

What Are the Impacts of the COVID-19 Pandemic on Non-Profit Organizations (NPOs)?

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Background

NPOs are institutions that operate for the benefit of the public¹ (City of Vancouver, 2020). These support vulnerable community members by assessing local needs, providing shelter, delivering mental health services, and distributing goods such as food, clothing, and supplies¹. As future psychiatric nurses, we will refer clients to these much-needed services. However, if NPOs are closed or services are reduced, many individuals will lack adequate community support. Thus, it is important to determine how the COVID-19 pandemic has impacted NPOs.



Literature Review

We reviewed 14 sources, including peer-reviewed articles, government reports, NPO reports, and newspaper articles. Three themes emerged: (1) financial difficulties, (2), operational challenges, and (3) workforce barriers.

Findings

Financial Difficulties 💰

Due to the pandemic, NPOs have received reduced funding from individual donors, private organizations, and provincial and federal governments^{1,2} (Vantage Point, 2020). They have also collected fewer proceeds from fundraising events while facing increased costs for personnel, personal protective equipment (PPE), and sanitary measures^{1,2}. The pandemic has further contributed to freezes on discretionary spending as well as delays in capital expenditures and maintenance^{1,2}. At the same time, NPOs continue to pay retail costs for spaces that they can no longer use^{1,2}.

Operational Challenges 🚫

To comply with the COVID-19 restrictions, many NPOs have shifted to an online model despite the increased demand for in-person services^{1,2}. Multiple programs and events have been cancelled^{1,2}. Insufficient PPE and challenges related to infection control and social distancing have further contributed to increased burnout and lower levels of staff retention and volunteer support^{1,2}. Moreover, NPOs lack the capacity to meet the growing mental health needs of their employees^{1,2}.

Workforce Barriers 🚫

The pandemic has led to hiring freezes and reduced working hours in NPOs^{1,2}. Many employees have experienced layoffs due to unpredictable or delayed funding^{1,2}. Meanwhile, burnout and mental health issues are on the rise in existing staff^{1,2}. Staff also continue to face barriers related to safety and the transition to online work^{1,2}.

Recommendations

To combat financial difficulties, NPOs should advocate for adequate funding and access financial support programs offered by foundations and governments^{1,2}. They should further engage in financial analysis and planning to re-establish stable income^{1,2}. In addition, publicly-owned facilities may be used to reduce costs^{1,2}. To meet operational challenges, NPOs should continue to adapt their services and fundraisers online^{3,4,5} (Conway et al., 2020; Hernandez, 2020; Perri et al., 2020). Vital in-person supports such as walk-in programs, harm reduction sites, and shelters may continue if NPOs are able to maintain social distancing and provide sufficient PPE^{3,4,5}. NPOs should address workforce barriers by providing clear guidance and training on health and safety protocols to staff and volunteers, including information on burnout, safe staffing ratios, and transition to online work^{1,2,3,4,5}. As well, mental health support for staff should be provided^{1,2}.

Next Steps 💡

In the next phase of our research project, we will conduct a qualitative study to answer the following question: What are the experiences of service providers working for NPOs impacted by the COVID-19 pandemic?

References

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4. Hernandez, J. (2020). *B.C. charities and non-profits rethink fundraising methods as COVID-19 leads to revenue loss* | CBC News. CBC. Retrieved 5 April 2021, from <https://www.cbc.ca/news/canada/british-columbia/b-c-charities-non-profits-revenue-loss-1.5810783>.
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