2009 Charity IT Survey

"you talk, we listen"

Survey Report

Version: Final
Issue Date: September 2009

HEAD OFFICE
Sigmer Technologies Ltd
The Sussex Innovation Centre
University of Sussex
Falmer
Brighton
East Sussex
BN1 9SB

T 01273 669 700
F 01273 669 701
E enquiries@sigmer.com
W www.sigmer.com

sigmer
TECHNOLOGIES

considered IT solutions

Contents

List of Tables

1 Introduction

1.1 Overview

The 2009 Survey of Charities IT took place in July and invited responses from over 5,000 UK charities of all sizes and working in all sectors - ranging from religious organisations though to medical research. The survey focussed on how charities manage their IT provision.

1.2 Mechanism

The survey was conducted using Sigmer Technologies Survey Suite survey system www.surveysuite.co.uk which is hosted in the UK and which provided a robust and confidential on-line collection and reporting facility.

1.3 Report

This report provides an overview of the survey as well as a simple analysis of the results. For the purposes of analysis, charities have been split into the following two categories:

- Smaller Charities - Charities with less than 100 staff
- Larger Charities - Charities with greater than 100 staff

Categorisation of responses by number of staff

14%

86%

Smaller
Larger
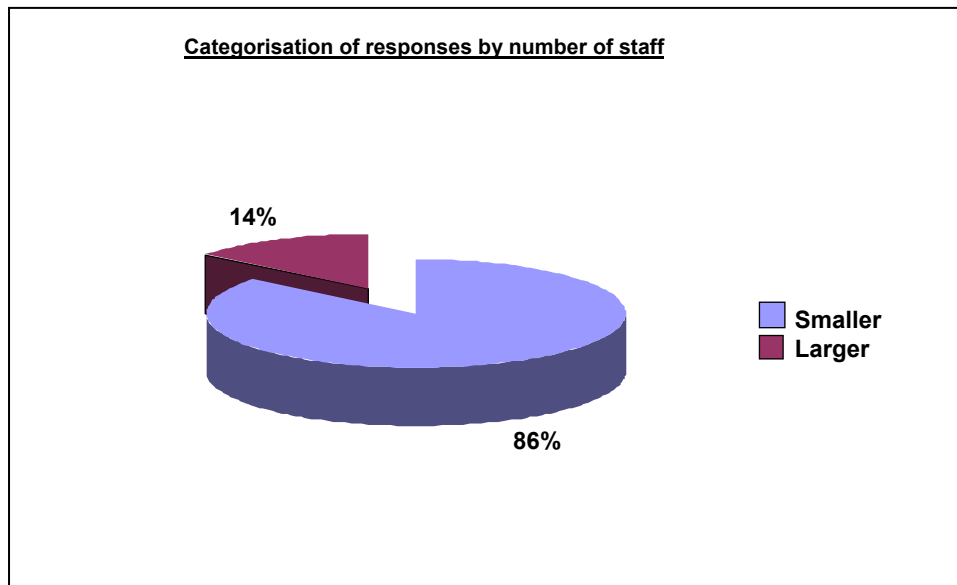
2   Managing Services

2.1   Question

Charities were asked to review the following categories of IT services and to indicate whether they managed them using in-house resource, were outsourced to a supplier or a mix of both.

1. Computer Hardware Support
2. Website Hosting
3. Website Design & Maintenance
4. Email Marketing
5. Software Support
6. Fundraising Software
7. Network Support
8. Desktop Support

2.2   Results

The results indicated that charities of all sizes tended to rely more on in-house resource for the management of IT services than on an external supplier although larger charities tended to outsource more in areas where an external supplier could provide specialist services that might be beyond the capability of internal resource.

Interestingly, there was, irrespective of size, a strong statement that e-mail marketing was best handled in-house with approximately three quarters of charities managing this themselves.

Topic (number from above table)								
Large Charities	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**
In-house Resource	37.0%	10.7%	28.6%	69.6%	44.4%	40.9%	44.4%	59.3%
Outsource to a Supplier	29.6%	64.3%	35.7%	8.7%	22.2%	22.7%	22.2%	14.8%
Mix of Both	33.3%	25.0%	35.7%	21.7%	33.3%	36.4%	33.3%	25.9%
Smaller Charities	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**
In-house Resource	44.6%	23.1%	35.0%	77.5%	45.1%	56.9%	48.9%	54.9%
Outsource to a Supplier	25.5%	63.5%	33.8%	8.5%	32.7%	26.7%	28.8%	20.8%
Mix of Both	29.9%	13.5%	31.2%	14.0%	22.2%	16.4%	22.3%	24.3%

Table 1:   Managing IT services

Many smaller organisations have difficulty in successfully managing their IT provision. When you are very small, managing a few loosely connected PC's is not much of a challenge, however when you reach a certain size it is cost-effective to have in-house resource or to outsource the operation. The problems occur for those organisations in the middle band where the cost of managing IT are such that they either invest considerably, perhaps excessively in this area or be resigned to inadequate and poorly supported IT.

3   Obtaining Impartial Advice

3.1   Question

Question 5 asked where charities went for impartial advice on IT matters and provided the following options. Respondents were able to select multiple choices and to enter other, non-listed, options.

1. Independent consultant

2. Ask another charity

3. Research

4. In-house staff

5. Computer hardware supplier

6. Computer software supplier

7. Other please specify

3.2   Results

There was little variance in the responses with regard to the size of the charity with big and small using a variety of sources - and many using a combination.   Larger charities tended to seek advice from other charities more readily than their smaller counterparts and also to rely more heavily on guidance from external suppliers.

One significant divergence was in respect of the use of external consultants where 24% of smaller charities would use a consultant for impartial advice whereas only 15% of larger charities would consider doing this having a greater availability of in-house resource.

Once more the challenge is for the medium-sized organisations. Typically, when you are very small, much of the IT decision-making involves low-risk matters and when you are larger it is easier to get value for money from external consultancies.

Source of impartial advice

- Independent Consultant 22%
- Another Charity 11%
- Self research 21%
- Own Staff 25%
- Hardware Supplier 10%
- Software Supplier 8%
- Other 3%

Indeed, mid-range organisations need first-rate external advice as much as larger organisations but, culturally, they are often reluctant to be seen to be spending donor funds on consultancy. However, good advice is vital and expert and impartial advice will often deliver considerable value over a long period if not immediately.

Mid-range organisations often need to make strategic jumps in their IT capabilities such when as they install major new business systems or take on greater network responsibilities - more staff, new buildings etc. - and this is where good quality impartial advice can save expensive remedial work in the future.
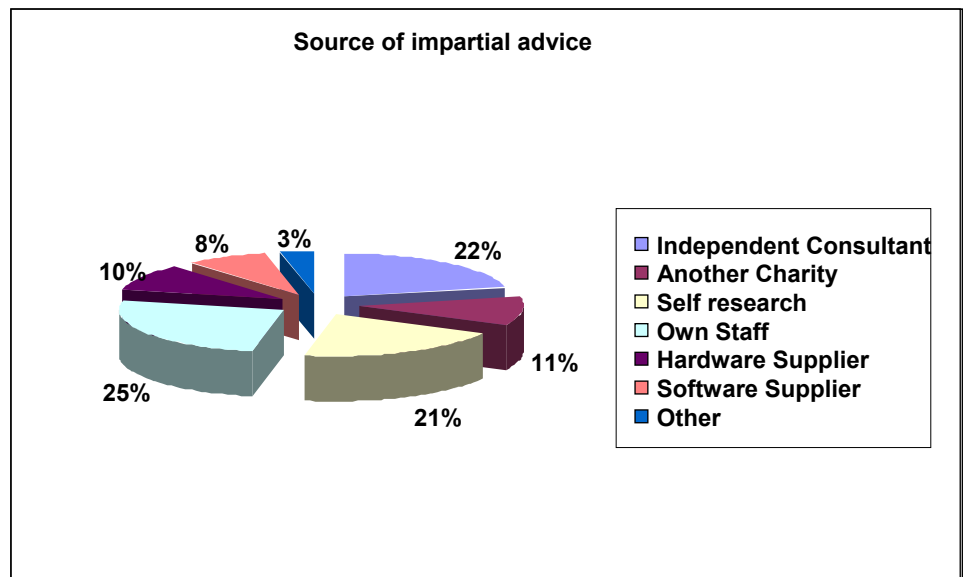
4   Technology Platform

4.1   Question

Charities were asked which technology platform they used and the following were offered.

1. Microsoft
2. Open Source
3. Lotus
4. Novell
5. Other

4.2   Results

No surprises here with the vast majority of charities using a Microsoft-based technology platform. However, it was heartening to see that Open Source is making its presence felt in this sector; perhaps due to its lower cost and the availability of a wide range of Open Source applications.

6% of responses were 'Other' and these were predominantly Apple or Unix systems. It was interesting to see that a very small number of Lotus and Novel system were still being used.

Technology platform used

- Microsoft
- Open Source
- Lotus
- Novel
- Other

10%   1%   1%   6%

82%
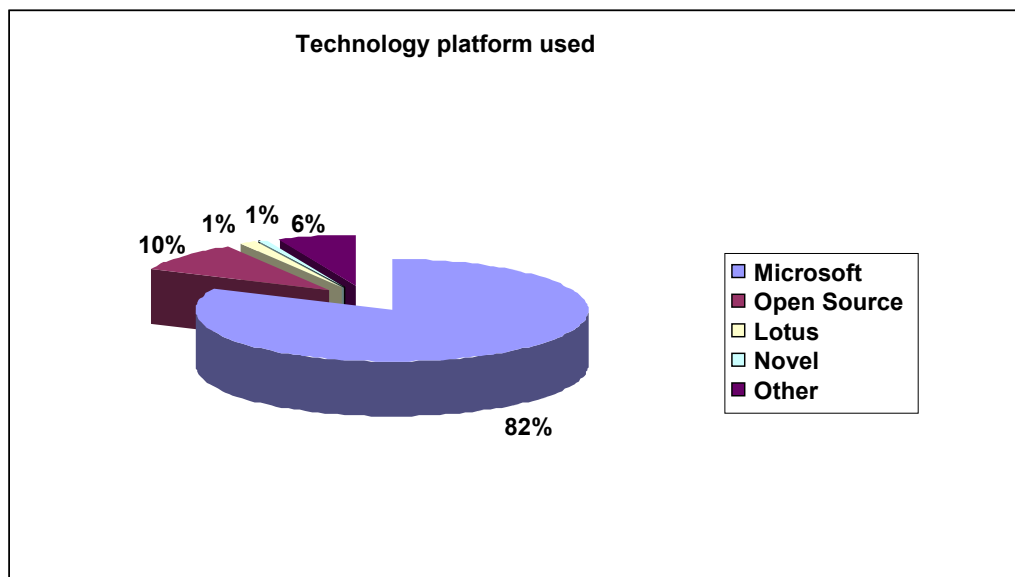
There was no real variance by size of charity although the Open source platforms tended to be in use in larger organisations.

5   Alignment of IT Strategy

5.1   Question

Charities were asked how well they thought that their IT strategy was aligned with their business needs - from Not Well Aligned through to Well Aligned.

5.2   Results

There was no real variance in respect of the size of the organisation with the vast majority of charities believing that their IT strategy was well aligned with the needs of their organisation. Approximately 15% didn't feel confident to judge one way or the other.

Alignment of IT strategy with organisation

21.8%

63.2%

■ **Not Well Aligned**
■ **Well Aligned**
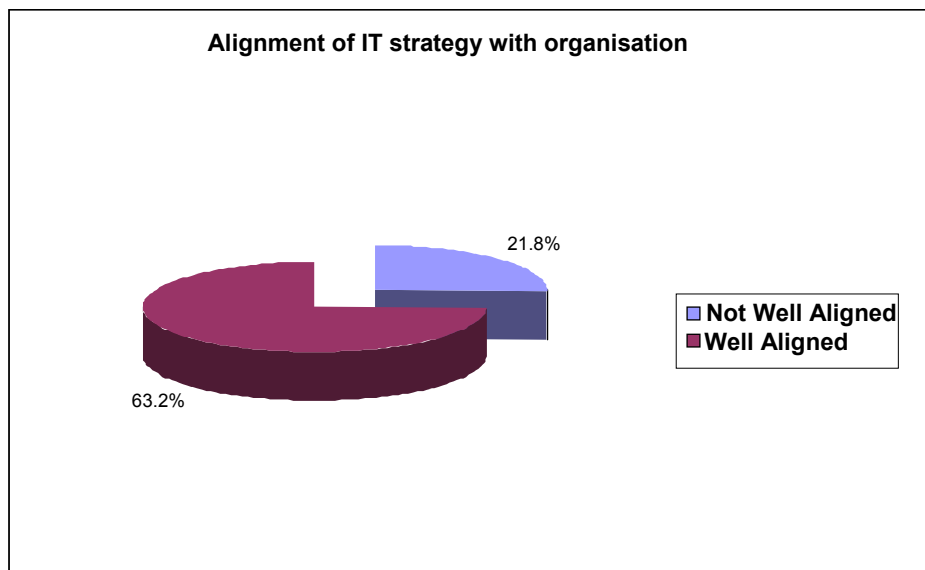
6   Feeling That IT Is a Risk to Growth

6.1   Question

Charities were asked if they felt that their IT provision was a risk to the growth or continuity of their organisation.

6.2   Results

There was a marked difference in the views of smaller charities against those of larger. Approximately one quarter of smaller charities felt that their IT provision was a risk to the organisation whereas almost half of the large charities felt it was.

Is IT provision a risk to growth or continuity?
(Smaller charities)

22%

78%

☐ Not a risk
☐ A major risk
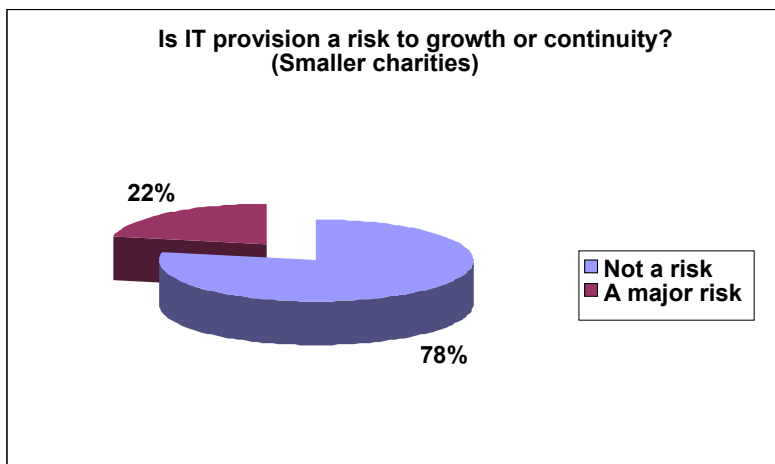
The reason for this significant divergence is unclear but it is possible that smaller organisations feel, rightly or wrongly, that they are less reliant on their IT provision.

A subsequent question asked how central IT was to the success of the organisation. Only 3% of larger charities felt that **IT was not important** while approximately 15% of smaller charities felt this. One reason is, possibly, that as organisations grow in size it is necessary to implement and support a variety of IT systems that facilitate organisational activities such as HR and Payroll.

As organisations grow it is often difficult for management to recognise that it has become reliant on particular applications or systems. There is no sudden realisation that this has happened - at least not until something breaks. Lack of this awareness can significantly impact mid-term financial planning

Is IT provision a risk to growth or continuity?
(Larger charities)

45%

55%

☐ Not a Risk
☐ A Major Risk
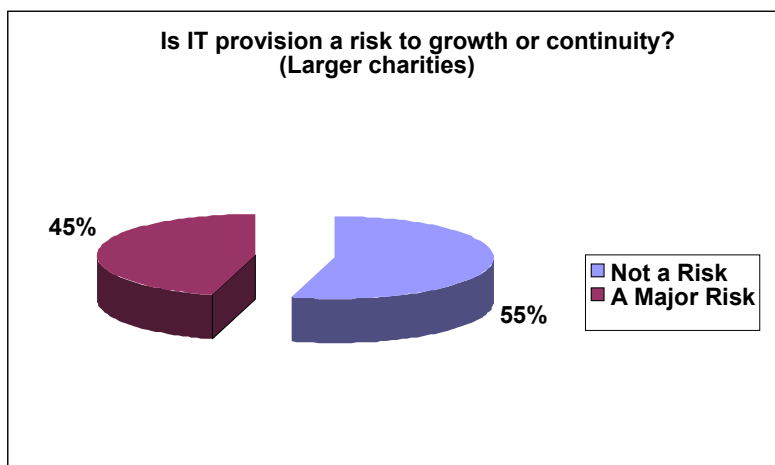
can therefore become challenging as previously stable budgets are suddenly upset when it becomes necessary to embark on unplanned IT spend in order to correct a major issue or imbalance.

Regular contingency planning is therefore a healthy practice that, as part of its prime function of managing risk, provides management with the information necessary to allow reflection and consideration of the importance of the IT provision.

7 Availability of Business Continuity Plan

7.1 Question

Charities were asked if they had a disaster recovery plan in place and were given the following options from which to choose:

1. Yes

2. No

3. It's a work in progress

7.2 Results

In line with the results of the previous question, larger organisations were significantly better prepared in respect of business continuity planning and this reflects the view of smaller charities that the IT Provision is less important.

Availability of business continuity Plan
(Small & medium charities)

Work in progress (38%)

Yes (33%)

No (29%)
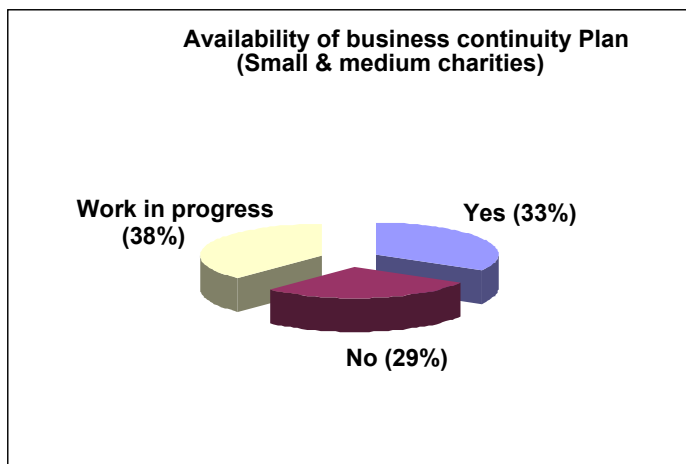
The responses to the Business Continuity Planning question reinforce the feeling of smaller charities that IT is less important for the organisation. However, Business Continuity Planning encompasses much more than IT - covering all aspects of restoring the organisation in the event of various crises - from the loss of valuable services such as internet connectivity to the loss of an office due to fire, flood or security action.

Most charities have a public persona to protect and planning for the organisation in the event of a major crisis must also encompass key business activities such as PR, Legal and HR.

Availability of business continuity plan
(Large charities)

Work in Progress (46%)

Yes (43%)

No (11%)
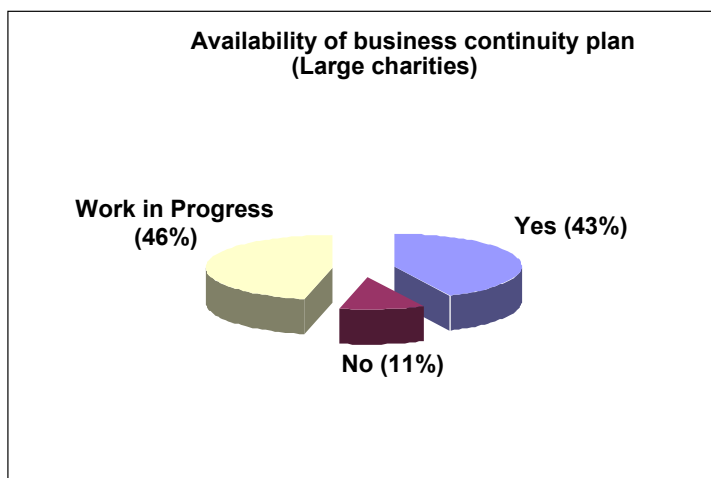
8   Time For Planning

8.1   Question

Lastly, charities were asked if they felt they had enough time to manage their IT strategy.

8.2   Results

The results were very similar between large and small with just over half of respondents feeling that they did not have enough time to devote to the management and development of their IT strategy.

Lack of time to devote to planning and management of IT strategy is a perennial one and is never satisfactorily resolved. The involvement of a trusted facilitator can often aid the process and they can be used not only to help develop the strategy in the first place, but to review it at regular intervals to ensure that it is still relevant and is being followed.