

# Beyond the Box

Thinking strategically about  
technology grantmaking in  
Canada's voluntary sector





**This project is co-ordinated by:**  
**Institute for Media, Policy and Civil Society**



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**The Commons Group**



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A background paper for the Voluntary  
Sector Initiative Changing Technology  
Funding Practices Project

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IMPACS

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# About ...

## ... the Changing Technology Funding Practices Project

This paper was prepared for the Changing Technology Funding Practices Project, an initiative funded through the Voluntary Sector Initiative (VSI) Information Management / Information Technology (IM/IT) table, and

housed within Industry Canada. The VSI is a joint initiative between the Government of Canada and Canada's Voluntary Sector. The IM/IT table is one of the VSI Tables committed to addressing key issues facing the sector.

## ... the authors

Working with IMPACS, a Canadian charity that “turns up the volume on civil society” by providing communications services, training and support to not-for-profits, Catherine Ludgate has significant experience in developing smart messages for specific audiences. She is a skilled facilitator and trainer with an interest in helping the voluntary sector engage a range of communication tools, including the strategic use of technology and new media, in advancing public policy issues and achieving mission in today's connected world. Catherine is part of an emerging network of national capacity builders for the sector to which she brings a focus on strategic communications and building collaborations across issues, geographies and interests. She has extensive experience in fundraising for technology, for sustainability.

One of Canada's leading voices on the strategic potential of networked technologies for the voluntary sector, Mark Surman has experience working on both the funder and voluntary sector side of the table. He played a central role in the development and implementation of Ontario's \$13.5 million Volunteer Action Online grants program and has provided advice to other technology funders including Industry Canada's Volnet program, NetCorps Canada and Tides Canada. Mark also has extensive experience as a strategist and project manager on large-scale voluntary sector technology projects. Mark's publications in this area include *Appropriating the Internet for Social Change* for the Social Sciences Research Council and *From Access to Applications* for the Government of Ontario.



## Acknowledgements ...

**W**e are grateful for the advice and guidance we have received from members of the IM/IT Advisory Group on the scope of this project. In particular, we acknowledge the leadership of Don McCreesh, chair of the subcommittee for this project, Martin Itzkow for bringing many useful resources to our attention, Paula Speevak-Sladowski for her crow's nest view of various VSI and IM/IT projects, and Brenda Herchmer for her commitment to collaboration. We also extend our thanks to Rose van Rotterdam, Dominique Guillaumant and Bridget Goldsmith of the Ontario Volunteer@ction.online Program: their insights and advice were very helpful in thinking through some promising practices in funding technology. Thanks also to Al Hatton and Noella Beausoleil at the United Way, Marlene Deboisbriand and Ruth MacKenzie at Volunteer Canada, Jean Christie, Brenda Cameron Couch, Laurie Rektor and Deb Foran at the Voluntary Sector Forum, and Monica Patten at Community Foundations Canada: all provided valuable insight into the genesis of this project, and how to make the critical linkages between this project and other VSI initiatives.

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# Executive Summary

The Internet and other networked technologies have become central to the ways Canadian voluntary organizations work with each other and work for the communities they serve. Of course, these new ways of working have led to both changing funding needs in the voluntary sector and new challenges for Canadian grantmakers. The Changing Technology Funding Practices Project is working with grantmakers to promote information sharing and to develop tools that respond to these challenges.

## Where we are

- Most Canadian voluntary organizations now have access to technology basics – a computer, Internet access, support. However, many organizations still have a hard time finding money to pay for these basic tools and confusion remains about whether and how grantmakers should cover these costs.
- Canadian grantmakers understand that technology has become an important component of any successful voluntary organization. However, they often feel that they lack the expertise or information necessary to evaluate technology projects. Grantmakers want support from peers or experts to review the specifics of technology-oriented projects.
- While some organizations have used technology to enhance their ability to pursue their mission, most have not moved beyond basic e-mail, word processing and web sites. A more strategic, mission-focused approach – delivering services online, creating virtual collaborations, mobilizing volunteers with e-mail – is necessary if we want to see the real social benefits of technology.



## Where we need to go

- Computers, Internet access and support need to be broadly accepted as voluntary sector “must haves.” They provide both essential communications capacity and the ability to realize efficiencies that can free up resources for “high touch” services. Grantmakers should ensure that organizations have basic technology capacity in place before making other investments in an organization, and grantmakers should help organizations get this capacity if it does not yet exist.
- The thinking about the technology in the voluntary sector needs to shift from “boxes, cables and software” to strategic, mission-driven uses of the Internet and other networked tools. Inspired by those organizations who are leading the charge in this direction, voluntary sector leaders and grantmakers alike need to ask the question “where does technology fit in?” when planning new strategic initiatives.
- Collectively, we need to raise the capacity and comfort level of grantmakers to assess projects that have a technology component. This means starting a conversation among grantmakers about technology issues as well as developing tools for grantmakers that help with everything from initial project reviews to final assessments of the impact of technology investments.
- We need to understand that the power of technology lies primarily in networking people. Online collaboration, encouraging organizations to work together across a community, our country and the world, needs to be more broadly understood and supported.

A common, sectoral understanding of concepts like “technology planning” and “strategic applications” must be achieved for the voluntary sector to push forward social goals using existing and emerging information technology.

# Empowering the Voluntary Sector

**"We see the Internet as a perfect platform for collaborative initiatives among NGOs. This is where we see the real potential."**

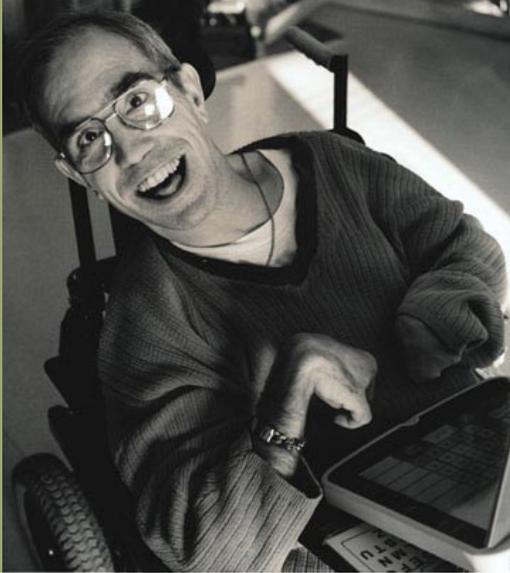
**Tim Draimin  
Tides Canada  
Foundation**

The Internet presents Canada's voluntary sector with both an opportunity and a challenge.

Consider that Canada is a country in which most voluntary organizations are already online and that those that are not can easily gain access through a library, Internet café or a generous volunteer's own connection. Access to technology is no longer a major communications stumbling block for most voluntary organizations.

Despite these dramatically increased levels of access, few Canadian voluntary organizations have moved far beyond using e-mail and building basic web sites – and the sector has mostly not moved towards what can be called the "strategic use" of these technologies. Put simply, the tools are in the hands of most voluntary sector organizations, but most have not yet decided what to build with those tools.

There is a pressing need for Canada's voluntary sector to take the next step with these technologies, moving beyond boxes, cables and software and on to the strategic, mission driven use of the Internet. And grantmakers have a key role to play in helping the sector to make this step.



## The challenge of technology ...

Electronic networks have become the platform on which much of the voluntary sector operates. As such, voluntary organizations and the people who fund those organizations must come to terms with the networked realm in which we all now live. This is not about rushing out to buy a modem or get e-mail training, although some organizations still need these things. It is about gaining the skills and perspective to shape and apply these technologies for our own purposes – to use them strategically to create healthier, more just communities.

Strategic use of the Internet has the potential to empower Canada's voluntary sector with broader audiences, new collaborations and increased access to information. In many cases, we have already started to see this potential unfold. Here are two of the dozens of examples of how technology has been used to achieve mission-based goals in the Canadian voluntary sector:

- Ability Online is a computer friendship network where over 3000 children and youth with special needs connect to each other, to their friends, family members, caregivers, and supporters each month. This online community has broken down the sense of isolation and disconnection that participants felt in the past.

- Big Brothers and Big Sisters of Canada has built on their traditional one-to-one, regular contact between the mentor and the "little" to create their Digital Heroes program – an electronic version of the traditional Big Brothers / Big Sisters mentoring program that has been proven to have a very positive impact on school attendance, grade achievement, motivation and self-confidence.

Yet, while a handful of organizations are looking to the future and making strategic use of technology, many voluntary organizations still struggle with the basics of getting online and most are not using technology as a strategic tool to pursue their mission. This is the technology conundrum of the voluntary sector – we are at once on the cutting edge of strategic applications of new technologies and falling dangerously behind in harnessing these tools in support of our mission.

In order to understand this conundrum, it is helpful to look at voluntary sector use of technology along a spectrum from basic access to computers to strategic, mission-based use of the technology.

**"Technology as a strategic tool is not yet widely understood in the sector. A lot of work still needs to be done to help people understand the basics of strategic technology use."**

**Michael Stephens,  
Centre for Community  
Organizations (Centre  
des organismes  
communautaires),  
Montreal**



As the spectrum illustrates, the majority of voluntary organizations in Canada have access to and use basic technology in their day-to-day operations. The opportunity in front of us is to move from funding basic access and skills, to supporting strategic, mission-based technology projects, application development and training. This is where capacity building of the sector's use of technology tools and investments in technology will reap the greatest rewards and where the greatest social impact can be made.

### **... and the opportunity for a more effective voluntary sector**

Looking at the terrain, there are several major areas where the strategic use of networked technologies is having a positive impact on the goals of voluntary organizations. These include:

- Collaboration – The inexpensive, global, many-to-many communications offered by the Internet and other network technologies provides an excellent platform for voluntary organizations to collaborate: sharing research, resources, ideas and building collaborative projects.
- Publishing – We are in the midst of an “online publishing revolution” in the voluntary sector, with leading organizations showing how publishing can be distributed among staff, volunteers and the community. Still, there is tremendous work to be done to improve capacity in this area, and much to consider in terms of impact research and support for innovative approaches to reach new and larger audiences.
- Mobilization – One of the most widely discussed uses of network technologies within the voluntary sector is community mobilization – moving the public from awareness to action in support of the missions and goals advanced by voluntary organizations. This includes using the Internet to recruit and engage members, volunteers and donors.

- Observation – Network technologies have opened up a new world of research and information gathering to voluntary organizations. Not only is information available more quickly and economically than it has been in the past, but new kinds of research and information sharing have emerged.
- Service Delivery – Some voluntary organizations are able to use network technologies to provide services to specific audiences they could not otherwise reach. Other new types of organizations are able to deliver all of their services online, serving a whole region or even the whole country from a single office.
- Administration – For most voluntary organizations, the entry point for network technologies is in the area of improving efficiencies where repetitive tasks are required, such as in accounting and tracking client transactions and activities.

While there are more and more examples of these strategic uses of the technology every day, most organizations find it difficult to move to this level – thinking about technology not as a computer or e-mail but as a way to make their organizations more effective.

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

**James Stauch**  
*Walter and Duncan  
Gordon Foundation*



## Moving beyond the box

Used effectively and flexibly, basic tools like computers and e-mail can become the natural raw material from which much more important things are built – coalitions, campaigns, knowledge, networks. However, to empower

the sector with the full benefits that technology can provide, we need to ensure that voluntary organizations have adequate skills and resources across the spectrum of applications. The following table demonstrates the kinds of skills and resource needed at each stage of the spectrum.

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

**Luna  
Ramkhalawansingh  
Maytree Foundation**

Position	Impact	Example	What’s needed?
Access	Ability to participate	Participating in a national listserv with similar organizations	Basic computer literacy; funds to pay for computers and internet access
Basic skills	Participating in a national listserv with similar organizations  Increased efficiency	Saving time and money by answering common client inquiries on a web site	Literacy in office, accounting and web updating software; staff time dedicated to tasks like web maintenance and electronic accounting
Strategic use	Improved impact	Increased speed and number of volunteers responding to an urgent call for help	Senior management understands tech options; tech included in regular strategic planning; funds available for advanced tech projects and tools

Both voluntary organizations and grantmakers must accept that computers and Internet access are now “must haves” in line with phones and faxes. As necessary tools for basic participation in the community, they are not optional frills – they are basic, necessary operating expenses for an organization to survive. More importantly, we need to understand that these technology tools are only building blocks: there is a need to invest further in the skills and strategies that turns these building blocks into something far more useful.

The biggest challenge facing us today is simply how we think about these tools – adjusting our thinking about technology as simply boxes, cables and software to thinking of technology as a multi-tiered system of tools, skills and strategies that must be in place – and funded – if organizations are to have social and community impact in 2004 and beyond.

# The Challenge for Grantmakers

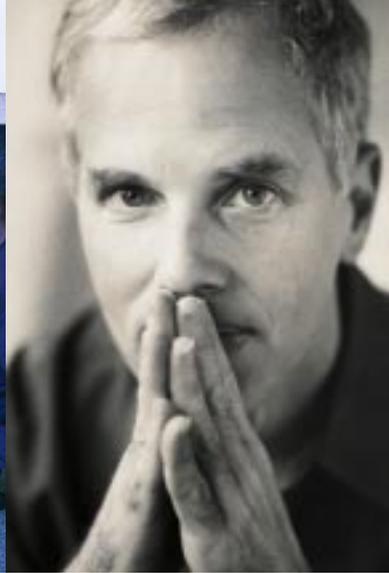
**“Foundations have made substantial and successful investments to non-profit use of technology. Despite this, there is still not widespread and strategic adoption and integration of technology in the non-profit sector.”**

***Report to the TechFunders Collaborative***

**R**esearch done for the Voluntary Sector Initiative shows that Canadian voluntary organizations cite lack of funding as their biggest technology challenge. At the same time, more and more grantmakers are supporting technology as a part of both their project and core program investments. In fact, some Canadian foundations have said that they have had difficulty with take-up for their technology funding pools. Why is there such a disconnect here? And how can we bridge this disconnect so that voluntary organizations can tap into the strategic potential of technology?

While some grantmakers are providing support for technology in voluntary organizations, other grantmakers lag in understanding the critical role that technology funding plays in the successful operation and sustainability of an organization. As a result, funding for even basic technology is provided unevenly across the sector. Support for strategic, mission-driven technology work by voluntary organizations is even spottier.

Part of the problem is that “technology” means different things to different people – grantmakers and voluntary organizations alike. Most of us think of hardware (such as computers and networks) and basic access (the cost of a dedicated phone line for Internet use). Some of us think of communications (ways to reach target audiences) when technology is mentioned. Few of us consider technology “beyond the box” as an investment that supports the mission of individual organizations and the success of the voluntary sector as a whole.



## Starting with the basics

While strategic use of the Internet represents the biggest opportunity for the sector, it is essential that the solid foundation of technology basics be in place, as a starting point. Organizations need these basics simply to communicate and collaborate with funders, other organizations and their communities.

One of the biggest problems with technology basics is agreeing on what they are and who is responsible for them. There is a growing consensus that the basics include not only up-to-date computers, software and Internet access but also ongoing support and training for the people who use them. These are all minimum required operating expenses for modern voluntary organizations.

Grantmakers understand that a contribution to overhead and infrastructure like rent and phones is a necessary and basic expense of operating. A similar understanding needs to exist about core technology capacity. Grantmakers must commit to funding, at least in part, not just the initial cash outlay for the purchase of computers but also Internet access, training, support, maintenance and upgrades. Together, these costs make up the “total cost of ownership” – a baseline monthly or yearly cost for each computer user in an organization. Typically, the cost for the voluntary sector is about \$250 per month per user.

Grantmakers can ensure that these basics are in place by asking a few simple questions of the organizations they support: How do they budget for technology? How often do they do backups? Who is responsible for technology planning? What is the replacement schedule for equipment as it ages? Are updates to software contemplated? What training on the use of technology is budgeted? Does the organization have time committed to its own professional development in the use of the new technologies? And, of course, grantmakers can also help by allowing for technology basics within funding guidelines.

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### Opportunity #1: Build core capacity

***Grantmakers can support the capacity of organizations by supporting the costs of maintaining technology basics. In most voluntary organizations, these are not frills – they are essentials.***

***These basics are not a one-time investment. In fact, the basics normally cost approximately \$250 per month per workstation. Most of this is support, training and access. Hardware is only a small part of the cost.***

#### Example

***Funding one staff person for a two year project also means funding two years worth of computer access:  $\$250 \times 24 \text{ months} = \$6000$ .***

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**“Funding uncertainty has increased substantially and continues to undermine the efficacy and quality of organizational programs as well as their long term prospects for sustainability.”**

**Katherine Scott,**  
*Funding Matters; The Impact of Canada’s New Funding Regime on Non Profit and Voluntary Organizations*

## Thinking beyond the box

Of course, successful technology integration in the voluntary sector requires much more than investments in machines and software. Thinking “beyond the box” about technology in terms of strategic approaches and projects that focus on meeting the mission and goals of organizations is what is needed.

According to a study funded by the WK Kellogg Foundation, leaders in most grantmaking foundations do not understand the power of technology to increase the capacity and effectiveness of the organizations they fund. Even for those grantmakers who do “get it,” there is a lack of reliable information available about the impact technology is having in moving forward voluntary organization’s programmatic goals.

Rather than approach these obstacles as impediments to investing in successful technology grantmaking, these challenges can be viewed as an opportunity. It is a chance to learn more about what Canadian grantmakers can do to support the successful integration of technology into the mission work of the voluntary sector.

## Building capacity to assess tech grants

Although many grantmakers feel unable to adequately assess technology grant requests, the reality is that grantmakers already have 90% of the tools and skills to evaluate these proposals. Grantmakers can easily evaluate how clearly the technology plan is articulated and whether or not the use will serve the community in need. Simple guidelines and consultation with those knowledgeable about voluntary sector technology can help determine whether the right tools are being requested, what are the reasonable costs to fulfill a technology request, and if the overall technology vision fits with the project goals.

By sharing grantmaker experiences, successes, and failures with each other, there is a tipping point opportunity, now, to quickly build the knowledge needed to make good technology investments.

## Situating technology funding within the broader funding environment

It is important to recognize that changing funding practices to support greater and more strategic use of technology, while important, is not a stand-alone undertaking. And, efforts to increase funding for technology won’t necessarily grow the funding pie. Voluntary organizations are now working with significant funding challenges, as funders move from providing core support to more project-focused funding and government support moves from grants and general support to contribution agreements. As noted in the recent “Funding Matters” report, the sector is dying the death of a thousand cuts, as funding support is increasingly restricted to specific, non-core initiatives.

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### Opportunity #2: Support the strategic use of technology

***Grantmakers can increase the impact of voluntary sector organizations by helping them obtain the tools and skills they need to use information technology more strategically. This includes: e-fundraising; online outreach and communications campaigns; resource and information sharing.***

#### Example

***A project uses virtual volunteers to provide career mentoring to youth in remote, Northern communities. As a result, participating youth have career paths opened up to which they otherwise would not have had access.***

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All funders, regardless of issue, geography or sector, need to understand the implications of providing only project specific funding that doesn't support overhead and general organization costs, including technology. Without a solid foundation, organizations cannot survive to do their mission work and the goals of the sector will not be achieved.

## Supporting Canada's grantmakers

These challenges are addressable, and in many ways, they represent a huge opportunity for Canadian grantmakers – an opportunity to increase community impact by making the connection between technology capacity and the mission-driven work of the organizations they fund.

We can most effectively approach these challenges by encouraging conversation between grantmakers and by providing simple tools to help guide decision-making around technology grants.

Sharing stories about successful (and not so successful) technology granting experiences are a part of this. Individually, grantmakers have a significant body of experience in technology grantmaking. There are opportunities for this experience to be shared collectively, in support of the voluntary sector.

Documenting approaches of successful technology grantmaking will also be important. At the simplest level, this could include tools that help with tech grant assessment, boilerplate technology granting guidelines and policies, and lists of organizations that can help review technology grants. But it could also extend much further into areas such as collaborative funding and evaluation strategies that advance the mission-driven use of technology.

Finally, grantmakers have the opportunity to shift the conversation by modeling the strategic use of technology in their own work, and provide instructive leadership to the voluntary sector through this modeling. As grantmakers understand the change-making ability of strategic technology use, they can twin funding support with technical support to their grantees.

A goal of the Changing Technology Funding Practices Project is to support this kind of learning and collaboration amongst grantmakers. Information about specific support activities planned for the coming months of this project are included in *Section #4 – Starting the Conversation*.

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### Opportunity #3: Free up resources for high touch

***Automating repetitive tasks and making administrative systems more efficient has the potential to lower costs, freeing up resources for 'high touch' front line services and mission based work. Grantmakers can help organizations to automate areas such as transaction processing, accounting, routine information requests and case tracking so that resources can be reallocated elsewhere.***

#### Example

***Monthly credit card donations are processed automatically using online donation system freeing up fundraising staff to put more effort into new campaigns and prospecting.***

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# Strategic Technology Grantmaking

“How can we encourage grantees to think through their strategic technology needs before they show up on our doorstep? We need some kind of framework or self assessment tool that helps with this.”

Patricia Else  
Ontario Trillium  
Foundation

In March 2003, the US-based Summit Collaborative published an exhaustive research study to inform the way grantmakers understand and support the successful integration of technology into the voluntary sector. This report, “From Obstacles to Opportunities: Six Interlocking Elements of Strategic Technology Grantmaking” proposed core principles that can help individual grantmakers improve the impact of their technology grantmaking. The following section is excerpted directly from this report.

## Six Core Elements of Technology-Related Grantmaking

**Determined Leadership** – *the vision and fortitude to promote and support appropriate mission-driven technology use and innovation.*

Strategic support of technology-related activities requires strong leadership – both within the organizations supported by grants and within the foundations making those grants. Develop and support decision-makers who practice strategic technology use and grantmaking and who can be powerful examples to others.

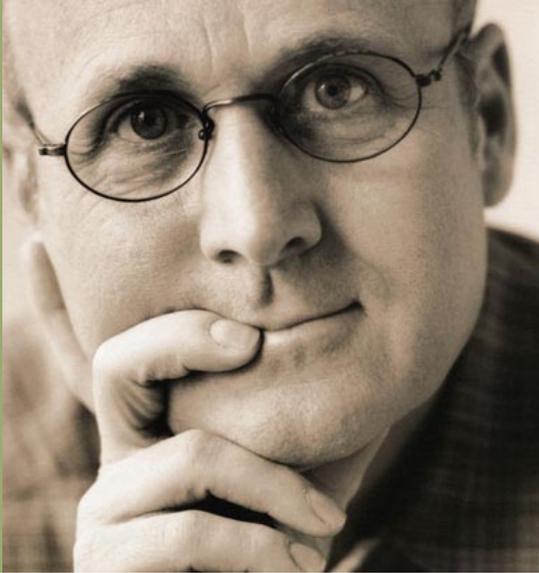
**Active Learning** – *assessment and evaluation that drives nonprofit technology grantmaking, support and use.*

The field of technology-related grantmaking is evolving at such a rapid pace that it is impera-

tive to invest in activities that will help stimulate learning from failures as well as from successes. Such investment also encourages a culture of learning in which nonprofits and foundations feel more able to take risks, innovate and identify effective practices to be replicated. If adequate time and resources are not devoted to this type of learning, then organizations are bound to repeat each other’s mistakes and technology investments may end up poorly targeted, or even wasted.

**Dynamic Collaboration** – *nonprofits, intermediaries and funders working together to leverage experience and resources.*

Most of the technology that today we take for granted – including the Internet – would not exist today without conscious collaboration. Collaboration is critical for ensuring that the promise of technology is delivered to the nonprofit community. It can take many forms



and happen at various levels. At its heart, collaboration is about information sharing and a willingness to engage in practices that leverage available resources in a community. Though complex and difficult to start, nurture and sustain, collaborations can yield higher impact at lower transaction costs for both those within the collaboration as well as the beneficiaries of the effort.

**Strategic Technology Use** – *appropriate, mission-based use of technology.*

If technology is to be embedded effectively into nonprofit programmatic work, so must it be embedded into programmatic grantmaking. This will require more emphasis placed on strategic thinking and planning to identify the appropriate ways that technology can advance nonprofit effectiveness. Moving such funding from machine-based support to more strategic uses of technology is a most important priority. This requires an understanding that technology potential is about much more than improving efficiency and that barriers to strategic thinking and planning must be overcome to move nonprofits from casual to powerful users of mission-forwarding technology.

**Holistic Infrastructure** – *servers, processors, software, networks – AND the people and skills to make it all work.*

Effective infrastructure development and deployment takes more than purchasing up-to-date hardware and software. It also requires an appreciation of how nonprofit work processes contribute to an organization's mission and are integrated into its workflow. Only when these areas have been given consideration should technology advancements that better serve the group's needs be considered. Whether a grantmaker supports the needs of a specific organization or entire communities of nonprofits, solutions are usually most effective if driven by the "customer"—the nonprofit, not by the technology.

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**Opportunity #4: Use technology to support collaboration**

***Grantmakers can increase the impact of voluntary organizations and promote innovative ways of working by investing in collaborative online projects. Online collaboration creates the possibility for new ways of working and approaches to democracy.***

**Example**

***A project creates an information-sharing network that interconnects the web sites of ten organizations working on an environmental health issue. The project is used to provide databases that enable content sharing and build collaboration skills of participating organizations.***

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**Effective Intermediaries** – people, organizations and services that support nonprofit use of technology.

Intermediaries are essential if grantmakers want to improve the chances that their grantees will successfully deploy technology. The knowledge they provide is indispensable and much can be learned from those who have had success. Investment in intermediaries has great benefits as grant dollars to one agency can serve multiple organizations. But such support must be considered in the context of

the other five elements of technology-related grantmaking. Otherwise, funders risk not only the eventual failure of the institutions they support, but also the creation of intermediary efforts that are not compatible with the basic needs of nonprofit technology users. Substantial financial support should be invested for ongoing systems of learning about, and collaboration among, intermediaries. A modest amount of funding for networking type efforts could have a major positive impact on the entire intermediary field.

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## Common Types of Technology Funding

Strategy Development:	technology assessment, planning and evaluation.
General Operating:	machines, connectivity, training and support.
Software Development:	for individual organizations or the entire sector.
Program Implementation:	advocacy, service delivery.
Communications:	electronic publishing, campaigns, recruitment, fundraising.
Technology Intermediaries:	development, delivery or replication of services.
Knowledge Transfer/Community-building:	learning networks, website portals.
Sector Development:	community assessments, conferences, collaborations.

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Taken from: *“From Obstacles to Opportunities”* by Summit Collaborative.





# Starting the Conversation

**“We have to have discussions about funding practices overall, and how technology is a tool to build capacity of voluntary organizations.”**

**Monica Patten, Chair,  
Voluntary Sector  
Forum**

**“We want to match funders’ visions up with the reality of needed tech support. Funding for technology is part of a funder’s responsibility and we want to have that conversation.”**

**Don McCreesh, Chair,  
VSI IM/IT Advisory  
Group**

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

These conversations will focus on the rapidly changing role that networked technologies play in voluntary sector work and the challenges that grantmakers face in responding to these changes. These conversations are not designed to encourage technology grantmaking for its own sake. Rather, through dialogue with grantmakers who are trying to address new challenges, we can develop responsive and practical tools to help grantmakers strategically evaluate the technology needs and requests of the Canadian voluntary sector.

As a grantmaker, we encourage you to get involved, to add your voice to one or more of the following Changing Technology Funding Practices Project activities.

## Exploring the issues

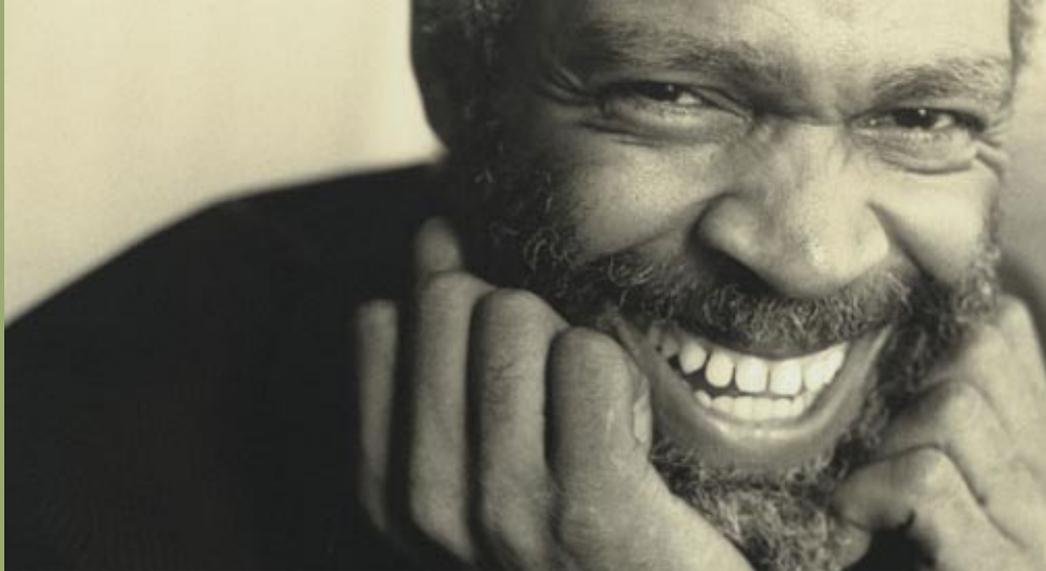
This Project is exploring and summarizing current thinking on technology grantmaking. Three types of documents are being produced:

- This background paper, which provides an overview of technology opportunities in the voluntary sector, challenges commonly faced by grantmakers and strategic technology grantmaking approaches.
- Presentations and briefing kits that summarize key concepts such as the cost of basic infrastructure and the “Six Elements of Strategic Grantmaking.”
- A dynamic collection of tools for grantmakers including boilerplate technology funding guidelines, cost analysis frameworks and strategic technology assessment tip sheets.

In all of this documentation, there is a dual focus on the role of basic technology infrastructure in the voluntary sector and the growing importance of strategic, mission-driven technology work that focuses “beyond the box.”

## Let’s start talking

Building on research into existing practices and from conversations with grantmakers and sector leaders, the Project is focused primarily on convening conversations that broaden our understanding of how the technology needs of



the voluntary sector are influencing grantmaking in Canada. A variety of approaches will be used:

- A series of tech funding roundtables that provide grantmakers with an opportunity to share their experiences and challenges, learn about trends in technology funding and get feedback from others who have a broad overview of the technology issues facing the sector. In most cases, these roundtables will be held within the context of existing funder networks or conferences.
- A number of one-on-one meetings will be arranged to provide support to grantmakers facing pressing technology funding challenges. Led by experienced tech funders or analysts, these meetings will provide an opportunity to troubleshoot and explore practical new approaches to a technology funding policy or issue.
- A small number of half-day strategic tech funding workshops for grantmakers will also be held. These workshops will provide grantmakers with a set of technology funding analysis tools and offer an opportunity for group problem solving. They will also include examples of voluntary organizations that have used technology as a strategic tool in the pursuit of their own missions.

- Collaboration with the international Tech Funders Collaborative. This would include joint workshops and presentations on technology funding.

As noted above, the goal of these conversations is not to encourage technology funding in its own right. It is to improve the capacity of Canadian grantmakers to deal with the voluntary sector in the networked age. Grantmakers, voluntary sector leaders and analysts with broad experience and understanding of technology funding will facilitate all these conversations.

### **Building a network – possible future initiatives**

*Note to readers: These bullets have been presented as “future activities” as they are not currently funded within this Project. If additional funding could be secured, we would make them a part of the main Project.*

In order to be effective, the conversations described above need to continue beyond the current scope of Changing Technology Funding Practices Project. With this in mind, the Project will undertake a number of activities designed to build enduring networks of individuals and organizations interested in these issues. The primary activity in this area will be collaboration with the international Tech Funders Collaborative ([www.techfunders.org](http://www.techfunders.org)), a peer capacity-building network that includes organizations like the Ford Foundation, the Open Society Institute, Muttart Foundation and IDRC.

**“How do we encourage people (grantees) to think about things they haven’t asked for yet? It is helpful to talk with other funders about their experiences.”**

**Patricia Else,  
Ontario Trillium  
Foundation**





Mailing lists and other follow-on activities from technology funding workshops will also be used to encourage ongoing peer networking on this issue:

- A series of regional and issues-based sector/funder think tanks on technology funding issues. These meetings could bring together clusters of grantmakers and sector leaders to explore the funding challenges that technology has created in their region or sub-sector. They would also provide sector representatives with a chance to share their experiences with technology grantmaking.
- A national technology and funding summit that draws together key Canadian grantmakers and voluntary sector leaders to talk about the key technology funding issues that we currently face. Building on the regional think tanks, this event would include roundtables and workshops based around the idea of joint sector/grantmaker problem solving. The outcome of this summit: an ongoing community of inquiry and networking aimed at maintaining the conversation about technology funding issues in Canada.

## Appendix A – Additional Reading

The following documents are helpful resources for anyone interested in issues related to technology grantmaking.

### Recommended

*From Obstacles to Opportunities: Six Interlocking Elements of Strategic Technology Grantmaking.* Funded by the WK Kellogg Foundation, this report represents the only comprehensive study of technology grantmaking issues. It is based on extensive interviews with US grantmakers and technology support consultants. It includes both a solid analysis of the issues and a practical framework aimed at improving the capacity of grantmakers to deal with technology requests. Written by Marc Osten, Jillaine Smith and Rob Stuart. Available online at: [http://www.techfunders.org/summit03\\_materials.html](http://www.techfunders.org/summit03_materials.html)

*Strengthening Voluntary Sector Capacity Through Technology.* The final report from of the VSI IM/IT Joint Table, this report represents an extensive overview of the technology needs of Canada's voluntary sector. It includes both a summary of findings from IM/IT Table research and recommendations for action by the IM/IT Joint Table. One of the recommendations in the report was the creation of the Changing Technology Funding Practices Project. Available online at: <http://www.vsi-isbc.ca/eng/imit/reports.cfm>

*Appropriating the Internet for Social Change: Towards the Strategic Use of Networked Technologies by Transitional Civil Society Organizations.* Commissioned by the Social Sciences Research Council in New York, this paper explores the issue of strategic technology use within civil society. It includes both a general explanation of strategic use issues and twelve detailed case studies of civil society organizations that are leaders in Internet use. Written by Mark Surman and Katherine Reilly. Available online at: [http://www.ssrc.org/programs/itic/civ\\_soc\\_report](http://www.ssrc.org/programs/itic/civ_soc_report)

### Also useful

*The Technology Needs of the Canadian Voluntary Sector* – Report to the VSI IM/IT Joint Table  
Written by Gillian Kerr. Available online at: <http://www.vsi-isbc.ca/eng/imit/reports.cf>

*From Access to Applications: How Ontario Non-Profits Are Using the Internet* – Report to the Ontario Ministry of Citizenship by Mark Surman.  
Available at: <http://commonsgroup.com/docs/accesstoapps.pdf>

*More Than Bit Players: How Information Technology Will Change the Ways Nonprofits and Foundations Work and Thrive in the Information Age* – Report to the Surdna Foundation written by Andrew Blau. Available online at: <http://www.surdna.org/documents/morefina.pdf>

*e-Philantropy v.2.001 – From Entrepreneurial Adventure to Online Community.* Report to the WK Kellogg Foundation by Stephanie J Clohesy at: <http://www.actknowledgeworks.net/ephil/>

*Virtual Promise: Are Charities Making the Most of the Internet Revolution?* Report for Third Sector UK by Joe Saxton and Stephanie Game. Available online at: [www.virtualpromise.net](http://www.virtualpromise.net)

## Appendix B – Conversation Facilitators

Stimulating and successful conversations among grantmakers, voluntary sector leaders and technology advisors will be key to “changing funding practices.” Through the series of tech funding roundtables, one-on-one meetings and half-day strategic tech funding workshops, the Changing Funding Practices Project will initiate a country-wide dialogue about the strategic use of technology by the voluntary sector, in support of the missions of organizations and grantmakers. A number of “champions” are being identified, and cultivated, to play facilitator and leader roles in these conversations.

We invite grantmakers and sector leaders to self-nominate to take on these roles. Through this Project, we will provide background briefing notes, a dynamic set of tools to understand and evaluate tech funding, and an overview of leading funding practices that support strategic use of technology. Champions will also be supported, in leading conversations, by a facilitator from our Project team.

Among the early volunteers to act as champions, we are grateful to have the members of the Changing Funding Practices Advisory Group. We have also had positive responses from some Regional Associations of Grantmakers, and the first pilot roundtable will take place in Vancouver in early March.

*Note to readers: This background paper, once reviewed by Industry Canada, will be broadly distributed to grantmakers, associations of grantmakers, voluntary sector leaders, technology advisors and leaders of voluntary sector organizations who are making strategic use of technology. We will follow up with calls to these leaders to secure conversation facilitators for each event.*

## Endnotes

<sup>i</sup> Surman, Mark. *From Access to Applications: How Voluntary Sector Organizations are Using the Internet*. Government of Ontario, Ministry of Citizenship. 2001.

<sup>ii</sup> This list of strategic Internet uses drawn from Surman and Riley. *Appropriating the Internet for Social Change: Towards the Strategic Use of Networked Technologies by Transitional Civil Society Organizations*. Social Sciences Research Council, New York, 2003.

<sup>iii</sup> Kerr, Gillian. *The Technology Needs of the Canadian Voluntary Sector*. Report to the VSI IM/IT Roundtable.

<sup>iv</sup> LaForest, Rachel and Susan Phillips. *The Voluntary Sector: A Productive Force in the New Economy*. Discussion paper prepared for Industry Canada, May 2003.

<sup>v</sup> Cost estimate based on research undertaken by Dr Gillian Kerr for Citizenship and Immigration Canada.

<sup>vi</sup> Osten, Marc et al, *From Obstacles to Opportunities*. Summit Collaborative, 2003.

<sup>vii</sup> Scott, Katherine, *Funding Matters: The Impact of Canada’s New Funding Regime on Nonprofit and Voluntary Organizations*. Canadian Council on Social Development, 2003.

<sup>viii</sup> Unedited excerpted from: Osten, Marc et al, *From Obstacles to Opportunities*. Summit Collaborative, 2003. Excerpted with permission.



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