Stages in the Life Cycle of a Development Project

The development project begins as an idea in a leader's mind. From then on, it passes through several stages. The stages and the processes in the stages are briefly described below.

1. Project Idea

The leader analyses the current situation and the possible alternative solutions. He then discusses the alternatives with various stakeholders and arrives at the feasible solution. It is generally during this phase that the leader undertakes a wide ranging consultations, both with the target communities and his contacts. There are two results of this process:

- The evidence required to justify the project is gathered and the logic is refined to defend the project idea.
- The critical support required for the idea to be implemented is also generated in the process; which would ease the process of implementation after the project receives adequate resources.

In some cases, gathering the evidence itself could be resource intensive. In such cases, the evidence is gathered after building a preliminary case for the project from the secondary sources.

The process of generating the critical support for the project idea could involve getting the idea across in the informal discussions at various places including the village centre, Panchayat, discussion with the village elders, sounding out with the teachers or doctors in the village, discussing with the present actors in development, etc. The process could also involve generating approval of the academic community and practitioners by publishing the idea in seminars, workshops and mass media. If it is a new idea, attempts will have to be made to look at the closest possible parallel and then articulate the learnings. Another manner to generate the critical support could also involve taking up a pilot in very small scale and demonstrating the feasibility of the idea. Inviting the attention of the district level officers to the pilot could also be involved in such a case. This stage also involves the search for a suitable donor for the idea and the priorities of the donor.

2. Project Proposal

After the project idea gets sufficient critical support from the relevant environment, the champion of the project goes to write the project proposal. The processes involved in this phase are:

- Refining the justification for the proposal and developing the log frame. The justification involves answering the following:
    - Why is solving the problem very important and utmost urgent?
    - Why is the proposed solution the best method of solving the problem? What alternatives were considered and rejected?
    - Is the project technically feasible with the level of technology involved?
    - What are the costs and benefits of the project?
    - How does the project contribute to equity?
    - Would the results of the project be available after to the target communities after the completion of the project?
    - What are the possibilities of elite capture in the project? How can elite capture be avoided in the project?
- Justifying how the organization is suited to execute the project (the work that was done previously and how that previous work dovetails into the new project).
- Working out the institutional arrangements (both the CBOs and the proposed implementing NGO) and the details of the works involved
- CB requirement of the proposed (or existing) staff.
- Working out the funds requirement
- Monitoring and reporting arrangements proposed, along with the cost thereof.

3. Submission of project proposal, presentations and appraisal

The process involves tailoring the project intervention logic to the one supported by the funding agency. (How would the funding agency benefit by sanctioning the project? How does the proposed project contribute to the objectives of the Funding agency?) The presentation also involves defending the proposal, the institutional arrangement, the schedule of implementation and the budget involved. On the other hand, the funding agency would want to negotiate for faster implementation at a lower cost. There would also be some negotiation between the NGO and the funding agency regarding the instalments of release of the funds.

The funding agency would undertake a review of the justification of the project, and the way in which the proposed project contributes to their aims and objectives. The funding agency would also judge the suitability of the NGO to implement the proposed project in a satisfactory manner. The processes could involve the funding agency visiting the NGO and a visit to the field to study the field situation.

4. Approval of the Proposed Project

After a favourable appraisal, the funding agency approves the project. The processes that follow are

- the signing of a memorandum of agreement ("terms of reference") between the NGO and the funding agency, and
- the submission of a Project Inception/Initiation Report by the NGO stating that the NGO has taken steps necessary to start the implementation of the project.

The agreement generally contains the details of the records to be maintained by the NGO and financial/procurement procedures to be followed.

5. Release of funds, execution and submission of reports

After the project inception report is submitted, the first instalment of the funds are released by the funding agency and the NGO starts the work. The NGO recruits the persons required and acquires the assets. The best practice is to spend some time in quickly gathering the baseline data and disseminating the report. In the process of execution, the NGO needs to maintain all the records as per the agreement or the best practice. Care should be taken to see that the funds meant for a project are not used to meet the expenditure under some other project. The NGO will have to submit regular utilization certificates (in the form suggested by the funding agency) regarding the money spent.

The head of the NGO or the project coordinator will have to devise ways to regularly monitor the project. While the project activities would be in progress, the NGO should submit periodic reports (financial and progress) to the funding agency and relevant other stakeholders as per the agreement and best practices accepted. The reports could also include some case studies to highlight the activities and early results of the project activities.

Some decisions during the implementation phase could require the concurrence or approval of the funding agency or a designated (approved) expert. In such cases, the NGO will have to obtain the approval as required and file a copy of such approval. In some other situations, the funding agency may ask the NGO to notify it of some developments like the qualifications and experiences of person in-charge of the project or the leaders of the CBOs. NGOs would do well to submit these reports promptly.

6. Inspection of accounts, monitoring and action taken reports

The funding agency could request all the vouchers and receipts, along with all the financial records to be sent to their office or depute an accountant to inspect the accounts at the NGO's premises. Some funding agencies make field visits to verify the accounts and check the progress of implementation.

Many a times, the visitor may not understand the language of the target community. In such cases, the NGO may have to hire a translator if the head of the NGO or the project coordinator cannot interact with the visitor easily. Where the services of a translator are hired, the translator would have to be briefed about the project beforehand so that the context is appreciated by the translator.

The general practice of the funding agencies is to send a reporting highlighting the concerns in the implementation of the project and suggestions for improving the results. The NGO needs to submit its considered opinion regarding the observations made by the visitor and its plans to implement the suggestions. After sometime, the NGO will have to submit an 'action taken report' to the funding agency highlighting how the suggestions made by the visitor were implemented.

7. Project completion

Towards the end of the project period, the NGO negotiates with the funding agency for some more time to spend the unspent amount or converting the unspent amount as corpus of the NGO/CBO. The NGO also negotiates for an extension of the project (breadth or depth) at the stage.

After the project implementation is complete, the NGO gives the funding agency a project completion report. Depending on the method in which the unspent amount is to be handled, the amount may have to be refunded to the funding agency.

8. Impact assessment and dissemination of learning

In most cases, the completion of the project is followed by an impact assessment. In case of a larger project, the impact assessment is a detailed exercise. Otherwise, it could be a small exploratory study. However small the project be, the NGO would do well to document the impact of the project with photos, case studies, graphs, and observations of visiting dignitaries.

The current emphasis is on the learning. Hence, the NGOs could participate in some seminar and bring out the learning from the implementation of the project. Such efforts would improve the credibility of the NGO. When properly backed by a survey of literature on the subject, the learnings get appreciation of the larger world. With this, the practice could lead to theory.