena, podemos pedir que sea incorporada dentro de los planes de un proyecto, como si por agregar un ingrediente especial a estos planes, pudiéramos

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hacerlo replicable. De hecho, lo que hace nuestros esfuerzos replicables son los principios fundamentales de un buen trabajo de desarrollo aplicable a cualquier otro proyecto.

Dándole al término réplica la categoría especial como meta principal, le hemos dado vida propia. Esto es inapropiado, y contrario al entendimiento sofisticado del proceso de desarrollo que las ONGs han establecido en años recientes.

Lo que es replicable en el desarrollo no es un "modelo" de proyecto, sino los principios que definen los modelos de desarrollo. No es probable que tengamos éxito aislando las variables claves de proyectos particulares, porque muchas de ellas están encerradas dentro de diferentes estructuras sociales, culturales, lingüísticas, políticas y económicas. Dichas diferencias siempre obligarán a que los proyectos de desarrollo rurales sean hechos por medio de diseños:

Los principios fundamentales para un buen trabajo de desarrollo son la clave para la réplica:

- Invertir en encontrar y entrenar personal profesional competente con las destrezas apropiadas, incluyendo la capacidad de transferir sus habilidades a otros, especialmente en áreas básicas tales como gerencia, contabilidad y planificación, las que son parte del soporte de toda organización.
- Reconocer las realidades del proceso del desarrollo, lo que implica planificación a largo plazo para proyectos y programas.
- Permanecer flexible. Las dinámicas del desarrollo necesitan reconocimiento - los proyectos fluyen y refluyen, hay falsos comienzos, algunos aspectos de un proyecto conducen a otros, y los ajustes a veces necesitan cambios.
- Prestar atención a la participación y formas de asegurar que los participantes tengan un interés significativo en el proyecto (por ejemplo, pagando algo por él) para asegurarse que estén motivados.
- Estar dispuesto a los "sistemas" - reconocer afinidades entre las partes de un sistema. Esto lleva a hacer de impacto una función de estrategia, en vez de tamaño o dinero. Esto implica ver los sistemas vertical y horizontalmente y una capacidad concomitante para construir puentes entre barreras de sector (Ejemplo: unir actividades de micro desarrollo con macro políticas).
- Guardar integridad en la organización asistida. Los valores de las personas que forman estas organizaciones son decisivas.

Hemos tratado de sugerir que la réplica, al igual que otras palabras que se usan en el desarrollo, necesita ser vista cuidadosamente. Existen trampas ocultas dentro del concepto, implicaciones que tal vez queremos resistir, y costos (especialmente de aprendizaje) que podríamos no querer pagar. Tampoco podemos asumir que el impulso que se encuentra detrás de la réplica, a diferencia de otro término actual - suficiencia - es definitivamente bueno.

La presión por la eficiencia de los proyectos, uno de los elementos en la compleja economía política de la industria del desarrollo, es buena. Pero recordemos que las ONGs arriesgan adoptar no sólo la palabra réplica, sino también muchos de los impulsos que se encuentran detrás de ella. Este documento simplemente suscita la familiar advertencia: *Cuídese del Comprador.*

DECLARACION DE TECHNOSERVE:

Aprobada por la Junta Directiva, Mayo 15, 1985

"El propósito de TechnoServe es mejorar el bienestar económico y social de las personas de bajos recursos económicos en países en vías de desarrollo, a través de un proceso de desarrollo empresarial, el cual aumenta la productividad, las fuentes de trabajo y los ingresos. TechnoServe logra esto brindando asistencia técnica y administrativa, y capacitación a empresas e instituciones relacionadas principalmente con el sector agrícola."