

## **MYRADA'S CAPACITY BUILDING INTERVENTION : CREATING SOCIAL CAPITAL IN THE COMMUNITIES IN SOUTHERN INDIA**

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### **ABSTRACT**

*Capacity building is a recent concept that emerged in the lexicon of international development and is included in the programmes of most international organisations that work in development. However, no shared definition of what capacity building means has yet been developed. Probably this concept calls for a fundamental rethinking in the form of practice and approach. Arguing that capacity building, more so in the context of working with rural marginalised and poor communities cannot be studied in isolation, the purpose of this paper is to focus on capacity building and social capital simultaneously. To this end, it first outlines the fundamental shifts in the meaning of development through the evolution of the concept of capacity building; critically analyses the capacity building intervention by MYRADA, a South Indian development agency; and finally presents a framework which could be used in a developmental work with communities. The study indicates that community capacity building is enhancing social capital, more importantly they are mutually reinforcing in the South Indian State of Karnataka.*

### **Introduction**

Today capacity building is included in the programme of most international organisations that work in development, for example the World Bank, the United Nations (UN), and Non-Governmental Organisations (NGOs) like Oxfam International. The term capacity building (Sena & Booy, 1997) has evolved from enhancing technological and capital investment in the 1950s and 1960s,

to development for the people in the 1960s and 1970s, to development with the people in the 1980s and 1990s. Till the 1980s, aid and "western consultants" providing training to the local people under "technical assistance"<sup>1</sup> were the major means of development. Since 1990, began the new era of development where the emphasis was on empowering people as owners of the development process by developing local capacity. By 1991 the term had evolved and

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transformed into capacity building, and by 1992, it had become a central concept in United Nation Conference on Environment and Development (UNCED) agreements.

Many studies have been conducted on capacity building and social capital. While Fitzgerald et al.'s (NA) guide focused on local NGO capacity building in conflict affected settings, the World Bank (2005) focused on capacity building of public sectors in African countries as they can play a role in reducing poverty, accelerating economic growth, and providing better services to their citizens. In case of a municipality in highland Ecuador, organisational capacity building, first at community and subsequently at federated levels has led to its transformation from land dominated by elites, to one owned by indigenous people, municipal government becoming more accountable, and relationships of synergy being created between government, federations and communities (Bebbington and Carroll, 2000). A study of Community Driven Development (IFAD, 2009) focused on making the community based organisations capable of fully participating in the design, contracting, supervision and management of social and productive infrastructure and other development activities-including rural financial services-that they may want to undertake for themselves. Drawing lessons from several cases, Bebbington and Carroll (2000) concluded that external interventions such as NGOs, churches, government, and national peasant movements have played an important role in building capacity and creating social capital as they help access resources, and within the federation build external bridges with other actors, markets etc., and invest in human and administrative resources. In India, social audit (2009) of National Rural Employment Guarantee Scheme in Andhra Pradesh showed that this was primarily achieved through capacity

building of all stakeholders from top management to those working in the grassroots through a series of activities, training programmes, training manuals, and guides. A study (Maikhuri et al., 2011) in rural and marginal areas of the difficult topographies of the Himalayan region highlighted that natural resources were managed through simple and appropriate technological interventions through large-scale demonstration, on-site training, capacity building and skill development of user groups to overcome poverty, drudgery and natural resources degradation. Basargekar's study (2010) of Self-help Groups suggested that urban microfinance programme created social capital which had an empowering effect on its members. It suggested that creation of social capital requires a deliberate effort where organisations implement specific policies such as capacity building programmes, and develop decision making abilities.

The purpose of this field-based research is two-fold: First, the brief literature review highlights the need for an in-depth study on capacity building intervention as a systemic process. In addition, there is little available literature on capacity building intervention and its relationship with social capital, which we explore in this research. By taking the perspective of community based organisations (CBOs), we hope to shed light on various theoretical and practical issues of community development. Second, in community development literature, the poor and marginalised communities from rural areas in Southern India have received little attention from academia. We thus aim to fill this gap through this study.

Via single-case study design of capacity building intervention by MYRADA, this paper purports to answer a few research questions: How is MYRADA building the community capacity? Why there is a gradual shift from

exogenous to endogenous capacity builders and what roles can an external agency continue to play? How does capacity building intervention enhance social capital and empower CBOs? Yin (1994) points out that case study is the preferred strategy when "how" and "why" questions are posed (cited in Zucker, 2009).

A central focus for community research then should be to develop an understanding of how successful communities build capacities to assist community development professionals and others in their development efforts. In the light of these concerns, we set out to examine capacity building intervention and social capital in MYRADA, a South Indian development agency.

### **Capacity Building and Community Development**

Capacity building is a relatively recent concept in the field of development research and practice. It has been defined differently by different researchers and organisations since the early 90s. UNDP and the International Institute for Hydraulic and Environmental Engineering (1991) defined capacity building as a long-term and continuing process; creation of an enabling environment with appropriate policy and legal frameworks; institutional development, including community participation (of women in particular); human resources development; and strengthening of managerial systems. Building capacity - which needs to be addressed at three inter-related levels, namely individual, institutional, and societal - is possible only with the participation of all stakeholders, from ministries, local authorities, NGOs, water user groups, professional associations, academics, to general public. UN (2006) too defined capacity building as encompassing the country's human, scientific, technological, organisational, institutional, and resource

capabilities. It stressed on enhancing the country's capabilities to evaluate, and address the crucial questions related to policy choices and modes of implementation among development options, based on an understanding of environment potentials and limits, and on needs perceived by the people of the country concerned. Other international development agencies, such as Concern<sup>2</sup> emphasised enabling and strengthening of individuals, groups, organisations, networks, and institutions to increase their ability to cope with crisis and to contribute long-term to the elimination of poverty.

In the history of international development, attention to the role of local community and the need for capacity building has come at the same time as economic globalisation and weakening of the state or "weakening of the social contract" referred to by Robinson (1995): a decline in the role of government service delivery, especially since the 1980s when investments in the public sector in many countries fell prey to structural adjustment measures to offset the debt crisis (cited in Foster & Mathie, 2001). India was no exception to this; it opened the gates of the country loosening restrictions on import, encouraging export, and opening up the market through liberalisation, privatisation, and globalisation. This weakening of the state, combined with recognition of the disempowering effects of earlier development models, challenged the community development practitioner to identify strategies for communities to drive their own development, forging linkages beyond the community, while calling government to account for services to which its citizens are entitled (Foster & Mathie, 2001).

There is also a resurgence of interest and growing empirical evidence in the social dimensions of development, particularly social capital. The poor people's organisations

embody a very important form of structural social capital which is indispensable in making development possible. As emphasised by Coleman, unlike human capital, social capital is embedded in structures, not in individuals. This capital, which is embodied in relationships and groups of people, constitutes a potentially important asset and plays a significant role in reducing poverty. Social capital is thus relational and embedded in social structure. Popularly introduced in his work *Bowling Alone* (2000), Putnam believes that social capital is integral in facilitating development (cited in Yee, Just, Stahov & Ehlinger, 2008). The economist, Douglass North (1990) argued that formal and informal institutions are crucial to understanding economic performance; political scientist, Robert Putnam (1993) noted role played by density and scope of local civic associations in dissemination of information and trust; and Ostrom (1990) and Uphoff (1992) highlighted the importance of social relations to the maintenance of common property resources (all cited in Woolcock, 2001). Though social and behavioural researchers and practitioners have debated over meaning, interpretation, and utility of social capital, what is clear is the potential power of social capital to "socialise and humanise" (Carroll, 2001) development discourse and practice. It is now also recognised that the traditional types of capital (natural, physical, and human capital) determine only partially the process of economic growth because they overlook the way in which the economic actors interact and organise themselves to generate growth and development. This is social capital, the missing link (Grootaert, 1998); the trust, reciprocity, norms, and networks of civic engagement in a society that facilitate coordinated action to achieve desired goals (Carroll, 2001).

Given that community development is still an evolving field of practice, it might be

best to avoid a narrow or an overly diluting definition of capacity building. In this research, the definition of capacity building is based on one proposed by Groot and Molen (2000): 'the development of knowledge, skills, and attitudes in individuals and groups of people relevant in the design, development, and maintenance of institutional and operational infrastructures and processes that are locally meaningful'. The above definition reflects the basic assumptions on which this study is based: (1) capacity building is viewed as a process; (2) the development of relevant knowledge, skills and attitudes in individuals as well as groups; and (3) local participation in design, development, maintenance and evaluation of locally meaningful projects. In the context of community development, though the concepts of "participation" and "people-driven" development emerged in the 1980s and was practised through Participatory Rural Appraisal (PRA), Participatory Learning and Action (PLA) etc., the focus remained on need-based or problem-solving approach. While the marginalised and disadvantaged communities do have problems, the focus is on only needs that can make them disregard their achievements, capabilities and strengths. Hence, since the beginning of the 1990s, development practitioners have been challenging the disempowering "deficit mindset" (Foster & Mathie, 2001). Our definition focuses on positive approach, which complements the participatory approaches to development.

Since mid-1990s these positive approaches in the field of community development have evolved in different regions: Asset-Based Community Development<sup>3</sup> (ABCD) in North America; and Appreciative Inquiry<sup>4</sup> (AI) approach in many other parts of the world- World Vision Tanzania, PACT Nepal, and Global Excellence in Management (GEM) initiative in Liberia. In

1999, Appreciative Inquiry was introduced in MYRADA through a two-and-half year partnership with Canada's International Institute for Sustainable Development (IISD) and funded by the United Kingdom's Department for International Development (DFID), to field test what was then a new participatory development approach called AI. Since then AI has become part of the Institutional Capacity Building (ICB) helping community based organisations (CBOs) to develop vision for their group. This descriptive study is part of ongoing research studying the impact of Appreciative Inquiry training by MYRADA on the CBOs.

### **MYRADA : A South Indian Development Agency**

Mysore<sup>5</sup> Resettlement and Development Agency (MYRADA) was founded in 1968 to assist the Indian Government in resettling Tibetan refugees. When this programme ended in the early 1980s, MYRADA started focusing entirely on the poor and marginalised in rural and drought-prone areas. As a group of autonomous societies, companies, trusts, and informal institutions all under the umbrella of MYRADA, it is presently managing 19 projects, in 20 backward districts of Karnataka, Tamil Nadu and Andhra Pradesh. In collaboration with other institutions, MYRADA is promoting the rights of the communities to build and manage their own institutions, develop their own livelihood strategies, lobby effectively to change oppressive relations, access resources, and build linkages.

#### COMMUNITY BASED ORGANISATIONS (CBOs)

CBOs are homogenous and membership groups of poor people at the village level, federated at the second level, under resource centres managed by the community itself. The next section will discuss the following CBOs : Self-Help Affinity

Groups (SAGs), Watershed Management Associations (WMAs), Federation of SAGs, and Community Managed Resource Centres (CMRCs).

*Self-Help Affinity Groups* : They are small groups of 15-20 poor men or women related by affinity, where their members use savings, credit and social involvement as instruments of empowerment. These groups, mainly women's SAGs are a major component of MYRADA's strategy for social, economic, village and environmental development of the communities, at both institutional and individual level.

The process<sup>6</sup> of SAG formation which may take up to three years passes through three phases : identification and formation, group stabilisation, and withdrawal. An experienced MYRADA field staff identifies an affinity group which already exists in the village, and develops it into an SAG (*Today however, seeing the success of other SAGs in the village, many groups come forward on their own and request MYRADA to help them form an SAG, said Ramesh, the field staff*). This process involves collection of information regarding credit needs, income, availability of natural resources (through Participatory Rural Appraisal methods), skills and markets; and understanding people's perception of poverty and interveners. If it is a women's group, then the staff also meets the men to explain the purpose of SAGs and benefits that will accrue to the family through these institutions. Consequently, the members hold several meetings, give an identity to their group, raise issues concerning family and village, debate matters regarding savings and lending, and agree to abide by group decisions and trust each other. In the group stabilisation phase MYRADA plays a key role in training the groups, supports the process of group growth by attending all meetings of SHGs and intervening only when required. As the groups take on major role in

organisational maintenance, MYRADA gradually withdraws—it reduces its attendance at weekly group meetings, and SAGs slowly pay for the maintenance services. MYRADA, however, ensures regular feedback and helps them assess their overall performance.

*Watershed Management Associations :* They are associations of poor farmers and other groups who live on or own land in a small, geographically contiguous area. In the Integrated Watershed Development Programme, “integration” was considered essential to the sustainability of the intervention. This necessitated the emergence of institutions of stakeholders in watershed. With the objective to build a sustainable base for livelihoods of the poor, WMAs are involved in planning for soil and water conservation “making the water walk”, natural resource management activities, agriculture development “bringing the soil back to life”<sup>7</sup>, thus adopting an overall strategy of low external input sustainable agriculture approach (LEISA), and non-farm-based livelihoods. MYRADA’s role in the process of WMA formation is similar to that of SAGs.

*Federation of SAGs :* It is a close network of 10 to 20 well-functioning SAGs whose

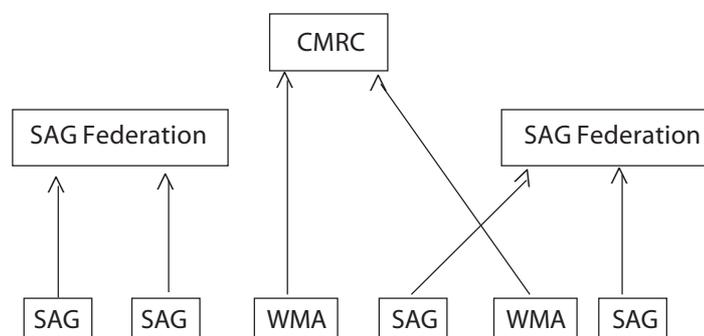
representatives (one member is nominated from each group) meet regularly. During the institutional capacity building (ICB) training, SAGs are introduced to the concept of federation.

*Community Managed Resource Centres:* Integral to MYRADA’s withdrawal strategy (elaborated later under ICB), and hence promoted by the organisation, they are social enterprises owned and managed by their members, providing demand based services to an average of 120 SAGs and WMAs, and to others in a compact geographical area for a fee. The ICB training introduces this institution to these groups to which later they seek membership.

#### SCALING UP OF CBOs

Figure 1 presents the three layered structure of the CBOs : SAGs and WMAs at the base level; Federation of SAGs at the next level; and CMRC at the top level. It thus, illustrates the scaling up of informal village level CBOs (not registered, have no office or full time staff) into the second level informal institutions of federation of SAGs, and finally the latter and WMAs into formal institutions at the supra-community level- CMRCs (registered societies).

**Figure 1 : Scaling Up of CBOs**



These scaled up CBOs embody structural social capital (Singh et al. 2011). Among the base level CBOs linked by trust and mutual support, affinity is the strength of the group and forms the basis for agreements, rules, regulations and sanctions. Since the groups bond the poor people together, it is an indication of social capital, bonding with no hierarchy. At a higher level, federations of SAGs represent the horizontal dimension of social capital. These federations which are a link between the SAGs and the CMRC, change oppressive power relations and create a level playing field in a sustainable, non-violent manner, looking at issues individual SAGs are unable to achieve. Finally, CMRCs unite a number of base level CBOs at a supra-community level. It embodies both the dimension of social capital: bonding and bridging. The CMRCs develop internal relations, horizontally linking SAGs and WMAs, and federation of SAGs within and among them, and at the same time build bridges, developing external links with government departments, private individuals, industries, banks, and insurance companies; voluntary organisations, NGOs, donors; and local councils.

### Methodology

This is a descriptive case study of Community Based Organisations (CBOs) in the MYRADA Kollegal Hill Area Development Project (MKHADP)<sup>8</sup> in Karnataka, which covers the time period from January 2010 to March 2011. It studies 25 CBOs: a) 20 informal base level institutions (16 SAGs and 4 WMAs) from nine villages, and 5 supra community level formal institutions (CMRCs).

Qualitative data for the study were collected from a) eight focus group discussions (FGDs)- five with women SAGs and three with WMA members (mixed, but mostly men); b) eleven in-depth individual interviews - seven women (SAG) and four

men (WMA) members; c) observation of four CBO meetings and two capacity building training; d) observation of five CMRC managers' (3 women, 2 men) and two women Community Resource Persons'<sup>9</sup> (CRPs) interaction with the community members; e) meetings and discussions with nine staff from the field - one staff (man) from MYRADA Kollegal Hill Area Development Project (MKHADP), two staff (men) from Centre for Institutional Development and Organisational Reform (CIDOR)<sup>10</sup>, and six CMRC managers (3 women and 3 men). Two formal meetings were held in the Project office. In addition, several informal discussions were held with the field staff (he also served as interpreter for English to Kannada-the regional language - and vice versa) who accompanied while travelling from one village to another, over lunch, and tea time. Finally, the study is also based on several pieces of electronic correspondence with staff from MKHADP office.

To undertake this study, three visits were made to Hanur, the project location. First, a one-day visit to understand MKHAD Project, then a one-week long stay, and another one-day visit. The sample was chosen with the expert help of the nine MYRADA field staff in MKHADP, because being in close contact with the CBOs, they have all the records regarding groups (SAGs, WMAs, CBO name, village, membership details in terms of number of members and gender, capacity building training received) under the project. For this study, active members of CBOs were chosen who had the ability to understand discussions and questions and express themselves. The FGDs which lasted around 40 minutes to an hour were conducted with groups of 12-15 members of 2-3 CBOs together (however, SAGs and WMAs separately). Group identity and cohesiveness was observed (*women members of 2 SAGs came in their uniform sari for discussion*), the

participants took turns to express their views, most of the discussions were whole group with little simultaneous discussions among themselves, and finally a few members were more outspoken than others (the facilitator-researcher asked them to speak too). The purpose of the FGDs was to find out the process of capacity building training and impact on their personal as well as community life.

The interviews with 11 knowledgeable CBO members (7 women, 4 men) lasted approximately one and half to two hours each. Primarily, they were asked questions regarding the different institutional capacity building training; which ones did they find useful and why; what were the changes they perceive in themselves, group, and community in general. The interviews and FGDs were held either in the village temple, school courtyard, under a large tree, community hall or anganwadi.

Supplementing this qualitative primary data were secondary data from a) CBO records such as books<sup>11</sup>, and vision building charts<sup>12</sup> of eleven SAGs and five WMAs; b) MYRADA Agency profile 2010; c) Annual Report 2008-9; d) SAG and WMA training manuals; and e) several other publicly available documents on MYRADA. This inductive study examines capacity building intervention and its impact on the CBOs.

### **MYRADA's Capacity Building Intervention**

Over the past few decades research on development has increasingly illustrated that involving the community in its own development is critical for sustainability and this is only possible by building their capacity. The fickle availability and timing of funds and withdrawal of a funding agency (OneWorld capacity building guide, n.d.) as donors change their priority leading to abrupt project closures, leaving development agencies

highly vulnerable, is a real issue. Though the MYRADA CBO members possess expert understanding of the community so important to development projects, this valuable expertise however, is not enough to protect them from their own Achilles heel of incapacity. Hence MYRADA felt the need to build capacities of the CBOs beyond credit and group process management. This need was greater because most of the members are illiterate women who never stepped out of their homes unaccompanied, let alone manage their SAG in a sustainable manner. Under these circumstances the agency decided to focus on institutional capacity building (ICB), thus facilitating sustainability of the CBOs in the long-run, making them independent of not just an outsider donor project finance, but MYRADA as well.

### **CAPACITY BUILDING TRAINING**

MYRADA focuses on developing knowledge, skills and attitudes of the CBO members appropriate to build their own institutions, empower them, and work towards sustainable community development. This handholding of the CBOs through capacity building to eventually enable them to stand on their own feet is carried out in a systemic way at three inter-related levels, namely institutional, individual, and community level.

*Institutional Capacity Building* : Institutional capacity building (ICB) forms the major component of MYRADA's intervention since 1995. Its objective is more to release the potential as individuals and as members of an institution so that they can contribute to not just the development of their own family, but also their CBO and community in a more responsible way. Based on its experiences with these institutions, MYRADA has produced a training manual<sup>13</sup> comprising 24 modules-spread over four years- as a base (others are added depending on the focus

and function of the group), not to indoctrinate them all in a certain MYRADA way of thinking, but to retain the strengths of affinity, self-help, discipline, effective financial management, financial inclusion for the poor, and empowerment- behind these groups. In addition, these modules are flexible enough to be adapted to different groups and situations. ICB focused on the education of the members, who are mostly women, to participate in public and private spaces are given to groups of 15-20 members. It helps CBOs grow into institutions which provide them with the space to set their own agenda and to take steps towards poverty alleviation through a livelihood strategy in which the whole family is involved. In the Integrated Watershed Development Programme, not

just the private cultivated lands, but the entire land surface of the micro watershed needs to be treated and managed; this calls for building the WMA's capacity in managing the watershed programme in the long-run to: a) decide where treatment measures need to be implemented and how; b) respond to emerging needs such as larger and more diversified inputs; c) seek for higher quality services in the areas of agriculture and animal husbandry; d) develop more effective linkages with supporting institutions; e) lobby with government to provide and improve infrastructure like roads, storage, and transport; and f) change oppressive relations. Table 1 briefly describes the ICB of the SAG and WMA members, and CMRC managers.

**Table 1 : Institutional Capacity Building Training**

| CBO | Society/ Community/ Environment Awareness  | Understanding Institution and Institution Building  | Human Process   |
|-----|--|---|---|
| SAG | Structural analysis of society, and of local credit sources.<br><br>Sensitising to gender relations in family and community. | SAG concept, conducting SAG meeting, vision building (Appreciative Inquiry workshop), SAG rules and regulation, roles and responsibilities of members, book keeping and auditing, leadership, common fund management, SAG graduation, linkage with other institutions, building credit linkages, federation of SAGs | Communication, conflict resolution, consensus and collective decision making. |
| WMA | Understanding natural environment, integrated watershed management concept, watershed treatment.                             | WMA concept, roles and responsibilities of WMA members, conducting meetings, WMA rules and regulations, book keeping  | Collective decision making, conflict resolution.                              |

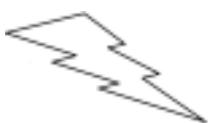
**Table 1 : (Contd)**

|      |  |   |   |
|------|--|---|---|
|      | Sensitising to vulnerable and marginalised groups such as landless and women, and gender issues in a watershed programme | and auditing, leadership, ensuring equity in a watershed programme, establishing linkage, management of common property resources, vision building and action planning.   |   |
| CMRC |  | CMRC concept. Administrative skills like CMRC registration process, documentation, conducting Board and Annual General Body Meeting, resource mobilisation, maintaining accounts, and filing taxation. Appreciative Inquiry Approach. | Negotiation, communication, leadership, conflict resolution, decision making. |

With the movement of several donors away from South India, MYRADA is working with budget constraints, at a time when the number of SAGs needing capacity building services has increased many-fold. This led MYRADA to set up CMRCs as its withdrawal strategy. The latter are slowly increasingly

becoming viable-as the staff once paid by MYRADA is now fully supported by the member CBOs. Figure 2 illustrates that over the last three decades, there is a movement from exogenous to endogenous capacity builders.

**Figure 2 : Capacity Builders : From Exogenous to Endogenous**

| Exogenous (MYRADA)  | Endogenous (CMRC)  |
|---|--|
| <b>Role from 1984- 2004</b>   |  |
| 1. Mentoring, monitoring, and supporting base level CBOs (SAGs, WMAs).  | No role, as CMRCs did not exist.   |
| 2. Building capacity of CBOs and bank staff.  |  |
| <b>Role since 2004</b>  |  |
| 1. Mentoring, monitoring, and supporting CMRCs.   | 1. Mentoring, monitoring, and supporting base level CBOs (SAGs, WMAs).               |
| 2. Building capacity of CMRC and other local council members, school teachers, college students, and local government officers. | 2. Building capacity of base level CBOs, agencies.                                   |
| 3. Providing services to the community.   |  |

The first column of Figure 2 illustrates that between 1984 and 2004, MYRADA, as an external agency was building CBO capacity, while the second column shows that since 2004, the role played by MYRADA in mentoring, monitoring and supporting SAGs and WMAs has been taken over by the CMRCs. Since CMRCs are people's institutions, they have been referred to as endogenous capacity builders. As exogenous actor, MYRADA has however been 'training the trainers' thus building the CMRC staff capacity. Again, as base level CBOs- especially SAGs- are growing exponentially in numbers the CMRC managers are not able to handle them. They in turn identify literate people from the community, willing to work as resource persons [Community Resource Persons (CRPs)] for the CMRC. MYRADA trains the CRPs too in book keeping, auditing, legal, reproductive, and women and child health issues. Today, as endogenous actors, CMRC managers and CRPs are together building community capacity.

*Individual Level* : Capacity building at the individual level is a by-product of MYRADA's institutional capacity building. This group training leads to individual members building their capacity in leadership, advocacy, organising, book keeping (representatives of CBOs receive additional training in book keeping), negotiation, and literacy (literate revive their reading and writing competence, while illiterates learn to sign). This is developing human capital.

*Community Level* : To achieve sustainable community development, participation of community stakeholders is necessary but not a sufficient condition; it is therefore, an imperative to build their capacity- and capacity of all and not just of a few people or groups in the community- so that they can participate in a more meaningful way. With this objective, MYRADA has been building the capacity of various stakeholders as described in Table 2.

**Table 2 : Community Capacity Building**

| Groups  | Capacity Building   |
|---|---|
| School teachers and college students                      | Prevention of HIV and anemia  |
| Local council officials                                   | Documentation, programme planning and implementation, audit sharing with community, prevention of HIV and anemia, mother and child, and reproductive health   |
| Bank (nationalised, private, and cooperative banks) staff | Concept of SAG, importance of bank linkages to SAGs, credit support through SAGs, documentation requirement by SAGs, SAG selection criteria for lending money, and building repayment culture among SAGs  |
| Voluntary organisations, NGOs, and other agencies         | Concept and function of SAG, watershed, and people's institutions, reproductive and child health, PRA, PLA, building registered societies, legal, book keeping and auditing, gender, health, agriculture, Appreciative Inquiry approach and institution building. |

## PROCESS OF CAPACITY BUILDING

*Methods of Capacity Building Training :* It is not the capacity building *per se*, but the training process that is empowering. Conducted in the village premises, capacity builders lead the CBO members through guided dialogue, brainstorming, lecture, energizers, games, role play, and fish bowl exercise and storytelling. This process encourages the group members to interact with each other, to decide on the problems and solutions on their livelihood strategies. Being experiential, it makes individual and institutional capacity building and sustainable community development a self-fulfilling prophecy. In addition, the PRA technique—where the trainers as well as the participants use instruments like sticks, stones, seeds and rangoli, i.e. coloured powders (which is easily available and with which local people are more familiar) to draw and understand concepts—creates involved-participants, rather than passive-listeners. Other training methods, such as interaction with a guest, field visits, and documentary shows, communicate the importance of training. The invited guests are often members of a well-functioning CBO who share their experiences with the trainee group; field visits to mature CBOs, for example, to see the benefits of a participatory watershed programme; and video<sup>14</sup> and slide shows of capacity building intervention in other CBOs which faced similar challenges and were able to convert them into opportunities. This method on the one hand gives exposure to participant CBOs and on the other hand ensures credibility of the outcome. In addition, sub-group discussions encourage participants to discuss family, group, and community, social and political issues without fear. The confidence that members, especially women gain is truly empowering.

*Enabling an Environment :* Beyond training, capacity building intervention is also

about enabling an environment where everybody shares best practices and information, and tests newly acquired skills.

Jayamma and other members of Shri Vidya SAG have given valuable inputs which have been incorporated by the school authorities. Trees have been planted by the members so that children have shade while playing in their school. They have contributed towards books and uniform for children from even poorer families.

Besides the training sessions, during formal (SAGs and WMAs have weekly, and CBO Federations and CMRCs have monthly meetings) and informal CBO meetings too, knowledge is created in scaled up CBOs as members constantly share their learning, and experience with each other. Traditional, often neglected or even forgotten practices in water and soil conservation are being revived by ensuring the presence of at least an older person who communicates them. Again, through story telling, members share best practices, unexplored potentials, and achievements making them the common and explicit property of all. In addition, CMRC managers, also keep in touch with the governments departments to have up-to-date information (on best prices of seeds, fertilisers, crop, and about various government schemes for the poor) which is then disseminated to other CBOs and local people. This also helps CBOs forge external linkages and improve their financial transactions.

Irrespective of their gender, participants are encouraged to test, improve and practise their leadership, negotiation, communication, meticulous record keeping skills. In addition, nomination by rotation of a CBO representative to the Federation and CMRC enhances leadership qualities of members. Moreover, nominating them six months in advance gives them ample time to build up the required capability and confidence thus,

ensuring CBO sustainability, and its eventual weaning away from MYRADA.

#### IMPACT OF CAPACITY BUILDING INTERVENTION

Capacity building intervention helps members and other stakeholders understand and appreciate the concept of people's institutions, and develop their skills, facilitating their participation in community development by initiating, planning, analysing, and developing projects on their own. In MYRADA, this intervention seems to be effective for three reasons. First, it is a systemic approach involving *all* community stakeholders and not just capacity builders, village leaders (who may be rich farmers, of higher caste, powerful, or well networked), and representatives of the base level CBOs (who are literate, or better off than others). Second, and more importantly, it is the simultaneous capacity building of scaled up CBOs as well as other stakeholders from the community. Just as when stone is thrown in water, capacity building intervention triggers ripples of incremental impact at all levels. Third, this intervention does not end with the last module in the training manual; it is an on-going process (*CBO members in Basappanadoddi village said that as and when they need to learn a skill or awareness on certain issues, they are themselves approaching CMRCs*).

*CBO Empowerment* : MYRADA's capacity building intervention helps CBOs grow into institutions which provide them with the space to set their own agenda and to take steps towards poverty alleviation through a livelihood strategy in which the whole family is involved. The dynamics of interaction among various stakeholders builds skills to negotiate and resolve conflict. Women are taking the space traditionally occupied by men, such as initiating income generating activities (tea shops, beauty parlour etc.) on their own; attending village

meetings; questioning the political and village leaders; making decisions for their families, their CBOs, and for their village to some extent. They have been earning respect from their husbands and other members of the community.

In Chinchally village, after interviewing the CBO members, we were invited to have lunch in the small "hotel" owned by one of the women members of Ganesha SAG.

CBO members, more so, women have become savvy in financial transactions and are able to maintain their CBO common fund account, meet and talk to the bank officers, deposit their CBO savings, and ask for loans. The intervention has also created a culture of repayment (to group common fund and banks), which is not an easy task especially when working with poor, marginalised, and disadvantaged people. In addition, managing their SAGs has made women better managers compared to their husbands, especially in financial matters. The rigour of bookkeeping and record maintenance-considered important for transparency, accountability, commitment, and finally the sustainability of the CBOs- is impeccable in mature CBOs. They even keep meticulous record of the meetings.

*In a WMA meeting in Gujjalanatha village, the representative introduced me to the group, recorded my presence in the meeting register, and at the end of the meeting requested me to sign. A woman member of Beereshwara SAG from Basappanadoddi village said that they put social pressure on other members not just to spend less on their children's marriage but more importantly against child marriage of their daughters.*

Again, all CBO members have learned to sign. Although adult literacy among CBO

members has not increased, their children especially girls are finishing school and some are even going to colleges, this is empowering the second generation. The poor members are also overcoming the "what will people say" mindset and spending less on weddings (as reflected in most SAGs' vision chart). Finally, CBO meetings offer space for dialogue, intra and inter-group dialogue and the dynamics of this discussion gradually generates confidence to change relations at home and in society at their own pace. This is a remarkable achievement for women, who had earlier never come out of their homes without a male accompanying them, let alone lobby for their rights, and question politicians.

*Creation of Social Capital* : Ostrom (1990b) points out that the massive infusion of physical capital (and to a lesser extent of human capital) into the rural areas of post-colonial countries has proved to be ineffective largely because little attention has been paid to social capital and asserts that in fact, a massive destruction of social capital may have occurred during colonisation (cited in Carroll, 2001). With this objective in mind, since mid-1980s, MYRADA has been focusing on promoting CBOs to address issues related to gender, equal distribution of resources, oppression and harassment at home and

outside. Social capital thus is creating these intangible assets (rather than focusing on material and tangible aspects of the organisations). Documentation on community development initiatives (Uphoff, 1997; Ostrom, 1990b, cited in Carroll, 2001), especially those involving NGOs, too has demonstrated the developmental potential of promoting and strengthening micro-level associations and organisations.

MYRADA's seamless capacity building intervention empowers CBO members, facilitates cooperation to act together, simultaneously creating social capital. Coleman too (1990, p. 598) defined social capital as '... not a single entity, but a variety of different entities having two characteristics in common: They all consist of some aspect of social structure, and they facilitate certain actions of individuals who are within the structure' (cited in Grootaert & Bastelaer, 2001). In addition, enhancement of human capital through individual capacity building has also been held to some extent socially accountable for the creation of social capital. It is being used to mobilise resources not just for the family, the CBO, but also the community, facilitating collective action for the development of the collective whole.



**WMA Vision Chart**

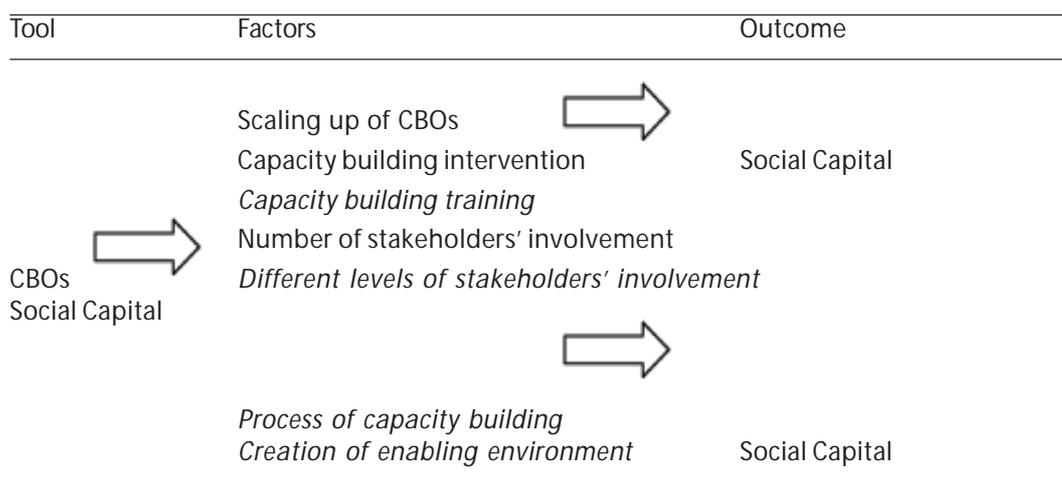


**SAG Vision Chart**

The above photographs depict that the WMA and SAG members have developed the capacity to build vision for their members, group and village. The planning, facilitates them to act together for a common purpose, be it construction of village road, tree plantation, improving village school, cleaning common water tank and drainage, organising awareness camps on health, legal and social related issues, and lobbying for electricity. Again, capacity building and creation of social capital seem to be simultaneous moments. It

is not that first the capacity building takes place, and once this process is over, then social capital is formed. Over the last two decades, there has been a paradigm shift in development as external change agents have realised that capacity building is neither bringing in new technology nor external consultants. As a result, MYRADA is investing directly in affinity groups as social capital tools, which in turn interact with other factors further enhancing social capital.

**Figure 3: Model Showing Reciprocal Relation Between Capacity Building and Social Capital**



As illustrated in Figure 3, social capital as an outcome depends on scaling up of CBOs and capacity building intervention. MYRADA's capacity building intervention leverages the social capital encapsulated in affinity groups to further enhance output (social capital). This enhanced output in turn feeds back building more intra and inter-CBO trust and greater involvement of community stakeholders in enhancing and using their capacity in new directions to forge new ties and relationships facilitating collective action. The arrows and connecting lines thus depict the reciprocal relationship between social capital and capacity building.

Examining the forms of social capital, Grootaert and Bastelaer (2001) affirm that structural social capital is associated with social organisation (informal or formal), with roles people assume, networks, rules, and procedures that guide specific behaviour. In MYRADA, the capacity building training facilitates members' development of norms, rules, and regulations for the functioning of their CBOs. Punctuality, discipline during the meeting and sanctions for non-compliance are more visible and external. Cognitive social capital (Uphoff, 2000) on the other hand, refers to shared norms, values, trust, attitudes, and beliefs; and therefore, is a more subjective and intangible concept (cited in Grootaert & Bastelaer, 2001). Again, information sharing and repeated interaction among individuals during CBO meetings enhances trust, reduces uncertainty about repayment behaviour, and in effect reduces transaction costs overall (Grootaert, 1998), thus creating social capital. This intangible trust is also reflected in the successful management of CBO common fund and natural resources by members of Watershed Management Associations.

Social capital whether driven by structural social capital or cognitive, evolves into shared knowledge, understandings, and

patterns of interactions that members adopt in dealing within and among CBOs. As a result of institutional capacity building, CBO members are able to decide who should be given loan, how much, for what period and what should be the punishment for delayed payment, and are constantly learning to work better together and carry out and monitor routine activities. This seems to be an important component of social capital because trust not just reduces transaction cost but also institutionalises behaviour, considered essential to be called capital. Again, Fafchamps and Minten (1999) argue that social capital embodied in networks of trust has characteristics similar to other factors of production, such as physical capital and labour, as it accumulates over time and improves economic performance (cited in Grootaert & Bastelaer, 2001). Researchers of the institutional economics school too, consider social capital to be constructible as evidenced by MYRADA's capacity building intervention which is deliberately influencing the 'stock' of social capital.

### Conclusion

The purpose of this research was, on one hand to conduct an in-depth study on capacity building intervention as a systemic process and on the other hand to study a case from Southern India, which is not well represented in development literature. The findings suggest that MYRADA is leveraging social capital (affinity) of the poor, building their capacity, and simultaneously involving all stakeholders of the community in their development. Research has shown that with the creation of CMRCs the agency is slowly moving from exogenous to endogenous capacity builders. This study has found that MYRADA's capacity building intervention goes beyond training; it is creating an enabling environment for practising the skills learnt, and sharing information and best practices. Taken together, these results suggest that as

part of broader withdrawal and empowerment strategies, building capacity gives fluidity and flexibility to the functioning of the CBOs to generate social capital. In general, it seems that such an intervention is definitely enhancing both structural and cognitive social capital - considered potentially a tool of poverty reduction strategies because they can be far more productive with whatever physical and human capital they draw on.

This study also confirms research from other parts of the world which showed that capacity building facilitates decentralisation in the nexus of power relations, with knowledge and decision-making more widely disbursed. In FECOFUN Nepal (Britt, 1997) more women are being brought into public spaces- assemblies, training, and committee meetings- and through these interactions, they are gaining confidence and learning to express their views forcefully and publicly (cited in Carroll, 2001). Finally, the discussion in this paper substantiates developmental research where Carroll (2001) highlighted that NGO intervention in capacity building among the poor, not only enhanced human capital in terms of personal skills but also built organisational capacity among the poorer groups, which is an important form of structural social capital.

This study has the limitations of studying CBOs in only one project in South India. It however, highlights how capacity building training, tailor-made for different CBOs and other stakeholders, and different training methods are all impacting the CBOs. The investigation thus adds to the existing body

of knowledge regarding the potential impact of capacity building intervention on CBO empowerment, particularly women and creation of social capital. What is needed is a longitudinal research studying the impact of capacity building intervention across projects and regions because the capacity builder and the CBOs face different situations. While much work remains, capacity building intervention, through their diversity and systemic approach, has the potential to make significant impact. This study provides a foundation upon which future field-based research on capacity building intervention can build. In particular, instead of a single-case-study, a multiple-case study design can be used to determine its impact. Such a study is imperative on both theoretical and practical levels as it will advance research in the fields of development, capacity building and social capital.

In the light of these conclusions, this paper has implications for community development practitioners, legislative bodies, and policymakers. This understanding will assist these professionals as well as others across the world in their development efforts. This study will also have implications for donor agencies that are looking with growing interest in these areas. The research also hopes that academicians and practitioners will examine and document emerging practices, and share them to inspire many others within the country and globally to consciously invest in capacity building so that community driven development can be sustained in the long-term.

### Notes

1. [http://www.coastalwiki.org/coastalwiki/Capacity\\_Building](http://www.coastalwiki.org/coastalwiki/Capacity_Building)
2. [http://www.hiproweb.org/fileadmin/cdroms/Biblio\\_Renforcement/documents/Chapter-1/Chap1Doc2.pdf](http://www.hiproweb.org/fileadmin/cdroms/Biblio_Renforcement/documents/Chapter-1/Chap1Doc2.pdf)
3. Kretzman, McKnight in 1993 at the Institute for Policy Research, Northwestern University, Illinois, articulated ABCD - basic tenet is that a capacity-focused approach is more likely to empower the community and therefore mobilise citizens to create positive and meaningful change from within.
4. Pioneered by Cooperrider and Srivastava in 1987, Appreciative Inquiry is the theory of organising and method for changing social systems, seeking the root causes of success rather than the root causes of failure. AI is the study and exploration of what gives life to human systems when they function at their best.
5. Mysore State has become Karnataka.
6. Fernandez, 1995, RMS 22.
7. MYRADA Annual Report 2008-2009.
8. Total number of CBOs in MKHADP : 646, SAGs, 49 WMAs and 6 CMRCs.
9. Resource persons from the community, as freelancers, they work in CMRCs.
10. CIDOR is a registered body promoted by MYRADA.
11. Books and ledges of financial transactions within the group and with other institutions like banks; and meetings records.
12. Approximately four years after their conception, most CBOs go through vision building training (an Appreciative Inquiry workshop), and create vision charts for one to five years' time period for their CBOs.
13. The MYRADA Experience-A Manual for Capacity Building of SHAGs, 2006. The MYRADA Experience-A Manual for Capacity Building of People's Institutions Managing Watersheds, 2004.
14. The first Appreciative Inquiry training programme was filmed to produce a video entitled "Appreciative Inquiry: A Beginning".

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