

**Organization Arrangements
and
Human & Organizational Capacity Building**

for

**Tamil Nadu Empowerment
& Poverty Reduction Project**

Final Report

Submitted to

**Tamil Nadu Corporation for the Development of Women
Government of Tamil Nadu**

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By

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CHAPTER 1. BACKGROUND

Background to the Consultancy

Tamil Nadu Women's Development Corporation is the nodal agency for preparing the proposed Tamil Nadu Empowerment and Poverty Reduction Project (TNEPRP) with support from the World Bank. SRIJAN was awarded the contract for the study on Organizational Arrangements and Human and Organizational Capacity Building.

Objectives

This consultancy assignment has the following objectives:

- (a) Study on Organizational Arrangements, Organizational Options for village/role of PRIs;
- (b) Human and Organizational Capacity Building Assessment.

About the Agency

SRIJAN is a field implementation cum consultancy agency working in four Indian states and also having international assignments. It has eight grassroots action and action research projects in MP, Rajasthan, and Karnataka, improving livelihoods and water resource management for 10000 families. It has 40 full time professionals and a slew of senior consultants. SRIJAN Team for the study included Ved Arya, Ramachandra Rao, Shubham Singh, G Muralidhar and RK Arvind. The team composition was such that it brought rich experience of organizational design and capacity building from other CDD projects, particularly, DPIPs in Madhya Pradesh, Andhra Pradesh and Rajasthan, and Community Based Tank Management Project Karnataka.

Methodology

The study drew from extensive discussions with the Chairperson, and ED, TNCDW, the WB Cell at TNCDW, from observations of the field visits undertaken to districts, discussions with Government staff including the Mahalir Thittam staff, DRDA staff, Block level staff, District Collector, with Panchayat representatives and functionaries. Discussions were held with Training in-charges at Mathi office to know about the present CB programmes under Mathi. We also met the CEO of TNVRC to explore the CB activities undertaken for the partner NGOs. Consultations were also held with the NGO functionaries who are partners with the Mathi Project and with other consultants who are doing other studies for TNCDW. The details of field visits are provided in Annexure 1.

Acknowledgements

We are grateful to the Chairperson and ED, TNCDW, the WB Project cell at TNCDW, Mathi staff at Chennai, the Project Officers of all the district Mathi units where field visits were made, representatives of NGO partners, panchayats leaders and SHG members for making our visits fruitful.

CHAPTER 2

SCOPE OF THE PROJECT

The State of Tamil Nadu has registered impressive growth over the last decade. This is especially true for the human development indicators like female life expectancy, female mortality rate, and access to safe drinking water etc. The state is the fastest urbanizing state in the country. At the same time, the state has one of the higher unemployment rates in the country at 14%, the growth in employment in the last decade has been a mere 0.37%.

The picture emerging from our visits and interactions reveal that a significant proportion of the population is employed as agriculture workers, which has been affected by drought. There is a growing demand for non-agriculture jobs (factory). Landlessness is high. The tribal situation is worse - no land rights for the house, landlessness, dependency on agriculture, or wage labour at brick kiln, high cost of debt (25 rupees on 100 per month).

The Mahalir Thittam project is an example of one of the most successful projects at a state level scale, which was able to reach the poorer sections of the population. It has been able to organize the poor women into self-help groups and panchayat level federations (PLFs) across the state and provided an excellent platform for them. Panchayats have started recognizing these women leaders; some leaders have been elected as ward members and have been able to influence decisions. The project has also demonstrated a successful GO -NGO collaboration benefiting the poor. But there is more to be done.

This project (TNEPRP) focuses on empowering the ultra poor and building sustainable livelihoods for them. It provides an opportunity to the state to pilot strategies for reaching out to the ultra poor and the marginalized in the state and creating viable livelihood options. For such a project to be successful, the people/ staff working in the project, (with government or its partner agencies) need to demonstrate by behaviour attitudes and values of – Empowering, being transparent, inclusive, collaborative (working in teams) and listening to the community.

The implications for human and institutional capacity would be going beyond forming groups and bank linkage, providing jobs for a large number of unemployed educated youth (men and women) who are not interested in working on farms (thus building new skills) and a focus on market linked livelihoods will have to be generated – business development services being one such method. The need would have a sub sector approach to livelihoods, with both forward and backward linkages to ensure the sustainability of livelihoods created.

Scope and Size of the Project

Project will be implemented in 10 to 11 districts based on Human Development Index. These are Dharmapuri, Krishnagiri, Villupuram, Perambalur, Tiruvannamalai, Pudukkottai, Salem, Theni, Ramanathapuram, Thanjavur, Namakkal. HDI range is from 0.584 (Dharmapuri) to 0.636 (Namakkal). A total of 50 development blocks are likely to be chosen in these districts based on the following parameters: percentage of official BPL population, percentage of non irrigated land, and proportion of population of weaker sections (Scheduled Castes and Scheduled Tribes). Likely 150 blocks are to be covered under this five year project. Once the block is selected, it will be operational in all gram panchayats (GPs). It is estimated to reach 1500 GPs. Assuming that there are 500 families in each GP, and approximately 200 are poor, the project will cater to the livelihoods needs of some 300,000 poor families.

Strengths and Weaknesses of TNCDW in light of the project objectives and scope

In light of the project objectives and its scope, a quick analysis of strengths and weakness of the TNCDW would help us in designing the organizational arrangements for the project. The strengths are

- The corporation has been able to achieve a wide coverage of SHGs spread across the state
- A large proportion of groups have been mainstreamed through financial linkages with banks.
- Some orientation on enterprise development and marketing have been provided to the SHGs
- Training inputs have been provided on a very large scale, both for strengthening groups and building vocational skills and entrepreneurial development
- NGOs and TNCDW have a mutually rewarding relationship

Some weaknesses of TNCDW in light of this empowerment and livelihoods focused project are:

- No vision beyond formation of groups and bank linkage as the focus of the earlier projects were on community mobilization alone.
- Not all the poor and ultra poor are covered under the SHGs.
- Not all NGOs have performed well and many strong NGOs of the state are not partners with TNCDW
- A holistic livelihoods perspective is missing. The livelihoods activities promoted and those for which trainings have been provided reflect a traditional understanding/ thinking of livelihoods.
- This could be due to the fact that many partner NGOs need a modern livelihoods perspective
- At present, TNCDW has very little collaboration with the PRIs.

PART II

ORGANIZATIONAL STRUCTURE

CHAPTER 3

ORGANIZATIONAL STRUCTURE

We suggest a three-tier structure (plus a cluster level facilitation team) for the implementation of the Project. At each level we then suggest the various options and their pros and cons.

State Level

There are three options for establishing a state level unit:

1. To create a special project cell within TNCDW - state livelihoods and empowerment cell (SLEC)
2. To register a separate society for implementing the project - rural livelihoods and empowerment corporation (RLEC)
3. To Revamp TNCDW completely to refocus on Livelihoods and Empowerment

All the three options were suggested with pros and cons and discussed with the TNEPRP Team. Based on the discussions, the third option was selected with some changes which is presented below (the details of the other two options can be found in the interim reports)

To Revamp TNCDW completely to refocus on Livelihoods and Empowerment

The advantages of this option are: (i) The existing legal entity could continue, but with a changed mandate – vision is livelihoods inclusive of poor men and panchayats not just women’s groups. We have seen that the demand for jobs from rural areas has increased over the years and the SHGs have hit a plateau. This agency could then be the nodal agency for promoting rural livelihoods in the state and could develop a vision and strategy for the entire state. In such case, the project could be seen as a learning ground to test various ideas, strategies for promoting livelihoods among the poor. (ii) Since the organization is the same, the link with groups and PLF as well as NGOs and Banks continues. (iii) A change in mandate could be used to revamp internal administrative structure to make it a “lean and focused” unit. (iv) It could bring staff on deputation as per project requirement and establish new culture, salary structure and performance incentives.

Some of the disadvantages of the option are: (i) A change in mandate may need political support; (ii) The effort required in revamping can be substantial.

District Level

The options selected at the district level was as per the state unit option – that of revamping the District Level MaThi Office for TNEPRP.

Present MaThi District Project Unit should be revamped as TNEPRP DPIU.

The advantages of such an option are:

- Staff can be specially selected from government as well as non-governmental organizations based on project needs (criteria of selection: age group, attitude, and relevant experience)
- A “lean and efficient ” unit can be created for the project
- Being an independent unit with a mandate, it would be easier to orient them to the project its core values, culture

- A unit solely for the project would mean speedier and flexible program implementation
- The unit could do with little infrastructure

Cluster Level

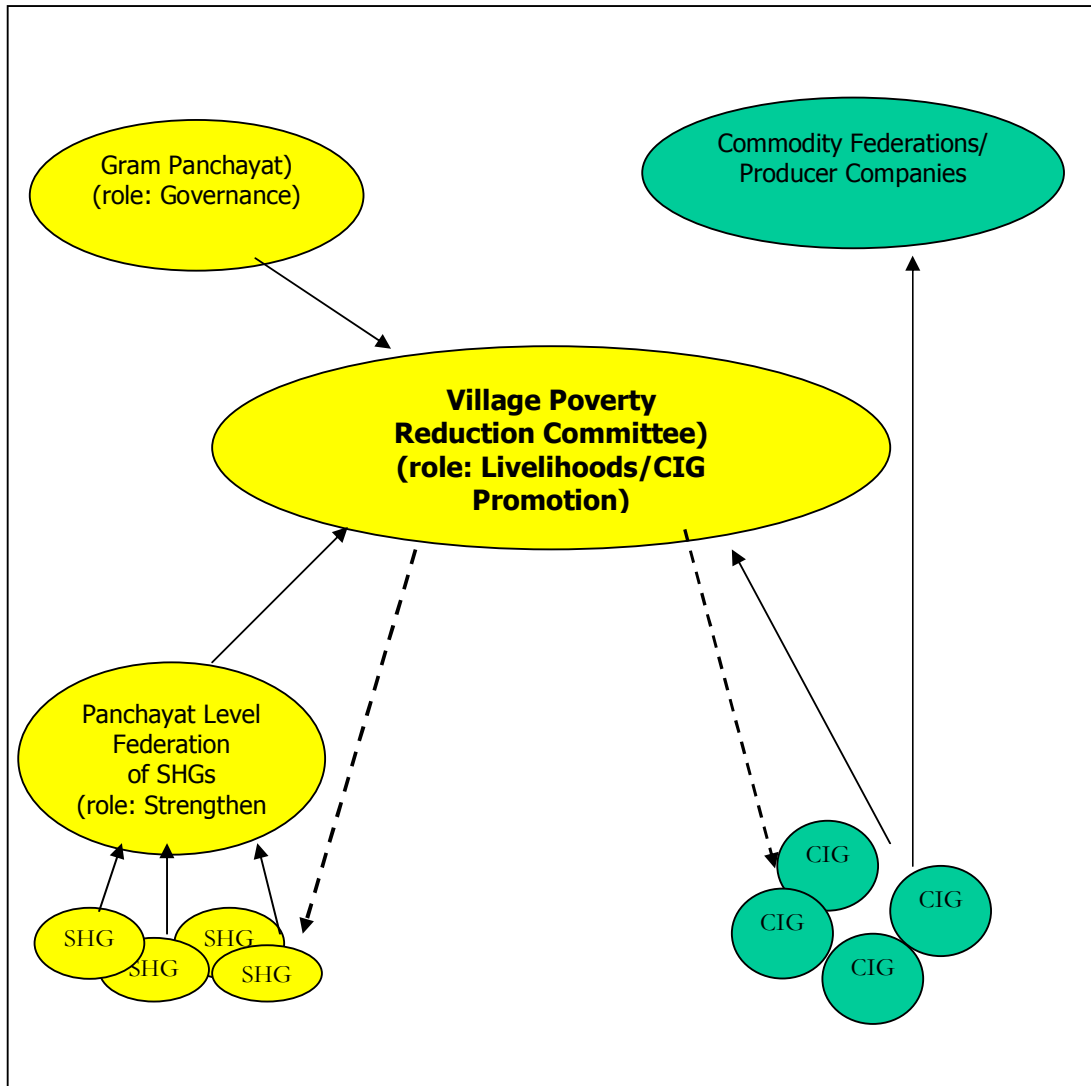
We suggest a Cluster level Project Facilitation Team to provide technical and professional support to the village level organizations. It would act as a liaison between the VPRCs/ CIGs and the District Units. Their roles would be to support the CIGs and SHGs in identifying bankable livelihoods projects, help in preparing proposals, identify linkages for the sustainability of the projects, build the capacity of the village level organizations like VPRC, PLF, CIGs etc.

The team would be responsible for a cluster of 10 panchayats. Thus there would be 2-3 such teams in a Block and about 150 PFTs in the project. Since a lot of innovations is expected (in terms of new activities, market linkages etc), it is suggested that they should be not be pressured to "achieve targets" for projects. Experiences from other EPRP projects show that due to the pressure of meeting targets, activities are chosen en-masse, with minimum efforts towards understanding the markets, new products etc.

This team could be hosted by selected NGOs or by government employees, after going through a rigorous recruitment and selection system to match the "fit" with the project.

At the Village Level

The structure at the village level is represented in the diagram below.



The project would be implemented through a Village Poverty Reduction Committee (VPRC) formed at the village level. This committee would comprise of four ex officio members from **GP, VEC, VWSC, PLF**. **The GP president could be the chairperson of VPRC** and the PLF secretary the treasurer. The bank account could be operated by two members from among the SHG representatives. One representative from each habitation (preferable an SHG member from that hamlet) should be a member of the VPRC.

The size of VPRC should be between 10 to 20 members. At least 30% should be from the SC/ST community. The tenure of the members would be two yrs with 1/3rd retiring every year. The VPRC could constitute sub committees to manage some of their functions.

The main activities undertaken by the VPRC would include: (i) Mobilizing the poor into groups; (ii) Strengthening of the groups; (iii) Developing Livelihoods Plan – Vulnerability Sub Plan; (iv) Support the Livelihood Plan – Resources – Finance & Human, Management, Capacity Building, Monitoring and Evaluation; (v) Appraisal, Sanction of the Subprojects and Funds Release; (vi) The costs of VPRC for the first year would be borne by the project. From

the second year onwards, the income from PLF should be able to meet the expenses. A Social Audit Committee of Gram Sabha would be constituted to review and present the progress of the activities of VPRC

Village Level Options

The Key responsibility at the village level under the project are:

- Mobilizing the left out poor (focus on the poorest) into SHGs ;
- Strengthening of the groups;
- Developing Livelihoods Plan – Vulnerability Sub Plan;
- Appraisal, Sanction of the Subprojects and Funds Release;
- Support the Livelihood Plan making available Resources – Financial Human and Managerial
- Capacity Building, Monitoring of projects;

Whatever option is chosen, the body promoted should be able to perform these roles equitably.

Option 1 : Promoting a VPRC – Village Level Poverty Reduction Committee as an independent registered body

Advantages :

- Broader representation from all sections including the poorest
- Representation also from various committees already in existence in the village
- Less chances of being dominated by the panchayat or the PLF

Disadvantages:

- Another organisation being promoted in the village – which already has a plethora of bodies.
- Getting all stakeholders interested would be a challenge. Those whom the project does not benefit might create hurdles in its functioning.
- Leadership of VPRC – repetitive as already the “good” leaders have been selected in various committees/ bodies – like the PLF etc. therefore could end up having “proxy” leaders or leaders serving on other committees as well (issues of their time commitment and conflict of interest)
- Being a new institution – a lot of effort has to be devoted to building its capacity to function as a representative body at the village level
- The body is being created solely for the project. It would have no role beyond the project. why then invest so much resources on it ?
- Legal form of VPRC – since it will deal with project funds, it would require separate management implying costs as well as trained personnel to do so.
- Collaboration with GP and other govt schemes would require huge efforts

Composition :

This committee would comprise of four ex officio members from **GP, VEC, VWSC, PLF. The GP president could be the chairperson of** VPRC and the PLF secretary the treasurer. The bank account could be operated by two members from among the SHG representatives. One representative from each habitation (preferable an SHG member from that hamlet) should be a member of the VPRC.

The size of VPRC should be between 10 to 20 members. At least 30% should be from the SC/ST community. The tenure of the members would be two yrs with 1/3rd retiring every year. The VPRC could constitute sub committees to manage some of their functions.

Option 2 : VPRC as a sub-committee of the Gram Panchayat

Alternatively the VPRC could be promoted as a sub committee of the GP.

Advantages

- It will have organic links with the GP and hence collaboration with govt schemes becomes easier
- The sub committee option allows for other non GP members to become committee members thus broad basing the VPRC to ensure greater equitability.
- Legal sanction for creating sub committees under GP already exists.
- Speedier implementation of the project as being a part of the PRI system, requires limited financial transactions and accountability is within the set official lines.

Disadvantages

- Another organisation being promoted in the village – which already has a plethora of bodies
- Being a new institution – a lot of effort has to be devoted to building its capacity to function as a representative body at the village level
- The body is being created solely for the project. It would have no role beyond the project. Alternately, its role could be expanded to include all poverty alleviation programmes coming to the village (akin to the social development sub committee in some panchayats in Ramnad district)

Option 3:

Livelihood Funds routed through existing PLFs; infrastructure funds routed directly through GP

PLFs have been promoted by MaTHi in almost all the districts. Their capacities however are questionable as concerted effort have not been made. But since the project seeks to fund all livelihood projects through SHGs (except projects by the vulnerable section), the PLF could be the village level body under the project

Advantages:

- Natural progression from the MaTHi project
- Already in existence – therefore need not be “formed” anew
- There already is some recognition among the villagers about the PLF
- Some structure, roles and responsibilities already defined. Therefore would be easy to build on.
- It is a body of the SHG, managed by their representatives, hence could be seen as impartial
- It could be sustained even after the project is over and continue to provide support services to the SHGs.

Disadvantages:

- Does not represent the entire village. Hence apart from the SHGs, others would have no say in the projects
- In cases under MaThI in a particular area are formed with the "not so poor", there is a chance of the PLF being dominated by them and hence the project sanctioning could be inequitable, ignoring the "poorest" (even after their groups have been included as members of PLF)
- The present PLFs represent only the MaThi groups and not all the SHG in the village promoted outside MaThi project (by the same partner NGO or other NGOs working in the village). There is a potential problem here. To illustrate, if the wealth ranking lists as poorest those families, which are not a part of MaThi groups, but are in SHGs promoted by other NGOs, then how do we include these? Would the boundary of the PLF be enlarged to represent all the SHGs in the village, irrespective of the promoter? In such a case would the PLF be a cohesive body? If it is reorganized would it not be as good or bad as promoting a "new body"?

In case of infrastructure funds, since the project envisages the GP to take an active role (with the key responsibility), the best option is to route the funds directly through the GP. Being a part of the PRI system, it would be easier to meet the financial requirements. The main disadvantage in this option is ensuring proper and equitable utilization of the funds. To overcome this, a Gram Sabha resolution could be made mandatory before any infrastructure project is sanctioned.

Criteria for selection of infrastructure projects could be broadly laid. Only those projects which are directly linked with productive investment and hence to livelihoods may be approved. The PLF (as a representative body of the SHGs could also be given a say in deciding the project).

The maintenance and management of the infrastructure created should be thought of at the start of the project itself (as part of the proposal for infrastructure projects).



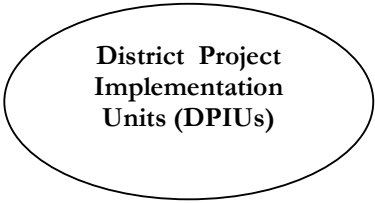


Annexure I exhibits the various options in a framework highlighting the key features and issues in each of the options.

Recommendation :

We suggest that all the three options could be experimented with in the pilot phase (like in the Tank rehabilitation project in Karnataka). Based on the experiences, these options could be modified or reduced. It could also be left open for the village to decide themselves.

PLFs

The PLFs which already exist, would play the role of the financial intermediary. Project Funds for livelihoods would be given to them by the VPRC for on-lending to the SHGs. The key responsibilities of the PLF would include: (i) Inclusion of the left out poor by forming new groups; (ii) Strengthening the SHGs; (iii) Screening the applications for sub projects and forwarding to VPRC for approval; (iv) Sanction of loan amount after approval from VPRC; (v) Monitoring the livelihood sub projects; (vi) Monitoring the end use of the loan and ensuring repayment; (vii) Induction of all the new/existing groups; (viii) Support economic enterprises of the poor; (ix) Management of corpus.

LEVELS ROLES	COMPOSITION	KEY
STATE LEVEL	<ul style="list-style-type: none"> ▪ Development Commissioner ▪ Secretary, Social Welfare ▪ Secretary, Rural Development ▪ Secretary, Finance 	<ul style="list-style-type: none"> ▪ Guidance from and coordination with broader government policies and priorities
	<ul style="list-style-type: none"> ▪ Project Director ▪ Subject Specialists ▪ Support Staff 	<ul style="list-style-type: none"> ▪ Overall Project Management
	DISTRICT LEVEL	<ul style="list-style-type: none"> ▪ Support to PFTs in livelihoods promotion and institutional linkages as well administrative and financial responsibility that would involve approval and sanction of projects, monitoring of projects,
	<ul style="list-style-type: none"> ▪ District Project Manager ▪ Specialists <ul style="list-style-type: none"> • Business development • Vulnerable Groups • Finance & MIS • Capacity building • Monitoring and Evaluation ▪ Support Staff 	<ul style="list-style-type: none"> ▪ Team Leader ▪ Specialists in <ul style="list-style-type: none"> • Livelihoods (preparation of projects & marketing) • Infrastructure • Vulnerable/ Disability Groups • Finance & MIS ▪ Support Staff
CLUSTER LEVEL		<ul style="list-style-type: none"> ▪ The role would be to provide technical and institutional support to the VPRCs in 30- 35 villages in identifying, designing projects ▪ Capacity Building Support to the VPRC, PLFs, SHGs and CIGs
VILLAGE LEVEL		<ul style="list-style-type: none"> ▪ Members from PRI, PLF, SHGs, and other functional committees in the village
<ul style="list-style-type: none"> ▪ Identification of beneficiaries & projects ▪ Approval of projects and investments ▪ Monitoring of projects 		

CHAPTER 4.
KEY ROLES & RESPONSIBILITIES OF STAKEHOLDERS

Below we give composition of the team and Key roles and responsibilities of stakeholders for each organizational entity.

	Stakeholders	Core Staff/ Composition	Key Roles and Responsibilities
1	State Level PMU	<ul style="list-style-type: none"> • Business development Managers (3) Marketing, Partnerships, Activity Federations • Communication • Training • Finance & Accounts + support team • Credit+ micro insurance • Monitoring & Evaluation (+MIS) • • HRD (could also be outsourced) • Vulnerable Plans – disability • NGO partnership • Livelihoods specialist including familiarity with agriculture, and non-farm • Gender 	<p>It will be a multi disciplinary team of professionals, which would facilitate implementation by providing the necessary guidance to all the stakeholders. It would provide technical support (subject specialists) to the district and the cluster teams.</p> <ul style="list-style-type: none"> • Provide an enabling environment for the project • Ensuring smooth fund flows • Monitor project implementation. <p>Tasks would include</p> <ul style="list-style-type: none"> ▪ Source and hire staff at state and district level ▪ Identifying and positioning facilitating agencies at clusters ▪ Inducting the project staff and PFT members ▪ Appointing resource organizations for Institution and capacity building, Livelihoods, Communications and Monitoring & Evaluation etc. ▪ Constituting advisory groups ▪ Developing modules for campaigns, communications, capacity building (at various levels) etc. ▪ Developing the process flows for key activities of the project ▪ Managing the livelihoods funds for innovative ideas ▪ Providing incentive fund to pro-poor panchayats ▪ Financial management at state level ▪ Plan, Coordinate, Review, Monitor and disseminate lessons ▪ Facilitate the policy environment in favour of institutions of the poor and enhance pro-poor orientation in governance at various levels. ▪ Convergence and partnership support
2	District Project	<ul style="list-style-type: none"> • P.O - 8-10 yrs experience 	

	Stakeholders	Core Staff/ Composition	Key Roles and Responsibilities
	Implementation Unit DPIU	<ul style="list-style-type: none"> • Finance Manager • Monitoring Evaluation cum Documentation • Capacity Building – Training & Communication • Business development Manager - Marketing • Business development Manager – Partnerships and linkages • Business Development Mangers –activity based federations (ABFs) 	<ul style="list-style-type: none"> • Strategic planning for the dist – Dist Vision Document – catalyst’s role rather than a management role • Identifying NGOs to host PFTs and DCBOs • Communication • Technical scrutiny of the livelihoods projects through appraisers • Identification and management of resource agencies/groups for various aspects of the projects • Fund Management - Prepare annual budgetary requirements at the district • Problem solving, sorting disputes which arise among the SHGs/ PLFs, PFTs if any. • Organizing training programmes for the SHGs, PLFs, VPRCs, and ABFs • Coordinate and support PFTs and DCBOs • Development of Livelihood resource and training centres • Monitoring of the programme – consolidation of all MIS, reports <p>The team would continue to work with existing programmes of MATHI.</p> <ul style="list-style-type: none"> • (Present staff strength : 1 PO + 3 APOs + 11 support staff = 15 in total)
	A district advisory committee, under the DC, could be formed for convergence with other Govt departments, sharing the progress under this project. This could meet once in two months. Apart from the dept heads at the district, the committee could include elected representatives (ZP, TP or GP), lead NGOs and PLF representatives.		
3	<p>PFT (for promoting Livelihoods)</p> <p>PFTs will work in a cluster of 10 panchayats (each block could have 2-3 such teams – thus 150 PFTs in the project overall)</p>	<p>Specialists in</p> <ul style="list-style-type: none"> • Social mobilization – PG • Agriculture / Horticulture • Marketing/ management – Linkages/ • Banking • Animal Husbandry • Engineering / Economics – non farm • Accounts cum documentation cum MIS 	<p>Three Key objectives of the assignment:</p> <ul style="list-style-type: none"> • Community mobilization and organisation – including identification and inclusion of left out poor into SHGs, strengthening of PLFs as MFIs and formation and strengthening of VPRCs • Provide all technical, managerial and other related support to SHGs for implementation of livelihoods projects during various stages of the project cycle - planning, implementation and post implementation. • Capacity Building of the various stakeholders – VPRC, PLFS and SHGs <p>Specific Activities would be to:</p> <ul style="list-style-type: none"> ▪ Promote SHGs to cover left out poor ▪ Promote VPRC

	Stakeholders	Core Staff/ Composition	Key Roles and Responsibilities
			<ul style="list-style-type: none"> ▪ Develop Livelihoods sub projects along with the SHG members ▪ Promote Activity Based Federations (ABFs) and forward and backward linkages ▪ Conduct Market analysis and Feasibility analysis of the proposed activities, ▪ Facilitate developing market linkages for sustainability of the activities ▪ Periodic monitoring of the activities undertaken ▪ Capacity Building of the SHGs, PLFs and VPRC in fund management, project monitoring ▪ Capacity Building of ABFs in effective forward and backward linkages ▪ Monitoring & Learning
4	VPRC (Village Poverty Reduction Committee)	President of GP will be ex-officio Chairperson of VPRC and PLF secretary be its Treasurer. Secretary can be elected from among the members. Members would be elected from SHGs in each habitation and nominated members from various village committees (VWSC etc). Tenure will be two years for the first committee. Members of CIGs would be inducted and one third members will retire every two years.	<p>Key tasks would be</p> <ul style="list-style-type: none"> ▪ To appraise and sanction livelihoods sub projects submitted by the SHGs, ▪ Periodic monitoring of the projects and reporting to the community on their progress ▪ Conflict resolution
5	PLF	Representatives from SHGs	<ul style="list-style-type: none"> ▪ The key responsibility would be to support the SHGs (maintenance function), ▪ Promote new SHGs of ultra poor (along with the PFTs) ▪ Releasing of loans, recovering of loans for livelihoods sub projects. ▪ Liaising with Panchayats, line departments ▪ ▪ Dissemination of information ▪ Establishing Bank linkage
6	SHGs CIGs	Existing SHG New SHGs of Ultra poor	<ul style="list-style-type: none"> ▪ They would identify the livelihoods activities and prepare the proposal and implement the project with the support from the PFTs. ▪ Disbursement of loans to the individual members ▪ Promotion of group IG activities Collection of repayment and reimbursing to the PLFs
7	Activity Based Federations	Representatives of activity based groups in villages	<ul style="list-style-type: none"> ▪ Based on economies of scale principle organize inputs, services, marketing

	Stakeholders	Core Staff/ Composition	Key Roles and Responsibilities
	(ABFs) for specific livelihoods		<p>and credit linkages for member activity groups</p> <ul style="list-style-type: none"> ▪ Identify and train service providers and para professionals in various sub sectors ▪ Promote savings and credit habit among cluster of activity groups ▪ Establish a corpus to promote and further strengthen the sustainability ▪ Identify opportunities for value addition activity through a value chain analysis and then skill training and setting up processing and trading facilities

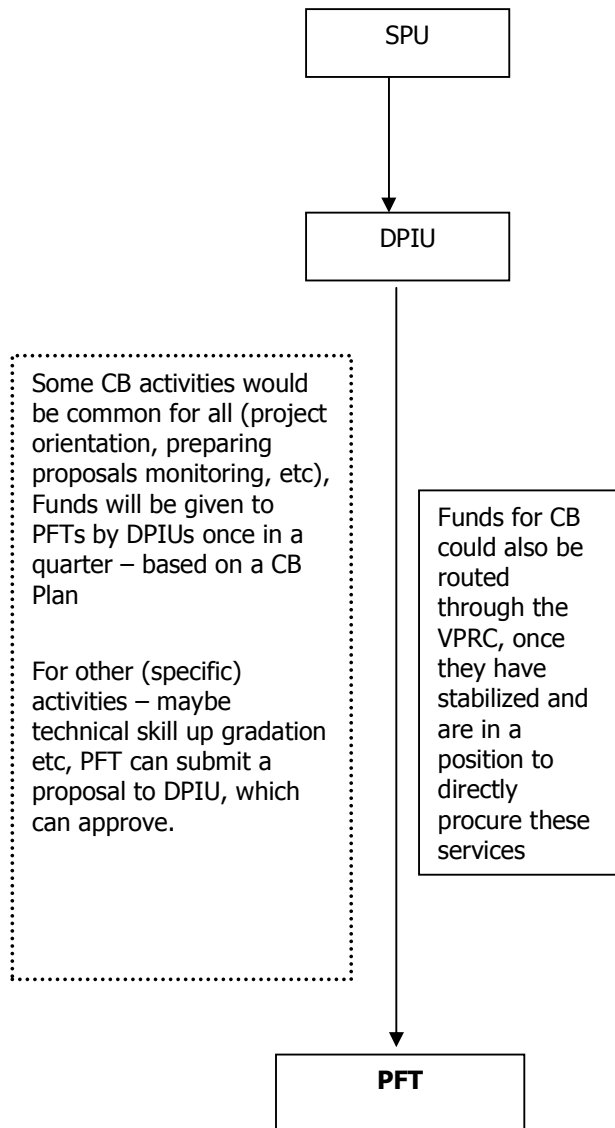
Apart from these, the project should create a capacity building resource group (CBRG) on a regional basis (covering 2-3 districts). There could be resource persons for capacity building of the community organizations promoted and another team for livelihoods. The latter could have technical experts who could be called upon based on the demand for capacity building under specific livelihood sub projects.

CHAPTER 5.

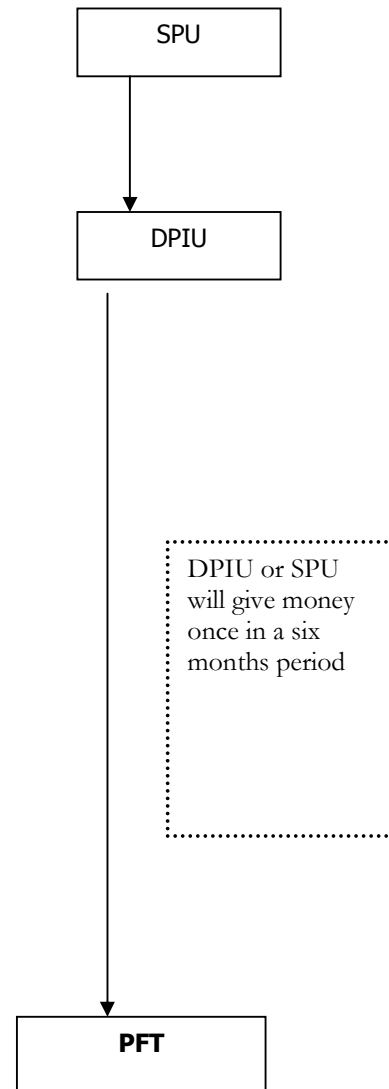
PROCESS & FUND FLOW FOR THE PROJECT

The state level PMU would release the funds to the district teams based on the budgets prepared by the latter.

For CB Activities Admin



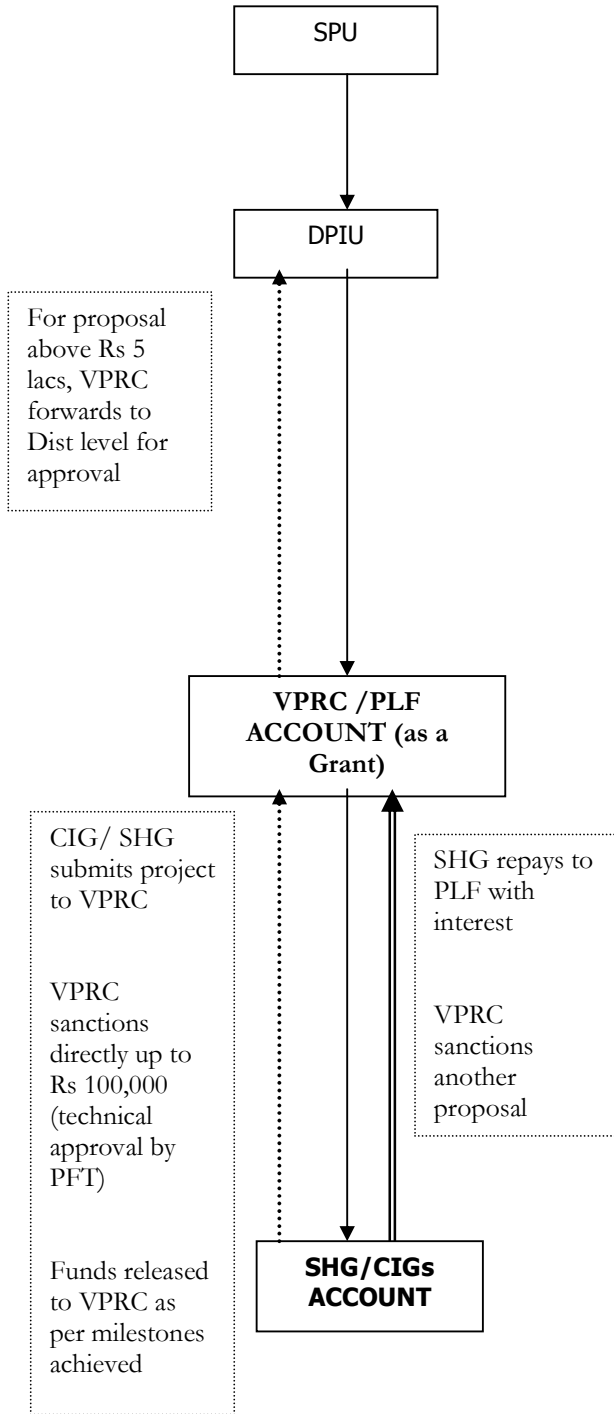
For Salary &



PROJECT FUND FLOW

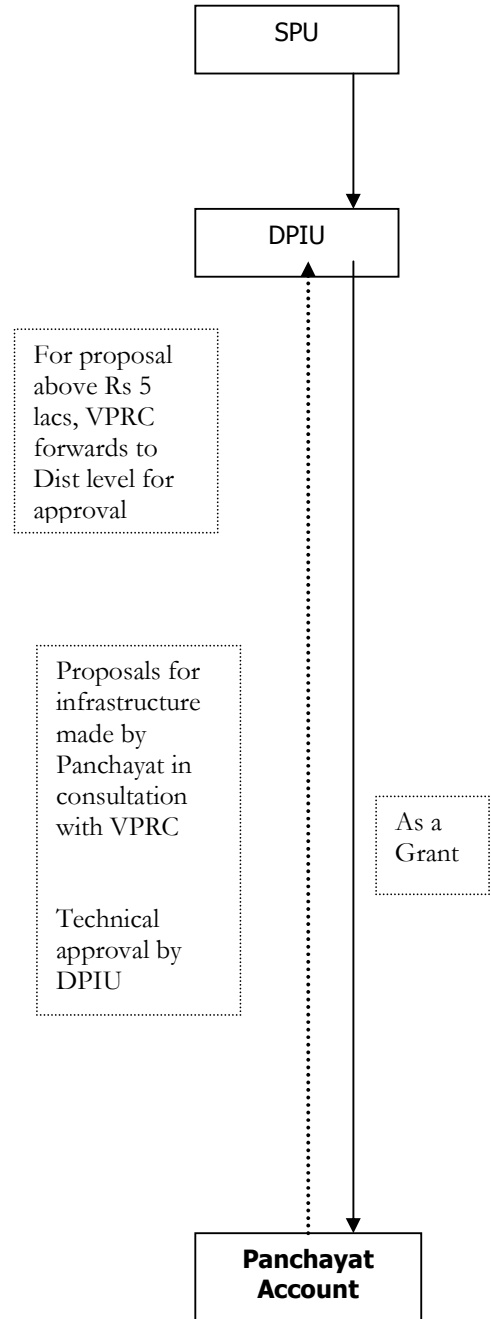
For Livelihoods Projects

Panchayats)



For Infrastructure

(Good performing)



PART III

HUMAN RESOURCES DEVELOPMENT

CHAPTER 6
PROFILE OF HUMAN RESOURCES AT STATE LEVEL

The State Project Management Unit would coordinate the project. They would build an environment and culture of functioning, which promotes the project objectives. They would coordinate with the district facilitation units and provide technical support. Support functions of project level finance and accounts management, procurement and disbursements would also be the responsibility of the state unit.

The unit would comprise of an Executive Director, supported by a team of specialists and support staff to manage the project. The table below presents the profile of the staff required at the state level.

S No	Designation	Minimum academic qualification	Minimum experience	Source of Recruitment
1.	Executive Director	IAS	A minimum of 12 years in government, should have served as a District Collector at least in one district	Govt. Sector
2.	Business Development Manager - Marketing	MBA	8-10 years experience in Marketing field and experience in NGO sector	Open market
3.	Business Development Manager - Partnership	MBA	8-10 years experience of business promotion in NGO sector	Open market
4.	Business Development Manager - Federation	PG degree in Social science/ social work/ rural management	8-10 years experience in cooperatives, SHG Federations, NGO sector	Open market
5.	Communication Specialist	PG Degree in Mass Communication or Social Science	8-10 years experience Mass communication, NGO sector	Open market
6.	Training specialist	PG degree in Social science	8-10 years experience TOT/EDP/CD/empowerment Training in NGO sector	Open market
7.	Finance Manager	CA	8-10 Years experience in Accounts Management Experience in WB Projects	Govt. Sector
8.	Micro Finance Specialist	M.Com	8-10 years experience in SHG,EDP, Banking service	Open market
9.	Monitoring and Evaluation specialist	PG degree in statistics/ economics	8-10 years experience in Project Monitoring & evaluation	Open market
10.	MIS Specialist	PG Degree in MIS/Research Computer Science	5 years experience in MIS Work	Open market
11.	Participatory Management	PG in Social Work	8 -10 years in Participatory Management work in NGO	Open market

S No	Designation	Minimum academic qualification	Minimum experience	Source of Recruitment
	specialist		field	
12.	Vulnerable Development Specialist	PG in Social Work	8 -10 years in development of SC/ST/disabled in NGO field	Open market
13.	NGO Coordinator	PG in Social Work	8 -10 years in NGO field as senior position, experience in donor agency will be favoured	Govt. Sector
14.	Agri. Specialist – Horticulture	M.Sc. in Agri specialised in Horticulture	5 years Experience in Horticulture	Govt. Sector
15.	Agri. Specialist – Livelihood	M.Sc. in Agri specialized in Extension Computer Science	5 years Experience in Extension/ promotion activities	Govt. Sector
16.	Agri. Specialist/ Veterinary service	M.Sc. in Agri	5 years experience in Agriculture/ Veterinary service	Govt. Sector
17.	Gender Specialist	PG Degree in Social Work, women’s studies	8 – 10 years experience empowerment/women development activities	Govt. Sector
8	Administrator			Govt. Sector
19	Accounts Assistant	B.com	3 years experience in Accounts & Book keeping	Govt. Sector
20	Stenographer (8)	Secretarial Practice and Computer Science	1-2 years experience as stenographer	Govt. Sector
21.	Drivers (4)			Govt. Sector
22.	Attendants (8)			Govt. Sector

Proposed Salary Structure of staff at SPMU

S.No.	Designation	No. of Posts	Monthly Salary
	Executive Director	1	30,000-00
I	Livelihood Section		
	Business Development Manager	3	20,000-00
	Agriculture Specialist	3	18,000-00
	Micro Finance Specialist	1	18,000-00
II	HRD & Capacity Building Section		
	Communication Specialist	1	18,000-00
	Training specialist	1	20,000-00
	Participatory Management specialist	1	20,000-00
	Vulnerability Specialist	1	18,000-00
	NGO Coordinator	1	18,000-00
	Gender Specialist	1	20,000-00
III	Monitoring & Evaluation Section		
	Monitoring and Evaluation specialist	1	20,000-00
	MIS Specialist	1	14,000-00

S.No.	Designation	No. of Posts	Monthly Salary
IV	Accounts & Administration		
	Project Manager (Personnel & Admin)	1	20,000-00
	Finance Manager	1	20,000-00
	Procurement Specialist	1	20,000-00
	Senior Accountant	1	20,000-00
	Secretary	1	12,000-00
	Stenographer (8)	8	7,500-00
	Drivers (4)	4	5,000-00
	Attendants (8)	8	4,000-00

CHAPTER 7

Profile of Human Resources at District Level

The District Project Implementation Unit would be an extended arm of the state unit. It would create a working culture and environment to promote the project objectives. It would provide technical support to the PFTs (Project Facilitation Teams) and coordinate with them in planning for livelihoods projects, appraisal of projects, capacity building and monitoring and learning at the district level. It would also disburse grants to the VPRC for livelihoods and infrastructure investments.

The composition of the District unit would reflect that at the state level. A District Project Manager would lead a team of specialists and support staff. We suggest that the team be lean and should outsource most of the support functions (Xerox, fax etc).

The DPIU could be a seven-member team. We suggest that the team could be a mix of the "selected" Mathi staff already present at the district level along with some staff with experience in livelihoods. These could be from the government departments or could be contracted from the market (from reputed institutes, Chambers of industry etc).

The team could be composed of specialists from the following background.

S No	Designation	Minimum academic qualification	Minimum experience	Source of appointment
1.	District Project Manager	PG in Any discipline	10 Years experience as senior position	Govt. Department
2.	Business Development Manager - Marketing	MBA	5 years experience Marketing field and experience in NGO sector	Open market
3.	Business Development Manager - Partnership	MBA	5 years experience business in NGO sector	Open market
4.	Business Development Manager - Federation	PG degree in Social science	5 years experience SHG Federations, NGO sector	Open market
6.	Training specialist	PG degree in Social science	5 years experience TOT/EDP/CD/empowerment Training in NGO sector	Open market
7.	Finance Manager cum Administrator	M.Com	5 Years experience in Accounts Management Experience in WB Projects	Govt. Sector
8.	Micro Finance Specialist	M.Com	5 years experience in SHG,EDP, Banking service	Open market
9.	Participatory Management specialist	PG in Social Work	5 years in Participatory Management work in NGO field	Open market
10.	Vulneribility able Development Specialist	PG in Social Work Computer Science	5 years in development of SC/ST/disabled in NGO field	Open market
11.	Agri. Specialist – Horticulture	M.Sc. in Agri specialised in	5 years Experience in Horticulture	Govt. Sector

S No	Designation	Minimum academic qualification	Minimum experience	Source of appointment
		Horticulture Computer Science		
12.	Agri. Specialist – Livelihood	M.Sc. in Agri specialised in Extension Computer Science	5 years Experience in Extension activities	Govt. Sector
13.	Gender Specialist	PG Degree in Social Work Computer Science	8 – 10 years experience empowerment/women development activities	Govt. Sector
5.	MIS cum Documentation Specialist	PG Degree Social Science Computer Science	3 years experience MIS	Open market
14.	Accounts Assistant	B.com	3 years experience in Accounts & Book keeping	Govt. Sector
15.	Stenographer (2)	Secretarial Practice and Computer Science	1-2 years experience as stenographer	Govt. Sector
16.	Drivers (2)			Govt. Sector
17.	Attendants (2)			Govt. Sector

Proposed Salary Structure at the DPIU

S.No.	Designation	No. of Posts	Monthly Salary
1.	District Project Coordinator	1	25,000-00
2.	Business Development Manager - Marketing	3	18,000-00
3.	Training specialist	1	18,000-00
4.	Finance Manager cum Administrator	1	18,000-00
5.	Micro Finance Specialist	1	12,000-00
6.	Participatory Management specialist	1	18,000-00
7.	Vulnerable Development Specialist	1	12,000-00
8.	Agriculture Specialist	2	12,000-00
9.	Gender Specialist	1	18,000-00
10.	MIS cum Documentation Specialist	1	10,000-00
11.	Accounts Assistant	1	10,000-00
12.	Stenographer (2)	2	5,000-00
13.	Drivers (2)	2	5,000-00
14.	Attendants (2)	2	4,000-00

CHAPTER 8.
Profile of Human Resources at Cluster (PFT) Level

The Cluster level Project Facilitation Team would provide technical and professional support to the village level organizations. It would act as a liaison between the VPRCs/ CIGs and the District Units. Their roles would be to support the CIGs and SHGs in identifying bankable livelihoods projects, help in preparing proposals, identify linkages for the sustainability of the projects, build the capacity of the village level organizations like VPRC, PLF, CIGs etc. Their Key responsibilities would be

- Social mobilization – to cover the left out poor and forming new SHGs where needed, formation of VPRC, promoting and strengthening PLFs
- Livelihoods promotion – identification of sub projects, feasibility studies including market study and market linkages
- CB role – VPRC, PLF and activity based groups, federations.

The team could comprise of a team leader (with social mobilization experience) and specialists for project preparation (for livelihoods as well as infrastructure) and linkages etc. This could be a five to seven members' team of professionals including support staff. This team could be sourced from open market (including NGOs) or could be formed from within the government staff that is interested in the project.

In case of latter, certain conditions are necessary for their success - Project/Deputation allowance, Long term contract, Mobility Allowance, Office – yearly budget, telephone etc

The team could be composed of specialists from the following background.

S No	Designation	Minimum academic qualification	Minimum experience	Source of appointment
1.	Team Leader	Post Graduation in in Social Work/ Management	5 Years experience in NGO sector	Open Market
2.	Horticulture /Agriculture Specialist	M.Sc. in Horticulture	1-2 years experience in Horticulture Extension activities	Open Market
3.	Livelihood specialist	Management/ Technology	1-2 years experience in NGO sector	Open Market
4.	Micro Credit specialist	Management/ Economics/Social Work	1-2 years experience in SHG, IG activities	Open Market
5.	Marketing Officer	Management/ Economics	1-2 years experience in Marketing sector	Open Market
6.	Accounts cum documentation Specialist	M.Com. plus course in computer applications	1-2 years experience in Accounts & Book keeping	Open Market

The proposed salary structure at the PFT is indicated below.

S.No.	Designation	No. of Posts	Monthly Salary
1.	Team Leader	1	10,000-00
2.	Agriculture Specialist	1	7,000-00
3.	Livelihood specialist	1	7,000-00
4.	Micro Credit specialist	1	7,000-00

S.No.	Designation	No. of Posts	Monthly Salary
5.	Marketing Officer	1	7,000-00
6.	Accounts cum documentation Specialist	1	5,000-00
7.	Office Assistant cum stenographer	1	4,000-00

The total salary costs of the PFT would be Rs approx Rs 30,00,000 for a period of five years. Apart from these, liberal budget for travel, office maintenance (recurring and non-recurring expenditure such as computers and furniture) and techno-mangerial support fee for NGO leadership and senior staff should also for the host NGO (10%) could also be included.

Monthly SOE based system or six monthly advance The latter has worked well in a number of projects while monthly SOE system creates a huge accounting load both on field implementation unit as well as on the district and state management units.

CHAPTER 9 RECRUITMENT & SELECTION FOR PROJECT MANAGEMENT STAFF¹

Staff Turnover

In many large projects of this nature, staff turnover has become a major worry. This project too envisages working with a large number of partners (almost 150 partners and 800-900 staff). Our experience in similar projects elsewhere shows that due to a lack of an enabling working environment, the turnover of staff is very high – more than 30% (almost 50% in Karnataka). This has a dual impact on the project –

- a) The capacity building efforts are wasted (waste of valuable project time as well as financial resources) as the person who underwent the training programmes leaves the project. New programme had to be conducted for staff that joins subsequently.
- b) Many a times, the new recruit is not oriented and trained (as turnover is continuous and the project cannot train persons separately), or the training is delayed to get a minimum batch for training, which could have impacted the quality of the programme itself. Moreover, since s/he does not get trained, they find it difficult to cope with the pressures of the project and they too leave.

Recruitment & Selection

A rigorous staff **recruitment & selection** process should be in place to ensure the “best fit” of personnel and the project. This requires provision of a challenging role coupled with attractive salary and benefits packages. The size of the total personnel required for the project would be a challenge. In terms of numbers, the project is planning to engage 150 PFTs. If each team comprises five to six professionally skilled persons, the project is looking at selecting and training 1000 professionals if we also include the district level facilitation teams.

What should be the key qualification and experience of these personnel? Our experience in Karnataka was - although the project laid down certain minimum qualification and experience criteria for the staff, they had to be relaxed as most of the partners were unable to find candidates with the requisite experience and qualification.

Thus the staff should have some work experience apart from the professional qualifications.

Sources from which these staff could be recruited in Tamil Nadu?

Recruitment could be from the open market, academic campuses, and NGOs.

Operationalising the R&S system:

1. Preparing staffing requirements (indicated in the report) – number and specialization/ qualifications at State/ Dist levels (should include job description, terms of employment – including the remuneration, incentives etc).
2. Deciding source – whether only govt. employees (other depts./ corporations etc) or from the market as well
3. Design a R&S system for the project (maybe a R&S Manual)

¹ Selection of NGOs for hosting PFTs is dealt in Part IV of the report

The design of the selection process depends on a number of factors. The most important of these are the characteristics of the people to be selected. The tools to be adopted for selection would vary with the kind of people we want.

An equally important part of the selection process design is the training of those who have been called to select the candidates – the Panelists. If the Panelists are not trained, then the reliability and accuracy of the instruments will be affected, vitiating the selection process.

The broad design of the Selection Process can be understood from the following table

	Activity	Comments
1	Deciding on the characteristics of people to be selected (the desirable knowledge, skills & attitude)	Items 1 to 4 are to be completed once, at the start of the Selection Process.
2	Deciding on the tools	
3	Selecting Panelists	
4	Training Panelists	
5	Screening Candidates for a Selection Camp	Items 5 to 9 get repeated for each selection camp
6	Organizing Selection Camp with 16 to 32 screened candidates	
7	Results incorporating the Project Director's Recommendations	
8	Orientation incorporating a village visit	
9	Decision by individual to stay or not to stay in project	

4. Deciding the tools

These skills and attitudes are important for the persons engaged in a community driven development project. However, these could be expanded

	Aspect to be tested	Tests to be used	Comments
	SKILLS		
1	Dealing with people	Sociometry	Sociometry looks at how people influence each other and/or are influenced by them
2	Working in a group or team	Sociometry	
3	Intellectual or Conceptual abilities	Sociometry	
	ATTITUDE		
1	Desire to achieve and succeed	Ring toss & Tower Building	These tests look at Risk taking, locus of control (whether internal or not), self view and learning from feedback
2	Inclination to respond positively to practical challenges	- do -	
3	Low fear of Failure	- do -	
4	Disinclination to stereotype others	Temperament	
5	An attitude of not getting paralyzed by ambiguity	Temperament	
6	Ability to work hard	Interview	
7	Trustworthiness/ Integrity	Interview	

5. Constitute R&S committee at the state level – Since the number of teams to be recruited in very high, regional/district level R&S committees could be formed and trained.
6. Implement the R&S system to select candidates

Terms of reference for HRD Agency are given in Annexure I.

PART IV

COLLABORATION WITH NGOS

CHAPTER 10

TERMS OF ENGAGEMENT WITH NGOS TO SET UP PFTS

This section is important with regard to engaging NGO leadership to host PFTs. The NGO would have to recruit and select staff and establish and support the team to deliver key results.

Project Facilitation Teams (PFT) work at the cutting edge of the project and are the most important factor in the success of the project. A PFT works in a cluster of 10- 12 panchayats facilitating the formation of community groups – VPRC and strengthening the existing SHGs and Panchayat Level Federations of the SHGs. It guides, supports and develops these groups.

PFT consists of a coordinator (team leader) and five members of which at least two are women. The PFT is formed by NGOs or by government people coming to the project on deputation from their respective departments. All those persons joining the project have to go through the "recruitment and selection" process decided by the project. The PFTs maintain their offices in the field, at the sub block level, within the cluster of villages to ensure easy access to the villagers.

It is befitting that PFT's function, responsibilities and tasks are elaborated in certain detail.

Functions, responsibilities and tasks of PFT

The important functions and responsibilities of PFT are the following:

- Work for the project objectives as enunciated above and in Project Implementation Plan (PIP) and Community Operational Manual (COM).
- Work in a cluster of about 10- 12 panchayats.
- Communicate the project principles, approach, priorities, performance appraisal criteria and mechanisms, etc. to the villagers.
- Conduct "wealth ranking" and other participatory processes in the villages to identify poor and disadvantaged households.
- Carry out entry point activities to build rapport in the villages and to signal the project approach and priorities.
- Facilitate the formation of community groups - VPRC and help it set up norms in accordance with the project.
- Support to VPRC in livelihood analysis, in developing village livelihoods plan and vulnerability sub-plan
- Assist SHGs in preparing and VPRC in evaluating investment proposals for seeking funds from the project.
- Provide and/or organize technical assistance to SHG/ PLF/ VPRC/ABFs in implementation.
- Help SHG/ PLF/ VPRC/ABFs establish external linkages, e.g., with the banks, government offices, markets and mandis, etc.
- Support in implementation of livelihoods plan and sub-plan.
- Give environment clearances.
- Report the progress as per the guidelines developed by the project.
- Keep proper and transparent accounts of all transactions.
- Practice the core values of the project.

Host NGO tasks

Some of the tasks that the host NGO would be required to take up are listed below.

- Set up the PFT in the cluster of panchayats and take responsibility for their performances.
- Provide organizational space and support to the PFT to carry out the project mandate.
- The members of the PFT should be of high quality and they should qualify the "selection process" instituted by the project.

- The continuity of staff in the PFTs is seen as an important element in process interventions. The NGO should inform the project of any change the PFT. The incumbent has to pass through the same "selection process".
- Report the progress of the PFT as per the project requirements. Inform any critical events that take place.
- Share and learn from the experiences of the team.
- Facilitate the visits of other PFTs and project personnel for learning, monitoring and evaluation.
- Open bank account for keeping the project funds separately.
- Have double entry accounting system and keep proper records of transactions, so that it is possible to trace them.
- Have the accounts audited by a chartered accountant and submit the audited report within four months of the closure of accounts.

CHAPTER 11 METHODOLOGY FOR SELECTION OF NGOs

The project will build a relationship with NGOs of equality and mutual learning, a relationship of partnership, not will treat them as sub-contractors.

Below are given the framework and a methodology of selection of partner NGOs. This is mostly applicable to NGOs taking on the role of direct implementation as Process Facilitation Teams (PFT), singly or jointly with the government.

Framework for NGO Selection

Objectivity and transparency are the two basic principles that will mark the process of NGO selection.

The following are the components of the Selection Methodology:

- i) Method of searching and inviting NGOs
- ii) Having transparent eligibility criteria
- iii) Scoring system
- iv) Setting up a Selection Panel
- v) System of assessment
- vi) Reporting and recommendations

The details are given below.

Method of Searching and Invitation

The project will adopt a method of inventorying and establishing contacts with departments, donors, and support agencies working with NGOs as a method of identification through word of mouth. The method of issuing advertisement in newspapers as a method of inviting applications from NGOs is ineffective. It produces large number of spurious applications, which is difficult to scrutinize by any desk officer. Hence, the project will scrupulously avoid advertisement as a method. Project will initiate following steps.

Step 1: Set up a group to conduct the process of inventorying and short-listing. The group will have members from government and reputed NGO representatives, including capacity building and human resource personnel and consultancy organizations.

Step 2: The group would develop an inventory of NGOs by looking at the list of NGOs working with TNCDW, contacting government departments dealing with NGOs, donor agencies such as Hivos, ActionAid, ICCO, DANIDA, Unicef, support agencies and established NGOs in the State.

Step 3: Based on initial consultation with agencies, draw up a list of NGOs working in EPRP districts or might be interested in doing so in the future.

Step 4: Organise a dissemination cum consultation workshop for short-listed NGOs (invite NGO leaders or senior staff). Workshop will give scope for each participant to share his/her thinking about three aspects: how NGOs could contribute to EPRP, the results expected from NGOs, and the enabling environment needed for NGOs. Based on quality of their participation, the selection panel will further shortlist those who are worthy of detailed field assessment.

Step 5: The project will ask for letter of expression of interest with proposal from short-listed NGOs.

Eligibility and Assessment Criteria

An NGO will be eligible if it enjoys a legal status as a not-for-profit organization, and it has not been black-listed by CAPART and Central Social Welfare Board. Criteria of assessment will include those related to the following

- ⊗ Competency: To carry out EPRP work as evidenced in past experience and staff capacity and its ability to collaborate with other stakeholders, government and PRIs.
- ⊗ Organizational aspects: Accountability, ethics and governance mechanisms as needed in a public organisation and internal environment and support for development work.
- ⊗ Accounts, systems and transparency: State of accounts, internal checks and balances, audit, transparency, etc.

Qualitative Assessment - Scores

Competency has a maximum weight of 60% followed by organizational aspects and state of accounts/transparency with weight of 20% each. Each of these broad dimensions is further divided for better scoring as appropriate to EPRP. This is given in the Table 1 below.

Table 1 : NGO Selection Scoring Sheet

No.	Dimension for evaluation	Points	Points
1	Competence		60
1.1	Effort in current work in community	10	
1.2	Impact of current work on the community	10	
1.3	Experience of group formation	10	
1.4	Quality of staff - qualification, exp., skills, etc.	10	
1.5	Sincerity of staff in community work	10	
1.6	Experience of working with the Govt., PRI	10	
2	Organizational aspects		20
2.1	Governance and management	10	
2.2	Internal environment of org. for development	10	
3	Accounts and transparency		20
3.1	Accounts and systems	10	
3.2	Transparency	10	
			100

The panel members will evaluate each of the above dimensions and allocate points independently. This is followed by a discussion on each dimension where the panel members give data to support their grade. After the discussion, consensus points are given. The cumulative points determine the final grade of the NGO. However, the NGO will have to get a minimum of 50% points in each of the above category - competence, organizational aspects and accounts and transparency to be considered for selection. The grading is given in the Table 2 below. NGOs that get a score of C+ will be taken on probation for six months. The project will review the cut-off point for selection of NGOs periodically, preferably every six months or a round of selection.

Table 2 : NGO Selection Grades

Sl. No.	Cumulative points	Grade	Rating	Selection
1	Above 80	A	Outstanding	Selected
2	60 to 79	B	Good	Selected
3	50 to 59	C+	Above average	Selected - on probation
4	40 to 49	C-	Below average	Not selected
5	Below 40	D	Poor	Not selected

Constitution of Selection Panel

A selection panel will be constituted to give recommendations for selection. There would be three members on the Selection Panel with persons drawn from the NGO sector, neutral sector (SIRD) and EPRP. This brings diverse experience and mitigates against chances of collusion or slackness/indifference. The panel would be oriented to the NGO selection and scoring methods in a half a day interactions with the previous Selection Panel members so that there is uniformity in the scoring pattern.

Method for Assessment

Process

The Selection Panel will visit the NGO for assessment and give its recommendations to SPMU/DPIU for contracting. The evaluation will be carried out over two days. First day will be spent in the field exclusively where at least two villages will be visited. The panel members will visit the field area of the NGO and interact with the community members - in groups and otherwise - and see the interventions to evaluate the competence of the agency. The team would also see the specific hardware interventions. It would interact with the staff in the field and office to get a sense of their skills and involvement. The field visit would be followed by a visit to their offices to interact with their management to understand the governance and management structure, get a sense of the work and development support environment, look into accounts and such aspects. Besides the physical visit the panel would look into various documents of the agency like annual reports, financial reports, constitution of the agency, staff profile, other publications, etc.

Besides the current NGO executive leadership, four categories of agencies and stakeholders may be consulted while assessing the suitability of an applicant NGO. These are its beneficiary population, its staff, local administration, and its governing board. This consultation shall give a more realistic assessment than paper proposals.

Given that in most EPRP districts, the project will invite NGOs from outside, this criteria will have to be applied judiciously.

Scoring

a) Competence

Competence of the NGO is the single most important factor to be considered in selecting the NGO into EPRP. It has a total of 60 points subdivided into six categories of 10 each as under. The NGO should score a minimum of 30 points in this category to be considered for selection.

Effort in current work in community (10 points)

Efforts in current work in community are gauged on the basis of the following. Some of these are directly observable and can be easily figured from the community interactions during field visit.

- Number of days staff spends in the field in the village. Number of nights spent by staff in the village.
- Quality of time spent by the NGO staff in the village - reflected in the rapport/relationship with the villagers, knowledge and understanding of the village situation, acceptance/influence of the staff in the village, etc.
- Various ways of influencing the village people - individual meetings, groups meetings, training programmes, street/folk plays, puppet shows, shivirs/camps, exposure visits, etc.
- Response of the community in the interactions with the panel members.

Based on the above the panel members will form an opinion of the efforts and grade the NGO on the scale of zero to ten.

Impact of current work on the community (10 points)

The panel members will form an opinion of the impact of current work by interacting with the target population. The NGO will make available the project document for the site visited. The evaluation of impact will be assessed on the basis of the intervention objectives.

The evaluation will be done by talking to the target population individually and in groups. It would be done in the presence of NGO personnel.

It is expected that the NGOs will be taking the panel members to one of their better sites if not the best. By seeing the best and second best sites (since the panel will be visiting at least two sites) the panel members can gauge the situation at other locations and through out the project. The panel members will keep in mind the age of the project while making the assessment.

Experience of group formation (10 points)

In EPRP, group formation skill is extremely important. The panel will assess the experience of group formation by interacting with the groups formed. It will look for the following clues.

- Is it a one time group or has a life and rationale to exist beyond the project period?
- Is it a natural group or has been contrived?
- To what extent the group is able to function on its own without the support of the NGO.
- What kind of systems it has to manage its affairs - decision making, conflict resolution, internal control, accounts, etc.
- What is the level of members' control on the group and leadership?

If the NGO is not working with groups, it will not get any score on this count.

Quality of staff - qualification, experience, skills, etc. (10 points)

The quality of staff is an important parameter in the assessment of NGO. Following factors will be seen in grading the "Quality of staff"

- Qualifications of staff including professional qualification
- Years of experience of the staff
- Experience of relevant tasks - rural development, group formation, etc.
- The skill profile of the staff.
- What is their learning orientation and potential to grasp new things, concepts and skills.

Sincerity of staff in community work (10 points)

Lasting changes will happen in the community if the NGO staff take up the task as a mission rather than a job to be performed. The attitudes of staff towards their task is important. The sincerity of staff is reflected if they work with no preset hours and days but respond to the demands of the situation.

The sincerity of staff can be gauged by observing them during the field visit. Their comfort and level in involvement in the community will be evident.

Experience of working with the Govt., PRI (10 points)

Experience of working with government and PRIs is an important dimension for consideration. This shows that the NGO is involved with other mainstream actors and is not cocooned in its own programme with little interface with the outside world. It is important in EPRP that the community is able to deal with the external mainstream actors since the project is not going to be around for perpetuity.

NGO that are implementing projects/programmes in collaboration with the government or PRI will score on this. The panel will evaluate the level and duration of successful involvement and negotiation with these institutions.

b) Organizational aspects

Besides the competence the project will look at organizational dimensions. This has 20 points and the NGO has to score minimum ten points to be considered for EPRP. The sub-points in this category are discussed below.

Governance and management - (10 points)

Under "governance and management" the panel will look at the aspects of internal control and accountability mechanisms in the organization. To whom is the executive accountable? Who are the people in the governing board/management committee? Does the governing board/management committee has independent influence on the executive?

The panel members, through interactions with the management committee and some governing board members (especially the chairperson), will assess the accountability and independence of the governance structure. The panel will also look at the bylaws of the organization and Governing Board members.

Internal environment of the organization for development - (10 points)

This is to see whether the internal environment lives and breathe development. In such an environment, the quality of development intervention will go up. Who are the people who get recognition? Is it someone who is more articulate or someone who can deliver results on the ground? Is performance in the field valued? What is the organizational preoccupation?

Who is/are at the helm of affairs - development or administrative persons?

c) Accounts and transparency

This aspect is as important as other dimensions explored above. Accounts and transparency has 20 points and an organization has to score minimum of 10 for selection. Thus even if the organization scores very well in all the other aspects but scores less than 10 it will not be considered in EPRP.

Accounts and systems - (10 points)

The accounting and financial control system is an important area to be explored. The panel will review the accounting and audit system in the organization. It will follow through some transactions and trace their records in cash-book/ledgers, etc. Consider following aspects in giving the points.

- Quality of books and accounts
- Timeliness of entry
- Proper vouchering with expense support
- Level of detail in accounting
- Audit - internal and external
- Link between expenses and sanctioned budgets

Transparency - (10 points)

Transparency is a very important dimension in evaluating any organization. Following clues give insight into the transparency dimension.

- Who has access to account data?
- Who handles the accounts and related matters? Is there a family link between the person handling accounts and the chief functionary? Can any one else look into it?
- Do people generally know the salary and other benefits taken by different members of the organization?
- How are the decisions regarding compensation taken? Are they referred to any other body?
- How are major decisions taken? Is staff involved in decision making?

Report and Recommendation

The selection panel has to give detailed report of the NGO, the SPMU/DPIU, within 15 days of the visit. Each member will give independent scores to various dimensions. Thereafter the panel members will discuss each score and arrive at the consensus score. These will be the final score against each dimension. In the report, the panel has to give data supporting the grade. After grading, the panel will give its recommendations. It will include its comments. These could be any point the panel wants to highlight for consideration at the time of entering into the contract or areas to keep a watch on or areas for improvement in the future. It could also suggest specific measures for the organization.

In case the decision of the panel is not acceptable to the SPSU/DPSU, it can constitute another independent panel. However, if the second panel also confirms the decision of the first panel the decision is inviolable.

PART IV

ORGANIZATIONAL DEVELOPMENT

CHAPTER 12 SHARED VISION AND CORE VALUES

The Human and Organizational Capacity Building strategy should aim to build the ability of all project stakeholders to collectively achieve project objectives. One, Organizational Development - focusing on establishing and supporting shared principles and rules of engagement between the various stakeholders essential for a decentralized, process based, and two, Capacity building – which seeks to ensure that the knowledge base, attitudes and skills level of different stakeholders are appropriate for the roles they are to perform.

Organisation Development focuses on building effective implementing agents (SPMU, DPIUs, PFTs) and community based organizations (VPRC, PLF, SHGs, Activity federations etc) through establishing the shared values, and rules of engagement among different stakeholders which are consonant with the needs of a process intensive, decentralized project.

The organizational development should focus at organisations at all the levels in the project. These (based on the suggested Organizational structure) are :

1. Project Management & Support - State Level Project Management Unit & District Project Implementation Unit
2. Facilitation Organizations - Livelihoods Facilitation Teams or PFTs (of NGOs, or of government staff, at a cluster level)
3. Client Organizations - Village Poverty Reduction Committee, Common Interest Groups, PLFs and SHGs (at the village level), Activity Based Federations (ABFs)
4. Local government – GP, Panchayat members

Building a Shared Vision of the Project

This means building an enabling environment and conditions for all the stakeholders for successful implementation of the project. A **shared vision** of the project has to be built among all the partners. This process can lead to – firstly a collective definition of roles and relationships and secondly into identification of specific capacity building needs. Experience has shown that once the pressures of implementation mount, people tend to start focusing on “outputs” alone. Thus we suggest that a shared vision workshop could be planned with the stakeholders. It could be done at two levels – one for the implementation agency and the other for community organizations. The objectives of the workshop could be to:

1. To enhance understanding of Project Components and their operationalizing
2. To clarify roles & tasks of the various agencies involved
3. To develop Action Plan for next 6- 12 months

This could provide the space for all the agencies involved to come to a common understanding of the core principles of the project as well as expectations, roles, responsibilities of each partner.

The workshop could be followed with an organisational retreat with TNEPRP staff at state and district level. This would help in building a shared understanding of the project core values and principles. This retreat could also be used as a team building exercise for the state and district level teams.

The vision-building workshop may be conducted again after a year into the project implementation period to re look at the vision and guiding principles of the project.

This task could be outsourced by engaging an experienced agency.

Core Values and Attitudes

Community driven projects require a different attitude and values, which staff from typically hierarchical government organizations may find challenging. Thus need based attitude and behaviour change programmes could be designed. People/ staff working in the project (with government or its partner agencies) needs to demonstrate by behaviour the following Attitudes/ Values:

- Empowering
- Transparent
- Inclusive (to work with the poorest, most vulnerable groups)
- Collaborative (working in teams)
- Listening to community

Enabling Conditions

Experience has also shown that enabling conditions within the project, keep the enthusiasm levels of the teams high. These would mean ensuring that staff which has been inducted in the project is assured of a minimum fixed term of engagement (as opposed to the threat of being transferred). Giving project or deputation allowance for staff joining from other government departments, adequate TA/DA for smooth functioning, special incentives for performers like exposure visits, or training programmes, etc. keep up the motivation to perform. A system for performance appraisal and reward could be designed in the project a system which gives space not only to managers but also to clients and colleagues, i.e. those for and with whom a staff member works, the opportunity for effective input into annual performance appraisals. These appraisals could be linked to an incentive system.

Enabling Conditions

- Travel norms modified – women members are given additional allowance, soft loan for vehicles (4% interest subsidy), Money for office support
- Incentives for performance (quantity and quality based)
- Flexibility and tolerance for error – people could try new things and make mistakes
- Access to leadership and state unit
-
- Level ground between government and NGOs
- Trust the staff - Technical Assistance could be sourced from anywhere, TS powers with PFT

CHAPTER 13 TEAM BUILDING

Since most of the organizations (NGOs) would have to create new teams to suit the requirements of the project, functioning together for a common goal assumes a critical position. When several people come together to work on a single initiative or project, they are not necessarily a productive team. Before a group of people can function well together, they must pass through a series of stages (Forming; Storming; Norming; Performing) before they become an effective team.

The teams would comprise of specialists from various fields, who may want to focus on tasks and activities related to their expertise. To illustrate, technical specialists may assume that issues like institution building, ensuring an agreement with all the poor, etc are of lesser importance than the technicalities of promoting livelihoods. Experience from other such projects has shown that the success of the project becomes critical to all of them functioning as a team.

Thus **team building** at all levels from the state to the cluster would form an important part of the HOCB strategy.

Some broad indications on areas which could be the focus of team building are:

Team working Skills	Enabling Others
	Resolving Conflicts
	Dealing with stereotypes
	Result orientation
	Asserting for Superior Performance
	Motivation
People Skills	Team Role Skills
	Interpersonal Skills
	Leadership Skills

Various methodologies could be used towards this. Some of them are: Simulation, Case discussions, psychological instruments (FIRO-B), exercises and other experiential learning modules with appropriate contents specifically designed for the project. Of late, the use of outward-bound learning is increasingly being used (in the corporate sector) as an effective instrument to strengthen teams. Participants are taken to a nearby site for certain specifically designed exercises in natural surroundings. How they participate in each of the activities becomes the focus of group reflection.

A four day team building workshop could be the starting point, where psychological instruments like FIRO-B could be used to reach greater understanding of self first. Simulations, role plays etc could be used to stress the importance of team work and the workshop could conclude with a role sharing matrix for the team, with clear roles defined for each of the team members.

An outbound exercise (two days) could also be planned for as this methodology has proven to be a very effective tool.

The team building exercise could be outsourced to an external agency, which would undertake team-building exercise at the state as well for the various district teams. Alternatively, the first team building exercise (at the state level) could be designed as a ToT, wherein a group of facilitators could be trained to undertake similar exercises at the district (if necessary even at the PFT) levels.

CHAPTER 14
ESTABLISHING CORE THEMATIC GROUPS
in partnership with resource agencies and leading partner NGOs

Rationale

It is often seen in CDD projects that community choices are often to acquire a domestic asset rather than establish forward and backward linkages for an activity since often groups have been very localized and within the boundary of a village. Often people will just buy milch animal rather than organize fodder farms and veterinary services and make assured buyers of milk. In some ways, CDD projects are replica of IRDP kind of investments.

Many DPIP projects particularly AP and Rajasthan are learning that a cluster based thematic approach may prove to be much more sustainable and incomes could be higher through value addition. We make two specific recommendations.

(i) Innovative Thematic Projects out of Innovation Fund

Leading NGOs should be asked to submit innovative projects which tend to establish a whole sub sector approach by investing in linkages rather than just infrastructure or assets. Project must set up at least one theme per district. A total of 25 crore rupees must be set aside for innovative projects.

(ii) Core Thematic Groups

It is recommended that EPRP establish core groups around selected themes in partnership with resource agencies and leading partner NGOs. Each thematic team could assist the SPMU in providing programmatic leadership in certain thrust areas to take the various livelihoods initiatives to the next level essential for its sustainability. They would help consolidating along thematic lines, NGO interventions, innovations and best practices and catalyze action on a wider (district/state level) scale. These would also establish cluster thematic approach with forward and backward linkages and support activity federations.

Some of the indicative thematic areas around which core groups can be formed are:

- Micro enterprise
- Natural resource management (NRM) based agriculture livelihoods; and
- Livestock based livelihoods
- Micro Finance (to begin with strengthen PLFs as MFIs but also to establish stronger linkages with banks)
- Any other business and market oriented employment generating livelihoods

Expected Role of Core Thematic Group

- To provide a forum for cross learning among NGOs and SPMU/DPIUs
- To document best practices
- To identify agencies that can play lead role and to provide them resources to do it
- To identify financial institutions or donors that can provide additional resources

These core groups could be formed with individuals or organizations with proven credentials in a particular thematic area.

Project should set aside budget of one crore rupees for activities of core thematic groups.

CHAPTER 15 STRENGTHENING DISTRICTS

Rationale

In many CDD projects (AP, Karnataka and Rajasthan) it is found that district units act like post offices for the state project management unit and even create more obstacles than solve problems that field agencies face in implementation.

We propose following measures to put greater motivation and results orientation in the district team. These are:

1. District Livelihoods Visioning
2. District Quality and Sustainability Team between DPMU and NGOs
3. Capacity Building of DPIU staff through exposure visits
4. Giving them direct responsibility for outputs in market led livelihoods (say for establishing marketing and credit linkages)
5. DPM orientation workshops
6. Giving them targets for improving business process efficiency (speed of clearing sub projects)

State HRD agency could be given the role to strengthen district teams.

PART VI

CAPACITY BUILDING

CHAPTER 16 CAPACITY BUILDING

We could categorize the stakeholders into three groups, each of which would have different capacity building needs. These are:

1. Management – consisting of the (a) SPMU and (b) DPIU staff
2. Service Providers – including the PFTs and other service providers for linkages
3. People’s Institutions – consisting of the VPRC, PLF, SHGs, vulnerable groups and the PRIs

Capacity Building Needs Assessment

The following key areas of capacity building have emerged after interactions with project partners and field visits to SHGs, PLFs. The numbers indicated in parenthesis suggest the levels for which these are identified.

Technical	Finance	Behavior	Organization	Knowledge
Identifying opportunities for livelihoods (1,2,3)	Books of Accounts – cash book, vouchers, receipts, ledgers etc (3)	Conflict resolution (1-b, 2,3)	Tendering process (1,2,3)	Orientation to the project (1,2,3)
Understanding market opportunities (1-b, 2, 3)	Procurement – norms & procedures (1-b, 2, 3)	Negotiations (1-b, 2, 3)	Minuting decisions (3)	Procedure for identifying, appraisal, sanctioning of livelihoods proposal (1-b, 2, 3)
Preparing project proposals (1-b, 2, 3)		Team building (1, 2, 3)	Norms for meetings (agenda, quorum, invitees, Minutes) (2, 3)	Norms & Byelaws for VPRC, PLF, SHG (1-b, 2, 3)
Technical skills for livelihood activity identifies (1-b, 2, 3)		Values regarding use of public funds, transparency, accountability (3)	Mobilizing community contribution – in case of infrastructure projects (2, 3)	
		Motivating individuals (counseling) for contribution	Accountability and transparency (1-b, 2, 3)	

Technical	Finance	Behavior	Organization	Knowledge
		(2, 3)		
		Democratic decision making in meetings (3)	Documents Maintenance (3)	
			Linkages <ul style="list-style-type: none"> ▪ PRI ▪ Govt. Line dept. ▪ Suppliers/contractors ▪ Regulatory (tax and legal) (1, 2, 3)	

Based on the needs, the following CB Modules could be designed:

	NGO/PFT – staff/members	DPU - members	SPU – members
Knowledge	<ul style="list-style-type: none"> - Understanding poverty - Understanding HH* livelihood - Understanding of local economy - Group dynamics & processes - Community organization & Institution building - Planning tools and processes - Technical skills of the sub-projects - Project objectives and strategy 	<ul style="list-style-type: none"> - Understanding poverty - Understanding HH* livelihood - Understanding of local economy - Community organization & Institution building - Planning tools and processes - Project objectives and strategy 	<ul style="list-style-type: none"> - Project objectives and strategy - Understanding poverty - Understanding HH* livelihood - Planning tools and processes -
Skills	<u>Analytical skills</u> <ul style="list-style-type: none"> - Method to analyze poverty to improve targeting within BPL - Method to analyze HH livelihood system and identify more suitable sub-projects to alleviate poverty - Sub-project/activity analysis & calculating its viability - Converting project objectives and strategy to actionable steps - Planning – project activities, HRD <u>Process skills</u> <ul style="list-style-type: none"> - Community mobilization and group formation - Identification of <u>Technical skills</u> <ul style="list-style-type: none"> - Project formulation, 	<u>Analytical skills</u> <ul style="list-style-type: none"> - Converting project objectives and strategy to actionable steps - Planning – project activities, HRD <u>Process skills</u> <ul style="list-style-type: none"> - Facilitation and motivating NGOs - Listening - Conducting effective meetings - Delegating - Creating joint ownership <u>Technical skills</u> <ul style="list-style-type: none"> - Preparing reports and MIS - 	<u>Analytical skills</u> <ul style="list-style-type: none"> - Converting project objectives and strategy to actionable steps - Diagnosing problems in advance - Planning – project activities, HRD <u>Process skills</u> <ul style="list-style-type: none"> - Facilitation - Conducting effective meetings - Effective delegation & monitoring - Networking with external resource institutions - Creating joint

	documentation - Preparing project reports, MIS - Recruitment and selection		ownership <u>Technical skills</u> - Preparing reports and MIS - Recruitment and selection -
Attitudes	- Positive attitude - Working together - Confident of abilities of vill. People	- Confident of abilities of vill. People - Trust in partnership model	- Confident of abilities of vill. People - Faith in partnership model

Modules for Capacity Building could be formed along these categories. These could be further detailed through a workshop on Capacity Building with all stakeholders.

1. Project Orientation & Management –

- 1.1. Project Orientation
- 1.2. Identification of the poor
- 1.3. Group Formation – vulnerable groups, SHGs with poorest
- 1.4. Sub project preparation
- 1.5. Accounts Keeping
- 1.6. Reporting, MIS

2. Thematic & Microfinance

- 2.1. Livelihoods planning
- 2.2. Activity Identification
- 2.3. Linkages – markets, input services, credit, government programmes
- 2.4. Managing PLF activities - Repayments of loans, monitoring of activities

3. Institution Building

- 3.1. PLF
- 3.2. VPRC
- 3.3. Cluster/ Activity Federations
- 3.4. Production Companies

1. Orientation Module:

This could include familiarization with the project, sensitization to the project principles and approach through “village immersion”; experiential learning; exposure visits and monitoring and learning processes. Our experience has shown that orientation programmes also help in identifying the initial capacity building needs of the partners to implement the project.

This could be a three to five residential day programme for the teams. This module could also include some start up skills like – inclusion of poorest into SHGs, participatory skills of wealth ranking, etc.

The orientation programme should be designed and conducted centrally at the project level. If skills exist, the state unit could undertake the programme else it could be conducted by an external agency contracted to cover all the project partners.

2. Capacity Building for Social Mobilization

SHG Level Capacity Building

The success of the Mathi's programme has been social mobilization. The SHGs which were promoted are very stable, with established bank linkages in most of the districts. There exist capacity building modules for both SHG members and A&R. However, the duration of these is insufficient. To illustrate, the training for Double-Entry accounting system is covered under half a day, which is insufficient. Thus the areas which could be added into the existing modules are:

- Additional modules for accounts keeping – longer duration
- Follow up or refresher modules for accounts
- Additional modules for leadership development, sustainability of SHGs
- There is a need for increasing the duration of trainings for Motivation, and team building.

Capacity Building at present is restricted to class room training. We suggest that exposure visits (of new / weak groups to older, well functioning groups) should be undertaken, which is a very effective tool for building the capacity of the members.

PLF level Capacity Building

In most of the districts, PLFs have been promoted and have started meeting once a month. However, they have not undergone any training on their purpose, roles and responsibilities, activities that they can undertake etc. Some of the Mathi partners have taken the initiative to train some of the PLF leaders on their own. Some PLFs have been engaged in on-lending to groups (groups saving some amount at the PLF every month, which in turn is given to the needy group), some have started livelihoods activity, many of them are taking up issues of social concern of the members through gram sabha meetings etc.

The training modules for PLF have not been released as yet. Some of the areas of capacity building specifically for the project are:

- Rules and systems for on-lending to SHGs – including the books of accounts, policies for lending, selection criteria etc
- Role of the Executive committee members, organizing meetings etc
- Monitoring of repayment from SHGs - fixing repayment schedules,
- Leadership training
- Conflict resolution

The present set of trainings has been performed by the Mathi Partners. ToTs were conducted by identified master trainers (at the state level) for the staff at partner NGOs. Four such ToTs are organized (SHG, A&R, EDP, PLF). However, selected staff underwent the training programme. For example in Sivagangai district about 76 NGO staff has been trained, 37 have received A&R ToT, 46 – SHG ToT, 45 – EDP ToT and 10- PLF training. Only three staff underwent all four training programmes and twelve participated in 3 ToTs.

We suggest that the entire PFT team should participate in ToTs of some of the basic training programmes – orientation, social mobilization as they would work as a team and might have to handle these situations in the field. The technical skills could be directed to the subject specialists only.

All these training programmes would be conducted by the PFT directly in the field.

Capacity Building for VPRC

Since this is a new institution that will be established under the project, all project partners must be trained in the roles, responsibilities and functioning of VPRCs. The modules could be

identified by the state PMU and a training programme designed for this purpose. This would be in the form of a ToT (as the other modules). The PFTs in turn would train the VPRC members once the latter are formed.

Some of the areas would be

- VPRC – roles and responsibilities
- Forming the VPRC - Composition
- Roles & Responsibilities of Office Bearers
- Norms for Functioning – conducting meetings, agenda
- Approval of sub projects
- Monitoring of sub projects
- Monitoring of repayments
- Maintenance of Accounts
- Conflict resolution

Once the VPRCs stabilize as institutions (and some data on further capacity building needs surface from the field), further capacity can be built around directly procuring services, training for livelihoods promotion etc.

3. Capacity Building for Livelihoods

Almost 50% of the project outlay would be towards livelihoods promotion. To ensure that these capacities exist at all levels would be the main challenge for capacity building inputs. Many SHGs are engaged in livelihoods activities at present. Activities included on farm, animal husbandry, non farm – fur toys, bags, plates, trading etc.

The present understanding of livelihoods at all levels (from the state to the NGO partners) is on traditional lines. A new perspective on livelihoods needs to be built. This could start from the state trying to evolve a broad rural livelihood strategy. The district units would play a key role. Most of the people in the villages are looking up to the external players to identify opportunities. These have to come from an analysis of the opportunities available at the district level (or for a cluster of villages). The approach has to be market based.

Some of the modules could be :

- Basic Orientation to Livelihoods – mapping existing opportunities in the area, potential livelihoods avenues
- Sub project Development – feasibility studies – cost benefit, market surveys, writing sub proposal etc. Some activities that were undertaken by the SHGs are not giving them enough returns as they have little potential (hiring of vessels, petty shop). This happened as no feasibility study was done to explore the market and thus the size of the business.
- Technical skill training –Theme based (NRM, animal husbandry, trading, non farm). Some of the potential activities could be identified for each area and basic skills could be provided to the concerned specialist in the PFT team. S/he in turn would train the SHG members who engage in this activity. These activities should not be frozen at the district level. Based on the needs from the SHG members, trainings could be organized. We found that only 5-10% of the people who are given training start their own activity.
- Thematic cluster development – sub sector analysis, economies of scale, business planning

The training programme for the District teams could be the same as that of the PFTs. The teams could also be sent for exposure to other successful models like DASTKAR, BRAC etc.

Revisiting the Capacity Building Needs

As the organizational and human capacity of the project develop and respond to new issues, there will be a need to regularly review capacity building needs for both operational and technical skills. This could be undertaken on an annual basis linked to Monitoring and learning information and staff performance appraisals. Based on the needs assessment, a knowledge and skill development capacity building plan can be developed.

The strategy for capacity building could be one of learning by doing. While the project has clear indications at the outset that certain operational and technical skills need to be built using certain types of pedagogy, these early assumptions and plans will evolve over time. The regular training needs assessment will provide the opportunity for assessing effectiveness, adjusting content and identifying new needs. Pedagogies based mainly on principles of experiential learning and involving techniques such as practical sessions, exposure visits, collective reviews and workshops/tutorials, should be designed for capacity building modules.

Agencies for Capacity Building in the project

a) Capacity Building for Social Mobilization

The project already has built a competent set of trainers (and master trainers) for strengthening the SHGs. Some trainings on PLFs have also been conducted. We suggest that given the new activities (on-lending) that the PLF would engage in, some more capacity building of the trainers is required for PLF functioning.

We suggest that organizations, which have successfully promoted clusters / federations, could be engaged to build the capacity of the trainers (of Mathi Partners). Some of these organizations are MYRADA, DHAN Foundation. Some of the Mathi partners have taken the initiative and have started some activities at the PLF level. The best among these could be identified and exposure visits to these organizations could be organized (some of them we visited were Kalvi Kendra, some partners in Madurai).

Capacity Building of PFTs on VPRC (ToT) would have to be designed by the project team itself. Some training organization could be identified (maybe TNVRC) for imparting this training to all the PFTs in the project. The same agency can also provide the Project Orientation training to the partners.

All trainings to SHGs, PLFs, VPRCs would be done by the PFTs whose key responsibility would be to build the capacity of the groups to undertake and manage livelihoods projects as well as strengthening the SHGs, PLFs and VPRP as institutions.

The District teams should also undergo project orientation and VPRC training along with the PFTs. They should be able to identify the gaps among the PFTs and design specific programmes to build the capacity of the teams in their districts. These trainings could be then conducted by master trainers or an identified agency (like TNVRC).

LEVEL	STAKEHOLDERS	SERVICE PROVIDERS
STATE	SPMU	State level facilitating agencies – CB, MFI, Communication
DISTRICT	DPIU	1. District level facilitating agencies – NGOs 2. Capacity Building Organization

		3. Appraisers
CLUSTER	PFT ABF	1. Facilitating institutions – NGOs 2. Para professionals
PANCHAYAT	V P RC P L F SHGs	1. Cultural Troupe 2. Community Reporters 3. Book Keepers 4. Secretary, VPRC 5. Social Audit Committee

b) Capacity Building for Livelihoods promotion

Some of the CB needs for livelihoods are generic (indicated earlier) and all the PFT members as well as District units should undergo training on these areas. Such training programmes could be conducted by pooling together resource persons from various agencies (SIPA-HRED, DICs, MADITSSA, IFFAD, Chambers of Commerce, Professional institutes like IIT, BIM). The programme would have to be designed by the state unit in consultation with the resource persons. A Project Orientation for this group of trainers is suggested before undertaking the training.

For specific skill trainings for livelihood projects identified by SHGs, we suggest that an external resource group of trainers (subject area wise) could be empanelled at the state/ district level, which could assist in building the capacity of the project partners whenever a need arises. Some of these could be taken from institutions that are already engaged in imparting such programmes (Gandhigram - Dindigul, Gandhi Niketan – T Kallupatti, Regional Centre for arts & Culture – Chennai, SIPA- Chennai,)

Exposure visits should be part of the strategy for capacity building. There are numerous success stories within Mathi and also within Tamil Nadu, to which the SHG, PLF members could be taken for visits. Exposure visits should also be organized for the district team (to other livelihoods projects in AP and MP)

CHAPTER 17 OPERATIONALIZING THE CAPACITY BUILDING STRATEGY

Project need to operationalise capacity building strategy through following measures.

- Identify Nodal person (key responsibility) for all CB activities at State Level – CB Specialist
- Design an overall CB Strategy – based on present understanding of the project
- Design a module for project orientation before any work on field starts
- Undertake Training Needs Assessment to identify other CB needs once the teams are in place (actual present in the teams vs. what was proposed) – These CB needs could be identified during the Orientation programme as well.
- Design CB plans to cover the gaps (expected and actual) - Develop specific modules for each of these areas.
- Undertake CB programmes – technical training could be outsourced to a panel of trainers or institutions with expertise on the subject.
- Revise the CB Needs Assessment after 12-18 months into the project (once greater clarity is achieved and some primary field level experiences provides data for CB)
- Revisit the CB plans based on inputs and redesign if necessary

A Capacity Building Operational Plan is attached an Annexure III .

Since the capacity building requirements are very large, we suggest that these be decentralized at the district (or a regional level). One central agency doing capacity building although would ensure a certain level of quality, would require a lot of time to train all the stakeholders.

However, the design of the modules could be done centrally with the SPMU. This should include the content of the modules, reading material preparation, if any, designing the pedagogy, events, etc. We also suggest that the first few programmes be conducted at a central level as a demonstration to all the CB agencies. These programmes could also be used to finetune the modules, pedagogy etc before decentralizing it at the district level and project could identify district level capacity building organization (DCBO) in each of the ten districts to do the needful.

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TNEPRP could engage an external agency to develop the CB modules and the pedagogy. A ToR for contracting an agency to Develop Capacity Building Modules in attached as Annexure IV.

A ToR for a District Level Capacity Building Organisation is attached in the report as Annexure V.

PART VII
PERFORMANCE APPRAISAL

CHAPTER 18 PERFORMANCE APPRAISAL

The project would work with 150 PFTs as well as teams at the Project teams at the district level. The activities of the PFT would be contracted out to organisations. The contract ToR itself would lay down the outputs expected. An appraisal could be designed around the agreed ToR itself (percentage of ultra poor covered, no. of projects initiated, activity federations promoted etc).

External Review: The appraisal could be done internally by involving team members from the district along with a team member from the state PMU. Experience from other projects show that in most cases of *client reviews* (where the local institutions appraise the facilitating organisation), the organisations score very high due to the biases that develop.

Another option to take is that of a *peer review* which has been adopted by DPIP MP. Teams from other districts visit teams in a district and appraise them by visiting village level groups and assets created, and talking to them about the process followed. Apart from an appraisal process, it is also an effective tool for cross learning among teams. It also promotes a sense of competition among the teams.

Self Review: The appraisal could start with a self review of the teams. A guideline/questionnaire could be developed (on indicators of performance). A self review by the teams could be done once every six months.

This could form the basis for further reviews – peer or external.

Reward System: We suggest that performance appraisal should be linked with an incentive/ reward system. These incentives could be non monetary – like recognizing and rewarding the best performing team at the project level, sending the team members for exposure visits to other successful projects, other CDD projects in south Asia and they could be sponsored to attend management development courses at educational institutions such as IRMA.

The project is also favourable to the idea of contracting (and has already) some staff from market along with government employees for creating district and state project teams. Performance appraisal for district and state teams would be challenging.

Team Appraisal for District Unit: We suggest a system of team appraisal for the district units as well. Both the options could be tried - external review by a team (from state unit and other senior partners) or - could be done through peer appraisals (by other district teams). The challenge lies in creating the performance indicators for these district teams. Some of them could be the total number of livelihoods projects sanctioned, the turn-around time for sanctioning of proposals and SoE (of PFTs) etc.

Suggestive list of indicators for performance appraisal

Performance Indicators for PFTs	Performance Indicators for DPIUs
% of Ultra poor covered under SHGs in the cluster	No. of Livelihoods sub projects approved and sanctioned
No. of sub projects developed & submitted for approval	Turnaround time for sanctioning of proposals
No. of training programmes compPFTed for SHGs, PLFs, CIGs/ Livelihoods	Turnaround time for clearing SoEs
No. of innovative projects introduced	No. of skill training programmes organised

No. of profitable on going projects	Convergence with other Govt schemes achieved
Loan repayment performance of SHGs for livelihood projects initiated	Innovative programmes introduced
External market linkages established	Credit linkages of SHGs
Timely submission of reports	Timely submission of reports

Operationalizing Performance Appraisal System

- Goal Setting at all levels – done mutually in consultation with the concerned teams (ensure mentioning `what` and `how` in the target setting exercise. A clear goal is easier to achieve and evaluate.
- Deciding the period of Appraisal (half yearly/ yearly)
- Developing guidelines/ questionnaire for – self appraisal, external appraisal / peer appraisal
- Formation of Appraisal Committees (whether external or peer)
- Performance appraisal
- Documentation of the Appraisal – process as well as outputs - Suggestions for action to improve performance
- Incentives/ rewards for “best” performing teams at all levels.

Annexure I

TNEPRP Village Level Structure : Option 1:- VPRC as a registered society

- GENERAL BODY** : All residents in a village (Village Gram Sabha)
- VPRC** :
- Representatives/ four ex officio members from **GP, VEC, VWSC, PLF**
 - All the Leaders of the SHGs in the village
 - In case a hamlet has no SHGs, one women representative from that hamlet
 - At least 30% SC/ST, At least 50% women, At least one representative from each hamlet in the village
 - Chairperson : may be selected/ elected by the VPRC. On rotation
 - Secretary : may be selected/ elected by the VPRC. On rotation
 - Treasurer: The PLF secretary would be the treasurer
- Legal Status** : VPRC registered as society (under Societies Registration Act).
- Link to Panchayat** : No organizational linkage. Individual linkage through GP representative (of that village) being ex officio member of the VPRC.
- Fund Flow** : From District Project Unit to VPRC Bank A/C. VPRC has bank a/c with two signatories decided by the VPRC.
- Accountability** : VPRC to General Body - *Village Gram Sabha* and PRI representatives from the village.
- Issues:**

Local ownership and satisfactory implementation of the projects (including repayment of loans)	Convergence of technical support and linkages with external schemes/ funds	Protection of interests of vulnerable groups	Sustainability of the VPRC	Sustainability of post-project management of Infrastructure assets created
High local ownership as decisions made by local stakeholders inclusive of the poorest. Ensuring repayment from Groups/ members could be difficult as the body is external to them and has no control.	Would require the PFTs to play a crucial role during the project and also development of sustainable institutional relations for post project support. Continued financing (from external sources) is questionable post-project	High as the body ensures representation from the poorest.	Project induced organizations for collective action rarely sustain beyond the intervention unless returns are high for all stakeholders. Management often reverts to small group or stakeholder relations become monetized. The challenge in option 1 would be to maintain stakeholders' interest in holding the committee accountable.	Uncertain if the VPRC does not continue functioning beyond the project. Need enforceable mechanisms in place to ensure transparent and accountable management of asset.

TNEPRP Village Level Structure : Option 2:- VPRC as a sub-committee of the Gram Panchayat

GENERAL BODY : All residents in a village (Village Gram Sabha)

VPRC as a SUB-COMMITTEE OF GP

- Representatives/ four ex officio members from **GP, VEC, VWSC, PLF**
- Elected PRI representatives of the village
- All the Leaders of the SHGs in the village
- In case a hamlet has no SHGs, one women representative from that hamlet
- At least 30% SC/ST, At least 50% women, At least one representative from each hamlet in the village
- Chairperson : GP president as the chairperson of VPRC
- Secretary : any member of concerned GP or may be selected/ elected by the VPRC.
- Treasurer: The PLF secretary could be the treasurer

Legal Status : No registration necessary as VPRC is sub-committee of existing legal body.

Link to Panchayat : Organic Links as a sub-committee of Gram Panchayat.

Fund Flow : From District Project Unit to GP sub-committee Bank A/C earmarked for use and access only by signatories of the VPRC

Accountability : Sub-Committee to Gram Panchayat to Gram Sabha.

Issues:

Local ownership and satisfactory implementation of projects (including repayment of loans)	Convergence of technical support and linkages with external schemes/ funds	Protection of interests of vulnerable groups	Sustainability of the VPRC	Sustainability of post-project management of assets
Would depend on how representative the sub-committee is of the poorer sections. Infrastructure projects easier to implement as it would be directly implemented by the sub committee. Ensuring repayment from Groups/ members could be difficult as the body is external to them and has no control.	Reasonable in longer term as PRI and active sub committee members will be part of ZP joint committee. Would be easier to access mainstream govt schemes/ funds	Would dependent on ensuring representation and leadership from poorer sections of the society and establishing good practice in governance by PRIs	Likely, but its dynamic nature will depend on good leadership and continued benefits from the tank. It could metamorphose into a poverty sub committee for all RD schemes.	Could be easier as the GP might be able to source the required funds from mainstream. However, it depends on (i) value of returns being sufficient to maintain interest of user in operation and maintenance, and (ii) capacity of the representatives constituents (tank users) to hold elected representatives accountable

TNEPRP Village Level Structure : Option 3: Separate institutions for livelihoods and infrastructure funds. Livelihoods funds through PLFs and Infrastructure funds through the Gram Panchayat

GENERAL BODY

The gram sabha will be the general body for approval of all infrastructure proposals. For livelihoods projects, the gram sabha maybe informed of the various projects being sanctioned (approval not necessary)

The existing PLF would function for approving, sanctioning and monitoring Livelihoods projects. The structure of the PLF could remain the same or be expanded to include all the groups in the village (including non MaThi groups promoted by other institutions).

The infrastructure proposals could be approved by the Gram Sabha. Criteria for selection of projects could be laid down to ensure such projects adding value/ enhancing livelihoods.

- Legal Status** : PLF as a registered body under the Societies Act, GP already a legal body
- Link to Panchayat** : No link for livelihoods projects. Direct control of panchayat over infrastructure projects.
- Fund Flow** : From District Project Unit to PLF account for livelihoods projects. From DPU to GP account for infrastructure projects.
- Accountability** : PLF to its members, GP to the Gram Sabha.
- Issues:**

Local ownership and satisfactory implementation of projects (including repayment of loans)	Convergence of technical support and linkages with external schemes/ funds	Protection of interests of vulnerable groups	Sustainability of the institutions	Sustainability of post-project management of assets
Ownership of livelihoods projects would remain high. However, if the process of approving the infrastructure project is not inclusive and transparent, the ownership may be problematic. Ensuring repayments would be easier as PLF represents the groups and would be in a better position to monitor the activities and hence repayments	High in case of infrastructure projects. Post project dependency on PRI representatives as effective mechanisms for accessing funds Maybe difficult in livelihoods projects – PFT would play a crucial role	Maybe low in case of infrastructure projects if the process of selecting the project does not account for their needs.	GP is a permanent legal body. High for PLF as they are already existing and if they continue to provide services to its members	Dependent on very robust Gram Sabha processes developing. Could be easier as the GP might be able to source the required funds from mainstream. However, it depends on (i) value of returns being sufficient to maintain interest of user in operation and maintenance, and (ii) capacity of the representatives constituents to hold elected representatives accountable.

Annexure II

Suggested Bye laws for VPRC (village level body)

Name

Location/ Area of Operation & Address

Objectives

- To improve the social and economic status of its members through promoting Livelihoods

Functions

- Mobilizing the poor in to groups
- Strengthening of the groups
- Identify potential livelihoods activities
- Help the members in preparing projects
- Scrutiny/ Appraisal of the projects
- Mobilize funds from various sources, including government for meetings its objectives.
- Sanction of Funds to SHG members (and identified vulnerable people) for undertaking livelihood projects
- Building the capacity of its members to take up livelihoods activities
- Regular monitoring of the projects
- Timely submission of accounts and other records
- Conflict resolution among its members if any.

Structure & Composition of VPRC

- The size of VPRC should be between 10 to 20 members
- At least 30% should be from the SC/ST community
- Atleast 50% should be women
- The members would be selected by the SHGs of that village.
- Atleast one representative should be from each one of the hamlets of the village. (in case there are no SHGs in a hamlet, one women representative can be nominated by (and belonging to) that hamlet
- The VPRC would also have four ex officio members from **GP, VEC, VWSC, PLF**. The presidents of these committees would be the ex officio members of the VPRC.
- The tenure of the members would be two yrs with 1/3rd retiring every year
- The VPRC could constitute sub committees to manage some of their functions
- The GP president could be the chairperson of VPRC
- One of the members could be selected as the secretary of VPRC
- The PLF secretary could be the treasurer of the VPRC.

Duties of President :

1. To preside over the VPRC meetings
2. To initiate discussions on the presentation of the Receipts & Payments / Income & Expenditure statements and report the proceedings of the group meetings to the appropriate authorities
3. To carry out the works of Secretary and Treasurer in their absence
4. To supervise whether the VPRC is functioning as per laid down rules and bye-laws. In case of deviation, offering guidance
5. To ensure the reasonableness of the expenditure made by the group by discussing with the members and communicating the feed back to the Treasurer.

6. Handling petty cash in the absence of Treasurer and holding the keys of Cash Box whenever Secretary is absent.
7. To certify before the auditors that the books of accounts maintained by the group are correct and furnishing the information directly to the auditors

Duties of Secretary :

1. Responsible for conducting the VPRC meetings
2. To analyse the problems of the VPRC members
3. To sign all vouchers during the absence of Treasurer
4. To decide who has to attend different meetings outside the group and communicating the place, date and time of such meetings to the identified individuals
5. To take steps to implement the rules and regulations of the group and resolving any issues connected with it
6. Taking responsibility for the expenditure made by the group
7. Authorised to hold the keys of petty cash box
8. Submission of all correspondence, records and other relevance documents directly to the internal / external auditors and safe keeping of books of accounts

Duties of Treasurer :

1. To announce the Receipts and Payments statement of previous meeting; supervising the receipt and payment of the current meeting
2. To represent the problems of members in the meeting amount of recovery to be made by the members during the month, loan balance outstanding, extent of savings, special savings if any, extent of default if any etc.
3. To finalise the accounts of a member whenever he/she resigns from the group; if a new member is inducted into the group, issue of pass book to him/her.
4. To submit the details of monthly receipts and payments to the Secretary and verifying whether accounts
5. To initial all vouchers
6. To make payment towards travelling expenses of members whenever they attend meetings outside the group as approved by the Secretary
7. To ensure the functioning of the VPRC is in accordance with the bye-laws and rules and regulations devised from time to time; to keep the records and accounts books and other properties of the VPRC in her/his custody
8. To render payment and authorise the payment for any expenditure to be incurred by the VPRC
9. To be in-charge of the petty cash box
10. Submission of all records connected with the transactions had by the VPRC, of Accounts directly to the internal / external auditors

Responsibilities of Members :

1. Be aware of the rules and regulations of the VPRC
2. To attend the VPRC meetings without fail
3. Be aware of the affairs of the VPRC and its activities
4. Should have / develop the ability to verify the books of accounts of the group
5. In case of disputes among members, take steps to resolve the problem amicably with out any outside intervention
6. Should be able to interact with other members freely and frankly

Meetings

Date & Time/ Frequency of meetings

- VPRC would meet at least once in a month on a date and time fixed before hand.
- In case of necessity, more meetings can be called giving sufficient notice to the members
- At least 2/3rds of the VPRC should be presented in the meetings. Decisions taken by these 2/3rds of members should be conveyed and approved by all members of the VPRC
- All decisions taken, resolutions passed would be written down in minutes book and copies of these decisions taken in every meeting would be pasted at prominent places in the village for all to see.
- The VPRC would also conduct an annual general body meeting

Sanctioning of Livelihoods Projects

- Funds for livelihoods would be extended as loans to members on a predetermined interest rate. Simple but clear guidelines (a credit policy for funding livelihoods sub projects) must be evolved for preparation, submission and approval of projects.
- All livelihoods projects would be submitted to the VPRC through the concerned SHG only after the latter has done a preliminary assessment of the capacity and the track record of the member
- The VPRC would engage the services of a professional team (PFT) to help the member undertake the feasibility of the project as well as prepare the project proposal.
- Before the proposal reached the VPRC, the PFT should give it a technical sanction after conducting the necessary studies, surveys etc.
- The proposal should also include a loan repayment schedule.
- All proposals would be placed in the meetings of the VPRC for approval.
- If the proposal meets the technical sanction as well as the scrutiny of the SHG, the VPRC would place it for discussion in the meeting and attempt to gain approval of all the members.
- Atleast 2/3rd of the members should approve the project for it to get the sanction.
- Once the project is sanctioned by the VPRC, the treasurer could issue a cheque in favour of the SHG (to which the member submitting the proposal belongs).
- The VPRC could form a monitoring committee to ensure that the money released has been used for the purpose for which it was sanctioned.
- Funds for the vulnerable would also be decided by the VPRC. Criteria for selecting the vulnerable persons would be evolved by the VPRC in consultation with its members. Preference could be given to families whose main earning member is disabled. A credit policy (limit for each person, rate of interest if given as loan, purposes for which the loan can be given etc) for funds to vulnerable would also be evolved by the VPRC.

Accounts

- The VPRC would open a savings bank account in the nearby local branch to carry out all its transactions.
- The bank account could be operated by two members from among the SHG representatives. One representative from each habitation (preferable an SHG member from that hamlet) should be a member of the VPRC.
- Proper set of account books would be maintained by the VPRC.
- The accounts would be audited by an appointed auditor yearly.

Others

- If required, the VPRC could constitute various sub committees for managing the various functions/ responsibilities. However, the final decision making would rest with the VPRC. Some of the committees could be
 - Committee to ensure proper utilisation of released funds
 - Project monitoring committee – to ensure that the project is on track. In case of problems, this committee could recommend measures (e.g. Capacity Building of members, linkages with market for sale of produce etc)
 - Loan repayment Committee – to follow up with the concerned SHG on timely repayment of loans.

Annexure III

Terms of Reference for State Level HRD Agency

State level HRD agency will perform following tasks

- (i) Designing and testing a recruitment and selection system to hire state and district level management staff
- (ii) Designing and testing a R&S system for NGO PFT staff that need to be implemented in coordination with NGO leaders.
- (iii) Designing and implementing a district strengthening programme including district livelihoods visioning process and DPM orientation
- (iv) Designing and implementing shared vision and team building processes

These processes will be established during first two years of the projects starting from within pilot phase, and would then be internalized by the system.

Annexure IV: Operational Plan for Human Resources Development

Sl. No	Event	Participants (target)	Content focus	Expected outcome	Remarks	Time Frame
1	Recruitment and selection for SPMU	Applicants for the post – from Govt depts. As well as from open market	R&S system suggested in the report	SPMU team selected		1 st Month (already completed)
2	Recruitment and selection for DPMs and other DPIU	Applicants for the post – from Govt depts. As well as from open market	R&S system suggested in the report			1 st Quarter
3	Recruitment and selection TOT programme	SPMU & DPIU Staff selected at the dist level for R&S	Building skills to do R&S at district levels to select PFTs and other service providers	Teams prepared to undertake R&S	To be conducted by the CB agency contracted to develop modules	1 st Quarter
4	Selection camp for NGO PFTs	NGOs – both Mathi & Non Mathi partners	R&S system suggested in the report	PFTs selected	To be done by the dist level teams for R&S	1 st Quarter
5	Negotiations with PFTs and signing of contract	NGOs selected after R&S	R&S system suggested in the report			1 st quarter
6	Recruitment & Selection of District CB agencies	Applicants for the job.	R&S system suggested in the report	Dist level CB agencies selected to undertake all CB activities at the district level		1 st quarter
7	Team Building for SPMU	SPMU team		Better understanding and appreciation of the each team member, better coordination to achieve objectives, better performing teams		2 nd Quarter
8	Team Building for DPIU	DPIU teams		Better understanding and	Monitoring performance of the	2 nd quarter

Sl. No	Event	Participants (target)	Content focus	Expected outcome	Remarks	Time Frame
				appreciation of the each team member, better coordination to achieve objectives, better performing teams	teams by SPMU leadership	
9	Team Building ToT for CB agency	Dist Level CB agencies identified		Building skills for undertaking team building for PFTs		2 nd quarter
10.	Team Building for PFTs	PFT teams		Better understanding and appreciation of the each team member, better coordination to achieve objectives, better performing teams	To be done by the Dist CB agencies Monitoring performance of the teams by DPIU leadership	2 nd , 3 rd quarter
10	Performance Appraisal		Achievement of teams – SPMU, DPIU, PFTs and other service providers			Done first at the end of the first year of project, thereafter periodically

Annexure V
Operational Plan for Capacity Building

Sl. No	Event	Participants (target)	Content focus	Expected outcome	Remarks	Time Frame
1	Designing the CB Plans and Modules			A CB Plan for the first year of the project for all the stakeholders	TNEPRP could engage an agency to develop the CB modules.	1 st quarter – Orientation Programme, 2 nd quarter other modules
2	Project Vision Workshop – State Level	Project Management SPMU & DPIU	Project Goals, Objectives, Principles, Roles and responsibilities of different stakeholders – expected outputs, fund flows, project management		This could be conducted by the CB agency contracted for developing modules	End of 1 st quarter
3	Project Orientation Workshop	PFTs, Other service providers	Project Goals, Objectives, Principles, Roles 7 responsibilities of different stakeholders – expected outputs, fund flows, project management		This would be done for all the selected PFTs (all members of the team). This would be done by the district CB agencies identified and selected.	2 nd & 3 rd quarter
4	Institution Building Workshop	DPIU PLFs	Formation of VPRC, strengthening of SHGs and PLFs			
5	Livelihoods Planning Module	- DPIU - PLFs	- Developing understanding and methods of poverty and livelihood analysis of poor HH - Identification of potential activities - Preparation of sub projects	- Better targeting & identification of activities for sustainability - Better planning in project execution		
6	Technical Skill training – Theme based	-	NRM, Animal husbandry, Non Farm	-		

Sl. No	Event	Participants (target)	Content focus	Expected outcome	Remarks	Time Frame
6	Livelihoods linkages module		Credit linkages Market linkages, linkages with government schemes			
7	Institution Building Module II	DPIU PLF	Establishing activity based federations/ clusters			

Annexure VI

Terms of Reference for Agency to Develop Capacity Building Modules

TNEPRP is a poverty alleviation project of Government of Tamil Nadu (GoTN). It will alleviate poverty by improving the capacity and opportunities of poor and disadvantaged people to participate and control their own development. It specifically focuses on ultra poor.

The objective of the project is to a) empower active groups of disadvantaged people; b) create income security opportunities for the rural poor; and c) promote more effective and accountable village institutions including the Gram Panchayats.

The project lays lot of emphasis on the human resources in the project. Rigorous selection methodology has been adopted to select staff into the project. Simultaneously, project emphasizes developing the capacities of the Project Facilitation Teams (PFT) so that they facilitate the emergence and development of empowered groups of disadvantaged persons.

In the initial startup phase of the project, a number of "capacity building" needs have been identified to give EPRP a good start. It has been decided to develop capacity building (CB) modules that will follow the stage wise requirements of the new staff that joins the project.

Five CB modules have been identified. These are Orientation to EPRP Start up - for developing the skills that PFT members require during first couple of months (village entry) Poverty Sensitization - to sensitize the staff to conditions in which poor live Group Formation - skills of forming and developing groups PRA and micro planning - tools that will aid in planning activities with SHGs/CIGs/VPRCs at village level.

The capacity building agency identified for developing these modules would need to incorporate the following terms and conditions.

1. Main Components of Capacity Building Modules

a. Orientation

This module should develop an understanding of the project in the trainees and explain how this project has an approach, which is different from the regular govt.schemes. It is important to realize that the trainees would come from an environment where over the years they have learnt to respond to situations in a particular way and there would be a need to help them understand that as well as develop a learning orientation.

b. Start Up

The participants should be able to learn about village selection; participatory techniques and be able to start initial activities after this module.

c. Poverty Sensitisation

The purpose of this module is to help the trainees appreciate the circumstances in which the poor are living in and develop a sense of empathy with them. This module should also help the participants understand what lack of resources means to different set of people and what do the poor feel about their own capabilities.

d. Group formation

The project has a group approach and it would be important for the facilitating team to understand the processes which go into making groups, develop trust and build leadership to enable them to take up activities.

e. PRA and Micro-planning

To learn participatory techniques for mapping village situation ,enable the teams to assist villages in developing proficiency in charting out a road map for itself.

2. Outputs

The modules have to be developed in the context of EPRP and pitched at the level of the staff joining EPRP. The final product will be in the form of Manual for each of these modules.

3. Time Duration

All the modules should be developed by March 2005.

4. Terms of Payment

The Project management would like the financial proposal to reflect the number of man days, the name and qualifications of the persons who would be devoting time to the task. The terms of payment would be on the basis of milestones set after discussions with the agency finally chosen and would be in the proportion of 30% ; 30% and 40%.

(It needs some more work)

Annexure VII

Terms of Reference for District Capacity Building Organization (DCBO)

Background

Tamil Nadu Empowerment and Poverty Reduction Project is a poverty alleviation project of Government of Tamil Nadu (GoTN). EPRP supports decentralization and a more effective demand based approach to poverty alleviation. The project targets the poor and women in the poorest villages in ten districts and is implemented by communities with support from the panchayat raj institutions (PRI).

The project's development objective is to alleviate the poverty of poor men and women by improving their *capacity* and *opportunities* to participate in and control their own development.

To achieve this objective the project would:

- a. empower active groups of disadvantaged people;
- b. create income security opportunities for the rural poor; and
- c. promote more effective and accountable village institutions.

The project has adopted the following approach:

- empower disadvantaged groups by putting funds under their direct control;
- ensure that group investments are demand driven over a wide range of choices;
- foster group formation and strengthening by making funds available to community groups organized around common interests and problems;
- ensure inclusion and participation by closely monitoring local decision-making processes and tying subproject approval and budgets to the quality of this decision-making;
- ensure ownership, create credibility and foster a culture of local financing, cost recovery and user charges by requiring group members to pay back the loan that gets developed as a corpus at PLF level;
- strengthen local governments at the village level by giving them responsibility for the budgeting, monitoring of and disbursing for group activities;
- ensure transparency, widespread information, communications and learning about the project's and groups performance, successes and failures through formal and informal mechanisms created by the project.

The project targets socially and economically disadvantaged people and specifically disabled, schedule caste/ tribe households and marginalised farmers. The 10 districts selected under EPRP are :

Dharmapuri, Villupuram, Perambalur , Tiruvannamalai, Pudukkottai , Salem, Theni, Ramanathapuram, Thanjavur, and Namakkal.

Investing in human resources and building their capacities is the most important strategy for achieving the project objectives. This is not only at the level of the community but also in staff working in the project and in other stakeholders. District Capacity Building Organizations (DCBO), as the name suggests, are the nodal agency at the district level to achieve this.

District Capacity Building Organizations

In the district, the project will function under the overall guidance of the DPIU (District Project Implementation Unit headed by District Project Manager. At the level of cluster of villages will be the Process Facilitation Teams (PFTs) that will work with the community to facilitate the formation of community groups – SHG/CIG and VPRC, and PLF. PFTs will guide, support and develop the community groups formed. DCBO will work in close coordination

with DPU for building the capacity of people at various levels to achieve the project objectives, in the district.

The DCBO will consist of a Chief Trainer cum HR Coordinator and will be assisted by Training Specialist and two subject matter specialists in agriculture and engineering. The Chief Trainer and Training Specialists should have sound knowledge, understanding and skill of conducting process training. They should have a minimum of 10 years of work experience in community development/mobilization, rural development and/or training for development. The subject matter specialists should have sound practical experience of minimum of five years in their respective fields. Those who have worked in rural development should be preferred. The Chief Trainer will be HR Coordinator in the DPU, and will form the core team at the district.

The DCBO will be set up preferably by NGO that have such expertise and background. Each DCBO will be required to put up an independent PFT in that district. In the initial stage, a DCBO may be required to provide support in more than one district.

Functions, responsibilities and tasks of DCBO

The important functions and responsibilities of DCBO are the following:

- Assist the DPIU in PFT staff selection.
- Provide orientation to all the staff joining the project.
- Train the staff (PFT) in the basic skills required for the project - understanding the villages (through different PRA techniques), poverty sensitization and analysis, project communication in rural community, target group identification, group formation skills, micro planning, etc.
- Provide inputs and support in technical areas (agriculture and engineering) to the PFTs.
- Carry out gender and monitoring/evaluation training with the assistance of gender and monitoring/evaluation experts in DPIU.
- Make an inventory of other technical resource persons who can be accessed by the project.
- Track the capacity/skill level of the staff and provide inputs for greater effectiveness.
- Maintain the database on all staff mapping their capacity building (CB) needs.
- Help the DPU in achieving the project targets in the district.
- Develop innovative training packages, material and aids.
- Provide support and guidance to PFT teams in the field.
- Carry out stakeholder workshops and/or vision building exercises for involving and seeking the cooperation of other stakeholders, especially public representatives in PRIs, and other departments in the district.
- Track the growth and development of community institutions – SHGs/CIG, PLFs/VPRCs/Activity Federations.
- Identify the CB needs of the community.
- Track the effectiveness of different CB inputs.
- Document the experiences for learning and further dissemination.
- Support trial/pilot in new areas of community development, natural resource management, enterprise promotion, decentralization, etc.
- Take up any other training as required
- Take up additional responsibility as decided in consultation with DPIU
- Keeping track of the internal climate and the values practiced in the project.
- Practice the core values of the project.
- Keep proper and transparent accounts of all transactions.

NGO responsibilities

Reputed NGOs that have relevant background will set up DCBOs. Some of the NGO tasks are listed below.

- Set up DCBO in the district and take responsibility for its performance.
- Provide organizational space and support to the DCBO to carry out the project responsibility.
- The members of the DCBO should be of high quality and have relevant experience and skills required for carrying out the DCBO responsibilities detailed above.
- Share and learn from the experiences of the team.
- Support other DCBOs and teams, in other districts as requested by the project.
- Open bank account for keeping the project funds separately.
- Have double entry accounting system and keep proper records of transactions, so that it is possible to trace them.
- Have the accounts audited by a chartered accountant and submit the audited report within four months of the closure of accounts.

Eligibility and Assessment Criteria

An NGO will be eligible if it enjoys a legal status as a not-for-profit organization, and it has not been black-listed by CAPART and Central Social Welfare Board. NGO that have already been selected to set up PFTs will be eligible for the DCBO role. Hence, the NGO should have already qualified on organizational aspects (as for PFT) and transparency.

Objectivity and transparency are the two basic principles that will mark the process of NGO selection for DCBO. Criteria of assessment will include those related to the following

- ⊗ Competency: To carry out DCBO work as evidenced in past experience of the NGO and its staff. Capacity of the staff that will form part of DCBO will be important criteria in assessing the competency.
- ⊗ Organizational aspects: Access/collaboration with other training resource persons, institutions, etc. to source such competence as required. Internal environment of the organization for capacity building. Quality of documentation - publications, research, studies, manuals, etc.

Competency has a maximum weight of 70% followed by organizational aspects of 30%. Each of these broad dimensions is divided for better scoring as given in the Table 1.

A "selection panel" constituted for the purpose will carry out the selection process and recommend to the State Project Unit (SPU) for selection. The panel will go beyond the method of scrutiny of written proposals as a basis for selection. It shall include a wider consultation asking for reference on the NGO's suitability. Besides the NGO executive leadership, other stakeholders may be consulted while assessing the suitability of an applicant NGO. The panel may visit the NGO for the purpose.

General Terms

Interested NGO should give separate written proposals to be considered for DCBOs and annex documents for perusal. The proposal should indicate

- a) Tentative plan of action as DCBO
- b) Competence and suitability for the role
- c) Proposed budget (with rationale)
- d) Any other relevant detail.

Individual negotiations will take place with the SPU after the panel has recommended the NGO for selection as DCBO.

Table 1
NGO/DCBO Selection Scores

No.	Dimension for evaluation	Points	Points
1	Staff Competence		70
1.1	Qualifications	10	
1.2	Experience in community and group formation/development	10	
1.3	Experience and skill in training, process training	10	
1.4	Experience of networking - working with the Govt., PRI	10	
1.5	Capacity to innovate, come up with new designs of training and in training pedagogy, etc. as shown in past	10	
1.6	Experience of giving field based support	10	
1.7	Sincerity and dedication	10	
2	Organizational aspects		30
2.1	Ready access/collaboration with other training resource persons, institutions, etc.	10	
2.2	Internal environment of org. for capacity building	10	
2.3	Quality of documentation - publications, research, studies, manuals, etc.	10	
	Total		100

Annexure VIII : Field Visits undertaken for the study

District	Villages	Interactions
Thiruvallur	Magaral	Interactions with Mathi staff and PO – DRDA. Meeting with SHG members, panchayat members of Magaral village. Discussions with MSSS staff
Kancheepuram	Kaliyampoondi	Interactions with Mathi staff and DC, Meeting with SHG members, panchayat members of Kaliyampoondi village, Discussions with CRDS staff
Villipuram	Asoor	Interactions with Mathi staff, PO DRDA. Meeting with SHG members PLF members panchayat members of Asoor village. Discussions with Kalvi Kendra – Mathi Partner
Kancheepuram	Keel Kathirpur	Interactions with the Panchayat representatives, PLF and SHG members in Kil Kadirpur Village, meeting with the Irula community. Interaction with the field staff of Mathi Partner NGO. Discussions with Mathi partners (12) on CB issues
Sivagangai	Pudupatti, Thirukallapatti	Discussions with TRUPA. Partner NGO of Mathi, Visit to 1 CLF – interactions with members and 1 SHGs engaged in a group livelihood activity. Discussions with the PO Incharge – Mathi for Sivagangai district.
Madurai	Tiruparamkundram Vaikam Periyar Nagar	Discussions with APO, Madurai, Discussions with ICCW project coordinator and cluster coordinators, Meeting with PLF and SHG representatives, Meeting with two SHGs, Meeting with all NGO coordinators at Mathi Office – discussions on CB issues