

THE STRATEGIC ROLE OF TECHNOLOGY IN PHILANTHROPY

Making the Case: How to Communicate the Value of IT & Gain a Seat at the Table

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OVERVIEW

This series by the Technology Association of Grantmakers (TAG) helps demystify the role of strategy and offers ideas for making it more approachable and actionable. In each publication, you'll find insights and anecdotes gained from some of the best minds across the sector, leading to what we hope will become an elevated and inspired role for technology within your own organization.

EARNING A SEAT AT THE TABLE

IT leaders in philanthropy often share a common frustration: **How to earn a seat at the table.** We cheer our colleagues in the corporate sector as their influence and purview grows daily, and technology becomes woven into the fabric of every decision, discussion, and strategic initiative. Technology has become ubiquitous as corporations strive for *digital transformation*, and CIOs often enjoy full membership in the highest levels of leadership. Gone are the days where IT was valued only as a back-office or support function.

Yet within philanthropy, IT often struggles to rise to the same level of prominence. We make incremental progress – a database here, a new grants platform there – but tech largely remains behind-the-scenes, focused tactically on operations and support. Meanwhile, forward-thinking leaders continue to believe deeply in the transformative change that technology can bring to our foundations and the sector, becoming not just operational support but a strategic enabler of our values and mission.

This aspiration has merit but there are significant challenges between this future and the current state of play. This guide is intended to help you as an IT leader accomplish three things required to leverage the strategic potential of technology for our mission:

1. Overcome long-standing perceptions held by colleagues and executives regarding the value that technology brings.
2. Find novel ways to demonstrate the strategic role that technology can and should play in our collective work.
3. Earn a seat at the table where critical discussions and decisions occur.

MOVING FROM TRANSACTIONAL TO STRATEGIC

In a sense, IT leaders within philanthropy are victims of our own success. Keeping grants flowing and staff productive has been IT's wheelhouse for over thirty years. As such, we've developed an identity based on providing a service to users. Colleagues look to IT to fix issues, provide laptops, and make incremental improvements to software. But not necessarily to provide advice and expertise, especially as it relates to furthering the foundation's mission. IT's work often, albeit inadvertently, creates a **transactional relationship** with staff across the organization. IT assumes the role of order taker, where colleagues are *customers* or *users* rather than *peers* or *collaborators*. Over time, the IT department becomes viewed as a commodity service. And while this may benefit the department in terms of job security, it doesn't strengthen the perception of IT as digital innovator or strategic partner. IT is recognized as critical for helping staff work more effectively, but not for informing how digital may transform the organization to better achieve its mission.

So how does a tech leader, or even an IT department, change the nature of our peer relationships from **transactional** to **strategic**? We must establish new ways of working, develop new competencies, and take a more strategic approach that aligns our aspirations with the mission of the foundation. This is no simple task, but a handful of tech leaders in our sector are blazing this new trail.

Read on for reflections on how we've arrived at this critical inflection point as well as pragmatic ways to realize strategic potential.

ADAPT OR BECOME IRRELEVANT

"You have to combine your years of IT skills and experience and match it with the work of the foundation. You have to learn the business of philanthropy."

– Leon Wilson, Cleveland Community Foundation

Leon Wilson, Chief of Digital Innovation and Chief Information Officer of the Cleveland Community Foundation, plays a unique role in the sector as both a grant maker and an IT leader. Serving this dual role provides insight towards recognizing how IT, and IT leaders, must embrace a new paradigm in order to become a valued thought partner. Wilson describes a key strategy that may cause discomfort for many technologists: *adapt or become irrelevant*.

“When I joined the foundation, I didn't want to just be another CIO, or be pigeonholed as just the IT guy. I came because I was afforded the unique opportunity to be a thought leader above and beyond just hardware and software. Most people have to rebrand and retool and reshape to grow. I used to bristle when hearing that IT had to function more like the business. But that's actually right. For example, I recently took a class in reading financial statements so I can understand double accounting entries. Now when I'm talking with the CFO I'm not just talking basic IT, but about how their department actually operates. I've taken classes in Urban Planning because I want to understand the ethos of those working in neighborhood revitalization. You have to combine your years of IT skills and experience and match it with the work of the foundation. You have to learn the business of philanthropy” states Wilson.

The ability to adapt and reinvent is a critical lesson for IT leaders in the sector. It's imperative that we broaden our horizons and learn the **business** of philanthropy. The ability to converse with program officers, CFO's, and executive directors on their turf, using their vernacular, is a critical step towards earning the trust and respect necessary to get invited to important discussions. As many technologists come to philanthropy from other fields, this feels like an especially daunting challenge. To be sure, it is. Our colleagues often join the sector holding advanced degrees in fields very different than technology: public policy, public health, or nonprofit management. Moreover, the work of a foundation spans multiple programs, and incorporates a multitude of functions such as finance, HR, and communications. To become a domain expert in every area of the foundation is unrealistic, but to become educated and conversant is achievable. By learning the core concepts and mission of each program, and the work processes and challenges of each department, we can establish a baseline of literacy that will open doors to more fruitful discussions, earn genuine trust, and establish deeper relationships with our colleagues and leaders. This is the prerequisite to gaining a seat at the table.

"Your ability to be strategic is tied to your understanding of their work and the mission of the foundation."

– Linh Nguyen, Nonprofit Professionals Advisory Group

Linh Nguyen, Vice President at Nonprofit Professionals Advisory Group, reinforces the idea that understanding the work of the foundation is critical for IT leaders hoping to become better partners and collaborators. He suggests that each IT leader “Walk in the shoes of the program officer and experience the program itself. Your ability to be strategic is tied to your understanding of their work and the mission of the foundation. You may not have the content expertise of a Ph.D. but you can understand who the players are, how they interact, and what the issues look like. Only then can you reimagine how technology can function more strategically.”

Nguyen touches on a critical point. The goal of learning the many nuances of a foundation’s work is ultimately to establish better IT strategies that authentically enhance, advance, and accelerate the mission of each program and department. These are table stakes for establishing a new identity for ourselves as technology stewards and leaders. An identity that may eventually lead to greater opportunities to join the larger conversation and promote IT’s ability to advance process and mission.

LEARN TO SPEAK A NEW LANGUAGE

A long-standing barrier between IT and the rest of the organization is a simple one: **language**. Speaking tech jargon is natural, perhaps essential, within the walls of IT, but among those that don’t consider themselves “technical” it creates barriers and erodes meaningful conversation. John Mohr, Chief Information Officer at the John D. and Catherine T. MacArthur Foundation recognizes that choosing the right language in describing and discussing technology is key to advancing IT’s mission. “I think of myself as a businessperson that solves business problems, but the toolset I use is technology. It’s important to be mindful of this when speaking with others in the foundation. If I use technical jargon it won’t promote conversation with my peers. Instead, I talk about solving business challenges and functional needs across the foundation, and that’s proven to be a better approach.”

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– John Mohr, John D. and Catherine T. MacArthur Foundation

Katie Niemann, Director of Technology at the Houston Endowment, echoes this sentiment. “In IT we often suffer from an inability to understand the needs of the business, or to articulate what we do in terms of their goals. Foundations need someone who gets the business side and has a deep understanding of the organization, and can communicate in their language.” It’s this ability to bridge the chasm between technology and the needs of the foundation through a common vernacular that leads to greater trust and stronger relationships.

Tying together multiple concepts at this point may be helpful: understand the business of the foundation, match tech's capabilities with the foundation's needs, establish trust-based relationships, and use language that doesn't alienate our less-technical colleagues. Woven together, these four threads strengthen your ability to steward a more strategic role for technology within your organization.

VISIBILITY IS ESSENTIAL

For IT leaders aspiring to greater impact, working quietly in the background is not a viable option.

Information technology has a long history of functioning behind the scenes. For many executives and staff, the 'no news is good news' adage often applies. When IT is noted, it's often because something negative has occurred. As a result, many IT leaders have an unstated goal of simply minimizing technical disruption and "closing tickets quickly." For many years, this has been sufficient to keep colleagues relatively happy. However, for IT leaders aspiring to greater impact, working quietly in the background is not a viable option.

Many tech leaders are reversing this trend by actively seeking opportunities to meet with colleagues, executives, and boards of directors. These discussions provide an opportunity to share the work, challenges, and achievements of IT. Using these forums to promote the progress and value of IT is valuable, but they also provide an opportunity to build the capacity of less-technical colleagues and executives. The result is more visibility into the work of IT, and colleagues more capable of envisioning technology's potential.

Donell Hammond, Director of Information Technology at the Kauffman Foundation, is on a mission to regularly meet with his peers and stakeholders to discuss and promote the work of IT, and communicate the connection between technology and mission. As such, he meets with Kauffman's senior leadership team quarterly, and twice yearly with the board of directors.

Similarly, Sue Taylor, Chief Information Officer at the Bill and Melinda Gates Foundation, makes an effort to regularly meet with a diverse mix of colleagues and committees to represent the voice of IT, build relationships, and demonstrate the value-added benefits IT can provide. "In the delivery of our work and ensuring alignment to our foundation's strategy," says Taylor, "our projects are set up with Executive Sponsors and Steering Committees – This is a great opportunity for me to interact and build trust with our leadership team as we co-sponsor a number of our strategic projects together. Our goal is to enable a partnership with IT and our business colleagues so when they are considering technology, ask *'have you checked with Sue and her team?'* before contacting outside consultants."

DOES REPORTING STRUCTURE MATTER?

To advance the role of technology, procure funding, and achieve greater organizational influence, a direct-reporting relationship with the president can prove highly beneficial.

Anecdotally, most IT leaders at foundations report to a Chief Operations Officer or Chief Financial Officer, rather than the head of the foundation. This often feels like an impediment to growing IT's influence, growing one's own career, and gaining admission to critical discussions. According to [Deloitte research](#) published last year, 51% of US-based CIO's in the private sector report to the CEO, 28% to the CFO, and 17% to the COO. The report draws a correlation between reporting to a CEO and greater accountability for mission-critical work, such as developing the organization's digital strategy. Reporting to the CEO may also provide better odds of receiving direct support for major initiatives. The report states "When digital transformation, technology-driven innovation or disruption, or other technology-focused initiative is a key business initiative, CIOs may find it easier to garner necessary resources and drive cultural change with the direct support of the CEO." This concept translates back to philanthropy. To advance the role of technology, procure funding, and achieve greater organizational influence, a direct-reporting relationship with the president can prove highly beneficial.

However, most IT leaders in philanthropy have not achieved this direct reporting structure, and for many it is a growing point of contention. The fact of the matter is that IT leaders must continue chipping away to reinvent, to build trust, to share knowledge, and to influence in order to precipitate the changes in alignment occurring in the private sector. That said, many IT leaders stress that in the absence of a direct reporting structure, the next best situation is to have a strong advocate in the form of a supervisor that is a member of the executive team.

David Roth, Chief Information and Knowledge Officer at the Ford Foundation, rethought his perspective on reporting structure once he gained a strong advocate for IT in his supervisor, the foundation's COO. "At one point I had an interest in reporting directly to the president of the foundation. I wasn't looking to expand my position, but I felt that technology played such an important role at the foundation that it might be beneficial. In hindsight I think it was good that didn't happen. I benefited greatly from my boss's personality and skillset. I think I've been more effective in my role because of him."

A highly supportive COO or CFO can serve to bring IT into the right conversations at the right time, ensuring a seat at the table when it's most important.

Having an advocate that can effectively represent IT and generate support (and funding) for critical work is a strong alternative to a direct reporting relationship. A highly supportive COO or CFO can serve to bring IT into the right conversations at the right time, ensuring a seat at the table when it's most important. Coupled with regular opportunities to present to colleagues and key leaders, it's a strong alternative that can provide opportunities to grow professionally and achieve greater influence across the foundation.

RECAP: ROADMAP TO SUCCESS

Gaining a ‘seat at the table’ is a shared aspiration for many. We envision a day where, like our counterparts in the private sector, technology is embedded in every key initiative and strategy, and plays a leading role in achieving the mission of the organization. We aspire to grow our influence, build more trusting and productive relationships, and elevate the level of our team’s stature and contribution. And, we hope to grow our careers to new levels with new responsibilities. Yet we face real challenges in achieving this transformation. Many colleagues and executives have yet to embrace the promise of technology within the sector. They have difficulty imagining the potential it may play beyond support, operations, and making staff more ‘efficient and effective.’

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Playing the long game may be the best approach in transforming the role of technology, earning a seat at the table for critical discussions and decisions, and growing our careers. Technology leaders are invited to review the advice of peers shared in this paper; those in the sector who are already redefining tech’s role at their own foundations:

1. **Change our peer relationships from transactional to strategic.** While support will always play a major function of IT, seek a new identity as collaborator and partner. Align closely with each department and program area, ask to partner with colleagues on problem-solving and brainstorming. Align technology with their work and aspirations.
2. **Reinvent yourself and your team.** As Leon Wilson states, technologists must learn the **business** of philanthropy. Tech leaders at foundations have traditionally functioned as a Chief Technology Officer, or more as IT architects that business enablers. To grow influence and extend the role to support the foundation’s mission, technologists must develop expertise in the actual work of the foundation and its partners. Learn to speak nonprofit.
3. **Reshape your language.** Technology is ultimately about the people that use it, and most of them do not identify as technologists. IT must reshape its language and vocabulary to resonate with colleagues. Doing so will break down barriers and promote more effective and genuine conversation.
4. **Listen and be visible.** Create opportunities to meet regularly with colleagues, executives, and the board to listen to their needs, ideas, and suggestions. Use this time to brainstorm ways in which technology may help to solve issues or challenges. Share knowledge with others on emerging technologies and how foundations and nonprofits are using them to achieve their mission in novel ways.
5. **Find champions and advocates.** While some aspire to report to the foundation’s president, others are happy to have a supervisor that serves as their advocate and technology’s evangelist. Discover those champions of technology within the organization and partner with them to advocate the strategic role of technology towards advancing the mission.

Philanthropy is changing. The COVID-19 crisis has caused major shifts within grantmaking and digital civil society. Technologists have center stage at the moment, and our colleagues and leaders may never be more encouraging or aware of the role that technology can play in reshaping how work is done and impact achieved. For those technology leaders that aspire to evolve the role they and their teams play, there may never be a better opportunity. But it will take reinvention, new thinking, and significant change to achieve this transformation. Strategic thinking, planning, and action is the gateway to a technology revolution within philanthropy for those that are ready.

LEARN MORE

Throughout 2020, TAG will continue to explore the role of IT strategy in philanthropy with webinars, white papers, and presentations. Our next topic, due for publication later this Fall, is “***How To Hire Strategic IT Leaders In Philanthropy.***” In this paper you’ll discover how hire for modern, collaborative IT leaders in philanthropy who are aligned with the mission and business of your organization.

Learn more at tagtech.org/strategicphilanthropy.

ABOUT THIS SERIES

The *Strategic Role of IT in Philanthropy* series is provided by the Technology Association of Grantmakers (TAG) in consultation with member organizations and private sector advisors. View the full series at: tagtech.org/strategicphilanthropy

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The following members of the Technology Association of Grantmakers (TAG) provided perspective and counsel in concert with this series:

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- David Roth, Chief Information Officer, Ford Foundation
- Donell Hammond, IT Director, Kauffman Foundation
- John Mohr, Chief Information Officer, John D. and Catherine T. MacArthur Foundation
- John Talieri, Director of Business Technology, Annie E. Casey Foundation
- Jonathan Mergy, Director of IT, Tides
- Katie Niemann, Director of Information Technology, Houston Endowment
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