

NGOs and Evaluation: the BRAC Experience

by

Salehuddin Ahmed
Deputy Executive Director, BRAC

Mohammad Rafi
Senior Research Sociologist, BRAC

Paper:

World Bank Conference on Evaluation and Poverty Reduction
Washington, D.C., U.S.A.
June 14-15, 1999.

BRAC Centre, 75 Mohakhali, Dhaka 1212, Bangladesh
Telephone: 884180, 9881265, 884051; Fax: 880-2-883542; E.mail: general@brac.bdmail.net

Introduction

Bangladesh is one of the poorer countries in the world. Because of the multitude of problems, both natural and man-made that Bangladesh has had to face ever since its inception, we perhaps lost sight of the positive aspects of the fact that by putting our heads together we have also achieved 'miracles'. The 75 million people at independence that turned into 120 million in 1997 have managed to survive on a land mass and with resources that would have been depleted overnight almost by any other people. Despite its growth in population, the country has, in 25 years, become nearly self-sufficient in food grains. Seventy percent of the newborn children are now immunized, and fertility rates have greatly fallen. Infrastructure has been set in place, and the country has reaffirmed its commitment to democracy. Bangladesh was determined to confound the doom-sayers and those who had carelessly and unkindly called it a 'basket case'.

The need for development that emerged with independence, and the willingness of outsiders to help Bangladesh generated a community of development organizations, that is, non-government organizations (NGO) unparalleled elsewhere. Bangladesh has become renowned for the effectiveness of its development community as well as for its quantitative and qualitative efforts to alleviate poverty. The paper explains the mechanism of NGOs, with reference to BRAC, that contributes to the poverty reduction effort in Bangladesh.

BRAC

BRAC is a Bangladeshi NGO. The twin objectives of BRAC are poverty alleviation and empowerment of the poor. It works particularly with the women from poorer families whose lives are dominated by extreme poverty, illiteracy, diseases and malnutrition. Over the years since inception BRAC has gone through a series of evolutions and is now one of the larger NGOs in the country.

Historical perspective of BRAC

Just after the Liberation of Bangladesh BRAC started its journey in 1972 by helping the refugees returning home from India to Shalla, a remote and inaccessible village at the northeastern boarder of the country. The refugees had to start life anew in their war-torn homes and villages. BRAC helped the villagers by providing them materials needed for house construction and tools used in earning a livelihood.

Within a short while BRAC realized that relief and reconstruction oriented activities could serve only as stopgap measures meeting the immediate need of the people (Lovell 1992). Thus, in order to meet long-term need of the people BRAC launched in 1973 a program with integrated community development approach in 200 villages in the same area including Shalla. The program offered a service package including agriculture, horticulture, fisheries, adult education, health care, family planning, and vocational training.

The approach was based upon two sets of assumptions. First, the rural masses being passive and needed to be conscientized, the attitudes of the rural mass could be changed through education/training; and the village community although not homogeneous, could be called upon to work cooperatively and at times to pool their resources (Chen 1991). Second, the extension of essential services and demonstration of their use to people would motivate them to use the services, which in turn would lead to their development. Development, however, did not follow. Adult education program failed to attract villagers and vocational training offered was found to be out of context in the village. Besides, the development of village-wide community spirit was not satisfactory (Chen 1991; Lovell 1992).

The failure of the integrated community development approach led BRAC to adopt an alternative approach to development – participatory development program. It was a system in which people had participated to development in their own environment by actively taking part in the planning of development and in their implementation. Besides, the failure to unify the whole village under a single interest led BRAC to believe that a village was a conglomeration of groups with different interests (Lovell 1992). Thus, in 1974 BRAC launched a credit cooperative program for some of

the poorer subgroups namely, the land-less, the fishermen, and women. The program worked side by side with the participatory development program in some of the villages in which it was already in action.

With the passage of time BRAC observed that due to the existence of a fundamental relationship within the rural power structure the distribution of resources through community development approach was in fact benefiting the rich at the cost of the poor in the village. Thus, BRAC was convinced that: (1) program designed for the poor must address the rural power structure, and (2) in order to address the rural power structure, the capacities and the institutions of the poor must be developed. Consequently in 1978 BRAC shifted from the notion of credit cooperatives for the poor to the concept of organizing groups of the poor – target group approach (Chen 1991).

The approach reorganized and mobilized the poor into Village Organizations (VO). Villagers owning less than half-an-acre of land and at least one member of their families selling manual labor for a minimum of 100 days annually were eligible to join it. As soon as an adequate number of the poor showed definite interest in organizing themselves a VO was formed by them under the aegis of BRAC. It was believed that the input for development could be distributed best by organizing the poor (Khandakar 1998). A VO plans, initiates, manages, and controls group activities, both in social and economic fields. BRAC supports the self-sustained growth of the groups' activities by providing training, extension of credit and logistical assistance.

Selected Features of BRAC Approach

Number of features can be discerned in the present BRAC's model for development having implications for the outcome of its poverty alleviation effort.

1. **Learning experience:** BRAC is a learning organization. The learnings are constantly used in redefining the development strategies. Ever since its inception continuous learning has been the mode of policy planning in BRAC.
2. **A holistic approach to poverty alleviation:** BRAC believes that poverty is not only lack of income or employment but also a complex syndrome manifested in a variety of dimensions. Therefore, along with income and employment generation, BRAC

works for the development of organizations of the poor, conscientization and awareness building, mobilization of saving, children's education, health, gender equality, training for human resources development and so on. Poverty is looked upon holistically.

3. **Social mobilization:** Social mobilization is the sine qua non for the empowerment of the poor. The process of social mobilization starts with the identification of the poor (i.e., target groups). Through the conscientization program, the poor are made aware of the society around them. So that they may analyze the reasons for the existing exploitative socioeconomic and political system around them and find out ways to change it in their favor.
4. **Participation of women in development process:** BRAC has been promoting a new culture in the development field with women in the forefront of all activities. For example, most of the recipients of credit are women (96% at the end of 1998); 70% of students and 80% of the teachers of BRAC schools are female; and health and poultry workers are also all women.
5. **Scaling up:** BRAC intends to serve as large a number of the poor people as possible. BRAC believes, that 'small' is beautiful but 'big' is necessary. The 'seeds of change' which has been sown need to be multiplied for utilization of the benefits and also for the sake of greater impact and sustainability.
6. **Sustainability:** BRAC looks at sustainability from two angles – sustainability of the impact of BRAC intervention on its participants and sustainability of BRAC itself.

Partners of NGOs

The NGOs usually maintains 3 to 4 fold relationships with outside organizations in order to conduct their activities. The NGOs set up a relationship with the Government when they apply for the approval of the same in order to conduct development activities. The NGOs also collaborate with government organizations in the development efforts. Next, the NGOs get into a relationship with the donors for fund which they utilize in implementing the development program. In implementing the program the NGOs come in contact with the people, the group whose upliftment is

intended through the program. The NGOs also set up relationships amongst themselves by sharing each other's program and working together.

Experience with government

The relationship between NGOs including BRAC and government transformed with time. The change in the relationship can be divided into three phases. The 1970s was the decade of coexistence without interaction, in 1980s the relationship polarized and 1990s was the decade for understanding and rapprochement between NGOs and the government.

An overview of GO-NGO cooperation projects three types of arrangement between them at the present time (World Bank 1996).

1. Sub-contract – GOs entered into contracts with NGOs who were selected on the basis of competitive bidding.
2. Joint implementation – NGO entered into partnership arrangements with GOs as co-financier or joint executioner of the project.
3. Government as financier of NGO project – Government or national banks financed NGOs for running a project.

The experiences and learning that BRAC derived through its cooperation with GOs were to a great extent influenced by the factors that predisposed the GOs and NGOs in their ways of working and the attitude they cherished about each other. The most important learning from the past collaborations between the two organizations is that the roles and responsibilities of both GO and NGO in the cooperative venture should be finalized in detail at the outset of the cooperation. If this is not done, the organizations might try to shun away from conducting difficult and/or unpleasant part of the program. Such a tendency could adversely affect the program.

Experience with the donors

The donor community strongly advocates for the meaningful participation of the NGOs in the overall development process. Donors want to see that the funds they provide to NGOs are properly utilized and people at the grassroots receive benefits.

Development is a long-term process, thus the NGOs should chalk-out programs for development accordingly. The donors on the other hand should be committed to sponsor NGOs for such a development effort. The convergence of this belief from both sides leads to the development of long term relationship between donors and NGOs.

An open and positive relationship should be developed with the donors. They should be apprised not only about the achievements but also about the failures and problems faced in implementing the programs. This strengthens the relationship between the two parties. It becomes easier for the NGOs to get fund if they can prove their worth. BRAC formulates the programs for poverty alleviation based on its mission and goal. It receives support in implementing the programs from the donors honoring the mission and goal. The NGOs should keep in mind that it is very difficult to utilize and manage fund effectively and efficiently.

Experience with people

The success of NGOs in Bangladesh can be sought in the fact, as Hansmann (1980) indicated, that the state provides public goods and services to a section of the society. In such a situation the NGOs thrives by fulfilling the demand for goods and services to the section which has not been catered for by the government or other agencies. On the other hand Paul and Israel (1991) believe that the reason behind the success of NGOs lies in the fact that the existing contractual mechanisms of service delivery agencies in Bangladesh failed to provide adequate services to the people and gain their confidence. Thus, they turn to an organization (i.e., NGOs) with no profit motive for services they offer. In the case of either theory the NGOs need to make itself acceptable to the people and earn their credibility by offering programs in which people have confidence and become gainer by associating with them. In fact there lies the accountability of the NGOs to the people.

With the NGOs

A functional relationship relating to program developed between the NGOs. The NGOs collaborate to learn about their programs in order to introduce new program for

themselves or to improve the effectiveness of their existing program. They also jointly implement programs in same or different areas. Again an NGO implements the program of another NGO which was found to be effective. Presently, BRAC assists over 230 small local NGOs in running non-formal primary schools for children. The interactions among the NGOs provide them with experience and learning which contributes to their development effort.

Major Programs of BRAC

Although BRAC has been regarded to have an integrated development program the implementation makes its program not an integrated whole, but a package of programs. BRAC strives at achieving its goal of poverty alleviation and empowerment of the poor through a number of programs. The most significant of these are Human Development Program, Health Program, and Educational Program.

Human Development Program

BRAC has a 'core human development package' comprising (1) group based micro-credit, (2) essential health care, and (3) human development training for members. All BRAC VO members participate in this package. The members also have access to another package of program addressing seven sectors, namely agriculture, poultry, live-stock, sericulture, fisheries, social forestry, and rural enterprises. Different members participate in these on selective basis. The core human development package and sector programs together are termed as Rural Development Program (RDP) package. It is the major poverty alleviation program of BRAC. Presently RDP is operating in 60 percent of the villages by covering about 3 million households in those.

Health Program

Health has been an important component of BRAC interventions since its early days. The program received a major thrust in 1980 with the introduction of nation-wide program on Oral Rehydration Therapy for the treatment of diarrhea, a major killer in Bangladesh. Since 1990, BRAC has been carrying out a program focusing on women's

health with an emphasis on reproductive health. Other important elements of BRAC's health program are family planning and nutrition. Presently the program offers health services to about 3 million rural people of the country.

Children's Educational Program

BRAC started a non-formal primary education (NFPE) program in 1985 with 22 schools. Two important features of the program are that it promotes female education (70% of the pupils are girls) and enrolls children from the poorer families. Presently there are more than 34 thousand BRAC NFPE schools functioning through out the country.

Support Program

BRAC has organized a number of support services to facilitate the activities of the program endeavoring for the development of the poor. Of these services training and research facilitated by the Training Division, and Research and Evaluation division, respectively, are most significant.

Training Division

The goal of the Training Division is to improve the management capacities of the development practitioners particularly both within and outside BRAC, and to enhance the human and operational skill of the group members and program participants. The efforts are kept consistent with the BRAC's poverty alleviation and empowerment goals.

Research and Evaluation Division

BRAC is one of the few grass root level organizations having a full fledged research facilities. The necessity of understanding the rural society that makes the programs succeed or fail directed BRAC to set up the Research and Evaluation Division (RED) in 1975. Besides, BRAC realized that in order to design effective program and properly measure their achievements there was a need to conduct extensive and serious research. Research is an essential prerequisite for the programs in BRAC.

The Division holds a unique position in BRAC. In order to avoid any influence that might distort the research findings the Division have been kept independent of all other organs of BRAC. The Division is directly responsible to the Executive Director of BRAC. On the other hand, in order to conduct research it is absolutely imperative for the Division to have detailed understanding of the programs of BRAC. Such a requirement is met by maintaining a close and regular contact with the programs. The evaluation of BRAC programs is one of the major responsibilities of the Division.

Evaluation of BRAC Programs

The evaluation of the programs have been recognized as an integral part of many departments and organizations across countries (Federal Department and Agencies 1981). BRAC in support to such a policy have established the tradition of holding regular evaluation of the programs through Research and Evaluation Division.

The evaluations conducted by RED can be grouped based on different criteria. Some of the evaluations were conducted exclusively by RED but in the case of others, RED collaborated with outside organizations/institutions in carrying out the same. Again some of the evaluations were conducted on non-BRAC programs or on issues relevant to audiences outside BRAC, for example, the 'Socio-demographic and Health Profile of Chittagong Hill Tracts', a study in progress, is likely to help any organization working for the development of the region. Against these evaluations others were conducted on BRAC programs. These studies were done exclusively with the resources of RED but in some cases the assistance of outside experts were taken. These evaluations can be grouped into two – external evaluation and internal evaluation.

External Evaluation

NGOs are regularly evaluated by the donors from whom they receive funds. The donors evaluate the performance of the NGO through number of processes such as by arranging regular meeting with NGOs, receiving progress reports regularly from the NGOs, evaluating the NGOs by teams selected by them, etc.

Internal Evaluation

In the recent past RED conducted four impact studies on BRAC programs like rural development, human rights and legal education, oxbow lakes project and non-formal primary education. The Impact Assessment Study (IAS) I and II on RDP were most significant of all evaluations conducted on poverty alleviation in BRAC. The objectives of these studies were to measure the success of the program in raising the socioeconomic status of RDP participants, identify the shortcomings of the Program and assess its sustainability. Following section concentrates mainly on IAS II conducted in 1996-1997, The study observed 1,250 BRAC participant households and 250 comparison households.

Learning for IAS - II

The IAS-II found positive impact of the RDP on the social and material well-being of the participants. BRAC households had 380% higher assets, 50% higher net worth (assets + saving – outstanding loans) and two times more savings than comparison households. Although the member households had higher ownership of assets but the rate of growth was higher for the comparison group during the period 1993-1996.

Calorie consumption and both food and non-food expenditure were higher for member households than comparison households. The value of housing and per capita floor space of the former group were also higher. A higher percentage of them also used tubewell water for washing utensils, clothes and for bathing. Twenty four percent of them used sanitary latrines against nine percent of comparison group households. The rate of contraceptive use among eligible couples was 40% for BRAC household against 27% for comparison households.

Although, in general the dependence of BRAC households on non-institutional loan reduced, but the households with self-employed heads increased their borrowing from non-institutional sources. Newer BRAC members showed comparatively better performance than older ones in terms of rate of increase in value of living-houses, per capita floor space, savings, assets, etc. These newer members had higher initial endowment than older ones, but older members enjoyed better health and sanitation

facilities. Again, male headed households demonstrated better performance than female headed ones in terms of socioeconomic indicators.

Both incidence and severity of poverty declined for BRAC households with increase in membership length. The incidence as well as the gap and intensity of poverty of BRAC households, were much less than those of comparison households. BRAC households also faced relatively less food deficit and used more positive mechanisms to cope with crises.

Direct involvement of women in income generating activities (IGAs) increased from 28% before joining BRAC to 45% with increase in the length of membership. However, majority (53%) handed over their loan money to male household members. Existing socioeconomic norms created this dependence of women on men for utilization of loans. The income from IGAs were usually spent on household and personal expenditure.

Over 90% of the members owned some assets, productive or unproductive, but their ownership was partial. Their control over assets was also limited. Nevertheless, their status in the family improved.

Future Evaluation

The evaluation of the program should be a routine activity for an NGO. In future evaluations it should be kept in mind that on one hand there are issues which should be subject of evaluation in every occasion, on the other there are issues which should be evaluated as demanded by the situation. Based on this principle the subject of future evaluation can be grouped into three.

1. The goal and objectives of the program determine the scope of evaluation for a project. So long the goal and objectives of the program remain same there will be number of issues which should be touched in every evaluation of a program. The findings from these evaluations can be compared to fathom the achievement of the program over a period. In the case of RDP the assessment of the asset of the member-households can be an issue for evaluation in every occasion.

2. The future evaluation can focus on the effect of unexpected occurrence that touched the program activities. For example, there was an evaluation on the losses caused by the flood of 1998 on the RDP program participants.
3. With the change in the policy of the program new issues for future evaluation may crop up. Future evaluation may also be conducted on issues relating to the measures that have been taken by the program based on the recommendations made by past evaluation of the program. Following section presents some of the issues relating to the recommendations made in IAS II and other studies that can be the focus of future evaluation on RDP.

Studies indicated that a big portion of the target group representing the hard-core poor in the village is yet to be covered by BRAC programs. Family crisis such as chronic illness, disability of the male income earner, and higher dependency ratio were some of the reasons that discouraged them in taking initiative to become VO members. RDP has taken measures to bring this section of the community under its poverty alleviation initiatives. In connection with this policy next evaluation on RDP may investigate the extent they have been covered.

The studies proposed that the present VO membership selection criteria of BRAC need reassessment. The 'land ceiling' seems to be an inappropriate criterion for several reasons. First, amount of land owned by a household may be small or large but the effective landholding depends on several other things like quality and location of the land. Second, source of livelihood of many households in the rural area may be business, service and other non-farm activities. Amount of landholding as a criterion for member selection may not be applicable to these households. Studies also indicated a recent trend in recruiting the relatively less poor households as VO members. New members were found to have owned more assets and were more involved in income generating activities. Their initial endowment was relatively better than that of older members. This selection has some adverse consequences so far as the coverage of the poorest is concerned.

The selection of VO members with the help of RRA/PRA techniques was observed to be a check against this bias and also an effective substitute for

selecting members based on land ceiling criterion. Next evaluation may also look at the effectiveness of the techniques in member selection where applied.

BRAC requires VO members to deposit regular savings but imposes restriction on their withdrawal. The mobilization of savings is necessary not only to provide indirect collateral to loans but also to increase the loan fund. A study indicated that members were interested in depositing higher savings so that they could use them during emergencies or to cope with crises. The restriction on withdrawal of saving acted as a disincentive for increased savings. Again, according to IAS 1 and II the policy was one of the reasons for membership discontinuation.

Recognizing the importance of a provision for savings withdrawal by members, BRAC has been conducting a pilot program in selected areas to devise appropriate mechanism for savings withdrawal by members. The preliminary recommendation of the program and few other studies is that BRAC needs to introduce a flexible saving withdrawal system as soon as possible. The effectiveness of this policy may also be observed in the next evaluation.

Method for Evaluating Programs on Poverty Evaluation

The following section discusses a number of research issues (if not all) should be taken into consideration in designing a study evaluating the poverty alleviation programs.

1. **Indicators:** The evaluation of the program should be based on the observation of selected indicators. The goal and objectives of the program will determine what should be the indicators for observation in the evaluation. In relation to indicators two rules should be followed in evaluation. First, the indicators for observation should be limited in number so that those can be effectively managed in evaluation. Second, the indicators should remain relevant to the program over a period of time. This is particularly important when the findings from one evaluation is compared with other. The indicators can be both quantitative and qualitative in nature. The data on quantitative indicators can be collected easily and within a short period, but those on qualitative indicators needs longer period and special skill in collection. The nature and skills required for analyzing these data are also different (discussed below).

2. **Assessment of the impact:** In an evaluation aiming at the assessment of impact of the program the impact caused by the program should be identified and measured. Some statistical tools may be used to separate the contribution of external effects on the impact. In the case of IAS II attempts were made to find out the contribution of BRAC in the upward mobility of the program participants by comparing over time the changes in different socioeconomic indicators related to both program and comparison households. However, retaining a true comparison group was very difficult, especially due to their subsequent involvement in development programs.
3. **Use of quantitative and qualitative methods:** The evaluation may use both quantitative and qualitative methods to serve different purposes of the study. The quantitative approach may be used for poverty estimation and constructing summary poverty measures, and assessing impact on material and social well being. The findings derived from this approach may be matched with those (where possible) derived by qualitative approach. The combination of these two methods is likely to enhance the acceptability of the findings. In any research investigation two important questions needed to be answered – ‘what’ and ‘why’. The quantitative method was found to be most effective in answering the first question while the qualitative method being effective for the second. The integration of these two methods can serve the purpose best in an evaluation.

The quantitative data are amenable to statistical analysis especially where it is necessary to decompose data to isolate the effect of a single variable from the composite effects of multiple variables. The qualitative / participatory method may be used to deal with subjective issues such as perceptions, attitudes and motivations. It is often necessary to provide explanations of facts derived from quantitative approach. Thus in some cases both the methods may be necessary to complement each other while in some cases use of the either may serve the purpose of an impact study.

Sustainability of Program

We have already mentioned that sustainability is one of the features of BRAC model. The sustainability of BRAC's program is important if the current crusade against under-development is to continue. Right from the beginning, BRAC is concerned about its sustainability.

In order to reduce dependence on donors, BRAC started setting up commercial ventures, and obtaining ownership of assets such as office blocks, cold storage, printing press, sales shop, etc. At the moment, over 40 percent of BRAC's expenditure come from its own sources. By the turn of the century, RDP will be donor independent.

The sustainability of the impact of BRAC intervention on the participants is inherent in the intervention. The process of conscientization, extension of credit, utilization of the credit in productive sectors, monitoring of the credit utilization, creating opportunity for employment, offering training, etc., together ensure the sustainability in the case of participants. Following section presents some of the sustainable effects of program intervention on the members.

The IAS II indicated that the older members own more assets (land and non-land), savings and net-worth. The net gain in landholding, since joining BRAC, was also significantly higher for them. They received significantly higher amount of loan. BRAC members' direct involvement in any IGA positively contributed in increasing the ratio of total income earner to household size and especially in the ratio of female to total income earners. Members from the oldest membership length group earned significantly more than the other groups. Their per capita calorie consumption and expenditure on food and non food consumption were also relatively higher than those of other groups. All these together imply that in an overall context length of BRAC membership made positive contribution in improving the material status of their member households. The households with membership length of more than 84 months owned less assets than its previous smaller membership length group. Although analyses of data did not clarify reasons behind these, this result gives an indication that only loan

was not enough to make significant change in the well-being status of a household and sustain it in the long run.

Conclusion

The achievement aside, Bangladesh still faces terrible challenges. Over 60 million people live in absolute poverty, 50 million have no access to health services, and over 40 million adults, two third of them being women, are illiterate. There is still a long way to go. What's needed in such a situation for NGOs is effective programs in poverty reduction efforts. Such programs will receive support both financially and technically from all the NGO partners and will be easy to implement. Once the program has been implemented it should be evaluated by following appropriate research methodology. The findings from such an evaluation will be reliable assessment of the program's achievement.

References

Chen, Martha Alter (1991) *A quiet revolution: women in transition in rural Bangladesh*. Dhaka: BRAC Prokashana.

Federal Development and Agencies (1981) *Principles for the evaluation of programs*. Program Evaluation Branch, Ministry of Supply and Services: Canada.

Khandker, Shahidudr R. (1998) *Fighting poverty with microcredit: experience in Bangladesh*. Oxford University Press: New York.

Lovell, Catherine H. (1992) *Breaking the cycle of poverty: the BRAC strategy*. Dhaka: University Press Ltd.

Paul, Sammual and Arturo Israel (ed. 1991) *Nongovernment organizations and the World Bank*. D.C.: The World Bank.

World Bank (1996) *Pursuing common goal: strengthening relations between government and development NGOs in Bangladesh*. Dhaka: University Press Ltd.