White Paper – A Total Communications System

Background

Fundraising software suites have evolved from basic card files and paper based systems to sophisticated behemoths of integrated software with extensive design and scope. These Client/Server based systems are usually built on the foundations of a Windows platform. However, the maturation of the Internet has spawned a new type of software. Termed "software as a service", or "on demand" it provides the ability to deliver fundraising software directly over the web.

Fundraising software systems were created to handle the record keeping duties associated with fundraising activities. The responsibility for utilizing and maintaining these systems were, more times than not, relegated to support and administrative staff members only. Over time, various add-on modules for items such as executive reporting, prospect research, planned giving, and membership moved limited activity onto other staff members' desks. This may or may not have included executive management. Rarely, if ever, did such systems include among its users such important groups as board members, volunteers, donors, affiliated agencies, prospective donors and other related constituents.

Introduction

The increases in sophistication and the integration of add-on modules and other applications have created several unfortunate results. The first few mentioned here are quite easily recognized; whereas the latter few tend not to be noticed until ramifications begin taking effect.

Among the first results we can focus on are the raw size and complexity of such sophisticated systems. Hundreds of thousands if not millions of lines of code comprise these systems. This requires equally large, powerful and costly hardware and operating system environments. Storage, memory and processor requirements for the software system and the equally expansive operating systems require the very latest in hardware to operate at anywhere near an efficient rate. In addition, today's sophisticated databases require extensive amounts of storage space, processing power, and memory.

It is now not uncommon for the operating system, database, and the full set of software code to require hundreds of megabytes of storage, multiple high-level processors and maximum memory not only at the core server but also for *every* workstation!

When a charity adds this hardware cost to the expense of purchasing and/or upgrading an equally large software application, we see our first result quite rapidly. **Costs for hardware, cabling, operating systems and software can range from over $20,000 to several hundred thousand dollars depending on the number of users!**

Based on the above facts, our second result becomes easily recognizable. **The number of individuals allowed to *interact* with the *system* is often limited due to budget constraints**. In addition, when the costs escalate, other areas of the organization are affected because the budget has to be drawn from various sources. Training is one of the most critical factors to success and is often reduced or eliminated to save budget dollars.

Our third result pertains to maintaining these large and sophisticated systems. **Such systems now require extensive assistance from existing corporate Information Technology (IT) departments**. A few select organizations such as National Charities, large Hospitals, and some Educational Institutions, are fortunate enough to have such resources. In some cases, the need has spawned entirely new IT departments and/or IT positions. Such mammoth systems now require system administrators, database administrators, LAN or WAN specialists, operating and workstation specialists, report writing specialists, communication specialists and in some cases even others, to be added to the payroll.

Another immediate result is **the costly annual support fee associated with such sophisticated systems**. Generally a fixed percentage fee of the already substantial initial purchase price is extracted

annually. This fee – for telephone support and software enhancements – is ever-present and dollars must be budgeted for it. Maintenance costs for the vendor are high due to the complexity of programming the application and of supporting functionality across various operating systems and hardware platforms.

Ironically, such fees, though they often provided thousands if not millions of newly updated (and, hopefully, well tested) lines of code annually, do not help the charity install and migrate the existing database to the new release. The reason for such large amounts of new code in each release (which, by the way, exponentially increases the complexity of testing) stems from the enormous cost to the developer in distributing each full release. Such updating processes are further compounded by the myriad of new releases of the operating system(s); the underlying database such as Oracle, SQL Server and others; Report Writers; Add-on Modules; related applications and accounting systems.

A few hidden results to explore include implementation services and training. Implementation services include system administration functions and data conversions. The larger and more sophisticated the system the more complex each of these will be. Numerous industry pundits echo this when referring to enterprise-wide system implementations. **In fact, it is not uncommon for the implementation costs to be equal to or greater than the initial software and hardware costs *and* span more than a year!** Testament to this phenomenon is the reality that an entire industry of implementation consultants has been created and is thriving.

Tied directly to this implementation requirement, but even more ongoing is the need for effective training. **Fundraising systems have gone from an initial half day or full day of training to now requiring one to two weeks of training depending on the number of modules being implemented**. This is an ongoing requirement for each individual who is actively interfacing with such sophisticated systems. Staff turnover and the use of part-time staff place an even greater level of importance on effective, ongoing training. This entire scenario must be repeated with each new module added and/or each new version of the system.

The Results?

The myriad of results stated above combine to reduce the overall effectiveness of most fundraising software system implementations. Such factors as cost, training time, system requirements, complexity and lack of wide area connections have limited the broad use of these systems by most charities. Only a select few charities are properly equipped, trained and networked so as to allow such systems to be utilized by *all* employees on a *daily* basis.

When one discusses daily usage, keep in mind the large number of *key* individuals and groups who have little or no access to such systems. Just imagine if *everyone* involved with the charity in any manner could communicate, learn, become more intimately involved, donate more time, raise more funds and became a true part of the charity's immediate family. These individuals and groups include some or all of the following:

- Senior Management
- Middle Management
- Entry Level Staff
- Field Staff
- Board Members
- Committee Chairman
- Committee Members
- Volunteers
- Major Donors
- Annual Fund Donors
- First-Time Donors
- Affiliated Agencies
- Special Event Attendees
- Press
- Retired Staff
- *Even Potential Donors!*

Potential Solutions

To fully utilize all of the information contained in such systems while at the same time incorporating existing technologies like the charities website, a revolutionary change is needed! To date, such attempts at change usually revolve around some form

of browser interface being added to the 'screen look-up' portions of legacy fundraising systems. This is a reasonable first step because of the universal acceptance of the Web browser as an interface. This acceptance will only expand because Internet usage continues to expand.

The actions of Microsoft reveal a key to this insight. Windows incorporates the Microsoft Internet Explorer browser. In fact, the entire user interface has migrated from the standard Windows interface to the Web-browser interface. This effect can be seen in virtually all next generation software applications. The Web-browser interface truly is *the* user interface of the future.

No wonder many existing fundraising software providers are adding Web-enablement. Although it is a step in the right direction, Web-enabled software only extends communications to related individuals of the charity in an extremely small way. To achieve the true pinnacle of communications, software must be designed from the ground up to allow the extensive flow of information as well as to be interwoven with the charity's website. This "web-based" software – delivered as a service – provides the accessibility today's charities need while greatly reducing the maintenance, complexity, and cost.

Total Communications

Potential and partial solutions aside there exists the need and opportunity to boldly revolutionize the fundraising system as it is known today into a *total communications* system! One which all facets of the charity – constituents, partners, program recipients and the rest of the world – can utilize!

Such a bold concept and outstanding idea is now possible because of the vast pipeline to all individuals throughout the world via the Internet. Not since the telephone has a single device provided such a simple and cost effective mechanism to communicate with anyone. Due to the emergence of the Internet, millions upon millions of people are using a straightforward and consistent user interface daily. In addition, a complete set of commerce rules has evolved.

Imagine a fundraising system where most, if not all of the previously mentioned negative results are removed or improved greatly; a system so interwoven with Web technology that *anyone* with an Internet connection through any computer – even legacy equipment – can be an interactive partner/user. By adding the appropriate security, they become a higher-level user with access to even more information.

Virtually every other industry has proven that people love to interact; to find and utilize information on their own. Companies such as *Federal Express*, *Southwest Airlines*, *Citicorp*, *Fidelity Investments*, and numerous others have taken such Web-based systems and customer communication to levels of usage beyond even their own optimistic estimates.

In the book *Webonomics*, author Evan Schwartz states: "Self-service is becoming mandatory in many industries as consumers demand increased comfort, control, and convenience. Open twenty-four hours per day, seven days per week, the Web is well-suited to be the point of customer contact . . . a way to reduce costs, increase efficiency and boost customer loyalty… within one, easy to use user interface."

Imagine not needing entirely new hardware platforms, operating systems, leased lines, or wide area networks in order to work with the latest fundraising systems. Perhaps, for the 75-80% of charities who have not yet implemented a formal fundraising system, for those still using basic entry level systems, and even for those charities floundering in the costly implementation of a new enterprise system, the next generation of fundraising and communication systems could be implemented - without additional IT staffing costs!

A properly designed system created specifically for the Internet would even allow ownership and usage through economic lease programs! This would allow qualified, professional technicians to maintain systems off-site at professional hosting centers. Imagine such mundane yet extremely important tasks as data back-ups, software upgrades, operating system updates, database upgrades, conversions, data enhancements, list maintenance and all other housekeeping duties performed as part of a service. Capital investments, staffing and operational budgets

could be significantly reduced and applied to the charities' *true mission!*

The Ultimate Benefit

A true web-based solution, or software as a service, provides the ultimate benefit of total adoption and usage. When woven into the charity's Web presence, a ***comprehensive communication system*** emerges. Everyone from the chief executive to the receptionist, from the board chairman to the newest volunteer, from the largest major donor to the interested individual contemplating a first gift, can truly interact with, use, and benefit from this total communication system. When combined with appropriate and proven security the charity's most important asset – *donor information* - is fully utilized and protected. Even more important, the charity's mission and message can *grow* as its revenue becomes free from the artificial limits of access, ease, cost, and lack of knowledge!

If you know how to "surf the net", you already know how to use such an innovative fundraising system. For those wanting to do more, interactive online help, and cyber classrooms can enlighten on the spot. All members of the charity's rapidly growing family can find the information they need. They can quickly and easily renew an annual gift, sign up for a special event (even get the right size T-shirt or their own special dinner entree), commit to a volunteer activity, find out the details of the next board or committee meeting, ask a staff member in another country a question, vote on a resolution, and/or find out the exact giving for year-to-date tax deductions – just to name a few. Hence, the full implementation of the concept of a *total communication system for everyone!*

About eTapestry

Founded in 1999, Indianapolis-based eTapestry® is the first web-based donor database and communications management system that delivers its software over the Internet, allowing access from desktops, laptops and mobile devices. eTapestry's web site development, ecommerce and advanced email tools give its more than 3,000 customers a fully integrated and maintenance free solution. For more information, visit www.eTapestry.com.

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