



From here to there – and
everything in between

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A post Covid world

- **Reimagining**
 - Whether you are in health, education, youth, disability, empowerment, capacity building – it does not matter!
 - What will the sector look like post Covid?
 - Examples: Digital classrooms, online learning, telemedicine, electronic cash transfers, etc.
- **Rethinking**
 - Considering a changed sector – how will it impact your programs, strategies and interventions?
 - Examples: Remote and online delivery to ensure the safety and security of all stakeholders within the value chain
- **Restructuring**
 - Now that you have an idea about a specific future – what does that mean for your organization?
 - The people you employ, the resources and technology you will require, the skills you will need?
 - Examples: Remote working, enhanced ICT capability and competency, online fundraising



The once in a life-time opportunity

- The opportunity we have is to **'reimagine'** a world that makes everyone safer today, as well as more resilient tomorrow.
- It is an **unprecedented opportunity** to put in place the solutions that respond effectively to COVID-19 now, but that also strengthen the systems we all depend on to better respond to future crises – whether they be pandemics or disasters.
- It is an opportunity to
 - Become more cost effective and efficient
 - Deliver better impact results
 - Provide greater shared value for all stakeholders in the ecosystem equally
 - Deliver better investment returns and benefits in the long run



The knowns, unknowns and the unimaginable

- **The knowns**

- We are living in a world - **where crises can affect all countries in all regions at once**, rather than isolated and geographically-contained events and emergencies.
 - We are going to need a **new type of programming** that builds on local capacities, indigenous resources and creates self-sufficiency. Programming will need to become more localized, adaptive, flexible and innovative.

- **The unknowns**

- We are living in a world - **where risks are harder to predict**.
 - We are going to **need improved data, monitoring, evaluation and early warning mechanisms** to ensure timely responses to emergencies and disasters, as and when they occur.

- **The unimaginable**

- We are living in a world - **where risks and emergencies overlap with each other**, addressing them will become more complex and frequency of natural disasters is accelerating due to climate change and environmental degradation
 - We are going to **need solutions which respond to repeated shocks, rather than one-off ones**.



The here and the right now

- Our programmes need to **pivot rapidly to respond to different and additional needs**, while coping with restrictions on travel, lockdown requirements and health concerns.
- This requires a massive amount of **flexibility**, as the **parameters and cost structures** of our work shift, with the duration of these shifts entirely unknown. The implications of this for **cash flow and liquidity** are critical and acutely time sensitive for all organizations across the development sector.
- We are starting to see some flexibility from several institutional donors to help us manage this, but we urgently need a **sector-wide approach** to address the following challenges:
 - An acute liquidity crisis.
 - Pressure to rapidly downsize operational capacity whilst simultaneously scaling up responses.
 - A financial and operational risk burden that falls disproportionately on NGOs and other implementing partners.
 - A massive economic downturn that means shortfalls in our ability to cover costs which are unlikely to be made up by future aid budgets and individual donations.



Tomorrow and the day after

- **Growth AND diversification**

- The increasingly hybrid nature of the sector, the demand for greater transparency and accountability, greater scrutiny around impact and calls for more efficiency through collaboration and partnerships will require diversification but also new and diversified capital.

- **New capital AND bigger expectations**

- From grant-making to impact investing to venture capital, there is a funding opportunity for African founders and leaders, but it comes with many strings attached including performance-based contracts, payback schemes, ownership and defined impact requirements and outcomes.

- **Innovation AND restructuring**

- The sector is reinventing itself and you cannot afford not to be informed.
- Pure philanthropic grants that aim to simply support 'good non-profit organisations doing good work' to help the most vulnerable is no longer available.
- Long-term and large-scale grants are few and far between and requires intensive monitoring, evaluation and reporting as well as continuous engagement between clearly defined stakeholder groups.
- Systems, social and impact investors requires a fundamentally different contractual arrangement with for-profit organisations working to enact large scale ecosystem change.

- **Bigger responsibility AND accountability**

- Proving impact and guaranteeing sustainability are now standard requirements which will lead to a redefinition of development practices and terminology for example – job creation vs job placement vs job security vs job potential vs increased employability.
- Expect your development approach to be questioned for example – food parcels vs food gardens vs nutrition programs vs feeding schemes.

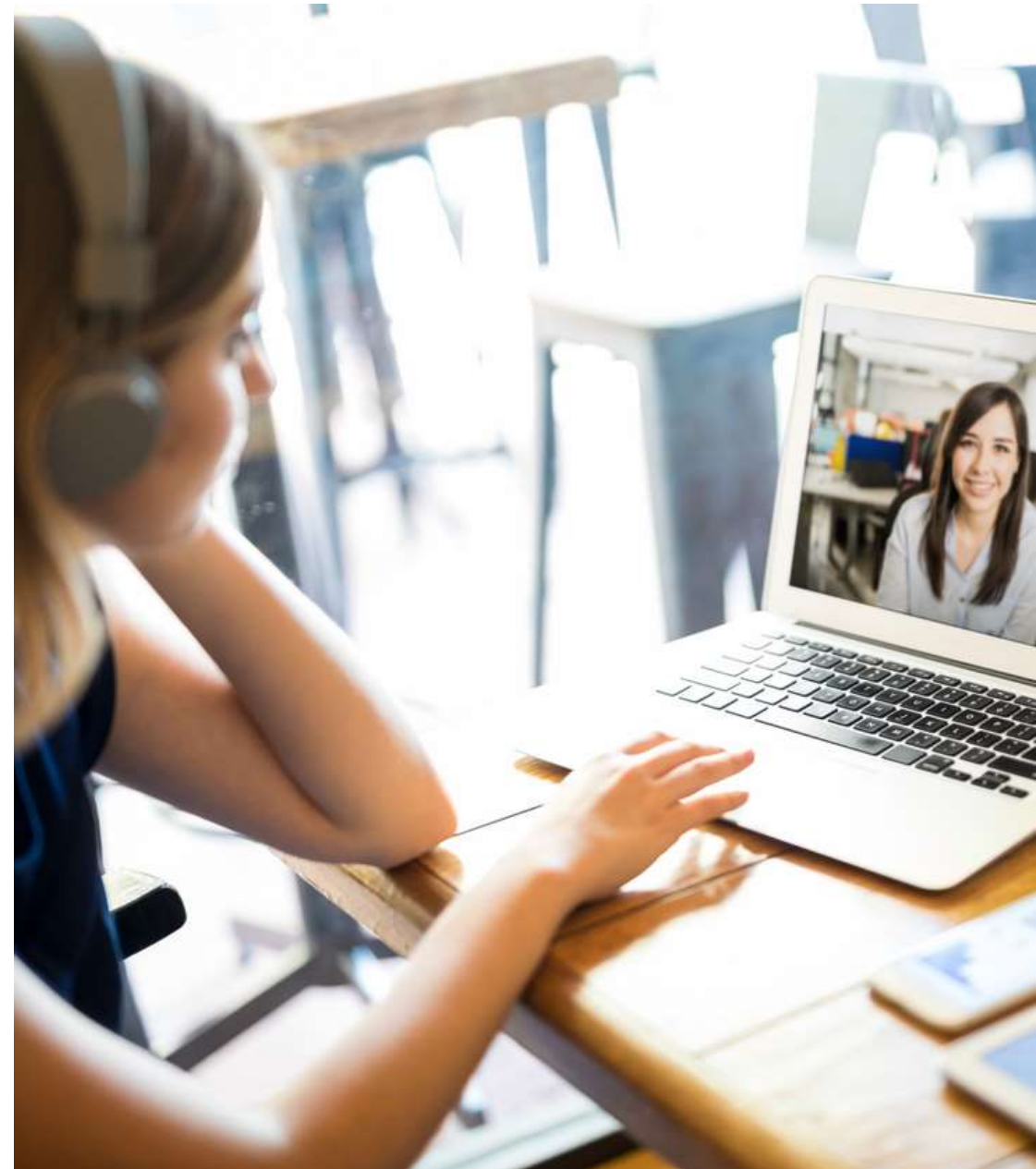




Examples of innovation post Covid

Education – solving post Covid challenges

- **Futures Academy** – SA's first truly virtual online high school - Futures Academy is an independent online high school offering flexible learning solutions for grades 7-12. The Academy is registered with the Western Cape Education Department.
- **Good work Foundation** - Our community-powered and locally-managed Digital Learning Campuses already see more than 7000 children and young adults access a new way of learning every week. Our largest campus even has its own successful start-up, employing graduates from rural villages and recycling the profits back into reimagining education. That makes us a social enterprise with a sustainable model. We're also the African gold winner for reimagining education.
- IXperience – have just raised 2.5mUS\$. We help ambitious university students gain new skills and work experience—while empowering them to live life to the fullest.
- **Why is it innovative?**
- Because it provides a solution, that acknowledges the 4th Industrial Revolution. It speaks to funders desire to change ecosystems, to address challenges with new approaches that speaks to their future needs – to recruit a workforce that will be adept to future challenges, it acknowledges the link between education, skills development, job readiness and job placement, it is scalable and replicable across Africa, and it is delivers large scale impact that is measurable.



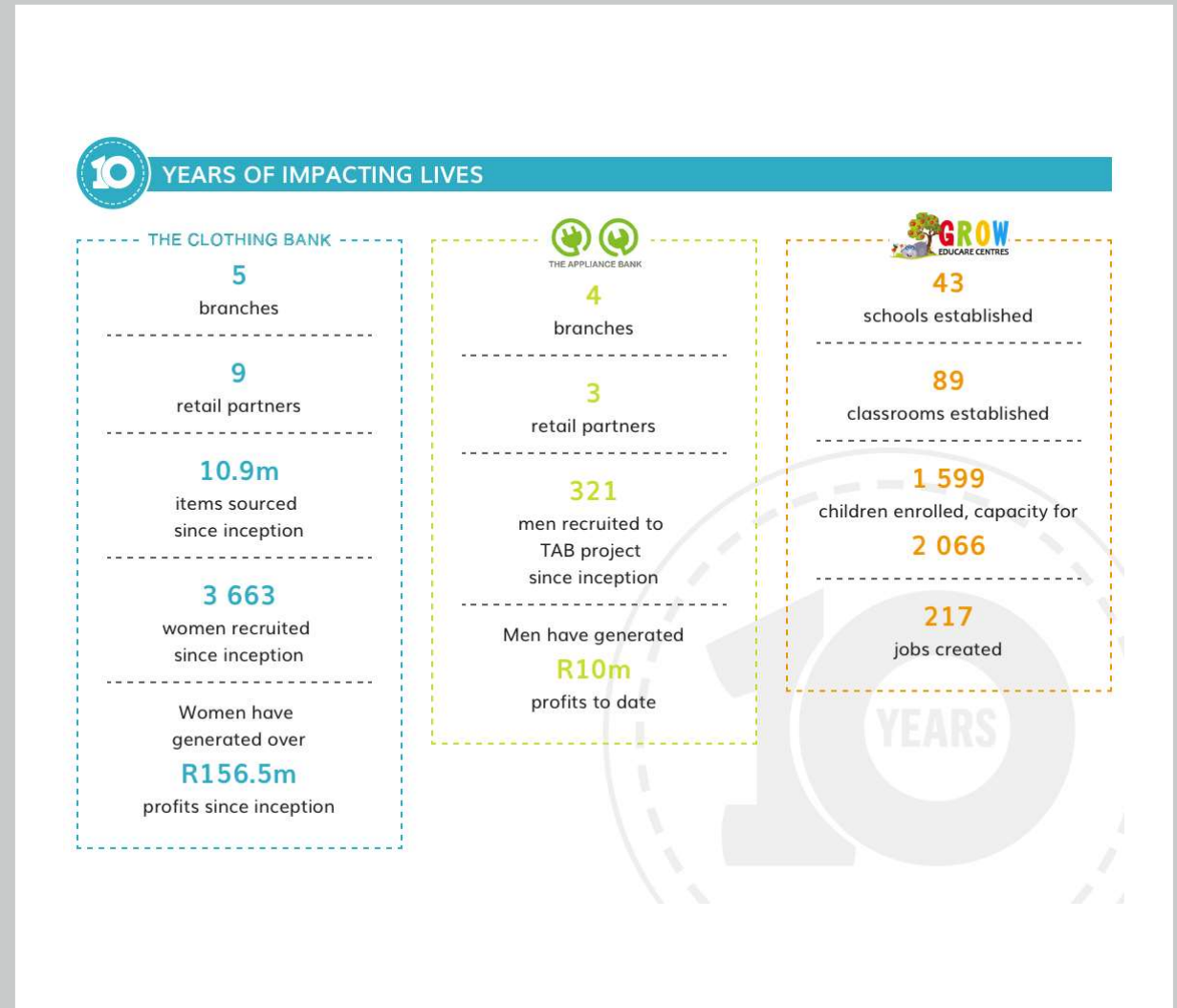
Agricool – because agriculture is cool!

- Agricool (Pietermaritzburg): AgriCool is a **digital crowd funding platform** that enables **individuals** (to invest and empower small holder farmers) who are deprived of access to finance by conventional banks by investing in their agribusinesses. We infuse more financial inclusiveness by linking small holder farmers with market access opportunities and we promise 25% ROI.
- **Why is this innovative?**
- It provides a different lens to food security, multiple income streams for the organisation, a range of impacted stakeholders, learning platform, micro finance platform, self sustainability for informal farmers, jobs and livelihoods, procurement and supply chain empowerment – it is an attractive investment opportunity with multiple impact points because it is linked to guaranteed orders from retailers
- Just received R1.3m grant from SAB Foundation as well



Impact at scale that is transformational

- **Clothing and Appliance Bank, Grow Educare**
- **Why is it innovative?**
- It provides evidence of impact, it tested, piloted and scaled programs, it also replicated successful development models, it shows accountability and opportunity – it also donates to others – (R1.8m in the last year)
- *Since we started 8 years ago, we have learnt and experienced a tremendous amount about how to engage people on their path to self-determination. To spread these important and life-changing lessons, The Clothing Bank has developed a series of training programmes that other NPOs or corporates can use to improve the lives of their beneficiaries and staff*



Innovation beyond Covid

- **Social Franchising**
- **HEALTH: Unjani Healthcare Clinics**
 - **Why is it innovative** – because it has empowerment at its heart, giving nurses ownership of their own clinics, because it sets a benchmark for delivering quality healthcare that is cost effective and it creates jobs
- **YOUTH: Gold Youth**
 - **Why is it innovative** – because it proves youth empowerment programs are empowering (enterprise creation), it can be scaled and replicated across Africa (5 countries) and it delivers on its commitments and vision. It has a clear formula (deep and wide) for measuring and reporting on impact





Conclusion: Hope for a new future

So how do we get from here to there?

- Prepare for a different future
 - Be both **flexible and innovative**, ensure you can scale and contribute to solutions that solve challenges effectively for example - adapting programming to the digital realm and adding new service offerings/programs
- Prepare for transparency and accountability
 - Know the **value** you add, the **impact and return on investment** you deliver, and prove it – for example establish core M&E functions and issue impact reports
- Prepare to become financially sustainable
 - Have **multiple revenue streams and multiple funders and different types of funding** and investors – for example consider impact investing, blended finance, performance-based contracts and venture capital
- Prepare to change
 - You will need **new skills, resources, tools, and competencies**. You will have to become more competitive and resilient.
 - You may need to **change your board, your management, and employees and you may need to change your legal structure**
 - You will need a **scalable business plan**, not just a fundraising plan and good proposal writing skills



One more thing....

- We need **new pathways** to development that
 - Focus on **new outcomes** i.e., bigger, wider and deeper impact as well as manage risks effectively
 - Focus on **new challenges** i.e., new portfolios, focus areas and programs that can bring about sustainable development outcomes
 - Focus on **new structures and institutions** i.e., a development journey with and without government
 - Focus on a **new language** – definitions and context matters i.e., inclusivity vs inequality vs empowerment or capacity building vs training vs skills development
 - Focus on **systems challenges** – everything is connected – youth unemployment is an education issue, a skills issue, an access issue, an experience issue, a technology issue, a career issue, a poverty issue – where do you fit in the ecosystem?
 - Focus on **value** - can you REALLY make a difference? Are you still RELEVANT? Can you balance economic, environmental and social challenges? Can communities self organise or do they (STILL) need organisations to speak and act on their behalf?
- In a world that has changed fundamentally, can you afford to remain the same, do the same things and deliver the same results?



Thank you and questions

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- Next Generation
 - www.nextgeneration.co.za
- Investment Impact Index
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Additional Resources

- Global
- Learning about what works in development – www.povertyactionlab.org and www.3ieimpact.org
- Learning about impact investing – www.theginn.org
- Learning about social innovation – www.ssir.org
- Learning about global philanthropy trends – www.johnsoncentre.org and Cambridge School of Philanthropy - www.jbs.cam.ac.uk
- Learning about social entrepreneurship – www.pioneerspost.com
- Learning about African Philanthropy – www.avpa.africa
- Learning about the African impact investing ecosystem – www.impactatafrica.org
- South Africa and Africa
- Learning about local CSI News – www.csrnewssa.co.za and www.social-tv.co.za
- Learning about local social innovation – The Bertha Centre - www.gsb.uct.ac.za/berthacentre
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