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2020 Advisory Conference
October 27–29
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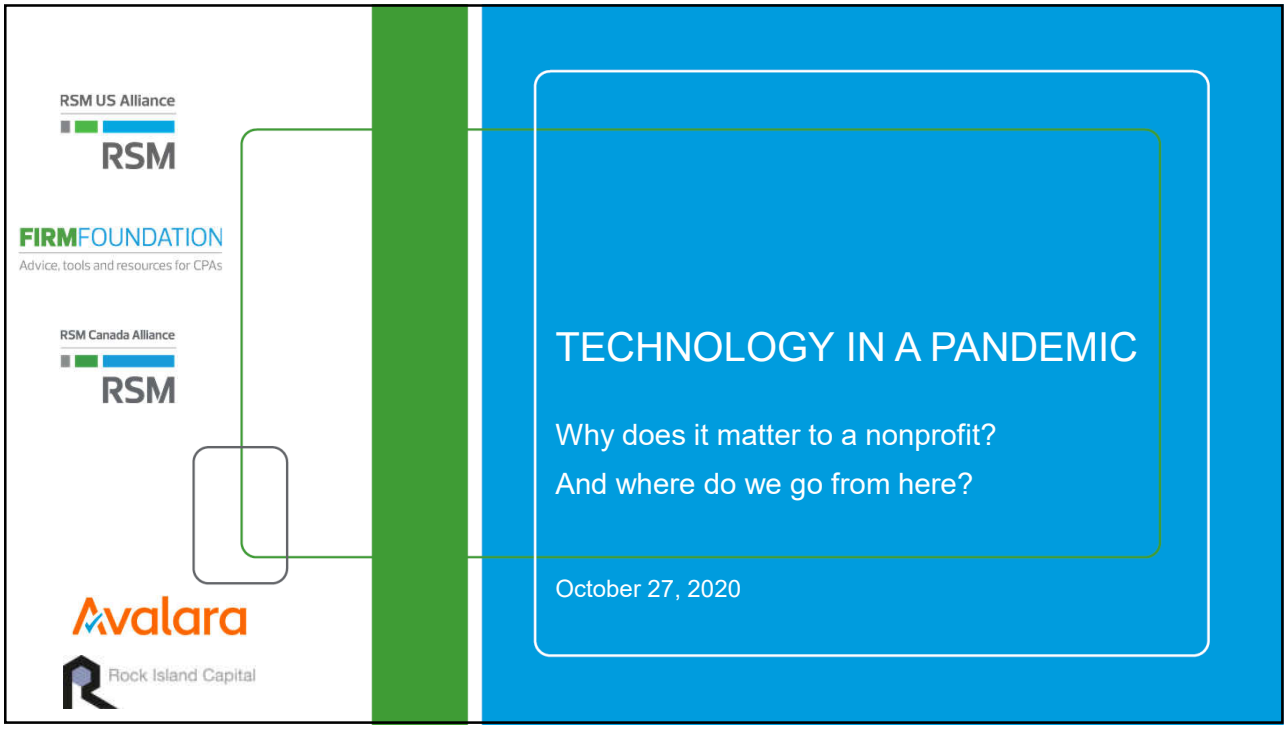
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TECHNOLOGY IN A PANDEMIC
Why does it matter to a nonprofit?
And where do we go from here?
October 27, 2020

Speaker

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Agenda

Topic	Minutes
Industry update – technology trends for nonprofit	20
Client success stories	20
Question and answer discussion	20

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Objectives

By the end of this course, you will be able to:

- Gain an understanding of the trends in today's Nonprofit environment
- Gain an understanding of what has changed as a result of COVID-19
- Gain an understanding of what some organizations are doing to take advantage of technology to improve efficiency and support their goals

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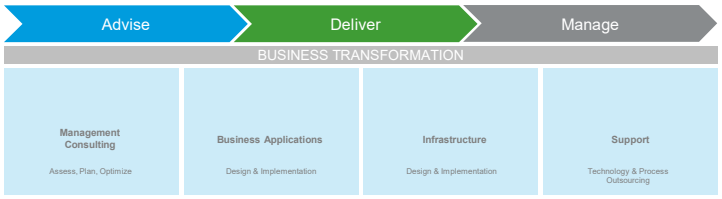
RSM knows nonprofits

$5B Global Annual Revenue	90 US Offices
5th Largest audit, tax and consulting firm in US	9,000 US Employees
600 RSM consultants dedicated to the Nonprofit Industry	1st First Choice Advisor to Middle Market Companies
3,000+ Nonprofit organizations served domestically by RSM	

Nonprofit organizations today face a myriad of complex business challenges — leveraging technology, managing risk, and effectively executing their goals within financial and operational constraints.

To help address these challenges, RSM consultants provide a comprehensive range of business-focused services designed to align organization's **People**, **Processes**, and **Technology** to improve productivity and mitigate threats to organization's mission and goals.



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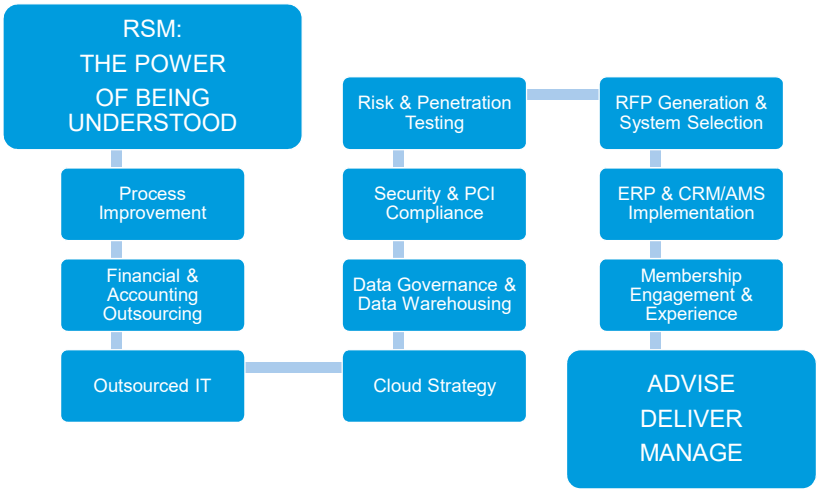

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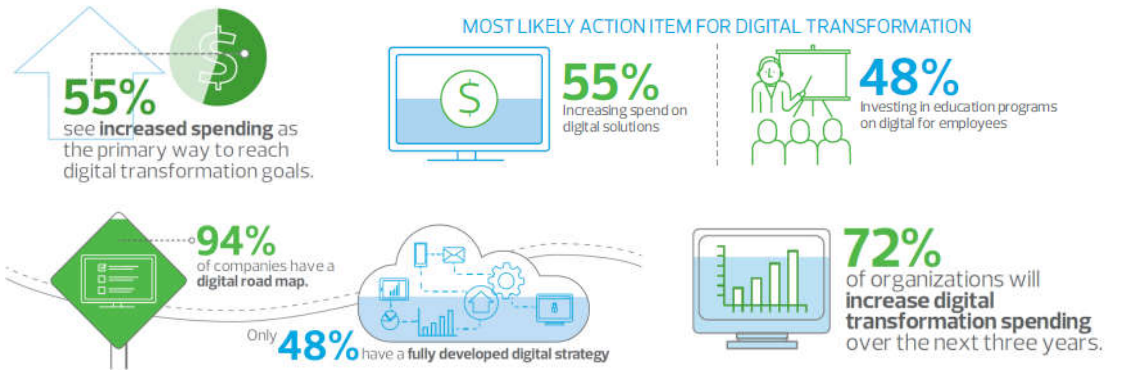
RSM digital transformation survey

In a recent study, RSM surveyed 500 CFOs across the middle market to understand how they are thinking about digital transformation. Overall, we understand that digital transformation is one of the single-largest priorities for middle market executives over the next one to three years.



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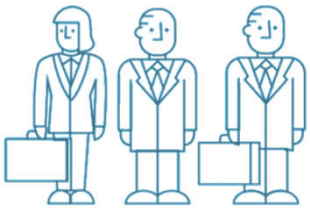
Digital transformation survey overview – what did we learn?



Recent RSM survey states that **36%** of CFOs expect their role to expand as a result of current trends in digital transformation at their organization.

Anticipated role change

- ✓ More governance of large marketing investments
- ✓ More involvement in data analysis design
- ✓ More attention to "change management" capabilities
- ✓ More consensus building, educating stakeholders of required digital investments

Anticipated responsibility change

- ✓ More oversight of human-centered designers
- ✓ Greater data analysis responsibilities
- ✓ Bigger driver of new ideas, business planning and/or new thinking within the organization (culture of innovation)

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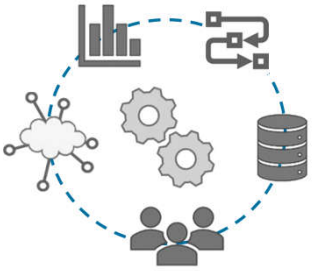
Digital transformation survey overview – what did we learn?



	Current usage	Over the next year
Supply-chain tracking and monitoring	19%	47%
Blockchain	9%	41%
Internet of Things (IoT)	9%	35%
Enterprise resource planning (ERP)	38%	71%
Customer relationship management (CRM)	58%	81%
Analytics	48%	78%
Financial process automation	21%	66%
Robotic process automation (RPA)	6%	28%

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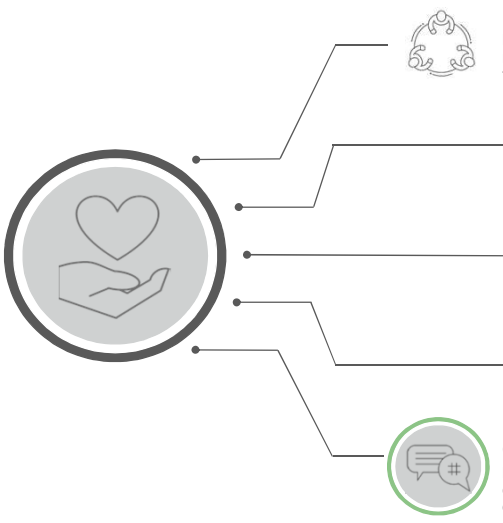
How does this relate to nonprofits? What are their common challenges?



Lack of Resources
Nonprofits are continuously having to strike a balance between allocating resources to their mission versus investing in areas such as information technology or hiring additional staff.

Fundraising and Donor Management
In addition to spending time on furthering their mission, nonprofits must also fundraise and continuously keep their existing donors engaged and up to date on their recent initiatives.

Complexity in Non-Profit Accounting
Nonprofits must manage cash flows and income streams from several different sources. They may also sometimes have for-profit subsidiaries that create unique challenges.

Reporting
Reporting is a crucial element of a nonprofit's ability to be transparent with donors and the general public. Reporting may be difficult due to disparate systems of record or unique donor requirements.

Communicating the Effectives of their Initiatives
Nonprofits must be able to track outcomes and communicate the effectiveness of their initiatives in order to gain new donors, develop new donors, and build awareness for their mission.

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What has changed?

Business and digital concerns prior to March 2020

- ✓ Accurate and timely reporting is challenging (compliance, board requests, funder requests, operational metrics)
- ✓ Processes are inefficient
  - Not enough time or people to react quickly
  - Multiple systems lead to delays and inconsistent data
- ✓ Difficult to grow and adapt quickly to changes (adding programs, locations, international)
  - Communicating effectively with donors, communities, board

Prior to March 2020 → **March 2020 and on**

What has changed since March 2020

Concerns largely remain the same however there is a greater sense of urgency around digital initiatives

What's different?

- ✓ Urgency
- ✓ Ability to work effectively remotely from anywhere – collaboration, connection
- ✓ Uncertain funding

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Accelerating trends in 2020

Robotic process automation

Modern workplace

Outsourcing as strategy

- IT Managed services
- Finance and accounting
- HR/talent management

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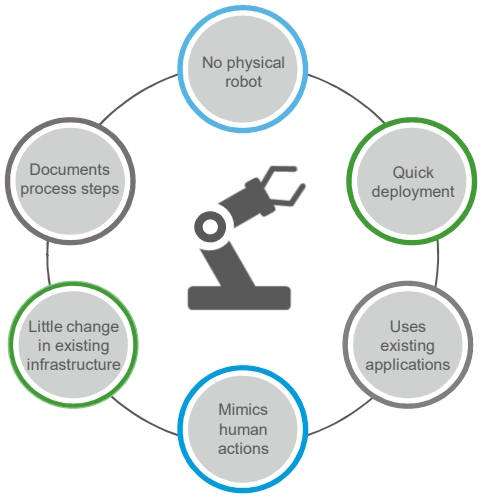
Robotic process automation overview



RPA refers to a set of modular software programs (or "bots") to complete structured, repeatable, and logic-based tasks by mimicking the actions taken by existing human staff.

RPA benefits

- ✓ **Increased productivity and efficiency** – focus employees on higher value activities
- ✓ **Scalability and flexibility** – replicate robotic tools across geographies/business units
- ✓ **Accuracy** – robot's don't make mistakes or judgement calls, and they don't get tired
- ✓ **Cost savings** – automation quickly reduces administrative and back office costs for fast ROI

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Modern Workplace | Microsoft 365

Email and calendar
Business class email with 50MB mailbox per user with 150MB attachments.

Advanced Email
Archiving and legal hold for email compliance and enforcement.

Office Suite
Always have the latest version of Office installed on up to 5 devices and on any modern browser.

File Storage & Sharing
OneDrive gives each user 1 TB of personal cloud storage. Share documents inside and outside your organization.

Social Portal
Yammer lets employees to connect with the right people and share information across teams and projects.

Video Portal
Corporate-wide destination for video upload, sharing and discovery, and smooth playback across devices.

Online Meetings
Host online meetings with audio, HD video, and web conferencing over the Internet.

IM and Skype
Connect with users via instant message, voice/video calls, and share your online status.

+ Windows 10

Work Management
Planner makes it easy for your team to create new plans, organize and assign tasks, share files, and get updates on progress.

Data Protection Control
Rights management, data loss prevention, and encryption to keep your content safe in email, IM and meetings, and team sites.

Search and Discovery
Search and discover content across Office 365 based on personalized insights through Office Delve.

Team Collaboration
Provide a place for your team to create and collaborate on content in real time all intuitively organized.

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Why would a nonprofit outsource key administrative functions?

- Ability to attract the right talent at the right time
- Predictable budget
- Flexibility and scalability based on need
- Access to continually changing technology
- Responsibility for security and continuity of services
- Alignment with additional resources that fit the culture and mission

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IT outsourcing opportunity

RSM/CFO.com's survey also indicated that CFOs believe that outsourcing services can lead to better results

69%
Say a trusted IT services provider can do a better job than a typical company can do on its own

60%
Say they would be comfortable having a trusted managed IT services provider deliver all of their company's IT functionality

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Managed IT services

The Essentials	Modern Workplace	Secure Workplace	Digital Strategy vCIO	Add-Ons
Service Desk	Microsoft 365™	Security Awareness	Strategic Planning	Managed Apps
Asset Management	QuickHelp™ Learning	Disaster Recovery	IT Budgeting	Compliant Cloud
24x7 Monitoring	My Analytics™	Threat Protection	Vendor Advocacy	HaaS
Daily Administration			Project Coordination	Digital Hub
Onsite Support				SPM

Included in Fully Managed program

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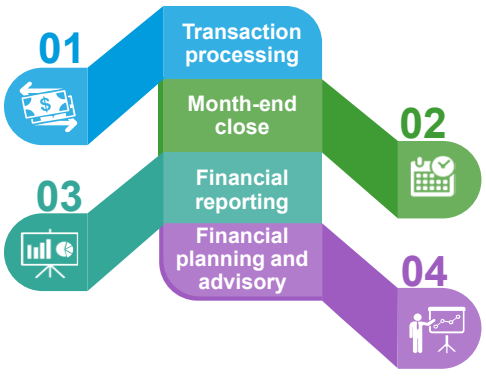
Finance and accounting outsourcing

Transaction processing

Process all transactions on a daily, weekly and monthly basis or in a team approach with internal accounting resources and management to share these responsibilities

Financial reporting

Real-time robust reporting and custom dashboards based on individual needs



Month-end close

Close books accurately and on-time for both internal and external purposes:

- Close process ensures all balance sheet accounts are reconciled and month-end entries are posted
- Key stakeholders (banks, investors, auditors) have the ability to view or receive reports through various delivery means in various ways – from dashboards to hard copy

Financial planning and analysis

Yearly budgeting and monthly forecasting leveraging expertise and integrated technology solutions to match business and reporting needs

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Human capital

Assessment, Strategy and Transformation – Assessing current state, envisioning the future, and formulating a roadmap to get there

- HR *Rapid Assessments*®
- Merger Integration & Carve-Out / Separation Assistance
- HR Due Diligence
- HR & Recruiting Transformation
- HR Digital Transformation
- HCM System Selections
- Payroll System Selections

People and Change – Leading transformation initiatives through proven methodologies

- HR Program Design and Delivery
- Organization Evaluation & Design
- Organizational Change Management
- Leadership Development & Training
- Culture Assessments

HR Compliance – Assessing organizational compliance with regulations to help minimize risk

- HR Compliance Process Improvement
- HR Regulatory Compliance Assessment

Compensation Analysis – Leveraging benchmarking and compensation studies to help inform organizations' decision making

- Compensation Planning and Design
- Compensation Studies and Analysis
- Executive Compensation Analysis

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A few takeaways…

- Review and update your digital strategy and roadmap to adapt to current conditions
- Be sure that the strategy includes organization and people, processes, performance management and analytics, and policy compliance – *along with technology*
- Don't overreact – stick to your plan, invest where you expect long-term value, and make sure you have the people and processes in place to support any new technology investments

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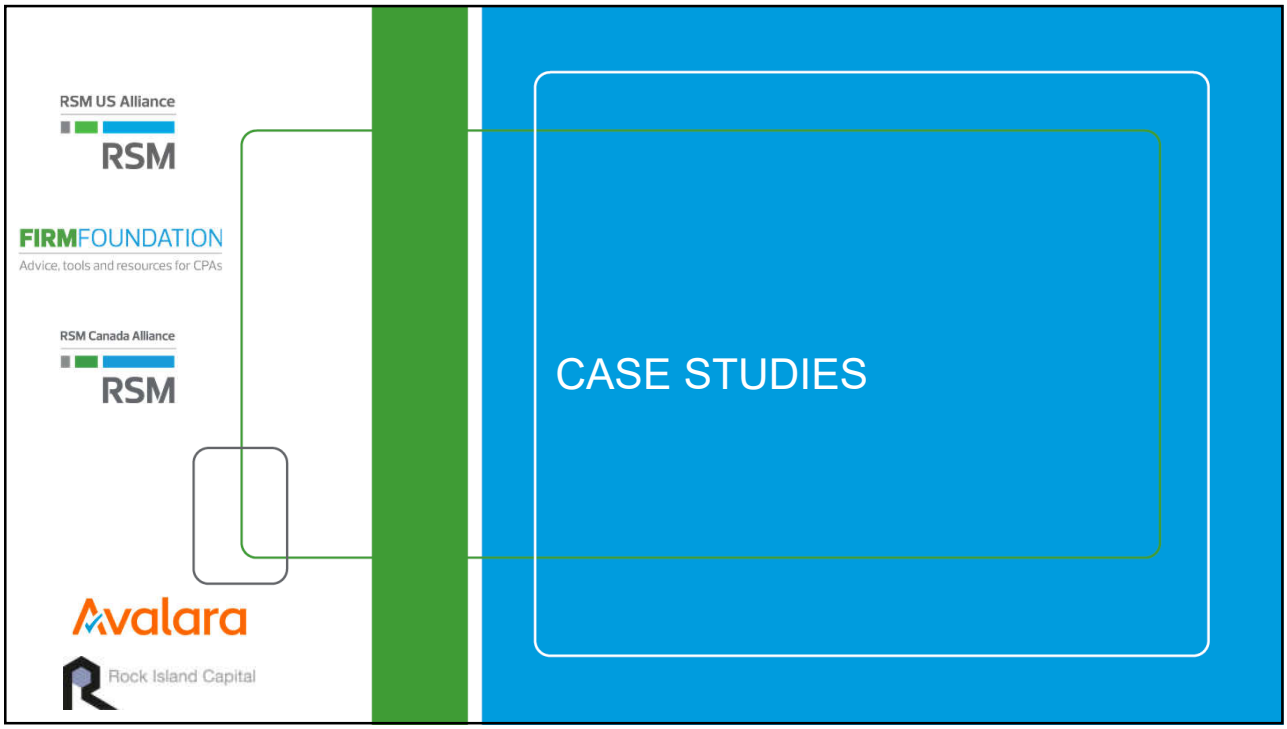

The Children's Inn at NIH (TCI)

Background	Challenges	Results
TCI is a nonprofit organization founded in 1990 with the goal of providing a 'place like home' that removes the burdens and stresses of everyday life from the families of children seeking treatment and participating in research at the National Institutes of Health. Over the course of its existence, the Inn has benefited over 15,000 families and helped enable the NIH's groundbreaking research toward finding the cure for multiple terminal illnesses.	• Three to five year strategy to upgrade technology to better support the organization • Aging technology was not supporting the organization • Desire to expand events and fundraising efforts but not able to support • No integration between systems resulting in a lot of manual effort • Minimal automation	• Performed an assessment to develop a technology strategy and roadmap to support TCI's overall strategy • Assisted with software selections for finance and accounting, CRM, marketing automation and budgeting/planning and forecasting • Assisting with rollout strategy for selected solutions

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American Association for Clinical Chemistry

Background	Challenges	Results
The American Association for Clinical Chemistry (AACC) is a worldwide medical and science organization focused to laboratories for clinical science and its effects on the healthcare system. The lab specialists are flexible and always improving, combining data analytics with their professional knowledge, so they can provide the best services for the patients.	• Lack of reporting • Significant manual processes/workarounds • System setup/configurations no longer met business needs	• Assisted with the selection of finance and accounting solution and corporate performance management solution • Implementing Sage Intacct as the core accounting solution integrated with Workday's Adaptive Insights for corporate performance management solution, integrating with Aptify and Concur

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Fighting for Blindness

Background	Challenges	Results
The Foundation Fighting Blindness was established in 1971 by a passionate group of families driven to find treatments and cures for inherited retinal diseases that were affecting their loved ones. The Foundation's goal was clear and focused: To drive the research that would lead to preventions, treatments, and vision restoration for the spectrum of degenerative retinal diseases, specifically macular degeneration.	• Challenges with a remote workforce related to: ✓ Paper based document storage inhibiting virtual work environment ✓ Aging Finance & Accounting solution ✓ Manual based AP invoice process	• Increased ability to support remote workforce • Developed a Sharepoint platform to support document storage, search and retrieval • Implementing RPA to automate the AP invoice process

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