

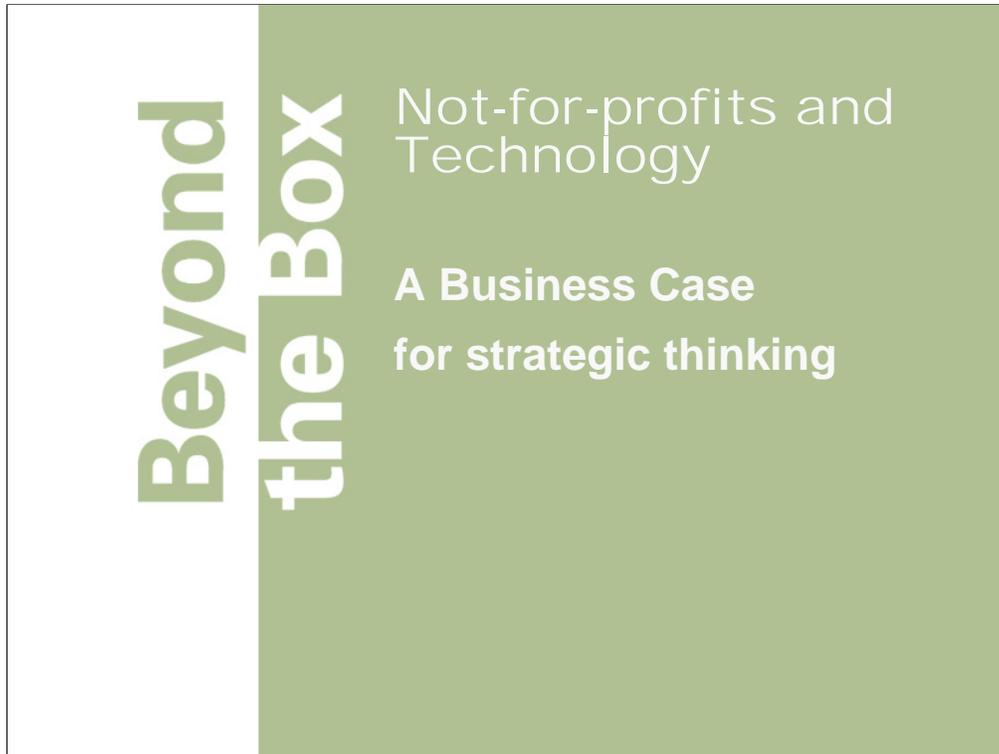


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Welcome to this presentation of Beyond the Box: Not-for-profits and Technology – a Business Case for Strategic Thinking. Thank you for coming.

This presentation was prepared for the Changing Technology Funding Practices Project, which is funded by Industry Canada's IM/IT Secretariat through the Voluntary Sector Initiative.

For those of you who don't know, the goal of the Voluntary Sector Initiative is to strengthen the sector's capacity to serve Canadians and their communities. The VSI is a joint undertaking between the Government of Canada and Canada's voluntary sector.



Timecode: 1/3

And the goal of the next 90 minutes is to share some new ideas with you, and engage you in a process that I am very excited about: that of helping to strengthen the voluntary sector by providing grantmakers with new ideas and new tools to support the capacity and infrastructure of Canadian charities and not-for-profit organizations, and to provide grantseekers with more strategic ways to place technology funding needs within a larger, mission-focused framework.

This project is coordinated by:

 **IMPACS** Institute for Media, Policy and Civil Society

 In partnership with:
The Commons Group

 Funded by the **Government of Canada**
through the **Voluntary Sector Initiative**

Timecode: 3/6

<Brief background about the experience and credibility of presenter>

The authors of this presentation and the accompanying report , of which you have a copy in front of you, are Catherine Ludgate and Mark Surman. Catherine is the director of the Communications Centre at IMPACS, the Institute for Media, Policy and Civil Society. She is part of an emerging network of national capacity builders for the sector, and brings a focus on strategic communications and building collaborations across issues, geographies and interests. Mark is a partner with The Commons Group. He is one of Canada's leading voices on the strategic potential of networked technologies for the voluntary sector, and has experience working on both the funder and voluntary sector sides of the table.

And finally, I must acknowledge the members of the Information Management/Information Technology Joint Table of the Voluntary Sector Initiative and the IM/IT Secretariat staff at Industry Canada. The vision for and support of this project came from the Table and from the Secretariat.



Goal of this Presentation

To provide the tools and language needed by voluntary sector program staff to successfully argue for technology funding support, both within their organization and with grantmakers.

Timecode: 2/8

Over the next 90 minutes we will discuss trends in granting for technology purposes. While many Canadian foundations do provide support for technology infrastructure, a significant proportion still do not. That said, funding for technology infrastructure is possible to obtain from almost any funder if it is described in terms of support for specific projects, rather than as an operational expense.

After outlining some of the landscape in which you are working vis-à-vis a grantmaker's position on tech funding, we'll move on to outlining some basic tools and approaches that will help you think about your technology needs more strategically, from ensuring you have money in place to use your basic technology in the most efficient way, to thinking about strategic uses of technology that will directly support you in achieving your mission work.



“We want to build sounder, more efficient organizations where technology is integrated with mission.”

Luna Ramkhalawansingh, Maytree Foundation

Timecode: 2/10

The relationship between technology and grantmaking is a relatively new area of study, with just a handful of detailed research projects having been undertaken in the past two years. We have learned a great deal from these studies and from conversations with grantmakers who are active in the technology field. In Canada, broader conversations about technology and grantmaking are yet to be had. It is convening these broader conversations that is the work of the Changing Technology Funding Practices Project.

These conversations have focused on the **rapidly changing role that networked technologies play in voluntary sector work** and the **challenges that grantmakers face in responding to these changes**. One of the overwhelming responses we have received from grantmakers is that while they are trying to address new challenges to strategically evaluate the technology needs and requests of the Canadian voluntary sector, the voluntary sector must start to think strategically about how technology fits and supports your mission-based work.



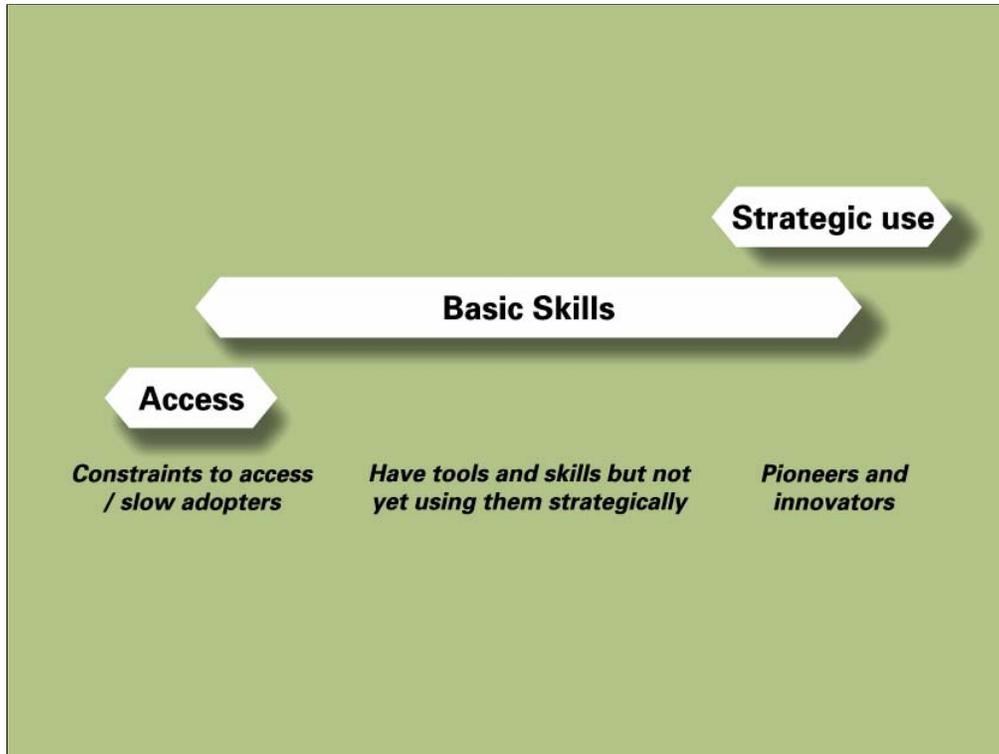
Technology and the sector

- **Most voluntary organizations use basic technology in their day-to-day operations**
- **Used effectively, this technology can become the building block for more strategic activities**
- **However, few organizations have begun to use technology in a strategic, mission-focused way**

Timecode: 1/11

Internet technology is quickly becoming as common and as important a communications tool as the telephone in Canadian businesses and voluntary sector organizations.

However, research also shows that a majority of voluntary sector organizations are still using new technologies at their most basic level, not having yet realized the vast potential for applying these tools directly to mission-based goals. While grantmakers have an opportunity to help grantees make this shift in thinking, particularly the smaller groups, there is a lot you can do to help grantmakers see the value in providing the support you need to start using technology in a strategic, mission-focused way.



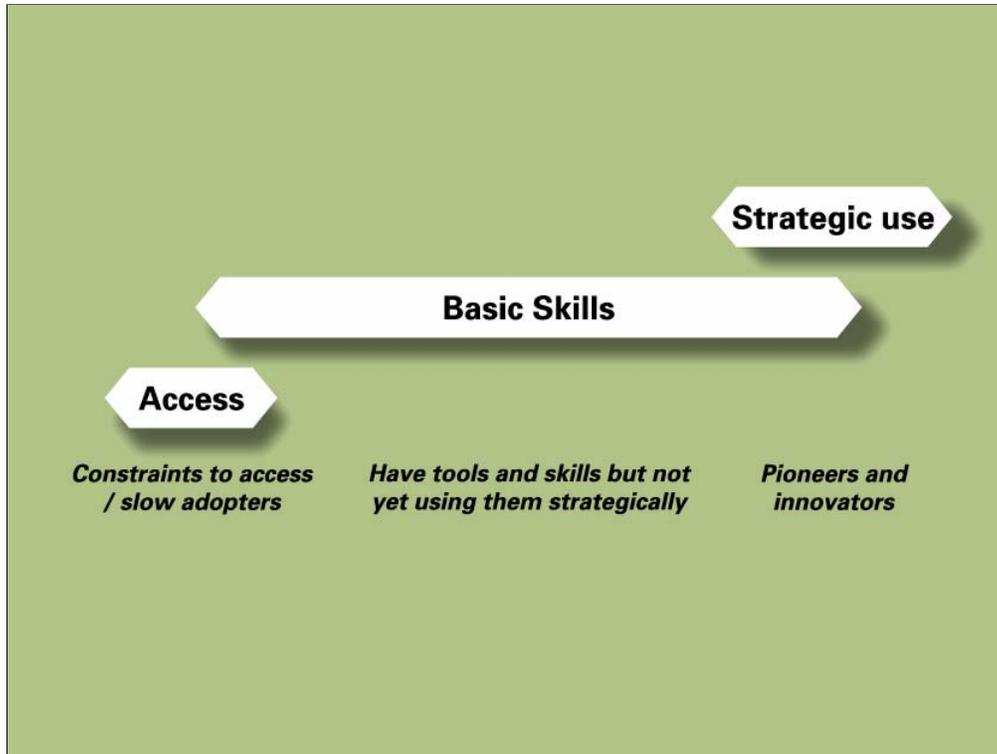
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ACCESS: In Canada, we still find thousands of voluntary sector organizations struggling with just accessing new technology. They either don't have a computer, which makes writing funding proposals and outreach materials a real challenge, or they have a computer but no, or very limited, Internet access.

BASIC SKILLS: The vast majority of voluntary sector organizations in Canada, however, do have some form of new technology supporting their operations. Sometimes the systems are old, outdated. In many organizations, the systems are in place but the staff have not been adequately trained to use technology to its fullest potential. This is the area where the greatest positive impact can be made for the smallest investment.

STRATEGIC USE: Finally, there are organizations across Canada that are innovators, using technology directly to impact their mission. Delivering services to clients whom they otherwise could not reach...building alliances with like-minded organizations...sharing information with new public audiences.

(notes continue on next page)



Timecode: 1/14 (continued from previous). *Here are some statistics from Volnet research done in January 2001 about how well-connected Canadian voluntary sector organizations are, by income.*

Overall, 76% of Canadian voluntary sector organizations have Internet access, but only 60% of organizations with incomes under \$100,000 are connected, while 96% of organizations with incomes of \$500,000 or more are connected. So, 40% of small organizations in Canada still face *access* issues with respect to new technology.

In terms of basic skills, if we look specifically at having a website presence, we find that 40% of Canadian voluntary sector organizations are publishing online. Of course, we see the split between large and small organizations with just 27% of the under \$100,000 organizations with a website and 60% of organizations with \$500,000 budgets having a website. **We suspect this number has grown exponentially for large groups in the past 3 years and also suspect the number has remained static for smaller organizations.

One example of strategic use of technology is generating online donations. The Volnet research found that overall, just 4% of Canadian voluntary sector organizations are now appealing to donors online.

Overall (approx), Low income (>100k), Medium income (100 – 500k), High income (500k+)

| | |
|------------------------------|----------------------------|
| Internet Access | 76% , 60%, 91%, 96% |
| Basic publishing / web site | 40% , 27%, 47%, 60% |
| Online donations (strategic) | 4% , 3%, 4%, 8% |



Where we need to go

1. Seeing computers, Internet access and support as voluntary sector “must haves”
2. Thinking about technology in terms of strategic, mission-driven uses
3. Understanding that the real power of technology lies in networking people

Timecode: 1/15

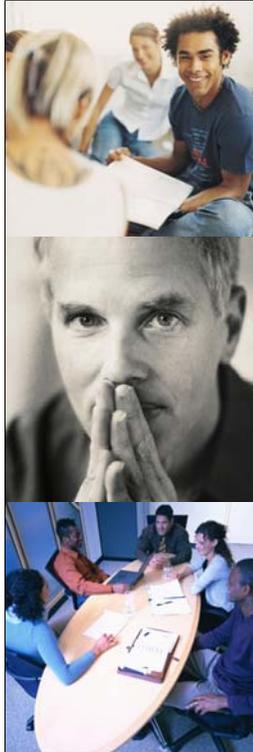
The situation for the Canadian voluntary sector is mixed, with many organizations up-to-speed, as it were, with their basic technology needs being met, yet too many organizations still struggling to get those basics in place, and very few using technology strategically, in support of their mission.

For Canada’s voluntary sector to achieve its myriad of goals, grantmakers and sector groups must:

See computers, Internet access and support as voluntary sector “must haves”

Think about technology in terms of strategic, mission-driven uses

Understand that the real power of technology lies in networking people



1. Technology as 'must have'

The business case for basic technology support is clear:

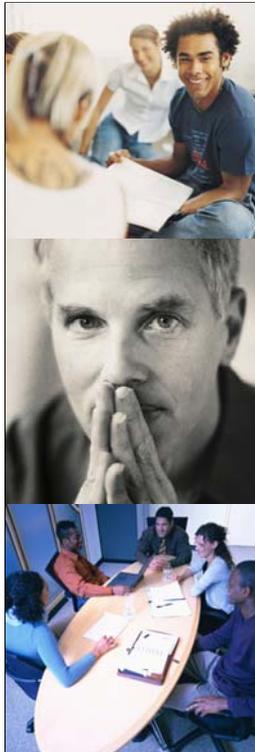
- Technology increases efficiency and lowers costs
- This means fewer resources are spent on administration saving more resources for high touch
- Technology is essential for communicating with funders and partner organizations

Timecode: 5/20. Computer access is assumed by grantmakers, by donors and by other voluntary sector organizations who want to partner with like-minded organizations. Imagine the difficulty of writing a grant proposal without a computer... the challenges of having no way to track the contact information of donors or members ... or not being able to send and receive information electronically to partners working together on an education campaign.

Everyone – grantmakers, donors, partners – we all expect to be able to contact VSOs not only by phone or fax but electronically as well. Yet 60% of small Canadian voluntary sector organizations face great obstacles to meeting these demands because they simply don't have the hardware, the software, the connectedness or the training to use what is today considered basic technology.

IMPACS surveyed Canadian grantmakers in April and May this year, to determine trends in technology grantmaking. 13 of 37 respondents do not provide grants for technology of any kind, which means that 2/3 of grantmakers who responded DO support the technology needs of Canadian voluntary sector organizations. Of those grantmakers who support technology requests, here are the top reasons why they believe the investment is important: 76% believe technology can help grantees deliver their services – this is strategic use of technology; 62% believe technology can help an organization meet its mission – this, too, is strategic use.

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1. Technology as 'must have'

The business case for basic technology support is clear:

- Technology increases efficiency and lowers costs
- This means fewer resources are spent on administration saving more resources for high touch
- Technology is essential for communicating with funders and partner organizations

Timecode: 5/20. (continued from previous)

Yet, only 38% of these same grantmakers believe that basic technology – that is computers, networks and email – are **must-haves** for their grantees.

So, among grantmakers who actually make technology grants, there is both a strong belief that technology can help organizations achieve mission and deliver services, yet a low belief that basic technology is a must-have.

2-3 minute Discussion Question: Given a majority of grantmakers are willing to fund strategic use of technology, but those same funders may not consider technology as a “must have” for doing your day-to-day work, how can you position your technology needs in ways that will give you the infrastructure you need AND give grantmakers what they want in terms of deliverables?



2. Strategic technology

Strategic use of technology is the natural next step, offering VSOs:

- Ways to increase their impact and pursue their mission more effectively
- Opportunities to directly benefit the communities they serve
- Potential for e-service delivery – and linking into e-government

Timecode: 5/25

To summarize more data from IMPACS' survey of Canadian grantmakers, the top six technology areas funded by respondents are:

29% fund internet access - ACCESS

64% support computer hardware and software purchases - BASIC

43% fund staff training and support to use technology effectively - BASIC

36% support new administrative systems that improve organizational efficiency - BASIC

36% support website development – BASIC and sometimes STRATEGIC

29% fund strategic technology planning - STRATEGIC

2-3 minute Discussion Question:

Given that 62% of grantmakers who make technology grants believe that technology can help a VSO meet its mission, why is so little money being granted to support the strategic use of technology? IF you were to assume responsibility for this lack of funding, what could YOU do within your organization, or what could we collectively do as a sector, to increase the support we receive for technology-based projects?



3. Collaboration and people

Using technology for collaboration means:

- Technology becomes a support system for partnerships and networking
- Organizations find ways to create synergies and reduce duplication
- Resources and knowledge can be effectively shared within the sector

Timecode: 5/30. Just 14% of grantmakers that support technology requests from VSOs provide money for online community building. One example of how technology has been used by the voluntary sector to build communities is a project that IMPACS worked on a couple of years ago. A group of activists working on peace issues noted that their membership included very few young people – that it was the old peace activists from the 60s and 70s who were the majority of the community they had engaged. They also were aware that the issue of missiles and bombs at the ready was nowhere on the public radar – yet the issue was very much real.

So they launched a campaign targeted specifically to the youth population. Through traditional print media they directed young people to a website, www.bombsaway.ca, where they were engaged in the issue, given facts and asked to send a fax to their member of parliament. The project was very heavily technology based – which worked very well given the target audience’s comfort with using the web to learn about issues and then act.

4 Minute Discussion question: If we are in agreement that facilitating collaboration and connecting people is a key role for technology in the VSO, what can you do to encourage grantmakers to increase their support in building online communities? What would this look like?



“Technology should be seen as a strategic tool to increase the influence and impact of our grantees. These are the kind of technology requests that we will support.”

James Stauch, Walter & Duncan Gordon Foundation

Timecode: 5/35

So, that was the background, the context for where we are today in terms of foundation granting for voluntary sector technology needs. Voluntary organizations have great potential to help grantmakers redefine how they look at and support technology in the sector. Grantmakers are willing to engage in the discussions – and they want you, the sector, to come to them with smart, new ideas that show that you understand the role technology can play in helping you more efficiently achieve your missions.

For the next hour we’ll look specifically at what you can do to first, ensure your organization is using even basic technology to your best advantage and then, ways in which you can incorporate technology into your project and program funding proposals to ensure the support you need is available.

Before we move on, does anyone have any questions about what we’ve just covered?



Getting technology funding

- 1. Think strategically about technology ...**
... and develop a clear technology plan
- 2. Understand what basic technology costs ...**
... and integrate it into every grant proposal
- 3. Explain the impact of the technology you use**

Timecode: 2/37

We know from our conversations with grantmakers, and from research that has been carried out in the U.S, that these three steps are key to getting your technology needs supported.

1. Think strategically about technology...and develop a clear technology plan. This means making the use of technology integral to your overall strategic plan and mission.
2. Understand what basic technology costs...and integrate it into every grant proposal. It's up to you to first develop a really clear understanding of the total cost of ownership for your technology infrastructure AND to keep explaining this cost to grantmakers.
3. Explain the impact of the technology you use. Show how you are both more successfully meeting your mission by building community and support for your work and also how you are able to redirect resources using high tech to achieve high touch.

Let's look more closely at each of these strategies to increase funding to support your technology budget lines.



1. Technology planning

A strategic technology plan will help you:

- Obtain funding
- Further your mission
- Buy the right equipment
- Save money
- Avoid crises
- Use staff time more effectively
- Protect yourself from staff turn-over

Timecode: 2/38. Technology planning is the process of determining how your organization can best use technology to further your mission. The process of technology planning involves assessing your existing resources, defining your needs, and exploring solutions. A successful planning process will draw on management support and the leadership of a technology team made up of a range of staff members to provide input. It will help you budget for technology and make cost-effective purchases. The first outcome of the planning process is a written technology plan which outlines the phases of technology development, and can also be used as a key tool to advocate for technology funding.

How developing a technology plan will help your organization

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1. Technology planning

A strategic technology plan will help you:

- Obtain funding
- Further your mission
- Buy the right equipment
- Save money
- Avoid crises
- Use staff time more effectively
- Protect yourself from staff turnover

Timecode: 3/42. (continued from previous)

•**Obtain funding.** Funders will be much more likely to give money for technology if you can show them a technology plan.

•**Use technology effectively to further your mission.** The technology planning process can expand your horizons and help you see new ways in which technology can further your mission.

•**Buy the right equipment.** Purchasing hardware, software and networking equipment can be overwhelming. If you don't plan, it's easy to end up with something that is way too complicated or doesn't do what you need it to. There's no substitute for thinking through your goals and researching possible solutions.

•**Save money.** You probably do not need the fanciest system on the market. Planning allows you to figure out how to spend less and still meet your needs.

•**Avoid crises.** Bad technology decisions can leave you suffering for years. A faulty system can send your stress level through the roof and make you lose crucial data and capabilities.

•**Use staff time more effectively.** How many hours of staff time have you lost to those niggling technical problems? A technology plan will help you streamline staff use of technology, and put systems in place that will make technology a useful tool for staff, not a stumbling block.

•**Protect yourself from staff turnover.** If the person who knows your technology leaves, what will you do? A technology plan can save you by providing documentation of existing systems as well as future plans.



Technology Planning Step 1: Define your needs

1. If all systems were magically working perfectly tomorrow, what would change in your organization?
2. Would technology help your organization to streamline operations? Improve internal or external communications?
3. What type of software training has staff participated in? Was it useful?
4. What obstacles does your organization face using technology?

Timecode: 10/52. If your organization has never done a technology assessment, it would be worth doing. A good technology assessment tool will help you start thinking about the overall status of your organization's use of technology. Once you have a clear sense of where you are strong and what areas need more support, you'll be in a stronger position to develop a strategic technology plan.

The trick to defining your needs is to describe what you want to do with technology, not what you think you need to buy. Consider the problems you might run into in your organization -- new policies to institute, procedures you need to follow to find new funding, new staff members to work into your organization's structure. Then consider all the potential tools, including technology tools, that you might use to solve these problems.

The following are just a few of the questions you would examine when doing a tech assessment. Let's spend two minutes on each question:

1. If all systems were magically working perfectly tomorrow, what would change in your organization?
2. Would technology help your organization to streamline operations? Improve internal or external communications?
3. What type of software training has staff participated in? Was it useful?
4. What obstacles does your organization face using technology?



Technology Planning Step 2: Assess what you have

1. Hardware
2. Software
3. Network set-up
4. Database(s)
5. Connectivity
6. Policies and procedures

Timecode: 10/62. The first step in developing a plan is to assess where you are. The key is to spend some time asking yourself what is working, and what needs improvement. What technology do you have in place in your organization? What technology skills does your staff have? Who does your organization rely on for technology support? One part of the assessment is taking a basic inventory of the computers and software in your organization. A hardware inventory worksheet can give you a sense of the overall capacity and range of workstations in your organization. A software inventory worksheet can give you an overview of the software resources and how they are distributed on different computers. By taking this step, you can help avoid buying redundant technologies or incompatible technologies, and you can help assess whether any of your current technology is obsolete.

Hardware. Look at questions such as: are your computers able to operate the software your staff need to do their jobs? Does your phone system function effectively?

Software. Look at questions such as: do your staff have the appropriate software to do their jobs? Are they working with complete and legal copies? Do they get support and training to use the software effectively?

Network set-up. Look at questions such as: are your computers connected so that file sharing is possible? Does every workstation have access to the Internet?

Database(s). Look at questions such as: do we have one central place where all contacts are collected and managed? Or, does each staff person manage their own contact data through Outlook or another desktop application? Do we need a centralized database management system? **Connectivity.** How efficient is our set-up for getting people online? Do we have adequate bandwidth? Enough email addresses for staff who need to work with external audiences?

Policies and procedures. Do we have policies in place to ensure all staff are meeting the same expectations with regard to how quickly we return phone calls and respond to emails? Is there a policy about what is appropriate use of work email addresses? Can work computers be used for personal web surfing?



Technology Planning Step 3: Explore solutions

1. Consider your organizational strategic plan and goals
2. Talk to peer organizations about what has worked for them
3. Contract a technology expert to provide you with new ideas

Timecode: 5/65

This last step is quite straight-forward.

Ensure the goals of your technology planning reflect your organization's overall goals and plans.

Talk to other organizations that are either the same size as you are, are delivering a similar service, or are working with similar audiences ... you know who you should talk to.

And finally, if you can find a couple of hundred dollars to bring in someone who makes a living getting organizations to function more efficiently with respect to office operations...it will be well worth the investment.



2. Basic technology costs

Ensure you have core technology capacity in place ...

- Basic computer and Internet access are not frills — they are essential.
- Hardware purchases are only a small part of the cost of technology
- Effective technology infrastructure requires an ongoing investment in support, training & network access
- According to calculations prepared for agencies in the settlement sector, these basics cost approximately \$250/month per workstation

Timecode: 5/70. Perhaps the most important skill that VSOs need to develop is understanding how to calculate the total cost of ownership before they invest in new technology. Grantmakers, as well, must think beyond the cost of the original purchase price for hard and software when making grants in support of technology. Training and maintenance must be considered in the actual costs.

For example, the typical calculation used these days for operating one computer in a VSO office is \$250/month. What this means when VSOs plan projects and when grantmakers fund them is that the following costs must be included. Funding one staff person for a two year project also means funding two years worth of computer access: $\$250 \times 24 \text{ months} = \$6,000$. This is based on extensive research done by RealWorld Systems for Citizenship and Immigration Canada to determine the per person technology costs for settlement agencies.

It is important to also count other things within the workstations calculation – even if a body isn't sitting at a desk. Things like your server...fax machine...printers...even telephones and perhaps cell phone costs must be accounted for in your calculation of how much it actually costs to maintain a functioning office.

Question to the group: How much money do you currently set aside to maintain your technology infrastructure and staff training? Is it close to \$3,000 per person workstation per year?



3. Technology impact

1. Access
 - **Great Northern Arts Festival**
 - **Computerizing all administration and accounting has allowed them to thrive and grow**
2. Basic Skills
 - **Hollyhock Leadership**
 - **Database allowed staff to focus more time on programs, less on admin**
3. Strategic Use
 - **Big Brothers and Big Sisters**
 - **E-program reached “littles” in remote areas**

Timecode: 6/74.

Access: The Great Northern Arts Festival has been working to ensure the continued production and success of Northern artists and their arts. Given the remote locations of most Northern communities, technology has been vital to helping this voluntary organization give the artists they support the opportunity to access markets and buyers. With only two employees and rolling student placement positions, streamlining repetitive work was critical to the organization’s ability to thrive and grow. Starting by networking their office computers, GNAF Society computerized all of its business administration and accounting. With a computerized database that holds information on all artists who have participated in the festival and all artwork sold, the skeleton staff was better prepared to coordinate the hundreds of artists and dozens of volunteers who participate in the event annually.

Basic Skills: The Hollyhock Leadership Institute provides training to hundreds of organizations in BC each year. Until recently, they have been functioning without a streamlined database, which has required staff to use four different software programs and re-enter contact data into each of these programs to handle all of the different ways in which participants need to be served: from sending a confirmation fax, to outputting both invoices and receipts, to creating a contact list for each training. With their new database, the staff person responsible for communicating with participants estimates it takes her five minutes per participant to create all the required paperwork, whereas before the database she spent over 30 minutes and often had to deal with errors since data was entered so many times into the different programs. *(notes continue on next page)*

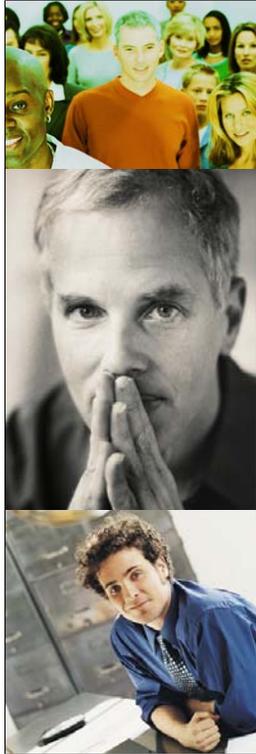


3. Technology impact

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3. Strategic Use
 - **Big Brothers and Big Sisters**
 - **E-program reached “littles” in remote areas**

Timecode: 4/80. (continued from previous)

Strategic Use: Big Brothers and Big Sisters has built on their traditional one-to-one, regular contact between the mentor and the “little” to create their **Digital Heroes** program — an electronic version of the traditional Big Brothers / Big Sisters mentoring program that has been proven to have a very positive impact on school attendance, grade achievement, motivation and self-confidence. Through the Internet, e-mentoring provides young people with unequalled access to volunteer mentors in a convenient communication which is appropriately monitored and evaluated. It allows mentors and “littles” to communicate across long distances, something which would not be possible in a traditional one-to-one mentoring relationship. It allows youth in rural settings who do not always have access to mentoring relationships to benefit from such an experience. Finally, it allows adults whose schedules or life circumstances do not allow for a traditional mentoring relationship to participate in one that accommodates their situation.



Parting thought

There is a pressing need for Canada's voluntary sector to move beyond boxes, cables and software and on to the strategic, mission-driven use of the Internet. Grantmakers appear willing to support this work – the sector must learn to better incorporate technology into proposals.

Please visit the VSI website for more information and other resources related to IM/IT issues, at www.vsi-isbc.ca

Timecode: 10/90

Closing discussion:

What is the most important thing that you can do within your organization to ensure you get adequate support for both your basic and strategic technology?

What specific actions can you commit to in your work or at your organization?