

Corporate Peer Discussions: Supporting Small Businesses in COVID-19 Recovery

Summary of Best Practices on Corporate Response

Virtual convenings held on May 6, 7, & 8, 2020

Convening Organizations: ACCP, CECP, COF, and POL

Association of Corporate Citizenship Professionals (ACCP), Council on Foundations (COF), Chief Executives for Corporate Purpose (CECP), and Points of Light (POL), which collectively represent more than 400 of the most socially and environmentally responsible global companies, are joining forces to support leaders of corporate purpose and to advocate for the field by convening dialogue on relevant solutions and to share best practices. While some companies are still assessing their response, we have already seen hundreds of corporations respond to the COVID-19 crisis with courage and determination. Their leadership sets an example for the sector to follow. In the sessions on the Supporting Small Businesses in COVID-19 Recovery, 22 member companies participated.

Key Themes and Best Practices

As companies graduate from the immediate response from the COVID-19 crisis and look ahead towards a long recovery phase, supporting small businesses has emerged as a key lever for stabilizing communities, rebuilding a robust economy, and reengaging the workforce. Typically, if a company was not in financial services, small business revitalization may not have been a part of strategy, but as part of recovery and rebuilding, it is relevant to companies in all sectors. And, for those companies that were already supporting microenterprise and small business as a pillar of their social impact strategy, they are leaning in on those efforts by bringing their products, services, and insights to bear for small businesses globally, as well as leveraging philanthropic investments. A few key themes and approaches emerged on the peer-to-peer calls focusing on supporting small businesses:

Focus on Diversity

- Many of the small business investments discussed by companies on the peer-to-peer calls are being directed towards women and minority-led enterprises in under-resourced communities. One company's specific focus is on lifestyle enterprises in urban core neighborhoods and is researching the nonprofit leaders and collaborative funds set up to protect and sustain those small businesses.
- Many financial institutions participate in Payroll Protection Program (PPP), and some companies are putting a focus on serving businesses in low to moderate-income communities that are most vulnerable.

Supporting Clients & Engaging Customers

- For large companies that have small businesses as clients, they are being responsive to client needs, deferring outstanding payments on loans, providing extensions on payments, expanding data capabilities, providing rent relief, and connecting them to other resources.
- Many financial companies are providing Small Business Administration (SBA) products for customers.
- Some companies with online checkout are embracing cause marketing by offering point of sale options for donations to small business relief funds and providing a corporate match.

Supply Chain

- Companies are also looking at their supply chain, to provide accelerated progress payments, advice, and resources where possible.

- One company is continuing to employ its food service vendor even though employees are not onsite by having the vendor make food and then donating it to food pantries, first responders, hospitals, etc.)

Supporting Small Businesses

- The overwhelming need for small businesses during COVID-19 is access to capital to pay employees and cover expenses during this business disruption. Companies are investing in loan funds through municipalities or chambers of commerce; the Federal Reserve's [Main Street Lending Program](#), which helps credit flow to small and medium-sized businesses that were in sound financial condition before the pandemic; as well as supporting fundraisers through [GoFundMe Small Business Relief](#) Initiative.
- Many companies are working with [Community Development Financial Institutions \(CDFIs\)](#) to deliver relief and ongoing support to small businesses.
 - CDFI's are private financial institutions that are 100% dedicated to delivering responsible, affordable capital, resources, and technical assistance to expand opportunity and improve the quality of life in economically distressed communities.
 - There are 1,000 CDFIs operating nationwide. They are a collaborative force that brings together diverse private and public sector investors to create economic opportunity in low-income communities.
 - Financial institutions, which may include banks, credit unions, loan funds, and community development venture capital funds, must receive formal certification as a CDFI from the federal government; many are nonprofit organizations and operate at the local, regional and national level.
 - The variety of CDFIs supporting small businesses development allows corporations interested in contributing and investing to be specific about industry, sector, and demographics of the small businesses served.
 - In COVID-19 response, many CDFIs are providing low or no-interest loans along with technical assistance to struggling small business owners.

Specific CDFIs mentioned include:

- [Local Initiative Support Coalition \(LISC\)](#)
 - LISC is a national non-profit CDFI that supports grants and investments in affordable housing, high-quality schools, safer streets, and small business, as well as programs that connect people with financial opportunity. Because LISC is connected in so many areas, companies can target specific geographies.
 - The [LISC Rapid Relief and Resiliency Fund](#) and specifically [LISC Small Business Relief Grants](#) program is working to inject much-needed, flexible resources into historically under-invested communities to help small businesses pay their expenses and retain workers to keep them functioning during this challenging period.
- [Opportunity Fund](#)
 - Opportunity Fund provides microloans to underserved small businesses, particularly those owned by low- and moderate-income immigrants, people of color, and women. They have created a dedicated Small Business Relief Fund to raise support for small businesses impacted by the COVID-19 crisis.
- [Accion](#)
 - Accion is a global nonprofit specializing in microfinance and fintech impact investing.
 - [In the U.S., Accion](#) is a large national microfinance lending network. Accion provides fair and flexible small business loans, connections to business experts, and access to resources and opportunities tailored to business' unique needs and goals.

- [Grameen Bank](#)
 - Grameen Bank is a microfinance organization and community development bank founded in Bangladesh and now operating in the US, that makes loans without requiring collateral.
 - [Grameen America](#) is dedicated to helping entrepreneurial women who live below the federal poverty line, for whom the mainstream financial system is currently out of reach.
- Additional partners companies cited working with to support small businesses and entrepreneurs include:
 - [Kiva.org](#)
 - Kiva is an international nonprofit that expands financial access by crowdfunding loans and unlocking capital for the underserved, improving the quality and cost of financial services, and addressing the underlying barriers to financial access in 77 countries around the world.
 - Kiva established a [Global COVID-19 Response Fund](#) to which businesses can contribute with a goal of raising \$50M to help over 1M organizations and individuals around the world who have been impacted by COVID-19.
 - One company has invested in Kiva.org through a program that utilizes corporate funding to provide employees with a unique engagement opportunity through KIVA's [Managed Lending Account Program](#). The funding provides each employee with a \$50 credit to direct to a micro-enterprise of their choice listed on Kiva.org. 67% of employees have participated in the program. When the micro-loans are repaid, they can be redeployed in new loans or made as a donation to Kiva.org.
 - [Small Business Development Centers](#) (SBDCs)
 - SBDCs are cooperative efforts among the SBA, a college or university, the private sector, and state and local governments. Their services include business counseling, training and technical assistance.
 - [Small Business Majority](#)
 - A national small business advocacy organization, Small Business Majority was founded and run by small business owners to ensure America's entrepreneurs are a key part of a thriving and inclusive economy. They are responding rapidly to policy updates and share resources for businesses impacted by the novel coronavirus (COVID-19).
 - [Hello ALICE](#)
 - Hello ALICE is an online platform that provides expertise and networks for small businesses as well as grants. community platform, mentorship forum, connections to funding opportunities for small businesses.

Employee Engagement

- Many companies are activating their employees' competencies and engagement to help small businesses.
- One company gave each employee a \$30 Grubhub give card to support local restaurants.
- In-person volunteer opportunities are not possible with social distancing orders, so companies are pivoting to engage their employees in an array of [virtual volunteer opportunities](#).
- One company with a philanthropic program focused on helping underserved entrepreneurs to scale is mobilizing employees for group coaching, mentoring, and support with small business owners.
- Companies may wish to connect employees with small businesses through a reputable third-party. Nonprofit partners that provide virtual volunteer opportunities to support small businesses include:
 - [MicroMentor](#) matches small business owners with business mentors. Volunteer mentors should have three years of business ownership experience, or five years of management experience, or several years of professional experience in a specialized skill. The program is part of [MercyCorps](#).

Virtual Support, Upskilling, and Workforce Development

- Companies are also leveraging their expertise, technology, and resources in partnership with community colleges and vocational/tech schools to provide skills for new jobs and career counseling.
- Several companies are providing job assistance, workforce development training, financial education workshops, and additional skills assessments that enable workers to reengage in the job market.
- Companies are putting together tools and resources to be available for small businesses in areas such as marketing and technical assistance, and well as tips, guidelines and resources to help businesses transition to a virtual presence.
- One company created a virtual platform to provide capacity building opportunities for small businesses through webinars on topics such as self-care and cash flow management.
- Companies are also partnering with organizations such as [Center for an Urban Future](#) on communications and virtual thought leadership sessions, bringing together experts from city/state development boards, technical and banking experts, and PPP experts, to discuss how cities can get back on their feet.

Specific corporate programs for small business relief

- Visa's [Back to Business Program](#) provides a tool for customers to search their zip code to see which small businesses are open, based on data from recent transactions.
- GoDaddy's [Open We Stand](#) is a resource to help small businesses stay open, even when doors are closed. This includes ways to pledge support of small business and provides a community forum and resources like webinars, free products, etc. to help small businesses.
- Verizon's [PayItForwardLive](#) is a consumer-facing program where gamers and musicians stream performances live, and consumers tag small businesses for a donation from Verizon to support small businesses.
- eBay's [Up and Running](#) provides a suite of tools, insights, and services to businesses joining eBay without a fee through June 30th.

COVID-19 Resources from each partnering organization:

- ACCP: [COVID-19 Resources for Corporate Citizenship Professionals](#)
- CECP: COVID-19 Resources [Recap for CEOs](#) and [Recap for CR Leaders](#)
- COF: [COVID-19 Resource Hub](#)
- POL: [COVID-19 Action Plan](#)