CHAPTER 1

Mission First: Achieving IT Alignment

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This book is filled with great advice about how to manage the technology in your organization, but none of it will do you one bit of good unless you remember this: mission first. As a nonprofit leader you are, in many ways, lucky in this regard. You are bombarded daily with technology news, requests for software or gadgets from staff, and advice from everyone about what technology you should use. This cyclone of technology activity can be maddening, but if you use your mission as a filter, the cyclone will become a soft breeze.

Ever since the first desktop computers made their way into the nonprofit sector, information technology (IT) has helped organizations become more efficient and more effective, while also driving nonprofit leaders a little crazy. For many leaders, technology is a necessary evil. However, if nonprofits are going to leverage technology to its fullest potential, their leaders need to change that way of thinking. They need to view technology as a partner in achieving organizational goals. In other words, they need to *align* their investments in information technology with their efforts to further their mission.

This chapter will explore the relationship between mission and technology, clearly define the concept of IT alignment, explain its many benefits, examine its different stages, and provide a clear road map for real-world implementation. Although the following information and stories were developed specifically for YMCAs by YMCAs, all of the presented principles and ideas can be applied to any organization. However, you will need to take some time to define your own situation and needs. Your staff, funding, daily operations, technical ability, mission, and organizational culture will directly impact how you adopt and employ IT alignment. Therefore the following is not a set of rigid rules; rather, it is a basic framework meant to spur ideas, questions, and concepts that can easily be applied to your own situation.

Mission First

Why is mission the first topic of a book about technology? Because mission is what makes the nonprofit sector matter. Unlike for-profit entities, nonprofits are not accountable to a financial bottom line; rather, they are responsible for serving a social bottom line. It's true that nonprofit leaders must be good financial stewards, but that's because their organizations won't be able to keep providing services (delivering the mission) to their communities if they go out of business.

The goal of IT alignment is to use technology to support and enhance the work that you do to meet your mission. In other words, IT alignment will help you select and implement technology to achieve your mission and to avoid the trap of implementing the latest technology because it's shiny, or because someone told you to. To make the most of this chapter, then, you'll need to know what mission really means.

Vision Versus Mission

Many organizations use the terms *vision* and *mission* interchangeably, but they are not the same.

Vision

Your vision is the description of the world you wish to create. According to BoardSource:

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Through a vision statement, a nonprofit defines its ultimate motivation, its dreams, and its image of a desired future. A vision statement describes the ideal situation if the organization could fulfill its utmost wish.[1]

Vision statements should be future-oriented and establish a standard you are trying to reach. Vision statements often look like this:

- A community where no child goes to bed hungry
- Healthy wetlands that sustain a diversity of species in our state
- Clean drinking water for all Nigerians

Mission

Your mission, on the other hand, is what your organization does. Although your organization may want to achieve clean drinking water for all Nigerians, how you go about realizing that vision is what's articulated in your mission. You may choose to work at the policy level, or you may provide direct services in Nigerian communities by providing wells, water treatment, or other services. BoardSource defines it as follows:

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The mission statement provides the basis for judging the success of an organization and its programs. It helps to verify if the organization is on the right track and making the right decisions. It provides direction when the organization must adapt to new demands.[2]

Here are some sample mission statements:

- **Mercy Corps**: Mercy Corps exists to alleviate suffering, poverty and oppression by helping people build secure, productive, and just communities.

- **A local United Way**: To inspire the people of York County to make a difference in the lives of their neighbors through financial generosity and volunteer commitment.
- **Save the Bay**: Save the Bay is committed to fostering a personal connection between people and Narragansett Bay and encouraging investment in the bay's future.

Notice that all of these examples are specific enough to tell you a little bit about how each organization plans to reach its vision (inspiring people to volunteer in their communities or connecting people to a natural resource), but they are not so specific that the organizations are locked into specific strategies or numbers (like recruiting a thousand volunteers, or connecting people to the bay only through nature walks).

The Intersection of Technology and Mission

Ultimately, every decision you make as a nonprofit leader should be grounded in your mission. Whether it's hiring more staff or starting a new program, you do it because it will help your organization achieve its mission. It can be tough at times to draw the line between technology and mission. Many leaders think of technology in the same way that they think of office supplies: it keeps the office going, but it isn't critical to the mission.

But technology is not just another office supply. Let's say you run out of paper clips one day. You can probably still work toward your mission fairly effectively (unless your mission involves paper clips somehow). But if your computers are crashing every hour, or your staff members don't understand how to use the software they are given, your ability to meet your mission slows down drastically. The kinds of efficiencies that well-implemented technology affords can allow your organization to serve more clients, plant more trees, and so on. A recent study reported that "information technology and telecommunications hardware, software, and services turns out to be a powerful driver of growth, having an impact on worker productivity three to five times

that of non-IT capital (e.g., buildings and machines)."[3] In other words, the new computer that you buy for your administrative assistant will make her three to five times more productive than practically any other investment you could make.

Of course, technology is different from your average paper clip in one other key way. Increasingly, nonprofits are using technology tools like handheld computers, smart phones, and websites not only to create efficiencies but also to become more effective. For example, online chat forums are connecting mothers of children with birth defects so that they can get the support and advice they need, regardless of the time of day or their location. In the past, this kind of service could only have been provided by expensive and time-consuming face-to-face meetings. Neighborhood associations are using smart phones to email reports of potholes, damaged lights, and other city services that need attention to city hall, rather than waiting for city hall to be open to place a report. Examples of the direct connection between technology and mission abound. You can't say that about a paper clip—or any of your other office supplies.

Knowing now how technology and mission relate, you can begin to explore the process of aligning technology with mission in your organization.

Definition of IT Alignment

To many nonprofit leaders, technology is like a foreign language—full of buzzwords and three-letter acronyms that cause an immediate disconnect. So let's begin by defining the term *IT alignment*. At its core, IT alignment refers to the coordination of an IT strategy with the goals, strategies, and processes used to meet an organization's mission.

For example, an organization may use a database—rather than a slow and often inaccurate paper calendar—to quickly access client records and schedule new appointments. This creates efficiencies for the staff, allowing them to serve more people. Taking this example a step further,

the same staff could be trained to interpret the client records and scheduling data and use it to make decisions, such as which classes should be offered more often or which classes should be dropped. That information could then be shared internally across functions and possibly with collaborating organizations. The organization could also create a website that allows clients to access their own data and schedule their own appointments any time, day or night. So with IT alignment, technology is not only allowing staff members to work faster, but also helping the organization serve more people and serve them *better*.

Elements of an Organizational Mission

To fully comprehend this concept of IT alignment, it is important to identify and understand the three critical components of achieving an organizational mission: goals, strategies, and processes.

- **Goals** are the tactical objectives that are set based on your mission and strategic plan. Goals can be set for many areas of your organization, like operations, administration, programs, or development. For example, you may have a program goal of serving one thousand meals per week to your clients, an operations goal of reducing the amount of time spent on data entry, or an administrative goal of producing more effective financial reports for the board.
- **Strategies** are the methods that your organization is deliberately using to meet their goals. This could include raising more money, hiring staff, building an email list, or any number of other options.
- **Processes** are the steps or procedures your organization uses to get its daily work done. This includes accepting donations, paying bills, tracking clients, identifying prospects, hiring staff, communications, delivering services, and much more.

If these three elements are not clearly defined or articulated, most IT alignment efforts will fail. But when an organization's leadership and IT staff work together to understand its goals, strategies, and processes, they take the first significant step towards achieving true IT alignment.

Benefits of IT Alignment

It's easy to focus on the costs of addressing your organization's technology, but the benefits of implementing IT alignment are numerous. There are three benefits, though, that are particularly important to nonprofit leaders: avoiding legal and financial troubles, creating efficiencies, and improving effectiveness.

Avoid Common Legal and Financial Troubles

Technology that is aligned with the administrative goals of an organization can help prevent fraud within the organization, provide more accurate reporting information for funders and government agencies, and prevent the theft of stakeholder or client data such as sensitive health information or credit card numbers.

Although fraud and theft are rare, they do happen. According to a New York Times article, the Association of Certified Fraud Examiners reports that all organizations (for-profit and nonprofit) lose, on average, 6 percent of their revenue to fraud each year.[4] In 2006, that amounted to $40 billion in the nonprofit sector. Beyond the monetary loss, any nonprofit that loses money or data will have to face public—and possibly legal—scrutiny, costing the organization valuable time and harming its reputation. At a time when public confidence in the nonprofit sector continues to drop, you can't afford to give your stakeholders another reason to doubt your ability to effectively steward their contributions.

Streamline Operations to Create Efficiencies

Aligning technology with the operations goals can help nonprofit leaders better understand how an organization completes work and accomplishes day-to-day tasks. You will be able to eliminate unnecessary or redundant procedures and minimize the staff time spent on data entry and systems maintenance. You will also be able to identify possibilities for enhancing services or program delivery, highlight new opportunities to serve your community, and gain a better understanding of how your organization is functioning on the whole.

A common operations problem that technology alignment can help address at nonprofits is double data entry. Every week, thousands of nonprofits around the country spend countless extra hours first entering donations into their donor database, only to have the finance staff enter the same data into the accounting software. Not only does this waste time, but the data from the two systems rarely match, and donor information is often misentered in one or both locations. Technology aligned with the operational goal of reducing double data entry can help nonprofits avoid this common problem and create more time for staff to perform mission-related work.

Improve Effectiveness

When technology is aligned with the administrative and operational goals of your organization, you often see a savings of time and money, or improved efficiencies, as in the preceding example. When technology is part of the overall organizational strategic planning process, you can begin to see improved *effectiveness*—the types of benefits that let you not only do more, but also do it better. This is where IT alignment really starts to pay off.

The argument can be made that eliminating double data entry frees up staff time and allows your organization to then serve more clients, but the connection between technology and mission in this scenario is one step removed.

When you include technology in your organization's strategic planning, you will find that you are able to tie technology to your program goals as well, creating a direct link between technology and your mission. A great example of this connection comes from the legal services community.

Legal services agencies provide legal expertise in everything from divorce to eviction to taxes for underserved communities across the country. Many legal services agencies work with populations of migratory workers, located in remote rural areas of the states they serve. Often the lawyers have to travel by car for hours to reach their clients. Before the recent advances in technology, inevitably, during an interview, the client would pose a question that required further research. The lawyer would have

to get back in her car, travel back to her office, and go online to access her legal database and find the answer. More often than not, by the time the lawyer was able to make the rounds to that part of the state again, her client would be gone. It was a waste of time for both parties, and a lost opportunity to help someone in need.

Wireless remote access has solved that problem. IT staff at several legal services offices, involved in the strategic planning process, recognized that they could help their organizations serve more clients, more effectively, if the lawyers could access the Internet—and their legal database—while they were in the field. Their organizations made the investment in laptops and cellular modems for the lawyers. Now that same lawyer can access the information she needs to successfully advise her client in minutes, not days.

These are just a few examples of the myriad benefits of IT alignment. The more that you commit to the process, the more your organization can get out of it. Now that you know what's in store for you, let's take a closer look at IT alignment.

Stages in IT Alignment

Every organization, no matter its size or budget, can align IT with their mission for more impact. The first part of the task is to know where you are now so you can plan where you're going. Ask any nonprofit, large or small, what challenges they face with technology and you're likely to hear many scenarios that will fall into one of the following five stages:

- **Chaotic**: Chaotic organizations are struggling to keep up with a failing infrastructure, spending all their time fixing old equipment. As new staff joins the organization, member expectations change, communities grow, compliance issues arise, disaster strikes, and so on, these organizations just aren't ready. These organizations spend all of their time creating work-arounds, repairing old equipment, duplicating tasks, and missing chances to be more effective.

- **Reactive**: Reactive organizations have basic systems in place to keep workstations running, printers printing, and software updated. They budget for immediate needs, but don't plan for long-term growth or big ideas. They put fires out when they happen, rather than anticipating fires and protecting themselves.

- **Proactive**: Proactive organizations provide a stable infrastructure, solid operations software, and a good set of policies and practices. But they are also watching how their systems are used and planning for future needs. In this stage, though, organizations are still using technology primarily to build efficiencies. They are not using technology to strategically meet the mission of the organization, and IT staff are generally not involved in leadership meetings.

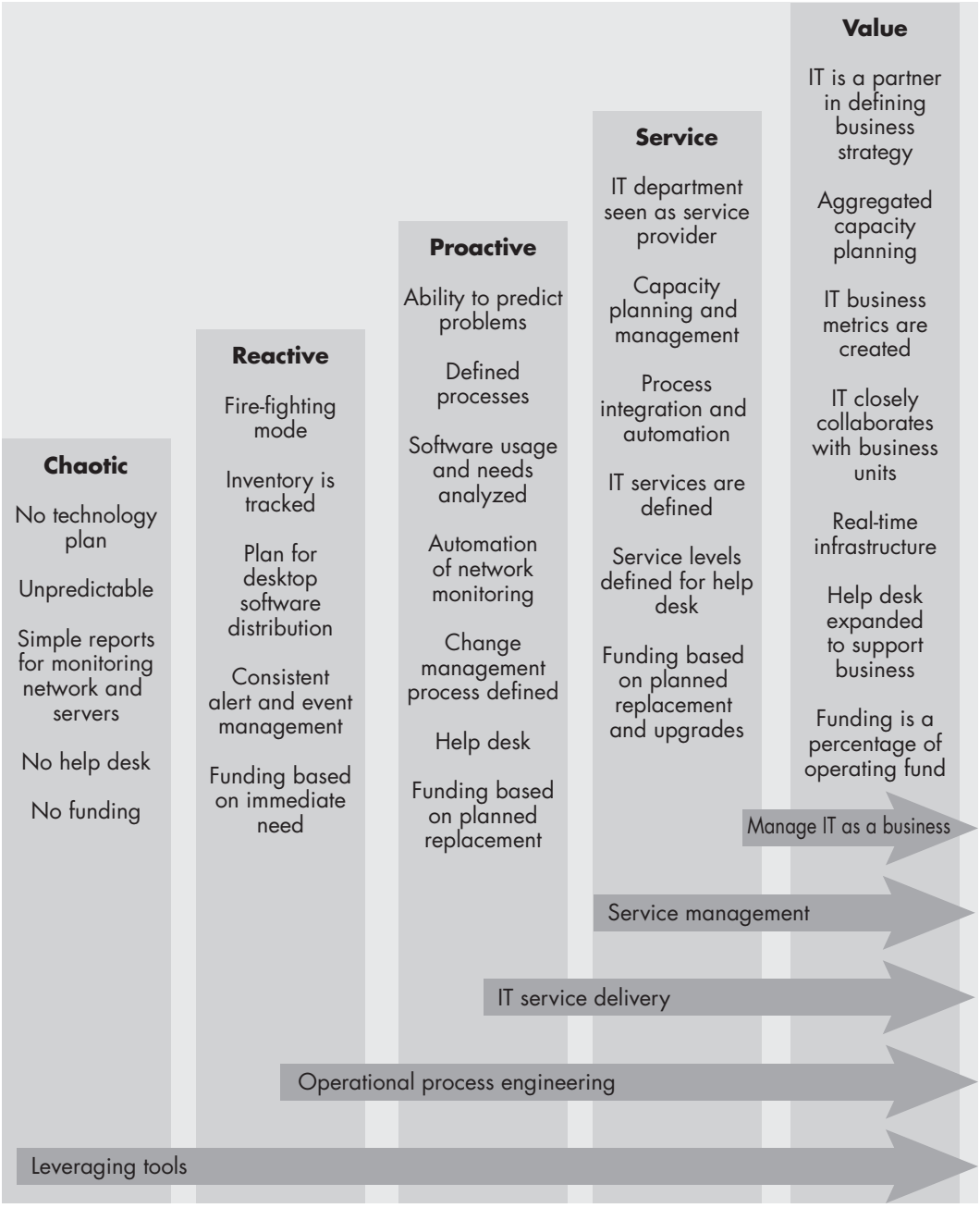
- **Service**: Service organizations are not only anticipating and meeting the needs of staff at an organization, but they are also involved in the strategic planning, helping to craft the future of the organization and how technology can support that work, both inside the organization and through public-facing technologies.

- **Value:** Value organizations recognize IT as an investment in mission, dedicating a percentage of each fiscal budget to technology. Existing technologies are routinely evaluated for mission and revenue impact, and new technologies are experimented with and evaluated for future use. IT systems supply critical business metrics to the organization.

Figure 1.1 illustrates the relationships between these five stages.

The arrows at the bottom of the figure represent the types of practices and services that your organization will need to address at each stage of IT alignment. For example, organizations at all stages will need to leverage tools or use hardware and software to support basic business processes. But only organizations in later stages of maturity will need to focus on planning for future technology needs in the organization or address managing IT as a business. The following section offers a more detailed explanation of these practices and services.

Figure 1.1. The Five Stages of Managing Technology.



Leveraging Tools

Leveraging tools means an organization uses specific technology devices to help build systems that will support and expand business processes. In other words, you need to have hardware and software in good working order so that your staff can get their work done. This is perhaps the most important aspect of IT alignment. You can't achieve any of the other levels until you are leveraging tools effectively. Additionally, you will find yourself revisiting this area often. Your basic technology tool needs will evolve constantly, and your equipment will need monitoring and maintenance. As an organization implements and learns to leverage new technologies to meet specific business needs, they can achieve a new level of maturity. Here are examples of leveraging tools at each stage:

- **Chaotic**. Back-up software and automated methods to monitor the network and servers are used.
- **Reactive**. A simple trouble-ticket system, basic IT inventory, desktop software distribution, and real-time network monitoring are provided.
- **Proactive**. A service or help desk for problem management is implemented, along with the beginning of a change-management system; software usage analysis; and server capacity, application availability, and response time measurement systems.
- **Service**. A change-management database, capacity-planning tools, and a what-if analysis—based on the measurement systems implemented in the Proactive stage—are employed.
- **Value**. IT portfolio management (systemic method to manage total infrastructure) is realized; business service management uses revenue impact analysis (tying IT services directly to changes in revenue); and business metrics are supplied via IT systems, IT governance, and legal discovery.

Operational Process Engineering

This process includes the analysis, design, implementation, and maintenance of technology systems to support the operational needs of the

business. Here are examples of operational process engineering at each stage:

- **Chaotic**. Does not exist at this level.
- **Reactive**. A simple inventory tracking of technology assets is implemented.
- **Proactive**. Configuration management for PCs and servers and full IT asset management for hardware and software are employed.
- **Service**. Service levels for technology support, capacity of what-if management, and business process alignment are defined.
- **Value**. Business process automation (improving operations through systems) and aggregated IT capacity planning (based on all branch locations) are enacted.

IT Service Delivery

IT service delivery involves supplying staff, members, and volunteers with the services needed or demanded and ensuring a consistent, unified experience for all staff. Here are examples of IT service delivery at each stage:

- **Chaotic**. Does not exist at this level.
- **Reactive**. Does not exist at this level.
- **Proactive**. IT staff are made available to assist business, support levels begin to be defined, and a central IT command center for IT service delivery is established.
- **Service**. IT staff begin to focus on the importance of relationships with staff and customers. IT service delivery managers may become part of the leadership team.
- **Value**. The IT director participates actively in the executive decision-making process. IT is viewed as a partner for defining strategy.

Service Management

Organizations focused on service management manage business IT systems so they are centered on the customers' perceptions and needs as they relate to the business. Here are examples of service management at each stage:

- **Chaotic**. Does not exist at this level.
- **Reactive**. Does not exist at this level.
- **Proactive**. Does not exist at this level.
- **Service**. Members of the IT team monitor and manage all IT service delivery, use capacity planning to determine future needs, and focus service management on strategic goals.
- **Value**. IT staff function as liaisons to branches and business units in support of strategic business goals.

Managing IT as a Business

This is the stage at which business metrics and IT metrics are linked to uncover new opportunities, and IT becomes a strategic partner in the discovery and implementation of new, IT-enabled business processes. Here are examples of managing IT as a business at each stage:

- **Chaotic**. Does not exist at this level.
- **Reactive**. Does not exist at this level.
- **Proactive**. Does not exist at this level.
- **Service.** An IT fund may emerge. Some projects are tied to business needs. Methods are established for reviewing projects at an early stage.
- **Value.** An established IT fund provides long-term funding for IT and IT business processes, all IT projects are subjected to a cost-benefit analysis, and quality-of-service analytics ensure availability of business systems.

As your organization moves through the stages of IT alignment, technology systems become increasingly embedded in your organization's

strategy and the value becomes increasingly apparent. As you follow this growth pattern, your organization will go through numerous changes in all areas, including how you think about and spend funds on technology.

One common misconception is that organizations at the Value stage simply have more money and staff than organizations at the Chaotic stage. This simply isn't the case. Having more money allows you to spend more on technology, but that doesn't mean that large organizations always spend that money wisely. It isn't the amount of money you can spend on technology that determines your success—it's the people and process you use to manage technology that shapes your outcomes.

It's also important to note that IT alignment is a process. Successfully aligning your technology with your mission is not the result of a single event or decision. It is an ongoing process that will take years to mature. Progress takes place along a continuum—your organization must pass through the early stages before it reaches the later ones. Trying to jump to the final step and hoping for the best can waste valuable resources of time and money. But you need to start somewhere, and the sooner you do, the better.

Implementing IT Alignment

Now that we have established the different stages of IT alignment, let's address some steps for moving your organization from one stage to another and look at these steps in the context of both large and small organizations. Although there is no precise blueprint that will work in every situation, there are five basic steps to developing IT alignment in your own organization:

1. Know where you are.
2. Define your destination.
3. Build the buy-in.
4. Make it happen.
5. Repeat.

Although these five steps can put you well on the road to successfully aligning your technology investments with your organizational goals, please don't be afraid to try new or different tactics. When improving performance, what matters most is beginning the process.

Know Where You Are

Your first step should be to determine what stage you are in. This will require an open and honest conversation with leadership and all levels of staff. Start by using the information shown in Table 1.1.

Review the table, then ask these questions of your own organization. Compare your answers to the indicators for each level of IT alignment on the table. This will allow you to begin to identify both your organization's current stage of IT alignment and the areas you need to work on.

Your next step is it to review the table with all levels of staff in your organization. Their IT experience may vary from your own, and their perceptions will contribute greatly to your understanding of your organization's IT alignment.

You and your colleagues may not be able to address every item in the table. If there are items that you aren't sure how to answer, note them and find a tech-savvy peer, board member, or family member who can help make it clear. The IT alignment process often includes identifying areas that are unknown to you or that are not being actively managed.

During your conversations, you will find that the table will not address all situations for every organization. Just think of it as a starting point. You should customize and add to this table based on your organization's goals and the roles that your technology team plays. You should also think through the complexity of your operations, size of your organization, and your organization's history with technology. If your organization does not have a history of supporting technology, it's not likely that you will find the internal support for any kind of change immediately. If you work at a university or an agency that works with the government, your data entry and reporting processes may be so complex that changes in those areas will require an extra amount of effort to initiate.

Table 1.1. Determining Your Organization's Current Stage of Technology.

	Chaotic	Reactive	Proactive	Service	Value
How closely is technology tied to mission?	Information systems, if any, are used only for routine business processes.	Information systems exist but are used only for routine business processes and automating tasks.	Some technology is tied to mission objectives, but day-to-day issues often overshadow these goals.	Technology assets are seen as a mix of investments and expenses, with some elements tied to mission objectives.	Technology assets are seen as investments rather than expenses, with all elements tied to mission objectives.
Is technology involved in strategic planning process and the strategic plan?	No technology plan exists.	A limited technology plan may exist but is not linked to strategic plan.	Technology staff understand the mission. A technology plan exists but is not linked to strategic plan.	Technology staff has limited role in the strategic planning process and is directly mentioned as a tool throughout the organization's strategic plan.	Technology staff has a direct role in the strategic planning process and is integrated throughout the strategic plan.
Are leadership and the board supportive of operations and technology needs?	Leadership and the board are unaware of technology and operations needs beyond day-to-day requirements.	Leadership and the board have limited knowledge of how technology is supporting their operations.	Leadership and the board have knowledge of current technology in use, ongoing strategy, current challenges, and plans for future improvement.	Leadership supports technology strategies and works to engage the whole organization with IT. The board is aware of upcoming technology projects.	Leadership strives for full integration of IT team, with authority to act at the leadership level, and shows ongoing support of aligning IT. The board offers advice as possible and stays aware of high-impact technology projects.

Table 1.1. Determining Your Organization's Current Stage of Technology. (*continued*)

	Chaotic	Reactive	Proactive	Service	Value
Are all areas of the organization actively identifying technology needs?	The organization does not allocate any regular resources or planning for technology.	The organization is beginning to actively look for ways to use technology to support new service offerings or develop new programs.	Some departments or programs regularly engage in meetings with technology staff to identify technology needs.	All departments regularly engage in technology-enabled process improvements, with established metrics for periodic review.	The organization collaborates in regular technology-enabled process improvements tied to the strategic plan, with established metrics for periodic review.
How is technology funded?	There is no formal technology funding or budget.	Limited funds are dedicated to replacement.	Funds are dedicated to replacement, and technology is upgraded on a regular schedule.	A technology fund equal to 2 to 4 percent of the operating budget is created for technology replacement and upgrades.	A technology fund equal to 4 to 6 percent of the operating budget is created for technology replacement, upgrades, and new technology.
What is the technology spending process?	No process or forum exists to examine technology needs, nor is there a technology budget.	Processes around technology decisions and purchases are informal but have been mostly effective.	Technology replacement and upgrades are tied to department or branch requests, but there is no formal plan.	Technology is included in the operating budget and is tied to department, branch, or organization operating plans, with a formal plan to implement.	Technology is included in the operating budget and is aligned with the organization's business strategy and strategic plan.
How are technology assets managed?	Technology is generally not regarded as an asset. It requires attention only when it is broken.	Technology is regarded as an asset that requires limited attention.	There is at least one individual in the organization with the capability to assess technology needs.	There is a designated individual or committee to oversee technology issues.	There is a designated committee to oversee technology issues.

Are technology policies defined?	There are no documented technology policies and procedures.	Technology policies and procedures are minimally documented.	Technology policies and procedures are in development.	Technology policies and procedures have been developed and are being implemented.	Comprehensive technology policies and procedures have been developed and are used organization-wide.
How closely is technology tied to the business process?	Business processes are not defined or supported by technology.	Some business processes are defined but are not directly tied to technology plans.	All business processes are defined, and the technology needed has been identified and planned for.	All business processes are defined and reviewed for consistency across the organization. Technology is identified and implemented to fully support the business processes.	All business processes are defined and reviewed for consistency across the organization. Technology staff, the IT steering committee, and all business units actively improve processes by upgrading the tools and technology used.
Are you using current technology?	Equipment, if existing, is outdated or is the personal property of individual employees.	Equipment is an ad hoc collection without a standard to measure it.	Equipment is up-to-date and interoperable. It meets standards set in *Healthy and Secure Computing*.	Equipment is up-to-date, integrated, and readily expanded. It exceeds all standards set in *Healthy and Secure Computing*.	Equipment is up-to-date, integrated, and readily expanded. It exceeds all standards set in *Healthy and Secure Computing* and meets industry standards.
Are technology assets actively monitored?	The technology inventory is not managed or documented.	There is some documentation of the technology inventory.	There is electronic technology inventory tracking with a replacement schedule.	The technology infrastructure is approaching real-time management.	The technology infrastructure is managed in real time.

Table 1.1. Determining Your Organization's Current Stage of Technology. (*continued*)

	Chaotic	Reactive	Proactive	Service	Value
Is technology capacity monitored?	There are simple reports for networks and management.	There is consistent alert and event management.	Network monitoring is automated.	Capacity planning is beginning.	There is aggregated capacity planning across the organization.
Is technology support offered?	Support is ad hoc or nonexistent.	Support is ad hoc or based solely on manufacturer's warranty.	There is generally someone on site or on call to respond to technology problems.	A designated individual or team of support specialists is available to users. This team offers expertise in some areas of organization operations.	A designated team of support specialists with expertise in technology and operations is available to users, with regular evaluation.
Is technology-systems training offered?	Training is provided by observation or "passed down" among volunteers or employees.	Training is provided by observation or "passed down" among volunteers or employees, but documentation exists.	Training is mostly provided by outside vendors, classes, or consultants, but is available on an as-needed basis. Documentation exists.	Super-users for major business applications have been identified in their job descriptions. Documentation exists and is regularly updated in an online resource.	Super-users for each business application are identified in their job descriptions, and a formal training plan exists. Regularly updated documentation exists in an online resource and is integrated into trainings.
Is ongoing technology-systems training offered?	There are very limited or no professional training resources available to staff.	There are limited professional training resources available to staff.	Training is included as part of a new system implementation. Follow-up training is limited to new employees when there is turnover.	Technology training is planned on a regular basis and is included in the overall technology planning process.	Technology training needs are assessed on an annual basis, then scheduled accordingly and included in the overall technology planning process.

Is data actively managed?	There are no clear definitions of data needs. Only minimal data is collected for billing and reporting purposes.	There are minimal definitions of data needs. Only minimal data is collected for billing and reporting purposes.	Some of the organization's data needs have been clearly defined, but they are not uniformly documented.	The organization has defined and documented its data needs across the organization in each area of service.	The organization has standardized and documented its data needs for all levels of the organization, including the board.
Have data quality standards been set?	Data is entered from a variety of sources, without defined procedures.	Data is entered from a variety of sources, with some defined procedures.	Data input documents are well defined, with some procedures for data entry and some accuracy standards set.	Data input documents are well defined, and report specification documents with written procedures for data entry have been well designed. Accuracy levels are measured for data entry.	Data input documents are well defined, and report specification documents with clearly written procedures for data entry have been well designed by cross-functional teams. Accuracy levels are measured for data entry.
How is data collected and used?	Data collection and management is not a priority for the organization.	Data collection and management is not a high priority for the organization.	The organization pays attention to data collection mainly for internal financial management.	The organization values data and is beginning to manage, collect, and use data to support better internal processes. Data is used to promote mission and advocacy.	The organization values data and prioritizes efforts to manage, collect, and use data to support better internal processes. Data is used to promote mission and advocacy, and is shared with collaborating organizations and appropriate government agencies.

Table 1.1. Determining Your Organization's Current Stage of Technology. (*continued*)

	Chaotic	Reactive	Proactive	Service	Value
What are data reporting metrics?	Reporting requirements are not well understood or met. Data is not easily accessible or accurate.	Reporting requirements are not well met. Some data is not easily accessible. Sampling is sometimes used to generate reports for which complete data is missing.	Reporting requirements for funders, government agencies, and internal management are mostly met, but with some inconsistencies. Reports are based on data samples.	The majority of reporting requirements for funders, government agencies, and internal management are met by mining data from the organization's information systems. Reports are based on complete and integrated data systems.	Reporting requirements for funders, government agencies, and internal management are met by mining data from the organization's information systems. Reports are based on complete and integrated data systems. There are established metrics to measure against.

It's also important to note that almost no organization will exist entirely in one stage of maturity. You may be in the Proactive stage in terms of data management, but at the Reactive stage when it comes to leadership and board support. Your organization will likely hover over one or two stages in most categories. Knowing this will allow you to focus on bringing the areas at the lowest stage up to the same level as the rest of your organization.

Large Organization Experience

The YMCAs of Metropolitan Minneapolis and Greater St. Paul, Minnesota, are unique because they operate in two cities that are very closely tied. Although they serve completely different populations, the needs of their communities are similar, and staff come from both cities as well. Because of this, they have a shared service office that delivers many administrative and operations functions for both associations, including technology. Greg Waibel serves as the chief information officer (CIO) for the organizations and is accountable to a joint task force comprising board members from both organizations and the two chief executive officers (CEOs).

Periodically the task force will ask Greg for a "state of the technology" update. They generally want to hear that staff have the equipment, software, and support they need to do their jobs well. However, Greg wanted to show the task force that technology could do more than support the work of the staff. He wanted to demonstrate the difference technology could make in meeting their mission through IT alignment. Before the next task force meeting, Greg decided to have a conversation with each of the audiences he served: leadership, IT staff, and staff from each of the organization's departments. Greg used the questions in Table 1.1 to frame the conversations he had with each area of the organization.

Based on those conversations, Greg decided that the organization was mainly in the Service stage but with some elements in the Proactive stage. For example, they already had a committee with cross-departmental representation that regularly reviewed the technology strategy against the mission (Service stage). Leadership also had a good understanding of technology, and all the staff had the core skills to use the hardware and

software they needed to do their jobs (Service stage). Tech support was proactively addressing root causes of problems, like lack of training, instead of symptoms, such as specific help requests (Service stage). However, Greg and his IT staff also realized that they had some deficiencies in terms of how they monitored the network, and they lacked effective systems for managing the relationship between tech support and staff (they were in the Proactive stage in these areas).

Small Organization Experience

Colleen Hemhauser, senior administrative director at the Ocean County YMCA in New Jersey, was a busy lady. This YMCA is a smaller agency, with no formal IT staff. Instead, the Ocean County YMCA staffed IT as many smaller nonprofits do—by asking the administrative staff to keep things running. As business administrator, Colleen handled responsibilities including IT, marketing and membership, and whatever else seemed to pop up. For years Colleen had fought to get the desktop computers in her organization replaced. Although she had a variety of responsibilities, she was spending what seemed like all of her time fighting technology fires. Computers crashed and software ran too slowly to be useful. This was keeping her from her other important work in finance, reporting, and all the jobs that kept the bills paid. When new technology was requested, her executive director's answer was always the same: "Just keep it running. We don't need anything more than we have, and we don't have the money anyway."

Colleen knew she had to do something about the situation. Using Table 1.1, Colleen was able to do a quick assessment of the current IT alignment stage of her organization. According to the information in Table 1.1, her YMCA fell into the Chaotic or Reactive stage—not the best place to be. Knowing that, Colleen now had the specific information and framework for a more productive conversation with her executive director. Subsequently she was better able to address the real need for new desktop computers.

Define Your Destination

Knowing where you want to go can be the most difficult part of the IT alignment process. Using Table 1.1, you've taken stock of your organi-

zation and identified the stage or stages in which your organization currently resides. The next step is identifying the areas from the table that you need to address in order to move yourself into the next stage of alignment. Unfortunately, your list may be long. So start with the elements that are most critical to the daily operations of your organization, then move down the list.

It's relatively easy to identify what's not working. Deciding how to fix those problems is a different matter. Many nonprofit leaders feel the solution must be articulated in terms of the technology that will be used. But that's not the case. At this stage, don't worry about what specific technologies need to be used. You need only to articulate in broad terms what you need to accomplish. Right now you are defining the goals. You will operationalize these goals later.

For example, let's say your organization has a software problem. Most of your staff have no idea what software is on their computers. And to make things worse, copies of the software are kept all over the office, from individual cubicles to the break room. This makes installing necessary updates very difficult and may also mean that the organization is losing important and expensive software. This scenario is typical of organizations in the Chaotic stage.

So now you've identified the problem, and you realize that the solution is to implement a software inventory system. You don't need to worry about how you will conduct the inventory, or where you will store the inventory information. You simply need to identify the goal at this point: implementing a software inventory system.

Large Organization Experience

Greg Waibel and his team knew they had some work to do. After establishing their stage of IT alignment, Greg sat down with his technology staff to review the areas where they were behind and to prioritize those needs. The team determined that the organization needed to focus on three key areas: (1) building the skills of the support staff to better serve the rest of the organization; (2) better communicating to the rest of the staff what kinds of services tech support could provide, what they

couldn't do, and how best to work with tech support; and (3) increasing the speed and efficiency of their network to provide better performance for the staff.

Focusing on these key areas would help Greg and his staff demonstrate the value of technology and build stronger relationships with staff. They hoped that by focusing on these three items first, they would encourage conversations with staff about other ways in which technology could be leveraged within the organization. They also hoped that these goals would earn them the trust and support of staff for future IT implementations.

Small Organization Experience

Colleen started with a very narrow view of her technology needs: new computers. Reflecting on the IT alignment process allowed her to see a much bigger picture and an opportunity to use technology more effectively in her organization. To move from the Chaotic to the Reactive stage, Colleen would need to do much more than buy new computers. She would have to focus on getting all of her IT infrastructure in place, documenting what she had, training her staff, and getting technology into the organization's budget.

Colleen's new IT alignment "destination" included hardware and software purchases, developing spreadsheets for tracking inventory, finding training, and lobbying the executive director for a technology line item in the budget. With these new elements in place, she knew she could spend less time fixing obsolete computers and struggling with dated software. Newer equipment would be less likely to break, and trained staff could solve more problems on their own. A line item for technology in the annual budget would give her something to work with every year as new problems arose.

Build the Buy-In

Once you have an idea of where you want to take your organization's use of technology, the next step is making sure you have the support you need to implement your plan. One key audience is the leadership of your organization, including the board. The role of the board can

vary significantly from organization to organization, but all boards have two objectives in common: stewardship of the mission and of the finances. When presenting your plan, be sure to emphasize how it will help your organization better accomplish its mission as well as improve the bottom line.

Clearly you want the support of leadership. However, many nonprofit leaders forget to include staff in the buy-in process. The board may think your ideas are the greatest thing ever, but one disgruntled staff member can easily undermine the implementation of your plan. Your staff will have to live with the disruptions and change your plan produces, so make sure they're on board before you begin. It's important to note that all technology-related projects have one thing in common: change. Chapter Two addresses the issue of change and provides specific strategies for dealing with it. But for now, just understand that you will need to be sensitive to the fears, anger, and resistance that your plans may trigger. One of the best ways to increase this sensitivity and mitigate any potential resistance is to include influential staff members in the planning and implementation process.

Large Organization Experience

Greg and his team knew what they wanted to do. Now they had to sell it. Greg shared an overview of the assessment (the current IT alignment stage of the organization) and his plan (the hoped-for destination) with the task force. He avoided discussing the particular technologies or systems they would use. At this stage, Greg simply talked about what his plan would accomplish and how it would support the organization's mission and bottom line. Instead of asking for approval for a certain number of new computers or servers, Greg focused on agreeing to a broad strategy for moving to the next stage in IT alignment. This was the key to the ultimate acceptance of Greg's plan: he was open to the suggestions and ideas of leadership about how to implement his plan. He welcomed comments, and he asked for their support and participation.

The plan also needed the support of staff members, so Greg and his team took the plan to all departments of the organization to make sure that it met or addressed everyone's needs and concerns. When he and

his team encountered resistance, they invited feedback and fostered a strong feeling of inclusion in the process.

Small Organization Experience

Colleen knew that her executive director was focused on the bottom line. To get the support of her leaders, she would have to demonstrate how an upfront investment in technology would have long-term dividends in savings and increased productivity. She began by logging all of the service requests and emergencies that arose. She created an inventory of equipment that included information on which machines were causing delays or adversely affecting staff productivity. She then took her evidence and plan to her executive director. Based on the information she gathered, their conversation changed from one focused on asking for money to one highlighting the benefits of an investment in new technology. Her executive director approved the plan as well as an expenditure for new equipment.

Make It Happen

With you and your organization focused on the same destination, it's time to chart a course for getting there. The next important step is identifying the resources—the time, staff, and money—you'll need to achieve your goals and create a plan and timeline to put it all into motion.

Making it happen requires great juggling skills. As often as not, as soon as you begin implementing part of your plan, a crisis will emerge that diverts precious resources. This could include staff turnover or the recent release of a new version of the tool you wanted to use. Basically, no technology implementation process runs perfectly. So stay focused on where you need to go, and recognize that you may have to change your route along the way.

The key to making it happen is having clear short- and long-term goals for your technology that are tied to your association's strategic plan; ask for the budget, get the strategy approved, and then talk to people about it.

This simple approach is true regardless of size, so I will stick with a single example. John Merritt ,the IT director at the YMCA in San Diego County, was the original example of IT alignment in YMCAs. He has successfully moved his YMCA through the stages into the service stage. He attributes his success to the "ART" of Technology. ART stands for *alignment, relationship,* and *transparency.* First establish clear goals for your technology that are aligned with the mission and goals of the organization. Then create a relationship and dialogue with all levels of staff throughout the organization. Finally, make the technology work so well that it is transparent to the people using it.

Repeat

The simple fact is, you can't go through this process just once. As your mission, goals, strategies, and business processes evolve, so too will your technology needs. This means you should take stock of where you are and where you want to go on a regular basis to ensure that you're moving closer to IT alignment. The best way to do this is to include technology staff members in your organization's strategic planning process. This also helps identify opportunities to provide solutions that cover multiple goals, increase effectiveness, and enhance services. Technology staff members often have tools, software, or systems already available that are somehow unknown or misunderstood by the rest of the organization.

Large Organization Experience

Once Greg and his team demonstrated the value of aligning technology with the organization's mission, goals, strategy, and business processes, they were granted greater access to strategic conversations at the leadership level. Rather than just delivering an update at task force meetings or getting the meeting minutes, they were invited to participate in larger conversations. There was a deliberate effort to allow IT to see the big picture and contribute to planning the next steps for the organization. Members of the task force now agreed on which areas in the organization's strategic plan needed technology support, and they granted

the IT staff the authority to make any necessary tactical decisions for implementation.

Greg is now positioned to really move his organization to the Value stage of IT alignment. Although this initial work has not directly impacted the mission of his organization, Greg is participating in the conversations and planning that will make this possible.

Small Organization Experience

Seeing the importance of technology in creating operational efficiency and effectiveness, Colleen's executive director asked her to become involved in budgeting. Colleen was eventually invited to become a member of the strategic planning committee. Now the executive director and Colleen have regular monthly meetings, along with weekly administrative staff and senior staff meetings. Consequently, the staff will be rewriting their new technology policies together to ensure they meet organizational goals.

Coleen's YMCA is now mostly in the Proactive stage. The organization has seen significant growth and has been able to expand its use of technology. Staff members spend less time managing older equipment; this has freed up time and allowed them to more proactively examine how well they're using their operations software. Staff are better equipped to make decisions such as canceling classes with low enrollment, identifying budget shortfalls earlier, targeting marketing to repeat participants, trending member use to determine staff needs, and reducing unnecessary steps in their operational processes.

Conclusion

IT alignment is not about having all the newest gadgets; rather, it is the deliberate, measured process of implementing technology to meet your mission. To achieve this alignment, you'll need to first consider all of your technology investments in the context of your mission. You'll choose tools and systems that support the goals, strategies, and processes

that are helping your organization meet its mission. This means nonprofit leaders need to view the IT department as a key partner in accomplishing the organizational mission, rather than just as a necessary evil or a collection of tools to be called on when a crisis emerges.

Think of your organization as a house under construction. Using this analogy, many leaders would think of technology as the hammer. It's just a tool to drive nails. Hammers are slow, though, so to improve performance the foreman buys a nail gun. This creates efficiencies. Now the carpenters can drive nails much faster. But will they build a better house because of it? Probably not.

Instead, think of technology as the foreman holding the hammer. If a foreman is going to help build a better house, she needs to see the blueprints, understand what the building will be used for, *and* have all the necessary tools (like the nail gun). Moreover, if that foreman is allowed to be involved in the early planning process, she may even suggest ways to improve the design and overall structure of the house. Now the foreman isn't simply more efficient; the foreman is more effective, building a house that better serves the needs of its occupants.

Notes

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2. http://www.boardsource.org/Knowledge.asp?ID=3.56.
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