

# **AN EVALUATION OF THE THUSANANI PROJECT**

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## INTRODUCTION AND METHODOLOGY

The National Development Agency (NDA) has approached the Community Agency for Social Enquiry (C A S E) to conduct an evaluation of the Thusanani Christian Association of Disabled People. Thusanani was established in 1985, with the goal of providing skills and employment to the target group of physically disabled people in Venda. Currently it employs up to 50 disabled people. Thusanani has to date implemented projects such as training in woodwork, welding, and sheet metal production.

The Transitional National Development Trust (TNDDT), the precursor to the NDA, provided Thusanani with funding that allowed it to purchase equipment and a truck and to hire a trainer to teach disabled people to make furniture. Thusanani has applied for additional funding to expand its operations and develop a second workshop in the region at a different site. Before approving this funding, the NDA wishes to ascertain whether the existing business is functioning well, and is well on its way to becoming self-sustaining. It is risky to invest in expansion if the business is still dependent on donor funding to survive.

The existence of Thusanani has been and continues to be informed by the following factors:

- Lack of adequate services and service providers to cater for the needs of disabled people
- High unemployment rate generally and particularly in the Northern Province. Currently there are 200 disabled people on the waiting list to be employed by the project
- Difficulties that disabled people face in entering the job market.

Faced with these conditions, Thusanani aims to contribute to addressing needs in a holistic manner, by taking care of the special needs of people with disability as well as by enhancing the development of entrepreneurial skills in the region.

This study examines the experiences of staff members and beneficiaries of the programme and the context within which they operate. It looks at their aspirations and the use made of the grant received from the NDA. In particular the aims to gain an understanding of:

- Perceptions of the programme's impact on and contribution to economic and community development in the region
- The extent to which Thusanani is perceived by actual and potential beneficiaries as helpful in training and transfer of skill for employment or establishing one's own business
- Viability of the programme and its ability to raise self generating income
- Prospects for expansion

Information for the study is derived from in-depth interviews conducted by a C A S E researcher in the Northern Province. The researcher visited Thusanani centre at Sibasa near Thohoyandou. Interviews were conducted with full-time staff members including two trainers, one workshop staff members, the director and seven employees.

## **THE FINANCIAL MANAGEMENT SYSTEM**

Overall financial management rests with the Director, who deals with all expenses, such as salaries, accounts, rent and utilities. Procedures are clearly outlined to ensure the smooth running of the finances and guide staff members. There is a clear process for requisition, submission of receipts, handling of petty cash, ledger book and cash-book. The organisation proves to be efficient in dealing with financial matters and there is a good system of financial accountability. The Director noted that the books were being audited by Majid Gani chartered accountant on an annual basis. An annual budget variance report, showing actual income and expenditure compared with the budget, is drawn up and presented to the executive committee. This helps the organisation to monitor progress and spot potential problems. The report is prepared at the beginning of each financial year.

The executive committee of the organisation and the Director take responsibility for financial control to ensure that:

- The organisation meets funders' requirements (have separate audited accounts)
- There is a funding register that records each and every funding agreement
- An annual audited financial statement is presented to the AGM
- Reporting is done on time to funders
- The bank balance is received regularly
- All payments are made by cheque
- All cheque returns and cancelled cheques are filed with the accompanying documents
- All cash payments are made out of the petty cash and is monitored
- Quarterly income and expenditure accounts are prepared
- The bank statement is checked item by item against the cash-book
- All accounts are opened in the ledger book and posted from cash-book on a monthly basis.

## **COMMUNITY PARTICIPATION**

The project is community based and it enjoys the support of leading figures in the affairs of the neighbouring communities. The project enjoys political legitimacy in the communities because it is responsive to community needs. The Board of Trustees comes from the local community, making it accessible and the leadership directly accountable to the people.

The Director reported that every project has an elected management committee, which works with his office to sort out any problems that may arise. In the process of moving towards the role of grant administrator, Thusanani plans to set up reporting and accounting systems necessary for decision-making to be localised.

Workers are represented within the management structure. Interviews with some of the workers confirmed that they felt they belonged in the organisation and interacted with management on a regular basis. Most of them indicated they were satisfied with the system applied and that Thusanani has become a driving force in ensuring community economic empowerment.

Thusanani's role has become increasingly that of a grant administrator, ensuring that projects have clear benchmarks in place and that the technical specifications contained in the grant agreements are adhered to. Its focus is on providing business to the community, providing technical skills to the employees and facilities to community members, in order to facilitate a sense of ownership and enhance the skills of existing businesses.

The Director indicated that community members use computers, telephones and the fax machine at the centre. The widespread poverty and inadequate access to infrastructure and services in the region mean that most people have no other way of accessing these facilities. The director regards Thusanani's willingness to assist as a factor in building bridges to the community.

## **TRAINING**

There are two trainers at Thusanani. They conduct training in woodwork, sheet metal, and welding. The training helps provide disabled people with skill and a potential source of income. The trainers pointed out that the training is different from what trainees are used to. The design and approach to the subjects is skills-based rather than content-based, and trainees were having difficulties with this paradigm shift from school based learning. In addition, trainers are facing several constraints: workers have varying degrees of educational backgrounds, work at different speeds, and face various socio-economic challenges. Trainers felt that a placement instrument should be used to identify the particular needs of prospective workers and devise a way to address (possibly through a bridging course).

Despite these difficulties, the trainers maintain that the basic course has made a real difference in the lives of the disabled people. They proudly mentioned that some of their graduates have been able to gain formal employment and succeed in business. They added that they received numerous reports that their products were highly professional.

The Director on the other hand holds the view that the training provided is insufficient. He raised concern with regard to the content of the training that produces limited outputs. He indicated that most of their trainees are still unemployed and struggle to get employment in the open market system. He suggested a more theoretical and business skills training would enable the trainees to gain employment or start small projects for themselves.

It is obvious from the above that there is no standardised and agreed upon training programme. The trainers have designed a training package out of various materials, without identifying specific outcomes and benchmarks. According to one of the workers, the training was not

relevant to what he was doing at the moment. It was too general and lacked intended outcomes. He claimed to have acquired skills from the actual practice and knowledge from colleagues. A number of workers indicated that they did face problems in finding employment. Despite having acquired some skill, they did not manage to impress potential employers sufficiently to overcome prejudice and the disadvantages of disability.

The Director has appealed to skilled members of neighbouring communities to help with the training. He indicated that the aim of the project is not to give disabled people jobs, but to empower them. Disabled people should be able to start small businesses and create jobs for themselves and other community members. Their training package should therefore provide a more focused, efficient and effective programme. He admitted that this aspect of the project should be restructured to address the needs of the target audience more realistically.

## **CAPACITY BUILDING**

The Director reported that the organisation does not have sufficient and qualified staff, and that most of them did not have prior training or experience in community development, and project and financial management. Most staff members involved in projects were appointed on the basis of their disability status rather than their practical experience, and they suffer from lack of capacity to deal with income generating projects.

Other staff members reported that they were not trained properly in the subject and do not have a clear understanding of what is expected from them. They proposed a workshop where they could be trained in basic business management skills, such as budgeting and planning, and in turn impart knowledge to the people involved in the income generating projects they initiated.

According to the Director, office staff members need training in basic business skills including marketing and accounting. This need was identified and presented to the TNDT. The organisation has also submitted a funding proposal in this regard. The TNDT approved the budget, but has not yet provided the funding. Once received, this will enable the organisation to provide training for staff members and increase its capacity to operate professionally.

The Director indicated that they received funding from other donors, and would use the NDA funds specifically for training and capacity building. This would be particularly important as they are planning to expand the programme to other localities and allow access to disabled people who cannot reach the centre at the moment. In addition, they would like to improve the quality of their workshops and training and ensure that trainees develop their business and entrepreneurial skills in order to start their own businesses. Currently workers make little money (R448 a month on average), because of low productivity. This forces them to get subsidies from the organisation and puts them in debt, and the only way to avoid that is by boosting their productive and business skills through further training.

The Director indicated that since the introduction of the disability grant by the government their production declined. According to him many disabled people are no longer motivated by the project, whereas before the introduction of the grant workers were more determined and committed to their work. To counteract this attitude, he proposed that training be followed up by a process to ensure that people are able to implement the skills they have learnt, through one-on-one tutoring and linking them with relevant institutions. This will ensure a long-term relationship with workers trained, and make Thusanani able to deliver more effectively as well as provide a measure of evaluation and monitoring activities and impact of the programme.

## **PRODUCTION**

Sales figures in the last six months are as follows:

- The amount of the lowest monthly sales was R15,726.21 in April 2000
- The average monthly sales were R43,738.64
- The highest sales were R54,062.46 in March 2000.

The Director indicated that the reasons for these fluctuations were the floods in the Province at the beginning of 2000, and the amount off money due that was held by customers. The best-selling products at the workshop are the fit-in kitchen units, which are in demand due to the high quality of the raw materials and production, and form approximately 70% of sales. On average, raw materials account for 50% of the cost of production. Based on the quality of the products and their clients, Thusanani management feels that the programme can sustain itself without donor funding, though assistance in training, marketing and logistics (such as transport) is still needed. They cannot understand why some disabled people prefer to depend on the grant than to make a living from working and producing.

## **MARKETING**

Thusanani's target market is the community as a whole, relying on the relatively high quality and low cost of the products compared to similar offers in retail shops. Marketing strategies, in which staff members have made input, include:

- Posters placed at strategic points, such as shopping centres, schools, and tribal offices, to ensure maximum exposure
- Pamphlets explaining what Thusanani means, using clear writing in the vernacular with an English version as well
- Presentations at community gatherings, to ensure that Thusanani is well known and its goals understood by the community
- Spreading a message to friends, relatives and neighbours, and distributing pamphlets at staff members' respective localities



- In some villages staff members attended community meetings and requested a slot on the agenda
- The Chair of the Board of Trustees helps in forging links with other businesses and assisting in marketing their products
- The government tender process was used to try and sell furniture to departmental offices
- Advertisements were aired on the local radio station for publicity purposes.
- Overall, the Director stated that they have done their best in disseminating information to neighbouring communities.

## **SUSTAINABILITY**

Changes in the overall economic environment, including policies of international and local donors, government policies and labour relations, have forced many NGOs to re-think their strategies and programmes. This is true for Thusanani as well. To enable it to respond to new challenges, its management has realised the need to shift from operating as a self-help project to focusing on developing entrepreneurial skills. This is viewed as a way of enhancing the prospects of job creation and economic development. Implementing this shift requires on-going human and financial support. Thusanani has devised mechanisms to ensure the sustainability of its course. Some of the strategies developed include:

- Developing and strengthening relationships with international donors, with the goal of securing funding
- Thusanani has succeeded in securing financial support from local government, and is trying to secure funding from SMMEs desks, other government departments and the private sector
- Profits made from selling products put the organisation in a better financial position
- Thusanani has managed to secure contracts for its employees as an income generation mechanism through woodwork, sheet metal, and welding.

On the basis of these achievement the organisation is fairly confident of its ability to sustain its operations for the next five years.

## **MONITORING AND EVALUATION**

Thusanani has developed an internal system to ensure that programmes and progress are being monitored and the information captured appropriately. This includes monthly plans, annual plans, reports, minutes of internal and external meetings, monthly financial reports, audited financial statements, inventories, publications, and organisational and impact evaluations.

The Director of the organisation is in charge of ensuring the effective utilisation of the monitoring system. The Director is responsible for managing funds and for financial reporting. The executive committee ensures overall monitoring.

Thusanani has a management advisory committee comprising of two representatives from each of the three projects: tuckshop projects, woodwork and sheet metal. These representatives meet once a month. Every meeting is open to participation on the part of the workers, who may contribute items to the agenda. At meetings workers are requested to report achievements, problems encountered and suggested solutions to the problems. Other issues that are normally discussed pertain to finances, conditions of service, and worker performance.

Workshops are arranged as part of an organisational evaluation. One board member is required to attend the workshop in order to give direction and respond to issues of policy and governance. The training officer complained that in most cases these workshops addresses bread and butter issues – such as salary raises and more benefits for the workers – rather than strategy.

Thusanani measures its success through outputs and throughputs. Products must generate income for the business to prosper. Trainees are judged in terms of their marketability at the work places. One has to be absorbed by the labour market for the training to be considered successful.

## **CONCLUSIONS AND RECOMMENDATIONS**

Overall the evaluation of the project is very positive, in that it has managed to provide useful training, create temporary employment for a number of disabled people and help them secure employment elsewhere. Thusanani has diversified its sources of funding and is managing to market its products. A waiting list of people who want to be trained and employed by the project provides an indication of the contribution it has made to the local community. The initial funding given by the TNDT seems to have been spent well.

On the less positive side, concerns have been raised regarding the training, which has not allowed all trainees to find employment or open their own businesses. They are still struggling and many disabled people in the neighbouring communities prefer to rely on their disability grant for survival. The wages paid for trainees are low and apparently insufficient as an incentive to engage in the work, particularly when job or business opportunities for graduates of the training are meagre.

Additional concerns were raised by some trainees about the quality of the training, which was too generic and abstract and did not always provide specific skill relevant to the tasks at end. There was a call from both workers and management to focus on the development of business and entrepreneurial skills to empower workers to open their own businesses.

One of the problems in this regard, which does not stem from any deficiencies in the project itself but affects its success, is the nature of the labour market and the economic environment in the region. Given that the possibilities of finding employment are limited, due to the shortage of potential work-places and limited market for the products of the workshop, training is clearly not

sufficient on its own as a means to alleviate poverty. If people are trained and acquire a skill, which then does not allow them to gain employment or earn an income, it is likely that the training will not be regarded as very useful. People may still prefer it to doing nothing (because it is always better to acquire a skill – even if not immediately useful – and get paid something in the process), but in the long run the operation will not be sustainable.

This situation has implications for the funding requested to expand the operation by opening another branch somewhere else in the region. It seems risky to invest in the opening of another training centre, when the outcome of the training in the original centre is in doubt (even if there is demand for such training). If the beneficiaries of the existing training programme, which is based in the only significant urban centre in the region, struggle to find employment and face great difficulties in opening their own businesses, it is unlikely that trainees based elsewhere will be more successful. This is not only because of the overall shortage of jobs, but also because success in business requires that a clear target market be identified and that a strategy to meet the demands of that market be developed. Neither of these requirements has been addressed so far, and in their absence there is no point in sending more trained people into a labour market that cannot provide them with jobs or business opportunities.

Calls made by the Director and some trainees for a training package that is more focused and effective should be heeded. The Director argued that that the training should be restructured to address the needs of the target audience more realistically. To encourage people to take part in the project, he proposed that training be followed up by a process to ensure that people are able to implement the skills they have learnt, through one-on-one tutoring and linking them with relevant institutions.

It is therefore advisable not to fund a new training centre, and rather focus on strengthening the existing programme. This can be done through:

- Including business management (and possibly job search skills) as integral part of the training provided by the project
- Setting up a follow-up programme to help trainees find employment or open up businesses
- Linking up with other service providers (Department of Labour, SMME agencies) to help make the training relevant to the needs of beneficiaries, taking the regional labour market and business environment into consideration. The NDA may help facilitate this process, and thus allow Thusanani to restructure its programme in a way that would meet the needs of its target audience more effectively.