

India's Nonprofit Sector Still in Early Stages of AI Adoption; Almost 30 Per cent of Nonprofits not Yet Using AI, says Survey

Category: Business

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As Artificial Intelligence (AI) becomes a cornerstone for organizations to drive efficiency, innovation, and scalability; a new survey reveals that India's nonprofit sector is just beginning its AI journey, primarily leveraging more readily available tools like generative AI. The findings are available in the [The India AI Readiness Report](#). The survey, conducted by the [GivingTuesday Data Commons](#), collected responses from 251 nonprofits across India with the aim of shedding light on the unique challenges and opportunities Indian nonprofits face in adopting these transformative technologies.

In March 2024, the survey commenced to define "AI readiness" by measuring which types of organisations are already using AI, how it is being utilised, and identifying the organisational traits linked to AI adoption. Two groups emerged from the samples of the survey: early adopters and late adopters. The majority of the survey respondents held senior leadership roles, with only four percent of respondents serving in technical or Monitoring, Research, Evaluation, and Learning (MERL) roles.

Early adopters tend to be larger, urban-based organisations, while late adopters were smaller, rural-focused, and less likely to use AI beyond generative AI. 60-80 percent of early

adopters are interested in utilising AI across various applications. This contrasts sharply with late adopters, where only about 10 percent have shown interest in using AI for future applications beyond generative tools, suggesting that India's nonprofits may need targeted support to understand the use cases and potential benefits of integrating AI into their work.

"This research is a critical benchmark in the efforts to ensure that the social sector is not left behind as AI becomes increasingly relevant. The India AI Readiness Report was developed as a supplement to the [global study](#), focusing exclusively on insights from 251 organisations across the country. We hope this report will help anchor your decision making in relationship to AI, whether you're a nonprofit considering how you compare to others in the AI adoption scale, a technology platform looking to better understand current nonprofit needs, an educator looking to develop resources for nonprofits, or a funder considering how to best support the sector's AI adoption. By spotlighting India's progress, we hope to spark further conversation around how to collectively approach AI adoption in the social sector and guide Indian nonprofits, funders, and stakeholders in their decision-making and collaborations," said **Ms Asha Curran, CEO, GivingTuesday.**

The survey highlights how organisational capacity plays a crucial role in how these groups (early adopters and late adopters) engage with technology. Early adopters are more likely to have formal data-use policies, cloud-based data storage, and technical personnel such as IT staff or MERL experts, all of which contribute to their ability to adopt AI effectively. While late adopters tend to have limited technical resources, contributing to their minimal utilization of AI thus far.

Another key distinction between the early and late adopters is that the appetite for expanding AI use is two or three times

higher among the early adopter group. About 40 percent of the late adopter group still doesn't know exactly what they will use AI for yet. As stated by the survey, the demand for AI appears to be highest among Western region organisations in India, but at the same time, this region also has the lowest percentage of organisations with MERL and technical staff employed.

"This report highlights the nuances in current AI adoption and knowledge, and understanding these differences is integral to achieving equitable and beneficial AI adoption in the social sector. Addressing the systemic challenges of knowledge and infrastructure gaps, which are not unique to this technology, requires cross-sector collaboration among philanthropy, technology, nonprofit, and researchers. Collectively, identification of strategic and tactical use cases to move us from "how do we use" to "what do we need" will support an ecosystem that centres mission needs in the design, development, and governance for equitable outcomes," added **Mr Woodrow Rosenbaum, Chief Data Officer, GivingTuesday.**

