



Deloitte D2i: COVID-19 Impact on the Non-Profit Sector

D2i, a social impact community within Deloitte Consulting LLP, conducted a three-month research project between June and August 2020 to understand the effects of COVID-19 on the social enterprises and nonprofits that the community supports. The research team utilized surveys and ethnographic interviews to compile the insights below.

OUR FINDINGS

Nonprofits and social enterprises face similar challenges to their private sector counterparts, especially as they adopt new technologies, adjust to the changing demand for services, and pivot to virtual work environments. Many organizations have found a “silver lining” through the pandemic in the way that it has accelerated digital transformation. However, nonprofits and social enterprises face unique, complicated challenges and benefits as a result of COVID-19 when compared to other industries.

Increased Need for Services: COVID-19 has demonstrated the **valuable role non-profits and social enterprises play in society**; the increased need for services during COVID-19 has reaffirmed organizations' missions and **encouraged them to expand their programs**.

“ There has been an incredibly positive impact for us because people value our services now more than before. What we have learned from the pandemic will be part of how we grow in the future.

- *Director of New Business, Reusable packaging social enterprise* “

Opportunities to Expand: Due to COVID-19, non-profits and social enterprises are filling important gaps in their community, leading them to expand the services they provide in order to continue delivering their mission. Organizations remain hopeful despite difficulties through COVID-19, as it has reaffirmed the mission and vision of many organizations.

Digital Innovation: Organizations see COVID-19 as a **forcing mechanism for digital innovation** and are quickly adjusting to deliver services virtually to their communities. This shift has increased **access to previously unreachable populations**; however, there is now a greater risk that the most vulnerable will be left behind in this digital expansion and organizations need to consider broader organizational changes to adapt to digital delivery models.

“ From leadership down, there is excitement on how we can use lessons learned [from COVID-19] and how we can reach more remote parts of Ghana. We haven't explored this much before. “

- *CEO, Childhood education organization*

Digital Expansion: Non-profits and social enterprises have quickly adapted to using technological solutions, such as video conferencing, and transitioning trainings and materials online, to continue to interact with those they serve. These innovations allow organizations to expand past geographic borders and serve communities previously deemed “unreachable.”

Interest in Working Remotely: Employees are adapting to new technology and express **interest in continuing to work virtually post-COVID-19**. Despite this, staff note **increased stress compared to pre-COVID-19** levels.

“ We are very proud of the operational changes we have made in response to COVID-19. It has allowed us to strengthen the relationships across our three offices and the beneficiaries in each city. The pandemic has forced us to build this unity. “

- *Project Director, Women's health and education foundation*

New Stress: The impacts of COVID-19 extend to the employee experience of personnel in the non-profit and social enterprise sector, revealing a myriad of trends related to technology, workforce well-being, and future of work implications. Staff with limited access to technology experience challenges receiving the support they need and personnel across a multitude of organizations report significant increases in stress levels since COVID-19 began.

FUTURE CONSIDERATIONS

Organizations should consider implementing the following recommendations to sustain recent changes and thrive long-term:

- Integrated digital capability across the entire organization, from internal operations to service model delivery
- Support for beneficiaries with limited technological infrastructure to increase access and digital fluency
- Organizational guidance and support on emotional well-being, resiliency, and work-life balance

RESEARCH APPROACH



25 SURVEY RESPONSES RECEIVED

11 ORGANIZATIONS REPRESENTED

7 INTERVIEWS CONDUCTED

PARTICIPATING ORGANIZATIONS' MISSIONS

Click on the organizations' logos to visit their website.

Algramo

ALGRAMO: "Motivate and gather everyone to radically change their consumption habits so we can collectively save the planet before it's too late."

BeGIRL

BE GIRL: "We challenge the status quo by using design to re-brand menstruation and build a world where all girls own, understand, and love their bodies. We work to achieve this vision through distributing our sustainable, high-quality menstrual products, delivering age-appropriate menstruation education programs, and creating transformative messaging for a stigma-free world.."

CHAB DAI

CHAB DAI: "We seek to end all forms of abuse and modern slavery globally by building a movement to empower communities, to strengthen systems, and to restore justice and wellbeing with survivors."

EdvMetria

EDUMETRIA: "Our mission is to bring innovative and cost-effective solutions to education in developing countries and advise governments and local actors."

HAGAR
the whole journey

HAGAR INTERNATIONAL: "For those affected by trauma and those who support them, Hagar is an expert in care and recovery. When healing happens, the cycle of trauma stops."

Fundación Juanfe
Modelo de desarrollo social

FUNDACIÓN JUANFE: "Our mission is to transform the reality of the most vulnerable childhood and adolescence. Therefore, we ensure the protection and promotion of their rights, create adequate spaces for their development, and encourage their inclusion in society."

Fundación miparque

MI PARQUE: "To improve the quality of life in vulnerable neighborhoods through a participatory process of design, construction and activation of green areas for the meeting."

FOUNDATION Mozaik

MOZAIK FOUNDATION: "Leading impact investor in the region, with a mission to identify, empower and invest in value-driven and innovative social entrepreneurs."

Sabre Education
Building Brighter Futures

SABRE EDUCATION: "Helping all children succeed, by giving them the best possible early education."

SORONKO ACADEMY

SORONKO ACADEMY: "We believe in creating the next generation of critical thinkers and problem solvers in the technology space."

UNLOCKING COMMUNITIES

UNLOCKING COMMUNITIES: "To empower individuals and communities in Haiti to unlock their economic potential through entrepreneurial ventures."

ABOUT DELOITTE D2I

D2international (D2i) is Deloitte Government and Public Service's (GPS) flagship international social impact program. We were founded on the belief that doing good is good business. After eight years of consulting projects with non-profits and social enterprises across the world, helping them tackle a variety of wicked problems, we are even more confident in that belief.

Contributors: Megan Blackwood, Hannah Gable, Denzell Jobson, Peter Liu, Shaina Moondra, Clay Parrotta, Justin Schulberg.

Contacts: Hannah Gable (hagable@deloitte.com), Peter Liu (peteliu@deloitte.com) or Sally D'Amato (sdamato@deloitte.com).