

Information Technology for Non-Profits

**Non-Profit Conference
Brookdale Community College**

By Hesham Tamraz

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Speaker Profile

- ◆ Hesham Tamraz
 - ◆ Technology consultant specializing in non-profits.
 - ◆ Former Information Technology (IT) Director at a national association for 8 years (1991 – 1999)
 - ◆ Serving the non-profit market since 1999.
 - ◆ Focus on small to mid-size nonprofits.

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Overview

- ◆ Over the last 10 years, non-profits have seen big changes in the area of technology. While it has become more affordable, the majority are still not clear on how to integrate technology into their business to deliver bottom line improvements to their operations.
- ◆ Web sites continue to be a source of frustration. Few know how to use them well to deliver expanded member services and reduce staff workload.

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Lack of budget commitment to technology

- ◆ This is often due to lack of support from leadership.
- ◆ Some decision-makers do not see technology as essential to supporting or driving strategy.
- ◆ Like sales people who believe business will keep on coming without exerting themselves, some nonprofits are seized by inertia. They think they can hold on to members forever.
- ◆ If the leader is too busy to think about embracing technology, an energetic staff member or board member may have to champion change to embrace technology.

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Inability to identify the value a Web site can deliver to members

- ◆ Easily fixed by looking at groups providing same or similar services (i.e. check out the competition).
- ◆ Ask members what they want. Sure, you can assume what they want, but guessing seldom works. Would you launch a business before doing upfront market research and assume customers will want your products or services?

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Lack of awareness of available solutions

- ◆ Easily fixed by staying abreast of current trends.
- ◆ Joining and networking with colleagues in other non-profits through various umbrella organizations (ASAE, NJSAE, NJ Nonprofits, etc.) is a great way to learn. After all, isn't that one of the reasons why members join YOUR non-profit when they want to learn more about their industry/profession/cause, etc.?
- ◆ Seek outside help.

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Lack of know-how to implement solution

- ◆ Large non-profits tend to hire full time technology staff and retain consultants to drive technology projects.
- ◆ Small nonprofits have access to low cost technology tools at reduced prices.

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key technology trends for non-profits

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Business Intelligence Systems for Nonprofits

- ◆ Commonly known as Membership Management Systems or Donor Management systems.
- ◆ In the for-profit world, managers rely on "business intelligence", the ability to transform large amounts of "warehoused" data into key information to drive informed decisions.
- ◆ Nonprofits collect data about members/donors, profiles and preferences, marketing campaigns, committee participation, dues billing information, donation history, information requests, product purchase history, event attendance history and so on.
- ◆ We often store this data in more than one place, creating a "disconnect" where systems aren't talking.

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Business Intelligence Systems for Nonprofits

- ◆ You need to unlock this hidden knowledge to gain access and deeper insights to members / donors.
- ◆ Solution – transform data into knowledge, so you can identify patterns, trends and relationships from huge amounts of data too complex to be processed by human analysis alone. You need to introduce well-designed database systems in place to track and analyze this information.

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Business Intelligence Systems for Nonprofits

- ◆ "Data Mining" is a class of database applications that looks for hidden patterns in a group of data that can be used to predict future behavior. For example, data mining software can help associations find members with common interests. <webopedia.com>
- ◆ Most people are used to asking for a standard set of reports, which often come from loosely held sources -- not integrated systems. They stop asking hard questions that only a cross-functional view of their business could answer.

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Business Intelligence Systems for Nonprofits

- ◆ EXAMPLE – Marketing Intelligence
- ◆ Instead of outsourcing everything to a direct mail house, the marketing director from a national nonprofit decided to do the marketing segmentation herself. She used marketing intelligence to test four distinct segments, each receiving a unique message and ask amount. The segments with the highest yield (i.e. ROI) was rolled out nationally and resulted in the best campaign performance to date.

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Business Intelligence Systems for Nonprofits

- ◆ EXAMPLE – Marketing Intelligence – Continue...
- ◆ Having intelligent business systems in place to capture and analyze the performance of the marketing campaign is a key success factor to making future informed decisions.
- ◆ Similar scenarios can be developed for other departments with regard to financial intelligence, event-planning intelligence, membership recruitment / retention intelligence, measuring the lifetime value of members support “fundraising intelligence” and so forth.

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Online Technology Trends

- ◆ Web Sites - your goal is simple. Give site visitors a reason to come back. Going beyond a professionally designed Web site, the most engaging sites tend to be those with interactive features where users can search for information and find relevant and timely content on the site.
- ◆ Content personalization. [My Yahoo – www.yahoo.com](http://www.yahoo.com)
- ◆ Content Management Systems.
- ◆ Integration of in-house database and Web site to provide dynamic updates to/from Web.
- ◆ Real-time updates vs. Synchronized updates.

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Online Technology Trends

- ◆ Online dues processing/renewal and donation processing.
- ◆ E-Commerce “shopping cart” support for purchasing products/services.
- ◆ Online update of member / donor profile information.

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Online Technology Trends

- ◆ Online member / industry directory.
- ◆ Online event registration processing.
- ◆ E-Learning opportunities.

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Online Technology Trends

- ◆ E-Memberships / free trial membership.
- ◆ Residual income through non-dues revenue opportunities (NDRO).
- ◆ E-Newsletters. Give them a taste of what you have to offer by giving away a free copy.

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Online Technology Trends

- ◆ Online Guest Book – an effective tool for capturing qualified prospects.
- ◆ Online Collaboration Tools – an effective tool for boards, committees and special groups to manage and synchronize the production of documents, shared knowledge and insights. Used in asynchronous mode or in real-time, from any PC with a Web browser and an Internet connection.
 - ◆ Eliminates boundaries imposed by schedule conflicts, travel expenses and time zones.

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While we are at it, you should have...

- ◆ Fast Internet connection (i.e. broadband connection) such as T1, Cable or DSL.
- ◆ Training plan for the staff (including the boss).
With technology changing so rapidly, you can't expect people to effectively support new initiatives or apply what they learned 10 years ago.

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Next Steps

- ◆ Initiating change processes to embrace technology takes time, sound planning and outstanding execution.
- ◆ Buy-in support is usually the biggest hurdle. The benefits have to be clear. Build support around your plan before pitching the main decision makers.
- ◆ When in doubt, seek the help of professionals.

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Quick Reminder

- ◆ Brookdale offers a non-credit certification program for non-profit management. One of the elective courses offered is Technology Solutions for non-profit organization. It's three sessions long at 2 hours each and goes into a detailed discussion of technology solutions for non-profits and actual hands-on demonstrations. Our first session starts November 23, 2004.

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Thank you

- ◆ Feel free to email me with any questions
- ◆ htamraz@crestech.com
- ◆ Slides on Web at
 - ◆ www.crestech.com/nonprofit

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