

RETHINK, REDESIGN, REBUILD RESILIENCE AT EVERGREEN

A national not-for-profit's plan for a post-pandemic rebuild

ON BUILDING COMMUNITY RESILIENCE

Message from Helen Burstyn, Evergreen Board Chair

It's been remarkable to watch Evergreen grow as an organization and as a leader in the sustainability sector during this challenging time. Our work in and with communities across Canada to build resilience has never been more relevant, more important and more necessary. And Evergreen itself has never been more resilient in rising to the challenges of this global pandemic.

Over the past 30 years, we have navigated our way through many complex situations -- everything from floods to financial downturns. And while we have been tested to our limits, our strength and maturity as an organization has allowed us to prevail in times of uncertainty. This time is no exception.

It has not been easy. Some layoffs and terminations have been necessary. So have compensation cuts for senior level staff. We have also made special arrangements with our donors and funding partners to sustain us during this time, and we are grateful for their continued support and unshakable belief in us. Evergreen's people, partners and passion for its work have enabled the organization to do more than survive in these difficult circumstances. Evergreen is itself a model of the resilience and sustainability that it inspires and enables in communities.

TESTING US AS AN ORGANIZATION

Message from Geoff Cape, Evergreen Founder & CEO

After a very successful 2019 and a strong start to 2020, Evergreen experienced a dramatic shift as a result of COVID-19. Closing our office doors and suspending all public programming on March 13, 2020 was devastating and very complicated. Although we find ourselves tested as an organization, the Evergreen team has shown great creativity, resourcefulness and positivity at every stage.

Innovation is one of Evergreen's core values. It is what explains our evolution from a tree-planting organization 30 years ago to one that now leads national programs on issues such as smart cities, school greening and housing affordability. The short-term and long-term challenges we will face require all of us to embrace this spirit of innovation. It is a time for transformative change and recovery. Even with so many unknowns, we have an opportunity to define the future we want and need. The strategy that we have created and are implementing has required speed and precision, while being thoughtful, transparent and innovative at each and every step.

“Evergreen has grown as an organization and as a leader in the sustainability sector. We have never been better positioned to support the resilience and sustainability of communities.

– Helen Burstyn, Evergreen Board Chair



IMPACT ON EVERGREEN

For expert advice in the areas of financial and economic forecasting we looked to published materials from leading management consulting firms such as McKinsey, Deloitte and BCG, and recognized public health institutes like Johns Hopkins and Canada's National Collaborating Centre for Infectious Diseases. Guided by these materials, we developed three plausible scenarios: 1 – a rapid resolution with modest damage, 2 – a slow recovery and recession, and 3 – a prolonged recovery with severe economic ramifications.

After careful consideration, Evergreen decided to advance plans in alignment with the worst case scenario, scenario 3. A deeper, more protracted downturn remains very possible, and it was our decision to act boldly *now*, while we still have options and the choice to do so, rather than be caught unprepared. This decision was not selected lightly, and it has resulted in significant upheaval for many of our partners, and staff with reassignments, reduced hours and layoffs.

In this scenario, we are planning for extended physical distancing measures throughout the summer months with a resulting recession that does not begin to recover until Q2 of 2021. With the closure expected to last throughout the summer, we have anticipated a 75 per cent loss of site-earned revenue, or approximately \$10.6M in social enterprise revenue. The site closure is a financial challenge for Evergreen, with much of our work dependent on markets, camps, exhibits, events and public programming. We have adopted a revised operating plan and budget during this difficult period, but it has meant we made the difficult decision to temporarily lay off more than 50 staff members. We will be reliant on the Canada Emergency Wage Subsidy program for remaining staff and have scaled back our operating maintenance costs for the site, meaning fewer areas will be made available to the public. While we are currently anticipating a 47 per cent decline in overall revenue, we expect to break even due to reduced expenditures and the continued support of donors.

To further cope with the required decision making and coordination efforts, a cross-functional Emergency Response Team with representation from every department and function was created to address daily status changes and adjustments, and a crisis management function was enacted with support from our Board of Directors. Together with the Board, we assessed all identified critical variables, re-modeled our finances, and identified triggers that will challenge our viability as an organization.

To try to protect employees, we not only closed our site at the earliest recommendation, but we also began the process to make sense of the various federal programs and ultimately took advantage of the Canada Emergency Wage Subsidy program. This allowed the majority of staff to continue working at 100 per cent capacity. Senior staff have also taken wage cuts of between 10 and 20 per cent to further assist the organization in meeting reduced budget demands, and a pooled fund of more than \$7,000 was launched by staff to support food boxes for colleagues who have been laid off. All in all, the budget redesign and staffing decisions have been hard but they have been well received and responsive to the situation.



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LOOKING TO THE FUTURE – POST-CRISIS RECOVERY

In the confusion of the here and now, the future can be lost in the spin. In an effort to better design our crisis response, we had to develop a phased strategy that looked ahead across three horizons. Each phase needs a different approach, although the best approach would incorporate all three.

Horizon 1: Emergency Response

This first phase includes the immediate crisis response. After closing the site at Evergreen Brick Works, and redesigning many of our programs, the finance and HR teams began carefully restructuring teams and budgets. We cancelled events, exhibits, markets and festivals through to the end of May and we put cautious plans in place for other activities through the summer and fall. To facilitate social distancing and work at home, we fast tracked technology solutions to better enable the remote working arrangements. Thankfully many of the necessary technical solutions were already in place and did not require significant investments.

We have had difficulties managing the ambiguity of fluid budgets, health and safety protocols, new technology and staff needs, especially those with young families. But we are in good company with regards to our challenges. As work loads move around, we have struggled with productivity and communications across our large and disparate team. Everyone misses the efficiency of side-of-desk conversations, and the simple joy of face-to-face interactions. In an effort to add stability where we can, we have tried to ensure resources are available for staff to support productivity, social exchanges, family demands and health and wellness.

Horizon 2: Rethink and Redesign

The next 12–18 months will involve rethinking, redesigning and rebuilding work plans, investing in our priorities and partnerships, and the gradual reopening of the Brick Works. We are coming to terms with the fact that the work we do will be different in the months ahead; our camps, markets, events, and the way we convene will need to be very different as we make sense of necessary health and safety protocols, new social norms and more restricted budgets.

Already, we have shifted our programming in unprecedented ways, reimagining how we deliver our offerings in real-life to virtual. For starters, our year-round Saturday Farmers Market quickly transitioned to a Farm in a Box, a new weekly routine that has customers per-order a bundle of produce online for quick pick up from our site. We have recently offered ‘to-go gardens’ that provide tangible connections to nature at-home that even include seeds from our own site. And most recently we have begun to open the Evergreen Garden Market with carefully designed health protocols and curb-side pick up. The future of our summer camps remain an important question to be resolved but we are hoping our large campus, combined with carefully planning will permit us to open the camps in some capacity. National programs have also changed. Among them, we have been reimagining our annual Future Cities Canada Summit and shifting how we deliver other activities with a focus on online.

The essence of our work is derived from the way we bring people together in unique spaces that inspire creativity and action. How can we do this virtually? How can we do this with two metres between us? What can we do now to serve us in the years ahead? The answers to these questions and many others like it will require us to be creative and agile. We will have to invest in our staff and the way we communicate, make decisions and coordinate.

This second phase will bring us into the new normal that follows. Patterns will emerge and practice will become more routine. The high level of ambiguity that causes stress at the moment will gradually wane and we will find our balance again, but we have to succeed in this second horizon to be able to thrive in the next phase.

Horizon 3: Enduring Change

To truly succeed we will have to look to the future and try to anticipate the work required. It is important that we think about not just surviving through this period, but evolving with our environment. Right now, we should be asking questions rather than defining answers – how do we best meet the new wants and needs of our staff, partners, volunteers and funders that are not quite yet defined? What are the connections between our current pandemic and climate? How can we make sure that the future we are reimagining and rebuilding keeps environmental sustainability at its core and that the climate crisis does not take a back seat in recovery actions, and the desire to stimulate the economy at any cost. Through this we in fact may come out with a deeper appreciation for clean air and our restored relationship with healthy natural systems.

As we move forward, we don't want to simply respond to things around us, we must also lead. We have an opportunity to help shape ideas, and it is to both our global and community partners that we now look to for guidance in making sense of what actions will help set us up for success. We look to our community of funders and donors for their continued, and if possible, enhanced support. We know we do not want to rebuild in the same way, but invest in solutions that offer economic, environmental and social returns.

It is not an easy road that lies ahead, but we are committed to harnessing our full power as an organization in order to get through this. Together, we will take each day at a time, with our promise to you being a commitment to the building and flourishing of our cities for all. I know we – and the world – will come out of this on the other side, stronger than before. You can count on our best efforts to drive this outcome.