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The Center for the Digital Nonprofit, established in 2017, is supported by our committed founding partners: Microsoft, Okta, Blackbaud, Box, NetSuite, and Avanade. They play a strategic and practical role in the activities of The Center, investing money, products, and expertise to address some of the world’s toughest humanitarian, development, and conservation challenges.
**About Us**

**NetHope**

NetHope empowers committed organizations to change the world through the power of technology. We bring together global nonprofits and technology innovators to solve the world’s toughest challenges through collaboration, partnership, and collective impact.

**The Center for the Digital Nonprofit**

Within NetHope, The Center for the Digital Nonprofit pulls the future forward so that international nonprofits can do good better.

Through innovation and collaboration, we bring together the expertise of the technology sector with the on-the-ground experience of nonprofits to create a foundation for forward-looking organizations to deliver aid, relieve suffering, and build hope. By providing the expertise, resources, tools, guidance, and grantmaking needed for digital transformation, The Center helps nonprofits achieve the efficiency of tomorrow today.

The Center has three areas of focus:

- **People:** Our Human Capacity initiative targets the skills most needed by leaders and staff at nonprofit organizations.
- **Process:** We’re building reference models and benchmarking tools to support Organizational Excellence across the sector.
- **Technology:** Our Advanced Technology initiative establishes the best practices, standards, and tools relevant for the critical work of addressing our shared global challenges.

**The Digital Nonprofit Skills Assessment**

The Digital Nonprofit Skills (DNS) Assessment sets the industry standard for digital skills across the NGO sector and is a tool to assist organizations to:

- determine their portfolio of digital skills;
- measure performance against sector benchmarks; and
Executive Summary

This Digital Nonprofit Skills (“DNS”) Assessment is the second white paper in a series of benchmarks established by NetHope’s Center for the Digital Nonprofit that provide insight into the opportunities and challenges for transforming the nonprofit sector.

The first white paper, the Digital Nonprofit Ability (“DNA”) Assessment, measured the general readiness of NGOs for digital transformation by surveying respondent organizations’ progress along two axes: their connectedness with beneficiary interests, and the automation of their operations. Respondents, as a whole, achieved DNA scores that clustered just below the digital threshold, indicating they were Tech-Enabled nonprofits and approaching the point at which they were ready to become Digital nonprofits. The DNA study noted that digital transformation requires investment in three areas: people, process, and technology; and that the journey toward digital transformation starts with people changing the way they work made possible by technology. The DNA identified that the people and process categories were, on average, hindering NGO digital transformation.

This second self-assessment takes the next step for participating NGOs by measuring certain details about the skills of people for future transformation efforts, focusing on six digitally-oriented aspects of how we work. To provide a broad assessment of skills, both across the sector and within organizations, the survey was taken by over 300 people from 49 nonprofits (37 of which are NetHope members) representing $20.6 billion of annual aid, covering seven job functions and six categories of humanitarian organizations, and representing every geographical region of the world except Australia. Respondents answered 18 questions in six categories which represent the structure of NetHope’s Digital Skills Framework that is based upon research into technology trends, existing frameworks, and digital skills needed for success. Respondents answered each question twice: once on behalf of their organization according to their beliefs about the organization as a whole (the organization score), and a second time answering strictly on their own behalf as they would rate themselves (the individual score).
The DNS results across the categories within the Digital Skills Framework reveal a need for skills development in three key areas:

**Key Finding #1: New skills are needed to protect beneficiaries in a digital world against the risks, biases, and limitations of data and digital tools.** For example, achieving data protection and privacy/security are possibly more difficult for an NGO serving refugee children than for a European bank, and yet the nonprofit staff has less training in critical areas such as data security which is part of their Digital Responsibility.

**Key Finding #2: Keeping pace in a volatile digital environment requires Highly Adaptive and Collaborative skills.** These capabilities empower teams to change direction as new digital possibilities become available. For example, during a program, nonprofits may discover new, better methods of serving beneficiaries that did not exist when the grant was made, but restricted grants may prohibit adopting these. To keep pace with rising humanitarian needs, we must feel empowered to adapt and adopt new methods.

**Key Finding #3: Skills critical for Entrepreneurial Spirit are not widespread in the sector.** This is clearly connected to the previously described challenge: without the freedom to accept higher
levels of risk-tolerance and potential failure, organizations cannot innovate and respond effectively in the rapidly changing digital environment. For example, an emergency response effort undertaken with a newly developed crisis analytics model might work less effectively during the first implementation or two until the model has been optimized and deeply integrated into the workflow. Subsequently the model could result in a great quantum leap of impact, but only by learning from the initial failures and adjustments.

These and other findings taken together point to a need for the development of skills related to experimentation, risk management, and collaboration amid change, in addition to the expected skills of a more technical nature.

The DNS establishes a sector benchmark, and to that end, the respondents indicated that they are more than halfway to being skilled, with an aggregate organizational score of 60 for the sector. The score of individual respondents, rating themselves as opposed to their organizations, was notably higher at 77. Because the survey was distributed online, it is logical that individual respondents may have better digital skills within their organizations.

Finally, following the assessment of the earlier DNA survey which revealed that respondent organizations were generally ready to make the transition to digital nonprofits, and building upon the DNA’s observation that digital transformation starts with people, it is NetHope’s aim that the DNS Assessment results presented here will act as a people-oriented launching point for the start of that transformation.

**TOP CHALLENGE**
Only 33% of organizations agree it’s OK to fail when trying something big. We have adopted the regrettable idea that failure is not an option. Yet practice shows that failure is merely a delay on the path to success.

**A BRIGHT LIGHT**
80% of organizations agree that they share ideas and information with others to help solve complex problems. Open information sharing is a positive force for heightened performance in the NGO sector.
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Section I: The Digital Nonprofit Skills Assessment

We live in a remarkable time. At the dawn of the Fourth Industrial Revolution, our world is being shaped by the rapid dissemination of powerful, agile technologies that offer tremendous promise in virtually every aspect of modern life. Nonprofit organizations, like their counterparts in the public and private sector, are evaluating how to best leverage these new capabilities to address and solve the societal challenges that affect communities in every corner of the world we share.

Much has been written about the promise of technology. There are probably as many definitions of “digital transformation (DT)” as flavors of ice cream, but any good definition recognizes that DT is more than the adoption of technology. It’s about changes, the "profound transformation of…organizational activities, processes, competencies, and models to fully leverage the changes and opportunities of…digital technologies and their accelerating impact across society in a strategic and prioritized way.”

Advances in technology opened the door; the broader benefit is the greater impact unleashed when organizations take advantage of these new capabilities. For the social sector, the opportunity is to reimagine what is possible and understand how to achieve those aspirations.

Digital nonprofits start with People changing the way they work through redesigned Processes made possible by Technology. Digital transformation must thus begin at the core of what social sector organizations are: people doing good. While the NetHope Digital Nonprofit Ability™ (DNA) Assessment evaluated the whole organization, the DNS Assessment looks at the first of the three critical elements – people, process, technology – and assesses the digital skills of people.

One factor, more than any other, determines which nonprofits will turn the potential of digital to their advantage: people. The talented staff and volunteers who are able to use existing technologies and adapt to evolving methods and new approaches of working fuel progress in the sector. And while this truism is often repeated, the DNA Assessment confirmed the category of People as a key element holding organizations back from becoming digital nonprofits.

The Nonprofit Imperative

Global nonprofits play a vital role in the improvement of the human condition, often working in the most remote areas of the world. As the digital age spreads to the most isolated communities, it rapidly changes both expectations in the community and the context in which nonprofits operate. For vulnerable communities, access to connectivity is becoming as important to a successful future as access to food, water, and shelter. For nonprofits, connectivity is as critical as effective programs, local partners, and sufficient resourcing.

3 In 2017, The Center for the Digital Nonprofit published the Nonprofit Digital Skills Framework to guide organizations that want to up-skill their people.
Many (perhaps most) in the social sector are driven by the opportunity to apply their talents to the big challenges we collectively face. Nonprofit staff yearn to accomplish their missions yet recognize they may never do so. It is thus no wonder that many consider themselves first and foremost humanitarians, shaped by decades of passionate effort, focused on scaling what has worked.

It is both an exciting and difficult time to work in the social sector. On one hand, global need far outstrips available resources; to achieve impact, new approaches are needed. On the other hand, for the first time in history, many sense that we are reaching the tipping point where our efforts will have real impact. The key to reaching this point is digital transformation.

The Digital Skills Imperative

As noted above, human capacity is the single biggest barrier to nonprofit digital transformation. The challenge is not unique to the social sector: technology is changing the nature of work and life, necessitating new skills, in every sector. And like other sectors, many nonprofit staff are eager to embrace the opportunity and worried about what happens if they don’t. In the UK, 80% of charities surveyed in 2017 wanted their leadership team to provide a clear vision of their digital strategy, and what it could help them achieve. In that same report, 53% were worried that if they didn’t develop digitally, they would concede ground to competitors, lose touch with their audience, and their charity would become irrelevant.

Digital skills are critical to developing a sustainable world. “At the United Nations, we recognize that technology must be harnessed to deliver on the ambitious Sustainable Development Goals,” wrote Mukhisa Kituyi, Secretary-General of UNCTAD. He added, “People will need to embrace lifelong learning for continuous topping-up of skills to meet changing job demands as an essential component of any new social contract.”

New Technologies Require New Skills

Improved digital skills are critical to progress today; they will similarly be critical in the future as the pace of technological change continues to accelerate. The use of mobile phones is spreading throughout the developing world as well as in vulnerable and marginalized communities, creating new pathways for service delivery such as payments, education, or information. Aware of this trend and capabilities, some donors are exploring ways to reach beneficiaries directly, sometimes starting by giving them a digital identity. The addition of digital distribution channels to existing humanitarian supply chains is starting to amplify the gaps in digital skills. These examples – among others – speak to the diversity of new skills and capacities needed.

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Inside nonprofit organizations, digital technologies change how we work together.\(^7\) Whether facilitating ubiquitous information exchange, enabling virtual interactions, and increasing information transparency, these at-scale capabilities create tighter collaborative networks that increase productivity and innovation. And as new technologies come into use, new skills will again be needed.

The Digital Nonprofit Skills Framework

The **Digital Skills Framework** both organizes and guides our work at NetHope and in The Center for the Digital Nonprofit. It graphically represents what we need to know, learn, and do to better communicate, collaborate, solve complex problems, advocate, and create new ways of doing good in a world where digital is abundant.

Developed by NetHope, the Digital Skills Framework is based on deep research into technology trends, existing frameworks, and digital skills needed for success, both now and in the future. Historically, skills frameworks have been based on five common themes: Information and Digital Literacy, Communication and Collaboration, Problem-Solving, Safety, Creativity and Innovation. These existing frameworks have helped guide skills training and have been used in businesses and education for well over a decade. But newer technologies need to be incorporated into the frameworks to include technology changes happening today, the changes that will happen in the future, and the skills needed for employees and organizations to be successful. Our goal is to build learning capabilities within people, so we can self-learn to stay relevant with our own skills, and collectively help our organizations digitally transform.

Technical Literacy

Technical Literacy is the foundational skill within the Framework. Without some basic technical proficiency, digital work cannot happen. It enables people to efficiently and effectively understand

and use technology tools to access, manage, evaluate, create, and communicate information. It gives organizations a deeper understanding of technology, proficiency in data use, and an ability to follow technology trends and application. If each employee develops a level of proficiency, allowing them to become self-leaners, the organization becomes a learning organization.

Highly Adaptive Collaboration

Highly Adaptive Collaboration enables efficacious participation in digital teams, sharing projects, tasks, tools, and media. With good collaboration skills, people can work effectively across geographical, cultural, social, and language barriers. Using modern technologies, we can learn to share openly across networks as appropriate and develop empathetic ways of collaborating at a distance, gain agility to adapt to changing environments, and work cooperatively in accomplishing a common goal.

Complex Problem Solving

As global nonprofits, we work to solve complex problems such as poverty alleviation, equality, or keeping a healthy planet. With access to vast amounts of readily available digital information, individuals are being asked to resolve increasingly complex problems using research, analytics, rapid prototyping, and feedback. In volatile and ambiguous contexts, agility is key. People must choose the best solution with the information they have now, constantly seeking new data and sharing information broadly. No organization can afford to have useful data restricted. To solve complex problems, everyone needs to know how to handle, interpret, analyze, and communicate data, and use it to make decisions.

Digital Responsibility

The digital era brings a new set of challenges, from protecting sensitive information to mitigating the potential risks of technologies. All people need to know and understand how to handle information in a safe and secure manner, as well as the risks and limitations of the tools they use, particularly when dealing with beneficiary information. Every time we go online, to collect or access information, we leave a digital footprint that can be seen globally, forever; to be manipulated by extractive algorithms. While technology can be used to enable people to do better, it also has the potential to harm them. Understanding the short- and long-term consequences of our digital footprints and making good choices about how we create a positive online presence for all is essential to our Digital Responsibility.
Entrepreneurial Spirit

Having a try-for-big or fail-fast attitude and feeling accountable to the outcome are signs of having an entrepreneurial spirit. Looking at old problems/processes with new eyes and challenging the old ways of doing things by taking risks to take bold, uncharted paths is another way of demonstrating this skill. This skill is incredibly important as a catalyst to innovation. An organization with open functionality, co-creation, a focus on beneficiaries, and an agile way of working represents a significant culture shift for most organizations. The digital world is a context that not only demands this skill but also rewards it with potentially large outcomes. Consider that, in the for-profit sector, the five largest companies in the world by market capitalization (Amazon, Apple, Facebook, Google, and Microsoft) all exhibit agility and entrepreneurial spirit at scale and thereby replaced the traditional giants such as Exxon Mobil that could not evolve.8

Creativity & Innovation

Generating new ideas or revising original ones with divergent thinking, or by drawing connections through categorization, prioritization, or other segmentation is a part of the creative process. Consider that, in some schools, educators are encouraging the creative process using three principles: 1) Allow time and space to explore, 2) Perfect is the enemy of done (iterate), and 3) Collaboration is the key to innovation.9 Incorporating a creative process has multiple benefits for organizations including a culture of innovation and sense of team. Being able to take calculated risks on new ideas to generate greater impact is critical for the future relevance of digital organizations.

Section II: Understanding the Digital Nonprofit Skills Assessment

The Digital Nonprofit Skills (DNS) assessment is a powerful tool to assist nonprofits in determining the distribution of digital skills across the Nonprofit Digital Skills Framework. Using a universal attitude rating scale (Likert scale), it identifies the potential capacity of the organization. It is not an “as-is” assessment like the DNA but explores the opinions of staff around digital skills. The aggregate results provide an important benchmark for the whole sector, while organization and individual results offer unique insights for responding organizations not otherwise available.

The DNS Score

The DNS score is a number between zero and 100 that represents an average of the scores across the six categories of the Nonprofit Digital Skills Framework. The DNS assessment asks people to answer for themselves as individuals, and to indicate how they think most of the organization staff would answer. The Individual DNS score allows respondents to compare their results with those of peer groups based on job role, organizational level, or geography. The Organization DNS is calculated for an organization, as a whole, and allows for comparison across organizations, as well as to establish, in aggregate, a DNS score for the sector.

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The Organization DNS benchmark is 60. The DNS benchmark for Individuals is 77. This indicates that individuals score themselves, in general, higher than they do for their organizations. Given that the survey was delivered digitally, it preselected respondents who work with digital tools; this may explain, at least in part, why self-evaluation scores were higher. In addition, many nonprofit staff, who would be included in the Organization score, are engaged in field activities that seldom employ digital skills (e.g. water and sanitation), which may also influence perception of the organization's overall digital capabilities.

The Benchmarks

Scores are calculated for each of the six categories by averaging responses to questions. The three questions defining each category comprise the category benchmark, a number ranging between 0 and 100. In these benchmarks, each nonprofit count as one, regardless of the number of individual respondents from that organization.

The sector category benchmarks are:

- Technical Literacy: 60 for Organizations and 82 for Individuals
- Highly Adaptive Collaboration: 59 for Organizations and 67 for Individuals
- Complex Problem-Solving: 68 for Organizations and 86 for Individuals
- Digital Responsibility: 57 for Organizations and 77 for Individuals
- Entrepreneurial Spirit: 55 for Organizations and 75 for Individuals
- Creativity & Innovation: 61 for Organizations and 74 for Individuals
Digital Nonprofit Skills Methodology

The survey was built in consultation with survey experts, particularly in the framing of the statement and their analysis to reduce any bias. It was designed and fielded in partnership with Humentum.

The survey consists of 18 questions organized into 6 groups of 3 statements; each group represents a category of the Digital Nonprofit Skills Framework. There is also one elective, open-ended field for comments. Respondents were asked to rate each of the 18 statements on a Likert scale ranging from “Strongly Disagree” to “Strongly Agree,” both for themselves and how they believed most staff in their organization would answer. Partially completed surveys were omitted from the analysis.

Respondents

The DNS assessment collected complete surveys from 331 nonprofit staff at 49 nonprofits (37 of which are NetHope members) representing 20.6 billion USD of annual aid, covering seven different job functions and six categories of organizations. There was at least one submission from all regions except Australia and Oceania.
Respondents associated their organization with one of six categories of nonprofits: Humanitarian, Development, Relief, Health, Environment, and Other. 84% percent of respondents worked for a Humanitarian or Development nonprofit.
Respondents represented a good balance of personnel from field and headquarters at various organizational levels and with diverse job functions.
Control for Data Bias\textsuperscript{10}

Statements used were crafted to mitigate potential bias. Some of the responses could have been affected by what social research scientists call Social Desirability Bias: the tendency of survey respondents to answer questions in a manner that will be viewed favorably by others. It can take the form of over-reporting "good behavior" or under-reporting "bad" or undesirable behavior.

Section III: 2018 Sector Results and Insights

Sector DNS

Key Finding #1: Only 31\% of organizations agree to knowing the risks, biases, and limitations of data and tools they use.

With a score of 57, the Digital Responsibility category is the second lowest for organizations. Knowing the risks, biases, and limitations of data and tools used at the organization level was one of the weakest skills measured with only 31\% of organizations who rated this question as agree or strongly agree stating they had this skill, while 69\% either disagreed or had no opinion.

Moreover, the wide gap between Complex Problem Solving – the highest-rated category – and Digital Responsibility – the second lowest category – indicates a key gap between the ambitions and the understanding of the risks in practice to achieve them. Our approach to data and technology is like that of a teenager with their first car: confident of its potential but not as cognizant of its limitations.

The risks here are real. Not so long ago, data breaches involving thousands of people were so rare that they made headline news. Today, data losses have become much larger and impactful, and regulations have been enacted to streamline their reporting. In the United States alone, 157 data breaches were reported in 2005 and that number had grown more than 1,000\% by 2017.\textsuperscript{11} As corporations harden their cyber-walls, criminals are turning to the social sector which is reported to be unprepared.\textsuperscript{12}

\textsuperscript{10} We evaluated whether many responses from a single organization introduced any data bias in the results and if so, what the bias was. After analysis, this was determined to introduce no change to the DNS score for individuals or organizations nor for the category score because calculations in the analysis are designed to mitigate biases introduced by variable amounts of respondents by organization.


\textsuperscript{12} Sarah Murray, “Charities unprepared for the cyber-attack risk,” \textit{Financial Times}, https://www.ft.com/content/1c9ad7a0-996c-11e7-8c5c-c8d8fa6961bb, (November 2017).
Emerging from what seems to be a routine of data losses are also new forms of digital risks. For example, people struggle with how to distinguish real from fake news; facial recognition technology raises issues that go to the heart of fundamental human rights, such as privacy and freedom of expression and movement; and scientists are warning us that the decision algorithms that automate our modern life have the potential to completely change the nature of our work.

To improve the human condition in the digital era requires gaining new “work safety” skills for the workplace.

**Key Finding #2: Less than half of organizations feel empowered to adapt or adopt new approaches, limiting the sector’s ability to respond effectively.**

With a score of 59, Highly Adaptive Collaboration was the third lowest category for organizations. One of the assessment questions in this category identified that, on average, when working together, teams did not feel empowered to change direction quickly when needed. 45% of organizations rated this question as agree or strongly agree they had this agility, while 55% disagreed or had no opinion. This was also rated the lowest skill by individual respondents.

Highly Adaptive Collaboration is challenging in a digital world, but research has long highlighted that it is essential for people to perform at their best. Given that nonprofit work is often complex, and the environment can rapidly change, the need to collaborate quickly and effectively is key. Flexibility has emerged as a critical component of high performance in the nonprofit sector as in others. Changing the culture of an organization, and understanding the impact of working across social, cultural, language, and skill differences, are at the core of Highly Adaptive Collaboration.

**Key Finding #3: Only a third of nonprofits accept interim failures on the path to success.**

With a score of 55, Entrepreneurial Spirit was the lowest category for organizations. The DNS assessment identified that, on average, acceptance of failure when trying something big lagged most in nonprofits. This question scored on average the lowest for organizations. 33% of organizations responded with agree or strongly agree with the statement, “It is OK to fail when trying something big,” with the rest either disagreeing or having no opinion.

Today’s NGOs are deeply rooted in existing, historically proven ways of doing good. But today, digital technologies are disrupting the world around us, and it is critical to an organization’s relevance to challenge established practices and take calculated risks to scale results. To do this, nonprofits need to increase their rate of experimentation. The wide gap between how people rate themselves vs. their organization suggests this skills lag is a cultural issue.
To be clear, nonprofits often try something big such as poverty alleviation, changing whole societal systems, assisting massively disrupted populations, or protecting nature; yet, on average, our approaches to these issues tend to be homogenous over time. The designs of our programs often lack the level of experimentation necessary to explore the possibilities offered by a constantly changing context. We are far from Sir Winston Churchill’s description of the path to success: “Success is stumbling from failure to failure with no loss of enthusiasm.”

Other Notable Findings

Technology no longer feels out of place in nonprofits. We found that of all skills categories, Technical Literacy ranked third highest for organizations and second highest for individuals. The DNS assessment identified that, on average, respondents believe they and their organization are comfortable using technology. 67% of organizations agreed to be at ease with technology with 33% either disagreeing or having no opinion. Furthermore, 87% of the people who took the assessment said they were comfortable with technology. These high scores are very encouraging for digital transformation and supported by 63% of the comments which were around the desire for more technical training.

Technology remains poorly resourced in nonprofits. However, while respondents reported a high comfort level with technology, they also stated that their organization did not have the technology tools needed to do their work. This was reported in 67% of respondents about themselves. This low score could be the consequence of two procurement patterns: Many donors consider IT as overhead, limiting resources for nonprofits to purchase the right software, hardware, connectivity, and services necessary to do their work. It’s also often challenging to supply technologies to the places where nonprofits work; this is especially true for cloud services that require connectivity. “It can take a month to procure a laptop and two months to procure a server,” reported a nonprofit IT leader at a NetHope Chapter meeting. “Local suppliers don’t have inventory and equipment gets stuck in customs,” she continued.
Nonprofit staff are eager to increase their digital skills. A common theme emerged from the comments of respondents who would like to keep current on new technologies and receive practical training. In fact, overall the comments were centered on training, as 30% of respondents inserted some comment in the open comment field and 63% of these comments pertained to training. This is perhaps summarized by one respondent: “Don’t presentate – demonstrate. Find ways to de-risk member adoption and use scale to mitigate cost.” Also, in the comments, respondents expressed a desire to collaborate more frequently both with NetHope and their peers.

Barriers to Change

The transition to digital is as difficult for nonprofits as it has proven in other sectors. In order to understand the elements holding back change, we analyzed to what extent organizations agreed with the 18 statements (i.e., a positive tension for change) versus disagreed or had no opinion (i.e., a passive to negative tension). This analysis identified the following top four negative tensions:

- Understanding the risks, limitations, and bias of technology tools and data
- Making it OK to fail when trying something big
- Giving staff the right technology tools they need to do their work
- Dedicating time to think of creative ways to get things done

These warrant review and discussion at the highest levels of organizations. Specifically, nonprofits can do more to enable their staff with the technologies they need to do their work, particularly as the tech sector offers, by and large, deeply discounted prices to nonprofits, if not outright donations. Having the right technology tools is only part of the answer. It is much harder to make the cultural changes needed to ensure individuals have the time and space to think of new solutions to problems, can try something new without fear of failure, and have the digital skills needed to make good decisions.
Conclusion

The Digital Nonprofit Skills assessment expands the People category of the Digital Nonprofit Ability and reports on average a sector benchmark indicating that organizations are on the way to having digital skills (60/100) and that individual respondents are further along (77/100).

It identifies that the category of Complex Problem Solving is leading for both organizations and individuals. **Entrepreneurial Spirit, Digitally Responsibility, and Highly Adaptive Collaboration lag for both.** Moreover, fewer than a third of organizations agree to knowing the risks, biases, and limitations of data and tools used; fewer than half agree that working together, teams feel empowered to change direction quickly when needed; and only one third agree it is OK to fail when trying something big.

Some of these problems are solved with the right technology and the right digital skills. Others will involve deeper cultural changes related to the way we work together towards accomplishing our missions.
Appendix – Category-Specific Results & Insights

This section provides deeper insights on category-specific findings within the DNS.

Technical Literacy

As noted, Technical Literacy scores midway for organizations (60) and second highest for individuals (82). Respondents report a high level of comfort with technology and endeavor to try new technologies to improve results, but 67% of nonprofit staff report lacking the technology tools needed to do their work. This unmet demand could be the result of: funding restrictions; procurement difficulties in the field for equipment or connectivity; internal levels of freedom for technology use; or the capacity for people to keep up with accelerating changes in technologies. The following respondent comments illustrate the context of Technical Literacy:

“Bandwidth stymies innovation and the use of these tools. It is still the most critical issue.”

“New tools which can be used for work are popping up all the time. The speed of development is immense, and people cannot change the way they work so quickly.”

Highly Adaptive Collaboration

The category of Highly Adaptive Collaboration scored 59 for organizations and 67 for individuals. As explained in Key Finding #2, collaborating in a digital world is still a challenge. However, respondents agree that they use online collaboration tools to work together but find difficulty with operational agility and assembling global teams. This is perhaps because the need for collaboration is growing beyond basic reporting and coordination of activities such as “improving broader capacity among program and systems staff for understanding data, doing basic analysis, and using that analysis,” as one of the respondents wrote.

The closeness of individual and organization scores would indicate that this is a broad problem throughout nonprofits and felt at all levels of the organization.
Complex Problem Solving

Complex Problem Solving scored second highest for organizations (68) and highest for individuals (86). Poverty alleviation, world hunger, disease eradication, and climate change are among the very complex problems facing humanity and the planet that NetHope members and other nonprofits seek to solve. It is thus no surprise to see the Complex Problem Solving category ranked so high. Sharing ideas and information with others ranked highest for organizations while searching online for information to discover new solutions was highest for individuals.

Albert Einstein gave us a good reason to grow our digital skills and change our mindset when he said, “We cannot solve our problems with the same thinking we used when we created them.”

Digital Responsibility

Digital Responsibility scored second lowest for organizations (57) and in the middle for individuals (77). There is no question that nonprofits are, by design, socially responsible in the physical world. The digital world however presents new challenges to maintain that digital responsibility. Privacy with digital information, as well as accuracy, property rights, and accessibility are fracturing societies. The digital world presents new challenges for digital responsibility such as how to manage the fake-news social media phenomena, or consider the gender and racial bias of facial recognition when dealing with vulnerable populations. We can no longer use technologies blindly. We must fully understand their limitations, risks, and biases.

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Not only are respondents reporting that organizations find discomfort in gathering, protecting, and analyzing confidential data; but they seldom know the biases, risks, and limitations of data and the tools they use. “The concept of bias in tools was a new concept to me,” commented a respondent.

**Entrepreneurial Spirit**

As reported in Finding #3, the category of Entrepreneurial Spirit, an essential skill for digital transformation, scored the lowest for organizations (55) and second lowest for individuals (75). Only a third of organizations find it **OK to fail when trying something big** and only 43% **feel encouraged to challenge old ways of working**.

This score is worrisome for digital transformation, which crucially depends on internal changes in order to succeed. Digitally-native organizations can make digital change look easy because this defined their very origins. They can redesign themselves to follow digital trends. On the contrary, traditional and long-established organizations struggle to realize their digital transformation goals. *Forbes* reports\(^\text{15}\) that 84% of companies fail at digital transformation and that change is critical to success.\(^\text{16}\)

“*People must get behind change in order to realize it,*” advises *Forbes.*

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Creativity & Innovation

Creativity & Innovation scores ranked in the middle for both organizations (61) and individuals (75). These skills are critical to digital transformation because for transformation to take place, there must be innovation, and innovation requires creativity. “It’s all about culture and giving people the time to be creative/innovative,” writes one respondent. Yet only 37% of organizations dedicate time to think of creative ways to get things done, a cultural challenge that is slowing down digital transformation. Working in nonprofits brings credence to Fredrik Nietzsche’s saying, “He who has a why to live can bear almost any how.” Our missions give us powerful whys and with them we bear hard and tedious work that leaves little time for anything else, including creativity and innovation. Ironically, it appears that we are too busy to take the time to acquire the digital skills that could free up our time.
Helping nonprofits do good better.

The Center for the Digital Nonprofit thanks its generous community of supporters and welcomes philanthropic investments from other committed, forward-looking companies wanting to do good better through digital transformation.

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