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ORGANIZATIONAL DEVELOPMENT

IN THE NILWALA WATERSHED

EVALUATION REPORT

BY

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LIST OF ABBREVIATIONS

DAS	=	Department of Agrarian Services
DO	=	Divisional Officer
FD	=	Forest Department
FO	=	Farmer Organization
GS	=	Grama Sewaka
IIMI	=	International Irrigation Management Institute
IO	=	Institutional Organizer
M&E	=	Monitoring and Evaluation
NGO	=	Non Governmental Organization
OBs	=	Office Bearers
RUG	=	Resource User Groups
RUO	=	Resource User Organizations
SCOR	=	Shared Control of Natural Resources
SO	=	Service Organization
SWRMT	=	Sub Watershed Resource Management Team
SWS	=	Sub Watersheds
TI	=	Tea Inspector
TSHDA	=	Tea Small Holding Development Authority
TSHDS	=	Tea Small Holding Development Societies
WMC	=	Watershed Management Coordinator
WRMT	=	Watershed Resource Management Team

Organizational Development for Watershed Natural Resource Management in the Nilwala Watershed

L.R. Perera.

Chapter 1

Introduction

1.1. Back Ground

The mode of utilization of the natural resources and the manner in which they are managed by a community determine to a large extent the level of the development particularly in the rural sector. Therefore, proper utilization and management of natural resources have increasingly become a key area in rural development. On the other hand the development strategies for the past 50 years have evolved gradually from the mode of delivered development based on western technologies to the present day participatory mode of development. In the present day development theories the participation of intended beneficiaries in the planning and implementation of project efforts as well as in gaining the benefits of development is widely accepted and regarded as an essential element.

In regard to people's participation in natural resource management many experiments have been done and much experience is gained in the field of irrigation management. According to those experiments done by the National Irrigation Administration (NIA) in the Philippines (Korten - 1985), and in Sri Lanka (Uphoff - 1985) building farmer organizations based on informal farmer groups was a key feature in them. These experiments have clearly shown that the basis for efficient use of resources has to come from organized groups and their links to coordinating arrangement such as organizations, committees and councils. (IIMI - 1993)

Experience mostly during the last decade has proved that the peoples' participation is crucial to watershed natural resource management. Peoples' participation is the land mark of ongoing watershed management programs in the countries like India (Sinha - 1995). It is learnt through these experiences that the active user participation mobilizes the available resources productively, equitably and sustainably by meeting the needs of the people. The best option to have the active and effective user involvement as widely experienced is the formation of user groups and organizations (Uphoff - 1986. Sing - 1991).

The Shared Control of Natural Resources (SCOR) Project which is a watershed based development program for improving the management of natural resources, mainly land and water of the country with a view to improving *production along with protection* sees that formation, expanding and strengthening of resource user groups as of vital importance to achieve its objectives (IIMI-1993). It is assumed that the user groups thus formed and progressed in to organizations will develop management capacities and become service organizations and user companies capable of working with state sector, NGOs and private sector organizations and also compete with the private sector under the present open market policy to provide better livelihood opportunities to the small holding peasant communities. It was expected to form around 150 user groups by the end of the 6 year project period. This research is basically an evaluation of the development and progress of the resource user groups and the organizations thus formed in the Nilwala Watershed under the SCOR project.

Under the SCOR project the organizational development for natural resources was taken place in three ways of;

1. Use of the existing organizational arrangements. This was the strategy followed particularly in developing the user organizations (RUOs). There were two type of user organizations in the Nilwala watershed when the SCOR project was started; farmer organizations (FOs) formed under the Agrarian Services Act and Tea Small Holding Development Societies (TSHDS) formed by the Tea Small Holding Authority (TSHDA).

Some organizations built under the existing organizational arrangements were defunct and almost non-existing when the SCOR project commenced and they had been re-vitalized under project as necessary. Accordingly, some farmer organizations and tea small holding societies had been re-vitalized under the SCOR project.

2. Building new organizations. New organizations had been formed to facilitate the project implementation whenever the available organizational arrangements were found to be inadequate. Several new FOs and TSHDSs had been formed with the initiation of the SCOR personnel in line with existing organizational arrangements. Apart from that several new organizations had been formed such as for-micro hydro power generation and for natural resource conservation.
3. Introducing a new organizational arrangement for the watershed. Within the existing organizational set up a new organizational arrangement had been introduced under the SCOR Project. The new arrangement started from the base level of user groups (RUGs) and developed them into user organizations and next into service organizations (SOs).

Both the user groups and service organizations had been introduced by the SCOR project as a novel idea. There was no evidence of the existence of any user groups before the SCOR project. The user organizations that existed had been built as general membership organizations comprised of all the membership. Therefore, the groups had to be formed under the SCOR project as a novel idea. The service organizations had been introduced as the apex organizations of user groups and organizations.

1.2. Objectives of the Research.

The objectives of this research on Development and Sustainability of resource user groups and user organizations in Watershed Management are:

1. to evaluate the progress of the RUGs, RUOs and SOs involved in SCOR activities in the Nilwala watershed in related to the level of organizational performance and strength,
2. to study the strength of the organizational arrangement from the base level of RUGs up to RUOs, SOs (SOs) and user companies under the SCOR project, and
3. to examine the involvement of RUGs and RUOs in natural resource management under the conservation and production activities of the SCOR project.

Chapter 2

Methodology

2.1. Introduction

This study was carried out under the M&E program of the SCOR project. Indicators had been developed to evaluate the progress of the RUOs and RUGs in related to their performance.

2.2. Indicators

2.2.1. Indicators to Evaluate Resource User Organizations

The RUOs were evaluated on their level of performance on organizational management, financial management, implementing their activities, and on the overall Sustainability of them. The indicators developed to evaluate the RUOs were as follows.

1. Organizational Management Performance Indicator
2. Financial Management Performance indicator
3. Organizational Activity Performance Indicator
4. Sustainability Indicator

(Annex. 1)

a. Organizational Management Performance Indicator

Organizational management performance indicator (OMPI) was a composite index of 11 sub indicators as follows.

1. Membership Strength
2. Participation in Meetings
3. Participation in Group Activities
4. Collection of Fee
5. Record Keeping
6. Institutional Recognition
7. Legal Recognition
8. Horizontal Linkage
9. Vertical Linkage
10. Leadership Quality
11. Communication

Sub Indicator 1. Membership Strength

The actual membership of the RUOs out of the total eligible membership was evaluated under the membership strength. (Annex.1).

Sub Indicator 2. Participation in meetings

Under this sub indicator the active membership of the RUOs out of the total was evaluated in related to their participation in meetings. The average member attendance of three last consecutive meetings was taken for calculations. (Annex.1)

Sub Indicator 3. Participation in group activities

Under this sub-indicator the member participation in group activities was evaluated. The average member participation of the group activities conducted in the two years of 1996 and 1997 out of the expected total participation was taken for calculations.

Sub Indicator 4. Collection of Fee

Under this sub indicator the level of the collection of membership fee was evaluated. The total collection of the membership fees out of the total expected was taken for the calculation of this indicator (Annex.1).

Sub Indicator 5. Record Keeping

Under this sub indicator the quality of maintaining the necessary records of the RUOs was evaluated. It was considered that at least five records should be maintained by an effective organization (Annex 1).

Sub Indicator 6. Institutional Recognition

Under this sub indicator the recognition of the government agencies and the NGOs was evaluated. The number of firm contacts of the RUOs with these institutions was taken for the calculation of this indicator (Annex 1).

Sub Indicator 7. Legal Recognition

Under this sub indicator getting the legal registration by the RUOs as required by the respective implementing agencies was evaluated. Since the FOs were required to have two registrations under the clause 56A and under the clause 56B of the Agrarian Services Act (Amended) they had to fulfill both these requirements to get the full marks under the evaluation. However, more weight was given to the registration under the 56A in the evaluation as the rest of the RUOs needed only one level of registration from respective implementing agencies. (Annex.1).

Sub Indicator 8. Horizontal Linkages

Under this sub indicator the number of linkages having with the parallel organizations by the RUOs was evaluated. Their link with the SWRMT as well was taken as a parallel linkage as most of the RUOs were having links with their parallel organizations through the SWRMT. Indicator was calculated on the total marks given for the number such links maintained. (Annex 1).

Sub Indicator 9. Vertical Linkages

Under this sub indicator the links of the RUOs having with their higher level organizations and committees available in the Nilwala watershed was evaluated. Indicator was calculated on the total marks given for the number of such links.

Sub Indicator 10. Leadership Quality

The members' views of the quality of the office bearers of the RUOs was evaluated under this sub indicator. A member sample was selected from each RUOs for the calculation of this indicator. This indicator was calculated on the total marks received under each of the leadership qualities (Annex 1).

Sub Indicator 11. Communication

Under this sub indicator the frequency of holding both the general meetings and committee meetings of RUOs was evaluated. The meetings were considered as the major communication channel between the office bearers and members in deciding this sub indicator. This indicator was calculated on the marks given for the frequency of holding these meetings (Annex 1).

Ranking and ascribing weighs to sub indicators

Each of the above sub indicators were ranked into 5 levels according to their importance in the organizational management. This ranking was done after consulting with farmer leaders and project officials. Next, these sub indicators were given weights according to their level of importance as follows.

Levels	Sub indicators	Weights
Level 1	Membership Leadership	6
Level 2	Legal recognition Record keeping Participation in meetings Communication	5
Level 3	Institutional recognition Participation in group activities	4
Level 4	Horizontal and vertical links	3
Level 5	Collecting membership fee	2

Calculation of the Organizational Management Performance Indicator.

The final calculation of the organizational management performance indicator (OMPI) with ascribed weights was as follows.

$$\text{OMPI} = \frac{SI_1 \cdot W_1 + SI_2 \cdot W_2 + \dots + SI_{11} \cdot W_{11}}{W_1 + W_2 + W_3 + \dots + W_{11}}$$

(SI = Sub indicator W = Weight given to each indicator)

b. Financial Management Performance Indicator

The Financial Management Performance Indicator (FMPI) was calculated as a composite index of the following 5 sub indicators.

1. Fund Availability
2. Fund Utilization for Investment
3. Fund Utilization for credit supply
4. Financial Record Keeping
5. Transparency

Sub Indicator 1. Fund Availability

The total collection of funds by the RUOs from different funding sources was evaluated under this sub indicator. Indicator was calculated on the marks given for the total amount of funds collected from the two sources of self-earning and SCOR grants (Annex 1). More weight was given for the funds self earned.

Sub Indicator 2. Fund Utilization for Investment

Under this sub indicator the amount of money invested in profit making activities by the RUOs was evaluated. Indicator was calculated on the rate of profits earned from investment. (Annex 1).

Sub Indicator 3. Fund Utilization for Credit Supply

Under this sub indicator the credit supply of the RUOs was evaluated. Indicator was calculated on the amount recovered against the total amount of credit provided. (Annex. 1)

Sub Indicator 4. Financial Record Keeping

Under this sub indicator the quality of maintaining four necessary financial records by the RUOs was evaluated. Indicator was calculated on the marks given for the quality of maintaining them (Annex. 1)

Sub Indicator 5. Transparency

Under this sub indicator the frequency of communicating the financial matters to general membership and committee members of RUOs was evaluated. This indicator was calculated on marks given for the frequency of presenting the financial accounts and budget to the members. (Annex. 1)

Calculation of the Financial Management Performance Indicator

The financial management performance indicator was calculated as a composite index of the above five sub indicators. They were not ranked to ascribe weights as it was regarded that all of them were equally important in financial management. The indicator was calculated as follows.

Financial Management Performance Indicator

$$\text{FMPI} = \frac{SI_1 + SI_2 + \dots + SI_5}{5}$$

c. Activity Performance Indicator

The Activity Performance Indicator (API) was calculated on the marks given for the quality of providing 5 necessary services expected from the RUOs. (Annex. 1)

d. Sustainability Indicator

The institutional Sustainability specifically is with respect to whether the project-supported institutions have acquired management capacity and access to financial and other resources which are necessary to continue their functions after project support has terminated or has been reduced (Mikkelsen - 1995). In developing the indicators to evaluate the sustainability it was assumed that the sustainability of the RUOs depends mostly on

the strength of their organizational management, financial management and activity performance.

The Sustainability Indicator (SI) was calculated as the average value of the three indicators of Organizational Management Performance, Financial Viability and the Activity Performance. Therefore, what is evaluated under this indicator is the overall organizational strength.

Calculation of the Sustainability Indicator

$$SI = \frac{OMPI + FVI + API}{3}$$

e. Achievement of Production and conservation targets.

RUOs was not evaluated on their achievements in production and conservation activities as it was found difficult to calculate target achievements of multifarious production and conservation activities with different denominations under a particular sub indicator. On the other hand most of the RUOs had been involved in several of production and conservation related activities but the targets were not much clear for any calculations while some others there were no targets. Therefore, the achievement of production and conservation targets was discussed separately.

2.2.2. Indicators to Evaluate the User Groups

Initially it was intended to evaluate both the RUOs and RUGs using the same indicators. However, it was found that many of these indicators cannot be applied to evaluate the groups that existed in the Nilwala watershed since they were loosely formed informal groups. Therefore, the groups were evaluated on one indicator of ***Group Performance Indicator***.

The Group Performance Indicator was calculated as a composite index of 8 sub indicators as follows.

1. Participation in Meetings
2. Participation in Group Activities
3. Leadership
4. Record Keeping
5. Financial transparency
6. Organizational Links
7. Achievement of Targets

These sub-indicators were developed particularly taking into considerations the type of groups formed in the Nilwala watershed. These sub-indicators were not given weights as all of them were found to be equally important for the performance level and the continuation of the groups. Since the group continuation depends not only on the performance level of them but also on the type of their group activities the sustainability of them was not evaluated.

Sub Indicator 1. Participation in Meetings

The average participation in group meetings was evaluated in against to the total membership under this indicator. (Annex 1).

Sub Indicator 2. Participation in Group Activity

The average participation in group activities was evaluated against the total membership under this indicator. (Annex 1).

Sub Indicator 3. Leadership

The views of a member sample on the quality on five leadership qualities was evaluated under this indicator. Indicator was calculated on the marks given for the level of these leadership qualities. (Annex. 1).

Sub Indicator 4. Record Keeping

This quality of maintaining necessary records by a group was evaluated under this indicator. It was considered that a group should maintain at least three necessary records and the indicator was calculated on the marks given for the quality of maintaining them (Annex. 1).

Sub Indicator 5. Financial Transparency

Under this the frequency of conveying the financial matters to the group members was evaluated. Though strong financial control cannot be expected from the groups it was considered that at least the members should be consulted with and aware of the financial transactions of the Groups. Indicator was calculated on the marks given for the frequency of communicating the financial matters to the members (Annex 1).

Sub Indicator 6. Organizational Links.

Under this the group links with parallel groups and formal organizations were evaluated. Indicator was calculated on the marks given for the number of such links maintained. (Annex. 1)

b. Indicator 7. Achievement of Targets

Under this indicator the achievement of targets in related to the objectives of the formation of groups was evaluated.

Calculation of the Group Performance Indicator

The group performance indicator was calculated as a composite indicator of the above sub-indicators as follows.

$$\frac{SI_1+SI_2+...+SI_7}{7}$$

2.2.3. Ranking System

The ranking system applicable to all indicators of both the RUOs and RUGs is as follows.

.00 - .19	Very Weak
.20 - .39	Weak
.40 - .59	Average
.60 - .79	Good
Above .80	Very Good

2.2. Data Collection Methodology

Following methodologies were followed in collecting data for this study.

a. Questionnaire Surveys

Questionnaire surveys were the main methodology used in collecting data from the RUGs, RUOs and SOs.

b. Structured and Non-Structures interviewing.

Both structured and non-structured interviews were held with the members and leaders of RUGs and RUOs on the formation of groups and organizations, their perception on them and on the performance level of them. The SCOR personnel who are involved in the building RUOs and RUGs were also interviewed.

c. Participant observations.

Participant observations were used as frequently as possible as one of the main methodologies apart from questionnaire survey. Participant observations were made in group activities, and particularly in meetings to collect data on farmer officer attitudes and behavior.

d. Secondary data from records

Necessary secondary data necessary was collected from the records available with the RUGs, RUOs and SCOR catalysts and from the SCOR data base.

2.3. Sample Selection

The total number of RUGs and RUOs that existed in the Nilwala watershed by mid 1997 was evaluated under this study. Two member samples were selected from RUGs and RUOs as required for the evaluation of the sub-indicator of leadership. For RUOs a sample of 190 members was selected from four sub watersheds of Aninkanda, Diyadawa\Thenipita, Milla Ela and Horagala depending on the number of total RUO members in them using the simple random method as follows.

Aninkanda	70
Diyadawa\Thenipita	40
Milla Ela	45
Horagala	35
Total	190

However, since the membership of both in TSHDSs and the FOs formed in same area was the same one sample was selected to represent both the organizations wherever possible. Thereby the total distribution of the sample populations was 244 as follows.

Aninkanda	98
Diyadawa\Thenipita	56
Milla Ela	47
Horagala	43
Total	244

For RUGs a sample of 69 members was selected using the simple random method.

2.4. Collection of Data

Collection of data was commenced from the last quarter of 1996 first for the main purpose of submitting quarterly progress evaluation reports. Some of these data was used in this study. Collection of data particularly for the study was started from February 1997. The status of the RUOs and RUGs by the second quarter of 1997 was given in this report.

Chapter 3

Evaluation of Organizational Development before the SCOR Project

3.1. Organizational Arrangements before the SCOR Project

There had been two types of RUOs in the Nilwala watershed when the SCOR project began in 1994; the TSHDSs formed by the TSHDA and the FOs formed by the DAS. Altogether there had been 21 such organizations in the 4 sub watersheds of Aninkanda, Diyadawa/Thenipita, Milla Ela and Horagala.

The type and the number of the RUOs existed in the 04 sub watersheds in 1994

SWS	No of FOs	No of TSHDS	Total
Aninkanda	5	4	9
Diyadawa/Thenipita	4	2	6
Milla Ela	2	0	2
Horagala	2	2	4
Total	13	8	21

List of the RUOs existed in 1994

SWS	NAME OF THE RUO
ANINKANDA	BERALAPANATHARA NORTH FO
ANINKANDA	PATHAWITA TSHDS
ANINKANDA	THALAPALAKANDA TSHDS
ANINKANDA	KANDEKUMBURA TSHDS
ANINKANDA	WIJAYAGAMA FO
ANINKANDA	BATAANDURA NORTH FO
ANINKANDA	PATHWITA FO
ANINKANDA	THALAPALAKANDA FO
ANINKANDA	BERALAPANATHRA TSHDS
D/THENIPITA	KOTAPOLA NORTH TSHDS
D/THENIPITA	THENIPITA FO
D/THENIPITA	NAWALAHENA FO
D/THENIPITA	BATAANDURA TSHDS
D/THENIPITA	KOTAPOLA NORTH FO
D/THENIPITA	BATANDURA SOUTH FO
HORAGALA	HORAGALA EAST FO
HORAGALA	HORAGALA TSHDS
HORAGALA	DIMUTHU FO
HORAGALA	ILUKPITIYA TSHDS
MILLAEALA	POLGASWILA FO
MILLAEALA	PAHALA MILLAWA FO

When the SCOR Project was commenced in 1994 many of these organizations had remained inactive and some had existed only name sake. According to the OBs, most of the FOs had been formed around 1991 based on Grama Sewa divisions by the respective Grama Sewa Officer. The DO of the DAS had involved in forming some of them but the main responsibility of forming them had been with the Grama Sewa Officer. He had formed them in a way of fulfilling government instructions. Attending to the Kanna meeting had been the foremost activity of many FOs. Some of those FOs had engaged in seasonal canal maintenance and minor irrigation system improvement activities.

The TSHDSs had been formed by the TSHDA basically to protect the tea small holders from the middle man and uplift their economy according to the TIs who were responsible for forming them. However, main objective of the tea farmers to joining them at first was to obtain drought relief provided by the TSHDA. Many had lost interest in then after getting the drought relief and the organizations had declined. As such some TSDHs formed in Milla Ela and Thenipita area were no longer existing when the SCOR Project was commenced. In fact there was no any TSHDSs remained in Milla Ela sub watershed when the SCOR project was commenced. Some of the remaining TSHDSs in the Nilwala watershed had continued to provide some services such as providing fertilizer to tea farmers given by the TSDA on easy terms.

3.2. Evaluation of the Organizations Existed at the Commencement of the SCOR Project

Base line data on organizational development when the SCOR project was commenced was not available. Data was collected for this study under the indicators given in Chapter 2 in order to compare the progress of them with those of 1997.

Five out of the total 21 RUOs existed in 1994 namely the Thalapalakanda FO, Thalapalakanda TSHDS, Batandura THSDS, Horagala TSHDS and Ilukpitiya TSHDS had been remained only namesake. The Dimuthu FO of the Horagala sub watershed had been approached by the SCOR personnel recently just before the collection of data for this study. Since this FO is included in the project now the present performance level is taken as the base level.

3.2.1. Organizational Management Performance of the RUOs Existed in 1994.

The organizational management performance was evaluated as a composite value of following 11 sub-indicators. The indicator values of them are given in the Table 1.

TABLE 1 . ORGANIZATIONAL MANAGEMENT PERFORMANCE INDICATOR VALUES - RUOs 1994

SWS	NAMERUO	MEMBER INDICATOR	PART. MEETING INDICATOR	PART. GROUP INDICATOR	FEE COLLECTION INDICATOR	RECORD INDICATOR	INSTI. RECOG. INDICATOR	LEGAL RECOG. INDICATOR	HORI. INDICATOR	VERTI. LINKS INDICATOR	LEADER SHIP INDICATOR	COMMUNI. INDICATOR	ORG. MGT. INDICATOR	RANKING
ANIN	BERALAPANATHARA NORTH FO	0.94	0.31	0.00	0.10	0.90	0.20	0.60	0.00	0.20	0.35	0.30	0.44	AVERAGE
ANIN	PATHAWITA TSHDS	0.30	0.52	0.00	0.00	0.10	0.20	1.00	0.00	0.00	0.25	0.10	0.28	WEAK
ANIN	THALAPALAKANDA TSHDS	0.00	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.11	V WEAK
ANIN	KANDEKUMBURA TSHDS	0.81	0.61	0.00	0.06	0.45	0.20	1.00	0.00	0.00	0.37	0.20	0.43	AVERAGE
ANIN	WIJAYAGAMA FO	0.29	0.00	0.00	0.04	0.10	0.20	0.60	0.00	0.00	0.41	0.10	0.20	WEAK
ANIN	BATAANDURA NORTH FO	0.48	0.40	0.00	0.07	0.55	0.20	0.60	0.00	0.20	0.26	0.10	0.32	WEAK
ANIN	PATHAWITA FO	0.32	0.38	0.00	0.00	0.20	0.20	0.60	0.00	0.00	0.19	0.10	0.23	WEAK
ANIN	THALAPALAKANDA FO	0.38	0.00	0.00	0.00	0.00	0.00	0.60	0.00	0.00	0.23	0.00	0.15	V WEAK
ANIN	BERALAPANATHRA TSHDS	0.67	0.33	0.00	0.03	0.45	0.20	0.60	0.00	0.00	0.54	0.30	0.37	WEAK
D/T	KOTAPOLA NORTH TSHDS	0.95	0.33	0.00	0.05	0.85	0.20	1.00	0.00	0.40	0.47	0.30	0.51	AVERAGE
D/T	THENIPITA FO	0.26	0.51	0.00	0.23	0.55	0.20	0.60	0.00	0.00	0.48	0.30	0.34	WEAK
D/T	NAWALAHENA FO	0.14	0.80	0.00	0.08	0.25	0.20	0.60	0.00	0.00	0.48	0.10	0.30	WEAK
D/T	BATAANDURA TSHDS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.22	0.00	0.03	V WEAK
D/T	KOTAPOLA NORTH FO	0.36	0.28	0.00	0.13	0.40	0.20	0.60	0.00	0.00	0.25	0.30	0.28	WEAK
D/T	BATANDURA SOUTH FO	0.26	0.51	0.71	0.17	0.55	0.20	0.60	0.00	0.20	0.57	0.20	0.42	AVERAGE
MILLA	POLGASWILA FO	0.42	0.51	0.34	0.06	0.65	0.20	0.60	0.00	0.20	0.29	0.50	0.41	AVERAGE
MILLA	PAHALA MILLAWA FO	0.40	0.72	0.64	0.08	0.85	0.20	0.60	0.00	0.20	0.38	0.40	0.48	AVERAGE
HORA	DIMUTHU FO	0.65	0.41	0.40	0.03	0.60	0.20	0.60	0.00	0.00	0.43	0.40	0.42	AVERAGE
HORA	ILUKPITIYA TSHDS	0.00	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.11	V WEAK
HORA	HORAGALA EAST FO	0.34	0.00	0.00	0.00	0.00	0.20	0.60	0.00	0.00	0.31	0.10	0.18	V WEAK
HORA	HORAGALA TSHDS	0.34	0.00	0.00	0.00	0.00	0.00	0.10	0.00	0.00	0.24	0.00	0.09	V WEAK
		0.40	0.32	0.10	0.05	0.35	0.15	0.64	0.00	0.07	0.32	0.18	0.29	WEAK

Membership

The actual membership of the existing RUOs out of the eligible total was evaluated under the Membership. The ranking of membership at the RUO level in 1994 was as follows.

Membership at RUO Level in 1994

Ranking	No. of RUOs
Very Weak	4
Weak	9
Average	3
Good	2
V. Good	3
Total	21

The ranking of the membership of the RUOs at sub watershed level in 1994 was as follows.

Membership at Sub watershed level in 1994

SWS	Level of Membership	Ranking
Aninkanda	.47	Average
Diyadawa/Thenipita	.33	Weak
Milla Ela	.41	Average
Horagala	.33	Weak

The level of membership of the two type of organizations of FOs and TSHDSs in 1994 was as follows.

FOs = .41 Average

TSHDS = .38 Average

The overall level of the membership of the RUOs in 1994 was evaluated as Average. The data of the membership of three TSHDSs namely the Thalapakanda TSHDS, Batandura TSHDS and Ilukpitiya TSHDS which were almost non-existing was not available therefore received no points. The Kotapola North TSHDS and the Beralapanathara TSHDS had the highest level of membership of .95 and .94 respectively. Kotapola North TSHDS had highest total membership of 461. The lowest level of membership was in the Nawalahena FO which was within the area Kotapola North TSHDS. There were only 25 members in it.

Participation in Meetings

The average member participation in meetings out of the actual membership was evaluated under the participation in meetings. The ranking of participation in meetings at RUO level in 1994 was as follows.

Participation in Meetings at RUO level in 1994

Ranking	No. of RUOs
Very Weak	7
Weak	5
Average	6
Good	2
V. Good	1
Total	21

Ranking of participation in meetings of RUOs at sub watershed level in 1994 was as follows.

Participation in meetings at Sub watershed Level in 1994

SWS	Level of Participation	Ranking
Aninkanda	.28	Weak
Diyadawa/Thenipita	.41	Average
Milla Ela	.61	Good
Horagala	.10	V. Weak

The level of participation in meetings in the two organizations of FOs and TSHDSs in 1994 was as follows.

FOs	=	.44	Average
TSHDSs	=	.22	Weak

Overall average member participation in meetings of RUOs was evaluates as at the level of Weak. Any meetings were not held in four RUOs of Thalapalakanda TSHDS, Thalapalakanda FO, Batandura TSHDS and Ilukpitiya TSHDS. Meetings had been held rarely in three RUOs of Horagala TSHDS, Horagala East FO and Wijayagama FO. The higher level of participation in meetings of the Nawalahena FO was not significant as the total number of membership of it was low.

Overall participation in meetings of the TSHDSs was very low in compared to the FOs in 1994.

Participation in Group Activities

The average participation in group activities out of the expected total was evaluated under group activities. Ranking of the participation in group activities at the RUOs level was not given as only four RUOs had involved in any group activities. However, the ranking of participation in group activities at sub watershed was as follows.

Participation in Group Activities at Sub watershed level in 1994

SWS	Level of Participation	Ranking
Aninkanda	.00	V. Weak
Diyadawa/Thenipita	.12	V. Weak
Milla Ela	.61	Good
Horagala	.10	V. Weak

The level of participation in group activities in FOs and TSHDSs in 1994 was as follows.

FOs = .19 V. Weak

TSHDSs = .00 V. Weak

The overall participation in group activities was evaluated as Very Weak. Only four RUOs had been engaged in any group activities and those group works had been organized under some system improvement contracts taken by the FOs. There was no group activity in any of the TSHDSs.

The overall level of participation in group activities in the Milla Ela Sub watershed was high as both the existing two RUOs had engaged in some group work related to irrigation structure construction contracts. Only one from each of the two sub watersheds of Diyadawa/Thenipita and Horagala had engaged in group activities.

Collection of Fee

The total collection of fee out of the expected total was evaluated under the collection fee. The ranking of collection of fee of the RUOs at sub watershed level in 1994 was as follows.

Collection of Fee in RUOs at Sub Watershed Level in 1994

SWS	Level of fee Collection	Ranking
Aninkanda	.03	V. Weak
Diyadawa/Thenipita	.11	V. Weak
Milla Ela	.07	V. Weak
Horagala	.01	V. Weak

The level of collection of fee by the FOs and TSHDSs in 1994 was as follows.

FOs = .09

TSHDSs = .02

Overall fee collection of the RUOs was evaluated as Very Weak. Fee had been collected only in 13 RUOs.

Record Keeping

The record keeping was evaluated on the marks received by each of the necessary records on the quality of maintaining them. Ranking of the quality of maintaining the records at RUO level in 1994 was as follows.

Record Keeping at RUO level in 1994.

Ranking	No. of RUOs
Very Weak	08
Weak	02
Average	06
Good	02
V. Good	03
Total	21

The ranking of the quality of maintaining records by the RUOs at the sub watershed level in 1994 was as follows.

Record Keeping at Sub Watershed Level in 1994

SWS	Level of Record keeping	Ranking
Aninkanda	.31	Weak
Diyadawa/Thenipita	.43	Average
Milla Ela	.75	Good
Horagala	.15	V.Weak

The level of the quality of maintaining the records of the FOs and TSHDSs in 1994 was as follows.

FOs = .51 Good
TSHDSs = .23 Weak

The overall quality of record keeping of the RUOs was evaluated as Weak. Record keeping had been halted in 06 RUOs as they had become inactive. Record keeping of three RUOs out of the rest, namely the Beralapanathara FO, Kotapola North TSHDS and Pahala Millawa FO was at the level of Very Good. The quality of maintaining records of TSHDSs was very low in compared to the FOs.

As 15 RUOs had maintained reports the total marks expected for each of the record was 60. Marks received for each of the 05 records were as follows.

Marks received for maintaining records by RUOs in 1994.

Record	Total Marks	Level of Marks
Membership Register	44	.73
Meeting Reports	30	.60
Attendance Register	27	.45
Cash Register	28	.47
Correspondence File	20	.33

Institutional Recognition

Under the institution recognition the number contacts the RUOs having with government and non-governmental organizations was evaluated. The contacts they were having with the implementing agencies was also taken for evaluation but only if they had maintained firm contacts. The ranking of the level of²⁰ institutional recognition at the sub watershed

level in 1994 was as follows. The ranking at the RUO level is not given as only 16 organizations had such links.

Institutional recognition at sub watershed Level in 1994

SWS	Level of Institutional recognition	Ranking
Aninkanda	.16	V.Weak
Diyadawa/Thenipita	.17	V.Weak
Milla Ela	.20	Weak
Horagala	.10	V.Weak

The level of institutional recognition of FOs and TSHDSs in 1994 was as follows.

FOs = .20

TSHDSs = .10

The overall institutional recognition of the RUOs was evaluated as Very Weak. They were having links only with their implementing agencies. Even so only 16 RUOs had firm contacts with their implementing agencies as others remained only namesake.

Legal Recognition

Under legal recognition the required registration for RUOs with their respective implementing agencies was evaluated.

The overall level of legal recognition of the RUOs was evaluated as Good. Except one TSHDS all the RUOs had registered with their respective implementing agencies. The TSHDSs who were registered with the TSHDA received full points as it was the required legal recognition for them. However, the FOs had to fulfill two registrations to get full points, to be registered under the clause 56/A and 56/B of Agrarian Services Act. All the FOs had registered only under Clause 56/A, and therefore they received less points than the TSHDSs.

The level of legal recognition by the FOs and TSHDSs in 1994 was as follows.

FOs = .60

TSHDSs = .82

Horizontal Linkages

Under horizontal linkages the number of links the RUOs having with other parallel organizations were evaluated.

None of the RUOs in 1994 were having any links with their parallel organizations.

Vertical Linkages

Under vertical links the number of links the RUOs having with the higher level organizations and committees was evaluated.

The overall level of vertical linkages of the RUOs in 1994 was evaluated as Very Weak. Only 06 RUOs had some vertical links. Five of them were FOs who were having links with Divisional Agrarian Services Committee. The other RUO which was a TSHDS had joined the district level committee of the TSDHSS. There had been no any higher level organizations like farmer federations within the areas of Nilwala watershed. The ranking of the vertical links of RUOs at the sub watershed level was as follows.

Vertical Linkages at the Sub watershed level in 1994

SWS	Level of vertical linkages	Ranking
Aninkanda	.04	V.Weak
Diyadawa/Thenipita	.10	V.Weak
Milla Ela	.20	Weak
Horagala	.10	V.Weak

The level of the vertical links of FOs and TSHDSs in 1994 was as follows.

FOs = .09

TSHDSs = .05

Leadership

The leadership quality was evaluated using a sample of 150 members from the RUOs. Ranking of leadership quality at RUO level in 1994 was as follows.

Leadership quality at RUO level in 1994

Ranking	No. of RUOs
Very Weak	03
Weak	11
Average	07
Total	21

Ranking of leadership quality of the RUOs at sub watershed level in 1994 was as follows.

Leadership quality at Sub Watershed Level in 1994

SWS	Level of Leadership Quality	Ranking
Aninkanda	.29	Weak
Diyadawa/Thenipita	.41	Average
Milla Ela	.33	Weak
Horagala	.24	Weak

The level of leadership of FOs and TSHDSs in 1994 was as follows.

FOs = .37

TSHDSs = .26

The overall leadership quality of the RUOs was evaluated as Weak. Twenty three sample members (15 per cent) did not know the OBs of their organizations. Leadership quality could not be evaluated in two RUOs namely the Thalapalakanda TSHDS and the Ilukpitiya TSHDS as they were almost non-existing.

Communication

Under communication the frequency of holding meetings was evaluated. Ranking of holding meetings at RUO level in 1994 was as follows.

Frequency of holding meetings at RUO level in 1994

Ranking	No. of RUOs
Very Weak	11
Weak	07
Average	03
Total	21

Ranking of holding meetings of RUOs at sub watershed in 1994 was as follows.

Frequency of holding meetings at Sub Watershed Level in 1994.

SWS	Level of holding meetings	Ranking
Aninkanda	.13	V.Weak
Diyadawa/Thenipita	.20	Weak
Milla Ela	.45	Average
Horagala	.15	V.Weak

The level of holding meetings of FOs and TSHDSs in 1994 was as follows.

FOs = .25

TSHDSs = .12

The overall evaluation of RUOs under communication was at the level of Very Weak. Meetings had been not held in 04 RUOs. General farmer meetings had been held in another 08 RUOs annually. Three RUOs had held their general farmer meetings once in six months together with kanna meetings. Meetings had been held irregularly in 06 RUOs.

Committee meetings had been held only of 05 RUOs. They had been held occasionally whenever required but the frequency of holding them was low.

Overall Organizational Management Performance

The indicator value of the overall organizational management performance of the RUOs calculated after ascribing the weights as described in Chapter 2 was given in the Table 1. The overall organizational management performance of the RUOs existed in 1994 was evaluated as Weak. Only one RUO was at the level of Average which was the Kotapola North TSHDS. The evaluation of the RUOs under the organizational management performance indicator is follows.

Organizational Management performance at RUO level in 1994.

Ranking	No. of RUOs
Very Weak	06
Weak	08
Average	07
Total	21

The organizational management performance of RUOs at sub watershed level in 1994 was as follows.

Organizational management performance of RUOs at sub watershed level in 1994

SWS	Level of org. management performance	Ranking
Aninkanda	.28	Weak
Diyadawa/Thenipita	.31	Weak
Milla Ela	.44	Average
Horagala	.20	Weak

The level of organizational management performance of FOs and TSHDSs in 1994 was as follows.

TSHDSs	=	.24
FOs	=	.35

TABLE 2. FINANCIAL MANAGEMENT PERFORMANCE INDICATOR VALUES - RUOs 1994								
SWS	NAME OF RUOS	FUNDING INDICATO R	INVESTMEN T INDICATO R	LOANS INDICATO R	FIN. RECORD INDICATOR	TRANSP. INDICATO R	FIN. MGT. INDICATOR	RANKING
ANINKANDA	BERALAPANATHARA NORTH	0.025	0.00	0.05	0.81	0.40	0.26	WEAK
ANINKANDA	PATHAWITA TSHDS	0.000	0.00	0.00	0.00	0.00	0.00	V.WEAK
ANINKANDA	THALAPALAKANDA TSHDS	0.000	0.00	0.00	0.00	0.00	0.00	V.WEAK
ANINKANDA	KANDEKUMBURA TSHDS	0.000	0.00	0.00	0.25	0.40	0.13	V.WEAK
ANINKANDA	WIJAYAGAMA FO	0.000	0.00	0.00	0.00	0.00	0.00	V.WEAK
ANINKANDA	BATAANDURA NORTH FO	0.000	0.00	0.00	0.13	0.40	0.11	V.WEAK
ANINKANDA	PATHAWITA FO	0.000	0.00	0.00	0.00	0.00	0.00	V.WEAK
ANINKANDA	THALAPALAKANDA FO	0.000	0.00	0.00	0.00	0.00	0.00	V.WEAK
ANINKANDA	BERALAPANATHRA TSHDS	0.000	0.00	0.00	0.44	0.40	0.17	V.WEAK
D/THEIPIT	KOTAPOLA NORTH TSHDS	0.400	0.64	0.00	0.56	0.40	0.40	AVERAGE
D/THEIPIT	THEIPITA FO	0.000	0.00	0.00	0.31	0.40	0.14	V.WEAK
D/THEIPIT	NAWALAHENA FO	0.000	0.00	0.00	0.19	0.00	0.04	V.WEAK
D/THEIPIT	BATAANDURA TSHDS	0.000	0.00	0.00	0.00	0.00	0.00	V.WEAK
D/THEIPIT	KOTAPOLA NORTH FO	0.000	0.00	0.00	0.13	0.00	0.03	V.WEAK
D/THEIPIT	BATANDURA SOUTH FO	0.000	0.00	0.00	0.25	0.00	0.05	V.WEAK
MILLAEALA	POLGASWILA FO	0.025	0.01	0.00	0.56	0.50	0.22	WEAK
MILLAEALA	PAHALA MILLAWA FO	0.050	0.02	0.00	0.50	0.50	0.21	WEAK
HORAGALA	DIMUTHU FO	0.060	0.02	0.00	0.44	0.40	0.18	V.WEAK
HORAGALA	ILUKPITIYA TSHDS	0.000	0.00	0.00	0.00	0.00	0.00	V.WEAK
HORAGALA	HORAGALA EAST FO	0.000	0.00	0.00	0.00	0.00	0.00	V.WEAK
HORAGALA	HORAGALA TSHDS	0.075	0.00	0.00	0.13	0.00	0.04	V.WEAK
		0.03	0.03	0.00	0.22	0.18	0.09	V.WEAK

3.2.2. Financial Management Performance

The financial management performance was evaluated as a composite value of following 05 sub-indicators. The indicator values in financial management performance is given in Table 2.

Funds Availability

The total cash collection of the RUOs was evaluated under the Fund Availability. The overall fund availability of RUOs was evaluated as Very Weak. There was very little funds available with the RUOs for any evaluation and they were totally self earned. Only 14 RUOs had any funds. Eight out of them had funds below 5000 and many of them had only few hundred rupees.

Two RUOs had funds between Rs. 5000 and Rs. 10,000. Another two had funds between Rs. 10,000 and Rs. 15,000. One had funds between Rs. 15,000 and Rs. 20,000. The highest amount of funds was with the Kotapola North TSHDs which was around Rs.80,000. This amount had been collected from member shares and profits of investments. Six FOs had collected funds by doing some minor irrigation system improvement contracts.

Fund Utilization for Investment

Fund utilization for investment was evaluated on the amount invested and only if any profit was earned. The overall fund utilization for investment of the RUOs was evaluated as Very Weak.

Only the Kotapola North TSHDS had been involved in any profit making activity. It had mainly involved in supply of inputs to farmers mainly fertilizer for tea farmers. The Horagala TSHDS too had earned some funds by engaged in input supplies but later failed due to poor financial management.

Fund Utilization for Credit Supplies

The provision of credits on its recovery level of RUOs was evaluated under the credit supplies.

The overall credit supply of RUOs was evaluated as Very Weak. Only 02 RUOs had provided some credit facilities for farmers, the Kotapola North TSHDS and the Beralapanathara North FO. Their recovery details were not available.

Financial Record Keeping

The quality of maintaining the necessary financial records was evaluated under financial record keeping. Since funds were not available only 13 RUOs had maintained the financial records. The quality of maintaining the financial records of the Beralapanathara North FO was at the level of very good. The quality of maintaining the financial records of 05 others was at the level of average. Financial record keeping in two others was at the level of Weak while rest of the others it was at the level of Very Weak.

Transparency

The frequency of presenting the financial accounts to the members of the RUOs was evaluated under the financial transparency. The overall financial transparency of the RUOs was evaluated as Very Weak. Only 09 RUOs presented the budgets and other financial transactions periodically to its general members. Seven RUOs had presented them annually while two had presented them once in six months.

Financial Management Performance

The overall financial management performance of the RUOs under the relevant indicator was evaluated as Very Weak. The financial management performance was at the level of average in one RUO which is the Kotapola North TSHDS. In three RUOs it was at the level of weak while in all others it is at the level of very weak. Ranking of the financial management performance of RUOs in 1994 at sub watershed level was as follows.

Financial management performance of RUOs at Sub Watershed Level in 1994

SWS	Level of fin. management performance	Ranking
Aninkanda	.07	V.Weak
Diyadawa/Thenipita	.11	V.Weak
Milla Ela	.21	Weak
Horagala	.06	V.Weak

The level of the financial management performance of FOs and TSHDSs in 1994 was as follows.

FOs = .11

TSHDS = .09

3.2.3. Performance of Member Benefit Activities

The quality of the member benefit activities carried out by the RUOs was evaluated under this indicator. The indicator values of member benefit activity indicator of the RUOs in 1994 are given in table 3.

The overall performance of member benefit activities of the RUOs in 1994 was evaluated as Very Weak. Only 14 RUOs had been involved in member benefiting activities. They were limited to communication, input coordination, input supply and credit supply. All these 14 RUOs had been involved in the member benefiting activity of communication. But the quality of communication was at the level of very weak in 12 of them. Total 08 RUOs had been involved in input coordination. The quality of this service was weak in 05 RUOs. Only two RUOs had involved in input supplies. Again, two RUOs had involved in some credit supplies to its members. The performance level of the member benefit activities was at the level of Average in one RUO which was the Kotapola North TSHDS while that of all others was at the level of very weak.

The ranking of the quality of member benefit activities of RUOs in 1994 at sub watershed level is as follows.

Member benefiting activity performance of RUOs at Sub Watershed Level in 1994

SWS	Level of member benefit activities	Ranking
Aninkanda	.07	V.Weak
Diyadawa/Thenipita	.09	V.Weak
Milla Ela	.03	V.Weak
Horagala	.04	V.Weak

The level of the performance of member benefiting activities of FOs and TSHDSs in 1994 was as follows.

FOs	=	.05
TSHDS	=	.07

3.2.4. Sustainability

Sustainability indicator was calculated as a composite value of three indicators of organizational management performance, financial management performance and member benefiting activity performance. On the other hand sustainability indicator was the overall level of strength of the RUOs. The indicator values of the Sustainability is given in Table 3. The ranking of sustainability at RUO level in 1994 is as follows.

Sustainability at RUO level in 1994

Ranking	No. of RUOs
Very Weak	14
Weak	06
Average	01
Total	21

Ranking of the sustainability of the RUOs in 1994 at sub watershed level is as follows.

Sustainability of RUOs at Sub Watershed Level in 1994

SWS	Sustainability	Ranking
Aninkanda	.14	V.Weak
Diyadawa/Thenipita	.17	V.Weak
Milla Ela	.23	Weak
Horagala	.10	V.Weak

The level of the sustainability of FOs and TSHDSs in 1994 was as follows.

FOs = .17

TSHDSs = .14

The overall sustainability of the RUOs was evaluates as Weak. The sustainability was at the level of Average only in 01 RUO, the Kotapola North TSHDS.

3.3. Conclusions

According to the sustainability indicator the overall performance of the RUOs in the Nilwala watershed were very weak before the commencement of the SCOR project. Most of the RUOs were gradually declining while some were remaining only namesake. The TSHDSs were more weaker and becoming inactive faster than₂₉the FOs. The overall performance of the

3.2.3. Performance of Member Benefit Activities

The quality of the member benefit activities carried out by the RUOs was evaluated under this indicator. The indicator values of member benefit activity indicator of the RUOs in 1994 are given in table 3.

The overall performance of member benefit activities of the RUOs in 1994 was evaluated as Very Weak. Only 14 RUOs had been involved in member benefiting activities. They were limited to communication, input coordination, input supply and credit supply. All these 14 RUOs had been involved in the member benefiting activity of communication. But the quality of communication was at the level of very weak in 12 of them. Total 08 RUOs had been involved in input coordination. The quality of this service was weak in 05 RUOs. Only two RUOs had involved in input supplies. Again, two RUOs had involved in some credit supplies to its members. The performance level of the member benefit activities was at the level of Average in one RUO which was the Kotapola North TSHDS while that of all others was at the level of very weak.

The ranking of the quality of member benefit activities of RUOs in 1994 at sub watershed level is as follows.

Member benefiting activity performance of RUOs at Sub Watershed Level in 1994

SWS	Level of member benefit activities	Ranking
Aninkanda	.07	V.Weak
Diyadawa/Thenipita	.09	V.Weak
Milla Ela	.03	V.Weak
Horagala	.04	V.Weak

The level of the performance of member benefiting activities of FOs and TSHDSs in 1994 was as follows.

FOs	=	.05
TSHDS	=	.07

TSHDSs were low than the FOs in almost all the aspects.

Both the FOs and TSHDSs were weak mainly because there was no much agency support and institutional arrangements for organizational development. After formed they had remained neglected. The TSHDSs were the mostly affected. Building of tea farmer organizations was an innovative exercise for an institution like the TSHDA but they lacked aftermath organizational development strategies. In fact these organizations had been developed and functioned as channels to supply some inputs and services provided by the TSHDA. The progress of one TSHDA, the Kotapola North TSHDS was mainly due to the energetic efforts of its leader who was having some experience working with some community organizations focused on rural development. However, the progress and the popularity of this society had affected the progress of other RUOs within the area particularly those FOs.

According to the manner the TSHDSs had been formed and functioned they were very much under the control of the TSHDA particularly of the field officer of the TI. Therefore these depended so much on the TIs. The weaknesses of many of the TSHDSs emanated from this dependency itself. This control was observed even in 1995 as there were some direct interference of the TIs in the selection of OBs in some societies.

Many of the TSHDSs had been initially involved in input coordination which was one of the key functions expected from them but had failed due to poor financial control. This had resulted in fast deterioration of some of those societies.

Unlike the TSHDSs the FOs were seemed to be suffered from the lack of activities to be engaged in. However, it is interesting to note that some FOs which had been involved in doing minor irrigation system improvement contracts had progressed better. They were having a worthwhile activity to be engaged in, opportunity to get the member participation to build up some group consciences through group works, and to collect some funds for the organizations. When looking at the composition of the fund availability of the FOs it seems that the only mean available for them to collect some funds was doing these contracts.

The seemingly better progress in the RUOs in the Milla Ela sub watershed in compared to others was due to the existence of only two RUOs resulting a better average value. It should be noted that some TSHDSs formed in this sub watershed had vanished without leaving any trace.

The least progress of the RUOs was found in Horagala sub watershed. It was learned that this area had been almost neglected by agency officials before. This was due to poor accesses facilities to this area as the roads were not motorable. This was one of the reasons for the poor performance of those RUOs.

It is noteworthy that these organizations had not involved directly in natural resource conservation activities before the SCOR30project.

Chapter 4

Evaluation of Resource User Organizations

4.1. Introduction

Strengthening the existing user organizations as well as building new user organizations where necessary had been a major component in the organizational development activities of the SCOR Project. User participation in natural resource management had been obtained widely both through RUOs and RUGs. The objective of this chapter is to evaluate the performance level and the strength of the RUOs that involved in SCOR activities in the four SWSs by mid 1997.

4.2. Type and Number of Organizations Existed by Mid 1997

Total of 33 user organizations were involved in SCOR activities in the Nilwala watershed in 1977.

The RUOs existed in the Nilwala watershed by mid-1997

SWS	TSHDSs	FOs	NGOs	Micro - Hydro	Total
Aninkanda	06	07	01	01	15
D/Thenipita	03	04	-	-	07
Milla Ela	02	03	01	-	06
Horagala	02	02	-	01	05
Total	13	16	02	02	33

List of RUOs in 1997

SWS	NAME OF THE RUOS	RUO TYPE
HORAGALA	ILUKPITIYA MICRO-HYDROPOWER ORGANIZATION	MH.POWER
HORAGALA	DIMUTHU FO	FO
HORAGALA	HORAGALA ILUKPITIYA TSHDS	TSHDS
ANINKANDA	WIJAYAGAMA TSHDS	TSHDS
HORAGALA	HORAGALA EAST FO	FO
HORAGALA	HORAGALA TSHDS	TSHDS
ANINKANDA	BERALAPANATHARA NORTH FO	FO
ANINKANDA	PATHAWITA TSHDS	TSHDS
ANINKANDA	PUHULHENAKANDA TSHDS	TSHDS
ANINKANDA	SRAMASKTHI NON-WOOD FOREST PRODUCT FO	FO
ANINKANDA	UDUHUPITIYA MICRO-HYDROPOWER ORGANIZATION	MH
ANINKANDA	NILWALA ANTHURIUM GROWERS ORGANIZATION	FO
ANINKANDA	THALAPALAKANDA TSHDS	TSHDS
ANINKANDA	DOTALUGALA HERITAGE	NGO
ANINKANDA	KANDEKUMBURA TSHDS	TSHDS
ANINKANDA	WIJAYAGAMA FO	FO
ANINKANDA	BATA ANDURA NORTH FO	FO
ANINKANDA	PATHAWITA FO	FO
ANINKANDA	THALAPALAKANDA FO	FO
ANINKANDA	BERALAPANATHARA NORTH TSHDS	TSHDS
D/TENIPITA	KOTAPOLA NORTH TSHDS	TSHDS
D/TENIPITA	THENIPITA FO	FO
D/TENIPITA	NAWALAHENA FO	FO
D/TENIPITA	BATA ANDURA TSHDS	TSHDS
D/TENIPITA	KOTAPOLA NORTH MAHASSEN FO	FO
D/TENIPITA	BATA ANDURA SOUTH FO	FO
D/TENIPITA	THENIPITA TSHDS	TSHDS
MILLAEALA	EKAMUTHU TSHDS (IHALA MILLAWA)	TSHDS
MILLAEALA	POLGASWILA TSHDS (PAHALA MILLAWA)	TSHDS
MILLAEALA	IHALA MILLAWA FO	FO
MILLAEALA	SWABAWIKA SAMPATH SURAKINNO	NGO
MILLAEALA	POLGASWILA MORAWAKA SAMAGI FO	FO
MILLAEALA	PAHALA MILLAWA FO	FO

There had been 21 organizations before the commencement of the SCOR project. Five of them which had remained only namesake had been re-vitalized under the SCOR project. Apart from that twelve new organizations had also been formed afterwards.

The RUOs newly formed under the SCOR project

RUOs	Aninkanda	D/Thenipita	Milla Ela	Horagala	Total
TSHDS	02	01	01	-	04
FO	02	-	02	-	04
NGO	01	-	01	-	02
M/Hydro	01	-	-	01	02
Total	06	01	04	01	12

Two NGOs had been formed for natural resource conservation. Two FOs had been formed in the Aninkanda sub watershed for specific purposes, one for non-wood forest production particularly for pinus raisin tapping and the other for the development of Anthurium growing.

4.3. Evaluation of Resource User Organizations

All the RUOs except the Uduhupitiya Micro Hydro Power Users' Organization built in the Aninkanda Sub watershed were taken for evaluation. The Uduhupitiya Micro Hydro Power Users Organization which existed when data was collected found to be dissolved later as those people had received power from the national grid. However, it was found that building of another micro hydro power users' organization had been initiated later in the same area by another group of people. This organization was not included in the study as the data collection was over when it was formed. The remaining all the 32 RUOs existed in the Nilwala watershed was taken for evaluation.

RUOs were not evaluated under a particular indicator on the achievement of production and conservation targets due to the difficulty in collecting and calculating such data for several reasons.

- Most of the RUOs had been involved in several of production and conservation related activities but the targets were not much clear for calculations.
- Even if the targets were available in some RUOs calculation of target achievements was complicated as they were related to multifarious activities of different denominations such as extend, length, number acreage etc.. Such lengthy evaluation was difficult in an organizational development study.
- Many RUOs had been involved in production and conservation activities without targets and it was not possible to evaluate them.

Therefore, the involvement of the RUOs in production and conservation activities will be discussed separately.

TABLE 4. ORGANIZATIONAL MANAGEMENT PERFORMANCE INDICATOR VALUES - RUOS 1997

SUB WATERSHED	NAME OF RUOS	MEMBERSHIP INDICATOR	PARTICIPATION ON INDICATOR	GROUP PARTICIPATION INDICATOR	FEE COLLECT INDICATOR	RECORD KEEPING INDICATOR	INSTL. RECOGNITION INDICATOR	LEGAL RECOG. INDICATOR	HORIZONTAL LINK INDICATOR	VERTI LINK INDICATOR	LEADERSHIP INDICATOR	COMMUNICATION INDICATOR	ORG. MGT. INDICATOR	RANKING
HORAGALA	ILUKPITIYA MICRO-HYDROPOWER ORGANIZATION	1.00	0.85	0.65	1.00	0.85	0.80	1.00	0.40	0.40	0.72	0.80	0.79	GOOD
HORAGALA	DIMUTHU FO	0.65	0.41	0.40	0.03	0.60	0.20	0.60	0.00	0.00	0.43	0.40	0.39	WEAK
HORAGALA	HORAGALA ILUKPITIYA TSHDS	0.75	0.34	0.60	0.14	0.60	0.20	1.00	0.40	0.40	0.43	0.60	0.53	AVERAGE
ANINKANDA	WUJAYAGAMA TSHDS	0.52	0.43	0.40	0.18	0.90	0.40	1.00	0.80	0.80	0.81	0.90	0.84	GOOD
HORAGALA	HORAGALA EAST FO	0.94	0.20	0.20	0.41	0.95	0.40	0.80	0.80	0.80	0.52	0.50	0.56	AVERAGE
HORAGALA	HORAGALA TSHDS	0.44	0.55	0.00	0.20	0.75	0.20	1.00	0.40	0.20	0.58	0.60	0.49	AVERAGE
ANINKANDA	BERALAPANATHARA NORTH FO	0.94	0.23	0.25	0.10	0.95	0.20	0.80	0.40	0.20	0.39	0.40	0.47	AVERAGE
ANINKANDA	PATHAWITA TSHDS	0.72	0.29	0.25	0.08	0.85	0.20	1.00	0.40	0.40	0.33	0.40	0.46	AVERAGE
ANINKANDA	PUHULHENKANDA TSHDS	0.84	0.55	0.38	0.65	0.80	0.20	1.00	0.40	0.20	0.70	0.70	0.62	GOOD
ANINKANDA	SRAMASKITHI NON-WOOD FOREST PRODUCT FO	1.00	0.81	0.58	0.08	0.85	0.80	0.80	0.40	0.40	0.50	0.20	0.60	GOOD
ANINKANDA	NILWALA ANTHURIUM GROWERS ORGANIZATION	1.00	0.00	0.00	0.06	0.20	0.20	0.00	0.40	0.00	0.43	0.00	0.24	WEAK
ANINKANDA	THALAPALAKANDA TSHDS	0.45	0.33	0.00	0.02	0.75	0.20	1.00	0.60	0.40	0.49	0.50	0.47	AVERAGE
ANINKANDA	DOTALUGALA HERITAGE	0.31	0.19	0.25	0.06	0.50	0.40	1.00	0.60	0.20	0.46	0.40	0.42	AVERAGE
ANINKANDA	KANDERUMBURA TSHDS	0.82	0.69	0.29	0.37	0.90	0.20	1.00	0.60	0.40	0.47	0.50	0.58	AVERAGE
ANINKANDA	WUJAYAGAMA FO	0.79	0.34	0.29	0.15	0.70	0.20	0.60	0.40	0.40	0.47	0.20	0.45	AVERAGE
ANINKANDA	BATA ANDURA NORTH FO	0.95	0.16	0.57	0.58	0.90	0.20	0.60	0.40	0.60	0.31	0.20	0.50	AVERAGE
ANINKANDA	PATHAWITA FO	0.29	0.52	0.00	0.30	0.50	0.20	0.60	0.00	0.00	0.29	0.20	0.29	WEAK
ANINKANDA	THALAPALAKANDA FO	0.29	0.64	0.40	0.66	0.75	0.60	0.80	0.60	0.60	0.47	0.80	0.57	AVERAGE
ANINKANDA	BERALAPANATHARA NORTH TSHDS	0.86	0.19	0.00	0.09	0.80	0.40	1.00	0.60	0.60	0.58	0.80	0.57	AVERAGE
D/THENIPITA	KOTAPOLA NORTH TSHDS	0.95	0.16	0.00	0.03	0.85	0.20	1.00	0.60	0.60	0.21	0.20	0.48	AVERAGE
D/THENIPITA	THENIPITA FO	0.65	0.15	0.14	0.03	0.95	0.20	0.80	0.40	0.20	0.50	0.50	0.44	AVERAGE
D/THENIPITA	NAWALAHENA FO	0.49	0.28	0.30	0.05	0.85	0.20	0.80	0.40	0.40	0.62	0.50	0.47	AVERAGE
D/THENIPITA	BATA ANDURA TSHDS	0.35	0.54	0.35	0.32	0.70	0.20	1.00	0.40	0.40	0.65	0.40	0.51	AVERAGE
D/THENIPITA	KOTAPOLA NORTH MAHASEN FO	0.39	0.87	0.40	0.20	0.80	0.20	0.60	0.40	0.40	0.56	0.50	0.50	AVERAGE
D/THENIPITA	BATA ANDURA SOUTH FO	0.63	0.35	0.59	0.20	0.70	0.20	0.80	0.40	0.00	0.87	0.40	0.48	AVERAGE
D/THENIPITA	THENIPITA TSHDS	0.38	0.81	0.00	0.03	0.90	0.20	1.00	0.40	0.40	0.39	0.60	0.51	AVERAGE
MILLAE LA	EKAMUTHU TSHDS (IHALA MILLAWA)	0.24	0.25	0.00	0.21	0.65	0.20	1.00	0.60	0.40	0.42	0.80	0.45	AVERAGE
MILLAE LA	POLGASWILA TSHDS (PAHALA MILLAWA)	0.22	0.58	0.00	0.22	0.90	0.20	1.00	0.80	0.40	0.45	0.40	0.47	AVERAGE
MILLAE LA	IHALA MILLAWA FO	0.30	0.38	0.40	0.28	0.85	0.40	0.80	0.80	0.60	0.41	0.70	0.51	AVERAGE
MILLAE LA	SWABAWIKA SAMPATH SURAKINNO	0.04	0.50	0.48	0.00	0.55	0.20	1.00	0.40	0.00	0.15	0.30	0.35	WEAK
MILLAE LA	POLGASWILA MORAWAKA SAMAGI FO	0.59	0.33	0.43	0.13	0.85	0.20	0.80	0.40	0.40	0.35	0.70	0.48	AVERAGE
MILLAE LA	PAHALA MILLAWA FO	0.86	0.24	0.40	0.16	0.90	0.20	0.80	0.40	0.40	0.42	0.30	0.48	AVERAGE
		0.61	0.41	0.28	0.22	0.77	0.28	0.78	0.44	0.36	0.47	0.48	0.49	AVERAGE

4.3.1. Organizational Management Performance of the RUOs

The Overall Organizational Management performance of the RUOs in mid-1997 was evaluated as a composite value of following 11 sub indicators. The indicator values are given in Table 4.

Membership

The actual membership of RUOs was evaluated out of the total eligible membership under this sub-indicator. The eligible membership was taken on the number of households. The total membership was taken as 100 per cent in the three RUOs the Micro Hydro Power Users' Organization, Sramasakthi Non Wood Forest Product FO and the Nilwala Anthurium Growers' Organization since those organizations had been formed by particular groups. Ranking of the membership at RUO level in 1997 was as follows.

Membership at the RUO level in 1997

Ranking	No. of RUOs
V.Weak	01
Weak	09
Average	05
Good	07
V.Good	10
Total	32

Ranking of membership of RUOs on the sub watershed level in 1997 was as follows.

Membership of RUOs at SWS Level in 1997

SWS	Points received	Ranking
Aninkanda	.68	Good
D/Thenipita	.55	Average
Milla Ela	.39	Weak
Horagala	.76	Good

The level of membership of the two RUOs of FOs and TSHDSs in 1997 was as follows.

Membership level of FOs	=	.67	Good
Membership level of TSHDSs	≈	.56	Average

The overall membership of the RUOs was evaluated as Good. The lowest level of membership was in the Swabawika Sampath Surakinno Organization as the total number of household in the Milla Ela sub watershed was taken as the eligible membership while there was only 32 actual members. However, the eligibility for membership as well as the actual membership was not quite clear of this organization. Those who attended the first meeting had been considered as the members.

The membership of the Milla Ela SWS was rated as weak particularly because the membership of the Swabawika Sampath Surakinno was at a low level. At the organizational level the membership of the FOs was higher than the that of TSHDSs.

Participation in Meetings

Irrespective of the frequency of holding meetings the average member participation in three consecutive meetings was taken for the evaluation. The frequency of holding meetings was evaluated under the sub indicator of communication. The ranking of the participation in meetings at RUO level in 1997 was as follows.

Participation in Meetings at RUO level in 1997

Ranking	No. of RUOs
V.Weak	06
Weak	12
Average	08
Good	03
V.Good	03
Total	32

The ranking of the participation in meetings of RUOs at sub watershed level was as follows.

Participation in meetings at SWS level in 1997

SWS	Point received	Ranking
Aninkanda	.38	Weak
D/Thenipita	.42	Average
Milla Ela	.38	Weak
Horagala	.47	Average

The level of participation in meetings in the two RUOs of FOs and TSHDSs in 1997 was as follows.

Participation in Meetings in FOs	=	.36	Weak
Participation in Meetings in TSHDSs	=	.44	Average

The overall participation in meetings of the RUOs was evaluated as Average. The highest rate of member participation in meetings was recorded in three RUOs of Micro Hydro Power Users' Organization, Sramasakthi Non-Wood Forest Product FO and Thenipita TSHDS which received the ranking of Very Good. Meetings were not conducted at all in the Nilwala Anthurium Growers' Organizations. Participation in meetings was higher in the TSHDSs than the FOs.

Participation in Group Activities

Participation in group activities was evaluated on the actual number attended in group work out of the expected total. The average participation in the group works that carried out both in 1996 and 1997 taken for evaluation. The ranking of participation in group activities at RUO level in 1997 was as follows.

Participation in Group Activities at the RUO level in 1997

Ranking	No. of RUOs
V.Weak	10
Weak	09
Average	10
Good	02
V.Good	01
Total	32

The ranking of the participation in group activities of RUOs at SWS was as follows.

Participation in Group Activities at SWS level in 1997

SWS	Point received	Ranking
Aninkanda	.29	Weak
D/Thenipita	.25	Weak
Milla Ela	.28	Weak
Horagala	.37	Weak

The level of participation in group activities in FOs and TSHDs in 1997 was as follows.

Participation in group activities in FOs = .36 Weak

Participation in group activities in TSHDSs = .17 Very Weak

Overall participation in group activities of RUOs was evaluated as Weak. Group activities were not conducted in total of 09 RUOs. Seven out of them were TSHDSs while other two were FOs. The overall participation in group activities in TSHDSs was low than in FOs. Participation in group activities was high in Thalapakanda FO as members got together for land consolidation activities during the period taken for evaluation. However, there was no much other group activities in this FO.

After all much group activities were not conducted by the RUOs. Few group activities had been conducted by some FOs mainly for seasonal canal cleaning and for some structure constructions. Conducting group activities in TSHDSs was very rare as the tea cultivation they represented did not require such activities. Some TSHDSs had engaged in few community group works such as repairing village roads.

Collection of Fee

The total collection of membership fee was evaluated out of the expected total as decided by the RUOs under this sub-indicator. The ranking of collection of fee by the RUOs in 1997 was as follows.

Collection of Fee at RUO level in 1997

Ranking	No. of RUOs
V. Weak	18
Weak	09
Average	02
Good	02
V. Good	01
Total	32

Ranking of fee collection of RUOs in 1997 at SWS level was as follows.

Collection of Fee at SWS level in 1997

SWS	Point received	Ranking
Aninkanda	.24	Weak
D/Thenipita	.12	V. Weak
Milla Ela	.17	V. Weak
Horagala	.36	Weak

The level of fee collection by the FOs and TSHDSs in 1997 was as follows.

Collection of fee by FOs = .21

Collection of fee by TSHDSs = .19

All the RUOs had collected some membership fee but the overall collection was evaluated as Weak. The Micro Hydro Power Users had the full collection of membership fee. They were compelled to do so to maintain their membership in order to get their power supplies. Collection of membership fee was at the level of Good in Puhulhenakanda TSHDS which had been newly formed and the initial membership fee had been paid by most of the members to get the services. The collection of membership fee of the Thalapakanda FO too was at the level of Good as the members who were involved in land consolidation were required to validate their membership by paying the fee. Apart from that collection of fee was at a low level in most of the RUOs.

Record Keeping

The quality of maintaining five necessary records was evaluated under this indicator. The ranking of the quality of maintaining the records by the RUOs in 1997 was as follows.

Record keeping at RUO level in 1997

Ranking	No. of RUOs
V.Weak	00
Weak	01
Average	03
Good	10
V.Good	18
Total	32

Ranking of record keeping of RUOs in 1997 at SWS level was as follows.

Record keeping of RUOs at SWS level in 1997

SWS	Point received	Ranking
Aninkanda	.73	Good
D/Thenipita	.84	V.Good
Milla Ela	.78	Good
Horagala	.75	Good

The level of the quality of record keeping of the FOs and TSHDSs in 1997 was as follows.

Record keeping of FOs = .78

Record keeping of TSHDSs = .79

The overall quality of maintaining records by the RUOs was evaluated as Good. All the RUOs except the Nilwala Anthurium Growers' Organization maintained all necessary records. The Nilwala Anthurium Growers' Organization had only three records and the quality of maintaining them was Weak. The quality the membership register and meeting reports scored the highest marks at the level of Very good. The marks received for the quality of other records were at the level of good. Altogether the quality of record keeping of 18 RUOs were at the level of very good. The record keeping of TSHDSs and the FOs almost at equal levels.

More involvement of SCOR personnel in up-grading the quality of records of many RUOs could be seen. In some RUOs the SCOR personnel had directly involved in preparing records with minimal involvement of the OBs.

Institutional Recognition

Maintaining contacts with government institutions and NGOs by RUOs was evaluated under this indicator. The ranking of institutional recognition of the RUOs in 1997 was as follows.

Institutional recognition at RUO level in 1997

Ranking	No. of RUOs
V. Weak	00
Weak	24
Average	05
Good	02
V. Good	01
Total	32

Ranking of institutional recognition of the RUOs in 1997 at SWS level was as follows.

Record keeping of RUOs at SWS level in 1997

SWS	Point received	Ranking
Aninkanda	.30	Weak
D/Thenipita	.20	Weak
Milla Ela	.23	Weak
Horagala	.32	Weak

The level of institutional recognition of FOs and TSHDSs in 1997 was as follows.

Institution recognition of FOs = .28 Weak

Institution recognition of TSHDSs = .23 Weak

Overall institution recognition of the RUOs was evaluated as Weak. Altogether 24 RUOs had the recognition only from their implementing agencies. The Micro Hydro Power Users' Organization which received the rating of Very Good had the recognition mainly with two government agencies and two NGOs. Two other RUOs had the institution recognition with three institutions. The Sramasakthi Non-wood₄₀ product FO had the recognition of two government agencies and a company.

Legal Recognition

Required legal registration for the RUOs by their respective agencies was evaluated under the legal recognition. The ranking of the legal recognition of RUOs in 1997 was as follows.

Legal recognition at RUO level in 1997

Ranking	No. of RUOs
V.Weak	01
Weak	00
Average	00
Good	15
V.Good	16
Total	32

Ranking of the legal recognition of RUOs in 1997 at SWS level was as follows.

Legal recognition of RUOs at SWS level in 1997

SWS	Point received	Ranking
Aninkanda	.76	Good
D/Thenipita	.77	Good
Milla Ela	.80	V.Good
Horagala	.84	V.Good

The level of legal recognition of the FOs and TSHDSs in 1997 was as follows.

Legal recognition of FOs = .56 Average
Legal recognition of TSHDS = 1.00 Very Good

The overall legal recognition of RUOs was evaluated as Good. All the RUOs except the Nilwala Anthurium Growers' Organization had received their legal recognitions. The TSHDSs registered with their implementing agency were given full points. However, the FOs are required to have two registration under the Agrarian Services (Amended) Act for the full legal recognition and all the FOs had received only the first registration, therefore they received low points.

Horizontal Links

The number of links the RUOs having with their parallel organizations was evaluated under the horizontal links. The links with the SWRMT was taken as a parallel link as it was the place that most of the RUOs maintained links with other organizations. The ranking of the horizontal links of the RUOs in 1997 was as follows.

Horizontal links at RUO level in 1997

Ranking	No. of RUOs
V.Weak	02
Weak	00
Average	19
Good	11
V.Good	-
Total	32

Ranking of the horizontal links of the RUOs in 1997 at SWS level was as follows.

Horizontal links of RUOs at SWS level in 1997

SWS	Point received	Ranking
Aninkanda	.46	Average
D/Thenipita	.43	Average
Milla Ela	.50	Average
Horagala	.36	Average

The level of horizontal links of the FOs and TSHDSs in 1997 was as follows.

Horizontal links of FOs = .39

Horizontal links of TSHDSs = .56

The overall horizontal links of the RUOs was evaluated as Average. Two FOs were rated as Very Weak in their horizontal links as they did not have any link at least with the SWRMT. One among them had been recently included under the SCOR project. There was very little contact with the other FO by SCOR personnel. Total of 19 RUOs had their horizontal link only with the SWRMT. The other 11 RUOs had direct contacts at least with one parallel organization apart from the SWRMT. The horizontal links of the TSHDSs was higher than the FOs as they were having more interactions among themselves in their activities particularly in the supply of inputs jointly.

Vertical Links

Under vertical links the permanent links the RUOs having with higher level organizations such as SOs, and committees etc.. was evaluated. Ranking of the RUOs on their vertical links was as follows.

Vertical links at RUO level in 1997

Ranking	No. of RUOs
V.Weak	05
Weak	05
Average	15
Good	05
V.Good	02
Total	32

Ranking of RUOs on their vertical links in 1997 at SWS level was as follows.

Vertical links of RUOs at SWS level in 1997

SWS	Point received	Ranking
Aninkanda	.37	Weak
D/Thenipita	.37	Weak
Milla Ela	.37	Weak
Horagala	.32	Weak

The level of vertical links of the FOs and TSHDSs in 1997 was as follows.

Vertical links of FOs = .33

Vertical links of TSHDSs = .45

The overall vertical links of RUOs was evaluated as Weak. Five RUOs were not having any vertical links at least with respective SOs. Another five had links only with the SOs. Fifteen had links with divisional committees while eleven had links with district level committees. The vertical links of the TSHDSs were higher than that of FOs since a committee system had been gradually built up to the national level by the TSHDA.

Leadership

Under leadership the member assessment of the qualities of their OBs was evaluated. The ranking of the membership qualities at RUO level was as follows.

Leadership quality at RUO level in 1997

Ranking	No. of RUOs
V.Weak	01
Weak	07
Average	18
Good	06
V.Good	-
Total	32

Ranking of leadership qualities of RUOs at SWS was as follows.

Leadership of RUOs at SWS level in 1997

SWS	Point received	Ranking
Aninkanda	.46	Average
D/Thenipita	.51	Average
Milla Ela	.37	Average
Horagala	.54	Average

The level of the leadership quality of FOs and TSHDSs was as follows.

Leadership of FOs = .46

Leadership of TSHDSs = .49

The leadership of overall RUOs was evaluated as Average. The highest marks for the leadership was received by the Micro Hydro Power Users' Organization and the Puhulhenakanda TSHDS respectively.

Forty one (17 per cent) out of the total 240 sample did not know the OBs of their RUOs. This was the main reason for having low marks for leadership in many of the RUOs. The leadership was rated as very weak in the NGO of Swabawika Sampath Surakinno as most of its sample did know the OBs.

The dedication of the leadership received the lowest mark out of each of the leadership qualities that evaluated which was 40 per cent of the total marks expected. Highest marks was received for leader acceptability which was 54 per cent. The leadership quality of both the TSHDSs and the FOs were almost at equal levels.

The expected leadership selection frequency of all the RUOs was annual. However, there was some delay in the annual selection of OBs in 06 RUOs. One among them was the Nilwala Anthurium Growers' Organization of which no any OB selection had been held after it had been formed in 1995. There was no such delay in the annual selection of OBs in TSHDSs as it is done under the direct supervision of the TSHDA.

Communication

The frequency of holding both the general and committee meetings of the RUOs was evaluated under communication. Ranking of the frequency of holding meetings (communication) of the RUOs in 1997 was as follows.

Communication at RUO level in 1997

Ranking	No. of RUOs
V.Weak	01
Weak	07
Average	13
Good	07
V.Good	04
Total	32

Ranking of the frequency of holding meetings (communication) of the RUOs at SWS level in 1997 was as follows.

Communication of RUOs at SWS level in 1997

SWS	Point received	Ranking
Aninkanda	.43	Average
D/Thenipita	.44	Average
Milla Ela	.53	Average
Horagala	.58	Average

The level of the frequency of holding meetings of the FOs and TSHDSs was as follows.

Communication of FOs = .41 Average

Communication of TSHDSs = .55 Average

The overall communication of all RUOs was evaluated as Average. The highest points for communication were received by four RUOs of Wijayagama TSHDS, Micro Hydro Power Users Organization, Thalapakanda FO and Ekamuthu TSHDs. They were rated as Very Good. Any meetings were not held in the Nilwala Anthurium Growers' Organization. Generally holding meetings of TSHDSs was higher than that of the FOs. Holding of general and committee meetings of all the RUOs as follows.

Frequency of holding general meetings

Frequency	No. of RUOs
Monthly	-
Quarterly	05
6 Months	06
Irregular (more than annual)	14
Annual	06
No Meetings	01
Total	32

Holding of committee meetings was irregular in most of the RUOs. The frequency of holding them was generally as follows.

Frequency of holding committee meetings

Frequency	No. of RUOs
Monthly	04
Quarterly	09
6 Months	01
Irregular (More than annual)	10
Annual	02
No Meetings	06
Total	32

Organizational Management Performance

The organizational management performance indicator was calculated after ascribing the weights to each of the sub-indicators as specified in Chapter 2. The final calculation of the Organizational Management Performance Indicator after ascribing the weights is given in Table 4. The ranking of the RUOs on the evaluation under the organizational management performance indicator was as follows.

Organizational management performance at RUO level in 1997

Ranking	No. of RUOs
V.Weak	-
Weak	04
Average	23
Good	05
V.Good	-
Total	32

The ranking of the RUOs on the evaluation under the organizational management performance indicator at SWS level was as follows.

Organizational management performance of RUOs at SWS level 1997

SWS	Point received	Ranking
Aninkanda	.49	Average
D/Thenipita	.48	Average
Milla Ela	.44	Average
Horagala	.55	Average

The level of the organizational management performance of the FOs and TSHDSs was as follows.

Organizational performance of FOs = .47 Average

Organizational performance of TSHDSs = .52 Average

The overall organizational management performance of the RUOs was evaluated as Average. The organizational management performance at the SWS level, and at the TSHDSs and FO levels too at some similar levels of Average. The organizational management performance level of TSHDSs was little higher than that of the FOs.

TABLE 5. FINANCIAL MANAGEMENT PERFORMANCE INDICATOR VALUES - RUOS 1997

SUB WATERSHED	NAME OF RUOS	FUNDING INDICATOR	INVESTMENT INDICATOR	CREDIT INDICATOR	FINANCIAL RECORDS INDICATOR	TRANSPARANCY INDICATOR	FIN.MGT. INDICATOR	RANKING
HORAGALA	ILUKPITIYA MICRO-HYDROPOWER ORGANIZATION	0.73	0	0	0.69	0.60	0.40	AVERAGE
HORAGALA	DIMUTHU FO	0.07	0	0	0.44	0.40	0.18	V.WEAK
HORAGALA	HORAGALA ILUKPITIYA TSHDS	0.1	0	0	0.25	0.40	0.15	V.WEAK
ANINKANDA	WIJAYAGAMA TSHDS	0.34	0.08	0	0.81	0.60	0.37	WEAK
HORAGALA	HORAGALA EAST FO	0.79	0	0	0.75	0.40	0.39	WEAK
HORAGALA	HORAGALA TSHDS	0.025	0.08	0	0.38	0.50	0.20	WEAK
ANINKANDA	BERALAPANATHARA NORTH FO	0.025	0	0	0.81	0.50	0.27	WEAK
ANINKANDA	PATHAWITA TSHDS	0.34	0	0.25	0.38	0.50	0.29	WEAK
ANINKANDA	PUHULHENAKANDA TSHDS	0	0.04	0	0.38	0.50	0.18	V.WEAK
ANINKANDA	SRAMASKTHI NON-WOOD FOREST PRODUCT FO	0.25	0	0	0.56	0.40	0.24	WEAK
ANINKANDA	NILWALA ANTHURIUM GROWERS ORGANIZATION	0	0	0	0.00	0.00	0.00	V.WEAK
ANINKANDA	THALAPALAKANDA TSHDS	0	0	0	0.38	0.40	0.16	V.WEAK
ANINKANDA	DOTALUGALA HERITAGE	0.6	0	0	0.19	0.00	0.16	V.WEAK
ANINKANDA	KANDEKUMBURA TSHDS	0.025	0.06	0	0.69	0.40	0.23	WEAK
ANINKANDA	WIJAYAGAMA FO	0	0	0	0.56	0.40	0.19	V.WEAK
ANINKANDA	BATA ANDURA NORTH FO	0.03	0	0	0.75	0.00	0.16	V.WEAK
ANINKANDA	PATHAWITA FO	0	0	0	0.44	0.00	0.09	V.WEAK
ANINKANDA	THALAPALAKANDA FO	0.35	0	0	0.56	0.40	0.26	WEAK
ANINKANDA	BERALAPANATHARA NORTH TSHDS	0.36	0	0	0.69	0.40	0.29	WEAK
D/TENIPITA	KOTAPOLA NORTH TSHDS	1.00	0	0	0.56	0.00	0.31	WEAK
D/TENIPITA	THENIPITA FO	0.13	0	0	0.50	0.00	0.13	V.WEAK
D/TENIPITA	NAWALAHENA FO	0.05	0	0	0.38	0.40	0.17	V.WEAK
D/TENIPITA	BATA ANDURA TSHDS	0	0	0	0.31	0.40	0.14	V.WEAK
D/TENIPITA	KOTAPOLA NORTH MAHASAN FO	0.42	0.02	0	0.44	0.50	0.28	WEAK
D/TENIPITA	BATA ANDURA SOUTH FO	0.23	0	0	0.56	0.50	0.26	WEAK
D/TENIPITA	THENIPITA TSHDS	0.11	0	0	0.38	0.40	0.18	V.WEAK
MILLAELE	EKAMUTHU.TSHDS (IHALA MILLAWA)	0	0	0	0.31	0.00	0.06	V.WEAK
MILLAELE	POLGASWILA TSHDS (PAHALA MILLAWA)	0	0	0	0.38	0.50	0.18	V.WEAK
MILLAELE	IHALA MILLAWA FO	0.59	0.03	0.6	0.69	0.50	0.48	AVERAGE
MILLAELE	SWABAWIKA SAMPATH SURAKINNO	0.34	0	0	0.25	0.00	0.12	V.WEAK
MILLAELE	POLGASWILA MORAWAKA SAMAGI FO	0.38	0.06	0	0.69	0.40	0.31	WEAK
MILLAELE	PAHALA MILLAWA FO	0.35	0	0	0.56	0.50	0.28	WEAK
		0.24	0.01	0.03	0.49	0.34	0.22	WEAK

However, if the individual RUOs are taken the organizational management performance was evaluated as Good only in 05 RUOs out of the total 32. Among them, the Micro Hydro Power Users' Organization received the highest points which was little less than the rate of Very Good. The point rate received for organizational management performance by the other three RUOs which were rated as Good was just above the point margin of Average.

The Nilwala Anthurium Growers' Organization which was among the four RUOs which were evaluated as Weak had the lowest points in the organizational management performance.

4.3.2. Financial Management Performance

The financial management performance was evaluated under following four sub indicators. The indicator values are given in Table 5.

Availability of Funds

Under the funds availability the total funds so far collected by the RUOs from various sources was evaluated but not the actual cash balance at hand because many RUOs had utilized them for some activities. Some RUOs had failed in some those activities and were trying to recover the funds utilized. Much of those details were not clear. The present status of use of funds would be discussed separately. The ranking of the RUOs on the collection of funds in 1997 was as follows.

Total funds collections at RUO level in 1997

Ranking	No. of RUOs
V.Weak	15
Weak	10
Average	02
Good	02
V.Good	01
Total	32

Ranking of the funds collection by the RUOs in 1997 at SWS level was as follows.

Total funds collections of RUOs at SWS level in 1997

SWS	Point received	Ranking
Aninkanda	.19	V. Weak
D/Thenipita	.28	Weak
Milla Ela	.28	Weak
Horagala	.34	Weak

The level of fund collection by the FOs and TSHDSs in 1997 was as follows.

Funds collection by FOs = .23 Weak
 Funds collection by TSHDS = .18 V. Weak

The overall collection of funds by the RUOs was evaluated as Weak. There was no any funds in the Nilwala Anthurium Growers' Organization. Another 04 RUOs had funds below Rs. 1000. The highest collection of funds had been recorded in Kotapola North TSHDS which was evaluated as Very Good.

The major portion of total fund collections of the RUOs consisted of SCOR grants. The total funds so far collected by all the RUOs was amounted to Rs. 2,262,000. Out of it Rs. 1,917,000 (87 per cent) had received from SCOR grants. Therefore, the SCOR grants were the major funding source for many RUOs. Total of 16 RUOs had received SCOR grants. Four out of them had collected funds only from SCOR grants.

The highest total grants had been received by the RUOs in the Aninkanda SWS which was Rs. 758,000. The RUOs of D/Thenipita SWS had received the grants amounted to Rs. 383,000 while the RUOs in the Milla Ela SWS had received the grants to the total of Rs. 553,000. The RUOs in Horagala SWS had received grants to the total of Rs. 222,500.

The Micro Hydro Power Users Organization and the Kotapola North TSHDS had the highest amount of self earned funds. They had self earned funds around Rs. 150,000 each.

Funds Utilization for Investment

Funds utilized for any profit making activity was taken as an investment. However, only those investment that earned some profits were taken for evaluation.

The overall fund utilization for profit making activities by RUOs was evaluated as Very Weak. Altogether, 14 RUOs were involved in investing funds for profit making activities. Ten RUOs out of them were involved in the profit making activities from the grants provided by the SCOR project.

Total of 13 RUOs had invested their funds mainly for the supply of fertilizer. The Horagala East FO had invested in many of other activities such as retail marketing and purchasing of farmer products. The TSHDSs had made their investments solely for supply of fertilizer. The TSHDA facilitates the provision of fertilizer on a credit basis to TSHDSs after making an initial payment collected from members. Fertilizer is provided to farmers on credit basis using the initial payment as a revolving funds. The TSHDSs get a commission from the TSHDA. The TSHDSs who had received SCOR grants had paid this initial payment from grant money. Some TSHDSs who had received the grants had made the total payments to the TSHDA and continue it as a business activity.

Only 07 out of the total RUOs which had made investments earned any profit. Others were found to be struggling to recover the money after providing fertilizer to their members. The Kotapola North TSHDS had not recovered any of those money. The others in the difficulties to recover the money were the Beralapanathara North TSHDS, Pathawita TSHDS, and Batandura South FO.

The profit margin of those investments was at a very low level. Only the Wijayagama TSHDS had the profit margin of about 13 per cent. Profit margin of three others was about 9 per cent. All those RUOs were TSHDSs. Three FOs had involved in fertilizer supply with a very insignificant profit margin such as around 2 per cent. The TSHDSs were benefited with the fertilizer supply scheme of the TSHDA.

Fund Utilization for Credit Supply

Only the provision of loans in cash to the RUO members was taken for the evaluation of the fund utilization for credit supply. However, some FOs which had involved in providing fertilizer and other materials on total credit system were taken for the evaluation under the credit supply.

The provision of fertilizer by the TSHDSs was not taken for evaluation under the credit supply as it was done as a part of their business activity. They had been evaluated under the fund utilization for investment. On the other hand it was not a full credit scheme as it functioned as a revolving fund system.

The overall fund utilization for credit by the RUOs was evaluated as Very Weak. Total of 08 RUOs had provided credit facilities to their members using their own funds. Any recovery of them had been made so far only in two RUOs.

Credits provided was not recovered in 05 RUOs namely Wijayagama TSHDS, Thalapalakanda FO, Bata Andura South FO, Kotapola North TSHDS and Horagala East FO. In Kotapola North TSHDS the total credits to be recovered were said to be about Rs. 150,000 while in the Horagala East FO it was said to be around Rs.50,000.

All these credit facilities had been provided from SCOR grants. There was a strong tendency not to repay the credits given from the SCOR grants. In some RUOs particularly in the Kotapola North TSHDS and the Horagala East FO the financial accounts were not clear to know the details of the credits provided.

Financial Record Keeping

Quality of maintaining four main financial records was evaluated under the financial record keeping. The quality of maintaining the financial records at RUO level was as follows.

Quality of maintaining financial records at RUO level in 1997

Ranking	No. of RUOs
V.Weak	02
Weak	11
Average	10
Good	07
V.Good	02
Total	32

The quality of maintaining the financial records by RUOs in 1997 at the SWS level was as follows.

Quality of maintaining financial records of RUOs at SWS level in 1997

SWS	Point received	Ranking
Aninkanda	.51	Average
D/Thenipita	.45	Average
Milla Ela	.48	Average
Horagala	.50	Average

The quality of maintaining the financial records by the FOs and TSHDSs in 1997 was as follows.

Quality of financial records of FOs = .54 Average

Quality of financial records of TSHDS = .45 Average

The overall quality of maintaining financial records by the RUOs was evaluated as Average. The quality of maintaining financial records was at the level of Very Good of the two RUOs of Wijayagama TSHDS and the Beralapanathara North FO. Financial records were not maintained by the Nilwala Anthurium Growers' Organization as it had no any funds. Maintaining the financial records was at a very weak level of the Pathawita FO and the fund availability of this RUO too was very low.

Overall quality of maintaining the cash book, and financial accounts was at the level of good while the quality of maintaining ledger was at the level of Very Weak. In some RUOs, though maintaining the cash books and financial accounts was at a better level the accuracy of them was very uncertain. In some RUOs which were given grants the financial accounts had been prepared by SCOR personnel without direct involvement of OBs. OBs of some these RUOs could not clearly explain the financial accounts. On the other hand the actual financial situation and the details given in records did not match in some of these RUOs due to this. The quality of maintaining the financial records was higher in the FOs than the TSHDSs.

Financial Transparency

The transparency of the financial transactions was evaluated on the frequency of presenting the budgets to RUO members. The financial transparency at RUO level in 1997 was as follows.

Financial transparency at RUO level 1997

Ranking	No. of RUOs
V.Weak	08
Weak	00
Average	21
Good	03
V.Good	00
Total	32

The financial transparency of the RUOs in 1997 at SWS level was as follows.

Financial transparency of RUOs at SWS level in 1997

SWS	Point received	Ranking
Aninkanda	.32	Weak
D/Thenipita	.33	Weak
Milla Ela	.33	Weak
Horagala	.46	Weak

The level of the financial transparency of the FOs and TSHDSs in 1997 was as follows.

Financial transparency of FOs = .34 Weak

Financial transparency of TSHDSs = .38 Weak

The overall financial transparency of the RUOs was evaluated as Weak. The established practice to present the budgets was to present it to the general farmer meetings and not to committee meetings. Frequency of presenting budgets of the RUOs to its members at general farmer meetings was as follows.

Frequency of Presenting budget

Frequency	No. of RUOS
Quarterly	02
6 Monthly	08
Annual	14
No presentation	08
Total	32

Financial Management Performance

The financial management performance indicator was evaluated as a composite value of above four sub indicators. The value of the Financial Management Performance Indicator is given in the Table 5. The ranking of the RUOs in the level of financial management performance in 1997 was as follows.

Financial management performance at RUO level in 1997

Ranking	No. of RUOs
V.Weak	16
Weak	14
Average	02
Good	00
V.Good	00
Total	32

The ranking of the RUOs in the level of financial management performance at SWS level in 1997 was as follows.

Financial management performance of RUOs at SWS level in 1997

SWS	Point received	Ranking
Aninkanda	.21	Weak
D/Thenipita	.20	Weak
Milla Ela	.24	Weak
Horagala	.26	Weak

The level of financial management performance of FOs and TSHDSs in 1997 was as follows.

Financial Management performance of FOs	=	.23	Weak
Financial Management performance of TSHDS	=	.20	Weak

The overall financial management performance of the RUOs was evaluated as Weak. The average points received under financial management performance by the total RUOs was at the margin level of Very Weak. None of the RUOs received the rating more than the level of Average. The financial management of half the number of RUOs was at the level of Very Weak. The Nilwala Anthurium Growers' Organization did not receive any marks under financial management.

The financial management of many of the RUOs in the Nilwala watershed was very unsatisfactory particularly those provided with SCOR grants. In the Horagala East FO the details of the financial transactions were not available and organization was declined to the verge of collapse once due to poor financial management. The new OBs selected were aware only of the present cash balance. In Dotalugala Heritage financial records were not available as the old OBs had not handed over them. The actual balance of the grants given was not available. In Beralapanathara North TSHDS there had been evidence that the funds had been misused for personal benefits by one of the OBs. In Thenipita FO the financial records were not handed over to the new OBs and they were not aware of the funding details. In Kotapola North TSHDS the financial situation was in a total chaos as many financial details were not available. The funds of the Swabawika Sampath Surakinno had been misused for personal use by the OBs.

4.3.3. Member Benefit Activities Performance

The quality of implementing four important member benefit activities expected to be carrying out by any RUO was evaluated under this indicator. The indicator value is given in the Table 6. The quality of the member benefit activities of the RUOs in 1997 was as follows.

Member benefit activity performance at RUO level in 1997

Ranking	No. of RUOs
V.Weak	25
Weak	04
Average	03
Good	00
V.Good	00
Total	32

TABLE 6. ACTIVITY PERFORMANCE AND SUSTAINABILITY INDICATOR VALUES - RUOS 1997

SUB WATERSHED	NAME OF RUOS	MEMBER BENEFIT INDICATOR	RANKING	SUSTAINABLE INDICATOR	RANKING
HORAGALA	ILUKPITIYA MICRO-HYDROPOWER ORGANIZATION	0.43	AVERAGE	0.54	AVERAGE
HORAGALA	DIMUTHU FO	0.07	V.WEAK	0.21	WEAK
HORAGALA	HORAGALA ILUKPITIYA TSHDS	0.17	V.WEAK	0.28	WEAK
ANINKANDA	WIJAYAGAMA TSHDS	0.40	AVERAGE	0.47	AVERAGE
HORAGALA	HORAGALA EAST FO	0.27	WEAK	0.40	AVERAGE
HORAGALA	HORAGALA TSHDS	0.13	V.WEAK	0.27	WEAK
ANINKANDA	BERALAPANATHARA NORTH FO	0.17	V.WEAK	0.30	WEAK
ANINKANDA	PATHAWITA TSHDS	0.37	WEAK	0.37	WEAK
ANINKANDA	PUHULHENAKANDA TSHDS	0.30	WEAK	0.37	WEAK
ANINKANDA	SRAMASKTHI NON-WOOD FOREST PRODUCT FO	0.17	V.WEAK	0.33	WEAK
ANINKANDA	NILWALA ANTHURIUM GROWERS ORGANIZATION	0.00	V.WEAK	0.08	V.WEAK
ANINKANDA	THALAPALAKANDA TSHDS	0.07	V.WEAK	0.23	WEAK
ANINKANDA	DOTALUGALA HERITAGE	0.00	V.WEAK	0.19	V.WEAK
ANINKANDA	KANDEKUMBURA TSHDS	0.20	WEAK	0.34	WEAK
ANINKANDA	WIJAYAGAMA FO	0.10	V.WEAK	0.25	WEAK
ANINKANDA	BATA ANDURA NORTH FO	0.17	V.WEAK	0.27	WEAK
ANINKANDA	PATHAWITA FO	0.07	V.WEAK	0.15	V.WEAK
ANINKANDA	THALAPALAKANDA FO	0.23	V.WEAK	0.36	WEAK
ANINKANDA	BERALAPANATHARA NORTH TSHDS	0.20	V.WEAK	0.35	WEAK
D/TENIPITA	KOTAPOLA NORTH TSHDS	0.00	V.WEAK	0.26	WEAK
D/TENIPITA	THENIPITA FO	0.07	V.WEAK	0.21	WEAK
D/TENIPITA	NAWALAHENA FO	0.13	V.WEAK	0.25	WEAK
D/TENIPITA	BATA ANDURA TSHDS	0.07	V.WEAK	0.24	WEAK
D/TENIPITA	KOTAPOLA NORTH MAHASAN FO	0.17	V.WEAK	0.32	WEAK
D/TENIPITA	BATA ANDURA SOUTH FO	0.17	V.WEAK	0.30	WEAK
D/TENIPITA	THENIPITA TSHDS	0.13	V.WEAK	0.27	WEAK
MILLAELA	EKAMUTHU TSHDS (IHALA MILLAWA)	0.10	V.WEAK	0.20	WEAK
MILLAELA	POLGASWILA TSHDS (PAHALA MILLAWA)	0.13	V.WEAK	0.26	WEAK
MILLAELA	IHALA MILLAWA FO	0.43	AVERAGE	0.47	AVERAGE
MILLAELA	SWABAWIKA SAMPATH SURAKINNO	0.00	V.WEAK	0.16	V.WEAK
MILLAELA	POLGASWILA MORAWAKA SAMAGI FO	0.17	V.WEAK	0.32	WEAK
MILLAELA	PAHALA MILLAWA FO	0.07	V.WEAK	0.28	WEAK
		0.16	V.WEAK	0.29	WEAK

The quality of the member benefit activities of the RUOs in 1997 at SWS level was as follows in 1997.

Member benefit activity performance of RUOs at SWS level in 1997

SWS	Point received	Ranking
Aninkanda	.17	V.Weak
D/Thenipita	.11	V.Weak
Milla Ela	.15	V.Weak
Horagala	.23	Weak

The quality of the member benefit activities of the FOs and RUOs in 1997 was as follows.

Member benefit activity performance of FOs = .15 V.Weak

Member benefit activity performance of TSHDSs = .17 V.Weak

Overall member benefit performance of the RUOs was evaluated as Very Weak. Four RUOs were not involved in any member benefit activity when data was collected. They were the Nilwala Anthurium Growers' Organization, the Dotalugala Heritage, Kotapola North TSHDS, and the Swabawika Sampath Surakinno. Among them the Nilwala Anthurium Growers' Organization had not started any activity at least any necessary communication among its members. The Dotalugala Heritage which was active for sometime found to be totally inactive when data was collected as its given activities were completed and members had gradually lost their interest. The Kotapola North TSHDS which was the most successful organization in the watershed sometime ago engaged in many member benefit activities had become totally inactive due to organizational management and financial management problems. The Swabawika Sampath Surakinno had gradually become inactive due to organizational management problems.

The No. of RUOs involved in member benefit activities

Activities	Total RUOs	Quality Weak	Quality Average	Quality Good
Communication	27	12	12	03
Input Coordination	24	08	13	03
Input Supply	12	06	05	01
Credit supply	05	03	02	
Marketing	01	01		

Only one RUO was involved in marketing activities which was the Horagala East FO. This RUO too was found to be gradually declining giving up each of its activities one by one when data was collected.

4.3.4. Sustainability

The overall organizational performance level and the strength of the RUOs was evaluated under this indicator. It was calculated as a composite value of the three main indicators of organizational management performance, financial management performance and the activity performance indicator. The indicator values are given in Table 6. The level of sustainability of the RUOs in 1997 was as follows.

Sustainability at RUO level in 1997

Ranking	No. of RUOs
V.Weak	04
Weak	24
Average	04
Good	00
V.Good	00
Total	32

The level of sustainability of the RUOs at SWS level in 1997 was as follows.

Sustainability of RUOs at SWS level in 1997

SWS	Marks received	Ranking
Aninkanda	.29	Weak
D/Thenipita	.26	Weak
Milla Ela	.28	Weak
Horagala	.35	Weak

The level of sustainability of FOs and TSHDSs in 1997 was as follows.

Sustainability of FOs = .28 = Weak

Sustainability of TSHDS = .30 = Weak

The overall sustainability of the RUOs was evaluated as Weak. Only 04 RUOs received at least the level of Average. Among them was the Horagala East FO was which was at the margin of the level of Weak. The overall performance of this RUO would be further dropped very soon as it was found to be fast declining. It was at that level in the evaluation since some attempts had been taken by the new OBs to restart some of its activities during the period of data collection. The Micro Hydro Power Users' Organization received the highest points of all the RUOs for its sustainability. The other two RUOs which received the rating of Average for their sustainability were the Wijayagama TSHDS and Ihala Millawa FO.

Four RUOs received the rating of Very Weak in their overall performance. The Nilwala Anthurium Growers' Organization received the lowest points which was .08. The other three RUOs that rated as very weak were the Dotalugala Heritage, Pathawita FO and the Swabawika Sampath Surakinno.

4.3.5. The Involvement of RUOs in Production and Conservation Activities

The total involvement of RUOs in production and conservation activities and their target achievements are as follows.

RUO involvement in Production and Conservation activities

Activity	Total RUOs Involved	RUOs which had targets	Target Achieved 80% - 100%	Target Achieved 60% - 79%	Target Achieved 40% - 59%	Target Achieved 20% - 39%	Target Achieved Below 20%
Reforestation	05	03	02			01	
Agro-forestry	03	03	01				02
Tea Land Infilling	10	08			02	05	01
Mulching	14	08					08
Tea Replanting (No. of Plants)	13	10				05	05
Tea Plant Nursery	13	10			05	05	
Shade management - Shade Tree Planting	14	08			01	05	02
Live Bund establishment	19	10		01	01	05	03
Road/Stream reserv. conservation	24	16		02	01	10	03
Homestead Development (Tree Planting)	23	14			02	04	08
Provision of Bee Boxes	14	13		02	03	05	03
Assist Animal Husbandry	11	10					10
Input supply for seed paddy production	10						
Land Consolidation	03	03	03				

The above table gives the details of the production and conservation activities done only by the RUOs. They were the total target achievement of RUOs from the beginning.

Those details are based on the information given by the OBs of respective RUOs. Some had the actual figures on target achievements. Where the actual figures were not available the averages figure given by the OBs were taken, since it was their belief of the target achievement.

All the RUOs except few of those recently included under the SCOR project had involved in some kind of production and conservation activities at least in the distribution of plant materials. However, the lowest level of involvement was recorded in Pathawita FO, Wijayagama FO, Beralapanathara North FO, Pahala Millawa FO, Dimuthu FO, Nilwala Anthurium Growers' Organization, Thenipita FO and Batandura TSHDS. The Dimuthu FO had been included recently under the SCOR project. Low level of contacts of SCOR catalysts in them was one of the reasons for the little involvement of the other RUOs. However, some production and conservation activities had been done in the areas coming under them either by some groups or some other RUOs such as TSHDSs. The same area is mostly represented both by FOs and TSHDSs and members are the same.

The highest level of involvement in the production and conservation activities by the RUOs was in those related to tea lands. The project area is mostly covered by tea lands and tea cultivation was the main occupation of the RUO members whichever the organization they belonged to. This may be one of the reasons for the low level involvement of catalysts with the FOs as given above.

The highest level of target achievement of the RUOs was in reforestation and land consolidation. Total targets of re-forestation had been achieved by the Dotalugala Heritage. The overall level of target achievements in many of the activities was below 40 per cent. In many it was even below 20 per cent.

4.3.6. Comparison the Progress of RUOs in 1994 (before the SCOR Project) and in 1997

A comparison of the progress of the RUOs in 1994 and in 1997 under the given indicators is given below.

Indicator Values of RUOs in 1994 (before SCOR) and in 1997

Indicators	1994	Ranking	1997	Ranking
Membership	.40	Average	.61	Good
Meeting Participation	.32	Weak	.41	Average
Group work Participation	.10	V.Weak	.28	Weak
Collection of Fee	.05	V.Weak	.22	Weak
Record Keeping	.35	Weak	.77	Good
Institutional Recognition	.15	V.Weak	.27	Weak
Legal Recognition	.69	Good	.78	Good
Horizontal Links	.00	V.Weak	.44	Average
Vertical Links	.07	V.Weak	.36	Weak
Leadership	.32	Weak	.47	Average
Communication	.18	V.Weak	.48	Average
Organizational Management Performance Indicator	.29	Weak	.49	Average
Fund Availability	.03	V.Weak	.24	Weak
Investment	.08	V.Weak	.01	V.Weak
Credit Supply	.00	V.Weak	.03	V.Weak
Financial Record Keeping	.22	Weak	.49	Average
Transparency	.18	V.Weak	.34	Weak
Financial Management Performance Indicator	.09	V.Weak	.22	Weak
Activity Performance Indicator	.06	V.Weak	.16	V.Weak
Sustainability Indicator	.15	V.Weak	.29	Weak

According to the indicator values in the two periods of 1994 and 1997 it could be seen that a progress had been achieved in every aspects of the RUOs. This progress was more prominent in the areas under the organizational management performance.

Under the organizational management a remarkable progress had been in record keeping, vertical and horizontal linkages, and communication. In some areas such as links with parallel organizations were established only after the SCOR project. Better progress could be seen in membership, group participation, institutional recognition and collection of fee also according to the degree of the increase of the progress. However, the degree of progress in leadership was not as fast as some other aspects. Many members had not seen much difference in the improvement of the qualities of their leaders.

Some progress could be seen under the financial management performance particularly in the areas of the availability of funds and financial record keeping. Though the degree of progress was high in the member benefit activities the overall progress of it was low.

Out of the total 21 RUOs that existed in 1994, altogether 14 (67 per cent) were rated as Very Weak, other 06 were rated as Weak and only 01 (4 per cent) was rated as Average. Total of 4 RUOs (12 per cent) were at the level of Average in 1997. However, the progress of the RUOs in 1997 was increased mainly from the level of Very Weak to the level of Weak as 24 RUOs (75 per cent) were at the level of Weak.

The other important feature was the better progress of TSHDS in 1997. The progress of TSHDSs were much low in 1994 and less than the FOs. But in 1997 they had achieved more progress surpassing the FOs. This progress was admitted by the field officers of the TSHDA itself. One reason as they also agreed was the increased involvement of them in TSHDSs after the SCOR project. On the other hand SCOR personnel too involved in reviving some inactive TSHDSs and building new ones.

Progress of TSHDSs and FOs

Indicators	Indicator values in 1994	Indicator values in 1997			
	FOs	TSHDSs	FOs	TSHDSs	
Membership	.41	.38	.67	.56	
Meeting Participation	.44	.22	.36	.44	
Group work participation	.19	.00	.36	.17	
Collection of Fee	.09	.02	.21	.19	
Record keeping	.51	.23	.78	.79	
Institutional recognition	.20	.10	.28	.23	
Legal recognition	.60	.71	.56	1.00	
Horizontal linkages	.00	.00	.39	.56	
Vertical linkages	.09	.05	.33	.45	
Leadership	.37	.26	.46	.49	
Communication	.25	.12	.41	.55	
Organizational Management Performance	.35	.24	.47	.52	
Financial Management performance	.11	.09	.23	.20	
Member benefit activities	.05	.07	.15	.17	
Sustainability	.17	.14	.28	.30	

4.3.7. Decline of the Progress of RUOs in 1997.

Though some progress had been achieved in RUOs under the SCOR project when compared with those in 1994 it could be seen that the progress in them was gradually declining later. This decline had been more prominent 1997. Particularly during the second half of 1997 it was observed that the RUOs were declining much faster than before.

The gradual decline in the progress of RUOs was evident if the level of progress in the two years of 1995 and 1997 was compared. For example, the RUOs that had been evaluated as Good in an organizational development evaluation study carried out in 1995 were found to be declined in 1997. Unfortunately the data that collected under the early study cannot be used to calculate the indicators developed for the present study but the decline could be seen according to the rating of the RUOs. Four RUOs of Kotapola North TSHDS, Horagala East FO, Dotalugala Heritage, and the Batandura North FO that had been evaluated as Good were found to be declined when the present study was commenced.

The Kotapola North TSHDS which was an exemplary organization to all other TSHDSs in the country was found to be almost collapsed in 1997. The Horagala East FO which too had been regarded as a very successful and even won the first place as the best FO in the district at a contest conducted by the DAS in 1996 was found to be very much declined in 1997. The status of the other two RUOs mentioned above was no different from the above two. Some of the weaknesses of these RUOs had been identified in the early study but much attention had not been paid to correct them.

There were several reasons for the gradual decline of the RUOs.

- Decrease of the initial impetus and motivation made in the RUOs with the commencement of the SCOR project.
- Lack of a better institution building program in the SCOR project aimed at sustaining the initial motivation created in RUOs, and strengthening them.
- Poor financial management due to lack of attention and monitoring of the SCOR personnel for better use and management of grants given to the RUOs.
- Low level of involvement of the SCOR personnel not only in organizational development but also in other field level activities during 1997.

The organizations that existed before the SCOR project had been remained dormant without much attention and support from even their implementation agencies. This was admitted by the Agency personnel too. The interest of the SCOR project in local organizations and their involvement for the development of them had made a big impetus on RUOs as it happens with the commencement of any new project. The financial assistance provided as grants too had made these organizations to wake up from their slumber and act as active organizations. This was observed in the early study.

However, there had been no institution building program to strengthen and sustain the initial motivation created in the RUOs. In most cases it was limited to initial re-organization of RUOs and few other training. It should be mentioned that there had been some difficulty as well to be involved directly with these RUOs as they were under other implementing agencies.

The immediate reason for the decline of the RUOs was the poor financial management in them. Some agency officers who spoke to us put the blame for this decline to the SCOR project. There may be some truth in this. Funds had been provided without due attention to strengthening the RUOs particularly in the areas such as financial management and, creating adequate awareness among the members. However, it should be mentioned that many of these RUOs started several activities for member benefit with the grants provided and it made them progressed at the beginning. But the lukewarm attention paid by the SCOR personnel on the use of grant money by the RUOs and lack of monitoring resulted in poor handling of funds and aftermath decline of the RUOs. It is worth looking whether the provision of grants had made the organizations stronger or weaker in the long run.

The details of the RUOs which were having financial management problems were as follows. The situation in some of the RUOs were not much serious when the data was collected and could have been easily corrected but aggravated later due to poor attention of the SCOR personnel particularly of the catalysts.

RUOs having financial problems which were provided grants.

- Kotapola North TSHDS. The organization was almost collapsed mainly due to poor financial management. Remained only Rs. 7000 with the RUOs out of total funds and records were not available on how they had been utilized.
- Horagala East FO. This organization was declined and its business activities halted due to poor financial management. Records were not clear on the use of funds.
- Beralapanathara TSHDS. This organizations was having financial management problems as the early treasure had misused grant money. A large amount of money given as fertilizer credits still to be recovered from the members. Financial records were not clear to get the correct details.
- The Pathawita TSHDS. This organizations was having a difficulty in recovering the loans given to its members. RUO had become inactive.
- Wijayagama TSHDS. This organization was having a difficulty in recovering the credits provided to the member to buy fertilizer and to some other purposes.
- Thalapakanda FO. This organization was seriously affected as the credits provided to farmers as well as to other RUOs could not be recovered.
- Batandura South FO. This organization was having difficulties in recovering the credits given to the members to buy fertilizer. Progress of the organization was affected.
- Kotapola North Mahasen FO. This organization had provided fertilizer on credit to its members. Some farmers had defaulted the repayments. All such activities were stopped.
- Ihala Millawa FO. The credits provided to its members were not recovered. Though the financial records were clear there was no involvement of the OBs in preparing them as the SCOR personnel had done it.

- Swabawika Sampath Surakinno. Funds of this organization had been misused by OBs. RUO remained only namesake.
- Dotalugala Heritage. The actual balance of funds were not known.

In the above organizations the members were reluctant to repay the credits. Credit facilities were given on loose terms and both the members and the OBs had not acted on a responsible manner in using the grant money.

- Kandekumbura TSHDS. This organization had provided fertilizer to Thalapalakanda TSHDS on the instructions given by the catalyst from a loan taken from the grant given to Thalapalakanda FO. The Thalapalakanda TSHDS had defaulted the payment and the Kandekumbura TSHDS was in serious difficulties.
- Thenipita TSHDS. This RUO had borrowed money from the SO on the instruction of Catalyst and the money had been misused. Financial details were not available for the new OBs. The RUO was seriously affected.

Grants had been provided to total of 16 RUOs. It could be seen that 11 RUOs out of them were having financial problems in the use of grants. Provision of grants had put many of the organizations into difficulties. Some RUOs such as the Kotapola North TSHDS had declined faster than the progress it had achieved even before the SCOR project. The major reason for the collapse of better progressed RUOs such as Horagala East FO, Beralapanathara North TSHDS including the Kotapola North TSHDS was the misuse of funds and poor financial management. Thereby the grants given by the SCOR project had made most of the organizations declined in the long run.

There was a low level of involvement of the SCOR personnel particularly the catalyst in organizational and other field level activities throughout 1997 due to several reasons. This resulted in a slow progress of RUOs and gradual declining of them. Much uncertainty of the continuation of the project was prevailed in 1997 and the project priorities were frequently changed in almost every month in a defensive mood. The field staff were seen fully engaged in adjusting their activities to suit these changing priorities and the field level involvement of them particularly of the Catalysts was at a very low level during this period. The OBs of some RUOs said that the SCOR catalysts were not seen in the field for some months and some wondered whether SCOR project had gone.

The decline of the RUOs was faster particularly in the second half of 1997 as the priorities were changed in to enterprise development. The RUOs which were given grants were having financial management problems as above and they needed some guidance and assistance. They declined faster as such assistance was not available. This decline was so fast that the indicator values given in this study might not be valid after some months.

The low level of involvement of SCOR personnel at the field level on the other hand affected the production and conservation activities of the project too. The involvement of the RUOs in any conservation activities was minimal during this period and they were almost forgotten. The RUOs gradually alienated from those activities. The annual activity plans prepared for 1997 together with the resource users and officials for each SWS level were taken to each RUO to see whether they had implemented any of the activities therein. They had not even looked in to them let alone implementing.

4.3.8. Conclusions

It could be seen that the RUOs were progressed under the SCOR project when compared with their early status. They had been neglected by respective implementing agencies and many were dying a slow death except for few when the SCOR project came. The arrival of the SCOR project had motivated both implementing agencies and the RUOs and the project had contributed by re-vitalizing the existing organizations as well as building new organizations where necessary. Progress was more in the areas of organizational management and the collection of funds of the RUOs under the SCOR project. The organizations that remained namesake or inactive were re-vitalized and engaged in the activities beneficial to their members. Many of these activities were initiated under the guidance and assistance of the SCOR personnel.

It is interesting to note that the overall level of progress achieved by the RUOs of the four SWSs was almost at the equal level. It shows that there had been equal involvement of the SCOR personnel particular the catalysts in the organizational development activities.

The other important feature is the progress that had been achieved in the TSHDSs during the SCOR project period. The TSHDSs had been weaker than the FOs and many of them had remained namesake before the commencement of the SCOR project. But after the SCOR project the TSHDSs had better progressed than the FOs in many aspects. The involvement of the implementing agency of the TSHDSs was also increased than that of the FOs during the SCOR project. In fact the progress of the TSHDSs directly affects the FOs since the TSHDSs are more beneficial to the member community than the FOs. FOs represent only a fraction of an area covered by TSHDSs. The TSHDSs represent the main occupation of people, the tea farming. On the other hand TSHDSs provide better services to its members through its implementing agency.

The RUOs which had been functioned as the tools of the implementing agencies had involved in many of the production and conservation activities under the SCOR project. However, many of those activities in the tea⁶⁶ sector had been already started by the TSHDA but the quality of those services was improved after the SCOR project as many TSHDSs were

revitalized and the involvement of relevant field officers was increased during project period. This was admitted by the respective field officers as well as the OBs of the TSHDSs. For example, the Milla Ela and Horagala SWSs had been neglected by the TSHDA before the SCOR project. New TSHDSs had to be formed in the Milla Ela with the initiation of the SCOR project. Horagala SWS had been neglected both by the TSHDA and the DAS due to the access difficulties. Representative TSHDSs had not been formed in some areas of Aninkanda and Diyadawa/Thenipita SWSs too.

Though some progress was achieved by RUOs during the SCOR project period the question is whether this progress was adequate and sustainable. This question equally valid in regard to their involvement in production and conservation activities. Most of the RUOs had achieved much progress in their organizational management aspects. Much attention had been paid to develop those aspects such as record keeping, horizontal links, communication, participation etc.. But the progress achieved in financial management was low in compared to the progress in organizational management. It was further low in implementing member benefit activities and many of the production and conservation activities.

Financial management is a very crucial area in organization development. Any shortfall in financial management would directly affect the progress of organization than anything else. Not only better financial control but also member awareness of financial transactions is vital for the progress of organizations. Both of these were found to be lacking in many of the RUOs. The SCOR grants had been the major funding sources for the RUOs and it had been a big boost to them. Not only the better financial control and member awareness, the monitoring and supervision both by the implementing agencies and the SCOR project were also equally needed for this RUOs since big amounts of money had been provided for special purposes. It could be seen that both the RUOs and the implementing agencies had not taken the provision of grants by the SCOR project too seriously and had not acted in a responsible manner in utilizing them.

After all the sustainability of the RUOs and their expected continual involvement in production and conservation is doubtful. The fast decline of RUOs during the year 1997 due to low level of involvement of SCOR personnel shows that the RUO were still not strong enough to survive on their own without outside assistance. In the lack of such assistance they would drop back into the same level as before.

Chapter 5

Evaluation of User Groups

5.1. Introduction

Resource user participation has become an essential component in watershed management programs. The evidence in many Asian countries show (1995 - Sharma, Dixon) that the effective resource user participation had come through user groups. It is learnt through these experiences that the active user participation through user groups will mobilize the available resources productively, equitably and sustainably and by meeting the needs of the people. Organizing groups to have the user participation is regarded as the key to success in production, protection, marketing and other services in the watershed in the SCOR project. (IIMI - 1993). The foremost activity of the SCOR therefore was the formation of user groups and linking them to user organizations and service organizations.

It was learned that there was no formation of any community groups before the SCOR project in the project area. The existing user organization had formed as general farmer organizations. Therefore, building of user groups was a novel idea put forward by the SCOR project. In this chapter it is intended to discuss the progress in building user groups in the Nilwala watershed, to evaluate the performance level and effectiveness of existing user groups by 1997 and, to discuss the reasons for any failures or successes of them.

5.2. Formation of User Groups

Type of Groups

Basically two types of user groups were formed in the Nilwala watershed; single purpose and multi purpose. Single functional groups were formed for floriculture, apiculture, homestead development, plant nursery, animal husbandry, forestry etc.. while multi functional groups had covered varied conservation and production activities. Both these groups can be then divided into five kinds as follows.

- Individual groups. These groups functioned as individual groups without formal affiliations with other groups or higher level mother organization. There were some homestead development groups, forestry groups, bee keeping groups of this type.

- One large project groups with several small groups under them for specific activities. These groups covered some micro-watersheds within a larger sub watershed and were called production and conservation project groups. Two prominent such groups were the Kiriwandola Production and Conservation Group in the Diyadawa/Thenipita sub watershed and Bovitiyadola Production and Conservation Project group in the Horagala sub watershed. They were not directly involved in most activities but implemented through the small groups formed under them for specific activities such as for stream conservation, tree planting etc.. Some of those groups were temporarily formed for specific activities such as tree planting while some others were expected to be long lasting.
- Large groups which too were called project groups but implemented the activities by themselves unlike the other project groups. They were multi purpose groups. These groups were formed in the Milla Ela project. They were formed on special land marks or areas between two streams. The membership of them were 50 to 80. Named after those special land marks they were called Annasidola Project Group, Dawatadola Project Groups, 20 acre Group etc..
- Groups affiliated with the mother organization as the base groups. The Flori Culture Groups were affiliated to one anthurium farmer organization.
- Group affiliated with higher level organizations to get the services through them. Some plant nursery groups and seed paddy groups had been formed of this type. However, most of the groups were affiliated with respective service organizations.

Strategies Followed in the Formation of Groups

Formation of groups had taken place in several ways.

- Formation of groups by calling a general farmer meeting. This strategy had been followed mainly at the beginning of the project. Farmers were called for a meeting to make them aware of the project and afterwards they were asked to form into specific activity groups as they felt useful. Many groups on multifarious activities had been formed accordingly. However, this strategy was followed only in the initial stage of the project and was not continued as many groups thus formed had not continued.
- Formation of groups with selected members. These groups were formed after having some discussions with selected number of users by the catalysts. Many of the Nursery Groups and Flori Culture Groups Homestead Development Groups had been formed in this manner.

- Formation of groups after group discussions. Some groups were formed after group discussions by respective SCOR personnel. The groups for micro-hydro power generation, forestry and agro-forestry had been formed in this manner.
- Deciding the groups by the catalyst themselves. Most of the project groups were formed in this manner. However, member meetings had been called afterwards in many and the group leaders had been selected among the members.
- Formation of groups by dividing the total number of users in to groups using maps. This was mostly done under preparation of mini projects as well as a mean of increasing the number of user groups to show the progress.

The first strategy of formation of user groups by calling a general farmer meeting was found to be the weakest in the process of building the user groups. Many of the groups thus formed had not progressed beyond the formation and later vanished. This strategy had been followed before the appointment of catalysts to the project. It was not followed afterwards mainly with the gaining of experience by project personnel.

Dividing the total number of users into groups using maps too were also a equally weak strategy followed by the catalysts. The group leaders too were named by the catalyst themselves. It was found that those who supposed to be the members of the groups were not aware of the existence of such groups. Many such groups were formed to increase the number of them in response to the findings of an early evaluation study which disclosed the actual figure of existing groups. These groups remained only namesake.

Selecting the group by the catalysts themselves such as those called project groups particularly in the Milla Ela too found to be a weak strategy. Many such groups also remained namesake due to lack of interest of the members.

The method of forming the groups by selecting a number of users by the catalysts seemed to be effective mostly in the continuation of the groups because the catalysts could persuade them as they were personally known to him. Some groups thereby such as those Flori Culture Groups remained at least namesake though they were very weak.

The groups that formed after having group discussions were the most effective. Many had succeeded in fulfilling the activities on which the groups had been formed.

5.3. Progress in the Development of Groups

Groups Existed in 1994

By mid 1994 total of 68 user groups had been formed in the project area as follows.

The list of groups formed by mid-1994

Type of activity	No. of RUGs
Kitul Production	04
Tea land conservation	06
Home gardening	04
Stream reservation conservation	15
Plant nursery	09
Milk production	05
Seed paddy production	03
Flower growing	09
Soil conservation	02
Minor export crops	01
Leaf sacks production	01
Agriculture production & marketing	02
Mini-hydro power generation	02
Animal husbandry	02
Bee keeping	02
Paddy land development	01
Total	68

Source: SCOR Progress Reports - 2nd quarter 1994

Groups Existed in 1995

However, in mid of 1995 when the early study of evaluating the organizational development was conducted out it was found that only 54 user groups existed in Nilwala watershed. Total of 35 user groups that had been formed in 1994 did not exist. Instead 22 new RUGs had been formed. One mini-hydro power users' group had been progressed into an organization. Following is the list of user groups that were found to be not existing in mid 1995 out of those formed in 1994.

List of groups that did not exist by mid 1995 out of those formed in 1994

RUGs	No	Reason
Kitul Production	03	No activity
Tea land conservation	04	No activity
Stream Reservation conservation	08	No activity
Plant nursery	04	No activity
Milk production	04	No activity
Soil conservation	02	No activity
Minor export crops	01	No activity
Leaf sack production	01	No activity
Agriculture production & Marketing	02	No activity
Bee keeping	01	No activity
Paddy land development	01	No activity
Seed paddy production	01	Failure
Flower growing	03	Failure
Total	35	

Most of the above groups were those formed by convening general farmer meetings particularly those for milk production, soil conservation, leaf sack production, agriculture production and marketing, paddy land development and, some of stream reservation conservation groups. They had remained inactive and later diminished.

There were total of 54 groups in mid 1995. Among them there were there were 22 newly formed RUGs with 17 multi functional groups, 03 forestry and 02 Agro-forestry groups.

Groups existed in mid 1995

Type of activity	No. of RUGs
Multi purpose	17
Stream Conservation	08
Plant Nursery	05
Home-gardening	04
Forestry	03
Agro-forestry	02
Tea land Conservation	02
Seed Paddy Production	02
Animal Husbandry	03
Bee Keeping	01
Kitul Production	01
Flori-culture	06
Total	54

By the end of 1995 there were total of 49 groups in the project area. Ten out of early 54 groups were found to be not existing while five new groups had been formed. The 10 groups that were non-existing included of 5 Stream Reservations Conservation Groups, 02 Animal Husbandry Groups, 01 Forestry Group, 01 Bee Keeping Group and 01 Flori-culture Group. The stream reservation groups had become inactive after completing their given activity of tree planting. The animal husbandry groups, forestry group, bee keeping group and the flori culture group had become inactive as there was no activity for them. The five groups that newly formed included of 01 Agro Forestry Group, 01 Forestry Group, 01 Homestead Development Group 01 Flori Culture Group and 01 Multi Purpose Group.

No. of groups existed by December 1995

Type of Activity	No. of Groups
Multi purpose	18
Flori Culture	6
Road and Stream Conservation	3
Plant Nursery	5
Home Gardening	5
Forestry	3
Seed Paddy	2
Agro Forestry	3
Tea Land Conservation	2
Animal Husbandry	1
Kitul Production	1
Total	49

The response of the SCOR personnel particularly one WMC when the progress of the RUGs was discussed was to instruct the catalyst to increase the number of the RUGs by forming as much as new ones. Thereby 23 new RUGs were immediately formed in the two sub watersheds of Aninkanda and Diyadawa/Thenipita. The number of the RUGs thereby was increased up to 72 by the end of December.

The membership and the leaders of these groups were decided by the catalysts themselves. Some were formed by merely dividing the total farmers into groups from the map. Some were formed under existing organizations as some base groups. Initially they were regarded as multi-purpose groups by the catalyst who formed them. Neither the group members nor the leaders knew the existence of many such groups. One catalyst himself expressed his doubts over the existence of such groups formed by him.

Groups Existed in 1996

By the end of 1996 when the present study was commenced it was found that there was only 32 RUGs in the Nilwala watershed after excluding all the groups that remained only namesake in the SCOR data base.

No. of RUGs by December 1996

Type of Activity	No. of Groups
1. Multi-purpose	8
2. Flori Culture	8
3. Plant Nursery	4
4. Home Gardening	7
5. Forestry	1
6. Goat keeping	1
7. Bee-keeping	3
Total	32

The above number was included of newly built 04 Home Gardening groups, 03 Bee-keeping Groups, 02 Flori-culture Group, 01 Nursery Group and 01 Forestry Group.

Number of early groups non-existed in December 1996

Type of groups	No. non existed	Reason
Multi purpose	10	No activity
Stream Reservation conservation	03	Activity completed
Plant Nursery	02	Failure
Home Gardening	02	Activity completed
Forestry	03	Activity completed
Agro-forestry	03	Activity completed
Seed paddy	02	Failure
Tea land conservation	02	Consolidated
Kitul production	01	No activity
Total	28	

The multi purpose groups were included of all the project groups that built in the Milla Ela sub watershed. They had long become inactive as there was no activity to be implemented. Attempts had been made to divide them into small groups but only two remained of those small groups. The stream reservation conservation groups had become inactive as they had completed the given tasks. The two plant nurseries had been a failure after the initial attempts were over. These groups were found to be disintegrated. The 02 homestead groups had completed the given tasks of planting some banana and coconut plants in their gardens and the groups thereafter were over. The six forestry and agro-forestry groups too had completed the given work. The two seed paddy farms had failed due to low agency attention. Tea land conservation groups had been absorbed in to their mother organizations of TSHDSs. Kitul production group had become inactive as there was no activity to continue.

The 23 groups that formed towards the end of 1995 with the main purpose of increasing the number of them were found to be remained only name sake though they had been included in the data base as existing groups.

Groups Existed in 1997

By March 1997 it was found that the number of total groups was dropped to 29 as three of the flori culture groups were failed.

By the time the data collection was nearing completion by June 1997 it was found that there existed only 20 groups in the Nilwala watershed.

No. of RUGs existed by June 1997

Type of RUGs	No
Flori culture	06
Homestead	04
Multi purpose	05
Bee keeping	03
Forestry	01
Plant nursery	01
Total	20

Three multi-purpose groups, 02 flori culture groups, 03 homestead groups and 01 goat keeping group did not exist. All these groups were failed.

However, when this results were presented some catalyst claimed that there were more than that number of groups and according to them some of those 23 groups formed in 1995 were still functioning together with some new groups. They were said to be in the Aninkanda, Diyadawa/Thenipita and Milla Ela sub watersheds. The catalysts were asked to provide the list of those groups but instead of providing the lists it was observed that they were rushing out into those areas and trying to re-built those groups. Some details collected of those groups were given below.

Milla Ela

Six groups were formed by the catalyst together with the OBs of the two RUOs of Pahala Millawa TSHDS and the Millawa FO. They were formed by dividing the total RUO area into six sections. This was done without initial discussions with farmers and the group leaders had been named by the OBs. Some group leaders did not know that they had been appointed as group leaders. In the discussions with the group leaders of these 06 groups they said such groups did not really exist. These groups formed without any consultation with member farmers and creating awareness among them.

Diyadawa/Thenipita

Seventeen groups were formed under the Nawalahena FO and the Kotapola Mahasen FO. The groups under the Nawalahena FO were formed together by the Chairman and the catalyst by grouping the total number of members into 11 groups. These groups had been convened later and the group leaders had been selected among the farmers. Some inputs such as plant materials had been distributed to farmers through some of them. When the study was carried out these groups remained namesake without any activity. There was no clear identification of them as groups. The group leaders interviewed said that though such groups had been formed they did not exist much longer. Some were not aware at least why those groups had been formed.

Six such groups had been formed under the Mahasen FO. They were some of the remaining groups of those formed in 1995 in order to increase the number of groups. The catalyst had formed them on her own from the map without the knowledge of the FO or the members. Some of the groups formed were beyond the FO area. The group leaders too had been decided by the catalyst herself. Group files too had been prepared by her. When these group leaders were met during the last study they denied any knowledge of such groups or been selected them as the leaders. Recently these groups had been approached by the a new catalyst and some contacts had been established but they still remained inactive. The Chairman of the FO said that his organizations had very little contacts with these groups.

Aninkanda (Wijayagama)

There were eight groups under the Wijayagama TSHDS formed in 1995 in order to increase the number of groups. However, they had been formed as base groups of the TSHDS. Some committee members and several others mainly involved in flori culture groups were named as the group leaders. The group leaders did not know they were group leaders or the existence of such groups during the early stage. However, those groups had been useful later for the TIs and other agency officials to make contacts with farmers to give their messages. Some plant material had also been provided through those group leaders.

TABLE 7. INDICATOR VALUES OF RUGS												
	NAME OF THE RUG	RUG TYPE	MEETING PARTI. INDICATOR	GRP. PARTI. INDICATOR	MEETING INDICATOR	RECORD INDICATOR	LEADER SHIP INDICATOR	TRANSPAR. INDICATOR	ORG. LINKS INDICATOR	TARGET ACH. INDICATOR	GROUP PERFORMANCE INDICATOR	RANKING
SWS												
ANIN	NAGODA ATHURA FLORI-CULTURE GROUP	FLORI	0.00	0.00	0.00	0.08	0.88	0.00	0.40	0.25	0.20	WEAK
ANIN	POTHUWILAHENA FLORI-CULTURE GROUP	FLORI	0.00	0.83	0.00	0.08	0.75	0.00	0.40	0.22	0.29	WEAK
ANIN	MALKI FLORI-CULTURE GROUP	FLORI	0.00	0.00	0.00	0.00	0.78	0.00	0.40	0.25	0.18	V.WEAK
ANIN	IMBULAHENA FLORI-CULTURE GROUP	FLORI	0.83	0.00	0.80	0.00	0.47	0.00	0.40	0.30	0.35	WEAK
ANIN	DANDENIKANDA FORESTRY GROUP	FORESTRY	1.00	1.00	0.80	0.00	0.75	0.00	0.40	0.25	0.53	AVERAGE
D/T	OWALAKANDA HOMESTEAD GROUP	HOMESTEAD	0.00	0.00	0.00	0.00	0.31	0.00	0.00	0.00	0.04	V.WEAK
D/T	KIRIWANDOLA PROD./CONSERV. PROJECT GROUP	MULTI	0.10	0.00	0.40	0.25	0.00	0.00	0.40	0.40	0.19	V.WEAK
D/T	HINGURUPANAGALA NURSERY	NURSERY	0.44	1.00	1.00	0.50	0.35	1.00	0.40	0.65	0.67	GOOD
D/T	RAMBUKDENIYA STREAM RESERVATION GROUP	MULTI	0.48	0.48	0.40	0.50	0.62	0.00	0.40	0.40	0.41	AVERAGE
D/T	DIYADAWA BEE-KEEPING GROUP	BEE-KEEPING	0.67	1.00	1.00	0.17	0.84	0.00	0.20	0.24	0.51	AVERAGE
D/T	DENIYAYA HOMESTEAD GROUP	HOMESTEAD	0.70	0.00	1.00	0.17	0.72	0.00	0.00	0.20	0.35	WEAK
D/T	BATEBEDDA BEE-KEEPING GROUP	BEE-KEEPING	0.80	1.00	1.00	0.08	0.88	0.00	0.20	0.24	0.52	AVERAGE
D/T	ISURU HOMESTEAD GROUP	HOMESTEAD	0.83	0.83	1.00	0.00	0.68	0.00	0.40	0.30	0.51	AVERAGE
D/T	HOMESTEAD DEMONSTRATION GROUP	HOMESTEAD	1.00	0.00	0.60	0.50	0.75	0.20	0.20	0.80	0.51	AVERAGE
HORA	BOVIYIADOLA PROD./CONS. PROJECT GROUP	MULTI	0.00	0.00	0.00	0.33	0.00	0.00	0.80	0.40	0.24	WEAK
MILLA	KALANA BEE-KEEPING GROUP	BEE-KEEPING	0.00	0.00	0.00	0.08	0.40	0.00	0.40	0.40	0.16	V.WEAK
MILLA	ANTHURIUM GROWERS' GROUPS - IHALA MILLAWA	FLORI	0.00	0.00	0.00	0.33	0.40	0.00	0.40	0.13	0.16	V.WEAK
MILLA	POLGASWILA ANTHURIUM GROWERS' GROUPS	FLORI	0.25	0.00	0.20	0.17	0.40	0.20	0.40	0.20	0.23	WEAK
MILLA	HORIYADOLA GROUP	MULTI	0.86	1.00	1.00	0.67	0.83	1.00	0.40	0.25	0.75	GOOD
MILLA	DAWATADOLA GROUP	MULTI	1.00	1.00	0.40	0.25	0.60	0.00	0.20	0.10	0.44	AVERAGE
			0.45	0.41	0.48	0.21	0.57	0.12	0.34	0.33	0.36	WEAK

However, recently after the study data was presented to the SCOR team the two catalyst who represented the Bodeniya and Wijayagama areas were seen running in to the field to re-organize these groups. The group leaders were met and the members had been contacted together with them. Group files were prepared by the catalyst with copies of land use maps and whatever other materials available. The group leaders were educated on how to give positive answers to the questions asked by outsiders on the functioning of groups. However, later when Wijayagama area was selected as a focal area of the project the additional IOs appointed to this area had approached the groups to re-vitalize them and to collect land use data through them.

Some of these groups were found to be functioning for sometimes as those contact farmer groups formed under the early agriculture extension program called the T&V program in order to facilitate the conveying of extension messages to farmers. Several such groups were formed in some TSHDSs in other sub watersheds also but those catalyst had not identified them as separate groups. Those groups were used to maintain the contacts between the TIs and farmers.

5.4. Evaluation of existing Groups

Only 20 groups were found to be existing when the study was commenced after scraping out all the namesake RUGs and all of them were taken for the performance evaluation. They were evaluated on the indicators described in chapter 2. The indicator values of the 20 groups are given in the Table 7. However, since only 20 remained out of the total 106 groups formed it is doubtful whether such evaluation is worthwhile.

Out of the total 20 groups there remained 05 in Aninkanda, 09 in Diyadawa/Thenipita, 05 in Milla Ela and 01 in Horagala. The types of groups that remained were as follows.

Group types

Type of activity	No. of RUGs
Flori Culture	6
Multi purpose	6
Homestead	3
Bee keeping	3
Nursery	1
Forestry	1
Total	20

RUGs Existed in mid-1997

SWS	NAME OF THE RUG	RUG TYPE
ANINKANDA	NAGODA ATHURA FLORI-CULTURE GROUP	FLORI
ANINKANDA	POTHUWILAHENA FLORI-CULTURE GROUP	FLORI
ANINKANDA	MALKI FLORI-CULTURE GROUP	FLORI
ANINKANDA	IMBULAHENA FLORI-CULTURE GROUP	FLORI
ANINKANDA	DANDENIKANDA FORESTRY GROUP	FORESTRY
D/THENIPITA	OWALAKANDA HOMSETEAD GROUP	HOMSETEAD
D/THENIPITA	KIRIWANDOLA PROD./CONSERV. PROJECT GROUP	MULTI
D/THENIPITA	HINGURUPANAGALA NURSERY	NURSERY
D/THENIPITA	RAMBUKDENIYA STREAM RESERVATION GROUP	MULTI
D/THENIPITA	DIYADAWA BEE-KEEPING GROUP	BEE-KEEPING
D/THENIPITA	DENIYAYA HOMESTEAD GROUP	HOMSETEAD
D/THENIPITA	BATEBEDDA BEE-KEEPING GROUP	BEE-KEEPING
D/THENIPITA	ISURU HOMESTEAD GROUP	HOMESTEAD
D/THENIPITA	HOMESTEAD DEMONSTRATION GROUP	HOMESTEAD
HORAGALA	BOVITIYADOLA PROD./CONS. PROJECT GROUP	MULTI
MILLAELA	KALANA BEE-KEEPING GROUP	BEE-KEEPING
MILLAELA	ANTHURIUM GROWERS' GROUPS - IHALA MILLAWA	FLORI
MILLAELA	POLGASWILA ANTHURIUM GROWERES' GROUPS	FLORI
MILLAELA	HORIYADOLA GROUP	MULTI
MILLAELA	DAWATADOLA GROUP	MULTI

Results of the Evaluation

Holding of meetings of the RUGs was at the level of Average. Meetings were not held in total 07 RUGs. Monthly meetings were held only in 06 RUGs. Meetings were held quarterly in 02 RUGs. In 03 RUGs holding meetings was irregular.

Average participation in group meetings was taken for the evaluation the participation in meeting. The participating in meetings of RUGs was at the level of Average.

Average participation in group activities was taken for the evaluation of the participation in group activities. The participation in group activities in RUGs was at the level of Average. Organized group activities had been done only in 09 groups.

The quality of maintaining the records of RUGs was evaluated as Weak. Total of 15 groups were maintaining reports. However in 03 RUGs only the lists of membership was maintained.

The leadership quality of the RUGs was evaluated as Average. The leadership quality in 04 RUGs was at the level of Very Good, 08 groups at the level of Good, 04 groups at the level of Average and in 02 groups at the level of Weak. In the two remaining groups namely the Kiriwandola project group and bovitiyadola project group the sample members did not know who their group leaders were.

All the funds of the RUGs had collected funds solely from SCOR grants. These funds had been now almost spent. Total of 11 RUGs had received SCOR grants. The grants offered extent from Rs. 3000 to Rs. 105000. The Kiriwandola Project group had received the highest amount of Rs. 105000.

However, only 04 groups had ever discussed about their financial matters with the members. Even the Kiriwandola project group which had received the highest amount had not discussed about their financial transactions with the members. The Horiyadola group and Hingurupanagala Nursery group had discussed their financial transaction with the members monthly. The overall financial transparency of the RUGs was at the level of Very Weak.

Four groups had links only with parallel groups. Seven groups had links with higher level organizations while 06 had links with the SWRMT. The organizational links of the RUGs was evaluated as Weak.

The target achievement of several groups could not be calculated as the targets were not clear and achievements were not recorded. In these groups the average figure given by the group leaders was taken the as the target achievements. The overall target achievement of RUGs was at the level of Weak Target achievement of the groups was as follows.

Target achievements of the RUGs

Ranking	No. of RUGs
Very good	02
Good	02
Average	02
Weak	10
Very Weak	04
Total	20

The overall group performance of the total RUGs was evaluated as Weak. (Table 7) Ranking of RUGs on their overall group performance was as follows.

Overall performance of the RUGs

Ranking	No. of RUGs
Very good	00
Good	02
Average	07
Weak	06
Very Weak	05
Total	20

The performance level of 02 groups of the Hingurupanagala Nursery Group and the Horiyadola Group was evaluated as the Good. The overall performance of 02 Flori Culture Groups, 01 Homestead Group, 01 Bee Keeping group and the Kiriwandola project group was at the level of Very Weak.

The Hingurupanagala Nursery group and the Horiyadola Group were found to be two successful RUGs. Hingurupanagala group was comprised of 04 enthusiastic women. It was an income generating activity. Meetings were being held every month of this group though the membership was very low. The Horiyadola group was the only remaining sub group formed under the Horiyadola project group. The early Horiyadola Project Group was comprised of 66 members while the membership of the present sub group was limited to 07. This group was functioning as a credit group rather than aimed at natural resource management. The members themselves had collected a fund and monthly loans up to Rs. 500 were provided to members at an interest rate of 5 per cent. This was their own idea. All 07 members had borrowed money and repaid without fail. They were influenced by a similar group that was functioning very successfully in the same area under another project.

All the flori culture groups were found to be declining. Some of them may disappear very soon. All of them were affected with the problem of marketing their produce.

The two project groups built on micro-watershed had been formed as umbrella organizations of other groups. They were mainly coordinating the production and conservation activities of smaller groups by providing necessary inputs and financial resources. Many of those small groups ceased to exist after their tasks were fulfilled. These project groups in fact were not membership groups. The group leaders had been selected with the participation of few farmers. The leadership was not known to any of the sample members selected under the study. However, these two project groups had been able to fulfill most of the activities assigned to them. In fact these two project groups had functioned so far with the direct involvement of the Assistant Catalyst appointed to facilitate SCOR catalysts.

The leadership of most of the RUGs was at a better level. This shows that it was not the leadership that matters for the better performance in groups. Particularly the leadership of most of the Flori culture groups were at a very high level though the overall performance was very low.

The least points received by the RUGs were for financial transparency. Though most of the groups had received SCOR grants the members were not informed of the expenditure of them.

One special feature of some of the present groups particularly those in the Diyadawa/Thenipita SWS was that they were formed together with other programs implemented in the project area. The Deniyaya Homestead Group, Owalakanda Homestead Group and Isuru Homestead Group were linked to the Samurdhi program. The three bee keeping groups were formed together with an NGO.

5.5. Conclusions

Total of 106 groups had been formed so far from the beginning of the project (excluded of those built under the RUOs initially as a mean of increasing the total number of RUGs). Only 20 (19 per cent) were found to be existing when the data collection was completed in June 1997. Only one group that had been formed for mini-hydro power generation had developed into an organization. Though it was called a group it had the characteristics of a member organization from the beginning. Forty seven RUGs (55 per cent) out of those total of 86 non-existing groups were defunct as there was no activity for them. Activities started of another 20 (24 per cent) of the non-existing groups had been failed. Only 16 RUGs (19 per cent) of those defunct had completed their assigned activities.

When the total number of 106 RUGs were concerned 43 percent had become defunct as there was no activity and 19 per cent had become defunct as the activities were failed. Altogether 63 per cent of the total groups were not successful and only 15 per cent had been able to complete the given tasks.

Basically the weaknesses of the strategies followed in the formation of the groups was the main reason for the failure of many of the groups. Many strategies had been followed even short cut methods to build the groups without giving much consideration to the experience so far gained in building user groups. Some of the strategies followed were inimical to the project itself as the groups thus formed declined to much of disappointment of the group members. Particularly, groups had been formed building much hopes among the community as evident in the type of groups that had been formed such as milk producers groups, minor export crops producers groups, leaf sacks production groups and agriculture production & marketing groups etc.. and the eventual collapse of them created negative attitude among them. Particularly this negative attitude among farmers was evident in Mill Ela and Bodeniya areas for some time.

It seems that the project personnel had considered that the formation of groups as an easy task. It was evident in the way that some project personnel and particularly the catalysts responded when they learned that the actual number of groups was low than they thought. This had gone in to the extent of building dummy type groups. Even some basic concepts of groups were not considered either due to negligence or lack of understanding. This was evident in building groups with large number of members. Use of small groups in getting participation is a wide experience in participatory projects particularly in related to natural resource management. The group should be small enough to be noticeable each person's actions. Less noticeable the actions of its individual members, the higher the transaction costs of bringing them together, and hence the higher the tendency among its members to free ride. This is why larger groups frequently fail to provide collective goods for their members (Sing - 1994). Building groups purely for conservation was not possible since only when people saw the benefits accruing to them they were in a position to provide cooperation and participation in a project. Next, the participation is more if the benefits are immediate and visible. But in the SCOR project some groups had been formed only for soil conservation. Particularly the conservation efforts are more likely to succeed if combined with other activities like supply of production inputs, development of transportation facilities or provision of social services (Uphoff - 1986). This was observed in some of the group discussions held with farmers by project personnel. In these discussions farmers had the preference for the immediate needs to conservation activities.

On the other hand it is doubtful whether the groups had been provided with continuous necessary guidance and support by the catalysts in most cases. Some groups had been almost neglected after they had been formed and some were neglected after given activities were completed. The problems arose during implementation of activities were not properly attended. The nursery groups thus formed disintegrated and became activities of individuals before the final collapse. The floriculture groups that were formed with much hopes failed as they were not given proper attentions. The project groups had been formed with large number of farmers but could not continue both due to lack of group consciousness and adequate support. Later it was interpreted that those groups had been formed for communication purposes between the project and farmers. Use of building groups only for communication purposes is questionable but still it is not effective if the group is weak.

Most of the groups that failed had been provided with grants to commence and continue their activities. Availability of grants is a great advantage for the SCOR project. Unfortunately this advantage was not used to the optimum. Provision of grants had been considered by the SCOR personnel as the major sometimes the only incentive to strengthen the groups. Thereby, the other means of strengthening of groups were neglected in many cases. The groups waited till grants were provided. On the other hand the lack of proper monitoring of the use of grants made some groups more weaker due to distrust among the members rather than making them strong as expected. This affected groups in two way. Groups remained namesake till the grants were provided but disintegrated after the provision of grants. One example for this can be taken from the project group called Annasidola Project Group. Annasidola Project Group remained namesake for sometime and a grant of Rs. 65,000 had been provided as a mean of revitalizing it by making it engaged in natural resource management and some other activities. It was found during data collection that both the Chairman and the Treasurer has left the area for permanent residence and the Secretary said that the group was no longer existing. The Secretary denied any knowledge on how the funds had been utilized. There was no any record available on the use of funds. The Secretary says that she herself was not known how she had been nominated to the position of the Secretary. May be by saying so she did not want to take any responsibility

particularly those regarding the use of funds. Ten members of the group had been provided with a loan of Rs. 2000 each for conservation work and the OBs including the secretary had taken the loan. The secretary said that she was not known on what purpose those money had been used by others but she had spent them to buy fertilizer. No one had repaid their loans. The secretary said she would not repay till others make the repayments.

In the Nilwala watershed the project personnel were faced with a major challenge of getting the user participation in an area where the socio-economic factors are not much contributory for group actions. This may be the reason for some of the lapses found in the process of building groups. In regard to the Nilwala watershed where the economy of the people was much higher than other rural areas the applicability of one major objective of the SCOR project of improving the livelihood of the rural people may not be equally important. The major occupation of the people of the project area is tea cultivation and they get substantial income from it. During the study a group of 30 farmers of the Aninkanda area who were members of groups were interviewed to calculate the actual monthly net average income of them. It was found that their average net income was Rs. 3750. This is ever increasing as the price of green tea leaves is going up.

According to a study carried out in 1995 by the Department of Agricultural Economics of the Faculty of Agriculture of the University of Ruhuna (May 1996) the average yield of green tea leaves per acre in Aninkanda was 4296.3 kg and at the assumed average price of Rs. 11.50 kg the monthly income per acre with zero opportunity cost of family labour was Rs. 2707. However, the monthly income of tea farmers is being ever increasing and the price of 1kg of green tea leaves was around Rs. 22 at that time of data collection. Therefore, the incentives should be very high in order to get their participation in group work.

On the other hand, according to farmers, tea cultivation needs daily full time involvement. In the lack of tea pluckers the family labour is used in almost all tea lands. In participation in group work farmers compare the estimated benefits to the cost of participation and the relative balance controls the decisions to participate or not. (Bryant, Coralie and Louise G. White -1984) The most important pre-requisite for people's participation is that the expected private benefits from participation must substantially exceed the expected private costs of participation Sing (1991). Therefore, getting participation of the tea farmers in the Nilwala watershed is very difficult. Even after the daily hard work of tea farming work is over the leisure may be more valuable to them than to attend to group meetings or activity.

The other feature of tea cultivation is that it is an individual farming which require no cooperation of others. Such farming practices does not create conditions for group actions since the action of one farmers does not necessary affect the other as in irrigation systems where group actions is a must particularly to maintain equity in sharing natural resources. This shows why there was no group actions in TSHDSs. The conservation practices as introduced by the SCOR project could be practiced by individuals without any help from the rest of farmers. Therefore, both the individual farming in tea cultivation and private property conservation practices do not require group actions.

However, though there were some failures all the attempts made by the project personnel were not fruitless. There were some better groups that had functioned well. Some groups had progressed while the project personnel were gaining experience. Whatever the motives, the attempts taken to build the groups within organizations is a better approach as it would improve the performance of organizations. If proper attention had been made instead of mere increasing the number of RUGs these groups would have been more progressed.

Chapter 6

Evaluation of Service Organizations

6.1. Introduction

Formation of Service Organizations (SO) is a new concept put forward by the SCOR project. Also, it is a very important component in the organizational development program of the SCOR project. The SOs are the apex of the organizational arrangements of the sub watersheds. They are formed as umbrella organizations for each of the four sub watersheds of Aninkanda, Diyadawa/Thenipita, Milla Ela and Horagala encompassing the user groups and organizations built in them. It is anticipated that the SOs would provide the necessary services for those groups and organizations both in input supplies and output marketing and in channeling other services. Further, it is expected that the SOs would be helpful in building better cooperation among the organizations within the sub watershed. The objective of this chapter is to evaluate the formation, present status and the sustainability of the four SOs built in the respective four sub watersheds. Evaluation is done using the same indicators developed to evaluate the performance of the user organizations. However, SOs are not evaluated under the target achievement of production and conservation activities as those are not the direct responsibilities of the SOs.

6.2. Evaluation of Service Organizations

6.2.1. Organizational Management Performance

As for the RUOs the organizational management performance indicator was calculated as a composite value of following 11 sub indicators. The indicator values are given in Table 8.

Membership

It is generally accepted that the membership of the SOs is comprised of all the members of the groups and organizations within the sub-watershed area. But this was found to be confusing in deciding the membership of SOs. None of the SOs knew the exact number of the members under their organizations let alone having membership lists. At least they did not have a list of organizations and groups coming under them. Though these organizations are supposed to be comprised of groups of the SWS as well the OBs were not aware how many groups under them or what were the groups to be included. On the other hand the general members of the organizations too were not aware of the existence of SOs let alone be the members of them. Therefore, any points were not received by the SOs under the indicator of membership.

TABLE 8. ORGANIZATIONAL MANAGEMENT PERFORMANCE INDICATOR VALUES OF SOs														
SO	MEMBER INDICATOR	MEETING INDICATOR	GROUP INDICATOR	FEE INDICATOR	RECORD INDICATOR	RECOG INDICATOR	LEGAL INDICATOR	HORI INDICATOR	VERTI INDICATOR	LEADER INDICATOR	COMMUNI INDICATOR	OGN MGT INDICATOR	RANKING	
HORAGLA SERVICE ORGANIZATION	0.00	0.00	0.00	0.00	0.45	0.40	0.60	0.40	0.40	0.20	0.44	0.20	0.26 WEAK	
ANINKANDA 'SERVICE ORGANIZATION	0.00	0.00	0.00	0.00	0.45	0.40	0.60	0.40	0.40	0.20	0.63	0.10	0.27 WEAK	
D/T SERVICE ORGANIZATION	0.00	0.00	0.00	0.00	0.60	0.40	0.60	0.40	0.40	0.20	0.09	0.20	0.23 WEAK	
MILLA ELA SERVICE ORGANIZATION	0.00	0.00	0.00	0.00	0.60	0.40	0.60	0.40	0.40	0.20	0.31	0.20	0.26 WEAK	
	0.00	0.00	0.00	0.00	0.53	0.40	0.60	0.40	0.40	0.20	0.37	0.18	0.25 WEAK	

Participation in meetings

Under this indicator general member participation in meetings is evaluated. General member meetings of the SOs had been held very rarely. Not more than two such meeting had been held so far in them. The participation in them was negligible except in one occasion in Thenipita which was convened after much attempts of the SCOR personnel to which around 40 had attended. The participants of these meetings were mostly the OBs of some organizations and few nearby farmers. Since there was no such practice of convening meetings no any points were received under the participation in meetings by the SOs.

However, some committee meetings had been held of this organizations but they had been convened on the request of the SCOR catalyst to discuss some special activity but not by on their own. The attendance in them was at a very low level around 05 members. There was no established practice of the SOs of holding meetings on their own.

Participation in group activities

There were no any group activities in SOs.

Collection of fee

There was no any collection of membership fee in the SOs. However, some membership fee had been collected by the Horagala service organization at the initial meeting but it was not continued. Though it was regarded that the SOs had purchased shares worth of Rs. 50,000 of the Janatha Nilwala People's Company it was a grant given by the SCOR project.

Record Keeping

The record keeping of all the SOs were at a better level and their overall evaluation was at the level of Average. Particularly records of Milla Ela and Diyadawa/Thenipita SOs were better maintained and they were evaluated as Good. All the necessary records were maintained by all of them except the membership register. The records of the Milla Ela SO were mainly prepared by the assistant catalyst there.

Institutional Recognition

The evaluation of the SOs on their institutional recognition was at the level of Good. It was regarded as they had been recognized by the DAS and by the divisional administration.

Legal Recognition

The legal recognition of the SOs was evaluated as Good. All the SOs were registered under the clause 56/A of the Agrarian Services (Amended) Act. Initiation for this has been taken by the SCOR project.

Horizontal Linkages

The overall evaluation of the horizontal linkages of the SOs was at the level of Average. All the service organizations were linked together horizontally at the SWRMT.

Vertical Linkages

The overall evaluation of the vertical linkages of the SOs was at the level of Weak. There is no organizational mechanism in the Nilwala watershed for building higher level farmer federations therefore, such link is not available for SOs. However, their contact with the People's Company was taken as a vertical linkage.

Leadership

The overall evaluation of the leadership of the SOs was at the level of Weak. Under the indicator of leadership the leadership quality of the OBs was evaluated through a sample of members. Though all the members of the organizations are regarded as members of SOs the sample was selected only from the leaders of existing groups and organizations supposed to be under respective SOs. A sample of 31 members was selected among them. Ten out of this sample (32 per cent) did not know the OBs of their SOs. Particularly 03 out of 07 in the sample of Milla Ela SO and 5 out of the 8 in the sample of Diyadawa/Thenipita SO did not know the OBs of their SO. But the total number of the sample selected for Aninkanda SO knew who the OBs were.

The leadership of the Aninkanda SO was evaluated as Good. Leadership of the Horagala was evaluated as Average while in Milla Ela it was at the level of Weak. Diyadawa/Thenipita SO received very low points of .09 for its leadership. The reason for receiving the low level of evaluation for leadership by these SOs was that most of the sample did not know the OBs. Any points was not received for the financial transparency of the leaders of the Diyadawa/Thenipita SO. Many members of the sample selected for this SO said that they could not comment on the leadership quality of the OBs as they were recently selected.

How the OBs should be selected either among the general membership or from the leaders of group and organizations was not much clear in the SOs. However, so far the leadership had been selected among the OBs of organizations. Many still hold their positions from the initial selection as there was no periodical leadership selection except in the SO of Diyadawa/Thenipita in which the fresh OB selection was held in an attempt taken to re-organize existing organizations after selecting the some part of the SWS as a focal area. In two SOs some OB positions had been fallen vacant for sometime and remained unfilled.

Communication

The overall evaluation of the communication of the SOs was at the level of Very Weak. Under communication the frequency of holding both the general meetings and committee meetings was to be evaluated. In all the SOs committee meetings had been held occasionally.

Overall Organizational Management Performance

The organizational management performance was calculated after ascribing the weights to each of the 11 sub indicators. The indicator value is given in Table 8. Organizational management performance of all the SOs was evaluated as Weak. All the SOs received almost equal points under the organizational management performance indicator.

6.2.2. Financial Management Performance

As for the RUOs the Financial Management performance of the SO s were evaluated as the composite value of the following 05 sub indicators. The values of the financial management indicators are given in the Table 9.

Availability of Funds

The only source of income for the SOs so far was SCOR grants. The total funds therefore consisted of grants provided by the project. Apart from that the SOs were functioning as channels to pass the funds to groups and organizations. Those funds were not considered in evaluating the funds availability of the SOs. On the other hand the total amount they had received from grants was taken for evaluation and not the balance in hand. A grant of Rs. 100,000 provided to each of the SOs for funding the People' Company also included in the evaluation. The total funds received by the SOs were around Rs 870,000. The Horagala SO received the highest marks in the availability of funds. The overall evaluation of the fund availability of SOs was at the level of Good.

TABLE 9. FINANCIAL MANAGEMENT INDICATOR VALUES OF SOS

	FUNDS INDICATOR	INVEST INDICATOR	CREDIT INDICATOR	FIN RCD INDICATOR	TRANSP INDICATOR	FIN MGT INDICATOR	RANKING
S HORAGLA SERVICE ORGANIZATION	0.85	0.05	0.41	0.31	0.00	0.32	WEAK
ANINKANDA 'SERVICE ORGANIZATION D/T SERVICE ORGANIZATION	0.57	0.05	0.00	0.44	0.00	0.21	WEAK
MILLA ELA SERVICE ORGANIZATION	0.54	0.05	0.00	0.44	0.00	0.21	WEAK
	0.64	0.05	0.00	0.69	0.00	0.28	WEAK
	0.65	0.05	0.10	0.47	0.00	0.25	WEAK

Investment

Under the investment the amount Rs. 50,000 spent to purchase the shares of the People's company in the name of SOs was taken for evaluation. Apart from that Diyadawa/Thenipita SO and the Milla Ela SO had spent about Rs. 65,000 each for some business activities. The Diyadawa/Thenipita SO had spent this amount for marketing of some minor export crops. The Milla Ela SO had invested for retail selling of fertilizer. However, both these business had ended up in a failure therefore, any marks were not given. The overall evaluation of the SOs under the investment was at the level of Very Weak.

Credit Supply

The loan given in the name of the SOs to the People's company was taken for evaluation under this indicator. Apart from that the Aninkanda and Milla Ela SOs had provided some personal loans of Rs. 85,000 and Rs. 30,000 respectively. Since they were not still recovered no any points were given to them. The Micro Hydro Power Generation Organization had borrowed Rs. 115,000 from the Horagala SO. It was being paid as per the agreement. Only this amount had being paid so far from the credits provided. Therefore, only the Horagala SO received any marks under credit. The overall evaluation of the SOs on credit supply was at the level of Very Weak.

Financial Record Keeping

Overall maintaining of financial records of the SOs was at the level of Average. Maintaining financial records was weak in the Horagala SO. Maintaining the financial records of the two SOs of Aninkanda and Diyadawa/Thenipita was at the level of Average while that in Milla Ela was at the level of Good. The assistant catalyst was involved herself more than the OBs in preparing the records of the Milla Ela SO.

Transparency

There was no periodical discussions with the members or presentation budgets in SOs.

The Financial Management Performance Indicator

The overall financial management of the all four SOs was evaluated as Weak. They received better marks only for the availability of funds. Though they were provided with big amounts of grants the overall financial management was highly unsatisfactory. Though the records had been maintained and every thing related to financial control seemed to be OK the real situation was somewhat different. For example, some money had been borrowed from the Aninkanda SO by several personnel for various purposes. Among them were the OBs of the SO and one assistant catalyst. These loans were still not repaid and seemed to be neglected. Another assistant catalyst was keeping for himself Rs.12,000 which was a repayment of a loan taken by one organizations from this SO.

In Diyadawa/Thenipita SO the financial records seemed to be better maintained but the details given in them were incorrect. For example, the treasurer was in a difficulty to explain the budget at a meeting held to re-organize the SO and the SCOR catalyst came to rescue him. It seemed the IO had been involved more in preparing them than the treasurer. When the names of new OBs were proposed at the OB selection of this SO those proposed wanted the SCOR IO to take the financial responsibility of the SO. However, such problems could not be seen in other two SOs. But there was some difficulty for the SO in Milla Ela to recover some credits provided by them

6.2.3. Performance of Member Benefit Activities

The SOs had not involved much in member benefit activities. The performance in member benefit activities of SOs evaluated as Very Weak.

There was no much member benefit activities in the SOs as their contacts with general members was extremely weak. But the SOs had been specifically formed for the facilitation of the provision of necessary services to their members. These services stem from input coordination both as goods and services and direct supply of inputs and providing marketing facilities for farmer produce. Some attempts had been made by the SOs to do these mainly on the direction of SCOR personnel.

In regard to input coordination the SOs had occasionally involved in coordinating the supply of inputs such as fertilizer and plant material but not as a continuous activity. These activities were totally stopped when the data was collected.

TABLE 10. ACTIVITY PERFORMANCE & SUSTAINABILITY INDICATOR VALUES OF SOs

SO	MEMB BENE INDICATOR	RANKING	SUSTAIN ABILITY	RANKING
HORAGLA SERVICE ORGANIZATION	0.17	V.WEAK	0.25	WEAK
ANINKANDA 'SERVICE ORGANIZATION	0.03	V.WEAK	0.18	V.WEAK
D/T SERVICE ORGANIZATION	0.07	V.WEAK	0.17	V.WEAK
MILLA ELA SERVICE ORGANIZATION	0.23	WEAK	0.25	WEAK
	0.13		0.21	WEAK

The SOs had involved in input supplies but such activities too had been stopped by the time the data was collected. The Diyadawa/Thenipita SO had started to provide plant materials using its funds but it was failed. They had further started to collect minor export crops to provide a better price for small farmers but it too had been totally failed and even the money that had been utilized for it was not fully recovered. Poor planning and low level of interest of OBs were the main reason for this failure. The Milla Ela SO had started a fertilizer selling center but failed in their difficulty to compete with the private sector. The Aninkanda SO too had commenced the activity of collecting minor export crops but one assistant catalyst who was given money to purchase them had neither collected the goods nor had return the money.

In regard to the provision of credit facilities, the Horagala SO had provided credit facilities to the Micro Hydro Power Users' Organizations and it had been successfully recovered as per the agreement. The effectiveness of the Micro-hydro Power Users' Organizations was the main reason for this. The SOs of Aninkanda and Milla Ela had provided credit facilities to individuals but they were not recovered. Those who borrowed money were not bothered about repaying them.

The project proposals given when the grants were provided to the SOs on the utilization of them were not even looked at.

6.2.3. Sustainability

The overall evaluation of the sustainability of SOs was at the level of Weak. The indicator value of the sustainability of the SOs is given in the Table 10. The sustainability of two SOs were at the level of Very Weak and other two were at the level of Weak. These organizations had performed very poorly in all the aspects and remained ineffective and namesake.

6.3. Conclusions

By the time the data was collected the 04 SOs formed in the Nilwala projects were found to be very weak and remained somewhat namesake. These organizations have been proposed and set up by the SCOR project with much good intentions. But it is doubtful whether they had been formed on felt needs of other organization that existed in the Nilwala watershed. The two type of organizations that existed in the watershed particularly the TSHDSs had their own institutional mechanisms and arrangements for the provision many of the services to the respective farmers. The question is if there was such a need for building SOs why they remain inactive and why the funds provided remain idling. It is equally true that if intended results are to be achieved both the SOs and other organizations must be strong and effective.

The other question is whether this kind of organizational arrangement is really necessary and whether the other remaining organizations themselves cannot help themselves in providing these services. For example, many of the organizations in the Nilwala watershed after receiving the grants started to supply many inputs they wanted.

On the other hand it cannot be seen that the SOs were fully absorbed into the existing organizational set up in the Nilwala watershed. Some people were used to call them as 'SCOR Organizations'.

The SOs are having their inborn weaknesses. Any organization detached from its membership cannot continue much longer. The members of the groups and organizations seemed to be achieved the membership in SOs automatically. Such automatic membership is very passive and not much aware of the organization and its activities. Continuity of such organizations for a longer period is doubtful. On the other hand as long as the membership is passive the tendency of the OBs is to work on their own. Their activities would not be transparent as the membership is not aware of them. On the other hand as the membership is too big it is difficult to have regular contacts with them and it is inimical to the organization in the long run.

Also, the leadership criteria of the SOs is not clear. Those selected remained in their positions and no one was interested in periodical selection of OBs. Not filling the vacancies of important OB positions in some SOs is a clear indication of the ineffectiveness of the SOs.

On the other hand the OBs were not much knowledgeable in what they should do as the activities of the SOs. They had started some activities only on the direction and persuasion of the SCOR personnel.

All the user organizations in the Nilwala watershed particularly the FOs and TSHDSs are agency initiated and supported. They cannot continue their own without the assistance from their implementing agencies as they are not voluntary organizations. This applies equally to SOs. They cannot survive on their own as they too are not voluntary organizations. At the same time they are comprised of the organizations formed under different implementing agencies and therefore it is a question who is directly responsible for the affairs of the SOs. They are registered under the Agrarian Services act but the DAS has no direct involvement in their affairs. At the moment the SOs are like orphans which have no direct support from any implementing agency. As a result these SOs totally depend on the SCOR project. As long as the SCOR project continue this would not be a problem as it coordinates those activities. If they are to survive after the SCOR project they should be deep rooted in to an established organizational arrangements.

Many of the weaknesses of the SOs emanates from their constitution itself. Constitutions of them have been prepared in order to fulfill the requirements to get the registration under the Agrarian Services Act without giving much considerations into some important areas resulting in some ambiguities. Such ambiguities exist on membership, selection of leadership, frequency of leadership selection, the composition of committee, to whom the SO is responsible etc...

At present the dependency of the SOs on the SCOR project is very high. The SOs have been formed by the SCOR project and the funds too are totally provided by them. The allocation of SO funds is done as decided by the SCOR personnel. Even the meetings are being held on the request of the SCOR personnel. Some OB positions remain vacant till SCOR personnel take the initiative to fill them. However, as there was no much attention of the SCOR personnel also in them at the moment they are fast declining. Gradually they have become only channels to pass funds. This has made them more weaker and namesake. They see money come and go through their organization as decided by others. The present situation was expressed by one of the OBs of a SO saying that 'You give us money and you take them back.' The SOs now exist only to do what the SCOR personal ask them to do.

It is doubtful whether these SOs would survive after the SCOR project period is over. They are a fine example of organizational dependency on an implementing agency and how inimical such dependency is. They now exist clinging to the People's company and may survive on it if the company succeed. Instead of the company is being developed on SOs as it was initially expected, the company has become the lifeline of SOs. Lack of monitoring of the SOs by respective SCOR personnel is also a main reason for the present state of the SO. It does not seem that SCOR personnel either have understood this situation or even if understood have an strategy for correcting the situation.

Chapter 7

Summary and Conclusions

Together with the summary of findings given in this Chapter a brief account of some aspects of the People's Companies is also included since they are supposed to be evolved through the existing organizational arrangements.

7.1. Summary

The RUOs that existed in 1994 before the commencement of the SCOR project had been weak and many had remained namesake. There had been 21 organizations when the SCOR project was commenced and only few out of them were functioning while others were declining. The overall performance of the RUOs was at a very low level. Out of the two type of RUOs that was the FOs and TSHDSs existed in 1994 the latter was declining faster and the overall performance level of them was much lower. Some of the TSHDSs that had been formed were already defunct and no longer existing at least for namesake.

Some progress had been achieved in the RUOs in many aspects under the SCOR project. While some organizations had been re-vitalized new organizations had also been formed where necessary. The total number of RUOs formed in the watershed was risen to 32 by 1997. Progress was more in the areas of organizational management and in the collection of funds. The organizations that remained namesake or inactive were re-vitalized and were engaged in the activities beneficial to their members. Many of these activities had been initiated by the SCOR personnel. The progress achieved in the TSHDSs were more in 1997 than the FOs. However, though there was much progress in the organizational management aspects, progress was low in regard to financial management and member benefit activities. However, it could be seen that the progress achieved in RUOs was gradually declining particularly very fast during 1997. Poor financial management and low level of involvement of SCOR personnel were the main reasons for this.

Resource user groups had been formed in the Nilwala watershed for the first time only under the SCOR project. Several type of groups totalling up to 106 had been formed from the beginning of the SCOR project either for single activity or for multiple activities. However, many of the groups that formed became defunct as there was no activity for them. Some others were defunct as their activities were failed. However, some of the groups were defunct after completing the given activities. In 1997 it was found only 20 groups existed in the Nilwala watershed.

The Company is supposed to be evolved through the evolutionary process of the existing organizational arrangements as a federation of the apex organizations of SOs. Formation of the company through the existing organizational arrangements had been a major challenge for the SCOR personnel since such proper evolutionary process was not taking place within the existing organizational arrangements. Particularly, as seen in Chapter 6 the SOs had been formed as an innovation of the SCOR project and were found to be very weak and remained namesake. The membership of them is not clear and they represent only a nominal membership. At present they totally depend on the SCOR project and act as tools to transfer grant money. The present involvement of the SOs in the company was taken place mainly by using them as channels to provide grants to the company. So the strategy followed in the formation of the company was to form it by SCOR personnel and then emboss it on the SOs. Rather than the company is based on them the SOs now depend on it for their survival. On the other hand many of the proposed future expanded activities of the company were supposed to be implemented by the SOs initially. The said involvement of the SOs in the Company is a deliberate one.

The extent of the involvement of the resource users in the formation of the company could be judged by the proportion of the total share contribution by the users to the capital formation of the company. Again this had been a major problem for the SCOR personnel due to the difficulty to collect the expected share capital from the users. One reason for the delay in the formation of company was also this difficulty of collecting the expected share capital from the users. The total amount of the user shares in the company so far amounted only Rs. 27,000. Therefore the rest of the necessary capital was collected from SCOR grants amounted to Rs.499,000 which had been interpreted differently. Thus the company had be basically formed with the grants provided by the SCOR project.

As the extensive and full-time involvement of the SCOR personnel was needed to commence and continue the company the decision making had been done by the SCOR personnel. The consent of the Board of Directors was sought afterwards. However, the present board of directors were being empowered gradually. But some responsibilities said to be given to Board members still were carried out by the SCOR personnel.

The other area that had been emphasized in the formation of the company was the collection of raw materials and other inputs from the resource users so that they would be directly benefited. Seemingly the present activity of the company of processing and bottling treacle is very aptly based on the raw materials provided by the resource users of the watershed. But the actual situation is somewhat different. The treacle is being supplied by few collectors who collect them from outside the watershed. Non of the resource users, group or an organization is involved in supplying the treacle to the company.

It is worthwhile to examine what benefit accrued to the resource users from the Company activities. If the return for the shares is taken it would not be much significant at the moment as the number share holders is low. What is more important at the moment is the benefits gained by the treacle producers of the watershed. They should get at least a better price for their production within watershed let alone becoming the share holders. But none of the treacle producers are the suppliers of the company. When some of the treacle makers of the areas were interviewed they denied any knowledge of the company. The directors themselves said that the treacle production in their area was not adequate to fulfill the demands within the watershed itself at least to fulfill the demand from local moonshiners. On the other hand the price given by the company is less than the market price within the watershed. Since the produce is less than the demand the price is high in the area and some directors themselves wondered how the company was able to get treacle at the present price. The benefits to the natural resource conservation from the processing of Kitul treacle such as increase of kitul trees etc.. so far explained in the documents are only assumptions at least at the moment.

Formation of a Milk Processing Company

Initial steps has been taken to form a Milk Collecting and Processing Company in the Nilwala watershed. It is being implemented now as a milk processing project and expected to be expanded as a company later. This project has been started by one WMC teamed with some catalysts in a haste without adequate discussing and involvement of the rest of the project personnel. The management committee comprised of initial 15 who funded the project said to be had taken the decisions regarding it. However, much of the activities and decisions taken by the WMC and the catalysts who had played a key role by investing substantial money by themselves. Though the project was said to be affiliated with the SO, it was commenced without any consultation with them. According to the way it had been formed it is reasonable if one may wonder whether it was a private enterprise of the WMC and the catalysts howevermuch their attempts were genuine. They had not only invested much funds but had appointed their family members as committee members and as workers of the project.

Project was started without a proper project plan and proposal. A proposal had been prepared with the objective of getting a SCOR grant but it had been revised over 5 times in order to fulfill the requirement to get the SCOR funds while the project was functioning. It was started without any feasibility study or market survey. There was no involvement of rest of the team members in the activity particularly those for enterprise development.

While much of these problems remained unsolved the SCOR grant was provided. But afterwards it was not possible to find out how the grant had been utilized as the necessary details were not available. They were not utilized as per the project proposal and many of the materials for which grants was allocated were not purchased. Heavy personal loans had been taken to make project running and they had to be repaid from the grant. Financial records were not maintained to know what exactly happened. The catalysts were seen later toiling to balance the accounts.

Serious marketing, production and management problems arose in the company and it was said that the project was running at a loss but the amount of could not be calculated as there was no proper maintaining of records. The milk that had been purchased said to have been disposed several times as sufficient number of bottles were not available.

The Milk Collecting and Processing Project provided a very bad experience for the catalysts who expected to continue in the project for sometime as project assistants or management assistants or in whatever names. After all this whole process created enmity, distrust, divisions and conflicts among the project members.

7.2. Conclusions

Out of the three type of organizational arrangements - the RUGs, RUOs and SOs - proposed by the SCOR project, except for the RUOs the other two had not progressed as expected by the project planners. The RUOs of which many remained dormant before the SCOR project had been re-vitalized and some had progressed fast though there had been some set backs later. However, the RUGs and SOs that had been formed from the initial stage as new organizational arrangements under the SCOR project had not progressed as expected, instead many were found to be defunct or remaining namesake. It is interesting to note that the RUOs were agency supported organizations while the RUGs and SOs were the SCOR innovations. The agency support for the RUOs was increased after the SCOR project particularly of the TSHDA. Also, they had taken some steps to institutionalizing them such as passing an Act in the parliament to accept them as legal bodies. The support from the SCOR project also was received for such actions. However, the full onus of building the RUGs and SOs were on the SCOR project therefore, they needed much support and guidance from the SCOR project itself for their continuity. Unfortunately many had not received adequate support and guidance from the SCOR project.

The low level of performance in the RUGs and RUOs does not reflect the actual physical progress since many of the conservation activities had been implemented with the direct involvement of the SCOR catalyst. Therefore, the physical progress might be more than the target achievements of the RUGs and RUOs. But still the importance of the organizational development cannot be ignored if the activities introduced and the benefits gained to be continued overtime after the withdrawal of the project.

The best opportunity to experiment, learn and gain experience in getting people's participation in watershed management in a different socio-economic setting like in the Nilwala watershed had been missed. Particularly it is so when the experience in organizational development in the wet zone of Sri Lanka is very limited. When looking at the different strategies followed in the formation of RUGs it could be seen that many a time those involved in organizational development were groping in the darkness without clear understanding.

In regard to the organizational development of the SCOR project the catalytic process, particularly the role of the catalysts need to be thoroughly re-examined. In fact some improvement of the performance of the catalysts could be seen in compared to the period of the early study. However, the catalysts seemed to be stranded between implementing activities and organizational development activities. It was observed that at least the initial guidance on proper conduction of meetings and on participatory decision making was not given to OBs by the catalyst. Sometimes it was observed that the catalysts and the OBs together were making decisions on natural resource management activities on their own while the rest of the members remained as passive onlookers. Instead of overall strengthening of the organizations more attention had been paid for organizational cosmetics.

Lately the catalysts' role was defined differently and they were seen engaged in preparing project proposals particularly for enterprise development expecting to continue in the service as long as possible. Since the present rate of payments made for the Catalysts was high to be included in such projects, discussions continued on how to maintain as much as low transparency both for farmers and other agencies about the inclusion of their payments which is a total contrast to the expected norms for catalysts. The chaos in the Milk Processing Project can be described as an outcome of those new roles expected from the catalysts.

It is time to re-examine the role of the assistant catalysts also. It was expected the assistant catalysts to assist the SCOR catalysts in their activities instead they had become the assistants to the latter. The SCOR catalysts put much of the burden of their work related to organizational development on the assistant catalysts as they were involved in other activities such as getting physical progress. But the assistant catalysts did not have much experience and knowledge on institution building and in turn it affected the organizational development process of the SCOR project. Some of the assistant catalysts were found to be idling.

It could be seen that the concept of assistant catalyst as expected under the SCOR project is grossly violated in the project. The popular mode of appointing the assistant catalyst was to select them among OBs of RUOs, or to appoint them later as OBs. This made easy for the catalysts to implement the activities through the respective organizations. But this had serious consequences in the organizational development. These catalysts had become paid OBs of the organizations to implement the activities given to them by those who paid them. Their position in the organizations was not voluntary. They were responsible to the SCOR project and not to the members, and were detached from their own members and the sustainability of the organizations was at a stake. For example, one FO in the Diyadawa/Thenipita which was supposed to be functioning better was almost collapsed after leaving one assistant catalyst from both of his positions as an assistant catalyst and as an OB of it.

Some of the assistant catalysts out of those who had become the OBs found to be misusing funds. One assistant catalyst had been provided with credit facilities by one SO to collect minor export crops. He had spent that money on his own and not repaid. In some sub-watersheds the records of the RUGs and RUOs were totally maintained by the assistant catalysts which too was inimical for those organizations.

It was revealed in early chapters that the funds that had been provided by the SCOR project had not been properly utilized by many RUOs and RUGs. Both the idling and misusing of funds could be seen in some RUGs and RUOs. The advantage of the SCOR project of having funds to be provided to RUGs and RUOs had been disadvantageous in many instances. There is a widespread trend not to repay the money borrowed from SCOR grants. Some are waiting till the project is over. Among them are few assistant catalysts. After all the overall fund utilization and financial management of the RUGs and RUOs was very unsatisfactory.

In the lack of much incentives for group work in the Nilwala watershed the RUO may be more appropriate for getting user involvement in natural resource management. The RUOs which are formal organizations with established rules, roles and functions and legal and institutional recognition might be more effectual in getting user participation in natural resource management than the RUGs which are informal. The natural resource management activities may be organized with less participation cost by the RUOs together with other member benefit activities. The groups can be formed under the organizations as their base level to assist the RUOs in these activities but it should be done not in a way of defensive or pretended mood as it had been done in some places. Whatever the initial motive, the formation of groups under the organizations by some catalysts was a better approach in this context. This should be continued with a real sense of responsibility by the catalysts.

The need of FOs in the context of Nilwala watershed is a question. The FOs have been formed to represent paddy farming which is not significant in the Nilwala watershed. Paddy cultivation is done in a small scale for domestic consumption while the main occupation of farmers is tea farming. FOs represent a small fraction of community which too is in turn members of the TSHDSs. Most of the FOs are affected with not much activity to be engaged in. Some are engaged in activities such as collecting tea green leaves, providing fertilizer to tea farmers which are necessarily under the purview of TSHDSs and the latter is in a better position to provide those services with subsidies and other easy term schemes provided by their implementing agency. Therefore, it is difficult for the FOs to compete with the TSHDSs in the long run.

The People's Company in the Nilwala watershed has been formed with much hard work and full-time involvement of the SCOR personnel and with the provision of grants. Much attempts taken by the SCOR personnel for the formation and the continuation of it is understandable. It is a baby fathered and nurtured totally by the SCOR project to be handed over to the resource users. The basic problem of the company is whether it would be able to sustain on the present organizational set up which is weak. On the other hand the resource users in the watershed would be detached from it if there is no much direct benefit from it for them. Company will not survive as a People Company as envisaged by the SCOR project unless it provides more benefits for the resource users such as better prices for their products by competing with the private sector.

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Indicators for M&E Study - User Groups and Organizations

indicators for the User Organizations

1. Organizational Management Performance Indicator (OMPI)

$$\text{OMPI} = \frac{SI_1 W_1 + SI_2 W_2 + \dots + SI_{11} W_{11}}{W_1 + W_2 + W_3 + \dots + W_{11}}$$

2. Financial Management Performance Indicator (FMPI)

$$\text{FMPI} = \frac{SI_1 + SI_2 + \dots + SI_5}{5}$$

3. Activity Performance Indicator (API)

API = Average Marks

4. Sustainability Indicator (SI)

$$SI = \frac{\text{OMPI} + \text{FVI} + \text{API}}{3}$$

SI = Sub indicator

W = Weight given to each indicator

The rating system applicable to these four indicators are

0.01	-	0.19	Very Weak
0.20	-	0.39	Weak
0.40	-	0.59	Average
0.60	-	0.79	Good
0.80	-	1.00	Very Good

1. Organizational Management Performance Indicator (OMPI)

The organizational management performance indicator is calculated as a composite value of the following 11 sub indicators SIs):

1. SI1. Membership Strength
2. SI2. Participation in Meetings
3. SI3. Participation in Activities
4. SI4. Collection of Fee
5. SI5. Record Keeping
6. SI6. Institutional Recognition
7. SI7. Legal Recognition
8. SI8. Horizontal Linkage
9. SI9. Vertical Linkage
10. SI10. Leadership Quality
11. SI11. Communication

Ranking and ascribing weighs to sub indicators

Each of the above sub indicators were ranked into 5 levels according to their importance in the organizational management. Next, these sub indicators were given weights according to their level of importance as follows.

Levels	Sub indicators	Weights
Level 1	Membership Leadership	6
Level 2	Legal recognition Record keeping Participation in meetings Communication	5
Level 3	Institutional recognition Participation in group activities	4
Level 4	Horizontal and vertical links	3
Level 5	Collecting membership fee	2

Type of data to be collected:

1. $SI1 = D2/D1$

D1 Number of farmers in the RUO area eligible for membership

D2 Number of members in the RUO

2. $SI2 = D4/D3$

D3 Number of members in the RUO

D4 Average number of members attended at last three meetings

3. $SI3 = D6/D5$

D5 Number of members in the RUO

D6 Number of average members participated in Organization group works.

4. $SI4 = D8/D7$

D7 Target collection of membership fee

D8 Actual Collection of membership fee

5. $SI5 = D10/D9$

D9 Target marks for essential records and the quality of records to be maintained. Marks are given as follows.

Record	Y/N	Quality of Records				
		0	1	2	3	4
1. Membership Register 2. Meeting Reports 3. Attendance Register 4. Cash Register 5. Correspondence						

Maximum marks - 20

0 = Very weak

1 = Weak

2 = Average

3 = Good

4 = Very Good

D10 Marks actually obtained by the RUO for the records maintained and their quality.

6. SI6 = D12/D11

D11 Maximum marks for institutional recognition. Marks are given in the following basis.

Recognition by one govt. Agency	= 2
Recognition by two Govt. Agencies	= 4
Recognition by more than two Govt. Agencies	= 6
Recognition by one NGO	= 2
Recognition by two NGOs	= 4
Maximum marks obtainable	=10

D12 Marks actually obtained for institutional recognition

7. SI7 = D14/D13

D13 Maximum marks obtainable by an organization for legal recognition. Marks are given on the following basis

Registration under the Section 56A (DAS)	= 6
Registration under the Section 56B	= 4
Maximum marks obtainable	=10
Registration as required for other social organization	=10

D14 Actual marks obtained for legal recognition

8. SI8 = D16/D15

D15 Maximum marks obtainable for horizontal linkages. Marks are given on the following basis:

No linkages	= 0
Linked to one parallel organization	= 1
Linked to two parallel organization	= 2
Linked to more than two parallel organizations	= 3
Linked to a SWRMT	= 2
Maximum marks	= 5

D16 Actual marks obtained by an organization for horizontal linkages

9. SI9 = D18/D17

D17 Maximum marks obtainable by an organization for vertical linkages. Marks obtainable are given below:

Linked with higher organization	= 2
Linked with sub councils/SOs	= 2
Linked with district committee	= 2
Linked with national level committee	= 4
Maximum marks	= 10

D18 Actual marks obtained by an organization for vertical linkages

10. SI10 = D20/D19

D19 Maximum marks obtainable by the President, Secretary and the Treasure for their leadership qualities. Marks given on the leadership qualities are as follows.

Leadership Traits	0	1	2	3	4
Acceptability Financial Transparency Democracy in decision making Ability to resolve conflicts Dedication					
Total					

(Maximum marks 20)

0 = Total absence

1 = Weak

2 = Average

3 = Good

4 = Very good

Marks served by the President, Secretary and the Treasurer will be divided by three.

D20 Actual marks obtained by the President, Secretary and the Treasure

11. SI11 = D22/D21

D21 Maximum marks obtainable by an organization for meetings and committee meetings held. Marks are given as follows.

Type of meetings	0	1	2	3	4	5
General Meetings						
Committee meetings						

Maximum marks - 10

0 = No meetings

1 = Annual

2 = Irregular (More than annual)

3 = Once in six month

4 = Quarterly

5 = Monthly

D22 Actual marks obtained on holding of meetings

2. Financial Management Performance Indicator (FMPI)

The Financial Management Performance Indicator is calculates as a composite value of following 5 sub indicators.

1. SI1. Fund Availability
2. SI2. Fund Utilization for Investment
3. S13. Fund Utilization for credit supply
3. SI4. Financial Record Keeping
4. SI5. Transparency

1. SI1 = D23

D23 Marks obtained for fund availability. Marks are given as follows.

Each Rs. 5,000 of grants	= .015
Each Rs. 5,000 of self earned	= .025
(Maximum points obtainable	= 1.00)

2. SI2 = D24

D24 Marks obtained for amount invested only if it gives profits. Marks are given as follows.

Each Rs. 10,000 invested	= .01
Multiply by	
Profits below 10 per cent	= 1
Profits between 11 per cent to 25 percent	= 2
Profits between 26 per cent to 50 percent	= 3
(Maximum points obtainable	= 1.00)

3. SI3 = D26/D25

D25 Total loans granted

D26 Total loans recovered

4. SI4 = D28/D27

D27 Maximum marks obtainable by an organization for financial record keeping. Marks are given as indicated below.

Name of the record	Y/N	Quality of records				
		0	1	2	3	4
1. Cash Book 2. Ledgers 3. Receipts/Vouchers 4 Accounting reports (budgets)						

Total marks - 16

0 = Very weak

1 = Weak

2 = Average

3 = Good

4 = Very Good

D28 Actual marks obtained for financial record keeping.

5. SI5 = D30/D29

D29 Total marks obtainable on the frequency of communication of financial transactions. Marks are given as below.

Inform general members monthly 10

Inform committee members monthly 4

Inform general members quarterly 6

Inform general members 6 months 5

Inform general members annually only 4

Total marks obtainable 10

D30 Actual marks obtained on the frequency of communication of financial transactions

3. Activity Performance Indicator (API)

The Activity Performance Indicator is calculated on the total marks received as follows.

1. $SI1 = D32/D31$

D31 Marks for activities that bring benefit to members. Marks are given as below.

Communication	=	1
Input coordination	=	1
Input supply	=	2
Credit supply	=	2
Marketing	=	4

Multiply by the satisfactory level of

Weak	=	1
Average	=	2
Good	=	3

Total marks = 30

D32 Marks obtained for activities that brings benefits to members.

4. Sustainability Indicator (SI)

The Sustainability Indicator is a composite value of the three Indicators described above.

1. SI1. Total marks for OMPI

2. SI2. Total marks for FMPI

3. SI3. Total marks for API

Type of Analysis

$$SI = \frac{OMPI+FVI+API}{3}$$

Indicators for User Groups

Groups are evaluated on one indicator of 'Group Performance Indicator'.

The group performance indicator is a composite index of following sub indicators.

1. SI1. Holding meetings
2. SI2. Participation in Meetings
3. SI3. Participation in Group Activity
4. SI4. Leadership
5. SI5. Record Keeping
6. SI6. Financial transparency
7. SI7. Organizational Links
8. SI8. Achievement of Targets

$$GPI = \frac{SI1+SI2+.....SI8}{8}$$

The rating system applicable to this indicator is

0.01	-	0.19	Very Weak
0.20	-	0.39	Weak
0.40	-	0.59	Average
0.60	-	0.79	Good
0.80	-	1.00	Very Good

1. $SI1 = D2/D1$

D1 Total marks obtainable for holding group meetings

Marks are given as follows

0 = No meetings

1 = Annual

2 = Irregular (More than annual)

3 = Once in six month

4 = Quarterly

5 = Monthly

D2 Actual marks obtained in holding meetings

2. $SI2 = D4/D3$

D3 Number of members in the RUG

D4 Average number of members attended at last three meetings

3. $SI3 = D6/D5$

D5 Number of members in the RUG

D6 Number of average members participated in group works.

4. SI4 = D8/D7

D7 Maximum marks obtainable by the Group Leader for his leadership qualities. Marks given on the leadership qualities are as follows.

Leadership Traits	0	1	2	3	4
Acceptability Financial Transparency Democracy in decision making Ability to resolve conflicts Dedication					
Total					

(Maximum marks 20)

0 = Total absence

1 = Weak

2 = Average

3 = Good

4 = Very good

D8 Marks actually obtained for leadership traits.

5. SI5. = D10/D9

D9 Target marks for essential 3 records and the quality of records to be maintained. Marks are given as follows.

Record	Y/N	Quality of Records				
		0	1	2	3	4
1. Membership Register 2. Meeting Reports 3. Cash Book						

Maximum marks - 12

0 = Very weak

1 = Weak

2 = Average

3 = Good

4 = Very Good

D10 Marks actually obtained by the RUG for the records maintained and their quality.

6. SI6. D12/D11

D11 Total marks obtainable on the frequency of communication of financial transactions. Marks are given as below.

Inform the members monthly	10
Inform the members quarterly	6
Inform the members 6 months	4
Inform the members annually only	2
Total marks obtainable	10

D12. Marks actually obtained by the RUG for financial transparency

7. SI7. = D14/D13

D13 Maximum marks obtainable for organizational links. Marks are given on the following basis:

No linkages = 0

Linked to other parallel groups = 1

Linked to a higher organizations = 2

Linked to the SWRMT = 2

Maximum marks = 5

D14 Actual marks obtained by an organization for horizontal linkages

8. SI8. = D16/D15

D15 Data on group targets based of the objectives

D16 Data on group target achievements