The Digital Nonprofit Ability™ (DNA) Assessment is a tool to assist organizations to:

- determine whether they are ready for digital transformation;
- measure performance against sector benchmarks; and
- provide insights on relative strengths and weaknesses across six categories: Readiness, People, Process, Technology, Data, and Investment. Created by The Center for the Digital Nonprofit, the DNA assessment sets the industry standard for digital transformation across the NGO sector.

Nonprofits play a $40 billion role in the annual delivery of international aid and are increasingly strained by the widening gap between available resources and growing needs. The effective integration of an NGO’s people, process, and technology investments into digital business models can enhance the impact of each budget dollar and thereby help close that gap: every 5 percent increase in the effectiveness of the NGO sector translates into $2 billion of enhanced annual global impact. While the ingredients for success remain the same in both traditional and digital nonprofits, the focus is different:

- **Traditional nonprofits** start by automating existing Processes with Technology used by People.
- **Digital nonprofits** start by changing the way People work through redesigned Processes that are made possible by Technology.

A digitally transformed nonprofit benefits from beneficiary-centric connected work flows, the agility of networked organization structures, more fully informed decisions made with good and readily available data, and the potential of asset-light operations. Digital nonprofits can do good better.

The Digital Nonprofit Ability™ (DNA) assessment, created by NetHope’s Center for the Digital Nonprofit, assists NGOs by analyzing their progress toward a digital business model along two axes: their connectedness with the interests of beneficiaries (y axis), and the automation of their operations (x axis).

As of April 2018, some 33 NetHope member organizations, representing $15 billion of annual aid, and servicing 300m beneficiaries had taken the 76-question Nonprofit Digital Ability (NDA) survey from which NetHope maps six indicators (Readiness, People, Process, Technology, Data, and Investment) across four quadrants (Tech-Enabled, Automated, Connected, and Digital). The aggregate of all NDA survey data is compiled into benchmarks for the industry, and each organization receives its own report of individual scores to serve as an assessment and planning tool.

In 2018, most NetHope members qualified as Tech-Enabled nonprofits. Nearly all had invested in key systems for efficient operations. A small number are moving to the digital threshold. Three moved into the digital nonprofit quadrant itself. More significantly, the data shows that most organizations developed along a predictable path to a certain point (the “Cluster Boundary”).

The commonality of experience as organizations approach the benchmark suggests that technology fundamentals are well established among NetHope members and collectively shared. Approaching the digital threshold, however, there is little consensus.
and organizations must explore on their own, at the risk of becoming lost.

Survey data show that respondents are relatively well-prepared for digital transformation in organizational Readiness, Technology, and Investment, while the People indicator lags just slightly behind. The comparatively poor performance of the Data and Process categories is of concern, as streamlined, optimized processes working from good data are critical to digital transformation. The lagging indicators are likely a function of many historical challenges faced by the respondents, including a lack of relevant digital business models to emulate, the difficulty of finding and sharing the sector’s best practices, and a long history of NGOs making do with “best available” data that is in fact, objectively, dubious.

All of these challenges can actually be addressed via digital transformation. More than ever before, sharing experiences and references among NetHope members—and across the sector—can create additional impact. The Center for the Digital Nonprofit is providing resources, tools, and guidance on people, process, and technology, sourced from deep nonprofit experience, and enhanced by top for-profit expertise, with the aim of catalyzing billions of dollars of additional NGO impact in the years ahead.

The Digital Threshold
The Digital Threshold is located in the center of the four quadrants and is the point at which digital transformation can and does begin. Organizations at this point are sufficiently mature in the measured categories to be considered digital nonprofits. As the graph suggests, though, this is not the end state: being digital is a theoretical transitional stage calculated from other indicator variables that can be observed. From these indicators, we can get a comprehensive view of an organization’s ability to advance digital transformation.

How Do You Rank?
Is your organization interested in discovering how it ranks in its digital transformation? Email The Center for the Digital Nonprofit to see how.