

Thought Leadership Blog Post (Tech)

Is Your Impact Measurement Engaging the Next Generation of Donors?

There are many different ways to measure impact. Each organization determines the framework and metrics of impact, based on preferences, priorities, and the scope of the problem being addressed.

Any way we look at it, one thing remains clear: how we quantify and share that impact with stakeholders is becoming more and more crucial. To learn why, we need to understand who will shape philanthropy next.

The next generation of donors is calling for greater transparency

Most donors in Ireland, as elsewhere, are or will soon be retired. Millennials, a technologically sophisticated and impact-driven generation, will gradually become the leading demographic of givers reshaping philanthropy. These future donors will be more discerning than their predecessors. They'll want to know where every euro goes and how much their chosen organization is impacting the cause. Unlike Baby Boomers, their emphasis is on giving to effect change rather than giving from their values.

Generational change is already underway. Charities that listen and adapt today will be better positioned for long-term success. So, the question becomes, how can organizations ensure they have the right tools to access open data and facilitate transparency about how their funds are spent?

Does your impact reporting prioritize digital engagement?

Efficacy is notoriously difficult to measure when tackling complex problems. It's no wonder that charities are often uncertain how they should report on their impact. Yet what if there were a way to not just quantify your outcomes, but to make them more consumable to stakeholders?

With technological innovations, nonprofits can track, measure, and showcase their impact to stakeholders like never before. In the aftermath of COVID-19, organizations quickly shifted to virtual and hybrid formats. Beyond the pandemic, many nonprofits have used digital

environments to expand their donor reach and interact with existing donors from anywhere in the world.

One example of how technology is transforming philanthropy is impact mapping. In [Client offering], for instance, an impact mapping feature called Impact Map uses geomapping capabilities to visualize reporting data. Showcasing location-based outcomes, impact mapping takes the guesswork out of evaluating a nonprofit's effectiveness.

Harnessing technology to build public trust

Public scrutiny of philanthropy is intense these days. Sadly, one organization's controversy can undermine donor trust for everyone. Sometimes, however, trust is undermined by external factors. In its 2020 report, Philanthropy Ireland found that [COVID-19 reduced organizations' ability to engage and communicate with funders](#). This reduction in external communication triggered an interventionist reaction in some donors. Sound familiar?

Virtual, interactive data on philanthropic funding has benefits beyond public relations. It also improves trust with grantees and beneficiaries, not to mention perceptions of philanthropy in society at large. [Client offering] gives each contributor a clear view of the metrics that are most important to them. Visualizing your data provides peace of mind to your contributors (and you!) by keeping them informed at all times.

Best of all, impact mapping ensures you can track and report on outcomes in minutes, without the headache of paper-based systems. You can then quickly update donors about their stewardship and let them know just how well their contributions have done so far.

A more interactive approach to nurturing donor relationships

Organizational leaders are confronted with unprecedented challenges to how they communicate and measure impact, from the fallout of COVID-19 to societal shifts in nonprofit giving. "Taking learning from the last 12 months, there was much consensus on approaches for philanthropy and grantmakers through the next stages of response," [writes Éilis Murray, CEO of Philanthropy Ireland](#). "Listening is fundamental; being visible and agile contributes to effective responses."

Those who will donate tomorrow have already started to speak out. Wanting to impact change with their donations, they expect organizations they support to report their impact in an unprecedented way. To succeed in the long run, nonprofits must be able to provide opportunities - both in-person and virtually - for these donors to understand how their gifts are impacting the cause.

How will today's nonprofit organizations respond to this need for greater impact reporting?
As leaders in philanthropy, it is our responsibility to remain agile, visible, and to keep listening.