

CACEH

Centro Nacional para la Capacitación Profesional y Liderazgo de las Empleadas del Hogar



caceh.org.mx



The Care Economy
Knowledge Hub

the-care-economy-knowledge-hub.org

Profiling Businesses in the Care Economy

The care economy consists of paid and unpaid labor and services that support caregiving in all its forms. In Africa, Asia and Latin America, women spend between three to five times as many hours on unpaid care and domestic work as men. This represents 80 percent of a household's total hours devoted to unpaid care work.

Care economy businesses can help recognize, redistribute, reduce and reward – also known as the 4 Rs – unpaid and paid care and domestic work in the following ways:



Recognize: Initiatives that increase visibility and recognition of paid and unpaid care and domestic activity as "productive" work that creates real value and contributes to economies and societies.



Redistribute: Services and initiatives that redistribute care work from individuals to public and private sector entities, and redistribute care and domestic work within the household.



Reduce: Products and initiatives that reduce the time spent on and burden of unpaid care and domestic work.

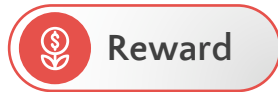


Reward: Products, services and initiatives that ensure that care and domestic workers are paid fairly and have professional growth potential. This provides them with financial reward and security.

The Care Economy Knowledge Hub aims to address the knowledge gap around care businesses by showcasing various business models and creating a resource base for relevant stakeholders. It also aims to raise awareness and increase knowledge of the state of impact-driven care economy business models and attract a broad range of funders to invest in care economy solutions by showcasing opportunities. These business profiles are intended to showcase said potential investment opportunities. They have been created from information and data provided by the business itself.

This project is supported by Canada's International Development Research Center, in partnership with the Soros Economic Development Fund at the Open Society Foundations. Building on their track record and commitment to transforming the care economy and mobilizing finance for gender equality, they have jointly launched this action research program to help transform the care economy through impact business and investment.

Executive Summary



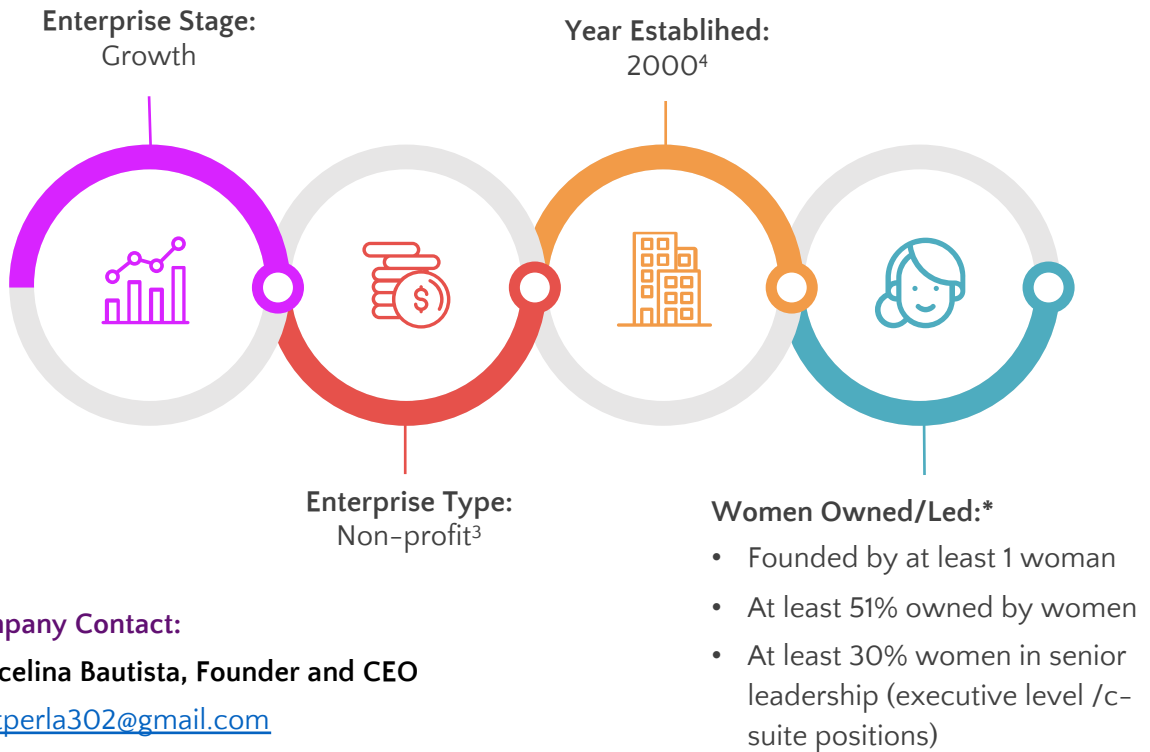
CACEH (Centro Nacional para la Capacitación Profesional y Liderazgo de las Empleadas del Hogar) is a Mexican non-profit organization founded and led by women who are former household workers.¹ The organization promotes the professionalization of household workers and advocates for their rights. CACEH provides workers with a wide range of free services, including household work training (cooking, serving the table, regular and deep cleaning, and child and elderly care), online courses (communication, interpersonal skills, and organizational leadership for household workers) and courses on household workers' rights.

The organization also provides job placement services, legal advice, psychological counseling, and access to the Dignas app. The Dignas app is a mobile application that calculates legal benefits² for household workers and offers them an online library of labor rights material. In addition, CACEH conducts research on the challenges and contributions of household workers. The organization aims to encourage the recognition of household work via awareness campaigns, street and media activism, and public policy.

CACEH has served almost 21,000 workers and has 7 full-time employees. The organization funds its operations through a mix of private donations and grants. In 2020, it had an operational expenditure of US\$ 350,901.

¹ The CEO and Founder of CACEH has been a strong critic of the term "domestic workers" (trabajadoras domésticas), due to the similarity of the words "domestic" and "domesticated." This is linked to the historically poor working conditions and abuse of female household workers in Mexico. For this reason, in this business profile we will use the term "household workers," which is closer to the term she advocates using: "trabajadoras del hogar." See her interview here: https://www.youtube.com/watch?v=Wu5wKf6xNVI&ab_channel=ADNOpini%C3%B3n.

² The app calculates wage settlement according to the number of days worked and severance payments.



1. About The Enterprise

1.1 Problem

In Mexico, approximately 2.3 million people work as household workers, 95% of whom are women.⁵ Many of these women face labor and human rights abuses, such as payment lower than the legal minimum wage, working excessively long hours (an average of 11 hours per day), or being sexually abused by their employers.⁶ Furthermore, almost 97% of household workers lack formal employment contracts. As a result, they are unable to access the national health and pensions systems, alongside other benefits.⁷ Moreover, evidence suggests that nearly 17%

*According to 2X “women entrepreneurship” and “women leadership” criteria; [2X Challenge Criteria](#)

³ Since 2000, the organization has been listed as a non-profit and taken on the form of a civil society organization (authorized donor). In Mexico, this means that it is authorized by the Tax Administration Service (SAT) to receive donations that are deductible for income tax purposes.

⁴ In 2000, the organization was founded as a training center. However, in 2020 it became the national training center and is now recognized as the most important institution in the field of training and professionalization of domestic work in Mexico.

⁵ ILO. (2020). Ratification by Mexico of Convention No. 189 on household workers. https://www.ilo.org/global/standards/WCMS_750251/lang-en/index.htm

⁶ Andrews, K. (2017). Fighting Abuse: The Struggles of Household Workers in Mexico. <https://panoramas.secure.pitt.edu/health-and-society/fighting-abuse-struggles-domestic-workers-mexico>

⁷ ILO. (2020). Ratification by Mexico of Convention No. 189 on household workers. https://www.ilo.org/global/standards/WCMS_750251/lang-en/index.htm

of household workers are falsely accused of stealing each year, with another 17% dismissed without justification.⁸ According to CACEH's founder and former household worker, Marcelina Bautista, employers who accuse household workers of theft or fire them without cause do so to avoid paying the salaries owed.

Around 51% of Mexican household workers are women from rural areas who migrate to larger cities.⁹ The vast majority have not completed primary school education and at least 27% do not speak Spanish, as they come from isolated communities where only indigenous languages are spoken.¹⁰ In addition, half of Mexican household workers are illiterate.¹¹ It is common for migrant household workers to work as live-in workers, where employers offer food, shelter, and educational opportunities.¹² However, once they start working, around 83% of employers do not actually allow their household workers to finish primary and secondary school.¹³ This frequently translates to poor job performance and limited labor and social mobility.¹⁴ Furthermore, household workers often lack knowledge about their rights and are thus unable to demand them.¹⁵ Although there are human rights advocacy programs to assist household workers, these tend to focus on broader topics (such as women's rights) rather than domestic labor rights issues.¹⁶

In October 2022, Mexico reformed the social security law to cover household workers under the compulsory regime, meaning they must be offered occupational risk insurance, paid vacation, sick and maternity leave, retirement benefits, as well as other provisions.¹⁷

⁸ Andrews, K. (2017). Fighting Abuse: The Struggles of Household Workers in Mexico. <https://panoramas.secure.pitt.edu/health-and-society/fighting-abuse-struggles-domestic-workers-mexico>

⁹ Instituto Nacional de Estadística y Geografía. (2021). Estadísticas a propósito del... día internacional del trabajador doméstico (22 de julio). *INEGI*. <https://www.inegi.org.mx/contenidos/saladeprensa/aproposito/2015/domestico0.pdf>

¹⁰ Echevarría, P. R. E. (2016). Mujeres indígenas rurales trabajadoras domésticas: Exclusión social en el espacio urbano de Mérida Yucatán. *Nóesis: Revista de Ciencias Sociales y Humanidades*, 25(49), 93-110. <https://doi.org/10.20983/noesis.2016.12.7>

¹¹ Andrews, K. (2017). Fighting Abuse: The Struggles of Household Workers in Mexico. <https://panoramas.secure.pitt.edu/health-and-society/fighting-abuse-struggles-domestic-workers-mexico>

¹² Hobden, C. (2014). Working Time of Live-In household workers. ILO. https://www.ilo.org/travail/info/publications/WCMS_230837/lang-en/index.htm

¹³ Andrews, K. (2017). Fighting Abuse: The Struggles of Household Workers in Mexico. <https://panoramas.secure.pitt.edu/health-and-society/fighting-abuse-struggles-domestic-workers-mexico>

¹⁴ d'Souza, A. (2010). Moving towards decent work for household workers: An overview of the ILO's work. https://ilo.org/wcmsp5/groups/public/---dgreports/---gender/documents/publication/wcms_142905.pdf

¹⁵ García, B. (2019). In Mexico, household workers are defending their labour and human rights. *Equal Times*. <https://www.equaltimes.org/in-mexicodomestic-workers-are?lang=en-Y5jhl3bMK3A>

¹⁶ Ashoka. (n.d). Marcelina Bautista: Centro de Apoyo y Capacitación para Empleadas del Hogar A.C. (CACEH). <https://www.ashoka.org/en-fr/fellow/marcelina-bautista>

¹⁷ IMSS. (2014). Introducción. http://www.imss.gob.mx/sites/all/statics/pdf/informes/20132014/04_introduccion.pdf

1.2 Solution

CACEH is a non-profit organization that provides household worker training for women without formal education or job training, via short and practical courses. The organization combines training with household workers' rights policy advocacy in Mexico. CACEH was founded in 2000 by a group of household workers, led by Marcelina Bautista.¹⁸ Marcelina is an indigenous woman who performed domestic work for 22 years, during which she endured discrimination and exploitation in the workplace. Such experiences motivated her to fight for household workers' rights. In November 2022, the Mexican activist and writer Rodrigo Quintero Murguía launched the book "Imperceptibles,"¹⁹ which narrates Marcelina's life, struggles, and advocacy for household workers' rights.

Most of CACEH's household workers are daughters of former migrant household workers. As reported by the CEO, CACEH provides household workers the possibility to start "building a space of their own." This space allows them to share their experiences with each other and to question their identities as women working in the household work sector.

CACEH provides training and upskilling in household work, such as cooking, serving, regular and deep cleaning, childcare, and elderly care. Additionally, it offers online courses on life skills, such as leadership and influencing policies related to household workers' rights. The organization provides job placement services to match household workers with employers looking for trusted and qualified personnel. CACEH also provides legal advice (such as how to file cases), and psychological counseling. Moreover, the organization conducts research projects on the care economy, focusing on household workers' labor rights.

CACEH provides household workers with access to the Dignas app, a mobile application that calculates legal benefits at work,²⁰ as well as provides access to an online library of downloadable contract templates. The Dignas app also includes information about the status of national regulations regarding household work, labor rights, and how to register with the Mexican Social Security Institute (IMSS).

CACEH is popular in Mexico due to its advocacy campaigns, street and media activism, as well as its involvement in public policy. In August 2015 (thanks to CACEH's support) 100 women created the first national union of household workers in Mexico. In addition, through a set of advocacy actions, CACEH contributed to the ratification of the 189 ILO agreement by the Mexican Senate (2019).²¹ This included amendments to social security law (2021), as well as the integration of household workers as a part of the compulsory regime (2022).²² The compulsory

¹⁸ Marcelina was named one of the 100 inspiring and influential women from around the world in 2021, according to the BBC. Retrieved from <https://www.bbc.com/news/world-59514598>

¹⁹ Imperceptibles. Vida y lucha de Marcelina Bautista Bautista. Retrieved from <https://www.gandhi.com.mx/imperceptibles-vida-y-lucha-de-marcelina-bautista-bautista>

²⁰ The app calculates wage settlement according to the number of days worked and severance payments.

²¹ In December 2019, CACEH launched the campaign "Put on the Gloves for Household Workers," which contributed to the ratification of the 189 ILO agreement by the Mexican Senate.

²² In 2021, the organization presented its 10-point National Agenda to strengthen the fight for household workers' human and labor rights, which also pressured the legislative branch to amend the social security law.

regime comprises benefits and insurance related to occupational risks, sickness and maternity, disability and life, retirement, unemployment at an advanced age, and daycare and social benefits.²³

In 2022, CACEH created a cooperative organization to charge fees for some of its services. So far, 24 household workers are cooperative members and it expects to gain more affiliates once its pending application for registration is approved.²⁴

1.3 Customer Segment

Customer Segment	Product / Service Provided	Paid / Unpaid
Household workers	<p>Household workers are women from 14–80 years old. Most come from rural areas in Mexico and have low educational levels.</p> <p>Household worker training: CACEH offers courses to develop and enhance skills, such as cooking, serving the table, regular and deep cleaning, childcare, and elderly care. Training sessions take place at a house rented by CACEH that has been designed to recreate a realistic household. This training aims to upskill household workers in a living space, so that they may perform as professionals in the field. The training occurs approximately once a month, in groups of 25–30 household workers.</p> <p>Online courses: Main topics cover human and labor rights and are held year-round. Courses offered include the following:</p> <ul style="list-style-type: none"> • Enrollment into the Social Security System • Gender-based Violence • Self-esteem and Life Plan • Organizational Leadership • Digital Literacy 	Unpaid ²⁵

²³ IMSS. (2014). Introducción. http://www.imss.gob.mx/sites/all/statics/pdf/informes/20132014/04_introduccion.pdf

²⁴ The application was in process as of November 2022.

²⁵ As CACEH is a non-profit organization, all services are offered for free. However, the company is in the process of registering a "sister organization" under the legal form of a cooperative. Once the cooperative is running, household workers will be asked to pay 1% of their monthly salary to gain access to all services.

Customer Segment	Product / Service Provided	Paid / Unpaid
	<p>CACEH also holds in-person support circles with household workers, through which they share their thoughts and concerns regarding their work and personal lives.</p> <p>Mobile application: The Dignas app informs household workers about their labor rights. It also includes a vacation day tracker and an annual bonus calculator. If a worker is dismissed, the app helps them to calculate their severance pay. Additionally, the app offers a directory of organizations where household workers may access specialized legal advice.</p> <p>Socio-political courses: CACEH offers courses regarding household workers' rights and how to organize politically. These courses aim to develop leadership skills like public speaking and advocacy. Courses are taught by experts in politics and communication.</p> <p>Online library: It offers downloadable contract templates (for regular and non-regular services), updated information about the status of national regulations regarding domestic work, labor rights, and how to register with the Mexican Social Security Institute (IMSS).</p> <p>Legal advice: CACEH offers legal advice to household workers by assisting them in filing cases before federal labor courts. Cases often arise when they face problems with employers regarding their human and labor rights. For example, when household workers are not fairly compensated for their job, or suffer any form of abuse.</p>	

Customer Segment	Product / Service Provided	Paid / Unpaid
	<p>Psychological counseling: The organization offers workshops (carried out by psychologists and coaches) for household workers to strengthen their self-esteem and guide their overall future development. CACEH also provides counseling services to household workers who have experienced gender-based violence.</p>	
Household workers and employers	<p>Job placement service: CACEH helps to match household workers to employers through references and WhatsApp groups. It currently operates informally, however, once the cooperative is legally registered, CACEH plans to strengthen and automate this process.</p>	Unpaid ²⁶
General audience	<p>Advocacy: CACEH organizes campaigns and street and media activism to influence public policy. It partners with other organizations, governments, and media, to reach larger audiences in Mexico.</p> <p>Research: The enterprise aims to update data and provide evidence to support CACEH's activism. The organization performs annual surveys (filled out by household workers and employers) to quantify their perceptions about household work. CACEH also carries out studies about discrimination and household workers' labor rights.</p> <p>Communication: CACEH creates content in various formats (flyers, reports, infographics, etc.) to raise awareness about household workers' labor rights. The organization produces brochures that are distributed in high-traffic and strategic locations²⁷ in urban areas. It has also created a podcast called "Household Workers' Rights and Technologies," streaming on Spotify, Anchor, and Soundcloud. CACEH partners with local and national media to increase audience outreach regarding household workers' labor rights.</p>	Unpaid

²⁶ Since CACEH is a nonprofit organization, all services are offered for free. However, the company is in the process of registering a "sister organization" under the legal form of a cooperative. Once the cooperative is running, household workers that want to join will be asked to pay 1% of their monthly salary and will have access to all services. Employers will also be changed for job placement services.

²⁷ Through research, CACEH identifies the best areas to reach workers. For example, parks or subway stations in Mexico City.

1.4 Team And Governance Structure

CACEH has 7 full-time employees: 5 women and 2 men. Although the organization does not have an advisory board, it receives feedback from partner organizations worldwide.

1.5 Enterprise Policies

Policy	Yes / No
Overall HR Policy	No
Equal pay for equivalent work policy	Yes
Non-discrimination / Equal employment opportunity / Diversity and inclusion policy (gender, LGBTQ, PWD, etc.)	No
Anti bullying and sexual harassment policy / Respectful workplaces	No
Whistleblower policy / Employee grievance mechanism	No
Maternity / Paternity leave policy	No
Safeguarding policies for vulnerable groups (children, elderly, PWDs)	No
Safeguarding policies for the environment or to reduce detrimental impact on the environment (covers reducing carbon footprint, reduced water consumption etc.)	No

2. Impact

2.1 Mission Statement

CACEH's mission is to professionalize household work through training while raising awareness about labor rights through advocacy.

2.2 Intended Impact

CACEH currently creates the following impact:

- It **recognizes** household workers' labor as a productive activity that creates real value for the economy and society. This is done through advocacy, street and media activism, and policy dialogue focused on the domestic sector.

- It **rewards** household workers by offering on-site training, online courses, political education, and other forms of support. Support is aimed at strengthening household workers' abilities to excel at work, as well as improvement of their soft skills.

2.3 Monitoring And Measurement

CACEH measures the following indicators:

- Number of services provided to household workers
- Number of household workers trained in household work
- Number of household workers that received online courses

Additionally CACEH measures the workers' knowledge before and after training courses received (via a survey).

2.4 Results To Date

From 2000 to 2022, CACEH has reached more than 21,000 household workers.

CACEH's work is aligned with the following Sustainable Development Goals (SDGs):



3. Financials

3.1 Financial Status

CACEH is not yet financially sustainable, but expects to become sustainable in 2023. Additionally, it is important to note that from 2000 to 2020, the organization was a non-profit. In 2020 it changed its legal status to a civil society organization. In Mexico, this means that it is authorized by the Tax Administration Service (SAT) to receive donations that are deductible for income tax purposes.

Before changing the legal classification (non-profit)

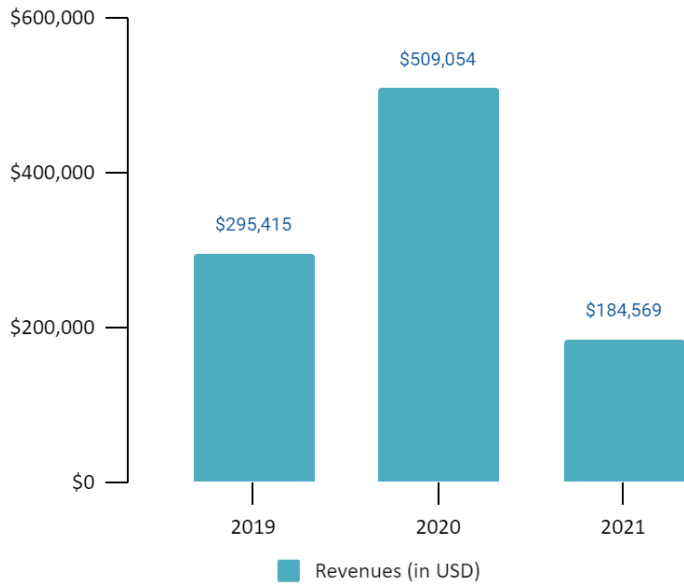
<i>Particular (Amounts in USD)</i>	FY2019	FY2020	FY2021
Total Revenue	\$295,415.09	\$509,053.80	\$158,151.87
Total Expenses	\$303,807.14	\$350,901.92	\$158,151.87
EBITDA OR Profit/Loss	-\$8,392.05	\$158,151.88	\$0.00
EBITDA Margin	-2.84%	31.07%	0.00%

After changing the legal classification (authorized donor)

<i>Particular (Amounts in USD)</i>	FY2019	FY2020	FY2021
Total Revenue	NA	NA	\$26,416.87
Total Expenses	NA	NA	\$641.19
EBITDA OR Profit/Loss	NA	NA	\$25,775.68
EBITDA Margin	NA	NA	97.57%

3.1.1 Revenue Streams

The graphic below depicts details on past revenue reported by CACEH. 100% of the company’s revenue comes from donations and grants. From 2019 to 2020, CACEH’s revenue grew by 72.3% and from 2020 to 2021, it decreased by 68.9%.

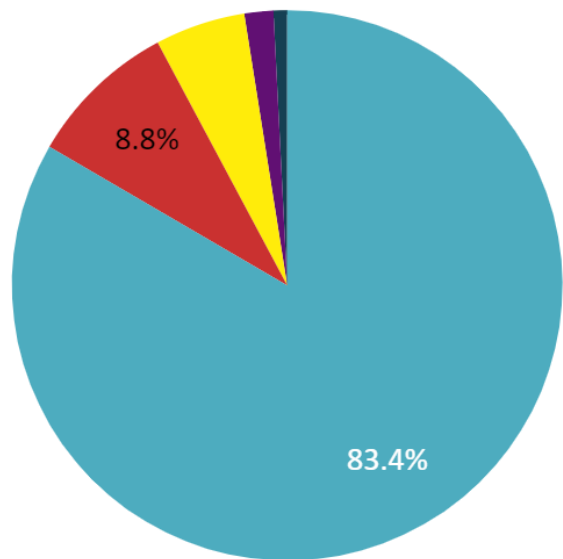


3.1.2 Expenses

- Personnel: 83.4%
- Technology: 0.8%
- Cost of Raw Materials: 1.7%
- Rent (and other opex): 8.8%
- Other (travel expenses): 5.3%

Expenses split

- Personnel
- Rent and other Opex
- Others (travel expenses)
- Cost of raw materials
- Technology



3.2 External Funding Sources (Past and Current)

CACEH was founded through a MacArthur Foundation grant of US\$ 48,000 in September 2000. In 2002, it was awarded the Ashoka Fellowship and became part of a global entrepreneurship network. This helped CACEH to start structuring the organization's advocacy pillar. Over the last 10 years, the organization has financed its projects through international donations from organizations like the Ford Foundation.

3.3 Challenges Faced In Accessing Capital

- **Knowledge (team):** The enterprise has a lack of team members with specialized knowledge on raising grants and donations. This is necessary for funding applications, proposal writing, the creation of donor relationships, as well as financial or technical assistance.
- **Knowledge (investment):** The enterprise has a lack of knowledge on how to attract non-grant investment (angel investment), as the organization is a non-profit.
- **Relationships (networks):** As reported by CACEH's founder, donors generally allocate resources based on their relationships, rather than on meritocracy.
- **Donations:** Donors often hesitate to give donations to CACEH, as they doubt the delivery capacity of an organization run directly by former household workers with low educational attainment.

4. Path To Scalability

4.1 Potential Avenues For Growth

CACEH aims to increase the number of household workers that benefit from their services through the following opportunities:

- **Building capacity for the cooperative:** CACEH will work with its new cooperative to become more financially sustainable. The cooperative will offer CACEH's services, while charging affiliated household workers a monthly or annual fee.
- **Job placement services:** CACEH plans to begin charging for job placement services (for both household workers and employers). This will allow for more accurate and efficient matches.
- **Geographical expansion:** The organization plans to expand to other cities in Mexico in the next 3 years. Monterrey and Guadalajara are likely candidates.

- **Systematic procedures:** The organization aims to automate its processes to optimize workflows and make operations more efficient, allowing them to manage more services and beneficiaries.
- **Advance the 10-Point National Agenda:** As a part of the organization's long-term plan to promote decent work as an inalienable human and labor right for household workers, the enterprise will continue to actively influence advocacy and training. This will help its growth and visibility.
- **Donations and alliances:** The enterprise will continue to expand alliances, as well as pursue funding from new donors. Funding will be used to strengthen the capacity of both CACEH and the cooperative, in order to offer more services for household workers.

4.2 Risks And Challenges

- **Financing challenges:** CACEH's reliance on donations threatens its future sustainability and ability to expand to more household workers. CACEH has therefore launched a parallel organization under the legal classification of a cooperative, which will allow it to charge monthly fees to its affiliates and become financially sustainable.
- **Operational challenges:** CACEH is currently understaffed and therefore doesn't have the capacity to run its services to their full potential. It seeks more personnel to perform administrative work and training.
- **Technology:** It has been noted by CACEH that household workers usually have digital inclusion barriers that limit their engagement with the Dignas app and its services, affecting its traction.
- **Regulatory framework:** While Mexico has legal protections and benefits in place for household workers, most employers fail to comply with the law. While this is not a risk that currently affects CACEH, it may affect future demand for the cooperatives' training services. If household workers do not have their basic labor rights met (such as health, pension, and other social benefits), they will likely not demand these services.
- **Social norms:** Low educational attainment and a lack of networks for female household workers limit CACEH's ability to apply for/receive donations and grants. Additionally, as household work is perceived as inferior compared to other jobs in Mexico, people often dismiss its economic and social value, which limits fundraising.

4.3 COVID-19 Impact On The Enterprise

The Covid-19 pandemic negatively affected household workers due to restrictions on mobility during lockdowns (which lasted several months in Mexico). More than 800,000 household workers in the country lost their jobs.²⁸ However, the crisis pushed CACEH to strengthen its online courses and launch new training, such as digital literacy.

4.4 Support Received To Date

To date, CACEH has not received technical assistance.

4.5 Inputs Required For Growth

Financial

- CACEH is seeking US\$ 283,981 in the form of grants, which would be used to improve the training program.

²⁸ El Economista. (2021). El 50% de las trabajadoras del hogar perdió su empleo a causa de la pandemia. <https://www.eleconomista.com.mx/capitalhumano/El-50-de-las-trabajadoras-del-hogar-perdio-su-empleo-a-causa-de-la-pandemia-20210614-0105.html>