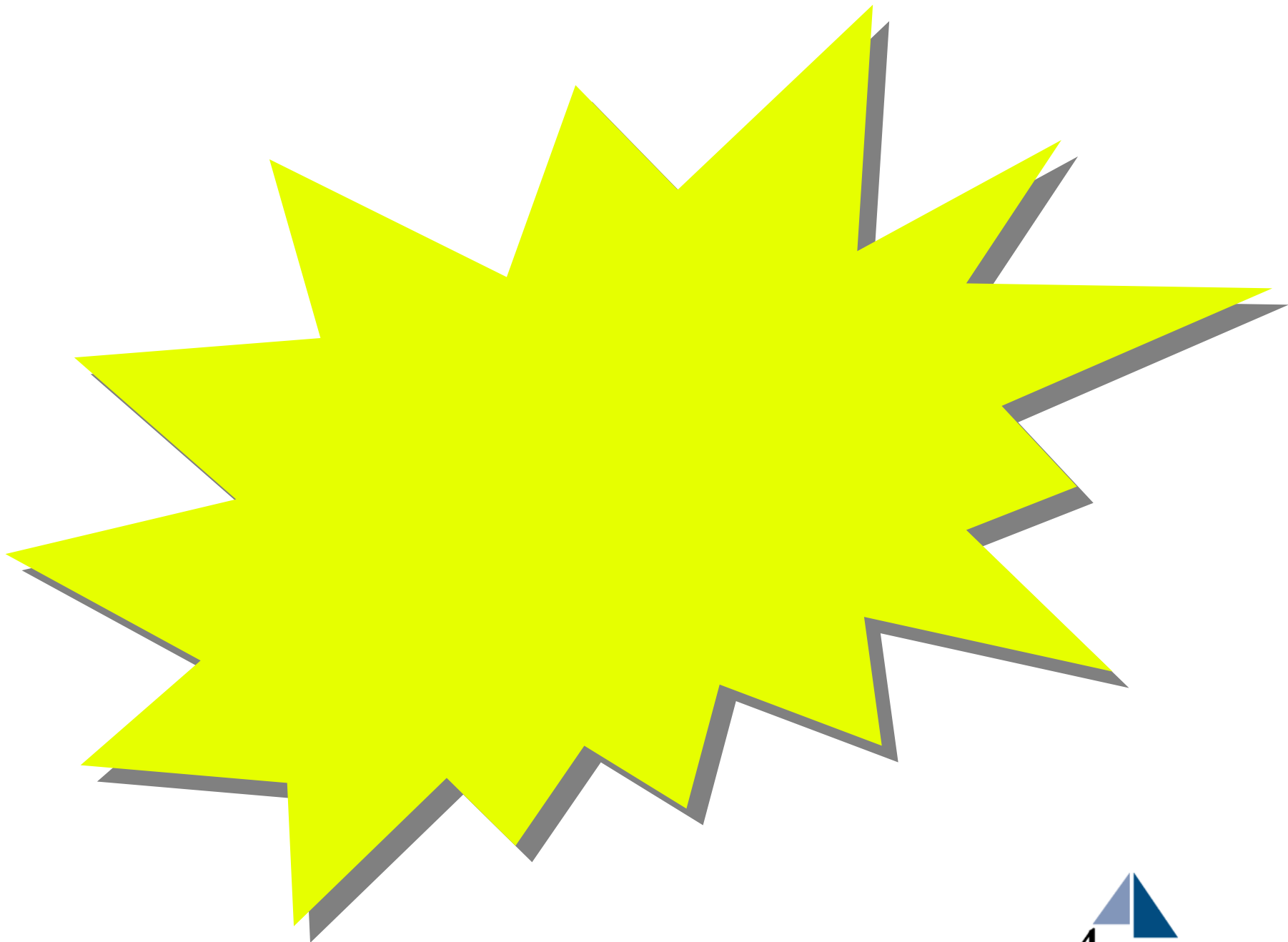# Paying for Nonprofit Technology

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Overview

▶ The spirit of this webinar
- We are iterating :^)
- We welcome feedback and requests

▶ Paying for Tech: What do we mean?

▶ Survey of sustainability approaches

▶ Short-term vs long terms costs

▶ Thinking about personnel

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Paying for Tech

► What does that mean?

► Technology

- Acquiring and maintaining hardware
- Acquiring and maintaining software
- Recurring fees and subscriptions

► Personnel

- Staff
- Contractors
- One-time costs (e.g. "Lost data")

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Ways to pay for tech

► Don't use it

  ▪ When in doubt, leave it out

► Don't pay for it

  ▪ Free and open source software

  ▪ Hardware donations

► Minimize recurring costs

  ▪ This is where tech costs escalate

► Grant funding

  ▪ Unsexy, but pretty essential

► Other income

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"Don't Use It"

▶ Many orgs carry too many enterprise licenses "just in case"

- Defensive stance that leads to bloat

▶ Practice technology minimalism

- Maintain a small focused set of tools
- Focus on interoperable data formats

▶ Regularly evaluate your tool set

- Prune and thin whenever possible

▶ Less software = less hardware

- And less risk exposure

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Don't pay for it - Hardware

▶ Encouage donations
- Take everything, keep the good stuff
- Recycle the rest

▶ Make friends with local recyclers
- They treat nonprofits well in our experience

▶ Have proactive maintenance policies
- Extend device life by taking care
- Don't scrimp on backup devices!

▶ Practice hardware homogeneity
- Enables mix-and-match

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Don't pay for it - Hardware

► BUT DON'T Let staff use personal machines in order to save money

► You will be sad when you encounter

- Policy issues
- Ownership of data issues
- "Division of assets" issues upon divorce
- High-cost maintenance incidents

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Don't pay for it - Software

► The software landscape always changes at a rapid rate
  - You will *always* be upgrading, migrating and deprecating
► Think in 1 to 3-year cycles
  - Hosted and "edge" tools, 1-year horizon
  - Installed applications, 2-year horizon
  - Web, enterprise apps, 3-year horizon
► Make tech and business decisions that match the horizons

Don't pay for it - Software

► Practice feature minimalism

- Using less of a tool gives you more freedom
- Lowers switching costs, increases migration options
- Increases shared staff vocabulary
- Avoid "skills-based hostage situations"

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Don't pay for it - Software

► Consider Free Software alternative

- Free/open source is ready for prime time
- Operating systems
- Browsers, productivity tools
- Especially for web technologies

► Free software still has personnel costs, but...

- Virus and security exposures are lower
- No licensing fee surprises
- Much less lock-in

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Don't pay for it - Software

- The cloud - that's free, right?
  - Just like kittens!
- Cloud busines models borrow heavily from heroin dealing
  - 1) Get you hooked, 2) then talk terms
- Free" cloud services are not free in the long run
  - Look what Google is starting to charge for
  - How many nonprofits have deployed "Free" salesforce for < $20K?
- You need a Plan B

Minimize Recurring Costs

► Limiting recurring costs is a core tactic in "paying for tech"

- Do monthly review of billing items
- Track all accounts in one place

► Don't sign long-term or lock-in deals

- This is a big reason why Blackbaud and other exploitative vendors make us sad

► Model future cost-inducing situations

- Migration off platform
- Loss of key staff, funding

Grand funding

▶ It ain't fun, but it's still a big part of paying for nonprofit tech

▶ But you need to know how to request support

- Don't ask for Tech $$ directly
- Embed tech line items in strategic proposals
- Frame tech as a means to an end, not an end unto itself

Grant Funding

► Put tech in the proper context

  ▪ Tie it to impact, scale, reach

  ▪ Have a strategy that the tech supports

► It's not about need: These are DOA:

  ▪ We need a new web site

  ▪ We need a new database

  ▪ We need new computers

  ▪ We need a tech staffer

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Put tech in the proper context

► It's about impact and opportunity

- Focus on delivery of service and value
- Emphasize engagement over content
- Tie technology to impact metrics
- More people served/mobilized/connected...

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Put tech in the proper context

► Understand what tech looks high risk

- Substantial new code development
  - Reuse/adapt existing wherever possible
- Working with individual developers
  - Select "right size" implementation partners
- Think through total cost of ownership
  - It's not just about acquisition
  - Factor in training, maintenance, iteration
- Dependence on proprietary solutions
  - Always strive to maintain leverage, autonomy

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Personnel

► Tech staffing is expensive
  ▪ But too many orgs get penny-wise

► Don't outsource critical knowledge
  ▪ Near-term savings lead to long-term liability

► Know your peer network
  ▪ Much knowledge doth lie there

► Don't let Google be your IT staff
  ▪ It's not just about PRISM

In Summary

- ► Paying for tech lies in limiting cost
  - ▪ Technology selection
  - ▪ Discipline of use
- ► Don't let near-term cost savings create long-term liability
  - ▪ The cloud is not a free lunch
- ► When writing grants
  - ▪ Tech is a ingredient in the strategic recipe
  - ▪ Not the core protein

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How can Aspiration Help?

► Free RFP Coaching
  - We help you fill out the template
  - It's a sweat equity model :^)

► Free advising on grant proposals
  - We are happy to help frame the tech piece

► Free Proposal Review
  - Save pain and money *before* you sign

► Free brainstorming, Q&A,
  - We are here to help

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End Of Webinar

► Questions?

► Comments?

► Email us:

help@aspirationtech.org

Thank You!

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