
An event or an era?

Resources for social sector decision-making in the context of COVID-19

INDEPENDENT SECTOR
August 31, 2021



Monitor Institute

by **Deloitte.**

works with innovative leaders to surface and spread best practices in public problem solving and to pioneer next practices – breakthrough approaches for addressing societal challenges.



Gabriel Kasper
Managing Director



Jennifer Holk
Manager

Agenda

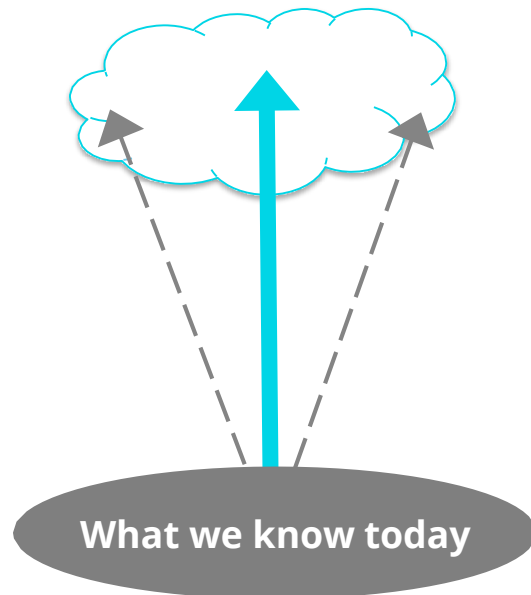
1. **Welcome** and Zoom Reminders (15 mins)
2. **Resources for Decision-Making in the Context of COVID-19** (20 mins)
3. **Breakout Discussion** (25 mins)
4. **Last Word** (15 mins)

Scenario Planning vs. Conventional Approaches

Forecast Planning

***Traditional approaches** to planning yield conventional, incremental and often unsurprising answers...*

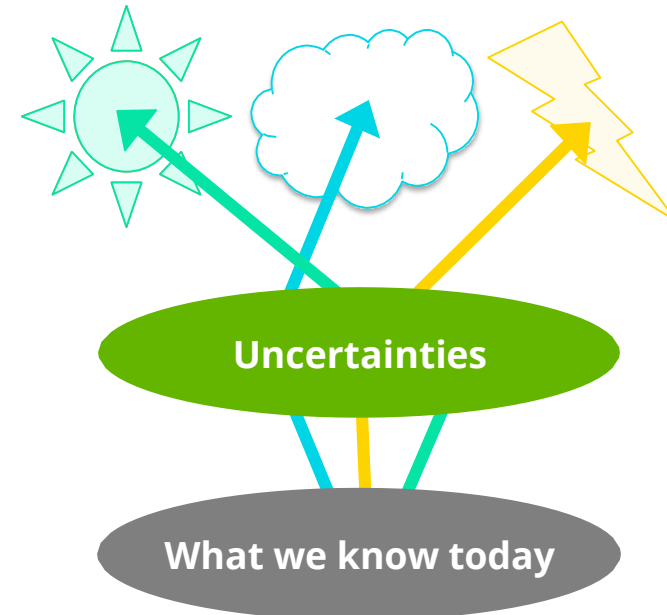
One "Official" Future



Scenario Planning

*...**Scenario Planning** challenges assumptions and provides organizations with more options to make better decisions across a range of possible futures.*

Multiple Possible Futures



“We’re all facing the same storm, but we’re not all in the same boat. Some of us are in duct-taped rafts and others are in reinforced cruiser ships and there’s really no comparing the vessels”

Tulaine Montgomery, New Profit

“We’re now dealing with three crises at the same time: a health crisis, an economic crisis, and a social justice crisis.”

Mario Morino, Morino Ventures LLC

“I have no idea what’s going to happen, but I know
what I’m going to fight for.”

Antony Bugg-Levine, Nonprofit Finance Fund

Prudent Assumptions

We identified five “prudent assumptions”—baseline realities that we need to come to terms with and hold onto in order to move forward



The pandemic will intersect with and **compound other ongoing trends**



The **need for nonprofit services will dwarf available capacity and resources**



A significant number of nonprofits will be **forced to consolidate or close their doors**



Impact from the crisis will fall **disproportionally on communities of color** and other marginalized populations



Differences in outbreak rates and reopening strategies will cause **varying levels of crises** and need across geographies and time

Critical Uncertainties

Through our research we identified at least five critical uncertainties that we believe have the potential to tip the future of the social sector in one direction or another



Length and severity of the **pandemic**

Length and severity of the **economic downturn**

Government's response and the strength of the **public social safety net**

Impact of **technology** on operating models

Level of **social cooperation** across communities

Use the annotate star feature to tell us about your expected future:



Critical Axes of Uncertainty

We chose the two critical uncertainties that we thought would create scenarios that paint four very different futures

What is the continued **severity of the crisis?**

Lower
Impact



Higher
Impact

- The virus is **brought under relative control** by the development of treatments, testing and monitoring, and/or vaccines
- The **economy steadily recovers**, and the economic downturn, while bad, is more limited
- The virus is harder to control and the number of **infections and deaths soar**
- The **economy is devastated** as cities and states are repeatedly forced to shut down and shelter in place. Unemployment and other economic indicators persist at record levels

What is the **level of social cooperation?**

Fragmented
Sporadic
Factional
Variable

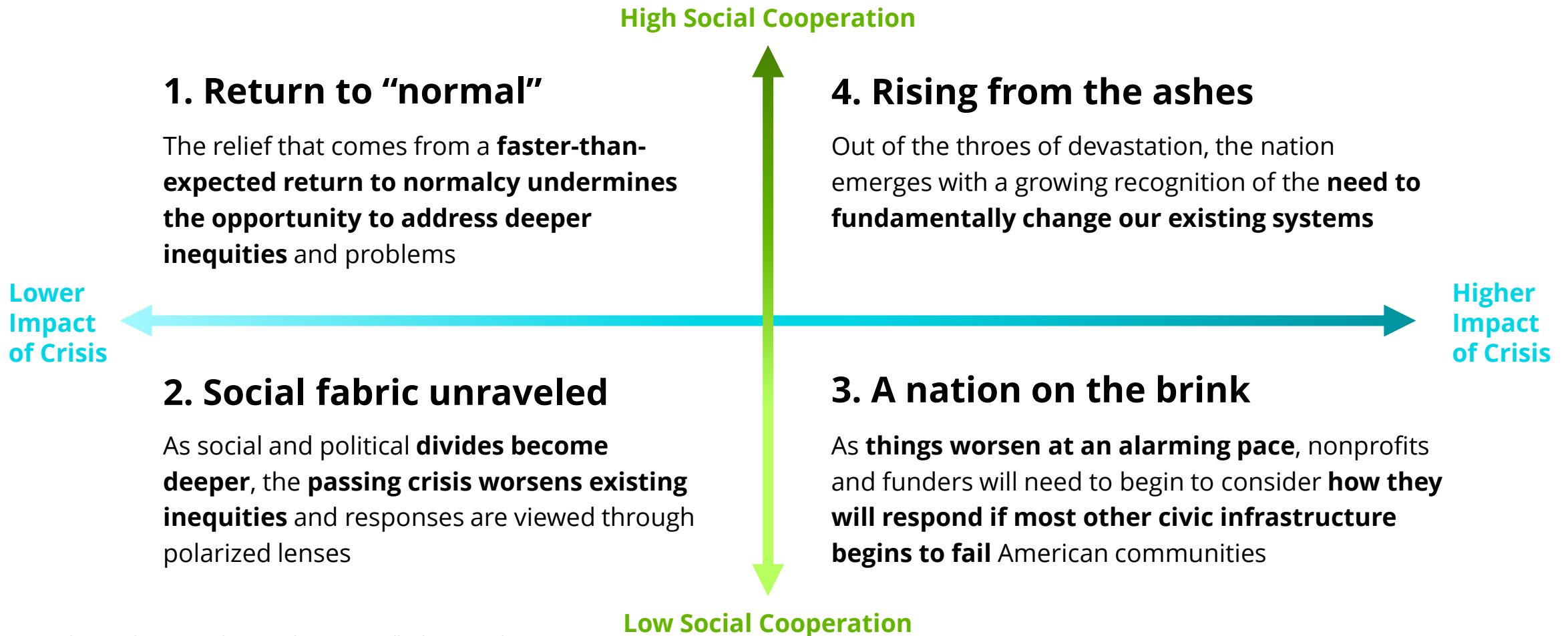


United
Enduring
Broad-based

- **Breaches of institutional trust** limit our ability to effectively work toward common goals
- Where coordination is found, it is entirely **factional in nature**
- Attempts for change and reform are **gridlocked**
- A unified **sense of purpose** to address the crisis ultimately prevails
- People and organizations seek out ways to **collectively solve cross-sector problems**
- The value of **collective responsibility** is prioritized, and many divisions are overcome

Scenarios Summary

The scenarios explore what the future could look like depending on the severity of the crisis and whether we come together as a nation—or come apart



Scenarios Application

The four activities below can help you build the scenario planning “muscle” when thinking about your strategy

- 1 Make the scenarios your own.**
Tailor the uncertainties and scenarios to fit your organization and the people, places, and issues you care about.
- 2 Find your anchors.**
Having clarity about your core beliefs, values, and principles can help ground the decisions your organization will need to make.
- 3 Test your current strategy against each scenario.**
Explore how your organization might adapt by asking the tough questions about your mission, strategies, and operations.
- 4 Develop a plan for 12 to 18 months, in 6 month increments.**
Planning in these conditions is not about having a full operational plan for each scenario, but about having sufficient flexibility and choices as conditions change.



**What clarifying
questions you
do have?**

Discussion Questions

We hope you have a generative discussion in breakout groups; please use these questions as a starting point

What **“expected future”** have your members been preparing for?

Which scenario is **the farthest from what you are expecting** and preparing for?

What **assumptions about what you do** and how you do it would need to change if the unexpected scenario came to pass?



**What ideas or questions arose
that you would like to share?**

Takeaways for the Social Sector

Below are a handful of the most critical takeaways that emerged from our interviews



Multiple, compounding crises are resulting in devastating blows to American communities (especially communities of color)—but also a **potential opening to drive forward fundamental change**



Nonprofits and funders will live in the same context, but **experience it in very different ways**



The role of the social sector will be significantly determined by **how federal, state, and local governments are able to respond** to the crisis



How private funders respond to a potentially significant nonprofit contraction will matter



Many organizations will be torn between investing in **high-risk, high-reward opportunities** for systems change and a **desire for a return to normalcy**

“[H]ope is not optimism that everything will be fine regardless. Hope offers us clarity that, amid the uncertainty ahead, there will be conflicts worth joining and the possibility of winning some of them. And one of the things most dangerous to this hope is the lapse into believing that everything was fine before disaster struck, and that all we need to do is return to things as they were. Ordinary life before the pandemic was already a catastrophe of desperation and exclusion for too many human beings, an environmental and climate catastrophe, an obscenity of inequality. It is too soon to know what will emerge from this emergency, but not too soon to start looking for chances to help decide it. It is, I believe, what many of us are preparing to do”

Rebecca Solnit, The Guardian

Thank you.

Gabriel Kasper

Managing Director

Contact: gabrielkasper@deloitte.com

Jennifer Holk

Manager

Contact: jensmith3@deloitte.com

This publication contains general information only, and none of the member firms of Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collective, the “Deloitte Network”) is, by means of this publication, rendering professional advice or services. Before making any decision or taking any action that may affect your business, you should consult a qualified professional adviser. No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this publication.

As used in this document, “Deloitte” means Deloitte Consulting LLP, a subsidiary of Deloitte LLP. Please see www.deloitte.com/us/about for a detailed description of the legal structure of Deloitte USA LLP, Deloitte LLP and their respective subsidiaries. Certain services may not be available to attest clients under the rules and regulations of public accounting.

Copyright © 2020 Deloitte Development LLC.
All rights reserved. Member of Deloitte Touche Tohmatsu Limited