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IMPROVING THE PLANNING AND PROGRAM PERFORMANCE
OF PVOs WORKING IN THE INFORMAL HOUSING SECTOR
OF THE DOMINICAN REPUBLIC

June, 1985

I. PROJECT BACKGROUND AND DESCRIPTION

In early 1985, Planning Assistance carried out a project to improve the planning and program performance of private and voluntary agencies (PVOs) working to improve the quality and expand the quantity of low-cost housing in the Dominican Republic. We helped them prepare long-term, strategic plans for this work, as well as detailed one-year plans and budgets for several key programs. For Planning Assistance, this was an opportunity to assist a number of PVOs at once and make a significant contribution to helping them improve their response to a critical need of the country. It also provided an opportunity to work out the often complicated relationships that occur when a federation and its members jointly carry out programs.

Background

The assistance was requested by the Consejo Inter-Institucional para la Coordinacion de Viviendas (CII-VIVIENDAS), a federation of eight PVOs and seven governmental organizations working in the informal housing sector of the country. CII-VIVIENDAS, itself a PVO, requested assistance in planning those programs carried out by its own staff and its eight PVO members.

There is considerable need and opportunity for improving low-cost housing in the Dominican Republic in both the formal and informal sectors. The formal sector is defined as those units built by government or private individuals with financing from the government or the private banking industry. The informal sector is defined as those units built by or for families with little or no access to credit.

It is the informal sector that presents both the greater need and opportunity for improving low-income housing. Approximately 70,000 units are produced each year in the informal sector and 20,000 to 25,000 units are produced in the formal sector. The demand for new or improved units is much greater than that being produced. Also, it was the housing stock in the informal sector that was most severely devastated by Hurricane David in 1978, some of this stock has still not been adequately rebuilt, and it is this stock which remains most subject to destruction by hurricanes and other natural disasters.

In addition, families in the informal sector are served by suppliers (brick and block makers, producers of window and door frames) and entrepreneurs (masons, carpenters, electricians, and plumbers) who themselves have little or no access to credit, new or more appropriate materials and methods of construction, or formal training.

Local PVOs and local branches of U.S. PVOs are currently the major providers of assistance to families served by the informal

housing sector. In addition, they provide help to the suppliers and entrepreneurs who provide the inputs in the production of this housing.

The project was funded by the Social Development Office of the U.S. Agency for Development's (USAID) Latin America and Caribbean Bureau as part of their effort to help local USAID missions advance their relationships with local PVOs and the contribution of these PVOs to the development of their country. The Urban Affairs Office, under which work in housing had been funded, and the Program Office of the USAID Mission to the Dominican Republic requested this funding as part of their effort to reduce and eventually eliminate the Mission's support of work in the housing sector.

Though this may at first appear contradictory, it is not. The Mission wished to phase out its work in housing in a responsible way. They wished to strengthen the organizations working in housing in ways that would permit them to maintain effective programs and secure funding from the variety of other funding sources available to them. The project also, therefore, afforded us an opportunity to demonstrate that management assistance need not be related to financial assistance for new projects. By strengthening institutions through managerial assistance, helping them to make best use of existing resources and opportunities, a donor can make a unique contribution to work in a given sector.

Description

One thing did concern us. CII-VIVIENDAS wanted immediate help on program planning and budgeting. Two major three-year programs had just been evaluated after a year and one-half of operation. Both programs were considerably behind schedule, and a number of recommendations were made for improving their performance. Once this help was given, they then wanted help in planning a conference on low-cost housing, and, after the conference, help in preparing the long-term, strategic plans that would guide and direct the work of central office staff and the PVO members. Long-term planning follows logically from a conference on issues and alternatives. It should, however, precede program planning for this is the work that it guides and instructs.

We discussed the more logical order of assistance with CII-VIVIENDAS staff, but they remained firm in their desires. Our opportunity therefore became one of demonstrating the flexibility of both managerial assistance and our own ability to respect the specific needs of service-providing organizations and the order in which they wished to address them. We therefore scheduled additional assistance at the end of the project for revising annual program and financial plans and planning any new programs based upon the decisions taken as to long-term goals and strategies.

Therefore, the components of the project, and their order, were:

- assistance in preparing program plans and budgets;
- preparation for and conduct of a conference on needs for low-cost housing, successful program interventions, and indications for program planning;
- assistance in preparing long-term, strategic plans for CII-VIVIENDAS and its PVO members; and
- assistance in revising program plans and budgets given the newly defined long-term goals and strategies.

Section II discusses what occurred; Section III discusses the results; and Section IV discusses what should happen next.

II. WHAT HAPPENED

Program Plans and Budgets:

The major purpose of this component of the project was to establish firm knowledge of the functions of project planning and budgeting and then apply that knowledge to planning and budgeting those programs of critical importance to CII-VIVIENDAS and its members. Four programs were planned and budgeted during a one-week workshop in early January.

Two of these were three-year programs which had been in operation for approximately a year and one-half. The first consisted of constructing 12 model housing projects: each in a different region of the country; each employing different local materials, designs, and methods of construction; and each being implemented by a different PVO with collaboration from CII-VIVIENDAS staff. The second consisted of disseminating information on low-cost and appropriate housing designs, methods of construction, and the use of locally available, low-cost, and appropriate materials in construction.

A third program, just being established, consisted of training villagers to construct small kilns, bake brick (ladrillo cocido) in them, and then to construct their own houses with the brick. It was hoped that these small brick factories would continue production and, with technical support from the PVO, become self-sufficient enterprises. The fourth program was a to an a request from the Board of Directors of CII-VIVIENDAS to establish a center for "improving the quality of life".

Assistance in planning and budgeting these programs was divided into five sections:

- Planning: reviewing needs, resources, conditions and constraints; setting goals and objectives; and determining the tasks, and their schedules, for achieving them
- Organizing: assigning tasks to participating PVOs, CII-VIVIENDAS staff, and their operational units; and assuring coordination among them
- Staffing: assigning tasks to individual staff members; determining needs for recruitment and/or staff training; and planning means for assuring same
- Directing and Controlling: planning the means (tasks, schedules, and assignments) for supervising staff, monitoring progress under the plan of work, evaluating the results of the program, and reporting these results

— Budgeting and Appraisal: determining the costs of carrying out the plan of work, coordination among PVOs, staff recruitment and training, and program direction and control; and assessing the program's costs in relation to its benefits.

Each of these sections was addressed in four ways. (1) The specific management practices under consideration were discussed in plenary session. (2) They were applied, in plenary, to an example of interest to the participants— establishing a revolving fund for providing financial assistance to small enterprises. (3) Then they were applied to the work at hand, the four programs described above, by planning teams comprised of CII-VIVIENDAS staff and representatives of PVOs who were working on or were likely to work on the programs they were planning. (4) The product of each planning team then critiqued in plenary session, and problems in the application of the management practices were discussed and resolved.

Each team addressed different types of program problems. The first program, construction of 12 model housing projects, was considerably behind schedule. Only one of the twelve projects had been completed; one was near completion; four were in various states of construction; and the sites and designs for the remaining six were still under discussion. This problem was resolved in two stages. A detailed plan was prepared for efficiently carrying out a single project. This then became the a standard project plan, to be revised as required, for each project. This also had the added benefit of identifying milestones common to all projects— negotiation of an agreement with the PVO implementing the project, agreement with villagers on the designs and number of houses and the nature of their participation, training of local builders, initiation of construction, and so forth. These milestones were then used to identify the bottlenecks for the program as a whole (negotiation of the agreement with the implementing PVO, agreement with the villagers on the nature of the project). Considerable staff time was then allocated for resolving them in the immediate future.

Planning the second program implied more careful determination of audiences and how to reach them. CII-VIVIENDAS maintained a library on appropriate technology in low-cost housing in the capital and gave occasional seminars on the subject in the capital. These were used or attended by students and technicians whose contributions to construction in the rural areas, where need is greatest, was either non-existent or extremely indirect. The possible audiences for the information were listed, and priority was given to local consumers and builders. Means were then devised for reaching them— for example, demonstrations of the use of materials and designs at local fairs, and seminars in provincial capitals.

The technology for constructing ovens, baking bricks, and then constructing houses with the bricks was well-known by the planners of this program. They were ready to apply it. The planning problem was that they wished to take responsibility for each aspect of the work

but they weren't sure how they could, at the same time, establish the enterprises which would, thereafter, assume responsibility for production. They decided that they had to reduce their role, from the start, to one of providing technical assistance and some few, modest physical inputs, to groups of villagers who were ready to make their own bricks.

Planning the fourth program presented the most difficult problem of all. The directive from the Board of Directors was extremely general. Anything was possible. The team first decided that "quality of life" in addition to adequate housing was adequate diet and good health. This led them to increasing local food production, but they had little experience for planning such programs. They also realized that a single center would make little contribution to improving diet and health. They finally decided to establish modest centers in areas where housing projects were being carried out for promoting production and consumption of nutritious foods, clean water for drinking, latrines, sanitary refuse disposal, and other preventive health measures. They then planned out a program to do so.

The workshop closed with sessions on improving overall inter-institutional coordination, establishing a firm understanding of the relationship between long-term, strategic planning and program planning, and preparing the participants to make full use of the conference on low-cost housing for preparing their own long-term plans. Agreement was reached as to the best, specific means for improving coordination. Participants were also provided with a framework and steps for collecting information during the conference which they could then use as the basis for their long-term planning.

Conference on Low-Cost Housing:

The conference on low-cost housing took place on January 30th, 31st, and February 1st. It was jointly sponsored by CII-VIVIENDAS, USAID/Santo Domingo, and the Organization of American States. There were participants from other Latin American countries, but the majority were from the Dominican Republic. The agenda had been set, but much work remained to be done in designing each session and in completing the logistical preparation for the conference. From the perspective of this project, the conference afforded two major opportunities for the PVOs: (1) securing information on long-term goals and strategies which could then be used as the basis for preparing their long-term plans; and (2) an immediate opportunity to apply what had just been learned in preparing detailed plans for the conference and in conducting it.

The first of these was addressed by defining the characteristics of a long-term plan and then determining how participants could use the sessions of the conference to secure information which would help them prepare their long-term plans. Optimum long-term goals were defined as the best contribution of the PVO to solving the problem

given projected needs, the likely role of governmental organizations, the likely role of commercial organizations, the unique advantages of a PVO, and the policies and characteristics of the particular PVO. Each PVO, thus, had a clear understanding of the information it needed to collect in order to set its long-term goals. In addition, means for assessing the advantages and disadvantages of alternative strategies for achieving a long-term goal were discussed.

CII-VIVIENDAS staff applied the heart of the planning and budgeting functions— setting objectives, defining tasks, scheduling them, assigning them, and estimating the amount of effort required to complete them— to the work of preparing the detailed designs for each of the sessions of the conference and completing the logistical preparation for the conference. They did so with only modest help from Planning Assistance.

The conference went largely according to plan, adjustments were smoothly made, and it was deemed a success by all participants.

Long-term, Strategic Planning:

The purpose of this component of the project was to help CII-VIVIENDAS and its PVO members produce the long-term plans which represented their best contribution to reducing the need for long-term housing in the Dominican Republic. Assistance in producing these plans was provided immediately after the conference.

The conference produced a considerable volume of data for long-term planning: more than a dozen possible goals and some thirty-odd strategies for achieving them. All were responsive to need, were not likely to be addressed or employed by the public or commercial sectors, and all took advantage of the particular characteristics of PVOs. It was also clear that all could not be addressed at once, and that some strategies were likely to be more effective than others.

The conceptual framework of input-output analysis was used to organize the proposed goals and strategies and select those that would be most effective. To deliver a given volume of low-cost housing to final demand (the consumers), several inputs were deemed necessary: the provision of low-cost designs; the provision of low-cost construction methods; the availability of low-cost materials; entrepreneurs at the local level trained in the use of the designs, methods, and materials; and credit for small enterprises which would produce the materials at the local level. These five inputs became the organizing framework for selecting long-term goals and strategies to achieve them.

Five year goals and strategies for achieving them were then set for each input. For example, it became clear the the availability of low-cost materials, appropriate to each area of the country, implied

setting priorities by region and type of material. Once done, strategies for determining the best means for producing them, training local producers, and establishing the local enterprises that would continue to produce them could be set by type of material.

Once the long-term goals and strategies were set, it also became clear how current and proposed programs needed to be revised to effectively realize them.

Revision of Program and Financial Plans:

Assistance was then given in revising program and financial plans for 1985, given the newly established long-term goals and strategies.

The first of the four programs fit nicely within the framework of the long-term goals and strategies. Revisions to the program consisted of defining the contribution of each of the 12 model projects to the development and use of appropriate, low-cost designs, construction methods, and materials, and the training of local builders.

The second program also fit nicely within the context of newly established goals and strategies. In this case, the program now had a rationale for and definition of what was being disseminated—information on designs, construction methods, and the best materials for a given region of the country, as well as means for training local builders in the use of all three. These four goals, in turn, provided the framework for more precisely defining what was to be disseminated to each audience and more carefully selecting the best means for disseminating it.

The third program, local production and use in construction of baked bricks, also fit squarely within the long-term goals and strategies. The aim of establishing self-sustaining enterprises, and structuring the program to begin doing so from the start, was simply reinforced.

The fourth program, improving diet and health, did not fit within the context of the newly established long-term goals and strategies. The long-term goals and strategies provided the framework by which the staff could explain to the Board of Directors why the program that it had mandated did not fall within the aims of the federation and, if implemented, would detract from realizing the considerable work required to advance the availability of low-cost housing.

Finally, the long-term goals and strategies indicated the need for an additional complementary program—that of a revolving fund to provide financial assistance to the local enterprises being established to produce low-cost materials. Fortunately, the example used to illustrate the application of the planning and budgeting functions in the workshop had been a revolving fund. This example had

been selected because of general interest in this type of program and also because it was a program not currently undertaken by the PVOs. Thus, some of the planning and budgeting had already been done, and the remainder was completed without undue difficulty.

III. THE RESULTS

Planning Assistance has long held that managerial assistance is a critical and consistently needed component of development efforts. This project provided yet another opportunity to demonstrate the need for and utility of this contribution.

Our work is based upon the following set of relationships:

- management assistance results in improvements in management practice;
- improvements in management practice result in improvements in program performance; and
- improvements in program performance result in more rapid improvements in the lives of the chosen beneficiaries.

The extent to which these relationships are fulfilled is also, therefore, the measure of a project's success.

This project was limited to assistance in improving two types of managerial practice: long-term, strategic planning, and program and financial planning. There is conclusive evidence that the practice of these functions was improved.

Knowledge of the various functions of program planning and budgeting, prior to the workshop and after the workshop, was assessed. Considerable improvement in this knowledge was stated and the majority of participants said that they now had sufficient knowledge of these practices to successfully replan programs as required or plan new programs.

The programs planned during the workshop demonstrated satisfactory knowledge and application of these functions. In addition, in planning the first program, the construction of 12 model housing projects, the planning team demonstrated considerable sophistication in developing methods for determining how to expedite their progress. The detailed plan of work for efficiently carrying out a single project produced the milestones, common to all projects, which could then be used to determine the bottlenecks in carrying out the program as a whole. They prepared a matrix with the projects down the left side, the milestones across the top, and notation on the completion of each, by project, in the cells. This showed where the bottle-necks were in carrying out the program. It also produced a method for quickly reviewing progress on all projects, throughout the course of the program, and immediately spotting any further bottlenecks and allocating resources to eliminate them.

Also, the detailed planning for the conference provided immediate evidence, and a test, of the ability of participants to apply what

they had learned to the planning and implementation of new work. They did so successfully. Luis Martinez, the Executive Director of CII-VIVIENDAS, stated the following in his evaluation of the project:

"All of us had planned projects before, but we realized in the workshop that there were things we had not been doing and that they were important for making a successful project. We saw how each step followed one after the other . . . (and) how the bar chart and assignments chart were for planning but we could also use them for supervising and monitoring and revise them (tasks, schedules, and assignments) when we needed or wanted to. I learned how we could make better assignments between CII-VIVIENDAS and its members and then see that each was responsible for what we agreed to do on the program. We applied everything we learned by ourselves in planning for the conference . . . when we evaluated the conference 87 per cent of the participants said it was well-organized and 73 per cent said it was the best organized conference they had attended."

The PVOs also gained a firm knowledge of the critical elements of a long-term, strategic planning and how to do such planning thereafter. The decisions they made appear quite reasonable, and the long-term plans, once prepared, provided the means for improving existing programs and for taking full advantage of the relationships between or among them. As noted in the previous section, the long-term plans aided the replanning of the program to disseminate information on use of low-cost designs, construction methods, and materials by giving clearer definition of what was being disseminated and why. It also demonstrated the need for disseminating the information produced by the model projects and baked brick programs, as it became available.

Reversing the order— doing the program planning first, then the long-term planning— also had the advantage of demonstrating the utility of adhering to the normal order of this work. As a result, CII-VIVIENDAS has decided to review and revise long-term plans at the end of each program year, and then plan programs for the new year.

In addition, while no help was given in the day-to-day work of directing and controlling programs and the periodic work of replanning, reorganizing, and restaffing as required— all of the functions which insure good program implementation— this work was at least planned and allocation for it was made in the program budgets. This established, at the very least, a reasonably complete understanding of what is required to successfully implement a program.

Improvements in program performance, and, thereby, more rapid increases in the quantity and quality of low-cost housing, cannot be assessed at this time. It will, however, be collected and assessed as the programs are implemented. What can be said now is that these improvements are pre-disposed by plans which, if implemented in whole

or even in large part, will result in considerably greater performance than that which occurred previously. In addition, the firmer knowledge of what must be done to successfully implement programs predisposes more successful implementation and, thereby, increases in program performance.

Also, the successful implementation of the conference, shows willingness and ability to make detailed plans and carry them out successfully. This is, of course, a modest activity when compared with designing housing, training builders, and constructing houses. It does, however, bode well for more successful implementation of program plans.

In addition, improving working relationships between the federation and its members also pre-disposes improvements in program performance. With the help of outside facilitation, some fairly complicated problems were solved on how best to work together on those programs being jointly implemented by the federation and its members.

Finally, the decisions taken during the long-term planning on what not to do, as well as what to do, predispose improvements in program performance. PVOs have limited resources and regularly risk spreading themselves too thinly— doing a bit of everything because it's all needed, but not doing enough of anything to make a major difference in the development of their country. The decisions taken on limiting work to the informal housing sector, those things that make a critical difference, and those things that the PVOs can best do predispose improvements in program performance.

IV. NEXT STEPS

The results of this project, by themselves, make a substantial contribution to improving the work of PVOs in the informal housing sector of the Dominican Republic. It is not, however, the full contribution that can and should be made.

Good plans are more likely to be implemented than poorly drawn ones. They are also more likely to make more significant contributions to development. Selecting the best programs, and, conversely, excluding those that distract one or diminish one's major contribution, also enhances one's contribution to development. However, to maximize the utility of these plans, assistance must also be given in improving the practices which insure successful program implementation-- the various functions and practices summarized under the categories of organizing, staffing, directing and controlling.

To derive the full value of management assistance, it must also include help in improving the day-to-day work of directing and controlling programs and in the periodic work of replanning, reorganizing, and restaffing programs as required. In addition, while effective organization, staffing, and directing and controlling of each project was planned, these programs only represent part of the work of the PVOs. To successfully organize, staff, and direct and control any given activity of most PVOs, the PVO must be helped to effectively organize, staff, and direct and control all of its work. Most PVOs are too small to maintain decentralized divisions, each implementing independent programs with greater or lesser efficiency. Finally, to fully establish improved long-term planning and program and financial planning, assistance should be given in these practices for at least two fiscal years.

CII-VIVIENDAS has requested this additional assistance, the work has been planned and budgeted, and funds are being sought to provide it.