



Better funding models through & beyond the Covid-19 crises

Using the crises to put non-profits on a more sustainable footing.

Do Good. Better!

Talking points & Speakers

- ✓ Better funding
- ✓ Self-test: do you have the right funding?
- ✓ Donor's funding policies now
- ✓ Practical steps to build a sustainable income stream.



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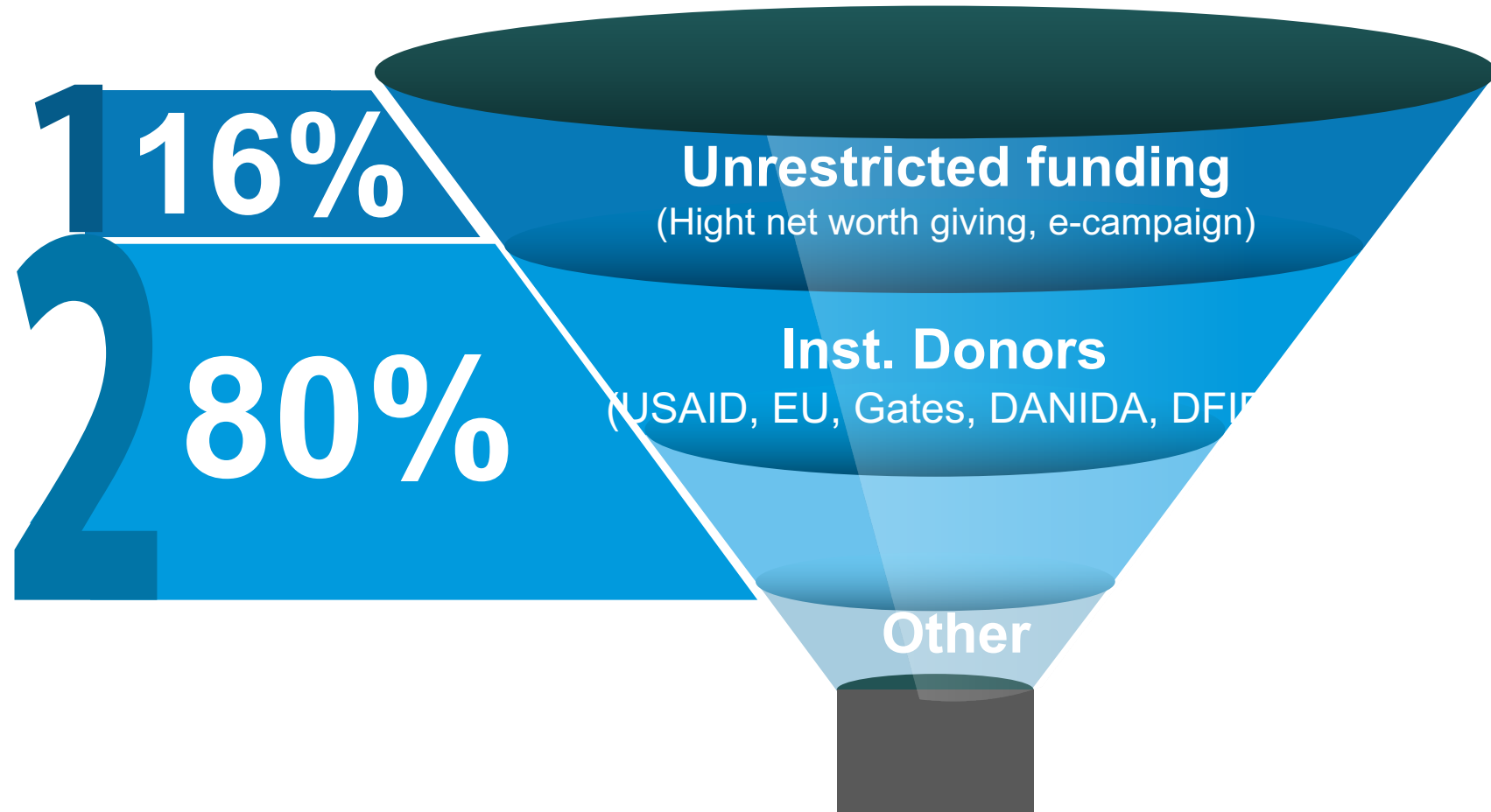
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Robustly funded?

CONFIDENTIAL
CLIENT

The problem

- ✓ EU based NGO, development & advocacy mandate
- ✓ Not enough funding overall
- ✓ Siloed, static management structure structured to meet donor demands
- ✓ Critical lack of unrestricted funding



Robustly funded?

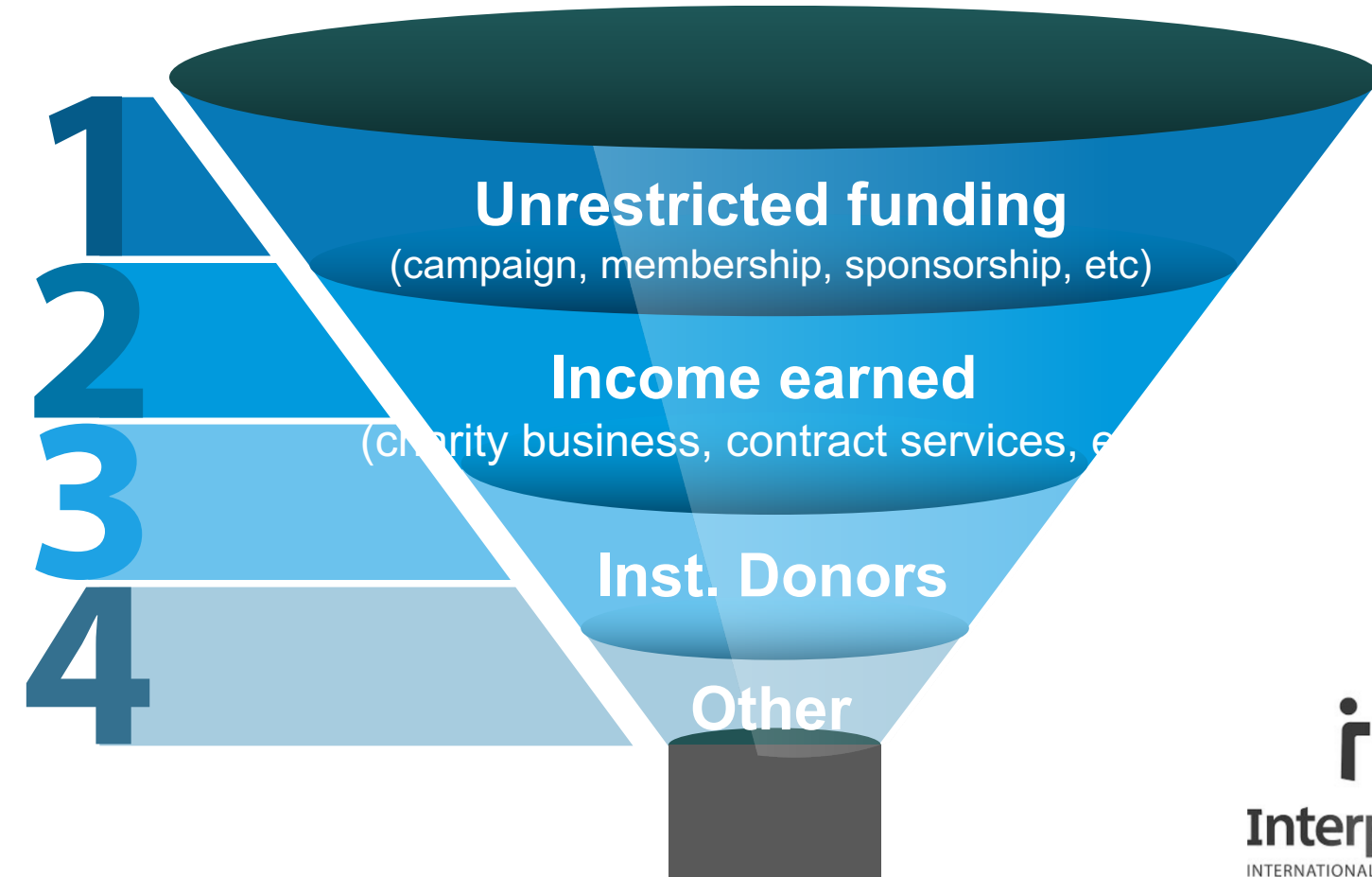
The problem

- ✓ EU based NGO, 7 countries, development & advocacy mandate, \$15m annual spend
- ✓ Not enough funding
- ✓ Siloed, static management structure organized to meet donor needs
- ✓ Critical lack of unrestricted funding

The Actions

- ✓ Zero-based analysis of funding type & amount needed for strategy realization (4 months)
 - *What type of funding do we really need?*
 - *What amount of funding do we really need?*
 - *What reach & scale do we really need?*
 - *What overheads do we need to cover for that?*
- ✓ Funding projection where and by when to obtain this funding and investments needed (1.5 months)
 - *How can we get the type and amount of funding needed?*
 - *What investments do we need to make?*
 - *What time-scale is realistic?*
- ✓ Structural changes & investments committed (6 months)
- ✓ 75% of new funding mix changes attained after 18 months, scale increase is on track

Robustly funded

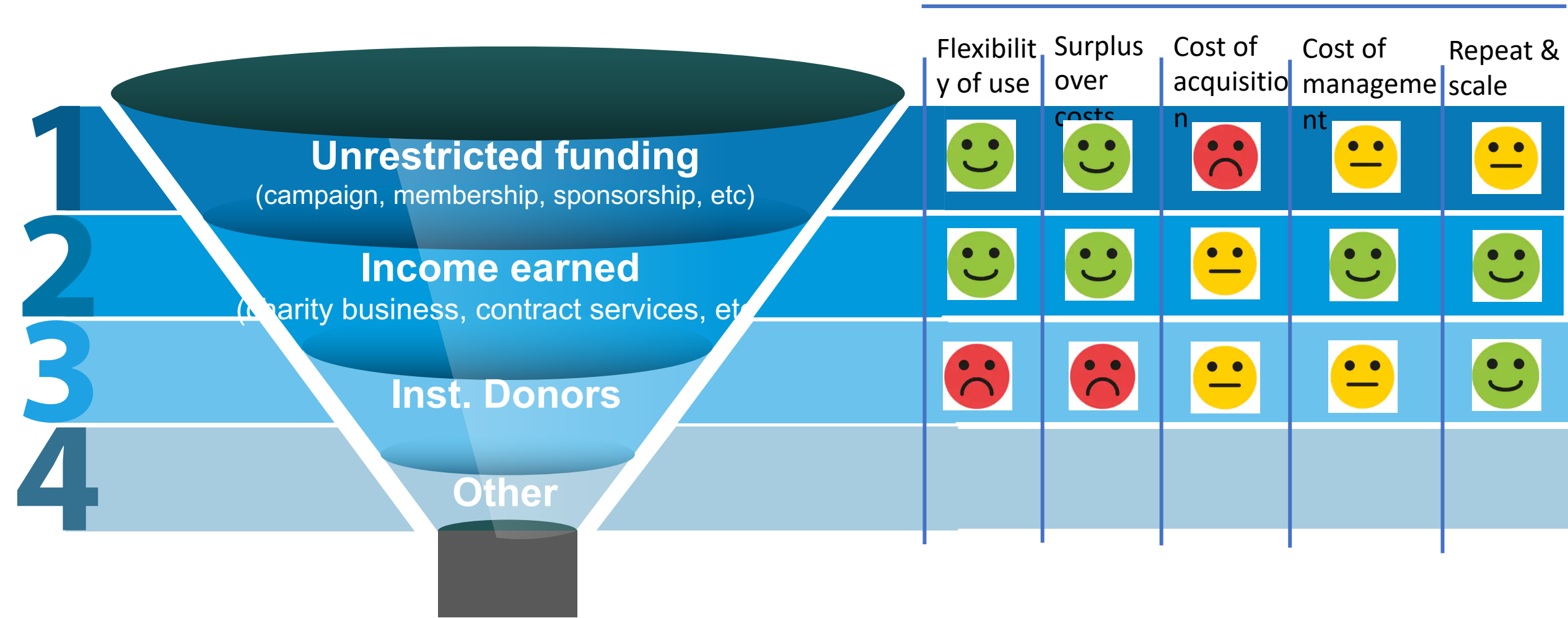


“We are shock-proofing our ability to generate income.”

S. Weber, President

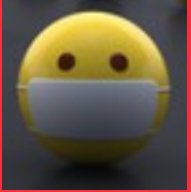
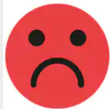


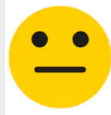
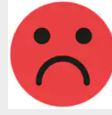
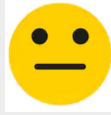






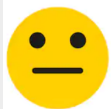
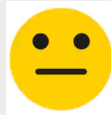
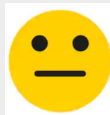
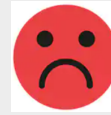

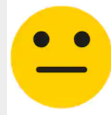






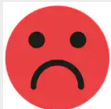
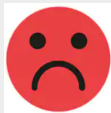


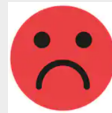
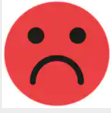






Robustly funded

Funding attributes

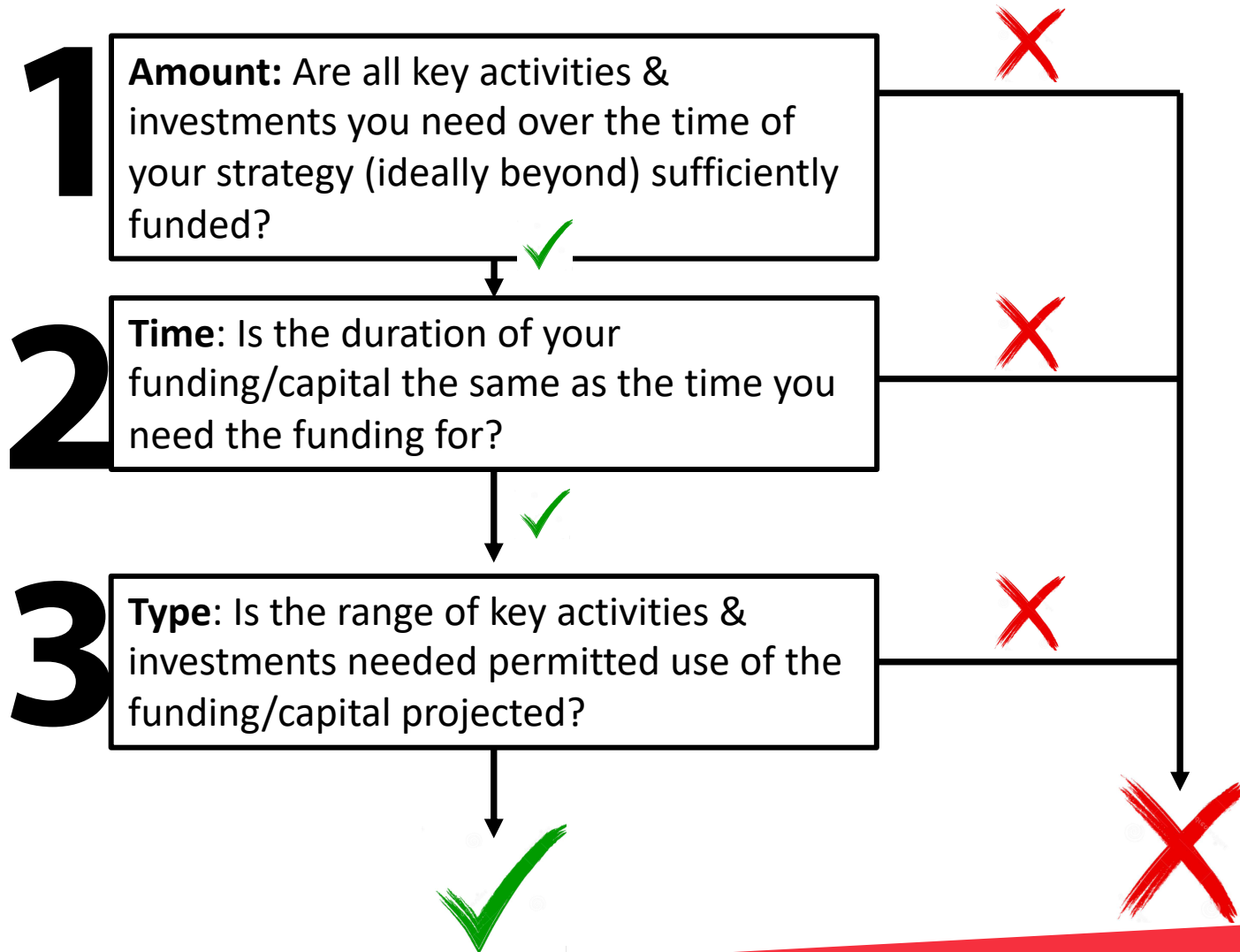


We can change the funding we have.

What funding suits my mandate & business

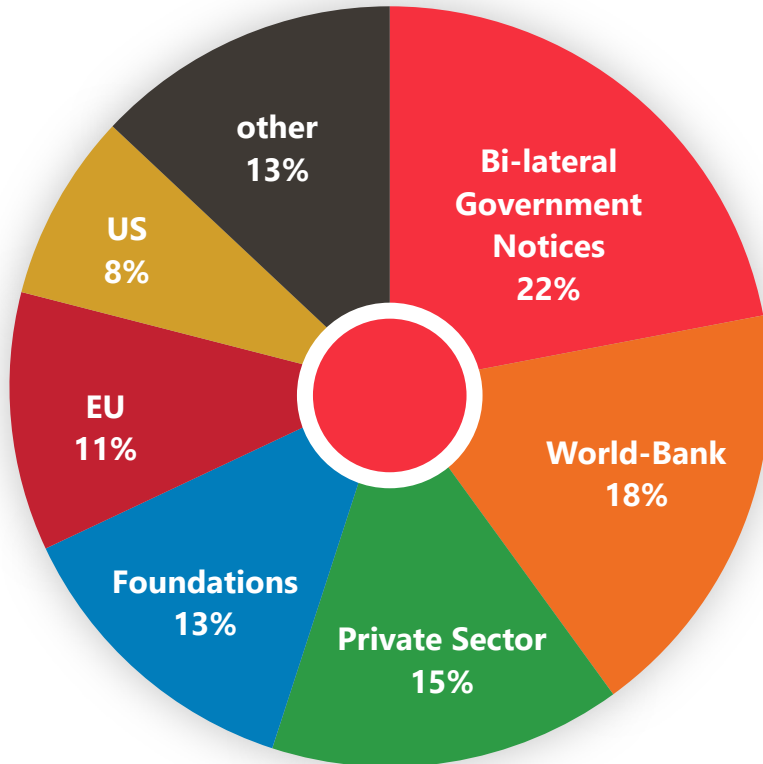
	Government GRANTS	Service CONTRACTS	Income Generating BUSINESS	Fundraising CAMPAIGNS	Inter-governmental GRANTS	Foundation FUNDING
Flexibility of fund usage						
Cost-Recovery & Profitability						
Level of Effort – Securing funding						
Level of Effort – Managing funding						
Longevity & Sustainability						
Recurring & Repeatability						

Self test: Do you have the right funding?

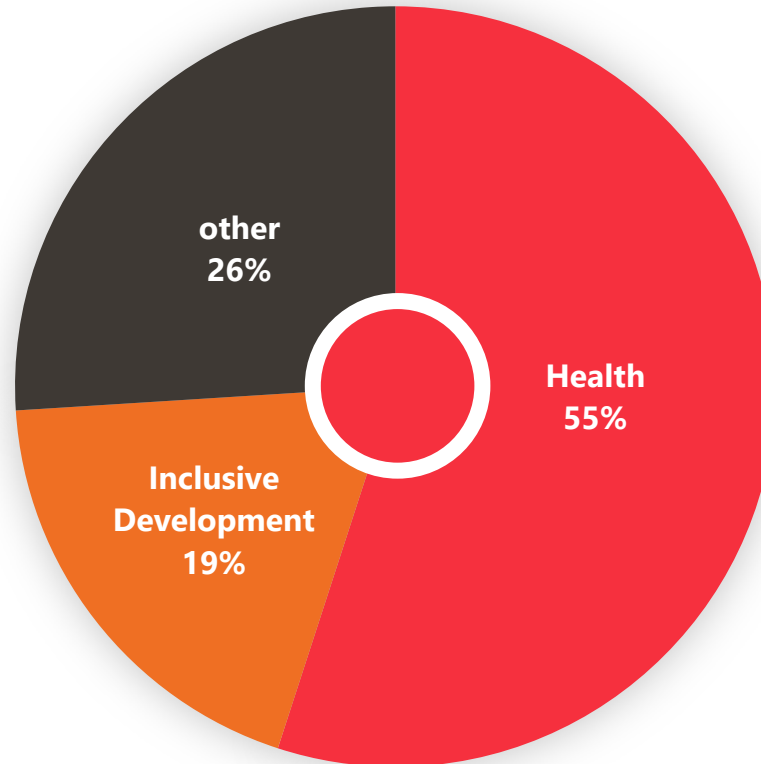


COVID-19 Funding opportunities did not change (a lot)

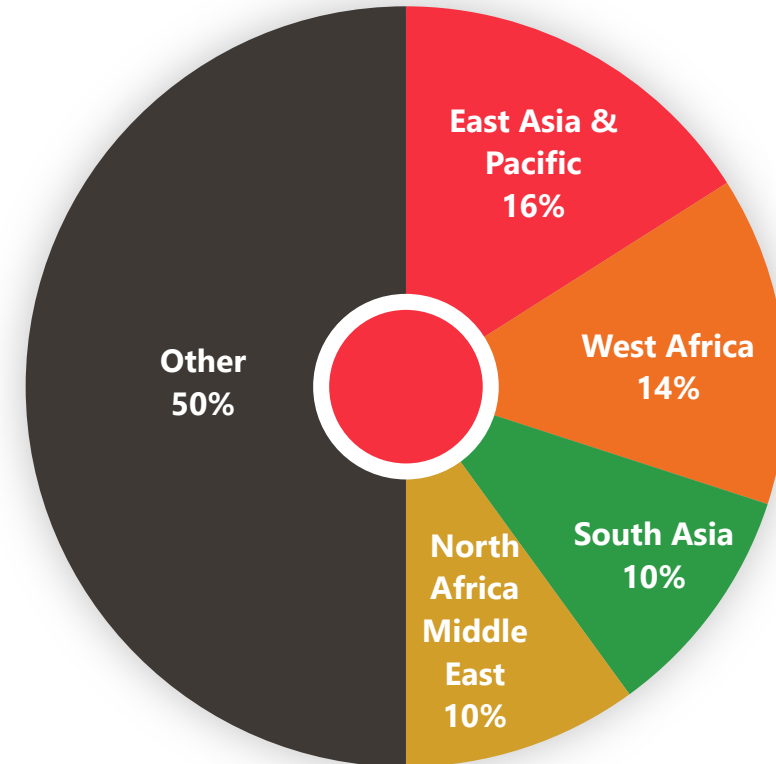
WHO



WHAT



WHERE



Source: UK Dev-tracker, IATA and Word Bank, analysis by MzN International

SO WHAT FUNDING MODEL IS BEST FOR YOU?

How NOT do fund your mission

- ✓ Single reliance on small number of donors and type of funding.
- ✓ Is an NGO funded almost exclusively by one governmental donor still an NGO?
- ✓ Avoid the chase:
Search Grant – Run Grant – Panic – REPEAT

Top line looks at funders during & beyond Covid-19

Institutional donors

- ✓ Increase in Funding – 2700 New COVID Initiatives worldwide, from health to economic inclusion
- ✓ Flexibility and Re-assignment – 20-40% of existing Funding Can Be Repurposed
- ✓ Overall we recommend to widen the pipeline as the recession will cut into the development budgets of donors differently.

Philanthropic value propositions

- ✓ Over the past decade philanthropy has become more institutionalised and therefore funds have become easier to access.
- ✓ Going forward philanthropic partners are increasingly going to be part of a diversified funding mix.

Top line looks at funders during & beyond Covid-19

Fundraising strategies

- ✓ Private donations have declined since the start of the COVID 19 crisis. Roughly 80% of charities* have suffered a decline of varying degrees whilst 20% (predominantly health focused) have seen a significant increase.
- ✓ Increasing focus on social media and personal calls for tailored approach during social distancing.

Income generating Business, incl Service Contracts

- ✓ Procurement Contracts have rapidly increased – NGOs with distribution networks have opportunities to facilitate the supply chains
- ✓ Increasingly we are seeing funding channeled through service contracts not grants, this is likely to be accelerated by the crisis. Accessing commercial contracts whilst seems daunting at first requires only limited change to operations

* Source: CCS Fundraising Report

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10 Practical Steps in building a stable income stream

1. Diversification of funding and revenue streams
2. Set minimum funding level
3. Define minimum management fee to be recovered or gross margin
4. Set the parameters and stick to them!
5. Have a system to find and assess opportunities



10 Practical Steps in building a stable income stream

6. Match the funding streams you choose to your mission, not the other way around
7. Be prepared to participate flexibly - from lead to sub to associate all options can add value
8. Find an EU partner **now**
9. Add surge capacity to your proposal writing team
10. Understand income development as a key part of business as usual not something to be done ad hoc



STAY IN TOUCH!

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www.mzninternational.com

WEBINAR:

The future NGO is agile

April 21st

Get insight about the NGO of the future [here](#).

1. Non-profit mergers (Jan 21)
2. Agile NGO (Mar 21)
3. Leadership (Mar 21)



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