

Report TECHO - Accountable Now 2017

1. Overall convincing theory of change, strategy and evidence of impact achieved.

Nowadays, Latin America is the most urbanised and unequal region in the world, with 80% of its population living in cities. Even though urbanization is a consolidated phenomenon in the region, it is projected that the percentage of population living in cities will continue to grow to 86% in 2050. This poses direct challenges to the construction and promotion of the right to the city, with a focus on safeguarding the social function of the land, basic services, among other things, in a regional context where 104.9 million people live in informal settlements, which represents close to 25% of the urban Latin American population (UN-Habitat, 2016). In this context, TECHO considers informal settlements as the maximum expression of poverty in the Latin American region and focuses on working directly to transform this reality.

We are convinced that the continuous work with volunteers and the settlement's inhabitants generates a positive change in society, in the constant search for overcoming poverty, justice, equality and integration for all. TECHO's strategy with regards to direct work in informal settlements is based on the sense of urgency of the situation in which 104.8 million Latin Americans live. From this perspective we construct a community work strategy in order to lead the action between the volunteers and the residents of the settlements. The theory of change starts from the basic need to strengthen community capacities and improve the dimensions of housing and habitat as fundamental aspects and constituting TECHO's community work goals at a regional level. The expected result of this is focused on improving the quality of life of the population and promote the development of settlements in an integral way.

The first state of TECHO's strategy is a thorough exploration of the territory in order to locate and characterize priority areas of work, resulting from direct dialogue with the key informants in the settlements. With the decision to work together with a settlement, community planning is carried out to guide initiatives and projects that improve the quality of life of the population with a focus on the aspects of housing, land tenure, water, sanitation, infrastructure projects, organization, identity participation and networks, considered that these are significant enough to transform the territory and strengthen the capacities of the population. After finishing the community planning its component initiatives, an evaluation process is developed together with the community in order to identify the main advances of the joint work and decide renewal or completion of the work.

Achievements and impact

- More than 1,000,000 volunteers mobilized in Latin America

- 114,487 transitional houses built
- 634 communities with ongoing projects
- 420 community-organized meetings active
- 1,450 community representatives constantly participating in work spaces
- 884 community centers built
- 6,733 social transitional houses built
- More than 5,000 settlements analyzed in 9 countries
- More than 5,400 settlement homes analyzed
- In Argentina¹, direct impact on the size and quality of built housing, reduction of critical overcrowding, reduction of critical overcrowding (more than 3 people per environment). Improvements in dimensions of privacy, security, interpersonal relationships and mood. In the dream dimension, housing reduces sleep interruptions. In addition, the housing program has determined an increase in the percentage of households with children between the ages of 6 and 17 that now benefit from a quiet place to study. Therefore, TECHO housing not only produces an improvement in living conditions, it also increases children's opportunities in the long term.
- In Mexico², impact on the quality of housing in the dimensions that correspond to the number of rooms, walls, floors, roofs, windows. Significant improvement in the perception of the quality of life by the population.
- In El Salvador³, impact on the quality of housing in the dimensions that correspond to the number of rooms, walls, floors, roofs and windows. Significant improvement in the perception of the quality of life and security of the population.
- In Uruguay⁴, impact on the quality of housing in the dimensions that correspond to the number of rooms, walls, floors, roofs and windows. Significant impact in the perception of the quality of life of the population.
- In Haiti⁵, impact on the quality of housing in the dimensions that correspond to walls, floors, roofs and privacy. Impact on the experiences of sleep in relation to previous housing.

2. Evidence that key stakeholders are well identified, continuously included in all stages of work and have shown good engagement and ownership.

TECHO's work model is based on the linking of diverse actors that develop a virtuous cycle around work in the communities and that takes place through the connections that are generated in the interaction process between them.

In a simplified way we can identify the main actors in the following categories:

¹ Impact assessment by Universidad Católica Argentina

² Impact assessment by J-Pal Latinoamérica.

³ Impact assessment by J-Pal Latinoamérica.

⁴ Impact assessment by J-Pal Latinoamérica.

⁵ Impact assessment by Home Plan.

- a) Community organization: Consisting of the different internal articulation requests of the communities in informal settlements. These range from the teams of leaders that make up the community-organizing meetings, through the commissions that develop projects, to the specific participation of neighbors in specific initiatives that take place in their community or in other communities.
- b) Volunteers: Principally consisting of young people that work actively alongside the communities and who are the basis of TECHO's citizen participation philosophy. Most are university students and residents of the communities, however there are also volunteers from companies and other organizations.
- c) Networks of organizations: Consisting of social organizations that directly support community work, through partnerships or joint project development. These organizations include foundations, companies, universities, among others.
- d) National and subnational governments are key actors in the development of the community work, directly involving themselves through the adaptation and implementation of public policies and social programs, as well as supporting initiatives that are raised at the community-organizing meetings.
- e) The strategic partners actively contribute with the economic and material supplies needed for community work. These partners include private and public actors from within or outside the country, who provide the necessary resources for the development of projects.



The groups of volunteers and community organizations are at the heart of TECHO's work in general and its community work in particular, and its effectiveness depends on the effective involvement of other actors. In this sense, we consider that the virtuosity of this work between actors produces connections that give rise to a process of integration and social development that strengthens each of the actors separately, the set of actors and contribute to a better social dynamic. The connections that we have identified in our work are as follows:

- a) Material support that is transferred among different actors, especially becoming crucial in improving the conditions of habitat and habitability of the community based on the active contribution of the various actors.
- b) Transfer of knowledge between the different subjects who make available their diverse social capital and develop new, cognitive, technical and social skills.
- c) The actors involved in building a virtuous cycle of relationships expand their networks within the same cycle and beyond, through a process of expansion of the networks that are involved in community work.
- d) They identify new development opportunities for initiatives that involve the different actors associated with the community work and, therefore, new and diverse opportunities are opened that continue to strengthen the work cycle.
- e) The connections strengthen a broadened social communication capacity that allows for the contribution to social awareness about the problem and the involvement of new actors.

In this sense, we consider that the heart of the work between volunteers and communities, reinforced by the connections that are developed through the involvement of new actors, has the capacity to generate an expansive effect that is giving rise to the involvement of new social agents and contributing to the transformation of society based on the participatory work of the most excluded in society.

3. Overall evidence that the organisation has an effective and responsible governance and management (i.e. is well-run).

TECHO is an organization present in 19 countries in Latin America and the Caribbean, with its HQ located in Chile, the country where it was born in 1997. From

the International Office (HQ), TECHO plans, organizes, develops and monitors its programmatic proposals throughout the region.

It should be noted that, at the legal level, the local offices that make up the TECHO sphere of influence are related in various ways to TECHO International (foundations, associations and independents with a cooperation contract). In any case, they are united by the homogeneity of their mission, vision, values, strategic objectives etc. Being in practice a single organization towards external and internal agents.



The International Office is composed of Operative Units (areas) that are directly linked to their local counterparts, guaranteeing that TECHO works with quality operational processes in the 19 countries and more than 60 cities across the continent. Furthermore, the International Office has a team of Regional Directors who are direct leaders of the general directs of each of the countries. In this way, TECHO works in a matrix and directly from the International Office together with the heads of the local offices in order to guarantee the success of the management and also the sufficient standards of work. This is the way in which TECHO guarantees governance in each of the countries and generates spaces for consensus throughout the network

The Regional Directors and Directors of Operating Units meet approximately every four months in Chile for two weeks in order to articulate the work on the terrain and establish accompaniment guidelines in the different teams

Annually, a Meeting of General Directors in Chile takes place where the directors of the countries and the International Office as whole meet.

TECHO guarantees good management with a series of indicators (KPI) that are reviewed biannually by the different operational units of the International Office. They review what has been planned, re-plan if they deem it necessary and then analyze the various deviations in order to make strategic decisions that have a positive impact on organizational management. These indicators are monitored from a system designed by TECHO in-house in order to improve its information management.

Regarding the economic financial management of the organization, TECHO relies on an integrated ERP in the 19 countries that, by using cloud technology, allows for the visualization of finances online in every country with an absolute traceability of all transactions. This system integrates balance sheets, income statements, bank reconciliation statements, accounting records and it allows TECHO to carry out cash flow, budget forecasts and KPI monitoring processes on a permanent basis in order to mitigate errors and guaranteeing that every dollar that the organization earns is used for its intended purpose. Within the ERP it is also possible to monitor expenditures towards projects, offices, countries and the nature of accounting accounts.

Additionally, TECHO has three regional finance sub-directors that allow for more accurate monitoring of local financing, taking into account financial performance and the deviation thresholds. The organization dedicates time and effort to take care of the trust that donors place in TECHO and it is that is why it invests in systematization and quality administrative-financial management.

In each country, TECHO works with local accounting studies that guarantee the management of the organization- with certified professionals in the different countries and experts in local auditing- and ensure that the the tax and tax compliance of each local legal person is fulfilled. For this reason, TECHO has tax exemptions in most countries that show the confidence in and good management of the organization.

4. A sound plan on which areas of accountability to improve and clarity on objectives, resources and cross-organisational responsibilities for implementation. Progress achieved on last year's accountability improvement plan and useful feedback from key stakeholders upon discussing the latest report.

During 2017, and since the incorporation of TECHO in the current year of Accountable Now, the organization proposed to work from different Operational Units of the International Office on certain aspects that we have deemed relevant to continue deepening our commitment to Accounting.

List:

1. Inclusion in international civil society space that promote transparency and accountability. E.g. Accountable Now and Rendir Cuentas.
2. The self-regulation of local offices, the inclusion of local offices to national accountability groups promoted by the Regional Accountancy Initiative.
3. The completion of the implementation of ERP NetSuite with the purpose of guaranteeing the traceability of cash flows in the 20 countries where the organization is present.
4. The development of a new website under the current accountability model that develops evidence of the impact of the organization's work, the way in which TECHO works together with volunteers and communities, the efficiency in managing resources and the capacity for interaction between the audiences that make up the organization.
5. The understanding, through the development of tools together with external consultants (via Accountable Now) of volunteers rotations (a fundamental part of TECHO's structure) that sets up a context of permanent interaction and helps to interpret the challenges that the organization has when the time comes to retain them to continue working and multiply the same calls.
6. /A diagnosis was made at an international level and it was discussed on how to apply the Global Civil Society Accountability Standard in a general sense. There has also been a report on gender equality within the organization.
7. We are working on a new legal environment that can accompany the challenges that TECHO has today in terms of network *governance*. For example, by creating a holding company and the association of all member countries to it.
8. Lots of work is being done throughout 2017 on the promotion of *networking* within the same civil society and the *multiplication of direct impact* in the communities where TECHO works, as promoted by the Global Standard.
9. We have taken up the challenge of placing greater emphasis on the visibility of the impact of TECHO's work on informal settlements in Latin America.