Digital Transformation / IT Strategy on a Plate

Webinar
TABLE OF CONTENT

1. Why the need for a Digital Transformation/IT Strategy
2. Options of how to create a Digital Transformation/IT Strategy
3. What doesn’t need to be covered in your Digital Transformation/IT Strategy
4. How we go about the process
5. The cost and scholarship process
6. Get you started with first step in developing your Digital Transformation/IT Strategy
Why the need for a Digital Transformation/IT Strategy?

• A lot of change going on in technology which provides opportunity to grow or distract businesses
• Lots of demands for NFPs scarce resources
• It is hard to know what to prioritise
• The purpose of the Digital Transformation/IT Strategy is to align IT Projects and investments in IT with business strategy and business requirements.
• An Digital Transformation/IT Strategy is a business document, not a technical document, designed to improve the level of conversation around our investments in IT with both the Executive and the Board.
• Executive and the Board play a major role in determining how strategic technology is within a business
Options of how to create a Digital Transformation/IT Strategy

• **Least cost**
  • Online templates – Attachment 1 provides some links

• **Moderate cost**
  • Connecting Up’s IT Strategy on a Plate – group approach
  • Based on a proven methodology
  • Visual/heatmaps

• **Medium cost**
  • Consulting organisations such as:
    • Maxsum Consulting - [https://www.maxsum.com/blog/digital-transformation/](https://www.maxsum.com/blog/digital-transformation/)

• **High cost**
  • 3 of the big 4 – [Deloitte, KPMG, E&Y](https://www.deloitte.com/en)
What doesn’t need to be covered in your Digital Transformation/ IT Strategy

Your IT Strategy isn’t meant to be overly technical

It doesn’t need to include your:
• Network diagram
• A list/audit of all your IT assets

These are important items for those managing your IT, but are not necessarily understood or necessary to be understood by your executive and Board
How we go about the process

We work collaboratively with participants to:
• Understanding the business strategy and the level of sophistication in IT that the business strategy requires
• Identifying the business processes of the NFP/Charity at a high level
• What systems are typically required to support those business processes
• What infrastructure is required to underpin the business systems
• What support is required to manage the infrastructure and business system
• Creating heat maps for the systems, infrastructure and support on current systems in place at the NFP / Charity
• Creating a narrative around the heat maps
• Reviewing current IT trends and what opportunities these present for the NFP/Charity
• Determining the priorities of resultant IT Projects
• Estimating the investment associated with the IT Projects
• Understanding what Donated and Discounted IT products are available to the NFP sector
13 week process

• 6 sessions – one every 2 weeks
• A Fortnight between sessions to do homework
• 2-3 hours of homework per session
• 1-2-hour meeting with your manager/team to discuss the session outcomes and refine for your NFP/Charity
• Ensure you return your homework to the Program Facilitator before/on the date advised to allow them to review your work and ensure all required preparations are tailored to your requirements for the next session
Let us go through an example
An example - Strategic Goals

‘NFP/Charity E’ s Values - Passion and Compassion; Teamwork; Dignity and Respect; Integrity; and Empowering

Strategic Goals for 2017 to 2020 - developed to carry out our Mission
• ‘Supporting people affected by “de-identified health issue” to lead independent, active and fulfilling lives’
• Increase community reach, including people with Disease E, families, carers, health professionals, volunteers and employers, and build partnerships with like-minded organisations.
• Expand the range of programmes, workshops, and information provided and/or supported
• Advocate for people with “de-identified health issue” and support National Advocacy work in the “geographic” Region
• Enhance and strengthen ‘NFP/Charity E’ s financial viability
• Support a strong Local, Regional, National and International network

Measurable dimension of Success
• To have a complete database of people in the region living with “de-identified health issue” There is public awareness of the disease and people living with it feel well supported.
• Programmes, workshops and other materials support self-efficacy and empower people to make informed choices and to live well with their condition.
• People with “de-identified health issue” treated with respect by employers, service providers, and the public and have fair access to treatments and services.
• ‘NFP/Charity E’ is financially sound.
• ‘NFP/Charity E’ is part of a network of similar organisations through collaborations and linkages locally, regionally, nationally and internationally.
An example - Strategic Goals (cont)

The business strategy strongly influences 'NFP/Charity E’’s target IT position. At a high level, organisations can position themselves as:

- **Sophisticated** – IT is an enabler of strategic advantage for the NFP/Charity
- **Functional** – IT provides good business support to day to day operations
- **Basic** – IT is used where required by not a key focus of the business

These different positions will be highly dependent on the culture and management of 'NFP/Charity E' and reflect the appetite for change of the organisation for the role of IT. Each position requires a different level of investment in IT from the different perspectives of:

- Management attention and thinking
- Resources (financial and people)
- Change management

Based on the business strategy, 'NFP/Charity E' is currently positioned as ‘Functional’ – cost effective and reliable but we are looking to develop our IT to reach the point where IT enables a strategic advantage to our charity

This positioning impacts how we will measure the quality of our existing systems.
An example - Identifying the business processes of the NFP/Charity at a high level

"NFP/Charity E"'s Business Processes

- This diagram illustrates at a high level the common current activities that are undertaken by "NFP/Charity E"
An example – Heat map

IS support for 'NFP/Charity E’’s Business Processes

- 'NFP/Charity E' is moving from basic to functional in its IT journey over the last few years. Some applications are ‘functional’ while others are still at ‘basic’ level.

- We have two shared databases on a Terminal Server, both built on an outdated version of "de-identified health issue" Access, a database for financial subscribers, donors and other contacts and a separate database for clients including their patient records. There is much crossover between these two databases necessitating a daily sync.

- We are researching a new database that would combine both our donor and patient records and also researching cloud v Terminal Server hosting solutions as current hardware reaches or has reached warranty expiration.

- The legend is used to assess 'NFP/Charity E’’s current IT support for business processes
An example – Heat map (cont)

What specific applications does 'NFP/Charity E' have to support these Business Processes

- This diagram illustrates the applications that 'NFP/Charity E' has supporting the Operations business processes
An example – IT Trends

Trends and New technologies to consider

• Trends for 'NFP/Charity E' to consider include:
  • Increasing level of Cloud Computing
  • Individualised funding
  • Good digital experience
  • Peer to peer fundraising and ‘crowdfunding’
  • Increasing Online Counselling/Chat/Chat bot opportunities
  • Data and Evidence based impact reporting
  • Business Intelligence software and data analytics
  • APIs
  • Data privacy

• Other trends to be mindful of but less relevant right now
  • Blockchain
  • Severity, ferocity and volume of malicious cyber security attacks
## An example – IT Projects

### Identified Major Projects

<table>
<thead>
<tr>
<th>Project</th>
<th>Description</th>
<th>Priority</th>
<th>Estimated Cost</th>
<th>Resourcing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Xero</td>
<td>Migrate Financial systems from MYOB to Xero for long term savings in time and audit fees</td>
<td>1 January 2019 as the start of the new financial year</td>
<td>$55/month plus in internal staffing costs spent learning and training. Expected to recoup costs in reduced audit fees</td>
<td>Business Manager using Xero resources</td>
</tr>
<tr>
<td>Upgrade Website</td>
<td>In order to enable eCommerce payments for people with &quot;de-identified health issue&quot; to pay subscriptions and hydrotherapy, give donations and Event management components where people can register for Workshops and Events</td>
<td>Medium</td>
<td>To be determined, starting $5,000 plus in internal staffing costs</td>
<td>Business Manager and Office Assistant Need an integrated solution with CRM/Database above</td>
</tr>
<tr>
<td>Performance Management Tools</td>
<td>Integrated data analytics so the charity can more effectively report using results based accountability systems</td>
<td>Medium</td>
<td>Unknown at this stage</td>
<td>General Manager, Business Manager in consultation with Independent Living Service</td>
</tr>
</tbody>
</table>
Example - Timeline

Projects 'NFP/Charity E' would like the Committee to commit to

**2018/19**
- Update Warranty on existing server for 1 year. This will allow for guaranteed server equipment replacement in the event of a failure while we are working towards migrating to the Cloud
- Update necessary desktops and laptops in preparation to migrate to the Cloud

**2019/20**
- Identify the most suitable integrated CRM/Donor Database/Patient Record/Website solution
- Migrate to Xero accounting system from 1 January 2019
- Migrate to the Cloud/Office 365/Sharepoint
- Purchase replacement laser printers for remote Field Workers
- Fund and purchase appropriate Video Recording device
- Fund and purchase a replacement Data Projector

**2020/21**
- Implement CRM/Donor Database/Patient Record/Website solution
Example – Next Steps

Next Steps

• Finish IT Strategy document draft
• Present IT Strategy document to the Committee for approval
• Start progressing with the IT Projects as outlined using the timeline in the previous slide
• For all major projects ‘NFP/Charity E’ will prepare a Business Case detailing the scope of each project and this will be provided to the Committee for agreement before proceeding
Understanding what Donated and Discounted IT products are available to the NFP sector

Discounted and Donated Applications to support NFP’s Business Processes (cont)

- This diagram illustrates what discounted and donated applications that Connecting Up/Techsoup NZ has available to support the Operations business processes of an NFP.
Understanding what Donated and Discounted IT products are available to the NFP sector (cont)

Discounted and Donated IT Infrastructure to support applications in an NFP

**IT Infrastructure Required to Support Applications**

### Network Related
- **WAN**
  - Cisco (40% off)
  - Other
- **WAN/LAN Mgt Tools**
  - Cisco
- **LAN**
  - Cisco (40% off)
  - Other
- **Wireless Network**
  - Cisco (40% off)
  - Other
- **Network Attached Storage / Storage Area Network**
  - Cisco (40% off)
  - Other
  - Synology (10% off)

### Server Related
- **Production Servers**
  - MS Azure
  - MS Server
  - Amazon AWS
  - Bluehost (15% off)
- **Dev/Test/Train Server**
  - MS Azure
  - MS Server
  - Amazon AWS
  - Bluehost
- **Virtualisation Technology**
  - HotLeverages
  - MS Hyper V
- **File Storage**
  - MS Azure
  - MS OneDrive
  - Amazon AWS
  - Box
- **Thin client access**
  - HotLeverages
  - MS Terminal Services
  - Azure (10% off)
- **Voice/MAS/Conferencing**
  - Bandi Teleco
  - Skype for Business
  - Slack (85% off)
  - Zoom (50% off)

### IT Security Related
- **Internet/Unix Security**
  - Kaspersky (10%)
  - DSLT Internet Security (11%)
  - Symantec
- **Next Gen Internal Security**
- **Single Sign-On**
- **Password Management**
- **Email Policy Control**
  - MS O365
- **Internet Policy Control**
  - Threat (40% off)
  - Cisco
- **Backup and UPS**
  - CyberPower (5% off)
  - Symantec Enterprise
  - QBO
  - Veritas

- This diagram illustrates what discounted and donated applications that Connecting Up/Techsoup NZ has to meet the IT Infrastructure needs of an NFP.

Legend:
Discounted (SaaS) and Donated (On Premise) options
Discounted options
Donated options
The cost and scholarship process

• The base cost to participate in the consulting program is $2,000
• At the end of a program you will have a tailored Digital Transformation / IT Strategy for your NFP
• But it is dependent on you doing the homework
• Additional consulting can be purchased, for example:
  • 5 or 10 hour package to assist you with the homework
  • 3 or 5 hour end of program “beautification” option
• We are also offering half or full scholarships to micro / small NFPs (less than $5m in revenue)
  • Here is a link to the Scholarship Application
    https://forms.office.com/Pages/ResponsePage.aspx?id=turmBPFZVUqYUEPNLlg8_Mim8iYugyRHq-O6wlfFQ5xUMTNVNTQ0NlJPMUJ4MIRLMFEyWFk5SDILTtIQC0PWcu
Getting Started on your Digital Transformation/IT Strategy

WWW.CONNECTINGUP.ORG
Search and replace (ctrl-h) - <NFP/Charity> with your NFP/Charity’s name
You may use your own organisation’s Powerpoint template if that is preferred, however, the following must be added to your footer on each slide (suggest via the slide Master).

This copyright statement must be added to the front page:

Copyright, trade marks & limited right to use materials
Connecting Up own and retain the copyright, trade marks and other intellectual property rights in these materials including without limitation templates, documents, text, designs, graphics, audio and video. Unless otherwise expressly stipulated by us, you may only use material available on the site for your personal use and may only print or make an electronic copy of the material for this purpose. You must not sell or otherwise commercially exploit any material or information made available in this document. You must ensure that all copyright notices are retained in any material copied from this document. Subject to this limited right to use materials, you must not use, download, upload, copy, print, display, broadcast, perform, reproduce, publish, license, post, transmit or distribute any materials from this document in whole or in part without our prior written permission. If you breach any of these conditions, then (without limiting your other liabilities) your authorisation to use this document automatically terminates and you must immediately destroy any downloaded or printed materials.

You must not submit material to Connecting Up if a third party has any intellectual property rights in that material.
This document has been prepared to assist in developing a path and picture for investment in <NFP/Charity> information systems in line with its business strategies. It contains:

- Statement on the business strategy of <NFP/Charity> and the level of sophistication that strategy requires in information systems
- Confirms <NFP/Charity>’s business processes that need to be supported by IT
- An assessment of current systems within <NFP/Charity>
- A review of potential opportunities presented by IT innovations
- Establishing a direction for <NFP/Charity>’s information systems
- Prioritising <NFP/Charity>’s information systems
- Establishing a timetable for implementing changes to <NFP/Charity>’s information systems
<NFP/Charity>’s business strategy is to:

This strongly influences <NFP/Charity>’s target IT position. At a high level, organisations can position themselves as:

- **Sophisticated** – IT is an enabler of strategic advantage for the NFP/Charity
- **Functional** – IT provides good business support to day to day operations
- **Basic** – IT is used where required by not a key focus of the business

These different positions will be highly dependent on the culture and management of the <NFP/Charity> and reflect the appetite of the organization for the role of IT. Each position requires a different level of investment in IT from the different perspectives of:

- Management attention and thinking
- Resources (financial and people)
- Change management

Based on the business strategy, <NFP/Charity> is positioning as ……

This positioning impacts how we will measure the quality of our existing systems.
Common business processes are identified at a high level. Then we look at:

- What systems are typically required to support those business processes
- What infrastructure is required to underpin the business systems
- What support is required to manage the infrastructure and business system

The above forms a baseline for what should be in place to support the <NFP/Charity> business from an IT perspective.

Next an assessment is undertaken of each of the identified areas as to how well the current information systems support <NFP/Charity>
This diagram illustrates at a high level the common current activities that are undertaken by <NFP/Charity>
Attachment 1 – Online templates

- https://www.cioindex.com/article/articleid/717/it-strategy-template
- https://www.besttemplates.com/design/2658/it-strategy-plan
For more information please contact:

events@connectingup.org