3 Reasons Why Your Organization Needs a Technology Strategy

By Melissa Goraj, CPA

During the second decade of the 21st century, software transformed how we interact with our communities. In 2010, WiFi was slow, smart phones were rare, and Facebook was still (mostly) for college students. As we close out 2019, we can reflect on how software has made our lives easier and, simultaneously, how it has increased the expectations that our constituents have of our organizations. Social media is used to choose which synagogue and JCC we join (or don't). On Giving Tuesday, also new this decade, prospective donors pull up websites that rank the donation worthiness and transparency of our organizations. And of course, payment needs to be online, immediate, and as easy as possible.

And despite all of the ways that software and the internet have transformed the world, 66% of nonprofits fail to incorporate technology into our strategic plans. Why? Because the costs associated with technology appear high and are thought of taking away from our core missions.

In the 2020s, we will see a generation come of age who has never lived without the iPhone. We can no longer afford to view software and web presence as overhead costs that take away budget from our mission critical programs. Instead, we must learn to leverage these tools as a necessary means to increase the impact of our programs. If we don't align our technology with our mission, our current and future donors may find another organization that does. We must budget for constituent facing systems that can be fully integrated with the back office to create a consistent record across all aspects of our organization, websites that are an extension of the constituent experience we have curated, and a culture that continues to adapt and invest in technology as it continues to evolve.

In this article, I provide three reasons for why nonprofit organizations should build technology into their strategic plans for the 2020s and how up-to-date systems and software will allow us to better meet the needs of our Jewish communities for years to come.

1. Agility

We all have programs and events that seem integral to the very existence of our organizations, but the only thing that truly matters to our communities is that we exist to serve them. The Forward announced in January 2019 that it would become a digital publication after 121 years in print. Leadership knew that it was fighting an uphill battle as early as 2008, and for over ten years, it did everything imaginable to keep the paper in print. The decision to go digital shouldn't have come as a surprise to anyone following the decline of print media, but of course, the announcement was still met with a sad and nostalgic response from the Jewish community.

However, instead of being defeated like many of its peers, the Forward made a decision to reinvent itself to meet the changing needs of its readers. This was not the first time that the Forward changed its delivery model; for most of its 120-year history, the publication was only available in a Yiddish print edition. In the late 20th century, as the population of Yiddish speakers continued to decline, leadership decided to add English and digital editions to bring in new readers. While the decision to stop printing entirely was clearly a reluctant one, the Forward's leadership came to the conclusion that in order to be an "unparalleled source" for world, national and Jewish news, it needed to provide that news in a relevant format for its readers, or it wouldn't be providing any news for much longer.

The Forward's decision is an example of how an agile mindset is necessary to ensure future impact. Our organizations must remember that community needs for and expectations of technology are constantly evolving. Just because an organization bought an ERP system or invested in a server in 2008 does not mean that it doesn't need to reinvest, realign, and sometimes, restructure in subsequent years. Preferred methods of giving or campaigns successful with Baby Boomers may need to be overhauled in favor of PayPal or a new tool that isn't even on our radar yet. How we reach our constituents doesn't matter nearly as much as reaching them to begin with. If we adopt an agile mindset with regards to how we use technology to promote our missions much like the Forward, we are positioning our organizations to stay relevant and to continue to meet the needs of our communities regardless of how technology evolves.

2. Accessibility

In 2010, before I even had a smart phone, many synagogues were looking for ways to increase membership. For over a decade, synagogues had been experiencing declining membership for a variety of complex reasons, but one of these challenges was obvious to many: potential new members needed to be able to find a synagogue and its service times online or they were less likely to show up. That year, at a start-up in Vermont, I worked with dozens of synagogues that recognized how important delivering a strong digital first impression was in order to bring people into their communities. For my former clients, IT strategy wasn't an overhead cost taking dollars away from their missions, it was a critical factor in their ability to serve their communities.

Ten years later, our communities expect to be able to interact with the Jewish community not just online but on their phones like they do with Amazon, SoulCycle and the movie theater. According to the 2018 Global Trends in Giving Report researched by Nonprofit Tech for Good, 74% of donors across all generations are inspired to give by digital communication on social media, email and websites. With percentages so high, it is our responsibility to objectively ask ourselves if our websites and giving methods meet our constituents' expectations. If they don't, we must factor in the impact, both now and future, of not meeting those expectations and what that says about our accessibility. A website update may be costly, but it is likely more costly to lose a portion of the 53% of Jewish donors who prefer to give online but are frustrated with the poorly designed platform. What about PayPal, which is the preferred method of giving for 17% of Jews? The generation coming of age in the 2020s doesn't use cash, preferring instead to use money transfer apps and wallets; online giving through the click of a button isn't just an expectation, it's all they know.

As leaders, we must consider the impact of not being accessible to younger constituents, because eventually young people grow older and become our donors, parents, and lay leaders. With the internet at our fingertips any time of day, our online presence is our first opportunity to make an impression on new constituents as well as the most effective way to reengage them. I don't know what the future of the internet or payment methods will be, but by building technology into our strategic plans for engagement, our organizations will be better able to financially and culturally adapt to changes in technology. After all, in order to meet the needs of our constituents at the most basic level, they have to be able to find the door. Want proof? Just ask Chabad.

3. Adaptability

What would you do if you could predict months in advance that annual giving would be lower than you budgeted for? Would you create new appeals to bring in additional donations? Tighten expenditures where you were previously more relaxed? Regardless of how you would adapt, you would likely do something to prevent or at least offset the decline in donations. But as we all know, proactive action is easier said than done. Many of us in the Federation world were caught off guard in 2016 when Federation giving took a pronounced dip despite record charitable giving in the United States. Both Federations and the organizations that they supported were forced to scramble for lost funds or to cut programs and staff previously considered mission critical.

Could Federations have seen this downturn coming? Without either integrated systems and automated processes or an army of accountants and data entry staff, it would have been unlikely. And Jewish organizations are not alone when it comes to delayed realizations and response times. In 2019, 53% of nonprofits can't easily compile and analyze their data; acting

reactively is unfortunately an industry norm. As leaders, delays can force us into one of two less than ideal problem-solving strategies: to delay acting in order to ensure accuracy or to expedite a response based on potentially incomplete or inconsistent data.

By leveraging systems and software that can help us plan and forecast, we are able to obtain a 360-degree view of our organizations. In one place, we can see which of our donors gave last year but not yet this year, if their children attended pre-school, and what zip code they live in to then build out marketing target groups automatically. Using an integrated system, we can see that a formerly profitable camp session is no longer on track to offset the costs of a necessary, but costly, senior program. Instead of being faced with a loss and difficult decisions months later, we can tackle the issues in advance. The clear and consistent picture of our organizations facilitated through integrated systems translates not just to better metrics for the board, but also better decision making and planning at every level of our organizations. And this ability to identify trends and changes in our communities will allow us to continue to serve our communities for years to come.

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The start of the New Year brings with it an opportunity to reinvent ourselves and our organizations. We are given the chance for tshuvah at an organizational level; an opportunity to realign our practices with our missions and to set intentions to be more impactful during the coming year. It's impossible to know what the future of the Jewish community holds (and if we knew, we couldn't debate it). But through an agile IT strategy, a commitment to being accessible to our constituents, and strong systems that allow us to adapt and be proactive, we will be able to be prepared for whatever comes next.

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