

## Sattva – Digital Transformation of CSR – a first look

In the wake of COVID-19, businesses across the world have adapted to new ways of working. One aspect that stands out is the increased and accelerated digitization of core business functions. Organizations have pivoted to selling online, students moved to e-learning models overnight, entire industries engage via webinars instead of events, interns and new employees have been on-boarded onto global teams digitally. From finance to HR to sales and marketing, all aspects of running a business have pivoted, with a heavy reliance on digital systems and processes.

We at Sattva are also observing *increased and accelerated* digitization in our work with our CSR clients. Just like their other business functions, companies are investing in design and deployment of digital-first strategies for their CSR portfolios as well. This has been manifested in interesting ways through 2020 and we anticipate further innovations in digital transformation across the entire CSR impact value chain. Our work across CSR advisory, impact assessments, CSR technology platform [Shift](#) and [India data insights](#) has given us the opportunity to be a part of this evolution up close. Some key digital transformation trends we have observed so far are as follows:

1. **Increase in data and insights driven decisions:** Since March 2020, field visits to CSR program communities have been drastically reduced. CSR decision makers no longer have the same opportunities to engage directly with their implementation partners and communities on the ground. With COVID-19, the needs of the communities have also evolved, requiring CSR teams and implementation partners to adapt their program strategies. CSR teams have adapted a more digital approach to sourcing reliable data at the community-level data. Some scenarios include but are not limited to
  - a. **Community needs assessment** - In many cases, in-person surveys have been replaced by a mix of lighter, digital data collection tools, deployed by local data collection teams in a socially-distant manner. Mobile phones, whatsapp, audio, video capture and synthesized dashboards are all integral digital tools to represent the on-ground scenario to CSR teams
  - b. **Portfolio strategy / flagship program design** - Increasingly, CSR steering committees are making strategy and investment decisions for CSR just like they do for other parts of their businesses - they look for sectoral data via platforms like IDI to understand the community needs they are best suited to support. We believe this has to do more

with the maturity of the CSR space in India, than with COVID-19 directly.

2. **Stakeholder engagement, governance routines and communication, all via digital platforms** - No more field visits and in-person governance meetings mean all CSR stakeholders - funders, implementation partners and service providers today engage primarily via phone / video calls. With evolving CSR statutory guidelines and compliance / audit risks, companies also prefer transparent platforms which can serve as their “single source of truth”. In this scenario, stakeholders have been using CSR technology platforms like Shift to look at the current state of each program together and drive decisions around strategy, funding, revised LFAs given COVID-19 impact etc. For example, a leading technology MNC conducted all their year end reviews directly on Shift. They adapted their planned FY’21 funding decisions for each implementation partner, based on the latest program insights. The rationale behind the changed approach was clearly visible on the Shift platform, making approval and communication of next steps across stakeholders much easier.
3. **Focus on digital capability building of on-ground implementation (NGO) partners** - In addition to digital transformation of their CSRn function, companies are also interested in exploring strategies to drive digital transformation of their impact value chain. Even as recently as last year, CSRs often deployed program management systems with minimal training of on-ground implementation partners. With COVID-19, some digital capabilities are now required by implementation partners even to deploy program interventions on the ground. Today, CSR stakeholders are increasingly invested in making sure their partners are supported in learning to use digital tools which can enable them to understand, manage and tell data-driven stories with their program information. In all our experiences with deploying Shift this year, all our CSR stakeholders have been very keen on ensuring partners succeed on the platform, even requesting partner onboarding sessions in regional languages, as needed.
4. **Strategies for digital capability building of beneficiary communities** - CSR funders and implementation partners have typically focused on building digital capabilities of their beneficiary communities, only when it is an integral aspect of their program design and theory of change. For example, classroom intervention programs only included technology if it is a part of the intervention design eg using tablets for quizzes. If technology is not part of the program LFA, these digital tools would not be introduced and the quizzes would be administered via paper. However, with COVID-19, programs in most thematic areas require a high level of remote / distant engagement with beneficiary communities - beneficiaries without any digital

access or capabilities have clearly struggled to have their needs met. CSR programs are now looking to rapidly incorporate digital access and education as part of their program adaptations in the wake of COVID-19. This approach of digital-first interventions, incorporating technology capability building for beneficiary communities, is in nascent stages for the CSR ecosystem; at Sattva our CSR Advisory teams have started to build this into our program frameworks, as applicable. These intervention models are not seen as a short term adaption to COVID-19, there is growing interest in the CSR ecosystem for designing and deploying blended models of delivery and adoption.

These CSR digital transformation trends from the last 4-5 months are still evolving. The CSR function in India is reaching a new level of maturity and scale; the sector and stakeholders will certainly benefit from leveraging corporate-level digital transformation initiatives from COVID-19. We, at Sattva, will continue to track and report on this space, as it evolves through the year.

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*Sattva has been working with corporate clients to help them define their social impact goals. Our focus is to solve critical problems and find scalable solutions. We assist organisations in formulating their long-term social impact strategy by strategically aligning with business to provide meaningful solutions to social issues.*

*We'd love to hear your thoughts and feedback on this topic. Do write to us: [impact@sattva.co.in](mailto:impact@sattva.co.in)*