

Tae Yoo

I want to address three areas within my discussion. One is the impact of technology in nonprofits on an organizational perspective, the impact of technology on civil society, and finally some of the challenges associated with them.

As Mark mentioned, I have spent the majority of my career in the business environment, in the technology sector, and specifically in networking. When Cisco decided that we wanted to find ways to leverage and add value in the philanthropic sector, we wanted to find out what were our corporate assets that would most add value in philanthropy.

Is it our financial assets, our technology, our partnerships? We wanted to pick out the most important asset. Can any of you guess what that was? How many of you would say it was technology?

It was actually customer advocacy. The whole notion of customer advocacy was started by our founder, Sandy Learner. She was a customer, and she said that she was very frustrated working with technology organizations that were pushing technology on her. They may have great service organizations, but they weren't real advocates in helping her fulfill her mission.

The organizations that she really enjoyed working with, and that had the best partnerships, were those organizations who took the time to learn about her organization, what her missions were, what her challenges were, who her customers were, and help to craft infrastructure and a technology plan that made sense for her specific individual need.

So when we went through this process, that was the one area that we felt was the most important aspect. That we listened, and asked three very important questions. The first was, “Who is our customer in philanthropy?” And, obviously, it's the nonprofits in the U.S. and NGOs internationally. The second was, “What are their missions, their obstacles, their goals?” And the answer was, “It depends.” They're all unique, they're all individual, and it takes time to find out if any one type of solution would fit a plethora of organizations. And the answer is, “Maybe.”

The third question was, “Who are their customers? Who are their constituents?” And only then did we ask the question, “Can technology positively impact and accelerate these organizations' ability to fulfill their missions?”

The short answer to this question was, “Yes.” But only if it was more of an accelerator than an inhibitor or a burden. We were not interested in donating equipment that turned into doorstops, because there are a lot of other organizations that could use that equipment and it would be mission-critical for them.

The other thing that we acknowledged was that being a technology company, technology is exciting and interesting for us always. But in this instance, the value of that technology really depended on what these organizations were doing with it. So it was very much an application-specific focus, and not just dumping technology because it's great.

We all like to use it, but again, a lot of these nonprofits barely have time to provide services to their constituents, much less integrate technology unless it has some specific value to their core missions.

I'd like to share with you our experience of where nonprofits were, and how they were using technology. We had a plethora of organizations doing very interesting things. One organization was actually teaching technology to a workforce in transition – people who were from industrial-type jobs into more technology-oriented jobs. It was interesting to me because although they were teaching technology, they weren't using technology within their own organization. When I pulled the executive director aside and said, “What do you think of that? Don't you think that's kind of ironic?” She said, “I have a plan. I have a strategy. When these students graduate from this, I can guarantee we'll have a few who will work for me and be able to help me pull my technology plan together.”

We had other organizations whose Internet technology was very sophisticated, but we had challenges doing conference calls on their telephone systems.

So it was a whole gamut of different experiences.

I think that if we can encapsulate into five key areas; I think most of them fell somewhere into these five areas.

One was very, very basic technology, primarily applications like word processing for documents, for grant proposals, et cetera; spreadsheets for budgets; and basic email. Then there was what I call a basic website or a billboard. “Website” means different things to different people. A website in the business environment meant it was an interactive place where we could share information, solve problems, provide services. There was one nonprofit that I felt very strongly about and wanted to make a donation to. So I logged on to their website, and I liked what I saw. There was a comment section for feedback, so I clicked on it and it responded so I assumed it was working. I left a message. It was very brief because I knew they were busy. I started out by saying, “I want to make a donation, but I need to have a few questions clarified. Please don't go through the trouble of writing a proposal.” A lot of organizations go through the time and money of writing a proposal; I didn't need that. I just needed two questions answered.

I never heard back from them. That's what I affectionately term “the brick wall website.” You're excited, you're engaged, you like what you say, you're running, and all of a sudden you hit a brick wall.

It would have been perfectly OK to say, “This section is under construction, or in development. Please call this number.” Because we all know that in technology something is always in development. So that would be a perfectly OK thing to say, but I don't think they realized that.

Then there are the more advanced websites where they use it more interactively, primarily for communications to communicate with their constituents as well as their donors, advocacy groups to put out breaking news and issues they'd like to discuss.

Then you have a much more sophisticated internal use of technology, where you can use it to do e-learning and capacity-building. It's really interesting in the sense that businesses have derived great savings using technology. You can cut down on travel, so you can do management training on line. And yet the organizations that could derive the most benefit and savings are the nonprofits, because money is always tight in a nonprofit environment.

So the challenge, obviously, is how do we get nonprofits to a point where they can benefit from the opportunities there.

I'd like to use one example of an organization who went through all of these stages. By that way, they were not the brick-wall website.

The organization City Year, which most of you know, is a *Key Americorps program. They're focused on helping young people dedicate two years in service to their communities; a thousand corps members and 265 or so employees. It was interesting watching them go from a basic website and basic applications to integrating technology into almost every aspect of their organization – recruitment, communications, fund raising, training, finance. The list went on.

They actually put together a technology plan and came to us. It didn't start out this way, but as they were using more and more technology and focusing it toward their applications, that in fact this would be a cornerstone of their strategy and their success moving forward.

The first week that they put their applications on line, they had a 250 percent increase in applications that were downloaded. So think about time savings. When you get applications in the mail, somebody opens it up, looks at it and sends it over to the person who reviews applications. They go through it and say, “Oh, this has to go to someone in Cincinnati,” so they fold it up, stick it in the mail, and it goes there.

And most of us have already acknowledged this. But I think it was at that point when they actually measured the impact it's had, and that's just in one area.

The other area was in training. They think that they can save several million dollars over five years because of the fact that you use e-learning and train online. Also update on new opportunities and attract new corps members.

One other area that I want to touch upon is just as important, but probably less tangible. And that is using technology to proliferate your culture. It's a very important thing. Every organization has a specific culture, and it gets challenging as you grow and as you have larger geographies. The internet, and technology, and internet-based applications can help you in maintaining and growing that culture that you want to preserve, even though you want to grow and progress in other ways.

The conclusion we came to, and again, this was not a scientific study, was that if we take information technology – the internet, internet-based applications – and we apply them specifically for individual nonprofit goals, not necessarily focused on getting all the technology at once, but a well-thought-out strategy, multi-year implementation, key partners, that it can have significant impact on the nonprofit organization.

Many have asked if the nonprofits were lagging behind in adopting technology. My personal opinion was no, not necessarily. When you build out technology, you usually have to have someone on the other end to talk to. A lot of these nonprofits, as was mentioned earlier, serve organizations and constituents who don't even have a telephone. So the timing is right when the timing is right.

But timing is critical in terms of how you launch technology and in assuring that you take on a strategy of assuming technology will change. And that’s why I think leasing companies have done so well. People are not buying equipment like they used to. They’re actually leasing it knowing they will upgrade within an 18-month, two-year timeframe.

So that’s pretty much where we came out on the technology impact on the nonprofit organization. Because of this we are in partnership with INDEPENDENT SECTOR launching a formal survey and getting some real data. We’ve had the first preliminary survey done in nonprofit healthcare providers. And I think that probably April 19th we’ll be announcing the results of that.

The second area I want to talk about is civil society. I don’t think that anyone can question the impact technology has had on civil society. The Internet particularly has enabled this vast world to feel very small. And because of that, because you can feel that somebody in India is your next-door neighbor, that you feel compelled to get involved in issues, and problems and opportunities that impact a country like India.

We’re no longer forced to wait until regularly scheduled newsbreaks to tell us what’s going on. People log on and they get breaking news. And even more importantly, you’re seeing people building direct relationships with clients, constituents across the world independent of the middlemen or the censors or somebody else’s opinion of what’s going on. It’s really being able to talk to what is happening to someone over in India.

If you look at the earthquake that happened a month ago, within 24 hours our employees were able to find out exactly what happened, who was in most need, make an assessment of whether we should support rebuilding or relief, who were the organizations that we need to get in touch with. A website was up, breaking news was on, a series of fundraising activities was announced. All that happened within a very, very short period of time. And the impact it had was incredible.

In addition to that, you’re also finding what I call a more involved donor, and sometimes a more demanding donor. I have had nonprofits praising the fact that the Internet has enabled them to access a much larger cadre of donors. They also bemoan the fact that some of these donors are very pushy, and actually slow down the process. In the end, they thought it was very valuable because of the fact that the donors push the envelope and really made nonprofits stop and think about their own priorities.

Last, but not least here, is the fact that information about nonprofits is readily available. Nine-nineties are on line. And organizations like Guidestar, who actually extrapolate that data for you. And so what will happen is that within a very short timeframe you will see interaction between the information flow, the communications, and hopefully the dollars.

When we talk about these two areas, and certainly being a technology company whose benefit is from technology, you really have to address the challenges that we face. And the most pervasive challenge is access.

It’s access not just between for-profits and nonprofits, but it’s also small grassroots advocacy nonprofits versus the much larger multinational global-focused nonprofits. There is definitely a digital divide between those. And how we can work together – the technology community, the business community, government, and nonprofits – to find

ways to provide technology very easily and affordably to any nonprofit, whether it is two people starting something up or an organization that has been around a hundred years.

One of the enablers to access, obviously, is literacy. And if you look outside the U.S., certainly in the developing countries and least-developed countries it's a huge issue. And what are we doing in working with those organizations that are addressing literacy? Are we using the best technology? Are we working with them to ensure that they're teaching good programs that might be able to proliferate faster, quicker, and to more people using the Internet?

I'd like to close with something that all of us face. It's very interesting when you are a non-participant donor. You read the literature, you meet some people, and you donate money. When you actually go out into the field and see the work that these nonprofits are doing, the challenges they face with very little funding, it's hard not appreciate what these nonprofits really do. Some of the people that we see in nonprofit organizations, quite frankly, are some of the most talented people that I've ever met. And I've met a lot of talented people in the technology industry.

They do what they do because they have a passion for the work. And the challenge is to keep them excited about what they do. How do we find ways of leveraging technology to help their jobs be easier?

And finally, when we talk about technology, I don't think you can look at technology independently. You really have to look at what it can do for the basic needs. There are a lot of enablers to access, to literacy, that have to be fulfilled before you have any success. Food, clothing, health care, shelter, on a global basis. How do we use technology to proliferate, highlight issues and encourage more donors and more involvement from the rest of the community?

These are areas that no one organization can address nor solve. It is a partnership across government, nonprofits and the private sector. And so I encourage all of you, if there are interesting ideas out there, to create this community on line to discuss them and find ways that we can work together to use this technology to make a difference.

Thank you.

Wilson: Thank you, Tae. I'd like to ask just one question. How does an organization start its thinking about integrating technology?

Yoo: One of the things that we found is that organizations are really not interested in technology unless someone presents to them and gives them a value proposition. What can I do with this? If I incorporate this technology, how much time does it save me? If I'm a social worker at a hospital, and there is technology available that enables me to discharge patients 20 percent faster... It's really putting together a value proposition that shows the people who are providing these services that it will make their life more effective, more efficient, and easier.

Wilson: Thank you. At the end, we'll have a chance to revisit each of our speakers and ask questions.