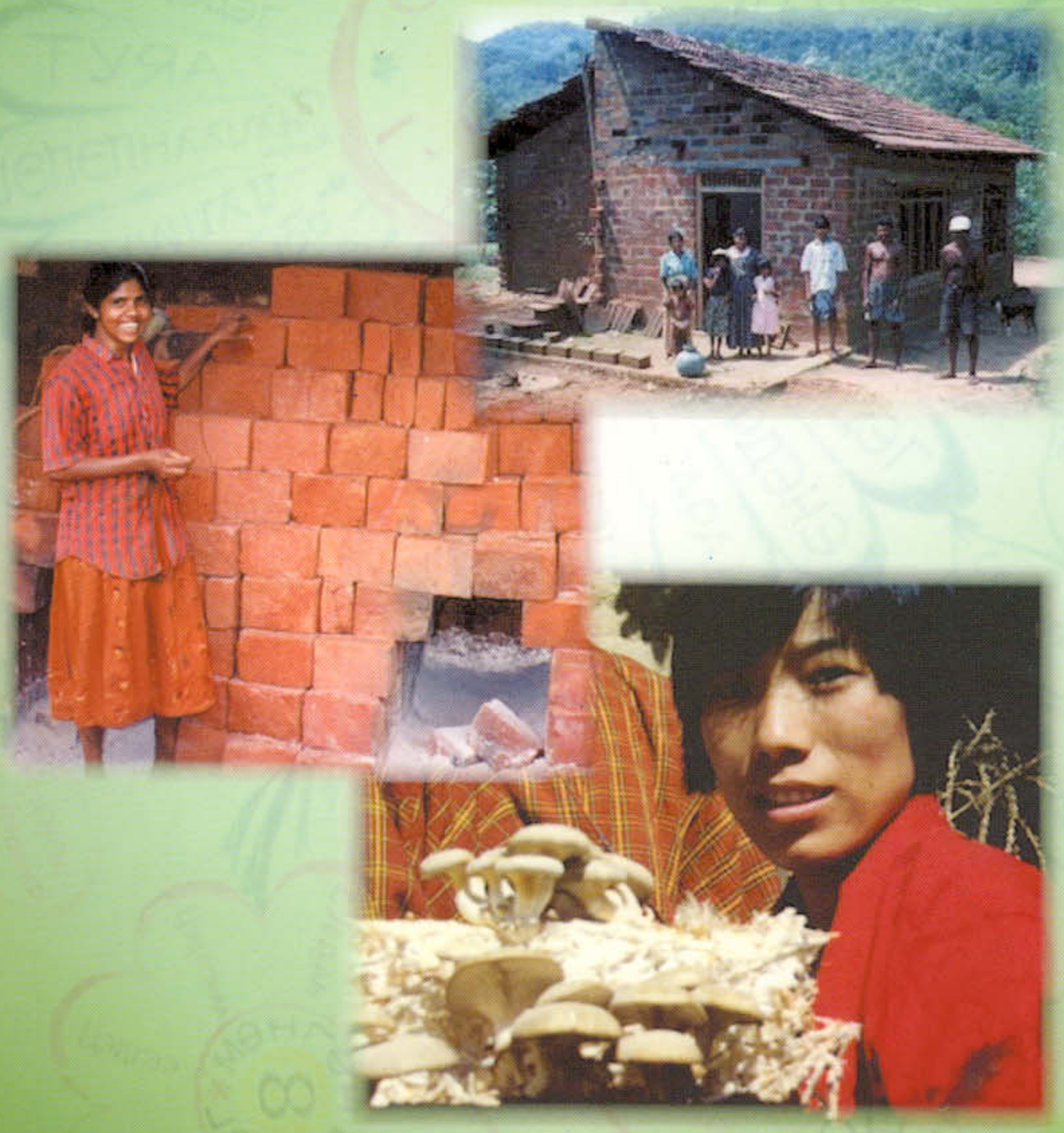
Success case replication

a manual for increasing farmer household income



Poverty alleviation through market generated rural employment

ESCAP/FAO Inter-country project

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SUCCESS CASE REPLICATION

A manual for increasing farmer household income

by mobilizing successful farmers and groups to train their peers

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Poverty alleviation through market generated rural employment

ESCAP/FAO Inter-country project
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INTRODUCTION

How Success Case Replication works

Success Case Replication (SCR) is simple. It has two main steps:

A. Locate farmers, or groups, who have achieved good success in their enterprises,

B. Mobilize the successful farmer or groups to train their less well-off fellow villagers.

It differs from conventional enterprise training because it mobilizes successful farmers, or groups, to train rural poor. It does not depend upon professional or government trainers to conduct this training. The methodology follows nine distinct steps:

1. ***Locate success cases***
2. ***Assess replicability (profit and marketability)***
3. ***Assess farmer's willingness to become a trainer***
4. ***Establish a practical, hands on training programme***
5. ***Carefully select trainees***
6. ***Supervise the training***
7. ***Arrange follow-up support services for trainees***
8. ***Achieve secondary multiplications after first level successes***
9. ***Monitoring cost effectiveness of the methodology.***

Intensive field trials of the methodology were conducted from 1994 to 1998 in eight countries:

1. Bhutan
2. Lao People's Democratic Republic
3. Mongolia
4. Nepal
5. Philippines
6. Sri Lanka
7. Thailand
8. Viet Nam

Eighteen agencies, including government, NGOs and rural banks, joined the project and 16 completed all activities.

In order to evaluate the project, each implementing agency kept Cost/ Benefit records. These included the costs for the time devoted to the project by their field staff and the costs for the training for the farmers. The benefits were measured as the net income gained by the successful farm families

during the first year they marketed their new product. At the end of the four-year field trials, all project evaluations were consolidated to yield the following achievements at the family level:

Evaluation

Achievement of SCR objectives at the family level to increase rural household income

A. Total number of farm families trained using SCR	**= 3 332**
B. Number successful and average success rate:	**= 2 359 = 71%**
C. Average income gain in first year for each family:	**= US$ 449**
D. Total increased net income *benefits* earned by all families:	**= US$1 058 067**
E. Total agency *cost*, including staff time and farmer training:	**= US$87 271**
F. Overall ratio of *costs* to *benefits* (C/B ratio):	**= 1:12**
G. Lowest C/B ratio was achieved in Bhutan:	**= 1:4**
H. Highest C/B ratio was achieved in Sri Lanka:	**= 1:54**

The total number of trained farmer households varies among implementing agencies from 11 to 385. However, Viet Nam expanded the project to cover four provinces, training 2 605 farm families with an 87 percent success rate. It achieved a Cost/Benefit ratio of 1:18 in this expansion phase, indicating that the methodology has the full potential for large-scale expansion.

Conclusions

SEEN in terms of measurable results for rural poverty alleviation, this project was remarkably successful. It generated an average income gain of $449 per annum for each of 2 359 rural farm households, who now command sustainable enterprises, expected to yield income into the foreseeable future.

The methodology has generated, on average, US$12 dollars of net income for each dollar of agency costs. It has proven to be well-adapted to local conditions because it uses existing local success cases for replication.

As such, it enhances the self-confidence of the villagers and reduces their dependency on government. It is not only applicable for micro-enterprise training but can also be used, with equal effectiveness, to replicate farmers groups or agricultural co-ops, or to upgrade the performance of such groups by mobilizing the more successful groups as trainers.

This methodology can be used to promote a wide range of activities including micro-enterprises, sustainable agriculture and livestock production, and participatory groups for the rural poor.

The following Sri Lankan success case illustrates the methodology:

Case No. 1. Oversize bricks

Mrs S. Priyani lived in Bowarenna Watta village in the highlands 65 km north of Kandy, Sri Lanka, in a one-room mud hut with a thatched roof, struggling to feed her two children. The village was poor with little farmland, and her husband was often absent, seeking day labour to enable them to survive. The tiny plot where they cultivated upland rice — when they had sufficient rain — was inadequate to meet their annual food needs. In desperation, she learned to produce traditional red clay bricks in her spare time, to supplement their income. Being among the poorest of the poor, she was one of the first to join the Small Farmers Development Programme (SFDP), a participatory self-help organization set up by the Food and Agriculture Organization of the United Nations (FAO) in the mid-1980s.

Bricks help provide a sound future

Success Case Replication training

In April 1995, Priyani was chosen by her farmer's group to attend a training workshop on Success Case Replication (SCR) employment promotion methodology conducted by FAO and the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP). She learned how to identify villagers having successful enterprises and to use them to train their less well-off peers. Returning home, she decided to train other women to make bricks as a part-time income earning activity.

Oversize bricks

Soon after, her brother-in-law began building a brick house. He introduced an oversize brick, about twice the size of the traditional brick, significantly reducing the amount of cement, plaster and labour needed. Priyani and her friends immediately recognized the value of the larger bricks and soon discovered that there was strong demand for them in the local market because of savings in building costs. The brother-in-law introduced the larger brick, but SCR enabled Priyani to capitalize on this innovation and replicate it to the community.

Success of the brick enterprise

Initially, the daily output of Priyani and her friends was sufficient only to attract small tractor-drawn trailers. Devising an innovative marketing incentive, they paid truck drivers a bonus when they bought bricks from the women instead of from competing villages. As more trainees produced more bricks and their volume of bricks grew, larger six-wheeled trucks were attracted, and transported bricks to commercial construction firms in Kandy. As sales increased, Priyani trained more families. Recalling instructions from her SCR training workshop, she encouraged the more successful trainees to train other women. In turn, they trained a second, and then a third generation of female brick makers. Thanks to SCR, by the year 2000, 152 of 156 families had successfully replicated the oversize brick making enterprise and the village had become well known as a source for oversize bricks.

Direct benefits

By 1999 Priyani had become prosperous enough to replace her one-room

mud hut with a three-bedroom brick house. Other families now have houses in place of mud huts, thanks to Priyani and the SCR project. Supplemental income from producing oversize bricks ranges from SL Rs 3 000 to 5 000 ($42-$70) per family per month, often doubling family income.

Indirect benefits

Men who formerly sought day labour outside the village now fire bricks and do other tasks and receive wages from women, often from their own spouses. This fundamental empowerment of women has reversed the former dependency relationship. Building homes also means increased employment for cement masons and carpenters. In response, Priyani arranged an SCR training course on window and doorframe carpentry for young men, using a successful local carpenter as trainer.

Recently Priyani and her friends decided to grow mushrooms, a lucrative sideline enterprise taught by Mrs Nilmini, from another province, whom she met at SCR training. Nilmini gained local fame for SCR training of 200 families in mushroom growing. By 1999, there were 13 generations successfully growing mushrooms. To support the new enterprise, Priyani and her colleagues have dug a new well to assure a year-round water source.

Oversize bricks; new houses for many

Priyani has had a remarkable impact on her whole village, moving it from being a poor community to one with adequate income. She was an ordinary woman in a typical rural community before SCR changed her into a teacher and leader of her peers. She became self-confident in her skills and has earned the gratitude of her peers. SCR methodology helped her village move toward self-reliance and away from traditional dependency on government.

The two women are not the only Sri Lankan SCR success cases. More than 388 successful replications had been achieved by the time the project ended in 1998. There are now more than a thousand success cases, including both women's multiple-generation replications. Each family using SCR methodology has been fully documented. Their records show that 71 percent of SCR-trained families became successful in their new enterprises.

SFDO field records indicate that for each rupee spent for training an average of SL Rs 54 net income was gained by each family in the first project year. SCR can thus claim to be a cost-effective approach to farm family employment promotion.

The preceding case study demonstrates a replication which was more successful than the average, but it was chosen because it illustrates the multiple benefits that can be derived from Success Case Replication, and the process whereby Priyani was transformed from being an ordinary housewife to a new role as a community leader.

SECTION ONE

Philosophy

THE philosophy behind SCR is that among the rural poor are farmers and groups that have achieved a remarkable level of success at their occupations, whether in agriculture, animal husbandry, micro-enterprises or management of participatory groups or cooperatives. In achieving such success, they have gained valuable experience overcoming varied constraints. In a manner of speaking, they have become experts in their chosen field. These successful people have much to teach their peers and, because they are fully familiar with local language, customs and markets, they can become effective instructors.

The trainer

THE more successful a farmer becomes in enterprise development, the more he/she is subject to envy on the part of less successful neighbours. SCR methodology tries to respond to such a situation by turning the success model into a teacher of community peers. In most rural societies, the teacher is highly respected, and trainees will often feel indebted to the teacher for the lessons taught. In this way, SCR transforms envy into respect by enabling successful persons to play a more constructive role within the community.

Regarding farmer trainees, we find that the poor are already motivated to learn skills and secrets held by their more successful peers but are fearful of requesting such training due to social inhibitions and market barriers. Through SCR their desire to imitate such local successes can facilitate their learning in structured training situations. Similarly, most poor parents are highly motivated to provide a better life for their children. Their desire will help motivate them to learn from more successful peers when training is offered. SCR harnesses both desires to motivate the poor to muster the effort and energy necessary to replicate the success.

In harmony with prevalent apprenticeship training systems

SURVEYING villages or cities, one observes that most workers support themselves in productive activity requiring technical skills not learned in school. Formal education provides only a narrow foundation of essential skills such as reading, writing and mathematics, that support but are different from the technical skills they employ each day on the job. Formal schooling does not pretend to impart the technical training required to be a successful farmer, bricklayer, carpenter, locksmith, welder, cook, restaurant owner, real estate broker, banker or financial analyst. They have learned their skills on the job, not in the classroom. This is often referred to as the apprenticeship system of technical education. As SCR methodology is used to establish a series of

apprenticeships, we find that it is in harmony with the most prevalent form of technical job training that exists today.

Constrained by market limitation

NONETHELESS, there are real social and economic barriers hindering replication of skills and knowledge from successful persons to the poor, not the least of which is fear of excessive market competition from successful new entrepreneurs. Too much competition punishes both the original success case persons and their trainees. SCR methodology recognizes this constraint and strives to train field workers systematically to avoid enterprise training in locales where it is likely to lead to market oversupply and declining prices.

Who chooses the enterprise

UNDER SCR the training on enterprise development is not decided by central government or training centre staff. It is identified in the local community as providing a good living for its owner. It already functions in relation to local market demand. In this way, SCR avoids the disappointment of providing training in skills with little or no market demand. In addition, those adopting the new skill have a good chance of achieving a profit because the market has been evaluated as having sufficient capacity to absorb added production without depressing prices.

Comprehensive training

SCR training includes all steps of the production process, from the initial purchase of raw materials and inputs through the production of a high quality product and, finally, the marketing of the finished product for a good profit. Some more conventional micro-enterprise training programmes in the past failed to adequately cover the initial purchase of raw materials and the final stage, when the finished product is marketed. Many such programmes were concentrated almost exclusively on production. Consequently, trainees were often unable to secure inputs at prices enabling them to compete in the market. In other cases, they produced satisfactory outputs but were unable to find a market.

Supports and accelerates other methodologies

EXPERIENCE has shown that SCR methodology is not a substitute for current extension or training systems such as the contact farmer system or vocational skill training. Such systems must be used to transfer new technology. SCR methodology can best be seen as an accelerating or supporting methodology to spread enterprise skills which have proven successful with any one farmer or entrepreneur.

Field worker role

THE role of the field worker or extension officer in SCR differs from other extension training systems. Field level workers assess success cases to assure they are replicable, help the successful farmer design the training programme, select trainees and assure that they receive timely follow-up assistance from successful farmers if problems arise.

Successful farmer role

THE successful farmer's role is to design the training programme, conduct training and, after training is over, follow-up to help them overcome difficulties encountered in their new enterprises.

Field worker essential as catalyst

GIVEN the seemingly reduced role played by the field worker, who does not conduct the training, some might conclude that the field worker is unimportant. On the contrary, Success Case Replication methodology depends entirely on having a catalyst or field level worker to locate and assess the success case and then establish the SCR training programme to replicate it. Without such a catalyst, training will never take place. The person filling this role is a critical prerequisite for the success of the programme.

For this reason, field workers should be made fully aware of the critical role that they play and should be given full credit for each successful SCR training programme. Net income gained by the successful families should be recorded on the field worker's performance record as the direct result of their work, even though they did not play the role of teacher. Without such efforts, there will be no SCR.

Organizational support

FOUR years of field trials in eight countries revealed that SCR was genuinely effective in those agencies which fully supported their field workers in applying the methodology. Where field workers were given set SCR goals and the time to achieve them, SCR performed best.

Technology and strata neutral

SUCCESS Case Replication methodology can be applied to replicate most technologies at many social levels. For example, in a simple case, one village woman trained another to produce soybean milk. On a more complex technical level, an artisan trained a group of village youth to polish synthetic diamonds. Given adequate time, the poor have been trained in all these skills. It has also proven effective in promoting group activities, such as credit cooperatives or participatory groups for women, or the poor. In such programmes' the most successful existing groups have been systematically mobilized to form new groups and impart management skills to them.

It is strata neutral in that it can be used to transfer at any level of organization. For example, at the lowest level, success can be transferred from one individual to another, within the same community or organization. Conversely, the success of a complex nationwide institution can be transferred across international boundaries.

Potential users

A WIDE range of NGO, rural development agencies, training organizations, farmer's organizations and rural financial institutions could benefit from this manual.

Some benefits they could derive are as follows:

For rural development and employment promotion programmes, SCR can accelerate the impact of programmes by making the best use of success cases that already exist in project areas. Success cases can be replicated by the poor, and as training is conducted by the successful persons themselves, the methodology can reduce the workload carried by field staff.

For agricultural extension, field workers can systematically employ early adopters among the farmer population to train other farmers.

For training centres limited in number and with obsolete equipment (serving only a limited variety of enterprises), SCR can help by identifying enterprises that are most successful in the marketplace and using them as training centres.

For NGOs with good field programmes but insufficient field staff, SCR can multiply their effectiveness by having field workers employ successful farmers to train their peers.

For farmer's organizations, SCR can be used to identify the most successful farmer's groups, which can then be used to train and upgrade less successful organizations.

For rural financial institutions, borrowers having successful enterprises can be used to upgrade the skills of borrowers having failing enterprises. This is a self-reliant way to improve a bank's loan recovery rates without having to hire technical specialists.

Strengths of SCR methodology

SCR methodology, although simple in concept, has advantages that make it an unusually powerful and flexible tool for a development worker. Field trails in many countries conducted during the last decade by ESCAP and its counterpart agencies identified the following strengths of the methodology. Success case replication:

Relies on positive human attitudes and behaviour It is a widespread human behaviour for less successful persons to admire and seek to have the wealth of their more successful peers. And parents everywhere, no matter how poor and uneducated, strongly desire a better life for their children. SCR harnesses both common aspirations to accelerate the adoption of skills and technologies that have proven successful.

Reduces risk in technology transfer SCR micro-enterprises are chosen specifically because they have already proven successful in the local market. Consequently, the risk of failure due to a lack of raw materials or an absence of local markets is precluded. When entirely new technologies are introduced, both raw material and market limitations can appear.

Farmer trains farmer In the SCR system, the trainer is just another farmer coming from the same social strata as his trainees. Because of their shared background, trainees are able to believe that they can imitate the trainer's success. When the trainee is from a different social class, the trainees may feel inferior and unable to emulate the trainer.

Availability of follow-up assistance after training When outside expertise is utilized, the trainer will usually complete the training and move on to a new site. If a problem arises when the trainees begin to put the training to practical use, they are left to their own devices to find a solution. If their efforts fail, then the enterprise fails. However, when SCR methodology is applied, the trainer is a local person and agreements are struck so that he will be available on call to assist new enterprises if and when such problems arise.

Enhancing local self-reliance Centrally planned programmes tend to lead to community dependence on outside assistance. Constant dependence reinforces perceptions of inferiority among community members. Eventually, farmers may believe that government assistance is essential for any progress. SCR methodology, however, reinforces self-reliance at two levels: first, it enhances the self-reliance of the successful person who is transformed into a teacher in the eyes of others in the community. Second, the community sense of self-reliance is strongly reinforced because it is seen that there are local successes which can be replicated to promote community progress without relying on imported technology.

Rapid expansion through multiple replications When an extension officer works individually with farmers, adoption of the technology may be painfully slow. With SCR, once training is completed, the new generation of successful trainees can conduct yet another generation of SCR training. Provided there are no market constraints, generation after generation of success replicators can be trained. The multiplier effect can be very powerful. In Sri Lanka, for example, SCR training in mushroom cultivation has reached 13 generations in three years, providing more than 300 families with higher incomes.

It is suitable for farm-based technology SCR is technology neutral. It can be used to transfer knowledge about farming technology or micro-enterprises. It may also be applied to group formation and management.

It is suitable for any level of organization SCR is institutionally neutral. It can be used to replicate at any level of organization: an individual

enterprise, a participatory group activity or even large institutions.

Very low cost For the benefit it produces directly in the hands of the poor, SCR methodology has proven to have an unusually low delivery cost. On average, for all eight participating countries, each unit of cost to conduct SCR training generated 12 units of income in the first year. The lowest Cost/Benefit ratio was 1 to 4 and the highest was 1 to 54. For example, when Mrs Nilmani in Sri Lanka conducted mushroom training, all costs totalled US$718.82, while the net income gain for all successful trainees amounted to US$61 074 for the first year of marketing. In other words, for each dollar invested, US$85 were produced. It is difficult to fault a methodology that has produced so many measurable benefits to so many poor people at such low cost.

Despite such positive aspects, it must be cautioned that SCR is not a panacea for all the ills of rural development. It is best applied to accelerate conventional extension and employment training.

Limitations of SCR methodology

NO methodology is free of weaknesses. In the course of the SCR field trials, the implementing agencies reported the following limitations:

SCR does not replace conventional training SCR methodology is not a substitute for rural development or agricultural extension methodologies that introduce new technologies. New technologies are essential to survival and prosperity in a rapidly modernizing world. SCR should be viewed as supplementary to these other systems.

Local successes are culture-bound A central strength of the SCR methodology is that the technology being transferred has already proved a success in the local economic, social and cultural milieu. However, this strength can become a weakness when the technology is transferred across such barriers into significantly different economic situations, different social strata or to different cultural subgroups. The greater the variation in a new implementation, the more caution must be exercised to assure that critical essentials for success are available in the new location.

Trainer holds back critical secrets Some implementing agencies selected success case persons who did not really desire to train others to become their competitors. Usually, in such cases, the success person withholds information critical to the success of the enterprise, often regarding marketing. As a result, most new enterprises would fail, leaving the success case person as the sole supplier in that market. Therefore, SCR stresses the need to assure that the success person does not fear market competition and agrees to transfer all “secrets of success” to the trainees.

Market oversupply and falling prices Most local crops and micro-enterprises face market limitations in which oversupply leads to falling prices. However, in SCR it can be very difficult to limit the number of trainees, to

avoid oversupply, especially when first generation trainees achieve high profits and their close relatives want SCR training. When such oversupply occurs, it is sometimes helpful to seek new markets.

Recipient commitment essential Since the trainees are those who must replicate success behaviour, and since this may involve concentrated effort over a considerable period of time, the technology transfer will often not succeed unless the recipients are fully committed. Consequently, it is unproductive to lure indifferent participants into the training programme.

Insufficient start up capital Cases were reported in which the field workers selected farmers who did not have sufficient money to initiate the new operation, or access to credit for such funding. When the trainees were given the necessary skills, but lacked capital for the new enterprise, they became frustrated. This caused damage to the reputation of the field worker. To curb this fault, SCR methodology offers a number of trainee selection criteria.

SCR requires additional time Most implementing agencies reported that SCR required additional attention from their field staff. For agencies with field staff already heavily burdened with other priorities, SCR methodology could not be properly field tested and the number of Success Case Replications remained low. In contrast, agencies which assigned specific SCR targets and allotted time for the activity found that SCR was cost effective and accelerated overall programme achievements.

Difficult for some to accept farmers as trainers Some agencies reported problems of acceptance on the part of field staff who could not accept that uneducated farmers were capable of conducting SCR training, especially if they were illiterate. As a result, the field staff could not accept the methodology. However, if properly trained in the methodology, such field workers can come to understand that SCR training is entirely practical. The success case person is fully familiar with the production process and is likely to be able to pass on core knowledge to trainees without formal education in training.

Difficulty in obtaining reliable field data When Cost/Benefit field data is collected to evaluate cost effectiveness, field staff must carefully record the time spent on SCR. This may be difficult when SCR activities are conducted simultaneously with other extension duties. Field workers must also record net income data from success families during the full first year of marketing. This is often a problem because many poor families do not record daily costs and gross income data from which an accurate net return can be derived. The records of those with such data are often incomplete and are rarely available for an extended period, such as an entire year. Accordingly, field workers must often estimate net gain for a given marketing period and project it over a full year, allowing for seasonal variation. Hence, data on net income is not as reliable as might be desired. Such limitations must be considered when Cost/Benefit estimates are calculated.

SECTION TWO

Nine steps for income earning enterprises and groups, with case studies

THIS section elaborates in detail the nine steps given in Section One. It gives guidance on how to approach each step and contains case studies taken from actual experience. This section must be read carefully by all field workers before beginning SCR field trials. The case studies used in this section will enable field workers to visualize what is being explained so that they will be prepared to deal with the more common problems likely to be encountered while employing SCR methodology. Finally, this section can be used as a reference when problems arise.

1. Locate success cases

SUCCESS cases are relatively easy to locate in rural areas, as most people are keenly aware of how their neighbours are performing – especially if the neighbours are more successful than the average person in the community. Start by inquiring with the village head, but be sure to ask others – such as school teachers, village police officers and women's leaders. Information may be had from roadside businesses, such as coffee shop owners and vegetable vendors who hear gossip as well as traders and commodity buyers. If such sources single out the same person as a success case, then you can be sure you are on the right track. Even if there are a number of successful persons identified by your sources, once the same name begins to be repeated over and over again, their consensus is usually reliable.

1.1 Consult those who should know

THOSE chosen as sources should be in an occupation or age group to enable familiarity with the targeted activity. When seeking success cases in rural Thailand, for example, older farmers all identified a group of older men who earned high returns from raising native chickens for sale to wild animal speciality restaurants. But young men and women in the same village were keenly aware of a new occupation which many of their peers were successfully taking up in neighbouring villages: imitation diamond cutting and polishing. Cash returns were quick and reliable, and the technology easy to learn. What interests one population may not interest another.

1.2 Socially acceptable models

SUCCESS case trainers should be from the same social, religious or ethnic group as the target trainees. For example, attempts in one country to have a successful ethnic minority farmer train farmers from the lowland majority failed because the ethnic majority farmers were unwilling to receive training from an ethnic minority person. It is prudent to assure that such differences do not undermine what might otherwise be a potentially successful programme. A case study follows: