



SOCIAL IMPACT, ACCELERATED: How Your Nonprofit's Back Office Can Change the World

ORACLE® + NETSUITE

THE STARVATION CYCLE

Every donor today wants to be told that 100 percent of their donation is being used directly for their desired cause—that more children are being fed, or that more diseases are being cured. Rarely are constituents interested in hearing that their dollars have been put toward an organization's infrastructure. In fact, constituents are less likely to give when this is the case, and are increasingly expecting nonprofits to operate with almost zero overhead.

Yet in reality, an organization's back office infrastructure is mission critical. Without well-funded initiatives, fairly compensated employees and reliable technology to handle core operations, the reach of an organization decreases considerably. In order to appease donors who are expecting their dollars to be spent on the cause, nonprofit leadership is often forced to go without this essential framework, or report artificially low overhead figures.

Herein lies the challenge that every nonprofit leader knows all too well: the starvation cycle—a vicious cycle where donors are told that 100 percent of

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“We believe that for nonprofits to manage all of their challenges they have to go to this [cloud] ERP environment.”

David Geilhufe Senior Director, NetSuite

their contributions go to serve the mission, creating additional pressures and forcing nonprofits to operate with old infrastructure to fill unrealistic expectations. Given the impracticality of the scenario, there is misleading reporting in return.

The starvation cycle is particularly applicable when it comes to an organization's back-office software. Today, many nonprofits are constrained by software solutions that were built for a different time—where computing capability was meant to be limited, and the accounting system of record was all that mattered. The relatively low cost of maintaining those systems conforms to the pressures of low overhead, but masks the cost of inefficiencies in routine tasks. Examples include the monthly close or, more importantly, the dissemination of reliable information upon which decisions can be confidently made in a fast-paced environment.

In order to turn this vicious cycle into a virtuous cycle, nonprofits will undoubtedly have to change how they operate. To make the transition smoother, NetSuite is committed to helping nonprofit leadership access

the technology, strategic vision and partnerships they need to be successful.

THE NETSUITE APPROACH

Since day one, NetSuite's vision has been to develop a software system to run every type of business or organization; from software companies to manufacturing businesses to nonprofits. As founder, Evan Goldberg said, "I always envisioned when I started NetSuite that we'd be able to take the benefits that we have for businesses to a wide audience that

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includes organizations that are not driven by the profit motive, but still need to run their organizations efficiently.” To make this vision a reality, NetSuite has invested significant company resources toward supporting nonprofit’s unique needs and initiatives—currently, more than 1,000 organizations rely on NetSuite to fuel their mission.

NetSuite understands that breaking the starvation cycle must start from the top, and move its way down. Financial leadership needs to take ownership of the issue at hand, and create an active game plan to end it. With tight budgets, limited resources, rising demand and increased competition for funding, nonprofit leaders need a software solution that can tackle their complex operational challenges.

TECHNOLOGY

Traditional on-premise systems tend to close the door to innovation. Cloud technology like NetSuite allows organizations to be flexible, agile and have ownership over customizing or configuring their system to meet their unique needs. The cloud also allows

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for data to be unified and produce real-time business intelligence on how a nonprofit is performing. This immediate consolidation improves efficiency and overall productivity, and allows leaders the real-time information they need to make important decisions.

To help nonprofits transform the starvation cycle and achieve their goals, NetSuite has designed its software to be accessible, agile and connected. Traditionally, ERP software is thought of as being solely for massive enterprises. The scalability of the NetSuite platform, however, enables organizations of all sizes to access the rich benefits that ERP technology provides. This flexibility allows nonprofits to stay agile and adaptable in the ever-changing landscape they face.

Furthermore, the integrated nature of NetSuite's platform enables nonprofits to stay tightly connected with their stakeholders despite the vast ecosystem that they operate in. With fewer systems and more integration between them, resources that were once spent on activities like creating spreadsheets and assembling reports with cumbersome systems can be reinvested towards programs that better serve

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their missions. This not only satisfies donors who are expecting the majority of their investment to go to the cause, but also allows nonprofits to gain a single coordinated effort across the organization—enabling them to target and engage each constituent, build life-long relationships and grow the support needed for long-term success.

STRATEGIC VISION

The development of NetSuite's technology has been centered on three core strategic elements; improving financial transparency, connecting dollars to outcomes and transforming the constituent experience.

IMPROVING FINANCIAL TRANSPARENCY

Nonprofits have incredibly complex allocations—no

amount of technology can eliminate the close process. But NetSuite is committed to helping minimize the pain associated with final consolidation by providing a system that seamlessly improves financial transparency. NetSuite establishes accountability with a single version of the truth—automating fund accounting and grant management processes while optimizing project and grant initiatives by providing real-time visibility into budgets vs. actuals for improved decision-making.

CONNECTING DOLLARS TO OUTCOMES

Nonprofits are living in a new era, where donors see themselves as investors looking for proof of an organization's effectiveness before they contribute. Before NetSuite, measuring this impact was nearly impossible—traditional accounting systems lack the financial transparency and reporting capabilities needed to do so. NetSuite, however, provides a unified solution to automate back-office functions, going beyond siloes of fundraising software and accounting.

TRANSFORMING THE CONSTITUENT EXPERIENCE

Those who have grown up in the age of Amazon have different expectations for how nonprofits operate.

NetSuite delivers a unified and phased technology evolution for our customers to succeed and scale their organization.

They expect nonprofits to be able to connect dollars to outcomes—not realizing how difficult that can be without a software system in place to capture accurate financial information. In a recent study, only 19 percent of first-time donors donate to that organization a second time. This shows that 4 of 5 people who donate don't have the donor experience that would motivate them to give again. NetSuite integrates a nonprofit's CMS, fundraising and membership management—ultimately creating an inspiring experience for donors.

PARTNERSHIPS

Finally, nonprofits need more out of their vendor than just a product. They need partners who truly understand their goals and are dedicated to helping achieve them. Whether your mission is helping the local community or providing international outreach to empower and educate for global causes, NetSuite is there for you.

In addition to local and more traditional nonprofits, NetSuite's core functionality is able to meet the unique

needs of associations and international NGOs. These nonprofits have increasingly turned to NetSuite for help in growing resources and reducing costs while making better use of volunteers, strengthening connections with existing members, soliciting new supporters and creating projects that generate additional sources of income.

ASSOCIATIONS

Today, associations are experiencing a crisis in membership, as members are seeing less value in the association when they can simply network online

KEEPING NONPROFITS VITAL

NetSuite helps nonprofits regain control of their organization by providing them with the financial transparency needed to connect dollars to outcomes and bring value to the membership experience.

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with others for free. This crisis is fueled by other challenges, including changing member expectations, business model complexity and fragmented, antiquated technology.

Most associations have multiple systems that exist in silos; these systems—which include association management systems (AMS), ecommerce systems, event management systems, fundraising systems, and more—aren't integrated and don't share information, preventing associations from having full visibility of their members. As a result of this lack of coordination, associations often experience revenue leakage, which can represent 1-2 percent of revenue.

INTERNATIONAL NGOS

Being that NetSuite is a global, cloud-based ERP, the technology is a natural fit for international NGOs. Such organizations benefit from NetSuite's native ability to accommodate languages, currencies and multiple subsidiaries.

Moreover, the distinctive value of NetSuite for international NGOs lies in real-time financial

CUSTOMER EXPERIENCE

Helen Keller International (HKI) was co-founded in 1915 by Helen Keller with an original mission of serving blinded soldiers returning from World War I and reintegrating them with society. Since then, HKI's mission has evolved to save the sight and lives of vulnerable and disadvantage people around the world.

HKI decided to switch to NetSuite because its previous system could not accommodate both its complex global reporting and compliance requirements, as well as challenging stakeholder needs. HKI was previously running multiple siloed system, so the transition to one unified platform represented a significant cultural change within the organization. HKI will now have unparalleled visibility into their mission, and be able to calculate exact social impact results from their donors' investments.

consolidation. Leaders of international organizations need immediate access to the operational activity going on in each country at all times. NetSuite is able to consolidate this global data instantly, feeding it to an executive's dashboard within seconds and giving the organization instant peace of mind.

Once executives have real-time data at their fingertips, they are able to communicate that information to donors. With NetSuite, these international NGOs can accurately report on their financials and provide solid data on the impact of donations to their loyal constituents.

DONATIONS

Oracle + NetSuite Social Impact truly helps organizations break the starvation cycle by leveraging our core assets—our products and people—to amplify the social impact of nonprofits and social enterprises around the world. Through our unique initiatives, including our technology donation, pro bono projects and social solutions, we are supporting organizations worldwide to better achieve their missions.

CUSTOMER EXPERIENCE

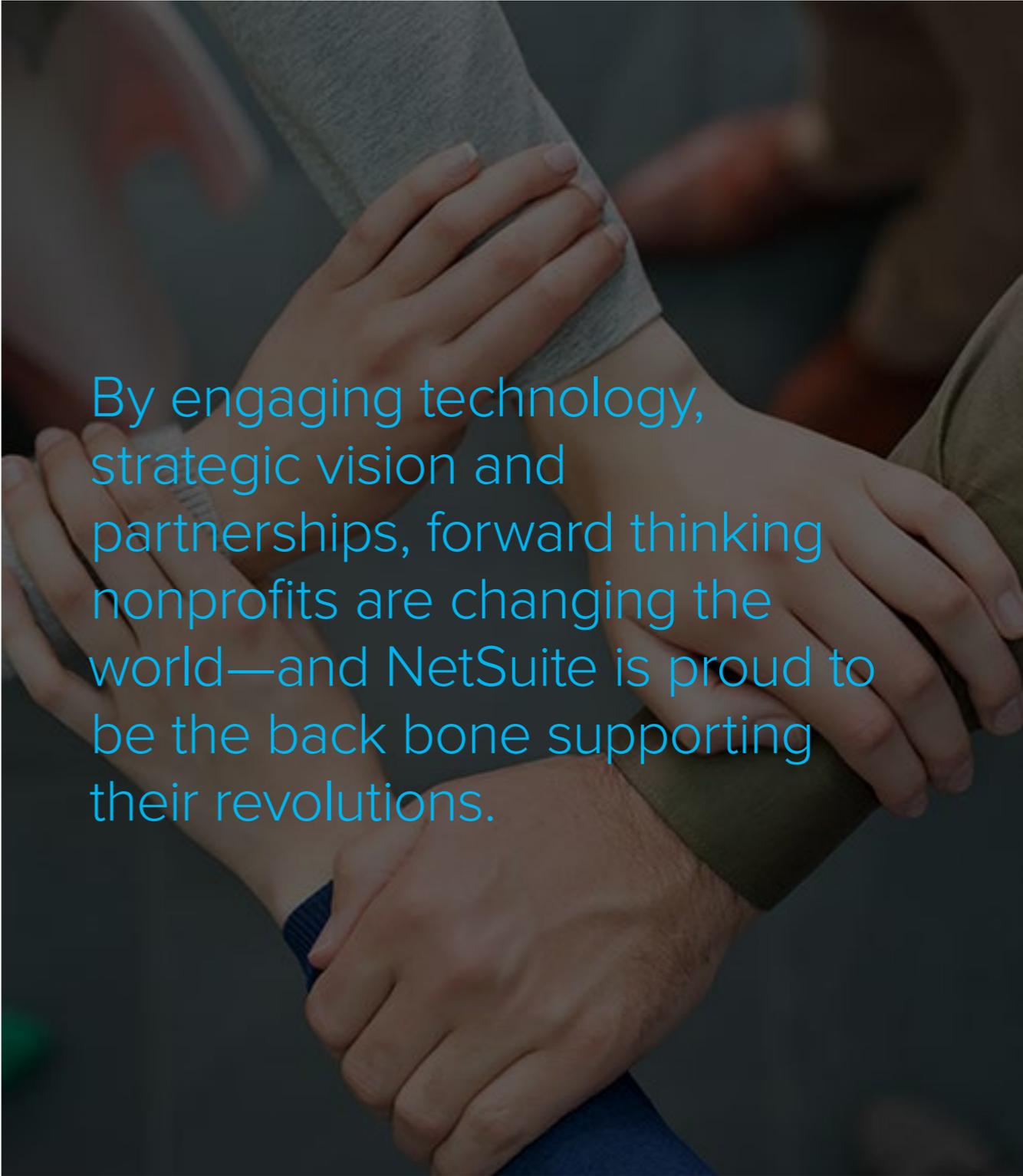
More than 3 million animals are euthanized each year in the United States. **Found Animals Foundation (FAF)**, a Los Angeles-based nonprofit organization and recipient of Oracle + NetSuite Social Impact technology donation, is on a mission to reverse the outcome for these animals through its microchip program, automated registry databases, responsible adoption initiatives and low-cost spay/neuter services.

FAF was looking for software to help it scale its microchip program and enable it to put 2 million microchips into the hands of shelters, rescues and other organizations annually. The company chose NetSuite as its partner due to its powerful financial management system and seamless integration with the point of sale system.

CONCLUSION

To break the starvation cycle and succeed in an increasingly complex and competitive business landscape, nonprofits must make significant changes. Traditional operations and outdated technology will not support organizations in an era of rising constituent expectations and evolving technology. Nonprofits need to push back on what constitutes effectiveness and debunk the notion that praise should be given to organizations with the smallest percentage of administrative and fundraising overhead.

Oracle + NetSuite understands the challenges that nonprofits face and is dedicated to helping them replace fractured thinking between fundraising, program and finance, and use software to capture the information needed to accurately communicate where their mission stands. By engaging technology, strategic vision and partnerships, forward thinking nonprofits are changing the world—and Oracle + NetSuite is proud to be the back bone supporting their revolutions.



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