Closing the Gap in Nonprofit Finance Systems

Legacy Infrastructure vs. Modern Solutions



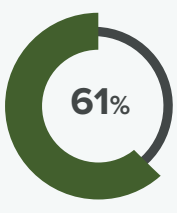
New research shows a mismatch between enterprise nonprofits' operational complexity and outdated finance systems. This infographic summarizes the legacy pain points—and the measurable upside of modern nonprofit finance platforms.

Source: "Closing the Gap: Nonprofit Finance Software's Crucial Role in Today's Landscape."

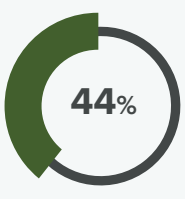
Top Challenges of Legacy Infrastructure

61% vs 44%

Over-reliance on basic tools



of nonprofits rely primarily on spreadsheets (e.g. Excel) for core financial management



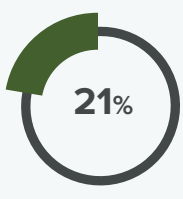
use financial systems specificall designed for nonprofits

53% vs 21%

Rising complexity, slow modernization



of finance leaders surveyed say increasing operational costs and complexity are among their top financial challenges

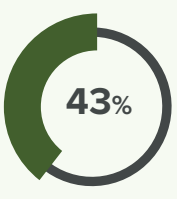


xxx

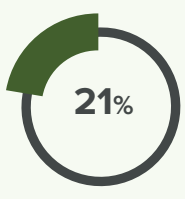
Most organizations recognize the issue—but most have not modernized legacy infrastructure to match today's operating scale.

43% vs 21%

Treating symptoms instead of systems



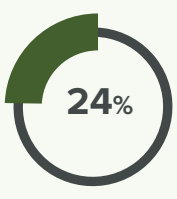
have implemented improved budgeting/forecasting processes



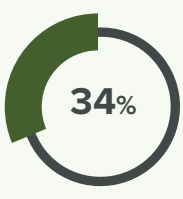
chose to rationalize or upgrade their financial platforms as a strategy

24% vs 34%

Data and systems siloed across departments



of nonprofits have their finance systems fully integrated across departments



report their financial data is mostly siloed with very limited sharing capability and **42%** have only partial integration

Limited integration drives manual work, errors, and slower reporting

Top barriers to change

28% lacking budget for IT/software

28% worried about time needed to train staff for a new system

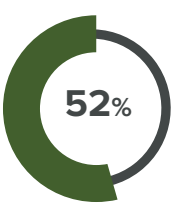
27% concerned about high up-front costs

26% worried about migrating historical data from old systems

Cost + training + migration concerns delay critical upgrades

Benefits of Systems Transformation

Adoption outcomes



rate a new/modernized finance system **"very"** or **"extremely"** effective at improving financial management.

Efficiency math (per person)



1 hour/day less manual work = 250+ hours/year saved per employee (~6 workweeks).

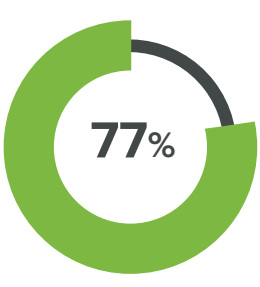
Finance team of 5 = 1,250+ hours/year reclaimed.

Reducing error rates & risk of fraud

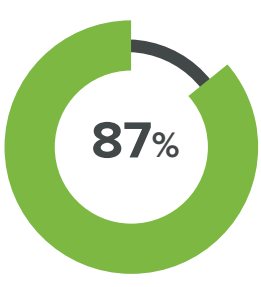
Compliance signal:

Built-in fund accounting + compliance checks support audits and grant requirements— an area of concern for **88%** of leaders

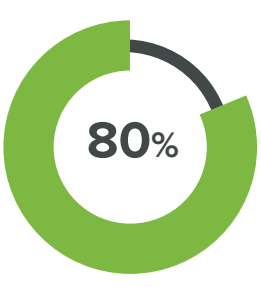
Scalability, security and future-readiness matters



of finance leaders emphasized the importance of scalability for future growth when considering new systems



of nonprofit finance leaders rate data security & privacy and **69%** cloud-based accessibility is very important in a new finance system



Integration (80%) of finance leaders rate cross-platform integration as a very significant requirement

Bottom line:

Closing the finance-tech gap is essential to sustain and scale impact—modern platforms improve agility, transparency, and accountability by enabling secure data sharing across finance, programs, and leadership.

How Unit4 can help your organization

Unit4's ERP software systems are designed to empower your organization by enabling you to adapt and optimize workflows, making it easier to manage complexity and concentrate on what matters most. Their next-generation ERP solutions are specifically tailored for people-driven organizations, focusing on supporting those who work to help others.

Read the report



For more information, go to:
unit4.com

UNIT4
In business for people

Copyright © Unit4 N.V.
All rights reserved. The information contained in this document is intended for general information only, as it is summary in nature and subject to change. Any third-party brand names and/or trademarks referenced are either registered or unregistered trademarks of their respective owners. IG260421INT