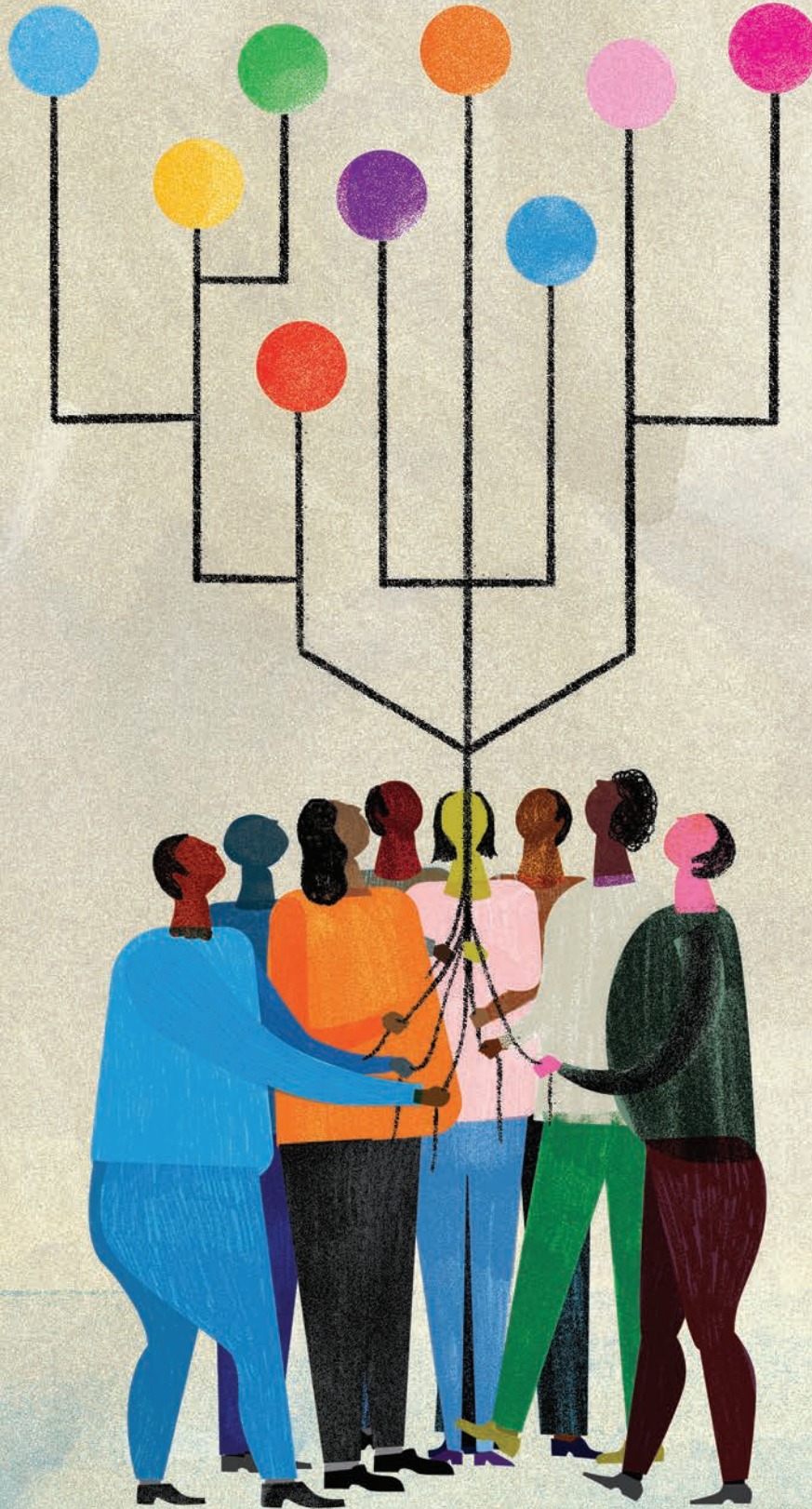# Technology for Change

Applying a digital-first strategy to boost effectiveness in challenging times
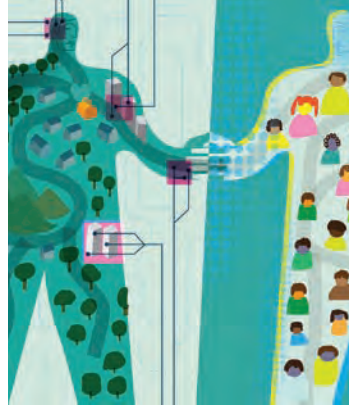
Grecian Urns and Trend Reports

The value of a nonprofit is the presence and participation of its stakeholders and constituents. Technology creates the framework to make that value real.

BY CHRIS THOMAS

"Beauty is truth, truth beauty,—that is all
Ye know on earth, and all ye need to know."

As one might, I nominally think about *Ode On a Grecian Urn* when I look at trend reports. There's a lot of enigma in John Keats' lines, but the truth uncovered by data can indeed be a beautiful thing. Our minds grow calm as we see the quantifying evidence glowing before us, like golden bits of ore hinting at a rich vein of value. It's pleasing to say "aha" in our heads when we see the things we suspect become real in graphs and tables.

Each year, Salesforce releases our own report to better understand the role nonprofits have in serving their communities, what is shifting within the nonprofit space, and how technology supports organizations' ability to fund and run their missions across departments. This year, we are partnering with *Stanford Social Innovation Review* to cover the report—a snapshot of the modern nonprofit landscape—with a series of articles and videos featuring leaders from some of the world's most innovative nonprofits. *SSIR* is a valuable conveyor of how new technology and transformative thinking are changing the sector's landscape, and we are thrilled to present this content with this leading publication.

We asked 725 nonprofit professionals a series of questions to produce a survey view of the state of nonprofits in the 21st century. The responses came from leaders of every cause, role, and size, with 45 percent at the vice president level or above. We focused on six countries this year: Canada, France, Germany, Netherlands, United Kingdom, and the United States.

Three main themes emerged. First is the importance of *constituent-centric experiences*: people want to be involved, and to feel they are a part of the mission. Second is the rise of *data-driven culture and strategy*, as data and measurement enable connection in an increasingly digital world. Third is the impact of *change and adaptation*—the shifts ushered in with the introduction of new technologies can be as transformative as they are overwhelming.

CHRIS THOMAS

THE EMPOWERED CONSTITUENT

People want to be involved in nonprofit work. A full 74 percent of responding organizations (a 16 percent increase from last year) say that constituent interest has increased over the past five years. These are trying times, and people are motivated to act. Nonprofits offer a platform through which they can engage with issues and create change.

Of course, the services that organizations deliver are also increasing in demand as the impact of humanitarian, climate, and health challenges (to name only a few) begin to affect human lives. Seventy-five percent of organizations saw an increase in demand for their work, suggesting that playing fields are expanding in size and scope. While daunting, this could in fact be nonprofits' finest hour, and technology is key to an appropriate response. We will always have less than what we need when it comes to the scale of the problems we face, so we need to do more with less. Technology can help us reach more people and engage with them in quality ways. However, the gulf between what is needed and the desired solution remains wide, and we don't invest in our operations at the rate seen by our corporate cousins. So, while

85 percent of organizations say that technology is key to their success, 93 percent say they lack the tools and staff to effectively incorporate the benefits that tech offers.

They also lack expertise, with 75 percent stating that they don't know what to do in this ultra-complex environment. Indeed, it is a challenge. In my own work, I see some of the biggest organizations in the world struggle to adapt tools, train staff, and engender the cultural change necessary for seamless integration of the tech into the work. There is a lack of the skills necessary to interpret the results that come up on their screens.

Adding to this complexity, we found that expectations around transparency and trust are growing in constituents' minds. As technology continues to transform our world—including our social interactions, politics, media, and brand relationships—we want accountability from our businesses, governments, and nonprofits. The big-tech sector faces real challenges in winning back the trust of its customers and users, and in sorting out issues around transparency. Arguably, the nonprofit sector contends with a similar challenge. As our work moves even further into the digital space, our messaging, interactions, obligations, and opportunities begin to look more like big-tech than grassroots. The best and most successful organizations will cultivate deep relationships with their constituents, and this will require them to know who their best constituents are, engage them with respect and honesty, and provide meaningful experiences.

Technology enables people to participate in the missions of nonprofits, and in this light organizations become more like service providers—the connection between the individual and the mission—rather than the traditional legacy model, where organizations act on behalf of their constituencies. In this new model, trust and transparency are at the heart of an organization's viability. People want to do more than just give money. Each time they donate or sign or RSVP, they are raising their hands, saying, "Put me to work." They want to solve the world's problems as

a part of an organization they trust, value, and respect.

DATA CULTURE

Buy a nonprofit technology executive a drink, then ask them about data and impact. This will kick off quite an evening! Talking about data is like talking about the universe—it's everywhere, but it takes some big thinking to pin it down. We are interested in data because we are generating a lake of it when we turn on the machines that power a tech-forward nonprofit. We can then see how data-as-feedback serves as powerful content that furthers a constituent's journey. Imagine: Someone shares an online action, and you can track this share and algorithmically demonstrate how many new people signed up for the mission further down the line as a result of that one share. This is a simple thing to do, but it generates some powerful personal content.

We are also interested in data because it can help us make better strategic decisions. It provides the facts we need to argue for or against things. It lets us illustrate how an investment in technology impacts mission implementation and how it makes organizations more capable. We can be crystal clear about how we are saving the planet.

But like anything important and worthwhile, it's hard. We see that 47 percent of respondents are substantially or extremely challenged in capturing and managing accurate data on constituents, and only 51 percent of nonprofits actually measure their overall mission goals. And then we drop the other shoe: Only 44 percent of respondents say they measure their impact, and half of nonprofits report that it is challenging to gain insight from this data to make improvements. The result is that a whopping 73 percent of nonprofits can't tell if their programs are effective, and a full 75 percent of respondents say that measuring and reporting data is challenging. We need more learning, more best practices, more skills development, and more partnerships with sectors that know how to do these things.

Yet the overall picture is far from downbeat. I've been working in nonprofit technology for over a decade, and I can humbly attest that our sector has come a long way. Ninety-one percent of respondents say they are now using (or planning to use) a customer relationship management (CRM) system in some way, which is a big leap from the yesteryear of clipboards and event spreadsheets. The sophistication in working with technology has also evolved. When it comes to multichan-

nel engagement, 85 percent of responding organizations are now thinking about how to orchestrate a digital strategy across their websites, social media, and internet advertising. Raising awareness, capturing interest, and cultivating engagement are the underpinnings of a nonprofit's digital strategy. An important new era in organizational transformation will open up as programs realize the benefits of a connected mission woven together with an amazing data strategy.

NOTHING STAYS THE SAME

I am privileged to work with many nonprofit technology executives. Sometimes, we convene in rooms and eat boxed lunches and have nerdy discussions. One of my favorite moments—and it happens quite often—is, after a heated discussion about organizational realities, someone says (not without a touch of exasperation): "The technology is the easy part!" Then you know you have arrived at the change-management part of the conversation. Eighty-five percent of those surveyed say that they believe technology is the key to their success, while just 23 percent have a long-term vision of how to use tech within their organization. This is not a healthy situation. Boards and executive directors need to prioritize technology change management programs if they want to strengthen their organizations and accomplish their missions today and tomorrow. This includes introducing innovative thinking into their engagement efforts, crafting and communicating a strong vision that stakeholders can understand and see how it applies to their work, and prioritizing funding and management support for these efforts.

Even when nonprofits make the right technology choices, without change and adoption there can be little return on its promise. Today's most successful nonprofits embed technology in each strategy and personalize these experiences to their people and the realities of their lives. Instead of feeling like more work, such digitally enhanced experiences should feel like they do with technology at home: empowering and nearly effortless. Forty-five percent of organizations surveyed say that a lack of flexibility for organizational change prevents a strategic use of technology across departments. Another 45 percent say that lack of appropriate staff for this kind of work holds them back, and 93 percent say change management is a challenge that prevents their organizations from benefiting from new technology.

Furthermore, we need to reimagine funding. As long as information technology (IT) remains

a second-tier funding priority, we will continue to consider our digital efforts as operational, not strategic. All departments should understand the tech funding paradigm and how it applies to their own work. Moving IT budgets from an operational cost center to a separate strategy-focused budget is a good move, and indeed 43 percent of nonprofits say this is happening.

There are some positive indicators that show that organizations and departments that embrace technology are experiencing positive results. Eighty-six percent of fundraisers believe technology frees up their staff time for higher-value work. Thirty-one percent of those who use CRM for donor-relationship management exceeded their goals, versus 23 percent who met or fell short of goals, while 37 percent of those who used artificial intelligence exceeded their goals, versus 23 percent who didn't. Many organizations are expanding their use of technology, recognizing that changing constituent demographics require a refresh of their base. Accordingly, they are delivering tactics that appeal to younger audiences: 39 percent cite using peer-to-peer campaigns and 45 percent cite employing volunteers or volunteer referral management. Mobile is another important factor for digital-native generations: 86 percent of surveyed organizations say that "mobile is important to me" when it comes to fundraising activities. Thirty-one percent currently use mobile apps for constituents, and 32 percent use mobile apps for their employees.

Technology first attracted me at a young age because I was intrigued by how it connected people and changed the way we engage with the world. When I came to nonprofits later in my career, mission-based work seemed a perfect application of networked technology: it connects people, it informs and inspires them, and it creates transactional opportunities that build the power of the organization. The value of a nonprofit isn't quantifiable by a profit and loss sheet. The value of a nonprofit is the presence and participation of its stakeholders and constituents—things that stoke the power of the organization. Technology creates the framework to make this real, and tracks participation, aggregating it up to a real demonstration of collective value and power. Perhaps we are talking more about evolution rather than change. The paradigm has always been there: people gathering, acting, and wielding their collective power to effect change. Technology greatly enhances this model, scales it, and makes it evident and quantifiable. Change is hard, but isn't this powerful vision worth it? ●
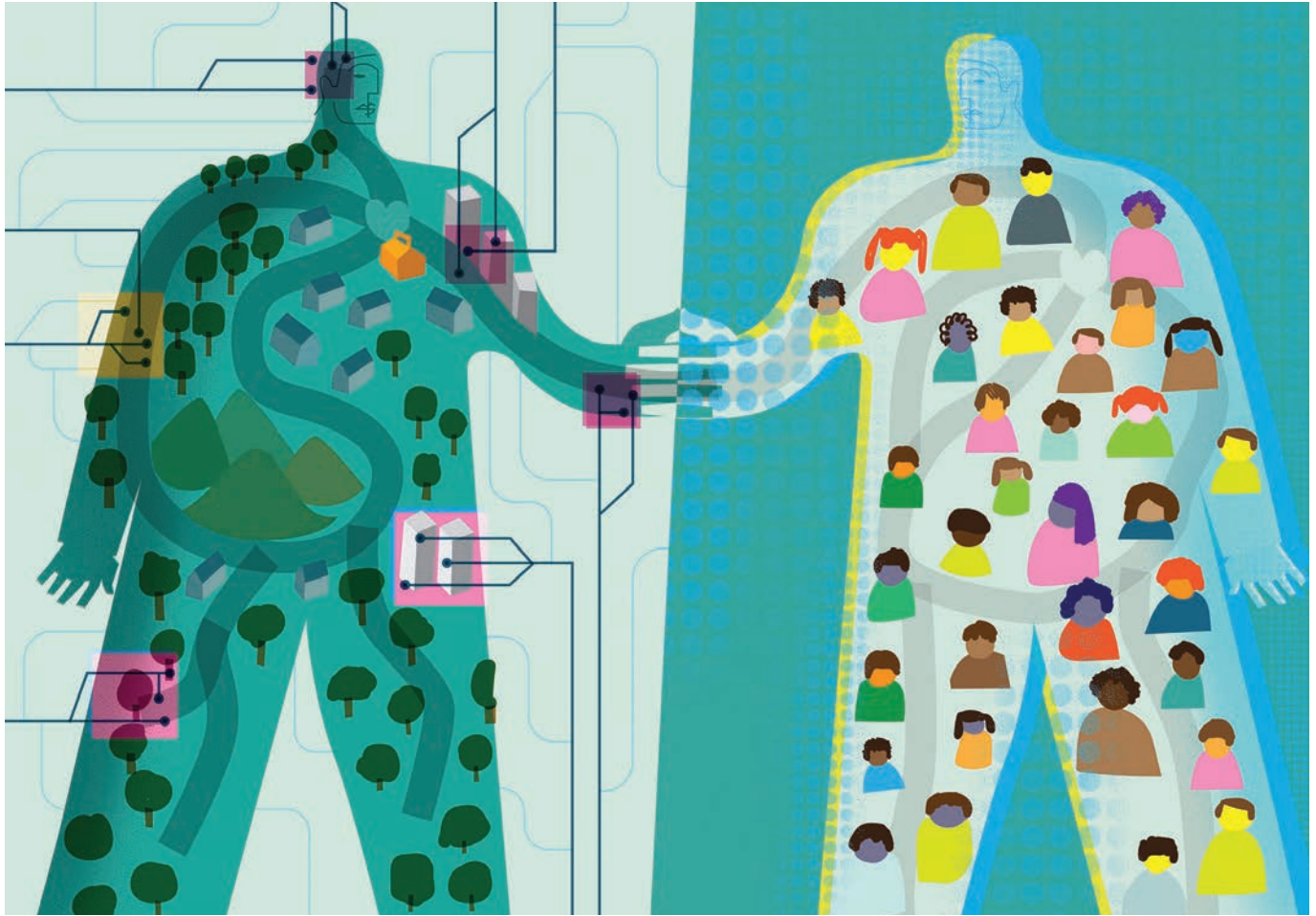
Data-Driven Connections for a Better World

For nonprofits to succeed in a transformed world, they need to use technology and data to create and sustain relationships with the people who believe in them.

BY ADRIENNE DAY

In terms of establishing brand identity, few nonprofits can claim the success of UNICEF and its once-ubiquitous little orange donation boxes. If you went trick-or-treating as a child, chances are, along with Snickers and M&Ms, you also collected pocket change for the social-welfare organization, which was founded in 1946 and now works in 192 countries.

Yet for many people, awareness of the nonprofit ends with that orange box, says Shelley Diamond, chief marketing officer at UNICEF USA, one of many national organizations around the world that financially support the global parent entity.

That failure to grasp the scope of UNICEF's efforts persists despite the fact it "does more than any other children's humanitarian organization around the world in saving the lives of kids," she says. And things aren't getting any easier for global nonprofits. A larger shift underway is impacting many international humanitarian groups. The political landscape in the United States and elsewhere has changed dramatically, economic inequality has reached remarkably high levels, and global crises—from the degradation of the environment to the COVID-19 epidemic—are posing huge challenges. Organizations of all types find themselves struggling more than ever with their own financial and operational health, compelling them to worry more often about protecting themselves rather than supporting others.

Diamond points out that schools once led the drive for UNICEF's trick-or-treat fundraising, but now their budget concerns have forced them to focus on raising funds for their own projects. More broadly, individual giving in 2018 declined by 1.1 percent from the previous year, according to Giving USA. The decrease is 3.4 percent when adjusted for inflation, despite a relatively robust economy. And the proliferation of GoFundMe and similar sites to raise money for a variety of causes has splintered donations further, with people now spreading their support across numerous organizations rather than two or three.

"In the world of philanthropy, if you ask people where they give money, what they care about, generally speaking, it's organizations that

deal with health, or your church, your synagogue or your university, and then community organizations," with humanitarian organizations at the bottom, Diamond says. "The propensity to give reduces the further away it is from what is personally relevant to you. We live in a world where we are protecting our own civil rights, and people are very focused on their own communities. We are competing for 'share of heart,' and that's really tough to do."

The data backs her up. Seventy-nine percent of the nonprofit fundraising professionals surveyed in Salesforce's 2020 *Nonprofit Trends Report* said that recent political changes have reduced the funds available for their organization. At the same time, 75 percent reported an increase in demand for their programs. To top it off, nearly three-quarters of nonprofits report that constituents' desire to be involved in their organization's work has risen over the past five years—an increase of 16 points over the previous year.

More than ever, individual donors are important. Nonprofits that fail to create and sustain a relationship with the people who believe in them may lose their support and fail in their mission.

THE JOURNEY OF A LIFETIME

If your slice of the pie is shrinking, what can you do to keep the funds coming? According to the *Nonprofit Trends Report*, 85 percent of respondents say they "use insights from marketing and engagement data to target outreach efforts and tailor communications." To create awareness and effectively communicate with constituents, many nonprofits tailor messages to each individual and meet people "on the channels where they live," the report says. Yet just over half of respondents say that they measure donor or client satisfaction, and 34 percent take no action on the feedback they collect.

If competing for funding in an increasingly fragmented donation environment is more and more difficult for most nonprofits, then to keep funding streams strong, most nonprofits need to find ways to forge meaningful connections with new and longstanding supporters. That can't be accomplished without personalized and real-time information to identify potential donors, engage with them, convert them to becoming donors, and, ideally, create an ongoing relationship with them, Diamond says. UNICEF has mastered this art of deep, authentic, and fine-tuned connections by collecting and using the data they have on their supporters. For example, the organiza-

tion tests its donation pages by the minute, enabling the team to make quick tweaks based on user behavior.

Andy Rhodes, who oversees technology, digital, and data strategies at UNICEF USA as its chief information officer, calls this relationship with donors the "journey of a lifetime."

This journey might begin in high school or college, a period of time when people tend to become more civically active. Ideally, the connection is maintained for the rest of that person's life. This theoretical lifetime donor, Diamond says, "trick-or-treated and then they went to college and became a small donor, then they made a lot of money, and they became what we call our 'next gen.' Then they IPO their tech firm and made a real lot of money, and they gave us $5 million to [support] orphanages, and then, sadly, many leave us in their will."

Rhodes's team provides Diamond and her colleagues with the data they need to connect with donors and potential donors for this journey. Actions taken along the journey will, in turn, create more data, which Rhodes's team can use to accrue deep knowledge of what their donors really care about. Armed with that information, Diamond can answer questions about how and where to engage supporters, and how to measure efforts to do so.

"In this world where maybe 1 percent of the population cares about an international humanitarian organization, having data to find those people at a zip code level, and find content that they care about—that's magical," she says.

BUILDING TRUST

According to the *Nonprofit Trends Report,* "transparency and trust are still the keys to success," with 69 percent of the surveyed nonprofits indicating that the demand for transparency around funding has increased at least moderately over the past five years.

In order to earn that trust, however, it is important to make clear what any donor is going to get in exchange for their time or money, says Alva H. Taylor, faculty director of the Glassmeyer/McNamee Center for Digital Strategies at the Tuck School of Business at Dartmouth College.

"If I give you a dollar, or if I allocate an hour of my time to spend with you, what do you promise I'm going to get out of it?" Taylor says. "What is your clear promise to your customers, your clients, your constituents? And that [promise] builds the foundation for everything else that you do."

That promise varies depending on the community an organization is working with, he notes. It should be as simple as possible, even if the strategy behind it is complex.

"If you're an educational nonprofit, your promise might be, 'We're going to increase your test scores' or 'we're going to decrease your dropout rate.' If your focus is on health care for children, the promise to parents might be, 'You're going to be better prepared to take care of your child,'" Taylor says. "Often, these organizations come up with these things that have all these big words about synergies and productivity and disruption [and lots of other] jargon, but they don't really tell you what your promise [is], and what it is you do that is different from anybody else."

Eric Dayton, the manager of digital infrastructure for the education nonprofit buildOn, expands on that concept, saying that a nonprofit ideally should tell donors the impact of their dollars immediately and over the duration of a project, a difficult but not impossible undertaking.

"We send out a unique link to a donor that is only that donor's data," he says. "When they log in, they can see, 'Okay, there's the money I gave. Here's where it went, and this is what is happening long term.'"

To realize transparency with its supporters and the trust it engenders, UNICEF's 13,000 people in the field provide real-time information on the status of the organization's myriad programs.

"How we spend your money is a key element in building trust, and we want to lay out as clearly and succinctly as possible how much of the money you donate goes to programs," Diamond says. "So if you want to make sure that the money you gave is ensuring that kids have safe drinking water, we actually have people on the ground, who are ensuring that we have that information in real time to provide to the people who have trusted us with their money."

Finely tuned data is a critical element in crafting those messages. UNICEF also collects information about each engagement with each of their constituents, and then uses that data to tailor experiences that, by being relevant to individual needs, help create trusting, life-long connections.

"Trust is something that's earned by consistent relevancy and consistent delivery of messages that are timely and important," Rhodes says, but the communication is about more than just money. "Some years it might

mean making a donation, other years it might mean writing a letter to a congressperson."

And when communication goes awry by pinging supporters with information that doesn't resonate for them, Rhodes's team can quickly observe the misfires and rectify them.

"If click-throughs aren't happening on a specific topic, we know to back off on that topic, either at an individual level or at a population level," he says. "But that's the granularity of data we're looking at these days, and our digital team has only gotten better at using that data."

POINTS AND PLOTS

For all of the power that data can bring to bear on creating lasting and meaningful relationships between organizations and their supporters, it still isn't enough. Donors' demands for deeper connections require not just real-time and personalized information, but also moving stories about the good that the nonprofits they support are doing in the world. Technology can help here, too.

"It's the stories that draw people in, and technology is at the heart of that," says Aparna Kothary, director of technology operations at Global Citizen Year, a nonprofit that helps organize gap year study-abroad programs for high school seniors. "You can really build the tools to be able to collect those stories, with more frequency and more quality."

The nonprofit's website features fellow stories, blog-style updates by overseas participants in the program. It also provides alumni stories, multimedia packages about Global Citizen alumni that include videos.

At UNICEF, such stories are numerous and delivered on its website and over social media. A couple of the campaigns include airlifting midwives to help pregnant women give birth in conflict zones in Nigeria and turning harmful plastic waste into plastic bricks to build schools for children in Côte d'Ivoire. In response to COVID-19, the organization is using chatbots to provide evidence-based information to millions of young people across 42 countries.

By combining powerful data with engaging stories, organizations can execute what the *Nonprofit Trends Report* refers to as a "comprehensive engagement strategy" that ensures deep connections between nonprofits, beneficiaries, donors, clients, and partners. And by creating and strengthening those rich relationships, the collective goal gets closer, one story and one data point at a time: a better world for all. ●

Invading the Darkness of Child Sex Trafficking

How Shared Hope International uses digital tools and meaningful grassroots experiences to activate support.

BY MARISSA GUNTHER

For the past 20 years, Shared Hope International has been working to bring justice to vulnerable adults and children who have survived and overcome sex trafficking. Our small but powerful team of 18 staffers has managed to secure a global network and reach, leading prevention strategies, restoration programs, and justice initiatives to combat trafficking in the United States and abroad.

One of the main ways we have been able to provide our life-changing services is through the passionate and generous support of our advocates, volunteers, and donors. But in 2016, we noticed a declining trend in donor support. We knew we needed a solution to reengage with supporters and strengthen our reach within our community. By leveraging the power of our technology systems, we have been able to transform, grow, and deepen our relationship with our supporters, and ultimately extend our efforts to raise awareness about the realities of child sex trafficking in communities across the nation.

SUPPORTERS MAKE PROGRAMS POSSIBLE

Shared Hope's three-prong approach to battle sex trafficking—awareness and prevention training, restoration and empowerment for victims, and justice through legislative advocacy—is changing the way society recognizes and helps sex trafficking survivors. Training equips professionals and advocates in the field with skills to increase the identification of people who are vulnerable to and exploited by trafficking. We provide a range of restoration services to victims—both directly and through support from other service organizations—that include safe homes, medical care, education, vocational training, therapy, outreach, and intervention services. In addition, our team of attorneys works with legislators at both the federal and state level to accelerate policy actions that protect victims and hold offenders accountable.

MARISSA GUNTHER

A national network of supporters raises money and works alongside Shared Hope to make these programs possible. One-hundred percent of our financial backers are private donors, and many of our donors have been with us since day one, 21 years ago.

Due to the increase in anti-trafficking organizations opening their doors, many of which Shared Hope provided training and support to, we experienced a severe decline in our number of supporters between 2014 and 2016. In order to survive as an organization, we urgently needed a strategy to restore relationships. After a deep dive into our supporters' profiles, we quickly recognized that we needed tools to get to know them better, offer more meaningful engagement, and target them with bespoke strategies. When we realized our customer relationship management (CRM) system wasn't meeting our needs, we turned to Salesforce. It had just what we needed: scalability, the ability to customize, and compatibility with a lot of other technologies that we wanted to use.

Now, four years into the use of the system, we've seen a dramatic turnaround.

After transitioning our CRM, Shared Hope reexamined our supporter outreach and landed on three strategies. First, we would raise awareness of the warning signs of trafficking and how to respond with effective, easy to share tools. Second, we would offer meaningful experiences for supporters through the pathways of advocacy, volunteering, and giving. Third, we would maintain our multiyear supporters at a high retention rate, increase new leads and supporters, and reengage lapsed donors.

WORKING THE PLAN

We began by segmenting our supporters in order to tailor communications and outreach. With the depth and breadth of our CRM, we have been able to build out a fuller picture of donor profiles, including their history of engagement with Shared Hope. Different giving levels are associated with a targeted engagement plan and actionable daily task lists that staff can review and complete. This segmenting has even helped our staff, board of directors, and volunteers to become more hands-on, enabling them to participate in annual phone call campaigns to reach out and thank all of our supporters. For individuals whose support has lapsed, a monthly email and regular calls highlight opportunities to reengage with Shared Hope. These customized supporter messages are organized and automated in our marketing system's engagement studio, Pardot, which was recently acquired by Salesforce and is offered on its AppExchange.

In addition to targeting our supporters by giving level, Shared Hope curates communications around particular programs and interests. Supporters who are interested in policy work, for example, receive targeted emails about our work and events around legislative initiatives. Onboarding new supporters has also improved; new contacts automatically receive a series of introductory emails describing Shared Hope's work and opportunities to get involved. Thanks to segmentation, we can create scripted outreach and build a foundation for conversations we weren't able to have before.

We're also able to collect important insights about our media mix strategy. Our marketing system tracks how individuals come to Shared Hope's website through our various media channels, which we use to adjust and strengthen new lead and supporter acquisition strategies.

With our up-to-date information, we can now be strategic about how we engage and communicate with every single supporter in our system.

GROWING, MANAGING, AND EMPOWERING A NATIONAL NETWORK OF SUPPORT

Our supporters do more than just donate. We have more than 1,100 volunteers, called Ambassadors of Hope, who provide prevention education to communities and youth across 49 states and Washington, DC. In order to support and manage a large volunteer force well, we use our CRM to track contact information, resource requests, volunteer tasks, and hours. In addition, we can build a picture of our volunteer networks—tracking new supporters recruited by current volunteers—and highlight outreach and awareness opportunities in volunteers' communities.

We also invested time in developing new tools, using Shared Hope's research and expertise that can be easily and quickly consumed and shared by our network of volunteers, donors, and the general public. Some of these new tools include:

- A video series on child sexual exploitation and internet safety
- A new, inspiring activist toolkit that includes Shared Hope's latest book, *Invading the Darkness: Inside the Historic Fight Against Child Sex Trafficking in the United States*
- An initiative that provides weekly information tools to busy advocates, that take 15 minutes or less to read and share
- An advocacy engagement tool that provides our supporters with talking points and quick pathways to federal and state legislators to connect on policy issues in real time
- Interactive, self-paced online training programs for professionals

Another group of our volunteers, called Grassroots Heroes, amplifies our work in legislative advocacy. Individuals who support our campaigns can sign up to send preformatted tweets and emails to their federal and state legislators through Phone2Action (an AppExchange integrated application). Phone2Action automatically imports contact information for these supporters into our CRM and marketing systems, which frees up valuable time and labor for staff members. Single campaigns, including Shared Hope's work to circulate petitions and information around the 2018 clemency case of Cyntoia Brown in Tennessee, gathered 4,500 names in a

six-month period. And in 2019, our Grassroots Heroes used our Advocacy Action Center to make 8,798 connections with their legislators and raise their voices for stronger state laws. Every year, Shared Hope grades states on the strength of their laws and how well they protect victims and hold offenders accountable. We saw 10 states raise their grades in 2019, and we have our grassroots advocates to thank for helping our policy team make such strong progress.

During the first quarter of 2020, Shared Hope introduced our Weekend Warrior initiative, which aims to equip busy supporters with weekly, easy-to-share tools that can fight child sex trafficking in 15 minutes or less. By connecting digital ads about the initiative to our marketing system, in just six weeks we brought onboard 765 new advocates across the country—which means we also brought in 765 new supporter leads. We anticipate that this group of supporters will grow as we equip them with meaningful tools and provide easy pathways for them to engage with their families, friends, and colleagues.

Our more personalized and strategic outreach and engagement has also paid off, as we've seen our new support acquisition increase by 37 percent since fiscal year 2016-2017—a rise of $368,070. We've also increased our total supporters by 19 percent, and we're maintaining multiyear supporters at a rate of 80-plus percent.

Next up, we placed our focus on expanding critical programs, with plans for staff to collaborate with national leaders, field experts, and our supporters on training, legislative advocacy, and policy work at Shared Hope's Institute for Justice and Advocacy. The institute will enable Shared Hope to dig even deeper on the issue of child sex trafficking, its causes, and solutions. Our expanded, more aggressive stance means taking on emerging challenges as they come. We just opened the doors of the institute on January 23, 2020, in the heart of Washington, DC, strategically located two blocks from the White House. We own the property debt-free thanks to a successful $2.8 million, five-month capital campaign completed in 2019.

With the doors of the institute open and our scope of work ever-expanding, we are certain our strengthened relationships with our advocates, volunteers, and donor community will continue to help us achieve our mission. Years from now, we will look back on this time and say, "That's when the tide truly turned; that's when the eradication of sex trafficking dramatically accelerated." ●

From Measurement to Success

Urban Institute's work highlights the transformative potential of investing in data and tech.

BY KHULOUD ODEH & SHENA ASHLEY

Data and digital technology are crucial for nonprofit work. They can drive innovation, improve operational efficiency, and increase mission impact. But greater adoption requires investment, capacity building, and an impact-driven case.

Having access to quality data along with the appropriate technology to elevate insights and inform decisions can be a real game-changer for nonprofit organizations when it comes to measuring work and reporting on impact. The powerful tools of data and digital technology, when used effectively, can help nonprofits make informed decisions about their use of resources, shape the design and implementation of programs and strategies, and help them differentiate their strategies and approaches for their various stakeholder communities.

Nonprofit leaders know this, and many have taken the effort to build data collection into their program strategies. But many still struggle to get the most value from data and technology. Even when nonprofits are rich in data and have access to open-source and off-the-shelf technologies, there are still real barriers to measuring performance and reporting on impact. The respondents in the second edition of Salesforce's *Nonprofit Trends Report* speak to this dynamic, with 75 percent reporting that measuring and reporting data is a challenge and that time and resource constraints are specific barriers. Even when leaders can overcome these barriers, only 44 percent say that they measure their impact at all, and 69 percent say that it is hard to share personalized impact data from programs with funders.

These numbers are disheartening, but they are consistent with what we hear from nonprofit leaders. They are also enlightening, as they underline the need for capacity-building support to strengthen and enhance the use of data and technology in nonprofits for measuring performance and impact. Given the time and resource barriers that nonprofit leaders face, it is insufficient and improper to keep placing the responsibility in their hands without providing the necessary capacity supports, such as sustainable funding to build and improve their infrastructure over time, access to toolkit resources and standardized practices for designing impact reports, and group training and peer supports for knowledge sharing.

When the opportunities to harness the transformative potential of data and technology are based on an individual organization's ability to cobble together the necessary resources and skills, it fuels a data and technology performance gap that keeps too many organizations from realizing the full potential of their assets. At a time when nonprofits report an increased demand for transparency, as the *Nonprofit Trends Report* attests, it is becoming increasingly clear that strategic use of data and technology can be a differentiator for a nonprofit. The challenge for the broader social-change sector, then, is to find ways to make access to the opportunities for performance measurement and impact reporting more equitably accessible to nonprofits of varying sizes and capacities.

BUILDING CAPACITY

Currently, the state of performance measurement and impact reporting among nonprofits varies widely, and resources to improve capacity are scarce. At the Urban Institute, we are fortunate to work on some of the leading philanthropic initiatives focused on building the data capacity of nonprofit organizations within an equity-based framework that centers accessibility to organizations of different sizes and openness to different approaches to delivering impact. Through this work, we have seen nonprofit organizations large and small, with and without data-focused staff and measurement systems, experience real benefits from building new skills.

Below, we highlight two capacity building initiatives: The World Bank Group-funded Measure4Change program and the Citi Foundation-helmed Community Progress Makers Fund, both of which enlisted Urban Institute staff to deliver technical assistance for measuring and managing performance data. We also describe some ways that nonprofits in these capacity-building programs have used their new data capacities to improve their measurement and communication with stakeholders.

Measure4Change | A program of The World Bank Group and the Urban Institute, Measure4Change was designed to build performance measurement capacity among local nonprofits in the Washington, DC, metropolitan area. It aims to fill the long-standing gap between what nonprofits in the city *want* in their data capacity and what they can actually do. The effort sought to deliver performance measurement training in a way that is practical and accessible for nonprofits over an extended period of time to help it take hold so that the DC region's nonprofits could better understand how they are helping their constituencies and how they can improve.

Measure4Change has three components: grant support and one-on-one

KHULOUD ODEH

SHENA ASHLEY

technical assistance for grantees, a regional community of practice, and knowledge briefs. The unique blending of financial, technical, and community support—definitive of the Measure4Change model—helps organizations that struggle with the technical complexities of measurement and evaluation and the difficulties of the organizational changes and cultural shifts that they demand.

After working with the first cohort of grantees, we have learned that performance measurement capacity building is a "two steps forward, one step back" process. As participating organizations gain additional knowledge and tools, they often find the need to revisit or adapt previously developed resources. When surveyed, nearly all respondents commented that two years was too short a period to expect a full build-out of a robust organizational performance management capacity, much less achieve changes in outcomes. Staff turnover and challenges in implementing new software and data systems substantially limited capacity development. But the knowledge and relationships they gained through the cohort were instrumental in helping all of them move along the journey of improving performance measurement systems.

Community Progress Makers Fund | The Urban Institute also provided data capacity-building support to the past two cohorts of grantees in Citi Foundation's Community Progress Makers Fund. Launched in 2015, the fund builds upon the Citi Foundation's commitment to supporting local solutions and organizations that are building stronger, more resilient cities that catalyze economic opportunity for *all* residents.

"Community progress makers" are change agents located in six US cities who are addressing a range of urban challenges, from economic development and affordable housing to environmental sustainability and urban infrastructure. The $20 million grant initiative invites applications from visionary nonprofit organizations in Chicago, Los Angeles, Miami, New York City, the San Francisco Bay Area, and Washington, DC. The inaugural cohort ran from 2016-2017, followed by a second cohort over the 2018-2019 period. The fund provides access to individualized technical assistance on a range of measurement and evaluation topics tailored to the grantee's needs. Community progress makers also receive monthly group-based webinars focused on building data capacity and sharing new methodologies and technologies.

One of the core skills that the grantees learned was how to connect their program data with population-level data to help them develop and communicate compelling stories that raise awareness for an issue or advocate for an intervention that can influence policy at both the national and local levels. They also learned methods for sharing data with their clients and constituents to create a feedback loop to engage them in the organization's learning and performance reporting. One strategy advanced for sharing data with clients is the use of "data walks," which is a method of sharing data and analysis with community stakeholders. In a data walk, program participants, community residents, and service providers jointly review data presentations in small groups, interpret what the data means, and pool their individual expertises. Grantee organizations that have implemented this technique report that it is beneficial in increasing client and constituent engagement and investment in their outcomes.

MAKING A CASE FOR INVESTMENT

In this digital age, where data is the new currency, no business or organization can survive, grow, stay relevant to its constituents, and achieve its desired impact without strategically investing in its technology and data infrastructure and capacity. Nonprofit organizations are realizing that—85 percent of nonprofits surveyed said technology is the key to the success of their organizations—and have begun investing in digital transformation efforts. Funders who realized that, including The World Bank Group and Citi Foundation, have started supporting those efforts.

So, why are so many nonprofit organizations still behind, even when they have invested in their technology capacity? The survey provided several insights to answer this question, but the need to make an impact-driven case for investment is the most critical one. Regardless of whether the investment comes from an internal or external source, it is an essential skill for nonprofit leaders to be able to make the case, grounded in impact, for why investments in data and technology capabilities are necessary. As a nonprofit, we at Urban Institute had to build our own capacity to make a compelling impact-driven case, so five years ago, we embarked on our "digital transformation for impact" journey. Today, the office of technology and data science is informing Urban's policy research work and driving innovation for impact by applying cutting-edge technology, data science, and research methods.

Here are additional insights from the report:

Be purpose-, problem-, and human-driven—not just technology-driven. | Urban is an organization dedicated to elevating the debate on social and economic policy. Our scholars conduct rigorous research with analytic excellence and independence and share insights to help changemakers catalyze and accelerate solutions that advance upward mobility, equity, and shared prosperity. The more we focused on understanding Urban's mission, operating model, challenges, and the needs of its constituents, the more successful we were in identifying effective technology solutions.

To succeed in leveraging the power of technology and data to transform the way Urban delivers value and accelerate impact, we had to start by asking, "Why?" This gave us a great understanding of Urban's mission, operating model, and desired impact. Then we asked, "What?" What problem are we solving with technology? What challenges and technical barriers are in the way of achieving the desired impact? And what do our staff and constituents need? We found that the most significant policy research challenge facing Urban—and organizations like Urban—is how to continue delivering power through knowledge so all people can thrive in a fast-changing world. We also asked, "How?" How can we deliver the power of knowledge at the speed of change? When we continue with business as usual, we face several technical challenges:

- Traditional methods take a lot of time.
- We live in an explosion of data in terms of size, sources, and types.
- With the increased complexity of data and policy challenges, the modeling methods and calculations are getting more complex and require intensive computing power.
- Traditional dissemination methods in multipage reports and data tables make it harder to interact and gain insights to inform decision-making in a timely manner.

We realized that to stay relevant and make policy impact, we have to move beyond business as usual. We can't empower a policy research organization like Urban with technology alone; we needed to become an empowered institute with experts who understand technology *and* policy and can leverage new research technology and data science methods to remove technical barriers, transform the way policy decisions are informed, and unlock new sources of data that help us tackle existing problems in a new light.

Think big, start small, fail fast, and scale rapidly. | Today, our office of technology and data science serves as a bridge between cutting-edge technology and policy research. We work to fill knowledge gaps by accessing new sources and new types of data, and deploying advanced methodologies to unlock them for rigorous analysis. Urban is refining policy design by leveraging advanced cloud computing, artificial intelligence, machine learning, and predictive analytics to strengthen and enhance our microsimulation and policy analysis. And we are making high-quality information more accessible and interactive using new communication tools and technology (think Data Viz, APIs, and microservices).

Our process to get here was to think big, start small, fail fast, and scale rapidly. It began with Urban's leader, Sarah Rosen Wartell, convincing the board to make a multiyear investment in technology and communications infrastructure via the organization's endowment. The aim was to go from laggard to leader in these areas and remain a recognized force in the field of policy research. Urban's leadership had a hypothesis that philanthropic investment in the programs would follow if Urban demonstrated higher capacity.

The hypothesis proved correct, and these contributions moved Urban's technology efforts from reactive to more proactive, agile, and innovative. The strategic investment allowed us to build resilient and modern infrastructure, leveraging the power of the cloud and high-performance computing. For example, to rapidly respond to policy changes, we had to adopt a decoupled architecture approach where we split data, computing, and results into three distinct layers and connect them all with a set of programmable interfaces (APIs) that can get and send the information between the layers and across other applications. And when it comes to technology, speed is everything, so we had to adopt agile methods and rapid prototypes to fail fast and deliver solutions faster. Rapid prototyping allows us to develop solutions quickly, validate them, and continue to build and improve the solution with small investments at each step. And we had to invest in providing space and resources for innovation and building a culture of continuous learning and improvements.

Our work is proof that strategic investments in data and digital technology can not only shape nonprofits, but shape nonprofits' success. ●

Tech and Data That Inform, Inspire, and Involve

The public radio and television station KQED has thrived amid a tumultuous period in the media industry by using technology and data to optimize the delivery of its grassroots journalism and improve relationships with its listeners.

BY ADRIENNE DAY

With more than 230,000 members, KQED is one of the most popular public radio and television stations in the United States. Even as changes in the media industry are decimating magazines, newspapers, and other outlets, the member-supported nonprofit based in California has not only survived for nearly seven decades, but flourished.

If you're wondering how, Tim Olson, KQED's senior vice president of strategic digital partnerships, has two words for you: reach and relationships.

Ensuring the station reaches as many listeners as possible involves some familiar and well-tested steps, such as being part of the public news ecosystem—NPR, PBS, and other outlets. Other approaches are newer, involving partnerships with technology companies such as Apple, Google, Salesforce, and Amazon.

"We want to get our stuff out there for people to consume it, whether they are using Alexa, YouTube TV, or Google News," Olson says.

But when it comes to long-term financial sustainability, getting content in front of people isn't enough; the internet has transformed the advertising business, gutting revenues for traditional publishing outlets. Coverage of local news and less sensational topics has largely dried up along with money from ads. Yet KQED's newsroom has grown at least 25 percent over the past decade and includes a robust science team. To fill the financial gap, the station needed to increase listener donations, and to do that, they had to get closer to their audience members than ever before.

"We need them to have a relationship with us," Olson says. "That's a core theme of the publishing world right now. We need to continue to move into the modern age of: You actually know me and you are providing me digital relationship touch points that are relevant to me."

Building those personalized relationships can be difficult, but technology and data are powerful and essential allies in the struggle, according to Salesforce's 2020 *Nonprofit Trends Report*. Their strength lies in their ability to provide a granular assessment of audience members, helping to provide content experiences tailored to the interests of a single person.

"We used to have a household model, and now it's obviously an individual model," Olson says, comparing it to a group Netflix account that offers different login options for different people.

It's no secret that businesses possessing and acting upon troves of data about their customers can experience extraordinary success—look no further than Google, Facebook, and Amazon, tech behemoths that are both revered and denounced for their intimate knowledge and fulfillment of people's needs and wants. With those prominent examples, it's unsurprising that 84 percent of nonprofits surveyed in the Salesforce report say they use insights from fundraising data to hone their messaging. Yet only 43 percent of them actually measure their fundraising goals, and nearly half "feel challenged in capturing and measuring data on constituents." In addition, only 44 percent of respondents say that they measure their impact, and 50 percent report challenges when trying to glean insights from the data they do collect. And 73 percent say they can't tell if their programs are effective or reaching target populations.

Clearly, nonprofits are struggling to capture and use the information they need. The challenge is two-fold: In the case of KQED, granular measurement involves capturing

not just data on the popularity of the station's programming, but also data on the communities being served.

For assistance, the station turns to its alliance with other public media organizations like NPR or PBS, which provide detailed information about their shared audiences. These combined data sets give KQED a clearer picture of what its audience wants and needs. With that knowledge, the station can, for instance, reach new audiences, provide podcasts its existing listeners might like, share information on events in people's neighborhoods, or identify nearby locations to donate blood.

The approach is similar to how the Girl Scouts use data from all 113 of its local organizations in its digital cookie program to make decisions about how to best sell their famous treats. For another example of the power of interwoven data sets, take the work done by two social scientists for Allegheny County, Pennsylvania. They built an algorithm that pulled together a fractured array of public government data

about allegations of maltreatment of local children into a single score that indicated how safe the children were in their homes, explains Emily Putnam-Hornstein, one of the scientists and an associate professor at the University of Southern California. By freeing the data from its silos, it became clearer which family needed help.

More nefariously, the KQED approach also evokes Facebook, which tracks its users as they travel from page to profile to comments to videos, enabling the social network site to deliver personalized ads. Yet Olson stresses that KQED "wants to use data for good, not data for creepy." The station's focus is on informing people, not marketing to them. And like any responsible outlet trying to manage the large responsibilities that come with large collections of data, it takes people's security and privacy seriously.

Putting that data to use—connecting the right stories to the right listeners—hinges on KQED having a "suite of customer management tools" at their disposal, Olson says. The station uses NGO Connect as their core

customer relationship management (CRM) software and Salesforce Marketing Cloud to generate emails and other forms of outreach. Other tools help with the management of events, donations, and marketing. All together, they enable "a curated, personalized experience," Olson says.

The benefits of custom-tailored content feeds are clear. But there are risks, too. More and more concerns are being raised about constrictive bubbles of news and views that insulate people from important information and strain social bonds. To counter that threat, KQED editors strive for a hybrid model—every listener might get a relatively uniform update about COVID-19, for example, but individuals might receive personalized information about where to pick up personal protective equipment based on where they live.

The goal, Olson says, is to smartly distribute grassroots journalism in all its forms to the station's listeners, not create a "filter bubble of editorial." As KQED's motto puts it, technology and data should "inform, inspire, and involve." ●

Driving Social Change With Data

Data is a powerful tool for creating social change, but it can fail to deliver if it lacks rigor or exists in silos. With the right approach, "you can just let the tools do the work," says the manager of digital infrastructure for the education nonprofit buildOn.

BY ADRIENNE DAY

In 2012, Eric Dayton was a recent college graduate who faced a tech problem that would shape the course of his career. Experience Matters, a nonprofit based in Phoenix, Arizona, wanted him to integrate two isolated spreadsheets. One sheet had information about local volunteers, while the other had data on local community organizations that needed volunteers.

One challenge was that Dayton had studied international relations, not computer science. He didn't code—his university in Botswana barely had the internet. Experience Matters also lacked a data team to help him. And he knew nothing about Salesforce, the software that the nonprofit wanted him to use to eliminate the tedious process of an employee scanning two disconnected spreadsheets in order to sync volunteers' skill sets with locals' needs.

Like many people in their first job, Dayton learned as he went. He figured out a system to connect the groups of data. The pace of connections started to pick up: Not long after the new system went live, a former Intel engineer used it to connect to underserved kids at a local music school and build them a sound studio. Other successful projects soon followed.

The experience showed Dayton the power of easy-to-use, scalable software to turn raw information into something that could make a difference in the real world. It also launched his career as a data manager and gave him insights into the haphazard approach to technology that many nonprofits employed and still use today. "We don't have teams of engineers," he said. "We don't have teams of data scientists. We don't even have teams of database administrators."

Dayton's own organization, the education nonprofit buildOn, is one exception. As the organization's manager of digital infrastructure, he oversees a suite of data tools that is essential to running complex, collaborative, and geographically distributed tasks to construct schools in poverty-stricken countries around the world and run education and community service programs in the United States. In Malawi, Dayton said, buildOn might coordinate 15 to 20 simultaneous projects with numerous stakeholders across 100 different communities that have varying degrees of connectivity to the internet. And that's just one country.

"If [people on a project] are traveling to and from those communities by motorbike, if they're writing things down on a piece of paper and traveling back to the office and then entering data manually, a lot is going to get lost in translation," he said in describing the challenges. One solution he is piloting is an app that will allow anyone working on a project to make updates from the field through text messaging. The app uses a chatbot-like interface with preprogrammed conversation prompts that cover an organization's every activity and goal so a user can indicate, for example, if they've dug latrines or worked on a foundation that day. The app will also sync up with outside sources, such as the Malawi Ministry of Education's database. The connection will allow for more surgical analyses, such as figuring out where a school is most urgently needed. This prepares buildOn to prioritize those communities and scale their work accordingly.

BREAKING DOWN THE SILOS

Dayton said that his experience in Malawi and buildOn made clear how important it was to not just track data, but tie it all together. Otherwise organizations face the risks of "data silos"—a collection of information maintained by one part of an organization that is isolated from and not accessible from other parts of the organization.

When data is trapped in silos, people tend to work in silos, Dayton said. Effective collaboration requires a single source of truth and shared set of facts, and software like Salesforce can help create them, he has learned.

Much of his experience is echoed by other nonprofit professionals. For the second year in a row, Salesforce surveyed hundreds of nonprofits from around the world to assess what issues, trends, and opportunities they were experiencing. The resulting *Nonprofit Trends Report* (2nd edition, 2019-2020) concluded that "data is fast becoming the lifeblood of nonprofits as they seek to improve—and prove—impact." Part of the focus on data is a concern with communication. With finely tuned data, a nonprofit can share information about outcomes and opportunities that might appeal to their supporters as a whole or subsets of them. Those targeted stories can lead to the donations that keep nonprofits running.

These increasingly sophisticated data systems reflect broader changes in the social sector to emphasize "people-centered services," said Emily Putnam-Hornstein, an associate professor of social work at the University of Southern California and director of the data-integration platform Children's Data Network. When these data systems were originally developed, they were developed around funding streams and a particular way of delivering a service, she said, an approach that created a "narrow vision" of who nonprofits were serving. That, in turn, blocked organizations from potentially making big advances with the help of knowledge that spanned more than a single perspective. Siloed information makes it difficult—if not impossible—to understand the "efficiencies that might be gained if we coordinated services differently," she said.

Without a common place to collect information on their constituents, nonprofits cannot effectively connect with the communities they serve or their donors. They can't easily reach new audiences, respond to new challenges, and capitalize on new opportunities. They become less agile. They may flounder rather than soar in the face of rapid change. Yes, 58 percent of nonprofits capture data on client or program participant satisfaction, the Salesforce report found, and another 51 percent measure donor satisfaction. But one in three nonprofits do not act on the information they collect, perhaps due to flawed data or lack of collective access, especially if the

data is trapped on a spreadsheet or in a hand-written survey.

TURNING ON THE LIGHTS

It's a lot harder to improve a program if you aren't able to measure its success, notes the trends report. But how can we measure success in a sector where the bottom line is not purely financial? The answer is that many nonprofits do not. They just "bowl in the dark," to borrow a phrase from Melinda Gates' seminal 2010 TED Talk, "What Nonprofits Can Learn From Coca-Cola."

The bowling metaphor gave Dayton a useful perspective on his own work: "You hear the pins go down. You think, 'Wow, I did an awesome job!'" he said. "But then the lights come on and only one pin has fallen."

Without real-time data, there is no light, Gates said. It's a lesson Coca-Cola knows better than most with its massive distribution network. If a store in Malawi runs out of the beverage, the company knows and can quickly ship more product to that location. Or if sales flag in San Francisco, Coke can identify the problem and try to address it.

Nonprofits should embrace a similar model, Dayton said, by adopting a theory of change that they constantly evaluate, with perpetual feedback loops built in at every stage and every level of a project. But what does that mean for an organization that is about more than moving a certain number of units of a particular product? For one, nonprofits need to collect performance data not only to

measure the impact of a particular project, but also to drive continuous improvement within the organization itself. Jarrod Bell, CTO of Big Brothers Big Sisters of America, who spoke on a recent *SSIR*-Salesforce panel, said that such data can provide "not just a report of what's happened, but also [the opportunity] to experiment around innovation, and actually tweak our programs based on the kind of feedback we see in the system."

Getting at such valuable information is not always an easy task. Seventy-five percent of nonprofits surveyed said they struggled with how to measure and report data, according to the Salesforce survey. Another 47 percent said that capturing and managing accurate data on constituents is a challenging, complex undertaking that the report described as requiring new and deeper levels of data, goal setting, automated processes, and the rigorous tracking of results. For nonprofits to effectively create change, everyone in the organization needs to have access to information about the people they serve. Then they can begin to analyze performance metrics and overall impact.

To make matters even more complicated, many donors now expect this kind of data be delivered to them: Sixty-nine percent of nonprofits surveyed said that the demand for funding transparency has increased at least moderately over the past five years, up from 64 percent in 2018. Donors want to know their dollars are going directly to the people who need it most and not getting tied up in

bureaucracy or helping to inflate an executive director's salary.

Being thoroughly transparent also creates longer-lasting and richer connections between nonprofits and donors, according to the report, because nonprofits that do so also better understand their supporters and can clearly communicate with them regarding content, opportunities, and outcomes.

This is important because "emotions are just as powerful as the data," said Becky Johnson, vice president of constituent experience and digital transformation at the American Heart Association (AHA), speaking on the *SSIR*-Salesforce nonprofit trends panel. "People don't remember what you do—they remember how you made them feel."

AHA's recent fundraisers pulled in almost a billion dollars, which ensured the organization can conduct its life-saving research. Part of hitting that goal is understanding donors the same way businesses understand buyers of their products, said Johnson, who formerly worked for big brands like PepsiCo. Donors are like consumers, she said—they want emotional feedback when they part with their money; donors want to see who they helped and feel for them. "Show me a face," she said. "Tell me a story."

Stories of schools built and lives changed pour through buildOn's social channels. It's clear the nonprofit knows how to emotionally connect with its donor base. Another way it connects with its supporters is by directly involving them with its work. Through its Trek program, buildOn not only brings people together to raise and contribute $30,000 to cover the cost of building one school, it also involves them in the actual construction.

Dayton notes that Trek participants need to be able to raise the funds themselves. "We can't possibly hire enough development staff to go in and manage every single one of those individual donors, so we empower those people to be fundraisers," he said. "Then they engage their communities to do that work."

Organizing the projects was another data-wrangling challenge that Dayton solved in 2014 with the Salesforce platform Classy, which enables peer-to-peer fundraising and crowdfunding. From 2013 to 2018, the number of Trek donors went from 500 to 15,000, a leap that Dayton said was largely made possible due to the technology.

"It's all about scalability," Dayton said. "You don't need a staff to manage this—you can just let the tools do the work." ●

Creating a Digital-First Strategy

Nonprofit leaders should think less about the technology and more about the people who will use it and the goals they hope to achieve.

BY ADRIENNE DAY

When Sarah Angel-Johnson came to the Girl Scouts as its first-ever chief digital cookie executive, she took over an $816 million business tied to a century-old institution. Her mission: help modernize the organization and grow its cookie sales into a billion-dollar enterprise.

Keeping with the Girl Scouts' goals of teaching self-reliance and service, Angel-Johnson saw an added opportunity to infuse some modern business sense into the nonprofit and transform it from a pen-and-paper operation into a digital-first operation.

"We are doing our girls a disservice by not teaching them leading-edge business skills," she says. "We should we teaching girls about e-commerce, supply chains, and data analytics, and you can't teach that if you're just walking around with [order slips]."

Angel-Johnson spent more than 16 years at IBM; she knew the for-profit world inside and out. So when she landed at the Girl Scouts in 2014, she faced an adjustment. "Where is my team?" she says she wondered. "There was no supply chain. There was no financial management." Angel-Johnson freaked out.

But then she got to work. "As a technologist coming from IBM and having a large team, and then moving into a Wild West where anything goes and knowing what you do [will affect] 1.8 million girls' lives, I just knew I had to get it right," she says. And Salesforce was at the heart of that transformation. The first iteration of the project wasn't perfect, she admits, but from there, "digital cookie became better, better, better, every iteration after that."

Angel-Johnson's experience mirrors that of many other nonprofit employees. For the second year in a row, Salesforce surveyed hundreds of nonprofits from around the world to assess what issues, trends, and opportunities they were experiencing in the sector. The resulting *Nonprofit Trends Report* concluded that 75 percent of nonprofits reported an increase in demand for their programs, and a whopping 85 percent agreed that technology is the key to future success.

Despite these stats, program teams lag behind other departments when it comes to adopting new technologies, the report says. Although the vast majority of nonprofits say that technology can replace a

lot of time-intensive manual tasks, about one-quarter say they still reply on paper for most activities.

So, why is it that large and complex nonprofits like the Girl Scouts have only recently decided to take their wares online? For one, it's hard to make systemic change if you don't have the proper resources for it. Many nonprofits are underfunded and lack proper IT support. The *Nonprofit Trends Report* finds that many nonprofits have a hard time funding the types of technology they need to grow their programs, with 51 percent of nonprofits reporting budget constraints and 40 percent not being able to prove return on investment.

Aparna Kothary, director of technology at Global Citizen Year, which helps young adults with "gap year" study-abroad programs between high school and college, says it is critical to convey the value of technology to leadership prior to implementation, because the tech does "come at a cost." Since most nonprofits have limited resources, she says, your first hire "is not going to be a technology person, for the most part—you are going to focus on your program and on fundraising." Thus, when you get to the point of expanding your tech, you need to persuade leaders that it is a good investment.

"Figuring out how to show the impact of a technology implementation [to leadership] is key," Kothary says. She recommends trying to answer these questions: "What's the return on the project? How much time will it save staff members? How much frustration will it save people? What information will it give us that we didn't have before? What abilities will it give us that we didn't have before?"

With 52 full-time employees, Global Citizen Year is a relatively small organization, but large, established nonprofits often develop deep, disconnected data silos over many years of operation. The Girl Scouts, for instance, is made up of 113 separate 501(c)(3)s—so trying to implement a digital strategy was no small feat, Angel-Johnson says.

"Nonprofits tend to recreate the wheel every time [they launch a project], instead of trying to come up with a framework and infrastructure to address different needs," says Robert Goerge, a senior research fellow in public policy at Chapin Hall at the University

of Chicago. "They have all these one-offs, but there's no long-term planning around building databases or even storing data in a way they can use in the future." Goerge says this is more common for small nonprofits with fewer departments, but that a persistent problem is developing a "common structure [that can] address all needs." This echoes another finding from the survey: Organizations that have "fully aligned" strategies informed by robust data are the most likely to succeed.

What does it mean to have a fully aligned strategy? For Angel-Johnson, it meant getting the Girl Scouts' 113 separate nonprofits to work together as a unified entity. And Salesforce, she says, was at the heart of that transformation, because the first step was to pull all of their data and their customer insights together, which the Salesforce platform enabled her to do. "If you can't understand the insights of your business and your customers, it is very difficult to move forward in a transformational way," she says. But if you can channel the power of 1.8 million girls, she adds, "you can change the world."

THE GREAT MEGAPHONE

How can nonprofits adopt a digital-first strategy? For starters, it's about the strategy, not the technology, says Alva H. Taylor, faculty director of the Glassmeyer/McNamee Center for Digital Strategies at the Tuck School of Business at Dartmouth College. "You first have to start with a great understanding of what you're trying to do, what your goals are," he says. "And then digital is the tool that expresses and executes your strategy."

Adopting this perspective can be a problem for nonprofits, Taylor says, because the way they measure success—success by which they plan future programming—can vary widely. For example, if you are measuring the impact of a program on the health of a particular population, you won't know if you've done it right until a few years down the road. "So, it's important in that environment, for both funding and execution, that you're clear that everything you do focuses on your promise to your constituents," he says. "And digital should support that."

Angel-Johnson agrees with this sentiment. "I don't want to talk tech first," she says. "It's about the human that you're trying to impact from a social perspective." Human-centered design thinking needs to drive the iterative process of finding solutions to problems, she says, to benefit the human experiencing the

digital innovation. And in order to connect with that human, Taylor adds, you need "a clarity of voice, mission, and brand"—which is what digital truly excels at, he says. He calls digital a "great megaphone," which is excellent at broadcasting a message, but if your strategy is not clear at the outset, "then you are just yelling as opposed to communicating."

The flip side of clear and consistent communication means that consumers now expect this standard from both profits and nonprofits alike. "You can't just be giving people a quarterly project update," Taylor says. "You've got to have a system set up so they know where you are in the project." If someone can order lunch via Postmates and know where their food is every step of the process, then they will expect to know how, where, and when their money is being used to further a cause. That's the level of specificity people now expect, and if you can do this via the technology you implement, "the easier it is for these companies to

work with you, the easier is for constituents to work with you, and the easier it is for people to fund you," Taylor says. "If you want to grow, that's not an option."

The majority of nonprofits see scaling as essential. And, accordingly, says the *Nonprofit Trends Report*, 41 percent of them are scaling their technology and infrastructure to meet the growing needs of their constituents. They have no choice: Modern nonprofits face a new landscape with many pitfalls and challenges, the fate of the world seemingly in the balance.

"I think that nonprofits are changing even faster than for-profits," says Angel-Johnson. "And so that means nonprofits are going to have to change the way that they scale and grow to have deeper social impact than ever before." But with radical change comes new opportunities. "Only one person in history is ever going to be able to say that they digitized the hundred-year-old cookie program," Angel-Johnson says. "That's huge to me." ●

Being a Digital-First Leader

The adoption of new technology requires nonprofit leaders to embrace humility and nurture a flexible and adaptive culture.

BY ADRIENNE DAY

If you are in the business of shepherding a nonprofit into the next decade and beyond, you will likely hear the phrase "change management" a lot. That's because transforming a nonprofit still wedded to pen and paper into a thriving digital-first operation takes a good deal of both "change" and "management" to succeed.

Aparna Kothary, director of technology operations at Global Citizen Year, has first-hand experience with change management. She had to implement new technology to help her nonprofit, which organizes gap year study-abroad programs for high school seniors, measure the impact of their work. The task forced her to realize that she not only needed to get buy-in from top-level management, but also to approach the process itself with patience and acceptance of setbacks.

"When you put a lot of work into building something, you think it's great and you want everybody else to think it's great, but approaching it with humility is so important," she says, "because people are going to poke holes in it and see things that you didn't see." In addition, people learn in different ways and have different skill sets, and so foisting online trainings on staff without support in place isn't fair, she adds. "If our end goal is user adoption, it's our responsibility to train people in a way that works for them."

Setting expectations for new technology adopters is also important. Early on, things can be "a little messy," Kothary says. A demo or early iteration of a new tool is frequently not the final version of that tool, and so being explicit about that expectation is vital. In her own case, she has found that really listening to stakeholder input around the development of new tools is "really, really powerful."

"Instead of saying, 'Here's this shiny new tool we are going to use forever,' maybe say, 'This is phase one of a three-year project, and every year we're going to improve a little bit more, and here are the things we're going to look at, at the end of the year to understand how it's working, and what can be made better,'" she says. If stakeholders know that their input is valued, it results in a better end product.

TECH LEADERSHIP

Improving an organization's culture this way requires leadership. According to the second annual *Nonprofit Trends Report* produced by Salesforce, leadership must not only lead the adoption of new technologies but also help nurture a culture that is open to embracing new technology in the first place. But 45 percent of nonprofits state that they lack the flexibility and adaptiveness that the adoption of new technology demands.

Alva H. Taylor, faculty director of the Glassmeyer/McNamee Center for Digital Strategies at the Tuck School of Business at Dartmouth College, also stresses the role of leaders when introducing new technology to an old organization. "Leadership has to understand it and know the importance of it, and also communicate [that importance] to everybody in their organization," he says. Part of this transmission might involve showing how the new tool is compatible with how they've done their work in the past, while "really trumpeting the benefits" of adoption, Taylor says, so that new users can see how the new tool might make their lives easier or save them time. Management might even put a running counter or have a board that shows how something has been improved by the implementation of a tool, to help speed the tool's adoption by staff. But the challenge is ultimately about management "communicating or even overcommunicating" the importance of a new tool, and then giving people kudos once they've mastered it, Taylor says.

The *Nonprofit Trends Report* shows that, on average, different departments have different rates of adoption of new technologies. While 79 percent of nonprofits have a customer relationship management (CRM) system in place, a smaller percentage use CRM strategically across departments or to report back to their funders. Without "full adoption of technology," the report suggests that nonprofits may not get the maximum return on investment, adding that "71 percent of respondents state that the technology they use at home is more productive than what they use at their nonprofit."

So, how do nonprofit leaders speed the adoption of promising new tech across all departments? As the only dedicated IT staffer at Global Citizen Year, Kothary says that showing leadership the return-on-investment (ROI) of a technology project can help with leadership buy-in. Unfortunately, showing ROI prior to implementation of a tool is a problem for 40 percent of the nonprofits surveyed in the report. For nonprofits facing this problem, Kothary suggests thinking about the status quo and current processes around a particular task, and then trying to assess any positive change that might come with the implementation of a new tool.

"How much time does it take someone to, say, put contacts into Salesforce manually, and what else could they be doing with that time?" she says. "And then, say, here's what we suggest in terms of an implementation, and this is roughly how much it's going to cost and how much time it's going to take to build and train [staff on it]."

Kothary adds that if you run the numbers and it doesn't seem like you'd break even over the next three to five years, then maybe it's prudent to consider another solution—or perhaps even do nothing at all. She says to be mindful of implementing a "really expensive solution for a very small problem," and to maybe wait for a better solution to come along.

ROCKS BEFORE PEBBLES

With leadership must also come planning. Of the nonprofits surveyed in the *Nonprofit Trends Report*, 85 percent say that technology is key to the success of an organization like the one they work for, but only 23 percent say they have a long-term vision for the technology they plan on implementing. This can lead to what Sarah Angel-Johnson, chief information officer at the education nonprofit Year Up, calls the "rocks and pebbles" problem.

When Angel-Johnson started at Year Up in June of last year, she found a lot of "rocks and pebbles" that had been piled into a metaphorical jar "the wrong way." There were hundreds and hundreds of tiny projects, she says, all in unintegrated silos across the entire enterprise, jammed into the "bottom" of the jar, so that the "big rocks"—i.e., the big projects or solutions—couldn't also fit inside the jar. Staff were so busy with the little proj-

ects—none of which were integrated into a larger business plan—that they had no time to address the important stuff. "Let's not talk about the technology or the architecture first," Angel-Johnson says. "Let's talk about the human on the other side [experiencing a digital innovation]."

"If you have a jar and you fill it with sand first, then pebbles and rocks, it won't all fit," Angel-Johnson says. "But if you fill the jar first with rocks and the pebbles and then finally sand, it will all fit." In other words, leadership needs to establish priority projects and execute on them before pivoting to anything else. So Angel-Johnson had her staff design end-to-end "user maps" to understand the complex interrelations of all stakeholders, including students, corporate partners, donors, staff, and more. "Once we start seeing that user journey, we can then start prioritizing [issues], if there's a business case behind it, or there is an ROI, whether it is financial or mission impact, using the human as your north star," Angel-Johnson says. She's halted the majority of her team's work so she can pay attention to filling the jar with the "biggest rocks" first. "Now, there is one Year Up technology strategy and road map, period," she says. "An IT [department] that has its own strategy makes no sense to me."

Developing a nonprofit-wide strategy can be difficult, but it's critical to an organization's long-term success and can only happen through leadership buy-in. Jarrod Bell, chief technology officer at Big Brothers Big Sisters of America, elaborates on how his organization achieved what he calls their "journey of transformation" to become a tech-savvy nonprofit. "Painting what the vision was for technology at our organization, tying that to the mission, having that message come from our president and CEO, having that message resonated by our board, finding evangelists in the business who understood that vision … that have large peer networks and have them reverberate those messages as well, and then repeating it over, and over, and over again," Bell says.

Such a campaign demands enormous investment, but there may be no alternative. "Transformation is difficult, because transformation is change, and change is hard," says Becky Johnson, vice president of constituent experience and digital transformation at the American Heart Association. But "the world has changed," she says, "and we have to change with it." ●

Technology Is Her Compass and Data Is Her Guide

Pencils of Promise CEO Tanya Ramos blazes new trails as an early adopter of digital tools.

BY DEVI THOMAS

When Tanya Ramos took the helm of Pencils of Promise (PoP) two years ago, she was already a lifelong evangelist for the brand. As the first college graduate in her family, Ramos saw the nonprofit's mission of leveling the playing field to make education available for all as a natural fit for her career. In this interview with Salesforce.org Global Head of Communications Devi Thomas, Ramos talks about the importance of being an early adopter and how her visionary leadership has brought data to the center of her organization's work.

Devi Thomas: *How did you get started at Pencils of Promise and what led you to this cause?*

Tanya Ramos: Most of my work was domestically focused and related to education. When this opportunity presented itself, it offered such a great marriage of everything I had done over my career. I'm a Latina, first-generation college graduate, so my career has really been about ensuring that children who look like me would have the same opportunities. That came in the way of college access and having the joy of being able to fundraise for missions that really resonated with me. It was very natural for me; my mantra has been that every child should have access to a quality education, regardless of what zip code they are in, and that was what my work was domestically focused on. Now, it doesn't matter what country they are born into or what circumstances they are born into. Every child should be able to leave school literate and be able to change their life trajectory, and PoP has enabled me to make that happen.

DT: *Tell me a bit about how the organization looked when you took over. What were some of the biggest challenges that you identified?*

TR: PoP has always been an innovative and data-focused organization. An organization that is data driven and has leveraged that data to make informed decisions around our program delivery and our school builds.

That is indeed what it looked like when I arrived.

The biggest challenge I faced at the time of my appointment was change management. I was a new leader coming into the organization after more than three CEO shifts in four years. As with any leadership change, there were

> **We get instantaneous feedback that allows us to make timely, programmatic decisions and tell a transparent story about our impact. That has remained true to this very moment.**

staff transitions as well, which contributed to talent gaps—which is not easy to navigate during leadership change. This, coupled with some teams working in silos, contributed to communication challenges that needed to be addressed.

DT: *What was your relationship with technology before you took this job?*

TR: Because I work in fundraising and managing relationships, technology in any form was always part of my being effective, efficient, and innovative. So I was always an early adopter and I gravitate toward tech to be effective and fundraise for the causes I care about.

Ironically enough, I met your CEO, Marc Benioff, more than a decade ago when I was working with the Taproot Foundation. The organization was using Salesforce and it was an amazing platform. We were collaborating with The Warner Foundation, and we gave Mr. Benioff the innovation award at one of our first events.

DT: *How and why did PoP become an early adopter of digital tools?*

TR: Our founder, Adam Braun, was always very forward-thinking and he came from the for-profit realm, where they had resources at their fingertips. His vision for PoP was to create a for-purpose organization that would ensure education for all and did not forgo the many innovations and technologies that for-profit companies use—we just had to find the ones that work best given the constraints of our resources. That being said, he was one of the first adopters of Salesforce because he wanted to find an equivalent to what he used at Bain & Company.

All of the team members who started with Adam, many of whom were early on in their own career trajectories, signed on and adopted quickly because they saw the value. In subsequent years, any other team member who was brought into PoP knew that Salesforce was the CRM [customer relationship management] that we use. They knew how we leveraged it and I would say it was very much a part of the fabric.

PoP is a leader in the application of technology. One thing I'm always able to point to that's reassuring is that PoP has always relied on Salesforce throughout the organization's history, not only as a robust system for managing strategic partnerships but also as a way to live-track our impact in the countries that we operate, which are primarily Guatemala, Laos, and Ghana.

So, let me unpack what that looks like, starting with the impact side of the house. Salesforce gives us real-time updates that alert us to when a school breaks ground in one of the countries where we operate. And when a student literacy test is conducted, or when a water, sanitation, and hygiene (WASH) workshop is completed, we get instantaneous feedback that allows us to make timely, programmatic decisions and tell a transparent story about our impact. That has remained true from our inception to this very moment. It's been really reassuring that the impact team has stayed focused on ensuring that Salesforce is up to date.

I can't do my job unless I am able to get weekly updates and review where we are relative to our goals and where we need to be. When major donors are on my calendar, I need to be able to quickly see donation and communication history. Those were the things I was always accustomed to having and I certainly had initially when I came to POP. As you can imagine, we are dependent on that as a field team and a global team.

DT: *What challenges have you faced internally in making the case for change with those who are hesitant to adopt new tech?*

TR: When we transitioned to newer hires, we saw some challenges with adoption of our platform on the fundraising side. This, of course, outside of impact is the second most important thing we do because it keeps the lights on and enables us to have the impact that we intend to have. So, that is where it was most challenging because we continued to have all the real-time data that we needed around impact, but the fundraising updates were lagging behind because many of the new team members were not leveraging it to the degree that they needed to. So, that was something we needed to address ASAP.

And I would say with the newer team, the biggest challenge was that we needed to change user behavior. Anyone who knows a CRM platform knows that the system only functions if everyone is tracking with it correctly.

Folks at PoP were accustomed to leveraging technology well before I came on board. In the past eight months of my tenure, we have been helping our new leaders learn Salesforce because some of them weren't using it in their previous jobs. And I think new team members were feeling overwhelmed with trying to get up to speed with being clear about their respective goals and the overarching goals of the organization, and simultaneously trying to learn a platform. We always articulated that keeping on top of Salesforce was important and something that we needed to maintain for us to have a dashboard and stay on track with our goals.

DT: *What were some of the tools you used to get your new team on board with that digital-first mindset?*

TR: Well, just to be clear, it's ongoing. But at the end of the day, I know it starts with leadership and that as CEO, I need to invest in maintaining our core value of innovation and expanding our solutions. I believe I have

TANYA RAMOS

a responsibility to advance our technology footprint.

We recognize that a big part of being successful is leveraging our CRM the best we can. We ended up hiring a consultant who was an expert in Salesforce, and this resource partnered with our in-house Salesforce guru. Cloud for Good worked with the team to clean up the majority of our records and supported our guiding principles and plans to get where we need to. That was a game changer. Many of our team members were new and this expertise was needed while they were given the space and grace, as I call it, to get up to speed. Then we had socializing meetings, getting the team accustomed to hearing the terms around Salesforce and getting them to have some "skin in the game" in updating their respective records or asking them to create dashboards for the portfolio of relationships they were managing.

I'm happy to report that, now, with nearly eight months under their belt, they're making sure that Salesforce is up to date and that we're leveraging it in the way that we have always done over the last decade, and it's feeling like we're certainly on the right track. We're not unique in this experience. And we're very much aware that as we continue to grow, more and more focus needs to be placed on training and support.

DT: *Tell me some outcomes you're starting to see because of it. It's a mental shift in some ways, isn't it?*

TR: That's exactly right. Overall, part of our secret sauce at PoP is how focused we are on data. It's really enabled us to distinguish ourselves from our peers. We have a powerful brand identity relative to our use of digital and social media, while other organizations have had to adapt to accommodate a digital landscape. PoP has organically, and I want to say almost seamlessly, embraced and owned that space.

DT: *So, are you saying that unifying and leveraging your data has had repercussions for your nonprofit brand?*

TR: I could not agree more that we have future-proofed our brand by creating more transparency and visibility through data. I will say that for our size, we've really developed a brand that's highly recognized and we punch well above our weight. There's no doubt that Salesforce has really contributed to that.

DT: *What's next for you in terms of digital innovation?*

TR: Innovation is a team effort here and it has to start from the top. Our senior leadership has to model digital behavior for it to have legs. We've also managed to ensure that there are leaders on every team who prioritize Salesforce in every country we work in. In fact, 100 percent of the data we collect globally is collected digitally. That speaks volumes to the commitment of our teams.

When we take visitors to our schools in Ghana, they see teacher interventions being entered and reported on in our Salesforce reports. Every PoP team member learns how to review data in their digital forms and then source them to Tableau dashboards—this is how we all tell our story with numbers.

We will continue to use digital technology to maximize our efficiency and transparency and to meet stakeholders where they are. For example, we are actually set up to receive donations no matter how they come in. When we got our first donation in cryptocurrency in 2017, we thought, "How can this best serve our students?" We adjusted our flexible digital platform to allow a $1 million donation in cryptocurrency—that's how cutting-edge PoP is today and we will continue to break new barriers in this way.

Our programs have just continued to mature and become better because of our data and our tech-friendly DNA. Donors see that and love it. For us, all that data creates limitless value. ●

sales*force*.org

We are the social impact center of **Salesforce** focused on partnering with the global community of changemakers to tackle the world's biggest problems.