

# Data Culture in Non-Profit Organizations (NPOs)

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#### Abstract

information supported by data and make the right decisions Non-profit organizations contribute to societies and are the first in natural disaster relief efforts. These must keep a record of the data to establish a correct analysis and be able to prepare the required reports in the audits. Every organization must have a data culture. The main objective of this study was to investigate whether the studied organizations have such a culture. Surveys were used to obtain information from the data of different entities, and the data of a particular entity was analyzed. It was found that 37% of the entities do not have this data culture and 68.4%, although they know it, have not developed it, so they cannot integrate it into their operations. It is concluded that every organization must generate a data culture that allows everyone to access.

# Introduction

Nonprofit organizations (NPO) contribute to societies where poverty, illiteracy, and lack of health care are common. Non-profit organizations are also first responders in relief and relief efforts in natural disasters such as earthquakes, floods, hurricanes, and droughts in desert areas. Therefore, NPO is now considered the right hand of the government. NPOs must keep an adequate record of the data to establish a correct analysis and to be able to prepare the annual reports required in the audits of the different subsidizing agencies that provide funds so that they can provide their services to communities in need. In other words, every NPO must have a data culture.

In practical terms, culture is "the way things are done when no one is looking" [1]. "They are the collective beliefs and behaviors of people who value, take advantage of, and promote the use of data to improve decision-making. Data is integrated into an organization's operations, mindset, and identity. A data culture allows everyone to access the information they need to truly drive data and overcome organizational challenges" [2].

### Background

Data culture is very important for NPOs since it is essential to present the transparency of their services. NPOs need to learn more about what data analysis entails. They must start by assessing their organization's current data capacity and examining the data sources they currently have and the ones they need to collect. This will give them an overview of the components of data analytics and ultimately start thinking about a measurement plan that is right for their organization. The human team is empowered to actively use data to improve their work and use the maximum potential of the organization to make better decisions and have more effective initiatives and advantages stronger competition [3].

A data culture model is suggested with four pillars to make data analysis a competitive advantage [9]. The pillars are developing data analysis as a distinctive capability of the organization; involving the entire organization in data analysis, having the board of directors fully involved, and having a long-term strategy. According to Brown [10], it is necessary to: develop knowledge or data literacy; disrupt or disrupt organizational culture (pause to review and strengthen; use technology; understand what "data-driven" means; integrate data as part of operations and make the organization "data-fair" which is the same as that is easy to find or determine, accessible, compatible (interoperable), and reusable.

Brown mentions that it is important to be agents of change with transformative technology solutions and the skills the organization needs to improve lives globally and locally so that NPOs can improve their effectiveness and make the most of their technology.

According to NSW Government [11] information must be consciously planned to meet the requirements of the organization or company and meet the needs of its governance. Information design must enable the organization to properly meet those requirements and needs.

A good strategy to prepare and analyze the data culture of an entity can be the use of Excel and Power Bi, among others.

#### Problem

If nonprofits have an effective data culture and the right technology in place, nonprofits can ask questions, challenge ideas, and use data—not just intuition—to make decisions. In this way, everyone works together to achieve the shared mission of improving the organization and themselves thanks to the effectiveness of data, so the main objective of this study is to study how to make data analysis more efficient in an NPO.

## Methodology

First, a survey was prepared to be submitted to different NPOs to know how the situation regarding Data Culture in NPOs is. Surveys were sent by email, and they were also prepared in Google Forms to be administered digitally

(<a href="https://docs.google.com/forms/d/e/1FAIpQLSfG3DUq87X6Zhg2tnzP5HHO">https://docs.google.com/forms/d/e/1FAIpQLSfG3DUq87X6Zhg2tnzP5HHO</a> tzmTr0CJ2pwopeuEkGdjap8L-Q/viewform?usp=sf\_link). The Excel program was also used to analyze the data from an NPO selected for this study. The entity is known as the Naranjito Adolescent Program, Inc. (PANI), located in Naranjito, was selected.

It was verified what type of data the PANI entity needs and how it records it. The researcher investigated what use the organization gives to data, to establish an efficient system that helps the entity in its data culture. One of the projects was used on a pilot basis. The United Way of PR, a subsidizing agency, was also selected, so the project data reported by the social worker and psychologist in the entity were recorded and then analyzed. Microsoft Excel was used for this record because it is the industry-leading spreadsheet software program, a powerful data visualization and analysis tool.

## **Results and Discussion**

38 non-profit entities from Puerto Rico were surveyed, where the majority are from the San Juan Region with 31.6%, 10.5% are from the Bayamón Region, as well as 10.5% are from Mayagüez Region. 86.8% of the entities that participated in the study are considered to have a small infrastructure.

From the results presented in the survey, it can be seen in Figure 1 that most of the services provided by these entities are Educational (18.4%), Psychosocial (15.8%), Community Services 13.2%, and Food Services (10.5%). 68.4% of the entities participating in the study know about the concept of Data Culture, but there are 36.8% that have not developed this concept in their entities.

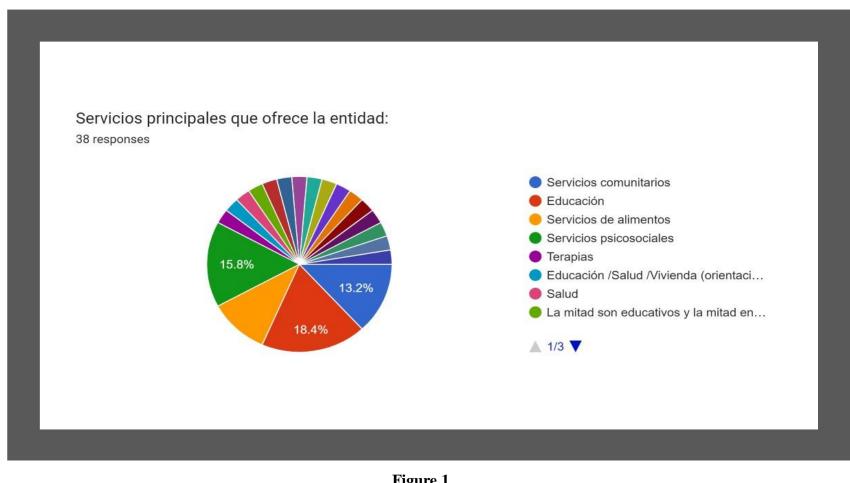
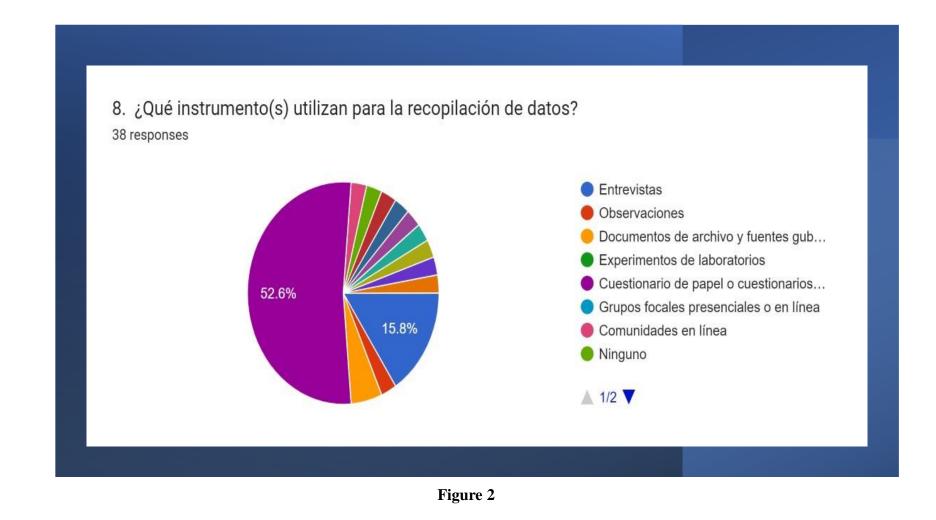


Figure 1

Type of Dominant Services in Entities

Most of the entities surveyed collect data quantitatively. The predominant collection frequencies were 44.7% monthly, 21.1% daily, 10.5 quarterly, and 7.9% annually. 34.2% of the data was obtained from the evaluation that they carry out with their participants and 23.7% from forms that they prepare for these purposes. The study reflected that they use a wide variety of data collection strategies, but 13.2% use Survey Sparrow, followed by Survey Monkey. It is reflected that 94.7% analyze them and that only 57.9% are used by the NPO Board of Directors.

Figure 2 shows that the main instrument used by the entities was the paper questionnaire (52.6%), followed by interviews (15.8%). 47.4% of the entities do not have a reference database and 52.6% do not have specialized personnel prepared for this task. This is due to the limitations of funds that the entities receive and not all of them can afford this resource, which plays a very important role in them.



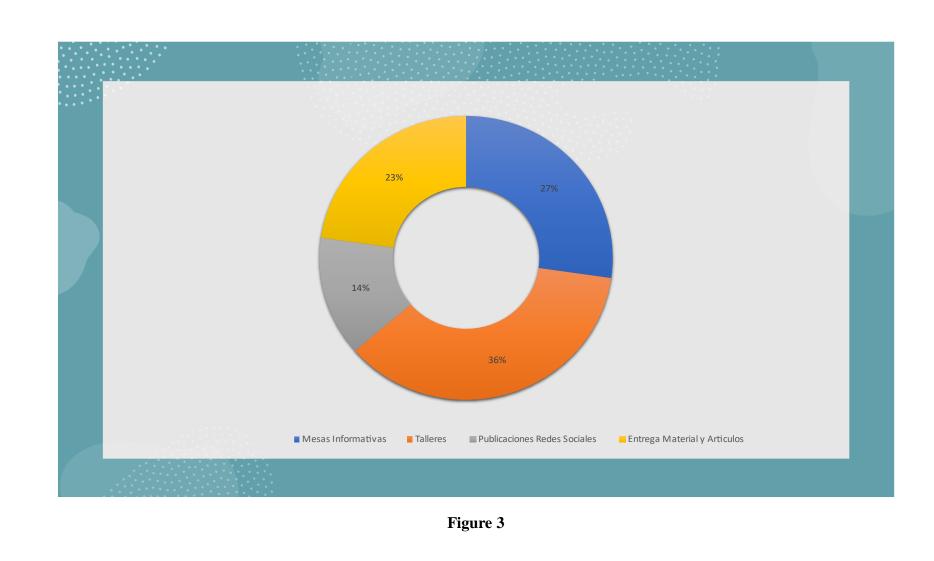
The staff of the entities that use the data most frequently is very diverse, but the Administrative Assistant (15.8%) was the one that mainly uses the data.

It was found that 57.9% use technology to obtain the data.

Most of the participating entities updated their systems monthly (44.7%), followed by 18.4% that do it weekly. Most of them stored the data on their computers (43.2%), followed by 21.6% in the cloud, and 13.5% on the server. To keep up to date in the field of data collection, 31.6% participated in seminars and 18.4% remained in continuing education. 84.2% of the participants make sure their collected data is valid. Most of the entities participating in the study agree that the data helps them raise funds (68.4%) and present significant statistics to present proposals to funding agencies. 36.8% of the entities answered that data is very important for administrative decision-making, 23.7% for project planning, and 18.4% for access to external funds.

From the statistical reports registered by PANI's psychosocial personnel, it was found that all services are not identified by gender. They included various services in their data record sheets, but this monthly report reflected the number of services provided. Neither does it reflect the criteria of age or the origin of the community where the participant lives. It can be observed in which of the months the psychosocial staff provided more services to vulnerable communities.

Other data that could be viewed using the Excel program were the number of activities carried out (see Figure 3) and people impacted by category (see Figure 4).



### Conclusions

I concluded that having a Data Culture maximizes the potential of an NPO's data and helps it to improve the metrics to be able to value, take advantage of, and promote the use of data to make sound administrative decision-making. Although a high percentage of the entities participating in the study mentioned that they are aware of the concept of data culture, most of them do not fully work on it to really obtain benefits for their entity.

The PANI entity has decided to make the most of the value of its data, so it will continue to generate a solid data culture.

After this study, it is recommended that a matrix (dashboard) be established, where all the data from each of the projects is collected to prepare relevant and significant reports.

#### **Future Work**

The Power Bi strategy can be used to see its efficiency in the analysis of data culture in the same entity that this investigation was done.

## Acknowledgements

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