

# Services developed to help our clients in the wake of COVID-19

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For more information on the services described in this brochure, or to discuss your specific needs, please email [Contact@sonnetimpact.co.uk](mailto:Contact@sonnetimpact.co.uk)

**Sonnet**  
Advisory & Impact

### *The COVID-19 pandemic and the resulting lockdown have had a huge impact on all of our lives.*

At Sonnet, we have been talking to clients and others in the charity, social enterprise and purpose-led sectors, and have developed a set of services specifically designed to help organisations deal with the aftermath.

We are already working with clients to understand the true impact of the pandemic on their business or operations; to re-assess their future; and to recognise the opportunities that such a seismic shift in normality might offer.

If you are looking for help to understand your options or to discover your 'new normal' we should be delighted to hear from you.



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Times like this provide opportunities as well as challenges. We have discovered three distinct characteristics of the pandemic, which is acting simultaneously as:

- **A lens** through which to re-evaluate core societal needs - viewed without the filter of masking inequalities;
- **A catalyst** providing a 'rapid development' environment for new ways of working, backed by high profile recognition of the social issues and public perception of our own and others' needs, and a conviction that nothing is immutable;
- **A platform** on which we can lead in calling out problems, providing solutions, and pointing towards the change that is needed.



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# Key impacts of the pandemic fall into three broad areas, which interact

Economic	Societal	Governmental
<p>UK economy</p> <ul style="list-style-type: none"><li>• Widespread closures leading to financial problems</li><li>• Government support is too late for many</li><li>• Whole sectors are suspended or re-shaped with repercussions in employment patterns</li></ul> <p>Organisational funding and finance</p> <ul style="list-style-type: none"><li>• Fundraising activities massively reduced</li><li>• Income streams reduced or suspended</li><li>• Greatly increased competition for grant funding, with priority given to those supporting COVID-19 response, albeit with flexible definitions from many funders</li><li>• Arts and leisure sectors badly affected</li></ul> <p>Personal finance and challenges</p> <ul style="list-style-type: none"><li>• Economic recession leads to job losses</li><li>• Furlough scheme reduces income for many</li><li>• Gig economy compromised</li><li>• Impact is sector-specific, driven by social interaction limits</li></ul>	<p>Corporate and third sector operations</p> <ul style="list-style-type: none"><li>• Widespread closures as Government fails to meet needs</li><li>• Greater appetite for collaborations or mergers to offset operating costs and maintain or grow support capacity</li><li>• Relevance of offerings in some sectors is called into question</li></ul> <p>Supply chain changes</p> <ul style="list-style-type: none"><li>• Service delivery happens more through remote/internet contact than face to face</li><li>• Blurring of lines between sectors as solutions to challenges require different skills</li><li>• Failure of many businesses in the supply chain (especially SMEs)</li><li>• Alternative delivery and supply chains established</li><li>• Greater embedding of voluntary and social enterprises into formal supply chains</li></ul> <p>Changing patterns of need and focus</p> <ul style="list-style-type: none"><li>• Many with significant financial difficulties</li><li>• Growth in mental health concerns and isolation</li><li>• High risks in domestic violence and children's services from lockdown with perpetrators</li><li>• Community and family support networks strengthening – but uncertainty as to whether this will last or revert post-lockdown</li></ul>	<p>Move from Big Society to Big State?</p> <ul style="list-style-type: none"><li>• Policy becomes more interventionist</li><li>• Response is emergent and reactive as issues come to light</li><li>• Massive financial support in selected places or sectors</li><li>• Policy is proactive, but practice and system are lagging, and no measurement</li><li>• Restrictions on operations at sector level</li></ul> <p>Or deeper localisation?</p> <ul style="list-style-type: none"><li>• Service delivery enabled at community level</li><li>• Regulatory lenience in short term</li><li>• High burden on charity and voluntary sectors</li><li>• Focus on 'big ticket' issues, overlooking specialist needs</li><li>• Focus on pandemic response, sidelining other important issues</li></ul> <p>Changing attitudes</p> <ul style="list-style-type: none"><li>• Recognition for previously 'unseen' work, for example in charity sector</li><li>• Platform for drawing attention to issues such as inequalities</li></ul>



## Our approach

Our strong values have guided the design of services to support recover from the impact of the COVID-19 pandemic.

Each service in this portfolio responds to at least one of three key elements which we see as vital for a recovery that ‘builds back better’:



## Services we have developed to support clients post COVID-19

The services listed below (and described on the following pages) have been specifically developed to meet client needs arising from the pandemic and the resulting lockdown.

- 1. Strategic service renewal**  
Delivering outcomes through connected systems
- 2. Keeping impact in mind under pressure**  
Regaining and retaining a focus on impact
- 3. Re-imagining through necessity**  
Re-assessing needs, assets, resources and delivery systems
- 4. Scenario based planning**  
Using scenarios as a foundation for planning, agility and preparedness
- 5. Vulnerability focused risk management**  
Focusing on how to manage vulnerabilities, whatever their cause
- 6. Fundraising and financial advisory**  
Finding solvent ways through the crisis and resourcing post-COVID-19

We also offer tailored responses, ranging from large scale support to help with ‘worrying questions’. Do contact us to discuss how we can meet your needs.

# 1. Strategic service renewal

## Delivering outcomes through connected systems

A systems-based analysis of how, where and why service delivery has changed during the pandemic. Some practices and processes are being re-designed in real time, without the benefit of trials, prototypes or models. As we move forward we need to keep the good, adapt the potentially good and discard the problematic.

This workshop-based analysis is designed to:

1. Define Needs and Outcomes and examine our ability to meet those needs – in both cases starting with ‘pre-crisis’ and ‘during crisis response’ and leading to a view of the ‘new normal’;
2. Overlay a systems analysis, identifying systems with which we interact (including new ones discovered during crisis response) and noting the extent to which they limit or enhance our own impact;
3. Develop a blueprint for robust service delivery for the future, together with a roadmap towards it which amplifies the good and overcomes the problematic elements of the systems analysis.

*As we emerge from lockdown, clients are finding it helpful to have this service delivered through a single workshop, offering a swift but incisive deep dive which can inform current decision-making.*

*It can also be run as a longer term engagement, involving wider analysis and additional workshops or interviews, so allowing for broader stakeholder involvement.*

	Needs and Outcomes to be met	Means of delivery, and resourcing
<b>Previous focus and approach</b>	<ul style="list-style-type: none"><li>• Whose needs do we meet and what are those needs?</li><li>• Why do needs arise and how do we meet them?</li></ul>	<ul style="list-style-type: none"><li>• How do we deliver services – what resources, assets and systems do we rely on?</li><li>• Do we deliver differently to different customer groups, or in different locations?</li></ul>
<b>New appreciation of focus</b>	<ul style="list-style-type: none"><li>• Have needs or desired outcomes changed or do we understand them differently?</li><li>• Is the change permanent or temporary?</li><li>• What has caused the change?</li></ul>	<ul style="list-style-type: none"><li>• How and why have our delivery systems changed – do we have new or different resources?</li><li>• Will the new way of doing things work in the future?</li><li>• What needs to be done to stabilise new ways of working?</li></ul>

## 2. Keeping impact in mind under pressure

### *Regaining and retaining a focus on impact*

It's hard to stay focused on Impact ambitions when we've been concentrating on fire-fighting and keeping the lights on..!

This is particularly true for organisations who were at the beginning of their impact journey, or whose impact ambitions were not sufficiently well embedded into the organisation's ways of working to survive demands for attention to be spent elsewhere.

Structured around workshops and co-creation, this approach involves five key stages:

1. **Workshop what has changed** during the crisis - starting with a review of the impact ambition and pre-crisis practice and using structured questioning to analyse aspects of operation such as:
  - what did you do more of?
  - what did you do less of or stop doing altogether?
  - what was new or different?
2. **Analyse the causes** of these changes and whether they are permanent, temporary or have now been solved or remedied.
3. **Assess** which elements of the changes were **helpful/not helpful** and **determine their effects**.
4. **Assess** whether the organisation **has changed or needs to change**.
5. **Develop** a **renewed impact ambition** and a **governance model** that will keep impact in focus under future periods of stress.



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### 3. Re-imagining Through Necessity

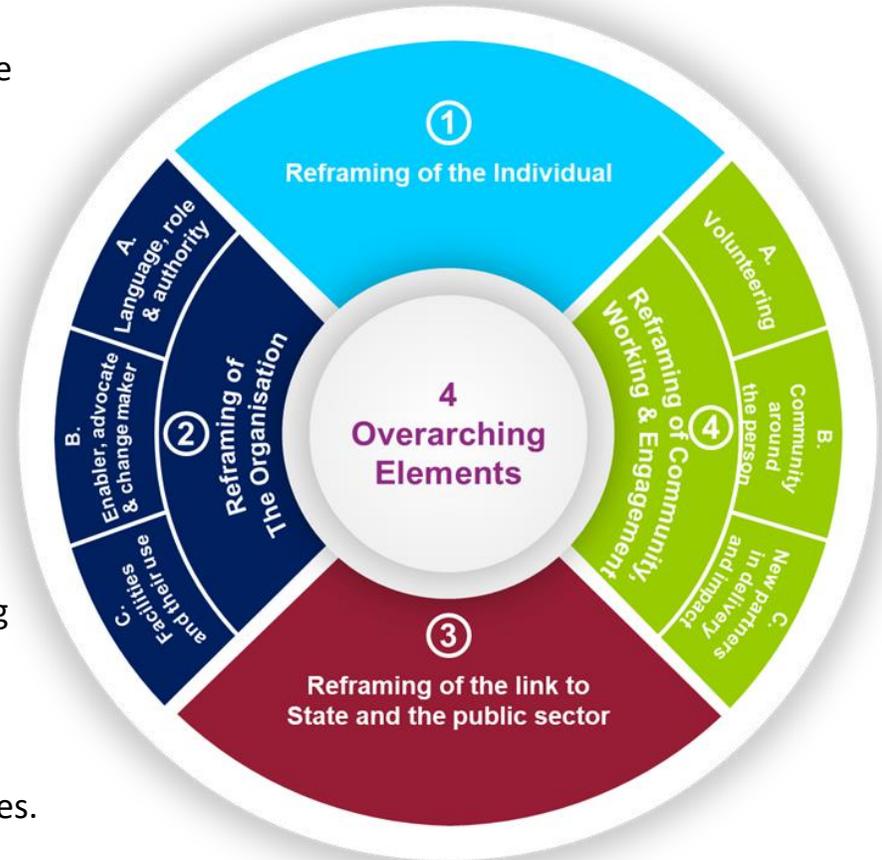
#### Re-assessing needs, assets, resources and delivery systems

At times of stress or shock we ask ourselves fundamental questions about our priorities or purpose. The needs of beneficiaries may have shifted, for example; the delivery and funding landscape may be more (or less) challenging.

Our response to these questions is powerful. Like a genie it can't be easily put back into the bottle, but it *can* be used to create a more relevant organisation, appropriately focused for the future.

Over a period of 12-16 weeks, and with the help of co-creation workshops, we help clients to:

1. **Understand** client or beneficiary groups and each group's perspective on their needs and required outcomes.
2. **Identify** systems in which those needs and outcomes are met or blocked and how they may have changed.
3. **Re-imagine** how to meet those needs and outcomes, checking that critical assumptions still hold true.
4. **Define** your assets and assess whether they are being used to best effect.
5. **Decide** on the organisation's purpose, positioning and priorities.
6. **Develop** a blueprint for the future including a dependencies and prioritisation map.

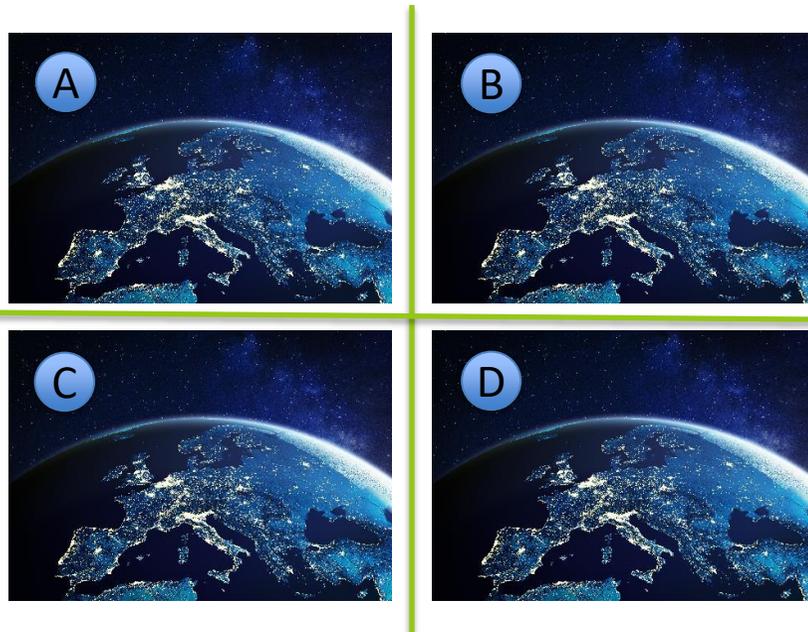


## 4. Scenario based planning

### *Using scenarios as a foundation for planning, agility and preparedness*

We are facing situations in the near and medium term that we can't predict. We can pinpoint the moving parts, but can't reliably ascertain which of several scenarios is most likely, which makes planning very difficult.

Yet we cannot ignore the need to plan, and to provide direction to our business. Four World Analysis based on the established practice of scenario development enables key decisions to be tested for their ability to work under multiple futures, accepting that we can't know which will emerge (in full or in part).



Testing plans in 4 'extreme but plausible' worlds

This workshop-based analysis facilitates a fresh view of the organisation and the context within which it operates. By taking a brief look backwards, and then turning the imagination to the future, we create a vivid picture of 4 future realities, and can test our plans and strategies for resilience in each. The process comprises 4 key steps:

1. Consider what we deliver and what societal trends or uncertainties might affect that – in the past and in the future.
2. Select the two greatest uncertainties, and describe plausible extremes of each before combining them into 4 worlds – low and high extremes of one uncertainty matched against low and high of the other
3. Describe what each world looks like and identify strategies that work in each.

## 5. Vulnerability-focused risk management

### *Focusing on how to manage vulnerabilities, whatever their cause*

Many business and not-for-profits duly listed 'pandemic' in their risk register, but then largely ignored the need to planning for one (or for similarly devastating events). A risk event of this nature has a high perceived likelihood but such a low frequency that it is almost impossible to imagine it happening. Human nature leads us to plan for the things we can imagine, and to treat those infrequent yet impactful risks as low priority.

Thinking about the significant potential disruption to delivery, to donation flow and fundraising, or to interactions with beneficiaries, however, it is clear that we should be re-thinking our approach to risk. Rather than causative risk factors, we should be examining the vulnerabilities in our operation that would be laid bare in extreme circumstances. We can then be ready with plans to cover our vulnerabilities, without needing to know what triggers them.

This analysis can be done one of two ways, depending on time and need:

- A. Light touch mapping of risks against effects in one of three elements: resourcing; delivery chain; service-user need. A RAG rating is attached to each to denote depth of impact, and 'R' impacts are grouped and reappraised to ascertain impact upon the operation.
- B. Full revision and re-planning, following the 6 stage process illustrated in the diagram.



## 6. Fundraising and financial advisory

### *Finding solvent ways through the crisis and resourcing post COVID-19*

Charities and social enterprises are encountering problems with lowered income and raised need, coupled with delays and compromise in operations. This is posing all sorts of challenges:

- We can't use our reserves, and we can't know how long this situation will last...
- Government support schemes may not help or may just come back to bite us in the future...
- If we can't forecast cash reliably, how can we test whether we are trading insolvently? How do we manage that?

We can tailor our advice and support to help answer these questions in the specific circumstances faced by individual clients, but topics that are arising regularly within this are:

- When it is appropriate to draw on reserves; in what order we should plan to draw on them; and how to plan for recovery.
- How we can forecast to an acceptable degree of reliability, re-basing budgets to take into account COVID-19 impacts and using scenarios to establish a sensible and resilient forward plan.
- When is additional borrowing, or social investment, helpful, and how to evaluate and manage that.
- What elements of the Government's support packages genuinely offer something valuable, and how to take up that value if it fits.

In addition we can help clients to consider and evaluate: Back-office sharing; networked operating for strength; capital fundraising of various types; disposal of parts of operations, joint ventures and outsourcing; sales of elements of the operations, acquisitions, mergers, and groupings of different types.

# DELIVERING IMPACT MATTERS



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