



Emerging from the Pandemic

Recovery and Reinvention of the New York Metro Region

May 18th, 2020

Dalberg

Image source: Thomas Habr on Unsplash

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1 Kick-start small businesses & strengthen their resilience

Image source: Glen McCallum on Unsplash

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Introduction

Small businesses underpin the economic, social, and cultural fabric of New York City

Small businesses employ nearly 2 million New Yorkers – nearly half the City’s workforce – and also form the backbone of the City’s cultural vibrancy, attracting talent and tourists alike.¹

Overall economic contribution

Small businesses are a critical part of New York’s economy across sectors. About 98% of the City’s 200,000 businesses are small (<100 employees) and 89% very small (<20).¹ They provide jobs to millions of New Yorkers, and make up the social and cultural fabric of New York for both its residents and the over 65 million tourists that visit each year.² Small businesses are also an engine of innovation, developing new products and services, adapting business models, and reaching overlooked customers.

EMPLOYMENT Small businesses employ nearly 2M New Yorkers³

GDP CONTRIBUTION Small business contributed to nearly half of the state’s business receipts in 2012, worth \$954 billion⁴

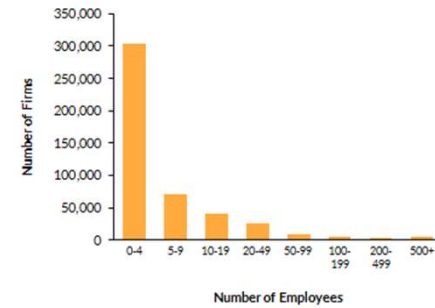
BUSINESSES NYC has more than 220,000 small businesses³

EXPORTS In 2015, 94% of New York’s exporting firms were small businesses⁵

[1] NYC Government, “Small Business First” [2] NYTimes, “N.Y.C. Is on Pace to Draw a Record 67 Million Tourists This Year” [3] Dalberg, “Why supporting minority-led businesses is key to New York City’s recovery,” 2020 [4] Office of the New York State Comptroller, *Small Business in New York State: An Economic Snapshot*, 2016 [5] International Trade Administration, 2015

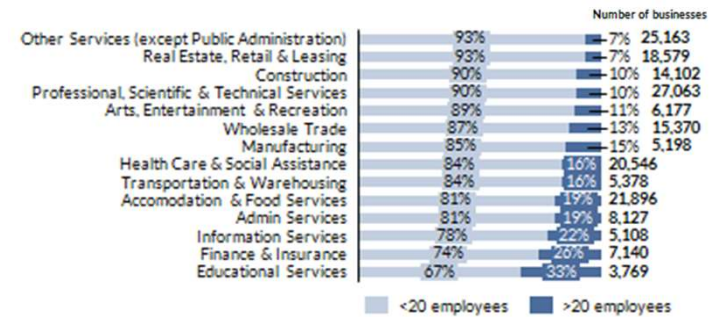
Number of firms by business size, New York State, 2016

Source: Office of the New York State Comptroller, *Small Business in New York State: An Economic Snapshot*; U.S. Census Bureau



Number of all businesses by industry, NYC, 2016

Source: Dalberg Analysis, 2020; US Census – *Statistics of U.S. Businesses (SUSB)*, 2016



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Introduction

Some small businesses have been hit harder than others by the COVID-19 crisis

Since New York State's pause began on March 22, small businesses have been forced to rapidly alter their business models, layoff staff, and, in some cases, permanently close their doors.⁵

Impacts on small business

Small businesses have lower access to credit, smaller cash buffers, less financial services support, and fewer assets than larger businesses.³ Micro-businesses are even more vulnerable; prior to this crisis, the New York Federal Reserve deemed 29% and 33% of businesses with 5-19 employees and <5 employees, respectively, at-risk or distressed, compared to only 21% of businesses with 20-499 employees.⁶ Not only have existing small businesses been hit hard, but the establishment of new businesses has also dropped dramatically, with 27% fewer EIN applications than last year.¹

DAYS OF LOCKDOWN NYS on pause began on March 22 and has lasted 56 days as of May 15

CASH BUFFERS The median small business has a cash buffer that lasts 27 days³

JOB LOSSES 6M small business (1-49 employees) jobs in private sector were lost in April, according to ADP²

LOST CONFIDENCE The NFIB Small Business Optimism Index dropped >8 points in March, more than it ever had before over a single month⁴

[1] SBA Office of Advocacy, "Early Data Shows Severe Disruptions," April 2020; SBA Office of Advocacy, "Early Reports Show Deep and Immediate Effects of COVID-19 On Small Business", May 2020 [5] National Bureau of Economic Research, *How are Small Businesses Adjusting to COVID-19? Early Evidence from a Survey*, April 2020 [3] JP Morgan Chase & Co. Institute, *Cash is King: Flows, Balances, and Buffer Days: Evidence from 600,000 Small Businesses*, September 2016 [6] Federal Reserve Bank of New York, "Can Small Firms Weather the Economic Effects of COVID-19?," April 2020 [2] ADP, *ADP National Employment Report*, May 2020 [4] NFIB, *Small Business Economic Trends*, March

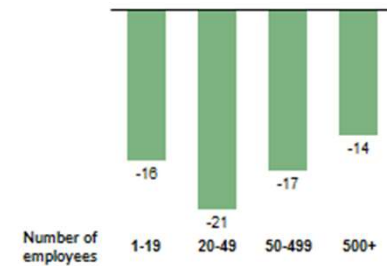
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Employment reduction by size, % change in total nonfarm U.S. private sector employment in April 2020

Source: ADP National Employment Report

Applying this national trend to NYC, over 375 thousand jobs may have been lost from small businesses alone*

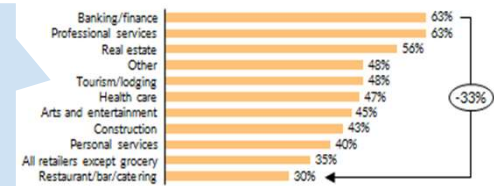
*Estimated based on NYC employment numbers from Census and ADP employment reductions



Confidence by industry, reported likelihood of remaining open in December if crisis lasts 4 months

Source: NBER

Applying these national data to NYC, non-essential retailers and restaurants are at greatest risk of closure during recovery



"It went from a shock, to a bandaid, to complete transformation surgery, to now kind of feeling like if we can hold on we are going to come out stronger and better than before." - NYC small business owner

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Introduction

Four dimensions can be used to target small business support and build an inclusive recovery

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	PRIORITIZATION CRITERIA Which businesses have been hit hardest by the crisis and will face the most challenges in recovery?
Industry	Which businesses are operating in industries that have been shut down fully, have slowest re-opening timelines, and/or have the greatest customer declines?
Size	Which businesses have experienced and will likely continue to experience challenges reaching stimulus due to small size?
Ownership	Which businesses have experienced challenges reaching stimulus and/or have lower ingoing resilience due to ownership characteristics?
Location	Which businesses are located in areas that have been hardest hit by the virus or population declines, or will have the most delayed re-openings?

Implications for support in recovery: Given the diversity of small businesses, it is critical to not take a 'one-size-fits-all' approach to response and recovery, and rather prioritize and tailor support to meet the unique needs of small businesses



**Targeting,
prioritizing
and tailoring
support**

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Interventions

Impacts are felt differently across these factors, with some businesses being hit hardest

Diverse small businesses face different needs, barriers, and circumstances and, therefore, have different paths to recovery

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	Description	Differential effects of COVID-19 crisis	Hardest hit
INDUSTRY	Industry is defined broadly as the sector in which a business operates, e.g., construction, hospitality & tourism, educational services.	Some businesses have shut down operations entirely, while others have continued as essential or through remote working. Based on unemployment rates, leisure and hospitality, wholesale and retail trade, and construction are struggling the most. ⁶ New York's reopening will also have differential impacts, with the slowest reopenings in restaurants & food service, arts, entertainment & recreation, and education. ⁷	Restaurants, leisure & hospitality, arts & entertainment, non-essential retail
SIZE	Size is often categorized by number of employees (small businesses <500, micro-enterprises <20).	Micro-businesses, which have less than 20 employees, came into the crisis with relatively weak balance sheets and lower than average credit scores, and many lack the resources and relationships necessary to effectively access federal support programs like the PPP.	Micro-enterprises
OWNERSHIP	Ownership has implications for access to support. Designations include minority-, women-, veteran-, and disability-owned.	Minority-owned small businesses entered the crisis with weaker balance sheets on average, ¹ and they lack access to financing both before and during the crisis; while 46% of white-owned small businesses have borrowed from a bank in the past 5 years, only 32% of Hispanic-owned and 23% of black-owned small businesses have. ^{2,3}	Minority-owned businesses
LOCATION	Small businesses vary by their location and the customers they serve (neighborhood to int'l).	While lockdowns have been widespread, they have varied in depth and duration. The re-emergence of the virus and localized lockdowns will have ongoing implications, particularly on businesses that serve single neighbourhoods. COVID-19 infection and mortality rates are especially high in Queens, Brooklyn and the Bronx, with potentially lasting effects for small business recovery. ⁴	Underserved neighborhoods

[1] Federal Reserve Bank of Atlanta, Small Business Credit Survey, December 2019 [2] Federal Reserve Banks, Small Business Credit Survey, 2020 [3] NYTimes, Minority Businesses Worry They Are Locked Out of Payroll Lending Program, April 2020 [4] Dalberg Analysis, 2020; NYC Department of Health and Mental Hygiene, 8th April 2020 [5] As of April 25. Wadhwa et al., Variation in COVID-19 Hospitalizations and Deaths Across New York City Boroughs, April 2020 [6] U.S. Bureau of Labor Statistics [7] New York State, Industries Reopening by Phase

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Many of these hard-hit businesses are integral to their communities and local economies

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Community vibrancy & social trust

- Small businesses in the hardest-hit industries such as restaurants, retail, and arts & entertainment, play a crucial role in creating the culture of NY's neighborhoods
- They also give back: two-thirds have contributed to those in need during the pandemic¹



Employment & resilience

- Many of the smallest enterprises with local customer bases also hire locally; they are often the lifeblood of the neighborhood for employees and their families²
- The importance of small businesses is even greater in underserved neighborhoods, where they account for a greater share of jobs compared to the city overall²



Full industry recovery

- Small businesses are core to the health and growth of industries given their crucial role as suppliers and customers
- Recognizing this, New York City already has several industry-specific small business support programs.³ The hardest-hit industries will need even more intensive small business support to ensure full industry recovery

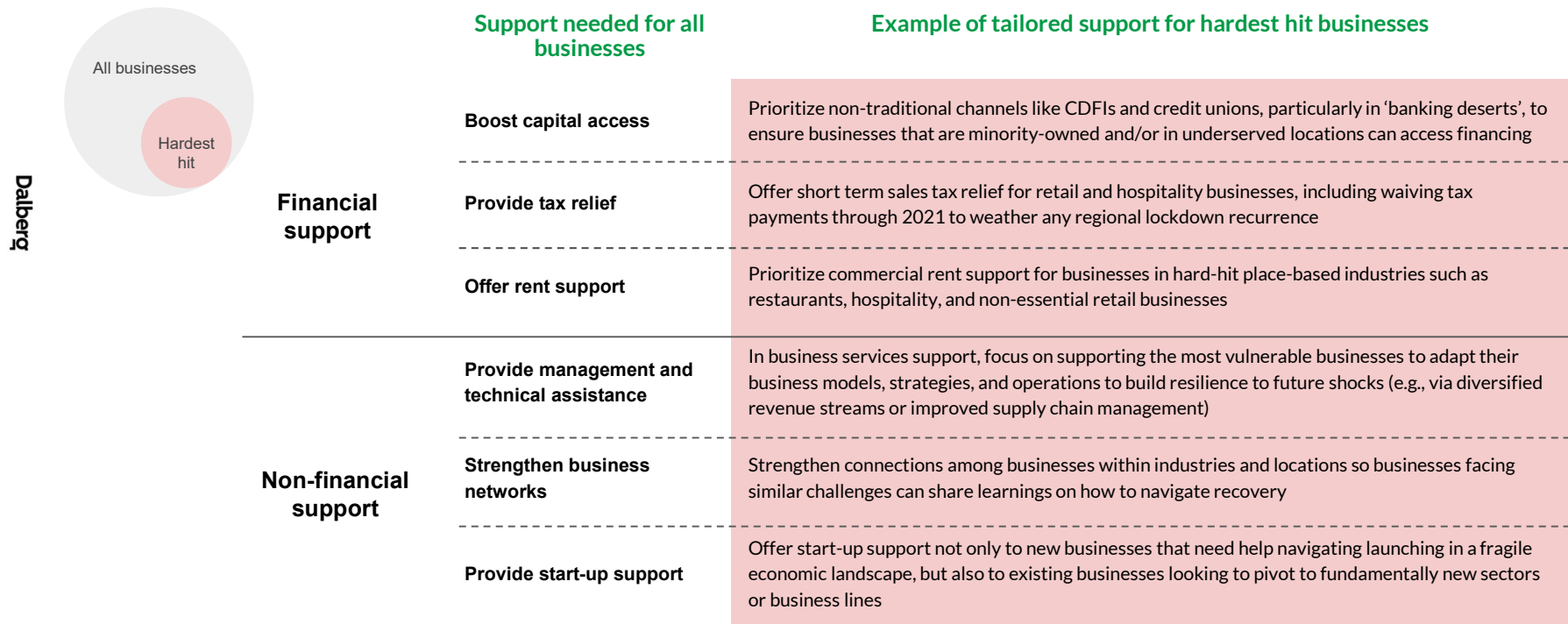
[1] US Chamber of Commerce, "Small Business Coronavirus Impact Poll," 2020 [2] ICIC, "The critical role small businesses play in inner city revitalization," 2016. [3] NYCEDC, "Business Programs"

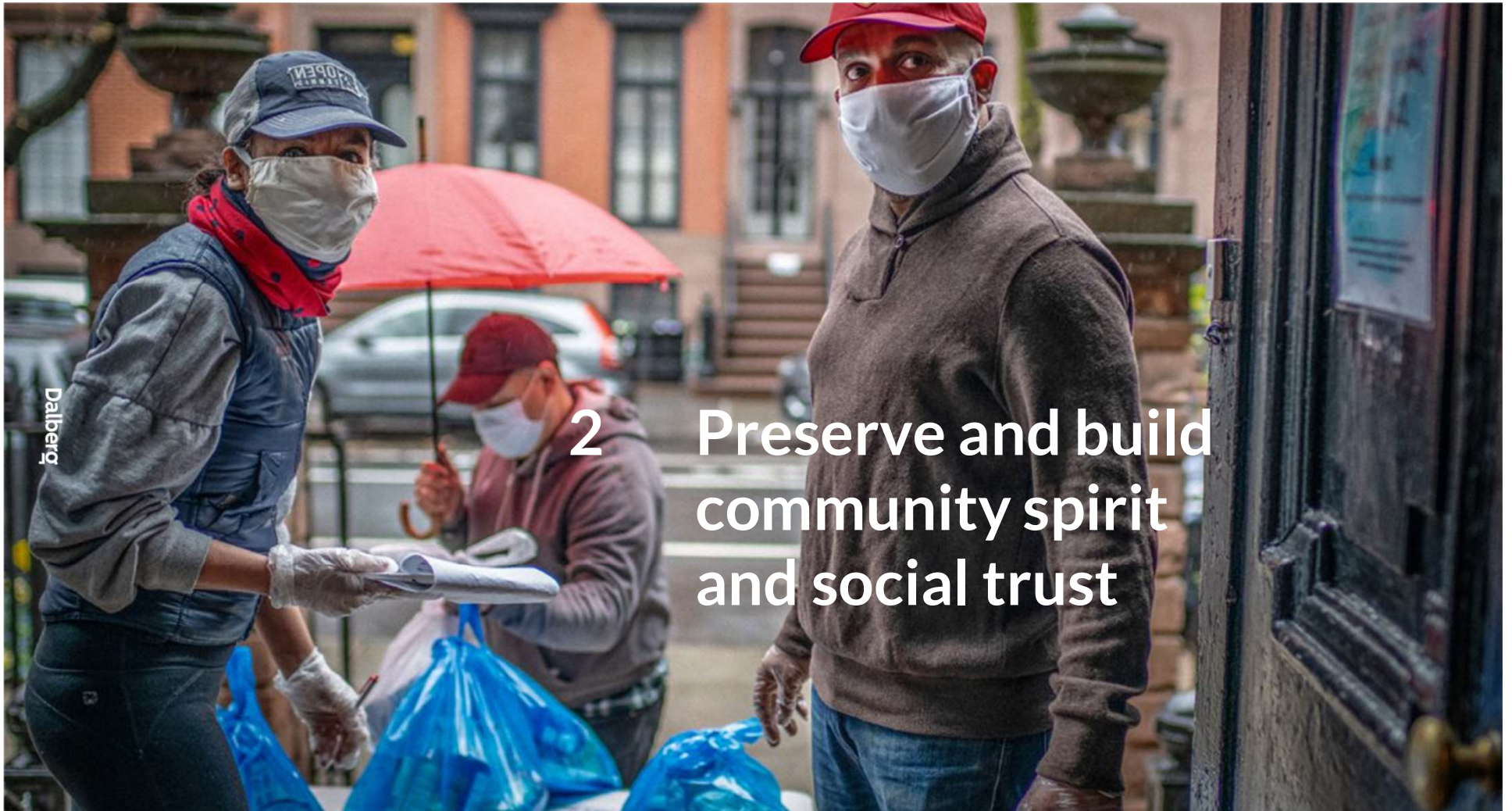
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Interventions

Those that have been the hardest hit by COVID-19 will require tailored support to recover

Businesses that are small, minority-owned or in hard-hit industries or locations can receive support tailored to their unique needs





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2 Preserve and build community spirit and social trust

Image source: Civil Eats, Meet the New York City Volunteers Risking Their Lives to Feed People, May 6, 2020

COVID-19 has exposed and exacerbated socio-economic inequalities and gaps in New York's social safety nets

COVID-19 has compounded needs across communities. Yet, New Yorkers have risen to the occasion and stepped in to help the most vulnerable among us, whether through the robust programmatic adaptation and expansion of our nonprofits, the local support of our community based organizations, innovation by the private sector, or the grassroots donations and volunteerism of our residents.

COMMUNITY NEEDS EXACERBATED BY COVID-19 INCLUDE:

- **Healthcare:** Over 48 thousand people in New York City have been hospitalized with COVID-19, massively burdening the healthcare system ([NYC Government](#))
- **Food Security:** New York's food pantries have declared a state of emergency, with nearly 1/3 closing due to COVID-19, with drops in donations and volunteers ([CBS](#))
- **Child Welfare:** NYC's child welfare systems are constrained by the shutdown, and with schools closed, the key channel for reporting potential abuse is unavailable ([NY daily news](#))
- **Mental Health:** The NYC branch of the National Alliance on Mental illness saw a 60% rise in call to its help line from March to Feb, a increase which has carried over into April ([Marketwatch](#))
- **Domestic Violence:** Reports of domestic violence decreased in New York in March and April, as COVID-19 spread and the state paused, but it is impossible to know how much this data leaves out as many cases of domestic violence are unreported ([FiveThirtyEight](#))
- **Protecting the Elderly:** One-fifth of people who have died from COVID-19 in New York lived in a nursing home or adult care facility ([NYTimes](#))

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Civil society and the private sector have stepped up alongside public service provision, building a sense of shared identity and trust

Nonprofits, CBOs and private sector companies are stepping up, adapting and demonstrating the power of New York's robust civic identity to provide for the community in times of crisis. This is at a time when these organizations are facing their own revenue and sustainability challenges. Illustrative case studies can be found in the Annex.

Nonprofit Organizations

- **Nonprofit organizations are rushing to meet a surge of demand for their services in some areas, despite funding and logistical challenges.** For example, City Harvest, a nonprofit that works to alleviate the hunger that 1.2 million new yorkers face each year, has delivered 34% more food year on year since the the start of the COVID-19 crisis.¹
- **Yet, some are encountering a concerning drop in demand.** For example calls to the city's domestic violence hotline, operated by Safe Horizon, dropped 11% from March-Febr., raising concerns that the lockdown is hiding potential cases.²
- **Although their roles are more important than ever, nonprofits are facing serious revenue challenges as a result of COVID-19.** Nonprofits in New York City for example were already financially unstable (40% have no cash reserves) and the cancellation of revenue generating events and fee for service models has made them even more vulnerable.³

Community Based Organizations

- **CBOs are leading the charge to maintain key health and food delivery services for vulnerable NYC residents.** The Queens Mutual Aid Network, which connects people across the borough in need of groceries sprung into action in March as the coronavirus crisis grew and now receives around 45 delivery requests a day.⁴
- **Many CBOs are building technical capacity to provide remote assistance and shifting their outreach and community building efforts online,** using sharing platforms such as NextDoor, despite having previously relied on in person meetings and interactions to build, maintain, and deploy community networks.
- **As a result of the crisis CBOs have also lost critical revenue and volunteer support** as people that normally contribute financially, or with time and talents find themselves in hardship and unable to support.

Private Sector

- **The private sector is leveraging and expanding digital platforms and systems to enable nonprofits, CBOs and communities to connect and work together** efficiently to respond to COVID-19. Examples include reservation apps such as plentify are making coordination at food pantries easier, and the charitable arm of expensify, which has built a tool which reimburses SNAP participants \$50 after they use your EBT card for approved purchases and submit a receipt.
- **Corporate donors are stepping in alongside philanthropic stakeholders to address fundraising gaps,** one example being the NYC COVID-19 Response and Impact Fund, which has raised \$95 million, to support small and mid-sized nonprofit organizations in New York with grants and interest-free loans.⁵
- **Restaurants and food service providers are pivoting their services to cater for frontline workers and those in need.** For example, Great Performances, a catering company, now produces 40,000 weekly meals for housebound elderly during the crisis.⁶

[1] NyTimes, Facing Food Insecurity on the Front Lines, April 2020 [2] NYTimes, Why a Drop in Domestic Violence Reports Might Not Be a Good Sign, April 2020 [3] NonProfit New York 'Nonprofits' Message to Funders in Response to the COVID-19 Pandemic' March 2020 [4] The City 'Queens Group Delivers the Goods – Just in Time for Ramadan' May 2020 [5] The New York Community Trust (<https://www.nycommunitytrust.org/>) [6] Great Performance (<https://www.greatperformances.com/covid-response>)

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Sustaining and scaling these efforts that strengthen our community and social trust will require agile support from across government, private sector and civil society

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Sustain

- **Celebrate and cement high value civil society efforts through partnerships, capacity building and, where appropriate, institutionalization.** This will be crucial to sustaining service provision, maintaining responsiveness, and insuring critical information is shared as fatigue begins to set in.
- **Channel institutional funding to CBOs and nonprofits, including through entities that help fund and support critical CBO networks.** This strategy will not only help ensure nonprofits can maintain critical services to community, but will also strengthen the CBOs that plug critical service gaps, anchor community identity, and build community trust.



Adapt

- **Support the scale and use of digital platforms by nonprofits, CBOs, and grassroots organizers** to extend their reach and coordinate service delivery. Platforms such as NextDoor and Venmo have proven critical to communication, coordination and service provision during social distancing.
- **Find ways to make space for community to safely come together.** In-person interaction is critical for creating and sustaining shared identity and trust, and building and maintaining the place-based community networks that CBOs are built upon.



Scale

- **Fund collaborations between nonprofits and the public sector and private sectors,** building on models like that of Safe Horizon, a victims services nonprofit embedded across city agencies to augment their capacity. Such multi-sectoral models can deliver innovation and scale in public service provision without having to rely on the creation of new organizations, companies or government entities.
- **Support capacity building and scale for CBO networks and umbrella groups.** This will aid in the creation of new CBOs and CBO chapters in previously underserved communities, as well as in the distribution of resources and dissemination of best practices.

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Case study

Safe Horizon

Nonprofit organization

Safe Horizon specializes in providing services to victims of crime and abuse in New York City

Safe Horizon responds to domestic violence, child abuse, sexual assault, street crime, human trafficking, stalking, and youth homelessness, and supports survivors of other abuse. While Safe Horizon works exclusively in the five boroughs of New York City, it has a national voice in influencing policy and practice. Safe Horizon has staff in 50 different locations across the city, with many colocated with government and nonprofit partners.

Since COVID-19 hit NYC, the risk of domestic violence has risen, yet fewer people are going to domestic violence shelters, likely to avoid potential illness. Safe Horizon a client-centered approach to service delivery, which in the current context includes helping them seek alternative safety solutions.

SCALE OF REACH

- Safe Horizon assisted 2,323 people in Community Programs, 3,058 in Criminal Court Programs, and 23,721 in its Crime Victim Assistance Program in 2018
- Safe Horizon answered 79,677 calls to the Domestic Violence Hotline in 2018
- Safe Horizon provided a safe haven to 864 victims of domestic violence and their 1,229 children at eight Domestic Violence Shelters in 2018

DEMOGRAPHIC REACHED

- About 80% of employees are people of color, and most clients are also people of color
- Serves children, youth and adults of all ages, racial/cultural backgrounds, sexual orientations, and gender identities



LOCATION New York City



COVERAGE AREA Bronx, Manhattan, Queens, Brooklyn, Staten Island



FOCUS Crime and abuse



FUNDED BY Government (90%), individual donors, events revenue, corporates, foundations

"We have never before seen how survivors navigate a crisis in which the public health advice is to stay home, yet home is not safe."

Case study

During this crisis, Safe Horizon's priority has been to continue to deliver quality services to clients and meet increased demand. While lessons learned from past crises have helped, the duration and requirements around social distancing make the COVID-19 pandemic uniquely difficult.

- **Crisis response plan.** Safe Horizon has a well-defined method of crisis response that includes clear roles and expectations. A defined crisis response team started daily meetings prior to NY on PAUSE. It has also pre-determined a set of 24 hour programs that cannot close down in a crisis, with others able to pause for a few days as needed
- **Togetherness as an organization despite remote work.** Safe Horizon transitioned many services to crime victims to remote work and about 80% of staff now work from home. As staff do intensely emotional and difficult work from home, Safe Horizon has greatly increased ways for staff to connect with and support one other remotely
- **Financial support.** Safe Horizon came into this crisis in a relatively secure financial position. This allowed immediate action to provide bonus pay to staff working in person at essential service sites as a way to thank and incentivize them. And it helped with other unplanned expenses, such as PPE and cleaning supplies
- **Flexibility in budgets.** Several foundation partners lifted restrictions on how to use funds, which has helped Safe Horizon to cover unexpected additional costs
- **Heightened DV risk at home.** Stay-at-home orders enacted to protect the public from the pandemic have increased the risk and prevalence of domestic violence, and yet it is more difficult for people to seek support in shelters or courts
- **Misinformation around homeless vs. domestic violence shelters.** Many people see news coverage of the illness' spread through homeless shelters and decide not to come into DV shelters, though they are structured in a way that allows for more social distancing
- **Racial inequities among staff.** There are some racial disparities across employees, with lower paid 'frontline' positions disproportionately held by people of color. Safe Horizon tries to mitigate this with volunteer support from other parts of the organization and extra financial support
- **Anticipated funding gaps.** Safe Horizon is 90% government funded and expects city, state, and federal funders will scale back funding in the next few years due to the reduction in tax revenue and the need to cover COVID-19 costs
- **Housing gaps.** Safe Horizon serves homeless youth for whom shelter and housing options are inadequate and DV survivors who often cannot escape an abusive relationship because they cannot afford housing

"We have really ramped up the time that we take to check in and support employees who are worried about sick family members or their own health"

"The issue of housing drives everything we do. Lack of affordable housing is a huge barrier to safety for so many of our clients. We need a more flexible, responsive, and generous housing system"

Source: Interview with Liz Roberts (Deputy CEO of Safe Horizon) on 5/11/2020, Safe Horizon Website

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Case study

Lemontree Foods

Nonprofit organization

Lemontree sells low-cost meal-kits to low-income families across Brooklyn

Lemontree sells high quality meal-kits at \$3 per serving to low-income families. It was founded in 2018 inspired by the power of family dinners and currently has four full-time employees. People can pick up the meal-kits at one of 14 partner locations (community centers and schools) across Brooklyn, and use a recipe they receive via text or prepare their meal-kit however they wish.

When the pandemic struck, Lemontree Foods redirected 100% of its efforts to volunteer recruitment for emergency food distribution by creating the initiative In It Together, which matches volunteers with partners.

SCALE OF REACH

- In 2019, Lemontree delivered ~25,000 meals
- Prior to the crisis, Lemontree Foods was operating via 14 partner locations across Brooklyn, which are community centers or schools
- During the crisis, it's In It Together initiative has recruited 4,000 volunteers and 60 partner organizations

DEMOGRAPHIC REACHED

- Focuses on low-income families across Brooklyn; would like to expand to cover higher need geographies, such as the Bronx; a large proportion of customers are Latinx



LOCATION New York City



FOCUS Food



COVERAGE AREA Brooklyn



FUNDED BY Private funders

"At the moment in terms of day-to-day operations, we're 100% focused on In It Together. But that doesn't mean we're not thinking about the future of Lemontree; we definitely want to get back to what we were doing, but we also know that there is no 'back to normal' any time soon."

Case study

At the onset of the COVID-19 pandemic, Lemontree entirely pivoted their efforts to coordinating volunteer recruitment for emergency food distribution. Lemontree created In It Together to match volunteers and partner organizations such as City Harvest, Citymeals on Wheels, and The Campaign Against Hunger across the five boroughs

HIGHLIGHTS

- **Flexibility and adaptability.** Once Lemontree recognized that other organizations were better equipped for emergency food distribution, they were able to pivot their model to volunteer recruitment in a matter of days because they are a small and nimble operation
- **Reach.** In a short period of time since the onset of the crisis, It Together has successfully recruited 4,000 volunteers and works with 60 partner organizations

CHALLENGES & OPPORTUNITIES

- **Geographic disparities.** There is a gap between the most disadvantaged neighborhoods (Queens, the Bronx, deeper in Brooklyn) and where food pantries and volunteers are
- **Technological challenges.** In It Together does not have an internal software or a highly automated way to coordinate volunteers
- **Data collection and analytics.** In It Together lacks data on the volunteer experience and does not have the ability to track volunteers (e.g., did they show up to the pantry?), which would be helpful to refine their model
- **Volunteer retention.** It is difficult to ensure a positive volunteer experience when most of this experience is attributed to factors outside In It Together's control
- **Funding.** It is not a good economic climate to fundraise from private donors

"Instead of trying to push through what we were already doing, we decided to pause our services and try to throw our weight behind volunteer recruitment"

"The places we are getting the most volunteers are gentrified neighborhoods... There is such a big mismatch between where there are people who want to help and people who need the help"

Case study

Invisible Hands

Community Based Organization

Invisible Hands' volunteers deliver groceries, prescriptions, and other necessities to those most vulnerable to COVID-19

In early March, Invisible Hands' co-founders Simone, Liam, and Healy recognized the urgent need for a reliable service that delivers groceries, medication, and other essential items to those for whom the COVID-19 pandemic threatens the most, including the elderly, disabled and immunocompromised. Invisible Hands coordinates between customers and volunteers to meet delivery needs.

When Invisible Hands started receiving community donations, it tried to offer subsidized groceries. But this led demand to skyrocket to an unsustainable level. Invisible Hands saw over \$30,000 worth of subsidies in 800 orders in 3 weeks, but it did not have the financial systems or government-backing to sustain this program. The last day of the subsidy program alone cost Invisible Hands almost \$6,000.

"We suspended the program which was really heartbreaking because we all love that we were able to do it, but it was going to run us into the ground"

SCALE OF REACH

- Invisible Hands has around 10,000 volunteers who have carried out close to 5,000 deliveries
- It takes about three volunteers per delivery: the call center operator, the volunteer facilitating the online matching process, and the runner volunteer who does the delivery

DEMOGRAPHIC REACHED

- Invisible Hands covers a community of beneficiaries that is "as diverse as the city itself," spanning all five boroughs and Westchester, Long Island and parts of NJ



LOCATION
New York City Area



COVERAGE AREA
Five boroughs, Long Island, Westchester, parts of New Jersey



FOCUS
Delivery of necessities



FUNDED BY
Donations

"When we started, in a lot of ways it was like running into a burning building because there was no infrastructure – ours or the city's. It's been amazing to see the City of New York build some of that infrastructure in the last few months"

Source: Interview with Simone Policano (Co-Founder of Invisible Hands) on 5/11/2020, Invisible Hands Website

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Case study

Invisible Hands has rapidly grown from a small neighborhood initiative to a nonprofit working across the New York metro region. Setting up Invisible Hands for long-term success as a food security nonprofit will require personnel, funding, and partners

HIGHLIGHTS

- **Fiscal sponsorship.** Invisible Hands is a sponsored project of The Giving Back Fund so can function as a 501(c)(3)
- **Pro bono support.** Invisible Hands has received technology help, legal help, and other services for free, which has helped make it operational
- **Pivoted from crisis response to broader food justice issues.** Invisible Hands has been able to pivot to fill the need as other actors in NYC have successfully built up some infrastructure to face COVID-19 (e.g., many supermarkets have made online shopping and curbside pickup available to customers, so the need for Invisible Hands' initial crisis response model has eased over time)

CHALLENGES & OPPORTUNITIES

- **Difficulty in serving low-income neighborhoods.** The suspension of the subsidy program led to a decline in clients overall, and particularly in disadvantaged communities
- **Funding.** Fundraising will be key to transform Invisible Hands from a crisis relief effort to a sustainable organization. In addition to operational costs, insurance, and legal fees, continued reliance on full-time volunteers to run Invisible Hands is not sustainable
- **Staffing.** As Invisible Hands moves from crisis response to a full nonprofit, it needs to find qualified leadership and staff to run the organization's operations

"I hope people are thinking about their neighbors and thinking of ways that they can help in their own community. That's how Invisible Hands came to be. I think harnessing that energy would be great"

"We created Invisible Hands when every system was overrun, but Amazon, Instacart, and FreshDirect have employees that get paid living wages, and we do not want to be taking away from that or undercutting them. Our long term sustainability could instead be in partnering with organizations that can buy groceries for those who cannot pay for them themselves"

Source: Interview with Simone Policano (Co-Founder of Invisible Hands) on 5/11/2020, Invisible Hands Website

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Case study

Mobilize

Private Sector

Mobilize is a mission-driven company that provides clients with a central platform to organize and engage communities

Mobilize's platform is used by campaigns and mission-driven organizations including nonprofits and governments to pull people into action. It can be used for events management, volunteer recruitment, smart networking, and more. Individual organizations use Mobilize to drive community action, and the platform has network effects which promote collaboration among organizations and individuals that sign up. For example, the City of New York both uses the platform for census mobilization and coordination with local nonprofits who contribute to this work.

Prior to COVID-19, Mobilize oriented part of its efforts to new product development, but since the crisis it has focused on expanding its organizing efforts while still investing in product development. It created "volunteerfromyourcouch.com" to feature all COVID-19-related events and made the platform free through the end of June.

SCALE OF REACH

- Nationally, 1.8 million individual volunteers have signed up for 3.5 million actions through Mobilize, and sign-ups have increased since the start of the pandemic (one COVID-19 related event translated to 107,000 new sign-ups)
- New York is one of Mobilize's top three states in terms of penetration and number of volunteers

DEMOGRAPHIC REACHED

- 2/3rds of volunteers are women



LOCATION New York City



FOCUS Organizing



COVERAGE AREA National



FUNDED BY Equity capital, initiative-specific grants

"2018 saw the largest digital mobilization that has ever happened in a midterm election. We had 1,000 or so clients using Mobilize at the time, but no single organization represented more than 10% of our volume. What that means is we need networks of action. Any individual thing, regardless of how effective, is in and of itself going to be a small part of the fabric"

Case study

The Mobilize software has been useful for many different types of COVID-19 related outreach. For example, Meals on Wheels uses Mobilize to coordinate their efforts to reach out to seniors, find out who is food insecure, and then send food deliveries to them.

HIGHLIGHTS

- **Transition from in-person to virtual organizing.** Historically, 75% of Mobilize's sign ups were in person, and 25% were virtual. In early March, essentially all organizing on the platform became virtual, even by political clients
- **Increased volume of organizing.** The absolute numbers of sign ups have increased during this crisis as people look for outlets to use their time productively
- **Dedicated space for COVID-19 related events.** Mobilize created "volunteerfromyourcouch.com" to feature all COVID-19 related events and made the platform free until the end of June for people doing COVID-19 relief

CHALLENGES & OPPORTUNITIES

- **Client churn.** Mobilize has seen churn from clients that only do in-person organizing work so no longer have a use for the platform
- **Extension of deal cycles.** Mobilize has seen some deal cycles extend during the COVID-19 crisis
- **Pricing pressure.** Mobilize has seen pricing pressure increase as organizations tighten their purse strings in preparation for a potential recession
- **Remote work and initiatives.** Aside from figuring out how to remain efficient as a 100% remote business, Mobilize is expecting some initiatives that rely on in-person delivery (e.g., vote poll watching) to drop off
- **Reprioritization of products.** Mobilize is making product investments to increase efficiency of virtual organizing for clients

"There is so much interest at this time in doing things that have social and communal value. We're seeing that materialize in various ways on the platform... The fact that there are millions of people that want to do something to help their fellow people in this moment, that gives me hope"

An aerial photograph of New York City, showing the dense urban landscape of Lower Manhattan and the surrounding harbor. The water is dark with shimmering reflections of sunlight. Several piers and structures are visible along the waterfront. The text "Thank You" is centered in the middle of the image in a white, sans-serif font.

Thank You

Dalberg