



Beyond the Box...

"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 convening 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 plan to develop responsive and practical tools to help grantmakers strategically evaluate the technology needs and requests of the Canadian voluntary sector.

< presenter to insert real life local example here >

As a grantmaker, we encourage you to get involved, to add your voice to this dialogue, both today and over the coming months.



Changing tech funding practices

As with other infrastructure, not-for-profits often find it **hard to find resources to cover the costs of computers and Internet access**

Also, there is a **pressing need** for not-for-profits to **think more strategically** about technology as a tool to increase impact and pursue missions

Using conversations across Canada, the VSI Changing IM/IT Funding Practices Project is working to **move these issues forward**

In Canada, we still find thousands of voluntary sector organizations struggling with just accessing new technology. They either don't have a computer, which makes writing funding proposals and outreach materials a real challenge, or they have a computer but no, or very limited, Internet access. The vast majority of voluntary sector organizations in Canada, however, do have some form of new technology supporting their operations. Sometimes the systems are old, outdated. In many organizations, the systems are in place but the staff have not been adequately trained to use technology to its fullest potential. This is the area where the greatest positive impact can be made for the smallest investment.

However, there are organizations across Canada that are innovators, using technology directly to impact their mission. Delivering services to clients whom they otherwise could not reach...building alliances with like-minded organizations...sharing information with new public audiences. *Here are some statistics from Volnet research done in*

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

Internet Access **76%**, 60%, 91%, 96%

Basic publishing / web site **40%**, 27%, 47%, 60%

Online donations (strategic) **4%**, 3%, 4%, and 8%



Where we need to go

Computers, Internet access and support are seen as voluntary sector “**must haves.**”



Thinking about technology shifts to **strategic, mission-driven uses**

We all understand that the power of technology lies in **networking people**

The situation for the Canadian voluntary sector is mixed, with many organizations up-to-speed, as it were, with their basic technology needs being met, yet too many organizations still struggling to get those basics in place, and very few using technology strategically, in support of their mission. For Canada’s voluntary sector to achieve its myriad of goals, grantmakers and sector groups must:

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

Think about technology in terms of strategic, mission-driven uses. Once these essential components are in place, the thinking about 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.

Understand that the real power of technology lies 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’ need to happen for the voluntary sector to push forward social goals using existing and emerging information technology.



What can funders do?

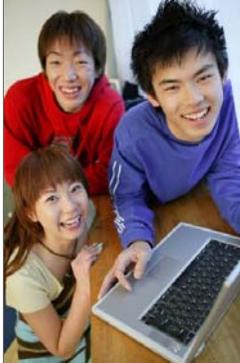
1. Make sure the **basics** are in place
2. Invest in high tech that leads to **high touch**
3. Encourage **strategic use of technology**

We'll go into each of these in more detail. Funders can:

1. **Make sure the basics are in place:** Perhaps the most important skill that VSOs need to develop is understanding how to calculate the total cost of ownership before they invest in new technology. Grantmakers, as well, must think beyond the cost of the original purchase price for hard and software when making grants in support of technology. Training and maintenance must be considered in the actual costs. For example, the typical calculation used these days for operating one computer in a VSO office is \$250/month. What this means when VSOs plan projects and when grantmakers fund them is that the following costs must be included. Funding one staff person for a two year project also means funding two years worth of computer access: $\$250 \times 24 \text{ months} = \$6,000$. This is based on extensive research done by RealWorld Systems for Citizenship and Immigration Canada to determine the per person technology costs for settlement agencies

2. **Invest in high tech that leads to high touch:** In addition to the basics – a functioning computer, network if required, printers, internet connection – grantmakers could greatly support the work of VSOs by ensuring they have the resources and training to use software effectively. The time saved by automating repetitive tasks can be used by staff to do more creative and productive work. For example, automating monthly credit card donations can free fundraising staff to put more effort into new campaigns and prospecting. Providing PDF versions of brochures and publications online saves staff time in mailing information to interested parties. Ensuring staff are properly trained to use Excel spreadsheets could save dozens of hours when budgeting, writing proposals, tracking monthly cash flow... introducing technology effectively into everyday operations can help organizations scale up their operations, by providing stable frameworks for many daily activities.

3. **Encourage strategic use of technology:** There are many wonderful examples of Canadian VSOs undertaking innovative uses of technology to fulfil their mission. The VolNet website provides a dozen case studies from across the country, and from a wide variety of organizations. For example, one project uses virtual volunteers to provide career mentoring to youth in remote, Northern communities. As a result, participating youth have career paths opened up which they otherwise would not have had access to.

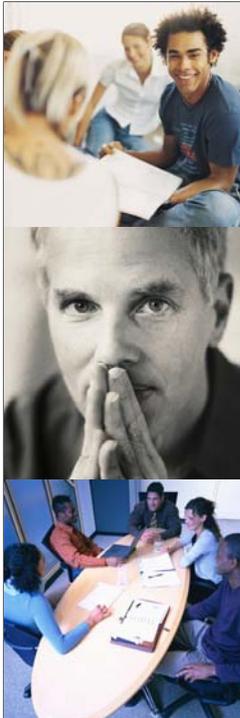


What can funders do?

4. Support **collaborative** use of Internet
5. **Help peers** understand potential of technology
6. Be a **champion** for the strategic use and funding of technology

4. **Support collaborative use of Internet:** Use technology to support collaboration. An example is the Canadian Partners for Children's Health and the Environment, a project to create 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. In the corporate sector, research and development support is a given. But in our sector, we don't always invest in research. You can help support collaborations by providing support to grantees that will give them time and resources to figure out new ways to work together and use technology.
5. **Help peers understand potential of technology:** There are several tools that have been developed by grantmakers to help them more effectively address proposals with heavy technology requests. Part of the Information Management, Information Technology project is to develop a toolkit for grantmakers and grantseekers, to help streamline and normalize the process. This toolkit will be available in January 2005. There are also related projects of the Voluntary Sector Initiative IM/IT Table, including a portal for the sector to share information about a wide range of issues, including technology funding and planning, a network of technology trainers, and a funding database.
6. **Be a champion for the strategic use and funding of technology:** Change starts with you, and with your leadership in modelling good funding practices. And in talking about your funding practices to your peers and colleagues. One way you can be a champion is to organize a roundtable discussion with your colleagues to discuss this project. We can provide background materials, speaking notes, case studies and other tools to support you.

Another way to be a champion is to make the discussion of the strategic use of technology a priority within your organization. Invite a guest speaker in, from a tech support organization, to talk to you about technology trends. Join discussion groups like the TechFunders Collaborative. Also, ask your funder colleagues about their practices and what you can learn from them. Ask your program officers what they are seeing in funding applications. Think about how you can update your own policies to reflect "beyond the box" thinking. **Finally**, look for and support capacity building intermediaries who are providing services and training to the sector. There is lots to be learned about the strategic use of technology and intermediaries can help both grantees and grantmakers alike.



Parting thought ...

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

Want more info on this project, or to see some of the tools that can help you understand technology funding? Contact tech@impacs.org

We encourage you to visit the VSI website, where you can find resources on funding practices and strategic technology planning, as well as other resources related to technology training and other services. See www.vsi-isbc.ca.

Closing discussion:

What is the most important thing that you can do as grantmakers to ensure the voluntary sector is working in the most effective way, with respect to their technology use?

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

NOTE to facilitator: Make sure that the importance of a strategic **technology plan** (that builds on an organization's strategic plan and work plans) is mentioned.