

Lessons Learned From the Pilot

Case Study



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Executive Summary



CanadaHelps developed the Charity Growth Academy (CGA) program first as a pilot supported by Mastercard Changeworks™. The pilot involved 11 nonprofit organizations from across Canada, and ran from July 2022 through April 2023. The pilot was a hands-on program that offered a digital assessment and action plan, skilled volunteers to support implementation, grants, and access to resources.

Key learnings from the pilot include:

- All organizations listed "lack of time" as the most difficult challenge to overcome. Organizations in the pilot emerged knowing what they could do to address these struggles, but still struggled with how to find the time to enact those solutions.
- A digital skills gap was not the biggest challenge to overcome, but it was an important challenge to be aware of. The time needed for skills development was one of the reasons the skills gap was a challenge to address.
- The action plans provided valuable insights. Having the organizations' own practices reflected back to them, as well as receiving insights into best practices and possibilities, organizations were able to start noticing where opportunities existed and to be more mindful in the decisions they were making around technology.
- There is a connection between leadership support and success. When leaders plan and resource the work that is to be done, outcomes are far more likely to be achieved.

Background

Skills

Canadian charities, like every other sector of the economy, have been trying to keep pace with digital technologies. However, charities are less likely to have access to technical skills given a general shortage in these types of skills. As The Organisation for Economic Co-operation and Development noted in a 2020 study, "Canada is [...] below top performers, in the skills assessed by the OECD Survey of Adult Skills: literacy, numeracy and problem solving in technology-rich environments".¹ Indeed, the Conference Board of Canada reported in 2022 report that in 10 years, nine out of ten jobs will demand some kind of digital skill.²

The shortage of these skills nationwide, means that technology skills are in high-demand and employers are competing on salaries to attract the best talent. With average wages in the nonprofit sector at \$38,716 (as compared to \$57,137), small charities cannot compete with the private sector for these highly sought after technology skills.³

As these skills shortages pervade, so too does the market proliferation of thousands of "no-code" or "low-code" digital technologies. "Clicks, not code" has been CRM giant Salesforce's motto for the past two decades. Cloud computing companies purport to make computing more accessible, meaning that new technologies will help alleviate the pressure on the market demand for technology skills. It is true that it has never been more affordable, or easier to leverage no code, low code cloud computing technologies to achieve operational efficiencies, great user experience and manage large volumes of information.

The Unique Challenges for Charities

However, the proliferation of these tools has meant that charities without technology or data governance capacity have struggled to know which of the thousands of tools they should choose or how best to configure them and sustain them over time. Charities have taken up the call to adopt more cloud computing technologies but have struggled to implement them well, integrate them with each other, or leverage the automations that make them so powerful and effective in the first place.

The result is that charities are struggling with data silos where information resides in dozens of different disconnected cloud tools; lack of clarity about which tools are used for which functions; untrustworthy data resulting from poor data governance and data hygiene.



1. <https://www.oecd-ilibrary.org/sites/2b95c0dc-en/index.html?itemId=/content/component/2b95c0dc-en>
2. https://fsc-ccf.ca/wp-content/uploads/2022/10/FSC_digital-skills-for-today-and-tomorrow_EN.pdf
3. <https://www.imaginecanada.ca/sites/default/files/2022-10/diversity-is-our-strength.pdf>

What Charity Growth Academy Proposes

Charity Growth Academy proposes that charities can learn how to better leverage the technologies that they are currently using by developing a mix of hard and soft technology skills.

Small charities that learn to provision their technologies better, leverage the power of integrations and automations, engage in process design and documentation, and support user adoption will see gains in efficiency, reduction in administrative burden and an increase in time spent on mission-related work.

From July 2022 to April 2023, Charity Growth Academy tested this thesis with 11 organizations from across Canada. Charities were first introduced to some basic concepts of digital transformation and the possibilities of embracing cloud-computing. Then they were invited to complete a digital skills assessment that evaluated them on more than 110 areas of technology use - from quantitative ratings on how they use a particular tool, to more qualitative descriptions of the challenges they've had with shadow systems, or including technology skills in job descriptions.

Once they completed their assessments, customized action plans were created for them covering everything from how they can redesign their program registration form to collect the right information and ensure that it is integrated to their CRM, to step-by-step guides on how to engage in process mapping and needs assessment activities. The goal was to provide them with a road map with specific activities that they could complete in order to:

1. **improve how their technologies are provisioned** by pointing out features that they could be using (such as advanced features, automations and integration)
2. **develop their capacity for data and technology governance** (such as process documentation, technology knowledge management, data modeling, storage logic, improve secure user management)
3. **document, develop, and resource technology-specific skills and responsibilities** (documenting and auditing skills, making time for tech training, including technology responsibilities in job descriptions, assigning tech responsibilities, nurturing a digital-first mindset)

Supporting Implementation



Volunteers

With their recommendations in hand, pilot organizations were connected with volunteers who work in technology roles at Mastercard Canada. The goal was for these volunteers to support the charities in completing a set of "quick wins" — short term, specific actions that would yield immediate efficiencies.

The charities worked with the volunteers over several weeks, with some having more success than others when it came to checking actions off their lists. In some cases, organizations were limited by their available staff capacity or

technical know-how. In others, the volunteers and to be flexible in their approach and accommodate changing priorities within the organization.

Workshops

We hosted several workshops so that charities could let us know more about the challenges that they experienced during the pilot as well as the successes and opportunities that arose as a result of their completion of The Charity Growth Academy.

Overcoming Challenges

We asked organizations to place in order a set number of challenges in terms of "easiest" to "most difficult" to overcome. The challenges we listed were "Lack of Time, Lack of Motivation, and Skills Gap".

All organizations listed "Lack of Time" as the most difficult challenge to overcome. This speaks to a need for organizations to include time for technology implementation into their strategy and operational goals. Without formalizing and prioritizing technology-related work (whether that is tool selection, tool implementation, training, periodic process audits and adjustments), as a priority in annual work plans, it is unlikely that an organization will be able to make time to carry out this work, or resource it effectively. What isn't documented, isn't done - or funded.

All organizations except one listed "Lack of Motivation" as the LEAST difficult challenge to overcome. This confirms what we know - that organizations who agreed to participate in this phase of the pilot had a high degree of motivation, as evidenced by their ability to successfully complete "quick wins" in prior phases of the pilot. The sole organization who indicated that "Lack of Motivation" was more of a challenge than others noted that it was a question of prioritization rather than motivation per se - which speaks more to the time deficit already noted in the step above.

Finally, all but one organization noted that the "Skills Gap" was not the easiest NOR the hardest to overcome. One organization noted that the volunteers brought essential skills and capacity to the team that helped them overcome

challenges. Another reflected on this challenge as a question of workload and time. Yet another noted a lack of ownership/dedicated IT role to take on this work and a lack of Google Sheets expertise which was needed to implement some of the quick wins recommended to them.

One charity noted that it could benefit from re-visiting their ops admin roles and responsibilities as well as skills required to ensure that the person in this role has some essential system administration skills and integration abilities. Another organization, who has a systems admin, noted that they had the skill to move efficiently through the quick wins because this is a role that they have been able to resource.



All organizations listed "Lack of Time" as the most difficult challenge to overcome.

Challenges, Opportunities and Experimentation

We also asked charities from the pilot to name additional challenges that they experienced, ways that CGA could have helped them overcome them, opportunities that they have realized, and ways that they can experiment with new learnings in the near future.


Almost all reiterated a lack of time and resources dedicated to the effort of implementing technology being a significant challenge. Skills gap was also a common issue that was stated again. Several organizations noted that buy-in and culture shift were an issue that had to be addressed - with some in leadership roles not cultivating a digital-first mindset. Also, charities noted that there wasn't always a connection between tech projects and strategic planning.

Faced with these challenges, the organizations noted some opportunities. Common among the pilot charities was the idea that strategic planning that takes technology into account would help overcome lack of time and resources. Specific skills development, and/or hiring with an eye for tech proficiency also came up as a way to overcome skills gaps. Bringing in occasional 3rd party expertise whether paid or via the board was also noted as a common opportunity to overcome challenges to implementing recommendations provided by The Charity Growth Academy.

Organizations who participated in the pilot all realized that leveraging automation and integration represents a massive untapped potential for operational efficiency. Almost all pilot organizations noted that as a result of participating in The Charity Growth Academy they have slowed down and become more mindful of what tools are selected.



Opportunities

1. Taking technology into account as part of strategic planning helps overcome lack of time and resources.
 2. Specific skills development, and/or hiring with an eye for tech proficiency is one way to overcome skills gaps.
 3. Bringing in occasional 3rd party expertise whether paid or via the board can augment skills gaps.
 4. Leveraging automation and integration represents a massive untapped potential for operational efficiency.
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When there are too many tools in the mix, charities decided that it was worth the effort to streamline their technology stack. Organizations realized the benefit of consolidating tools and data to avoid duplication and dispersed data. Teams also noted that they were beginning to process map and document processes realizing that this is a critical part of good technology implementation and sustainability. Several orgs noted that they are making tech a part of the management team and board's regular discussion points.

The pilot revealed a great deal about the challenges and opportunities facing charities when it comes to leveraging digital technologies.

Key Takeaways From the Pilot

Lack of Resources = Lack of Time

Not having enough time to skill up, implement technologies and sustain them through good governance practices is endemic across the charitable sector. Lack of adequate resources, of which time is often the most valuable, is a symptom of lack of funding, or specifically, program-based funding, which still tends to demand that charities only invest in “direct program expenses”.

Funders could better align their practices with the current reality facing these charities; using technology effectively in order to deliver great programming, report on it effectively and scale it when it proves to be effective are not an “overhead” costs, or administrative costs.

The use of technology has a direct impact on a charity’s mission success.

We observed charities that struggled with so many inefficient program-related processes resulting in less time working with beneficiaries of their work, and more time trying to update spreadsheets. The charities in the pilot emerged knowing WHAT they could do to address these struggles, but still struggling with HOW to find the time to enact those solutions.

The Role of Leaders

We learned from our pilot charities that those who had leaders at the executive and board levels were more likely to be working digital transformation into their strategic plans. When leaders plan and resource the work that is to be

done, outcomes are far more likely to be achieved.

Training Helps... When it is Used

While the skills gap isn’t unique to charities – they are feeling this gap more acutely. There is no shortage of training opportunities. During the pilot we put together a bank of 350+ learning resources on specific tools as well as on the more strategic and governance related skills required for digital transformation. Few organizations in the pilot accessed these resources, even where price was not a barrier.

Our pilot charities, like most charities, struggle to find the time to dedicate to learn these new skills and put them into practice.

Nonetheless, when they DID find time to invest in their technologies, they found that documenting processes and workflows was a lightbulb moment. Once they could see HOW they worked mapped out in front of them, they began to notice where there existed opportunities for improvement.



Having a Plan Matters

The pilot provided them with a plan for investing in their digital transformation. Where before technology decision making was ad hoc, our pilot charities all reported that they were prepared to be far more strategic in how they implement and sustain technologies.

One key area of strategic improvement is to document the skills they have in house, the roles and responsibilities related to the technologies they use, and the skills that they can afford to outsource. It can be a challenge to find the right support to implement proposed solutions for charities - but with the right mix of internal skill and awareness of the possibilities of digital technologies, mixed with occasional 3rd party support, there is no technological success that is beyond the reach of even the smallest Canadian charity.



Because of the work we did through your project, we were able to clearly identify and budget out a plan to move forward on some key digital initiatives that will ultimately save us resources and increase our capacity in the long run. Thank you so much for your support throughout the project. The action plan we produced together has been such a valuable resource for us in charting out our path forward.

KATHY SLOTSVE, YES EMPLOYMENT + ENTREPRENEURSHIP MONTREAL

What's Next?

How this learning informs the Next Phase

With the learnings from the pilot, CanadaHelps is excited to launch this open beta of the CGA App. The CGA app is also informed by a recent survey undertaken by CanadaHelps. This research found that:

- 80% agree or strongly agree that limited human resources are impeding their ability to improve digital skills
- Only 31% say they have the financial resources to make progress on digital transformation
- Only 11% of smaller charities would describe their organizations as well on their way or advanced when it comes to digital strategy and having staff dedicated to the work – things are not entirely better for the largest charities either where that percentage only jumps to 26%.

Charities recognize the urgency, and have an appetite for change – which our pilot organizations also confirmed. In the survey, “six in ten Canadian charities agree or somewhat agree that they will soon find it harder to do what they do without better leveraging digital tools”. The need for strong technology skills and strategies is only getting bigger, and the scale of the problem is growing with that need.

Our survey confirmed what our pilot charities experienced: “Sufficient funding, followed by skills and knowledge remain the biggest barriers for charities to better leverage technology”.

Developing a Self-Serve Platform

With the pilot organizations, we were able to provide hands-on assessments and reports – but these took dozens of hours to produce. When the majority of charities recently surveyed suggest that they still lag behind in using technologies effectively to deliver on their mission, we knew we had to deliver a solution at scale. As such, the CGA app differs from the pilot in that it is a low-touch, self-service tool that is readily available to all small charities who have taken the first steps towards leveraging cloud computing. Knowing how beneficial having a plan was to the pilot charities, we are optimistic that providing even more charities with a roadmaps and the opportunity to shape their priorities with respect to digital transformation will improve technology enablement across the sector.

The app will demonstrate to charities what they don't know about the technologies they are using and provide them with practical suggestions for how to use them better. Several charities in our pilots noted that simply the act of completing the assessment led to some lightbulb moments about things that they could be doing to be more strategic about technology usage.

With the app, they'll be provided with a clear set of recommendations – including specific actions related to each recommendation. We know that they will continue to face challenges with respect to implementing them, but we know that when they are able to find resources (either staff time, or 3rd party support) to enact them, they will be able to do so with a clear path ahead.



**Charity Growth
Academy** by CanadaHelps