

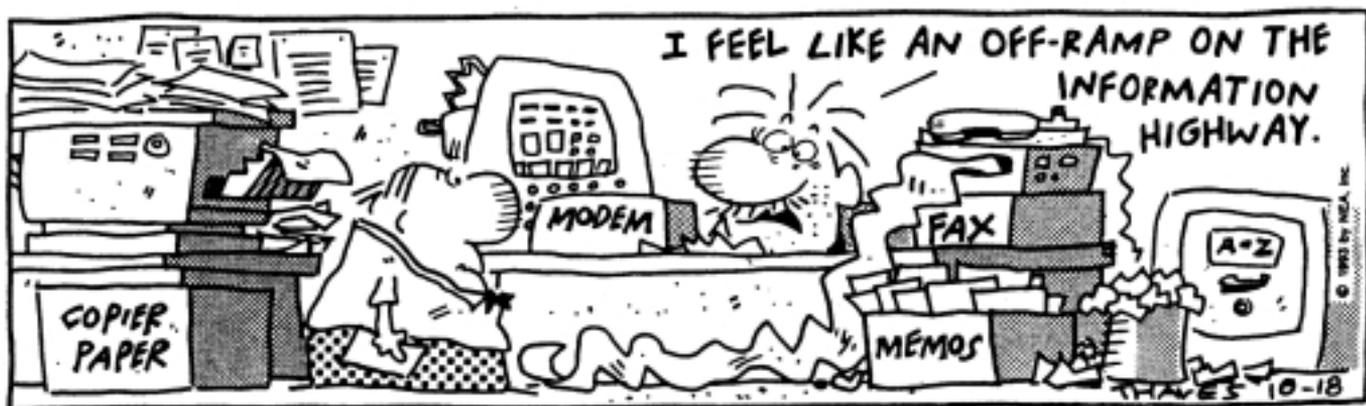
Latest High-tech Trends:

# One Giant Leap for Nonprofits

*There's a new revolution afoot, and it may transform your organization.*

BY GORDON FELLER

**W**hat's the latest buzz in the high-tech industry? The answer may surprise you. The hot news isn't about a new kind of software or computing technology. Instead, it's about philanthropy.



Rather than “What’s going to make the most money?”, executives in the technology industry are framing the question in a dramatically different way: “What’s going to change the world?” These executives are eager for non-profit partners they can help make as efficient and smart as their own high-tech companies.

As a result, the nonprofit sector is being transformed as never before. Let’s take a look at the major trends and how they can revolutionize your organization:

### **A New Player Has Arrived to Help: the ASP**

By now, most nonprofits realize the importance of having Web sites to raise funds and spread their messages. But, while a recent survey found that over 75% of nonprofits have their own Web sites,<sup>1</sup> they are finding it impossibly expensive and time-consuming to keep those sites updated, interactive, cutting-edge, and exciting

enough to keep visitors coming back. That’s why more and more nonprofits are turning to application service providers (ASPs), which offer a radical solution to all their Internet needs.

Whether it’s called Internet computing, application rental, application outsourcing, or application service provisioning, the benefits of partnering with an ASP are the same: Web portals deliver computer applications and content to nonprofits as quickly and easily as phone and electricity. When nonprofits partner with an ASP, they “rent” its software along with all the expert services needed to maintain and update their Web sites, while retaining total control of their data. Moreover, the ASP solution gives national nonprofits the ability to control the look of chapter sites, while each chapter can have its own Web site with very little cost or effort. Local chapters, no matter how small, can easily change their own Web sites and databases without the expense of technical staff or consultants.

## Getting Funded to Upgrade Your Technology:

Many software companies give nonprofits their products for free. Here’s how to get started.

### **STEPS TO FOLLOW:**

1. **Make a phone call** to find out who at the company considers such requests. Often it is someone in the Public Relations or Human Resources Department
2. **Send this person** a carefully written letter explaining why your cause is important and why they should care about helping.
3. **Detail the ways** their product will help your organization.
4. **Promise** (and deliver) recognition of the gift in your newsletter, on your Web site, and in your annual report.

### **A SAMPLING OF COMPANIES TO CONTACT:**

- **Microsoft** considers applications for software donations to nonprofits on an ongoing basis. A copy of the Software Donation Application may be found at [www.microsoft.com](http://www.microsoft.com) or by calling 425-936-8185 (select Option 1).
- **Adobe** supports nonprofits with software donations, with Gifts in Kind America acting as an intermediary. Adobe also provides some cash support for nonprofits. See [www.adobe.com/aboutadobe/philanthropy/main.html#Cash](http://www.adobe.com/aboutadobe/philanthropy/main.html#Cash).
- **Symantec** is a generous donor of its virus and PC-troubleshooting software. See [www.symantec.com/corporate/software.html](http://www.symantec.com/corporate/software.html).
- **IBM/Lotus Development Corporation** has an extensive donation program. See [www.lotus.com/lotus/philanthropy.nsf/9aad044c4742ef438525630f004e7abf/a3c1b3643ad4182b852564b300693fa6?OpenDocument#Desktop](http://www.lotus.com/lotus/philanthropy.nsf/9aad044c4742ef438525630f004e7abf/a3c1b3643ad4182b852564b300693fa6?OpenDocument#Desktop).

Here are some of the other feats your organization can accomplish by partnering with an ASP:

- **Set up branded e-mail accounts** for your staff and constituents.
- **Develop an intranet solution** that lets your staff share documents, files, and calendars via a secure, private Web site.
- **Join other “communities of interest”** and connect with the rest of the often-fragmented nonprofit sector.
- **Leverage best-practice databases** and share Web-based applications and support.
- **Raise funds** through affinity marketing. By “co-branding” with for-profit companies on line, you can create new consumption patterns and raise new funds.
- **Save money** with pooled nonprofit purchasing. The Web creates easy pathways to leverage the economic power of newly formed virtual communities and lower operating costs on everything from loans and health insurance to everyday expenses.
- **Put your organization’s message** on a portal where Internet users looking for information about nonprofits will find it quickly and easily.
- **Build communities** on line.
- **Provide your constituents** with a broad vision of the ways the Internet can transform their lives.

How can you choose the best ASP for your needs? There are several things to keep in mind as you make your selection:

- **Seek a nonprofit-friendly partner.** There are hundreds of ASPs ([www.AllAboutASPs.org](http://www.AllAboutASPs.org)), forming a fast-growing industry that is all of two years old. A number of them, such as Fourth Bridge ([www.fourth-bridge.com](http://www.fourth-bridge.com)), are focusing on the needs of nonprofits. When you choose an ASP to be your partner, be sure you find one that understands the special strengths and challenges of nonprofits.
- **Find an ASP with good back-up.** The best ASPs are those that assume things may break down and, thus, build in redundancy and back-up systems.
- **Tap into the true power of ASPs.** The best ASPs are creating networks of alliances that let each partner increase its own strategic power by relying on the collective strength of its constituent relationships. This is the hidden power of ASPs and the secret to unlocking potential for market share and growth.

## Where to Look for More Information

### Nonprofit-Focused Web Portals (or Portal-Wannabes)

[www.ncna.org](http://www.ncna.org)  
(or your local state association)  
[www.helping.com](http://www.helping.com)  
[www.guidestar.com](http://www.guidestar.com)  
[www.shine.com](http://www.shine.com)  
[www.FourthBridge.com](http://www.FourthBridge.com)  
[www.educateamerica.org](http://www.educateamerica.org)  
[www.newtithing.org](http://www.newtithing.org)

### Shopping Malls (or Strip Malls) That Sell Philanthropy With Their Wares

[www.igive.com](http://www.igive.com)  
[www.charitymall.com](http://www.charitymall.com)  
[www.greatergood.com](http://www.greatergood.com)

### Organizations Focused on Helping Nonprofits Use the Web

[www.technologyworks.org](http://www.technologyworks.org)  
[www.compasspoint.org](http://www.compasspoint.org)  
[www.handsnet.org](http://www.handsnet.org)  
[www.impactproject.org](http://www.impactproject.org)  
(now [www.efn.org~impact](http://www.efn.org~impact))  
[www.philanthropy.com](http://www.philanthropy.com)  
[www.idealists.org](http://www.idealists.org)  
[www.npower.org](http://www.npower.org)

## Helper Networks Are Replacing Consultants

A second big trend is the strengthening of a network of nonprofit assistance organizations, organized to help nonprofit staff use technology in new and interesting ways. Most of these organizations focus on a local region but, through partnerships with each other, are helping other communities around the U.S. develop their own independent programs or organizations.

The biggest news among these helper organizations came this fall when Microsoft announced a \$25 million

## High-tech executives are eager for nonprofit partners.

commitment to fund the Microsoft & NPower National Partnership. The partnership is a national rollout of Npower ([www.npower.org](http://www.npower.org)), a nonprofit-focused technology assistance organization. This national program will help nonprofits make more effective use of technology through hands-on consulting, training, and volunteer services. Here are some of the other things such networks can help you do:

- **Use your technology efficiently.** One survey found that nonprofits were using their existing systems at only 50% of capacity.<sup>2</sup> In another survey, a staggering 71% of respondents indicated they didn't use their technology efficiently.<sup>3</sup> Because helper networks create greater efficiency, more resources can be focused on problem-solving and less on administration.
- **Plan and budget for technology.** Research makes clear that many nonprofits don't know how to plan or budget for training and support, let alone the acquisition of hardware and software.<sup>4</sup> For example, few realize that (as noted by the Rockefeller Technology Project) 70% of their technology budgets should go to planning and training, 20% to hardware, and 10% to software. Helper organizations can help you assess your technology status quo and make plans to move forward. They also provide skills-building training classes on all aspects of technology management.
- **Rethink expensive consultants.** Although most of the nonprofits in a recent survey,<sup>5</sup> used technology consultants, the cost was high in terms of both money and time. Finding and dealing with technology consultants was difficult because the nonprofit executives didn't have enough knowledge in the area. And many of the consultants' recommendations were never implemented due to lack of time, resources, and expertise. Helper groups like NPower serve the same purposes as technology consultants, but they go far beyond a con-

sultant. Their aim is to empower nonprofits by transferring skills and knowledge.

- **Find volunteers.** Helper organizations provide matchmaking services that find skilled volunteers in your community to pitch in on technology projects.
- **End the loneliness.** Most nonprofit users of technology operate in isolation. Helper networks close the gap and bind nonprofits together.
- **Join the knowledge revolution.** Helper networks can put you in touch with the knowledge revolution that has already hit the for-profit world. You'll be able to stimulate innovation and put the brightest new ideas in the hands of people who can implement them. In management circles, it's called "knowledge markets": the notion that organizations can harness the Web with small entrepreneurial teams to drive innovation at a rate they've never before experienced.

Such services will completely change the way you do business—if you're ready to stop dipping your toes in the Internet's waters and dive in. Once you make the plunge, you'll find that your organization has a broader profile, greater visibility, and a more layered interface with those you care most about—your funders, donors, members, volunteers, and the constituents you serve. ■



#### Footnotes

<sup>1</sup>This survey of Michigan nonprofits by was conducted by United Way Community Services Group of Detroit and the University of Michigan (Dan McDougall, Director, Southeastern Michigan Information Center, 313-226-9272.)

<sup>2</sup>"TCN Survey Provides Interesting Results," *TCN Scoop*, Fall 1996.

<sup>3</sup>"Youth Development Partners: Sustainability Report," Ewing Marion Kauffman Foundation, 1998.

<sup>4</sup>This research includes studies conducted by the Non-Profit Technology Enterprise Network (N-TEN) and the National Strategy for Non-profit Technology (NSNT). Also see articles in *Nonprofit World*, such as "Tech Wise" (Vol. 16, No. 5) and "Can Nonprofits Really Raise Money on the Internet?" (Vol. 17, No. 3). See [www.danenet.org/snpo](http://www.danenet.org/snpo).

<sup>5</sup>"Hired Hands: Usage of Paid Consulting Services by Nonprofit Organizations in the BayArea" produced by CompassPoint and Harder+Co.

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