

720 Bathurst Street, Suite 405  
Toronto, Ontario  
M5S 2R4



(416) 642-5786  
admin@theonnc.ca  
theonnc.ca

July 2015

# Towards a Data Strategy for the Ontario Nonprofit Sector

Organized in 2007, the Ontario Nonprofit Network (ONN) is the convening network for the approximately 55,000 nonprofit organizations across Ontario. As a 7,000-strong provincial network, with a volunteer base of 300 sector leaders, ONN brings the diverse voices of the sector to government, funders and the business sector to create and influence systemic change. ONN activates its volunteer base and the network to develop and analyze policy, and work on strategic issues through its working groups, engagement of nonprofits and charities and government.



## **What's in this Document**

TOWARDS A DATA STRATEGY FOR ONTARIO NONPROFITS	3
A WORD ON WHO SHOULD READ THIS FRAMEWORK	3
WHY A DATA STRATEGY AND WHY NOW?	4
ONTARIO AND THE DATA MOVEMENT	5
KEY PRINCIPLES	6
FOUR ESSENTIAL COMPONENTS OF A DATA STRATEGY	6
WHAT NEXT?	9
STAYING CONNECTED	11

## **TOWARDS A DATA STRATEGY FOR ONTARIO NONPROFITS**

Accessing and using data in a new way opens up an important opportunity for nonprofits in Ontario. Many governments and businesses are starting to use data intensively and the nonprofit sector needs to be a part of this movement. We need data about the things that matter to the communities we serve. We need to make sure that when we talk about the trends in society that data can help us better understand, we don't just talk about restaurants and shopping malls, but ensure that schools, libraries, women's shelters and public spaces are included. We have incredible resources and connections to emerging issues and solutions in communities. If we use data differently, it can give us insights that will help us harness those resources and connections well. Data is a fundamental source of knowledge. And knowledge is powerful.

Finding ways to think differently about data is not easy. There are various approaches being explored right now and building an effective information ecosystem is not something that any organization can effectively tackle alone. Mowat NFP has written a report about data priorities for the nonprofit sector (pg. 11), which focuses on setting our priorities as a sector, and then collectively building up standards, capacity, and leadership. It lays out a key opportunity for nonprofits to consider.

At the same time, in August 2014 ONN began working with the Canadian initiative, PoweredbyData, and many others to develop a better understanding of this opportunity. How might a data strategy for Ontario's nonprofit sector help nonprofits and communities? Would it be worth investing in? What could it look like? ONN convened about 50 organizations through two meetings and many informal talks to consider what a data strategy for Ontario's nonprofit sector might entail. Based on strong positive feedback at these meetings, we started down a path to help turn the idea of a data strategy into a reality.

There's a lot of work to be done and we all need to work together. To do so successfully, we need input from people who are leaders in data creation, collection and use, as well as nonprofit leaders who know their sector's needs inside and out. To realize the benefits offered by data, and to take advantage of the opportunities for civil society, we need a shared strategy created by diverse actors working together.

This document presents context to help us think about how nonprofits as a sector can seize the opportunities that data offers. It outlines the strategic value of a nonprofit sector approach to data, the unique strengths we have to build on in Ontario, essential components of a data strategy, and what might come next.

In sum: why does the Ontario nonprofit sector need a data strategy, and what could a successful one look like? This document is intended to broaden a conversation about these questions, and gather answers that can help us take the next step together.

### **A WORD ON WHO SHOULD READ THIS FRAMEWORK**

Self-professed data geeks and community organizers don't always speak the same language. Those who are extremely knowledgeable about data sometimes communicate in a language full of jargon, focused on technical details. The nonprofit sector has its own jargon and while a few people are fully "bilingual," often wires get crossed. The ensuing miscommunication can shut conversations down, or prevent them from really getting started. The result? Imaginative and practical discussions about how data can support nonprofit work do not happen nearly often enough.

This framework is intended to open up that discussion in Ontario. It is for nonprofit leaders and their colleagues in other sectors who care about social outcomes and who are curious to know how data strategies actually relate to these outcomes.

It is also written for our colleagues in government, the private sector and our communities that will benefit from a nonprofit data strategy and have a role to play in moving it ahead.

### **WHY A DATA STRATEGY AND WHY NOW?**

The amount of data created within and available to the nonprofit sector has been on the rise for the past ten years and the volume is only increasing. At the same time, nonprofits have opportunities to create data too. Like other kinds of rapid changes, these new developments can be intimidating. In good and bad ways, the use of data by companies, governments and individuals is changing our communities, and we need to respond. Fortunately, data is a tool the nonprofit sector can also use and these changes present us with a unique opportunity. Data offers another way to see the systems we work in, create new knowledge, and use that knowledge to serve our communities better.

In order for the nonprofit sector to create and harness data to benefit our communities, we need comprehensive data strategies to manage the information we gather, together. A comprehensive data strategy can help us *use* the information quickly, practically, and effectively within and across our organizations. This means data strategy that connects data sources and data users across the sector.

**What can data do for our communities?** As the nonprofit sector improves its access and use of data, it can help us:

- **Learn and communicate about impact:** Shared data - shared through open data as well as other access models - can help us see the bigger picture. Nonprofits can analyze and share impact of their work with new insights. For example, what if a youth-focused organization could easily search by keyword to find out about others that developed related educational programs, in different sub-sectors, about training front-line staff serving youth? It could reach out and compare notes to see if others are reaching the same kinds of people, share strategies and lessons together, and perhaps better communicate its impact to the broader public.
- **Deliver more responsive initiatives:** Increased capacity to create and analyze quantitative data can help nonprofits understand and work with the people in communities we serve. Imagine if nonprofits in a particular region could easily see the demographics of who moved into the area in the last year, whether or not they plan to stay and what that could mean for their collective set of programs.
- **Collaborate more efficiently and effectively:** Open data from incorporation and charity registries and from organizations themselves can help us identify and work with collaborators more easily. Imagine if a nonprofit could easily search for organizations with related missions, head directly to their sites, and download open source templates for training materials, budgets or work plans.
- **Diversify and stabilize our funding:** With improved access to funder data, it will be easier to find likely partners. For example: a set of organizations could easily see when more or less funding is flowing to their region. If many groups simultaneously shifted

resources away from an area, it could be addressed before it became an issue. With timely information, nonprofits could be more responsive and strategic in opening up a discussion, working with funders on a plan to support that area over the long term rather than in fits and starts.

- **Free up time and money:** Standardizing and normalizing easy ways to share information can mean that nonprofits and their funders spend less time finding and compiling applications and other information, and more time using that information for strategic purposes. For example: if even half the time spent on such activities could be re-directed into meaningful discussion about meeting our missions.
- **Step-up our role in the policy development process:** Increased access to data as well as access to new online tools to monitor the legislative process, like OpenParliament.ca, are giving nonprofit leaders new ways to provide input into the policy development process, ensuring their communities' voices are heard. New uses of data can also help us demonstrate the effect of policy on communities faster and in new ways. For example, with increased access to certain social service data sets, we might be able to notice unintended negative consequences of a new policy within months, instead of years, and suggest modifications to that policy much earlier.
- **See the bigger picture:** Not only does data provide insight into the effect of policy, it can help us see the systems we work in together. Whether we're looking at demographic trends, labour market information, shifts in resource allocation and enterprise activity, or changing ideas and values, we can spot challenges and opportunities from the roll-up of data in a new way. Seeing web visits and click rates is a small example of data that has helped us think differently about our communications and engagement. Imagine if we could see when, across our communities, rates of domestic violence increase and what hidden factors might be important; or when enrollment rates of a type of program drop all at once - not just in one organization or region, but all of them. When used well, data can help us gain new insights and integrate them into our current approaches to decision making.

## **ONTARIO AND THE DATA MOVEMENT**

Globally, there is a movement growing to harness data for the public good. Not only can we tap into these knowledge networks, we have unique assets here in Ontario that we can build on to make data work for the nonprofit sector.

***Internationally***, many initiatives are working to figure out how both the nonprofit sector and government can use data for good. To name just a few: the [Markets for Good](#) initiative is bringing together some of the largest funders in the USA to work on improving information flows in the sector; the widely acclaimed [Philanthropy and Social Economy Blueprint](#) by Lucy Bernholz strongly focuses on digital civil society and digital innovation. The UK nonprofit sector think-tank NPC recently released their [Manifesto 2015](#) and [Data Lab](#) projects, calling on government and other actors to help improve data for the sector. Even [Google](#) is getting in on the game, creating new "machine-readable" taxonomies to consistently describe public civic services.

***The Canadian nonprofit sector*** and government are also noticing how data can support community benefit work. Some organizations are already starting to take advantage of more available data to improve their processes and meet their missions more effectively. Mowat NFP's recently published [An Open Future: Data priorities for the not-for-profit sector report](#) and

the 2014 CKX Summit are two examples of how the nonprofit data movement is growing in Canada. Inside government, various federal departments have organized hackathons with social outcomes, and civil society is included in the federal 2015-2018 Open Government Plan. There are already several Canadian nonprofit initiatives, such as Innoweave, Data for Good, Open North and Grantbook, as well as PoweredbyData, that aim to support the sector's capacity to use data.

**Ontario** in particular has a unique opportunity to become a global leader in this area. Ontario's assets include:

- A mature and organized nonprofit sector with multiple leading organizations and networks
- Strong access to data about its nonprofit and charitable sector that is unique in the world (the T3010 and the Federal grants & contributions data)
- A well developed "open data policies" at all three levels of government, including over 18 municipalities
- A population that is both one of the most educated and most technologically connected in the world
- A strong history of coordination to develop innovative data projects (e.g. Social planning councils, Community Vital Signs, United Way's and 211 services, etc.), as well as a lot of current innovations in this space, including the Toronto Wellbeing project, the Canadian Index of Wellbeing, and more.

To best take advantage of these attributes, stakeholders from the nonprofit sector, the technology sector, and all levels of government need to work together to develop a cohesive strategy.

## KEY PRINCIPLES

A few core principles must guide the strategy as a whole:

- 1) **Effective use:** Nonprofits should put data to effective use to serve their communities - not just collect it, but proactively *use* it.
- 2) **Responsible use:** Data should be created, collected and accessed responsibly and ethically, with attention to power dynamics that could mar the use of data and with respect to the privacy and safety of those involved.
- 3) **For public benefit** (not for profit): Nonprofits and governments should be committed and able to access data for public benefit use.

A principled approach helps keep a broad range of actors grounded in purpose. These principles remind us why a data strategy is so important for Ontario's nonprofit sector, and what it would look like when such a strategy is successful.

## FOUR ESSENTIAL COMPONENTS OF A DATA STRATEGY

What might a data strategy for Ontario's nonprofit sector look like? Involving a range of stakeholders from across the entire nonprofit sector on this subject - accessing and using data - is unprecedented. We are not aware of any other initiatives to attempt this in the past, but we know it is not something any organization can do on its own. We need a sound data strategy to enable us to work together.

Based on data strategies developed in other areas and on early international and Canadian projects, we have identified four essential components of a successful data strategy:

1. Standards
2. Policy
3. Skills & Resources
4. Leadership

### **STANDARDS**

Data standards - and open data standards in particular - matter because they ensure data is published in a way that allows it to be used by others. Standards give us ways to categorize, sort and store data in ways that other computer programs and humans can access and process. Without them, data often goes unused for lack of time, money, energy - and even the awareness that the data exists at all.

**The Importance of Data Standards** - Organization Y is trying to find the number of subsidized lunches provided by the schools in its area. It knows there are 50 schools in total. Each school reports their lunch statistics, but they do so in different ways - some use Word, some Excel, and some PDFs. In each document, the number of subsidized lunches is also presented and tracked in a different way. While all the reports are accessible online, it is too time-consuming to gather and sort their information to accurately use and report on numbers. Organization Y does not have the time or human resources to attempt to harmonize this disparate information, so this important data set goes unused. Having a standard, non-proprietary format for that information would ensure that all relevant organizations report in the same way, or ways that are easily processed by software programs. This way, Organization Y can see any potential gaps in the lunch program as they emerge in real time and work with partners to address it.

### **POLICY**

Policy *about* data is important. The use of data is affected by legal and policy frameworks. The law sets out owners of data and the terms of this ownership. Legislation, regulation and other rules govern what different groups can and cannot do with data. Equally though, data *for* policy development is key. Data is a part of making the case for changes in social and economic policy, including resource allocation. If nonprofits do not have effective, timely access to data and are not positioned to use it well, they lose a way to influence policy development by sharing information about their communities.

Ways to ensure policy supports access to and use of data for public benefit include:

- **Clarifying who legally “owns” the data**, and what third party access to data is made legal, regardless of who owns it. An example of this is copyright and licensing. If licenses are too restrictive or unclear, other stakeholders will not be able to get the most out of that data. On the other hand, it can take time to establish and maintain good quality data sets. An effective data strategy must address ways for data owners, custodians and providers to license or share their data, make it available as appropriate, and also meet their need to finance its ongoing maintenance.

**Developing Ownership Models** - Statscan used to charge people for access to much more of its data, and many organizations have similar charges. Such charges can present two barriers: 1) the cost itself; 2) the time or resources to negotiate agreements from tens or hundreds of data owners, each of whom has a piece of the information a nonprofit may need. It is a challenge to address these barriers while ensuring a healthy ecosystem of data owners with the resources to collect data, maintain it, and make it accessible.

- **Engaging in policy development.** While data use is a new policy area, the rules and regulations of who can use it and how are already being defined. A nonprofit sector data strategy needs to prioritize the active involvement of nonprofit sector leaders in the development of these policies in order to ensure that use of data for public benefit work among nonprofits is recognized and enabled at all levels of government.

**Influencing Data Policy** - The Government of Canada recently adopted the Open Contracting data standard, which guides the collection and sharing of information about government proposals and awarded contracts. This standard has implications for informing citizens and entrepreneurs about the social economy. Had advocates for social enterprise and social economies been more involved in the process of the development of that standard, the resulting standard would be in closer alignment with the sector's needs (e.g. to track government purchasing from social enterprises).

- **Measuring what matters.** Government, funders and nonprofit organizations are turning their attention towards impact assessment, outcomes-based evaluation, and measuring success. The objectives and approaches to nonprofit work are being redefined. New standards for accessing and sharing data could open up new ways to measure and communicate impact. Understanding and using data effectively can support nonprofits to effectively engage with their stakeholders to set evaluation practices and goals. While standard evaluation will not always be the answer, standardized data may help with a variety of evaluation approaches.

**Creating Evaluation Tools** - Beginning in April 2012, Girls Action Foundation began a project to create common evaluation tools that will get answers about the change girls experience in their network of 88 girl-specific programs. The project works with community groups in different regions of Ontario to pool efforts, increase capacity in outcomes evaluation, and produce much-needed quantitative impact data. A shared online evaluation platform was created that collects information over time from many programs so the story of provincial impact can be clearly shown.

## **SKILLS & RESOURCES**

The right policy and standards can help make data accessible to nonprofits. However, without resources and skills, that data will go unused. Developing the nonprofit sector's capacity to manage and use data is an essential component of a strong data strategy. This includes resources for training, capacity building, dedicated human resources and liaison with technical experts not just once, but over many years. Developing new competencies in this area is a part of strengthening a nonprofit labour force to respond to future challenges and opportunities. Resourcing to support the technical transitions and set up of new systems will also be required, along with resources to maintain those systems within and across organizations. Building the business case for investment in data systems and skills is essential.

The Toronto-based “Data for Good” initiative, founded in 2012, brings together leading data scientists with high impact social organizations through a comprehensive, collaborative approach that leads to shared insights, greater understanding, and positive action through “data in the service of humanity.”

They accomplish this by organizing and hosting weekend “DataThon” events, which match up three selected social organizations with a team of volunteer data scientists to tackle their data-related challenges over a 24-48 hour period. The participants are housed and fed throughout the weekend event and the results are presented to the three social organizations at the end of the event, for their use. Sustaining and scaling this kind of work across the sector could have significant effects.

### **LEADERSHIP**

A data strategy involving the clarification and coordination of goals and approaches across many subsectors and organizations cannot be done by any single organization. It will only succeed through the leadership of dozens, if not hundreds of organizations investing their time and energy to articulate priorities, develop and test new initiatives and learn as we go.

The work we need to do together includes mapping the current landscape of data users, assets, needs and specific opportunities to advance a strategic approach to data for Ontario’s nonprofit sector. Which strategies should be locally led? Which might best be tackled by each subsector, each region, or at a provincial or national level? What are tactics that individual organizations can adopt and how can we share those?

Of course, leadership also involves setting the stage for financial investments in this development work in the short term and in the data ecosystem of the nonprofit sector over the long term.

### **WHAT NEXT?**

We want to hear from you about this document. The idea of using data differently is starting to get a lot of attention and we need to be rigorous about understanding the current landscape we are working in as well as the purpose and goals of a data strategy. We know this data strategy development needs to be grounded in the reality of what is actually going on, and what is actually possible. That means a network of leaders sharing perspective and working together - and we look forward to it.

For these reasons, the creation of this framing document is part of a two-track process ONN agreed to spearhead:

1. The development of a framework that will help us identify shared purposes and principles for work, to tell the story as the work progresses; and
2. Immediate testing and acting on current, shorter-term opportunities.

This document moves us towards the development of a framework and comprehensive strategy. **ONN is looking to partners to help lead this work.** Discussion about this document will be essential to finalizing and moving forward on next steps. With that in mind, these four areas of work are proposed as a starting point:

1. **Strategic conversations with key stakeholders** - Receiving advice and understanding the leadership roles that different groups can play to advance the data strategy.
2. **Mapping the current data landscape** - Identifying current data assets, users, needs and examples of good practice.
3. **Defining opportunities** - Prioritizing related priorities and opportunities for strategic work.
4. **Active trials** - Developing, securing appropriate financing and carrying out specific projects based on the priorities and opportunities identified.

The two-track process continues. In addition to this more systematic approach, a number of partners including ONN have continued to explore and work on the following the short-term actions:

- Examine the need for community asset mapping and how **opening community resource data like 211's data** could meet those needs, with consideration for the particular opportunities and challenges faced by 211 providers.
- Examine the opportunity for the creation of an accessible, regularly updated **online registry** of nonprofit corporation data.
- Follow up with Economic and Social Development Canada about their recently stated interest in **data literacy** as part of the federal government's recently published Open Government Partnership.
- Create a **list of priority data sets** which should be made accessible by the Government of Ontario through its Open Data initiative.

As a last note, it is important to clarify ONN's role in developing a data strategy for Ontario's nonprofit sector. ONN is not a data expert and does not intend to become one. ONN is an active convener focused on getting work done to strengthen Ontario's nonprofit sector through policy and systems-level work. Given the emerging nature and potential impact of a data strategy for Ontario's nonprofit sector as a whole, ONN is working with a number of stakeholders in the nonprofit sector (as well as some of our colleagues in government and the private sector) to figure out what such a data strategy might look like, how it might develop, and what specific goals it might accomplish. We look forward to leading next steps with many partners. Please reach out to stay informed and be included in different aspects of the work.

## STAYING CONNECTED

ONN is a network with a mission to engage, advocate and lead with - and for - nonprofit and charitable organizations that work for the public benefit in Ontario.

**We welcome your feedback!** Share your questions or comments about this document or ONN's active convening to develop a data strategy for Ontario's nonprofit sector: [heather@theonnc.ca](mailto:heather@theonnc.ca).

Find ONN at:

-  [www.theonn.ca](http://www.theonn.ca)
-  [@o\\_n\\_n @OntJobs](https://twitter.com/o_n_n)
-  [Ontario Nonprofit Network](#)
-  [Ontario Nonprofit Network](#)

## Interested in reading more about data and the nonprofit sector?

### What's Happening In Ontario

Government of Ontario: [Open by Default – A new way forward for Ontario](#)

Government of Ontario: [Ontario Open Data Directive](#)

Greg Bloom: [Thoughts On Open 211 Data & Ontario](#)

### References from Abroad

NPC (New Philanthropy Capital): [NPC - Manifesto 2015](#)

NPC (New Philanthropy Capital): [Ten Innovations in Global Philanthropy](#)

[Markets for Good](#)

## THANK YOU

Thanks to the dozens of sector leaders who have been involved in discussions about a nonprofit data strategy in Ontario this year, and whose feedback and advice will continue to shape this work. Thank you to PoweredByData for their data expertise and key support in drafting this document.