Nonprofits and the Information Revolution

Nonprofit organizations across the United States report considerable progress in keeping their organizations on the cutting edge of technological change, but many remain disappointed with their current level of information technology, according to a recent survey conducted by the Johns Hopkins Nonprofit Listening Post Project.

The overwhelming majority of nonprofits (88 percent) report that information technology is integrated into “many” or “all” aspects of their organization. At the same time, many agencies reported that budget pressures pose barriers to fully integrating IT into their work.

“Our findings dispel the myth that the nonprofit sector is a technological backwater,” said Lester M. Salamon, director of the Listening Post Project. “The vast majority of our respondents have clearly recognized the importance of IT to their organizations and are making vigorous efforts to integrate it into their operations.”

Virtually all survey respondents indicated that information technologies are “moderately important” or “critical” to some of their basic organizational activities, including not only accounting and finance (98 percent), external communications (98 percent), and fundraising (91 percent), but also program and service delivery (91 percent). Ninety-seven percent reported having organizational websites, and 84 percent reported that their organization’s computers are networked to each other, allowing for information and file sharing.

Responding organizations are well aware of the benefits of information technology use, with large proportions citing contributions such as increased public presence for their organizations, increased capacity to communicate with clients, customers, and patrons; faster service delivery; improved quality of services delivered; more customer-friendly service delivery; more people served; program innovations; and cost savings.

However, the survey also found that most nonprofit managers believe there is still considerable room for improvement. Less than half of respondents noted that they are “satisfied” or “very satisfied” with
their organization’s current level of information technology, and 92 percent think that their organizations should make more use of their existing technologies for program/service delivery.

What is more, a significant proportion of nonprofit organizations remain well behind the curve. A third of all responding organizations indicated that they need more computers to meet their needs, and a similar percentage described their use of information technologies for program delivery as “limited.” Nearly one out of every five respondents reported that their organization still relies on “basic” technologies, with limitations such as old computers, outdated software, and slow internet connections.

The survey also explored the factors preventing nonprofits from harnessing the full potential of information technologies. In the current economic climate, it is no surprise that a lack of funds topped the list, with 92 percent of respondents ranking this as a “moderate” or “considerable” challenge. Substantial majorities also cited a lack of time, lack of expertise, and lack of IT staff.

In contrast, resistance, disinterest, or lack of knowledge by executives, donors, volunteers, board members, patrons, and staff had much less impact, with only 11-28 percent of respondents identifying any of these factors as “moderate” or “considerable” challenges.

“We are living in a technological age,” noted Peter Goldberg, Listening Post Advisory Committee chairman and the president and CEO of the Alliance for Children and Families. “Nonprofit managers recognize this. We need to make sure they have the resources and the wherewithal to act on this recognition.”

The 443 nonprofit organizations responding to this 2009 Listening Post survey included children and family service agencies, elderly housing and service organizations, community and economic development organizations, museums, theaters, and orchestras.

The full report “The Nonprofit Technology Gap—Myth or Reality?” is available at [www.ccss.jhu.edu](http://www.ccss.jhu.edu)

**About the project:**
The Listening Post Project is a collaborative undertaking of the Center for Civil Society Studies ([http://ccss.jhu.edu](http://ccss.jhu.edu)) at the Johns Hopkins University Institute for Policy Studies, the Alliance for Children and Families, the Alliance for Nonprofit Management, the American Association of Homes and Services for the Aging, the American Association of Museums, Community Action Partnership, the League of American Orchestras, Lutheran Services in America, Michigan Nonprofit Association, the National Council of Nonprofits, and United Neighborhood Centers of America. Its goal is to monitor the health of the nation’s nonprofit organizations and assess how nonprofits are responding to important economic and policy changes. Support for the Listening Post Project has been provided by the Corporation for National and Community Service, the Bill and Melinda Gates Foundation, the Kresge Foundation, the Charles Stewart Mott Foundation, the Rockefeller Brothers Fund, and the Surdna Foundation.