



## DEPARTMENTS

At Issue  
Of All Things  
Affinities  
RAGs  
Ethics  
In Transition  
Reviews  
Releases  
People  
Givers  
[Resource Directory](#)  
[FN&C Now](#)

## MORE ARTICLES

Government  
Update  
Web Extra  
[Web Extra \(2\)](#)

## STAFF

**Executive Editor**  
Jody Curtis  
**Associate Editor**  
[Allan R. Clyde](#)  
**FN&C Now Editor and  
FN&C Web Editor**  
Paula J. Kelly  
**Editorial Assistant**  
[Sadie O. Fitzhugh](#)  
**Magazine Intern**  
[Catherine Andrews](#)  
**Copyeditor**  
[Clint Chadbourne](#)  
**Magazine Design**  
[Wickham & Associates](#)  
**Business Manager**  
[Marnee Beck](#)  
**Contributing Editor**  
[Darlene Siska](#)  
**Legal Editor**  
[Jane C. Nober](#)  
**Technology Editor**  
Martin B. Schneiderman  
**Givers Columnist**  
Robert T. Grimm, Jr.

**Contributors**  
Mary E. Brunella, Diana  
Chambers, Kathleen  
Duncan, Michael Feller,  
Wolcott Henry, Jake  
Leon, Lance Lindblom,  
Victoria McGovern,  
Cathy M. Weiss, Martha  
A. Toll

**Photos and  
Illustrations**  
Clemente Botelho,  
Corbis, Stephane Denis,  
GuideStar, Wolcott  
Henry, Keith Johnston,

**Foundation**  
NEWS & COMMENTARY  
September/October 2002  
Vol. 43, No. 5



## Technology Realizing Potential

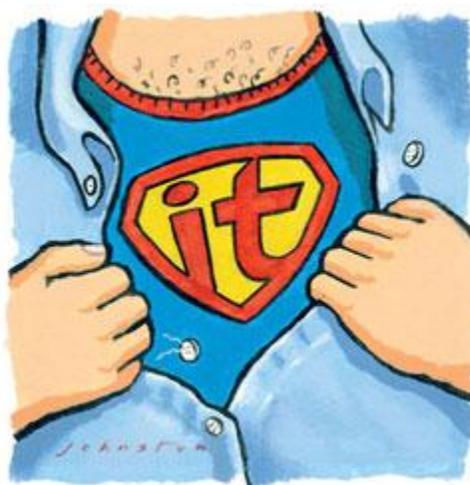
**Dare to visualize your grantees going from "accidental administrators" to super IT users.**

by *Martin B. Schneiderman*

**Dare to visualize your grantees going from "accidental administrators" to super IT users.**

Today practically all nonprofits depend upon information technology (IT) tools in their day-to-day operations. Unfortunately, many don't come close to realizing the full potential of these systems. Last April, an article in *The New York Times* was on target in describing this:

*Technology is the Achilles' heel of the nonprofit world, despite much promotion of websites that assist in fundraising and perform other functions. Donors typically do not like to underwrite investments in office equipment, so nonprofits often assemble their technology in a piecemeal fashion, buying off-the-shelf software and relying on volunteers to design and set up computer systems.*



Now that the price of desktop computers has dropped to less than \$600, the cost of hardware is no longer the major obstacle to acquiring essential technology tools. So what is? In spring 2002, Independent Sector conducted a survey of 203 nonprofit, human services organizations. It revealed:

- | 75 percent would benefit from investment in information technology.
- | Less than 40 percent have a budget for information technology.
- | Less than 30 percent have a strategic plan for technology.

## Improving Organizational Effectiveness

I've been meeting with groups of grantmakers and grantseekers to discuss nonprofit use of technology and to get their points of view. Members of the

Clark Jones, J.P. Morgan Chase Foundation, Patricia Nash, The New Yorker Collection, Joanna Szachowska

**Advertising**  
**The Townsend Group**  
 301/215-6710  
 Subscriptions  
 800/771-8187 Editorial  
 202/466-6512

*Foundation News & Commentary* is published by the Council on Foundations, 1828 L Street, NW, Washington, DC 20036, 202/466-6512 Fax 202/785-3926

**Chair**  
 Mary Mountcastle

**President and CEO**  
 Dorothy S. Ridings

**Vice President, Constituent Relations Group**  
 Sunshine Janda  
 Overkamp

The Council on Foundations is a membership organization that serves the public good by promoting and enhancing responsible and effective philanthropy. *Foundation News & Commentary* embodies and promotes the goals of the Council on Foundations, serving as a vehicle for information, ideas, analysis and commentary relevant to effective grantmaking. It seeks to enhance understanding of organized philanthropy by grantseekers, policymakers, opinion leaders and the society at large, but it is directed primarily toward the trustees and staff of donor organizations.

**Disclaimer and Copyright | Privacy Statement**

San Diego Grantmakers are focused on increasing awareness and supporting a community initiative to address this issue. The Grantmakers of Western Pennsylvania and Duquesne University's Nonprofit Leadership Institute recently sponsored a session—"Harnessing Technology to Your Advantage"—at their Summit 2002 conference, which had more than 600 attendees. The Ohio Grantmakers Forum is also covering this topic at their annual conference this fall.

Many of them report that harnessing information technology is a high priority because they're overwhelmed with information, choices and the rapid rate of change. They have many questions and are hungry for information. They often lack expert, independent technical expertise and are struggling to figure out how to best use their computers. There's now a growing consensus that nonprofits need help to improve their organizational effectiveness. They need to conduct comprehensive, technology needs assessments, then develop strategic technology plans, and finally implement the necessary changes.

All of this requires strong leadership from the top.

According to Ned Smith, director of science and technology analysis and strategy at the San Diego Foundation, "We work with many nonprofit leaders who are doing great work in our community. But some of them are 'accidental administrators' who can use some help and support to develop and implement a realistic technology plan. This could result in leveraging their organization's technology investment, so that they can be even more effective."

But historically, most foundations haven't funded grants that focus on technology. A common explanation is that "It's outside of our program guidelines—we don't fund infrastructure." Others express concern that "The project won't be sustainable—they'll be back in 36 months asking for more money to buy the next-generation hardware . . . it's a bottomless pit."

Now is the time to rethink past practices and take a fresh look at proposals for technology assistance. This can be an excellent investment. Here's what to look for:

- | A focus on its impact and not the technology itself.
- | A clear explanation of how the project will enable the organization to better accomplish its mission and impact their constituencies.
- | How it will improve effectiveness, efficiency and facilitate sustainability.
- | A description of reasonable short- and long-term outcomes.
- | Qualifications of staff with the necessary technical expertise.
- | A budget that includes key resources for other than hardware (e.g., analysis, planning, training and software).

---

*Martin B. Schneiderman is president of Information Age Associates, Inc., ([www.iaa.com](http://www.iaa.com)), a firm specializing in the design, management, and support of information systems for grantmakers and nonprofits. He can be reached at [mbs@iaa.com](mailto:mbs@iaa.com).*

[Back to Index](#)