



# THE IMPACT OF THE COVID-19 PANDEMIC ON SMO ADAPTATION AND RESILIENCE

*Spur Change SMO report*



March 2021

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## Spur Change

The Spur Change program is a five-year initiative, operated by the Alberta Council for Global Cooperation on behalf of the Inter-Council Network (ICN) and funded by Global Affairs Canada. Spur Change aims to increase the effectiveness of Canadian small and medium organizations (SMOs) in delivering sustainable results in support of Canada's Feminist International Assistance Policy and the United Nations Sustainable Development Goals. The main outcomes of the program are to increase the engagement of Canadian SMOs in international development and to increase the engagement of Canadians, particularly youth, as global citizens.

## Annual SMO Report

Once a year, Spur Change publishes a report which provides information about the state of SMOs in Canada. This year, Spur Change commissioned a study on the Impact of COVID on SMOs Adaptation and Resilience, the findings of which are included in this report. The worldwide pandemic has changed the work lives of staff and volunteers at Canadian SMOs and how they carry out their program and project tasks. The Spur change team felt it was important to capture these experiences as they occurred and found tremendous resilience and adaptive strategies within the sector. By sharing these findings, we hope SMOs find themselves reflected in the stories and draw strength from knowing they are not alone in their struggles. This report has been produced through a collaboration between Spur Change and a research team at the University of Guelph.



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# EXECUTIVE SUMMARY

This report investigates how Small and Medium Organisations (SMOs) in Canada's international cooperation sector have experienced the COVID-19 pandemic. While SMOs undoubtedly experience unique vulnerabilities, they also have unique adaptation strategies and forms of resilience. As such, the primary objective of this report is to examine the extent to which SMOs have exhibited flexibility in their pandemic response, and whether and how this enhances their resilience in the face of the global crisis. The report analyzes the experiences of SMOs across five thematic areas: 1) resource mobilization and fundraising; 2) program development and adaptation; 3) gender-based pandemic response; 4) localization and partnerships with local organizations; and 5) variations in pandemic response across the Canadian international cooperation sector.

Once a year, Spur Change publishes a report which provides information about the state of SMOs in Canada. This year's SMO report is the result of a community-engaged research collaboration between a University of Guelph research team and the Spur Change Program. It builds on a previous survey conducted by the University of Guelph research team about the impacts of the pandemic on Canada's foreign aid sector. This report combines quantitative analysis of 128 survey responses and qualitative analysis of 22 semi-structured interviews with participants from Canadian SMOs.

The report highlights five key findings:

**1 Despite ongoing financial uncertainty, SMOs have demonstrated their resilience and some are even thriving.**

Although SMOs have experienced funding losses and uncertainty about the future remains, SMOs are surviving – and in select cases even thriving – despite facing significant financial challenges during the pandemic. Many SMOs have loyal and generous donors who have continued to support them through the crisis. Some SMOs have pivoted their fundraising activities online, diversified their funding sources, or made more fundamental long-term transformations to their business models.

**2 SMOs have found creative ways to adapt and innovate in their program delivery.**

This report identifies multiple examples of adaptation that represent high levels of creativity, problem-solving capacity, and resilience. Prevalent strategies related to program adaptation include online pivots, focusing on core competencies, and forming new collaborations. Despite the prevalence of online pivots, however, there are still important concerns about the limitations or challenges of working online, which are related to the digital gap, inclusion and wellness.

**3 SMOs with prior expertise in gender equality have greater capacity to respond to the pandemic's gendered impacts.**

Despite the well-documented negative impacts of the pandemic on gender equality, the University of Guelph survey found that a significant number of SMOs working in gender equality and maternal health had to suspend their programs as a result of the pandemic. The pandemic has had a “double impact” on gender equality: it has both damaged historical progress that has been made in these areas as well as negatively impacted the ability of SMOs to address these issues. This report finds that SMOs have tended to adapt pre-existing gender equality programs to the pandemic context rather than implement new programs.

**4 Local partners have contributed to SMO resilience and the pandemic has accelerated the localization process.**

Before the pandemic, many SMOs exclusively implemented their programs through local staff or partners. The prior existence of these strong relationships has contributed to the resilience of SMOs, as well as their ability to adapt programs quickly to the pandemic context. Furthermore, the process of localisation has been accelerated in a number of ways by the pandemic. Because of the global shift to a remote working environment, local staff and partners are able to participate more regularly in staff meetings. Other indicators of localisation include the repatriation of international staff, new locally-led programs, and new local partnerships. Nevertheless, limited international mobility remain a source of concern and uncertainty for the future (particularly in relation to monitoring and evaluation activities), and significant barriers to localization continue to persist.

**5 The most salient variations across Canadians' SMOs' sector relate to organizational size, regional location, and geographic areas of work.**

The report provides evidence that SMOs of all sizes across the sector are flexible and nimble. However, there are important differences related to capacity between small and medium organisations. Prior to the pandemic, medium organizations had greater capacity compared with small organizations in terms of their ability to submit funding applications and were also more likely to receive federal funding through GAC or FIT. The financial challenges posed by the pandemic have widened this gap even further. Interview participants from small organizations were nearly unanimous in their desire for future funding opportunities that are more accessible to small NGOs in particular. The most important regional variations were associated with access to provincial funding opportunities as well as access to national professional networks. A positive outcome of the pandemic is that SMOs outside of central Canada feel more connected and involved within national professional networks as a result of working online. Finally, there was significant variation in the extent of program suspensions based on the geographic location of programs and partners, which in turn impacted SMOs' adaptation strategies.

# LIST OF ACRONYMS

<b>CSR</b>	Corporate Social Responsibility
<b>FIT</b>	Fund for Innovation and Transformation
<b>GAC</b>	Global Affairs Canada
<b>GIDS</b>	Guelph Institute of Development Studies
<b>ICN</b>	Inter-Council Network of Provincial and Regional Councils for International Cooperation
<b>MRIF</b>	Ministry of International Relations and La Francophonie
<b>NGO</b>	Non-governmental organizations
<b>SMOs</b>	Small and medium organizations

# LIST OF CHARTS

<b>Chart 1</b>	SMO Funding Sources (Source: University of Guelph survey)
<b>Chart 2</b>	SMO Funding Sources (Source: University of Guelph survey)
<b>Chart 3</b>	Sources of funding loss (Source: University of Guelph survey)

# INTRODUCTION AND BACKGROUND

In Canada, of the more than 800 humanitarian and development non-governmental organizations (NGOs), the vast majority are small and medium organizations (SMOs).<sup>1</sup> SMOs play several crucial roles within the Canadian foreign aid sector. They bring expertise in specialised issues or geographic locations that are overlooked by larger organizations.<sup>2</sup> They contribute to the vibrancy of Canada's civil society by providing opportunities for Canadians to directly engage internationally through fundraising or volunteerism and their financial contributions to the sector are significant: between 2011-2015, the 607 smallest organizations generated an annual combined revenue of \$30 million from private sources.<sup>3</sup> In other words, SMOs make significant and unique contributions to Canada's international development sector.

The 2020 Spur Change Program's 2020 report observed that SMOs are "specialised, well-connected and flexible."<sup>4</sup> Many SMOs operate independently of government funding, so they are not subject to the demands of funding cycles or shifts in government priorities.<sup>5</sup> In other words, their lack of dependence on public funding means that they operate with relatively high levels of autonomy. Because they are lean and volunteer-driven, a larger proportion of their budget gets spent directly on projects rather than on administrative overhead.<sup>6</sup>

SMOs engage in durable, long-term partnerships with local communities that are based on direct relationships, accountability, and trust.<sup>7</sup>

The COVID-19 pandemic has tested the flexibility and resilience of Canadian SMOs. Since the pandemic was declared in March 2020, SMOs have worked hard to pivot and adapt to new realities. The pandemic has exacerbated pre-existing development problems and even reversed gains in some areas. It is likely that the pandemic will prevent the ability of some states to meet their 2030 Sustainable Development Goals.<sup>8</sup> Amid these challenges, many SMOs have faced significant losses to their funding while having to creatively redesign their programs to align with new public health protocols. Above all, organizations have been forced to operate within an environment of heightened unpredictability and uncertainty.

This report aims to understand how the COVID-19 pandemic has impacted SMO adaptation and resilience. While SMOs undoubtedly experience unique vulnerabilities, they may also have unique adaptation strategies and forms of resilience. As such, the primary objective of this report is to investigate the extent to which SMOs have exhibited flexibility in their pandemic response, and whether and how this enhances their resilience in the face of the global crisis.

In particular, the report focuses on the impacts of the COVID-19 pandemic in five thematic areas:

- 1 the adaptive strategies of SMOs, as well as the challenges they face, in relation to **resource mobilization and fundraising**;
- 2 the adaptive strategies of SMOs in relation to **program development**;
- 3 whether and how SMOs have implemented **gender-based approaches** in their pandemic response;<sup>9</sup>
- 4 how SMOs have adapted their practices in relation to their **partnerships with local organizations** and broader efforts towards **localization**;
- 5 the most important **differences and variations** across SMOs in their pandemic response, and how these differences matter.

### *Previous research on Canadian COVID responses*

The report builds on a study that was conducted by a research team from the Guelph Institute of Development Studies (GIDS) at the University of Guelph. From July-August 2020, the research team surveyed 151 Canadian humanitarian and development organizations, as well as conducted 13 interviews with key informants. The results of this research were released in October 2020.<sup>10</sup> The study presented a number of findings that are relevant for SMOs, specifically that SMOs have experienced the pandemic differently than large organizations both in relation to their funding models and thematic areas of work. However, the University of Guelph study did not originally set out to investigate the impact of the pandemic on SMOs in particular. Additionally, its findings focused more on SMOs' vulnerabilities and challenges rather than identifying adaptation strategies or forms of resilience. Moreover, the data collection for the study was conducted in English, which limited the participation of Francophone NGOs. Despite these limitations, the University of Guelph study provides a useful starting place for investigating how SMOs have experienced the pandemic, particularly because one of its main conclusions was in relation to the need to provide targeted support to SMOs. This report responds directly to that recommendation by investigating the experiences of Canadian SMOs during the pandemic.

The COVID-19 pandemic is unquestionably a time of crisis, hardship and uncertainty for many individuals and organizations. Nevertheless, it also presents an opportunity to reimagine Canada's role in international development in order to build back better.<sup>11</sup> It is essential to understand both the strengths and vulnerabilities of SMOs in order to identify how best to support them during the pandemic and its aftermath. To that end, the concluding section of this report identifies evidence-based best practices for SMOs, as well as recommendations for the Spur Change Program in its efforts to build the capacity and resilience of Canadian SMOs.

**SMO stories**

“ I hope that [the pandemic] provides good examples of how SMOs do have strength. They are closer to the ground. They have strengths: ...resilience, [they are] flexible, adaptable, nimble. I hope that this will be recognized and built on.... I would hope that there are things to be learned from SMOs.”<sup>12</sup>

# OVERVIEW OF PARTICIPANTS

Just over half of the interview participants (n=12) were from organizations who had previously completed the University of Guelph survey, and the research team invited additional participants from organizations who had not completed the survey (n=10) to diversify the dataset. The selection of interview participants sought to ensure representation on the basis of organizational size, language, region, and access to federal funding.<sup>13</sup>



## Size

Interview participants were evenly divided between small and medium organizations, with 11 participants in each category. The report categorizes organizations with annual revenue less than \$1 million as “small”, while “medium” organizations are those with annual revenue between \$1-10 million.<sup>14</sup>

## Language

To ensure linguistic representation, one-third of the interview invitations (8 in total) were issued to Francophone organizations. In total, 6 participants from Francophone organizations agreed to participate. To ensure accessibility, interview invitations were issued in both French and English, and participants were provided the option to have an interpreter present during the interview. Three participants opted to conduct the interview in French with an interpreter present. The consent forms were translated into French and the interview questions in French were provided in advance.



## Region

Interview participants were selected to ensure regional representation from across Canada. In total, there were 2 participants from British Columbia, 4 from Alberta, 1 from Manitoba, 8 from Ontario, 6 from Quebec, and 1 from Prince Edward Island.<sup>15</sup>



## Funding

Interview participants were selected to include representation from organizations that received funding through Global Affairs Canada's (GAC) 2017 SMO Call for Proposals, through the Fund for Innovation and Transformation (FIT), or funding from neither. In total, 8 participants were from organizations that received GAC funding, 4 received FIT funding, 1 received funding from both sources, and 9 did not receive funding from either source.



The research team sought to include a diversity of organizations in terms of their thematic and geographic areas of work. While it was not possible to attain perfect representation of the sector in terms of thematic areas of work, the interview participants represented organizations who work in a wide variety of areas, including education, mental health, agriculture and rural development, gender equality, WASH, health, climate resilience, and entrepreneurship. Likewise, the interview participants represented organizations working in Latin America, South America, the Caribbean, sub-Saharan Africa, the Middle East, South Asia, and Canada. As one of the aims of the research was to identify how organizations had implemented a gender-based approach in their pandemic response, most of the organizations (n=18) who participated in interviews regularly engage in work related to gender equality.<sup>16</sup> A list of the interview participants is included in Appendix 2.

For further information about the research methodology and its limitations, see Appendix 1.

## MAIN THEMES

The discussion is organised according to the following five thematic areas:

- 1 Resource Mobilization and Fundraising
- 2 Program Development and Adaptation
- 3 Gender-based Pandemic Response
- 4 Localization and Partnerships with Local Organizations
- 5 Variations in Pandemic Response across the Canadian SMO Sector

The first three themes relate to capacity-building priorities identified in the 2020 Spur Change SMO report, while the latter two themes emerged out of the initial University of Guelph survey.



# 1 Resource Mobilization and Fundraising

The 2020 Spur Change SMO report identified resource mobilization as the top capacity-building priority for SMOs, and fundraising was identified as the top resource mobilization priority.<sup>17</sup> Likewise, financial stability was identified in the 2020 report as one of the key challenges faced by SMOs.<sup>18</sup> Given that the COVID-19 pandemic has had a major economic impact within and beyond the international development sector, the research sought to understand the scale of these impacts and how SMOs have adapted their resource mobilization strategies within this context. The research found that, although SMOs have experienced funding losses and uncertainty about the future remains, SMOs are surviving – and in select cases even thriving – despite facing significant challenges during the pandemic.

## 1.1 Funding sources

Survey respondents were asked to identify the sources of their funding. According to respondents, 83% of SMOs rely on personal charitable donations as a primary source of funding, with 70% indicating that they were “Very Reliant” on this funding source. As depicted in table 1 below, this was followed by philanthropic organizations (53%) and corporate donations (40%). While only 27% of SMOs received funding from Global Affairs Canada (GAC), 21 of these indicated that they were “Very Reliant” on this funding source. This indicates that even though GAC is a less common source of funding for SMOs, it nevertheless plays a significant role in funding a relatively small contingent of organizations.

Within the broad category of SMOs, there appear to be important variations in funding sources between small and medium organizations. According to the survey, while both small and medium organizations rely on personal charitable donations to a similar degree, small organizations appear to have a less diverse funding portfolio compared with medium organizations. Medium organizations are more likely to receive funding from GAC and other federal sources, corporate donations and philanthropic organizations. This disparity was also reflected in the funding sources of the interview participants, where only 3 of 9 GAC-funded organizations and 1 of 5 FIT-funded organizations were small. Many interview participants – particularly those from small organizations – expressed concerns about their lack of capacity, including knowledge, expertise and staff availability, to apply for federal funding.

## Ongoing Funding Concerns

Interview participants were nearly unanimous in expressing a desire for more federal funding opportunities that are specifically targeted at SMOs, along with a funding application and administration process that was more tailored to the capabilities of SMOs. Several of the interview participants from SMOs that had successfully received federal funding articulated concerns about the ongoing complexity of administering GAC-funded projects. The difficulty has been compounded by the challenges of adapting those projects – many of which are still in their early stages – to the context of the COVID-19 pandemic. While some SMOs have successfully pivoted their GAC-funded projects to the pandemic context, others have faced significant delays due to the difficulty of integrating COVID-related adaptations to projects that had been approved prior to the pandemic.

Funding Sources - Totals

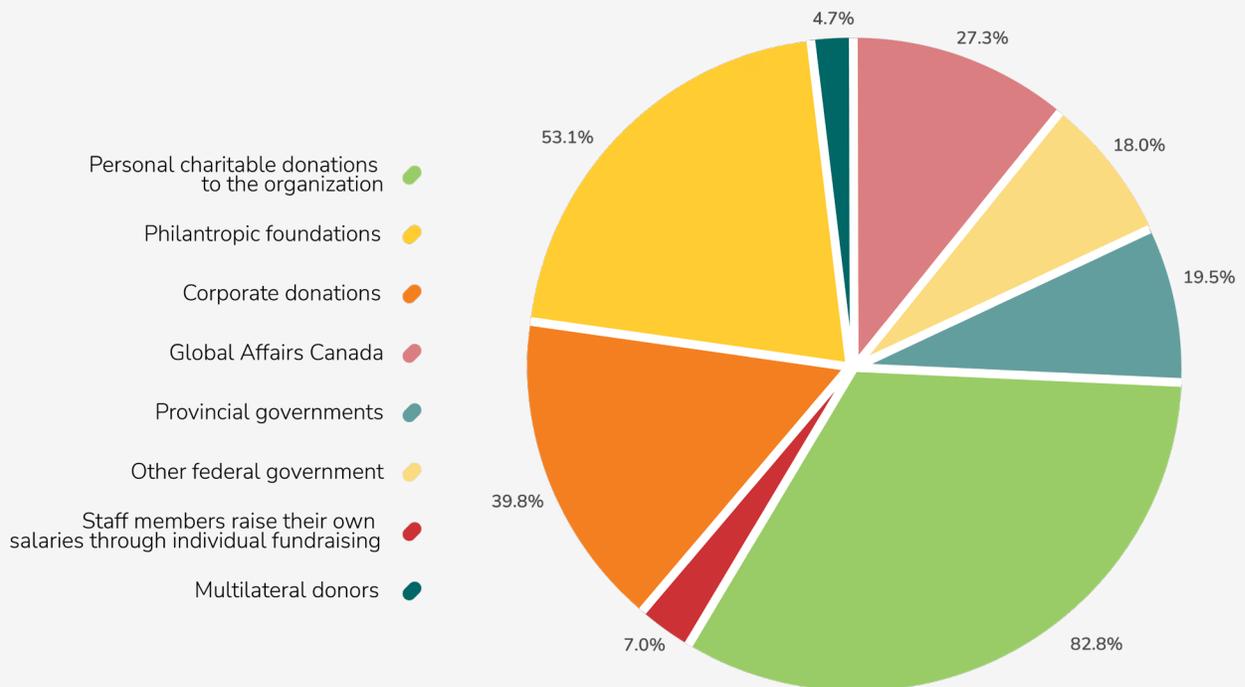


Chart 1: SMO Funding Sources (Source: University of Guelph survey)

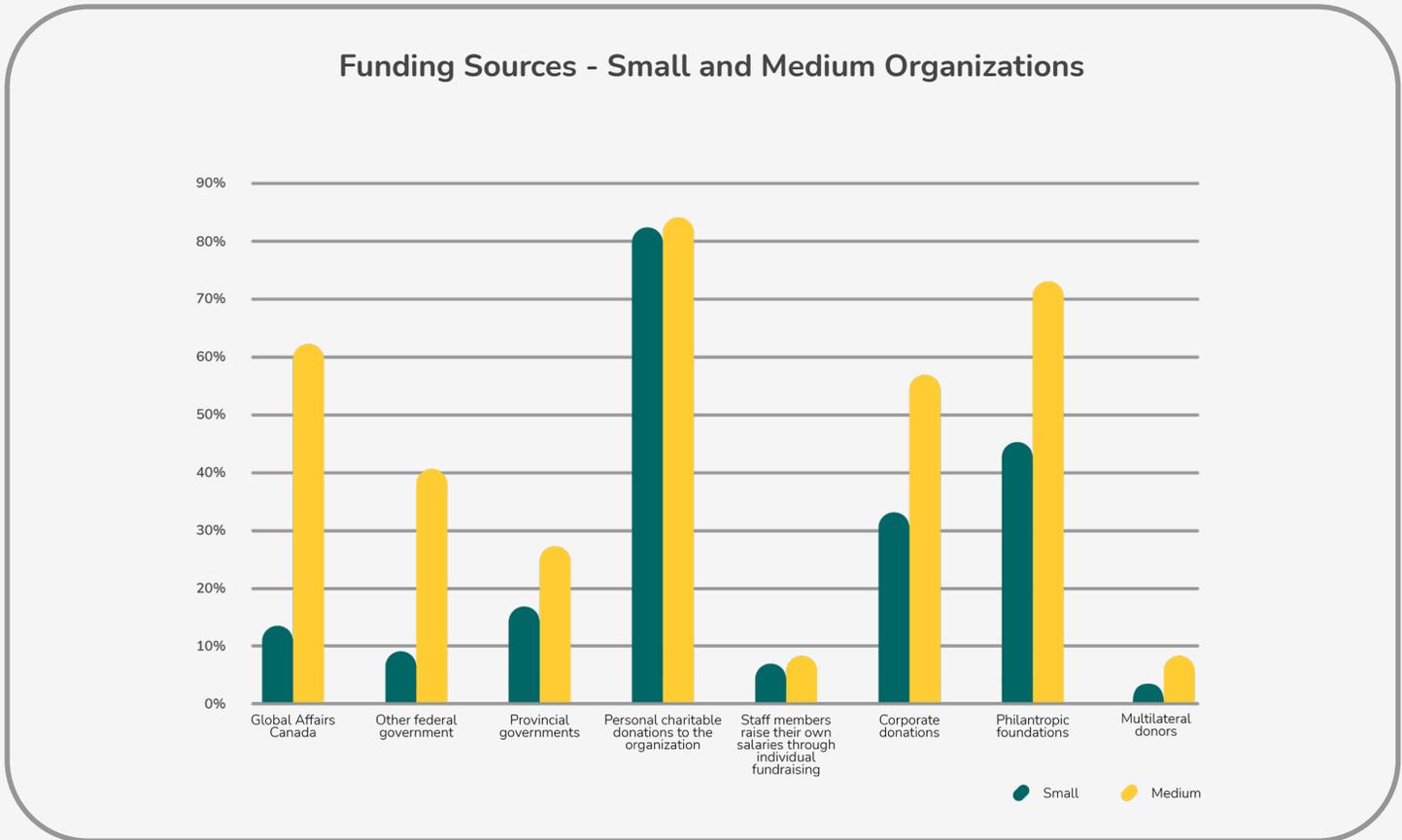


Chart 2: SMO Funding Sources (Source: University of Guelph survey)

## 1.2 Funding decline

Given the significant economic impacts of the pandemic, it is not surprising that 61% of survey respondents reported that their organization had experienced a funding decline, with 70% of these reporting losses from personal charitable donations, 33% from corporate donations and 19% from philanthropic foundations.

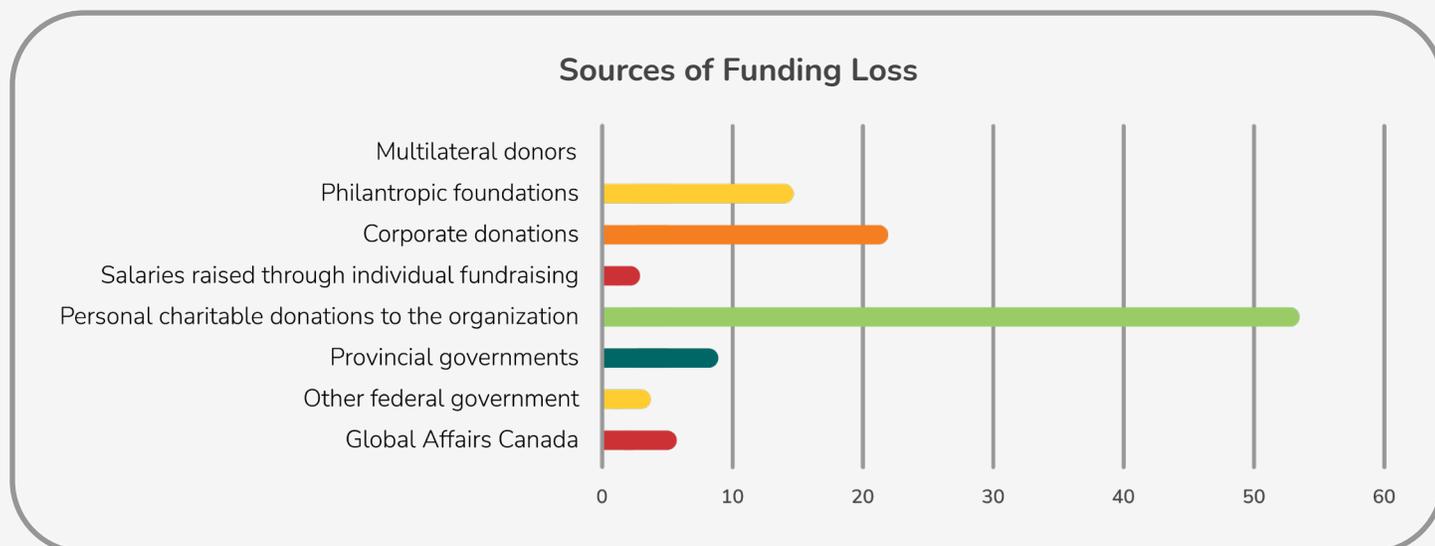


Chart 3: Sources of funding loss (Source: University of Guelph survey)

Responding to this funding decline, 48% of SMOs launched new fundraising campaigns. The majority of new campaigns (68%) focused on “existing programs that required ongoing financial support” followed by “new areas of program delivery specifically related to COVID-19 response efforts” (69%). But it is important to note that there appears to be a gap between small and medium organizations in their capacity to fundraise for the latter: a significantly higher percentage of medium organizations (70%) launched campaigns related to new programs related to COVID-19 response in comparison to only 54% of small organizations. If fundraising strategies are interpreted to reflect an organization’s distribution of effort in its programs, this suggests that small organizations have focused on adapting their existing programs to the context of the pandemic, while medium organizations have more capacity to launch new programs that are directly related to COVID-19 response.

### 1.3 *Adaptation related to resource mobilization and fundraising*

The survey responses were collected in the early months after the pandemic’s onset when organizations did not have full information about the scope of financial impacts. The interviews took place much closer to the end of the 2020 fiscal year, so participants were more informed about the financial impacts on their organizations and were also better able to reflect on the resource mobilization strategies that they had employed to meet financial challenges. In general, while survey respondents expressed a high level of fear and uncertainty about their organizations’ financial future, the later interviews provide evidence that SMOs are surviving – and in select cases even thriving – despite the financial uncertainty.

While most interview participants indicated that they had experienced a decline in funding, the overall losses have not been as devastating as previously feared. Several SMOs attributed this to the loyalty and generosity of existing donors, while others attribute it to their efforts to identify previously untapped funding sources or even restructure their entire business model. Overall, interview participants provided examples of adaptation and resilience, although they continued to express uncertainty and fear about the long-term financial implications of the pandemic.

## 1.4 Online Fundraising

Several interview participants reported that their organizations had adapted their fundraising strategies for an online format. Instead of running an annual gala or pancake breakfast as per their usual practices, organizations found creative ways to hold these events online. For example, one SMO that usually holds an annual gala fundraiser in a convention centre held a well-attended virtual Zoom gala for donors. Registrants received a “gala in a box” in the mail, which included a bottle of wine, some food and some West African print face masks. One of the benefits of this format is that it made the event more accessible to a wider audience than would normally have been possible. Supporters of the organization from across the country were able to attend the event, along with staff members in other countries who would not otherwise have been able to attend. To cap it off, the organization spent \$50,000 less on the planning of the event but raised the same amount of money as in previous years. On a smaller scale, another interview participant described how her organization held its annual fundraiser film night online and the event raised more funds than previous in-person film nights, perhaps because it was more accessible to a larger number of people than previous events.

### SMO stories

“ Now we can hold a virtual gala and most of our supporters can join. And so for us, there’s a couple of benefits to that. It means we can hold a gala and people from B.C. and people from Ontario can join. We can look at other ways of bringing the program to them. Now that we know that we can bring them together on Zoom, there’s options for more often saying, ‘We’re going to have a conversation with our country director. Why don’t you join us? Click on this link!’ There’s a certain intimacy to Zoom that you don’t get when you have somebody standing at a podium addressing a room of four hundred people. So I think those are some of the positives for us going forward.”

There are, however, limitations to online fundraising. It is possible that the events described above were successful because they were recurring annual events that had been moved online, rather than brand-new fundraising initiatives. However, interview participants identified other recurring annual events, such as a summer BBQ or a community pancake breakfast, that were more difficult to transfer to an online format. Moreover, one interview participant observed that there are limits to how interactive online events can be, which is a problem at a time of “Zoom fatigue” and it is difficult to attract attention in the online fundraising space. The participant provided the example of her organization’s online auction, which raised some money but not nearly as much as previous in-person events. Even interview participants with successful online fundraising events wondered whether the success of their event could be replicated in the future or if it was a one-off success.

Not all organizations have chosen to pivot their fundraising efforts to an online format. Often, the decision not to go online is related to capacity. It takes a large amount of technological literacy and human resources to move a major fundraising event to a remote format and small organizations may simply lack the capacity to do so. Some SMOs rely almost exclusively on volunteers, many of whom are retirees, who may not be as familiar or comfortable with digital technologies, so this limits their ability to pivot their fundraising efforts online. Indeed, most of the organizations that successfully launched large online fundraisers were medium organizations with significant technological capacity or small organisations led by younger staff or volunteers who were technologically savvy. In contrast, small organizations generally tended to rely on more “old-fashioned” ways to connect with their donors, such as telephone campaigns or mailouts.

Some organizations have moved towards long-term changes to their funding sources or business models. While these organizations had previously been concerned about their long-term financial sustainability, the financial losses associated with the COVID-19 pandemic pushed them towards more actively making fundamental changes to their financial strategies.

In some cases, the focus was on identifying new sources of funding or partnerships in order to diversify the organization’s funding portfolio. For example, one interview participant described how his organization had previously received a significant amount of its funding from an annual golf tournament fundraiser. The tournament had been cancelled due to COVID-19 restrictions, which had propelled the organization to reflect more broadly on its long-term financial stability. In response, his organization had started to initiate efforts to forge new partnerships with other organizations in order to leverage its existing resources as well as to create new capacity. Nevertheless, although he was hopeful about the potential of these new partnerships to create new opportunities, he also noted many of the challenges and obstacles to setting these up. New partnerships require convergence of goals and values, and this is a long-term strategy rather than a short-term solution.

Volunteer programs are a major source of funding for some SMOs, and financial losses have been substantial when organizations have had to cancel these programs due to COVID-19 travel restrictions. One interview participant spoke about how his organization had relied heavily on teams of corporate volunteers as a funding source, despite having misgivings about the effectiveness of sending teams of short-term volunteers to implement projects. When the pandemic forced the organization to cancel its volunteer placements, the organization used the financial crisis as an opportunity to identify new opportunities to partner with corporations through Corporate Social Responsibility (CSR) programs. Not only are these CSR partnerships more financially secure, but they represent a more sustainable model of project implementation for that organization. Another SMO repatriated all of its interns, who continued their work remotely in Canada. Running internships remotely proved to be an effective cost-savings measure, since there are low overhead costs compared with in-person internships.

Another strategy has been for SMOs to monetize their expertise in order to create a more sustainable funding model for the organization. This option seems to be particularly attractive for organizations with specialized expertise in a niche area, such as information management, health or technology. While forming new CSR partnerships is one example of monetizing expertise, other SMOs have opted to provide consulting or training services. For example, one health-focused SMO made the decision not to solicit funding from previous donors or engage in new donor recruitment. Instead, it moved to a model of delivering online health training modules as a primary source of income. Some interview participants also pointed to the potential of monetizing their expertise through social impact financing. Undoubtedly, this entails a radical shift away from the traditional model of charitable giving, and this option may not be available or desirable for all SMOs for various reasons. Nevertheless, these examples illustrate how some SMOs have adapted to the pandemic by adopting new business models to build long-term resilience and financial sustainability.

## SMO stories

“The individuals would pay their own way down and then they would we would charge them a fee for providing the service. But, of course, that meant that people had to be able to travel and when nobody can travel, therefore funding went from, half a million dollars or whatever it was to zero.... We were able to bridge to a model... [of] monthly donations and doing projects with companies in the area that we're working... So we just become part of their CSR program. They pay us to do the project. We do the project, and they do it on a consulting basis or on a negotiated fee basis.... [Before the pandemic] there was a desire to move away from [volunteer-based models,] but it was just too easy a model because it established some very strong connections. And companies were coming to the organization saying, 'Would you do this for us?' So it was hard to say no. And so as much as some people wanted it changed, it was just that life was too good under that model to create the kind of creative destruction that Schumpeter talks about.”

## SMO stories

“Out of empathy and a sense of understanding what everybody was going through as a whole, we avoided doing any donor recruitment at all. And then at the same time, we kept our eyes open for specific ways that we could tap into COVID-19 specific funding and see if it could apply to the programming that was needed or existing programming that would have had to shift... What we were able to do is restructure.... And so right now, we still have no donors, no donations coming in and have done little to no donor recruitment. But our funding is coming from specific requests for training that we're able to provide because we have the ability to produce the content and we've got the digital framework for it and we have the people. So it really made us bear down on what our core competencies were in order to monetize it in a way that is not profit generating, but organizationally sustaining.... So essentially it was a shift of monetizing competencies, but not monetizing competencies for financial gain, but also for organizational stability.”



## 2 Program Development and Adaptation

Across the sector, the COVID-19 pandemic has had a significant impact on the ability of SMOs to implement their programs. According to the survey, 40% of SMOs had to temporarily suspend their programs as a result of the pandemic, although only 3 out of 128 SMOs indicated that they had permanently shut down their programs. Survey respondents indicated that the top three reasons for program suspensions included travel restrictions, government restrictions and public health restrictions. According to the interview participants, SMOs have since been able to re-start most of the programs that had previously been suspended, with the exception of many volunteer or internship programs. Other organizations did not suspend their programs, but quickly identified ways to adapt their program delivery to the new pandemic context. Prevalent strategies included online pivots, focusing on core competencies, and forming new collaborations. Across the sector, the research found multiple examples of adaptation that represent high levels of creativity, problem-solving capacity, and resilience.

### 2.1 Online Pivots

The most prevalent adaptation strategy has been to pivot programs and service delivery – as well as the day-to-day operations of SMOs – to an online format. Although only 38 survey respondents specifically identified new investments in digital infrastructure, all SMOs have pivoted online to a certain degree. There are, however, variations across the sector regarding the extent of these digital strategies. For some SMOs, pivoting online has been a short-term survival strategy adopted out of necessity. Other SMOs have adopted more wide-ranging digital strategies that will permanently transform their operations into the long-term.

#### SMO stories

“Even switching to Zoom can get people into some new ways of doing things. And many of them found that, you know, once they got used to it, they actually preferred it. And that’s just a very small example, I guess, of how it’s affected us in a way that was uncomfortable at first. But I think in the long run, it’ll be positive because now, instead of driving in the wintertime for our board meetings, we’re going to have Zoom meeting for January through March and then we’ll reconsider in April. We did the same with our AGM. And we’re finding that what you lose in that face-to-face connection, you gain in accessibility and reach. So there’s definitely a bright side to having to go virtual.”

A large number of SMOs have adapted their training and educational activities to an online format. Amongst the interview participants, there was variation in pre-existing digital capacity for online training activities: some SMOs already had digital infrastructure in place while other SMOs started with very little. However, unlike in the area of online fundraising (which was mostly adopted by medium organizations with greater digital capacity), both small and medium organizations successfully adapted their training and educational activities to an online format. Moreover, interview participants indicated that they are likely to continue to use online training formats to some degree even after the pandemic, because they are more accessible and cost-effective.

Interview participants also reported some benefits to moving their day-to-day operations online. One of the main benefits is that it has improved accessibility, as a larger number of local staff or partners are able to participate in regular meetings that they would not otherwise attend. For example, one interview participant observed that remote meeting formats had made the organization more inclusive.

**SMO stories**

“ We have large partnerships with local schools and organizations and we were able to do a big work of adaptation in order to take our activities online. But the projects did have to adapt and it was very energy consuming to adapt to this virtual model. But we did manage to do it.... The biggest adaptation was that we were forced to accelerate their adaptation to new online methods. That was maybe less prioritized before because we always had the opportunity to see each other in person. We were kind of putting that on the back burner before the pandemic, but with the new situation, we were forced to reinvent our online collaborative methods.”

**SMO stories**

“ Since a long time ago, we were preparing to jump to digital and online learning and everything, but step-by-step, super soft.... We were training ourselves and last year we had these platforms and they had everything ready. But smoothly, you know, step by step. Then when the pandemic arrived, everything was so fast. So we started just using the platforms. But I mean, the structure was there.... I might say that the virtual campus will remain. And I might say that, as I'm telling you this, I strongly believe that our impact will increase because we can optimize the budget of the projects because we have the structure to do it online.”

Nevertheless, interview participants also identified limitations or challenges to working online. Some training activities are not easily translated to an online setting, for instance, a workshop on water quality that requires the use of lab equipment. Likewise, some needs simply cannot be addressed in an online environment, such as providing shelter or support to victims of domestic violence. Furthermore, for SMOs that work with marginalised communities or with partners in rural locations, it is a challenge to pivot online when there is unequal access to digital technologies or stable internet connections. Although some interview participants thought that frequent online meetings had improved communications between staff, other interview participants expressed concern about their ability to maintain their relationships with their partners or to establish relationships with new partners without the ability to see them in-person. Some participants expressed concern about wellness-related impacts of working online, such as online meeting fatigue and mental health. Finally, one interview participant expressed concerns that if international travel is seen as less important for program development in the future, already-inadequate budgets may shrink further and continue to restrict organizational capacity.

**SMO stories**

“ [For] some of the communities, it’s easier than other. They have more Internet access or the staff have more access to technology than others. It’s easy enough for me to call them and want to help them, like have a conversation. Or I can send emails and expect to get a response fairly quickly. There are some communities where there’s cell phone service once a week maybe. And so that does make it tough just to try and kind of get things done to try and coordinate what’s happening on the ground.”

**SMO stories**

“ It’s definitely better than it was in the beginning and it’s improving over time, but there are still issues. I think another thing was that the switching to remote working, so being removed from our partners and remote from the office and colleagues when everybody was working from home, it was hard... So there are mental health issues, general people’s well-being, connection, effectiveness, all of those things were impacted.”

## 2.2 *Focusing on core competencies as an adaptation strategy*

The interview participants provided numerous examples of how they had capitalized on their core competencies as a pandemic adaptation strategy. Sometimes SMOs adapted their existing programs to meet emerging pandemic-related needs, while in other cases entirely new COVID-19 related programs were launched. The commonality across these examples is that SMOs provided targeted responses that built on their strengths and core competencies. Overall, the examples demonstrate high levels of flexibility and resilience even during a time of crisis.

In some cases, SMOs adapted their pre-existing programs in order to respond to COVID-19 related needs. For instance, one SMO was already working on a project related to sanitation marketing. After the start of the pandemic, it was possible for the organization to build on that program to provide accurate information about COVID-19 that countered some of the misinformation about the disease that was circulating in the community. It was also possible to acquire additional funding for the project to create handwashing stations in public spaces. Another SMO supported pre-existing programs responding to domestic violence in South Africa. Rates of intimate partner violence increased rapidly after the lockdown and the SMO responded by initiating a rapid re-start of its program. Similarly, interview participants from SMOs that had prior experience responding to the Ebola epidemic observed that they felt well-equipped to pivot quickly to COVID-19 response.

Some SMOs launched new programs in response to the pandemic. Even with these new initiatives, SMOs built upon their core competencies and strengths. For example, one SMO was able to work quickly with a pre-existing partner to create a new online platform that disseminates free information about evidence-based COVID-19 hygiene interventions in low- and middle-income countries. Another interview participant described how the organization had applied lessons learned from previous programs in other countries to launch an entirely new program in Toronto to develop a cohort of community-based peer mental health support workers.

Such rapid program adaptations were possible because SMOs had relevant expertise, prior experience, and strong connections with local partners. A common theme amongst the interview participants was the observation that the challenges of the pandemic intersected with and amplified pre-existing development issues. For example, if there were pre-existing barriers to clean water, sanitation and hygiene in a community, the pandemic amplified the necessity of having access to such infrastructure. Similarly, if there were pre-existing barriers for girls to access education, the pandemic exacerbated those barriers. As SMOs were already working on these issues with their partners, they were well-placed from the onset of the pandemic to identify and respond quickly to these needs as they emerged. Interview participants also noted the importance of balancing COVID response with addressing other ongoing development needs, particularly with a view to contributing to a just recovery.

## SMO stories

“We’ve always done health programs...We did an emergency response to Ebola... Bringing that expertise of having responded to Ebola and having that huge maternal and child health project, it was really easy for us to pivot and start doing pandemic response - prevention and response and good, like very sound, experienced pandemic response. So I think because of our diversity in our programming - we’ve also done some education pieces around helping kids stay in school or maintaining their links to education - because of our diversity in our projects, we have been able to pivot.”

## SMO stories

“I decided to take some of the things that were working really well in [another country] and translate them here to Canada. And so I started to engage with the different communities here in Ontario and across Canada and look at what the needs were... And we offer essentially a first aid for mental health, but an adapted version for COVID-19.... Totally new idea. Totally new concept. This is the first time that we’ve done something as robust as this and within mental health, definitely, because essentially what we want to do is, is we’re working towards the just recovery principles. And we want to be able to take this cohort and turn them into community mental health workers that will be able to function both now and post-pandemic... That work is something completely new that we were able to put into place because we already had the framework within our organization to deliver programs like this. And when the need came up, we could shift and address it in a way that made sense, in a way that allowed us to continue to follow the best practices, in a way that allowed us to continue to utilize our own network and workforce and content and bring people together. We had to reflect back and see, ‘What are our core competencies? How can we translate those core competencies to what the COVID-19 needs are and how can we translate that to what the needs are going to be post pandemic?’ Because it will be a new normal and we want it to be a better version of the new normal, but we want to be realistic at the same time.”

## 2.3 *New partnerships and collaborations*

Some interview participants identified new partnerships or collaborations that their organization had formed as part of its adaptation strategy. In some cases, these new collaborations became possible in the context of online pivots. Whereas remote partnerships may not even have been considered prior to the pandemic as a viable option, they became possible during the pandemic because of widespread shifts across the sector to an online work environment. For example, one SMO took advantage of the remote working environment to dramatically increase its number of collaborations with local partners. In other cases, organizations acquired new partnerships as a

result of the increased visibility of their work in the pandemic context. For instance, an interview participant from an education-focused SMO explained that her organization's visibility had increased as a result of widespread public conversations about the pandemic's impact on education. As a result, the SMO had established new partnerships with both government and other civil society organizations and has even had to turn down requests for new collaborations.

Nevertheless, not all SMOs have had the same level of success with forming new partnerships or collaborations and there appear to be a combination of factors that explain these variations. One interview participant observed that it was particularly challenging to network in the context of the pandemic: his organization's attempts to explore new collaborations had been met multiple times with no response. Competition between organizations for funding may also disincentivize new collaborations. An interview participant described how his organization had been working towards building new partnerships with other organizations prior to the pandemic but observed that these opportunities had fallen through because the potential partners were no longer interested in collaborating on funding applications. In other words, his SMO was now viewed as a competitor rather than a potential collaborator. However, it is also important to note that such barriers to collaboration existed prior to the pandemic, but the pandemic may have made it more challenging for some SMOs to surmount them.<sup>19</sup>

**SMO stories**

“That’s how we really pivoted at the beginning of the pandemic. We increased our cyber-mentoring missions. We developed 11 missions and we involved nearly 15 of our experts from our pool of experts. And that’s one way that we adapted.... We had very few partners from 2019, our old partners, if I may say.... We enhanced our cyber mentoring. And that was a success because we identified new partners... Communication is so important during a crisis. Why not volunteer to support the capacity-development of communication skills in different North African or West African countries? That’s how it started. So we increased our number of local partners during the pandemic, which was a great achievement for us.... In a couple of missions, the partners we started to work with were not truly engaged or available, so in a couple of cases it didn’t work. But let’s say for 80 percent of our efforts, we identified good partners and now we really have good opportunities to submit projects with some of them. So, yeah, it was a great experience, really. We really transformed that challenge into an opportunity.”



One interview participant outlined in great detail several staff supports that her organization has implemented, which she linked explicitly to a feminist framework. These staff supports included an individual wellness allowance, flexible work hours, collaborative check-ins and evaluation sessions, Zoom dinners with food delivery codes, and new opportunities for women to take leadership roles in the organization.

**SMO stories**

“We had various activities like meetings with important leaders, like community leaders, religious leaders, political leaders, school community mobilizations, women and girls empowerment workshops, menstrual hygiene management workshops, radio ads and regional campaigns. They all had a focus on promoting a safe return to school for girls... All the meetings included trying to convince the parents and the communities of the advantages of educating girls and sending them back to school. The feedback that I got from the partners was very positive. I think that people recognize that girls and women have been the most affected by the pandemic and that gender equality projects are even more important now than before... The focus of the message that was spread was that it is important to educate the girls, and the parents should really send them back to school. So, there were messages through those meetings or those activities, but also on the radio and through regional campaigns.”

**SMO stories**

“They had to adapt a bit more flexibility in order to accommodate parents of young children. As we know, mainly it's women on which bear the brunt of the responsibility for taking care of young children. So, in Canada, they did survey their staff and they found that that's where the need was most apparent. They tried to help fathers and mothers, but putting a special accent on women.”

## 3.2 Challenges to gender-based pandemic response

Even amongst the SMOs that addressed gender equality in their programs, the interviews revealed a range of variation amongst the interview participants in their ability to clearly identify and articulate what it meant to implement a gender-based pandemic response. In a small number of instances, this was due to a lack of familiarity or expertise with gender equality frameworks. More frequently, this was due to the interview participant's SMO already having established a focus on gender equality in their programs. As one interview participant explained, it would be challenging to separate COVID-19 gender-based responses from the organizations existing programs on women's empowerment. Overall, there were significant variations in the extent to which SMOs had prior relationships with feminist organizations or gender-focused local partners. It was far less likely for an interview participant to clearly identify a gender-based pandemic response if their organization was not working in that area prior to the pandemic.

## Implementing gender equitable frameworks

Examples of feminist values are interconnection, respect, cooperation, and equity.

### Gender Equitable Programming

“ Things look different, but everything has continued. A huge indicator of feminism is that you don't cancel programmes when funding is cut or when emergency ensues, you find other ways to do them, radical ways, because you recognize that this is when people need support from those programmes more...”

“ At the beginning of the pandemic, [our organization] started a weekly storytelling hour as a response to the growing challenges of isolation and loneliness. This ongoing event fosters global interconnection and respect through the sharing of incredible stories, poems, and music. The Community Storytelling hour highlights the voices and stories of women within a safe space and this elevation of women's voices has promoted equity and gender justice. This is just one example of how [our organization] has applied and promoted feminist values in its COVID-19 response.”

“ We're very careful about making sure we do look at gender strategy or gender analysis before we start projects.”

“ [We] really rely on our partners...two of our partners are organizations that are led for and by women, one in Guatemala and one in Nepal...And we've really let them...implement all the types of initiatives or take make into action all these types of initiatives that could really help their participants the most.”

### Staff Supports

“ [Our organization] supports us by taking into account our actual feelings, making sure that we know exactly how we are doing in our lives and that we are doing OK emotionally and physically. Providing opportunities for us to share food together remotely is really important.”

“ [Our organization] has done a great job of giving opportunities for all women to be in leadership positions during COVID, such as...doing their inclusion workshop, and...chairing storytelling”

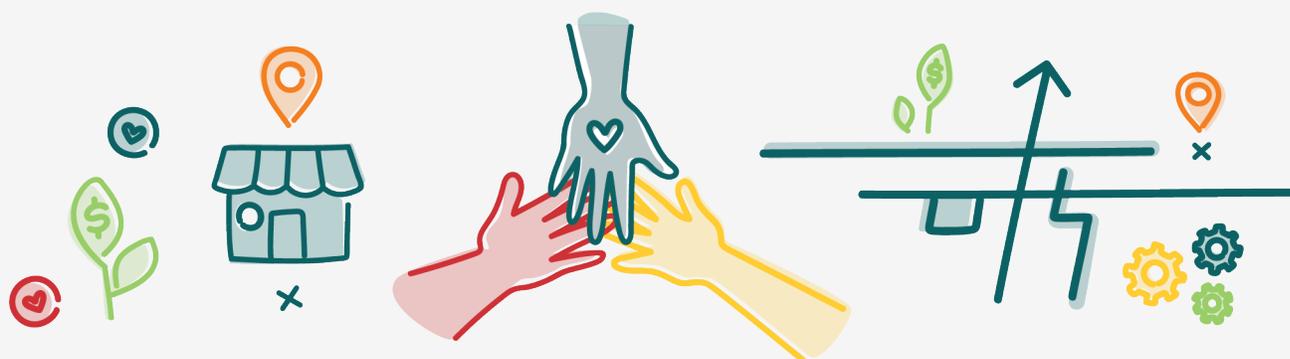
“ ...We had an evaluation meeting, and we were encouraged to talk about our compensation and [our senior staff] coached us [how] to negotiate with them for a higher compensation.”

“ I've seen this as the way my coworkers with children have been given the flexibility that they need to be able to continue to be part of the team.”

“ During COVID-19, some examples include a wage review for staff, [who are mostly] women.”

“ The wellness program has really encouraged people to prioritize their wellness and to afford to take the actions that we want to achieve our wellness goals.”

“ [In] the one-on-one check-ins, even the [questions are] feminist. Do you feel that you have enough power? Are your working hours working for you? We switched to doing weekly one-to-ones. I do weekly one-to-ones with everyone I manage. We co-created an agenda for those. There is an agenda. The bulk of those questions look at how people are doing, in terms of what they need to get through COVID. Whether they have any concerns about the team, whether we need to pay more attention. And we also asked about power: do you feel you have enough power? Are there ways we can make you more powerful?”



## 4 Localization and Partnerships with Local Organizations

The research examined how local partners played a role in SMOs' pandemic adaptations and whether there is evidence that these adaptations will transform their program delivery in the long-term. The findings suggest that the pandemic has accelerated processes of localization, whereby local partners increasingly exercise decision-making power throughout the entire program cycle. In an effort to mitigate the spread of COVID-19, international travel bans and regional lockdowns have been implemented. These restrictions have prevented Canadian SMO staff and volunteers from travelling abroad to participate in program implementation or to carry out monitoring and evaluation activities. While creating some challenges, these travel restrictions have also led to some positive outcomes. Several interview participants reported that their SMOs have strengthened their relationships with local partners and have incorporated more localized approaches in their operations. Prevalent strategies included the repatriation of international staff, pivots toward online communications with local partners, locally-led programs, and new local partnerships. Nevertheless, the challenges posed by limited international mobility remain a source of concern and uncertainty, and significant barriers to localization continue to persist.

### 4.1 Resilience through local partnerships

The research indicates that many SMOs with pre-existing local partnerships have been able to continue their programs amid the pandemic with strategic adaptations made to program leadership. According to survey respondents, 36 SMOs relied more heavily on existing local partners to deliver programs and services as a part of their pandemic responses and 20 SMOs formed new local partnerships. Interview participants with strong local partnerships have also been able to adapt their existing programs to continue throughout the changing context of the pandemic, with several SMOs crediting the strength of their local partner relationships and pre-established trust for this resilience. For some SMOs, these changes have been a shift from Canadian to local program leadership with increased digital communication on platforms such as Zoom and WhatsApp.

The shift in leadership, in some cases, has resulted in strengthened relationships between Canadian SMOs and their local staff or partners. One interview participant noted that relations between Canadian and overseas staff had improved as a result of the pandemic, because more international staff were able to participate in weekly online staff meetings. She also concluded that the continued success of the organization's programs is not contingent on sending Canadians abroad.

For some SMOs, the pandemic has led to brand-new initiatives or potentially even broader changes with the organization. For instance, one SMO redirected funds from a canceled international internship program toward a locally-led program. Another interview participant describes how the travel restrictions have led her organization to a more fundamental reconsideration of the role of international volunteers. In the future, she envisions a much greater role for local partners in project oversight and implementation, with her own organization stepping into more of a supporting role. In other cases, the pandemic has led SMOs to re-think the role of Canadians who permanently work abroad. One interview participant permanently worked abroad for her organization prior to the pandemic but returned to Canada as a result of the lockdowns. The experience had led her to reflect on the possibility of appointing a local individual into her managerial role while she remains in Canada to focus on other aspects of administration.

## 4.2 *Challenges to relationships with local partners*

Despite evidence that the pandemic has accelerated the process of localization for some SMOs, interview participants also identified some challenges with this process. First, existing funding structures can pose a barrier to localization. When internship programs or volunteer brigades are cancelled, this can entail a significant loss of revenue for an organization. For instance, many SMOs access funding for interns through the Youth Employment Strategy, so cancelling international mobility programs can have broader financial implications for an organization. There is also considerable variation between donors on the flexibility of their funding, so it is not always possible to reallocate funding from one program to another.

More generally, interview participants also identified the digital divide as a challenge to their partnerships with local organizations in an online working environment. Since some communities and remote areas are not reachable online or even by phone, there were concerns about the difficulty of monitoring programs from a distance. Other interview participants considered face-to-face conversation an invaluable aspect of their partnership and relationship-building, and expressed concerns about the long-term impact of working remotely. Interview participants also identified challenges with undertaking remote monitoring and evaluation activities.



## 5 Variations in Pandemic Response Across the Canadian SMO Sector

The Canadian SMO sector is tremendously diverse, with a wide array of organizations working in numerous areas of expertise and geographic locations. Given this diversity, a primary objective of the research was to identify the most important differences and variations across SMOs in relation to pandemic response, and how these differences matter.

During the interviews, three dimensions of variation emerged as the most salient: variations across organizational size, regional variations across Canada, and variations due to geographic areas of work.

### 5.1 Variations across organizational size

Within the Government of Canada's SMO category, there are significant variations between organizations in terms of their size and capacity. On one end of the spectrum, for example, the category includes volunteer-run organizations with no permanent staff or office working with partners in one specific geographic location in a single area of expertise. The other end of the spectrum includes organizations with several permanent staff and a permanent office working with multiple partners in a variety of regions in numerous program areas. Because of these wide variations, the research sought to understand how organizational size impacted SMO adaptation strategies in the context of pandemic response.

Interview respondents from both small and medium organizations suggested that SMOs are more flexible in comparison to their larger counterparts, and both provided concrete examples of rapid program pivots and adaptations in support of this observation. There were examples from both small and medium organizations of forming new collaborations as well as examples of organizations from both categories capitalizing on their core competencies in order to effectively adapt. Even organizations on the larger end of the SMO spectrum did not feel hindered by top-heavy administrative or bureaucratic structures and observed that they were able to implement decisions quickly in order to pivot.

Nevertheless, important variations emerged between small and medium organizations in terms of their capacity. Medium organizations had greater capacity in terms of expertise and staff availability to submit funding applications and were also more likely to receive federal funding through GAC or FIT. Likewise, medium organizations had more capacity to pivot major fundraising activities online, although organizations from both categories provided examples of how they had pivoted their program activities online. There is also some evidence from the survey that suggests that small organizations (with a few exceptions) have focused on adapting pre-existing programs to the COVID-19 context, while some medium organizations have launched new programs to respond to the pandemic.

## 5.2 *Regional variation across Canada*

Interview participants – particularly those from outside of Ontario – identified ways in which their regional location has impacted their pandemic response. The most important regional variations were associated with funding as well as access to national professional networks.

Interview participants from Alberta noted how, even prior to the pandemic, their organizations had faced financial challenges linked to the declining provincial economy – an impact felt especially acutely by SMOs with funding links to the struggling oil-based corporate sector. In this context, the financial impacts of the pandemic compounded what was already a difficult fundraising environment. In contrast, SMOs in Quebec are unique in their access to provincial funding through the Ministry of International Relations and La Francophonie (MRIF). Interview participants from Quebec-based SMOs reported that MRIF had provided COVID-specific funding opportunities, and that these applications were generally less complex than GAC Calls for Proposals. Quebec-based SMOs also perceived that MRIF was substantially more flexible in terms of facilitating COVID-19 program pivots compared with GAC-funded projects. Overall, the accessibility and flexibility of MRIF funding may have made it easier for Quebec-based SMOs to adapt quickly and effectively to the pandemic context.

Another important regional variation emerged in relation to SMOs' access to national professional networks. SMOs located outside of Ontario – particularly those based in British Columbia and Alberta – observed that they struggled to feel integrated within national professional networks prior to the pandemic. For example, many in-person training events or conferences took place in Ottawa or Toronto prior to the pandemic with no option for remote attendance. For SMOs with a limited travel budget, this made it difficult to attend such events and consequently build a broad national network with other organizations. However, after the onset of the pandemic, all of these events were shifted to an online format, which meant that they were more accessible to participants from all over the country. Interview participants noted that a positive outcome of the pandemic was that they felt more connected and involved within the broader Canadian foreign aid sector, and they hoped that inclusive opportunities for remote participation would continue even after the end of the pandemic.

## SMO stories

“ I notice that on the CCIC (now Cooperation Canada) calls, the Toronto and Ottawa-based organizations really miss being able to work together. We don't know what it's like. There's also lots of opportunities to be included in things that we haven't been included in in the past. How we are experiencing the sector now is much better than it has been previously.... [Remote participation is] something I've been asking for for years. I've been told it wasn't possible, we don't have the technology. As soon as COVID hit, all of a sudden it changed. All of a sudden, we could do those things online. It's a huge step forward.”

### 5.3 Variations related to geographic location of programs

The extent to which the COVID-19 pandemic impacted the work of SMOs was also connected to the geographic location of their programs. There was significant variation in the extent of program suspensions based on the geographic location of programs and partners. Not all countries have been impacted by COVID-19 to the same degree, and not all countries have implemented the same kinds of lockdowns. For instance, one interview participant described how her organization had suspended nearly all of its programs in Guatemala for several months due to the national lockdown. At the same time, it has continued its programs in Nicaragua because there was no significant lockdown in that country. Another SMO has not experienced significant interruptions to its programs because it mainly works in rural Haiti, which has not been impacted by the pandemic to the same extent as urban centres. For SMOs with work in multiple countries, program shutdowns in one geographic location made it possible for the organization to concentrate their adaptation efforts on locations where they could continue to work. However, as funding is often linked to specific programs in a particular geographic setting, there are limitations in the extent to which SMOs can internally shift resources to support the continuation or adaptation of a program when another program has been suspended.

In other cases, SMOs with large volunteer programs faced significant barriers in adapting their programs, and in many cases these volunteer programs were fully suspended due to international travel restrictions. These variations between – and even within SMOs point to the importance of paying attention to geographic context in determining the degree of the pandemic's impact on an SMO as well as appropriate adaptation strategies and support structures.

# SUMMARY OF SMO BEST PRACTICES



## 1 Pursue diverse and meaningful methods of connecting with donors.

Online fundraising should not be the default option even within a remote work environment, since it may not be appropriate or feasible for all organizations. Rather, SMOs should identify the most effective methods for meaningfully connecting with their donors within their own technical and logistical capacity.



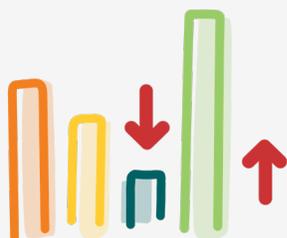
## 2 Think creatively about funding models.

Conversations about the financial sustainability of SMOs were taking place prior to the pandemic, but COVID-19 has brought them to the forefront. SMOs that think creatively about their funding models will be better positioned to weather the long-term financial impacts of the pandemic. Beyond traditional charitable models of giving, SMOs should consider whether there are opportunities to diversify their funding by monetizing their expertise, engaging in new private-sector partnerships, or tapping into social impact financing.



## 3 Pursue strategic online pivots.

SMOs have demonstrated that they can achieve a lot in their programs using online platforms, and they may be able to build on this success in a post-pandemic future. However, moving online should be pursued with an eye to accessibility, inclusivity and wellbeing. Online programs may be appropriate for some program content but not others. Online programs and remote work may improve accessibility and inclusivity in some situations but exacerbate the digital divide in others. SMOs should pursue a digital strategy that accounts for the social, emotional and mental well-being of staff and program participants.



#### 4 *Build on core competencies to create sustainability and resilience.*

SMOs should spend time as an organization identifying and reflecting on strengths and limitations, especially if they have not recently undertaken a strategic planning or re-visioning exercise. Identifying core competencies may open up new opportunities for long-term program development or collaborations that have not previously been considered.



#### 5 *Enhance localization.*

As a result of the pandemic, local partners have had greater decision-making roles and responsibilities in program implementation and monitoring. The remote work environment has facilitated opportunities for local staff or partners to be more consistently engaged in organizational decision-making through online staff meetings. SMOs should build on these successes in their future relationships with local partners with a view to advancing meaningful progress towards localization.



#### 6 *Identify opportunities to improve gender equality across the organization.*

SMOs should undertake a gender-based review of workplace policies and staff wellness supports across all levels of the organization.

# RECOMMENDATIONS FOR THE SPUR CHANGE PROGRAM

## 1 Recognise how size matters in capacity-building opportunities.

Variations in pandemic response that are associated with organizational size point to how needs amongst SMOs vary. While the challenges related to the capacity of small organizations pre-date the pandemic, the pandemic has highlighted how size can make a difference. Consequently, the Spur Change Program should provide targeted capacity-building opportunities for small organizations related to fundraising strategies, funding applications, or program development/adaptation.

## 2 Work towards more inclusivity and accessibility within the sector.

One of the benefits of working online is that it provides opportunities to improve accessibility and inclusivity, both within organizations and within the sector more broadly. The Spur Change Program's networking and capacity-building events should utilize online platforms in combination with in-person formats in order to promote inclusivity and accessibility for SMOs across all regions of Canada. All events – whether online or in-person – should be provided in accessible, alternative formats.

## 3 Promote and support the localization process.

The Spur Change Program should support the sector's efforts towards localization by making its learning opportunities and resources accessible and inclusive to the local staff and partners of Canadian SMOs.

## 4 Provide targeted and practical capacity-building training for funding applications.

The Spur Change program should provide practical and targeted training and information-sharing opportunities related to specific elements of funding applications and administration. These opportunities should be designed to address the needs and questions of first-time applicants and should be scheduled to provide timely support at various stages of application and administration cycles.

## 5 Provide capacity-building opportunities related to financial sustainability.

As a result of the pandemic, more SMOs are engaged in conversations about the long-term financial sustainability of their organizations and the broader sector. The Spur Change Program should facilitate opportunities to learn about alternative funding models, including social impact finance and funding diversification.

## 6 Facilitate targeted networking and knowledge-sharing opportunities.

The Spur Change Program should facilitate networking and knowledge-sharing opportunities for SMOs that share common goals, such as gaining more expertise about funding applications or connecting with other SMOs that work in the same country or on similar thematic issues. These opportunities should be provided with the aim of promoting mutual learning and collaboration.

# APPENDIX 1

## *Research Methodology and Limitations*

### *Research Methodology*

This report is the result of a community-engaged research collaboration between a University of Guelph research team<sup>20</sup> and the Spur Change Program. Prior to data collection, the research team and the National Program Director of the Spur Change Program jointly identified the study's objectives, research questions and definitions, as well as identified a long-list of potential interview participants. In order to ensure the independence of the research and the confidentiality of interview participants, the University of Guelph research team made the final selection of interview participants and all interviews were conducted solely by the Primary Investigator. The research team met with the National Program Director during the analysis phase to discuss the initial findings, and the report was drafted and finalised by the research team with input from Spur Change Program staff.

The research utilised a mixed-methods approach, combining quantitative analysis of the University of Guelph survey results with qualitative analysis of a new round of semi-structured interviews with participants from Canadian SMOs.

The initial survey was used to establish a baseline dataset that represented the experiences of SMOs during the early onset of the pandemic. The research team extracted all of the SMO data, which included responses from 128 organizations, and analysed it to situate and inform the semi-structured interviews. When an interview participant had previously completed a survey, the survey data was used to provide context for the interview as well as to identify possible changes that had taken place within the organization in the approximately six-month interim between survey and interview. During the analysis of the SMO survey dataset, the research team paid particular attention to the five thematic areas above.

A total of 22 semi-structured interviews were conducted with participants from SMOs between November 25, 2020 and January 8, 2021.<sup>21</sup> All interviews were recorded and then transcribed using Nvivo Transcription software. All transcriptions were reviewed by members of the research team for accuracy, then uploaded into Nvivo for coding and analysis. To ensure consistency in coding, one research assistant was trained to code the interviews using both deductive and emergent coding methods. Deductive codes were established based on the interview guide, while emergent coding was used to identify other salient themes.

## *Limitations*

The University of Guelph survey was not originally designed to analyze the impact of the pandemic on SMOs, although the original report disaggregated some of the findings according to organizational size. While it was possible to extract the SMO survey responses to create a new dataset for the present report, a limitation of using this survey is that it did not include questions about how the pandemic had impacted the adaptation and resilience of SMOs in particular.

The University of Guelph survey was conducted in English, so it did not adequately represent the perspectives of Francophone organizations. While the research team attempted to address this limitation by issuing interview invitations in French and making an interpreter available for interviews, only six Francophone organizations agreed to participate in the study. A limitation of the current research is that it still may not adequately represent the perspectives and experiences of Francophone organizations despite efforts to address this gap.

In terms of regional representation, a limitation of the study is that there were no participants from organizations based in northern Canada and there was only one participant from the Atlantic provinces.

# APPENDIX 2

## *Interview Participants*

Representatives from the following SMOs participated in the research interviews:\*

- ▶ Alternatives
- ▶ Association Québécoise pour l'avancement des Nations Unies (AQANU)
- ▶ Canadian Teacher's Federation
- ▶ Carrefour de solidarité international
- ▶ Cause Canada
- ▶ Centre for Affordable Water and Sanitation Technology (CAWST)
- ▶ Centre de solidarité international du Saguenay-Lac-Saint-Jean
- ▶ Change for Children
- ▶ The Canada International Scientific Exchange Program (CISEPO)
- ▶ École des entrepreneurs du Québec
- ▶ Ethiopiaid
- ▶ Farmers Helping Farmers
- ▶ iDE Canada
- ▶ Jane Goodall Institute of Canada
- ▶ Light Up the World
- ▶ Make Music Matter
- ▶ My Oral Village
- ▶ Relations publiques sans frontières
- ▶ VIDEA
- ▶ World Accord
- ▶ World Neighbours Canada Society

*\*One SMO representative declined to identify their organization's participation in the research.*

# NOTES

- 1** Following the Government of Canada's definition, we identify an SMO as an organization with annual revenue less than \$10 million and overseas expenditures of less than \$2 million (Government of Canada, 2017). For more information about SMOs in Canada, see John-Michael Davis, "Comparing the Prevalence and Organizational Distinctiveness of Faith-Based and Secular Development NGOs in Canada," *Voluntas*, 30, no. 6 (2019): 1380-1392; John-Michael Davis, "Canada's GINGOs: who are they, what are they doing, and what role for the future?" *Development in Practice*, 58, no.6 (2020): 738-750.
- 2** Brian Tomlinson, "Small and Medium Sized Canadian Civil-Society organizations as Development Actors: A Review of Evidence," Aid Watch Canada, (April 2016). Available at: <http://icn-rcc.ca/small-medium-sized-canadian-civil-society-organizations-development-actors/>
- 3** Davis, 2020, 744. See also "The Alberta International Development Program: An Analysis of Data from 1974-2019." Alberta Council for Global Cooperation, (2020). Available at: <https://acgc.ca/wp-content/uploads/2020/10/Alberta-International-Development-Program-1974-2019.pdf>
- 4** Spur Change Program, "Needs Assessment Report: The capacity-building needs and knowledge gaps of Canadian small and medium organizations, and appropriate learning methods," Inter-Council Network, (2020), 9. Accessible at: [https://icn-rcc.ca/wp-content/uploads/SPUR\\_SMORepor2020\\_EN.pdf](https://icn-rcc.ca/wp-content/uploads/SPUR_SMORepor2020_EN.pdf)
- 5** Susan Appe and Allison Schnable, "Don't reinvent the wheel: possibilities for and limits to building capacity of grassroots international NGOs," *Third World Quarterly*, 40, no. 10 (2019): 1833.
- 6** Sara Kinsbergen, Lau Schulpen, and Ruerd Ruben, "Understanding the Sustainability of Private Development Initiatives: What Kind of Difference Do They Make?" *Forum for Development Studies*, 44, no.2 (2017): 224.
- 7** Susan Appe and Fabian Telch, "Grassroots International NGOs: Using Comparative Interpretative Policy Analysis to Understand Meanings in Private Development Aid," *Journal of Comparative Policy Analysis*, 22, no.1 (2020): 41; Eric Anton Heuser, "Befriending the Field: culture and friendships in development worlds," *Third World Quarterly*, 33, no.8 (2012): 1423-1437; Allison Schnable, "What Religion Affords Grassroots NGOs: Frames, Networks, Modes of Action," *Journal for the Scientific Study of Religion*, 55, no. 2 (2016): 216-232; Ashley Maye Rerrie, *Charity, Solidarity, and Developmentality: Comparing mainstream and alternative models of Canadian NGO partnership for community development in Nicaragua*, Unpublished MA Major Research Paper, York University (2016).
- 8** Walter Leal Filho, Luciana Londero Brandli, Amanda Lange Salvia, Lez Rayman-Bacchus, and Johannes Platje, "COVID-19 and the UN Sustainable Development Goals: Threat to Solidarity or an Opportunity?" *Sustainability*, 12, no. 13 (2020): p.5343; Robin Naidoo and Brendan Fisher, "Sustainable Development Goals: pandemic reset," *Nature*, 583, no. 7815 (2020): 198-201.
- 9** The first three thematic areas relate directly to the capacity-building priority areas identified in the Spur Change Program's 2020 Needs Assessment Report (Spur Change Program, 2020, 21-22).
- 10** Andrea Paras, Craig Johnson, Spencer Henson, Asa Coleman, and Jenine Otto, "The Impact of the COVID-19 Pandemic on Canada's Foreign Aid Sector," Guelph Institute for Development Studies (2020). Available at: <https://gids.uoguelph.ca/our-research/impact-covid-19-pandemic-canada%E2%80%99s-foreign-aid-sector>.
- 11** See, for instance, Melissa Leach, Hayley MacGregor, Ian Scoones, and Annie Wilkinson, "Post-pandemic transformations: How and why COVID-19 requires us to rethink development," *World Development*, 138 (2021): 1-11; Johan A. Oldekop et al., "COVID-19 and the case for global development," *World Development*, 134 (2020): 1-4.

- 12** All direct quotes in this report are from the semi-structured interviews with SMO representatives.
- 13** This is not a statistical sample and the research methodology is not intended to produce statistical conclusions.
- 14** Information about annual revenue was collected through the University of Guelph survey, from publicly available Annual Reports collected from SMO websites, or from T3010 information that is publicly available online in the Canada Revenue Agency's List of Charities.
- 15** Of the 5 SMOs that declined to participate in the study, 2 were from Quebec, 1 from Manitoba, 1 from Alberta, and 1 from the Yukon Territories.
- 16** The research team determined whether an organization regularly engaged in gender-related work by identifying explicit references to related programs on organization websites or (when available) referring to the University of Guelph survey (which collected information about organizations' thematic areas of work).
- 17** Spur Change Program, 2020, 21.
- 18**
- 19** Spur Change Program, 2020, 20.

For example, the Spur Change Program's 2020 report identified networking and partnerships with other Civil Society Organizations as a capacity-building priority for SMOs – although this was not listed as one of the top three priorities (Spur Change Program, 2020, 23). For more information about pre-existing barriers to collaboration within the international development sector, see Gani Aldashev and Thierry Verdier, "Goodwill bazaar: NGO competition and giving to development," *Journal of Development Economics*, 91, no. 1 (2010): 48-63; Alexander Cooley and James Ron, "The NGO Scramble: Organizational Insecurity and the Political Economy of Transnational Action," *International Security*, 27, no.1 (2002): 5-39.

- 20** The University of Guelph research team was led by Dr. Andrea Paras (the Primary Investigator) and supported by two research assistants (Jenine Otto and Asa Coleman).
- 21** Five additional SMOs were invited to participate in the study but declined to do so.

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