

# IO Creating Resilience and Rebuilding India through Philanthropy

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## IMPACTS OF COVID-19 ON INDIA'S SOCIAL SECTOR

The world will not achieve the Sustainable Development Goals (SDGs) until 2094 – sixty-four years after the deadline set by the United Nations (UN). If that estimate isn't humbling enough, it was projected *before* the COVID-19 pandemic. While the last two decades have given us great reason to celebrate historic progress in fighting poverty and improving health around the globe, the tumultuous pandemic period has forced us to confront our current reality with absolute candour: this progress has now been reversed.

India, a nation with large vulnerable populations including women and girls, migrant workers, and tribal communities already disproportionately disadvantaged with regard to basic human needs, has been hit particularly hard by COVID-19, experiencing consequences graver than that of any other external disruption that the country's social sector has faced. With over 33 million Indians having contracted COVID by late 2021, public health-care facilities facing unimaginable stress and shortage of essential equipment, herds of migrant workers fleeing back to their hometowns with little or no financial, food, or health security, and over 230 million people pushed back into poverty, discrimination against already marginalised communities intensified and frontline non-governmental organisations (NGOs) reached a breaking point.

The devastating impacts of COVID-19 in India can be seen across certain key areas:

- **Health care:** With over 22,000 new cases of COVID-19 each day at the height and only 20 per cent of eligible Indians fully vaccinated, lack of access to quality health care, inadequate support for ongoing health needs,

and poor awareness around COVID-19 prevention continued to threaten health and well-being. This was particularly true among the country's most marginalised populations. On the infrastructure side, shortage of critical health-care equipment, dearth of adequate capacity and training for community health workers, and weak systems for contact tracing and testing were remain serious challenges.

- **Education:** Beyond the staggering impact on human life, COVID-19 has greatly disrupted access to education in India, with 247 million primary and secondary students out of school. Given that only one in four children has access to digital devices and internet connectivity, many were not able to avail themselves of online learning opportunities, leading to the poorest children being disproportionately impacted by pandemic-related school closures.<sup>1</sup>
- **Economic livelihoods:** Millions of people in India have been laid off and businesses have had to close their doors. These closures hit small and medium-sized businesses hardest, along with many daily wage workers in India's informal economy. While unemployment is of concern, the lasting problem of the pandemic is a lower labour-participation rate (41 per cent), which has still not recovered from its pre-pandemic levels (42.7 per cent).<sup>2</sup>

Of even greater concern, the very organisations with the greatest proximity to vulnerable communities and expertise to address these challenges are on the brink of collapse. With funding to these non-profits under greater threat than ever before, these organisations have found themselves in a difficult scenario concerning financial and institutional health, compelling them to rethink their strategies for future sustainability and resilience. In May 2020, Dasra surveyed over fifty-five non-profit organisations (NPOs) in India using its ResiLens Stress Test, and uncovered worrying findings:

- Seventy-one per cent of non-profits had cash balance to cover barely nine months of operations;
- Only 40 per cent of non-profits could cover more than 80 per cent of personnel costs;

<sup>1</sup> [www.unicef.org/india/press-releases/COVID-19-schools-more-168-million-children-globally-have-been-completely-closed](https://www.unicef.org/india/press-releases/COVID-19-schools-more-168-million-children-globally-have-been-completely-closed).

<sup>2</sup> [www.cmie.com/kommon/bin/sr.php?kall=warticle&dt=20210628142621&msec=546](https://www.cmie.com/kommon/bin/sr.php?kall=warticle&dt=20210628142621&msec=546).

- Close to 60 per cent had a highly restricted funding base with little flexibility to repurpose funds; and
- Several organisations reported considering drastic measures, including suspension of core programmes and trimming staff if funding for indirect costs is not forthcoming.

Recognising that grassroots and community-based organisations have a critical role to play at the local level in supporting communities through last-mile efforts, there is an urgent need to invest in strengthening their financial and institutional health. Furthermore, their strategies and efforts for their longer-term sustainability and resilience must be supported. When such organisations become resilient, they can in turn effectively support and rebuild the vulnerable communities worst impacted by the pandemic.

#### CHALLENGING TRADITIONAL PHILANTHROPY AND REIMAGINING APPROACHES TO INDIAN GIVING

While critical, it is not enough to simply unlock greater philanthropic capital towards non-profits. In the midst of the ever-widening inequality gap as a result of COVID-19, the need for philanthropy to deliberately engage and approach giving in a way that enables dignity, equality, and social justice for the most marginalised communities across India has never been more significant. There is an urgent need to improve grant-making practices and change both the discourse and direction of mainstream philanthropy to one that puts social justice at its core.

This includes supporting local partners with innovative opportunities to exercise power, agency, and leadership, seeking regular feedback from communities, investing in strengthening the institutional backbone of organisations, participating deeply in opportunities for collaboration and learning, and reimagining systems-change process as one led by local organisations and inclusive of all Indians.

#### DASRA'S COVID-19 RESPONSE

Recognising the scale of devastation caused by COVID-19 in India and the urgent need to shift giving practices towards a more inclusive and

## Dasra's Response Rested on 4 Critical Pillars...

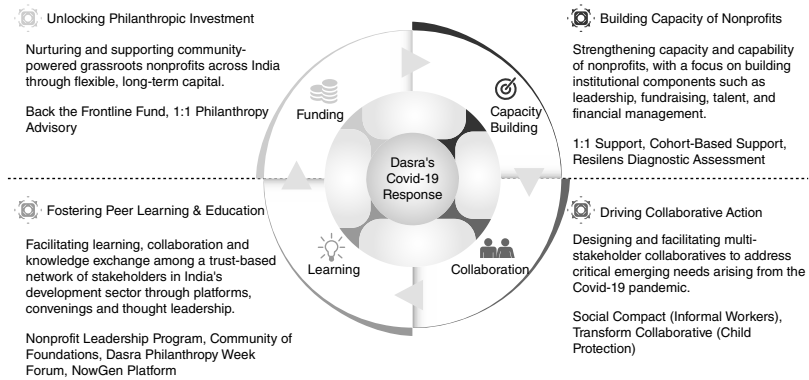


FIGURE 10.1 Dasra's COVID-19 response

equity-focused approach, Dasra launched the Rebuild India initiative, a movement focused on supporting locally led scalable solutions that have measurable outcomes of justice, equity, diversity, and inclusion. This global initiative takes a holistic view, providing rapid response funding for local frontline organisations. It simultaneously unlocks greater and more thoughtful philanthropy that supports long-term resilience by strengthening the organisations' institutional backbone through capacity-building support and promoting knowledge exchange between key stakeholders to accelerate India's development (Figure 10.1).

We now lay out the specific initiatives that Dasra undertook to support non-profits and funders across each of its four pillars.

### *Unlocking Philanthropic Investment*

Dasra introduced the # BacktheFrontline Rebuild India Fund to nurture and support locally led community-based non-profits in India. The Fund prioritised speedy deployment of relief funding, while ensuring reach to remote areas and demographics rarely covered in mainstream discussions. The Fund further highlighted the diversity of community-powered organisations and local decision-making on utilisation of funds. Given the emphasis on trust-based relations and

ground-up learning, it soon transformed into a model for connecting global and local philanthropy with community-trusted organisations in the Global South. Having already raised \$20 million in unrestricted funding to support over seventy-five grassroots non-profits over five years, BacktheFrontline has become a \$50 million fund. Moreover, we at Dasra plan to raise an additional \$30 million of flexible, unrestricted, long-term funding from Indian and global foundations and families to support 150 non-profits through this platform.

### *Building Capacity of Non-Profits*

Recognising that capacity-building is a critical element to ensuring non-profits' sustainability and effective functioning, over the years Dasra has built the capacity of over 1,000 NPOs across diverse sectors to scale their impact. It works to strengthen not only programmatic aspects of these organisations but also institutional components including leadership, fundraising, talent, and financial management, while facilitating the knowledge, tools, and confidence to better understand NPOs' indirect expenses and effectively raise unrestricted funding. Several of these organisations, such as Educate Girls, Naz Foundation, and Muktangan, have gone on to scale up exponentially and grow into sector leaders as a result of the catalytic funding and capacity-building support that it enabled.

With the onset of the COVID-19 pandemic, Dasra undertook a focused effort to strengthen the institutional backbones of organisations serving the needs of the most vulnerable communities across diverse sectors and regions in India, while maintaining a sharp focus on institutional sustainability. Specifically, it focused on the following key approaches:

- **One-to-one support:** Dasra provided financial coaching and customised capacity-building support to non-profit leaders, helping them think through key programmatic and institutional pivots as a result of COVID-19, assess progress and make necessary course corrections, and learn and adapt to the communities' fast-evolving needs while keeping the organisations' financial sustainability at the forefront.

## Industree Foundation: Capacity-Building Support for Regenearth Programme

Dasra helped Industree design and operationalise its pathway to scale, through the Regenearth Programme, which trains organisations/incubators that work with social entrepreneurs setting up enterprises via a cohort programme. This programme kicked off in October 2020 and helped Industree disseminate its decades-long learnings to other enterprise-building organisations through an eleven-month, action-based learning programme. Dasra and Industree used a human-centred design approach to conceptualise the solution, test it with potential customers, and finally roll it out. Dasra also helped create a 'Regenearth Handbook' to institutionalise the model, programme design, approach, tools, frameworks, and learnings within Industree Foundation.

### COVID-19 PIVOT

While Industree had always envisioned their scale-up via a one-to-many approach, the onset of COVID-19 really forced the team to push the limits of what was feasible, leading to an online action-oriented programme catering to organisations from India and other developing nations.

- **Cohort-based support:** Since 2006, Dasra's flagship programme, the Dasra Social Impact Leadership Programme, has helped NGOs achieve ambitious plans to deepen impact. In 2021, Dasra brought together non-profit leaders who previously participated in this programme to provide them with access to tools, knowledge, and resources towards navigating the COVID-19 crisis and building institutional sustainability.
- **ResiLens diagnostic assessment:** Dasra created the 'Institutional Resilience and Impact Optimization Toolkit' for Indian non-profits to conduct data-enabled stress tests and decision planning to best cope with the crisis, and reinvent their organisations to be more impactful post-crisis. Administered among 250 non-profits across India, the toolkit enabled organisations to analyse their risk levels on institutional and programmatic parameters and outline potential solutions the organisation should consider to build institutional resilience. Similarly, a toolkit was designed for funders to support their grantees by equipping them to undertake stress tests in order to weather the crisis.

### **Resilens: The Institutional Resilience and Impact Optimization Toolkit**

The Dasra Resilens Toolkit consists of a self-assessment and recommended decision-making framework, which allows organisations to identify their stress areas and consider potential decisions, enabling non-profit leaders and their boards to understand current scenarios, make assumptions and identify relevant options, and proactively plan critical decisions for the sustainability of their organisation.

'Doing the COVID Stress Test Toolkit was a very useful exercise to assess SNEHA's sustainability. It forced us to re-look at our numbers, converse with donors, analyse our funding pipelines, which was extremely helpful. The results were a wakeup call on how we operate in order to still be impactful and relevant.'

*Vanessa D'Souza, CEO, SNEHA*

#### *Fostering Peer Learning and Education*

With the pandemic having only exacerbated the depth and scale of the already complex development challenges in India, it is clearer than ever that no single individual or organisation is capable of addressing them alone at the scale and pace that the country requires. With this recognition, facilitating learning, collaboration, and knowledge exchange among key players in India's development sector has been a core part of Dasra's work, particularly at this defining time when coming together to support the country's most vulnerable has never been more important. Following are specific initiatives that Dasra undertook towards this:

- **Non-Profit Leadership Programme:** For many years, Dasra has been facilitating the Dasra Social Impact Accelerator and Leadership Programmes – structured, peer-learning based programmes in partnership with the Harvard Business School and Ashoka University, providing non-profit leaders with access to tools, knowledge, and resources designed to help them build stronger, scalable organisations and accelerate their

impact. Through these programmes, we at Dasra have built a community of over 400 unique leaders, representing close to 600 organisations working across multiple sectors, including education, health, and livelihoods. With the onset of the COVID-19 crisis, Dasra launched the Dasra Social Impact Alumni Engagement Programme, curated specifically for alumni of the Accelerator and Leadership Programmes to help them build organisational resilience, adjust their operations, manage strategy execution, and lead their teams effectively through uncertainty with a long-term perspective.

'The overall experience in the programme was very good with valuable learning from the classroom as well as peer discussions. Based on the tools introduced in the modules, I have initiated some changes in my organisation and have started exploring some new ideas to bring organisational efficiencies. The networking opportunity this platform gave was very good.'

*Amit Naphade, Co-Founder, Krushi Vikas  
va Gramin Prashikshan Sanstha*

- **Community of Foundations:** In February 2020, Dasra launched the Community of Foundations – comprising leaders of nineteen influential domestic and international foundations – to learn from each other's experiences, failures, and best practices, foster collaboration, and drive collective thought leadership towards strengthening India's philanthropy ecosystem. The group convenes quarterly, with discussions focusing on topics including understanding grant-making pivots due to COVID-19, navigating legal amendments and implications, and outlining 2021 trends in Indian philanthropy. In March 2021, the group collectively published the *India Philanthropy Trends 2021* thought-leadership piece, which garnered attention from over twenty national and regional media platforms across India.
- **Dasra Philanthropy Week Forum:** Dasra has also brought together a number of domestic and global philanthropists through the Dasra Philanthropy Forums, in cities including Bengaluru, London, New York, Houston, and San Francisco. Beyond these programmes, over the last four years alone, it has conducted over seventy-five multi-stakeholder



and cross-sectoral events globally, with attendees across non-profits, government, domestic and diaspora philanthropists, and academic institutions. In March 2021, Dasra hosted the twelfth edition of the Dasra Philanthropy Week Forum, which convened diverse stakeholders on a common virtual platform focused on strengthening dialogue on India's development. The event sparked powerful discussions led by 110+ thought leaders who highlighted the rising significance of justice, equity, diversity, and inclusion in philanthropy, and covered themes such as mental health, the plight of migrant workers in COVID-19, and data for good.

- **GivingPi:** To harness the full potential of family philanthropy in India, in July 2022, leading philanthropists and Dasra launched GivingPi—India's first and exclusive family philanthropy network, with the intent of enabling learning, sharing and collaboration between philanthropic families in India. This invite-only network has, in just over a year, brought together over 200 philanthropic families from over 23 cities across 6 countries. It has curated 15+ gatherings across 7 cities and initiated conversation on a range of topics such as Education, Climate Change, Disability, Arts etc with sector leaders, experts and philanthropists. With 59 percent next-gen representation in GivingPi, one sees the emergence of a promising new wave of philanthropy in India and Dasra hopes to engage with this community to foster dialogue and action on bolder aspirations for building a stronger India.

### *Driving Collaborative Action*

Dasra seeded collaborative impact programmes in two new sectors – informal workers and child protection – given the emerging needs during COVID coupled with multi-stakeholder interest in investing across these issues. The former has taken the form of Social Compact, a collaboration with 150+ companies to create a more enabling environment for informal workers to thrive in Indian companies. It is a collective effort between philanthropists, foundations, non-profits, and industry federations led by Indian promoter families and anchored by Dasra. The latter is an effort to strengthen child protection at a systems level within the State of Maharashtra. Dasra is engaging with foundations and family philanthropists to shape their long-term vision, investment, and partnership strategies directly driving \$10–15 million over the next

## Social Compact

The Social Compact aspires to ensure greater dignity and equity for informal workers within industries in India and mainstream the aspiration that responsible business equates to successful business. It brings together diverse stakeholders to lend their skills, expertise, voices, and networks in driving change through better business practices across the value chains.

Based on the needs, vulnerabilities, and aspirations of these workers, the collective aims to work towards *six key outcomes* that will holistically transform the lives of the most vulnerable workers in company ecosystems: (1) secure living wages, (2) maximise safety against accidents, (3) ensure health and social security coverage, (4) foster gender equity, (5) facilitate access to entitlements, and (6) enable participation in future work.

The Social Compact is enabling action on the ground via two distinct impact pathways: individual action which companies adopt for their own workers and their value chains, and action through Worker Facilitation Centres. In the last two years, we at Dasra launched five Worker Facilitation Centres across Pune and Gujarat, leveraging a hub-and-spoke model to ensure scalable impact for informal workers across regions. The centres have already impacted 9,500 + workers and continue to work towards impacting one million informal workers and their families by linking them to government entitlements, building agency through on-ground awareness amongst the labouring communities, providing access to remedial support, facilitating financial inclusion, and utilizing the collected data to identify systemic issues and address them through policy advocacy.

decade or so, building a case for investment within the giving community, and enabling learning among various funders within the Dasra network on this issue.

## LEARNINGS AND RECOMMENDATIONS

Derived from Dasra's many years of experience in India's development sector, including its support to funders and non-profits during

the COVID-19 pandemic, we include below several key learnings and insights that Dasra has gained, along with recommendations for stakeholder groups towards strengthening the philanthropy ecosystem and building a more inclusive, equitable India.

### *Funders*

- **Invest in institutional resilience:** With the combination of philanthropists largely redirecting funding to COVID-19 relief programmes, the accessible pool of corporate social responsibility (CSR) funds expected to diminish drastically, and core operational costs for many non-profits increasing significantly to address growing needs of vulnerable communities, the institutional and financial resilience of non-profits is under serious threat. The Centre for Social Impact and Philanthropy surveyed fifty NPOs in May 2020 to understand how many months they can cover their fixed costs with their existing funds. What they found was worrying: 54 per cent could cover fixed costs for a year, 16 per cent could cover costs for even longer, and an astounding 30 per cent could cover only six months or less. Several of these organisations reported considering drastic measures, including suspension of core programmes and trimming down team strength if funding was not secured.

Such a concerning situation highlights the urgent need for funders to support partner organisations with flexible capital to strengthen their institutional backbones. Offering non-financial assets in the form of capacity-building opportunities, resilience-building tools, and advisory support is also an important way that funders can help build grantees' organisational resilience over the coming years.

'Tarsadia Foundation and Dasra are working closely together to ensure our grant making efforts are thoughtful in meeting long term challenges and systematic vulnerabilities. As philanthropists, we leverage "trust based" principles; we are driven by the belief that our local non-profit partners understand the community needs better than we ever could, and it is our role as funders to follow their guidance, how we can work together to create lasting change.'

*Maya Patel, President, Tarsadia Foundation*

- **Adopt a strong gender-equity-diversity-inclusion (GEDI) lens:** The COVID-19 crisis has been a wake-up call that unveiled deep fault lines around the inequities seeping through India's development systems. Whether it is the millions of migrant workers who fled back to their hometowns with little financial or food security, the thousands of children who were left homeless, or the many women who experienced increasing incidences of domestic violence during lockdown, there has never been a more important time than now for India's philanthropy community to think about how they as a society are caring for their most vulnerable communities. We must further make an intentional shift to fund organisations that work with the most marginalised communities – especially at the intersection of caste, class, gender, and poverty – that have the greatest chance of falling through the cracks. This focus can be adopted through both funding decisions with grantee partners as well as increased incorporation of the GEDI lens within the culture and principles of grant-making institutions.
- **Support rural, localised, community-led efforts:** Having recognised that grassroots organisations with greatest proximity to vulnerable communities played a critical role at the local level in engaging and supporting these communities through the pandemic, there is a growing need for funders to expand their focus beyond large, well-established city-based non-profits to also support more grassroots organisations. Only these organisations can enable last-mile efforts where government services are unable to reach those in need.

### *Intermediaries*

- **Build philanthropy infrastructure and create spaces for cross-learning:** The ecosystem of family philanthropy in India has grown and matured significantly since the early 2010s. However, when viewed alongside the country's need and true giving potential, the gap is stark and there remains much to be done. Efforts are largely taking place in siloes, data and research around strategic giving are fragmented, there is a dearth of concrete investment-ready vehicles, opportunities for peer learning and knowledge exchange are limited, and a cohesive and powerful narrative around philanthropy is lacking in India, with this topic largely invisible in mainstream conversations. Intermediaries have a critical role to play in enabling common goods and platforms that the sector can leverage, and in building India's philanthropy infrastructure through thought leadership,

peer learning, and narrative-building, to ultimately accelerate equitable giving in India.

- **Strengthen capacity of grassroots non-profit leaders:** With Indian non-profits under greater threat and pressure than ever before, intermediaries must look to invest in building NPOs' capacity to effectively catalyse funding from philanthropists. NPOs must further build leadership capabilities, and strengthen other institutional aspects that will enable them to sustain their work and achieve impact at scale while leveraging capital most effectively. Given the rising significance of community-based organisations in addressing the many COVID-19 related challenges, there is a need to double down on giving a voice to and empowering the country's grassroots leaders who form a pivotal backbone of Indian society and play a catalytic role in transforming communities and the nation. While there are several initiatives focused on the economic empowerment of grassroots leaders, there are limited initiatives highlighting leadership training and development. Such leaders also often get overlooked due to language and technology barriers, accessibility issues, and lack of contextualised offerings that cater specifically to their needs.
- **Facilitate collaborative action:** There is a fast-growing realisation that no individual stakeholder is singularly capable of creating change at the scale and pace urgently required to move India forward, and that the magnitude, complexity, and seriousness of development challenges in this country necessitates collaborative action among multiple stakeholders at a greater scale than ever before. This presents a significant opportunity for intermediary organisations to invest in building and facilitating multi-stakeholder collaboratives to drive collective impact at scale. (As per Bridgespan's definition, collaboratives are defined as 'entities that are co-created by three or more independent actors – including at least one philanthropist or philanthropy – and that pursues a shared vision and strategy for achieving social impact, using common resources and

'To achieve resilience, family philanthropists, NGOs, foundations, corporates and governments will need to work together regularly exchange knowledge and learnings, align on shared vision, build a collective voice, and combine resources to invest in scalable, inclusive and sustainable solutions.'

*Neera Nundy, Co-Founder, Dasra*

prearranged governance mechanisms.')} While the important role of collaboratives in India was present even before 2020, the COVID-19 pandemic has brought with it an increased sense of urgency and action, underscoring the need for intermediaries to accelerate impact by serving as creators and backbones of such platforms.

### *Non-Profits*

- **Empower communities to design and lead solutions:** Models where non-profits or other external stakeholders assess community needs, design and implement solutions, and account for results are common, and even effective for delivering immediate aid. However, such models have shown to be disempowering to communities and less sustainable over time.<sup>3</sup> On the other hand, approaching communities as partners or owners (rather than as mere recipients), and actively involving them in prioritising their needs, designing solutions, and supporting implementation, has shown to be a more effective model to build lasting community resilience – an approach that non-profits must incorporate as they seek to rebuild communities in a post-COVID India.

'Involving the community in every decision is time consuming, however, it helps in effective implementation of programmes with high adoptability from the communities.'

*Dr Dhanya Narayanan, Director, ASHWINI Hospital*

- **Invest in strengthening institutional capabilities:** With long-term sustainability of non-profits threatened by the COVID-19 pandemic, organisations must invest significantly in strengthening their institutional resilience through undertaking focused efforts to fundraise for flexible capital, and participating in capacity-building opportunities such as webinars, workshops, mentorship, and 1:1 advisory support, while continuing to engage in various modes of peer learning.
- **Participate in collaborative action:** Joining forces with multiple stakeholders to drive collective impact through collaborative platforms offers non-profits the opportunity to drive deeper and faster impact by

<sup>3</sup> <https://idronline.org/engaging-communities-is-critical-to-the-COVID-19-response/>.

leveraging greater resources, a wider network, and more diverse skillsets. Given the rapidly growing inequities as a result of COVID-19, the need for non-profits to move away from siloed efforts and participate in such multi-stakeholder collaborative platforms has never been more important. Several Indian collaboratives have emerged during the pandemic, including COVID Action Collaborative and Rapid Community Response to COVID-19 (focused on immediate COVID relief efforts), as well as Saamuhika Shakti, Revive Collective, and Migrants Resilience Collaborative (focused on adjacent issues like supporting India's migrant workers).

## CONCLUSION

Dasra's mission post-pandemic continues to focus on creating an inspiring, audacious narrative and movement for strategic philanthropy, to shift the focus of giving from 'how much' to 'how'. The pandemic disproportionately impacted already disadvantaged groups and NGOs faced acute funding crunches. It is critical for the philanthropic community to be guided by on-ground realities and provide patient and flexible funding to NGOs for them to deploy where it will be most effective for the communities. Philanthropists, families, and foundations are also increasingly coming to understand this. Intentional efforts are being made to narrow the power imbalances between NGOs and funders and to empower NGOs to make decisions in the best interest of the marginalised communities they support. There is a need to understand that a siloed approach isn't the best way forward, which is why efforts must be focused on building a community of empathetic philanthropists who are cognisant of the social sector's needs, and are willing to adopt newer giving practices and lead by example by engaging in an open dialogue to exchange learnings from each other's giving journeys.

The only way for India and other developing nations to rebuild with resilience and perseverance from the pandemic is by ensuring that the needs of the vulnerable communities are at the core of the interventions. We must give NGOs greater autonomy to make informed decisions and patient capital to meet the community's ever-changing needs, in order to make Dasra's vision of a billion people thriving, with dignity and equity, a reality.