



BUSINESS AND **COVID-19**

ACTION TOOLKIT

SUPPORTING NGO PARTNERS

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FOREWORD

BUSINESS AND COVID-19

The novel coronavirus (COVID-19) pandemic is creating the worst humanitarian and economic crisis in a generation, threatening the lives, livelihoods, and learning of people around the world.

This Action Toolkit provides guidance on what businesses can do immediately and in the longer term to **support their NGO partners** who play a critical role in supporting the most vulnerable people.

In this Action Toolkit, which is one of a series¹, we build on our Response Framework to provide guidance on what actions companies can take

immediately and in the longer term to support their NGO partners.

The Action Toolkit is one part of a wider response that we are convening to crowdsource and share best-practice examples and insights from a variety of companies, industry sectors, and countries. For more information, and to get involved, visit our Business and COVID-19 Response Centre at https://snipbfp.org/C19_ResponseCentre

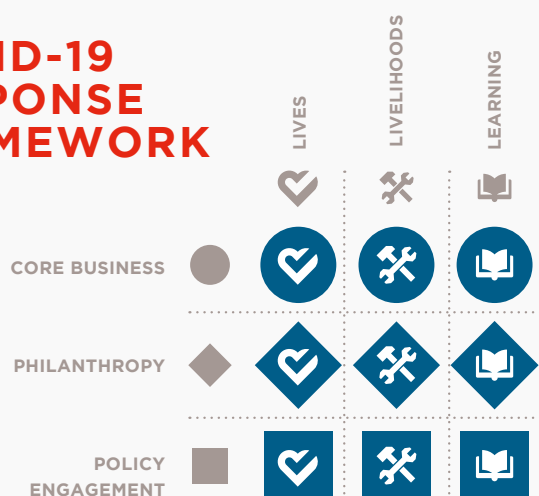
This work is being funded with UK aid from the UK government. We are working with an international coalition of partners, businesses and business networks. For this Action Toolkit, we are grateful for the additional support of CEMEX and Primark and the expert input of Bayer, Charities Aid Foundation, Mastercard, Mercy Corps, Open Road Alliance, Oxfam, Standard Chartered, The Challenges Group, and The Partnering Initiative.

We hope that you will find this Action Toolkit useful as you frame both your immediate response and longer-term strategy for rebuilding.

Zahid Torres-Rahman, CEO, Business Fights Poverty

Jane Nelson, Director, Corporate Responsibility Initiative, Harvard Kennedy School.

COVID-19 RESPONSE FRAMEWORK



Find the [Framework rationale here](#)

¹ Current topics include gender-based violence, vulnerable workers, micro and small enterprises, supporting NGO partners, and promoting handwashing and other preventative measures. We will be adding further topics. If you would like to suggest or support another topic, please get in touch with us at team@businessfightspoverty.org.

CONTEXT

CHALLENGES FACING NGOS

Many NGOs are in the frontline of the response to this crisis. For those working directly on health, the link is obvious.

But every NGO with a focus on vulnerable groups is facing an extraordinary combination of increased demand for assistance amid great operating uncertainty and financial pressures, and in a rapidly-changing context. The health crisis and economic crisis are intertwined: vulnerable groups are starkly exposed to both threats, but their position may be overlooked by those in power. The need for both NGO services and advocacy on behalf of vulnerable groups is vast. COVID-19 is also interacting with and amplifying the pre-existing difficulties faced by NGOs working in challenging contexts, from routine logistical issues arising from poor infrastructure, through to crisis situations relating to conflict or climate-related disasters.

Alongside the spiralling demand for NGO action in response to COVID-19, NGOs are facing many of the business continuity, financial liquidity and operational issues faced by companies.

They have to manage social distancing and remote working, employee safety and need for time off, supply problems, and the impossibility of travel. NGOs' employees and volunteers will be affected, some directly through infection; others may be distressed,



concerned about vulnerable friends or relatives, or about their own finances or career futures. Many will be working from home, perhaps with additional commitments such as home-schooling. Each of those issues may interact with service delivery for vulnerable groups in complex and unpredictable ways.

All these challenges are compounded by financial risks. Unrestricted funding – the kind that covers NGOs' core operating costs – may be under threat where individual private donations fall or fundraising events are cancelled. Restricted funding – such as that tied to delivery of specific activities and results in the context of a corporate partnership – may be at risk where programme timelines and outcomes were defined in a context that no longer

exists. Where a range of different kinds of donors are all under financial pressure, even a well-diversified income portfolio can suddenly present acute funding risks requiring harsh cuts in capacity, just as demand for the NGO's work rises sharply. Even where overall funding is relatively secure, liquidity may be a pressing problem.

So, NGOs in partnership with companies may be working through existential organisational risks, while wrestling with the best ways to support vulnerable groups who need them more than ever. Whatever the scale of the partnership, the way in which a company approaches partnership working at this time is likely to have a profound effect both on the relationship between the partners, and on the ability to achieve shared goals in a context dramatically different from the one in which the joint partnership programme was developed.

Where a company has chosen an NGO partner based on its special capabilities to reach communities and contribute to the kinds of change no company can deliver alone, there will be a strong case for the company to help sustain the NGO itself through the crisis, as well as protecting the investment already made in delivery of joint partnership work. There may be opportunities to

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IMMEDIATE RESPONSE

For company-NGO partnerships, the kinds of actions that are appropriate will vary greatly depending on the purpose, role and context of the partners. Those working directly on health issues in Southern countries will have entirely different needs from NGO partners working on social or economic security issues less immediately related to the crisis.

These action options may be relevant across business partnerships driven by either philanthropy or core business strategy. Within our COVID-19 crisis response framework, they combine elements from the livelihoods and learning strands.

LIST OF ACTIONS

Initiate early and open dialogue with partners.

Find out the specifics of any threats to the NGO's operations or challenges to the continuity of delivery of partnership activities. Share your company's internal difficulties that may have consequences for the partnership. Build trust that decisions will be taken together, as partners.

Recognise that the new context changes delivery parameters.

It is unlikely that the rapidly changing context will permit

the same planned activities to be delivered over the same timeframe with the same funding. Projects based on face-to-face engagement, for example, may require wholesale changes to how work is done: support partners to explore new approaches and technologies. Work with partners to decide what needs to change to make progress in the new situation.

Re-purpose programmes if necessary, rather than cutting them.

Companies are having to make tough decisions at this time, but if you have chosen an NGO partner for their valued contribution to social issues that are important to your company, now is not the time to pull the plug when other sources of NGO funding are also under pressure. Look at what your committed funds can achieve in the new situation and work with partners to change direction if necessary.

Look for every opportunity to offer partners flexibility.

A no-cost extension to a partner's delivery timeframe is one possible starting point, but this implies that the same activities can be delivered at the same cost, just over a longer period. Explore other elements of flexibility: e.g. should we focus all the resources

on delivering one part of the programme that is now far more important to people than before?

Consider offering a crisis modifier to funding.

A budget prepared for a set of partnership activities to be delivered in a crisis context (such as a conflict) would cover the additional costs of operating in that context. The current context imposes analogous additional costs of delivery arising from the pandemic crisis. Where possible, companies should recognise this and offer additional financial support.

Support partners' cash-flow and liquidity.

Find out early on if this is an issue for the partner and discuss options for support. Bring forward future grant payments where possible.

Be led by partners on what in-kind support is valuable.

Communications or other in-house technical expertise may well be valuable for the partners in a crisis. It is important that any volunteered support of this kind matches real needs identified by the partner.

Agree what reporting remains essential.

There may be opportunities to free up partners' capacity with a temporary reduction in reporting requirements, or changes in reporting timelines. But be clear on what kinds of reporting remain essential (e.g. on safeguarding issues), and ensure regular routine communications keep both sides up to speed on the rapidly-changing situation.

Stay focused on the distinctive contribution of the partnership.

Be mindful about balancing support for new needs resulting from COVID-19 and making progress with vital work begun previously. Helping to address existential threats to a partner will be a precondition for making progress on important ongoing work. Beyond this, work with the partner to weigh up the possible added value this partnership could bring to the new needs of vulnerable groups arising from the humanitarian and economic impacts of the crisis. Ongoing work may be just as valuable to them, if it can be reorganised to continue in the new context.

Example

There are many emerging examples of companies funding new work through NGOs to provide support to people particularly hard-hit by the crisis. It may be too soon, though, to

report how particular companies are adapting their existing partnerships in the ways we have suggested. However, useful analogous examples are emerging from philanthropic foundations.

The European Philanthropy Statement on COVID-19² brings foundations together to commit to being good partners through the crisis “so that civil society groups can focus on the vital work of supporting some of the most vulnerable people in our communities. We understand that there will be times when staff and volunteers will not be available, when beneficiaries may need services to be provided in different ways, or when systems need to be flexible to ensure that needs are met.”

Their response framework emphasises four priorities:

- *adapting activities;*
- *discussing dates to avoid pressure;*
- *financial flexibility, particularly being supportive about moving money between budget headings where possible; and*
- *listening to partners.*

Other emerging examples show how successful partnerships are already applying greater flexibility in the crisis context. Some are seeking alternative ways to support beneficiaries or adapting project delivery more broadly. For example, Mercy Corps in Kenya is leveraging its partnership with Safaricom, Twiga Foods and Jumia

to provide food vouchers to the most vulnerable urban population. Mercy Corps reports that some of their partners, including Zurich Foundation, Twinings, and AB World Foods have relaxed restrictions on the use of funds, encouraged programme adaptation and relaxed reporting schedules.

Standard Chartered sees a delicate balance to be found between responding quickly to the crisis and responding in the most considered and impactful way. To help manage this, Standard Chartered has split their initial US\$25 million emergency relief funding up to provide large grants to two global NGOs in their regions, and then provided the majority of the funding to their regions to respond to the challenges in each market with their different contexts. This has usually been through funding smaller, more local NGOs delivering great impact on the ground in each country. The intention of this approach is to be agile, move quickly, have a broad reach and target those most in need.

In addition to funding, corporate partners have an abundance of skill sets that may be overlooked. Companies can also bring an outside view of how organisations can adapt, move forward and survive. Both Standard Chartered and Mastercard are promoting virtual volunteer opportunities for employees to donate their skills: many are coming forward, eager to help.

² <https://www.efc.be/news-post/we-stand-together-in-the-spirit-of-european-solidarity/>

FUTURE REBUILDING

In a fast-moving crisis context, there is much to learn on what makes for an effective partnership between a company and an NGO. Some of the suggested immediate crisis actions above will require mature conversations based on a strong pre-existing relationship of trust between partners. Whatever stage the partnership relationship is at now, the behaviour of both partners in managing the challenges of the new context offers considerable potential for learning and for putting the partnership on to a firmer foundation in the future.

LIST OF ACTIONS

Seek opportunities to build trust with partners.

The way companies behave, communicate and involve partners in decision-making during the crisis will have a lasting effect on the future partnership. Anticipate the partner's concerns. Demonstrate early on how you will act in good faith and support their future as an organisation, as

well as enabling the partnership programme to succeed in the changed context.

Take advantage of new opportunities for innovation.

In response to the crisis, many companies and NGOs are considering approaches they would not previously have been open to. Many organisations are also moving more quickly than their culture usually allows. Make the most of these openings to put in place innovations that may have lasting value beyond the crisis.

Learn from working together on unexpected challenges in this unprecedented situation.

With NGO partners, document and share what the crisis teaches us about effective partnership working. Agree how to adjust partnership and business practices in the future, in response to this learning.

Begin to plan together for the post-crisis world.

NGO partners will have different and valuable perspectives on how the world is being changed by the crisis. They may see unexpected knock-on effects of the crisis on communities and vulnerable groups. Draw on partners' insights and intelligence for your own business planning. Work together on re-framing your partnership to respond to the future context.

Help to connect your partners' planning for the future.

One company may have many partners working on similar issues in different contexts. Take a proactive role in looking at opportunities across partners and support new ways of joining up partners' learning or responses to the changed context to scale longer term impact or make it more systemic.

Recognise that your partners may become even more important to you as a business.

□ Fundamental questions about the relationships between economies and wellbeing have been raised by the crisis. The policy discourse on companies' purpose and contribution to society will change, in unpredictable ways. NGO partners will play an important role in helping companies navigate that future.

Example

The Ford Foundation, Council on Foundations and the Trust-Based Philanthropy Project have brought together over 200 US and international foundations to set out principles for funders' support to partners in the crisis. Their eight pledges' emphasise "no business as usual" in the crisis.

In addition to calls for flexibility similar to the European Philanthropy Statement, the pledges emphasise the future beyond the crisis. They point to the distinctive insights NGO partners will have on communities' needs

in the crisis and beyond, stressing the importance of funders listening as well as acting in a rapidly-changing context. They also focus on working with partners on shaping public policy responses to the immediate challenges and in building a better future. And they conclude with a strong call for learning together, from joint actions in response to the crisis, to build better future partnerships.



RESOURCES

RECOMMENDED RESOURCES, TOOLS AND ORGANISATIONS

Examples of principles being applied in the world of philanthropy:

European Foundation Centre: funders' commitments in response to Covid-19:

<https://www.efc.be/news-post/we-stand-together-in-the-spirit-of-european-solidarity/>

Ford Foundation and partners on rethinking funding in the crisis:

<https://www.fordfoundation.org/the-latest/news/top-foundations-pledge-flexible-funding-to-grantees-in-wake-of-covid-19-crisis/>

Detailed guidance from organisations supporting partnerships with NGOs:

InterAction:

<https://www.interaction.org/topics/covid-19/>

The Partnering Initiative: Mobilising collaborative action against COVID-19, with a helpdesk:

<http://thepartneringinitiative.org/covid-19/>

Council on Foundations: Coronavirus Resource Hub:

<https://www.cof.org/>

CAF COVID-19 Philanthropy Hub (UK):

<https://www.cafonline.org/my-personal-giving/long-term-giving/covid-19-and-caf-philanthropy>

Commentary on the context and connected issues:

World Economic Forum: How to reform NGO funding so we can deal with threats like COVID-19 (By Simon O'Connell, Executive Director, Mercy Corps Europe)

<https://www.weforum.org/agenda/2020/04/how-to-reform-ngo-funding-so-we-can-deal-with-threats-like-covid-19/>

World Economic Forum: Business-NGO partnerships to tackle humanitarian crises (2016):

<https://www.weforum.org/agenda/2016/05/more-businesses-are-making-it-their-business-to-address-humanitarian-crises/>

Charities need a lifeline to respond to coronavirus – and rebuild society afterwards. Financial Times article by Perdita Fraser

<https://www.ft.com/content/3679bc28-732a-11ea-90ce-5fb6c07a27f2>

