

# the CHARITY DIGITAL SKILLS REPORT




BY ZOE AMAR & DAVID EVANS

## REPORT DETAIL 2018

You can read the question by question Charity Digital Skills Report below, with the results split into three main sections in addition to the methodology. Scroll through the questions one by one, or click on the links below to skip to the section of interest. Click here for the 2017 report.

### Sections:

1. Section 1 - Digital Trends
2. Section 2 - Digital Leadership
3. Section 3 - Where do Charities Go From Here?
4. Methodology - Including Demographics

## Section 1 - Digital Trends

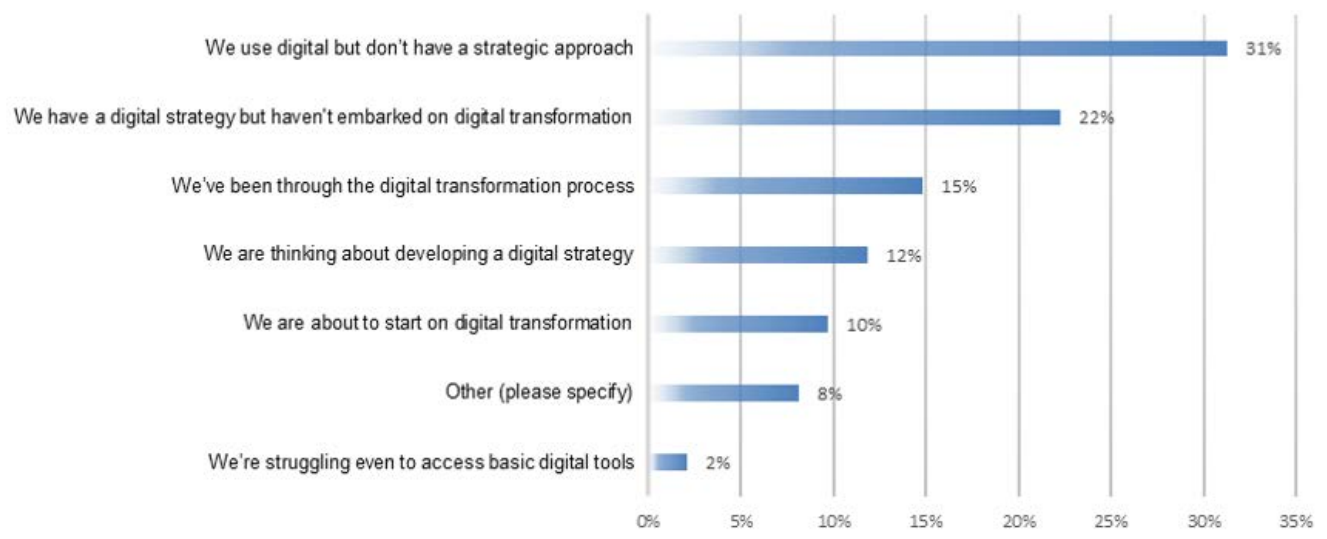
### 1. DIGITAL STRATEGY

Q - What stage is your charity at with Digital?



**Just under half (45%) don't have a digital strategy**, and 15% have been through the full digital transformation process and embedded it.

WHAT STAGE IS YOUR CHARITY AT WITH DIGITAL?



## Analysis

- 31% of charities are using digital but don't have a strategic approach, compared to 35% last year.
- Alongside the 12% of charities who are thinking about developing a digital strategy, and the 2% who are struggling to access basic digital tools, this indicates that 45% of charities do not have a digital strategy. This is an improvement on last year's figure of 50%.
- There has been an increase in charities moving ahead with digital. 15% of charities have been through the digital transformation process and embedded it, compared to 9% last year. 1 in 10 (10%) are about to start on digital transformation, compared to 11% last year.
- 22% have a digital strategy but have not yet embarked on digital transformation, the same amount as in 2017.
- 2% of charities are still struggling to access basic tools such as a website, email and social media, a very slight improvement on 3% last year.

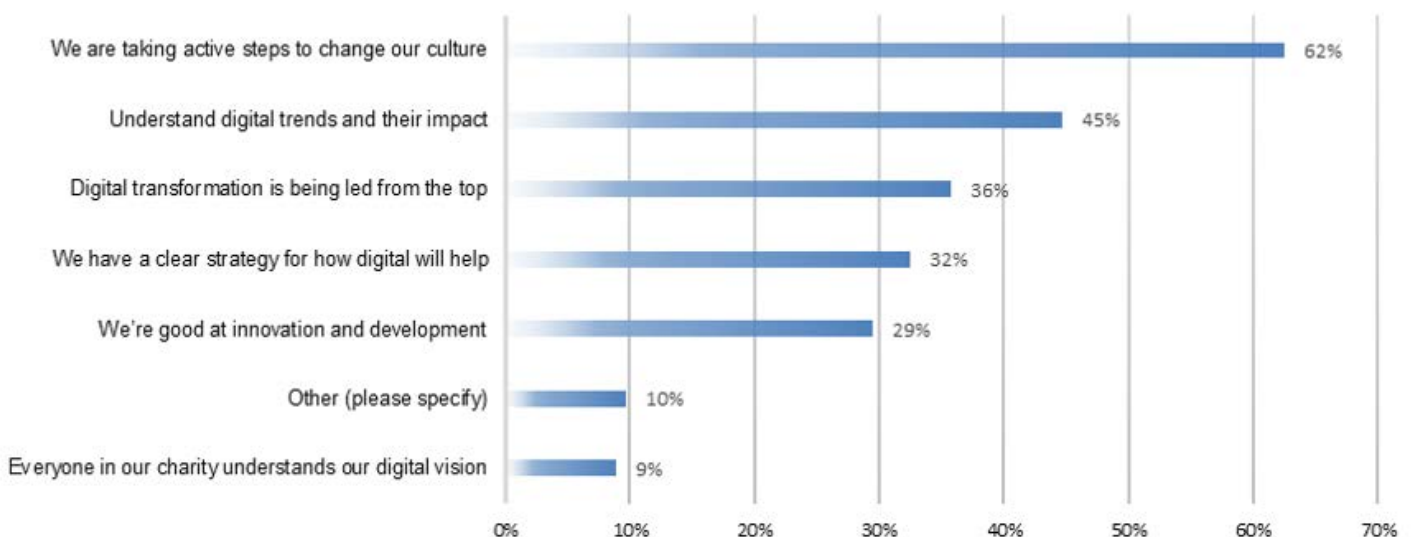
## 2. BUILDING BLOCKS

Q - Which of these building blocks of digital transformation does your organisation have?



**Charities are starting to take a more holistic view of digital**, with an increasing number of them (62%) taking active steps to improve both their culture and their understanding of how digital trends are affecting their work (45%). These are positive signs, yet critically only 32% have aligned their digital and organisational strategies. **Once again, only 9% feel that everyone in their charity understands their digital vision.**

### WHICH OF THESE BUILDING BLOCKS OF DIGITAL TRANSFORMATION DOES YOUR ORGANISATION HAVE?



## Analysis

- 62% of charities are taking active steps to improve the culture so digital can flourish, an improvement of 3% from 59% last year.

- 45% are on top of how digital trends are affecting their charity's work and have a plan in place for how to tackle this, up from 39% in 2017.
- Over a third (36%) say that digital transformation is being led from the top, an increase from (29%) last year.
- Just under a third (32%) have a clear strategy for how digital can help achieve their charity's goals. Whilst this is a small increase on last year's 27%, it indicates that the vast majority of charities are still not aligning their digital and corporate strategies, which is a concern. Only 9% of charities say that everyone in their charity understands their digital vision, which has stayed at the same level since 2017.
- Charities have improved slightly at innovation and digital product development (29% compared to 24% last year).



## Comments

- *"Awareness of the need for digital change is there, but time is always the enemy."*
- *"Piecemeal; some staff understand the potential and impact of digital, but others don't or are uninterested. Has not been discussed by trustees."*
- *"We're finding initiatives that are good opportunities for digital transformation and are using those as case studies to build momentum and gain buy-in."*
- *"We are very digital savvy but no funds to execute a full blown strategy or implementation."*

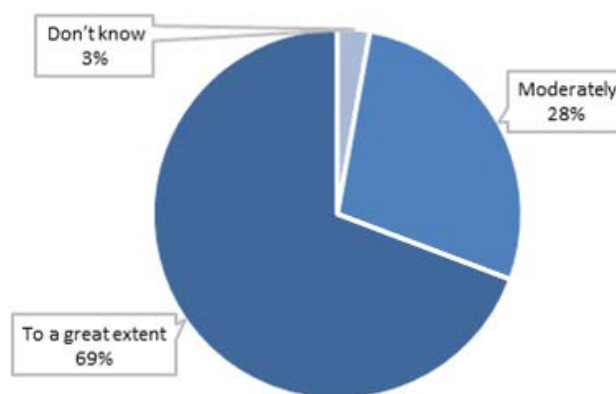
## 3. LOOKING AHEAD

Q - Imagine the charity sector 10 years from now. As digital adoption progresses, to what extent do you think the sector will have changed?



Our respondents still think that the charity sector will look very different in 2028. 69% think that it will have changed to a great extent as a result of digital.

**IMAGINE THE CHARITY SECTOR 10 YEARS FROM NOW. AS DIGITAL ADOPTION PROGRESSES, TO WHAT EXTENT DO YOU THINK THE SECTOR WILL HAVE CHANGED?**



■ Don't know   ■ Moderately   ■ To a great extent



## Analysis

- 69% believe that as digital adoption increases, the sector will change to a great extent. This is similar to last year's result of 68%.
- Less than 1% think that it won't change, whilst 3% don't know.

- 28% think the sector will change moderately.
- Overall, the results for this question were broadly similar to last year.

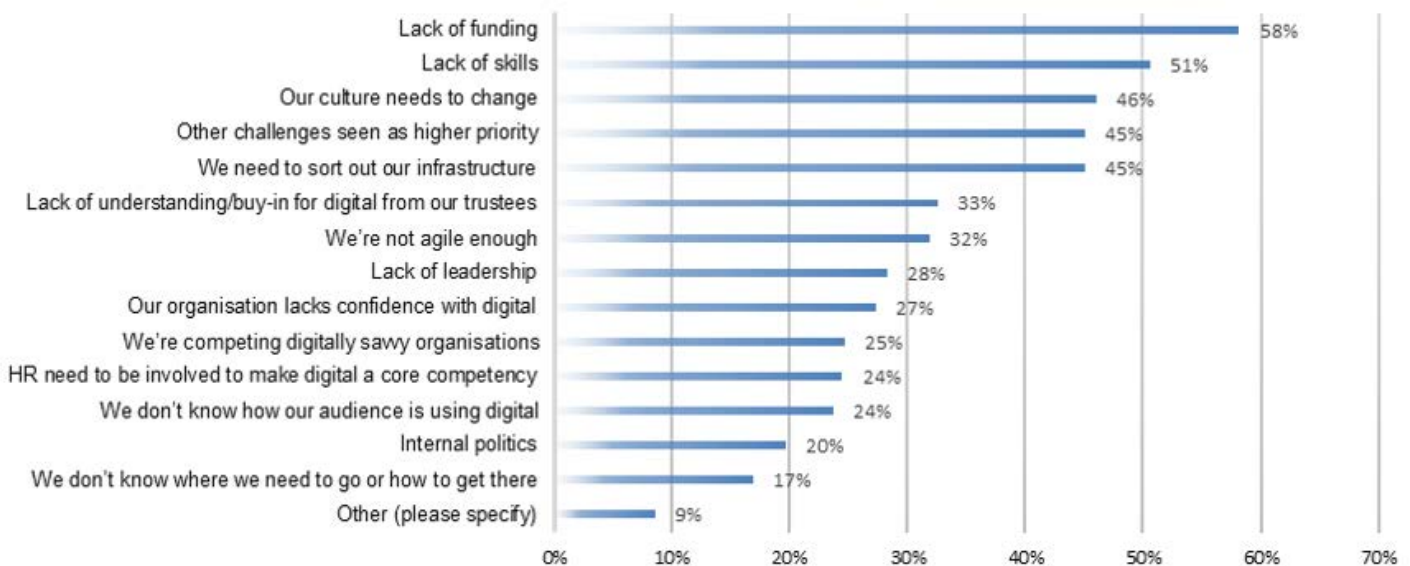
## 4. DIGITAL BARRIERS



Q - What are the biggest barriers to your charity getting the most from digital?

There are many challenges facing charities in progressing with digital and maximising results. **Lack of funding has risen to the top of the table as the biggest barrier at 58%**. Skills is the second greatest challenge at 51%. In 2017, the results showed skills as the biggest barrier (57%) and then funding (52%). There is a growing concern about culture, with 46% saying that it needs to change. Charities still feel constrained by infrastructure and processes. And 1 in 3 state that a lack of trustee buy-in is holding their charity back in digital.

### WHAT ARE THE BIGGEST BARRIERS TO YOUR CHARITY GETTING THE MOST FROM DIGITAL?



### Analysis

- A growing number of charities now see funding as their biggest obstacle, rating it at 58%, up from 52% last year. It now replaces skills as the greatest barrier.
- Skills are now seen as slightly less of a constraint for charities, however they are the second largest challenge for them (51% as opposed to 57% last year).
- Culture has risen up the table as an issue. 46% say it needs to change, up from 43% in 2017.
- Infrastructure and processes (e.g. data protection) remain a key issue. As last year, 45% of respondents say they need to be sorted out.
- There has been a slight improvement in the number of charities seeing digital as a priority. 45% of charities are facing other challenges and digital has slipped down the list of priorities, which was rated at 50% last year.
- For the first time this year we asked people if a lack of trustee understanding or buy-in for digital was a barrier. 1 in 3 (33%) see it as an issue.
- There have been some positive developments in agility (32%) and confidence (27%) with digital, both down from 35% previously.
- The same number of charities (28%) as last year still see lack of leadership as a problem.
- 25% of charities know that they are now competing with digitally savvy organisations including those who are not just charities, down from 27% last year. The fact that there is a lower awareness of competition in the digital age is a concern.
- A growing number would like HR to be involved (24% compared to 20% in 2017).
- 24% don't know how their audience is using digital (down from 26% in 2017).
- Encouragingly, internal politics is less of a barrier this year at 20%, an improvement of 5% on last year.
- Most promisingly, at 17%, less charities feel that they don't know where they need to go or how to get there (21% last year).



## Comments

- "Possibly better strategic planning to enable a more structured approach?"
- "A feeling that people don't truly understand what digital is, or how transformative it can be. There's a sense some people in the organisation feel digital is a few posts on social media and following thought leaders in the subject."
- "Lack of capacity - I am the only Comms person in the whole organisation and am regularly taken away from my Comms work to help with various projects and undertake admin tasks (such is the nature of small charities). I just don't have the time to sit and create a strategic digital plan, not least implement it."

## 5. DIGITAL SKILLS

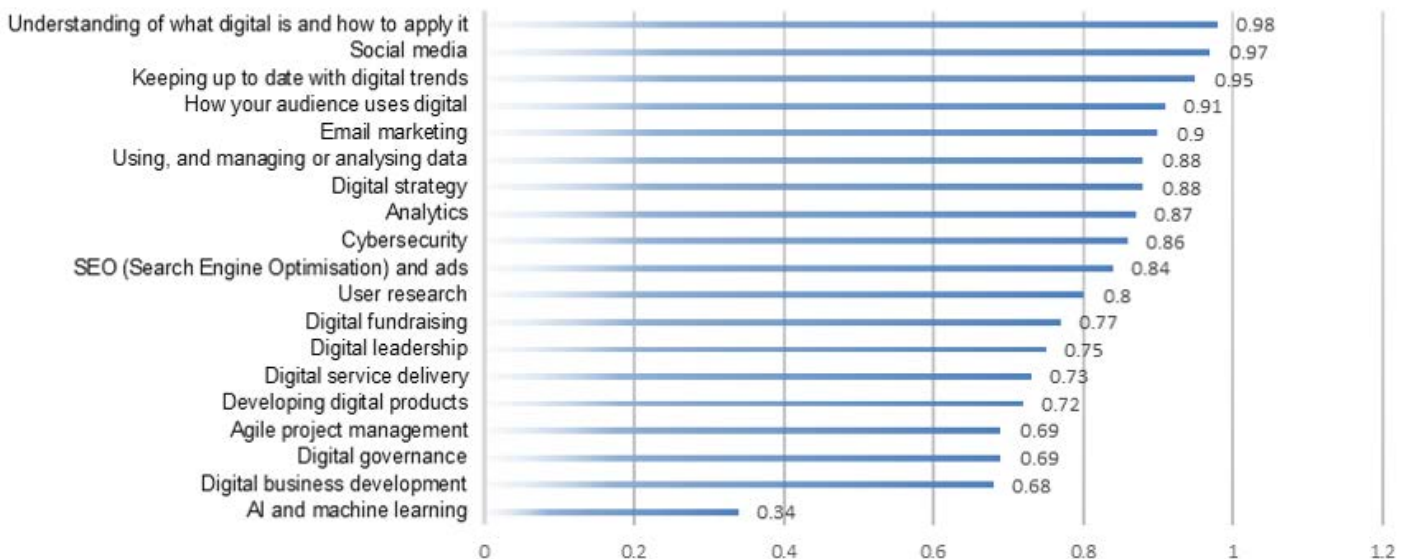


Q - How would you rate your charity's skills in the following areas?

Once again, the majority of the answers to these questions were clustered around the fair to low end of the spectrum, indicating that charities' digital skills still have significant room for improvement. Whilst there have been increases in understanding how their audiences use digital, and growing confidence with social media, there are skills gaps in digital service delivery, agile project management and artificial intelligence.

More charities than last year rate their digital fundraising skills as fair to low, but there have been improvements in digital business development skills. However, charities must still invest in both these areas or lose out on income. Over half of the charities told us that their digital leadership and digital governance skills are fair to low.

### HOW WOULD YOU RATE YOUR CHARITY'S SKILLS IN THE FOLLOWING AREAS?



Weighted average of responses 1 = excellent 0 = very low



## Analysis

- 40% rate their understanding of what digital is and how to apply it as good, which is an increase from 36% in 2017. 50% rate themselves as fair or low, down from 53%.
- Just over half (53%) see their digital strategy skills as fair or low, a 10% improvement on 63% last year.
- 55% rate themselves as fair or low at keeping up to date with digital trends, holding steady from the previous report.
- Close to two thirds (60%) feel that their skills in staying on top of how their audience uses digital are fair to low, very slightly better than 64% last year.
- It is a huge concern that 73% of charities say that they have low to very low skills in AI, up from 68% last year. By having such a low skill base in this area, charities are likely to miss out. The government recently commissioned a review into AI which estimated that it could add £630 billion to the UK economy by 2035, recommending that investment in skills was a priority. Charities who do not look to develop their capabilities in this area could miss out.
- Handling data is still a skills gap, with 62% rating themselves as fair to low with using, managing and analysing data (down 2% from 2017). This is an issue given that GDPR will come into force in May this year. 47% rate themselves as fair to low with cybersecurity, a positive development on 54% in 2017.
- Charities' confidence with digital channels is a mixed picture. 62% have good to fair email marketing skills (falling from 70% last year), and 64% think they are excellent or good at social media (up from 61% last year). 66% are good to fair with analytics, an increase from 60% in 2017. 56% still rate themselves as fair to low in SEO and ads.
- 62% rate their digital fundraising skills as fair to low, rising from 61% last year. 58% see their digital business development skills as fair to low, a very positive change from 69% in 2017. However, charities must still improve in both these areas or lose out on income.
- 53% of charities see their digital service delivery skills as fair to low, a slight improvement on 57% last year. However, charities are struggling in other areas relevant to this, with 58% rating their user research skills as fair to low, 51% saying that they have low to very low digital product development skills, and 75% rating their agile project management skills as fair to very low.
- 58% state their digital governance skills as fair to low, up 2% from last year. There has been a 3% improvement in charities' digital leadership skills, but it is still at worrying levels with over half (53%) rating these skills as fair to low.

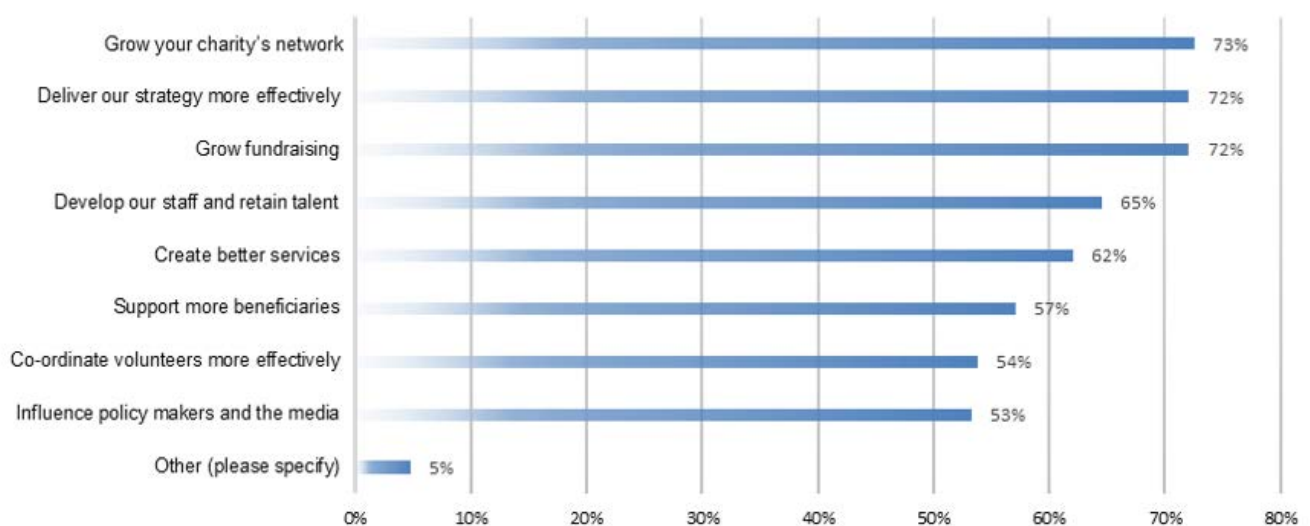
## 6. HOW COULD DIGITAL MAKE AN IMPACT?



Q - What could your charity do if it increased its digital skills?

73% see that digital offers their charity opportunities to grow its network and 72% to deliver its strategy more effectively.

### WHAT COULD YOUR CHARITY DO IF IT INCREASED ITS DIGITAL SKILLS?



## Analysis

- Charities have clearly identified what developing their digital skills could help them achieve. 73% think it would help them grow their network (up from 71% last year) and 72% think it would help them increase fundraising (down from 75% in 2017).
- More charities (72%) believe they could deliver their strategy more effectively by investing in digital skills (up from 69% in 2017).
- Developing staff and retaining staff has become more of a priority, with 65% stating that developing digital skills would help develop and retain staff (up from 57% last year).
- There was also an increase in respondents who thought digital skills would help create better services (62%, up from 60% in 2017).
- They also thought that digital would mean that they could support more beneficiaries (57% compared to 56% last year), and co-ordinate volunteers more effectively (up from 50% last year to 54% this year). These trends suggest that charities are aware of the opportunities offered by digital to scale social impact and be more efficient.
- As last year, 53% think that digital skills could help increase influence with policy makers and the media.

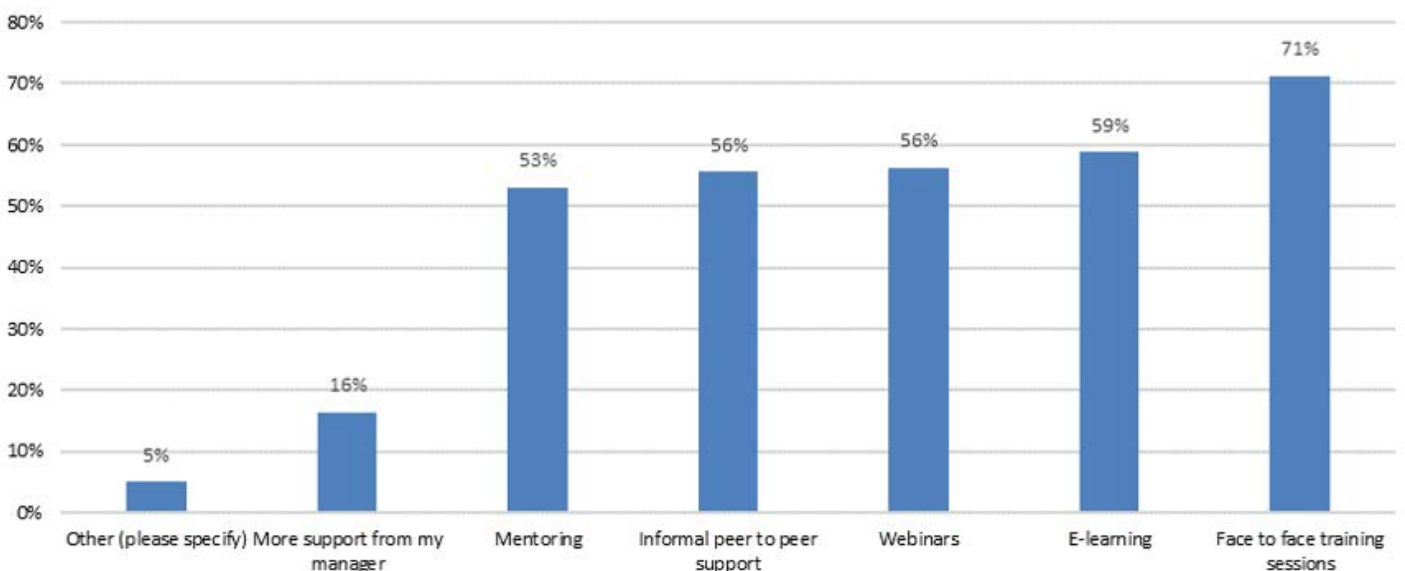


## 7. TRAINING PREFERENCE

Q - How would you prefer to learn about digital?

Most charities would like face-to-face training, but e-learning, webinars and informal peer-to-peer support are also popular. These trends are broadly similar to 2017.

### HOW WOULD YOU PREFER TO LEARN ABOUT DIGITAL?



- Face-to-face training was the preferred option of many charities at 71%, down from 75% last year.
- E-learning (59%), webinars (56%) and informal peer-to-peer support (56%) were also key, the former two methods of training experiencing a 1% increase this year.
- Just over half (53%) would like a mentor, up from 52% last year.

TAKE ME TO THE TOP

TAKE ME TO THE END

## Section 2 - Charity Digital Leadership

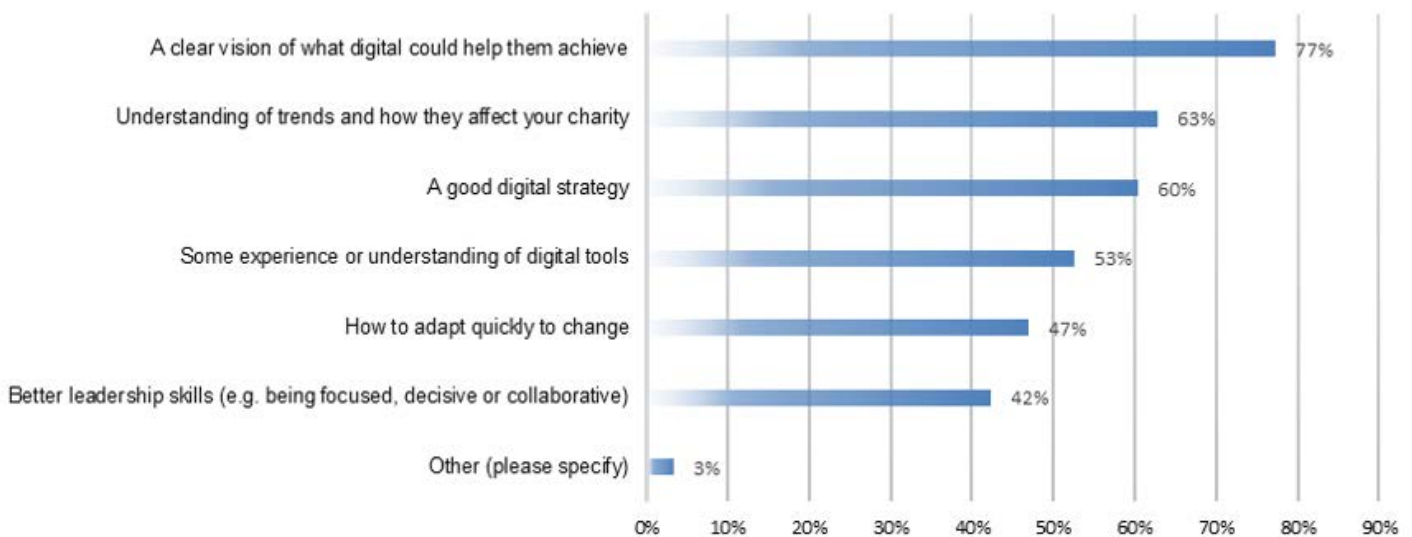


### 8. DIGITAL LEADERSHIP SKILLS

Q - What digital skills and knowledge would you like to see your leadership team develop?

Charities want their leaders to step up to the plate with clearer visions of what digital can offer their organisations and good digital strategies.

#### WHAT DIGITAL SKILLS AND KNOWLEDGE WOULD YOU LIKE TO SEE YOUR LEADERSHIP TEAM DEVELOP?



#### Analysis

- Charities still want more leadership in digital. 77% would like their senior team to provide a clear vision of digital and what it could help them to achieve (a slight decrease from the 80% who responded last year). Nevertheless, this is still a sizeable majority.
- There is a growing expectation that charity leaders must understand trends and how they affect their charities. 63% now want this, rising from 58% last year. On a similar note, 53% want their senior team to have some experience or understanding of digital tools, growing from 46% last year.
- 60% would like their leaders to develop a good digital strategy, falling from 66% last year.
- 47% want their leadership teams to be more agile and adaptive to change, a 1% increase on 2017.
- 42% think that better leadership skills, such as being more decisive, focused and collaborative, would help their charities in digital (rising from 38% in 2017).





## Comments

- "I suspect, as with many senior leaders, 'filtered-down' knowledge and received wisdom is a real threat to good digital decision-making. Too often, senior staff are likely to raise an idea based on something they've read, or to hold onto an opinion based on an out-of-date sector article they've remembered."
- "We are doing all of the above and our leadership team is fully engaged in the digital transformation going on in our organisation."
- "Charity leadership teams are not good at prioritisation, which poses challenges for small digital teams."

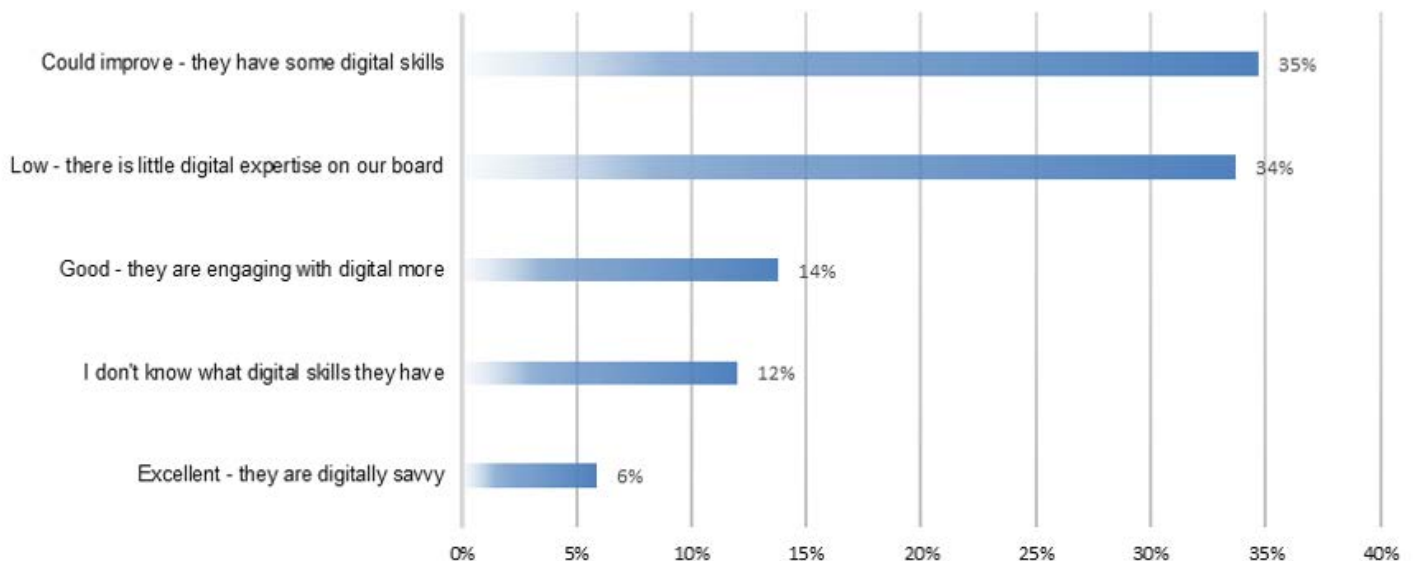
## 9. YOUR BOARD'S DIGITAL SKILLS



Q - How would you rate your board's digital skills?

The majority of charities (69%) cite their board's digital skills as low or having room for improvement, an improvement of 2% on last year. Trustees must develop their skills in this area.

### HOW WOULD YOU RATE YOUR BOARD'S DIGITAL SKILLS?



### Analysis

- 35% say that their board could improve, stating that they have some digital skills but need to develop more. This is a 1% improvement on 36% last year.
- However, 34% still rate their board as having low skills in this area and little digital expertise, compared with 35% in 2017.
- 14% rate their board as good and engaging further with digital, down from 15% last year.
- However, the number of charities rating their boards as digitally savvy has doubled from 3% in 2017 to 6% this year.

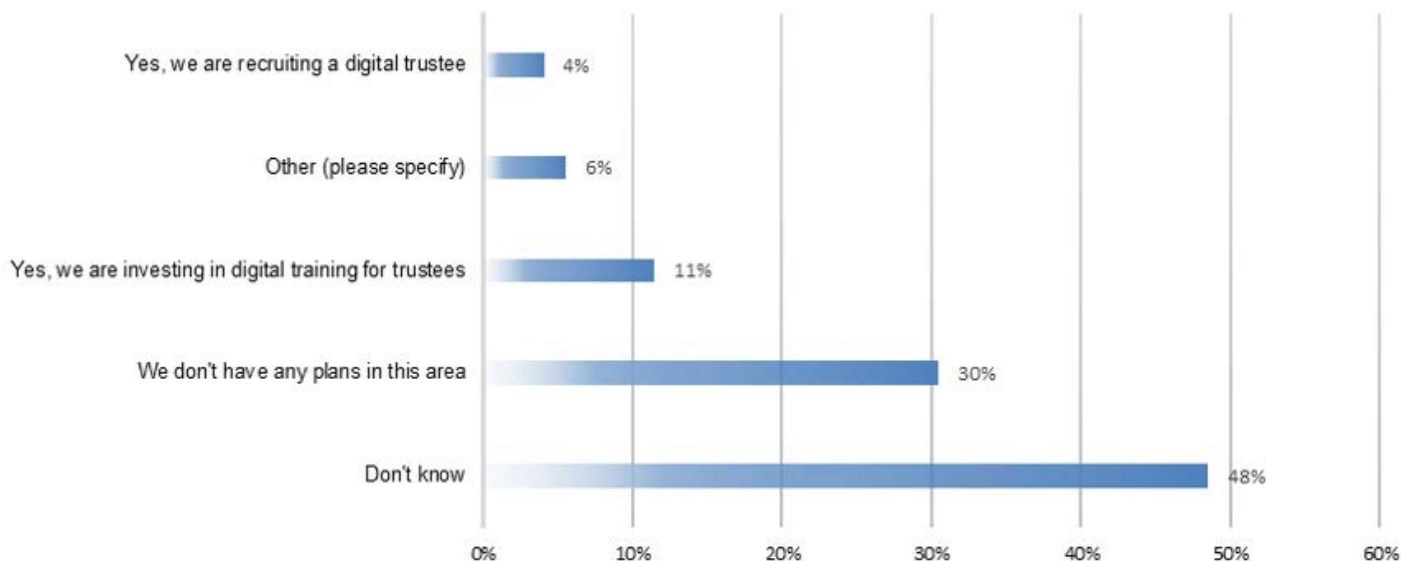
## 10. BOARD DEVELOPMENT

Q - Is your charity planning to increase digital skills on its board?

Following the previous question, this year we wanted to find out how charities were planning to grow digital skills on their boards. Despite the significant digital skills gap on many charity boards, **78% of people either don't know what is**

being done to change this, or state that their organisations don't have any plans.

### IS YOUR CHARITY PLANNING TO INCREASE DIGITAL SKILLS ON ITS BOARD?

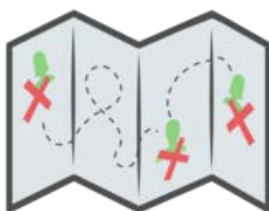


### Analysis

- There is clearly a significant digital skills gap on most charity boards, yet close to half (48%) of charities don't know what their organisation is planning to do about this. This indicates a lack of leadership in digital change.
- Worryingly, almost a third (30%) don't have any plans in this area.
- Just over 1 in 10 (11%) are investing in digital training for trustees.
- A mere 4% of charities are looking to recruit a digital trustee.

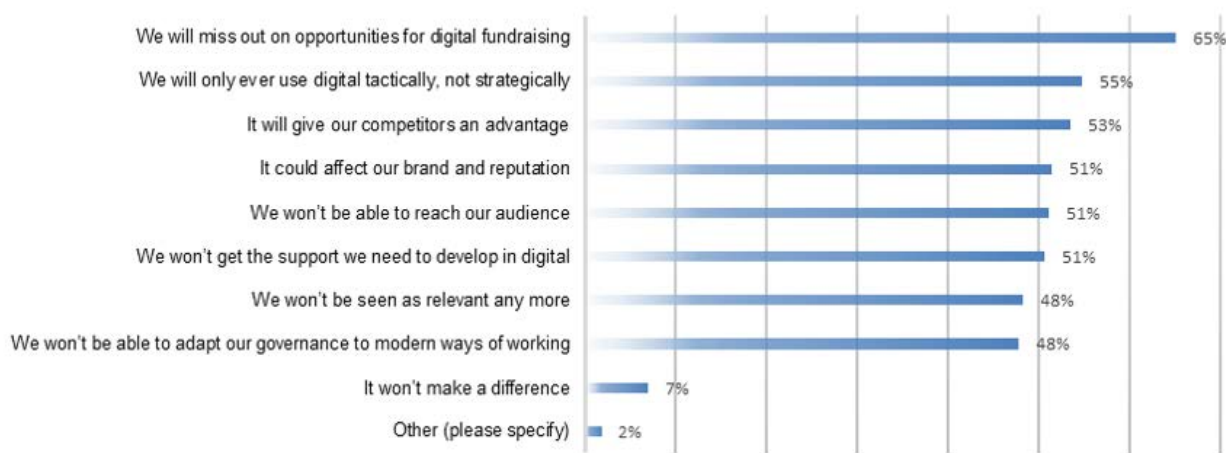
## 11. LEADERSHIP CONSEQUENCES

Q - What do you think will happen if your board or leadership team don't increase its skills and confidence with digital?



Charities are hungry for their boards and leadership teams to develop digital skills in order to seize opportunities in digital fundraising, develop competitive advantage, and protect brand and reputation.

### WHAT DO YOU THINK WILL HAPPEN IF YOUR BOARD OR LEADERSHIP TEAM DON'T INCREASE ITS SKILLS AND CONFIDENCE WITH DIGITAL?



## Analysis

- There is still demand for boards and leadership teams to develop their digital skills. If they don't, 65% of charities are worried that they will miss out on opportunities for digital fundraising (down 1% from last year).
- 55% are concerned that their charity will only ever use digital at a tactical level and not adopt it strategically, 3% less than last year.
- More than half are worried about giving competitors an advantage (53% this year and in 2017), losing touch with their audience (51% compared to 53% previously) or affecting their brand and reputation (same as last year's rating of 51%).
- There has been a big increase in worries about a lack of the support needed to develop more digital products and services, rising significantly to 51%, up from 42% last year.
- 48% are worried about their charity becoming irrelevant (less than the 53% last year).
- 48% are also concerned that they won't be able to adapt governance to modern ways of working and the faster pace of change required by digital, less than 51% last year
- 7% think that digital skills amongst their board and leadership team won't make a difference, an increase from 3% in 2017.



## Comments

- "We'll ultimately appear as less efficient than we could be and this could potentially be seen as a negative by funders."
- "Missing huge opportunities to improve the help we give to people."
- "We are doing this so I'm hoping that we can take full advantage of all the things listed above in a positive way."
- "It will reduce our effectiveness to increase fundraising and therefore grow our services."

## Section 3 - Where Do Charities Go From Here?

### 12. DIGITAL BARRIERS



Q - What do you see as the biggest threats to your charity increasing its use of digital?

The majority of charities see a lack of resources, weak infrastructure, and lacking agility and the right culture as the most serious threats.

#### WHAT DO YOU SEE AS THE BIGGEST THREATS TO YOUR CHARITY INCREASING ITS USE OF DIGITAL?



## Analysis

- Almost two thirds (64%) of charities see lack of resources as the greatest threat, a very slight improvement on 67% in our previous report.
- A growing number of charities think their charity isn't agile enough and its culture needs to change, rising from 47% last year to 52% this year.
- 50% say that their IT infrastructure needs to be improved, a small change from 53% last year.
- 48% are concerned that they don't have the right skills in their charity (a similar figure to the 49% last year). An increasing number of charities (26%, up from 25% in 2017) are finding it hard to attract or retain the right digital talent.
- 29% feel that keeping pace with how their audience is using digital is hard, although this is less than the 36% struggling with the same challenge last year.
- The same number as last year (28%) are worried that competitors are making better use of digital than them, with more charities saying that their market is changing rapidly (25%, up by 6% from last year).
- 20% told us that they need to do more on cybersecurity. There is no improvement on this from last year.



## Comments

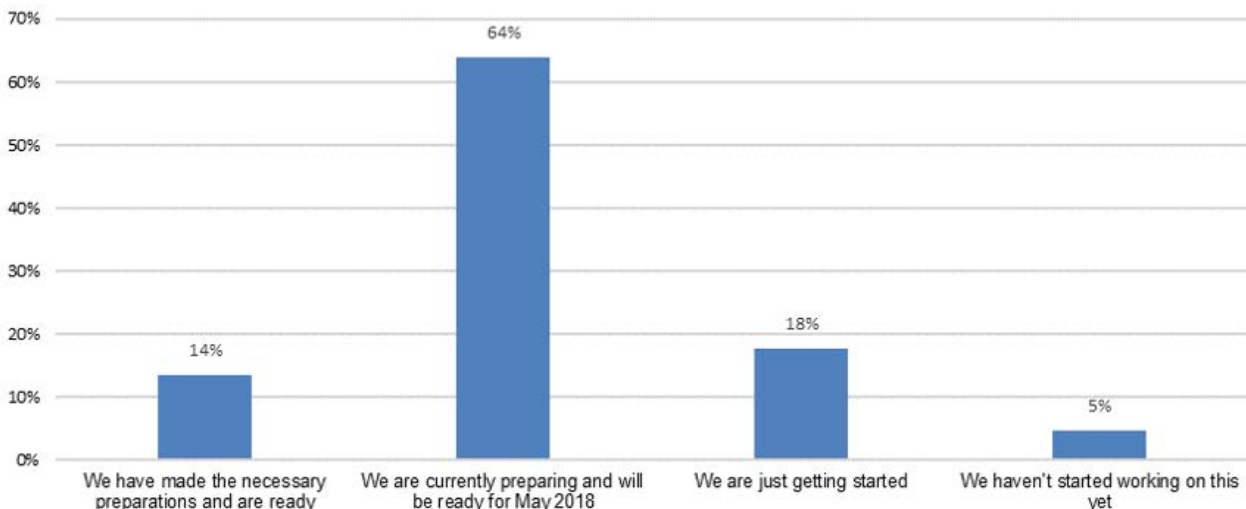
- "I think the biggest threat is the pace of change and being able to spot opportunities and turn these into products quickly."
- "Internal politics and culture preventing us from being more lateral and creative."
- "Staff can't be bothered learning new ways of working online. Also, we don't know who to go to for help or training. E.g. on explaining Office 365 and SharePoint. Staff think it more cumbersome and that it slows them down in their work."

## 13. GDPR

Q - How prepared is your charity for GDPR?

This year we wanted to find out if charities were prepared for GDPR. The majority told us that they were confident they would be ready for when it comes into force this May, though just 14% of charities were GDPR ready at the of the survey (February 2018)

HOW PREPARED IS YOUR CHARITY FOR GDPR?



## Analysis

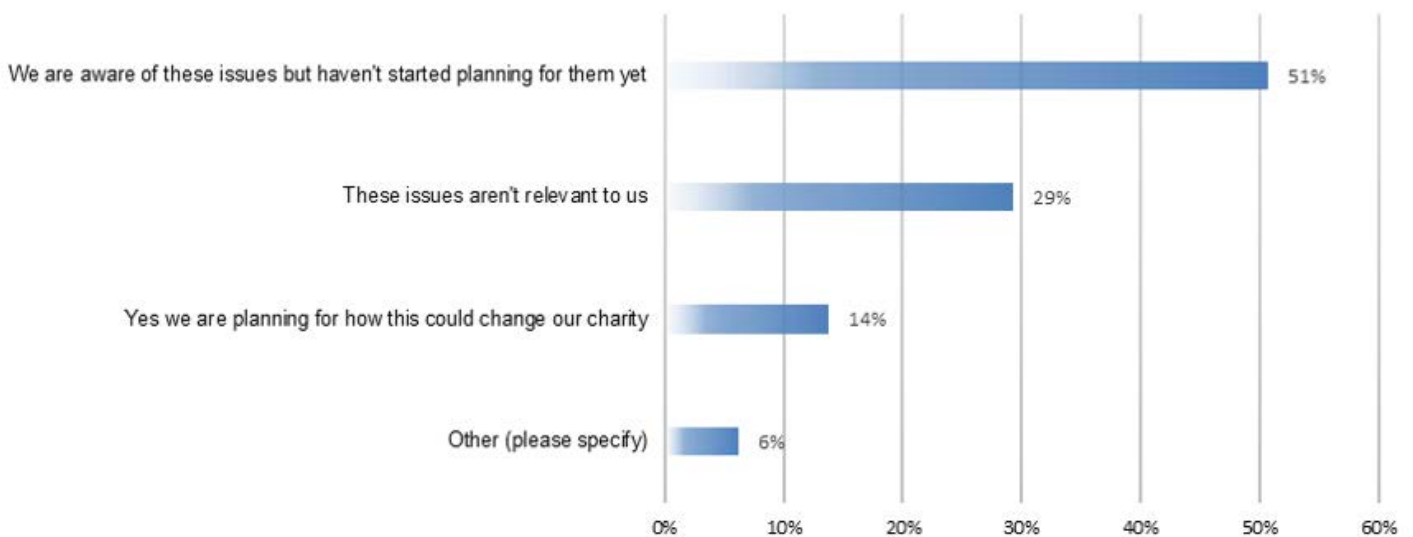
- Almost two thirds (64%) are currently preparing for GDPR and will have everything in place for when it comes into force. This is an interesting contrast to a recent government survey which found that only 44 per cent of charities have heard of the General Data Protection Regulation.
- 14% have already prepared and are ready.
- 18% are just starting and hope to be ready for May.
- However, 5% haven't started preparing yet.

## 14. EMERGING TECHNOLOGY

Q - Is your charity planning for emerging tech developments (e.g. automation, artificial intelligence)?

In this year's report, we wanted to find out what charities were doing about new innovations in tech. Despite self-driving cars, cryptocurrency and artificial intelligence being high on the news agenda, only 14% of charities are planning for emerging technology.

### IS YOUR CHARITY PLANNING FOR EMERGING TECH DEVELOPMENTS (E.G. AUTOMATION, ARTIFICIAL INTELLIGENCE)?



## Analysis

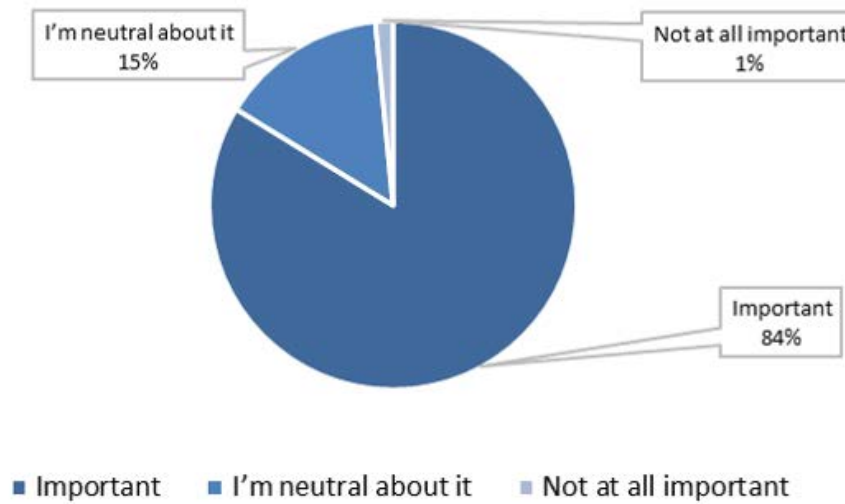
- More than half (51%) of charities are aware of these issues but are not factoring them into their plans.
- Almost a third (29%) think these developments are not relevant to them.
- However, 14% are looking into how these developments could change their work.

## 15. DIGITAL IMPORTANCE TO YOU



The overwhelming majority of respondents told us that it was important to work for a charity investing efforts in this area.

### HOW IMPORTANT IS IT TO YOU TO WORK FOR A CHARITY THAT IS ACTIVELY DEVELOPING ITS DIGITAL CAPABILITIES AND SKILLS?



### Analysis

- 84% of people want to work for a charity that is progressing in this area, down by 2% on last year.
- Only 15% were neutral on this topic, up from 14% in 2017.
- 2% said that it wasn't important to them.

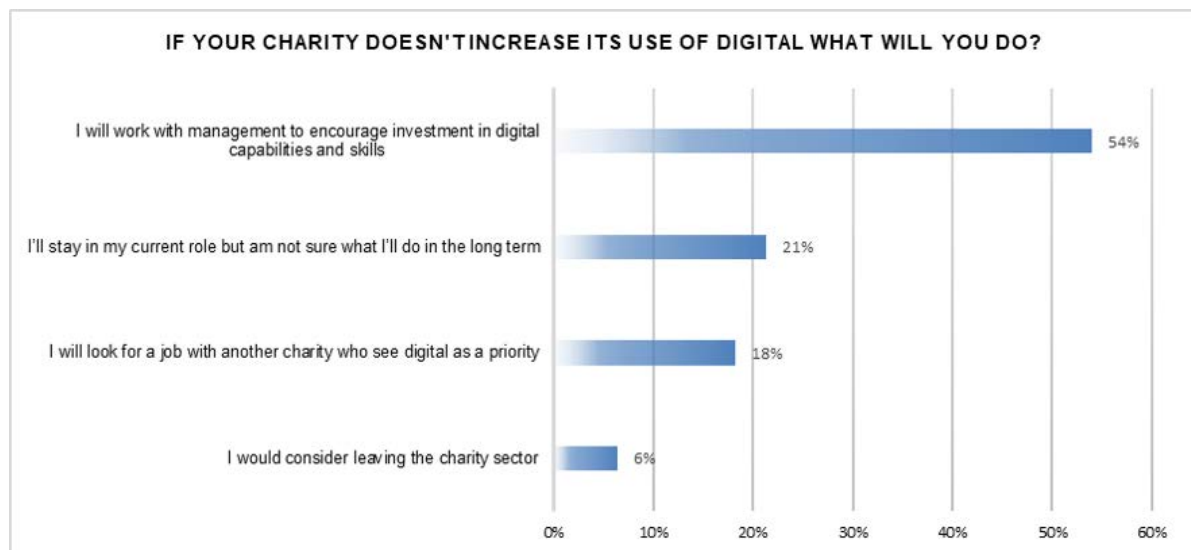


## 16. DIGITAL CONSEQUENCES

Q - If your charity doesn't increase its use of digital, what will you do?

In an increase on last year, 39% of respondents will either look for a job with a digitally savvy charity or are unsure if they can commit to their role for the long term if their organisation doesn't make progress with digital.

### IF YOUR CHARITY DOESN'T INCREASE ITS USE OF DIGITAL WHAT WILL YOU DO?



## Analysis

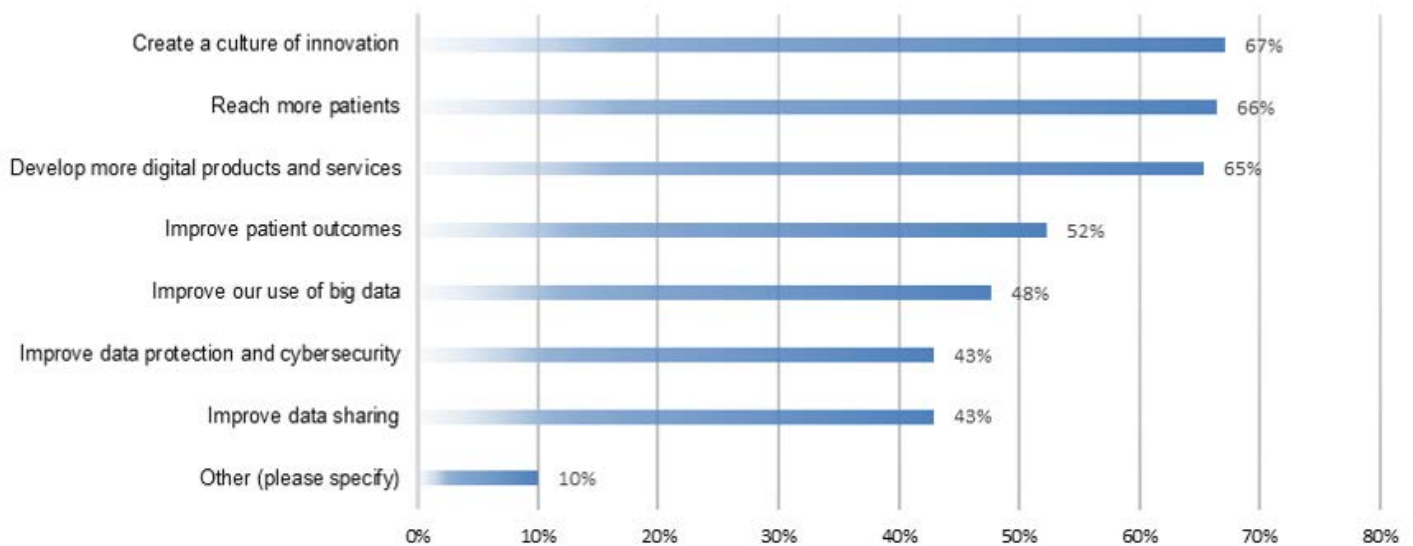
- 54% will work with management to tackle this issue, down 5% compared to 2017.
- As with last year, 21% plan to stay in their role but they are unsure what they will do in the long term.
- However, 18% will look for a job with another charity who see digital as a priority, up 3% on last year.
- Meanwhile, 6% are considering leaving the charity sector altogether, rising from 5% in 2017.

## 17. HEALTH CHARITIES

Q - If you're from a health charity, can you tell us what improving digital capabilities would help you do?

With health charities making up a large tranche of organisations surveyed, this year we wanted to ask this sector where they saw the opportunities for digital. Innovation, reaching more patients and developing digital products and services are the biggest opportunities reported.

### IF YOU'RE FROM A HEALTH CHARITY, CAN YOU TELL US WHAT IMPROVING DIGITAL CAPABILITIES WOULD HELP YOU DO?



## Analysis

- More than two thirds (67%) of health charities think that increasing their digital skills will help them create a culture of innovation.
- Meanwhile, 2 out of 3 respondents (66%) think that digital could help them reach more patients. This is reinforced by the 52% who think that increased digital capabilities could help improve patient outcomes.
- 48% feel that it could improve their use of big data, 43% think that it could develop data sharing, as well as 43% responding that it could improve data protection and cybersecurity.

## 18. COMMENTS

Q - How else could digital skills help your charity?

*"There is so much potential for digital service delivery within our organisation, particularly since we are an international network, however we do not have nearly enough focus on digital transformation and we lack leadership in this area. We have been developing digital programmes/products, but there has never been a strategic plan in place, making it very difficult to make key decisions and plan ahead."*



*"It is vital that all our staff have digital skills so we can really embed digital work across the organisation. Our digital team can be ambassadors and lead on the website, social, email channels, etc, but digital communications is integral to every role. We have amazing enthusiasm and appetite so we are half way there. However, the biggest challenge that remains is resources. So, it is up to us to make sure we have robust user research so that we really know what digital services would make the biggest difference to them. That way we can put our time and energy into that area and make a big difference rather than spreading ourselves too thin."*

*"The importance of partnership and the behaviour/progress of partners and other stakeholders is significant. Many things to do with digital progress depend on inter-organisation collaboration if they are to be effective, as well as depending on intra-organisational work."*



*"Digital skills and new digital processes would speed up the time we spend doing admin and could let us help more beneficiaries as well as get on with our core work."*

*"The importance of partnership and the behaviour/progress of partners and other stakeholders is significant. Many things to do with digital progress depend on inter-organisation collaboration if they are to be effective, as well as depending on intra-organisational work."*

*"It will help us to meet the future as it emerges."*

*"The workforce that we serve is low paid and generally working in isolation. We need to not only support them in their learning through digital technology but help them to prepare to work WITH digital technology."*

*"The main challenge is getting to see digital in the right way, beyond more emails/followers/likes. There is a tendency to want to bolt digital on to existing activities rather than review structures, processes, targets and activities to integrate digital."*

*"We try and concentrate as much on the idea of a 'digital mindset' as 'digital skills'. Having a solid digital skills base is great, but if your organisation doesn't create a culture where those skills can thrive you'll only ever reach a small part of your charity's potential."*

[TAKE ME TO THE TOP](#)

[METHODOLOGY](#)