DIGITAL
SKILLS
TOOLKIT

blackbaud®

Digital skills toolkit

Expert advice for non-profits

Contents

INTRODUCTION

Welcome to our Digital Skills Toolkit!

Want to make the most of everything digital has to offer?

We spoke to digital experts working in the non-profit sector to create three very special 'how-to' guides containing the practical advice you need to get started...

In 2021, our Status of UK Fundraising Report discovered some interesting insight into digital transformation within non-profit organisations.

The organisations that considered themselves to be the most advanced digitally – our Digital Experts – showed that they were also the most successful in terms of fundraising income, retaining supporters and gaining new ones, and surviving through the pandemic.

DIGITAL EXPERTS...

71% believe they will meet their fundraising targets in the next 12 months

88% believe they will reach new audiences in the next 12 months

87% believe they will reach retain supporters in the next 12 months

92% believe they will be able to deliver services in the next 12 months

70% Believe they will thrive!

But only 1 in 10 organisations told us they fulfill the criteria to be considered 'Digital Experts' and reap the benefits of being digitally mature - so what is happening to the remaining 9 in 10 organisations? And what can be done to build their digital confidence.

Non-profits are telling us there are three main challenges to them advancing digitally:

Lack of budget	**Lack of digital skills**	**Lack of digital leadership**

So this is why we've created the toolkit! We looked specifically at the areas that non-profits told us they found challenging, and we've created three how-to guides to get you started.

To begin, Zoe Amar, founder and director of Zoe Amar Digital, talks us through how to write a digital strategy. In the Status of UK Fundraising Report, 45% of organisations said they did not have a digital strategy – so where better to start in your journey to digital maturity, than to get in place a clear plan and path forward.

Then, Matt Smith, Head of Development and Innovation at THINK Consulting Solutions, looks at the issue of budget and leadership, and explains how to build a business case for digital at your organisation.

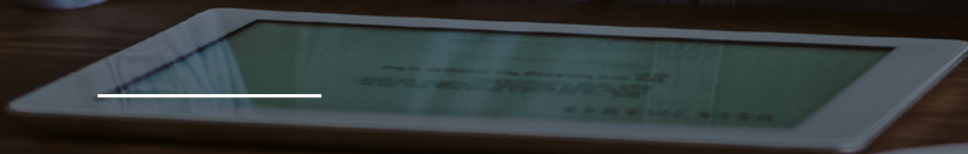Finally, Susie Mullen, data analyst and market researcher, tells us how to use data to improve your fundraising.

We hope you find this useful!

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TOOLKIT

How to: Create a
Digital Strategy

HOW TO:

Create a
Digital Strategy

By Zoe Amar, Founder and Director, Zoe Amar Digital

Depending on where you're at, developing a digital strategy can feel daunting or exciting, and sometimes a mixture of both. However, it is a manageable process and done right, can bring colleagues together to create a shared understanding of your charity's digital strengths and weaknesses, and what the future looks like.

Zoe Amar is widely regarded as one of the charity sector's leading digital experts. She founded digital agency and social enterprise Zoe Amar Digital in 2013. Zoe is also Chair of The Charity Digital Code of Practice and co-founded the Social CEOs Awards.

To find out more, visit www.zoeamar.com

1 Understand where you're at

A good strategy process begins by understanding the landscape and the context your charity is operating in. Use tools such as The Charity Digital Code of Practice to benchmark your organisation in key areas such as culture, being user led and managing risk. This will help you understand how you are currently performing against best practice. You could also use NCVO's Digital maturity Matrix to get an idea of your charity's digital maturity. Both tools will help you take the first steps towards understanding your current state with digital and identify quick wins as well as long term actions for the strategy.

2 Talk to your donors and supporters

Once you've benchmarked your charity your head will be buzzing with questions and ideas. To answer these you'll need to look at the data and insight from your users. You can draw on a range of sources, whether that's website, email newsletter and social media analytics or research reports and one to one interviews. Aim for a blend of qualitative and quantitative data so that you can build a good evidence base for your findings.

3 Track staff progress with digital skills

Your people are your greatest asset and you'll need them to deliver the strategy. Getting a baseline of staff digital skills will help you identify ways to grow their knowledge and capacity. Measure where they are at through surveys and interviews and then plan how to support their development.

④ Vision

Every strategy needs a north star that defines where you are trying to get to. Without this, it will be much harder to make decisions about what you are – and aren't – going to do. What difference will the strategy make to the people you support, your donors and also your staff? How ambitious are you going to be about this? What goals will you set to get there?

⑤ What makes you unique?

We don't like talking about competition in the charity sector. But we need to if we're going to make effective cases for support. What makes your charity truly different from others? Do enough people know this? How might you capitalise on this?

⑥ Don't forget about implementation

Developing a clear strategy is important, but it's nothing without a plan for implementation. Your mantra at this stage should be 'execution, execution, execution.' Your roadmap needs to include what's happening and when, what it's going to cost and who is responsible.

Your people are your greatest asset and you'll need them to deliver the strategy. Getting a baseline of staff digital skills will help you identify ways to grow their knowledge and capacity. Measure where they are at through surveys and interviews and then plan how to support their development.

DIGITAL
SKILLS
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How to: Build a Business Case for Digital Investment at your Non-Profit

HOW TO:

Build a Business Case for Digital Investment at your Non-Profit Organisation

By Matt Smith, Head of Development and Innovation, THINK Consulting Solutions

The impact of the COVID-19 pandemic on the non-profit sector has been profound. With public-facing fundraising disrupted, events cancelled and continued uncertainty as to what the future may bring. How, where and when we work has been disrupted for nearly two years now and a host of business experts believe that many of these changes will be permanent shifts to how we all work.

Matt Smith is Head of Development & Innovation at THINK, the leading international consultancy dedicated to not-for-profit fundraising.

THINK have been working with charities in the UK and all over the world for over twenty years. THINK offers more than just core consultancy and is proud to also offer market intelligence, interim management and specialist forums.

If you would like to learn more about the work THINK undertakes, or see how we might be able to help you through the current challenging environment, please contact mattsmith@thinkcs.org or info@thinkcs.org.

However, there have also been significant opportunities – with new technologies, trends and increasingly interactive ways to support service users and engage donors. The pace of change in the digital environment is unlike anything we've seen before. Therefore, making timely and strategic investment in new products, platforms and processes is more important than ever. Here are my five top tips for building a business case to increase investment in digital at your non-profit:

① Set clear, definable goals at the outset

When building your business case – whether it's for investment in a digital marketing campaign, to build a new product or to add capacity to your team – you need to be clear about what you want to achieve and how you're going to get there. Ask yourself these key questions whilst drafting it:

You might be interested to see our free template on [Pitching New Tech to your Board...]

- What problem(s) are we trying to solve?

- How does our proposed solution meet the needs of our donors and/or service users?

- What audience insight and evidence sits behind this proposition?

- What action will we take if it doesn't work?

- What action will we take if it's an immediate success?

Having the answers to these questions will help to limit internal bias in the decision-making process, provide a clear path forward for your senior leaders and gives you something to return to throughout the development process.

For example, Organisation X has a shrinking regular donor file and wants to attract new, younger donors to bolster income in the short term and build the file back long term. By using the latest insight into their target audience's motivations and needs, the charity develops a new value exchange regular giving product. As a safety net, the team builds in contingency marketing spend, with different channels to test, but can also repurpose the content and approach for the existing audiences if the test fails. However, there is also a scalable plan if it proves successful and beats target with extra content, internal resource and briefed external suppliers on-hand to meet this demand.

2 Plan to start small and test

It's likely that what you want to achieve can be tested at a smaller scale – this is sometimes referred to as a minimum viable product or process (MVP). You're also much likelier to be successful with your business case if you ask for a smaller initial investment, achieve your goals at that scale and then build on it with further investment down-the-road.

When asking for additional team headcount – does the role need to be permanent and long term at the outset? Or can you make a case for a fixed term or interim role with the option to make it permanent when key metrics are reached.

For investment in digital development and marketing – can you plan a shorter, small campaign or product build that first proves your hypothesis before asking for additional investment? MVPs are an incredibly effective way to test and learn at speed, reduce risk, and deliver multiple projects in a shorter time span.

If you've reached the point where you are thinking about specific software needs, you might be interested to see our Invitation to Tender document

3 Co-creation can get you there faster

Too often digital or fundraising teams will try to tackle their problems in isolation when it's very likely that another team or organisation is looking at the same challenge. As part of the business case process, ask yourself: What other teams could work with us on this? Is there an opportunity to share the cost or build a joint-case that will then have more chance of being successful?

Similarly, look outside of your own organisation for support too. Are there external funders or sector bodies that can help you meet the cost of your project or the cost of introducing a new role? Thinking beyond traditional sources and ways of funding a piece of work and looking at co-creation, can be transformative for organisations, particularly those with rigid and slow budgeting cycles.

4 Internal communication is crucial

Your role in achieving success with a business case is as much as a cheerleader and salesperson, as it is a planner and strategist. Have a full internal communications plan ready when launching a new business case. Work with key senior leaders and stakeholders to get their buy-in prior to asking for the investment.

If successful with your business case, be as transparent and communicative throughout the project as possible. Be equally honest, loud and proud about failure and success. This transparency and communication will help you gain the trust of your key decision-makers, bring them along with you through the process and give you a greater chance for success with the next call for investment.

5 Don't be afraid to scale with success

It's human nature to fear failure and plan for the worst. Yet time and again we also see organisations 'spooked' by achieving too much success, too quickly. When building your business case, have several scenarios and game plans ready.

Whilst it's important to set out a worst-case scenario that supports the team to quickly learn and pivot when ideas fail, it's just as critical to have a best-case scenario ready so your organisation will be primed to scale with that success.

With such ground-breaking innovations in technology, service design and marketing imminent, the next two to three years are going to be crucial for investment in the digital infrastructure and the skills needed to take advantage of these developments. Now is not the time for hesitancy or for organisations to stand still when diversification of income is more important than ever.

The non-profit sector needs to heavily invest in the best technology, processes and people to deliver the impactful digital transformation and fundraising innovation needed. In the short term, hopefully these tips can help you build better business cases to identify and unlock the investment you need to achieve this step-change.

Your role in achieving success with a business case is as much as a cheerleader and salesperson, as it is a planner and strategist. Have a full internal communications plan ready when launching a new business case. Work with key senior leaders and stakeholders to get their buy-in prior to asking for the investment.

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How to: Use Data to Improve your Fundraising

HOW TO
Use Data to Improve your Fundraising

By Susie Mullen, Freelance Data Analyst and Market Researcher

When digital skills are discussed, people often forget the important role that data plays. 'Digital' doesn't just mean Zoom calls and online fundraising – the underlying data which helps you build the digital world is fundamental.

For some data can be an intimidating concept. Data and databases are too often associated with specialist knowledge, highly developed skills and sometimes inaccessible technology. When I talk to people about data analysis, they often hurry to tell me how bad they are at maths and how they like people more than numbers.

But, in a fundraising context, numbers and people are inextricably linked. Understanding donor behaviour is critical to fundraising success and we can't understand donor behaviour with any level of certainty without analysing the data we collect as part of the giving process. And the technology we use to support this shouldn't be inaccessible – it can and should make automatically capturing and understanding data easier.

Fundraising data analysis does not need to be complex, in fact, if we want the findings of our analysis to drive a change the findings should be clear and simple.

Here are three tips that will help you use data to improve your organisation's fundraising...

Susie Mullen is a freelance data analyst and market researcher with over twenty years' experience across a range of sectors. Prior to going freelance in 2017 Susie was Head of Data and Insight at CAFOD, since then she has helped a number of different charities understand their supporters in more detail through data analysis and market research.

To find out more about the work Susie does you can visit her website: www.susiemullen.co.uk or email her susie@susiemullen.co.uk - she's always happy to look away from the data and chat to another human.

You might be interested to read our How to Choose a CRM guide

You might be interested to read our tip sheet on how to get buy-in from leadership for digital transformation

1 Quality matters

The quality of your analysis relies on the quality of the data you use.
Data analysis begins when the information you rely on is captured. If the data is incorrect or patchy at this stage the results of your analysis will be incorrect or patchy too.

Fortunately, because fundraising data is essential for accounting and donor stewardship, it is usually well managed and well organised. But, organisations that want to use their data should have the systems, processes and technology in place to ensure high quality data is captured and updated when required.

To make sure your data is of the highest quality two things need to happen:

➤ Everyone who works with data in the organisation has to understand the importance of data quality

➤ Rules and procedures to maintain and continuously improve data quality should be in place and easy to follow

2 Knowing your stuff

Getting to grips with the basics
With CRM systems that can create pages of fabulous charts and dashboards, and slice the data any way you want it's easy to jump straight in – but the very first question any fundraiser should ask is, 'what's going on with income?'.

There are only two things that influence income growth in this sector:

➤ The number of donors who give

➤ The amount each donor gives

Income will not grow unless one, or both of those variables grows.

Before a fundraiser embarks on any analysis they should understand the underlying trends in **income, donor numbers and donor value** be it for a total income stream, a specific campaign or a particular donor type. If you do not know what the underlying trends are you will only be guessing at what you really need to know.

The first example looks at regular giving and while income (in green) and donor value (in purple) is increasing, the actual numbers of donors (in blue) is decreasing. From this, the fundraiser knows there is an attrition issue:
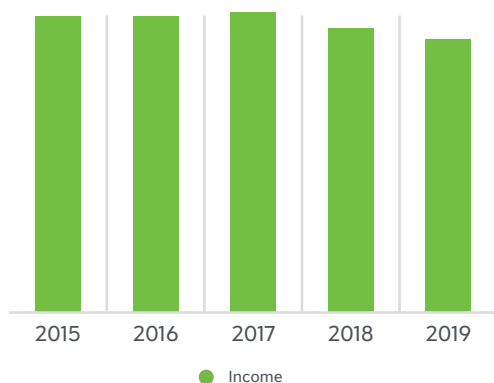
Regular giving income
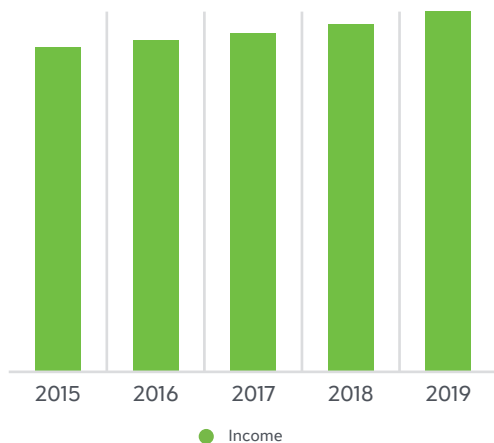
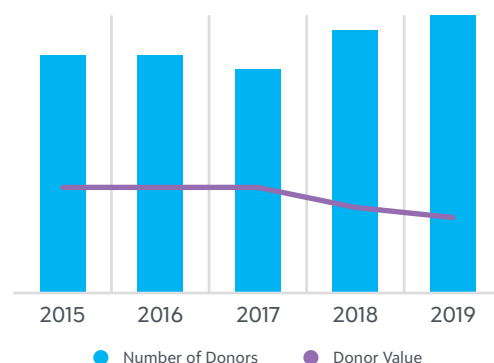Regular giving Number of Donors and Donor Value
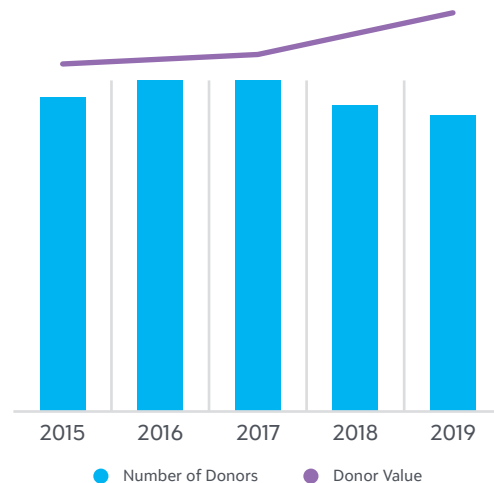
The second example focusses on a specific appeal – in this case a Christmas appeal which has seen a steady downturn in income since 2017 despite seeing an increase in donor numbers.

Christmas appeal income

Christmas appeal number of Donors and Donor value

You might be interested to see how reporting within a CRM looks, with our [guided tour of Raiser's Edge NXT](#)

The issue here is not attrition but donor value, more donors are giving but each donor is giving less (on average). This points to an issue with the appeal itself, or the donor base, or perhaps this is due to a planned change in strategy.

Regardless, these three numbers should be the foundation of any analysis. Every fundraiser should know what the trends are for their organisation overall, and for each of the building blocks that make up the organisation. So, before you dive into a dashboard to look at all the possible combinations of data available to you, stop, step back and remember to answer the first question which is, 'what's going on with income, donors and gift values?'.

3 Asking the right questions

And keeping track of the answers
Once you understand what's going on at the most basic level: **income, donors** and **average gift values**, you are ready to investigate further because you understand what the issue is and you are ready to define the questions you want to answer.
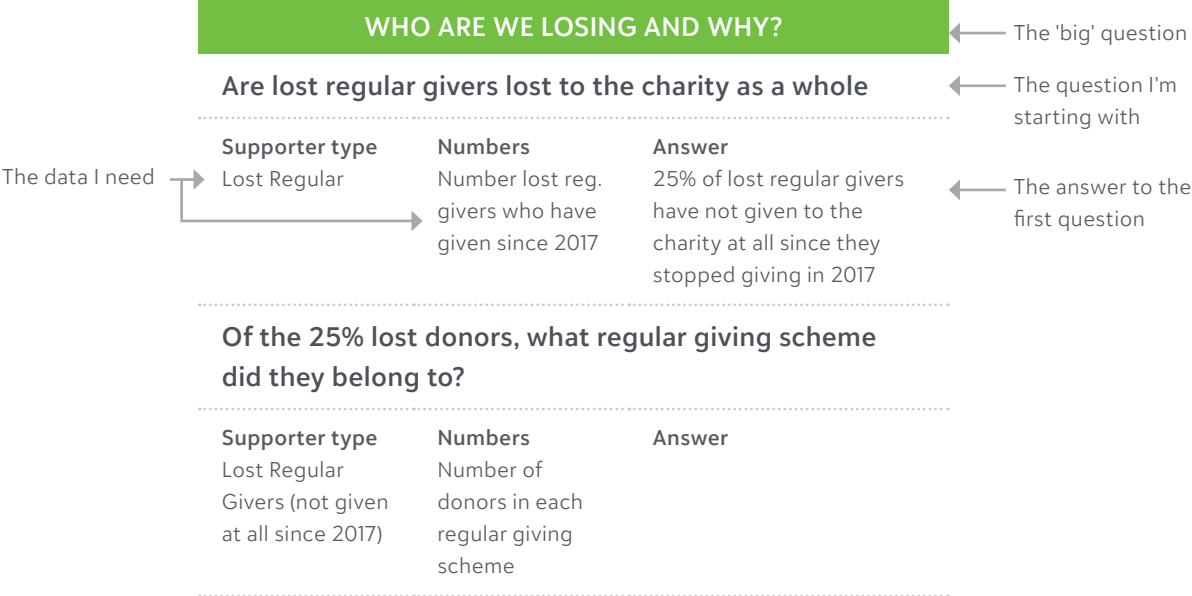
Defining the questions is important because the amount of data available to analyse can be overwhelming and it's vital to know what you can ignore. In the case illustrated by the charts above the focus is on donor numbers and the most obvious big questions are **"who are we losing and why"**.

This is a big question but it's probably the right question. The next step is working out how it's going to be answered and, guess what? This is also a series of questions and answers.

I use a very rough framework for this type of analysis and I have used it since I started doing this sort of work (albeit in a different context) more than 20 years ago, it looks a bit like this:

WHO ARE WE LOSING AND WHY?		
Are lost regular givers lost to the charity as a whole		
Supporter type	**Numbers**	**Answer**
Lost Regular	Number lost reg. givers who have given since 2017	25% of lost regular givers have not given to the charity at all since they stopped giving in 2017

The 'big' question ⟵
The question I'm starting with ⟵
The data I need ⟶
The answer to the first question ⟵

I start with the big question and then the first question I can think of that will help me answer it. I write down the information I need to extract from the CRM system to answer the question and, once I've reviewed the data, I write down the answer. Using that answer I write down the next question (s):

WHO ARE WE LOSING AND WHY?		

← The 'big' question

Are lost regular givers lost to the charity as a whole

← The question I'm starting with

Supporter type	Numbers	Answer
Lost Regular	Number lost reg. givers who have given since 2017	25% of lost regular givers have not given to the charity at all since they stopped giving in 2017

The data I need →

← The answer to the first question

Of the 25% lost donors, what regular giving scheme did they belong to?

Supporter type	Numbers	Answer
Lost Regular Givers (not given at all since 2017)	Number of donors in each regular giving scheme	

I carry on with this process until I'm comfortable that I've done as much as I can to provide a satisfactory answer to the main question.

This might seem like a lot of work and a lot of detail but I can assure you, it's so much easier than starting with a blank page!

"

Before a fundraiser embarks on any analysis they should understand the underlying trends in income, donor numbers and donor value be it for a total income stream, a specific campaign or a particular donor type.

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Resources

RESOURCES:

Now you've seen the advice from our experts, here's a round-up of the resources featured in the eBook, plus a few more useful references.

Our Experts:

- Zoe Amar Digital
- THINK
- Susie Mullen

Blackbaud Resources:

- The Status of UK Fundraising Report 2021
- Template: Pitching new Tech to your Board
- Template: Invitation to Tender
- How to Choose a CRM
- Tipsheet: How to get Buy-In for Digital Transformation

Websites:

- The Charity Digital Code of Practice
- NVCO's Digital Maturity Matrix
- Fundraising Everywhere
- Digital Candle
- Catalyst Resources
- Third Sector Forums