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Pivoting Services: Resilience in the Face of Disruptions in Nonprofit Organizations Caused by COVID-19

Kara Newby – Auburn University

Brittany Branyon – Auburn University

The COVID-19 pandemic is an unprecedented global event that has sent shockwaves through every aspect of the economy. The nonprofit sector has been dealt a double hit—relying on donations in a time of economic hardship while being on the frontlines of the response to increased need. Previous studies have shown that COVID-19 has impacted nonprofits in numerous ways; however, the majority of studies have focused on the financial impact. Using a resilience framework, this study adds to the literature by analyzing how nonprofits have dealt with the loss of services, what it has looked like to pivot and adapt to this new environment, and what impact the loss of volunteers has had on organizations. In this qualitative study of 12 nonprofits in the Southeast United States, we find that while the organizations do talk about financial strain, equally as stressful has been the loss of face-to-face services. Nonprofits are used to being on the frontlines of most emergencies, and in this pandemic, many have struggled to keep their workers safe by following health guidelines while also serving their clients. The inability to meet with clients and the stress of pivoting to an online environment is as great or greater of a burden as the financial impact.

Keywords: Nonprofit Programming, COVID-19, Organizational Resilience, Loss of Services

Introduction

The Coronavirus Disease (COVID, COVID-19) and subsequent public health restrictions have affected all sectors of the economy since March 2020. Nonprofits, by their nature, are not profit-seeking, and they depend on a steady flow of income from donors, grantors, and fee-for-service. In times of economic downturns, this sector can be significantly affected, as we saw most recently during the Great Recession (2007-2009) (Lin & Wang, 2016). As Pena et al. (2014) point out, the financial impact and uncertainty can endure long after the initial disruption.

There have been several recent studies demonstrating the impact of COVID on nonprofits. The Nonprofit Institute developed a survey that was shared and used by many agencies and universities to better understand the impact of COVID, which to date, nearly all 50 states have some data on. Though experiences of nonprofits differ based on subsectors and location, there are two predominant themes: decrease in revenue and changes in service (need and delivery). A meta-analysis of available data (Stewart et al., 2021) shows that nearly all nonprofits have

experienced a decrease in revenue due to cancellation of events and services (fee-for-service) and a decrease in general donations. Across the board, nonprofits either experienced an increase in need of services while not having the resources like personal protective equipment (PPE) to provide them, or a decrease in services due to school closures, health concerns, etc.

However, most of what we know about the impact of COVID is from the survey by Stewart et al. (2021) that was used to assess the impact of this event. In this study, we take a deeper dive into the lived experiences of the workers on the front lines of nonprofits. Further, while the surveys show economic impacts, the impact on direct services is an unexplored area in this literature. The disruption to services has been a unique aspect of trying to maintain services during the COVID outbreak.

While there have been other disruptions in the history of United States nonprofits, COVID stands out as unique because there was a compounded effect of loss of financial resources, increased demand for services, as well as the unique addition of health restrictions that often limited the contact the workers had with their clients and pushed them to adapt in novel ways. In this study, using a resilience framework, we assessed how nonprofits dealt with trying to continue to work with clients in the midst of issues like losing some of their services due to shutdowns, adapting and pivoting to remote work and remote delivery, and dealing with the loss of volunteers.

Literature Review

Impact of COVID on Nonprofits

The Nonprofit Institute developed a survey that was shared and used by many agencies and universities to better understand the impact of COVID. To date there have been studies done for all 50 states with a total of over 23,000 nonprofits responding (Ashcraft & Bencomo, 2020; Branyon et al., 2020a; 2020b; Brown et al., 2020; Dietrick et al., 2020; Driver et al., 2020; Ihrke et al., 2020; Stewart et al., 2021). Overall, these studies have found that nonprofits have struggled with a decline in revenue. For example, a February 2021 survey of nonprofits in East Tennessee reported a total revenue loss of \$12.5 million in 2020 with 76% of nonprofits expecting a total loss of \$4 million in revenue typically procured from events (Alliance for Better Nonprofits and United Way of Greater Knoxville, 2021). Those hurting the most were often smaller organizations (who typically survive on a more limited budget) and arts and education organizations—many who rely on revenues from performances or services and have not been able to open or operate since March (Driver et al., 2020).

These existing studies found there was a drastic decrease in donations (Ashcraft & Bencomo, 2020; Driver et al., 2020; Ihrke et al., 2020) and a significant decrease in fee-for-service revenue, including loss of program fees for arts and humanities organizations (Ashcraft & Bencomo, 2020; Driver et al., 2020). Brown et al. (2020) found in April 2020 that while 72% of nonprofits in the Brazos Valley (Texas) were confident of their ability to pay employees in the next four weeks, it dropped to 45 percent in the following month with arts, culture and humanities, human services, and health subsectors being hit the hardest. Furthermore, a follow up study released in December 2020 reported 40% of respondents had reduced paid hours while 27.9% had laid off employees with Black, Latinx, and POC-led nonprofits disproportionately impacted (Center for Nonprofits and Philanthropy at Texas A&M, 2020). Branyon et al. (2020a) found similar results for Alabama and Georgia. They discovered the top three concerns were decline in donations, loss of revenue due to event cancellations, and delayed grant processing. One nonprofit shared:

Under the COVID-19 pandemic our organization has actually seen a tremendous increase in services and

participation. With that increase in services, there has also been a significant rise in expenses. However, while expenses are rising, we are seeing a decrease in funding from grantors and also from internal fundraisers (Branyon et al., 2020a, p. 10).

In a follow-up survey conducted by Branyon et al. (2020b) in October 2020, nonprofit respondents echoed the same financial woes, with a decline in donations, loss of revenue due to the cancellation of events, and revised grant terms from funders as their top three concerns. In a December 2020 survey of Florida nonprofits, 71% of respondents reported a decrease in revenue from the previous year (Florida Nonprofit Alliance, 2020), and 26% of nonprofit respondents in Utah shared their organizations would not survive the pandemic (Utah Nonprofit Association, 2021).

Recent scholarship about nonprofits has also emphasized the *financial impact* of COVID on nonprofits (Johnson et al., 2020; Kim & Mason, 2020; Maher et al., 2020). Kim and Mason (2020) studied the impact of organizations having a financial reserve. Maher et al. (2020) wrote about how local governments and nonprofits have reacted to fiscal constraints. And Johnson et al. (2020) discussed how nonprofits are affected fiscally when there is a time of instability for the country. A study released in December 2020 by the Florida Nonprofit Alliance (2020) found that half of organizations with financial reserves had tapped into them by the end of the year, while 29% of responding organizations had no savings, leaving them especially vulnerable.

While it is clear through all the studies that nonprofits are impacted financially, what is less discussed in the scholarship is the impact that the loss of direct services and ability to meet face-to-face has had on these organizations. Many of these organizations depend on in-person contact to deliver their services or goods. Whether they are a human services agency or an arts/culture agency, having to figure out how to pivot to an online environment has been a source of immense stress. For some organizations, it has meant a complete loss of some or all of their services. A survey of Connecticut nonprofits revealed that organizations with a budget under \$1 million were twice as likely to experience a reduction in services—48% versus 21% (CT Community Nonprofit Alliance, 2020). In addition to logistic constraints, nonprofit employees and volunteers falling ill with coronavirus or quarantining after exposure impacted mission delivery. In March 2021, 63% of South Carolina nonprofits surveyed reported an impact on mission delivery due directly to the medical impact of COVID-19 to their personnel (Kahle & Roderick, 2021).

Though most of the previous survey findings stressed the financial impact, there were some notable findings about services as well. Branyon et al. (2020a) discovered that only 20% of nonprofit respondents in Alabama and Georgia were confident in their ability to provide services between May and June 2020 due to stay-at-home orders and health and protection concerns, including a lack of personal protective equipment (PPE). As a result of these restrictions, some nonprofits found a way to adapt by transitioning to online platforms, setting up food and supply drives, and raising money for relief funds (Branyon et al., 2020a). In their follow up survey taken in October 2020, Branyon et al. (2020b) found that 70% of nonprofit respondents were still delivering services at a reduced capacity.

Comparison to the Great Recession

Perhaps the most recent disruptive event we can compare COVID with is the financial crisis of the Great Recession. Lin and Wang (2016) focused on the financial strategy of nonprofits who weathered the disruption and found that during times of economic hardship, more fundraising is generally not effective. Rather a strong, multi-year funding relationship can provide more

stability. A study by Salamon et al. (2009) found that almost all nonprofits reported financial strain during the Great Recession, with over 40% reporting it as severe or very severe.

We can see that during COVID there has been a very real fiscal impact similar to that of the Great Recession. There are also similar trends as service provision needs increased during that time as well. Bridgeland et al. (2009) found that while many nonprofits were having to make cuts due to decreased funding during the Great Recession, the need for services increased. Between 2007 and 2008, Arizona reported an increase of 100% in people seeking services, and 70% of Michigan nonprofits saw an increase in demand for client services while at the same time 50% of nonprofits shared that their financial support had decreased. The United Way saw a 68% increase in calls, up to 15,000 calls every month, as people found themselves out of work and needing to provide for their families.

Organizational Resilience

Because COVID is a time of great instability and disruption to the nonprofit world, we chose to focus on a resilience framework. Throughout their lifetime, businesses, nonprofits, and other organizations will all face times of unanticipated setbacks. These disruptions may be unique to the organization, such as a fire, or may be more widespread, such as the Ebola outbreak or the financial crisis. Resilience is the ability to deal with disruptive events that affect the operation of an organization (Somers, 2007). Coutu (2002) wrote that resilience consisted of the ability to face reality, search for meaning, and improvise through the disruption.

In a literature review of organizational resilience, Rahi (2019) found that there were two main dimensions of resilience: awareness and adaptive capacity. Awareness is defined by ability to read the environment and the changes coming in tandem with the knowledge of the organization's capacity and abilities. Adaptive capacity is the ability for organizations to respond when faced with a disruptive event. Further, in their literature review of organizational resilience within the health care sector, Barasa et al. (2018) found that there was planned resilience (preparing for crisis), adaptive resilience (adapting to acute or chronic stressors), and everyday resilience (adapting during everyday disruptions or stressors). Specific to nonprofits, Witmer and Mellinger (2016) used Coutu's (2002) work as a guiding framework and found six themes related to nonprofit resilience: commitment to mission, improvisation, community reciprocity, servant and transformational leadership, fiscal transparency, and hope and optimism.

Of these findings about resilience, the most interesting in light of the COVID crisis is the adaptive piece—what Rahi (2019) labeled adaptive capacity and Barasa et al. (2018) labeled adaptive resilience. Rahi identified six indicators within the literature of adaptive capacity: mobilization of resources, employees' engagement, leadership, access to information, decentralized decision-making, and organizational analytical capabilities.

The impact of COVID-19 on the financial stability and sustainability of nonprofits appears to follow other disruptions that have been studied with a novel difference. During other disruptions there were setbacks or unexpected events that put a strain on the organizations; however, during COVID, many nonprofits felt the dual squeeze of more need with less revenue *along with* added health and delivery restrictions, heightened health protocols, or stay-at-home orders.

This unique difference of nonprofits being in high demand while being restricted physically in their service provision is virtually unprecedented in the modern age of nonprofits. We wanted to learn more about the impact of the various shut down orders and subsequent reduced services on nonprofits, specifically those in the region of East Alabama and West Georgia. This is an area that is mostly rural, and most of the nonprofits we interviewed work with minority

and marginalized populations. To better understand not only how nonprofits have been impacted, but also how the clients they serve have been impacted, we needed to hear from the nonprofits themselves. Nonprofits exist to meet the needs of specialized populations that are not being served by other areas. So how are these clients faring in the face of potential cuts to services? Finally, this study aimed at better understanding how those who work for nonprofits are adjusting. Nonprofit workers, typically used to interacting with clients on a daily basis, are often being asked to pivot drastically in the way they are working. Like other industries, nonprofits are being asked to work from home and transition to new technologies amid homeschooling and household responsibilities, and we wanted to better understand what this pivot has looked like.

Using the concepts of resilience laid out by Rahi (2019) and Barasa et al. (2018), we specifically wanted to learn more about how organizations talked about the *adaptive capacity*, or ability to transform or adapt, within the context of this unprecedented, unforeseen event.

Data and Method

Data Collection

To recruit for the study, a call for participants went out through an email list to 130 nonprofit affiliates of The Cary Center for the Advancement of Philanthropy and Nonprofit Studies. The Cary Center is an academic center within Auburn University's College of Human Sciences serving a wide variety of nonprofit organizations including Arts, Culture, & Humanities, Education, Environment, Health, Human Services, and Funding Intermediaries. Recruitment was also posted on a Facebook page for Nonprofit Professionals of Lee County and Surrounding Areas and on the authors' personal Facebook pages.

We had 17 people respond to our request, and we interviewed 12 nonprofit leaders in Central and East Alabama and West Georgia. This is a response rate of approximately thirteen percent. Our sample includes two nonprofits in Arts, Culture, & Humanities; two in Education; one in Environment; one in Health; five in Human Services; and one is a Funding Intermediary. Of those we interviewed, most were smaller nonprofits. Three had budgets of \$250,000 or less, seven had budgets of \$250,000–\$1,000,000, and two had budgets of over \$5,000,000. Nine of the organizations employ five or less people, two employ 6-20, and two employ more than 20.

Of the 12 organizations, seven received funding from the Paycheck Protection Program (PPP) through the CARES (Coronavirus Aid, Relief, and Economic Security) Act. One organization that did not receive CARES funding mentioned that they received financing from a disaster related grant during this time. The other organizations either did not feel the need to apply for PPP or they did not know about it until the money had already been dispersed. Because the interviews took place during the Fall of 2020, the second round of the PPP funding was not available yet.

Interviews were conducted during Fall of 2020. Because of this, when we talk about COVID and its impact, we are discussing the period from mid-March until the end of October. In Alabama, the governor issued a public health emergency order closing most non-essential businesses on March 19, and a 'stay-at-home' order was then issued on April 3, which kept all non-essential businesses closed. On April 20, the 'stay-at-home' order expired, and the state moved into a 'safer-at-home' order, opening more businesses and retailers at a limited capacity with health and safety regulations in place. On May 21, the governor revised the safer-at-home order, allowing businesses and organizations a little more flexibility but still had health and safety regulations around capacity and social distancing. On July 15, a statewide mask mandate was added to the safer-at-home order. This amended safer-at-home policy, along

Table 1. Description Table of Participants

Org	Type	Employee Size ¹	Revenue Size ²	Main Impact of COVID
1	Human Services	Medium	Medium	Loss of direct contact; Loss of services
2	Human Services	Small	Small	Funding; Fundraising
3	Education	Small	Medium	Funding; Fundraising
4	Human Services	Small	Medium	Funding; Direct Services
5	Funding Intermediary	Medium	Medium	Funding; Need to direct money out
6	Education	Medium	Medium	Loss of direct contact; Pivot work environment and services
7	Human Services	Small	Small	Loss of direct contact; Need to pivot work to meet COVID needs
8	Environment	Medium	Medium	Funding; Fundraising
9	Arts	Small	Small	Funding; Loss of fee-for-service
10	Education	Large	Large	Loss of direct services
11	Human Services	Large	Large	Increased need for services
12	Health	Small	Medium	Loss of direct services

Notes: 1. Employee Size: Small: 0–5 ; Medium: 6–20; Large: over 20

2. Revenue Size: Small: under \$250,000; Medium: \$250,000 to \$1,000,000; Large: over \$1,000,000

with the included statewide mask mandate, was the policy through the end of our study period of late October.

All but one of the organizations were in Alabama. One nonprofit was in Georgia where the COVID policies were different (they had a limited shelter-at-home order, which was much shorter, and they never had a full state mask mandate). However, this nonprofit was an environmental organization that had limited direct interfacing with the public.

Interviews lasted approximately an hour each. Because of COVID restrictions, all interviews were conducted over Zoom, recorded, and transcribed. The interviews were structured into an introductory or background section and three main sections of questions from a leadership perspective: how COVID has impacted their organization, how they view COVID has impacted their clients, and how COVID has impacted them as workers. All interviews took place in the Fall of 2020. The full interview protocol can be viewed in the appendix section.

Using a grounded theory approach (Corbin & Strauss, 2014; Crestwell & Poth, 2018) we initially used an open coding strategy. During the months the interviews were taking place, we took notes about themes that were emerging and discussed those with each other. Once the interviews had completed, we initially analyzed only four interviews to determine emergent themes and categories. We then compared the themes we found, resolving differences among them and establishing a set of codes to use for remaining interviews. Once the thematic codes were agreed upon, both researchers coded all 12 interviews using NVivo software.

Overall, the primary way organizations discussed how COVID had impacted them related to programming. Of the 12 organizations, nine said the biggest impact was the effect on loss of

in-person programming, while only three said the biggest impact was on funding. Among those who stated funding as their biggest issue, two talked more about the loss of potential revenue due to lack of in-person fundraising and loss of contact with both funders and clients. The third discussed a loss of funding due to a complete loss of fee-for-services revenue. While these are about funding primarily, they also relate back to the impact of not being able to meet, do programming, and socialize in-person.

This paper illuminates three common themes that emerged about programming and services:

1. **Loss of Programming:** This code was defined by comments related to the way programming had been interrupted or declined due to the stay-at-home or safer-at-home orders.
2. **Adapting/Pivoting:** This code was defined by comments related to organizations having to shift some aspect of their programming, including delivery, technology, or goals. It also included ways that workers themselves had to adapt to a new work environment.
3. **Loss of Volunteers:** This code was defined by comments related to the impact of not being able to utilize volunteers and the impact this had on the organization.

Findings

Loss of Programming

When asked in the beginning of the interviews how COVID affected their organization, interviewees first described the paralyzing shock. Initially, most thought that perhaps they would be staying at home for a few weeks. Programming was at a virtual standstill for most organizations in the beginning months of March and April. They thought they could pause services and wait out the pandemic. Almost all the direct service, education, and arts organizations talked about how their programs were at a complete shut-down in the initial stages of the pandemic. For human service organizations, without being able to see their clients face-to-face, some organizations really did not know how they would be able to continue to provide services. For education organizations, most were unsure how to offer their services while schools had shifted to an online environment. Arts and culture organizations, most of whom operate on a fee-for-service model through performances and events, were also not sure how they were going to keep the organization running with all gatherings completely halted. One organization described it saying, “COVID has, it’s closed it all. It stopped it. That’s pretty much it” (Interview 9). Another organization half joked, “not technically, but it felt like we were put out of business” (Interview 1).

Many were faced with both a loss of face-to-face services and an increased demand for services, especially in the initial months of the pandemic. One example of an organization that felt this in a very real way was a food insecurity nonprofit. They had to navigate a rising need for food supplies in the community while also working with a nationwide food distribution shortage. They stated:

In March, you know, we just kind of watched with great dismay, as we’re starting to hear more and more about what was happening. We also experienced a number of our agencies who were having people coming to them, just really desperate for food being...I think, so many people were afraid that we were literally going to run out of food, and they weren’t going to be able to eat. So, there was a huge bump up in request for food. But as we watched...I could show you a picture of what our warehouse looked at the beginning of this pandemic and

then a month into it, and it's just like my racks are just getting so empty and has just really starting to panic over that, you know. So, we actually had the finances, but I couldn't buy the food anywhere. I couldn't buy it from the local grocery stores. I couldn't buy it from the Sysco's and places like that. It was just like, really, really scary (Interview 11).

During the early phases of the shutdown, many organizations had to rely on what Witmer and Mellinger (2016) labeled 'improvisation.' Faced with the initial lack of information and shock to the system, they had to immediately begin to rethink their delivery of services to their clients as well as what services they were able to offer. For many, this improvising meant they may try new things, come against a wall, and then have to rethink again. One arts organization stated they had tried virtual events, but they had not gained much traction: "But as far as offering anything to the public...we have tried virtual events, and it has just been...for the most part a waste of time" (Interview 9).

Even into the Fall of 2020, which is when most of the interviews took place, many organizations were still operating at a reduced capacity. Some had returned to working in person, but many had not. Many were not meeting with clients or were meeting with them at a greatly reduced capacity. An advocacy organization we spoke to described that they had not been able to meet any legislators since March and had to move their advocacy days to an online event. Another organization that works with clients who are incarcerated stated that they had not been able to see their clients in person since March, and they did not anticipate being able to return in person anytime in the near future.

The inability to conduct services face-to-face seemed especially salient given that many of the clients the nonprofits were serving were in a disadvantaged population: rural, incarcerated, minority, and/or living below the poverty line. Though some nonprofits were able to transition some services to remote, they were not always able to serve their clients due to connectivity and availability. One nonprofit expanded on this challenge saying:

The majority of our work is often in person, because we have to go into communities that don't have connectivity, don't have the internet. The problem has been getting into communities like immigrant communities with undocumented workers who already, understandably, don't trust the system, and finding ways to recruit individuals to go into those communities, get the information, the needs, and communicate that back with us so that we can do the work that we want to do (Interview 9).

Nonprofit leaders spoke to us about the heartbreak of knowing their clients were being affected and having unmet needs while they were often not able to help with direct services. One organization who works with rural minority clients said:

In immigrant communities this is a worst-case scenario. With a number of undocumented workers working in meatpacking plants, and COVID 19 [moving] through those [communities], and then there's no government support. There's no stimulus check. There's none of those things. A lot of times their churches are their support system. Churches are shut down, and they're out there

alone. I don't know how it could get much worse for some of these communities (Interview 9).

This speaks directly to what Rahi (2019) found as an indicator of adaptive capacity—mobilization of resources. The ability to mobilize the resources inside and outside the organization to face needs during times of distress or disruption. This, in a very real way, was what these organizations were facing: how to think outside the box to meet the needs of their clients in totally new and different ways with health restrictions in place.

As an example, one of the organizations we spoke to who serves incarcerated clients felt like they kept hitting walls when trying to communicate with their clients. They tried to set up a phone account so their clients could call them but were told they could not. They then tried mailing resources to their clients, and sometimes they would receive them and other times they could not. Ultimately, they were able to secure a COVID grant from a church and a foundation. They bought new teleconferencing equipment for the prison, and they were able to begin to teleconference with their clients:

We set up a call with the prison warden, and the deputy commissioner and asked them, "What can you think of that that we could apply for this money that's COVID related?" They said that they would be very interested in having teleconferencing equipment, because they had some outdated equipment that no longer worked and they really had no way for people working inside or living inside the prison to connect with the outside world now that everything was shut down. So, we applied for three or four grants to fund the purchase of equipment and software to allow us to also utilize it to teach our classes and to see our clients (Interview 1).

Adapting/Pivoting

For many organizations we spoke to, after the initial shut down, and once states moved to modified health and safety restrictions, they realized COVID and in-person restrictions were going to last a while. Many then began to think about their work in a completely new way. They transitioned as best they could to a virtual environment doing everything from purchasing equipment to holding virtual group sessions on a secure connection. They also created virtual book clubs for clients to connect and bond and to hold virtual performance events. When asked what the biggest impact was for them, one organization said:

Technology. Figuring out ways to work through texts, like do what we do through technology because we can't do it in the community. Education on technology and how to reach the community in a different way, how to use technology in a different way (Interview 10).

This meant for some that not all the services they typically provide would be available. It also meant for many that their programs might ultimately not have the same effectiveness nor achieve the same outcomes.

This brought up another concern that many expressed, which was being able to fulfill the programmatic outcomes that they had projected on their grants. Fulfilling grant obligations was a major concern for those who rely on grant funding. Some were concerned that the grantors would be sympathetic but still expected them to accomplish their goals. Others expressed concerns that even if they were able to meet the guidelines for this year, or if their

grantors were lenient this year, that their numbers of clients served and client hours would still be down for next year's grant cycle. Further, some organizations felt limited by their grant restrictions, which would not allow them to buy PPE and other necessities in order to be able to serve their clients. This relates to the mobilization of resources indicator for adaptive resilience from Rahi (2019), as this is an area where nonprofits were uniquely constrained to not be able to adapt. Though they could call and ask for flexibility from their grantors for how they used their money, they were restricted in their flexibility to mobilize all of their financial resources in a way that a private company would not be. In some ways, this could be a limiting factor for nonprofits to be able to be as resilient as the private sector when they are bound by restrictions because of their funding.

Many nonprofits realized that they needed to completely shift their services and venture into some new areas. One organization organized a mask drive; another organization who had previously been more of a supply intermediary for distributing food supplies began to hold events to directly distribute food themselves since so many other agencies were closed. The funding intermediary nonprofit we spoke to decided that since they had a reserve fund, they would distribute small grants to local nonprofits to help them purchase PPE and buy other supplies for returning to in-person services. They stated:

We knew that nonprofits were going to be really hurting for money because the regular donations almost dried up immediately, and nonprofits could not have their scheduled fundraising events that a lot of them rely on. So, we knew we needed to jump in. We started off with one track of funding, which was for immediate needs for these nonprofits' clients—direct aid to individuals or families for their basic needs and welfare and safety. We also set a limit on the dollar amount, per grant, but then an organization could receive up to four of those grants. [Later,] we opened a second track of funding that is for organizational needs as they adapt to the pandemic. So, it's not just for loss of operating, or for loss of contributions, but it's for dollars that they are having to spend directly for changes to meet all the standards that they have to meet (Interview 5).

For those who were able and had the flexibility of unrestricted funding or support from their funders, this was a time for them to rethink, at least temporarily, how to provide for their community. In the cases where nonprofits had flexibility to adapt and/or they saw the need to add new services or get into new areas, they were tapping into the leadership indicator that Rahi (2019) found highlighted in the resilience literature. This is the degree to which leadership is able to decide how to balance operations focused on normal daily operations versus special operations needed due to the disruption. This ability to decide how to split the focus of services during a disruptive time can be an important key to resilience.

One benefit that some nonprofits discussed that came with the loss of face-to-face services is the ability to focus more on administrative matters that typically get pushed aside or put in the background. Nonprofits are often mired down in the day-to-day operations of fulfilling their missions. For many, this means that other obligations like administrative duties, social media, or strategic planning might be put in the background. For several participants we spoke to, part of the pivoting they mentioned meant learning new technology, being able to focus more on grant writing, or having to revisit some of the tasks they had put off for a long time. For others, it meant being able to think about the future and 'dream big.' One organization described it this way:

So, as we saw what was happening, we said, you know, this may be an opportunity to work on some infrastructure things, something that we feel like we never can get to because we're just running...you know...a hundred miles an hour. ...So, we're working on things like our strategic plan, our planning, and our processes...we're cleaning up our website, you know, things that everyone can do from home (Interview 4).

In addition to the organizations having to pivot, the workers had to pivot as well. Considerations around the emotional wellbeing of your employees is critical to consider. Employees' engagement was another one of the indicators found in Rahi's (2019) survey of the resilience literature. Buy-in from the employees during times of disruption is an integral component of the organization's ability to weather an unforeseen event. And, in this case, a lot of the buy-in was related to the transition to working from home. Overall, at least initially, most participants indicated that they had been less productive working from home. Some of this seems to depend on whether the organization was already used to working from home and whether the workers had school aged children or not. One participant described his schedule like "playing Tetris with his day" (Interview 9), trying to fit in home and work life. Sharing workspaces with family also proved to be a challenge with spouses and children often competing for space at kitchen tables while juggling competing Zoom calls. For some workers, balancing everything meant helping their children during the day and working late at night to get all of their work done. With the stress of working from home, there seemed to be a theme of the emotional toll that balancing everything seemed to take on some workers. This toll was further complicated by feeling isolated from their colleagues, even if they might be meeting on Zoom. One organization discussed this, saying:

I would say we operated at very high efficiency, given the circumstances, but clearly struggled. The mental health of my team. The emotional wellbeing. The just day-in, day-out management of (an) organization is really challenging when you can't see them face-to-face, particularly when our office culture is very much collaborative and community (Interview 6).

Integrating working from home also had advantages for some. Those organizations that were already used to working remotely at least in part struggled less in the beginning, while others were working through the transition. For some workers the flexibility of hours of productivity—early mornings, late nights, and weekends—was a benefit many respondents expressed interest in keeping post-COVID.

Loss of Volunteers

One of the ways nonprofits weathered the Great Recession, according to Salmon et al. (2009), was by cutting administrative costs and relying more heavily on volunteers. However, during COVID-19 one of the biggest impacts several nonprofits spoke about was their inability to use volunteers. Due to health restrictions and concern for sharing the virus, moving toward a more volunteer-centric work force was not an option. In fact, several organizations had to completely shut down their volunteer programs.

Two organizations we spoke to were working directly on building projects. They often rely on work teams from local churches or, in the summer, teams that come from out of town to work and stay for a week or so. During the summer of 2020, they were not able to host teams and subsequently many of their active projects were not able to be completed. For one organization, this meant that they had to focus on only one site rather than multiple sites, and

for the other, they had to pay building contractors to complete the work, which meant going over budget and over their projected timeline. One organization commented:

Before COVID, we were supposed to have 400 volunteers come in to stay with us that we would host, and they would sleep on our site and we would feed them. So, all of that had to go away. None of our summer programs were anywhere near the level of what we traditionally had. We actually hosted one out-of-town team of about 13 students. We had one other team that were local, so they didn't stay overnight. You know, when you go from 400 to 20 that's a pretty big impact (Interview 4).

Another organization that ordinarily relies very heavily on volunteers stated:

We saw our volunteer force fall away right away because, you know, a lot of our volunteers were older, and you know they're in that high-risk group so our volunteer program shut down for a time. We also rely heavily on students, and so when everything shut down and we lost a lot of our volunteer force. We did at that point then bring in three people through the temp service to help to supplement with the operations in the warehouse (Interview 11).

Not only could nonprofits not use additional volunteers as a way to conserve finances, their normal volunteer forces were reduced during the COVID pandemic. The reduction of volunteers meant that they had to either reduce services or spend out of pocket on an unanticipated expense of having to hire temporary workers to meet the demand. This is a component that is unique to both nonprofit organizations and to the time of COVID. No other previous disruption has caused limitations on the organization in this way, and this disadvantage in the inability to use volunteers is unique to the nonprofit structure.

Conclusion

This study aimed to gain a thicker, richer understanding of the experiences of nonprofits who are working through COVID shutdowns and restrictions and the impact that the loss of face-to-face services had on their organizations. Previous studies on COVID and other periods of disruption have often highlighted the financial impact nonprofits have had to endure and the strategies they have used to endure. While we recognize that this is a big burden that these organizations have, perhaps a parallel burden is how to provide services during this unique pandemic disruption. Nonprofits are on the front lines to help those in need, and during COVID they have faced the double impact of not being able to provide in-person services while also often facing an increased need from the community. This ability to balance the ongoing, normal operations of an organization with the needs created during an unforeseen event is the essence of the leadership indicator of resilience Rahi (2019) spoke of in times of adaptation.

For nonprofit leaders who work in direct, typically face-to-face service, they had to rethink delivery methods as well as learn how to pivot and serve their clients with reduced access. Some were able to gradually determine what this looks like, though most were still not operating at full capacity as of Fall 2020. Nonprofits were being asked to adapt their programming as well as their work environments. For some, this personal transition was complicated by the shutdown, also forcing workers to negotiate a very complicated work/life balance. However, some were able to venture into new service areas they were not previously

working in, and others used COVID as a time to regroup, restructure, and focus on new challenges.

An additional burden for organizations was the reduced ability to rely on volunteer services. This ability to utilize free labor is a strategy that many nonprofits depend on to keep their overhead low, especially during times of economic loss. However, when they were forced to stop using volunteers altogether, organizations had to either reduce services or hire some of this work out at increased expense.

This study helps bring to light the journey that many nonprofits went through from the initial state of shock and shut down to beginning to strategize and learn how to pivot and still be able to meet the needs of clients as much as possible. This transition came during a time when governments were requiring limited face-to-face interactions, needs for services increased, and funds often decreased. This transition affected the services nonprofits were able to provide, affected the clients they were serving, and affected the workers of these nonprofits. How the nonprofits made this transition, how they were able to balance their operations between new services due to COVID with current operations, how they were able to marshal resources internally and external to the organization, and the buy-in emotional health of the employees are all critical components found in the resilience literature (Rahi 2019). While this event has been unique and unprecedented in many ways, there are many lessons and themes that can readily be applied from previous work on resilience.

Study Limitations

This study focuses on a specific area of the United States. With a limited sample, we realize that there may be limited generalizability. Secondly, we realize that while many of these organizations serve minority and underserved communities, the sample of nonprofit leaders we interviewed were not an ethnically diverse sample. This may also limit our generalizability to a larger audience. However, we believe that this study helps lay the groundwork for understanding how nonprofits were able to move through the COVID crisis and add to the literature by highlighting lessons about resilience during an unprecedented time of disruption.

Implications for Practice

Disruptions and unforeseen events will always happen. Organizations do not know what they will face, but these events are often inevitable. Previous research has emphasized the need for preparation and flexibility in these times (Barasa et al., 2018; Coutu, 2002; Rahi, 2019; Witmer & Mellinger, 2016). Those who are better equipped to weather the storm are those who are able to balance attention between their day-to-day services and services needed during the disruption. This requires strong leadership from the top as well as buy-in from employees.

Another key aspect of the ability to weather a disruption is flexibility in the management of resources (Rahi, 2019). Coutu (2002) speaks to the need during a crisis to “continuously improvise” (p. 1). One of the interesting findings from the study was the unique financial constraint that nonprofits have in a time of crisis. Several nonprofits shared the burden that grant restrictions have had on them when faced with the need to pivot or change services. This has highlighted the need for flexibility from funders and the need for unrestricted grant funding. Several nonprofits mentioned the difficulty of spending within the parameters of grants during this critical time. From being able to purchase PPE in a timely manner to having to put their entire mission on hold, nonprofits have been tied up in red tape while trying to provide what is best for their clients. For those who were unrestricted by grant parameters,

they were able to be nimbler in their ability to serve the community. By allowing unrestricted funding, organizations can be more agile in meeting needs in the moment.

Another key aspect of resilience is employee engagement (Rahi, 2019). While it felt like many nonprofit workers were engaged in providing services the best they could, the burden of work-life balance was often hard for workers to manage. This research aligns with other research highlighting the need for careful attention to mental health (Cook et al., 2021; Hamouche, 2020), especially for those working with vulnerable populations. Mental and emotional health are emerging topics as the world experiences pandemic fatigue. The burden of health and safety of ourselves and others, remote learning, and the inability to socialize and live as we once did has become a burden. Nonprofit workers are experiencing this stress on top of the inability to provide services as they once did as well as the pressure to pivot to an accessible platform. They see the need for basic needs and childcare increasing while watching the virus spread throughout their communities. Organizations should consider building in mental health days and providing mental health services to help staff cope. Burnout and overextended workers are common in the nonprofit world, and it is imperative that directors and managers are paying attention to this and helping their workers stay as healthy as possible.

Finally, this work has highlighted the need for contingency operations planning for nonprofits. Previous research (Bridgeland et al., 2009; Lin & Wang, 2016; Kim & Mason, 2020) highlighted the importance for financial contingency planning and its contribution to financial resilience during economic hard times. In the same way, operations contingencies are needed within organizations. We understand that this can be very difficult, and no one could have predicted a world-wide event like COVID. However, history has shown us that there will be upturns and downturns, and nonprofits should prepare for this as much as they are able. One final aspect that the resilience literature speaks to is the need for organizations to reflect and learn after the disruption is over (Duchek, 2020; Rahi, 2019). This time of disruption may serve as a time to reflect about whether this virtual model is serving them well and if there are parts of their new programming that they want to adopt for the future.

Disclosure Statement

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Author Biographies

Kara Newby is a PhD candidate and instructor in Public Policy and Public Administration at Auburn University. Her interests are in nonprofit management and service provision, as well as politics of place.

Brittany Branyon is a PhD student in Public Policy and Public Administration at Auburn University and is director of Community and Collegiate Programs at the Cary Center for the Advancement of Philanthropy and Nonprofit Studies. Her research interests include nonprofit education, capacity building within the voluntary sector, and the impact of nonprofits on public policy.

Appendix

Interview Protocol Form: Nonprofits in the Time of COVID

Interviewer:

Survey ID: _

Survey Section Used:

A: Interview Background

B: COVID

- 1: Nonprofit Work
- 2: You as a Worker
- 3: Your Clients
- 4: Funding
- 5: Moving Forward

Teaching, Learning, and Assessment Interviews

Introductory Protocol

To facilitate our note-taking, we would like to record our conversations today. For your information, only researchers on the project will be privy to the recordings which will be eventually destroyed after they are transcribed. You have been given consent information to meet our human subject requirements. Essentially, this document states that: (1) all information will be held confidential, (2) your participation is voluntary, and you may stop at any time if you feel uncomfortable, and (3) we do not intend to inflict any harm.

Thank you for agreeing to participate. We have planned this interview to last one hour to one and a half hours. During this time, we have several questions that we would like to cover. If time begins to run short, it may be necessary to interrupt you in order to push ahead and complete this line of questioning.

Introduction

You have been selected to speak with us today because you have been identified as someone who worked for a nonprofit or funding agency during Alabama's initial "Stay at Home" orders, and subsequently under the current "Safer At Home" orders. Our research project as a whole focuses on the ways the disruption of COVID-19 has impacted nonprofits in Alabama. Throughout the research we will often refer to "COVID" or "COVID-19" and its impacts. When we do this, we are not asking about the disease itself, rather about the impact and repercussions that it has had on different aspects of our society.

A: Interviewee Background

1. What is your current position?
2. How would you describe the size of your nonprofit?
3. How long have you been...
 - a. in your present position?
 - b. at this nonprofit?
4. Can you briefly describe the work your nonprofit does?
5. Briefly describe your role in the nonprofit.

B: COVID

1. Nonprofit work

- a. Describe how the disruption of COVID has impacted the work your nonprofit does.

Probe: How it was affected by stay at home vs. safer at home?

Probe: Have client services increased, decreased or shifted focus? In what capacity?

2. You as a worker
 - a. Please describe how COVID has impacted you as a worker?

Probe: Do you feel you have more productive, less productive or about the same?

3. Your clients
 - a. Please describe how COVID has impacted your clients?
4. Funding
 - a. Describe how COVID has impacted your funders and funding?

Probe: Were you ever afraid you would be laid off or have to lay off workers?

Probe: What was the greatest impact to funding? (loss of services, loss of funding, economy, etc.)

Probe: Have you applied for any emergency funding specific to COVID (i.e. the CARES Act, Community Foundation grants, etc.)

1. Moving Forward
 - a. What do you feel like are your top needs during this time?

Probe: Describe how you anticipate the nonprofit moving forward and the impact of COVID on your organization in the future?

Post Interview Comments and/or Observations: