REPORT OF A PREPARATORY EVALUATION WORKSHOP ON THE MANAGEMENT OF AGRICULTURAL PROJECTS IN AFRICA

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FOREWORD

This document reports on the principal presentations and discussions of a workshop on development management in Africa held September 4-8, 1984 in Easton, Maryland. The workshop was a first step in an effort to evaluate activities funded by the U.S. Agency for International Development (AID) affecting the management of development projects. The Center for Development Information and Evaluation and the Bureau for Africa cosponsored the workshop.

Among many who contributed to the success of the workshop, special acknowledgment is given to those who prepared papers or led discussions: Richard Blue, Philip Boyle, Milton Esman, George Honadle, Michael Horowitz, Merlyn Kettering, David Leonard, Frank Lusby, Philip Morgan, Thomas Painter, Dennis Rondinelli, Muneera Salem-Murdock, Janet Tuthill, Norman Uphoff, and Jerry Wolgin. John Hannah of Development Alternatives, Inc. (DAI) was principally responsible for planning and implementing the workshop. The overall scope of work for the worldwide evaluation and the leadership of the total effort was provided by Irving Rosenthal, CDIE Sector Coordinator for Development Management.

Center for Development Information
and Evaluation
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GLOSSARY OF ABBREVIATIONS

AFR/SWA	-	AID Bureau for Africa/Office of Sahel and West Africa
AID	-	Agency for Internatiional Development
AID/M/FM	-	AID Office of Financial Management
CDIE	-	AID Center for Development Information and Evaluation
CIP	-	Commodity Import Program
DAI	-	Development Alternatives, Inc.
DPMC	-	Development Project Management Center (of the Office off International Cooperation and Development, U.S. Department of Agriculture)
FAR	-	Fixed amount reimbursement
FED	-	European Development Fund
FMI	-	Financial Management Imprrovement
FMIE	-	Financial Management Improovement Effort
FMITS	-	Financial Management Improvement Teams
HCIs	-	Host country institutions
IBRD	-	International Bank for Reconstruction and Development
IDA	-	Institute for Development Anthroplogy
MIDAS	-	Managed Delivery of Agricultural Services (an AIP project in Ghana)
MUCIA	-	Midwest Universities Consortium for International Activities
NASPAA	-	National Association off Schools of Public Affairs and Administration
OICD	-	Office of International Cooperation and Development
PASITAM	-	program of Advanced Studies in Institution Building and Technical Assistance Methodology

PBAR	-	Planning, budget, and review process
PDs	-	Project Directors
PID	-	Project Identification Document
PIL	-	Project Implementation Letter
PP	-	Project Paper
PPBS	-	Planning, program, and budget systems
PPC/CDIE	-	AID Bureau for Program and Policy Coordination/Center for Development Information and Evaluation
PQLI	-	Physical Quality of Life Indicator
PVO	-	Private voluntary organization
SRFMP	-	Sahel Regional Financial Management Project
VPI	-	Virginia Polytechnic Institute and State University

PART ONE

WORKSHOP OVERVIEW

Introduction

An important objective in many projects funded by the U.S. Agency for International Development (AID) is to strengthen the capacity of host country managers to use the funds, personnel, and other resources provided. Nevertheless, many within AID and host government organizations continue to point to widespread incidences of implementation delays, cost overruns, failure to achieve expected results, confusion over project purposes, and inability to sustain project benefits. An important need for AID, therefore, is to understand how enhancing the management dimension can affect project success or failure.

Based on this mixed experience, the awareness has grown that successful projects are characterized by organizational relationships and management practices appropriate to the project setting and objectives. To further this awareness, the Center for Development Information and Evaluation (CDIE) funded a series of field evaluations of the role of development management. The initial six field evaluations were carried out in Africa between October 1984 and March 1985. They focus on the results of AID interventions that have strengthened host country capability to manage development projects. These evaluations are part of the structured evaluation process that includes a computerized review of AID's current experience of development management in Africa, the workshop presented in this report, the field evaluations, and a final seminar and reports to synthesize and disseminate the evaluation findings.

This report provides a selective overview of the initial workshop, which was designed to sensitize the field evaluation teams to issues of development management and to equip them to undertake the case studies. It contains most of the formal papers and summarizes the others. The salient discussions at the workshop are reported. The synthesis papers will be based on the findings of the individual evaluations.

Workshop Design

The workshop opened with a broad-based review of the evolution of the thinking about development management. This was followed by specific sessions on component management factors and a consideration of methodological tools for probing those factors within the constraints of the field visits to Africa. On this foundation, evaluation team members could establish their roles, develop detailed project scopes of work, and schedule their field activities. The individual scopes of work were compared to ensure parallel examinations.

The workshop was opened by Haven North, Director of CDIE, who placed this evaluation on development management within the framework of AID's overall evaluation program. His presentation emphasized that development management had been identified by AID's senior executives as a priority area for evaluation focus. He noted that the AID Administrator was concerned with whether the present generation of AID projects was too complicated to be effectively managed.

Philip Birnbaum, Deputy Assistant Administrator for Africa, reaffirmed the Africa Bureau's interest in this evaluation and expressed particular concern for the broad area of financial management. As the demand for development funds outstrips availability and increased requirements for local recurrent costs remain unmet, issues of accounting, budgeting, and financial planning and control become even more important. He raised the policy issue of the appropriate division of responsibility between public and private sectors and the need for projects to support, rather than dampen, the individual entrepreneur's contribution to the development process. He posed the issue of whether government overmanagement, as much as mismanagement, was a barrier to project success.

Irving Rosenthal, Sector Coordinator for Development Management, charted the course for the overall evaluation. He identified the following purposes of the workshop:

- To help evaluation team members better understand the problem of host government capacity to manage development projects

- To identify the management enhancement interventions that had attempted to overcome the lack of capacity

- To generate some sense of the effectiveness of these interventions

He then reviewed the scope of work that he was presenting to the workshop as the basis for the work of field evaluations. He proposed a system of management, which included the following factors:

- <u>Contextual factors relating to management</u>. This area involves the impact on the project of local physical, environmental, political, and cultural factors, as well as worldwide economic and political conditions.

-- Organizational structure and institutionalization. This area involves both formally established and informally constituted working relationships among affected organizations and people.

-- Administrative process changes. This area involves project-related changes that occur during implementation of development programs in the local setting.

-- Resource input management. This area involves techniques for improving financial, commodity, and logistics management and for handling problems that arise.

-- Human resource management and behavioral considerations This area involves the skills, performance, and management capacity of the people who are part of, and who will benefit from, the project.

At the conclusion of the workshop, these five areas were accepted as the framework for the field evaluations.

Dennis Rondinelli of Syracuse University presented a paper that charted the evolution of AID perspectives toward development management. Evaluation methods for dealing with elusive aspects of management processes were examined by Richard Blue of AID, the former Director of the Office of Evaluation, and George Honadle of Development Alternatives, Inc. (DAI). They identified tools for capturing the importance of these factors in the actual evaluation situation. Jerry Wolgin, the Senior Economist of the AID Africa Bureau, presented conditions in African economies today relative to worldwide trends and argued that policies, not management, pose the greatest threat to success. David Leonard of the University of California at Berkeley outlined issues relative to political and administrative culture and suggested that many Western management techniques have limited applicability in Africa. Philip Boyle of the Institute for Development Anthropology (IDA) submitted a paper on sociocultural feasibility regarding the gap between project assumptions and local values. In IDA’s presentation Michael Horowitz focused on the issue of participation by local beneficiaries in decisions on development management. Norman Uphoff and Milton Esman of Cornell University delivered a paper that outlined a framework for assessing organizational channels. These papers are included in this report of the workshop.

The workshop focus then narrowed to an examination of the nature of management issues surrounding the projects themselves. Merlyn Kettering of the Development Project Management Center of the U.S. Department of Agriculture identified important aspects of financial management and practices of host country institutions in meeting accountability and project management requirements. Philip Morgan of Indiana University discussed administrative processes in the project environment and the way they influence project performance. George Honadle of DAI discussed aspects of project-focused organizational linkages and management behavior, including contradictions inherent in the development process, approaches to conflict mediation, and the issue of sustainability. Janet Tuthill of Management Systems International identified practical guidelines for assessing and explaining development management performance. These substantive sessions were presented not to prejudge the reasons for project success or failure, but rather to sensitize potential evaluation team members to what the current state of the art suggests might be fruitful avenues of inquiry. All but the Kettering presentation are discussed in this report. Because financial management is such an important management topic, it is being given special attention. Kettering's introductory work on financial management is being combined with the results of the six field case studies in a separate synthesis on financial management in Africa.

The evaluation teams then applied the substance of the presentations in establishing the guidelines for a scope of work for the projects they would be visiting. Thus, the workshop represented an attempt to identify the state of the art of development management and to direct it to a level of specificity that would allow operational assessments.

PART TWO

DEVELOPMENT MANAGEMENT

Introduction

Some define development management as a set of generic technologies that can be transferred readily from one environment to another; others view management as an art that is highly situational and embodied in individual leadership traits and organizational cultures. For some, development management embraces the total development process; for others, it is more limited and focuses on how resources are used within a particular project. Some believe that management performance should be defined largely by the skills, systems, and administrative processes within an organization; others, however, contend that management performance is primarily defined by public policies and political priorities. The workshop adopted an eclectic approach that gave consideration to each of these perspectives within the boundaries of the preliminary scope of work while searching for a more precise articulation of the key elements of development management during each session.

Dennis Rondinelli made the opening presentation. His address was geared to the concept and practice of development management in general rather than to an Africa-specific set of issues. The full text of his paper follows.

THE EVOLUTION OF DEVELOPMENT MANAGEMENT THEORY AND PRACTICE IN AID: A CONTEXT FOR EVALUATION[1]

by Dennis Rondinelli

1. INTRODUCTION

For more than 30 years the U.S. Agency for International Development (AID) has been providing technical and financial assistance to developing countries to improve their administrative and managerial capabilities and to strengthen institutions responsible for implementing development projects and programs. Since the beginning of the American foreign assistance program, institutional development has been an integral part and a primary instrument of aid. In recent years both the problems of and emphasis on development administration and management have increased. More than 25 percent of all AID field projects aim wholly or in part to improve the managerial performance of Third World institutions. Hundreds of millions of dollars have been obligated by AID for projects of applied research on institutional development, project management, and development administration; for technical assistance to government agencies and private organizations to improve their managerial capacity; and for training thousands of officials from developing nations in public administration and management in their own countries and in the United States.

The impact of these activities remains uncertain. Few systematic evaluations have been done of the results of these investments on managerial capacity in developing countries, and observers of the various approaches that AID has used over the years disagree on their effectiveness. Some argue that public administration in many developing countries is more effective and efficient than in the past and better than it would have been in the absence of aid. Others contend that some approaches to institutional development and management used by AID have either had little impact or have exacerbated administrative problems.

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[1]This paper draws heavily on revised material from a larger study of development management in AID conducted by the author through the National Association of Schools of Public Affairs and Administration (NASPAA) and sponsored by USAID's Development Administration Division. I appreciate the suggestions by Irving Rosenthal and George Honadle on this version. The opinions, interpretations, and conclusions, however, are those of the author and do not necessarily reflect USAID policy.

1.1 Administrative Problems in Developing Countries

The only issue on which there is strong consensus--within AID, in developing countries, and among scholars and practitioners of development management--is that problems of planning, implementing, managing, and institutionalizing development activities remain serious and pervasive. There has been a growing awareness in international assistance organizations, as reflected in the World Bank's World Development Report for 1983, that the most carefully planned and systematically analyzed projects are worthless unless they can be implemented effectively. There is a growing recognition within developing countries that weaknesses in institutional and managerial capacity are critical bottlenecks to economic and social progress.

It has become clear over the past decade that bureaucracies in much of the Third World, especially in Africa, have limited capacity to implement policies and to manage development projects effectively. The findings of a recent study by Sudan's Management Development and Productivity Center, for example, would be familiar to anyone who has worked in or with governments almost anywhere in Africa. The study found that development planning in the country is a confusing process in which the plans and programs of various agencies and ministries are often inconsistent or conflicting. Coordination and integration of plans among government agencies and public corporations are weak, and nowhere in the government structure is careful analysis of policy alternatives done. The ability of public organizations to implement plans and projects is equally weak. Most public organizations have long chains of command and managers have large spans of control, undermining the capacity of officials to supervise subordinates. There is often little relationship between activities that public organizations pursue and their formal objectives and missions. Both government offices and public corporations are greatly overstaffed, yet are inherently inefficient. High levels of personnel turnover in some organizations create instability, whereas in others, middle and lower level managers can neither be fired nor effectively disciplined. Direction and leadership within government organizations are weak, and public managers are given few incentives to perform their duties creatively or responsively (Weaver, 1979).

Similar deficiencies were seen in a recent assessment of administration in Egypt. Ayubi (1982:295) concluded that

> In general, the public bureaucracy is extremely large and complex. It is top-heavy, loosely coordinated, and very inactive at the lower levels. Overlapping and duplication are also widespread, and a large gap exists between formal and informal arrangements, while the excessive frequency of changes in laws, structures and leadership

> makes 'organizational instability' a real problem--for example, the average period of position tenure for an Egyptian minister is a year and a half, barely sufficient to enable him to familiarize himself with the tasks of the post.
>
> Administrative performance is so riddled with a number of related pathologies, such as the 'idolization' of papers and documents, signatures and seals, routine and red tape, and the complexities and repetitiveness of a large number of formalities and procedures all of which inevitably lead to bottlenecks and delays. Serious carelessness and negligence are also among the most dangerous of Egyptian bureaupathologies, recognized by a large number of experts, critics and politicians, as is the rapidly growing phenomenon of 'corruption' in all shapes and forms.

Moreover, government agencies in most African countries have little ability to provide services effectively to peripheral regions or rural areas. Decentralized procedures either do not exist or are extremely weak. Local administrative units have little authority, few skilled personnel, and inadequate financial resources to serve their constituencies or to implement development projects (Rondinelli, 1981, 1982; Cheena and Rondinelli, 1983).

In Kenya, for example, administrative capacity even to carry out central development policies at the local level is constrained. Trapman (1974:34) notes that the inability of central ministries to coordinate with each other leads to ambiguous decisions in Nairobi and confusion in the provinces and districts. Often, he observes, "decisions have been made in isolation by heads of technical divisions and circulated as directives to the provincial offices without consultation either of the planners or of the field staff themselves." Field staff either attempt to apply irrelevant or inappropriate policies at the local level or ignore the directives entirely.

Moris (1977:90) points out that in many African governments, the entire administrative system "has a characteristic weakness in managing large scale or complex activities beyond the capacity of one top executive to control directly," resulting in management by reaction to daily crises. There is little capacity within government to guide or direct development projects toward larger goals.

1.2 Assessing AID's Development Management Assistance

It is to these problems in African and other developing countries that AID has aimed its institutional and management development assistance over the past three decades. But the difficulty of evaluating AID's performance in this field is complicated by the concepts and definitions of "institutional development," "development administration," and "development management." These have always been broad and have changed drastically over time with the changing perceptions of development problems, evolving theories of economic and social development, and changing priorities of American foreign assistance policy.

Moreover, the field of administrative theory is replete with contending schools of thought, and the thinking within AID has reflected that diversity. Crawley (1965:169) pointed out nearly 2 decades ago that debates in AID over proper management approaches included advocates of the management process, empirical analysis, human behavior, social systems engineering, decision theory, and mathematical modeling schools of management thinking. Diversity of opinion in AID about the "right" approach to management improvement is neither new nor now less disparate. Differences still exist among those who advocate technique- and process-oriented approaches, participatory and control-oriented approaches, and structural and behavioral approaches. Whether management is a science or an art is still strongly debated.

Attempts to evaluate AID’s experience with development management must recognize that both the theories of development administration and AID’s application of them have changed drastically over the past 30 years. During the 1950s, AID simply transferred managerial techniques and organizational structures that seemed to be successful in the United States to developing countries. AID helped establish institutes of public administration in many developing countries to teach these methods of administration and brought thousands of administrators from Third World countries to American universities for education and training.

During the late 1950s and early 1960s, the emphasis shifted from merely transferring the tools of American public administration to promoting fundamental political modernization and administrative reform, first through the community development movement, then through the political development and institutionbuilding approaches. In the late 1960s and early 1970s, AID adopted many of the management science theories of administration that were reflected in the planning, programming, and budgeting systems and project management systems approaches, both for the administration of its own projects and for dissemination to developing countries.

With the adoption of the "New Directions" mandate in 1973 and the refocusing of American foreign aid on the needs of the poor, AID began to explore and apply local capacity building, organizational development, and behavioral change approaches ’. institutional and managerial development. In the late 1970s and early 1980s, new concepts evolved that focused on problems of managing social and human resources development. They are embodied in the learning process and bureaucratic reorientation approaches.

This paper examines the evolution of these theories and practices of development management in AID to provide a historical context for evaluation. Each of these approaches to development administration evolved from perceptions of the needs and conditions in developing countries at different periods of time and were, in part, the results of the successes and failures of previous attempts at improving administrative capacity in developing countries. But each also focused on different levels of administration and placed a different emphasis on different administrative problems, such as organizational structure, administrative process, resource input management, human resources and behavioral changes, or contextual factors. Table 1 provides a profile of the major theories of development management used in AID over the past 3 decades and categorizes them by their primary form of intervention.

2. TECHNOLOGY TRANSFER AND MANAGEMENT CONTROL APPROACHES

AID’s technical assistance for development administration during the 1950s and early 1960s was heavily influenced by the prevailing concepts and theories of economic development, reflected in the Marshall Plan and Point Four Program, which were primarily aimed at rehabilitating physical infrastructure and industrial plants, temporarily feeding large numbers of people whose sources of income had been destroyed during the war, and reestablishing the economies of industrial societies. Similarly, it was believed that by raising the level of industrial output, the gross national product of poor countries could be increased most rapidly.

The Point Four approach urged poor nations to seek large amounts of foreign capital, to build on their comparative advantages in low-wage manufacturing or in raw-materials exporting, and to apply capital-intensive technology in agricultural production. Export-oriented or import-substitution industries were usually favored. Strong emphasis also was placed on political modernization and administrative reform to create conditions that development theorists thought were essential to promote rapid economic growth and social change.

The American experience with development assistance during this early period was based on a strongly prevailing paradigm. The elements of this paradigm, as Esman (1980) points out, were that all societies could modernize and grow economically in a sequence of historically verified stages that had occurred in Western nations over the previous 2 centuries and that this modernization and growth could be accelerated in poor countries through the transfer of resources and technologies from industrialized nations. The state would be the principal instrument of development. Central governments, through comprehensive planning, could guide or control the economic, social, and political forces generating growth and modernization. Well-trained technical and professional personnel, using modern administrative procedures and supported by benevolent and development-oriented political leaders, would serve as catalysts for development. The transformation of poor countries would be rapid and the benefits of growth would be widely shared. Economic development would bring political stability and, eventually, democratic government.

These principles were applied through three major movements that dominated AID’s activities in development administration during the 1950s and early 1960s: (1) transfer of Western public administration technology and training of officials from developing countries in American public administration methods, (2) political development and institution building, and (3) community development.

2.1 The Tool-Oriented Technology Transfer Approach

During the 1950s and 1960s technical assistance took the form of what Esman and Montgomery (1969:509) called the "Point Four Model." This consisted of transferring American administrative technology and know-how to less developed countries, in much the same way that industrial and agricultural technology and Know-how were transferred through the Marshall Plan. This approach assumed that successful methods, techniques, and ways of solving problems and delivering services in the United States or in other economically advanced countries would prove equally successful in developing nations.

AID and other international assistance agencies spent large amounts of money on establishing institutes of public administration in developing countries, on bringing people from developing nations to the United States to study public administration, and on providing training programs in developing countries. The United Nations, AID, and the Ford Foundation together spent more than $250 million during the 1950s on institution building and public administration training. AID helped establish institutes of public administration in many countries, including Brazil, Mexico, Peru, Ecuador, El Salvador, Korea, Pakistan, the Philippines, Thailand, and Vietnam. More than 7,000 people from developing countries were brought to the United States to study public administration through the auspices of international funding agencies during the 1950s (Paul, 1983:19).

Much of the knowledge transferred abroad and most of the training given in the United States were steeped in conventional administrative theory. It emphasized the creation of a politically neutral civil service in which modern methods of management, budgeting, personnel administration, contracting, procurement, supervision, and auditing would be applied. The transfer of Western techniques to the developing world--what Siffin (1976) later called a "tool-oriented" approach--assumed that administrative capacity for development could be expanded simply by adopting the approaches that had been successful in economically advanced countries, without seriously examining the political conditions or administrative needs in developing nations. Strong emphasis also was placed on administrative reform to bring about organizational changes in government bureaucracies, which were often considered to be irrational, politically influenced, ineffective, and corrupt.

But the tool-oriented technology-transfer approach to development administration came under severe criticism during the 1960s. In a study prepared for AID, Esman and Montgomery (1969: 509) found that

> Much American know-how is ill-suited to the needs of many less developed countries. While Americans learned to economize on labor, these countries have labor surpluses and acute scarcity of capital. Many of our techniques, if they were to be useful, depend on other complementary skills and organizations which are assumed in America, but do not exist in other countries. Western technology has also encountered unexpected cultural barriers. For example, it presupposed attitudes toward time, the manipulation of the physical world, and the proper relationships among men and between men and government which simply do not prevail in many societies. Many innovations which an American considers purely technical were seen as threatening to men in other cultures.... Technological innovation sometimes brings drastic changes in the social, political and personal behavior of many individuals. In many instances, our overseas partners in technical cooperation accepted American practices in a literal or formal way, but applied them with quite unexpected results.

Later, other evaluations found that the institutes of public administration, created at high cost, were able to provide services to only a small percentage of the civil servants needing training and that few were able to carry out research effectively or to provide consulting services to the government (Paul, 1983). AID evaluations during the early 1970s led to a reexamination of U.S. bilateral assistance for public administration training and institution building. "Fairly conventional public administration methods had been used, as conceived by U.S. university contractors," they observed. These methods offered "too academic an approach in the context of conventional U.S. oriented public administration." The universities had "spotty recruitment records in terms of continuity and quality, relying chiefly on U.S. academics." They usually created a "separate U.S. contract 'team' presence, with excessive reliance upon expatriate heads of assisted institutions." Inadequate attention was given to expanding the pool of trained manpower, and their approach to institution building did not effectively strengthen the linkages of the assisted organizations to leadership support and the political environment. Finally, the assisted institutions never developed a strong research capacity (Edwards, 1972).

AID evaluators argued that more innovative programs and approaches to technical assistance were needed in developing countries, that the assistance had to be focused more directly operational problems, and that training had to be tailored more closely to the internal problems and needs of the developing countries rather than simply providing those programs in which American universities had developed expertise.

Others noted that the administrative tools and concepts transferred to developing countries were not, in fact, merely neutral instruments. They were methods of administration that grew out of the unique American political experience and Western democratic values (Siffin, 1976; Ingle, 1979). Their application often produced unanticipated effects or had no impact on improving administrative procedures in developing countries. In some cases, the techniques were detrimental to those societies to which they were transferred. Siffin (1976:63) notes that the transfer of American administrative techniques and procedures "largely ignored the human side of administration and the real problems of incentives. It afforded no foundation for the study of policymaking and administrative politics. And it simply did not fit the realities of most of the developing countries of the world."

2.2 The Community Development Movement

Community development was another approach used extensively during the 1950s and 1960s to promote social change, to inculcate the spirit of democracy, to attempt to create conditions that would establish a base for political stability, and to promote social welfare for the masses of the poor in developing nations. AID defined community development as a program that "a) involves people on a community basis in the solution of their common problems; b) teaches and insists upon the use of democratic processes in the joint solution of community problems, and c) activates or facilitates the transfer of technology to the people of a community for more effective solution of their common problems" (Holdcroft, 1978:10).

Advocates of community development argued that the objective of economic and social modernization was to improve the lives of people in developing countries and that the movement was one of the most effective ways of doing so for the masses of the poor. They contended that the approach was also an economically sound form of national development because it mobilized underused labor and resources with minimum capital investment and extended the impact of scarce government specialists in health, education, social services, and agriculture through the coordinated efforts of community development agents. Moreover, they argued that community development was the most effective way of promoting and guiding change among large numbers of people in a peaceful and stable way and of promoting the spirit of self-help, participation, and democratic decision-making. Through community development, local action could be linked with macroeconomic development at the national level (Sanders, 1958 ; Tumin, 1958) .

In his retrospective assessment of the movement for AID, Holdcroft (1978) correctly points out that the agency adopted the community development process because it was perceived to fit well with the ideology underlying the Point Four approach to development assistance and because it was seen as an effective instrument for promoting political stability from the Cold War perspective.

Beginning in the early 1950s, AID sent teams of technical assistance personnel to countries whose governments expressed an interest in establishing community development programs, both to act as policy advisers and to assist with program design. Most of the programs were self-help efforts to assist villagers to establish small-scale health, educational, sanitation, and social services; obtain agricultural extension services; and construct small-scale infrastructure, such as roads, bridges, dams, and irrigation ditches. AID also provided capital assistance for community development projects in some countries.

By 1959, AID was assisting 25 countries with community development and was heavily involved, along with the Ford Foundation, in extensive pilot projects in India. AID had over 100 advisers assigned to projects and programs throughout the world. From the early 1950s to the 1960s, AID provided more than $50 million to over 30 countries through bilateral assistance and indirectly supported community development programs through contributions to United Nations agencies that were funding the movement in nearly 30 other countries (Holdcroft, 1978). Moreover, community development programs were used extensively as ways of preventing or countering insurgency in South Korea, Taiwan, Malaysia, the Philippines, Thailand, and South Vietnam from the late 1950s until the early 1970s.

However, as Holdcroft (1978) points out, the community development movement faded for a number of reasons. Advocates of community development promised to achieve more than the movement could possibly deliver in promoting social stability and improving local living conditions, and thus it generated expectations at both the local and national levels that it could not fulfill. Moreover, community development was always perceived by AID and by many national leaders as a form of pacification aimed at promoting local democratic principles, easing the threats of social instability and subversion, and guiding change in nonrevolutionary ways. Yet it did not directly address--and indeed was often designed to divert attention from--the political and social forces that caused and maintained widespread poverty and social dissatisfaction. Often community development programs strengthened the position of local elites, landowners, and government officials; as a result, it was difficult to elicit real participation by the disadvantaged. By emphasizing the provision of social services rather than promoting productive and income-generating activities, community development did not contribute to creating a sound economic base for improving the living conditions of the poor. Resources for both the construction of facilities and the recurrent costs of social services, therefore, often had to come from central governments that were reluctant or unable to provide them on a large scale throughout the country.

In addition, community development programs never solved the problem of coordination, on which their success depended. The programs required substantial inputs from a variety of government ministries and agencies that did not work together effectively even at the national level. Few community development programs could overcome the ill effects of the rivalries, conflicts, and lack of cooperation among government agencies, and thus required inputs could not be coordinated effectively at the local level. Advocates of community development often failed to recognize and deal with the high degree of heterogeneity in communities and the conflicts among different income, social, and cultural groups in developing countries. They often dealt with communities as groups of people who had common interests and who would work together for the common good. In reality, there was often a multiplicity of differing and conflicting interests, especially between the elites and others, and among people who had always interacted on the basis of family, tribal, ethnic, religious, or other affiliations.

Structural barriers were often greater than the incentives offered by community development for cooperation and participation. The self-help approach to community development alone could not mobilize sufficient resources to promote pervasive and meaningful change and was not ad adequate substitute for institutional development. Moreover, the community development workers were usually recruited from among the more educated and higher income groups, which tended to support the values and goals of the rural elite more than those of the rural poor. Thus, they were not usually effective as leaders or advisers. Often the community development pilot programs were replicated and expanded too rapidly. Community development workers were recruited in large numbers and not given adequate training. When the programs were expanded too widely and too quickly, they could not be supported with the financial and physical resources needed to make them work effectively on a large scale.

Thus, by the mid-1960s, the support for community development within AID had largely faded and the movement was displaced by other, seemingly more effective, approaches.

2.3 The Political Development and Institution-Building Approaches

New approaches to development administration emerged during the 1960s, partially in reaction to the inadequacies of the technology transfer and community development processes. AID sponsored, through the Comparative Administration Group of the American Society for Public Administration, a series of theoretical studies on administrative and political reform in development nations. The political modernizers believed that the transfer of American administrative procedures and techniques was not sufficient. They viewed development administration as social engineering and national governments, rather than local communities, as the prime movers of social change. Landau (1970) defined development administration as a "directive and directional process which is intended to make things happen in a certain way over intervals of time." Others believed it was a means of improving the capacities of central governments to deal with problems and opportunities created by modernization and change (Lee, 1970; Spengler, 1963). National development administration could be the instrument for transforming traditional societies, but unless the entire political system was reformed and modernized, governments could not adequately direct and control social and economic progress. "What is urgently needed in the study of development administration," Riggs (1970:108) argued, "is a new set of doctrines likely to provide helpful to countries who seek to enhance these capacities in order to be able to undertake with success program intended to modify the characteristics of their physical, human, and cultural environments."

During the 1960s and early 1970s, the institution-building approach emerged from the theoretical works of the Comparative Administration Group on political modernization and administrative reform. The concepts and approaches to institution building were formulated by Milton Esman and colleagues at schools participating in the Midwest Universities Consortium for International Activities (MUCIA). The institution-building approach was heavily funded by AID and tested through AID-sponsored field projects.

The low levels of administrative capacity in governments of developing countries were considered an overriding obstacle or bottleneck to development. One of the leading American development administration theorists, Donald Stone (1965:53), argued that "the primary obstacles to development are administrative rather than economic, and not deficiencies in natural resources." He summarized the arguments of many other development theorists by noting that poor countries "generally lack the administrative capability for implementing plans and programs" and that in the United States and other economically advanced countries "a great deal of untapped knowledge and experience is available in respect to the development of effective organization to plan and administer comprehensive development programs." But he insisted, "most persons charged with planning and other development responsibilities in individual countries, as well as persons made available under technical assistance programs, do not have adequate knowledge or adaptability in designing and installing organizations, institutions, and procedures suitable for a particular country."

The institution-building approach was based on the assumption that development was "a process involving the introduction of change or innovations in societies" (Smart, 1970). In developing countries, governments urgently needed administrative procedures and methods that promoted change rather than procedures that simply strengthened routine operations. This approach was based on the assumption that change was introduced and sustained primarily through formal institutions and especially through government and educational organizations (Esman, 1967; Blase, 1973). For changes to be adopted and have a long-term impact, they had to be protected by formal organizations; that is, change had to be institutionalized. The process of institutionalization involved a complex set of interactions between the organization adopting or promoting change and the environment in which it had to operate and obtain support.

According to Esman (1966), the variables that affected the ability of organizations to institutionalize change included (1) leadership--a group of persons who engage actively in formulating an organization's doctrine and programs and who direct its operations and interactions with the environment; (2) doctrine--the organization's values, objectives, and operational methods that rationalize its actions; (3) program--the functions and services that constitute the organization's output; (4) resources--the organization's physical, human, and technological inputs; and (5) structure--the processes established for the operation and maintenance of the organization.

For an institution to be effective in introducing, protecting, and sustaining change, each of these aspects had to be strengthened. Moreover, an effective change-inducing institution had to engage successfully in transactions with other organizations in its environment in order to obtain authority, resources, and support and to make the change felt throughout society. Those transactions occurred through an institution's linkages. Four types of linkages had to be strengthened if institutions were to become effective change-inducing organizations: (1) enabling linkages with organizations controlling resources and authority needed by the institution to function; (2) functional linkages with organizations performing complementary functions and services or with organizations that are competitive with the institution; (3) normative linkages through which other organizations limit or legitimize the institution's norms and values, as expressed in its doctrine or programs; and (4) diffused linkages through which the institution influences other organizations in the environment.

The transactions allowed the institution to gain support and overcome resistance, exchange resources, structure the environment, and transfer norms and values (Esman, 1966). An organization became an institution when the changes that it advocated and protected were accepted, valued, and became functional in the environment (Smart, 1970). This approach to development management aimed to strengthen an enclave organization that could engage in transactions with other organizations in its environment, gain political support for its activities, and allow its survival (Honadle, 1982).

The AID-sponsored activities included a massive research program into ways of building institutional capability for development and technical assistance to institutions in several developing countries. The research produced detailed and extensive studies of organizational characteristics and administrative behavior in developing nations (Eston, 1972).

The results of the technical assistance, however were somewhat disappointing. Drawing on four specific cases (Siffin, 1967; Birkhead, 1967; Hanson, 1968; and Blase and Rodriguez, 1968) that were typical of many others in which the MUCIA network attempted to apply institution-building theory, Blase (1973: 8-9) notes that nearly all the technical aid came from the faculty of American universities who were only able to introduce models of change and were "unable to carry their local counterparts with them on significant issues." Studies of the cases in Nigeria, Ecuador, Thailand, and Turkey indicated that the local counterparts tended to support only a few of the institutional changes that were recommended by foreign assistance personnel. "Local staff members frequently attached higher priority to protecting existing relationships than to the changes proposed by technical assistance personnel," Blase concluded, "although they frequently agreed with technical personnel about proposed goals."

Ironically, during the 1970s the administrative-political reform and the institution-building approaches came under heavy attack both by administrative theorists, who considered them unsystematic and insufficiently theoretical to enhance knowledge about comparative administration (Loveman, 1976; Sigelman, 1976; Bendor, 1976), and by practitioners who considered them too abstract and theoretical to be operational (Ingle, 1979). AID, for example, reassessed its support of the Comparative Administration Group and MUCIA at the end of the 1960s and decided at the beginning of the 1970s to reduce its funding for public administration training and for research and technical assistance in administrative reform and institution building.

Because of widespread criticism of bilateral and multilateral foreign aid programs stated in the findings of several international evaluation commissions (Pearson, 1969; Jackson, 1969), as well as increased scrutiny and oversight of the AID program by Congress, the Agency began, in the late 1960s and early 1970s, to adopt new management systems for its own lending and grant activities.

The system of controls and management procedures adopted by AID was influenced in part by the need to integrate project development activities and documentation with the Agency's budgeting process and with its annual congressional presentation. Adoption of a more systematic approach to loan and grant management also was influenced by the prevailing belief, in the late 1960s, of the efficacy of systems management." Many administrative theorists argued that implementation could be greatly improved by applying project management systems used by corporations to manage large-scale construction projects and in the Defense Department and NASA to manage defense systems and space projects. A number of other Federal agencies also had adopted planning, programming, and budgeting systems (PPBS), of which AID's planning, budgeting, and review (PBAR) process was but a variation.

2.4 Planning-Program-Budgeting Systems Within AID

The management science approach, strongly advocated by technical experts, project engineers, and management consultants, was one, as Esman and Montgomery (1969) pointed out, "which applies mathematical logic to optimizing the performance of an organization, usually in cost-effectiveness terms.... These methods include the following elements: detailed identification of the interrelated factors in a complex system of action; precise time phasing of related activities, and control of operations through the use of modern high speed communication and reporting instruments.n Cost-benefit analysis, quantitative analysis for decision-making, scheduling and control techniques, and management information systems were used extensively.

AID's PBAR process, introduced in the early 1970s, was a detailed system of procedures for its project cycle that concentrated on the stages from project identification to approval and on the logistics of implementation (especially budgeting, contracting, and procurement) and evaluation. The PBAR process was expected (1) to integrate and unify the systems used for grant and loan projects, thereby improving project design and development, (2) to integrate AID's project planning and budgeting procedures, thereby reducing the growing divergence between the Agency's congressional presentations and the programs for which it requested appropriations, and (3) to allow the Agency to make more systematic and coordinated decisions about the selection of projects.

USAID Missions would be requested to submit a series of detailed plans, proposals, and justifications for projects. A Project Identification Document (PID) had to describe the relationship of the project to the Mission's overall development program for the country and the country's national and sectoral development plans, to identify the primary beneficiaries of the project, to provide preliminary information on the activities of other donors in the proposed project's sector, to describe detailed analyses and studies necessary for developing the proposal, and to provide a rough estimate of total cost and time for implementation, along with estimates of the amount of inputs expected from the host country government and other donors.

Project Papers would have to provide detailed information on the amounts of loans or grants needed from AID, and the total program or project costs and resources provided by the sponsoring or implementing agencies within the developing country. Moreover, the Project Paper was to include a detailed implementation plan providing a programming schedule for all tasks and activities, "milestone" indicators of progress, a schedule for disbursement of AID funds and procurement of needed inputs, and a plan for monitoring, reporting, and evaluation.

The Project Paper had to contain an analysis of the project's background (the history and development of the proposal), a description of the proposed project's relation to other projects being implemented by the Mission and to host country government policies and programs in the sector, and a summary of the findings of studies about the problem the project would attempt to solve. The part of the Project Paper considered most critical to Agency officials was the project analysis--an economic analysis of the project effects on intended beneficiaries, on other groups, and on the national economy; a technical feasibility analysis of the project design; social soundness analysis of the project's impact on the sociocultural traditions and values of the groups affected by it; and an analysis of host country government policies (tax system, credit rates, pricing and regulatory structures) that might affect the success of the project. In addition, the analyses would include an assessment of the financial ability of the government to implement the project successfully and cost-benefit of internal rate of return analyses of the project itself. Finally, the Project Paper was to include an assessment of the administrative ability of the institutions that would carry out the tasks described in the prospectus.

The Project Papers also would include a detailed justification for the project and the preparation of a "logical framework" design. The logical framework, or "log-frame," was a device designed for AID by a management consulting firm, Practical Concepts, Incorporated, to formulate projects in a consistent, comprehensive, and rational way. It required USAID Missions to describe the projects by their goals, purposes, outputs, and inputs, providing for each "objectively verifiable indicators" that could measure and evaluate progress. In addition, project designers would have to describe the important assumptions about each aspect of the project that might affect implementation. This information would be summarized in a matrix format that would allow reviewers and evaluators to assess the logical framework of each project. The log-frame would require USAID Missions to design each project comprehensively and in detail prior to final approval of funds.

Guidelines, procedures, required forms, and controls for each stage of the PBAR cycle were included in a detailed set of Manual Orders and in AID's Project Assistance Handbook. These management systems are still being used by AID.

2.5 Project Management Systems for Developing Countries

In the early 1970s, AID also began to develop training programs for those who manage projects in developing countries, borrowing heavily from concepts, methods, and approaches that characterized its own planning-programming-budgeting control systems. Given the complexity of the project management cycles used by international funding institutions, Solomon (1974:2) pointed out the need to develop administrative capacity within developing countries to manage projects as an integrated system of activities. The project cycle was considered an important framework for effective management because the various elements were inextricably related:

> A defect in any of the phases of the project can make the project unsuccessful. Thus, decision-makers have to be interested in all aspects of the project cycle. One person or group may conceive the idea, perhaps in a sector study, another may investigate it and give it a rough formulation, a third may give it a more detailed study, a fourth may approve it, a fifth may give it more detailed form and, finally, another group or person may take responsibility for carrying out the plans.

Training materials, developed for AID by several universities, focused on implementation within the framework of a generic project cycle, that is, the actions required from the initial stage of identifying potential projects for funding by AID by national governments through to their design, appraisal, approval, organization, management, completion, and evaluation.

To continue the work of the universities, in 1975 AID initiated technical assistance activities aimed at improving project management systems by building the capacity of four regional and four national training centers to offer project management training, consulting, action research, and technical cooperation. The funds would be used to help regional centers adapt project management training materials developed by the universities and AID to local needs and to test them under local conditions. Grants also were used to adapt the materials to particular sectors, such as health and agriculture. Among the regional centers that received grants were the Inter-American Institute for Development (EIAP), the Pan-African Institute for Development (PAID), the Inter-American Institute for Agricultural Sciences (IICA), and the Asian Institute of Management (AIM). The grants were used to develop training programs that covered the entire project cycle as well as specific elements of project planning and management.

However, the project management learning packages developed by universities simply reflected the application of what Esman and Montgomery had referred to earlier as the Point Four approach of transferring American business management methods and techniques to developing countries. The training packages consisted almost entirely of material on project management procedures used in the United States by private corporations and by the defense industry that had little to do with the problems of project management in developing countries (USAID, 1975). AID’s evaluations noted that the training materials did make conceptual advances in analyzing the elements of the project cycles that were used by international aid agencies and the ways in which various parts of the cycle were interrelated. The training materials emphasized the differences in management problems among developing countries, project organizers, beneficiaries, and lending institutions. They highlighted the need for multidisciplinary analysis of projects and introduced new skills for project management, including creative problem solving, environmental assessment, and technology evaluation. But, in the end, they had limited direct applicability in developing nations.

Because they were too theoretical, the training packages were not practical for building the skills of managers in less developed countries. They drew primarily on American corporate experience; there was little emphasis on the economic and financial aspects of project feasibility; and the approach to project management was too general and did not relate to the problems and opportunities in specific sectors. As a result, they could only be used as general resource materials that would require a great deal of revision for training programs in developing countries (USAID, 1975:31-32).

The universities’ work, however, did lead to a stream of research by individual faculty that questioned many of the assumptions underlying AID’s systems approaches to project management and the usefulness of many of the techniques described in the training materials. Rondinelli (1976a:314), for example, argued that the formal design and analysis requirements reflected in the project cycles of international agencies, including AID’s PBAR system, had become so complex that their application "is beyond the administrative capabilities of most developing nations, thus intensifying their dependence on foreign experts and consultants for project planning. Foreign standards and procedures are imposed on governments, often without sensitivity to local needs and constraints." Rondinelli (1976, 1977, 1979, 1983) argued that the project cycles, although they provided reasonable iterative models for planning and analyzing the actions needed for implementing projects successfully, had become too rigid, inflexible, and complex to be managed by governments in developing countries.

Even attempts to make financial management less rigid, for example, by using fixed amount reimbursement (FAR), often resulted in overtaxing local financial and management capacities. Ironically, one recurring criticism of the management control approaches was that they often eroded local management capacities by imposing multiple, complex donor management systems on organizations ill-equipped to cope with them (Rondinelli, 1983; Honadle and Van Sant, 1985).

At the same time, more comprehensive studies of agricultural and rural development projects in Africa and Latin America, carried out by Development Alternatives, Incorporated (DAI) under contract with AID, also were questioning the effectiveness of the Agency's project planning procedures. Referring to AID's standardized and somewhat rigid project design procedures as a "blueprint" approach, they noted that the large gap between design and implementation, referred to frequently in AID's own evaluations, was due to the fact that effective rural development projects simply could not be designed in detail in advance and be standardized for all developing countries or even for different areas of the same country. Morss and his associates (1975:319) argued, "Unfortunately, it is impossible to specify precisely what is needed, when it should be provided, and by whom without a detailed knowledge of local conditions."

DAI analysts suggested that instead of attempting to design a project in detail at the outset, AID should use a process approach. Morss and his associates reported that "Our study suggests that the most successful projects are those which have attempted to gain a knowledge of the local area prior to project initiation or have structured the project in such a way as to start with a simple idea and to develop this required knowledge base during the initial project stages." The process should occur mainly by collecting adequate information during the early stages of the project, involving beneficiaries in design and implementation and redesigning the project as it proceeds.

In sum, sufficient data about local conditions were needed to better define the behavioral changes required by intended project beneficiaries and to design the project to bring those changes about. More important, however, DAI's studies underlined the need for flexibility in modifying the project design during implementation rather than viewing deviations from original plans (blueprints) as managerial problems or as indicators of poor performance or failure. "Few projects can survive a rigid blueprint which fixes at the time of implementation the development approaches, priorities and mechanisms for achieving success," DAI analysts (Morss et al., 1975:329-330) argued. "Most projects scoring high on success experienced at least one major revision after the project (managers) determined that the original plan was not working. This flexibility is critical, particularly if the technology is uncertain and if the local constraints facing the small farmers are not well known." The study concluded that revisions of project designs during their implementation should be viewed as desirable, if assistance aimed at improving the conditions of the rural poor was to be more successful. The "blueprint" versus "process" distinction was to become a basis for much of the later thinking about development management.

3. LEARNING PROCESS AND LOCAL CAPACITY-BUILDING APPROACHES

By the mid-1970s, AID's development management activities were being shaped by a dramatic change in its mandate from Congress. The increasing criticism of the economic growth theory that had been the basis of American foreign assistance policy since the Marshall Plan, mounting evidence that poverty in developing nations was becoming more widespread and serious, and the growing realization that problems in developing countries differed drastically from those faced by industrialized countries during their periods of economic development brought about a fundamental rethinking of development policy in the early 1970s that was clearly reflected in the Foreign Assistance Act of 1973. Congress instructed AID to give highest priority to activities in developing nations that "directly improve the lives of the poorest of their people and their capacity to participate in the development of their countries."

In the Foreign Assistance Act of 1973, Congress declared that the conditions under which American foreign aid had been provided in the past had changed and that, in the future, aid policy would have to reflect the "new realities." Although American aid had generally been successful in stimulating economic growth and industrial output in many countries, the House Committee on Foreign Affairs lamented that the gains "have not been adequately or equitably distributed to the poor majority in those countries" and that massive social and economic problems prevented the large majority of people from breaking out of the "vicious cycle of poverty which plagues most developing countries."

The Act asserted that, henceforth, American aid would depend less on large-scale capital transfers for physical infrastructure and industrial expansion, as it had in the reconstruction of Europe during the Marshall Plan, and more on transferring technical expertise, modes of financial assistance, and agricultural and industrial goods to solve "critical development problems." It would focus on providing assistance in those sectors that most directly affected the lives of the majority of the poor in developing countries: food production, rural development, nutrition, population planning, health, education, and human resources development.

For the first time AID's primary beneficiaries were clearly identified. Congress declared that the purpose of American foreign assistance would be to alleviate the problems of the "poor majority" in developing nations. The new aid program would give less emphasis to maximizing national output and pursue what the House Foreign Affairs Committee called a "people-oriented problem solving form of assistance." In its report accompanying the Foreign Assistance Act of 1973, the Foreign Affairs Committee argued, "we are learning that if the poorest majority can participate in development by having productive work and access to basic education, health care and adequate diets, then increased economic growth and social justice can go hand in hand."

In response to the "New Directions" mandate, AID focused its programs and projects primarily on rural areas, where studies had shown that the vast majority of the poorest groups in developing societies lived. It defined the primary target groups of American assistance to be subsistence farm families, small-scale commercial farmers, landless farm laborers, pastoralists, unemployed laborers in market towns, and small-scale nonfarm entrepreneurs. The AID program would help the rural poor to increase their productivity and income. It would extend access to services and facilities to rural families that had previously been excluded from participation in productive economic activities (USAID, 1975b).

3.1 The Local Action and Capacity-Building Approach

As a result of the New Directions mandate, AID began, in 1973, to explore the factors affecting successful planning and implementation of projects that were aimed at helping small-scale farmers. A contract was signed with Development Alternatives, Incorporated (DAI) to carry out the applied research project, the purpose of which was "to assist AID in understanding how more successfully to work with the rural poor" and to conform more effectively to AID's new congressional directives (Morton, 1979).

The study included field visits to 36 technical assistance projects in African and Latin American countries. The results, published in a two-volume report, Strategies for Small Farmer Development: An Empirical Study of Rural Development Projects (Morss et al., 1975), indicated that of the 25 major factors that distinguished relatively successful from less successful rural development projects, two accounted for about 49 percent of the variation. These were (1) the degree of involvement of small farmers themselves in the decision-making process during the implementation of the projects and (2) the degree to which farmers were required and willingly agreed to commit their own resources--labor and money--to the implementation of the projects.

DAI analysts defined the combination of these two factors as local action and argued that it was necessary, but not sufficient, for the success of rural development projects. They found, moreover, that three variables were positively associated with the level of local action: (1) the specificity of the agricultural information offered by extension services to smallholders, (2) the existence of effective local organizations, and (3) the creation of an effective two-way communications flow between the project staff and the farmers participating in the project.

Whereas these conditions were essential for projects to have an impact on small-scale farmers, others also were important. The project had to provide--or other institutions had to offer--an adequate technological package for agricultural improvements, timely delivery of needed agricultural inputs, and effective extension services. In addition, there had to be favorable markets for agricultural produce and the means for farmers to get their goods to market. This combination of factors, DAI's researchers found, constituted a set of conditions that would allow AID projects to meet more successfully the needs of poor farmers in developing countries.

Their case studies indicated that projects were most relevant and elicited the greatest participation when they were designed and managed in such a way that their geographical boundaries were well-defined and the client population was easily identifiable; the project staff actively sought the participation of local leaders and farmers or delegated to them control over decisions concerning project design and implementation; and farmers were involved jointly with the staff in testing technological packages and organizational arrangements to be used in the project (Morss et al., 1975:95-96). In the more successful projects, participants were generally homogeneous in terms of social group and economic class; the project staff developed an effective communications process with and among local participants; and organizational arrangements were created to give farmers a voice in decisions concerning project management.

Moreover, high priority was placed on technical training of the participants, and many were used as paraprofessionals to teach others technical skills. Participation was elicited initially to promote single-purpose activities, such as credit provision or crop promotion, and was later broadened. Systems of accountability were established to permit changes in leadership among local participants and to ensure that services were provided efficiently and opportunities were offered initially for local organizations to participate in income-generating activities.

The studies concluded that when projects were designed in this way, they would not only deliver services more effectively but also build the capacity of farmers to help themselves and sustain the benefits after the projects were completed.

The strong influence of the New Directions mandate in focusing ~ID’s attention on the problems of the poor, especially marginal and subsistence groups in rural areas, also led AID in 1978 to sponsor a large research and technical assistance project on the administration and organization of integrated rural development projects. The objective was "to increase the effectiveness of on-going Integrated Rural Development (IRD) projects and to improve the design and management of future rural development efforts which combine social services, income production, and production-support functions in a single project" (USAID, 1978).

In addition to providing technical assistance to two dozen AID-sponsored integrated rural development projects, the contractors, again DAI, also produced a study of the management and organization of multisectoral rural development activities (Honadle et al., 1980). The studies revealed the importance proper organizational structure in the successful implementation of integrated rural development projects--indeed, in any multisectoral development program. Proper organizational design, DAI analysts found, included choosing the most effective organizational <u>level</u> at which to locate the project to ensure integration of decisions and resources, the appropriate <u>institution</u> to manage the projects, and the best configuration of internal organizational <u>divisions</u>. Four major organizational arrangements were being used for integrated rural development projects: national line agencies, subnational units of government, integrated development authorities, and project management units. Each had advantages and disadvantages, and each required the existence of specific conditions to allow them to operate effectively.

DAI studied rural development projects that were organized both at the central government level and at regional and local levels of administration but found no universally applicable lessons about the potential advantages of centralization over decentralization. Both had benefits and limitations in specific situations.

Integrated rural development projects could be more effectively managed if they were designed not in the conventional blueprint fashion, but through a learning process aimed at building local and sustainable administrative and institutional capacity in which the following conditions prevail:

1. The design is done in discrete phases rather than in great detail prior to the project’s approval.

2. A large amount of short-term technical assistance is

provided to help the staff deal with particular technical problems as they arise.

3. Emphasis is placed on action-oriented, problem-related field training of both staff and beneficiaries.

4. Rewards and incentives consistent with a learning and performance orientation are provided to staff to carry out project activities effectively.

5. Applied research is made a part of the project so that staff can test and learn from new ideas.

6. Simple, field-level information systems are used that collect new information only after an inventory has been made of existing data, identifying the information that decision-makers are currently using, determining how the information will be used, and assessing the costs of information collection and analysis.

7. Provisions are made for redesigning the project (its objectives, organization, procedures, and staffing needs) as managers learn more about its operation and effectiveness during implementation.

The study found that projects with limited impact frequently shared certain characteristics: the intended beneficiaries had not participated in their design and implementation, the designers had ignored or underestimated the target group's perception of risk in participating, the projects were administratively and technically complex, and the results the project were designed to achieve were often more important to the international assistance agencies than to local groups.

A number of organizational and managerial attributes were found to be essential for ensuring greater impact on intended beneficiaries. These included openness to participation by a broad range of community groups, ability to adapt activities to culturally accepted practices, the ability to establish and maintain strong linkages with other organizations on which resources and political support depended, and the willingness and ability to distribute benefits equitably.

Local participation could be enhanced if organizations responsible for integrated development projects adapted new ideas to local circumstances and conditions, devised ways of gaining acceptance for new ideas among the intended beneficiaries, obtained a commitment of resources from the beneficiaries, limited or reduced exploitation of the groups they were working with, and designed projects so that they could be handed over to the beneficiary groups for implementation when foreign or external assistance ended. These conclusions about the efficacy of popular participation in project management were later confirmed by studies of beneficiary participation by Cohen and Uphoff (1977) and by Leonard and his associates (Leonard and Marshall, 1982).

Moreover, these studies found that the response of local groups to integrated rural development projects could be improved if the projects were organized and managed to be responsive to the needs of intended beneficiaries, developed and used a local base of social support, and developed local leadership and control.

The studies concluded that integrated rural development projects should be kept small in scale, should focus on overcoming critical constraints to rural development in the areas where they are located, and should be designed to build up gradually the organizational capacity of beneficiary groups so that they could participate in or eventually control project activities.

Throughout the late 1970s, AID had also been funding research on applied methods of project planning and implementation through a contract with the Program of Advanced Studies in Institution Building and Technical Assistance Methodology (PASITAM) at Indiana University. The most widely noted result of the PASITAM work was the publication of Jon Moris' (1981) <u>Managina Induced Rural Development</u>, which also argued for a local capacity-building approach to institutional and managerial development.

Moris suggested again that many of the features of AID's project cycle were too complex and rigid to be applied effectively in rural areas of developing countries. The local environments in which AID projects had to be designed and implemented were far different than those assumed in AID's procedures. He noted that administrative structures in developing countries have characteristics that can create serious problems for project planners and managers. The control chain from the field to the ultimate sources of finance and support tends to be long, and decisions within that chain are frequently altered or rejected for no apparent reason; commitments to projects and programs by officials in developing countries are often conditional and quickly modified for political reasons; and the timing of events is frequently not subject to planned control. Thus, no matter how detailed the programming and scheduling, postponements and delays must be expected.

Moris also argued that the field units usually responsible for implementing projects are contained within extremely hierarchical administrative structures, and decisions affecting development activities are usually made or must be approved at the top. In many developing countries, however, there are strong differences in perspectives and interests between national and local administrators, and local staff are often cut off from or are in conflict with officials at the center. Finally, Moris (1981) found that supporting services from the central government are usually unreliable, and staff at any level of administration cannot be dismissed except for the most flagrant offenses; thus, many development projects are only half-heartedly supported from the center and poorly managed at the local level.

Within this kind of administrative environment, AID's design and implementation requirements were often unrealistic or perverse. The studies found that effective project planning and management must be a "grounded" activity in which field conditions are well understood and planners and managers are heavily engaged in daily operations.

Finally, Moris (1981:124-125) derived a number of lessons from the applied research and cases on how to manage rural development projects more effectively. Among them were the following:

1. Find the right people to lead a project and let them complete its design if you want commitment and success.

2. Keep supervision simple and the chain of command short.

3. Build your project or program into the local administrative structure, even though this will seem initially to cause friction and delay.

4. If the program aims at achieving major impact, secure funding and commitment for a 10- to 15-year period.

5. Put the project under the control of a single agency and make sure that agency can supply the necessary external inputs.

6. Attempt major projects only when the nation's top leadership is ready for change and willing to support the program.

7. Make choices about projects and contractors based on records of past performance.

8. Treat political constraints seriously if you wish to survive.

9. Recruit core staff from those who have completed at least one tour of duty in the area where the project is to be located.

10. Concentrate efforts on one or two innovations at a time.

11. Make sure that contact staff who are in touch with farmers are adequately trained, supervised, motivated, and supported.

12. Identify and use the folk-management strategies relied on by managers within the local system to accomplish tasks.

13. Simplify scientific solutions into decision rules that can be applied routinely without special expertise.

14. Before deciding to adopt an item of technology, look for the larger effects that it has on the entire system.

15. Ensure that experienced leaders have subordinates who can occasionally substitute for them and make sure there is a pool from which future leaders can be drawn.

Moris concluded that, realistically, development projects and programs could not be designed comprehensively and in detail, that is, in the conventional blueprint fashion. Many lessons of past experience could provide guidelines for those engaged in project planning and management, but the real challenge to both AID and governments in developing countries was to create a process of project management based on continuous learning.

Thus, the capacity-building and local-action approaches moved development management theory beyond a concern with only the process of project implementation to focus on the "sustainability" of benefits after donors' contributions to projects ceased (Honadle, 1981; Bremer, 1984). This emphasis on postproject sustainability distinguished development management from institution building by emphasizing functional rather than formal organizational impact, and it distinguished development management from general management by stressing the creation of social and organizational capacity for sustained development rather than merely the efficiency of service delivery or physical construction.

3 2 Organizational Development and Behavioral Change Training

During the late 1970s and early 1980s, AID also was applying a number of organizational development and behavioral change approaches to development management in both its technical assistance and training programs.

The primary applicant of these approaches was the Development Project Management Center (DPMC) in the Office of International Cooperation and Development in the U.S. Department of Agriculture, which was working with AID's Office of Development Administration. DPMC devoted much of its attention to developing interventions for improving project and program management performance. The staff of DPMC relied heavily on the use of process intervention strategies and behavioral change methodologies, based in part on the organizational development approach to management improvement.

Organizational development is defined in the management literature as "a process which attempts to increase organizational effectiveness by integrating individual desires for growth and development with organizational goals. Typically, this process is a planned change effort that involves the total system over a period of time, and these change efforts are related to the organization's mission" (Burke and Schmidt, 1971).

Usually, organizational development theorists use various forms of intervention to change group attitudes and values, modify individual behavior, and induce internal changes in structure and policy (Golembiewski, 1969). Among the methods (Golembiewski, Proehl and Sink, 1981) used are (1) process analysis activities that attempt to increase understanding about complex and dynamic situations within organizations; (2) skillbuilding activities that promote behavior consistent with organizational development principles; (3) diagnostic activities that help members prescribe and carry out changes within the organization; (4) coaching or counseling activities that attempt to reduce or resolve conflicts within the organization; (5) teambuilding activities that seek to increase the effectiveness of task groups within the organization; (6) intergroup activities that create or strengthen linkages among task groups within the organization; (7) technostructural activities that seek to build "need satisfying" roles, jobs, and structures; and system-building or system-renewing activities that seek to promote comprehensive changes in an organization's larger "climate and values."

The process of organizational development is usually initiated and guided by external "facilitators" who induce members of the organization to identify organizational or managerial problems, to analyze the problems and the forces within and outside of the organization that inhibit or promote change; to identify alternative managerial strategies, methods, and techniques for overcoming their problems; to identify and diagnose the factors limiting change; to select the most appropriate strategies for improving organizational and managerial effectiveness; and then to develop processes for implementing the strategy (Gibson, Ivancivich, and Donnelly, 1973). Heavy reliance is placed on job-related training in which groups from various levels in the organizational hierarchy participate in tasks that are designed to bring about behavioral changes.

DPMC, however, attempted to improve on and go beyond conventional organizational development approaches. It rejected the notion that there are generic management techniques that could be used by all organizations in developing countries to improve project and program implementation, but it did accept the idea that almost all organizations have common or generic functions. It asserted that improvements in management performance could be brought about by identifying common management functions and establishing processes through which appropriate management techniques could be applied to improve an organization’s ability to achieve its goals.

The generic management functions identified by the DPMC staff included (1) clearly stated and shared objectives; (2) consensus on the strategies and means for carrying out objectives; (3) a consensus on roles and responsibilities; (4) realistic implementation planning and support systems; and (5) operational guidance and adaptive mechanisms for policy and program modification and redesign. The DPMC approach used a process of intervention that would lead the staff to identify appropriate management technologies and apply them to generic management functions to improve organizational performance.

In a background study for AID’s Strategy Paper for Management Development, Ingle and Rizzo (1981:2) defined "performance improvement" as a "process whereby people in an organized activity seek to increase its effectiveness and efficiency." The action training approach, as it was sometimes called, grew out of experience with management development training, behavioral psychology, and organizational development in the United States. Specific principles were derived by Rizzo, Davidson, and Snyder (1980) from their studies for AID, during the late 1970s, of health services delivery projects in Latin America. They suggested that the most effective means that AID could use to help improve project and program management would be to assist in the funding and delivery of appropriate management training. However, they insisted that conventional approaches to training would not be appropriate and suggested instead the creation of programs based on the following principles:

1. Management training must be closely linked to organizational needs in specific developing countries. This could be done by explicitly identifying the changes that needed to be made in the implementing organization and then translating these changes into performance criteria for specific jobs. Changes then could be made through new knowledge, skills, and attitudes.

2. Training objectives should be determined by the types of performance required to bring about changes in the organization. Therefore, before designing training programs, planners must distinguish between performance changes that could be achieved through training and those that require changes in policies, procedures, and incentives.

3. Training should not be a one-time occurrence but a continuing process over a long period of time that helps to develop, maintain, correct, and reinforce desired behavior and performance within the organization. Much of the continuing training should be on the job and be

accomplished through self-learning activities.

4. Instead of concentrating on individuals, training should involve a "critical mass" of people so that new management techniques and procedures can be applied throughout the organization. The training should be group or team focused and involve people at various positions in the organization's hierarchy. "Thus, the selection of trainees, the content of training, the critical mass and the utilization of the on-the-job training are all aligned for maximum pay-off to health services."

5. The contents of and participants in the training programs should be chosen by the implementing organization and not by the trainers or advisers, so that the needs of the organization become the focus of the training programs.

6. All training materials--texts, cases, readings--must be drawn from or adapted to the culture, the sector involved, and the organization's needs. When such materials do not exist, they should be developed before the training program is offered.

7. The training methods should be applied and practiced. Training courses should not merely be an intellectual exercise or the transfer of knowledge. Methods should include techniques such as role playing, case analyses, programmed instruction, simulation, field work, and others that require participants to practice what they are learning. The methods should "reflect the fact that management is a performing art and not an intellectual discipline."

8. Training programs of this kind are usually more effectively tailored to organizational needs if they are managed in-house by the implementing agency or in collaboration with an external institution. It is much more difficult to develop an appropriate training program if it is managed exclusively by an external institution.

9. If an external institution is used it should be one that can adapt to local needs and culture.

10. The training program also should include or provide for research and development to adapt knowledge to local conditions, for consultation and experimentation to test new methods and techniques under local conditions, and for the means of disseminating the results.

The basic concepts underlying performance improvement or performance management, as it was variously called (Ingle and Rizzo, 1981; Solomon, Kettering, Countryman and Ingle, 1981), also reflected these principles. Much of DPMC's work also went into training trainers and consultants in the processes of performance improvement intervention and methods of action training. DPMC staff and consultants participated in more than 50 shortterm assistance projects and 4 long-term projects by 1982. The long-term projects included helping the Government of Jamaica improve its systems of project design and implementation, providing assistance with improving financial management systems in the Sahel, assisting with Portugal's Program for Agricultural Production, and helping the Government of Thailand design a project management information system. In the program in the Sahel, DPMC staff developed a set of operational requirements for selecting and training trainers and consultants in its "action-training" methodology.

Although the effectiveness of these approaches has not yet been fully assessed, AID's internal evaluation found that individual assistance activities were generally well-regarded by the organizations receiving assistance. The Development Project Management Center itself, however, needed a more effective long-range plan that organized its activities into more than a series of unrelated interventions in developing countries. The processes of organizational development and behavioral change were applied in very different situations, and their impact on organizational change could not be easily determined (USAID, 1982a).

Clearly, however, the concept of behavioral change used by AID has been narrowly defined to include only administrative and technical behavior. The organizational development approach tended to focus on the small group and to ignore policy, interorganizational relations, and client-group factors, or to deal with them only from the perspective of the work group. AID generally ignored, in its technical assistance and training, a whole set of informal interorganizational and political interactions that vitally affect the ability of institutions and managers to plan and implement development projects and programs. Rondinelli (1983) has criticized these approaches for giving little attention to the processes of social and political interaction--persuasion, mediation of rewards and punishments, tacit coordination, informal bargaining, political negotiation, coalition building, cooptation, and others that Lindblom (1965) has called methods of "partisan mutual adjustment." Nor have the organizational development and behavioral change approaches addressed the questions of how policies and decisions are actually made in developing countries or attempted to train managers in those processes. Too often these approaches have assumed that rationalistic patterns of decision-making apply--or should apply--and have trained managers in administrative and planning practices that have little to do with the ways in which decisions are actually made in their countries (Rondinelli, 1982).

3.3 Learning Process and Bureaucratic Reorientation Approaches

The most recent articulation of development management theories to be applied in AID are those developed through its contracts with the National Association of Schools of Public Affairs and Administration (NASPAA) and the work of David Korten: social development management, bureaucratic reorientation, and the social learning process.

The basic tenet of these perspectives is that the attempts by AID, other international assistance agencies, and most governments in developing countries to design projects and programs in detail in advance of implementation, using standardized and inflexible procedures (the blueprint approach), are ineffective in helping the poor. The project cycles used by international agencies are preplanned interventions that do not allow designers and implementors to analyze or understand the needs of beneficiaries or allow beneficiaries to participate actively in the design and implementation of the projects. Thus, the projects and programs are usually ill-suited to the needs of the poor. AID cannot build capacity for sustained action using the blueprint approach, and even when projects are temporarily beneficial, the impacts rarely last long after the projects are completed. Korten (1980) challenges the value of projects themselves, as temporary activities, in creating the kind of learning environment and flexible action needed to match appropriate resources to the needs of poor communities and in building the long-term cooperative arrangements through which people can solve their own problems.

This approach to development management is based on the principles of community development, on theories of social learning, and on field assessments of successful local programs that were planned and managed in ways far different from AID's projects. However, Korten takes the concepts beyond those underlying conventional community development in recognizing the weaknesses in top-down centralized planning, the need for bureaucracies to be more responsive, and the necessity of planning and managing development activities through a process of social interaction, experimentation, learning, and adjustment. Moreover, Korten focuses on the need to develop "institutional capacities" to manage and learn at the same time. In addition, he sees projects as obstacles to learning because of their timebound characteristics and emphasizes the need to develop sustained capacity within organizations to engage in development activities over a long period of time. This, he argues, requires "bureaucratic reorientation."

Central to this approach (Korten, 1980:497) is the concept of <u>learning process</u>, in which programs are not planned in detail at the outset, but only the strategy for mobilizing, using, and sustaining local organizational capacity to solve problems is preplanned. Observations of projects carried out by the National Irrigation Administration in the Philippines and similar people-centered projects in Sri Lanka, Bangladesh, Thailand, and India led Korten to conclude that they were successful because they

> were not designed and implemented--rather they emerged out of a learning process in which villagers and program personnel shared their knowledge and resources to create a program which achieved a fit between needs and capacities of the beneficiaries and those of outsiders who were providing assistance. Leadership and team work, rather than blueprints, were the key elements. Often the individuals who emerged as central figures were involved in the initial stage in this village experience, learning at first hand the nature of the beneficiary needs and what was required to address them effectively.

It is exactly this learning process that is lacking in the project and program planning and management procedures of most governments and international agencies, Korten argues, and for this reason they rarely fit the needs and desires or the intended beneficiaries. Where the poor do benefit from such activities, they often become dependent on the donors rather than developing their own capacity to solve problems through independent action.

Advocates of the learning process approach assert that only a development program’s goals and objectives should be centrally determined by those organizations providing technical or financial resources. Operational planning and management should be left to the beneficiaries and the field representatives (change agents) who work in places where the activities would be carried out.

Korten contends (1983:14) that an essential part of the learning process for managing social development is <u>coalition building</u>. Change can be stimulated and sustained only when a coalition (which cuts across formal lines of organizational authority and is composed of individuals and groups that are directly affected by the project or program or have the resources to plan and implement it) can be formed to take responsibility for initiating and guiding action in innovative ways. Korten argues that

> the formation of such a coalition is to the learning process approach what the preparation of a project paper is to the blueprint approach. In the latter a formal piece of paper drives the project process and encapsulates the critical project concepts. In the former these same functions are performed by a loosely defined social network.... In blueprint projects the project plan is central and the coalition is incidental. Planning efforts are focused on plan preparation, and implementation on its realization. By contrast, in a learning process the energies of the project facilitators are directed to the formation and maintenance of this

coalition, while project documentation is a relatively incidental formality, a legitimating by-product of the coalition-formation process.

The result of coalition building is <u>empowerment</u>, the enabling process that allows the intended beneficiaries of development programs and projects to exert a more positive influence on activities that will influence the direction of their lives.

Korten (1981) contends that such a learning process approach to program and project management would contain three basic elements: (1) learning to be <u>effective</u> in assisting intended beneficiaries to improve their living conditions or to attain other development goals; (2) learning to be <u>efficient</u> in eliminating ineffective, unnecessary, overcostly, or adverse activities and in identifying methods that might be appropriate for larger scale applications; and (3) learning to <u>expand</u> the applications of effective methods by creating appropriate and responsive organizations to carry out development tasks.

To adopt a learning process approach, government agencies and international assistance organizations must undergo <u>bureaucratic reorientation</u> (Korten and Uphoff, 1981:6). This requires changes in bureaucratic structure to allow organizations to manage development programs through social learning and to increase their capacity for people-centered planning and innovation. This means more than changing individual attitudes and behavior: "the more important part involves changes in job definitions, performance criteria, career incentives, bureaucratic procedures, organizational responsibilities and the like."

More specifically, the elements of bureaucratic reorientation include use of the following:

1. <u>Strategic management</u>, a process by which organizational leaders concentrate on a few crucial aspects of managerial performance rather than attempt to plan and control all phases of operations and seek to reassess the organization's goals and performance on a continuing basis

2. A <u>responsive reward structure</u> to provide incentives for staff members who are most effective in meeting the needs of beneficiaries and clients

3. <u>Flexible and simplified planning systems</u> that are attuned to the needs of beneficiaries, facilitate their participation, and allow the evolution of appropriate small-scale projects and programs through collaboration with clients

4. <u>Results-oriented monitoring and evaluation procedures</u>

that measure and assess the degree to which benefits reach and are effectively used by beneficiary groups

5. Revised personnel policies that offer staff more stable and longer term assignments, require them to have substantial experience in social and organizational analysis as well as technical specialties, structure their assignments for multidisciplinary teams, and ensure that they become conversant in the local dialects and languages of the people with whom they work

6. Flexible financial management procedures that provide fairly predictable and stable funding levels over a long enough period to facilitate learning

7. Differentiated structure that allows establishment of specialized units or services for distinct client groups and specialization for tasks that serve the unique needs of different groups of beneficiaries

8. Well-defined doctrine that promotes a widely shared understanding of the organization's mission in helping intended beneficiaries and that assists the staff in clearly delineating their purpose and responsibilities in meeting organizational objectives

Again, neither the theory nor the applications of these approaches have been systematically assessed. AID's evaluation of NASPAA's work notes that significant progress has been made in developing the concepts and ideas associated with people-centered planning and management, but that "progress has been slower [on] defining a methodology, identifying management techniques, determining a strategy of bureaucratic reorientation, and developing training programs to prepare people for social development management" (USAID, 1982b:49).

Critics within AID point out that both the organizational development and social learning approaches shift the emphasis from the technical content of programs and projects, in which they have expertise, to a process of organizational intervention and community organizing, in which most AID staff do not have expertise. Moreover, such an approach is difficult to operationalize in international assistance bureaucracies because they are accountable to Congress and the Chief Executive, who are usually unwilling to provide funds for activities that they cannot describe or for processes that are likely to produce results that they cannot anticipate or control. Some AID officials argue that the Agency might not be able to obtain funds to apply experimental approaches. Unless it can show specifically what must be done and what the impacts will be, it cannot compete effectively for budgetary resources with organizations that do claim a high degree of certainty for their projects.

Moreover, governments in developing countries are often reluctant to admit that they do not know exactly what needs to be done and that they are simply experimenting with approaches that may or may not lead to positive results. The blueprint approach may not achieve the intended results, but it presents an image of careful analysis, design, and programming that is necessary to obtain the funds required to initiate and pursue technical solutions to development problems.

In a study for NASPAA that strongly advocated a peoplecentered learning process approach to social development management, Thomas (1983:16-17) noted other constraints to adopting this approach in developing countries. "The generation of power by communities and citizens' groups is frightening to political and administrative leaders. The idea of 'empowering' communities, regardless of the intentions or the anticipated development consequences, is received with skepticism or fear," he pointed out. In many developing countries, ruling elites do not have the political will to empower local communities to pursue development activities over which political leaders do not have control. Moreover, in the bureaucracies of developing countries there is a deeply embedded "self-perceived and socially reinforced need for certainty among planners and managers...." Thomas contends that "many government agents are unable to tolerate the absence of direct control, of clear measures of efficiency and of rationally planned outcomes." In addition, the people-centered approaches are difficult to teach; the pedagogical style of universities and training institutes is to transfer objective knowledge. Finally, there are cultural constraints. In many hierarchically structured societies, with distinct social and bureaucratic classes and strongly enforced rules of behavior and interaction, participatory practices are not highly valued and it is difficult to introduce people-centered management approaches.

4. CONCLUSIONS AND IMPLICATIONS

In brief, AID has experimented with, tested, and applied a wide variety of management development theories in its technical assistance and training programs over the past 3 decades in search of the most effective means of increasing the institutional and managerial capacity of organizations responsible for implementing development projects and programs.

Over the past decade, the trends in theory have moved away from the technology transfer approach used during the 1950s and 1960s, in which American public administration principles and techniques were simply transferred to developing nations with little or no adaptation. It now prescribes a process of examining the needs and conditions in Third World countries and tailoring administrative and organizational solutions to them, in collaboration with host country officials. Theory has also advanced beyond the attempt to bring about sweeping political and administrative reforms, such as those reflected in the political development, community development, and institution-building movements. It now emphasizes specific organizational interventions that can improve management and administration incrementally. The trends also have moved away from attempting to build only the capacity of central government ministries toward increasing the managerial and institutional capacity of local administrative units and private and nongovernmental organizations. Finally, theory has moved from attempting to create and install centralized, control-oriented, comprehensive management systems toward more flexible, adaptive, innovative, responsive, and collaborative methods of administration in which the beneficiaries have a more participative and responsible role in both planning and implementation. Concepts of development management have recognized clearly that the systems approaches that may have been appropriate for capital infrastructure projects may be neither effective nor efficient in social and human resource development projects. Social development requires a more strategic, adaptive, experimental, learning-based, and responsive people-centered approach to administration (Rondinelli, 1983).

However, AID continues to use, in its own management procedures, a control-oriented process that attempts to anticipate and plan for all aspects of a project prior to its approval and implementation. It continues to rely on methods and procedures of project design, selection, and implementation that assume a high degree of knowledge about what needs to be done and of certainty in a world in which the correct solutions are not always clear, and the only certainty is a high degree of uncertainty. It makes use of methods developed primarily for capital investment projects, even though the largest portion of its investment portfolio is in agriculture, population, education, and human development projects. It still relies heavily on technology transfer for many social development problems that are not amenable to technological solutions.

The major shift in theories of development management has been away from the technology transfer and management control approaches toward learning process, local mobilization, and enhancement of indigenous administrative capacity. But this shift has not always been clearly reflected in AID management practice. Although the theory of institutional and managerial development has advanced over the past 30 years, nearly all of the approaches described earlier are still used--and have some degree of currency--within AID.

An evaluation of AID’s experience must recognize that there always has been and continues to be a wide gap between the theories (many partly developed through AID-sponsored research and technical assistance experience) about how projects and programs should be managed and the procedures that AID actually uses to design and manage the vast majority of the projects and programs that it funds.

Experience also suggests that no single theory or approach to development management is likely to be universally applicable or universally effective in the wide variety of cultures to which AID provides assistance. Different approaches to development management may be necessary or appropriate at different stages in the same project. Experience does not provide much evidence that development management is or can quickly become a "science" in the tradition of the physical sciences. Development management is more an art than a science and, perhaps, more a craft than an art. At its best, it is a judicious blending of administrative methods, techniques, and tools with organizational and political skills, good judgment, and an understanding of human motivation to achieve intended goals.

Evaluations of management performance must be based on an understanding of the development management strategies inherent in the design of a project and of the managerial tactics used in implementation. Perhaps the most valuable use of evaluation is not to determine which approach or approaches to institutional and managerial development are best, but to attempt to discern the range of appropriateness and applicability of various approaches under different social, cultural, economic, and political conditions. Evaluation can make an important contribution to determining how different approaches to development management can be appropriately and responsively tailored to the needs of governments, private organizations, and community groups to improve their managerial performance.

Note: Bibliographies for all papers in this report are included in a separate section at the end of this workshop report.

COMMENT

A key point made in Dr. Rondinelli's presentation was that most AID projects straddled eras when different donor management trends were in vogue. Thus, projects display variable and sometimes contradictory tendencies. Workshop participants accepted Dr. Rondinelli's challenge to try to isolate those new management factors that would affect development management in the near term.

An issue that evoked discussion was whether projects were things of the past, with the future to be dominated by program loans or grants. That is, whether questions of macropolicy and policy dialogue were more important than questions of development management, which is an important underpinning of project assistance. Dr. Rondinelli noted that these same uncertainties were voiced 2 decades ago but that projects still exist and are likely to play an important role far into the future.

PART THREE

THE AFRICAN CONTEXT

Introduction

Four major topics were preselected by the Sector Coordinator as important dimensions of development management in Africa for consideration by the workshop. The first was the economic and policy environment. The second was the administrative culture and political realities within which development projects were carried out. The third was the alternative organizational and institutional channels already existing in African countries through which development projects might be implemented. The fourth was the socioeconomic feasibility of achieving project objectives and assumptions about the role of beneficiary participation in helping to fit the project into the African environment. A paper was presented on each of these topics.

Part Three of this report presents the four papers and highlights the discussion that followed each presentation.

DEVELOPMENT MANAGEMENT AMID ECONOMIC CRISIS

by Jerry Wolgin

1. THE NATURE OF THE PRESENT CRISIS

Twenty-five years of independence has not led to an appreciable increase in the quality of life for most people in Africa. Over that period, per capita incomes grew on average by a mere 1 percent per year (excluding the oil exporters Angola, Congo, Nigeria, and Gabon). In other words, the average African was about 28 percent better off in 1984 than he or she was in 1960. The average, of course, covers up a great deal of variation. Seven countries actually experienced negative per capita growth over the period, and another nine were below the 1 percent figure. In most countries, growth was hardly equitable, and it is probably true that the distribution of income is worse now than it was in 1960. As a result, the average African is probably no better off in 1984 than in 1960.

In the agriculture sector, where over 75 percent of the African labor force is employed, the situation is even worse. In the 1970s, only 8 out of 39 African countries experienced positive growth of agricultural production per capita. These countries (Upper Volta, Burundi, Malawi, Rwanda, Kenya, Cameroon, Swaziland, and Mauritius) had a total population of only 45 million people, 13 percent of Sub-Saharan Africa. Thus, for the vast majority of rural populations, production was increasing more slowly than population. By the end of the 1970s food production per capita was only 91 percent of what it had been at the beginning of the decade. (In only eight countries had food production per capita shown positive growth.)

Not all indicators are negative. Literacy rates have increased from 16 percent to 28 percent; primary enrollment rates have increased from 36 percent to 63 percent; and life expectancy has increased from 39 years to 47 years. But even these gains could be short-lived, because the economic capacity to provide health and education services is eroding. In fact, no matter how dismal the past has been, the future could be even more bleak.

Table 1 presents a breakdown of growth for five periods between 1960 and 1982 for the 19 largest (in terms of population) African countries for which we have data. One of the most discouraging aspects of the recent period has been the economic problems incurred by several of the countries that had enjoyed high rates of economic growth during both the 1960s and the 1970s--Ivory Coast, Malawi, and Kenya. Current projections show per capita income in Malawi to be the same in 1984 as it was in 1979. In Ivory Coast, the situation is much more serious. Because of its enormous debt overhang, the International Bank for Reconstruction and Development (IBRD) now projects that it may be 1990 before per capita income levels in Ivory Coast reach 1979 levels. Kenya's immediate future is no less bleak, and it continues to sit on a population time bomb. The failure of the best and the brightest mirrors the failure of the mediocre and the dimmer. In fact, only five countries in our sample experienced positive per capita growth in 1981 and 1982.

Table 1. Growth in GDP Per Capita for Selected African Countries, 1960-1982
(average annual percentage change)

Perhaps the most difficult problem is that stagnation and decline has led to a mortgaging of the future. Debt-service ratios for a sample of 20 Sub-Saharan countries averaged 8.0 percent in 1973 but more than tripled to an average of 26.4 percent in 1983. Thus, whereas debt service in 1982 amounted to a mere $2 billion for all Sub-Saharan Africa, by 1986 it is expected to quadruple to $8 billion. In 1982, 18 cents out of every dollar of development assistance went to service debts; by 1986, 62 cents of every assistance dollar will be needed for debt service. If terms of trade remain constant, then export volumes must increase by 16 percent just to maintain import volumes. A decline in the terms of trade means that exports have to increase even faster to stay in place. The alternative, a further contraction in import volumes, will mean a continuing downward spiral of production, consumption, and income. There is every indication that by the end of the decade all economic progress made in most African countries since independence will have been totally eroded and that real per capita incomes in 1990 will not be very different from what they were in 1960.

2. THE PAST AS PROLOGUE

There are three major reasons for the current crisis. In the first place, the economic base on which most African economies are built may inhibit growth, particularly in a period of worldwide stagnation. Second, African countries followed a series of policies that reduced export growth, misused capital and labor resources, reduced internal savings mobilization, and led to consistent spending in excess of income. Last, the economic environment, particularly the oil shocks of 1974 and 1979, the inflation of import prices, the slackness of most commodity prices, and soaring real interest rates, has had an especially negative effect on African economies. Let us examine each of these factors.

2.1 African Economic Structures

A number of factors have made development more difficult in Africa than in other parts of the world, even allowing for income levels. Even disregarding that most African countries became independent with profound scarcities of educated manpower and basic infrastructure (for example, at independence, Zaire only had 27 university graduates and Malawi less than 200 miles of paved road), the following characteristics of African economics seem idiosyncratic to the African scene:

1. Population density in Africa is, in many countries, extremely low. This means that infrastructure and services, such as education, are much more expensive on a per capita basis than they are in Asia.

2. Many African economies are very small, both in population and in purchasing power. As a result there are few manufacturing sectors that can be supported by the domestic market, and there is little ability to reap economies of scale.

3. African economies are fundamentally agrarian, and, in most cases, agricultural production is in the hands of smallholders.

4. African countries are newer, and their political consensus more fragile than that of most other developing countries.

Because of these characteristics, most African countries had limited options. They had necessarily open economies with serious dependence on foreign goods. Therefore growth was primarily export-led. This meant that either mining or agricultural exports were the leading productive sectors. Because most countries were largely dependent on one major commodity, this made them vulnerable to secular price declines and subject to substantial variations in their annual export earnings, a fact accentuated by Africa’s notoriously variable climate.

During the first 15 years of African economic history, a strategy emphasizing export production would have led to reasonably rapid development. The experience of Kenya, Ivory Coast, and Malawi support this. However, few countries followed the policies necessary for agricultural export promotion, and as a result, stagnation and ruin were more the norm than the exception. For a wide range of African economies, mineral production was the major source of foreign exchange resources (e.g., Liberia, Zaire, Zambia, Togo, Nigeria, and Mauritania). Many of these countries neglected their agriculture, and when mineral prices, including oil, softened, they were left with aggregate domestic demand well above sustainable levels. Thus, most countries followed policies at variance with the most plausible development strategy.

2.2 The Failure of Policy

It is now an accepted view in both the donor community and African governments that both the causes of the current crisis and its solution lie in the hands of the policymakers in Africa. This view needs little elaboration. From 1960 to 1978, rates of per capita income growth in excess of 2.5 percent per year were achieved by Gambia, Malawi, Lesotho, Togo, Kenya, Nigeria, Gabon, Cameroon, Swaziland, Botswana, and Ivory Coast. Over the same period, Chad, Somalia, Upper Volta, Benin, Mozambique, Sierra Leone, Zaire, Guinea, CAR, Madagascar, Uganda, Sudan, Ghana, Senegal, Zimbabwe, and Zambia all experienced growth of less than 1.0 percent per year. The differences in economic performance among these African countries (excluding the oil exporters) is much more easily explained by differences in policy than by any other set of variables, including resource endowment, size, geographical location, human resource stock, and aid flows.

It is instructive to examine the types of policy mistakes that African countries made. The fundamental approach to development taken by most African countries was to tax the rural economy to both industrialize quickly and support a growing government bureaucracy. This was coupled with a policy of high wages and subsidized consumption goods for urban workers. As a result, highly protected local manufactures were very expensive, and the terms of trade were turned further against the agriculture sector, stifling agricultural development. Equally important, the scarce resources were invested in industrial projects of limited usefulness or in prestigious buildings of no usefulness. During the 1960s, the relative strength of commodity prices coupled with the inflow of donor capital into infrastructural development masked the underlying weaknesses of the economies. Thus, a few African countries, with the notable exceptions of Ghana, Senegal, and Sudan, demonstrated the symptoms of the financial firestorm that was to come.

When the terms of trade began to turn negative and balance of payments problems worsened, the cracks in the economic foundation began to show. Domestic inflation, built on excessive government expenditures, was coupled with a fixed exchange rate regime. As a result, the exchange rate became more and more overvalued. Export production suffered and imports were rationed. The increasing distortions led to economies in which prices were no longer effective signals, and formal markets were the venues for rationing and corruption.

There were several responses available to the deepening crisis. The first response was typically to finance the deficits by increased borrowing. Because the Eurodollar markets were flooded by petro-dollars, the lenders were giving money away at firesale prices. The continuing recession and the rise in real interest rates caused by the decline in inflation made borrowing more costly and more difficult. The last few years have seen a raft of stabilization agreements and attempts at structural adjustment. Domestic demand is being reduced while markets are being liberalized to improve the efficiency of production. Is all of this activity too little, too late?

2.3 The Limits to Growth

Although many of the problems African countries faced were self-generated, we should not forget that the current international economy also limits Africa's growth possibilities. Real terms of trade for primary product producers are lower now than they have been in decades. Real interest rates have never been higher. Protectionist stirrings are heard in the Organization for Economic Cooperation and Development (OECD) countries. The World Development Report states that, even with policy reform, African countries can expect per capita incomes to decline for the rest of the decade.

Some of the current problems, however, are reversible. Surely, U.S. deficits can be expected to fall in the future and with them U.S. interest rates, the dollar, and the relative cost of imports, debt, and debt service. OECD economies should experience accelerated growth toward the end of the decade. However, it is possible that the last few years have seen substantial structural changes in the nature of the world economy. Demand for most primary products can be expected to rise slowly in the future. Supply has expanded dramatically, with new producers of most major commodities entering traditional markets. Moreover, technological change has produced cheaper substitutes for many traditional products, such as sugar and copper. It may be that primary product prices generally will stabilize at current levels or embark on a long secular decline. In any case, future longterm prospects are not very bright.

3. DEVELOPMENT MANAGEMENT AMID ECONOMIC CRISIS: SOME PRINCIPLES

The purpose of agricultural service projects is to increase the linkages between the subsistence farmer and the commercial economy. Those linkages are important both on the input side (fertilizer, seeds, credit, tools, information, and hired labor) and on the output side. The underlying premise of these programs is that increasing commercialization of agriculture will lead to increased productivity of land and labor and increased income for smallholders.

There are many risks involved for a farmer in increasing the degree to which he is connected to the modern economy. Farmers already have to face the risks of fluctuating weather patterns. Increased commercialization means increased dependence on adequate, timely, and dependable supplies of inputs, credit, information, and transport, as well as on a whole series of prices. Because prices change and institutional weaknesses lead to less than dependable, timely, and sure supplies of inputs, commercialization means increased risk. The more system dependent one becomes, the less sure the reward, and because systems in Africa frequently fail, it should not be surprising that increased commercialization is difficult to implement.

Accordingly, expected rewards must be high if risk is to be accepted. Farmers must see substantial gains from modernization are based on the willingness of beneficiaries to become participants, to borrow, buy seeds and fertilizer, use new techniques, and sell crops. If the returns are scanty, or the risk high, farmers' participation will be limited.

Farm households try to maximize some combination of income, risk, and leisure. When the returns to labor go up, without increasing risk, families will tend to substitute income for leisure by trying to work harder, because work now has greater rewards. If the prices farmers receive for their products, or the prices they pay for complementary inputs are such that extra work is not worth the reduction in leisure, farmers will not expend extra effort. Similarly, if the rewards from changing technologies are not worth the extra risk entailed, farmers will stick to their older, fail-safe methods.

Many African countries have been, are now, or will find themselves in the middle of a financial crisis. Such a crisis usually manifests itself through shortages of foreign exchange and/or government revenues. As a result, imports of consumer goods and intermediate inputs such as fertilizer are increasingly scarce, as are government services, because recurrent revenues are lacking for gasoline, supplies, and even salaries. On the one hand, the reliable sources of inputs and information begin to dry up, while on the other hand, the lack of consumer goods and services reduces the profitability of commercialization, and farmers will increasingly turn to subsistence production and independence from their collapsing economy.

Even more devastating is that governments typically fail to allow market forces to address the imbalances in the economy. Rather than address the scarcity of foreign exchange by raising its price (devaluing), African governments have attempted to ration imports. The result has been an exchange rate increasingly out of line with supply and demand and the development of a parallel economy. In fact, governments adopt the "Alice in Wonderland" theory of economics ("A word means whatever I want it to mean."), which leads to Alice in Wonderland growth ("Here, one has to run as fast as one can merely to stay in place.")

In many countries the result is two economies: an official economy in which all prices are controlled, goods are scarce, and access to goods limited to those with political clout; and an unofficial economy in which prices are uncontrolled, and access to such goods determined by income. In such a world, corruption is rife and being a consumer takes more time and effort than being a producer. Trading, hoarding, and speculating become avenues to great wealth and smuggling becomes a way of life. To see how all these distortions and scarcities can play havoc, let us examine a project designed by AID to provide smallholders with a wide range of agricultural services in an Alice in Wonderland economy, the MIDAS project in Ghana.

4. DEVELOPMENT MANAGEMENT AMID ECONOMIC CRISIS: A CASE STUDY

The aptly named MIDAS II project (it turned everything to dross) was designed to provide a range of services (credit, fertilizer, seeds, extension, research, and marketing) to Ghanaian smallholders living in the Brong-Ahafo region of Ghana. The project was fairly typical of integrated rural development projects of its era (1980) in that it attempted to provide all the linkages farmers needed to expand and commercialize their output. The seed component was actually national in scope, whereas the marketing component was to be limited to one district in Brong-Ahafo.

There was much about the project to commend it. The marketing component was particularly well conceived, with credit being made available to traders. In addition there was credit and help for informal rural industry, such as blacksmiths, and a wide range of appropriate technology tools and implements was to be extended to farmers. Central to the project, however, were two components--credit and fertilizer. The credit was deemed necessary to enable the farmers to purchase the fertilizer to be imported.

Although the project made great sense in theory, it made no sense in the context of Ghana. The Ghanaian economy was so disorganized that virtually nothing made sense. A couple of examples should suffice. The exchange rate was out of line by a factor of 10:1. Fertilizer was sold at the official price, which meant a subsidy of from 90 percent to 95 percent. Consequently, one could buy a bag of fertilizer at the official price, smuggle it across the border to Upper Volta, sell the fertilizer, return home with the empty bag and sell it for more money than one paid for the fertilizer and bag originally. A second example: because of problems with spare parts, the tomato processing factory in the North could not process more than 10 percent of the tomato crop.

Rather than allow the tomatoes to rot, arrangements were made to fly the tomatoes to Accra for sale on the market. However, not a tomato reached the market because the crates were broken down and sold for the value of their nails and wood.

In such an environment, importing fertilizer for distribution to farmers makes little sense because fertilizer put into tarmers' fields in Ghana is not as lucrative as fertilizer sold to Voltaics or Ivorians. The economic crisis also affected the credit component of the project. Interest rates were 15 percent, while inflation was 100 percent and climbing. It does not take great powers of analysis to realize that even with limited default and operating expenses (about 10 percent), the credit fund will decapitalize at the rate of 50 percent per year. By 1981 the $10 million credit program could buy $5 million worth of inputs, by 1982 $2.5 million, and so on.

Finally, the whole project concept made no sense in Ghana. In a time of deepening economic crisis, farmers will tend to move away from commercialization toward autonomy. A project designed to increase the farmers' dependence on the modern economy, when they can readily see that the modern economy is in shambles, is a project doomed to failure. In Ghana, there was no incentive for farmers to increase effort and output, even when inputs, such as fertilizer and credit, were so dramatically underpriced. Even if the farmer had access to inputs and were able to receive uncontrolled prices for his product, what would he gain? His paper profits would be enormous. But the cedi (Ghana's currency) was like Monopoly money, pretty but worthless. There was nothing to buy. So a good farmer could work all day, make lots of money, and watch his pile of cedis grow, and each year the value of those credits would halve, and unless he was interested in wallpapering his hut, his efforts would have gained him nought.

Few economies are as meshigge as Ghana's was during that time. But most have the same illnesses to one degree or another. Where goods are allocated by rationing rather than by price, where the rewards for increased effort and commercialization are less than the costs involved, where increased income does not lead to increased satisfaction, projects are doomed to fail. Good management may be a necessary condition for project success, but it is clearly not a sufficient condition. If the incentives in the economy are such that perverse behavior is rewarded, then perverse behavior will be forthcoming.

There is a serious catch-22 in all this. In a wellfunctioning economy, development management is simpler. There is less room for corruption; incentives lead to expected behavior; resources, such as gasoline or construction materials are readily available; government employees are sufficiently renumerated to enable them to work full-time, and so forth. It is when the economy is ill-managed that project management becomes difficult. In an environment where goods are rationed, political clout and bashkish become the means of allocation; government employees need to spend as much time shopping or moonlighting as they do working; required supplies and equipment are scarce; and farmers are uninterested in becoming involved in the project.

Economic crisis in the future is likely to be somewhat different from the economic crises of the past. Policies are less likely to be as bizarre as they were in Ghana. The real problem will be one of austerity and recession and of ~ scarcity of imported inputs and government recurrent finance. The major difficulties will be sustaining the flow of services after the donors pull out. Here, once again, the project manager will have limited scope. One thinks of the line from Oedipus Rex, "As flies to little boys so are we to the gods; they kill us for their sport." Development managers are mere mortals in a world where the Olympian decisions are made in the presidential palaces, finance ministries, and party headquarters.

COMMENT

This may have been the most controversial session. Workshop participants strongly questioned the perspective of the paper. Although supportive policy environments are important, the dismissal of an important role for management was not fully accepted, and an alternative ;interpretation was offered. Because policy reform may itself be considered a management process, the tendency of economists to ignore the way the management environment influences an attempt to implement policy reform was offered as a potential barrier to policy reform.

Neither the "economic policy" participants at the workshop nor the "management/institutional" participants were persuaded to change their general perspective. But it was agreed that a key task for the field evaluators was to identify the interplay between management practices and policy settings, to find out how each may have influenced project performance, and to express the implications of the findings for future efforts.

THE POLITICAL REALITIES OF AFRICAN MANAGEMENT

by David K. Leonard

1. THE VARIETIES OF MANAGEMENT

In discussing the ways in which African governments might improve the management of their agricultural development activities, we are discussing not one thing but many. We should begin by acknowledging this plurality of the phenomena that concern us and the tensions that sometimes exist among them. The "Africa Bureau Development Management Assistance Strategy Paper" of March 20, 1984 opens with a discussion of "how to use scarce resources efficiently to produce development results." It then shifts its focus to project management and factors ranging from project impact and sustainability to accountability for funds and cost overruns. Four different types of management behavior are involved: public policymaking, organizational leadership, internal administration, and what we will call bureaucratic hygiene. These activities are not the same, and frequently, excellence in one is purchased at the expense of others.

The most important way that a state affects agricultural development is through its <u>Public policies</u>. Development specialists are in substantial agreement that the most effective and efficient methods of promoting agricultural production in Africa involve righting distorted prices, devaluing inflated currencies, reducing the monopoly powers of parastatal marketing agencies, and generally decreasing the extent to which the state is extracting resources from the farming sector of the economy. The emphasis is not so much on improving the operations of the state as on finding ways to decrease its role altogether World Bank, 1981:40-80). These are important issues of public management, and they are among the most critical variables affecting project success and sustainability. We do have techniques for dealing with these issues, but they relate to policy analysis and economics, not to management science. In African conditions, the best project might well be the one that makes the least attempt to directly manage its environment and allows the greatest latitude to market forces.

<u>Organizational leadership</u> entails goal setting and the mobilization and management of the human and material resources necessary to achieve them. The largest part of a leader's efforts are probably directed at factors external to his or her organization--securing funds and authorizations, negotiating the cooperation of other agencies and the support of clients, and trying to avert political threats to a project's image and mission. Even many of the internal, organizational aspects of a leader's task are political in character--obtaining consensus on goals, inspiring commitment, negotiating interunit conflicts, and similar

activities. Organizational theory offers important insights on leadership (Barnard, 1938; Selznick, 1957), but no set of management techniques has been developed on how to be a leader. This part of management is an art not a science, and it is second only to public policy in determining whether a project or program will be successful.

<u>Internal administration</u> is what we usually think of as management. It entails the organization of work and resources to achieve set goals. In this area, a management technology does exist, based on the insights into supervision and communication provided by organizational sociology (e.g., Blau and Scott, 1962) and tools such as process analysis, the critical path method, and the program evaluation and review technique (PERT) (Rosenthal, 1982).

Particularly in the public sector, internal administration requires the operation of certain control systems designed to assure those outside the organization that its resources are not being misused (e.g., accounts, audits, civil service regulations, contracting mechanisms, and administrative law). Once again, there are well-established ways of doing and organizing these tasks, which might be called bureaucratic hygiene functions. Although these control systems are not directly productive themselves, organizations that fail to apply them appropriately generally have difficulty achieving their goals. Those that are too scrupulous about them also often fail to meet their objectives; in such cases, we speak of goal displacement and bureaucratic red tape (Merton, 1940).

In ranking the importance of factors that affect the success of projects or programs, priority is given to public policy, followed by leadership and general internal administration, and then bureaucratic hygiene. When U.S. Agency for International Development (USAID) personnel consider the components of good project management, however, the rank order generally is reversed. This is partly because failures at the policy and leadership levels are more diffuse and harder to measure and partly because shortcomings in bureaucratic hygiene can be more damaging to AID careers than are project failures. There are good reasons for this. These systems of bureaucratic control were established in the late l9th century in Europe and the United States, with considerable resistance, to eliminate the abusive use of public goods for private ends. They have been quite successful in that regard in the Western democracies, and their general objectives (although not the detailed consequences of their operation) enjoy considerable public support. USAID officers know the risk in moving money in ways that will not subsequently withstand an audit or that violate certain contracting regulations, so they put pressure on aid recipients to run their control systems in a way that will avoid the danger. Once things begin to go wrong, a vicious circle sets in. Unsuccessful projects invite tighter control and are more vulnerable to audit criticisms. If the host country's control systems are weak, donors will impose their own. Both the multiplicity of systems and the pressures to meet their donor standards demand more and more host country managerial attention, pulling it away from policy and leadership and making project failure all the more likely (Morss, 1984). The point is not that USAID personnel are wrong but that we are confronting a problem with multiple components that must all be considered as we work toward solutions.

2. THE PREMISES UNDERLYING WESTERN POLICY ANALYSIS AND MANAGEMENT TECHNIQUES

We noted above that American social science does have methods for approaching problems of policymaking and internal administration. However, there are limits to their application, and to understand them, we must identify the basic value premises underlying them. First, they assume commitment to collective, formal, organizational goals or, in the case of the state, to societal ones. I will refer to this as purposive rationality. Second, most of the methods are based on the assumption that economics is the fundamental social process and that all other human transactions can be understood in terms of it. I call this economic rationality. Obviously, these assumptions are not universally valid, but their applicability is even more limited in Africa than in the West.

The state is a particularly fragile institution in most of Africa, threatened simultaneously with military coups and ethnic secessions. USAID does not allocate its funds among countries on the basis of benefit-cost analyses, and weak African states are even more sensitive to the political implications of their economic policies and administrative decisions than is the United States.

Different social value priorities than those in the West underlie much of African society. African elites are linked to large networks of social obligation. The great egalitarianism of precolonial African society and the relatively meritocratic character of upward mobility in the late colonial and independence periods have combined to create a society in which African leaders and managers have large numbers of poor relatives and strong ties to disadvantaged rural communities. The values of the social exchange systems that peasant communities employed to insure themselves against risk are still strong (Hyden, 1983; Scott, 1976). Consequently African elites are unusual among the world's elites because of the extent of their patronage obligations to the poor and the strength of the moral pressures that they feel to fulfill them. For these reasons and for selfish ones that are far more universal, state organizations in Africa are extensively used by their managers to pursue informal, personal goals rather than the collective ones that are formally proclaimed.

Many of the differences in organizational behavior between Africa and the United States, therefore, are not due to managerial failures but to fundamental dissimilarities in the value priorities of the societies that encapsule them. Any attempt to treat management science as a technology that can be simply transferred to any setting is bound to meet with failure. We need to understand how these sociopolitical realities affect the various levels of managerial behavior.

3. THE EFFECTS OF CONTEXT ON ASPECTS OF MANAGEMENT BEHAVIOR

3.1 Public Policymaking

The factors having the greatest effect on the success of agriculture projects and programs are the overall structure of the economy and public policy. There is widespread agreement that the government-imposed internal and external terms of trade for African agriculture have been disadvantageous and that the sector has been burdened by an overgrown and overextended state apparatus. A reduction in the role of inefficient marketing boards and the freeing of the market have been recommended remedies (World Bank, 1981:40-80). Such measures derive from the application of neoclassical economic theory. How do they fit with an environment in which economic rationality is not dominant in public policymaking and how would one adapt them if they were to be applied?

African governments spend large amounts of money on programs of direct support to agricultural producers, but all too often they are unwilling to correct their far more damaging disincentives to production. This seems surprising, particularly given that the credit and subsidized input programs into which the money is poured are ineffective, while the negative consequences of poor marketing are dramatic. It is not that Africans have been naively innocent of the effects of exploitative or inefficient marketing boards; peasants in Uganda, for example, rioted against them as early as 1945 (Ehrlich, 1970).

Robert Bates has demonstrated the political rationality underlying the economic irrationality of these activities. Positive acts of support for farmers, such as providing credit and subsidized inputs, can be directed to the clients of a politician or civil servant, who thereby earn their gratitude. This process bolsters the legitimacy of the regime and strengthens the patronage networks of those who work with it. Although peasants view good prices as the result of positive acts by the government, the indirect nature of the activities leading to high prices produces no patronage. From the government’s point of view, the economic and political costs of marketing boards, which in effect are a tax on agriculture, are more than offset by the political benefits of the jobs and "free goods" that they indirectly finance (Bates, 1981). Even Tanzania, which has resisted the creation of personalized patron-client networks by its politicians, has felt it necessary to extract a dysfunctionally large surplus from agriculture to finance dramatic expansions in social services and formal sector jobs.

The solution presented by USAID and the World Bank (1981) regarding the unproductive growth of the African state is more moderate than, but still parallels, that of Cyril Ehrlich a decade earlier: "When a machine runs amok it requires not adjustment, but dismantling" (1970:134). Given the realities of contemporary Africa, this recommendation is appealing in its market rationality. "The incomes of poor farmers were better left to fructify in the pockets of the people" (Ehrlich, 1970:129). After all, even the left, which supported the expansion of government, was looking for developmental and distributive benefits from a socialist state. What has occurred instead has been a mercantilist state, which has hampered the operations of the market to provide protection and spoils for the elite (Callaghy, 1979). Still, given the political rationality that underlies these state activities, is an appeal to economic rationality any more realistic now than it was before?

Escape from the unproductive growth of the state will require something more subtle than laissez-faire economics. We have a situation in which the performance of public organizations is poor because few of their participants are committed to purposive rationality. (Recall that the term "purposive" refers here to the pursuit of formal organizational or societal goals. In other words, most actors expect to use government agencies to achieve personal and other extraorganizational goals first and formal goals second.) To propose market discipline as a cure for this problem is simply to call for the imposition of a new form of purposive rationality. It is true that the market can achieve purposive rationality with a smaller number of consenting actors than can hierarchically imposed rationality. (Goran Hyden [1983] argues that public organizations in Africa are undermined by their penetration by peasant values of social exchange. Yet Peter Marris and Anthony Somerset [1971] have shown that African small businessmen start pulling away from such social obligations under the pressures of market discipline.) Ultimately, however, the very politicians who currently use their hierarchical positions to reinforce behavior that is inconsistent with organizational goals are being asked by donors to turn to the market for the sake of the same goals.

It is essential to the integration of African states and the survival of their regimes, regardless of political persuasions, that their governments produce visible, distributable benefits. African politicians must have projects and patronage to distribute if they are to survive. The priority, therefore, is not to dismantle the state but to redirect its activities into areas that combine some economic returns with high political payoffs. If the latter are high enough, it may be possible to contain the pressures for still greater state expenditure and thereby preserve incentives for vigorous growth of peasant agriculture and small business. It is true that economic development would be better served in most contemporary African states if governments were smaller and less intrusive or if market-like mechanisms for creating purposive rationality could be imposed on government operations. There is little prospect of this, however, unless we confront the causes of the problem and look for solutions that fit the political rationality that currently dominates decisionmaking.

A decision to expand the number of agricultural extension agents often is not optimal from either a political or an economic perspective. If a donor offers to finance such an expansion, it is likely to receive enthusiastic support from host country officials, for it will provide patronage and will alleviate the politically dangerous levels of unemployment among the educated. Yet those who are given the jobs will be thankful to the state and their patrons only when they first receive jobs, and their salaries will drain the treasury for 30 years. Furthermore, the political demand for expanded extension services in peasant communities is weak. The economic returns on extension, therefore, need to be long term and certain if this is to be a sensible investment of government resources.

One way to raise political returns while lowering economic costs is to provide benefits that are self-renewing rather than a permanent drain on the resources of the state. An ideal investment for a politician is a labor-intensive rural roads project such as one currently being conducted in Kenya. From an economic point of view, roads improve access to producers and rural markets, thereby lowering costs of trade and improving the chances for competition without imposing government controls that could become exploitative. Simultaneously, roads are very popular with the peasantry, and when they wear out, they can be reconstructed. If those employed are drawn from the local area, the jobs given are a limited act of patronage that can be repeated with new jobs in the future. Other benefits are that the employed are more likely to have been needy, their employment in the rural areas encourages them to stay in the farm economy, and the income provided is more likely to be reinvested in agriculture or food than in imported goods.

We need innovative thinking on how vital rural services can be provided in ways that are politically productive, selfmanaging, and not a permanent drain on the treasury. For example, a subsidy could be paid to help establish a veterinarian or paramedic in a private rural practice (perhaps by providing housing, equipping the lab, and maybe giving a cash grant). Even if only half the cases work out, real services in the rural areas would be expanded (through better incentives), government resources would not be required after the initial subsidy, and communities and practitioners would both be grateful for the initial subsidy. No assumption is made here that private practitioners are not exploitative, only that public ones are too. The payment of a fee is similar to a bribe but may be more conducive to productivity. Also, the explicit introduction of private practice will more likely introduce competition, thereby lessening the exploitative potential that goes with public and private monopoly.

In this regard, perhaps we should reevaluate the high failure rate on loans to new African small businessmen (not the big, already established ones). The political returns on these "grants" is quite high, and the costs to the government of such attempts to expand the economy may be less than the permanent drain presented by parastatals. Grants also are likely to be less damaging to the economy than the manipulation of protectitariffs and licenses. Perhaps what the development community needs is a realistic acceptance of the political and economic benefits of such practices by making explicit grants rather than doubtful loans.

Finally and most practically, this analysis suggests that USAID's implicit movement away from a basic needs approach to development is mistaken. Although bad policies are at the root of much of Africa's economic crisis, donors will make very little progress if they confine their attention and assistance directly to those areas. Policy reform will only be possible if donors provide politically attractive projects as an inducement to governments to change and as assistance in muting the impact of the ensuing domestic criticism. Basic needs projects have precisely the political appeal that policy reform lacks. A hard laissez-faire approach to African economic development probably needs the support of the soft, humanitarian basic needs approach if it is to be applied successfully.

These tradeoffs will not be easy for donors such as AID to achieve. The idea that a project might be undertaken in one sector in return for policy change in another implies a considerable amount of cooperation between sector specialists in the donor agency and an acceptance of having one's project held hostage to developments outside one's area of primary concern. It also implies that much of USAID's visible portfolio would be tied up in projects that do not appear to reflect the agency's priorities and do not seem to be particularly successful. Obviously this would be difficult for USAID, but no more so than the reforms that it is expecting of its African host governments. If the United States cannot undertake purposively rational structural changes, there is little prospect that its African allies will .

In sum, African agriculture (and projects designed to assist it) is frequently seriously hampered by the public policies governing the sector. Overvalued currencies, low prices, and monopolistic and inefficient marketing boards conspire to sap the natural dynamism of the sector. This burden, which the state imposes on agriculture, is not accidental, however, but is designed to provide the resources for public employment and patronage that the fragile regimes need for their survival. Donors and managers need to face the political roots of this problem directly if they are to succeed in making their projects effective. The solution is likely to be found in the tradeoff of politically attractive projects that are highly efficient in their use of public resources in return for policy concessions that will assist agriculture.

3.2 Leadership

Next to a congenial policy environment, leadership is the most important element for project success. It is the most political of the management skills, and the West has some insight on how to perform it but not the "technology" on how to transmit it. Precisely because it is an art and not a science, however, it is a skill that is abundant in the highly politicized environment of African management. A number of requirements have to be fulfilled if an African project is to be well led. The manager of the project would have to (1) have a strong, personal <u>commitment</u> to its goals; (2) be able to <u>anticipate</u> problems; (3) have effective <u>bargaining</u> skills; (4) be <u>politically sensitive</u> to both national and local aspects of the project’s environment; (5) have the ability to <u>inspire</u> staff effort; (6) have <u>extra resources</u> that could be used in bargaining for needed support; (7) have <u>flexibility</u> in pursuing project goals; and (8) be able to identify and recruit good <u>staff</u>.

Several points are striking about the preceding list. First, the characteristics are the same as would be required for a successful project in the United States. Second, these items are very hard to achieve through training, and few are susceptible to the deductive rationality that is the hallmark of Western management science. Third, all but one of the requirements are as easily fulfilled in Africa as they are in the United States.

The most important requirement of a good project leader is a strong, personal commitment to project goals. Unfortunately, this also is the one item that often is lacking in Africa and all else revolve around it. In the West, we are used to creating this commitment artificially. A manager taking over an organization may have no strong feelings about its objectives, but care deeply about career objectives that are perceived to be directly affected by success in achieving the organization’s formal goals. The environment of governmental activity in Africa is so politicized that this artificial link between organizational goals and a senior manager’s career rarely exists. Therefore, to a much greater extent than is true in the West, commitment must be internally generated by the manager.

There are two experiences that can foster this internal commitment to an organization’s goals. The first is the value-socialization component of a professional education. For such socialization to be effective, it has to be intense, lengthy, encapsulating, and reinforced by one's peers in the educational institution. Not all educational programs provide such an experience. Medical schools, academic graduate programs, schools of social work, and military academies generally do; business schools, engineering programs, and schools of public administration usually do not. This socialization also cannot be acquired during short courses, but it can be reinforced by them. This is significant, given the finding that professional values will be eroded when they are not shared in one's environment (Achebe, 1961). International conferences and short courses can reinforce threatened values by bringing together people who share them and by providing the tangible incentive of travel to those who have been faithful to them. Many African managers have strong professional commitments, but they usually are technical specialists (whose training and work are closely interlinked) and not generalists. The latter are more powerful in Africa's colonially derived administrative systems than they are in the United States and this somewhat diminishes a program's prospects for a committed leadership.

The second experience affecting commitment comes from one's social setting--the values inspired in one's early family experiences and supported by one's contemporary environment. As Goran Hyden has stressed, African managers are deeply ethical, with strong commitments to their families and villages of origin; in fact, they are likely to see the impersonality that is such a virtue in the Western bureaucratic ethic as somewhat immoral (1983).

Because both colonial institutions and contemporary donor agencies were built on bureaucratic values, we spend a great deal of time and effort resisting the moral commitments of African managers. Often this is inevitable and desirable. There are times, however, when it would be beneficial to swim with the current of indigenous morality. For example, a geographically focused project is likely to get far better leadership from a local official than from an "objective" outsider. In any case, one cannot treat managers as interchangeable on the commitment dimension. An officer with this scarce commodity probably will perform far better than another who is more able and technically better qualified but who lacks this moral commitment (Leonard and Marshall, 1982:205). In selecting projects, it is wise to establish as the primary criterion the availability of prospective managers with a strong sense of personal involvement in and commitment to the area, and, after selecting such a manager, thereafter to resist changes in management.

As mentioned earlier, attributes of the project or program that determine the manager's ability to lead are that it have extra resources to be used in bargaining for needed support and that it permit flexibility in the pursuit of its goals. (For more on the latter point, see Korton, 1980.) When a donor doubts that a project's prospective management is committed to the desired objectives, it often moves to restrict these two attributes, thus further increasing the likelihood of effective leadership.

Finally, good leadership requires a combination of managerial skill and enough project (and public personnel system) flexibility to permit the uncircumscribed identification and recruitment of good staff. Most civil service systems are designed to restrict the manager's discretion on precisely this point because of the fear that it will be used for patronage--a fear that is well grounded in contemporary African reality and in the administrative history of the West. An effective project leader will find ways to circumvent these restrictions.

One reason that expatriate personnel are often important to the success of projects is that they are not protected by civil service regulations and a manager has some real discretion over their selection and retention, even though it is not as great as it could be. Some of the most effective African administrative leaders I have known have taken expatriates as clients and deployed them flexibly to fulfill the organization's objectives, something they had more difficulty doing with local staff. Unlike many observers, I do not think this practice inhibits the development of indigenous talent, for it provides clearly visible role models that locals can compete to supplant.

Our understanding of technical assistance is inhibited by the common belief that it is a uniquely modern phenomenon, is a solution to a temporary problem, and carries connotations of inferiority. In fact, the practice is as old as the European nation-state. In the late 18th century, when Prussia was the best administered state in Europe, it imported French fiscal experts to work in its government (Rosenber, 1958:171). French engineers also were important in Russian government projects and training institutes in the l9th century (Armstrong, 1973:60). Thus, the difference between technology transfer in Europe and Africa is not the importation of foreigners; it is their presence in privileged enclaves for 2-year contracts. When the French went to Prussia, they went to settle. Hence they were fully subject to the incentives provided by the leaders that recruited them, and they became integrated into the decision-making systems they had been hired to improve. Also they were there long enough to learn from their experiences and to adapt their knowledge to the new environment. It is the impermanence, rather than the number, of expatriate technical assistance personnel that seriously inhibits African development and deserves concerted attention by donors and host governments alike. In those few cases in which technical assistance personnel are able to work continuously in a sector and country as long as 10 years (as is the case in Kenya with German technical assistants in agriculture and some Ford Foundation economic planners), the results are impressive and support the development of local competence.

The larger question about managerial skill in the recruitment and advancement of staff is patronage. Its consequences can be very destructive, and the great civil service reforms of the 19th century were designed to prevent them. Yet Africa today frequently experiences both the structural rigidities that civil service regulations create and extensive patronage. Without the support of the political environment that created it in Europe and America a century ago, the civil service institution appears to be unable to produce the desired effect. Perhaps we should pause to rethink our position on this point, at least in small ways. Patron-client systems can sometimes be quite functional in organizations, depending on the ends for which they are used. They are still quite common in American universities and public agencies and are a well-remarked feature of the Soviet administrative system (Crozier, 1964:229-30). The difference between~ these networks and the patronage we decry is that these systems are used to advance, not inhibit, the pursuit of organizational goals. Managers become patrons to those subordinates who they believe can best help them achieve the objectives by which they themselves will be judged, and junior staff try to select the managers for whom they will work based on who can best help them with their careers, not on the basis of some ascriptive or political tie. The resulting informal network of obligations gives flexibility and commitment to relationships that would be much less productive if they were only formal (Blau, 1964:Chapter 8). Thus, when managers are using their patronage to reward those who are committed to the organization's objectives (and only in those cases), there is good reason to give them some control over scholarships, foreign trips, and off-scale appointments. The result will be better performance from their subordinates.

One attribute that I have not identified as a requirement for the effective organizational leader is skill at internal administration. This function must be performed well if the organization is to function efficiently. Nonetheless, a good leader often lacks this skill and picks a subordinate to serve as the administrative expert. Because the nature of the skills required for leadership and administration are quite different, such a division of labor works quite satisfactorily.

In summary, leadership is an art rather than a science, the most political of the management skills. Most of its required attributes are abundant among African managers, but too often they lack the personal commitment to organizational goals that are necessary to activate them. By being sensitive to the importance of this ingredient, donors may be able to identify it when it exists and to nurture its growth.

3.3 General Internal Administration

The area most extensively examined by management science is the internal administration of organizations. Those of us who study administrative behavior in Africa are divided into two camps, which can be characterized as the organization theorists and the environmentalists. The former hold that the theoretical principles underlying and explaining organizational behavior are universal. From this premise, they argue that at least some modified Western management techniques may be able to improve performance in African organizations. (The clearest exponents of these views are Leonard, 1977; and Chambers, 1974.) Against this view is ranged a much larger group of scholars who hold that African administration is distinctive in the degree to which it is permeated by its politicized and patronage-prone environment, and that, therefore, it is not amenable to management methods based on a Western conception of purposive rationality. (The leading proponents of this view are Hyden, 1973 and 1983; Moris, 1981; Price, 1975; and Collins, 1980.)

The gap between these two camps is not as large as it might appear to be. As one of the exponents of the organization theory point of view, I concur with the environmentalists' belief that African administrative behavior is distinctive and that it is rooted in the political and social features they describe. I differ with them in holding that these features are not without Western historical counterparts and that, therefore, no new theoretical structure is needed to understand them. These differences are largely academic.

The point at which the differences between the camps become practical is where they concern administrative reform, and here, unfortunately, they are almost matters of faith. Because the environmentalists see the character of African organizations as rooted in their larger political and social structures, they say or come very close to saying that they are unreformable. Price, for example, suggests that only when African administrative elites become isolated from the rest of society, in the way in which European Calvinists, Leninists, and aristocrats were, will they have the autonomy necessary to impose purposive rationality (1975). The environmentalists argue that the only economic rationality that can be imposed on Africa is that of the market, because it is the only one that does not demand widespread acceptance of purposive rationality.

Against this position, the organization theorists can only pose the hope that there is <u>some</u> way to achieve better organizational performance in Africa. This hope has some empirical basis, but not yet an especially strong one. The strongest exponent of the applicability of Western management techniques to Africa that I have found is Cornelius Dzakpasu (1978). He cites the case of an African public company that was near bankruptcy and was rescued through the use of such methods. He states explicitly, though, that this was feasible because it was an "enclave," that is, it could be cut off from its environment. He does not tell how such isolation was achieved. The World Bank's Berg Report takes a similar position by arguing for the autonomy of parastatal managers (1981:38). The clear implication is that managers are committed to economic (purposive) rationality and are only corrupted by outside political influences. It seems reasonable to expect that administrators would be less responsive to political demands than politicians, but it is hard to see them as selfless or totally insulated from societal pressures for patronage. The record of Nigerian parastatals through several regime changes and accompanying differences in managerial autonomy suggests that purposive rationality will not be so easily achieved (Wilson, 1978).

Robert Chambers achieved improvements in Kenya administration with the use of a variant of management by objectives (1974), yet the innovation collapsed after the technical assistance personnel supporting it left, that is, the environment reverted to normal. Jon Moris reports that he failed when he tried to introduce the Chambers system in Tanzania (1981). The Germans introduced a similar budgeting and programming system into part of the operations of the Kenyan Ministry of Agriculture. When Walter Oyugi and I evaluated the innovation, we found it failing outside the area of German influence and limited in its effect even there (1982). Part of the problem was the design of the system, but even that makes it clear that management systems cannot be imported without substantial work and revision.

Western management techniques are very intensive in their use of managers for analysis and supervision and are wholly grounded in concepts of formal economic rationality (Dzakpasu). Management by objectives, the planning, programming, and budgeting system (PPES), zero-based budgeting, and a host of similar methods are based on the formal analysis of means-ends chains, as they serve officially specified goals. Both managers and economic rationality are in scarce supply in most African organizations. For example, the World Bank has been encouraging the use of the Training and Visit system for rural-based programs. The system is intensive and demanding in its use of managers. The institution of the educational inspector is the result of an earlier generation of attempts to supervise and support a far-flung cadre of paraprofessional staff. In the several developing countries for which we have evidence, the institution today lacks the resources it needs and is no longer performing its intended function. (For a detailed presentation of this argument and a full statement of the evidence supporting it, see Leonard and Marshall, 1982:206-209.)

The foregoing reads like a statement of despair, a concession to the pessimism of the environmentalists. It is more accurate to see it as a confession of our ignorance. We certainly have no knowledge of what reforms might be used to improve the performance of Africa's public organizations. We can be reasonably certain that techniques imported from the West will fail unless they are fundamentally revised. Yet we also know that some African public organizations are performing much better than others. What we do not know is why. (A preliminary attempt to find out was made by Lamb and Muller, 1982.)

Our whole search process for management systems for Africa has been fundamentally biased and flawed. We have tended to look at those instances in which technical assistance personnel were introducing imported innovations. We therefore were examining reforms that were intensive in their use of managers and economic rationality. These "factor proportions" are inappropriate in the African environment. Instead we must study the more indigenously based organizational experiments that have a greater chance of being "appropriate technologies" for their environments. I personally am persuaded that what we find will be best analyzed and explained by a combination of universal organization theory and the sociology of Africa. However that may be, there can be no doubt of the need for fundamental and extensive research (Kasfir, 1980).

3.4 Bureaucratic Hygiene

A number of aspects of internal administration are considered fundamental to the "good order" of an organization but are only indirectly related to project or program performance. I have referred to these as bureaucratic hygiene functions and they include accounting, auditing, procurement, contract compliance, and personnel system management. When these tasks are poorly performed, donor reimbursements are problematic, financial planning is difficult, serious procedural delays occur erratically, and appropriate staffing levels are hard to organize.

The bureaucratic character of these functions gives them a universality that crosses cultural lines, and indeed the systems that colonialism imported from Europe have remained conceptually intact in Africa since independence, despite deterioration in the quality with which they are being operated. Attempts to improve managerial performance in these areas probably should be directed at the maintenance and restoration of these old systems rather than their replacement with more modern or American variants. The colonial bureaucratic methods tended to be labor-intensive and therefore more appropriate for the factor endowments of Africa than are the more capital-intensive, technology-based U.S. systems. There are some exceptions, however. Where the American systems use <u>less</u> high-level manpower and make fewer demands on supervision than the colonial ones do, they may well be economizing on a resource that is even scarcer than capital. There also are times when the introduction of a new technology legitimates change and provides an entry point for reform-minded personnel. In this way it may facilitate improvements, even though from a purely technical standpoint it offers no advantages. (Pinckney, Cohen, and Leonard, 1983:1966-67.)

Reform in the area of bureaucratic hygiene is difficult to achieve for a number of reasons. First, it has only an indirect impact on project and program performance. Administrative reforms are virtually never undertaken for their own sake but instead are considered a means of accomplishing something else that is politically important (Caiden, 1969). In normal times, then, it will be difficult to get the necessary support for changes that are disruptive, that require the removal of entrenched senior staff, that might cause labor disputes, or that in some other way entail political costs. Such costs will be "paid" only when they are necessary for accomplishing a valued objective or for averting something that is politically worse. Real reform is likely to occur only in circumstances such as credible donor threats to terminate support and severe financial stringency for the state.

The second reason that even minor improvements in bureaucratic hygiene are difficult to achieve is that the managers who handle these functions are transient and not particularly concerned with the programs that would be helped by reform. A sharp distinction is made between administrative staff and technical specialists in both the British and French administrative traditions. In a ministry of agriculture, the program staff, who are permanent and have the greatest stake in the achievement of project objectives, will have very little to do with accounting, personnel, and general administration staff. These functions will be handled by generalist administrators who are transferred between ministries. These staff can be thought of as administrative specialists, whose services are used throughout the government. When they are doing their jobs well, they will be more concerned with the standards of bureaucratic hygiene than any agriculturalist would be. When their work deteriorates to the point that it is hurting program objectives, however, they will not be as concerned as are the technical staff. Furthermore, training investments in administrative personnel will be dissipated because of the inevitability of transfers. If one wants to target one part of the government for managerial improvements, it probably is best to concentrate the administrative training on the technical specialists whose whole careers are more permanently established. If they have a good background in management, they then will be able to press for better performance from the transient generalists or to take over the functions themselves.

The third reason administrative improvement is difficult is that poor bureaucratic hygiene affects the distribution of power in an organization and can benefit some critical actors. When accounting and financial management are badly done, budgetary authority is effectively decentralized to those officers who make the final, detailed authorizations of expenditures, as they can move money between accounts with little chance that it will be detected. Such a situation permits corruption, but it also gives field officers flexibility in project implementation in what may otherwise be a rather rigid system (Leonard, Cohen, and Pinckney, 1983:115). Poor personnel administration systems seem to have the opposite effect--centralizing hiring and promoting authority in the national personnel office. The latter can hire staff against a program officer’s budget without his even knowing of their existence, "misplace" files on disciplinary actions, and in other ways create patronage situations for itself.

None of these factors obviates the need to undertake reform, but they do call attention to the existence of real interests that may subvert improvements that everyone says they want. Improvements in bureaucratic hygiene are needed and can be achieved, but only with good timing and a fortuitous set of allies.

In my experience, the greatest training needs in bureaucratic hygiene are not at the level at which donors generally work. Donors usually fund overseas courses for senior staff or for in-country formal programs for new personnel or those seeking to be upgraded. Both of these have their place, but the former is often overfunded because of its political attractiveness to the donor and to local elites and the latter is generally adequately provided for by the host country because it provides politically popular upward mobility. What both host and donor governments ignore is the operationally vital but politically lackluster category of continuous on-the-job training. All organizations have considerable turnover in personnel, especially in the lower bureaucratic categories. Training these people in the <u>details</u> of their new jobs is a major and continuous responsibility. Large organizations in the United States have special units that provide this training for new and recently promoted staff. I have never encountered such a unit in Africa, nor have I found an accounting or personnel section that has funds for regular short courses on basic procedures or for l-day seminars on new ones. As a result, the most basic bureaucratic functions are performed very poorly, managers are overwhelmed with the task of supervising and checking simple tasks, and the low standards that result make it impossible to differentiate between corruption and incompetence, thereby encouraging the former.

To recapitulate, the bureaucratic hygiene factors of administration--accounting, auditing, and personnel system management--make a significant contribution to the running of a project, and a donor can have great difficulties if they are functioning poorly. Nonetheless, they are very difficult to reform, for very few direct program benefits are produced by their improvement and politically useful opportunities for the diversion of resources may be lost. Improvements in this area therefore require particular perseverance, good timing, and luck.

4. CONCLUSION

This essay has taken us over a wide range of managerial issues that affect African agricultural production and the efforts by USAID to promote it. We have considered policymaking, leadership, general internal administration, and bureaucratic hygiene. Throughout we have stressed the special constraints on managerial performance that exist in African countries. Their political systems are heavily dependent on patronage for their tenuous survival. Individual managers are similarly subject to strong pressures from their kinsmen for support, encouraging them to find corrupt sources of income and to use their hiring prerogatives for extra-organizational purposes. Even in societies less prone to patronage, politics still dominates all other organizational and policy considerations. Much remains to be learned about effective management in Africa, and any simple attempt to transfer Western managerial technologies is likely to end in failure. A great deal of thought and experimentation is needed to help us find administrative reforms and managerial improvements that flow with, rather than against, the logic of African social reality. A11 too often we enter into the realm of political fantasy when we talk of what we hope to achieve. Change will only come about gradually, with luck and good-timing, and at the cost of difficult changes within USAID as well as the host countries of Africa.

COMMENT

Professor Leonard's presentation was very well received. His major point was that because both African managers and a primary commitment to economic rationality imbued in donor-supported development projects are in short supply in Africa, Western managerial methods may be inappropriate for the continent. Investigation of the methods actually used by effective African managers is needed to point the way to more appropriate management technologies for Africa.

The discussion emphasized the following additional points:

-- African managers often do not see the project rationale ascribed to it by formal documents as the primary role of the project. Because of closer tribal, family, and other interpersonal connections, AID projects are often just another mechanism to cement these more individual values at the expense of the large, more abstract society. Therefore, African managers who follow their own established code of behavior sometimes come into conflict with foreign management approaches pressed by AID and other Western donors.

-- Leonard introduced the concept of "bureaucratic hygiene." Although Leonard says that attention to issues of "bureaucratic hygiene" will make Western donors feel better, he wondered whether it would really have positive impact on project results; that is, "cleaning" up financial or personnel management in a livestock project might have little impact on increasing animal production.

-- The key variable of leadership cannot be imparted through training that does not take into account local value systems and incentives.

ON THE ANALYSIS OF ORGANIZATIONAL CULTURE IN DEVELOPMENT PROJECT PLANNING[2]

by Philip Boyle

1. ORGANIZATIONAL CULTURE

Foreign assistance projects that aim at the socioeconomic development of the rural poor have, with distressing frequency, failed to achieve their output objectives. These failures are partly caused by a paucity of economically feasible technical solutions to problems of low and declining production yields, especially in semiarid agricultural and agropastoral regions with heavily degraded environmental bases. They are also caused by flawed understandings of the socioinstitutional contexts within which projects are implemented. Because a good deal has been written in the past decade about the importance of adequate analysis of these contexts, a "social soundness analysis" is now a customary component of the final stages of project design; but one aspect of the socioinstitutional milieu has rarely, if ever, received adequate attention. The organizational culture within the structures created or united for project implementation must be confronted in evaluations of project management and administration. Even the best designed projects typically ignore how implementing structures can more effectively be established, and they do not anticipate what the likely and recurrent consequences of that approach may be.

We do not wish to imply that, other than the issue of a more adequate understanding of organizational culture, there are no remaining problems with social analysis. On the contrary, despite its seeming institutionalization within the formal planning process, project social analysis suffers from two major structural problems: first, it usually occurs too late in the project cycle to be maximally useful, because it is often reserved until the project paper (or full appraisal) stage, when there is tremendous momentum on the part of both donor organization and recipient country to proceed to implementation; second, it is often relegated to an appendix of the project document, where it can be neglected. Thus, suggested means for effectively involving the beneficiary population in project identification, design, implementation, and evaluation are often frustrated from the outset.

Organizational culture, as opposed to the more commonly understood concept of ethnic or national culture, refers to the shared traditions, behavioral norms, and "stored value systems" of the operating personnel of various types of institutions. Because

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[2]The author acknowledges the assistance off Michael M. Horowitz, Peter D. Little, and Thomas M. Painter.

neglect of organizational culture is a prime cause of management dysfunction, contributing substantially to the overall poor performance of even technically sound projects, we need to give it much more attention.

The analysis of a project implementation structure calls for a thorough understanding of the cultures and subcultures of its organizational components, because perspectives of different persons are likely to differ in important though predictable ways. A typical U.S.-funded development effort involves at least the following four components:

1. The USAID field Mission (and, through it, AID/Washington)

2. The host government institution(s) responsible for project implementation

3. The American organization (university, private voluntary organization [PVO], or business firm) contracted to assist in implementation

4. The beneficiary population

Each of these organizations is further divided. In some cases, the functional or "cultural" divisions may reflect the actual organization chart (e.g., the division between USAID and AID/Washington; the division between functional and geographic bureaus within AID/Washington; and the division between separate units of the same ministry). But some of the divisions may not be apparent from superficial examination, although certainly no less significant: for instance, those among different ethnic or class elements of the "beneficiary population." Furthermore, coalitions may develop between segments or subgroups of different organizations on the basis of common or mutually supportive interests, resulting in alliances whose impacts are not modest despite their being informal. A common enough instance is the mutuality of interests between USAID Mission staff and host government implementing agency officials who combine to provide an appropriate rhetorical veneer that might render more palatable to AID/Washington an otherwise questionable activity.[3]

Improper knowledge of the organizational subcultures that must cooperate in project implementation is responsible for many of the

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[3]Social anthropological theorists argue whether there are jural rules defining how opposing segments sometimes combine with each other against third segments (or combinations of segments) or whether coalitions form on the basis of perceived interests. We lean toward to latter approach. (See Evans-Pritchard, 1940, for an exposition of the jural rule model, and Barth, 1967, for a game theory treatment of coalition formation.)

breakdowns of communication and cooperation in development schemes. Even where personnel have been plucked from their parent organizations and assigned to a new institutional structure, they arrive carrying their previous subcultural baggage, replete with values, ideology, personal career perceptions, educational background, and biases and may only slowly assimilate a new set.

The concept of organizational culture is not new, although it is currently enjoying high status within the field of management consulting (cf. Deal and Kennedy, 1982; Roy, 1977; Bell and Nadler, 1979; Albrecht, 1983; Pascale and Athos, 1981). Despite its present vogue in domestic corporate circles, however, analysis of organizational cultures does not occur in the planning of USAID projects, even though these cross-cultural differences are most marked in the Third World sociopolitical contexts.

This is not to say that institutional analysis of projects is not included in design papers, but it is usually inadequate, consisting of a rapid review of organizational linkages and the capabilities of local institutions to implement projects, and rarely goes beyond the level of organization chart. The assumptions made concerning the ability and willingness of host country personnel to carry out planned functions constantly betray the culture-bound biases of American project designers. One of the most salient of these rose-colored assumptions concerns the ability of agricultural extension workers to gain the respect and confidence of peasant farmers.

A proper institutional analysis should do more than delineate formal functions and organizational linkages; it should carefully examine the cultural characteristics of each of the organizations expected to mesh with all the others in carrying out project objectives. Insofar as possible, the educational and career backgrounds of key managerial candidates should be appraised, especially where they are to be regrouped in a new, projectspecific institution. Considerable hidden antagonisms may exist between personnel of various host country services involved in an integrated development effort. Unfortunately, the identity of these candidates is not often specified, and when names and biodata are available, they often bear little relationship to the persons ultimately appointed.

It is therefore highly desirable that social analysis be extended from a critical examination of the beneficiary populations to one of the entire project implementation structure. This is not to suggest that analyses of beneficiary impact and organizational structure be combined in one report; only that many of the techniques of social analysis may be similar and usefully applied to both contexts, potentially by the same investigator.

There is, in fact, overlap in the two types of feasibility appraisal, because the organizational context of key beneficiaries--be they village organizations, cooperatives, lineages, or associations--should not be separated from the concept of an overall project implementation organization, within which key members of the beneficiary group will play crucial roles in project success or failure.

Although the value of analysis of the socioinstitutional reality of beneficiary populations has been recognized by many development planners in recent years, particularly within USAID, the concept of organizational culture, although not new in corporate circles, may seem rather nebulous to developers. It is one thing to distinguish between religious practices, kinship terms, and economic systems of various ethnic groups within or between countries, but clearly something more restricted is meant by organizational culture.

An organization’s culture comprises patterned (i.e., recurrent) behavior based on shared, if often unconscious, traditions, values, norms, beliefs, and attitudes. ~ management, or authority structure, will reward adherence to accepted norms in prescribed ways. High status and power result from successful game playing according to the specific rules of the organization. Powerful personalities may, moreover, successfully change elements of acceptable organizational behavior. Finally, an organization, if it is large enough, may have several, slightly distinct cultures (subcultures) in its various divisions. Values, or what people consider important, have received relatively little attention in the study of organizational culture; however, they are crucial to an understanding of potential conflicts between the personnel of the various organizations composing the project implementation structure. Albrecht defines an organizational value as "a condition or a state of affairs that people habitually act to create or to preserve" (Albrecht, 1983). He lists ten major value systems that affect the following: authority, subordination, status, social distance, business ethics, pressure and pace, jurisdiction, collaboration, structure and order, and change and innovation.

Values, beliefs, attitudes, and concepts of right and wrong or proper and improper behavior are all intertwined and specific to particular organizations. Behavior of employees outside the institutional context may differ markedly from that seen within the institution. Military personnel are a good example. Moreover, some of the problems of military governments can be traced to the rather different cultural context from which the rulers have sprung. Values surrounding authority, subordination, status, social distance, structure and order, and change and innovation may differ significantly between career military personnel and government functionaries. The former is influenced by military training, service, and value systems; the latter is a product of civilian government service and/or technical and university training programs.

The personnel of organizations will tend to share similar social and educational backgrounds. Various divisions or departments of large institutions may develop their own personalities, recruiting new members through social networks based on common social and educational background, common values, and even political or kinship links. In many countries it is the "duty" of a government functionary to use his position to help his relatives (short of compromising his own status). The limits that are respected in performing such obligations will vary between countries and organizational contexts. While entertaining a dialogue with donor agency representatives in terms of the principles of Weberian rationality (see Gerth and Mills, 1958), a host country official may conduct his own organizational business ln ways he knows are appropriate to his specific institutional context and to the wider social world of which he is, probably, a financially indispensable part.

2. EXAMPLES OF ORGANIZATIONAL CONFLICTS

Examples of organizational and managerial conflict in project implementation structures abound. A few will be presented here from personal experience. The reader is encouraged to recall and analyze others.

The three project examples to be presented here, implemented or designed for African countries, all involved various types of overall organizational dysfunction. In two cases these problems ultimately contributed to the withdrawal of U.S. funding.

2.1 Human Resources Development in Mauritania in 1984

The first case is that of a design effort for a human resources development project in Mauritania. Although such a project would seem to be an ideal remedy for the organizational weaknesses of the Mauritanian public or parapublic sectors, the American project design team had some difficulty in appraising real needs because of considerable unfamiliarity with the cultural contexts of the Mauritania institutions they sought to "upgrade."

Two types of human resources development were of particular concern: the improvement of job skills through short- and longterm training, and the design of a more efficient system for manpower planning in the public sector. This second component was effectively stalled because no workable organizational structure could be envisaged.

USAID’s counterpart institution in the design effort was the Ministry of Planning. It quickly became evident that the cadres in

Planning, who were trained in economics and were Westernoriented, shared rather distinct organizational values and procedural norms from those of key functionaries of other government services. They were, in their own words, "five years ahead of the others in their thinking."

The way in which manpower was trained in relevant educational disciplines, supplied to various governmental services, and retrained and promoted in and between these services had little to do with rational planning. The Ministry of Civil Service and Higher Education, charged with these tasks, could not have contrasted more in operational style with the Ministry of Planning. Its key functionaries were educated in letters and law, operated in a highly personalized style, and belonged to an ethnic group distinct from that of USAID’s interlocutors in Planning.

In fact, any rational allocation of scarce training resources among various candidates according to long-term projection of country needs would have had to involve at least three ministries: National Education, Civil Service, and Planning. The personnel and cultures of these ministries were quite distinct, however. Leaders of the Ministry of Planning, who came closest to meaningful dialogue with USAID personnel and consultants, were not privy to the organizational dynamics and objectives of the two other Mauritanian institutions. They were restricted in their planning function to projecting manpower needs in the context of their national 5-year plan.

The National Education Ministry, concerned only with primary and secondary education, did not feel bound to alter its traditional curricula to respond to future manpower needs, despite a growing oversupply of nontechnical graduates, most of whom could not be supplied with scholarships for foreign university study.

The Civil Service Ministry, whose major functions were to distribute scholarships to high school graduates and to place them in relevant institutions on their return, should have been the major control point for coordinating future needs with available candidates. However, because foreign education depended almost entirely on the availability of scholarships from a variety of European and Arab countries, including a high participation of Eastern bloc nations, these opportunities for study tended not to correspond to real needs. Furthermore, the distribution of scholarships probably had a great deal to do with social and political pressures within the small-scale, generally highly personalized, Mauritanian public sector.

Because returning graduates of foreign universities were guaranteed employment by the Mauritanian Government, the number of foreign scholarships generally dictated the number and type of new civil servants. The Civil Service Ministry did not worry about how appropriately its returned graduates had been educated; instead, it forwarded them to relevant institutions on the basis of their training. These institutions found themselves flooded with degree holders they did not need, whereas serious shortages continued in the more technically specialized areas, such as in agriculture, fisheries, and finance and accounting.

The creation of a viable system for manpower planning, training, and placement within the Mauritanian public sector would have probably required a major project effort and presidential support. The task was not impossible, but required Mauritanian political commitment at the highest level. As a result, the human resources project design team chose to concentrate on training individuals from a variety of governmental services, according to their expressed need for the upgrading of skills. In summary, the reasons for the failure of the design team to formulate a workable system of manpower planning and placement within the Mauritanian public sector lay in its lack of familiarity with the cultural and political differences between the key institutions necessarily involved. With the exception of the Ministry of Planning, there was really no Mauritanian enthusiasm for participating in such a system. The proposed organizational structure, although more "rational" for planning purposes, would have diluted personal power bases, have mixed key functionaries from distinct educational and social backgrounds, and have required domestic political pressure from the highest level to be self-sustaining and workable in the long run.

2.2 Livestock Development in Senegal, 1979-1984

This second example illustrates some of the potential problems encountered in the concept of the host country contract. In this case USAID sought to fund the expansion of an existing livestock project in the sylvo-pastoral ecological zone of northern Senegal, thus essentially replicating activities in the area that had been funded until then by the European Development Fund (FED).

Because project designers were able to study the results of several years of project implementation (FED) in a nearby zone, they were able to propose a plausible project that was easily approved in Washington. Furthermore, at the time of project design, it was too early to evaluate the economic and social effects of the earlier FED-financed project, a fact that also facilitated smooth approval of USAID’s expansion plan.

There was some concern within USAID, however, about the economic and social viability of the project. Of particular concern within AID, but not within the Senegalese project organization itself, was the impact of the project on the Fulbe herders, who were to be sedentarizd around well points and enrolled in a program of stratified livestock production. The subsequent project paper highlighted as key issues the possible consequences of the planned sedentarization of transhumant nomads on range quality and on the herders’ standard of living.

The issue of the longer term economic and social viability of the project is not of concern here; it suffices to say that there are serious doubts about it. Of importance to this discussion is that organizational problems arose between the U.S. contractor and the Senegalese project organization. USAID did not, or could not, intervene in time to prevent a collapse of the American technical assistance component of the project, and eventually in the face of virtual defiance from the project director, USAID withdrew further funding. The major organizational problem was that USAID did not have effective control over its own project implementation. Leadership and decision-making were highly and tightly controlled by the Senegalese project director. The project organization, which was a parastatal under the loose tutelage of the Ministry of Rural Development, consisted primarily of veterinarian-trained managers; as a consequence, its approach to development of the sylvo-pastoral zone was technocratic. Working relations with the herders, the ostensible project beneficiaries, were distant and occasionally adversarial.

The U.S. contractor responded to a request for proposals from the project organization, which was compelled to conform USAID guidelines in the formulation of the scope of work. The contractor responded by supplying the names of four technical assistants qualified to fill the job descriptions carefully delineated by the project. Once the contractor had been selected, the contractor hired four persons on the basis of contracts identical to those specified in the contract between the contractor and the livestock project. When this personnel arrived in Senegal to begin their work, however, a strange thing happened. The project director issued everyone new terms of reference, based on job descriptions drawn verbatim from an existing organizational framework that considerably predated the USAID project.

The director of the livestock project, who was clearly ill at ease with and even suspicious of the new American personnel, did not intend to modify his organizational structure, objectives, or values to accommodate foreign personnel who came with terms of reference he felt had been imposed on him by USAID. Two French technical assistants who were supplied by FED occupied important posts in the project, but they had clearly conformed to the director’s organizational vision. All of the Americans had great difficulty in subordinating themselves to the routine administrative tasks assigned to them in the new job descriptions.

For the Americans, more was involved than a simple change of job description. Of considerable impact on the problems that followed were the subtly different cultural values of the American technical assistants. Contrary to the expectation of the director, their value systems were not those of bureaucrats, accustomed to well-defined routines. They were (and perceived themselves as) independent professionals and were unaccustomed to conforming to rigid organizational dictates, especially in a foreign sociocultural context.

When they arrived at the project, there began a long series of conflicts and misunderstandings between the project director and the technical assistants, and between the latter and the U.S. contractor’s home office in Washington. The project’s directorate did not want to compromise existing norms and ideology to accommodate a group of people who clearly shared different values, different views of organizational behavior, a distinctly independent managerial style and, most disruptive of all, who sought to carry out the scopes of work inspired by USAID that they had been hired to implement. The technical assistants had, in their view, been hired to deal with the thorny questions of range management, provision of services to herders, and the monitoring of socioeconomic aspects of the herders’ quality of life. Because of this approach, the technical assistants were particularly alarming to the project leadership, which was much less concerned than USAID with socioeconomic effects on herders, and far more preoccupied with the purely technical objective of beef production for the country’s urban populations, specifically Dakar.

The U.S. contractor’s home office, largely comprised of administrative personnel bound into an organizational structure of its own, could not fully appreciate the reluctance of the consultants to conform to the extremely confining, considerably unfamiliar set of organizational norms, beliefs, values, and authoritarian management style of the project director. As a result, the contractor urged its personnel to accept the new job descriptions and the routine mundane job activities, which in most cases made the overseas post much less attractive.

The position of USAID was to remain uninvoved in host country contract between the project and the U.S. contractor. This was not quite correct, because the project paper clearly specified that the technical assistants were to monitor the project to ensure that the impacts on rural women, rangeland, and the veterinary program conformed to U.S. foreign assistance policy guidelines. When all four technical assistants were either fired or resigned, including the chief of party, the USAID Mission was faced with a project organization that had obtained just what it wanted--financing of its own terms and with virtually no disruption of its original mission. Faced with the project’s refusal to carry out the terms of the grant agreement, USAID determined not to renew funding for a second project phase.

In summary, the failure of project designers to adequately appraise the organizational values, attitudes, and managerial style of the project organization, particularly the personnel characteristics and background of its director, resulted in a design that was unacceptable to the Senegalese project in many respects. Furthermore, the assignment of the U.S. contractor's consultants under the project's authority, but with the scopes of work tailored to USAID policy guidelines, created a difficult situation for all concerned. Not only were scopes of work not easily assimilable to the project's objectives, which were largely production-oriented, but the independent nature and managerial pragmatism of the U.S. technical assistants were bound to clash with the authoritarian leadership style of the project director.

2.3 Nonformal Education for Women in Morocco (1980-1981)

Perhaps the best example of organizational dysfunction in the implementation of a USAID development project is that of a nonformal education program for women in Morocco, which occurred in the early 1980s. This project became so problem ridden that it was terminated by USAID more than 1½ years short of its expected completion date. Most of the problems should have been anticipated during the process of project design. An examination of why an how this ambitious program for women failed will help to elucidate the factors requiring more attention in future social analysis.

The project was organizationally complex, and its assumptions were unrealistic in the Moroccan sociopolitical context. Its rationale was based on assumptions of USAID project designers and consultants that major changes in the organization of programs in the Women's Department of Moroccan ministry could be effected by a U.S. contractor team through a host country contract.

According to the project, the object of the Women's Department was to be reoriented to stress training in relevant job skills at the 350 women's centers throughout Morocco. Incomeproducing activities were also to be organized on a local basis in a few of these centers and were expected to be replicated in other areas. A substantial ($300,000) revolving fund was planned to provide seed capital to women's businesses and cooperatives.

The project comprised three major components to be carried out by the field team of seven U.S. contractors: identification of job opportunities for Moroccan women and the creation of a permanent job development unit, which included evaluating loan proposals for seed capital; the design and demonstration of relevant new job skills curricula for the women's centers; and the design and implementation of relevant new courses to train new teachers for the proposed system.

While the U.S. contractors, divided into subteams to carry out the various project programs, were setting up the informational and organizational structure for a completely revamped Women's

Department, high-level women cadres from the department ~ere to receive Master’s-level training in the U.S. to prepare them to move into leadership positions left vacant by the contractors when they left the country. In this way, the new mission and organizational structure of the Women’s Department was to be institutionalized and staffed during the life of the project. Never considered were the budgetary problems likely to be associated with adding six Master’s degree holders to a marginal department of a low-priority ministry (Youth and Sports).

There were, as can be imagined, significant differences among the various organizations involved in implementing this complex project. Of course, the personality characteristics of the top managers of the various groups had much to do with the shaping of organizational perceptions, desired courses of action, and responses to the initiatives of other groups. Even the brief organizational existence of the contractor field team did not prevent it from developing a set of norms, values, objectives, and a specific mode of relating to the other project groups. In fact, the highly competitive atmosphere among the organizations involved in the project soon welded the contractor team members into a rather tightly knit, if somewhat occasionally factional, functioning body of formerly independent professionals.

This nonformal education project, which was far more than its title implied, had been negotiated between representatives of Youth and Sports, including the active participation of the head of the Women’s Department. This department head was soon replaced by a highly influential "grande dame," a former department head who had been away from the ministry for several years. It was clear from the beginning that she intended to take a very strong leadership role with respect to the contractor team, which, under the terms of the host country contract, was presumed to be working directly for the Women’s Department in the pursuit of jointly held project objectives. The assumption of jointly held objectives was quickly belied, however, and considerable misperception of authority roles and implicit project goals persisted until the end of the project.

A strong-willed woman, who had been the architect of the Women’s Department during its formative postindependence period, thus came to head its leadership staff. She was backed by a group of career female functionaries, who had worked up into influential positions in the capital or in the regional delegations. There was also a group of bright, young, well-educated cadres seeking to compete in a male-dominated ministry in a maledominated national society. The rank and file of the field teaching staff, on the other hand, exhibited various educational levels generally below the equivalent of an American high school education.

The general ideological and value orientation of the Women’s Department and its teacher personnel was distinctly conservative, the general home economics curriculum (embroidery, sewing, cooking, knitting, clothes making) having remained virtually unchanged since before independence a generation earlier. The department was allied, furthermore, to a political party that stress~d traditional views of the role of women in Moroccan society. Although a need was felt by department leadership to improve the earning power of the Moroccan women in an increasingly economically deprived society, the overall value orientation was to prepare women to bring in supplementary income to counteract their husbands' faltering purchasing power. In this way much political unrest and an overt challenge to the status quo could be mitigated.

The American contractor firm fielded a team of young, bright individuals, many of whom had backgrounds in the Peace Corps, whose overall value orientation was the liberalism of the 1960s. The management of the PVO's home office placed considerable stress on empathetic, "culturally-sensitive" interaction with the Women's Department and the ministry leadership. Because this was a host country contractual arrangement, the team was expected to work closely with the Women's Department to fulfill an ambitious scope of work.

The educational and social backgrounds of the team members stressed individualism, individual career building, and rationality in conducting work toward clear objectives. The contractor firm's management, whether in the home or in the person of the first chief of party, stressed responsiveness to the client's needs and the establishment of warm working ties to accomplish objectives relevant to the client.

Because the client was to be the Women's Department of the Youth and Sports, it was assumed by the contractor home and field staff that the field team's primary objective would be to carry out the wishes of the department head, gaining her entire support in a mutually agreed upon scope of work. It soon became obvious, however, that the head of the department preferred to use the team in an ad hoc manner in response to her own interpretation of the organization's needs and regardless of the contracted scope of work. Thus, much of the project's attention shifted from training new teachers and retraining old ones to the pilot income-generating activities tied to the project's revolving fund.

It is conceivable that from the beginning the Moroccan ministry had perceived the team's function to be tied primarily to the creation of the revolving fund and to the equipping of women's centers for job training. In any case, the leadership of the Women's Department, in the capital and in the provinces, had or independent decision-making in performing all of its prescribed duties. Activities of the team members were severely circumscribed and pressured to conform to the immediate, and often ill-conceived, conceptions of the Women's Department leadership. Before long, the team was pushed into trying to train women at the center for jobs that no one knew existed. Institutional analysis, curriculum analysis, and even labor-need studies for women were set aside in the rush to create a functioning revolving fund and to supply seed capital and equipment to women’s groups in the field centers.

One of the primary concerns off leaders and regional cadres of the Women’s Department, and the 1,000 teachers in the 350 field centers, was to stem falling student enrollment, because students were being lured away to the programs and women’s centers of a rival ministry. The rival centers offered similar instruction in home economics skills, plus the distribution of significant amounts of foodstuffs, donated, incidentally, by USAID. Consequently, the Women’s Department leadership and the Ministry off Youth and Sports intended to use the nonformal education project to attract larger numbers of female clients to their centers. These women would come only if they felt they could be trained quickly for jobs.

The women who frequented the field instructional centers were, in fact, not adults, but girls of an average age of 15 who had been forced out of the main educational stream. Although their age and sophistication varied greatly between rural and urban centers, they had even less understanding of the project than did most of the teaching staff and field administrative staff. They were told that they would soon have jobs and be earning money. Frequently the entrepreneurial efforts of the contractor team were blocked by cadres of the Women’s Department who felt that training in <u>any</u> activity would be sufficient to ensure their graduates of jobs and that supply would certainly create demand. Nor, they felt, would their women need any instruction in designing a loan request to the revolving fund based on a solid business proposal.

Among the Women’s Department cadres and students, a certain naivete flourished. Their perception of what the project was designed to do focused on job skills training as an end in itself. This was because they saw reoriented training in skill development as a miracle solution to the inadequacy of their centers in a changing world. The USAID project, because it was an extension of the presumed genius of American technological know how, was expected to provide this miracle. However, when the contractor team found itself faced with heavy pressure from its clients to produce quick results in an extremely confusing cultural and organizational environment, within which it was expected to implement an overly complex, unrealistic, and constantly manipulated scope of work, it was unable to function properly. Factions soon developed: one concerned with giving the ministry whatever it wanted, the other concerned with redefining the project "realistically." The result was almost complete paralysis and an eventual cancellation of U.S. funding.

The role of USAID in this project was complex. From the earliest stages, project planners had made assumptions based on consultants’ reports and on information supplied by the Women’s Department. These assumptions soon took on a life of their own and became accepted truths. Important among these was the presumption that many jobs existed for uneducated Moroccan women if only they could receive the proper training. Another was that these women would be able, or motivated, to form cooperatives or private enterprise groups to earn income from their own organizational and risk-taking efforts. Yet another assumption was that these women were mature and experienced enough, even sufficiently old enough, to understand the complexity of the tasks they were asked to perform in organizing for income generation. The same assumptions were held by most of the Women's Department staff.

Although USAID relied on several culture-bound, illdocumented assumptions to plan a complex effort in training and institution-building development, it quickly retired, behind the convenience of a host country contract, into benign neglect. When serious troubles began, eventually leading to the replacement of two-thirds of the contractor team members, USAID moved hastily to a program audit, which revealed the serious shortcomings of the accomplished work. Then, although there were still 2 years to reorganize the project around lessons learned and realistic goals revealed by more than 1 year of practical experience by the contractor firm, whose field staff had been renewed by recently hired personnel, USAID abruptly cancelled project financing.

In sum, the experience of the Moroccan nonformal education project for women was probably not very different from many other projects that, for various reasons, were allowed to limp to the end of their contract dates, before being mercifully forgotten. From the earliest stages of project planning, assumptions were made concerning the nature of the Women's Department and its clientele that proved fatally erroneous. Chief among these were the desire of the department to restructure itself along radically new lines, involving a distinctly progressive set of modern values; the capacity of the Moroccan economy to provide jobs for any significant number of newly trained women from the centers; and the ability and motivation of the department's trainees to undergo difficult retraining. This was particularly apparent in the plan for organizing them into income-generating enterprises or cooperatives whose chances at best were slim in the highly competitive, male-dominated, face-to-face, network-controlled world of Moroccan commerce.

Added to the problem of the faulty, culture-bound assumptions made by USAID project designers and consultants, the inability of the various organizational structures or groups to understand each other, or, more properly, to place the same value on various project objectives, caused by the project's implementation to malfunction from the outset. The various organizational groups composing the project implementational structure --USAID, the contractor, the Women's Department, and the female clientele of the field centers--were sufficiently different in educational and cultural background, personal and organizational values, organizational practices, perception of short-term and long-term project objectives, and leadership and management styles, that confusion, misperception, and outright mistrust soon came to characterize their interaction and attempts at meaningful cooperation.

3. CONCLUSION

The preceding examples of the cultural problems inherent in the design of structures for project implementation have exemplified the potential perceptual and value differences that can lead to overt conflict between individuals and groups of individuals linked in project implementation. It has been the purpose of this paper to open discussion of such potential for friction by pointing out the cultural complexities of a project implementation organization, composed, as most are, of culturally disparate components; thus the paper is to be exploratory. It is hoped that the foregoing discussion will help participants at the seminar on development project management to examine critically the history of projects they know well. As a result of examining problems caused by the cultural conflict inherent in different personal and particularly organizational backgrounds, progress may be made in developing implementation organizations that work.

COMMENT

The presentation of this paper by Michael Horowitz emphasized participation by the ultimate beneficiaries: the farmers and herders. Beneficiary participation, he said, was the best way to improve the fit between projects and their environments. The type, timing, and degree of participation should become issues for evaluation by the field teams. The issue that he stressed was the different values at stake in the kinds of interventions that agricultural service delivery projects represent. He argued that sustainability would only have a chance if projects were built on the social values of the affected beneficiaries.

DISAGGREGATING DEVELOPMENT MANAGEMENT FOR AFRICAN AGRICULTURAL AND RURAL DEVELOPMENT

by Norman T. Uphoff and Milton J. Esman

1. INTRODUCTION

The central theme of this paper is that planning and evaluating development management in Africa require more thorough and coherent disaggregation than is usually found in the writings of academics or the formulations of practitioners. Sub-Saharan Africa is a highly diverse region--culturally, geographically, economically, socially, and politically. There is an a priori case that standard administrative organization and practices would be inappropriate in many, perhaps most places.

But beyond this, once one begins analyzing the variety of levels, sectors, functions, and objectives of development administration, it becomes evident that standard administrative organization and practices will be inappropriate for most development purposes as well.

In the literature on development administration and management, as well as in consultant reports and expert conferences, there have been repeated calls for decentralization of government operations to provide more differentiated and responsive services to the public, especially where central capacities to provide many services are weak.

But this prescription derives from social and political contexts quite different from those present in most of Sub-Saharan Africa. The constituent aspects of decentralization--deconcentration and devolution--do not fit the African circumstances as aptly as they apply elsewhere. Central governments often have little capacity to provide services beyond the main urban centers and little authority to remit or share. On the other hand, there are latent managerial capacities outside government that can be mobilized to support developmental activities in rural areas.

We are searching for more suitable terms to guide African development management. The overall concept we propose is that of disaggregated development management. We proceed empirically, invoking relatively little theory, seeking rather to identify managerial capacities and potential wherever they can be found. Such an effort requires disciplined analysis, using concepts that are rigorous and categories that are mutually exclusive. Anything less will muddle an already confusing task.

Our basic approach is to distinguish between state and societal sectors and between national and local levels. In Africa, most efforts at improving development management have been focused on the state and national ends of the two continuua. In fact, for development management to become more broadly effective, there needs to be more focus on the societal and local ends of each spectrum.

Apart from the central institutions of government, which have a role in any decentralized or disaggregated program of development management, one can deal with two other structures:

1. Administrative structures that reach down through bureaucratic hierarchies on behalf of the center to the district or subdistrict level and are responsive primarily to the directives of the government

2. Local structures that can reach up from the individual and household level to undertake collective action in response to local needs

An elaboration and meshing of these two sets of structures, as discussed in the last section, holds the key to improved development management. For this to be done effectively requires a systematic understanding of the variations within the administrative and the local realms, so that tasks and capabilities can be disaggregated and matched. This analysis we offer cursorily in the next section, to be followed by an exploration of problems of disaggregated management that are particularly relevant in contemporary Africa.

2. FRAMEWORK FOR DISAGGREGATING DEVELOPMENT MANAGEMENT

Development management can and should be disaggregated in at least five ways, as follows:

1. Levels at which the management activities occur

2. Channels through which the management is undertaken

3. Sectors where management is to be accomplished

4. Inputs that can be utilized by managers

5. Functions that are performed by managers

In our analysis, we will suggest how each of these presents particular problems and opportunities for improving development management in Africa by taking a disaggregated perspective on the tasks of management.

2.1 <u>Levels of Development Management</u>

Analytically one can identify at least 10 levels at which development management responsibilities may be assigned. These range from the international (supranational) level down to the level of the individual decision-maker (see Figure 1).

Figure 1. Levels of Development Management

1. <u>International</u> Level of Management (Donor Agencies)

2. <u>National</u> Level of Management (Center Government)

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3. <u>Regional</u> Level of Management (State/Provincial Government)

4. <u>District</u> Level of Management (Subdistrict Offices)

5. <u>Subdistrict</u> Level of Management (Subdistrict Offices)

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6. <u>Locality</u> Level of Management (Market Town Area)

7. <u>Community</u> Level of Management (Village Residential Area)
