

USING TECHNOLOGY FOR GOOD

Mobile IT and data analytics can help nonprofits better support and carry out their missions.

EXECUTIVE SUMMARY

Perhaps more than any other field of endeavor, nonprofit organizations are under pressure to make smart investments in technology. Funding challenges and other obstacles require nonprofits to carefully allocate scarce resources in ways that will best help them achieve their missions. Donors are increasingly aware of how organizations use their gifts, leading nonprofits to be more vigilant than ever about maximizing the value of their investments.

Technology is not only a cost center, however, but also an enabler of the organization's core mission. With appropriate and targeted IT investments, nonprofits can set themselves up to better and more efficiently serve their clients and communities. In particular, leading nonprofit organizations are finding success with data analytics and mobile solutions. Data analytics can bolster fundraising and other operations, helping to ensure the financial strength of an organization. And mobile solutions enable greater effectiveness and productivity for fieldworkers, helping nonprofits to do more with less.

Smart Nonprofits Use Smart Data

Thanks to donor databases, email, social media, mobile apps and digital systems for everything from payroll to accounting, nonprofit organizations are awash in more data than ever before. But without the right tools to help sort through it all, this wealth of information can sometimes feel more like a curse than a blessing.

While individual records may be scattered throughout an organization, proper data analytics tools can help nonprofits unlock the value hidden inside seemingly ordinary information. In particular, analytics can help organizations increase revenue by tapping into their donor base in new ways that maximize the value of each interaction and help them predict which donors are most likely to help them meet their yearly goals. Data analytics solutions can also assist with budgeting and forecasting, planning and analysis, regulatory compliance and global insight.

Organizations looking to leverage the power of analytics will need not only to deploy a data analytics solution, but also to ensure that their computing infrastructure will support it. For some nonprofits, it will make sense to leverage existing on-premises resources. For others, the public cloud will be a better fit.

Boosting Fundraising with Big Data

Even in the best of times, nonprofits face a major challenge in the need to raise funds for their continuing operation. In the current climate — with competition from other nonprofits, the rise of crowdfunding sites and government funding cuts — staying afloat is an everyday battle. Data analytics solutions offer nonprofit groups a way to significantly improve fundraising activities by helping them to better optimize their efforts and target donors with individualized outreach strategies.

Anyone who has worked in the nonprofit sector knows well that fundraising isn't simply a matter of reaching out to as many people as possible and hoping for the best. Organizations must carefully direct their outreach resources toward those most

likely to give, find ways to maximize donations without turning off donors and keep givers engaged after their first donation. This process is complicated enough when applied to a handful of high-level donors, and it quickly becomes nearly impossible to manage for an entire organization's donor list without help from analytics programs.

Small changes in donor outreach — and, by extension, donor behavior — can make all the difference to a nonprofit's bottom line. For example, only 19 percent of new donors give to a nonprofit again after their first gift. But after donors give a second time, their retention rate skyrockets to 63 percent. For many organizations, a data analytics solution that can significantly increase the percentage of donors who give a second time will quickly pay for itself.

Analytics programs can offer a number of measurable benefits to nonprofits. In addition to improving prospect identification and enabling higher contribution levels, data analytics can increase response rates, support stronger relationships with donors, reduce print and mailing costs, and even reduce the direct labor costs associated with fundraising.

Nonprofits must understand the difference between descriptive data (factors such as age, income and wealth status), predictive data (how likely certain donors are to give at certain levels) and prescriptive data (recommendations for certain courses of action). The value of data analytics tools is that they can make valuable predictions and prescriptions based on a large pool of largely descriptive information. For example, an analytics program may predict — based on past behavior — that 5 percent of prospects with a net worth of \$1 million or more will give at the \$25,000 level, helping an organization decide how to use its resources to engage these donors.

There is also significant value to be found in simply cleaning up existing donor records. On average, nearly 7 percent of donor addresses are out of date, more than 40 percent of donor records are missing phone numbers, and over half lack an email address.

On-Premises or in the Cloud?

Organizations looking to ramp up IT resources to power data analytics solutions will need to decide whether to invest in on-premises infrastructure, move resources to the public cloud or combine both approaches in a hybrid cloud model. On-premises and public cloud resources each have specific benefits. Organizations often spin up infrastructure in the public cloud to take advantage of the cloud's subscription-based financing model, as well as to ease the management burden on in-house IT staff. Others prefer to support their data analytics solutions with in-house IT resources, giving organizations greater control over their environments and allowing them

to leverage existing data center investments.

One important factor to consider when deciding whether to keep resources in-house or to migrate them to the cloud is whether demand for data analytics solutions will be consistent and predictable, or if there will be occasional spikes followed by periods of lower resource utilization. On-premises infrastructure is often more cost-effective for resources that are used consistently, while the ability to quickly scale up and down in the public cloud makes it a good fit for usage patterns with surges and dips.



Other Nonprofit Use Cases for Data Analytics

While fundraising is perhaps the most obvious application of data analytics solutions for nonprofit organizations, they can also use these tools to achieve many of the same benefits as businesses in other industries. These use cases include:

Budgeting and forecasting: Data analytics solutions can significantly reduce the challenge of managing a nonprofit organization's budgeting, planning and forecasting processes — no more sorting through unsynchronized spreadsheets. In addition to creating a central repository of business data, analytics tools help nonprofit leaders to plan for the future based on what has happened in the past. For example, an analytics program might reveal trends in donor behavior or the larger economy that signal positive or negative developments for the year ahead. Analytics tools also help organizations to centralize and simplify collaboration, enabling complex planning and analysis, and providing integrated reports and scorecards that let nonprofit leaders monitor progress toward their goals in real time.

Regulatory compliance: While most nonprofits do not face the same pressure to protect intellectual property as for-profit businesses do, they must be vigilant about protecting donor payment data and other sensitive information. Compliance is doubly important for organizations that work in the healthcare sector or manage other personal data. Business intelligence can help organizations to gather, organize and analyze data; compile reports; and comply with regulatory requirements.

Improving global insight: Analytics can help organizations gain insights into operational issues such as staffing and asset management. While leaders in large nonprofit organizations can't have eyes everywhere, a sophisticated and well-managed data analytics solution can help organizations to keep tabs on — and optimize — the smallest details, from social media interactions to energy waste at satellite offices.

The Technology Solutions That Power Data Analytics

Analytics tools don't exist in a vacuum. They must be supported by powerful hardware and software tools that enable them to run smoothly without hampering other IT resources. These back-end infrastructure solutions include:

Processing: Data analytics solutions may require nonprofits to increase their investments in server infrastructure to accommodate real-time computations on large data sets.

Storage: In order to be useful for analytics, data must be stored securely and accessed easily. Even organizations currently capable of storing their relevant data may need to re-architect storage systems for high availability.

Networking: Organizations must have a robust network infrastructure to transmit data smoothly and efficiently for

analysis. Networks must be designed to minimize congestion and maximize resiliency.

Data warehouse and management platforms: These platforms, available from vendors such as IBM, Microsoft and Google, store data separately from operational systems, classify data by subject area and make data accessible for queries.

The Power of Mobility

Not long ago, nonprofits could set themselves apart from their peers by adopting a mobile strategy to take advantage of the proliferation of smartphones and tablets. More recently, organizations were warned that the benefits of mobility were too powerful to be ignored, and that nonprofits would fall behind their peers if they failed to incorporate mobile devices into their operations. Fast-forward to today, when virtually every nonprofit organization has deployed mobile computing. Even at organizations that lack a centralized mobility strategy or significant investments in mobile technologies, staffers and volunteers are using smartphones and tablets to collaborate, communicate and interact with the organization.

Studies show that more than half of web traffic now comes from mobile devices, that mobile users are online for an average of three hours per day and that more than one-third of email subscribers *only* read emails on their mobile devices. Given these numbers, nonprofits that don't plan for

mobility are putting themselves at a tremendous disadvantage. If, for example, 35 percent of donors are reading fundraising emails on their phones, but messages are written with 15-inch computer screens in mind, an organization might be missing out on donations and engagement from those mobile users.

By deliberately adopting a well-considered mobility strategy, nonprofits can enhance staff productivity, improve service to clients and optimize outreach to donors.

Nonprofit Mobility Use Cases

When crafting an overall mobility strategy, it's important for nonprofit IT leaders to consider specific use cases and business benefits of mobile technologies. These will vary by organizational size, structure and mission, and may include the following:

Field volunteering: Nonprofit organizations don't exist to create the best possible offices and workplaces; their missions take employees and volunteers out into local neighborhoods and far-flung regions to solve problems in the real world. Mobile devices help support community service work by keeping volunteers in touch with the organization, helping them coordinate their efforts on the ground and allowing them to document conditions and file reports. Mobile apps can help nonprofits track volunteer hours; check people in at large volunteering events; and recruit, schedule and engage volunteers. Tablets and mobile kiosks have helped organizations to eliminate the confusion and mess of paper sign-up sheets,

\$3.8
million



The annual amount of untapped giving potential missed by the average nonprofit organization as a result of low requests for annual gifts and major gifts¹

whiteboards and Excel spreadsheets, improving accuracy of records and reducing wasted materials and staff time.

Staff mobility and productivity: A number of nonprofits allow employees to work remotely, which can cut costs, improve job satisfaction and support sustainability goals. According to the "2017 State of Telecommuting in the U.S. Employee Workforce" report from Global Workplace Analytics, telecommuting has grown by 115 percent over the past decade, with employers saving more than \$11,000 per half-time telecommuter each year. Still, only 7 percent of employers make telecommuting an option for most employees, and the nonprofit sector currently lags behind for-profit businesses in this area. Mobile technologies can also increase productivity for office-based staff, allowing them to stay in touch and continue to work on projects while they're on the road.

Disaster response: For organizations that perform work in areas hit by natural disasters, mobility can keep people connected and help support ground operations. While mobile networks are

sometimes knocked out by severe storms and earthquakes, cellular service is often among the first utilities to be restored in the aftermath of a disaster event, giving nonprofits the ability to communicate with people outside the disaster zone and coordinate relief efforts. After a disaster, mobile devices may be the only means by which affected residents can get online; therefore, it is important for nonprofits serving these populations to ensure that their online resources are mobile-friendly.

Mobile fundraising: While nonprofits have worked for decades to discover the best ways to get donors to open their checkbooks, people are changing the way they give (and younger donors may not even have a checkbook). According to *The Chronicle of Philanthropy*, the share of donors who gave via their mobile devices grew by 80 percent between 2013 and 2016. Nonprofit organizations that don't provide opportunities to make donations using their mobile devices (by texting donations, for example) are missing out on chances to increase donations and engage new donors. Mobile point-of-sale solutions can

The State of Nonprofit IT

In the nonprofit sector, attitudes about — and adoption of — different technology initiatives vary widely:

98% of North American nongovernmental organizations have a website, but only 80% of those are mobile-compatible.



85% of NGOs accept online donations.



Only 3% of nonprofits regularly send text messages to donors and supporters, and only 32% of those (fewer than 1 in 3) also accept text donations.



95% of NGOs in North America have a Facebook page, 82% maintain a Twitter account, 51% use Instagram and 21% have a Pinterest profile.



While 95% of nonprofits agree that social media is effective for online brand awareness, only 63% say that social media is an effective online fundraising tool.



Only 34% of North American nonprofits have a written social media strategy.



0 10 20 30 40 50 60 70 80 90 100

also help nonprofits to raise money at events where a large number of existing and prospective donors are gathered. Rather than asking people to pledge donations, which can be time-consuming and cumbersome to collect at a later date, nonprofits can ask donors to simply swipe their credit cards on an mPOS-enabled device. With the right apps and data management practices, nonprofits can also use these interactions as an opportunity to collect or confirm information such as email addresses, mailing addresses and phone numbers.

Technology to Support Mobile Solutions

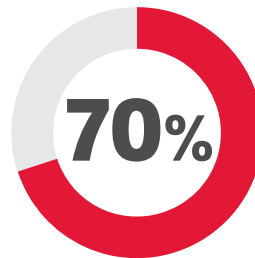
Along with a robust wireless network, nonprofit organizations must invest in a number of other supporting technologies to maximize and manage their mobile environments. These include:

Collaboration tools: Mobile collaboration tools allow users to take full advantage of their devices, giving them the ability to collaborate on projects in real time, share and access files, and communicate via numerous channels. Microsoft Office 365, for example, gives users access to cloud-based email, the file-hosting service OneDrive, the SharePoint collaboration platform, Skype for Business and popular Office programs such as Word, Excel and PowerPoint — across all their devices.

Stand-alone collaboration tools are also available from numerous vendors.

App development: Many nonprofits, especially smaller organizations, can meet most of their mobility needs with widely available commercial mobile applications. Others, however, may want to explore the possibility of developing their own custom apps with the help of an outside app development team.

As with any significant IT initiative, organizations should know



The growth in total worldwide mobile data traffic between Q1 2016 and Q1 2017²

their goals going in. While the mobile app landscape has matured significantly in the past few years, an unfocused development process can result in a large investment with very little return. Still, a well-developed custom mobile app can be a powerful tool for engaging donors, facilitating unique workflows or providing

specialized client services. Popular custom apps developed by nonprofits include SafeNight (which lets users make an immediate donation to pay for a hotel room for someone in need of shelter to escape domestic violence) and the American Red Cross app Blood Donor (which helps users find nearby blood drives and schedule appointments).

Mobile devices: One of the most important decisions IT leaders make when implementing a mobility strategy is whether to issue corporate-owned devices or to implement a BYOD program. Over the past several years, a middle ground has emerged: choose your own device.

With CYOD, users are given several options, and the organization either purchases the devices or subsidizes them. CYOD helps ensure that users are comfortable and familiar with their devices, which encourages adoption; at the same time, IT shops have to support only a limited number of device types. Depending on expected use cases, devices should be ruggedized for fieldwork at the time of purchase.

Management solutions: Concerns about management and security have historically been among the biggest barriers holding organizations back from adopting mobile solutions. Fortunately, management solutions have evolved considerably in recent years. Mobile device management is now only one component of enterprise mobility management, or EMM — a concept that also incorporates management of mobile apps and mobile content. Organizations can now manage their mobile environments on several levels, with EMM tools allowing IT shops

Revisiting BYOD for Nonprofits

Ever since smartphones first caught on with consumers, with the introduction of the iPhone in 2007, technology observers have been alternately predicting the rise and fall of BYOD programs. The BYOD model has obvious cost and adoption benefits, as it allows organizations to leverage users' existing investments in and familiarity with their personal devices. But the model has also been plagued with management challenges.

At first, there was no clear way for organizations to manage their data on user-owned devices; then, many early mobile device management offerings were clunky and intrusive, requiring levels of device access that users weren't always comfortable providing.

Fortunately, many of today's enterprise mobility management offerings focus on apps and content, rather than the actual mobile device. Instead of giving employers total access to workers' personal smartphones, EMM tools can be set up to run corporate data through dedicated apps that don't interact with other data on the device.

Perhaps as a result of these management improvements, BYOD appears to be here to stay. According to a 2016 report by Crowd Research Partners, 72 percent of organizations offer the model to at least some users. In addition to improved mobility, organizations cite employee satisfaction, increased productivity and cost reduction as the main drivers behind BYOD.



to track devices, remotely wipe enterprise data, and keep private and corporate data separate. For nonprofits that need end-to-end mobility management, the emerging Device as a Service model outsources not only device management, but also device ownership — giving organizations the benefits of mobility while freeing up IT staff to focus on other projects.

Mobile Security for Nonprofits

Security concerns have long topped the list of obstacles preventing organizations from moving to mobile, and IT managers are right to be wary. According to the 2017 Mobile Security Spotlight Report from Crowd Research Partners, 47 percent of organizations experienced an increase in mobile threats in the previous 12 months. Around 1 in 4 organizations

experienced mobile device hacks and data leaks, and 28 percent said that employee devices had downloaded mobile malware. Nearly 1 in 5 organizations said employees had connected to malicious Wi-Fi in the past.

Even when these threats don't result in lost data, they can hamper nonprofits by increasing help desk workloads and reducing user productivity.

Although no security plan is foolproof, nonprofits can take steps to protect themselves. Crowd Research Partners reports that 19 percent of organizations have no mobile security technologies in place at all, and a significant number lack basic mobile security capabilities such as password protection, remote wiping capabilities, device encryption and data removal when users leave their jobs.

CDW: A Nonprofit Partner That Gets IT

With three decades of experience providing technology services and support to more than 5,000 nonprofit organizations around the world, CDW can help with all areas of nonprofit IT.

Fundraising technology: CDW helps nonprofits boost their digital fundraising efforts with solutions that identify and attract new donors, engage and retain current donors, measure performance and collect donations through multiple channels, including mobile and online fundraising.

Discounted nonprofit pricing: CDW helps organizations keep IT costs low by securing nonprofit-only discounts from top partners.

Expertise for all organizations: Solution architects at CDW understand that nonprofits have specific needs that differ from other businesses. We are experts in providing solutions for social service organizations, museums and zoos, foundations, faith-based organizations and others.

Information security: From networking resources and mobile devices to local data and cloud tools, CDW provides end-to-end solutions for safeguarding an organization's entire IT ecosystem.

Cloud technology: Solution architects can help nonprofits implement cloud solutions that allow them to stay focused on their mission.

Data analytics and business intelligence: CDW helps organizations create actionable insights for research and budget planning, and works to ensure that nonprofit data centers are equipped to handle growing storage needs.

The CDW Approach



ASSESS

Evaluate organization objectives, technology environments and processes; identify opportunities for performance improvements and cost savings.



DESIGN

Recommend relevant technologies and services, document technical architecture, deployment plans, "measures of success," budgets and timelines.



MANAGE

Proactively monitor systems to ensure technology is running as intended and provide support when and how you need it.



DEPLOY

Assist with product fulfillment, configuration, broad-scale implementation, integration and training.

➔ **Learn more about how CDW solutions and services can help your nonprofit operate more efficiently and productively.**

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