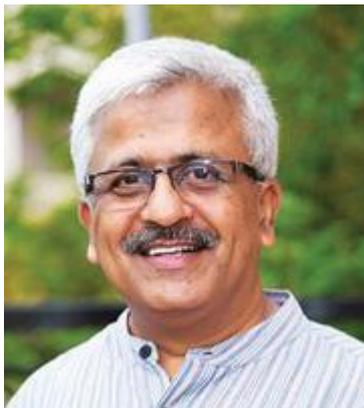




New beginnings for NGOs



The unprecedented crisis surrounding the coronavirus pandemic has touched the lives of millions of people and organizations in different ways. Whether it is the MSME owner or the migrant labourer, each has his own share of woes to worry about. People are coping with the crisis in different ways and some are likely to be overwhelmed and get further marginalized socially and economically. While the public

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What is conspicuously missing is a helping hand to civil society organizations, many of whom are left to fend for themselves and are on the brink of closure.

Thirty-six years ago, when I founded the Swami Vivekananda Youth Movement (SVYM), the primary driver for my colleagues and me was the need to respond to rural India's healthcare demands. Driven by our understanding of the several requirements of the communities we served, SVYM evolved into a development organization focusing on building the human and social capital of people. The support we received — whether it was from the government (both state and central), philanthropists, socially conscious corporates and multinational agencies — helped in ensuring we could continue to do what we passionately believed in.

The past decade saw a shift in the ecosystem and there was a perceptual but confusing pattern emerging. While the CSR Act formalized the support of the corporates, the repeated and regular shift in the laws related to NGOs brought several constraints on how one operated. Whether it is the income tax laws or GST (or its earlier avatar, service tax), amendments to the FCRA and the RTI Act, the welcome inclusion of NGOs within the ambit of the Lok Pal and the decrease in financial support from the government agencies — all these forced a change in how non-profits operated. Many adapted by altering their roles to become contractors and delivering on the government's mandate of providing citizens with goods and services while several preferred to close down. A few toned down their activist tendencies while many others preferred to be silent and adopted a wait and watch approach. The voice of communities and their economic preferences was another pressure point and several NGOs had to evolve, acquire newer talent and be active respondents to these demands too. The romantic view of migrating from the corporate to the social sector also brought in a newer kind of talent and professionalism with its own attendant issues. As one stepped into 2020, several NGOs had built the capacity to respond to this dynamic ecosystem — whether it was in the realm of finances or government relations; CSR partnerships or impact assessments; talent management or legal compliance. There was a perceptible shift in vocabulary and words like return on investment, KPAs, performance appraisals, team retreats and impact measurements became commonplace. Just when it seemed that NGOs were settling down, the government announced another set of changes in several Acts related to the sector, including the CSR Act. And before one could think of a response, the COVID crisis hit and NGOs are today grappling with basic issues revolving around survival and their continued relevance. The COVID crisis also saw the government setting up PM CARES and most corporate donors found it easy and appropriate to contribute to it. Apart from sucking up CSR and other public funds available, it also left NGOs with little or no funding channels to respond to the COVID pandemic and beyond.

The current situation has also opened up several questions around economic growth and the current model of development. The narrative of how unsustainable this consumerist economy is, and its fragility in a crisis like COVID has been exposed for all to experience. Instead of viewing it through an 'adversity' lens, this may be the ideal time for the NGO world to wake up and reassess our purpose, our roles and relationships and ask the difficult existential questions. Should we continue to be dependent on charity and public funding for ensuring continuity of the several programmes undertaken for public good or explore alternatives that liberate NGOs from these dependencies? Can NGOs rise to the occasion and refashion the development narrative and help facilitate the movement of society towards a development paradigm that is sustainable, inclusive, fair, just and equitable in nature? Can we expand our talent pool with passionate people to move the world from a 'profit maximization' to a 'benefit optimization' approach?

NGOs have a declared purpose of responding to societal demands and for mobilizing communities to participate in the development that affects their lives. This is the moment for NGO leaders to prepare themselves and their organizations with the intellectual and emotional bandwidth to be the initiators of a change that is still in its infancy. They need to grapple with the uncertainties that go with such a situation and not lose hope or faith that they can accomplish this shift. With the government having announced the setting up of the Social Stock Exchange, the ecosystem will eventually move the NGOs in the direction of operating like and competing with the private sector for resources. They have to acquire the capability of generating funds on their own to ensure that they continue to engage in social development without looking to public or private agencies for support.

NGOs should not be silent spectators to the emergence of a new normal in a post-COVID scenario. They have to be engaged participants in shaping this new economic order that draws on the 'for public' DNA of the government, the efficiencies and profit mandate of the corporate world, and the social conviction and commitment of the NGO sector. They have to advocate and seek a seat at the table to reframe the rules of revenue generation and ensure benefit to all stakeholders. While this sounds challenging and a long-drawn process, the COVID crisis has shown that this change is desirable and that it has already begun. What is required is the will and leadership in civil society circles to not only adapt rapidly to these dynamic demands but also be part of a new 'fourth sector' that will make the world more liveable than it is today. And the first step in this direction is to move towards evolving into a Social Hybrid — an enterprise that generates its own resources without sacrificing the original social intent of why an NGO was set up in the first place.

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