Assessing the Digital Skills Gap in Canadian Nonprofits

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CANADIAN CENTRE FOR NONPROFIT DIGITAL RESILIENCE

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CANADIAN CENTRE FOR NONPROFIT DIGITAL RESILIENCE

The Canadian Centre for Nonprofit Digital Resilience (CCNDR) works to create a digitally-enabled nonprofit sector, where Canada's nonprofits use data and tech to multiply their impact.

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PROJECT OVERVIEW:

Futureproofing the community service workforce

Unlocking the nonprofit sector's digital skills to strengthen community services

The nonprofit sector is the cornerstone of community services in Canada, delivering invaluable support to people in every region of the country. But as in most sectors, nonprofits are responding to rapid changes to digital technology. A digitally skilled nonprofit workforce is increasingly essential to successfully serve the evolving needs of communities.

However, there is **limited research** that assesses the current skills and future demands for the nonprofit workforce in Canada. What we do know is that there is a **growing gap** between the **digital skillsets and capacity** they have now and what they need to continue delivering services effectively.

In response, **Futureproofing the Community Service Workforce** aims to understand, and then unlock, the nonprofit workforce's facility with Digital Skills Plus (DS+). DS+ encompasses digital as well as adjacent skills often deployed with digital tools, including communication, creativity, innovation, adaptability and problem-solving skills. With funding from Employment and Social Development Canada (ESDC)'s Skills for Success program—and driven by a consortium of organizations with expertise in nonprofit capacity building and the digital skills economy—the 17-month project has four strategic **Phases**:

1. Understanding the current supply and future demand for DS+.
2. Analyzing the gaps in supply versus demand for DS+.
3. Co-designing and rapidly testing solutions to close this gap.
4. Creating a scalable DS+ talent model.

By the end of our project timeline, we hope to achieve the following **Objectives**:

- reinforce the evidence base in Canada on current and future needs for DS+ in the nonprofit sector, informing the sector's future training and talent strategies, increasing awareness of the forecasted demand for DS+ and enhancing the sector's ability to articulate and close the most pressing skill gaps;

- use this research to inform and test a prototype (or prototypes) of a scalable DS+ upskilling model that provides practical, tailored and broadly applicable training for the nonprofit workforce (in other words, to help them develop foundational and advanced digital competencies, fostering a culture of continuous learning and innovation); and

- mobilize findings and learnings via public reports, research briefs and recommendations to bring greater evidence-informed discussion to the nonprofit sector around its DS+ needs and paths forward.

Who We Are

Futureproofing the Community Service Workforce is led by a partnership between Imagine Canada, The Dais at Toronto Metropolitan University, the Digital Governance Council (DGC) and Blueprint. See below for a more detailed description of partners. The Canadian Centre for Nonprofit Digital Resilience (CCNDR) provides a platform to share information about this project at https://futureproof.ccndr.ca/.

Partners

Imagine Canada. Imagine Canada is a national, bilingual, charitable organization with a mission to strengthen and support Canadian charities and nonprofits so they may better serve and engage individuals and communities, here and around the world. Imagine Canada i) develops and delivers products and services that help charities and nonprofits operate at the highest level of governance and deliver the highest quality programs; ii) creates and mobilizes data, information, research and knowledge that help charities and nonprofits make wise decisions; iii) develops and advocates for public policies that assist charities and nonprofits; and iv) works to improve Canadians' understanding and perceptions of the charitable and nonprofit sector and its contributions to our quality of life.

The Dais. The Dais is a public policy and leadership think tank at Toronto Metropolitan University (TMU), connecting people to the ideas and power

needed to build a more inclusive, innovative, prosperous Canada. Since 2015, its team has worked across Canada and internationally to develop new ideas and better leaders, resulting in measurable change in economic, education and technology policy and for thousands of people whose lives have been changed through their leadership programs. From its home at TMU, the Dais has direct access to scholars, students, entrepreneurs, leaders and networks who can develop new ideas and challenge old assumptions with national and global reach.

Digital Governance Council. The Digital Governance Council is a member-driven organization that acts as a cross-sector neutral convener for Canada's executive leaders to identify, prioritize and act on digital governance opportunities and challenges. The Council leads an Executive Forum for council members, sets technology governance standards through the Digital Governance Standards Institute and certifies the compliance of Canadian organizations in the management of the effective and efficient use of digital technologies. To learn more about the organization and its initiatives, visit **www.dgc-cgn.org** or contact **info@dgc-cgn.org**.

The Canadian Centre for Nonprofit Digital Resilience (CCNDR). CCNDR supports a digitally enabled nonprofit sector, where Canada's diverse nonprofits use data and tech to advance their mission and multiply their impact. It galvanizes people and mobilizes funding to support impactful initiatives; convenes diverse experts across sectors; and prioritizes ideas that can make a broad impact and deliver real progress.

Blueprint. Blueprint is a non-profit, mission-driven research organization dedicated to improving the social and economic well-being of Canadians by helping its clients solve complex public policy challenges. Blueprint works with all levels of government, foundations and nonprofits and socially conscious businesses to design and execute strategies to foster innovation, learn what works and deliver evidence-informed solutions to our most pressing social and economic issues.

Executive summary

This report contributes to the first two phases of the **Futureproofing the Community Service Workforce** project and examines the supply and demand for digital skills in Canada's nonprofit sector. Drawing on data and insights from frontline and management staff, we explored current skill levels and skill needs of nonprofit organizations who deliver community services. Our findings will inform the next phase of the project: the co-design of targeted solutions to close the skills gap.

Methodology

Our research employed an environmental scan of existing research and approaches, followed by a mixed-methods approach, collecting and analyzing quantitative and qualitative data: 284 survey responses, 11 interviews, and one focus group (n=3) from Canadian nonprofits. Respondents were largely leaders of social service organizations, from small organizations (0–25 staff), and located in Ontario, Alberta, Quebec, or British Columbia. Interviews targeted various roles and experience levels and considered roles and organization/individual-level responses.

Environmental scan

- Existing research lacks actionable insights into digital skills gap magnitude, preferred solutions, staff upskilling preferences, and resource accessibility constraints. Nevertheless, research shows a significant digital skills gap driven by limited time, resources, funding, rapid tech advancements, and COVID-19 impacts. Organizations recognize the importance of technology but lack the expertise, strategy, and staff to implement it effectively.

- Nonprofits prioritize proficiency in common operational software and specialized technical abilities for specific needs. Urgent skills gaps persist in areas like fundraising, digital accessibility, data management, SEO, and CRM systems. To facilitate uptake, managers require skills in executive vision, digital literacy, and creating enabling conditions.

- Existing interventions to help upskill nonprofits are professional services for digitally motivated organizations, curated resource toolkits, and self-serve remote courses.

Survey and interview findings

- Managers and frontline staff saw digital skills as crucial—81% indicated they were 'very important' or 'necessary' for mission achievement and daily operations. Basic digital skills, remote collaboration, data management, and privacy and data security were most critical. Respondents also ranked the organizational improvements they believed better digital skills could achieve, ranking 'delivering better services' highest, followed by 'gaining more useful insights from data' and 'reducing time spent on administrative tasks.' Other goals included 'serving more clients,' 'building brand awareness,' and 'developing new services.'

- Most organizations were in the early or intermediate stages of digital development, with 47% classifying organizational skills as only basic or starting out, 39% classifying them as advancing, and 14% classifying their organization as having fully integrated digital skills.

- Gaps emerged between current skillsets and organizational needs; for most digital skills, perceived importance exceeded organizational competencies. The largest gap was for 'privacy and data security,' followed by 'using data for decision-making' and 'data collection, management, and analysis.' Organizations with lower skills struggled with foundational data collection; those with higher levels reported a more specific range of desired improvements. While gaps in basic digital skills were rare, their impacts were considerable when present.

- To close the skills gap, most organizations (62%) had trained and hired to build digital capacity in the past year. Individuals commonly used free, online resources to upskill, on their own time or through work. Free resources (e.g., online training and webinars), were most popular. Paid resources (training, consultants, and conferences) were used less often.

- Respondents perceived expert support, paid training, and peer learning as the most useful capacity-building measures; 83% found working with a digital agency or consultancy extremely or very useful. However, such paid resources were among the least accessed due to cost constraints, revealing a mismatch between usefulness and accessibility.

- Respondents showed interest in free resources for advancing organizational digital capacity, with most very or extremely interested in free training

sessions, courses, and bootcamps. Other popular free options included funder guidance, webinars, peer learning, online communities, and workshops. Despite recognizing their higher utility, respondents were less interested in paid options due to cost constraints. Individuals noted that more advanced users benefitted from self-serve and less advanced users preferred structured training.

- Interviewees described needing better resources to guide their efforts to improve digital skills through hiring and training. Despite awareness of training options and the need for greater expertise, many struggled to navigate the support ecosystem. Leadership staff shared a need for tools to assess candidates' digital skills; frontline staff had difficulty identifying learning tools that fit their roles. Some felt overwhelmed when selecting training options and expressed a general lack of awareness about available programs.

- In pursuing training and hiring staff to support organizational capacity, respondents highlighted both financial and resource constraints as well as uncertainty about how to proceed. Managers reported time- and cost-related challenges in upskilling and training. Those hiring for digital roles faced difficulties meeting salary expectations and finding adequate training and suitable personnel. Interviews revealed that leadership-level skill gaps could hinder organizational growth and deprioritize digital capacity investments.

- Most managers noted challenges in applying for digital skill-related grants, including finding relevant grants addressing specific needs, defining needs for grants, and completing applications. Interviewees cited time constraints and competing priorities as application barriers. Interviewees found few funding opportunities for internal tech costs.

- Organizations benefitted most from tailored training that addressed varied skill levels. Self-directed learning and 'learning by doing' were viewed as highly effective, especially for those using digital tools regularly. Staff with lower digital skills required more structured training and personalized assistance.

Summary and recommendations

Gaps in digital skills significantly hinder nonprofits' abilities to serve clients effectively and achieve their missions. Such gaps impact service quality, reach, efficiency, and innovation. Financial constraints create mismatches between needs and responses, preventing access to valuable paid resources and training. Navigation challenges—e.g., initiating upskilling and selecting appropriate training or new hires—are the most substantial non-financial barriers, further complicating efforts to bridge the skills divide.

In the next phase of the **Futureproofing** project, we will co-design scalable talent models with our sector partners. Based on our research, we recommend:

- developing low-cost, targeted guidance to help nonprofits navigate training options and implement digital strategies;
- focusing on high-impact, basic and data-focused digital skills, with interventions tailored to organizational needs; and
- creating scalable yet flexible solutions that balance common challenges with individual organizational contexts.

These recommendations can help address financial constraints, prioritize critical skill areas, and maximize impact across the diverse nonprofit landscape, enhancing the sector's digital capabilities and effectiveness.

Introduction: Assessing the digital skills gap

This report provides insights on **Phase 1** and **Phase 2** of the *Futureproofing the Community Workforce* project: **understanding the current supply and future demand for Digital Skills Plus (DS+)** and **analyzing potential gaps in supply versus demand.**

The Dais initiated **Phase 1** with two reports on the supply and demand for DS+ in Canada's nonprofit sector. In *Canada's Nonprofit Tech Workforce*, the Dais analyzed 2021 Canadian census data to evaluate the size and composition of the tech workforce within the nonprofit sector, identifying 'tech workers' based on the skills, activities, and knowledge areas required for their occupations. In *Digital Skills Demand by the Nonprofit Sector,* the Dais used job posting data from 2023 to assess the demand for DS+ in different roles at nonprofits and compared this demand to other knowledge-sector jobs.

About this report

This report adds to this work by building an understanding of which skills are *most important* for the Canadian nonprofit sector and which skills are *missing*, directly from the perspective of frontline managers and staff. While stakeholders across the sector perceive a gap between the DS+ skills workers have and the DS+ needed, major questions remain around the nature of this gap and the most promising strategies for closing it. By more specifically identifying and understanding the most critical DS+ gaps to address, as well as existing strategies to bridge them, this report sets the stage for targeted solutions that will be explored and tested in **Phase 3** of the project.

Our research was guided by the following questions:

1. What do we already know about DS+ gaps in the nonprofit workforce and existing approaches to facilitate DS+ development?
2. What DS+ do nonprofit staff need to carry out their missions effectively?
3. What DS+ do nonprofit staff currently *have* and currently *lack*?
4. To what extent have nonprofits attempted to reduce gaps in DS+?
5. What supports do nonprofits need to better address gaps in DS+?

To answer these questions, we carried out an environmental scan, then designed and distributed a survey with the goal of reaching a diverse representation of nonprofits that directly serve individuals and communities across Canada. The survey was supplemented with interviews with nonprofit staff, through which we sought to gain a deeper understanding of their digital needs.

The resulting findings will help inform **Phase 3** of the **Futureproofing** project, focused on **co-designing and rapidly testing solutions to close this skills gap**.

Box 1: Developing a Digital Skills Plus framework

As outlined in the **Project overview**, the **Futureproofing** project focuses on Digital Skills Plus (DS+), a set of skills encompassing digital as well as adjacent skills often deployed with digital tools, including communication, creativity, innovation, adaptability, and problem-solving skills.

While the project aims to develop solutions that support DS+ capacity-building in the nonprofit sector, it is important to acknowledge that DS+ represents a new approach to skills categorization and must be formally defined. The analysis from this report is intended to serve as an input to a finalized DS+ framework as part of **Phase 3** of the project.

Since this report provides data and analysis to support the development of the DS+ framework, it relies on more commonly understood definitions of "digital skills," drawn from existing literature and surveys. This ensured that survey respondents were likely to understand the skills being discussed without extensive explanation. It also ensures we do not constrain our definition of digital skills before the DS+ framework is fully developed.

Environmental scan

In the first phase of research for this report, we reviewed available literature on digital skills in the nonprofit sector to answer our first research question: **what do we already know about digital skills gaps and existing approaches to facilitate their development?**

In response, we posed the following questions:

1. What digital skills are important for the nonprofit sector in Canada?

2. What is the extent of the digital skills gaps in Canada's nonprofit sector?
   - What are the causes of these gaps?
   - Which specific skills gaps are most urgent to address?

3. What interventions have been used to develop digital skills in Canada's nonprofit sector?

Exploring these questions informed the design of our survey to ensure it addresses our most important knowledge gaps, especially those relevant to the design work in **Phase 3**. Our scan considered research from both the nonprofit sector and academics and reviewed existing initiatives, with a focus on Canadian-based research. Works included are cited in Appendix A.

1. What digital skills are important for the nonprofit sector in Canada?

Our research indicated two categories of digital skills that are relevant for the Canadian nonprofit sector: the use of software for day-to-day operational needs and more specific technical skills related to individual organizational needs (Edwards, 2022; CanadaHelps, 2021 and 2023b; Amar & Ramsay, 2023).

Across existing Canadian research on the nonprofit sector, digital skills are generally framed as competencies in using software. General office operational

software (defined as software for documents, files, emails, storage, and cloud back-up in the CanadaHelps 2021 *Digital Skills Survey*) are used almost universally across nonprofits and are generally cited as the most important digital tools for their workers to be able to use. Nonprofits are also very likely to cite skills in using financial reporting software and effective online collaboration as core competencies that are important for their work.

Beyond capacities in these common software categories, many nonprofits cite specific skillsets that are important but not as universally needed or widespread across the sector, including skills in using digital fundraising software, data management skills, and cybersecurity expertise.

2. What is the extent of the digital skills gaps in Canada's nonprofit sector?

Across Canada, research indicates that there is a gap between the digital skills that nonprofit service organizations *need* and those they currently *have*. The CanadaHelps 2021 *Digital Skills Survey* revealed that 66% of CRA-listed charities viewed the greater use of technology to be important to their organization going forward; the follow-up survey in 2023 found that 60% of charities believed they will find it harder to do their work if they don't improve their digital capacity. And yet, in 2023, only 14% of surveyed charities claimed to be well on their way to having a digital strategy and staff dedicated to digital work, and 47% did not have the knowledge and expertise to improve their use of digital tools.

2.1. What are the causes of these gaps?

Research suggests that the digital skills gap in Canadian nonprofits is driven by lack of time, resources, funding, and increased societal changes due to technological advancements and the COVID-19 pandemic (CanadaHelps, 2021 and 2023b; Imagine Canada, 2022 and n.d.).

Although nonprofits recognize that developing and adopting digital skills will increase the efficiency of their work, doing so may compete for their attention and resources. In the 2021 CanadaHelps survey, 70% of organizations had higher priorities for their budgets than improving their digital capabilities, and 40% reported being too busy to understand and/or consider newer software and digital tools.

The COVID-19 pandemic increased the need for technology and put greater pressure on nonprofits to adopt technological solutions, and often in a rushed

environment. During the pandemic, "online donations skyrocketed as large numbers of charities ... adopted or expanded their use of digital tools"; in essence, "the pandemic [became] a catalyst for digital adoption" (CanadaHelps, 2021). Nevertheless, the pandemic also "led to severe service reductions and massive funding losses for charities across the country" (CanadaHelps, 2021). According to a 2023 *Giving Report*, 57% of charities were unable to meet current demands for service (CanadaHelps, 2023a).

More broadly, nonprofits face challenges in keeping pace with rapidly advancing technology. For example, while generative AI poses both opportunities and challenges for Canada's economy, nonprofits lag behind private-sector businesses in early adoption. As of 2024, 9.5% of private businesses reported using generative AI compared to 4.8% of nonprofits (Statistics Canada, 2024).

2.2. Which specific skills gaps are most urgent for Canadian nonprofits to address?

Drilling down to more specific skills, the 2021 CanadaHelps survey suggests that surveyed CRA charities may have skills gaps in "basically every software that's not related to general office operations and financial reporting."

When assessing their organizational skills, only 25% of the respondents to the CanadaHelps survey indicated that their organization's knowledge and skills with general office operational software was "very good"; similarly, 26% rated their organization's knowledge and skills of financial reporting software as "very good."

Skill ratings were lower for all other digital skills respondents were asked about, and charities rated the following skills "good" or "very good" the least often:

- Person-to-Person Fundraising Software (7%)
- Digital Accessibility and Inclusion Software (8%)
- Impact Reporting/Research/Data Management Software (10%)
- Search Engine Optimization (SEO) Software (11%)
- Collaboration/Project Management Software (13%)
- Customer Relationship Management (CRM)/Donor Management Systems (DMS) (13%)

Managers also require specific skills to champion digital development. A summary of perspectives from nonprofit data leaders articulated three vital functions (and associated skills) that managers need to adopt (Gibson, 2022):

1. **Executive vision.** Managers need to understand the importance and value of digital capacity to be able to support and encourage their organization in its transformation.

2. **Basic digital and data literacy.** Managers need to be able to speak with their teams comfortably and confidently about the data infrastructure-related changes they need.

3. **Facilitating enabling conditions.** In many cases, policy and governance may prevent greater digital adoption. Managers need to help create an environment to support these processes.

3. What interventions have been used to develop digital skills in Canada's nonprofit sector?

We examined current supports for Canadian nonprofits to ensure that our analysis and future research engaged with the products, services, and resources that already exist. The supports we found fell into three broad categories:

1. **Professional services** specifically targeting digitally ambitious nonprofits and grant-makers.

2. **Toolkits**, or curated packages of resources, including organizational self-assessments, glossaries of key terms, best practices, and generalizable standards.

3. **Self-serve remote learning courses** for individual leaders and staff members looking to increase their impact with enhanced digital skills.

Professional services

Table 1 lists three prominent organizations that support digital skills in nonprofits by directly offering relevant, strategic advisory and/or capacity building services. PolicyWise and The Human Stack operate on a fee-for-service model while MakeWay centralizes its partners' administrative functions before connecting them to a community of practice and targeted expert support. While others provide supports of this nature, these organizations are exemplary in the sense that digital capacity forms the core of their business identity.

Table 1: Examples of professional services for nonprofit digital skills

Provider Organization	Description
PolicyWise	This Alberta-based company provides bespoke research and evaluation, capacity building, and strategic advisory services to Canadian nonprofits and funders.
The Human Stack	This company provides human-centred capacity building and advisory services to Canadian and American nonprofit staff and leadership.
MakeWay (formerly Tides Canada)	MakeWay offers small nonprofits membership in a structure it calls a "Shared Platform." When a nonprofit joins the platform, MakeWay takes on many of the organization's administrative functions and provides informal yet expert support for a wide range of challenges.

Toolkits

Table 2 lists commonly cited data and digital skills toolkits designed specifically for nonprofit workers. Taken together, these toolkits provide an accessible orientation to the language and concepts used to discuss data in the sector. Excepting PolicyWise's Demographic Datapedia and some of NetHope's toolkit entries, however, their contents are relatively broad and do not focus on specific, implementable recommendations.

Table 2: Examples of toolkits for nonprofit workers

Toolkit	Description
NTEN TECH Accelerate	NTEN provides an assessment tool and benchmarks to help nonprofits determine their technology adoption, practices, and policies across four areas: engagement, infrastructure, leadership, and organization.
PolicyWise Data Lifecycle and Demographic Datapedia	Designed as a conceptual introduction, PolicyWise's Data Lifecycle offers readers an overview of key concepts and best practices in data collection, management, and analysis. Their Demographic Datapedia provides a library of survey questions for collecting demographic information about participants.
Ontario Nonprofit Network (ONN) 101 Resources	ONN's 101 resources include a glossary of terms and a curated list of ONN publications and external links. The contents are assembled with the goal of empowering nonprofit workers to participate meaningfully in conversations about data by orienting them to relevant terminology and highlighting key features of best practices.
NetHope Toolkits	In their publicly available toolkit library, NetHope publishes a variety of instructional materials, ranging from high-level primers on subjects like data and cybersecurity to relatively detailed instructions on subjects, such as designing a data governance framework and using Microsoft's Office suite of programs.

Self-serve remote learning courses

Table 3 highlights examples of self-serve remote learning courses designed to build the digital skills of nonprofit workers. With few exceptions, these courses are delivered in Massive Open Online Course (MOOC) format, permitting asynchronous access to materials (readings and lectures) and completion of assessments.

Aside from the free courses in the NetHope Leadership Skills for a Digital Age program, enrolment fees are high for MOOC-style learning, with costs comparable to all-you-can-learn subscriptions to domain-agnostic platforms like Coursera ($399 USD/year) or edX ($349 USD/year).

Table 3: Examples of self-serve remote learning courses

Name	Description
NetHope Digital Leadership Institute	The DLI's flagship program, Leadership Skills for a Digital Age, promises to equip learners with the skills needed to navigate digital transformations under the specific constraints and challenges inherent to the nonprofit sector. The second and third of the three courses in the program screen for confirmed completion of the first 'foundational' course, which is freely available on Kaya, a domain-oriented MOOC platform owned by the Humanitarian Leadership Academy.
TechSoup Course Catalog	Apart from offering discounted software licenses, TechSoup hosts a range of digital skills 'tracks,' with topics ranging from data management and analysis to fundraising and social media marketing. Each track brings learners through a series of relevant courses. Among the tracks examined, the cost to enrol ranged between $70 and $200 USD, listing estimated learning times between four and 22 hours.
NTEN Certificates	NTEN currently offers two professional certificates in Nonprofit Technology and Digital Equity. Each includes 13 NTEN courses, and enrolment costs $2,000 USD. These certificates aren't broadly recognized but can, according to NTEN, contribute credits to the Certified Fundraising Executive (CFRE) program administered by CFRE International and/or the Certified Association Executive program, administered by the Center for Association Leadership. Individual courses are also available for enrolment at a cost of $240 USD.

Learning agenda and methodology

Existing literature provided insights into the importance of digital skills for the nonprofit sector, where and why the sector experiences gaps, and what responses have been tested to build digital skills. However, it does not cover key areas related to the objectives of this project:

- Literature carries a heavy focus on charities, which means that findings may not be representative of the broader nonprofit community service sector (detailed information on what digital skills are most important for charities can be found in recent reports from CanadaHelps). A small majority of nonprofits in Canada are not charities (53%), so research focused on charities does not reflect these organizations (Statistics Canada, 2023).

- Existing research does not provide detailed insight into the perceived magnitude of digital skills gaps or what measures nonprofits prioritize to close them.

- There is also a gap in the literature regarding nonprofit staff's preferences for digital skills upskilling and resources and what constraints they may face in accessing resources.

In response, our learning agenda maps the current state of knowledge on digital skills in the nonprofit sector and outlines questions not fully answered by the environmental scan:

1. **What do we already know about digital skills gaps in the nonprofit workforce and existing approaches to facilitate their development?** (*covered by the environmental scan*)

2. **What digital skills do nonprofit staff need to carry out their missions effectively?**

    a) How important are digital skills for nonprofits, and which are seen as most important?

b) How does the presence or absence of these skills affect the sector's ability to achieve its goals?

3. What digital skills do nonprofit staff currently *have* and currently *lack*?

a) Which gaps are the most pressing or important to address, and why?

4. How have nonprofits tried to close the digital skills gap?

a) What did these efforts include?

b) What worked well?

c) Where is there room for improvement and innovation?

5. What supports do nonprofits need to better address gaps in digital skills?

a) Are there barriers that may prevent access to digital skills development?

b) Are there enablers that may facilitate access to digital skills development?

Methodology

We employed a mixed-methods approach, using quantitative data collected from a digital survey and qualitative data collected from a focus group and interviews. For both, we targeted individuals working for Canadian community nonprofits that provide direct services to people and households. This definition excludes government nonprofits and business nonprofits.[1]

To distribute the survey widely and recruit respondents, **Futureproofing** partners conducted outreach via social media channels and newsletters.

Data collection: Survey design

All questions were optional and were divided into five sections:

1. **About you** included questions about the respondent, including a screening question to ensure they worked at a community nonprofit.

2. **Organization details** included questions about the respondent's place of work.

3. **Digital skills in your organization** included questions about the respondent's organization's general and specific digital skill levels and their importance within that organization.

4. **Digital skills training** included questions regarding the respondent's personal experiences with digital skills training, as well as organizational challenges and goals of digital skills training.

5. **Resourcing of digital skills (for management-level respondents only)** included questions about who was responsible for digital strategy at the organization, how the organization has attempted to increase digital skills through hiring, training, and grants, and any challenges they faced when doing so.

Since this research was also intended to serve as an input to developing a formal DS+ framework in **Phase 3** of the project, we did not develop a specific DS+ framework and instead considered existing approaches that captured a wide variety of skills relevant to the nonprofit context. Specifically, we drew

1 See Statistics Canada. These classifications adhere to standards in the *United Nations Handbook of Satellite Accounts on Non-profit and Related Institutions and Volunteer Work*, which defines three categories of nonprofits as follows: "Community non-profits institutions include organizations engaged, for example, in social services, advocacy or sports and recreation. These make up the 'non-profit institutions serving households' sector in standard macroeconomic measures … Business non-profits institutions include, for example, business associations, chambers of commerce and condominium associations. These are classified to the business sector in standard measures … [and] Government non-profits institutions include hospitals, some residential care facilities, universities and colleges. These are classified to the government sector in standard measures."

on a modified version of the list of skills from the *Charity Digital Skills Report* (Amar & Ramsay, 2023) as a common reference point (see **Box 2**). We also drew from the Canada Helps 2021 *Digital Skills Survey* (Canada Helps, 2021) regarding measures of digital skills use and the goals of digital skills training. Since we did not find suitable questions regarding digital skills interventions and their utility in our environmental scan, we developed new questions to support answering research questions three and four.

Box 2: Skill categories

In this brief, we report on 12 categories of digital skills:

- Basic digital skills (e.g., email, text documents)
- Remote working/Collaboration (e.g., video calling, collaborating online)
- Collecting, managing, and analyzing data
- Using data to inform decision-making and strategy
- Use of digital tools in service delivery (e.g., case management software, learning management systems)
- Email marketing
- Social media
- SEO (Search Engine Optimization) and advertising
- Online fundraising/donations
- Online retail
- Privacy and data security
- Artificial Intelligence tools (e.g., generative AI or language models to support writing or content creation, or machine learning models to support object classification)

Data collection: Survey fielding

The online survey was distributed between February 12 and March 30, 2024, and was available in both English and French. Responses were anonymous to preserve privacy and encourage candidness. Sampling for interviews was conducted on a rolling basis according to survey responses.

Our survey reached 284 respondents, representing nonprofit organizations across Canada. While we received 411 completed responses, we filtered out 136 completed surveys due to:

- duplicate responses (8),
- responses from nonprofits that were not community nonprofit organizations (127), and
- responses indicating that most of their organization's staff and offices were based outside of Canada (10).

Overall, most of our survey respondents were organizational leaders: 77% were managers or above while 11% were frontline staff and 12% identified as administrative staff. Respondents worked in several areas, with social services as the most common (36%) followed by education (28%), women (28%), and mental health (27%).

Most worked at small nonprofits, with 65% working at organizations employing 0–25 staff, though 35% worked at nonprofits employing 26 staff or more. The geographic distribution of respondents leaned towards larger provinces, with 38% representing Ontario-based organizations, a further 31% representing organizations from Alberta, Quebec, or British Columbia, and 17% representing Canada-wide organizations. Further details on the distribution of roles of respondents, geographic locations and sizes of their organizations, and areas of focus can be found in Appendix B.

Data collection: Interviews and focus group

Contact information was collected from respondents who volunteered to participate in an interview or focus group and kept separately from analysis. Between March 8 and April 5, 2024, we conducted 11 one-on-one interviews and held one focus group (n=3). Interviews sought to engage managers and frontline staff in discussions regarding the state of digital skills within their organizations. Conversations were 60 minutes and held over Zoom. For our focus group, we sought to engage directors and CEOs, with a focus on those who rated their own digital skills levels at or below a 3 out of 5 in the survey, to gain insights into the challenges faced by organizations when their leadership

struggled with digital integration. The focus group discussion was 90 minutes and was also held over Zoom.

Interviewees had role experience between 1.5 years and 10 years and experience in the nonprofit sector between four and 35 years. Interview respondents followed a similar geographic distribution as survey respondents, with most representing organizations from Ontario, Alberta, Quebec, British Columbia, or pan-Canadian organizations.

Data limitations

Due to its small size and lack of random sampling procedure, our sample is not representative of the entire population of community service nonprofits in Canada. Sampling for interviews was conducted using survey responses; those who consented to interviews generally held higher levels of digital skills than our overall sample. We sought complementary perspectives in our focus group by specifically targeting individuals who ranked their digital skills lower overall.

Data analysis

Our analysis draws on both quantitative and qualitative data. Descriptive statistics for all questions were presented alongside qualitative analysis from the 11 interviews and focus group. Our analysis of the survey data combines responses from all respondents, but we consider two subgroups where relevant:

Frontline staff, management, and other staff: For some analyses, we present the responses of frontline staff separately from managers and those who held other positions, such as IT or support staff.

Organization-level vs. individual-level: Some survey questions focused on organization-level outcomes, particularly whether the nonprofits pursued any digital skills development initiatives and whether they hired anyone to address digital skills gaps. These questions were posed only to managers, as they were expected to have more accurate information about organization-level initiatives and their implementation. Otherwise, survey questions inquired about individual perceptions and experiences related to digital skills and were posed to all respondents.

Key learnings

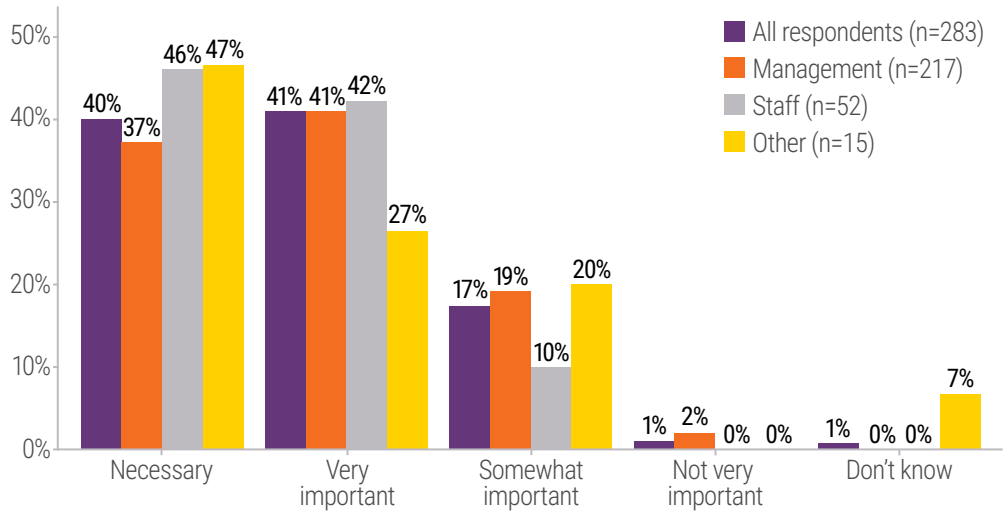
What digital skills do nonprofit staff need to carry out their organizations' missions effectively?

Our first set of findings outlines what we heard about *how important* nonprofit staff think digital skills are to their organizations, what digital skills are *most important*, and what *impact* digital skills have on staff's *ability to achieve their goals*. This provides a map of what digital skills are priorities in nonprofits and sets us up to consider where there may be gaps between the digital skills nonprofits need and the skills their staff have.

How important are digital skills for nonprofits, and which are seen as most important?

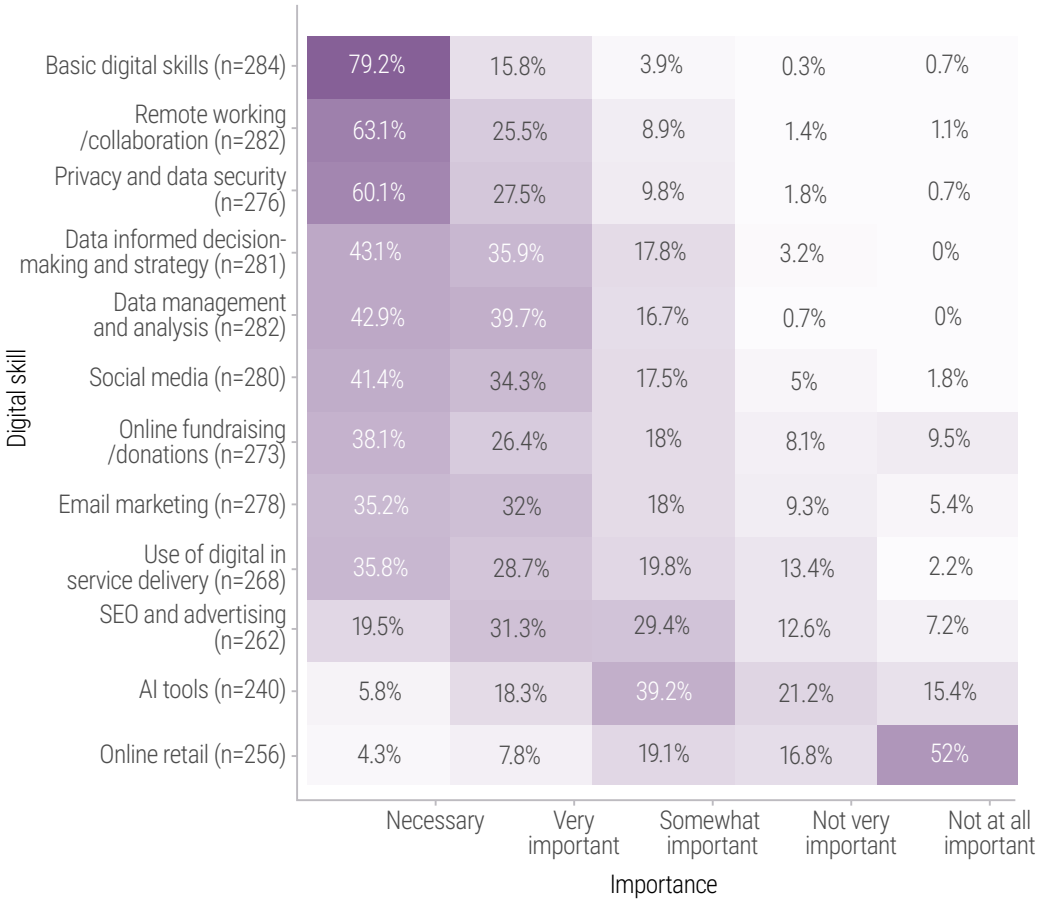
Digital skills are almost universally seen as important by respondents. The majority of both managers and frontline workers viewed digital skills as being critical to their organization, with **81%** indicating that they were either "very important" or "necessary" to the achievement of their organization's mission and day-to-day work. **Figure 1** shows the range of responses to the question of importance, divided by management, frontline staff, and other workers.

Figure 1: Importance of digital skills to organizational mission and day-to-day work, by respondent role type



Respondents viewed basic digital skills, remote collaboration, and data management as most critical. Survey respondents indicated that basic digital skills were most critical for their organizations, with **95%** of respondents describing them as "necessary" or "very important." The next most important skills were remote work and collaboration (with **89%** indicating they were "necessary" or "very important"), privacy and data security (**88%**), data management and analysis (**82%**), and using data to inform decision-making and strategy (**79%**). AI tools and online retail were rated by a minority of respondents as "necessary" or "very important" (**24%** and **12%**, respectively). **Figure 2** shows the levels of importance given to our 12 digital skills categories by respondents.

Figure 2: Importance of specific digital skills



How do these skills affect the sector's ability to achieve its goals?

Beyond the levels of importance that nonprofit staff place on different digital skills, we also sought an understanding of *why* they consider them important—in other words, what these individuals felt digital skills were most important for achieving. Insight into importance and function can help us consider responses that support these functions in **Phase 3.**

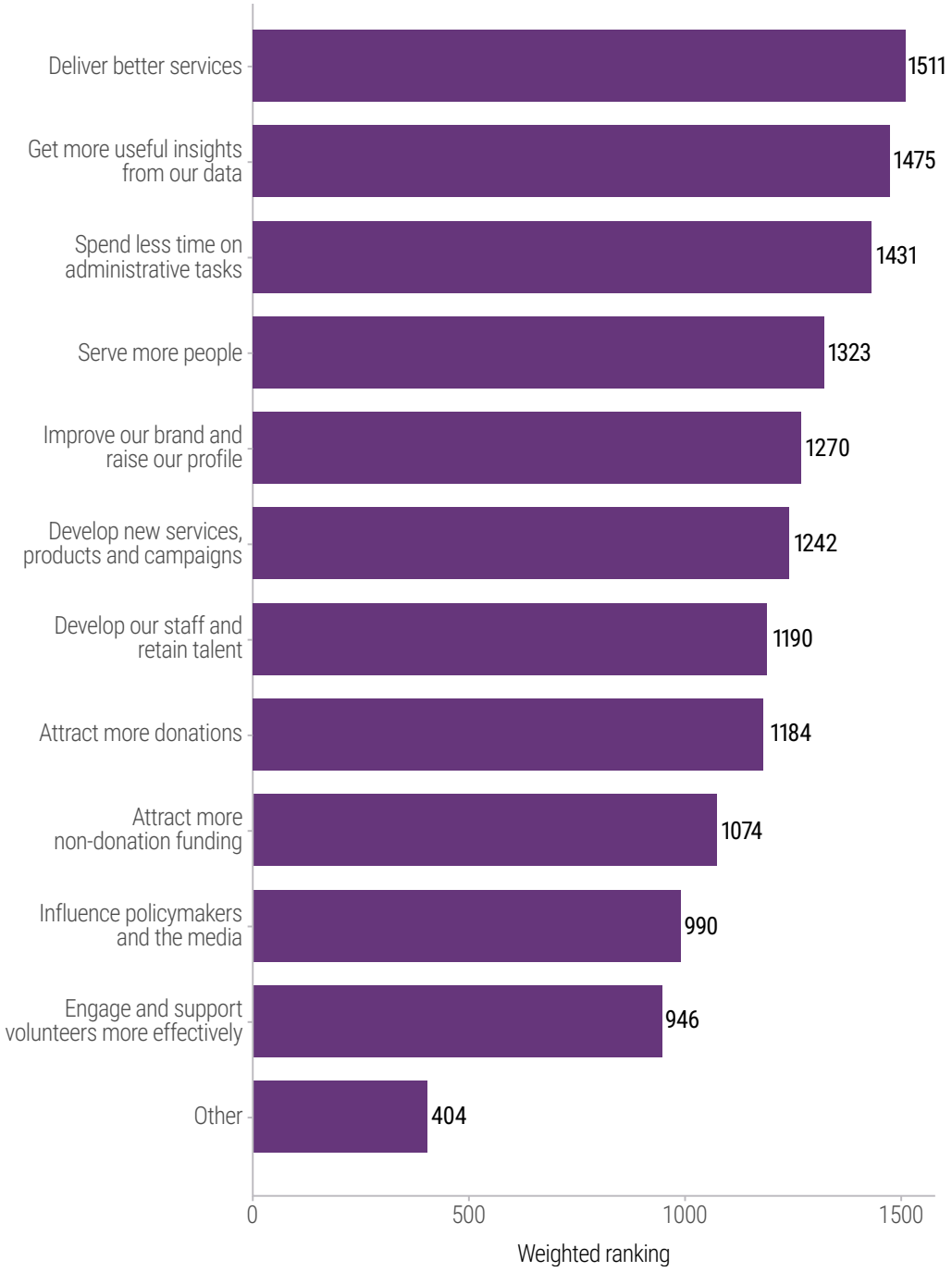
Respondents ranked the organizational improvements they believed better digital skills could achieve. Results are shown in **Figure 3** (below), which shows which digital skills were most highly ranked by respondents (a higher weighted ranking indicates that the skill was more likely to be at the top of participants' rankings). The highest-ranked goal was delivering better services, followed by getting more useful insights from data and reducing time spent on administrative tasks. Additionally, respondents valued digital skills for serving more clients, building their brand, and developing new services.

Box 3: Weighted ranking

A weighted ranking, as used in Figure 3, assigns a certain number of points to each option based on its position in a ranking. The higher an option is ranked by a respondent; the more points are assigned to it. In Figure 3, which has 12 options, an option gets assigned 12 points every time it is ranked first by a respondent, 11 points every time it is ranked second, and so on, down to one point for being ranked twelfth. This system allows us to combine individual rankings into one overall ranking by assigning more weight to higher-ranked options.

The x-axis labeled weighted ranking represents the sum of points each option accumulated across all survey respondent rankings. The higher the total points an option received, the further its position on the x-axis, indicating its overall importance according to survey respondents.

Figure 3: Ranked importance of desired organizational outcomes of improved digital skills (n=180)



What digital skills do nonprofit staff currently *have* and currently *lack*?

In addition to gaining a better understanding of what digital skills respondents viewed as most important, we considered the supply and demand of these skills within nonprofits.

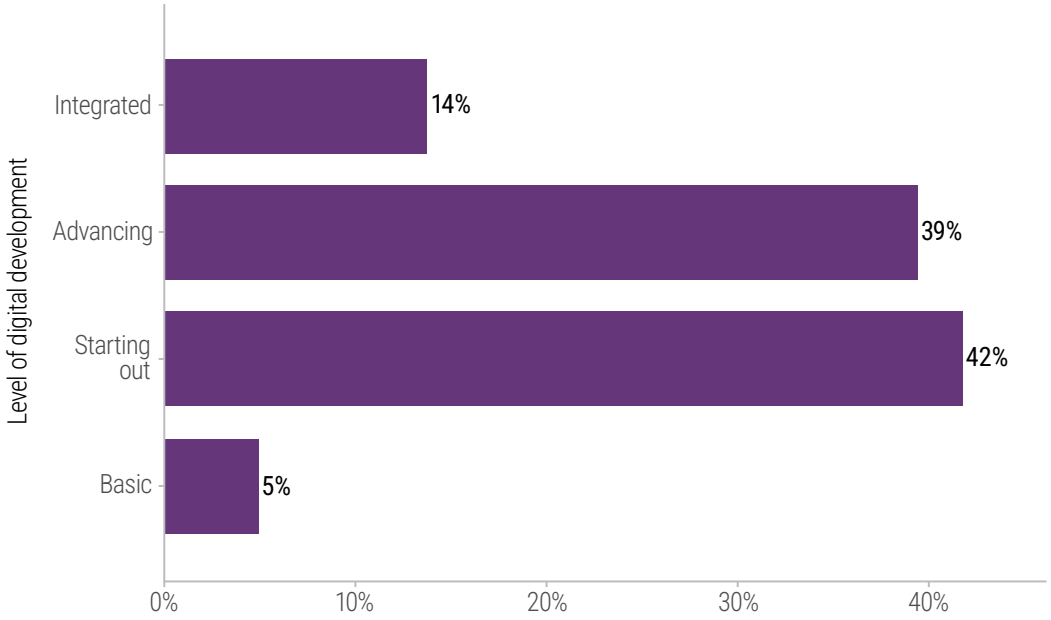
Most respondents viewed their organizations as being in the early or middle phases of digital development. When asked about their organizational level of digital development, **47%** of respondents indicated that their organization was at a "basic" or "starting out" level. **Thirty-nine percent** believed their organization to be "advancing" and just **14%** believed that digital skills were fully integrated in their organizations. Proportions of self-rated development levels are presented in **Figure 4**, below. For our definitions of various levels of skill development, see **Box 4**.

Box 4: Skill development definitions

Respondents were offered the following definitions for assessing their organization's level of digital development. This categorization was drawn from the *Charity Digital Skills Report* 2023 (Amar & Ramsay, 2023). It provides a holistic assessment of a nonprofit's digital development that correlates with more specific digital skill and adoption indicators, making it a useful categorization tool for overall digital skills levels.

- **Basic:** We use digital tools only as necessary to function and are not comfortable with them.
- **Starting out:** We are developing our knowledge and use of digital tools across the organization, but we do not yet have a strategy.
- **Advancing:** We are developing or have developed a digital strategy; we are investing in technology and developing our skills.
- **Integrated:** Digital is integral to our organizational strategy and embedded in everything we do.

Figure 4: Self-rated digital development levels of organizations (n=284)



Which gaps are the most pressing or important to address, and why?

To determine which digital skills gaps are particularly urgent to address, we sought to identify which skills show a significant gap between competency and need (i.e., where need has been identified as significant, but the level of competency remains low).

While basic digital skills and remote working skills were seen as well-developed, there were greater gaps between needs and current skillsets for data-related skills. To illustrate potential gaps, **Figure 5** (below) presents two different indicators for each skill:

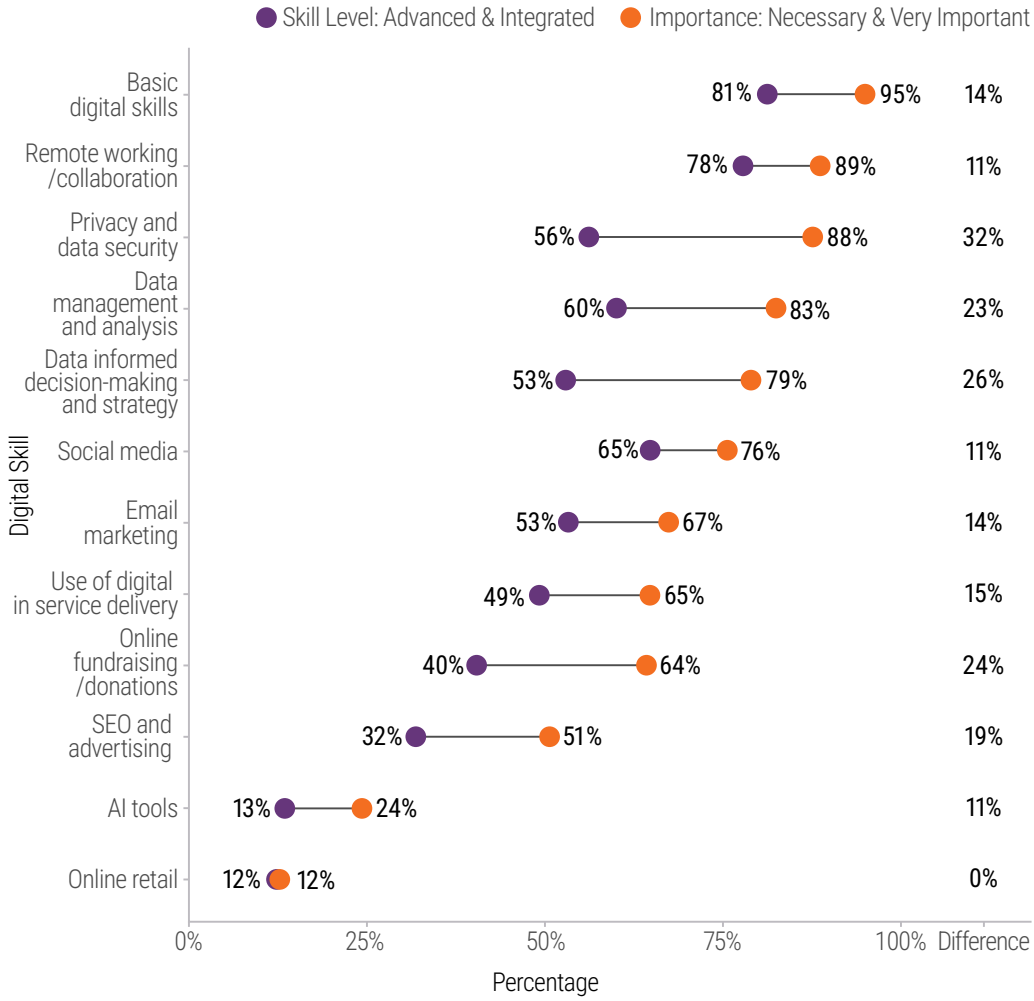
- First, it presents the proportion of respondents who indicated that their organization had developed a strategy and/or was investing in developing each skill ("advancing") or who indicated that the skill was embedded in their organization's strategy ("integrated"). This indicator gives us a general assessment of whether the respondent believed their organization had a high level of skill in this area.

- Second, it presents the proportion of respondents who indicated that the skill was very important or necessary to their work and to their organization.

By comparing these two indicators, we can better understand where the largest gaps are between digital skill levels and perceived importance for each skill. While the absolute differences should be compared with caution (these

indicators are not measuring the same item), they do provide useful insights into the relative size of the gap for different skills.

Figure 5: Percentage of respondents who rated skills as necessary/very important, proportion who viewed their organization as advancing/integrated in that skill, and the difference between these two ratings*



*See Appendix C for a detailed data table.

Respondents indicated high levels of basic digital skills and remote working skills, with **81%** and **78%** of each skill area respectively rated as "advancing" or "integrated." However, for all skills except online retail, respondents were more likely to think the skill was important than they were to think their organization had high levels of competency in it.

This gap was most pronounced for privacy and data security, where **88%** of respondents rated the skill as "necessary" or "very important," but only **56%** indicated their organization was "advancing" or "fully integrated" in this domain: this represents a gap of **32 percentage points**. Several interviewees

were concerned about the possibility of data breaches and felt that their organizations did not possess the necessary skills to ensure data security. These interviewees also felt that staff at their organizations did not prioritize data security.

Other gaps between importance and organizational skill level were also reported: data management and analysis had a **23 percentage-point** gap and data informed decision-making and strategy had a **26 percentage-point** gap.

In interviews, staff who described their organization as having lower levels of digital skills overall also described their organization as struggling to build foundational levels of data collection skills, including around standardizing data collection and record keeping. Conversely, staff who described their organization as having higher levels of digital skills overall reported a more specific range of desired improvements. For instance, they felt that with increased data capacity, they could improve their ability to analyze data for reporting.

Several interviewees reported significantly different levels of data literacy across the organization and noted that by reducing this gap, their organizations could build the capacity to use tools important for data collection. Moreover, a few interviewees identified themselves as key providers of digital support or primary drivers of technical skill development, often beyond the scope of their role, due to their higher levels of digital proficiency within their organizations.[2]

Gaps in basic digital skills were rarer, but interviewees indicated their impacts were considerable. While the gap between importance and skill level was smaller for basic digital skills than for other skills (having a **14 percentage-poin**t gap), interview respondents emphasized that when this gap exists, it significantly impacts day-to-day service delivery. Multiple interviewees indicated that basic digital skills gaps can have direct impacts on the effectiveness of day-to-day operations and create a barrier for the integration of more complex digital tools within organizations.

2 The CanadaHelps 2023 survey points to the phenomenon of the "accidental techie": employees whose job descriptions do not formally include data and technology work but who find themselves providing services and support in these areas. CanadaHelps notes that 53% of organizations with less than $1M in revenue were relying on "accidental techies" to leverage digital technologies.

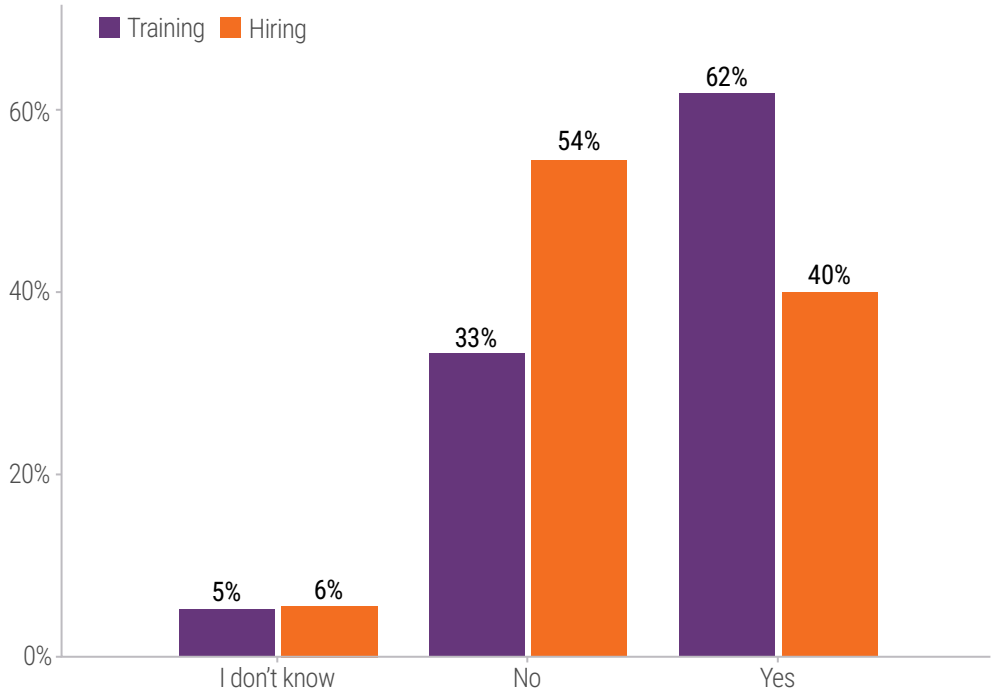
How have nonprofits tried to close the digital skills gap?

Having quantified the skill gaps nonprofits face, we next aimed to understand what interventions they have tried to build staff digital skills and what interventions they perceive as most effective. To build this understanding, we asked whether respondents' organizations pursued training or hiring, whether respondents themselves engaged in any training or accessed resources to improve their digital skills, and how useful different resources were.

What did these efforts include?

Most organizations engaged in training and many hired staff to build digital capacity. To understand organization-level interventions, we asked managers about organization-wide training and hiring. As shown in **Figure 6**, **62%** indicated that their organization had engaged in training in the past year to improve their organization's digital capacity, and **40%** indicated that they had attempted to build capacity directly through hiring.

Figure 6: Proportion of organizations that engaged in training (left) or hiring (right) to increase their digital skills capacity in the past year (n=217)

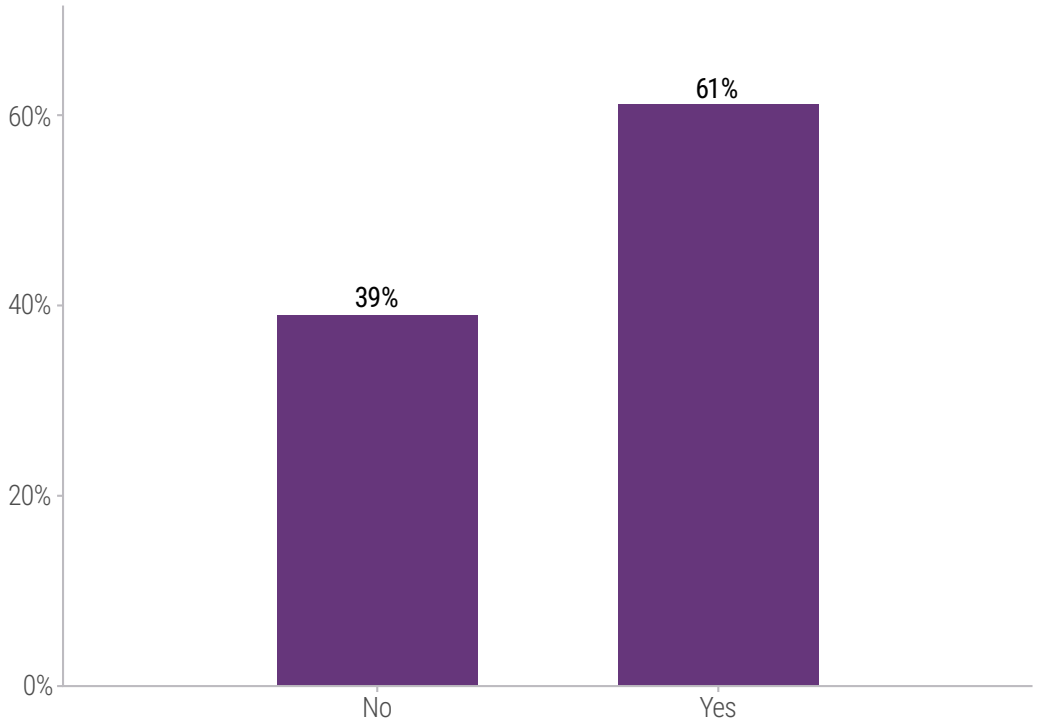


At an individual level, respondents were most likely to use free, online resources. We asked respondents to identify the type of training or resource they had accessed in the past two years from a list of options within three general categories of resources:

- **Free, self-serve resources:** Information or online guidance, webinars, newsletters or blog posts, online communities, and/or social media.
- **Free, structured training:** Free training sessions, peer learning, and/or guidance/support from funders.
- **Paid resources:** Paid training sessions, working with a digital agency or consultancy, and/or conferences or workshops with speakers.

As shown in **Figure 7**, most respondents (**61%**) indicated that they had accessed some resources to build their digital skills on their own time (**29%**) or through their work (**41%**).

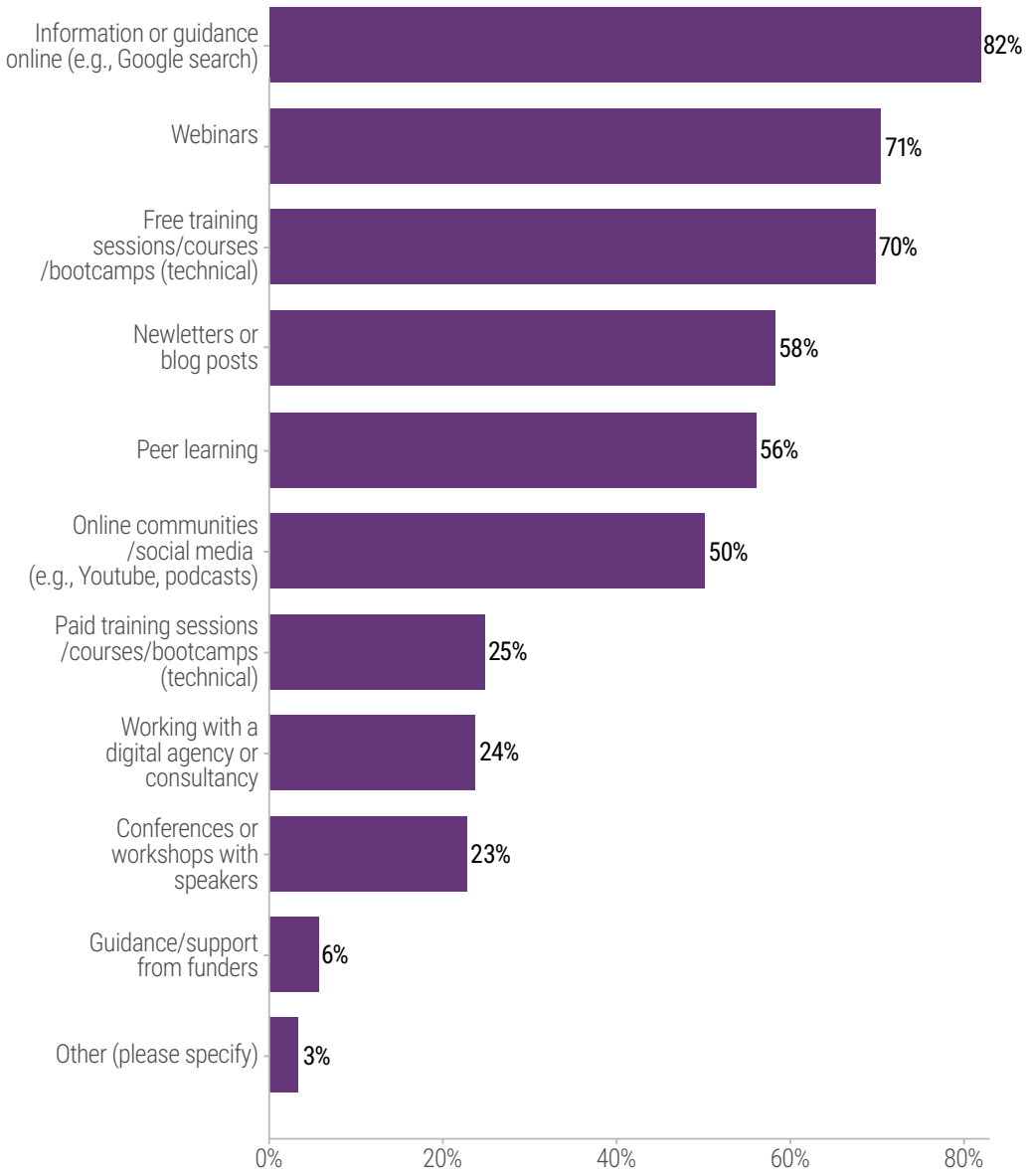
Figure 7: Proportion of individuals that accessed digital skill resources in the past two years (n=283)



*See Appendix C for a detailed data table.

Free resources were most commonly accessed, including both self-serve options and structured training. **Figure 8** shows a full breakdown of resources accessed: **82%** of respondents indicated that they had accessed information or online guidance, **71%** indicated they had accessed webinars, and **70%** indicated they had participated in free training opportunities. Uptake of paid resources was much lower: **25%** had engaged in paid training, **24%** had worked with digital consultants, and **23%** had attended conferences.

Figure 8: Proportion of individuals that accessed different resource types in past two years (n=173)

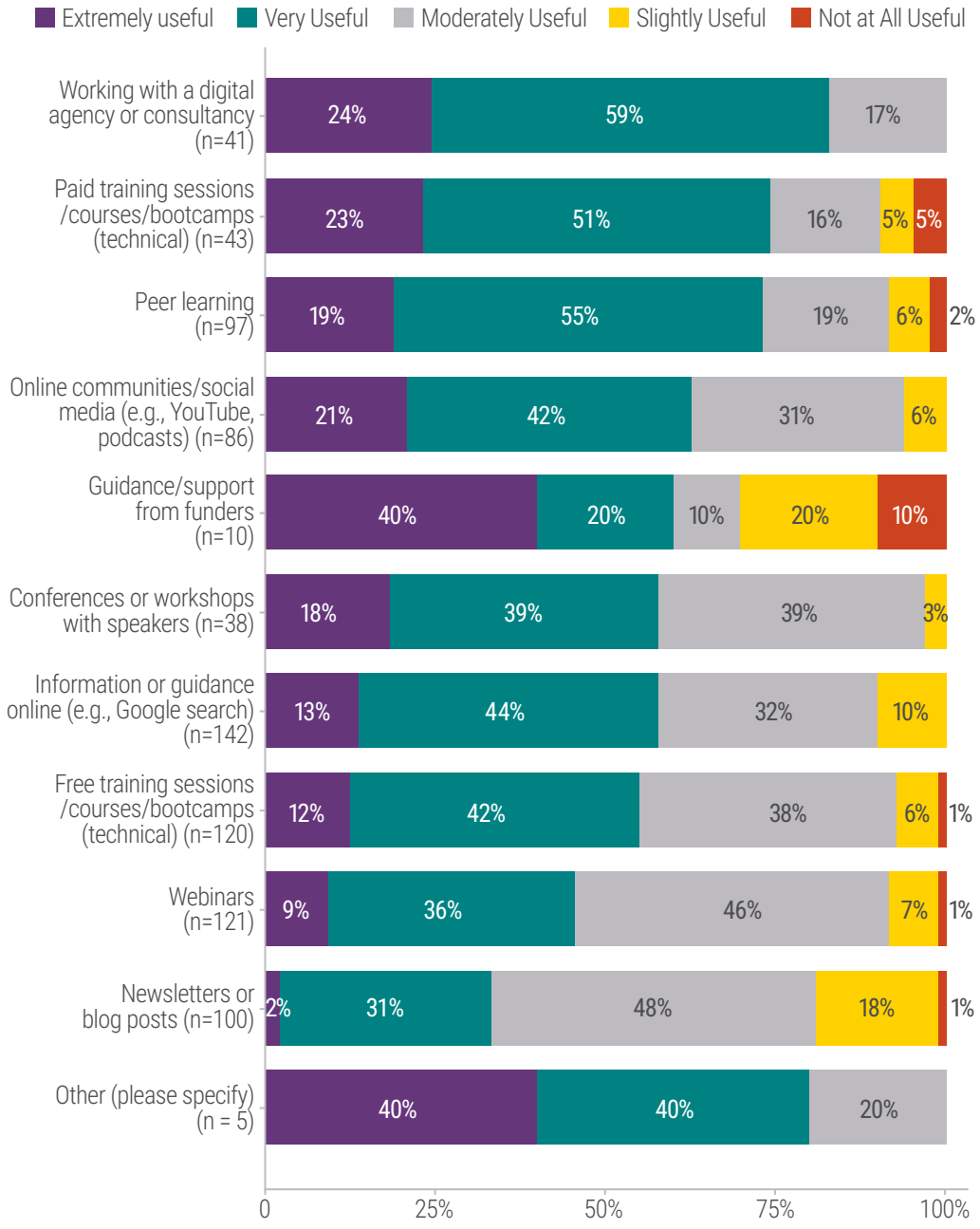


What was most useful?

Expert support, paid training, and peer learning were seen as the most useful capacity-building measures. When asked to identify which training or resources were most useful in developing their digital skills, **83%** of respondents indicated that working with a digital agency or consultancy was "extremely" or "very" useful, followed by **74%** indicating this level of usefulness for paid training and **74%** for peer learning (**Figure 9** provides the full range of responses). Respondents generally agreed that free resources were also useful, though not to the same extent as these three resources.

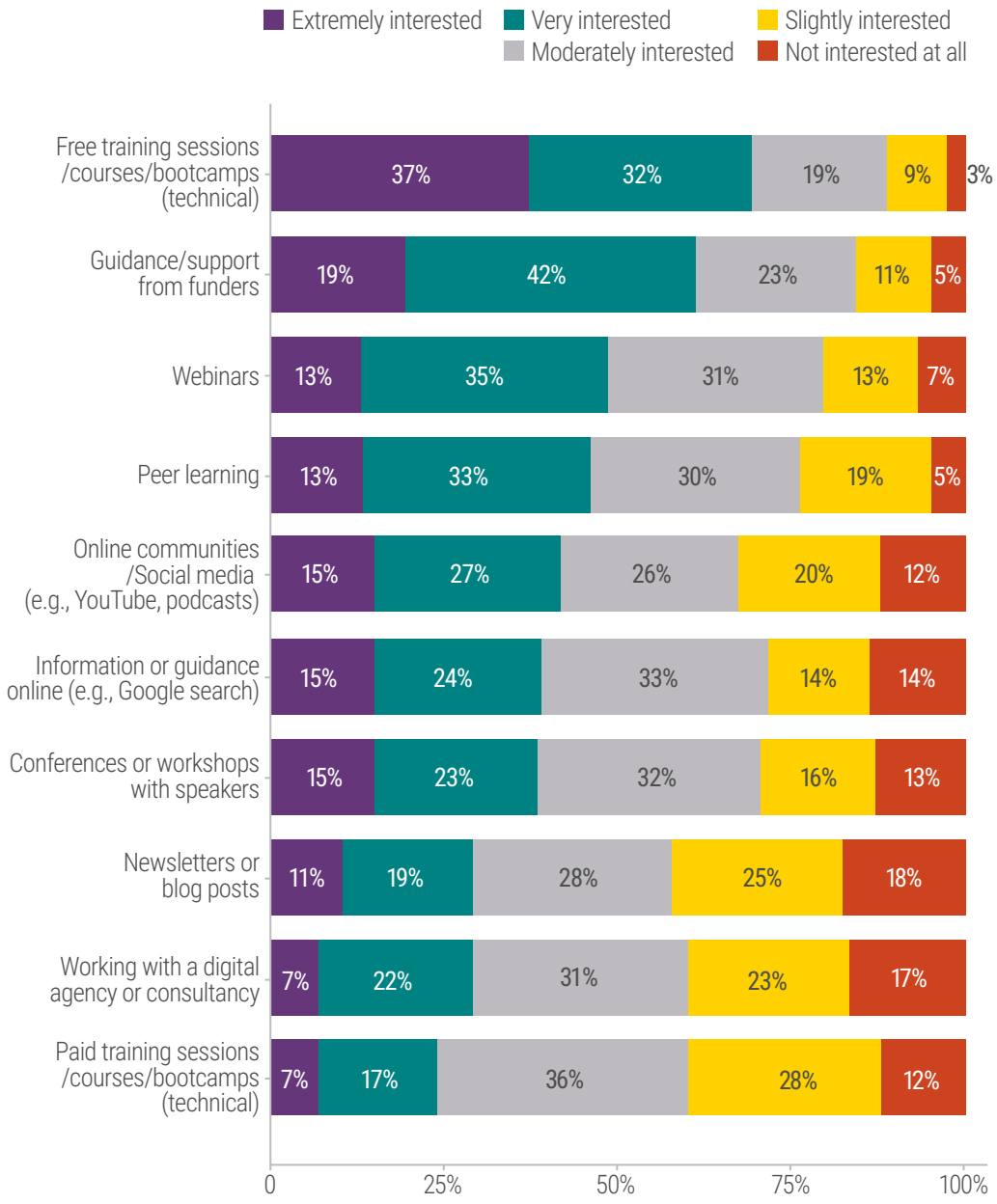
The two *paid* resources among the three most useful options (working with digital agencies and paid training) were among the least accessed resources (as shown above in **Figure 8**). This indicates a potential mismatch between perceived usefulness and accessibility of resources due to cost constraints.

Figure 9: Respondent perceptions of how useful different supports were, among individuals who had accessed that support in the past two years (sample sizes given in figure)



Respondents expressed the most interest in free resources and those provided by funders. When asked to identify which of these measures they were most interested in for advancing their organizations' digital capacity, **69%** indicated that they were "very" or "extremely" interested in free training sessions, courses, or bootcamps. As shown in **Figure 10**, a large proportion were also interested in guidance directly provided by funders (**61%**) and other free options, such as webinars (**48%**), peer learning (**46%**), online communities (**42%**), and workshops (**38%**).

Figure 10: Respondent levels of interest in accessing different supports (n=113)



Respondents' perceptions contrasted with their assessments of the utility of various supports. Respondents expressed much more interest in free options, suggesting that while they viewed more costly options as more useful, they were not interested in them due to their high costs. This pattern was reinforced in interviews: several individuals indicated that their lower interest in paid training was directly driven by cost constraints.

The value of self-serve vs. structured training may depend on individuals' baseline skill levels. Through interviews, many respondents indicated that the value of self-serve training and resources, such as webinars, online communities, and online guidance, was highly dependent on their level of digital skills. Interviewees with more advanced digital skills indicated that they were well-equipped to take advantage of self-serve resources. Those with lower baseline levels spoke to the necessity of structured training in developing them.

Where is there room for improvement and innovation?

Better resources for identifying and navigating available supports could have a positive impact. Multiple interviewees described the need for resources to guide their attempts to improve their digital skills through hiring or training. Despite being aware of the existence of various training options and/or the need to hire individuals with digital expertise, they identified a lack of tools to help effectively navigate the ecosystem of available supports.

For instance, one interviewee in a leadership position expressed the need for resources that could help them assess the digital skills of potential candidates during the hiring process. Others at a frontline staff level struggled to identify learning tools that fit their needs and roles. One respondent felt overwhelmed by the process of selecting training options, and others described a general lack of awareness within their organization about what training programs were available. Across these conversations, we observed a consistent pattern: that better navigation could help nonprofits find and engage in the most relevant digital skills upskilling for their needs.

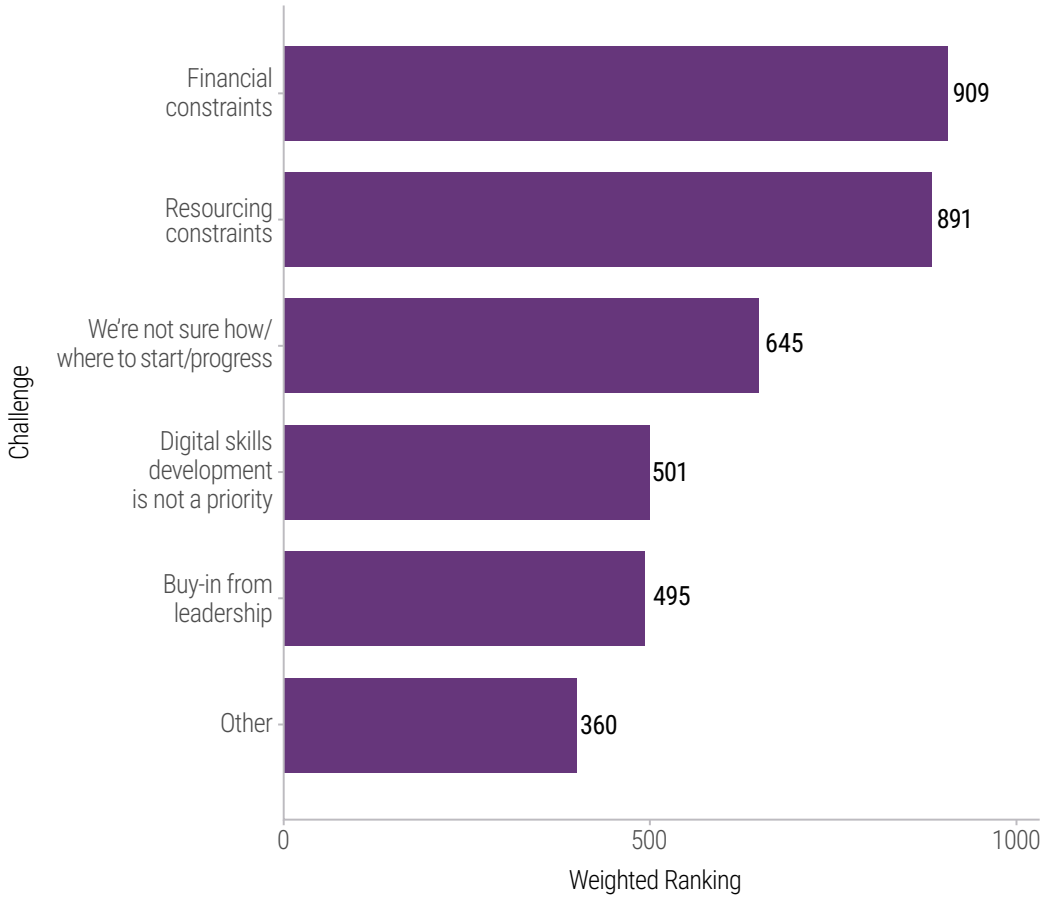
What supports do nonprofits need to better address gaps in digital skills?

Having mapped the types of training and resources that nonprofits and their staff use to close digital skills gaps, we explored barriers and facilitators to accessing those resources. To do this, we asked respondents about the financial and organizational barriers to pursuing both training and hiring they had experienced and what enabling factors might help them and their organizations better identify and access development resources.

Are there barriers that may prevent access to digital skills development?

Financial and resource constraints were seen as the largest barriers to implementing solutions. When asked to rank the challenges they were experiencing in developing organizational digital skills, respondents ranked financial constraints as the greatest challenge, followed by resourcing constraints (as shown in **Figure 11**). The third-highest ranked challenge was uncertainty about how to start or progress, which was also the highest-ranked challenge that was not directly associated with material resources.

Figure 11: Respondent rankings of the greatest challenges faced in pursuing digital skills training (n=181)



In pursuing training and hiring staff to support organizational capacity, respondents highlighted both resource and strategic constraints. We asked manager-level respondents (specifically, those working at organizations that had either pursued training initiatives or hired staff) what challenges they faced in upskilling.

Among respondents whose organizations who had recently accessed training, **66%** indicated that it had been challenging to find time for staff to participate, and **44%** indicated cost as a barrier. Similarly, **47%** of those whose organizations had recently hired new staff to build organizational digital skills indicated that they had challenges meeting salary expectations (see **Figure 12**, below).

Figure 12a: Most commonly cited challenges in training (n=134) among organizations that had pursued training or hiring to increase digital skills capacity in the past year

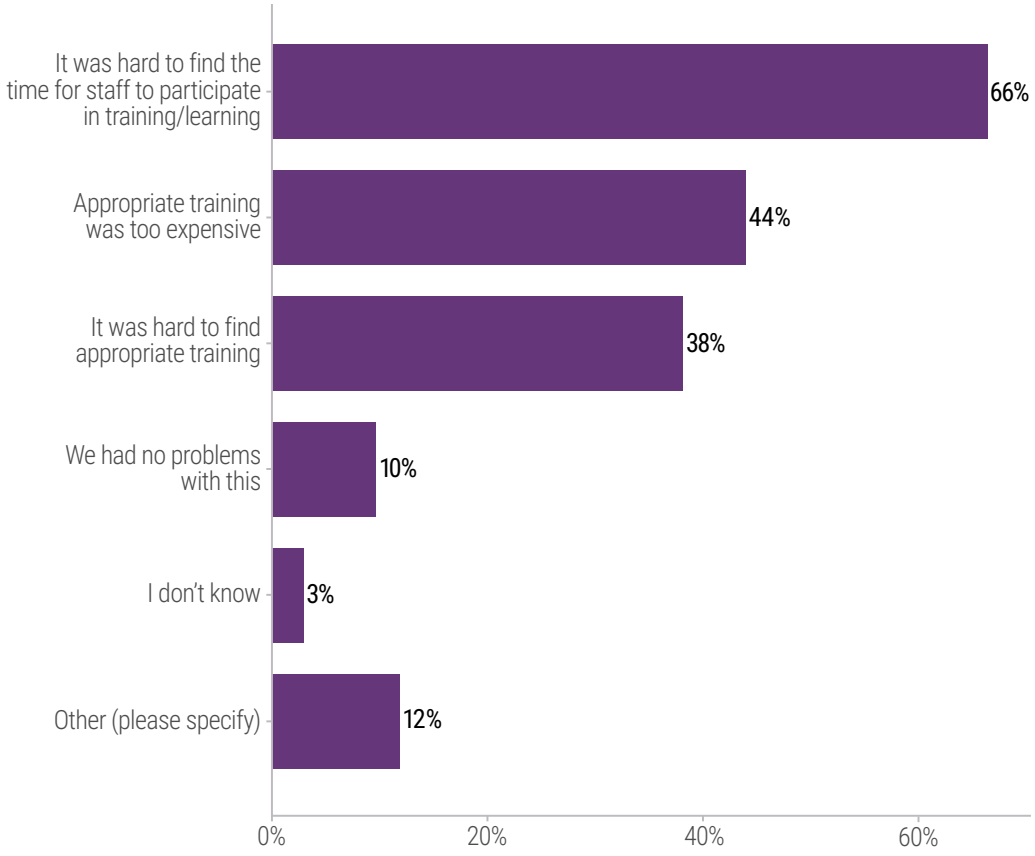
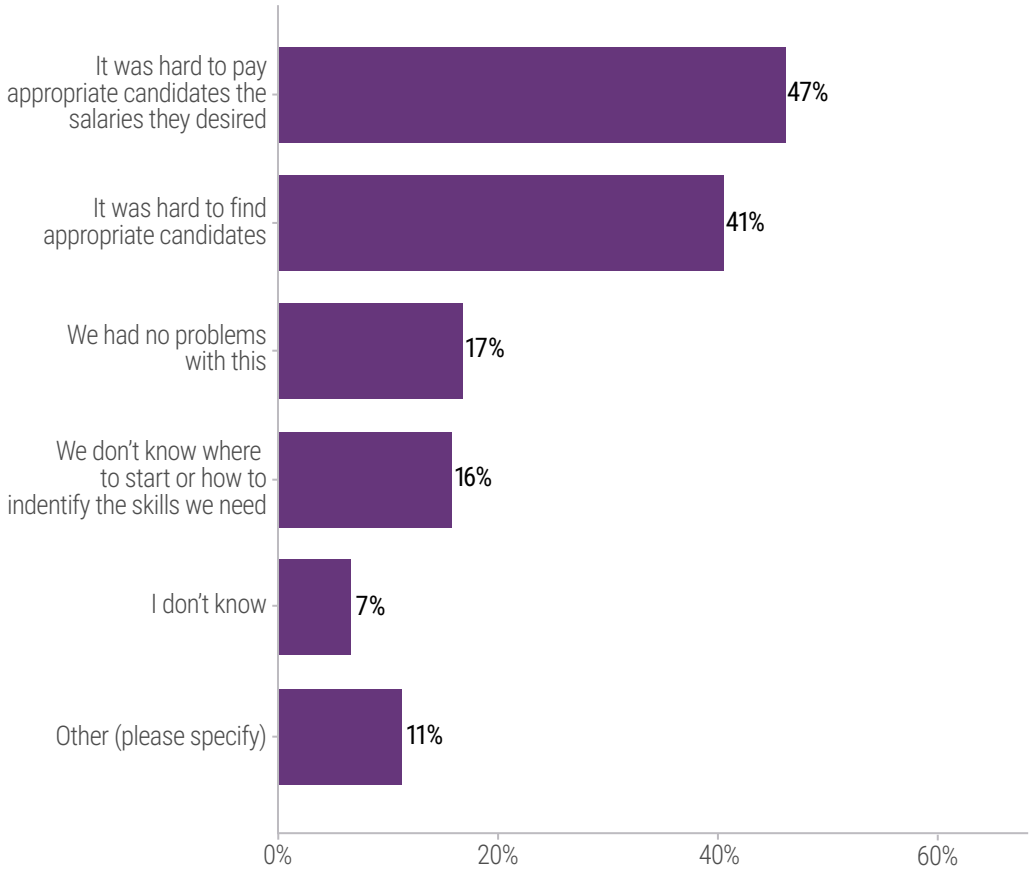


Figure 12b: Most commonly cited challenges in hiring (n=87), among organizations that had pursued training or hiring to increase digital skills capacity in the past year



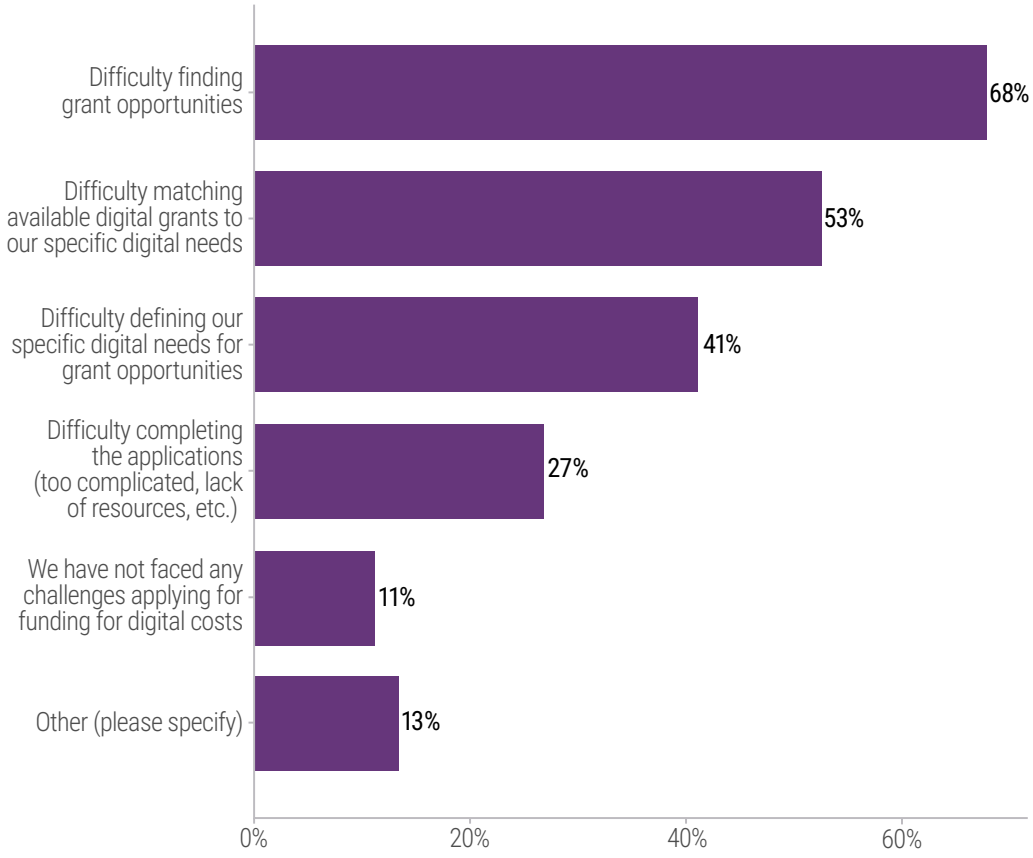
In addition to these financial barriers, respondents also cited gaps in knowledge or strategy that hindered progress. Challenges in finding the right training were cited among **38%** of respondents who had engaged in some form of training. Among those who had recently hired staff, **41%** said they had challenges finding appropriate personnel, and **16%** indicated that they did not know where to start. In interviews, some respondents indicated they felt that gaps in digital skills capacity at leadership levels may be hindering their organizations' digital growth; such gaps could de-prioritize capacity building and limit their organization's ability to identify the best investments.

Are there enablers that may facilitate access to digital skills development?

Organizations' digital development may benefit from support with finding and writing grants. As described above and in CCNDR's recent research on tech roles in the nonprofit sector, the primary barrier to upskilling, whether through training or hiring, was a lack of funding (CCNDR, 2024a). To understand nonprofits' experience in securing grants, we asked respondents at the manager level what challenges they had experienced in applying to grants related to digital skills in the past year.

Of these respondents, **89%** reported that their organization had encountered at least one challenge when applying for grants (the total of responses is shown in **Figure 13**). Half of respondents reported difficulty finding grants to address specific digital needs (**53%**) or finding grants at all (**68%**). Some respondents had difficulty defining digital needs for grants (**41%**) or completing grant applications (**27%**).

Figure 13: Challenges cited by respondents in applying to grants to improve their digital skills capacity, among those who had applied to grants in the past year (n=97)



When asked about challenges applying to grants, interviewees most often noted a lack of time and competing priorities as barriers. Some interviewees also shared that they had found few (if any) funding opportunities for *internal* technology costs, with one interviewee explaining that they were incorporating internal technology needs into the budgets of other grants and project proposals.

These findings highlight that organizations may require additional supports around available grants and in navigating which grants are most appropriate, including how to incorporate digital skills into project- or program-level applications. However, if only a small pool of grants are available that advance digital skills, then better navigation and grant-writing skills may have minimal impacts.

Organizations may best make use of trainings if they are tailored to their needs. Some interviewees desired training that was more tailored to staff needs and current skill levels. For instance, interviewees described that staff with lower levels of foundational digital skills required training that was more structured and tailored to their needs. Interviewees with specialized data roles emphasized that while they were able to make use of self-directed resources, their colleagues with lower levels of foundational digital skills required structured training combined with tailored assistance. Overall, this feedback indicates a potential for training programs that address varying skill levels, ensuring that those with minimal foundational skills can also receive the necessary support to effectively upskill.

Respondents felt 'learning by doing' was an effective method for learning new digital skills. In the survey, self-directed learning was seen as among the most helpful methods for training. Many interviewees stated that they learned best when they were able to try new digital tools themselves; this was especially the case for those who used digital tools as an integral part of their work.

Discussion

Through our environmental scan, survey of Canadian nonprofits, and interviews with nonprofit staff, we have surfaced a range of challenges and opportunities related to digital skills in the sector. Below, we summarize these findings and their implications.

Summary of key findings

Through our survey of nonprofits and interviews, we found that:

- Among respondents, **81%** said digital skills were "necessary" or "very important" for accomplishing their organizations' missions, but nearly half of respondents (**47%**) described their organization as having "basic" digital skills or as "just starting out" in their digital skills development journey.
- Digital skills were perceived as most important for allowing nonprofits to deliver better services, serve more people, operate efficiently, and develop new services.
- There were gaps between respondent perceptions of what skills were important for their organization and how developed their organizations' skills were. The largest gaps were for data skills, but significant gaps were also noted for basic digital skills and remote work.
- Respondents accessed a wide range of supports to develop their digital skills; they were most likely to have accessed free resources, including online guidance, webinars, and free training. However, they rated paid resources, including paid training and working with digital experts, as among the most useful resources, indicating a mismatch between the supports they access and those that may be most impactful.
- Financial and resource constraints were among the most common barriers experienced by respondents when accessing digital skills development resources.

- Respondents also cited information gaps, including around navigating existing training resources and understanding where to start their digital skills initiatives. Interviewees indicated that adjustable or tailored services may be particularly valuable.

Implications of findings

Digital skills gaps hold back much of the nonprofit sector. Our findings on both the importance of digital skills and the frequency with which nonprofits experience gaps indicate a missed opportunity for stakeholders to better serve their clients and achieve their missions. Gaps in digital skills may restrict the quality of services they offer, the reach of those services, their efficiency, and their ability to innovate new and better responses.

Cost constraints cause mismatches between needs and digital skills responses. The low level of uptake of paid resources among respondents, including for paid training and support from digital experts, contrasted with the high ratings of their usefulness. Respondents indicated that financial constraints were the greatest barrier to accessing digital resources. These findings suggest that while some digital upskilling approaches with direct financial costs may be highly valuable for nonprofits, financial constraints may keep them from accessing them.

Navigation challenges present the largest non-financial barriers. The second most cited barrier involved challenges in understanding where to start on a digital upskilling journey. Survey respondents in management positions indicated that selecting training and identifying the role requirements of new hires represented significant challenges.

Conclusion and recommendations

This report reinforces existing findings about the state of digital skills within Canada's nonprofit sector and works to build a more nuanced understanding of the barriers and opportunities the sector faces in building these skills. In the next phase of the *Futureproofing* project (**Phase 3**), we will work to co-design scalable talent models with our sector partners. Based on the findings of our research, we consider three key recommendations for consideration in **Phase 3**:

1. Consider approaches that provide targeted guidance at low cost.

Nonprofits indicated that help with navigating training options and identifying where to start could help them achieve their digital development goals. However, they faced significant financial and resource constraints. Approaches that can support them in mapping and implementing their digital development strategy without a high cost could empower them to best use their limited resources. Solution designs should consider cost from the outset to improve accessibility and sustainability.

2. Focus on high-yield basic and data-focused digital skills.

Nonprofits cited basic digital skills as the most important for their day-to-day operations. This finding aligns with an analysis of nonprofit job postings by CCNDR, which found that most digital skills required of nonprofit workers were low-intensity skills that do not require a technical background (CCNDR, 2024b). While not all organizations faced gaps in these areas, when they did, they indicated that it had a significant impact on their ability to succeed. They also identified data skills as the area with the greatest gap between needs and current levels of development. Interventions focused on these areas may have

the best chance to create an immediate impact. However, since we observed variation in terms of whether nonprofits faced gaps in basic skills, and whether data-focused skills were a priority, any solution should be accompanied with an assessment to understand how relevant each skill area is to a given organization.

3. Tailor responses to the needs of organizations, while maintaining scalability.

While organizations indicated relatively common needs in basic digital skills and data skills, they also indicated a wide range of specific needs that varied by organization. Interviewees emphasized the value of digital skill supports that responded to their specific organizational needs and contexts. Given the diversity of nonprofits with digital skill needs, an effectively scalable response should allow flexibility to respond to the priorities and strengths of individual organizations. However, overly specifying responses to each organization could limit scalability, so this flexibility needs to be balanced with an understanding of which challenges and solutions are most commonly relevant and can be efficiently replicated across organizations.

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APPENDIX A:

Environmental scan resources

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APPENDIX B:

Who we reached

Table B1: Distribution of roles of survey respondents

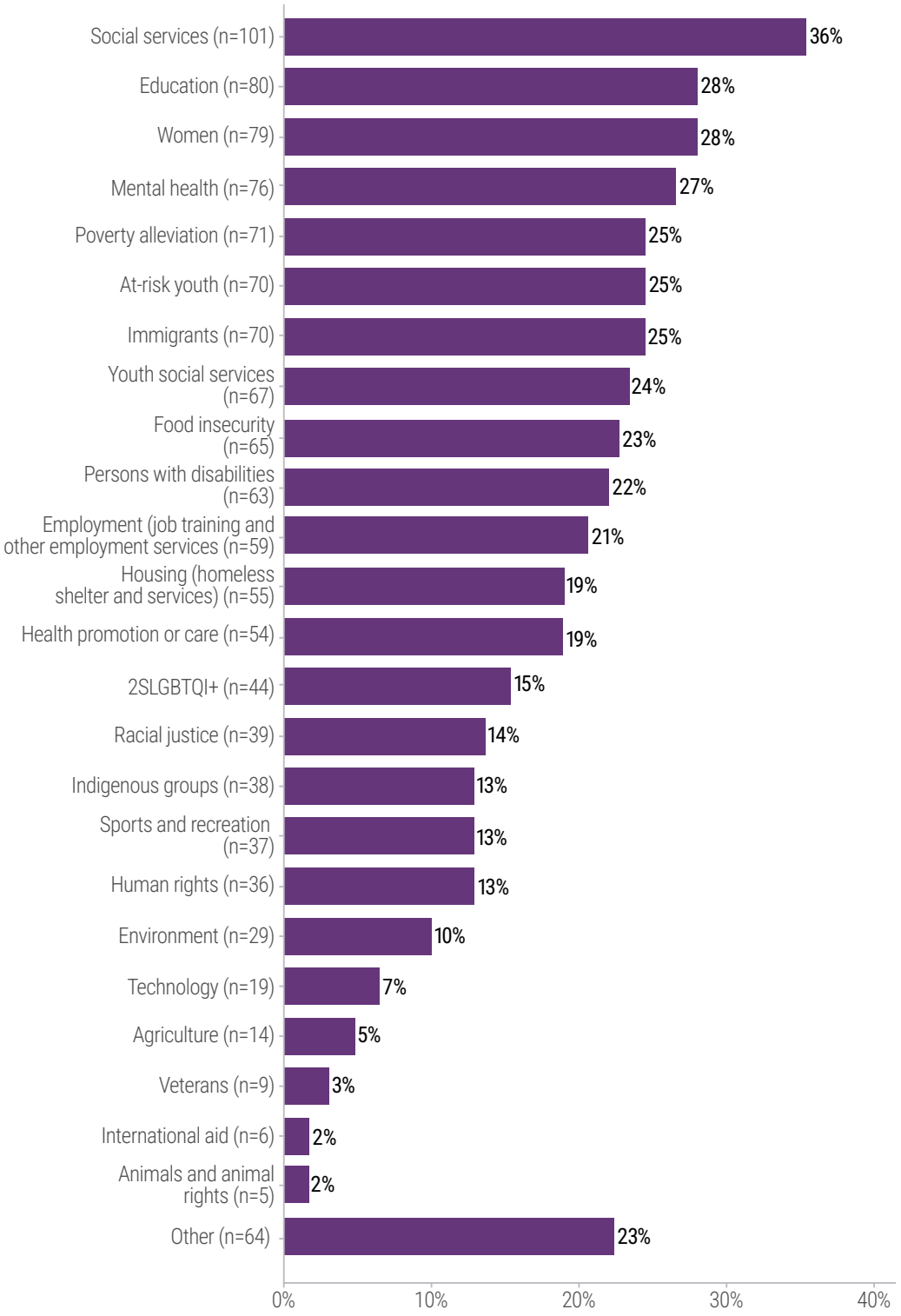
Role	Number of respondents
CEO, Executive director	102
Leadership team	66
Manager	49
Administrative staff	42
Frontline staff	39
Trustee, Board member, Non-Executive directors	29
Consultant	12
Other	10

Note. The numbers do not add to 283 as individuals could select multiple options.

Table B2: Geographic distribution of survey respondents

Province	Number of respondents
Ontario	107
Cross-Canada	47
Alberta	39
Quebec	27
British Columbia	21
Nova Scotia	11
Manitoba	8
Saskatchewan	5
Newfoundland and Labrador	4
New Brunswick	2
Northwest Territories	1
Prince Edward Island	1
Yukon	1
N/A	3

Figure B1: Sectoral area of focus of survey respondents



APPENDIX C:

Detailed data tables

Table C1: Values from Figure 5: Proportion of respondents who rated skills as necessary/very important, proportion who viewed their organization as advancing/integrated in that skill, and the difference between these two ratings

Digital Skill	Percent Important (Necessary or Very Important / All responses)	Percent Skilled (Integrated or Advancing / All responses)	Difference
Basic digital skills	**95.1%** (270/284)	**81.2%** (229/282)	**13.9%**
Remote working/Collaboration	**88.7%** (250/282)	**77.9%** (218/280)	**10.8%**
Privacy and data security	**87.7%** (242/276)	**56.1%** (252/269)	**31.5%**
Data management and analysis	**82.6%** (233/282)	**60.0%** (265/275)	**22.6%**
Data-informed decision-making and strategy	**79.0%** (222/281)	**52.9%** (146/276)	**26.1%**
Social media	**75.7%** (212/280)	**64.7%** (178/275)	**11%**
Email marketing	**67.3%** (187/278)	**53.0%** (141/266)	**14.3%**
Use of digital in service	**64.6%** (173/268)	**49.1%** (131/267)	**15.5%**
Fundraising/donations	**64.5%** (176/273)	**40.3%** (108/268)	**24.2%**
SEO and advertising	**50.8%** (133/262)	**31.7%** (77/243)	**19.1%**
AI tools	**24.2%** (58/240)	**13.3%** (31/233)	**10.9%**
Online retail	**12.1**% (31/256)	**12.5%** (32/256)	**-0.4%**

Table C2: Values from Figure 7: Proportion of individuals that accessed digital skill resources in the past two years disaggregated by response option

Response Option	Percent Responded
No	**38.9%** (110/283)
Yes, on my own time	**19.8%** (56/283)
Yes, through work	**32.2%** (91/283)
Yes, on my own time and through work (both yes options selected)	**9.2%** (26/283)