Mission delivery enabled by gen AI: A guide for leaders in the not-for-profit sector

Leadership version

2026



True as of December 2025

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Each version of this guide serves a different purpose

ILLUSTRATIVE **NONEXHAUSTIVE**

This guide is the Leadership version

1 Leadership version

Leading not-for-profit organisations (NFPs) through a period of change and disruption to implement generative AI (gen AI) safely and effectively

Key focus areas

- Fostering an environment that promotes learning, experimentation and collaboration
- Deepening understanding of important AI concepts to enable better AI leadership and decision-making
- Creating and communicating risk and governance guidelines

2 Team-member version

Implementing end-to-end gen AI pilots in NFPs

Key focus areas

- Selecting and planning a workflow for early AI-enabled transformations
- Training and encouraging staff to use the new workflow
- Building skills and knowledge to allow the safe use of gen AI

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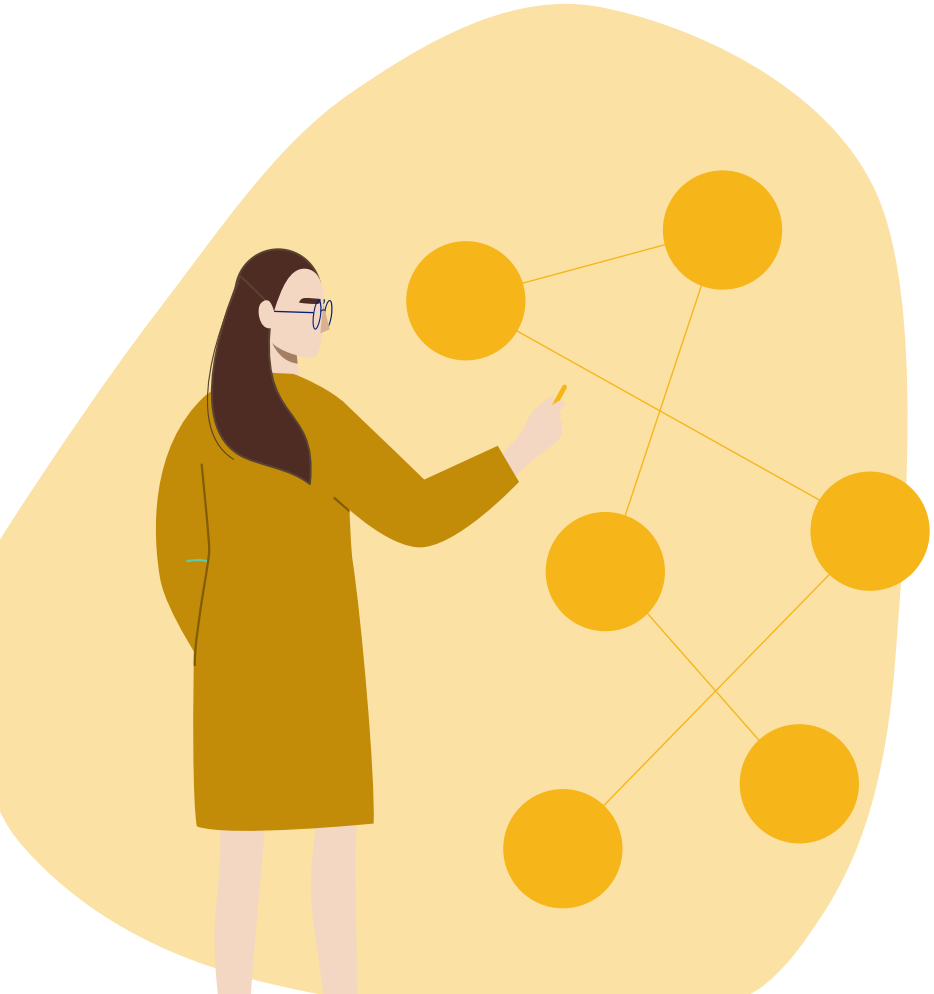
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1. Introduction and orientation



1A Executive summary

1B Acknowledgement of gen AI impacts and regulatory policies

1C Gen AI is a big opportunity for NFPs

1D Gen AI is also a disruption that brings new risks

1E Leadership skills are critical to guiding NFPs through gen AI disruption

1F Vision and framework

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Helping Australian NFPs use gen AI

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Transforming challenges into opportunities

With over 60,000 charities, the Australian not-for-profit (NFP) sector plays a vital role in supporting communities. But many of these organisations struggle with limited resources and a heavy administrative burden. Generative AI (gen AI) can help ease these pressures, **giving organisations more time for the work that really counts**



Your toolkit to empower change

This is a simple how-to guide to give leaders the tools and insights they need to implement gen AI effectively and responsibly within their organisation

There is a team-member version of this guide that walks readers through the steps of planning and **implementing an end-to-end gen AI pilot**

Acknowledgement of gen AI impacts and regulatory policies



Gen AI presents a range of societal challenges, including output bias, misinformation risks and **workforce disruption**—issues that demand proactive solutions to ensure **responsible implementation**

Gen AI also requires significant compute power, intensifying **energy consumption**, carbon emissions and the mining of rare minerals, while putting pressure on water and hardware infrastructure



The NFP sector's resource limitations demand **strategic solutions**

Adopting **gen AI thoughtfully** can **unlock capacity** and redirect staff to **mission-critical initiatives**

Achieving success requires gen AI to be deployed with **structured safeguards** to **amplify outcomes** while mitigating risks

Gen AI is a powerful tool within the AI ecosystem

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Artificial Intelligence (AI) is the science and engineering of machines that can support decision-making, recognise patterns, and process language

	Machine learning	Deep learning	Generative AI (gen AI)	Agentic AI
What it is:	AI that utilises patterns in data to improve over time	Uses a network of "digital brain cells" to handle very complex data	Creates new content (like text, images or videos)	Operates independently to complete tasks and achieve objectives through interaction with its environment
How it works	Spots patterns or makes **predictions** from data	Uses layered networks (like a simple brain) to understand or **categorise** data	Produces **new content** that looks or sounds like what it learned	Processes tasks into manageable, smaller steps, can perform **actions**
Examples in NFPs:	Predicting trends in climate change	Analysing thousands of images to detect areas in need after a disaster	Writing a draft grant proposal	AI agent designed to monitor grant deadlines, generate application drafts and alert staff as required



Effective adoption of any AI tool relies on strict governance, human oversight, ethical frameworks, clear approval mechanisms and defined escalation pathways to promote safe use

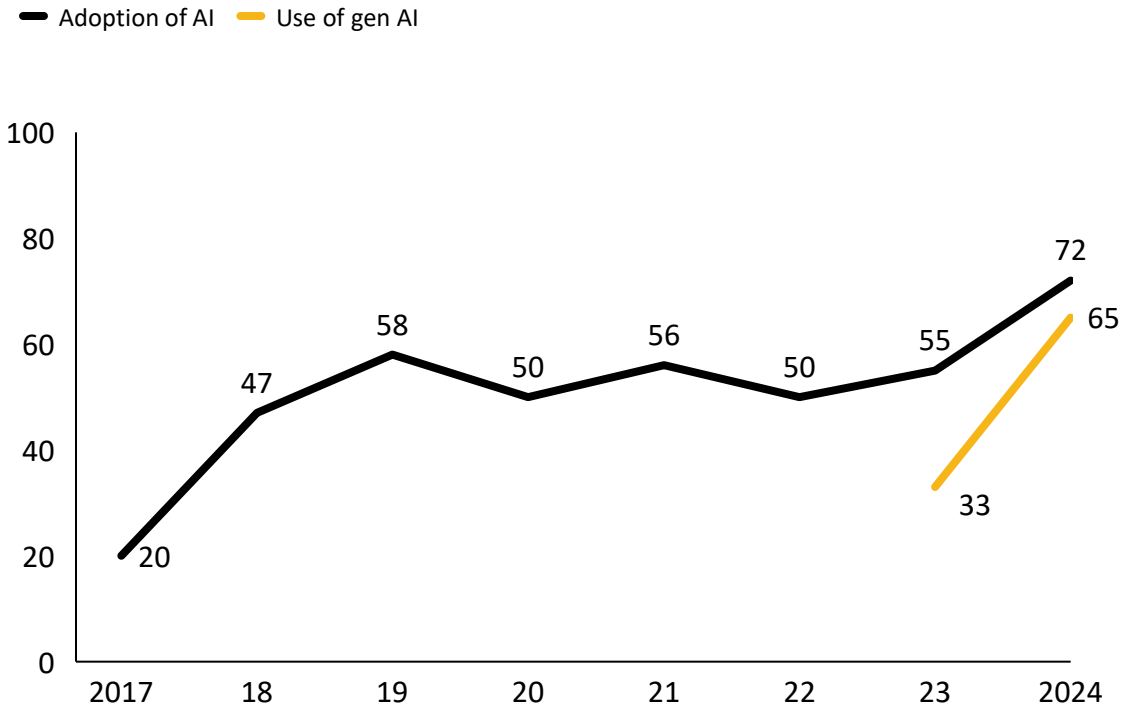
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AI adoption is accelerating and gen AI is leading the way

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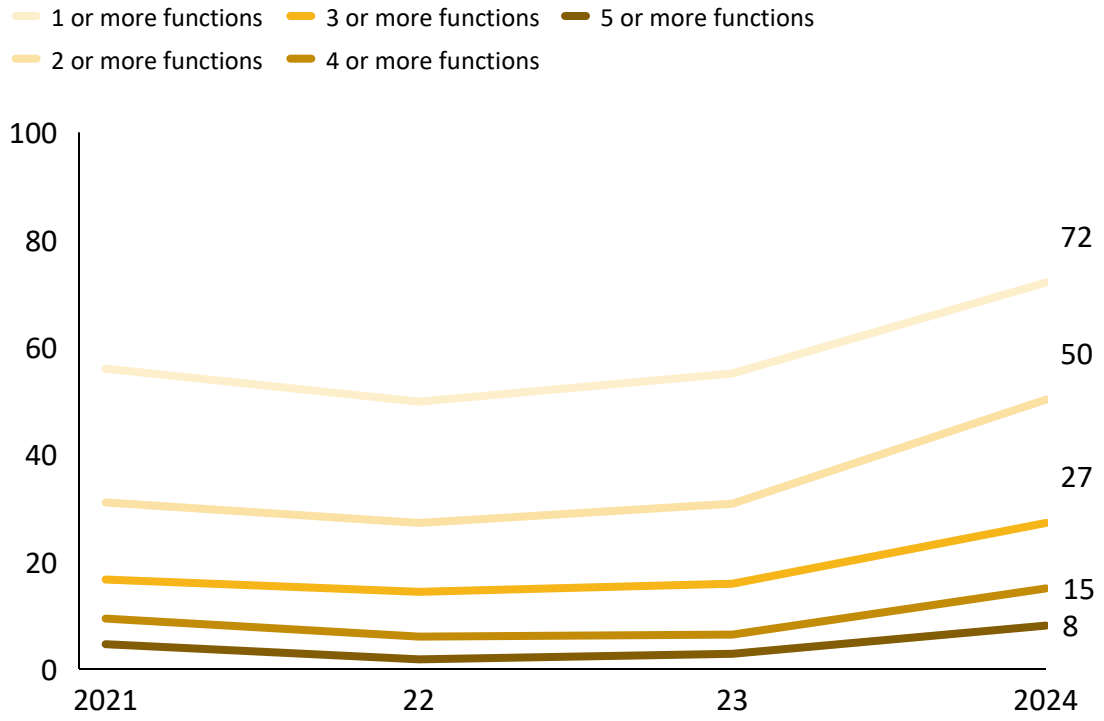
Global AI adoption has increased dramatically over the past year …

% of survey respondents



… and AI is being used across more areas of organisations

% of survey respondents



Source: McKinsey 2024, The state of AI in early 2024: gen AI adoption spikes and starts to generate value'.
Values are % of respondents

For NFPs, gen AI offers four big opportunities

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Comprehension

Summarise long or messy text (like meeting notes or reports)

Help find key points or answers in documents

Suggest useful sources

Example

Help review grant applications faster



Content creation

Write and edit emails, contracts, or reports

Create marketing or fundraising materials

Generate images or charts

Example

Draft donor emails or fundraising letters



Coding

Write or fix code automatically

Help update old IT systems or build simple tools

Data synthesis

Example

Automate beneficiary feedback survey



Community engagement

Power chatbots to answer common questions

Help teams respond faster and collect feedback

Example

Give helpline staff quick answers about grants

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AI has the potential to help NFPs save time across several service areas

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Class of gen AI	Fundraising	Service/policy design	Service delivery	Evaluation
Insight gen AI Makes sense of messy data	**Detect changes in donor engagement**, and predict **next best channel and content** to reach and engage donors	**Synthesise global/local best practice approaches** to inform design of policies, processes and training	Predict **service needs** using unstructured client feedback and service use data	**Synthesise sentiment from client feedback** and suggest actions to address
	Common thread: *Synthesise takeaways from meeting notes and raw survey data*			
Content gen AI Creates new text, images or audio	**Generate funding proposal templates** and applications **Generate promotional material** (Eg, brochures and videos	**Generate a personalised service plan for a client**, based on internal records, standard procedures and best practice trends	Generate **user instructions (written, audio or video)** for client service offerings using natural language **Generate itineraries** or suggested activities	**Design feedback and evaluation surveys**
	Common thread*: Draft first pass of documents (Eg, funding requests, service delivery summaries, etc)* *Operate as a* ***virtual SME, answering questions based on unstructured data in the organisation***			
Interaction gen AI Power conversations	Address **donor questions** (via Chatbot) **Converse with donors changing support levels** (i.e., donation frequency or amount) to understand rationale and suggest appropriate options	Improve **service decision support** with Q&A and service usage data	Address **client or beneficiary questions** (via Chatbot) Use as **first line of support**, to reserve specialist time for more complex interactions	**Converse with clients giving feedback or changing service use** (i.e., frequency) to under-stand rationale, probe further and suggest appropriate options

Source: Expert interviews

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Gen AI is a big opportunity for NFPs

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NFPs see the potential of gen AI …

68%
of NFP staff already tried gen AI in their work[1]

85%
show a high interest in gen AI/ predictive tools[2]

25%
use gen AI to streamline grant writing[2]

… but use remains ad-hoc and inconsistent

76%
of NFPs have no gen AI strategy[2]

80%
lack an official gen AI use policy[2]

25%
have concerns about potential societal impacts[2]

Capabilities constrain progress

92%
of NFPs feel unprepared for gen AI[3]

30%
cite financial constraints as a key barrier to gen AI adoption, making affordable tools a priority[2]

43%
of NFPs rely on one staff member to make IT and AI decisions, limiting capacity to scale safely[2]

1. Source: Generosity AI, AI Readiness and Adoption in the Nonprofit Sector in 2024, 2024.
2. Source: Techsoup, The State of AI in Nonprofits, 2025.
3. Sources: MailChimp, AI Equity Project, 2025

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Gen AI is also a disruption that brings new risks

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Performance

As gen AI is dependent on data, **if data is low quality or incomplete**, results could vary in accuracy



Bias and ethical concerns

Gen AI can perpetuate biases or discriminatory thinking that can result in unfair treatment of certain groups if not properly designed



Data privacy and IP

Due to the large amounts of personal data stored, there is **high risk of unauthorised access and handling of data and potential IP leakage**



Public sentiment

Some AI uses and models can be hard to explain and interpret, resulting in **low public acceptance of gen AI powered services**



Economic disparities

AI can **exacerbate inequalities** in populations if access is not equitable throughout the region



Job displacement

Automation through AI can **displace workers whose jobs are becoming automated** if not retrained to work with gen AI



Environmental impact

Training and deployment of foundation models **may increase carbon emissions and exceed environmental commitments or expectations**



Third-party risk

Organisations **typically use or integrate external gen AI models and tools**, imposing novel third-party risks



Malicious Use

If not checked, gen AI can be leveraged to **create and disseminate malicious content**

Source: McKinsey, *Confronting the risks of artificial intelligence,* 2019 | McKinsey, *What are AI Guardrails?,* 2024 | IBM, *10 AI dangers and risks and how to manage them*.

NFPs can address risks through early mitigation efforts

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Focus of following pages



Governance and effective leadership

Establishing the right governance mechanisms around policies, data access guardrails, risk tolerances, decision committees et c.



Human in the loop

Ensure a trained and accountable human colleague makes all decisions - using the AI for enablement and not more



Pilot before scaling

Pilot and rigorously test use cases before implementing at scale



Performance validations

SMEs could check the model outputs for accuracy – both during deployment and post deployment to check for any degradation



Managing for ethical and bias concerns in data

Data sets could be independently tested for bias and labeled as being healthy or not for use



Clear communication

Communicating a clear set of guardrails to employees on do’s and don’ts

Source: McKinsey, *What are AI Guardrails?*, 2024.

Leadership skills are critical to guide NFPs through gen AI disruption

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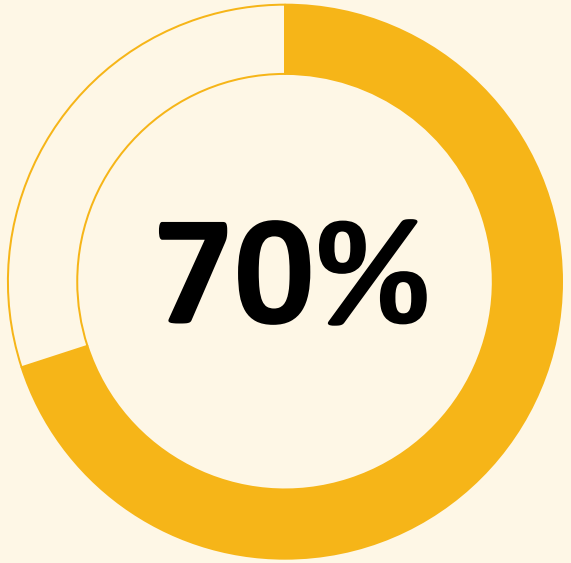
Points of failure when effective leadership is not in place

Focusing on the wrong priorities:
Leaders sometimes pick tech that looks impressive but doesn't solve real-world problems

People and skills lag behind tools:
Technology moves faster than teams can adapt. It's important to invest in training your team as much as innovation

Systems don’t talk to each other:
Siloed data and outdated tools limit what gen AI can do. Gen AI also exposes organisations to new risk and legal considerations

Change fatigue and low buy-in:
Investing in tech alone isn’t enough. Without clear communications and visible support, even good pilots stall



… of digital transformations fail, primarily due to poor **managing of change by leaders**, rather than technical issues

Source: McKinsey, *Perspectives on Transformation*, 2025

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There are three pillars to effectively leading NFPs through AI disruption

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1

Leading self

Building literacy, confidence and perspective



Developing a working **understanding** of new tools and concepts

Seeking **diverse perspectives** rather than defaulting to experts

Modeling **learning behaviour**: asking questions, testing assumptions and sharing reflections openly

2

Leading the team

Creating clarity and psychological safety



Setting **clear expectations** about where innovation is encouraged and where governance applies

Encouraging **knowledge-sharing** and collaborating across silos

Recognising and **rewarding initiative**, not just execution

3

Leading the organisation

Embedding structure and direction



Establishing **cross-functional working groups** to coordinate innovation

Linking **capability development** to strategy and performance management

Evolving **governance frameworks** to enable agility while maintaining accountability

Leading the sector

Collaboration across the sector via shared frameworks, peer learning and open knowledge exchange can accelerate readiness and reduce duplication

Leaders contend with several key questions when thinking about the gen AI opportunity in their organisations

Example questions for gen AI transformations by NFP leadership stakeholder

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Strategy/CEO	☐ How can gen AI help us amplify our mission and community impact? ☐ How does gen AI align with our strategic priorities and values (Eg, equity, transparency)? ☐ How can we build the confidence and capability of staff and volunteers to use gen AI safely?
Finance/CFO	☐ Where can gen AI create the greatest operational efficiencies (Eg, admin, reporting, fundraising)? ☐ How do we balance gen AI investment with immediate service delivery needs? ☐ How do we measure return on mission rather than just financial ROI?
Service delivery/COO	☐ How can gen AI help streamline workflows and reduce manual effort for staff and volunteers? ☐ How do we integrate gen AI tools with existing systems (Eg, CRM, reporting, communications)? ☐ How do we manage risk, ethics and data quality while experimenting responsibly?
Impact measurement/CDO	☐ How do we prepare our data and evidence systems to enable responsible gen AI use? ☐ How can we safeguard beneficiary and donor data while still gaining insights from it? ☐ How do we overcome staff skepticism and ensure gen AI outputs are trusted, accurate, and mission-aligned?

The "Rewired Framework" helps NFPs deliver gen AI transformation

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Strategic alignment

1. Road map
Align on how gen AI can help the organisation better support the community in a way that is safe and ethical

Delivery capabilities

2. Talent
Upskill staff to use gen AI

3. Operating model
Create a working environment where teams can regularly test new approaches

4. Technology
Update existing technology to enable gen AI

5. Data
Collect and structure data for gen AI to use

Change management

6. Adoption and scaling
Support the new gen AI solution through clear communications, role modelling, training and accountable leadership

Source: McKinsey, *How to implement an AI and digital transformation*, 2023

What is it?

The Rewired Framework is a comprehensive approach designed to drive transformation in organisations by integrating digital and gen AI capabilities. It is built on lessons from hundreds of digital transformation programs

What is the benefit of using it?

It provides a structured approach to navigating the complexities of modern business environments while driving sustainable growth

How to use it?

Aim to follow all six steps of the framework. The framework has been adapted here to be more specific to gen AI transformations in small NFP organisations

The Framework comprises six elements which are intended to help NFPs adopt gen AI ethically and practically

Following the **Rewired Framework**, the rest of this how-to guide uses a six-part structure to approach adoption of gen AI by NFPs

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Strategic alignment

1. Road map
Align on how to pilot a new gen AI workflow in a way that is efficient, safe and ethical

Delivery capabilities

2. Talent
Upskill staff to use gen AI

3. Operating model
Create a working environment where teams can regularly test new approaches

4. Technology
Update existing technology to enable gen AI

5. Data
Collect and structure data for gen AI to use

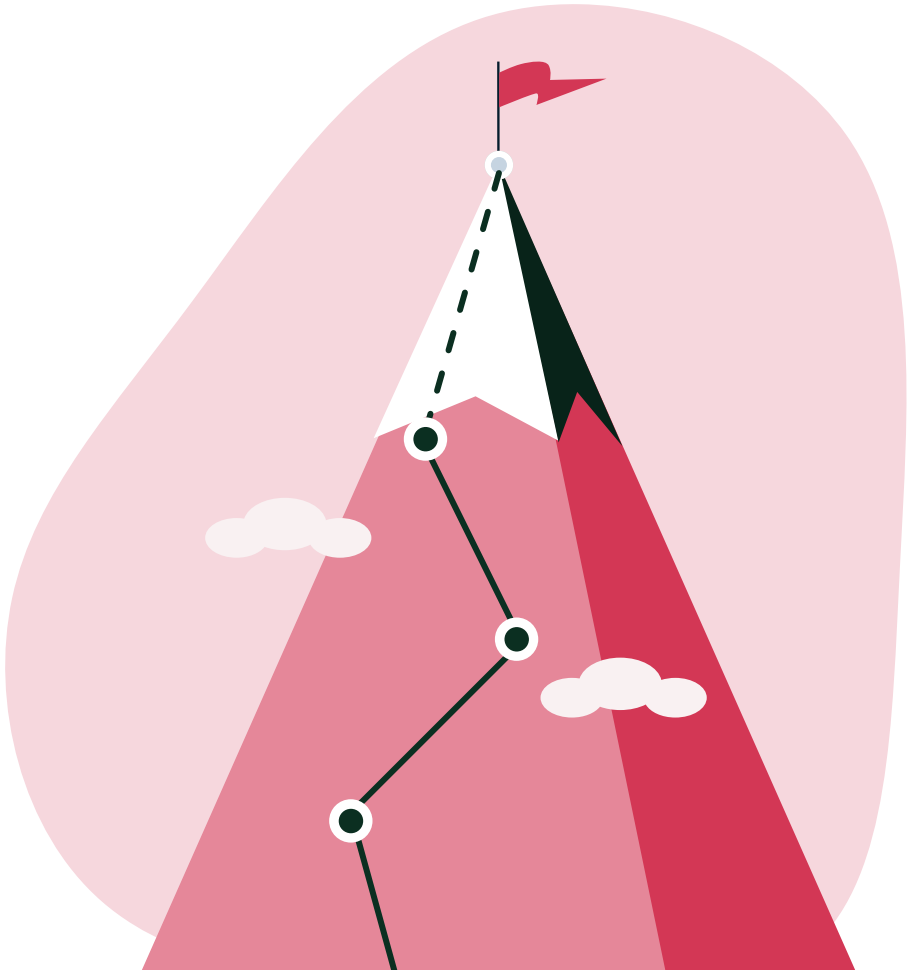
Change management

6. Adoption and scaling
Support the new gen AI solution through clear communications, role modelling, training and accountable leadership

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2. Road map

Align on how gen AI can help the organisation better support the community



- **2A** Define your organisation’s gen AI aspirations
- **2B** Baseline your organisation
- **2C** Select a first domain
- **2D** Create risk management structures
- **2E** Establish a gen AI governance framework
- **2F** Design a responsible gen AI policy

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Define your NFP's gen AI aspirations and the mindsets needed

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1

Define a holistic aspiration

Define an overarching goal or **"North Star"** for what AI should look like within your organisation

This aspiration can guide future decisions and mindset shifts for the organisation going forward

The goal depends on the size, structure, resourcing and mission of your NFP

Organisations that take time to identify and shift mindsets and behaviours are **four times** more likely to rate their change programs as "successful"[1]

1. Transformational Change Survey (McKinsey, 2023)

Other sources: McKinsey. *Doing vs being*: Practical lessons on building an agile culture, 2020

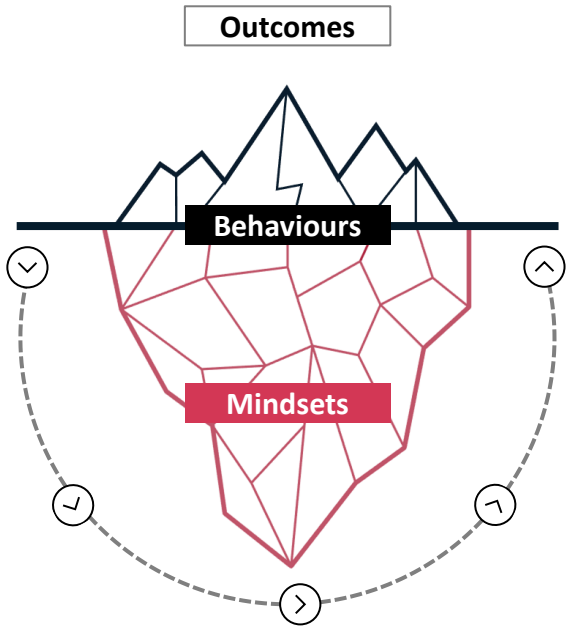
2

Identify the "from – to" shifts in mindsets and behaviours needed

From …

Current **impact is** shaped by day-to-day **individual behaviors** and routines

People's **beliefs and mindsets** about gen AI – whether they see it as useful, safe, or aligned with their mission – influence how they work



… To

New mindsets enable better behaviours. As people gain confidence and see value in gen AI, they adopt new, visible ways of working that help improve impact

Updated systems reinforce new mindsets. Clear processes, supportive tools and consistent guidance help people feel safe and capable

Systems shape mindsets. Policies, tools, workflows, and training influence how confident people feel and what they believe is important

Click to view template in appendix T

Example: Define "from – to" shifts for your NFP

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Level	From …	…To
Behaviours	Eg, "Our team is experimenting with gen AI, but use is inconsistent and isn't structured" …	Eg, "Our team uses gen AI in structured daily workflows, utilising best-practice prompts and human checks" …
Mindsets	Eg, "Our team is apprehensive about gen AI, and some believe it is a threat to our culture and community" …	Eg, "Our team believes gen AI can improve our ability to deliver our mission, and commits to learning to use it in a structured and safe way" …
Systems	Eg, "Our NFP provides staff with access to gen AI tools" …	Eg, "Our NFP provides best-practice guides, training on structured use, enterprise-level tools and infrastructure, and an environment that encourages safe use" …

Consider using this template, and consulting with your team, to plan the goal for your organisation and how to get there

Impact aspiration:

Eg, Our organisation aims to use gen AI to improve efficiency in administrative and time-consuming tasks, with staff comfortable utilising gen AI in a safe and structured way, in defined workflows, in order to free up their time to focus on more impactful activities

Checklist: Declare your organisation's gen AI aspiration to staff

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☐ Provide clear intentions

Explain how your NFP plans to use gen AI, what the NFP hopes to achieve by this, and next steps to get there

Example:

We plan to use gen AI to reduce admin burden and as a tool staff can use themselves to help improve quality. This way, we can focus our efforts on achieving tailored, high-quality programs that benefit the community



☐ Outline expectations for staff

Explain how staff should or should not be using gen AI tools currently, and refer to any existing policies

You may use approved gen AI tools for low-risk tasks (drafting, summarising, brainstorming) provided you don't paste sensitive/client data, you verify outputs, and you disclose gen AI use where required. If you're unsure, ask your manager or use the gen AI help channel



☐ Give appropriate reassurance

Aim to address insecurities and uncertainty with empathy and emphasise the ongoing value of staff

We understand many may have concerns. While gen AI can help us with our mission, a human must always be in the loop and review outputs. If you feel conflicted or uncomfortable that our ways of working with gen AI are not aligned with our mission and values, please reach out to leadership



Staff may face uncertainty and anxiety about gen AI's impact, and could benefit from clarity about their organisation's stance and plans. These are ideas for providing clear communications to staff. It's important to be honest and transparent, while providing reassurance and empathy.

Source: Harvard Business Review, *Leaders assume employees are excited about AI. They're wrong,* 2025.

Baseline your organisation

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Before introducing new gen AI tools, **assess your organisation's current gen AI usage**

Establishing a baseline **identifies starting points**, highlights early adopters and champions and enables realistic goal-setting

This approach promotes a structured and organised rollout

Think about the best way to do this for your own organisation, given its NFP structure, size and ways of working

1. Further info on establishing a central AI working team is found in the Operating Model section of this guide
2. Template provided in this guide in which you can use survey tools most likely in your suite tools (Eg, Google Forms)

1

Define who will own the logistics of surveying your organisation

This depends on the size of your organisation

This may be carried out by a member of a central gen AI working team if present in your NFP[1]

Smaller NFPs could designate an Operations Lead or even a "Gen AI champion" for this task

2

Decide on how you will baseline your organisation

Short staff survey[2]
"What role do you envision gen AI playing in driving value for our organisation?"

Pulse check in a team meeting
Online or in-person polls

Usage scan
Confirm with IT teams whether free tools are in use

Leadership discussion
Ensure alignment on readiness and risk appetite

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Example: Circulate a gen AI baseline survey (1/2)

NFPs pilot gen AI diagnostic survey

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1. I feel confident identifying where gen AI could be used in my role or team.
Select one

○ Strongly disagree ○ Disagree ○ Neutral ○ Agree ○ Strongly agree

2. To what extent have you used or experimented with gen AI (Eg, ChatGPT, CoPilot, Gemini)?
Select one

○ Not used gen AI ○ Ad hoc use ○ Monthly use ○ Weekly use ○ Daily use

3. If you have used or experimented with gen AI, what types of work-related tasks have you mainly used it for? Select up to three

- ☐ Documenting or summarising information
- ☐ Supporting decision making
- ☐ Generating ideas
- ☐ Working with digital tools or systems
- ☐ Collaborating with colleagues
- ☐ Other
- ☐ Interpreting or explaining information
- ☐ Finding information
- ☐ Providing advice
- ☐ Analysing data or information
- ☐ I have not used gen AI

4. Rate the extent to which you agree with the following statement: Our organisation has a clear vision for how gen AI could support day-to-day workflows

○ Strongly disagree ○ Disagree ○ Neutral ○ Agree ○ Strongly agree

5. Rate the extent to which you agree with the following statement: gen AI is being used in some areas of our organisation to improve processes

○ Strongly disagree ○ Disagree ○ Neutral ○ Agree ○ Strongly agree

6. Rate the extent to which you agree with the following statement: Our organisation is open to testing new tools like gen AI to improve how work gets done

○ Strongly disagree ○ Disagree ○ Neutral ○ Agree ○ Strongly agree

7. Which areas of your organisation have experimented with or implemented gen AI?
Select all that apply

- ☐ Impact reporting
- ☐ Fundraising campaigns
- ☐ Program and service delivery
- ☐ Policy and advocacy
- ☐ Board & governance reporting
- ☐ Stakeholder engagement
- ☐ Other
- ☐ Finance
- ☐ Human resources
- ☐ Information technology
- ☐ Marketing and communications
- ☐ Operations and admin
- ☐ Legal, tax, and compliance
- ☐ Not applicable

8. Overall, our organisation has found implementing gen AI valuable

○ Strongly disagree ○ Disagree ○ Neutral ○ Agree ○ Strongly agree



This style of survey is useful if you are a mid-sized NFP of over 50 people

Example: Circulate a gen AI baseline Survey (2/2)

NFP pilot gen AI diagnostic survey

ILLUSTRATIVE **NONEXHAUSTIVE**

9. In which areas do you think gen AI could potentially help your organisation the most?
Select up to three

- ☐ Impact reporting
- ☐ Fundraising campaigns
- ☐ Program and service delivery
- ☐ Policy and advocacy
- ☐ Board & governance reporting
- ☐ Stakeholder engagement
- ☐ Other
- ☐ Finance
- ☐ Human resources
- ☐ Information technology
- ☐ Marketing and communications
- ☐ Operations and admin
- ☐ Legal, tax, and compliance
- ☐ Not sure

10. How do you see gen AI adding the most value to your organisation?
Select up to three

- ☐ Automating time-intensive tasks
- ☐ Improving quality and consistency of outputs
- ☐ Generating insights from existing data
- ☐ Creating tailored materials for specific audiences
- ☐ Solving problems
- ☐ Improving data accuracy
- ☐ Enhancing creativity and innovation
- ☐ Producing documents faster
- ☐ Improving personalisation in communications
- ☐ Reducing human error
- ☐ Unlocking staff capacity

11. How well do you think your organisation's current ways of working (Eg, roles, processes, decision-making) would support the use of gen AI? Select one

○ Not at all ○ Slightly ○ Moderately ○ Mostly ○ Fully



This style of survey is useful if you are a mid-sized NFP of over 50 people

12. Which risks are you most concerned about in using gen AI?
Select up to three

- ☐ Bias and discrimination in AI results
- ☐ Misinformation
- ☐ Regulatory compliance
- ☐ Other
- ☐ Don't know
- ☐ Data misuse or breaches
- ☐ Reputational damage
- ☐ Workforce implications
- ☐ None

13. What are the key barriers your organisation faces in adopting gen AI? Select up to three

- ☐ Lack of technical expertise
- ☐ Budget constraints
- ☐ Ethical or reputational concerns
- ☐ Time
- ☐ Other
- ☐ Unclear where to apply gen AI
- ☐ Data privacy/security concerns
- ☐ Resistance to change/internal culture
- ☐ Lack of organisational guidelines/governance around use

14. My team is open to changing how we work to explore and implement gen AI tools

○ Strongly disagree ○ Disagree ○ Neutral ○ Agree ○ Strongly agree

15. Which part of the organisation do you work in?

- ☐ Fundraising
- ☐ Marketing
- ☐ Monitoring and evaluation
- ☐ Volunteer management
- ☐ Partnerships
- ☐ Policy and advocacy
- ☐ IT
- ☐ Human resources
- ☐ Finance
- ☐ Other

16. What is your seniority level?

- ☐ Board member
- ☐ Team manager
- ☐ Individual contributor
- ☐ Senior executive (Eg, CEO, CFO, CIO)
- ☐ Executive / director

Checklist: Actions to take post baselining



Finalise survey results

- [ ] Analyse the results
- [ ] Identify capability gaps and opportunities
- [ ] Share the results with your staff via email or meetings



Build a team to plan a first gen AI pilot

- [ ] Organisational leadership may choose the first domain
- [ ] Alternatively, this could be delegated to a central gen AI working team
- [ ] Collaborate with the teams involved in each workflow to get their perspective



Define what role you will play

- [ ] Define how you will be involved in transformations
- [ ] Plan how you will upskill yourself and the organisation, and act as a role model for safe and effective gen AI use

True as of December 2025

Select a first domain for gen AI adoption

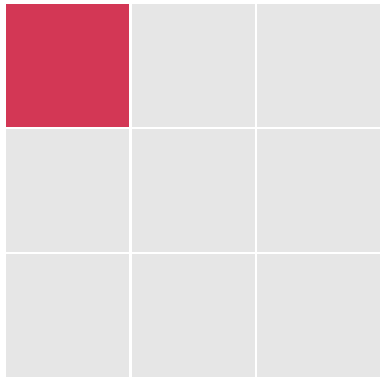
How can NFPs approach the gen AI adoption journey?

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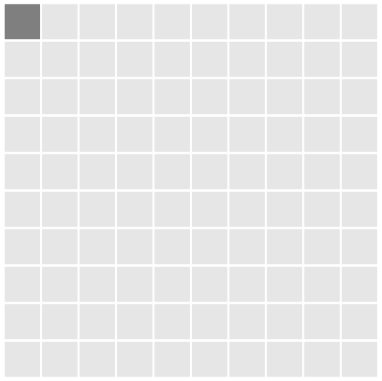
Entire enterprise – too big

Too many domains, data sets, and stakeholders to be able to get to meaningful impact quickly



Transforming a domain – just right

Balance of end-to-end impact, leadership excitement, and achievable results in 6–12-month window



Use case – too small

Too niche to demonstrate material impact in an end-to-end domain

When facilitating your team, people will often gravitate towards thinking of whole functions rather than workflows. Workflows are usually more self-contained and suitable for an AI pilot

Note: This information is also found in the team-member version of the guide

Source: McKinsey, Choose the right transformation 'bite size', 2024.

Multiple options to define a "domain"

Function

Traditional groups, such as sales, finance, marketing or supply chain

Workflow/process

High-value processes like program delivery, fundraising or reporting

Journeys

Interaction-intensive processes like onboarding, providing advice or buying a product online

Click to view template in appendix T

Example: List your domains and prioritise them for a pilot

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1 Map your NFPs functions and identify target domains

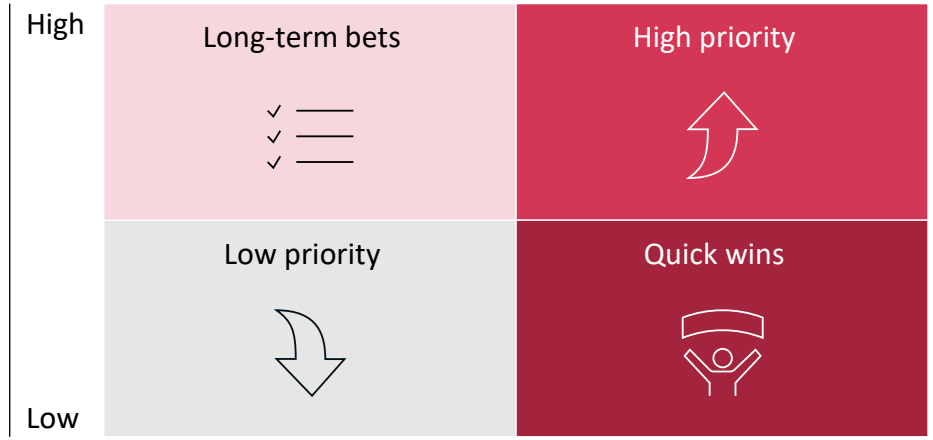
Click to view template available in appendix T

Program and service delivery	Program delivery				
	Digital (self-service)	Digital (webinar)	Face-to-face	Integrated servicing and partners	
Policy and advocacy	Forecasting and projections	Research	Submissions	Publication	
Fundraising	Donor targeting and relationships	Grantmaking	Learning and reapplication	Acquittal and closure	Impact reporting
Corporate and enabling	HR			Procurement and Finance	
	Recruitment	Performance management	Learning and development	Procurement	Finance	Asset management
	Technology and Data				
	Modernisation	Tech support	Cyber	Data management	Digital product
	Marketing		Compliance		
	Campaign design/launch	Internal and ext comms	Legal/tax	Governance and policy	Annual reporting	Internal reporting
Cross-cutting gen AI domains	Employee productivity	Data analytics and visualisation (Eg, report writing)	Scheduling and administrative support		

Steps to identify domains:

- List workflows
- Group by broad function

2 Prioritise and shortlist domains



Impact – Hours saved, potential to expand to other areas of NFP

Feasibility – Potential to implement from a technical standpoint in terms of complexity, resources, effort required

Steps to shortlist domains:

- Rank each domain in terms of impact and feasibility, placing them on a 2x2 grid
- Colour-code and shortlist the most promising domains

Note: Further information on each step, including worked examples, are found in the team -member version of the guide.
Source: McKinsey, *Choose the right transformation 'bite size'*, 2024.

Create risk management processes and supporting structures

There are three distinct but interlocking components of responsible gen AI and risk management

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	1 **Gen AI risk management**	2 **Gen AI governance framework**	3 **Gen AI policy**
Purpose	Provides the **processes and tools** to identify, assess, mitigate, and monitor risks arising from gen AI use	Defines **how** decisions about gen AI are made, by whom, and **under what principles**	**Translates** governance and risk rules into practical, everyday do's and don'ts
Audience	Practitioners, project owners, compliance and audit teams	Leadership, board, risk and compliance teams	All staff, volunteers, and contractors
Core contents	**Identifies and manages** key gen AI risks such as bias, accuracy, data protection and reputation Embeds **controls and review steps** like testing, human oversight and documentation into projects **Connects** gen AI risk processes to the organisation's broader risk and assurance systems	Defines **why and how** the organisation uses gen AI, guided by its mission and ethical principles Sets **roles, responsibilities, and decision pathways** for approving and overseeing gen AI use Aligns gen AI decisions with **existing governance and oversight structures** (Eg, risk, privacy, digital strategy)	Outlines **how staff, volunteers, and partners** can use AI responsibly in daily work Lists **approved tools**, prohibited uses, and **data protection requirements** Clarifies **accountability, training, and reporting channels** for questions or incidents

Example: Support your core risk management with risk-reducing initiatives

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Risk management core

Governance, policy and risk planning

Risk management exercises:
For any new use case or gen AI pilot, complete a risk matrix, prioritise the risks and draft ways to mitigate each risk[1]

Human oversight:
Tailor the level of human review to the amount of risk present in the use case

Risk governance systems:
Set up clear rules and reporting processes to prevent misuse or errors. Include data privacy, copyright/IP checks, and an escalation path for when things go wrong

Responsible gen AI policy:
Have clear, visible rules regarding acceptable gen AI practice. Aim to support and reassure hesitant staff, while setting clear expectations and limiting unsafe practices

Supported by

Delivery capabilities

Talent

Use a **multidisciplinary, collaborative approach** to designing new workflows

Identify **leaders/champions** who can guide others and help spot risks early

Equip staff with the **confidence and skills** to use gen AI safely and effectively

Build a go-to guide and information repository to support staff in using gen AI responsibly in their workflows

Operating model

Define **who is accountable** for gen AI use (Eg, program leads, IT, or a cross-functional gen AI Hub)

Create **check-in points** before new tools or pilots go live

Encourage **open feedback** on what's working and what feels unsafe

Technology

Use only **trusted, secure platforms** for gen AI experiments (Eg, Microsoft Copilot, ChatGPT Enterprise)

Keep systems up to date to help sensitive data stay protected

Avoid complex technical builds: start small, test and learn

Data

Confirm your organisation knows **where its data lives** and who owns it

Protect personal and community information: nothing private should be entered into public gen AI tools

Build **templates for checking data safety** before sharing

Change management

Adoption and scaling

Encourage staff to adopt a **safety-first mindset** for the workflow (Eg, understanding that it is a tool and can't replace human judgement)

Capability building: not just training, but hand-to-hand coaching, including on risks and limitations

Role modelling: leaders as well as gen AI champions should role model safe gen AI use

Measurement system: track the quality and effectiveness of any new gen AI pilots to help detect issues early

The core risk policies and governance frameworks can be complemented by developing the underlying capabilities and systems to support a safe gen AI rollout. Consider all of these broad categories when designing your risk strategy

1. Examples available in team-member version of this guide

Checklist: Create risk management structures and initiatives

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	1	2	3
Guardrails	**Risk management core**	**Delivery capabilities[2]** (examples)	**Adoption and scaling[3]**
Support	☐ Complete **risk management exercises** for new gen AI workflows or pilots[1] ☐ Check that any new workflows have the appropriate amount of **human oversight** ☐ Establish **gen AI governance framework** and **ethics concern pathways** ☐ Create a **responsible gen AI use policy** for staff to understand do's/don'ts	☐ **Talent:** Equip staff with training, information, and cross-team expertise to safely use new workflows ☐ **Operating model:** Establish clear ownership of gen AI oversight in new workflows, and transparent feedback channels ☐ **Technology:** Procure secure, up-to-date enterprise platforms for gen AI where able ☐ **Data:** Establish clear data categories so employees know what data can go into gen AI	☐ **Work towards establishing a culture of safe gen AI use** – by using capability building, role modelling and measurement systems

1. Worked examples available in team-member version of how-to guide
2. More information available on each category of delivery capabilities in subsequent sections of this guide
3. More information on adoption and scaling available later in this guide

Click to view template in appendix T

Create a governance policy based on safe gen AI principles[2]

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Key principles[2]

Transparency	Appropriate traceability and explainability, while making humans aware that they communicate or interact with a gen AI system as well as duly informing users of the capabilities and limitations of that AI system and affected persons about their rights
Human agency and oversight	Gen AI systems shall be developed and used as a tool that serves people, respects human dignity and personal autonomy, and functions in a way that can be appropriately controlled and overseen by humans
Accountability	Mechanisms must be put in place to ensure responsibility, accountability and potential redress for harm caused by gen AI systems
Technical robustness and safety	Unintended and unexpected harm must be minimised; gen AI systems must be robust and resilient in case of intended problems and attempts to alter the use or performance of the AI system to allow unlawful use by malicious third parties
Diversity, non-discrimination, fairness	AI systems should include diverse actors and promotes equal access, gender equality and cultural diversity, while avoiding discriminatory impacts and unfair biases that are prohibited by law
Privacy and data governance	Development and usage of gen AI systems must follow existing privacy and data protection rules, while processing data that meets high standards in terms of quality and integrity
Social and environmental well-being	Gen AI should be sustainable and environmentally friendly and benefit all human beings, while monitoring and assessing long-term impacts on the individual, society and democracy

1. Example https://www.communitydirectors.com.au/tools/developing-an-ai-governance-framework-at-your-organisation
2. As named in EU Draft AI Act, 2021, but also covered in, Eg, OECD AI Principles, Singapore Model AI Governance Framework, US AI Bill of right etc. These principles summarise themes from external frameworks and are provided for consideration; organisations should align with their own legal and ethical obligations

Design a responsible staff-facing gen AI policy[1]

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Policy content

Start with a **purpose statement**, explaining why the policy exists and how it supports mission, ethics and trust

Include **general principles** for responsible and ethical use

Include **appropriate/inappropriate use cases** as examples

Consider distilling the policy into **do's/don'ts**, but look to keep the context and rationale accessible

Separate from the main body, provide **further explanation** such as what constitutes a "public tool" (i.e., web version of a gen AI platform) versus an "enterprise tool"

Emphasise that the policy is a **working document** and, due to the rapid evolution of gen AI, may change

Specify a **review period** (Eg, every 6-12 months)

Provide details of **who to contact** for clarification, approvals or reporting issues



Your policy doesn't need to be long. Aim to use three to eight gen AI principles, and keep to one to two pages for the main body.



Communications and rollout

Announce to staff **beforehand** that a policy is being introduced – either in all-staff meetings or via emails

Invite **consultation and feedback** on the policy, set up the channels to facilitate this (Eg, an open email box)

Set up a "**single source of truth**" where staff know they can access the latest policy – for example, on the staff intranet

Make the policy **physically accessible** in the office

Consider **abridged versions** or concise do's/don'ts for posters

Check that all staff **sign the policy** before engaging with gen AI

Provide staff with **training** on following the gen AI principles

Consider **publishing** the policy for donor visibility

1. Example of a gen AI policy template and national Australia further in appendix

Click to view template in appendix T

Example: Design a staff-facing responsible gen AI policy

A simple three-principle gen AI policy for an NFP, adapted from the Australian Government's own guidance for its public service staff

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1. Protect people and privacy first

Never enter personal, donor or participant details into public gen AI tools. Assume anything you type could become public

2. Use judgement and critically assess gen AI output

Check for fairness, accuracy and inclusivity in outputs. Gen AI tools can reflect bias that may disadvantage the communities we support

Be aware that gen AI can generate confident but incorrect information. Always verify facts before using outputs externally

Undertake training to understand and critique gen AI results

3. Be responsible and accountable for your work and decisions

Be able to explain and justify your work. Gen AI shouldn't make final decisions about donors or beneficiaries

Disclose meaningful gen AI assistance when appropriate

Appropriate use (examples)

Drafting community materials: Use gen AI to brainstorm headings and plain-English wording for a public factsheet, then fact-check and edit before release

Research jump-start: Ask gen AI for a landscape of public reports on a program topic, cross-check sources and refine with experts

Inappropriate use (examples)

Client correspondence with personal details: Don't paste names, case notes, or sensitive histories into a public gen AI tool to "draft a response". Use approved internal templates/systems instead

Gen AI-only decisions on services: Don't let gen AI determine eligibility, prioritisation, or safeguarding actions; maintain human review and follow NFP protocols

Adapt your gen AI policy for the context of your own organisation. Remember to also include the policy's purpose and further explanations where needed

Source: Australian Government, Staff guidance on public generative AI, 2025

3. Talent

Upskill staff to use gen AI

NONEXHAUSTIVE



3A Set goals for gen AI upskilling

3B Create organisation-wide training plans

3C Identify gen AI champions

True as of December 2025

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Set gen AI upskilling goals for your organisation

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Aspiration

	Gen AI literacy	Gen AI adoption	Gen AI domain transformation
	Build basic awareness and confidence in how gen AI works and how to use it safely	Embed gen AI tools into everyday work to improve productivity and impact	Reimagine core processes with gen AI to enhance service delivery and sustainability
Typical elements	Start with leadership and extend knowledge and vision for gen AI down to all staff Deliver short, role-based workshops: gen AI basics, safe data use and ethics Share practical examples (Eg, using gen AI for grant writing or volunteer scheduling)	Identify 1–2 high-value, low-risk areas for introducing gen AI tools (Eg, reporting, communications) Provide hands-on sessions where teams practice prompting and reviewing outputs Nominate gen AI champions to model safe use and support others	Staff are trained to operate reimagined gen AI workflows in 1–2 key domains Build partnerships with universities or tech volunteers to access expertise Create shared central sources of knowledge for the organisation
Example outcomes	100% of staff complete gen AI basic training or short safety induction Staff report greater confidence in using approved gen AI tools responsibly	75% of participants in chosen areas use gen AI tools weekly 1–2 hours of time saved per staff member per week	Relevant staff are confident in 1–2 key workflows redesigned end-to-end using gen AI Shared repository of effective prompts and best practices



These are example initiatives and outcomes for one NFP. Tailor these to the size, structure, resources and mission of your own NFP

Click to view template in appendix T

Create AI training plans for your NFP

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Example focus areas for learning

	Gen AI basics	Gen AI caution	Gen AI in action
Focus	**Introduction to gen AI**, its capabilities, and tools for automating reporting workflows	**Build awareness of risks**, governance and ethical considerations	**Live demonstration of new workflows** (Eg, showing data preparation, drafting and content review)
Indicative agenda *(not exhaustive)*	What gen AI is and how it can help with reporting How to use common gen AI tools How to write good prompts When to use human judgement over gen AI	Risks around privacy, security and bias How to use gen AI responsibly and fairly Understanding internal policies	New reporting process with gen AI How to prepare and use data Drafting and reviewing reports with gen AI Keeping quality high in daily work
Outcome	Staff are comfortable in explaining **gen AI**, **write better prompts** and **recognise when human input is needed**	Staff can **apply risk, ethics and governance principles** to ensure gen AI use is secure, fair and compliant	Staff can confidently **create and review reports** with a focus on accuracy and efficiency

5 Ways to learn

1	**Lunch and learns**	Short, informal sessions where staff can see live demos and/or ask questions
2	**Micro-learnings**	5–10 minute videos, tips and tricks sheets, or prompts of the week sent via email
3	**Role-based learning**	Tailored trainings for specific teams
4	**Peer-to-peer sharing**	Staff to share how they are using gen AI in their work as show-and-tells
5	**Free online courses**	Leverage existing content such as OpenAI Academy, YouTube, Microsoft Learn

Find gen AI champions to drive behaviour change throughout your NFP

ILLUSTRATIVE **NONEXHAUSTIVE**

How to identify change champions

Look for curiosity

People who naturally ask, "Could gen AI make this easier?" are often your best champions

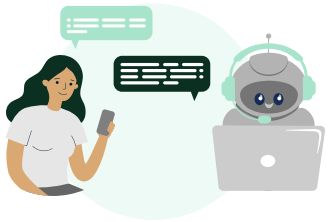
Spot the early testers

Staff already experimenting with gen AI tools (even casually) and sharing what they find

Find trusted voices

Colleagues others go to for help or advice, especially those who explain things simply and calmly

Examples of change champion activities (not exhaustive)



Identify use cases

Spot small, high-impact tasks where gen AI could save time (Eg, writing donor letters, summarising reports or preparing meeting notes)



Share success stories

Tapping into excitement is key. For example, showing off new features or tools during meetings, sharing time saved



Post quick tips

Post weekly gen AI tips or prompts on shared channels (messaging channels or internal emails) to keep enthusiasm high and encourage safe use



Support peer mentoring

Pair early adopters with staff or volunteers who are less confident: create a buddy system that normalises learning by doing

Provide your gen AI champions with extra training, offering guidance on best practices and guardrails. Keep their commitment light, to less than two hours per week, and create feedback loops with leaders.

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Example: Recognise and create go-to experts

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1 Identify champions
Identify employees who are actively exploring gen AI and have established trust among their peers.[1]

2 Provide extra training
Offer guidance on best practices and guardrails

3 Define their role
Encourage them to help other staff, answer questions and curate shared resources

4 Keep it light
Limit commitment to less than two hours a week as this is a support role

5 Create feedback loops and leadership exposure
Facilitate ways for them to share insights regularly with leadership to enhance pilot rollout



Who they are
Early adopter and excited about gen AI in general

Why are they interested
They are eager learners and already experimenting with gen AI in their free time

What would they do
Answer day-to-day questions about the gen AI pilot and contribute to finding new training opportunities for staff

What support would they need
Extra training to upskill them on gen AI pilot and leadership exposure

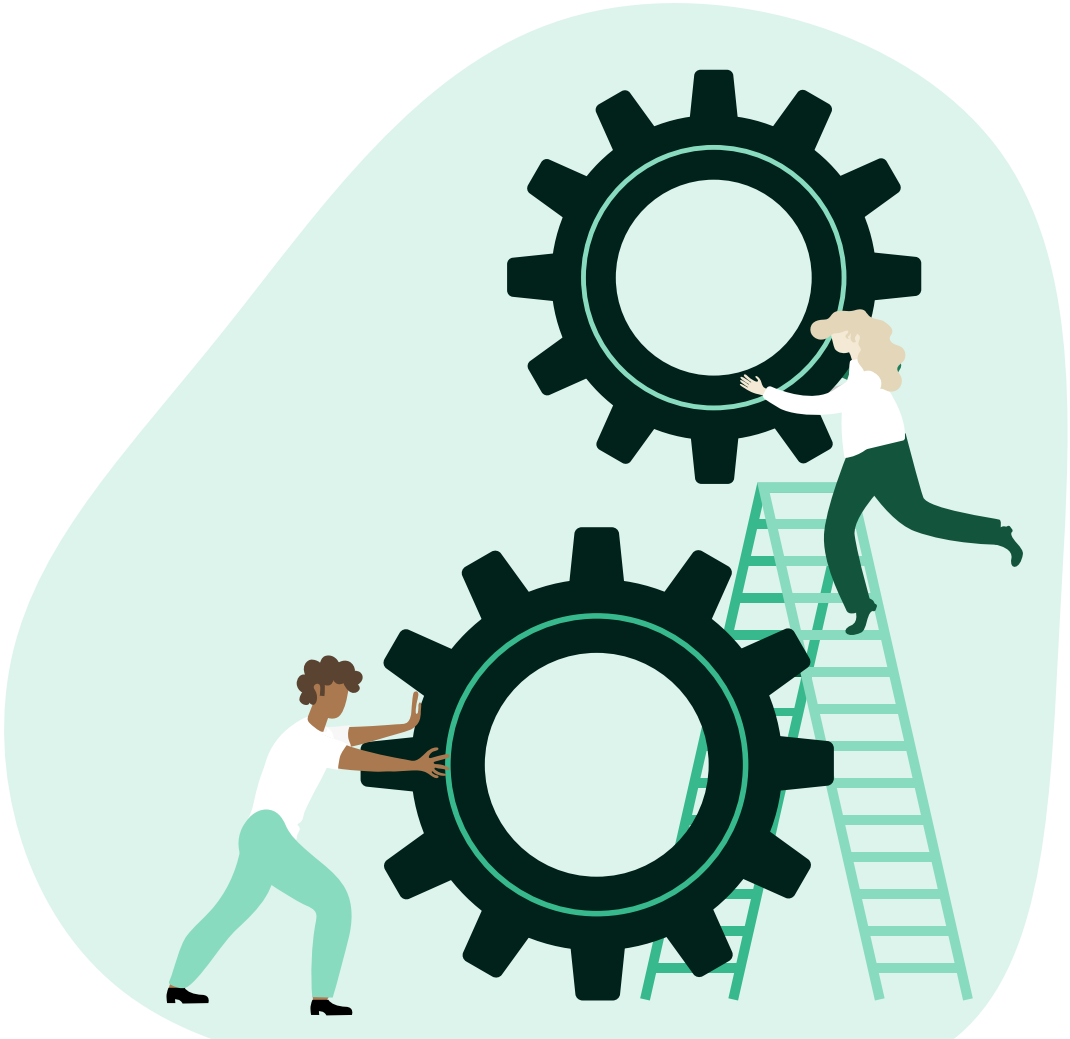
Time needed
Less than two hours per week

Impact
Helps staff get more comfortable using gen AI safely

1. Potentially pull this information from baseline survey.

4. Operating model

Create a working environment where teams can regularly test new approaches



4A Establish a gen AI working team

4B Build new team structures and processes

4C Create a learning environment and an ownership mindset

True as of December 2025

Create a central gen AI working team to coordinate governance and learning

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Sample roles of the gen AI Working Team

1. Provide governance and guidance

- Review any proposed AI use to ensure it follows AI policies
- Define and document "what's OK/what's not" (approved tools, data rules, do's & don'ts)
- Maintain an ethics checklist and risk log
- Report periodically to the leadership team or board

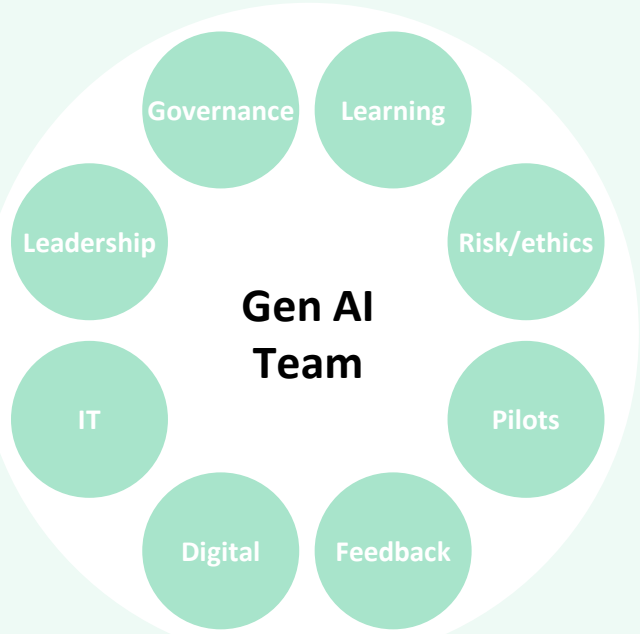
2. Build shared learning and capability

- Run short demos or "AI practice sessions" for staff
- Maintain a shared library of prompts, templates and safe-use examples
- Encourage staff to share wins, challenges and lessons learned
- Nominate AI champions from different functions to lead by example

3. Support pilot projects

Help teams design and test one pilot at a time (Eg, reporting, donor updates)

- Capture and share results so others can learn and adapt
- Develop a checklist for expanding successful pilots safely



The gen AI Team keeps AI adoption safe, ethical and mission-focused, helping leaders and teams learn together and build confidence

A central gen AI team is more useful in large, complex NFPs as it provides oversight over gen AI use. In a smaller NFP it may be more suitable to have a smaller, cross-functional gen AI team

Example: Outline the roles and commitments of your central gen AI team

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Key roles

Domain and workflow team leader (Eg, program manager)

Technology and data contact (internal or partner)

Leadership sponsor (Eg, CEO/COO)

Ethics / community lens (Eg, board member)

Commitments

Join weekly meetings

Join workshops

Light-touch offline work 1–3 hours a week



The size and scope of your central gen AI team depends on your NFP. Smaller NFPs may not require a central team, with individual functions/units interacting directly with leadership instead

This example is for a 30-employee NFP

Create a cross-functional team structure for AI pilots

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Consider having gen AI pilots teams assume an **empowered, non-hierarchical structure**, accountable for the whole process from end to end. This allows faster iteration, learning and impact

Pilot teams can be coordinated by a central gen AI team for governance and learning, but **ultimately are responsible for decisions regarding their individual workflows**

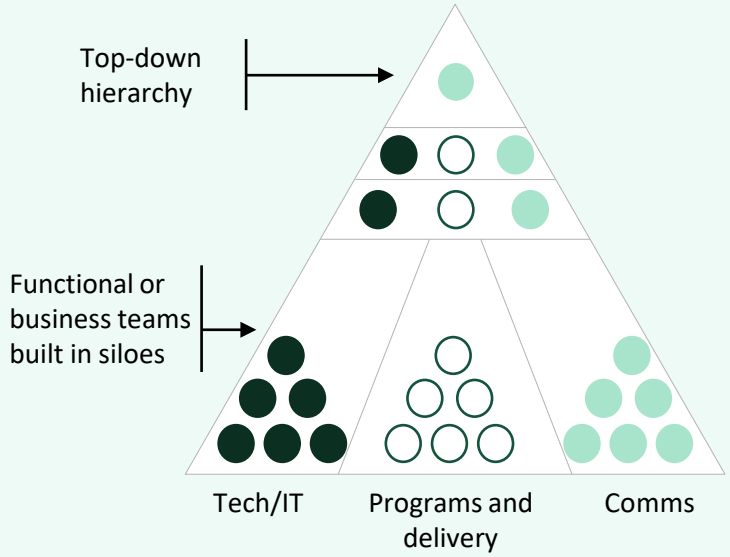
Structure of empowered teams:

- Clear, flat structure
- Clear accountable roles
- Cooperation with central team
- Supportive coordination rather than hierarchical decision making

An **example team to pilot a gen AI impact reporting workflow**: A program lead (programs), frontline representative (service delivery), data & evaluation support (learning & analytics), communications/storytelling officer (comms/fundraising) and a senior sponsor (leadership)

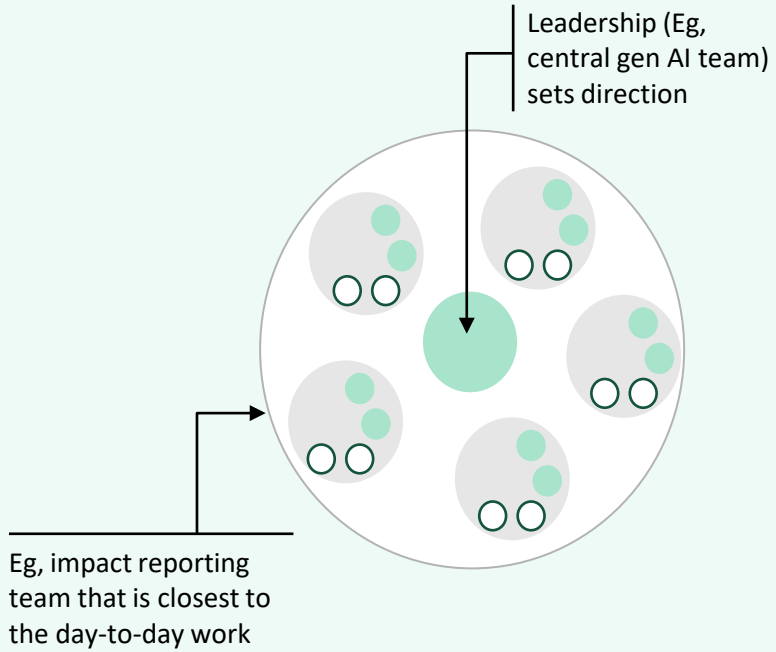
From: Top-down hierarchical structure

Each function (Eg, finance) creates its own approach and teams



To: Rewire organisational structure

Teams with a mix of skills and seniority levels work together to redesign and deliver the whole workflow



Source: McKinsey, *The five trademarks of agile organisations,* 2018.

Checklist: Follow a five-step process for empowered teams

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Work together consistently across different roles:

What changes in the way we work are needed to help cross-functional teams succeed?

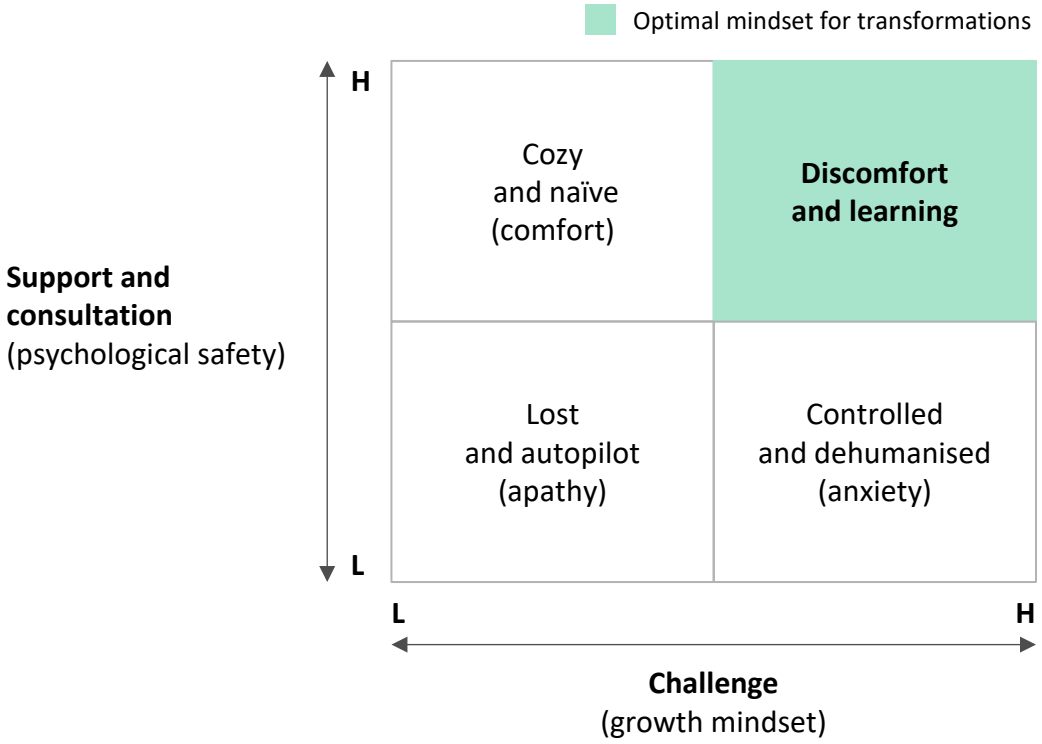
1	2	3	4	5
☐ **Commitment and purpose**	☐ **Accountability and empowerment**	☐ **MVP implementation**	☐ **Increased collaboration**	☐ **Continuous learning**
Goal setting	Cross-functional team setup	Fast-moving, iterative rollout	Shared understanding	Capabilities and mindsets
Set clear milestones so everyone knows what progress looks like Make sure teams have the authority to act on the goals, not just carry them out	Include people from all the roles needed to get the work done Make responsibilities clear so everyone understands how they contribute	Work in short cycles to test ideas quickly and learn from them Build around the real needs of staff and the people you serve	Share goals so team members are working towards the same outcomes Collaborative process with minimal handoffs Removal of unnecessary bureaucracy and hierarchy	Provide ongoing training and regular check-ins to support the team Create a safe space for experimentation and learning from failing

Source: McKinsey, *The five trademarks of agile organisations,* 2018.

Help your team be in the right mindset for learning gen AI

ILLUSTRATIVE **NONEXHAUSTIVE**

Staff who are supported *and* challenged learn faster



Source: McKinsey. *Psychological safety and the critical role of leadership development*, 2021.
Based on psychological safety theory developed by Amy C. Edmondson

Why psychological safety matters

Allows honesty about pain points in workflows

Encourages realistic opinions on new solutions

Facilitates feedback on gen AI risks and ethics

Creates a learning-focused environment

Why a growth mindset matters

Encourages curiosity and experimentation with new tools and workflows

Helps staff see mistakes as opportunities to improve rather than focusing on perfection

Builds resilience and creates focus on progress and improvement

Shift to a "problem ownership" mindset for safe gen AI adoption

ILLUSTRATIVE **NONEXHAUSTIVE**

Problem ownership is:

Being **accountable** for guiding your team through gen AI experimentation rather than delegating it to tech or data leads

Structuring challenges clearly, so teams understand what they're testing, measuring and improving

Engaging champions and experts to co-create safe, useful workflows that fit your mission and operations

Problem ownership is not necessarily:

Having every answer abut gen AI tools or technology

Going at it alone (collaboration builds better, safer results)

	Mindsets	Mantras	Behaviours
For you as a leader	Individual contributor → Collective impact	**I push the thinking and contribute to one team**	***Say:*** We're one team ***Say:*** I'd like to recognise ____ for ____ ***Ask:*** Can I pass an idea by you? ***Ask:*** Is there any way I can help?
For your teams	Avoid personal risk → Embrace accountability and learning	**I own the problem and take on challenges**	***Ask:*** Can I use gen AI to improve this? ***Say:*** This is the problem – I think we should take these next steps … ***Ask:*** Do you have any feedback for me? ***Ask:*** Can I give you feedback?
	Analyse and perfect → Act, simplify, innovate	**We fail fast and learn faster**	***Say:*** Here's what I've learned and how I'm adapting ***Say:*** This version isn't final, but it's a great starting point ***Ask:*** Is this output useful for your work?

Checklist: Encourage the best ownership practices in your teams

Specify exact ownership of a task

- ☐ **Assign specific ownership**: Eg, “Ben, can you lead and own testing of the gen AI-generated impact summaries this week?”
- ☐ **Personalise the message** by showing how leading the task helps individual growth and builds confidence using new gen AI tools
- ☐ **Use shared tools** to tag gen AI task “owners” in your NFP’s shared workspace for visibility

Convey the importance of the task

- ☐ Highlight its alignment with goals by **connecting to the mission**
- ☐ **Set a clear priority:** show how this task fits within team’s other work and timelines
- ☐ **Clarify the consequences:** highlight positive outcomes of success (Eg, scaling reporting efficiency) or negative outcomes from failure
- ☐ **Manage expectations** and remind teams this is a pilot. Learning, testing and refining are expected

Set clear deadlines for the task; let the team set the milestones and calendar

- ☐ **Set expectations:** decide what output quality and safety checks are needed before sharing results
- ☐ **Establish a sense of urgency** by creating a clear deadline
- ☐ **Encourage team** and let them plan milestones and feedback checkpoints (Eg, “AI test review next Thursday, what do we want to improve by then?”)

5. Technology and data

Update existing technology and data structure to enable gen AI use



- **5A** Understand criteria for tech and data decisions
- **5B** Baseline tech and data foundations
- **5C** Establish data security measures
- **5D** Organise data into risk levels

True as of December 2025

Click to view template in appendix T

Understand your organisation's tech and data priorities to allow you to facilitate decision-making

ILLUSTRATIVE **NONEXHAUSTIVE**

Higher priorities | Lower priorities

Tech/data factors	Typical considerations
Output quality	Focus on fit-for-purpose rather than the most powerful model Off-the-shelf enterprise LLMs provide sufficient accuracy for most NFP writing, summarising and reporting needs
Cost	Many platforms offer non-profit discounts Self-hosted or custom-built models are likely to add unnecessary cost and complexity in many cases
Technical compatibility	Consider using tools that integrate easily with existing systems like Microsoft 365, Google Workspace or CRM software
Security and privacy	Select enterprise-grade gen AI tools that don't store or reuse your data Check that data hosting complies with your country's privacy laws Avoid using free or public gen AI tools for confidential donor, client or beneficiary data
Skills required	Choose tools that are intuitive and low-maintenance for staff
Latency	Mainly relevant for use-cases involving customer/donor facing live conversations Higher quality models (Eg, GPT-5) are slower; most providers offer much faster and cheaper versions with slightly lower quality
Context size	Large-context models may be helpful for combining long reports or grant data but aren't essential at pilot stage
Throughput	Throughput (processing power) unlikely to limit NFP use in most cases

These are examples of general priorities to consider for your overall tech infrastructure, to help you form hypotheses going into team discussions. These may change depending on your specific use cases or organisation's situation

Outcomes for NFPs:

i **Start simple and prioritise tools or ecosystems that your NFP already uses:**
Eg, if your NFP already uses Office365, consider Microsoft Copilot and SharePoint

ii **Adjust only if needed:**
Experiment with alternatives if the tool can't handle your specific use (Eg, data integration)

Think mission ROI:

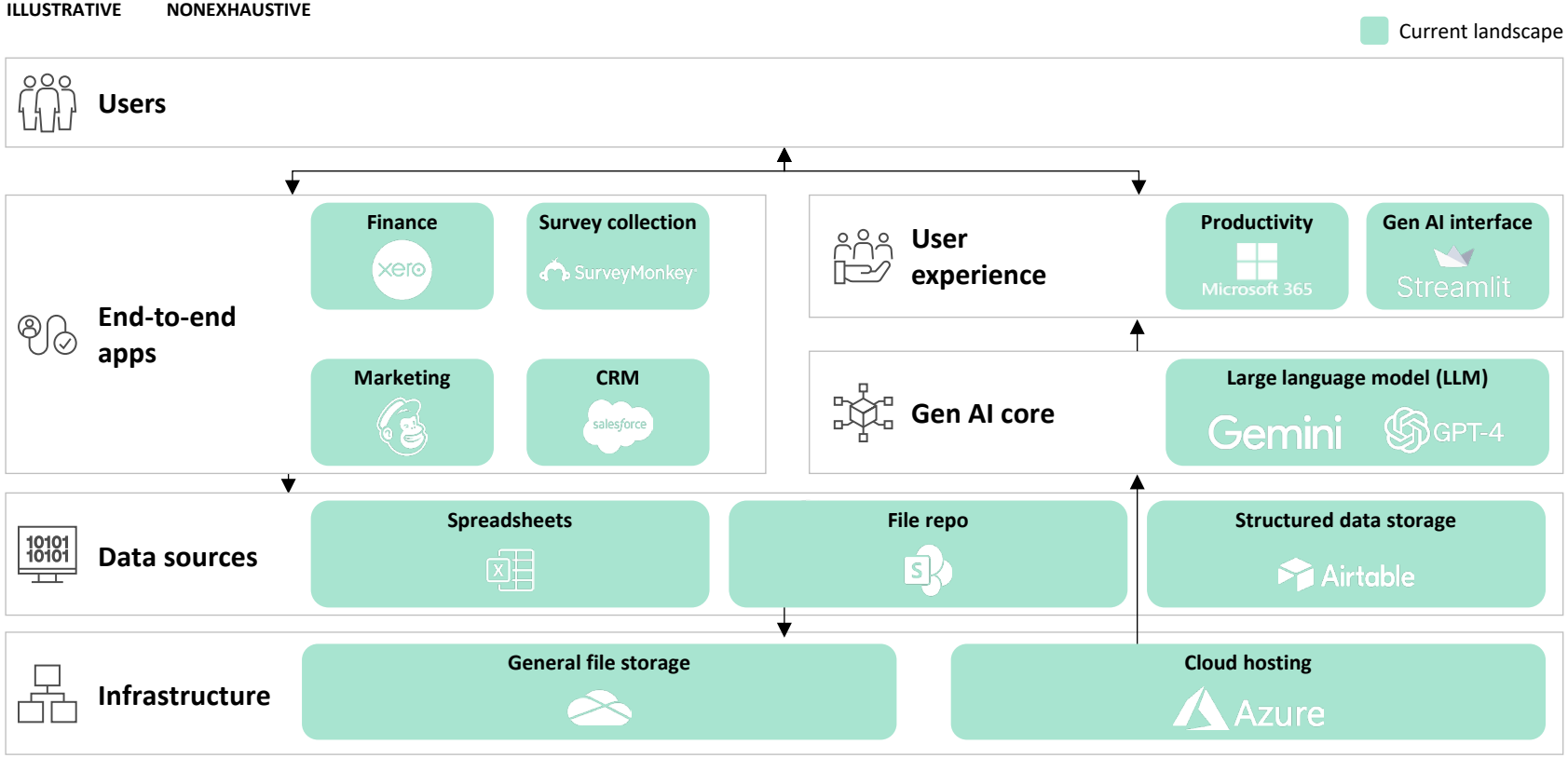
Choose tools that maximise safety and time saved for service delivery, not just technical sophistication

True as of December 2025

Click to view template in appendix T

Create with your team a list of gen AI-enabling tools being used in your organisation[1]

ILLUSTRATIVE **NONEXHAUSTIVE**



This an example of one NFP's current technology and data landscape, with the following tools being utilised in various existing workflows. Map the tools used into their corresponding layers (see tech/data section of team member guide for further details on mapping)

1. The different vendors listed below should be read as illustrative only as the landscape of AI tools and model performance is subject to change
2. Map your current technology stack to identify opportunities to extend existing partnerships, which may provide a more cost-effective way to fund your pilot, for example expanding Microsoft for Copilot or Google Workspace for Gemini.

Reasons to map out the organisation's current tools:

Obtain a better understanding of current gen AI-enabling infrastructure in your organisation

Understand where gaps/potential opportunities are

Help determine data security requirements

Avoid duplication and overlap of gen AI tools[2]

True as of December 2025

Click to view template in appendix T

Establish data security measures across technology, governance and training

Deep-dive to follow

ILLUSTRATIVE **NONEXHAUSTIVE** **DOES NOT CONSTITUTE LEGAL ADVICE**

Technology/infrastructure

Use an **enterprise LLM**: certain vendors claim to not use your inputs/data for training their models (Eg, ChatGPT/Microsoft Copilot/Gemini Enterprise)

Turn on **multi-factor authentication** (MFA) for all staff accessing shared drives or cloud tools

Consider a cloud hosting provider that hosts data in your **home country or trusted jurisdictions**

Store all gen AI-generated files in your **official shared workspace** (SharePoint, Google Drive), not personal folders

Systems/governance

Make **clear and visible rules** regarding what data can/can't go into gen AI tools, who approves new tools, and escalation points

Keep a **register** of where your organisation's key data lives; review quarterly

Establish a **confidential feedback** channel for staff that have concerns surrounding data safety/privacy

Establish a **data risk/safety team** or leaders that have ownership of the area

Ensure that your organisation is following your jurisdiction's **AI safety and data privacy laws** (Eg, the EU AI Act)

People

Train all staff and volunteers on **basic data safety habits** (no client or donor data in public tools, use MFA, strong passwords)

Nominate **gen AI champions** to be go-tos when staff are unsure about data safety

Run **short refreshers** in team meetings every quarter

Have staff individually sign off on an organisation-wide **responsible gen AI policy**



These are examples of how your organisation can keep its data safer. Not all of these may apply, for example a micro NFP may use a checklist instead of a formal data policy

Source: Company websites, expert interviews, National AI Centre, *Guidance for AI Adoption: Foundations*, 2025.

Click to view template in appendix T

Classify your organisation's data into risk levels

ILLUSTRATIVE **NONEXHAUSTIVE** **DOES NOT CONSTITUTE LEGAL ADVICE**

Why a risk stratification system is needed

Legal compliance:
It is important to check your local, state and federal jurisdictions as some may restrict or regulate, sending identifiable personal data (Eg, health, financial, or beneficiary details) offshore or into gen AI tools

Example A: Australian Privacy Principles (APPs) require that the organisation must ensure the overseas recipient will handle the information in a way substantially similar to Australian privacy protections

Example B: The Australian My Health Records Act forbids the storage, processing, or handling of health information from the national digital health record system outside of Australia. Most LLMs cannot guarantee this as they operate on global infrastructures

Community trust:
Safeguarding sensitive information maintains trust with clients, donors and communities

Reputation and risk:
A single privacy breach can have long-lasting effects on service users and the NFP's credibility

Efficiency:
Clear data categories mean teams can confidently decide what can and cannot be used in AI systems



It's critical that you review the privacy and data privacy laws of your own jurisdiction when categorising your NFP's data. Even if not required by law, you may want to restrict certain data for reputational reasons or to protect your stakeholders

Example data risk stratification system for NFP

Element	Red: Restricted data	Amber: Internal data	Green: Public or non-sensitive data
Definition	Highly sensitive or legally protected data. Must never be entered into any gen AI system (even enterprise tools)	Internal operational or program data with limited sensitivity. May be used only in enterprise gen AI tools with privacy controls enabled	Information already publicly available or non-confidential. Suitable for AI analysis or drafting support
Gen AI usage guidance	Do not use in any gen AI tools. Store only in approved secure systems	Use only in approved enterprise gen AI platforms (Eg, ChatGPT Enterprise). Ensure human review before sharing externally	Safe to use in gen AI tools. Still review for accuracy and tone before publication
Examples of data	• Identifiable personal health data • Client case notes • Child protection or disability support records • Donor credit card or bank details	• Aggregated program data • Staff survey results • Draft policies or internal reports • Generic case summaries	• Published reports • Website text • Generic fundraising copy • Training materials

Source: 1. Australian Government, *APP 8 Cross-border disclosure of personal information*, 2014. 2. Australian Government, *My Health Records Act*, 2012.

Checklist: Disclose gen AI data use to external stakeholders

ILLUSTRATIVE **NONEXHAUSTIVE** **DOES NOT CONSTITUTE LEGAL ADVICE**

What to disclose

- ☐ **Which gen AI tools** are used and **why** (Eg, for summarising, drafting or analysis)
- ☐ What types of data go into AI tools and what never does
- ☐ Anything else required by your jurisdiction's privacy, consumer-protection and data-governance laws

Where to disclose

- ☐ Website **privacy page** ("How we use AI" section)
- ☐ Participant or donor **onboarding forms**
- ☐ Funding **proposals**, annual **reports** or community updates

Ways to reassure stakeholders

- ☐ Refer to **enterprise grade tools** being used (if applicable)
- ☐ Explain **clear red lines** for data handling (Eg, no personal information into public tools)
- ☐ Reiterate **human oversight**
- ☐ Emphasise enterprise-grade **security and vendor certifications** (Eg, ISO 27001 / SOC 2) if applicable
- ☐ Affirm ongoing rights and **provide a contact** for questions



This is an illustrative example. Please consult Legal before using, publishing or distributing any statements about gen AI use to ensure compliance with all applicable laws and organisational policies

Example disclosure

We use enterprise versions of gen AI tools, such as Microsoft Copilot and ChatGPT Enterprise, to assist staff in drafting and summarizing non-sensitive information. These secure versions are designed to keep data within our organization and are not used to train public gen AI models.

We never input personal or donor information (Eg, names, financial details or sensitive information) into public chatbots, and all gen AI-generated outputs are reviewed by staff before being shared externally. We prioritize security and compliance by using platforms that meet recognized and strict industry standards (Eg, ISO 27001, SOC 2), and we regularly review our practices to ensure the ongoing protection of your data.

Your privacy rights – including access, correction, and deletion where applicable – remain fully protected. We follow all relevant regulatory guidance on fairness, transparency and data protection.

Please note that while we take every precaution to ensure the accuracy of gen AI-generated outputs, these tools may occasionally produce errors or omissions. If you have concerns or prefer that your information not be processed using gen AI tools, please contact our Privacy Officer at privacy@[org].org. We will address your request promptly and ensure your preferences are respected.

6. Adoption and scaling

Support the new gen AI solution through clear communications, role modelling, training and accountable leadership



6A Set a target level for change in your NFP

6B Design initiatives using the Influence Model

6C Measure change across the organisation

True as of December 2025

Understand the four levels of change



Execution (C1)

Focuses on small changes such as adopting new procedures, processes or tools

Eg, A mid-sized community services NFP purchases a small number of ChatGPT licenses for staff to help draft emails, grant applications and case notes



Mobilising (C2)

Prepares staff for broader shifts that require new behaviours and ways of working

Eg, A disability support NFP runs workshops and listening sessions to help staff understand how gen AI can assist with admin tasks, and begins updating team roles so people feel confident using new tools



Transformation (C3)

Goes further, improving performance and organisational health by embedding new management practices that change the way your NFP is run

Eg, A youth services NFP redesigns its intake process using gen AI to triage requests. Team structures, workflows, and training are updated to embed this new way of working



Reinvention (C4)

Requires leaders to embrace more radical approaches and actions, creating value in new ways

Eg, A national mental health NFP reimagines its entire service model by using gen AI to offer 24/7 personalised support, shifting from a primarily in-person model to a hybrid digital-first approach

Source: McKinsey, *Change is changing: How to meet the challenge of radical reinvention*, 2025.

Checklist: Agree on the extent of change your NFP will aim for, and the work required to get there

Typical target for NFPs

	C1: Execute	C2: Mobilise	C3: Transform	C4: Reinvent
Aspiration	Strengthen day-to-day ops by making small, practical improvements	Build genuine understanding and enthusiasm across the organisation	Adopt new ways of working that significantly improve impact, efficiency or service delivery	Consider gen AI as part of a broader rethink of your organisation's identity, value proposition or community role
Work to be done	☐ Set clear goals and measures that connect back to your mission ☐ Identify which stakeholders are affected and plan support for them ☐ Communicate early and often; prepare basic guides and training ☐ Map out the steps needed to adopt new tools or processes	☐ Explore the underlying beliefs or concerns people may have about gen AI ☐ Share a compelling story about how gen AI strengthens your mission ☐ Use inclusive conversations, workshops and role modelling to build trust ☐ Support people in learning new capabilities beyond the basics	☐ Focus on behaviours and team habits that enable stronger collaboration with gen AI ☐ Redesign key processes so AI can actually reduce workload or improve outcomes ☐ Build gen AI-related capabilities across the organisation, not just in one team	☐ Understand major external shifts in funding, community needs or technology ☐ Explore new service models, partnerships or ways of creating social impact ☐ Reflect on mission, values and long-term sustainability ☐ Support major cultural and structural shifts if reinvention is pursued
	Get the basics right so gen AI supports your existing work	**Enlist people through change leadership and influence model**	**Use gen AI to improve how your organisation delivers impact meaningfully**	**Reimagine your organisation's role and model in a rapidly changing world**



Choose an aspiration for your NFP and the corresponding work that needs to be carried out. Many may choose transformation as an end goal

Source: McKinsey, *Change is changing: How to meet the challenge of radical reinvention*, 2025.

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Develop a plan for gen AI adoption in your NFP using the Influence Model

ILLUSTRATIVE **NONEXHAUSTIVE**

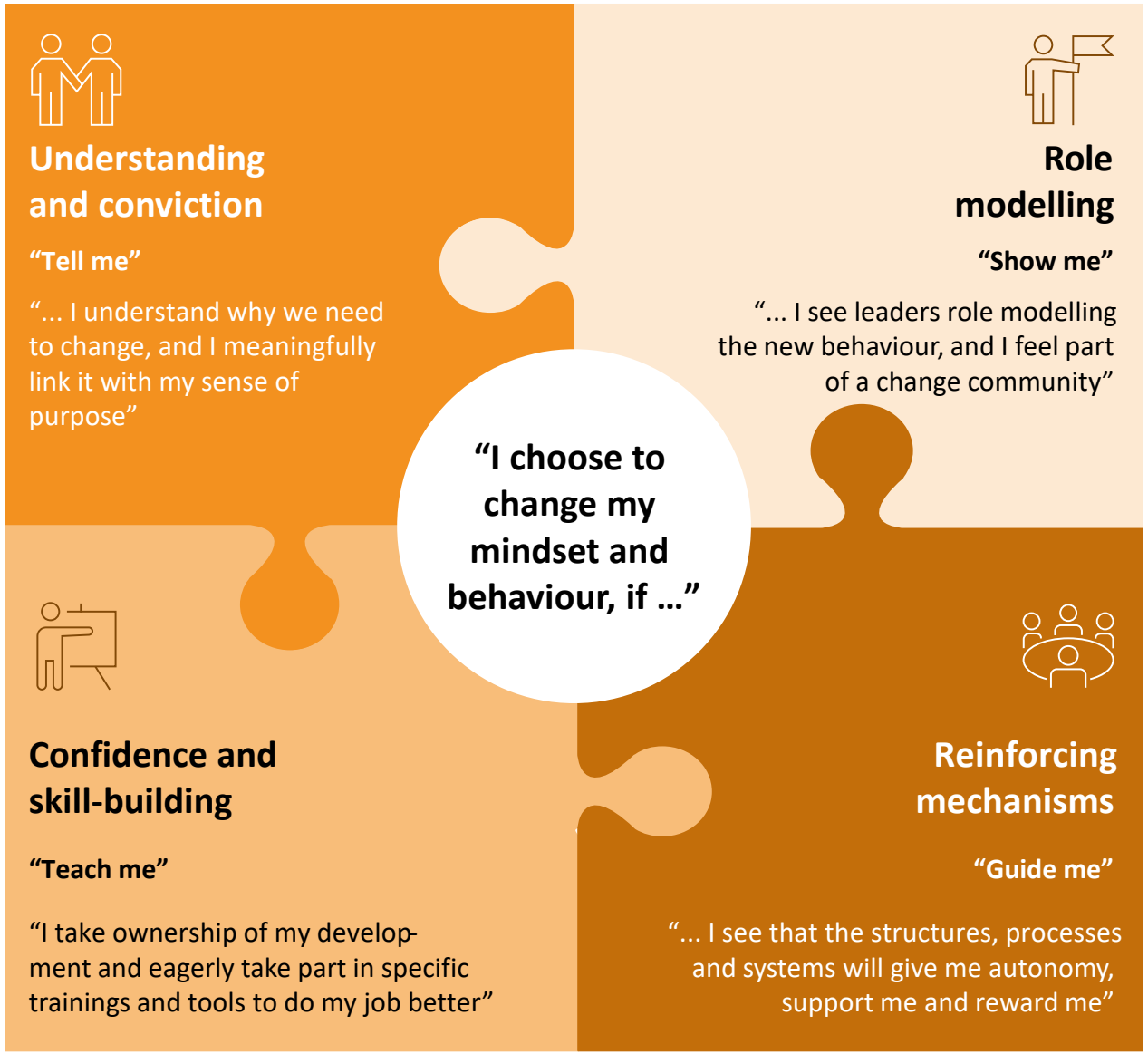
Overview

The Influence Model is a framework that helps to create a comprehensive plan by focusing on the desired shifts in mindset and behaviours in four key areas:

- Understanding and conviction
- Role modelling
- Confidence and skill building
- Reinforcing mechanisms

How to use it – individually or with your team

1. Brainstorm: what are the limiting mindsets and behaviours holding back gen AI adoption today?
2. Develop interventions along the four quadrants of the Influence Model to address these limiting mindsets and behaviours



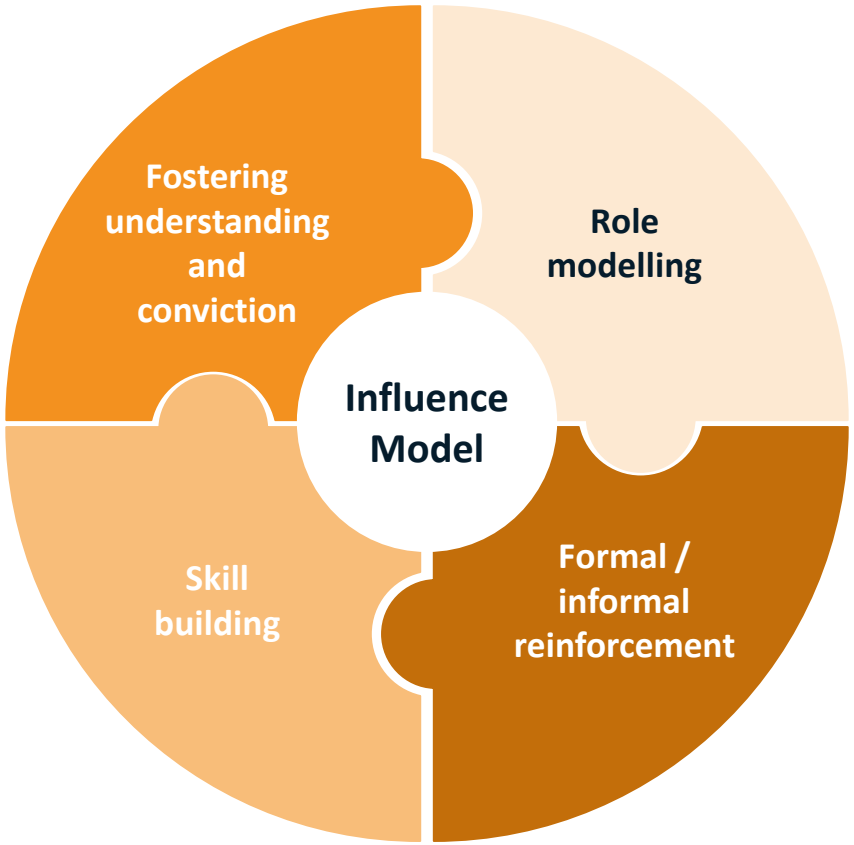
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Example: Design initiatives for each quadrant of the Influence Model

Best practices to promote gen AI adoption require leveraging all four elements of the Influence Model

ILLUSTRATIVE **NONEXHAUSTIVE**



Skill building

Provide **hands-on gen AI learning** (Eg, short workshops or "Gen AI in your day-to-day work" demos)

Share **training materials** such as prompt libraries, how-to videos, and peer-led sessions

Use free or low-cost **nonprofit training offers** (Eg, Microsoft Digital Skills Hub, Google for Nonprofits, Coursera)

Fostering understanding and conviction

Link gen AI use directly to your **mission and community outcomes**: show how time saved supports frontline work

Have senior leaders or board members speak about **why safe gen AI matters** and how it strengthens impact

Run gen AI "lunch and learn" sessions or team reflections where staff share **ideas, successes and risks** openly

Create space to **discuss concerns** about ethics, privacy and job confidence, reinforcing trust

Role modelling

Ask leaders and early adopters to **use gen AI visibly** (Eg, show prompts in meetings, use tools to summarise board papers)

Highlight peer champions who share tips and encourage responsible experimentation

Formal / informal reinforcement

Share **regular reminders and nudges** through newsletters, Teams, or staff huddles ("prompt of the week," quick wins)

Revisit policies and celebrate progress, making responsible gen AI part of organisational culture, not a one-off project

True as of December 2025

Checklist: Role model gen AI-ready leadership

ILLUSTRATIVE **NONEXHAUSTIVE**

Role-modelling
"Show me"

Kick off your next meeting by showing staff these three prompts

1. "Summarise the key points from these emails [paste text of 2–3 long emails] into 5 bullets to share at the start of this meeting"
2. "From last week's workshop meeting notes [paste text], draft 3 discussion questions to use with staff to reflect on what we learned"
3. "Using these meeting notes [paste text], draft a follow-up email with 3 action points and owners to send to the team after this meeting"

How to role model

- ☐ Use **gen AI regularly and visibly** (Eg, show prompts in meetings)
- ☐ **Share quick wins** and time saved
- ☐ **Normalise learning** and admit when refinement was needed
- ☐ **Reinforce responsible** use (fact-checking, no sensitive data)

What actions can I take?

- ☐ Kick off meetings by showing how **gen AI helped prepare agendas or summaries**
- ☐ Send short weekly emails with examples of **tasks where gen AI saved time**
- ☐ Encourage "show and tell" moments where staff share **gen AI prompts or tips they tried**
- ☐ Use simple language like **"gen AI helped speed this up" rather than "AI replaced my work"**

Moving to action: An example journey

ILLUSTRATIVE **NONEXHAUSTIVE**

Example templates follow

Understanding & conviction
"Tell me"



Road map

Ran a staff poll to understand current gen AI use and confidence

Chose "impact reporting" as the first gen AI workflow to trial because staff spent many hours producing monthly summaries

Created a responsible use guide to clarify what data could and could not go into gen AI tools



Talent

Identified two early adopters as gen AI champions who shared prompts and answered questions

Ran a 30-minute "AI basics" session to teach staff how to draft and review outputs

Shared small wins each week to build confidence



Operating model

Formed a small cross-functional pilot team, including a program lead, a frontline worker and a data officer

Tested a new reporting workflow and refined it in short cycles based on staff feedback

Used a checklist to track risks and human review steps



Tech and data

Adopted an enterprise gen AI tool already available through existing software licenses

Classified data into red, amber and green to guide safe use

Set rules that all draft reports produced with gen AI must be stored in the shared workspace and reviewed by a staff member



Adoption and scaling

Leaders used gen AI openly in meetings to normalise the change

Shared team time saved by the new reporting workflow and reinvested those hours into frontline activities

Expanded the approach to fundraising materials after staff showed readiness

This illustrates how a small 15-person NFP might safely adopt gen AI in their organisation. Every organisation is different, so think about what is best for your own people

Click to view template in appendix T

Measure the impact of gen AI-related changes

PRELIMINARY **ILLUSTRATIVE**

Impact level	Example metrics
1. Reaction How staff, volunteers or partners respond to gen AI learning and experimentation	**Engagement:** Attendance at workshops, "AI 101" sessions or pilot demonstrations **Feedback:** Short pulse surveys on relevance ("Was this useful for your role?" "Do you feel more confident using gen AI?")
2. Proficiency Understanding, confidence and skills in using gen AI safely and effectively	**Confidence uplift:** Staff reporting increased comfort using gen AI tools (pre-/post-survey) **Skill improvement:** Observable improvements in prompt writing, review or safe data handling **Applied proficiency:** Ability to use gen AI independently for mission-related tasks (Eg, drafting reports, summarising meetings)
3. Behaviour change How learning translates into day-to-day practice	**Usage:** Number of staff actively using approved gen AI tools weekly or monthly **On-the-job application:** Percentage of teams incorporating gen AI into workflows (Eg, admin, comms or reporting) **Adoption barriers:** Common blockers captured through check-ins or feedback (Eg, confidence, data privacy worries)
4. Organisational impact How gen AI adoption contributes to broader mission outcomes	**Efficiency:** Hours or costs saved through gen AI-enabled workflows (time reallocated to service delivery) **Quality**: Improved accuracy or clarity in reports, communications or data summaries **Reach**: Increase in community members served, reports submitted or engagement due to saved time **Staff engagement**: Job satisfaction and motivation linked to gen AI use ("AI helps me do my job better")

Tailor these metrics for your organisation's size, culture and resources. Try to include at least one metric from each impact level

Source: McKinsey, *Building agile capabilities: The fuel to power your agile 'body'*, 2019.

7. Appendix



7A Templates for exercises

7B Facilitation guides for team-member version

7C Additional information and exercises

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Define “From – to” shifts for your NFP

TEMPLATE



Impact aspiration: …

Level	From …	… To
Behaviours	…	…
Mindsets	…	…
Systems	…	…

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Identify domains of organisation

TEMPLATE

Program and service delivery

Program delivery

... ...

Policy and advocacy

... ...

Fundraising

... ...

Corporate and enabling

HR

... ...

Procurement and Finance

... ...

Technology and Data

... ...

Marketing

... ...

Compliance

... ...

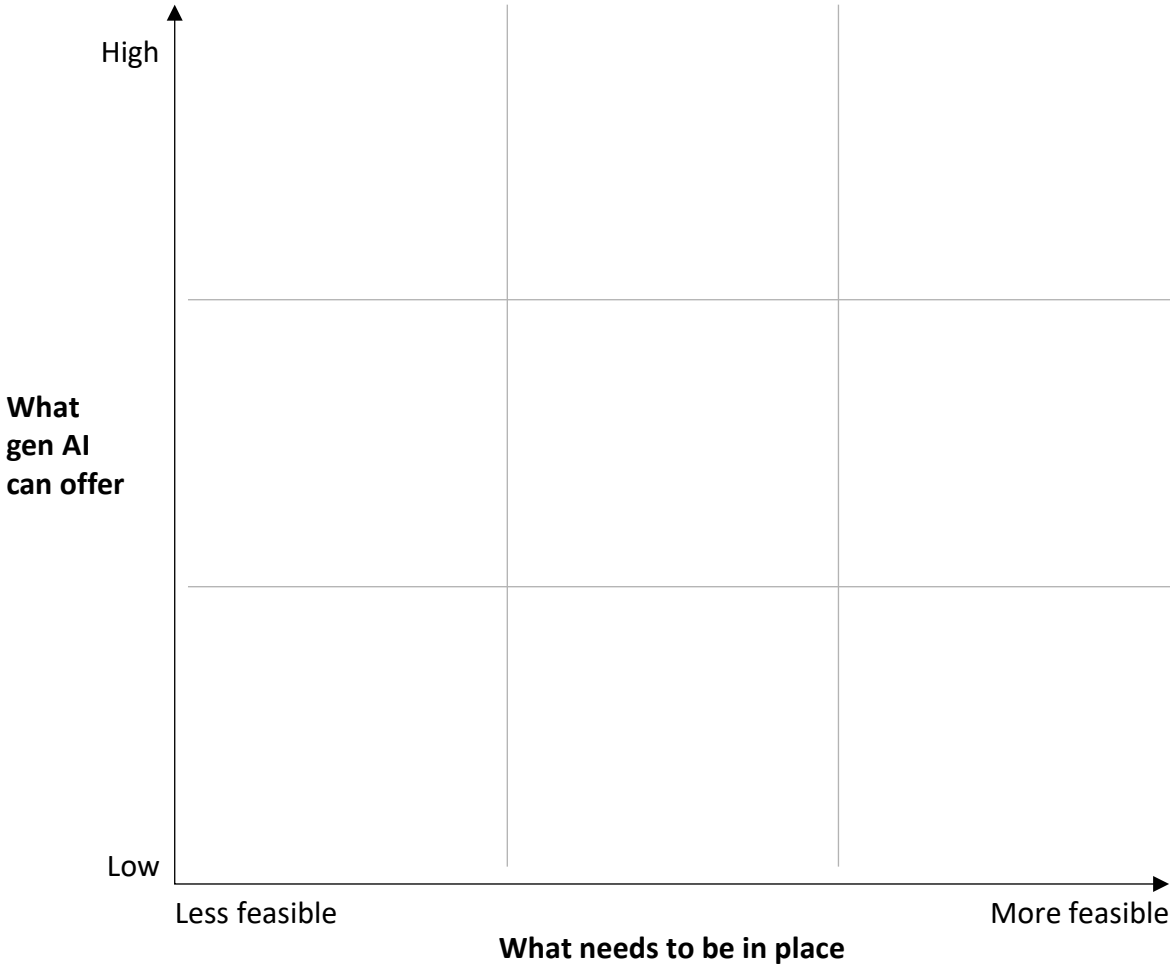
Cross-cutting gen AI domains

... ...

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List your domains and prioritise them for a pilot

TEMPLATE



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Establish a gen AI governance framework (1/3)

Example gen AI policy template for NFPs to use[1]

ILLUSTRATIVE NONEXHAUSTIVE DOES NOT CONSTITUTE LEGAL ADVICE TEMPLATE

1. Purpose of the artificial Intelligence (AI) governance framework

AI has enormous potential to benefit community organisations. However, it's use also brings risks. The board and executive of [NFP] is responsible for being aware of these risks and managing them in relation to decision-making processes and the organisation's use of gen AI generally.

2. Scope

The AI governance framework offers guidance to the board and executive regarding decision making about the use of gen AI in [NFP]. To mitigate risks, [NFP] has established guidelines for the use of gen AI systems, ensuring human oversight, fact-checking procedures, transparency in decision-making, and ethical considerations.

3. Key principle

[NFP] board and staff should be aware of the limitations and potential biases of AI-generated content and should draw on human expertise and ethics as well as gen AI when making AI-assisted decisions.

4. Policies

Policies related to the use of gen AI at [NFP] are:

4.1 *Eg, Staff may use approved AI tools to support writing, data analysis and communications only when outputs are reviewed by a human before sharing externally*

4.2

4.3

Policies related to the use of gen AI commonly used in the [name sector] are:

4.4 *Eg, When using donor-management platforms with AI features, [NFP] must confirm that the vendor provides clear data-handling terms and complies with Australian Privacy Principles*

4.5

Current gaps in policy or procedures related to the use of AI at [NFP] are:

4.6 *Eg, [NFP] has not yet established a process to log and review gen AI use across programs. Over the next six months, the Governance Committee will create a register of all gen AI tools in use, document their purpose, and identify any data-security or bias-related risks.*

4.7

4.8

5. Oversight

The committee overseeing the use of gen AI at [NFP] is [name of committee].
Members of that committee are:

5.1 *Eg, The Gen AI and Digital Risk Committee is responsible for reviewing gen AI-related risks every quarter. It includes one board member, the CEO, and at least one member familiar with gen AI use.*

5.2

5.3

The committee is responsible for identifying risks associated with the use of gen AI in [NFP] and raising the risks with the CEO and the board.

Source: Artificial Intelligence and the Community Sector - Institute of Community Directors

Establish a gen AI governance framework (2/3)

ILLUSTRATIVE NONEXHAUSTIVE DOES NOT CONSTITUTE LEGAL ADVICE TEMPLATE

6. The use of gen AI to assist board decision making

Ensuring that gen AI systems are trained on diverse and representative data, and that staff and board members are asking these systems the right questions, is essential to proven bias and discrimination at [NFP]

Procedures in place to ensure that gen AI is used to enhance human judgment rather than replace it are:

6.1 – Eg, The Gen AI and Digital Risk Sub-Committee, reporting to the Audit and Risk Committee, is responsible for reviewing gen AI-related risks every quarter. It includes one board member, the CEO, and at least one program representative familiar with day-to-day gen AI use.
6.2
6.3

7. Accountability in decision-making

The [NFP] board should uphold high standards of ethical behaviour in executing its fiduciary duty. It must avoid conflicts of interest and prioritise the best interests of the community over personal or special interests.

[NFP] has established clear lines of responsibility to ensure the board understands the legal implication of gen AI deployment.

The CEO is responsible for presenting the due diligence data related to any new use of gen AI in the organisation to the oversight committee prior to use.

8. Board oversight

AI applications in use at [NFP] are outlined in the following table.

Name of gen AI application	Purpose	Users	Is it human assisted or human oversighted?	Do we pay for this app or is it free?	Where is the data held?	What are the risks of this application in the way it is currently used?
Eg, ChatGPT						
Eg, Chatbot						
Eg, calendar scheduling/ email sorting						

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Establish an AI Governance Framework (3/3)

ILLUSTRATIVE NONEXHAUSTIVE DOES NOT CONSTITUTE LEGAL ADVICE TEMPLATE

8. Board oversight (cont.)

AI applications currently used by **other organisations in our sector** are outlined in the following table.

Name of gen AI application	Purpose	Users	Is it human assisted or human oversighted?	Do we pay for this app or is it free?	Where is the data held?	What are the risks of this application in the way it is currently used?
Eg, ChatGPT						
Eg, Chatbot						
Eg, calendar scheduling/ email sorting						

9. Long-term monitoring

[NFP] continuously monitors and assess its AI systems to ensure they remain aligned with the board's and the organisation's goals, via the following mechanisms:

9.1 Eg, "Current gen AI usage, opportunities and risk assessment is on the board agenda as a standard item twice a year."
9.2 *Eg, "The board is confident that staff are aware of ethical considerations related to gen AI use, such as data privacy and bias implications, because the CEO reports on this regularly."*
9.3

10. Sustainability and risk management

[NFP] board exercises due diligence in overseeing the organisation's operations, finances and risk management relating to gen AI usage.

The board is confident that use of gen AI as a mode of saving time and money has been adequately explored by the professional staff team. It knows this because [X]% of staff require training on gen AI technology to achieve a basic level of competency, while [X]% of staff require such training to achieve an ideal level of competency.

The latest gen AI training plan for staff is outlined below. [Presented to the board in summary form if requested; the CEO has oversight]

10.1

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Design staff-facing, responsible gen AI guidance

TEMPLATE

Purpose: …

Principles	Details
Eg, Protect people and privacy first	*Eg, Never enter personal, donor or participant details into public gen AI tools*
…	…
…	…
…	…
…	…
…	…
…	…
…	…
…	…
…	…

Appropriate use examples

Eg, Research jump-start: Ask gen AI for a landscape of public reports on a program topic, cross-check sources and refine with experts

…

…

Inappropriate use examples

…

…

…

…

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Set gen AI upskilling goals for your organisation

TEMPLATE

	Aspiration		
	Gen AI Literacy	**Gen AI Adoption**	**Gen AI Domain Transformation**
	…	…	…
Typical elements	…	…	…
Example outcomes	…	…	…

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Create gen AI training plans for your NFP

ILLUSTRATIVE **NONEXHAUSTIVE**

	Stage 1: …	Stage 2: …	Stage 3: …
Focus	…	…	…
Indicative agenda	…	…	…
Outcome	…	…	…

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Recognise and create go-to experts

TEMPLATE



Who they are

...

Why are they interested

...

What would they do

...

What support would they need

...

Time needed

...

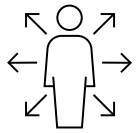
Impact

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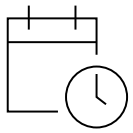
Outline the roles and commitments of your central gen AI team

TEMPLATE



Key Roles

- ...
- ...



Commitments

- ...
- ...

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Prioritise tech and data factors

TEMPLATE

Tech/data factors	Considerations for [NFP]
Eg, Technical compatibility	*Eg, Use AI tools that integrate easily with existing systems like Microsoft 365, Google Workspace or CRM software*
...	...
...	...
...	...
...	...
...	...

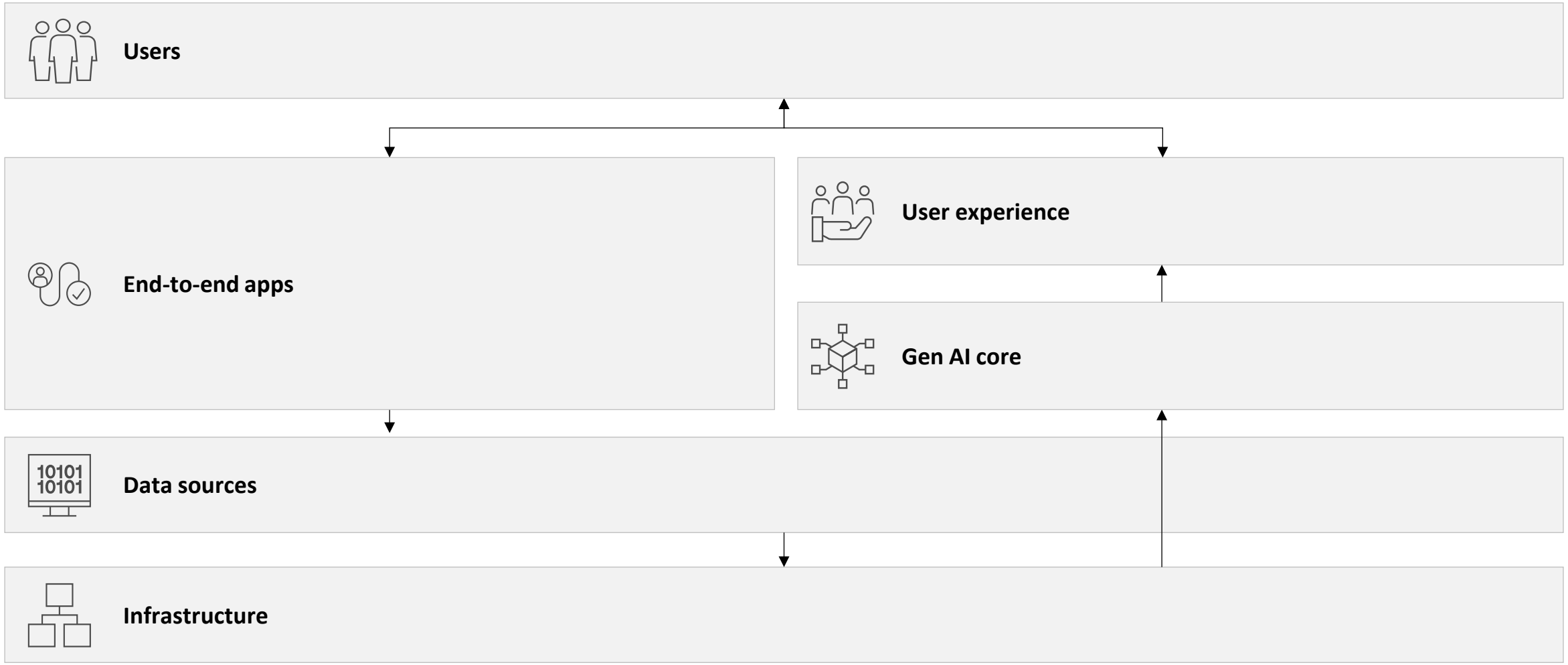


Try to rank each factor in terms of how important it is to your organisation. For example, some organisations may prioritise cost, whereas others may prioritise compatibility with existing systems

Return to p 51

Create a list of gen AI-enabling tools being used in your organisation

TEMPLATE



True as of December 2025

Return to p 52

Create a checklist for your organisation's data security measures

TEMPLATE

Technology/Infrastructure

- ☐ *Eg, Use an enterprise LLM*
- ☐ ...
- ☐ ...
- ☐ ...
- ☐ ...

Systems/governance

- ☐ *Eg, Keep a register of where your organisation's key data lives*
- ☐ ...
- ☐ ...
- ☐ ...
- ☐ ...

People

- ☐ *Eg, Train all staff and volunteers on basic data safety habits*
- ☐ ...
- ☐ ...
- ☐ ...
- ☐ ...

Return to p 53

Classify your organisation’s data into risk levels

TEMPLATE

Data risk stratification system for [NFP]

Element	Data level 1	Data level 2	Data level 3	Data level 4
Definition	...	...	...	...
AI usage guidance	...	...	...	...
Examples of data	...	...	...	...

Return to p 59

Design initiatives for each quadrant of the Influence Model

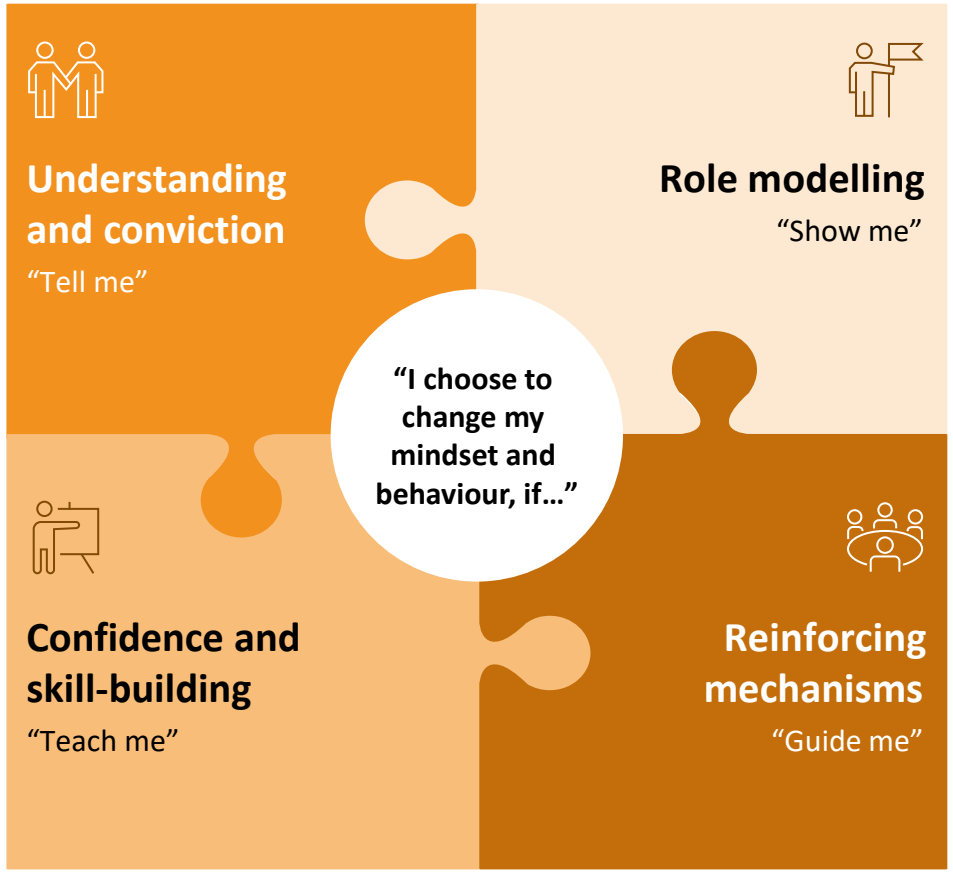
TEMPLATE

"... I understand why we need to change, and I meaningfully link it with my sense of purpose"

- ...

"... I take ownership of my development and eagerly take part in specific trainings and tools to do my job better"

- ...



"... I see leaders role modelling the new behaviour and I feel part of a change community"

- ...

"... I see that our structures, processes and systems will give me autonomy, support me and reward me"

- ...

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Measure the impact of gen AI-related changes

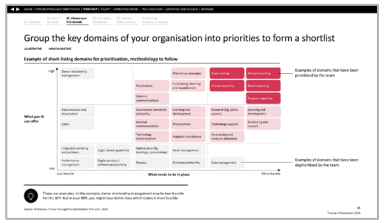
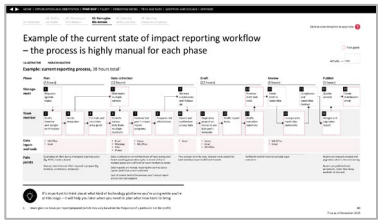
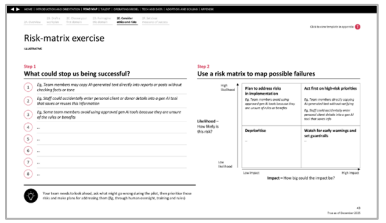
ILLUSTRATIVE NONEXHAUSTIVE TEMPLATE

Impact level	Metric	Baseline	Target	3 week level	6 week level
Reaction	*Eg, workshop attendance*	-	90%	*Eg, 46%*	*Eg, 92%*
Learning	...	...	...	...	...
Behaviour change	...	...	...	...	...
Organisational impact	...	...	...	...	...

Facilitating the planning of a gen AI pilot: Activities in the road map section of team-member version

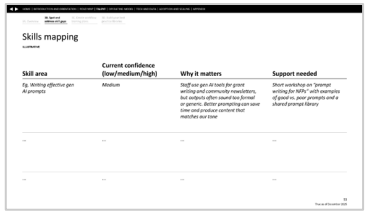
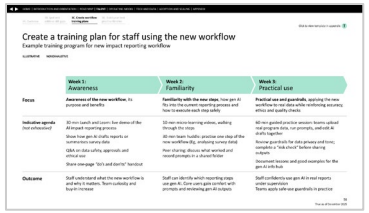
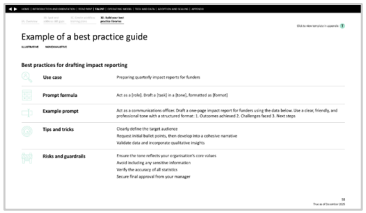
ILLUSTRATIVE **NONEXHAUSTIVE**

Further info later in this section

Consideration	Choosing a pilot domain	Mapping out current and future workflows	Completing risk exercise	Documenting measures of success
Pages of team-member guide	 *P31 to 37*	 *P38 to 41*	 *P42 to 46*	 *P47*
Steps and team considerations	Focus the pilot on one high-value workflow (Eg, grant writing, reporting, donor communications) rather than broad functions	Involve people who do the work daily, mapping "as-is" and "to-be" steps to reveal bottlenecks	Identify which potential risks are likely to be more likely and impactful, and plan strategies to mitigate the key risks	Define how you will know if the pilot worked (Eg, time saved, accuracy, team confidence)
Key questions to ask team	Which workflows cause the most frustration or requires the most manual effort? Where could gen AI free up staff for high - value tasks?	What steps or approvals slow this process down today? Which of these steps could gen AI safely assist with? What data or templates does this workflow depend on?	What could go wrong if this workflow is automated? Who signs off if a risk arises? How does this workflow affect other parts of the organisation?	How will we measure efficiency, quality and adoption? What measures specific to this workflow would be useful?
General tips/ collaboration techniques	Try to select workflows instead of functions Use sticky-note mapping or digital whiteboards (Eg, Miro)	Identifying pain points is key to finding opportunities Encourage honesty about what slows the process down – psychological safety is key for this step	Try to think of the immediate *and* secondary or unforeseen consequences	Have at least one criteria in each category of efficiency, uptake and quality

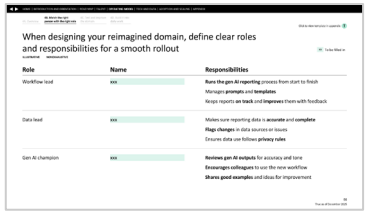
Facilitating the planning of a gen AI pilot: Activities in the talent section of team-member version

ILLUSTRATIVE **NONEXHAUSTIVE**

Consideration	Complete skills gap maps	Complete workflow training plan	Build best practice libraries
Pages of team-member guide	 *P52 to 53*	 *P55 to 56*	 *P57 to 59*
Steps and team considerations	Identify where your staff are confident and where they may need extra support to use the workflow safely and effectively	Bring together people who do the day-to-day work to co-design the training plan	Gather what's already working (Eg, prompts, templates, lessons), and save them in a shared hub
Key questions to ask team	Where do staff feel least confident using gen AI? Who is already experimenting and could become a peer trainer?	What steps in the workflow would benefit from hands-on learning? What's the best way to teach or demonstrate these steps?	What examples or templates are worth saving for future use?
General tips/ collaboration techniques	Run a quick confidence survey or use a sticky-note board to visualise where people feel "green", "amber" or "red"	Use real examples from current work, not abstract training scenarios	Encourage staff to contribute examples and review them monthly

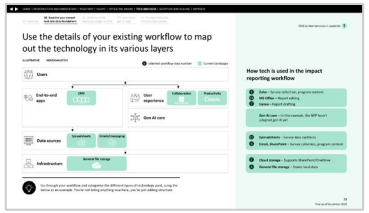
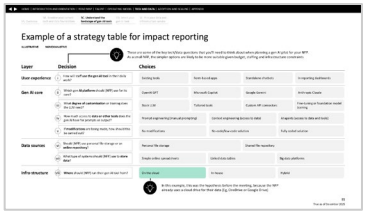
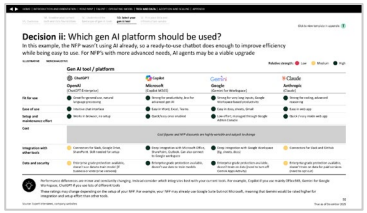
Facilitating the planning of a gen AI pilot: Activities in the operating model section of team-member version

ILLUSTRATIVE **NONEXHAUSTIVE**

Consideration	Assign workflow owners roles/responsibilities
Pages of team-member guide	 *P64 to 65*
Steps and team considerations	Identify who will “own” each part of the workflow once gen AI is introduced. For example, who leads the pilot, who maintains quality checks, and who ensures lessons are captured
Key questions to ask team	Who is best placed to lead the AI pilot for this workflow (Eg, program manager or service lead)? Who will act as the technology / data contact (internal or external)? How often should the pilot group meet, and how will decisions or issues be escalated?
General tips/ collaboration techniques	Keep the gen AI working group small (3–5 people) for faster decision making, but draw on others for testing and feedback Clearly assign one “point of contact” for each workflow step (drafting, review, sign-off) Use a shared visual board (Miro, FigJam or Teams Planner) to show who owns what Schedule a short weekly check-in: 15 mins is often enough to track progress and unblock issues

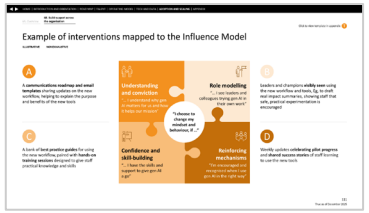
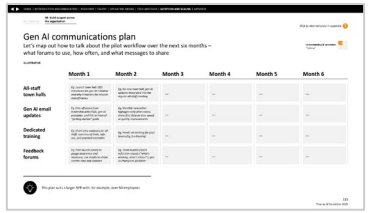
Facilitating the planning of a gen AI pilot: Activities in the tech and data section of team-member version

ILLUSTRATIVE **NONEXHAUSTIVE**

Consideration	Categorising tech and data use	Creating a strategy table to assess options	Deciding on gen AI infrastructure and tools
Pages of team-member guide	 *P75 to 80*	 *P81 to 85*	 *P86 to 104*
Steps and team considerations	Begin by mapping all the tools and data sources currently used in the workflow	Use a strategy table to weigh up which tools or data systems should change and to what extent. Involve people who use the tools daily to highlight gaps and integration issues	Identify what technology foundations are needed to run gen AI securely and reliably (Eg, cloud hosting, secure file storage)
Key questions to ask team	What tools do we use to complete this workflow today? Where is information stored and who owns it? Which tools already include built-in gen AI features we're not using?	Do our tools belong to a single ecosystem? How can we keep complexity down for our minimum viable product?	What infrastructure (cloud, storage, permissions) do we need to keep data secure? How can we use existing licences or partnerships to save costs?
General tips/ collaboration techniques	Use a sticky-note mapping or digital whiteboards (Eg, Miro) to map current tools Focus on major systems first, then fill in smaller tools later	Have a hypothesis in mind before entering a group discussion Involve any data or IT personnel early if available to confirm feasibility	Consider what you already have, and how existing tools would integrate with your decisions

Facilitating the planning of a gen AI pilot: Activities in the adoption and scaling section of team-member version

ILLUSTRATIVE **NONEXHAUSTIVE**

Consideration	Populate Influence Model with initiatives	Create a gen AI communications plan for pilot
Pages of team-member guide	 *P109 to 110*	 *P111 to 116*
Steps and team considerations	Brainstorm actions for each lever of the Influence Model	Design a lightweight communications plan to support the pilot
Key questions to ask team	How will staff understand why we're trialing this gen AI workflow and what success looks like? Who can model the right behaviours (leaders, gen AI champions)? How can we address concerns or apprehension about the new workflow?	What are the best ways to ensure that information reaches those who need it? How can we address concerns through our communications and provide channels for feedback?
General tips/ collaboration techniques	Use a short whiteboard session with the pilot team to list 2–3 actions under each Influence Model lever Tailor your ideas to the size of the pilot. For example, a small a workflow that is used by 5 people may not require company-wide trainings	Use channels that are already used in your organisation Tailor your messages to the staff who will be using the workflow

Examples of ways to report gen AI ethics and risk concerns

ILLUSTRATIVE **NONEXHAUSTIVE**



Feedback loops

- ☐ Dedicated email inbox
- ☐ Anonymous survey form (Google Form, Microsoft Form)
- ☐ "Gen AI feedback" button on intranet or shared drive



Built into existing processes

- ☐ Add "gen AI risk check" to project review templates
- ☐ Include gen AI usage reflections and learnings in staff check-ins
- ☐ Add an AI section in incident reporting systems (if already in use)



Human touchpoints

- ☐ Nominate a gen AI champion or go-to person for ethics and risk questions
- ☐ Encourage "see something, say something" in team huddles
- ☐ Set up quarterly board/leadership review of gen AI risks raised

After shortlisting domains to reimagine with gen AI, put the impact in context

Example summary of impact reporting domain

ILLUSTRATIVE **NONEXHAUSTIVE**

Purpose/domain explanation	• Create accurate, timely, and compelling impact reports that show how programs and services make a difference for donors, partners and the community • Combine data, stories, and metrics into clear summaries for board reports, funders and annual reporting
Pain points	• Staff spend hours compiling data from scattered spreadsheets and emails • Reports are inconsistent in tone and structure across programs • Stories and qualitative evidence are lost in long documents.
Baseline and potential opportunity size	• Current process takes ~40 staff hours per report • Potential to save 25–40 hours per cycle through AI-assisted data summarisation, drafting and quality review • Time saved can be reinvested in program delivery and storytelling quality
Sources of value from AI	• Drafting: Automatically generate first-pass summaries of program data and beneficiary stories • Analysis: Identify trends, patterns, and outcomes across multiple data sources • Editing: Standardise tone, structure, and formatting across reports • Quality: Suggest corrections or highlight inconsistencies for human review.
Delivery considerations	• Technology starting point: Use secure, enterprise gen AI tools already integrated in your tech stack (Eg, Microsoft applications) • Options: — Start with one report type (Eg, annual impact report) — Build a shared prompt library for reporting and storytelling — Integrate gen AI outputs with your CRM or data dashboards • Risk and ethics: — Ensure gen AI only accesses approved datasets and outputs are human-reviewed before publication — Use gen AI to enhance accuracy, not replace human judgement or narrative voice



These summaries would be produced once your team has identified potential domains to reimagine

What might a reimagined domain look like?

Gen AI drafts first versions of reports using verified data and templates

Gen AI identifies key insights (“This year, food security programs reached 30% more households”)

Program managers review and add stories or photos

Example gen AI use cases

Generate first-draft donor or board reports using data from CRM and surveys. Summarise qualitative feedback (Eg, testimonials, open-ended surveys

Identify key trends or outcome metrics across multiple program areas

Suggest visuals or graphs to improve clarity and readability

Create plain-English summaries for community newsletters or websites

Template for summarising domain impacts

TEMPLATE

Purpose/domain explanation	• …
Pain points	• …
Baseline and potential opportunity size	• …
Sources of value from AI	• …
Delivery considerations	• Technology starting point: … • Options: —… • Risk and ethics: —…

What might a reimagined domain look like?

…

Example gen AI use cases

…

Choose your first domains: Form a hypothesis on a single high impact, high feasibility workflow or function

● High ◔ Low

ILLUSTRATIVE **NONEXHAUSTIVE**

	Domain		Details	Potential impact	Feasibility
Program delivery and beneficiary support	**1**	**Front-line beneficiary support**	Personalised access to services/ guidance such as (Eg, telehealth, legal aid, welfare support)	●	◕
	2	**Personalised beneficiary advice across programs**	High quality and tailored learning solutions integrated into various workflows on multiple topics (Eg, education, agriculture, human rights, etc.)	●	◕
	3	**Accessibility enhancements and linguistic inclusion**	Adapted content for diverse beneficiaries (Eg, different languages, dialects, literacy levels, disabilities)	●	◔
	4	**Predictive needs, risks, and sentiment analysis**	Needs and risk assessment to support identification of beneficiaries, timely interventions for vulnerable individuals, and suggested mitigative actions	◕	◑
Operational efficiency	**5**	**Optimisation of programmatic operations**	Predictive analytics to support optimised delivery of services, including resource allocation during emergencies to reduce response times	◕	◕
	6	**Unstructured data processing**	Searchable organised data repositories with gen AI, time saved on manual data review, actionable insights, program improvement	●	◑
	7	**Single source of truth knowledge repository**	Quick, relevant knowledge retrieval, enhanced staff learning, reduction in time to analyse/research	◕	◑
Learning, development and retention	**8**	**Capability building and upskilling**	Tailored training material to support rapid onboarding with ongoing learning and development, AR/VR training and simulation environments, training and onboarding chatbot	◕	◑
	9	**Well-being and retention**	Insights from colleagues/teams at risk of elevated burnout, action plans with suggested interventions to help staff reflect, decompress, and renew	◕	◔
Organisational administration and shared services	**10**	**Impact measurement and reporting**	Real-time impact reports, visualised performance dashboards, automated generation of tailored reports	◑	◔
	11	**Grant writing and proposal development**	Faster higher-quality grant proposals, stronger alignment with funders' priorities, consistent clear messaging, reduced written workload	◕	◕
	12	**Donor management**	Targeted outreach, increased engagement and retention, timely personalized communications, automated portfolio reports	◑	◕
	13	**Shared services**	Accounting and finance, payroll, legal and compliance reporting, and tech support	◑	◕

In the team-member guide, you'll be selecting a domain with your team. These are examples to help you form your own hypothesis before going into a team discussion.

Source: Expert interviews

Use national guidelines such as the "AI 6" to plan an AI governance framework

ILLUSTRATIVE NONEXHAUSTIVE DOES NOT CONSTITUTE LEGAL ADVICE

Practice		Description	Actions	Examples of how NFPs could implement
1	**Decide who is accountable**	Establish end-to-end accountability and robust AI governance	Assign a senior leader as the overall AI governance owner	Board (or risk subcommittee) nominates a sponsor; COO/Head of Ops acts as AI governance owner and reports quarterly
			Create an AI policy that sets out how your organisation will use AI responsibly; turn this into a governance framework	Publish a 2-page AI Policy (do's/don'ts list, data rules, escalation). Store on SharePoint and brief staff
			Make a specific person accountable for every AI system your organisation uses	For each pilot (Eg, donor-letter Copilot), record the program lead as "system owner" in an AI Register
			Train your accountable people so they can make informed decisions about AI's risks and behaviours	Provide a 60-min role-based briefing for owners (risks, escalation, approvals). Record completion
			Clarify supply chain accountabilities	When using an external AI tool or partner, clearly note who is responsible for what (Eg, data security, updates, support) and keep that record with the contract
2	**Understand impacts and plan accordingly**	Ensure stakeholder rights and fair treatment	Carry out a stakeholder impact assessment and engage stakeholders	30-min workshop to list affected groups (clients, donors, volunteers); capture potential harms and mitigations
			Create contestability channels	Set up an easy way for staff or clients to raise concerns if they think AI has made a mistake, for example, an online form or shared inbox
			Identify systemic unwanted impacts by monitoring patterns of feedback	Review concern/appeal logs quarterly, summarise themes and fixes to staff and board
3	**Measure and manage risks**	Implement AI specific risk management	Create a risk screening process to identify AI systems and use cases that pose unacceptable risk	Use a 1-page triage (low/med/high). Only low/med proceed to pilot; high requires board approval
			Apply risk controls based on the level of risk for each specific use of AI	Require human review for public outputs; restrict sensitive prompts to named roles; log outputs shared externally
			Create processes to investigate, document and analyse AI-related incidents (and use lessons learned)	Set up an incident form and 48-hour notification rule; share post-mortems and update guidance
4	**Share essential information**	Ensure appropriate transparency and explainability	Create and maintain an AI register	Maintain a SharePoint AI Register (system name, purpose, owner, data used, supplier, review date)
			Disclose your use of AI	Add an "AI-assisted" note to donor letters, website forms and reports, include how to request a human alternative
			Identify, document and communicate AI system capabilities and limitations	Publish a "system card" for each tool: what it can/can't do, and required human checks
5	**Test and monitor**	Ensure quality, reliability and protection through evaluation and monitoring of AI systems	Ask for proof that it's been properly tested	Request vendor evaluation notes and security attestations before procurement approval
			Test before and after you deploy a system; consider independent testing/stress tests for vulnerabilities	Run a 10-sample pre-launch test (accuracy, tone, bias flags, privacy), track KPIs (hours saved, edit rate ,incident count) after deployment
			Extend your data governance and cybersecurity practices to your AI systems	Turn on MFA, restrict sensitive data, store outputs in official drives, use enterprise AI tools only
6	**Maintain human control**	Integrate meaningful human oversight and control of AI	Ensure meaningful human oversight and build in human override points	Assign reviewers; require human sign-off for public/funder-facing outputs
			Maintain alternative pathways	Ensure critical services can run without the AI (manual fallback or human-only workflow)



These are **six essential practices for responsible AI governance**, published by the Australian Government's National Artificial Intelligence Centre. Look for similar guidance from your own government if possible

Source: National AI Centre, Guidance for AI Adoption: Foundations, 2025

Create a central info hub to collect and build your NFP library

ILLUSTRATIVE **NONEXHAUSTIVE**

After setting up this “single source of truth” hub on a shared network drive or intranet, appoint designated “guardians” to oversee its management while providing viewing access to all staff, ensuring access to useful gen AI knowledge for anyone in your organisation

Knowledge specific to new workflows being piloted can be included within the central information hub

Examples of what to include in the best practice hub

Guardrail reminders

A FAQ guide highlighting key “dos and don'ts” for the safe and ethical application of gen AI

Gen AI tip-of-the week newsletter

A rotating contribution where staff highlight how they used gen AI be more efficient, improve work, or uncover learnings worth sharing

Case studies from pilots

Post-pilot write-ups of lessons learned, including examples of where things went wrong

Mini how-to guides

Guides of gen AI best practices, including example prompts, shortcuts and ways to check for errors

Example of an eight-week communications plan to deploy in your gen AI journey

ILLUSTRATIVE **NONEXHAUSTIVE**

Understanding & conviction
"Tell me"



Week 0
Weekly meeting segment
Dedicate last ten minutes of weekly meeting to gen AI



Week 1
Pilot launch email
Org-wide message from leadership introducing the gen AI pilot, emphasising safe use, purpose, and benefits for reporting



Week 2
Training announcement
Announcement of hands-on training sessions on responsible use of gen AI to be delivered in week 4



Week 3
Begin bi-weekly email blast
Start short bi-weekly update including gen AI win stories, usage champions and quick tips. Consistent cadence builds visibility and confidence



Week 5
Bi-weekly email
Share early success stories, reinforce "safe use" principles, and promote "best-practice" guidelines



Week 7
Bi-weekly email
Share additional success stories, provide links to newly developed gen AI reference materials and promote additional training opportunities



Week 8
Feedback forum
Two-way Q&A session to gather insights on staff experiences and address staff concerns

Thank you.

