THE STRATEGIC ROLE OF TECHNOLOGY IN PHILANTHROPY

Building Your IT Strategy

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TECHNOLOGY
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OVERVIEW

IT STRATEGY AS A GUIDESTAR DURING UNCERTAIN TIMES

As a result of the pandemic of 2020, the role of technology has never been more vital to the nonprofit sector.

Seemingly overnight, our organizations' cultures and work processes have been stretched in ways unimaginable only weeks prior. Video conferencing and remote work have become central to the continuity of foundations and nonprofit partners around the world. Online donation portals and expedited grant payments are the new lifeline for nonprofit funding. Our collective sense of community has gone virtual, supported by a host of social media apps and video conferencing platforms.

In the midst of this uncertainty, hundreds of foundations are scrambling to achieve two goals:

1. Deploying emergency assistance to their partners and constituencies
2. Ensuring their own business continuity

Technology is inextricably core to both. As technology roars to the fore as the new lifeblood of our organizations, it's become clear there's a new, non-negotiable competency required of every IT leader across the sector: *Strategy.*

Strategy can be a much-needed guide star during uncertain times. It can provide a framework for making tough decisions to help ensure we stay the course. It can connect us holistically with departments and partners across the foundation, aligning technology with important business goals. And strategy can showcase and advance the role of technology, and technologists, within our organizations.

And yet, strategy is paradoxical. Definitions abound but meanings are opaque. We aspire to think strategically, but are conditioned to act tactically – fixing a myriad of daily issues and rushing to address users' requests. Strategy has yet to be widely embraced within the world of nonprofit tech, and yet there is great potential to be realized if we are willing to invest in this capability.

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This series by the Technology Association of Grantmakers (TAG) helps demystify the role of strategy and offers ideas for making it more approachable and actionable. In each publication, you'll find insights and anecdotes gained from some of the best minds across the sector, leading to what we hope will become an elevated and inspired role for technology within your own organization.

THE MECHANICS OF STRATEGY

QUESTIONS TO GUIDE STRATEGY DEVELOPMENT

Technologists often hesitate when it comes to starting their strategy development. How many years should it cover? How many pages long should it be? Do I need a SWOT analysis? A RACI? Financial models? What metrics should I use to measure success?

All of these questions are valid, yet there are better ones with which to start:

- *How can technology help us better achieve our mission?*
- *What are each department's and program's goals?*
- *How will the foundation evolve over the next few years?*
- *Can technology help us live our foundation's values?*
- *How do my colleagues and partners feel about our technology?*
- *Do staff, leaders, and partners have the data needed to do their best work?*
- *Does technology help us better collaborate and work together?*

These questions will help identify strengths, weaknesses, risks, and most importantly, aspirations. **Addressed collectively, technology can forge a new identity based on operational excellence and future aspirations.** The specific framework or model employed to build a strategy is not as important as the end result of exploring the right questions and engaging with colleagues to better meet their needs.

A strategy that is simple to communicate, reference, and update trumps an endlessly long or complex one that is destined to languish on a virtual shelf. A few well-reasoned pages defining guiding principles and key initiatives, along with a roadmap outlining projects and timelines, is often the most simple yet successful approach.

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STRATEGY AS THEORY OF CHANGE

Technology leaders at many foundations describe a strategic approach that may sound familiar: *Theory of Change.*

Theory of Change is a great model for developing your strategy as it forces us to think more about outcomes than outputs. Furthermore, this model is widely embraced by programmatic teams in philanthropy, so starting with the Theory of Change helps bridge a gap that often separates technologists from the rest of the foundation.

The concept is simple: Start with a desired outcome and then work backwards to identify the steps needed to achieve it. These steps become projects, and may be sequenced into a roadmap detailing the timing and order of implementation. The mechanics of developing a theory and roadmap are not complex. Choosing the right outcomes; however, often proves more challenging.

Beginning with an outcome requires vision. *How does the role of technology ideally support a foundation?* There's no shortage of possible initiatives -- from digital transformation to cyber security to cloud migration. And these have a place in any strategy. However, many of the leaders interviewed for this publication built their strategic vision with a different approach.

STARTING WITH PEOPLE, NOT TECHNOLOGY

In defining her vision for the Rockefeller Foundation, Chief Technology Officer Carolyn Wendrowski sought to align technology with Rockefeller's core values. She reasoned that because values are rooted in people and behavior, technology's role should ultimately be in support of those people and the organization's values.

She began by surveying every user at Rockefeller, asking pointed questions to help uncover how technology and her team were perceived. They received nearly 100 responses that influenced the IT strategy. Carolyn states "our vision for the future is for IT to provide strategic and technical *thought leadership*, and our mission is to evolve our technology and our ways of working to provide a better *user experience*."

The strategy, focused on people and experience, is not based on specific technologies or software. While those elements are important, Carolyn's strategy leads to outcomes that don't rely on any particular application or process. Instead, Rockefeller's strategy focuses on thought partnership, better collaboration, and user experience. As such, IT can adapt any tool needed to achieve those goals. Individual steps, such as closing support tickets more quickly, paves the way toward the intended outcome. In this theory of change model, the steps are flexible and iterative, while the outcome remains strategic.

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Similarly, Sue Taylor, Chief Information Officer at the Bill and Melinda Gates Foundation, echoes this people-first approach. Her team recently refreshed their three-year strategy which was developed not in isolation nor solely from a technology lens. Sue's team set out to gain insight into the larger organizational strategy and then developed a strategy for how technology could bring value and/or accelerate the work of the foundation's mission.

To gain initial insight, Sue and her team interviewed over 150 stakeholders across the foundation, using Human Center Design practices to better understand their departmental strategies, as well as their needs and expectations of technology. They intentionally focused on helping colleagues better achieve their own goals and outcomes. In other words, the IT strategy was developed with an intent to be aligned with the larger organization's theory of change. Rather than having tech for tech's sake, the focus shifted to support the larger mission through alignment and collaboration. "I think about business strategy first and technology comes after that."

They discovered that ways of working varied greatly based on team and size, and that IT cannot take a 'one shoe fits all' approach. By pursuing a people-first strategy, the technology itself does not overshadow the intended outcome of aligning technology with business processes and goals, ultimately leading to more productivity.

> **"I think about business strategy first and technology comes after that."**
>
> **– Sue Taylor, CIO, Bill and Melinda Gates Foundation**

How does such a shift in strategy change your roadmap? Jonathan Mergy, IT Director at Tides Foundation, describes how taking a holistic approach shifted their work. "Three years ago, our mindset was that we needed to throw tech at problems in order to scale and reduce technical debt. That's not the case today. When we think about problem-solving, we think about people, process, and technology. There's a people and process component to each technology project. And, each major tech project should also be an organizational project."

A NEW MISSION FOR IT: TRUSTED ADVISOR

Another facet of strategy common amongst leaders interviewed is the commitment to positioning IT as a trusted partner and advisor within the foundation and with nonprofit partners. There's a growing aspiration to expand the role of IT beyond its traditional wheelhouse of back-office and operational support, and deeper into the work of program teams and partners. To achieve this level of trust and collaboration, IT must strategize a new approach to its own mission.

As emerging technologies like artificial intelligence, the Internet of Things, advanced data analytics, and Blockchain continue to make headlines, program teams and partners are increasingly interested in leveraging them for greater impact. Yet, there's a knowledge gap regarding these complex technologies, and those making decisions about funding and projects will need expert advice and consultation. However, IT isn't always the first stop for those seeking expertise.

> **As IT looks to evolve its role and purview there's a new mandate for a more strategic approach towards building trust and assuming a more influential role as 'strategic advisor' across the foundation.**

Building this trust is often a matter of hard work and commitment. John Mohr, Chief Information Officer at the John D. and Catherine T. MacArthur Foundation, believes the path to a more influential role starts with getting the basics right. He states "The relatively seamless transition to remote work during COVID-19 helps to validate the past work IT has done, and hopefully that will translate to future trust. Now people are curious about other ways that technology can help. Once you're trusted to successfully manage IT basics, you're given the opportunity to do more."

Donell Hammond, Director of IT at the Kauffman Foundation, is also working to transform the role of IT. His goal is to engage with program teams and their nonprofit partners to provide expertise that shapes programming and drives outcomes. "A grantee recently applied for funding to create a data center to identify at-risk students," says Hammond. "Our IT team had the opportunity to be part of that conversation, which resulted in our colleagues seeing firsthand how we can add value. Now we're getting more requests to engage in those types of discussions." Through these discussions and engagements, IT at Kauffman is reshaping its perception and demonstrating how its competencies and value go beyond operational support.

RECAP: PLANNING YOUR STRATEGY

Events like COVID-19 define technology's role in philanthropy. In an instance, our past decisions spotlight the state of today's technology. *Can the organization continue working and collaborating unabated? Can our grantmaking abruptly shift to support the changing needs of partners and communities? Will technology leaders be called upon for expertise, ideas, and collaboration?*

Hopefully your work, whether guided by strategy, instinct, or luck, has so far led to success. Regardless of recent events, our foundations will continue to rely on technology to survive and thrive in the future. As you plan your work ahead, below are a few reminders to ensure strategy plays a role in your future success:

1. **Don't get overwhelmed with the mechanics of strategy.** A successful strategy needn't be overly complex or academic. Seek to understand the present and aspire to align with the needs and expectations of users, departments, and partners.
2. **Employ the 'theory of change' model for developing your IT strategy.** Start with a vision of the future and emphasize outcomes over outputs. Already commonplace in the sector, a theory of change may help bridge the gap between IT and our colleagues.
3. **Start with a focus on people.** We technologists have a penchant to lead with software solutions; however, people and processes are the most important parts of any technology initiative.
4. **Extend the role of technology by becoming a trusted advisor.** Seek to build relationships, trust, and change perceptions by demonstrating expertise on a small scale. One shoe won't fit all. Do one or two things amazingly well and more opportunities will follow.

Throughout 2020, TAG will continue to explore the role of IT strategy in philanthropy with webinars, white papers, and presentations. Our next topic, due for publication later this Spring, is "*Making The Case: How to Communicate the Value of IT & Gain A Seat At The Table*." In this paper you'll discover how IT leaders in philanthropy are building their influence and elevating the role of technology to better serve their peers and foundations.

Learn more at tagtech.org/strategicphilanthropy.

ABOUT THIS SERIES

The Strategic Role of IT in Philanthropy series is provided by the Technology Association of Grantmakers (TAG) in consultation with member organizations and private sector advisors.

View the full series at: tagtech.org/strategicphilanthropy

This is an educational publication and is not intended as legal advice. You should contact your attorney for legal advice. The opinions expressed here are the opinions of the individual authors and may not represent the opinions of their employers or of TAG.

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The following members of the Technology Association of Grantmakers (TAG) provided perspective and counsel in concert with this series:

- Carolyn Wendrowski, Chief Technology Officer, Rockefeller Foundation
- David Roth, Chief Information Officer, Ford Foundation
- Donell Hammond, IT Director, Kauffman Foundation
- John Mohr, Chief Information Officer, John D. and Catherine T. MacArthur Foundation
- John Talieri, Director of Business Technology, Annie E. Casey Foundation
- Jonathan Mergy, Director of IT, Tides
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