



# Strategic Use of Technology for Building Capacity

June 6, 2017

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# What is Organizational Capacity?

Research defines *capacity* as “the ability of nonprofit organizations to fulfill their missions in an effective manner”

(McPhee & Bare, 2000)

More specifically, it is “**a set of attributes** that help or enable an organization to fulfill its mission” (Eisinger 2002)

# Why is it Important?

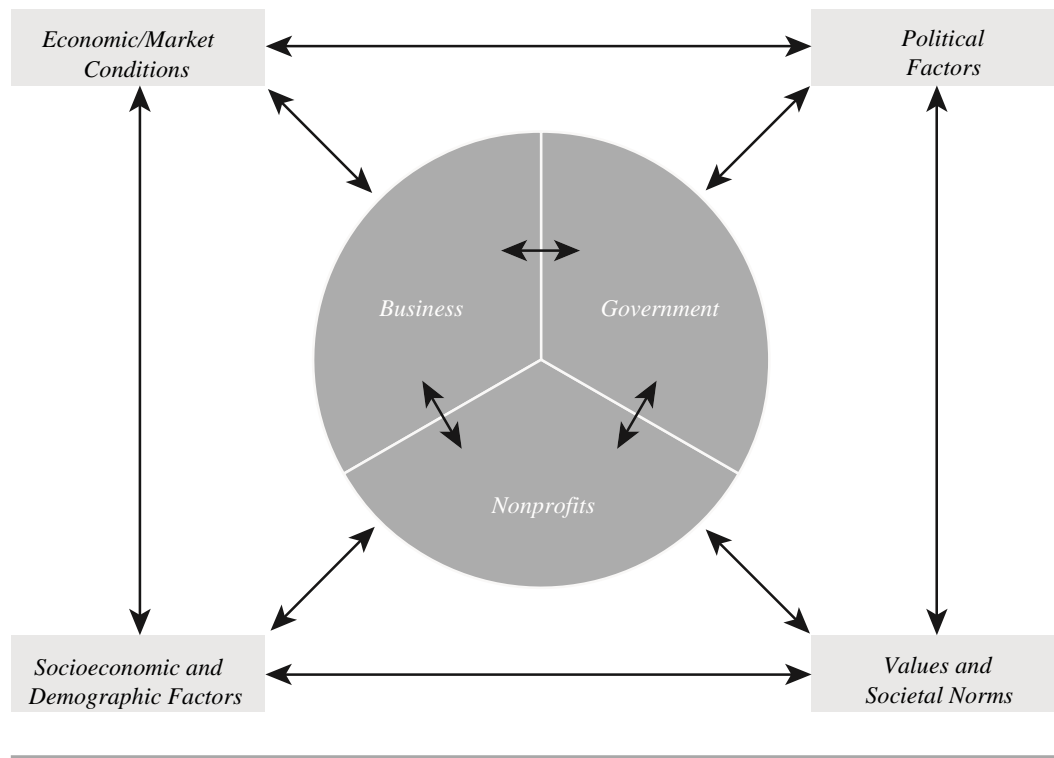
- Financial stability
- Develop strong external and internal leadership
- Build strong relationships with all stakeholders
- Key staff retention
- Be able to rapidly adapt to external changes
- Create a culture of critical analysis and planning
- Create a focus on mission fulfillment through the ability to measure performance

# A Set of Attributes (Dimensions)

*External Dimensions* are those factors in a community that impact the ability of its nonprofit sector to effectively do its work.

*Internal Dimensions* are those factors specific to each organization that impact its ability to fulfill its mission.

# External Influences On Sector Capacity

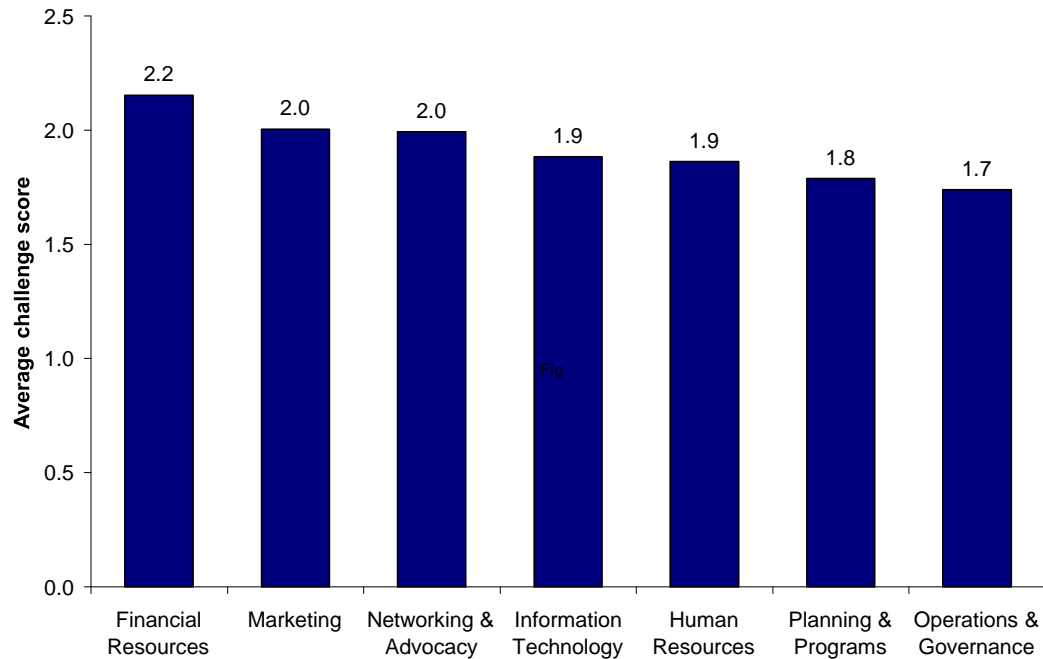


DeVita, Flemming & Twoombly, 2001

## Internal Dimensions of Capacity

- Financial Resources
- Marketing
- Networking & Advocacy
- Information Technology
- Human Resources
- Planning & Programs
- Operations & Governance

# Organizational Capacity Challenges



Gronbjerg & Cheney, 2007

# Organizational Capacity Building

“Organizational capacity building is the application of knowledge and expertise to the enhancement of those factors that contribute to organizational effectiveness. Capacity building focuses on an organization’s skills, systems, structures, and strategies. The primary intent of organizational capacity is to enhance an organization’s ability to achieve its social mission.” (Kibbe, 2004, p. 7).



# Technology as Strategy

- Old View - Technology as an expense line item. What does it cost and what does it do?
- Technology as Strategy -Technology is an organizational resource like people and capital
- Technology can help your organization differentiate and achieve your capacity building needs if used strategically

# Technology as Strategy

- Looks at technology from the perspective of you organizational strategy & goals
- What can technology do to help you achieve those goals?
- What's the value to you and your organization in achieving those goals?

# Technology as Strategy

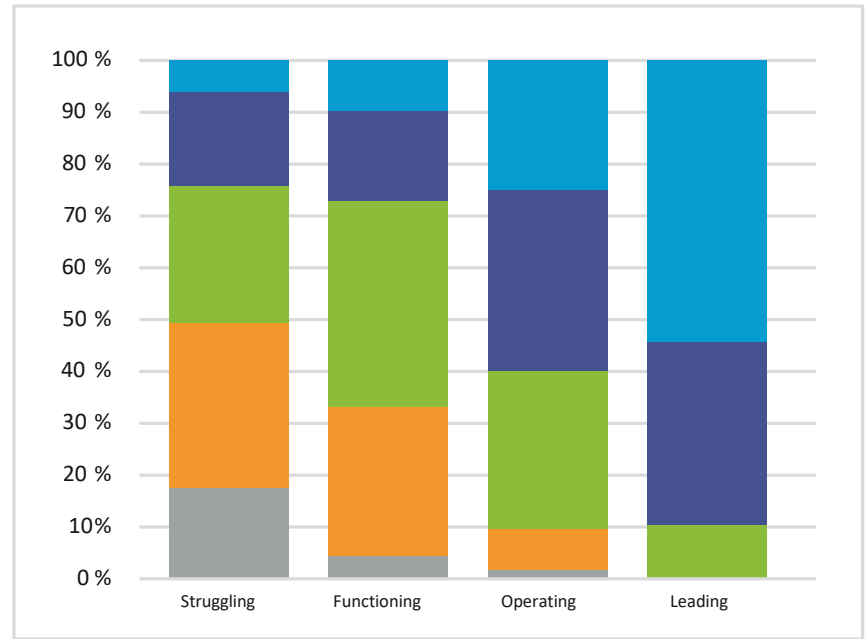
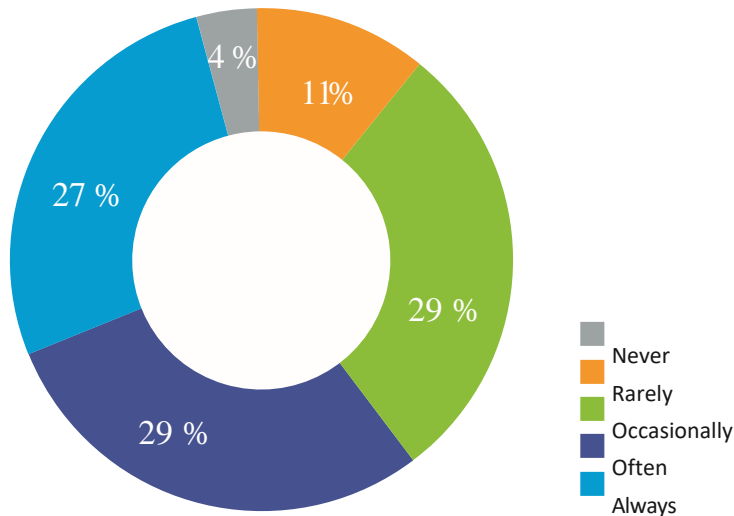
- Technology is an organizational resource
- Organizational resources are optimized when they
  - Align with strategy
  - Are invested in
  - Are utilized
  - Reflect the organization
- What can we accomplish? vs. How much does it cost?
- Training and support are part of the strategy

# Technology as Strategy

Best practices: Does your organization include technology in your organizational strategic plan?

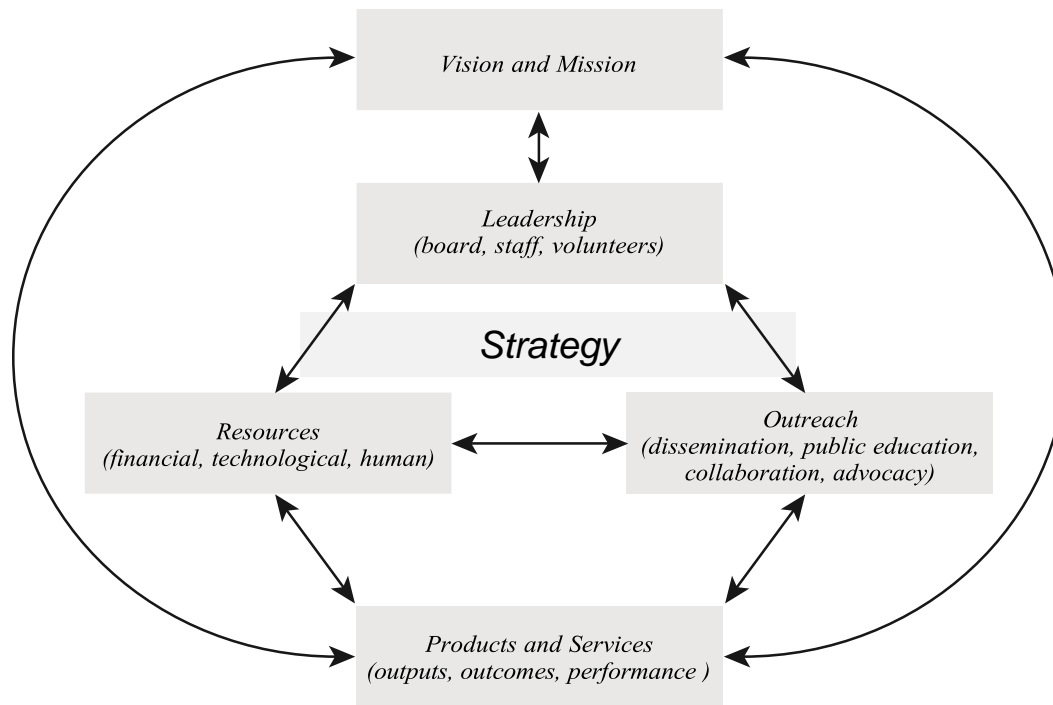
By tech adoption level

Technology effectiveness



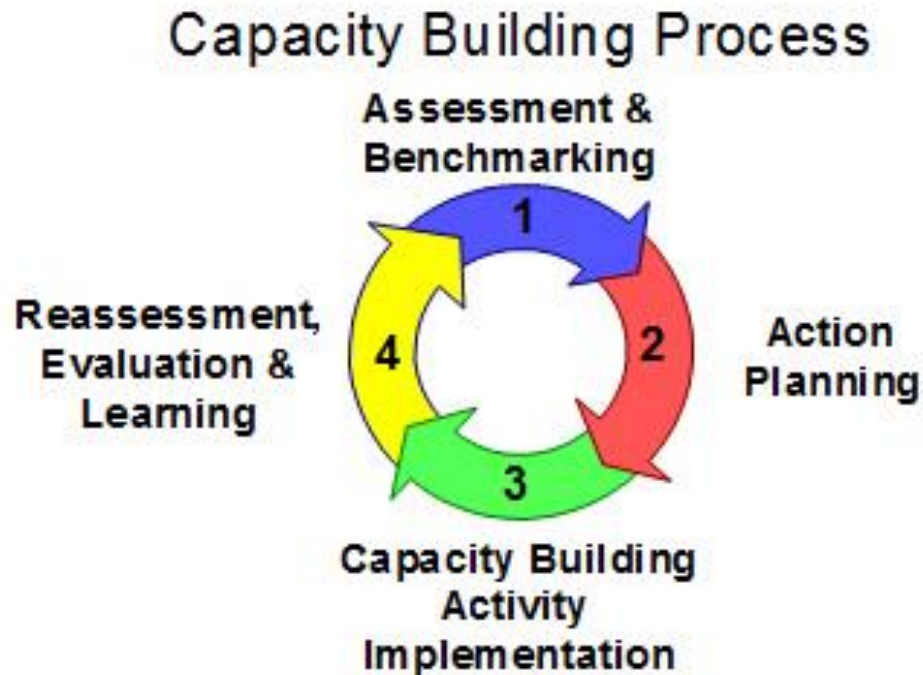
Over half of the respondents indicated that they regularly include technology issues in their strategic plans. This practice has a strong correlation with technology adoption level, with all Leading organizations indicating that they include technology at least occasionally, while Struggling organizations do so only half the time.

# A Capacity Building Framework



DeVita, Flemming & Twoombly, 2001

# Capacity Building Core Activities



## Assessment and Benchmarking

- Need to start with a capacity assessment to establish benchmarks
- Assessments can be complex and expensive
- Growing number of self-assessment tools  
<http://lfladership.com/files/Resources%20for%20Organizational%20Self-Assessment.pdf>
- McKinsey & Company OCAT  
<http://mckinseyonsociety.com/ocat/>
- Important to stick with what you start with
- Needs to involve people across the organization

## Assessment and Benchmarking

- The Impact Capacity Assessment Tool (iCAT)
- iCAT is an online assessment, planning and evaluation tool
- thedatabank has been using iCAT with clients to better focus use of their Databank



## Capacity Building & Databank

- The Databank can be strategically aligned with capacity building efforts depending on the targeted dimension(s)
- Databank reports can measure progress between benchmarks and goals
- There are capacity dimensions that are qualitative in nature and require other methods of measurement.

## How To Get Started

- Establish strategic goals
- Assessment
- Establish benchmarks
- Create & implement action plan to build capacity
  - thedatabank's *Using Technology to Build Capacity Guide*
- Measure, assess, revise

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Questions

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