

# Gain More Funds by Leveraging Technology

Use tech tools to prove your value to funders.

By *Sevetri Wilson*

**A**ccountability and transparency have become increasingly important for nonprofits: Grantors that fund nonprofits want to know that their investments are being used wisely. As the effective altruism movement demonstrates ([effectivealtruism.org](http://effectivealtruism.org)), donors across the board are more interested in accountability than ever before.

Yet nonprofits don't always take advantage of the digital tools that would help them demonstrate their effectiveness to funders and the public. Sophisticated data collection and analysis resources are more accessible and affordable than ever before, but the nonprofit sector lags behind other sectors in adopting new technology.

This status quo is changing. As grantors focus more on concrete outcomes, the nonprofits that understand how to gather and deliver hard data, engage with grantors more productively, and prove they can execute their missions will have an edge.

This is a healthy development. Nonprofits should welcome the chance to demonstrate their effectiveness, and they should deploy every tool available to help them prove their value.

## Grantors Don't Want Promises

Foundations and other large grantors often contract with nonprofits for long-term projects, which means they're signing up for substantial investments over time. In other words, they have a strong incentive to make sure these investments won't go to waste – a fact that should lead nonprofits to focus on their capacity to measure outcomes and share those outcomes with grantors. It's evidence of outcomes, not promises, that funders want.

## Too Many Nonprofits Are Slow Tech Adopters

Nonprofits have never had more ways to gather information, discover what's working and what isn't, and put those insights into practice. We've also seen an explosion in the number of digital collaboration and productivity tools, such as Slack ([slack.com](http://slack.com)), G Suite ([gsuite.google.com](http://gsuite.google.com)), and Zoom ([zoom.us](http://zoom.us)). However, nonprofits are often behind on the adoption of

“People love to have insider access to special offers.”

new technology – a reality that's less and less sustainable as digital resources become increasingly vital to the success of any modern organization.

Many nonprofits have yet to adopt technologies and digital practices that are common in other sectors, such as CRM software, cybersecurity platforms, and new methods of data acquisition and analysis. According to a survey of nonprofits conducted by NetChange ([netchange.co](http://netchange.co)), just 11% say they manage digital resources in a “highly effective” way. This has real world consequences – for example, 75% don't consistently track supporter engagement metrics, and 64% have a budget incapable of achieving their engagement goals.

However, 70% of digital teams within nonprofits have grown over the past three years. This shows that nonprofits recognize the powerful impact technology can have – they just need to learn how to put it to use.

Technology doesn't just help nonprofits engage with donors and track outcomes – it helps them streamline their reporting procedures, increase communication (both internally and with outside stakeholders), and allocate resources more effectively. Digital assistance is at hand if organizations are willing to reach for it.

## Become a Tech-Powered Nonprofit

At a time when nonprofits are under immense pressure to demonstrate their effectiveness, engage with stakeholders, and make the most of limited resources, technology is indispensable. When a grantor wants information about a project, nonprofits should be able to produce it quickly. When there's a problem with a program, all relevant employees should have access to the same data and be able to collaborate easily. When it's time to assess impact, the information shouldn't be scattered.

One of the biggest problems nonprofits face is a lack of centralization and consistency. Their operations are often disjointed, and they're trying to manage information coming from many sources: consultants, practitioners in the field, donors, contractors, regulators, and so on. This leads to chaotic internal processes and misalignment with grantors, which can quickly damage relationships and cut off funding. Nonprofits also have to contend with “siloeing,” which happens when teams become too compartmentalized and

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don't share data or work with their colleagues in other parts of the organization.

The right technology can solve all these problems:

**Data can be stored** in a single place in the cloud.

**Online dashboards offer suites of tools** that anyone in the organization can use to collaborate.

**Digital reporting gives grantors real-time information** about progress.

**Crowdfunding provides access** to new donors and a way to engage with community leaders and other stakeholders.

**Accounting platforms help nonprofits stay compliant** with financial laws and regulations.

These are all reasons why technology will be a major differentiator between nonprofits in the coming years. As competition for grants continues to surge and the demand for hard data and clear outcomes increases, tech-powered nonprofits will flourish.

“Welcome the chance to demonstrate your effectiveness.”

## Move into Action

Here are a few ways to take full advantage of the digital resources available to you:


**1. Determine what you want to measure** and how you want to measure it. The ability to gather and analyze data on the effectiveness of your programs won't get you very far if you don't know what information you're looking for or what outcomes you're trying to achieve. This is why it's vital to assess what specific needs your programs are designed to meet and what success looks like. Have an open, ongoing discussion with grantors about these metrics. Adjust your processes if targets aren't being met.

**2. Ask employees and managers which digital tools** they need to do their jobs effectively. For these tools to work, you need input and buy-in from your colleagues. It's your job to ensure that everyone knows how to use all relevant digital resources, and you should be open to the introduction of new technology (or the reconsideration of tools you already use) based on employee feedback.

**3. Use technology to break down silos.** Technology is often a crucial facilitator of communication and collaboration – from cloud-based productivity tools to centralized digital platforms that give all employees access to the same information about project timelines, targets, and so on. But for these resources to be used as productively as possible, you need to have a collaborative culture. Employees and managers should always be thinking about the big picture

“Use video to showcase your organization.”

and asking: How can we achieve concrete outcomes and scale impact?

**4. Create a video.** Fundraising campaigns with a video raise, on average, 122% more than those without (according to Indiegogo). Even a no-frills video telling your organization's story goes a long way toward making your messages compelling and shareable. Video can be an integral element to showcase your organization on your website, on social media, and in your communications with donors. 

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## Delving Deeper

Stay up-to-the-minute on the newest tech innovations with *Nonprofit World's* ongoing department “People & Technology,” in every issue of the magazine. Also, search through the library of articles on all aspects of technology. Some examples to start you off, available at [NonprofitWorld.org](http://NonprofitWorld.org):

**The Dashboard Difference: How a Cutting-Edge Technology Tool Is Changing the Game** (Vol. 35, No. 3)

**The Best Way to Tell Your Organization's Story? Capture It on Video** (Vol. 35, No. 4)

**Nine Surefire Steps to Lock Down Your Cybersecurity** (Vol. 36, No. 3)

**What's All the Fuss about ROI?** (Vol. 32, No. 2)

**Key Performance Indicators: Nonprofits Need Them, Too** (Vol. 31, No. 2)

**Should Crowdfunding Be Part of Your Toolbox?** (Vol. 34, No. 2)

**Measuring Outcomes in the Real World** (Vol. 30, No. 6)

**Two Simple but Important Metrics Your Nonprofit Needs to Measure** (Vol. 37, No. 4)

**Use Data to Cultivate Long-Term Donor & Volunteer Engagement** (Vol. 38, No. 4)

**Rest Your Weary Fingers: Voice Activation Is Coming to a CRM Near You** (Vol. 26, No. 1)

**Yes, You Can Make Powerful, Affordable Videos** (Vol. 14, No. 2)

**Cloud Returns More to the Cause** (Vol. 37, No. 3)

**Seven Questions You Must Address to Thrive in the Digital Age** (Vol. 35, No. 1)