

# HOW THREE NFPS HAVE TRANSFORMED THROUGH COVID-19



PERPETUAL PRIVATE INSIGHTS  
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Social distancing, non-essential travel bans, and other restrictive measures enforced as part of containing the spread of the coronavirus (COVID-19) have seen many not-for-profit organisations transform and adapt the way they operate. In this article, we speak with SecondBite, National Breast Cancer Foundation and The Funding Network about the key opportunities and challenges they've faced through this period of crisis and how the pandemic has shaped how they work and service their communities – both now and into the future.

## **SecondBite: Great challenges can present opportunities to improve efficiency**

There's no doubt that the national social distancing measures mandated by government have had a significant impact on Australians. It's seen the economy and many businesses effectively put into hibernation mode. We saw some shorter-term impacts emerge in the form of panic buying (shortage of food supplies and household supply reserves) as well as dramatic changes in the nature and complexity of how NFPs can interact with staff, volunteers, communities, external partners and other parties. It's left many Australians without employment and in need of welfare and ongoing support.

Jim Mullan is Chief Executive Officer at SecondBite, a national 'food rescue' organisation that works with a range of suppliers from across their network to rescue surplus fresh food and redistribute it to local charities and NFPs providing meal programs that support people in need.

He's seen an increase in the need for support from Australians who may have become unemployed and fallen into welfare. "With COVID-19, on the one hand we're seeing more demand for food services emerge. This is coming from a new cohort of skilled or temporary visa holders such as backpackers and international students. On the other hand, we've received a tremendous amount of additional support from our network of food suppliers. For example, Coles has been providing an additional half million dollars' worth of food to us every week during the crisis."

“In this environment of heightened demand and supply, we’ve had to become extremely efficient in the way we receive and re-distribute the food. This has meant reviewing operational costs; partnering with for-profits and deepening and extending our relationships to establish a strong, robust and agile supply and logistics network across the country,” he explains.

A long-term vision of commercial partnerships and a more scalable, strategic operating model has been some time in development for SecondBite. They’ve invested heavily into building organisational capacity, transformational thinking, leadership and creating a sustainable strategy for the future. Though the crisis has been challenging; it’s given SecondBite an opportunity to test new strategies and really put some of this thinking through its paces.

Jim comments: “When times are good and everything is going well, business models seem to just roll over and can go largely untested. We’ve been tested on every single front across the past few months. What we found is that if the organisation is in the right place and with the right partners it can continue to achieve on its mission – even under the most difficult of circumstances.”

“We’ve managed to close logistical gaps to ensure supplies are delivered quickly so local charities can use these to feed the people that need it most. In fact, with support from our commercial partners, we’re now reaching more regional areas than ever before,” he adds.

### **National Breast Cancer Foundation: Impetus for business transformation**

National Breast Cancer Foundation (NBCF) – leading the way in research and support for the prevention and cure of breast cancer in Australia – was fortunate that by the time coronavirus impacted Australia in March 2020, they were already several years into a business transformation that included a review of culture, business and financial planning as well as an upgrade of systems and processes.

Professor Sarah Hosking, Chief Executive Officer at NBCF asserts that: “Coronavirus gave us the impetus to move rapidly to implement technology changes and remodel our business approach. This included the necessary transition to a work from home scenario. Within a few weeks we had moved to the Cloud and adopted many new communication approaches that enabled us to keep our team close and continue to build on our culture.”

“Longer term, we’re reviewing office needs and considering optimising our office size or co-locating with another business as part of a hybrid working model, which will certainly include more work from home,” says Sarah.

Like many NFPs, NBCF’s approach to income generation was hampered by the inability to engage directly with the community. This forced them to consider new and evolved ways to raise funds; including identifying new partners and increasing the digital component of fundraising.

“We hope that in the future, our previous direct engagement with the community can re-emerge and our new learnings and opportunities will continue to supplement our income generation, says Sarah.

“We have also escalated the nature of some partnerships so that we can jointly invest in a meaningful program of research even through these difficult financial times. Without coronavirus, a transformation on this scale would have taken many years to contemplate and deliver – so the news is not all bad,” she adds.

### **The Funding Network: The move to virtual events**

Since 2013, The Funding Network (TFN) has run 98 live in-person crowdfunding events, raising close to \$13 million in funds for hundreds of grassroots NFPs that help Australians in need. COVID-19 posed a significant threat to TFN’s ability to secure donations; its business model relies heavily on people attending live events.

Julie McDonald, Chief Executive Officer at The Funding Network comments on the shift to virtual events: “Being small meant that we could be incredibly agile. We quickly adapted our model to an online world, hosting our first virtual live event in April with great success.”

“From the onset, it was very important that we create a virtual experience as close to a TFN live events as possible. We’re all about human contact and connection, storytelling and interaction, so we needed our presenters to be able to pitch and engage and our audience to participate, ask questions and pledge funds. This meant that the platform selection was critical.”

“As a team, we spent two weeks testing the platforms available and ran a number of rehearsals to ensure a seamless experience. While we had some contingency plans, our biggest fear was that no one would log in and we didn’t really know if people had capacity to give during these uncertain times,” says Julie.

To help maintain the same magic and spontaneity that TFN is known for they used the LiveChat function for people to donate and pose challenges to each other. Challenges ranged from people pledging \$10,000 if they could find someone to home school their child to \$100 from everyone who had done their daily exercise during COVID-19. Thankfully all the hard work paid off.

Julie exclaims: “We were blown away raising close to \$190,000. Our post-event survey received the highest number of responses to date and attendees were rating the event most highly. Importantly, our three pitching charities will be able to secure enough

funding to deliver their programs in full.”

### Tips for other NFPs that may be looking to adapt the way they service their communities

- **Communicate, communicate, communicate** “There is no rule book for working through a pandemic. Boards, management and even government are all new to this. Whether communication is internal or with stakeholders it needs to be clear and probably more frequent and open than usual.” – *Sarah Hosking, Chief Executive Officer at National Breast Cancer Foundation.*
- **Be open to new opportunities and ways of working** “People are incredibly generous and still want to get involved and dig deep for causes close to their hearts. It’s important to be out there sharing your stories, successes and challenges. While it is a lot of work, adapting to an online world was relatively low cost and therefore low risk. And as a TFN volunteer commented: ‘we didn’t even have to run out and get more chairs to accommodate the extra guests.’” – *Julie McDonald, Chief Executive Officer at The Funding Network.*
- **Support organisational capacity for strategic planning** “Many NFPs will have had their operating models turned on their head over the past few months. Sometimes times of crisis provide a good backdrop to innovate, adapt and plan for the future. My message to NFP boards is that if you want your senior team to build a robust organisation that is future-ready, then help them plan to take the organisation forward. This is a considerable investment requiring dedicated time, capacity and an ongoing commitment.” – *Jim Mullan, Chief Executive Officer at SecondBite.*

### Looking to the future

Sarah from NBCF comments: “Coronavirus has hurt the lives and wellbeing of many, and we share in those difficulties both as a business and as individuals. Responding to the crisis has seen many NFPs embrace new ideas at pace, often with great results.”

“Many of the strategies we have implemented we will retain in combination with some of the ‘old norms’. This powerful mix will mean we emerge stronger than ever – it just may take a little time and a vaccine.”

“I would like to think that when we look back at what we have been able to deliver during this period, it will be so seamless that we might forget that 2020 was the year of the pandemic”, she adds.

As restrictions slowly ease, TFN plans to run both live and virtual events. They’ve strengthened their service delivery and are preparing to extend their ‘virtual event’ formula to like-minded organisations that want to leverage it as a cost-effective fundraising initiative.

“Using technology to reach a broader audience was already a strategic priority for TFN. COVID-19 gave us the momentum we needed to accelerate these plans and to think very differently about how we might run events in the future. We are already hard at work planning two more virtual events.”

For SecondBite’s Jim Mullan: “It’s been an interesting period, but we’ve learned a lot. From our perspective there’s been a validation of our long-term strategy; that’s been very important for us to take into the future.”

### ➤ FURTHER READING - COVID-19

Visit our COVID-19 Insights Hub for economic and market updates to keep you informed as the situation evolves.