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**Measuring Value: Beyond ROI – the True Grant Professionals' Worth**

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**Abstract**

Grant professionals do more than fill out forms and write grammatically correct sentences. Grant professionals are fundraisers, prospect researchers, project developers, accountants/auditors, stewardship officers, credentialed experts, and organizational leaders. The Blicht-Broussard ROI Calculator (ROI Calculator) determines the true value grant professionals bring to organizations by quantifying their multi-faceted work. The ROI Calculator is a starting point for the grant professional who should also consider the specific circumstances of their organization and their own unique skills in the final ROI analysis.

**The Value of a Grant Professional**

The ROI Calculator measures the value of grant professionals by quantifying their work beyond the traditional “cash in/salary out” ROI model. Although the calculator uses this model as a starting point, it also quantifies other factors and intrinsic qualities grant professionals bring to their organizations. Rebecca Shawver, GPC, describes 11 such considerations in her article, *Do you know how to value your grant office?* (2012). Grant professionals frequently measure their value by using the traditional ROI model. However, other factors must be considered to create a more realistic value calculation.

**Introduction to the Concept of Valuation**

According to Warren Buffett, “Price is what you pay; value is what you get.” (2008, p. 5). This quote illustrates the shortfall in using a simple “cash in/salary out” calculation to determine the value of a grant professional. An ROI metric based solely on how much money a grant professional can raise is a “price mentality” calculation.

The ROI Calculator changes the current paradigm to “value and impact” by identifying and quantifying organizational-enhancing work beyond mere grant revenue. While others have defined strategies for demonstrating success (Marsh & Landrum, 2010; Calabrese & Mason, 2014), the ROI Calculator goes one step further. It computes not only the monetary value of grants awarded but also the impacts of intrinsic factors and leadership roles that most grant professionals bring to an organization.

## **Blitch-Broussard ROI Calculator: Instructions and Factors**

The ROI Calculator incorporates the following holistic metrics: revenue and expenses; operating budget; funds requested through proposal writing; grants management; importance of grant funding; and other factors. To begin calculations, first download and save the calculator here: <http://www.windfieldandtimmons.com/blitchbroussard-ROI.html> .

Complete the *gray* sections within the (1) *worksheet* then (2) *rating table* tabs. Once all data is entered as outlined below, the ROI calculations on the *worksheet* tab are computed automatically. There are six ROI calculation methods. Each yields a different amount that, when totaled and averaged, provides a composite estimate of a grant professional's true value.

### ***Revenue (Worksheet tab)***

To begin calculations, on the *worksheet* tab within the left side of the calculator, enter dollar values of funds generated for the following revenue variables:

*Grant/Contract Revenue:* Enter the total amount raised in response to all grant requests that the grant professional prepared and submitted over the last fiscal or calendar year. The dollar amount for each funded grant is based on percent effort. For example, if the grant professional is responsible for 50% of a grant request or sponsorship, he or she may count half of the revenue obtained.

*Sponsorship Revenue:* Often overlooked in the grant profession, event sponsorships typically require submitting an application to a corporate foundation. These activities are factored in as a percentage of funding according to time spent on the project.

*Major Gift/Other Revenue:* Input the percentage of revenue obtained in response to applications, proposals, and/or documentation created by the grant professional for major gift solicitations. Such documentation may also include specialized research into foundation boards, donor advised funds (DAF) and other non-grant funding sources.

*Partnership Revenue:* While collaborative efforts that support the development of a grant project are important, regardless of funds raised, the actual revenue generated through subcontracts must be quantified here. The grant professional is not always singularly responsible for preparing bids, proposals, memorandums of understanding or letters of support. In many instances, however, grant professionals play a support role in securing revenue or documenting in-kind support from partnering organizations. Such revenue, therefore, is included as part of the grant professional's value according to percent effort.

### ***Expenses (Worksheet tab)***

For a consultant, everything that is billable should be listed. However, an on-staff grant professional must include not only salary and benefit amounts but also the supplies, equipment, and professional development costs paid by the employer.

### ***Operating Budget (Worksheet tab)***

The value of a grant professional should include a multiplier factoring in the percentage of the total operating budget for which the grant professional is responsible. The greater the percentage, the more valuable the grant professional is to the overall financial health of the organization. The following multipliers are suggested:

- 0-24% of operating budget - no added factor;
- 25-49% of operating budget - add 25% to total amount of grant revenue;
- 50-75% of operating budget - add 50% to total amount of grant revenue; or
- 76-100% of operating budget - add 75% to total amount of grant revenue.

### ***Proposal Writing Activity (Rating Table tab)***

This section of the calculator is an output metric within the *rating table* tab. While more is not always better, the total amount of funds *requested* by a grant professional based on percent effort is relevant to the ROI calculation.

### ***Grant Management (Rating Table tab)***

Ensuring legal conformity when administering grants or gifts is important because the financial consequences of noncompliance are real. This not only results in a loss of grant revenue, but also gifts and donations. In addition to grant seeking, some grant professionals make awards, select vendors and sub-grantees, administer and implement projects, manage financial systems, handle grant reporting and close-out, as well as oversee grant projects. Grants management involves procedural requirements related to fair and open procurement; compliance with laws, adherence to public policy, government regulations, mandates and audit stipulations. The dollar value of these management functions, therefore, is factored into the value of a grant professional.

### ***Importance of Grant Funding (Rating Table tab)***

Additionally, the grant professional may include one other factor as it relates to grants awarded – the importance of grant funding to the organization’s mission and program areas. If grant-supported programs significantly impact other areas of an organization’s operations, the grant professional should justifiably add multipliers to the ROI calculation. This is achieved by responding “yes” or “no” to a series of weighted questions concerning the relationship between grant funding and the core operations of the organization.

### ***Other Factors (Rating Table tab)***

Lastly, the ROI Calculator includes three other factors/multipliers (i.e., project development, organizational leadership, and administration/management). If the grant professional spends more than 10% of their time on one or more of these ancillary non-grant writing or managerial tasks, the following cumulative multipliers are suggested:

- 1 other factor = add 25% of grant revenues to ROI total;
- 2 other factors = add 50% of grant revenues to ROI total; or
- 3 other factors = add 75% of grant revenues to ROI total.

The factors described below should be included in the ROI calculation only when they independently represent 10% or more of the grant professional's time. Some of this work is a necessary part of proposal development. Time in excess of 10%, however, is necessarily quantified.

*Project Development:* Grant professionals frequently evaluate their organization's strategic plans, project designs, agency needs, grants readiness and financial standing. They also routinely improve outcome measures by coaching personnel on how to write SMART objectives, among other tasks. Therefore, project development is a critical value metric.

*Organizational Leadership:* Grant professionals, including staff members and consultants, are frequently called upon to fill either a temporary or permanent leadership gap within an organization. This might include, for example, addressing a budget shortfall, a sudden staffing need, organizational resource limitation or weakness. Hence, the organizational leadership metric is critical when determining value.

Grant professionals serve as organizational leaders when organizing collaborative efforts – or at least exploring the possibilities. Quantifying the value of these exploratory activities is difficult since collaboration often brings about some very unique results. For example, a grant professional's participation in strategy meetings for a particular grant opportunity, even if not awarded, may serve as an impetus for future interagency collaborations or grant awards. Both cost savings and enhanced outcomes may ultimately be realized by the organization.

*Administration/Management:* Many grant positions require a bachelor's degree and at least five-years of experience in the grants field, government experience or a combination thereof. Seasoned grant professionals are familiar with the field's concepts, practices, and procedures. Such experience and acumen is essential to accomplishing organizational goals and objectives other than grant seeking and management of funds awarded. These non-grant functions should be documented.

### **Analysis**

While every situation is different, the grant professional should consider the “ripple effect” his or her efforts are producing inside the organization. By measuring the grant professional's full landscape of contributions, an actual dollar value is possible using the ROI Calculator. Results should be used in conjunction with more traditional methods, such as narratives highlighting organizational achievements and program outcomes, to present the grant professional's true worth.

## Biographical Information

**Danny W. Blitch, GPC** is employed by the City of Roswell, Georgia and works as a grant development consultant. Mr. Blitch is responsible for a municipal grant program which has been awarded more than \$62 million in federal, state, local government grants and private donations. As a consultant, his work has produced more than \$24 million in government grants for clients nationwide. He is an original GPC™ and currently the Vice-Chairman of the Grant Professionals Foundation, having served on its Board of Directors since January 2007. Blitch joined the national Grant Professionals Association Board of Directors in 2013. Contact Danny at: [danny.blitch@windfieldtimmons.com](mailto:danny.blitch@windfieldtimmons.com) .

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