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**How to Thrive When Grants Are the “Square Peg” of the Fundraising Infrastructure: Integrating Grantseeking and Traditional Fundraising**

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**Abstract**

Most nonprofit organizations have fundraising programs originally designed for the cultivation and solicitation of individual and corporate donors. As grant development becomes more sophisticated and competitive, many nonprofits hire grant professionals to formalize and coordinate grantseeking efforts. Whether integrated into a comprehensive development office, hired into a separate division of the organization, or contracted as an external consultant, a skilled grant professional should actively engage the fundraising team and promote an integrated strategy of fund development. This strategy paper provides a framework and pragmatic set of recommendations for integrating grantseeking activities into a philanthropic fundraising infrastructure to catalyze the two funding streams.

**Introduction*****The Importance of Collaboration in Nonprofit Development***

Grant development is, by nature, a collaborative enterprise. Successful grant professionals solicit, process, and synthesize information from a wide variety of sources, both outside the organization and across internal departments (Grant Professionals Certification Institute, 2007). The development of a single grant may require close collaboration with frontline program staff, administrators, board members, finance professionals, and fundraisers, as well as representatives of partner organizations and public agencies. Grant professionals must be adept at leveraging the expertise of disparate teams by bridging differences in organizational and departmental culture, work styles, values, priorities, and perspectives.

Due to the inter-professional nature of grant development practice, formal reporting lines and administrative structures for grant professionals vary widely, even within the same sector. Though grant professionals may be hired in finance, administration, sponsored programs, or development — or brought on as an independent contractor — it is important that they recognize opportunities for collaboration beyond the formal structures and hierarchies of organizations. Collaboration is “a process by which parties who see different aspects of a problem can explore constructively their differences and search for solutions that go beyond their own limited vision of what is possible” (Gray, 1989). When different perspectives come together in collaborative efforts, the thinking of the team becomes more creative, comprehensive, practical, and transformative. If the collaboration is built on mutual trust and respect, the dialogue that results from differing opinions and perspectives can positively sharpen discussion of issues and result in new ideas and approaches (Lasker, Weiss, & Miller, 2001).

Because grant professionals and traditional fundraisers share similar aims and related concerns, long-term strategic collaboration and planning can have a significant impact on the overall success of the organization (Faruqi, 2011). Alternately, if proposal writers and fundraisers cannot work together effectively, the organization loses the potential synergistic value of the collaboration, and team members risk hindering the work of one another, thus damaging the public image of the organization and *reducing* potential revenue. For example, a proposal writer located in a corporate department outside the traditional fundraising infrastructure may have trouble accessing key organizational information on the formal and informal connections to private grantmakers — information that is essential for the development of an effective foundation cultivation strategy (Senturia, Seifer, & Wong, 2006). Consider the following real-life example (with identifying details removed):

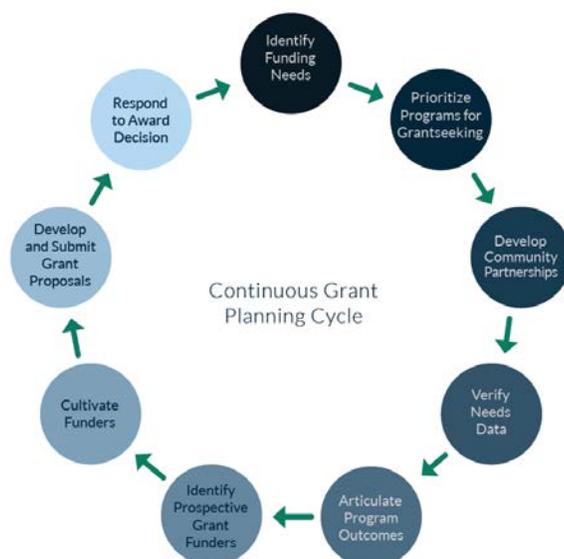
*A grant professional located in a hospital's sponsored programs office identifies an appropriate foundation prospect for a project that will test an innovative way to serve vulnerable patients and reduce readmissions. The writer works with program staff to develop the project concept, and submits a letter of interest, following foundation guidelines. Unbeknownst to the writer, the hospital's fundraising office has been cultivating the chair of the foundation's board of trustees as a major donor for several years, and that trustee plans to make a major gift to the hospital through the foundation. The arrival of the innocent but ill-timed LOI offends and confuses the trustee, resulting in a damaged relationship and no funding for the hospital.*

## **Planning**

### ***Creating a Shared Vision for Philanthropy and Grantseeking***

The following steps are recommended to bring the grantseeking and traditional fundraising functions of an organization into balance and harmonious alignment:

1. Review the organization's strategic plan or strategic framework through the lens of external funding: What is the organization's vision for the role of external funding overall, and grants and philanthropic funding in particular? This shared vision should inform all grants and fundraising activities undertaken by the organization (Faruqi, 2011).
2. Given the unique characteristics of grants and philanthropic funding, and the different pools of funding available through each, identify specific goals and priorities for each funding stream. For example, grants may be most appropriate for program startup, innovation, or expansion, while individual donors may respond best to established programs with a strong track record of success.
3. Identify opportunities for collaboration in pursuit of the identified goals and priorities. Consider ways in which grant proposal writing and traditional fundraising activities can balance and magnify each other in the right circumstances. For example, a recent whitepaper, *Integrating Grantseeking into Hospital Foundation Fundraising Plans* (Huenink & Wilke, 2015) details how grantseeking efforts can support traditional fundraising by elevating the profile of a project, generating evidence and data, and establishing firm timeframes; while fundraising efforts can support grant programs by demonstrating sustainability and fostering critical personal connections.
4. Create and implement a strategic funding plan that leverages the strengths of grants and philanthropic funding in service of the institution's goals. While the specifics of the plan should vary according to the needs of the institution, Huenink & Wilke recommend a 10-step continuous planning cycle. The whitepaper cited above described in detail in more detail, but the steps grant professionals should follow include:



## Implementation

### ***Catalyzing Donors and Grant Funders through Collaborative Efforts***

To enable efficient and effective implementation of the strategic funding plan follow these basic infrastructure elements:

*Open lines of communication.* To collaborate successfully, grant professionals and fundraisers need to know each other personally, maintain familiarity on the current priorities and projects others are working on, and be able to communicate quickly and responsively as needs arise in the course of everyday work. Scheduled interactions and collaborative planning can establish the framework for this integration, but truly successful partnerships are *flexible* and *supportive*. Grant professionals must be comfortable with sharing ideas, resources and power to facilitate and foster cross-division dialogue (Lasker, Weiss, & Miller, 2001). Regular forums for sharing daily functions, work cycles and strategic priorities allow staff to understand the pressures, challenges and constraints of both teams. This mutual understanding facilitates shared strategic planning and recognition of synergies and common goals. It also helps avoid structural tensions that can arise from poorly timed and/or infeasible requests for information or support. For example, if the fundraising team is in the midst of a large scale capital campaign, it may not be practical for them to secure new matching dollars for an unrelated program grant.

*Access to data.* Grant professionals and fundraising offices each hold valuable records that can be used to support revenue-seeking across organizational departments. Proposal development staff members consult fundraising databases to determine whether the organization has existing direct or secondary connections to target foundations, and whether current donor cultivation activities might overlap or interfere with grantseeking. Likewise, fundraising staff use population and performance data collected for grant proposals and evaluations to support case statements and provide information for outcomes-focused donors. If proposal and fundraising staff are given access to and training in the use of databases and online systems maintained by the reciprocal departments, they may be able to save significant time and effort and improve the quality and outcomes of their work.

*Skill sharing.* Proposal writers and fundraising staff may possess skills and experiences in areas that can benefit each other. Sharing these skills through internal training or consulting can improve the quality of all revenue-seeking efforts. For example, fundraisers experienced in major donor cultivation may train proposal writing staff in cultivation methods and networking tactics to use with foundation officers, or may leverage donor relationships to secure an internal foundation advocate for a grant proposal. Fundraisers often have significant community profiles and personal connections, which can be leveraged by grant seekers who want to develop a collaborative proposal or to request letters of commitment from potential grant

partners. Likewise, grant professionals who have strong backgrounds in logic and persuasive writing may be able to contribute concrete outcomes and impact assessments for case statements and other campaign documents put together by fundraisers.

### **Celebrating Success: High Tides Raise All Boats**

In the process of encouraging grant and fundraising staff to work together across department boundaries, there may be fear that success in one arena could damage chances of success in the other: fundraisers wonder if donors will be less likely to give if the organization receives a large grant, and grant professionals wonder if funders will be less likely to make grants if the organization does not look needy enough. On the contrary, success in one arena amplifies and supports success in the other (Raiser, 2007). Research shows that amplifying the gift of a high-profile donor can increase overall philanthropic giving to the organization (Karlan & List, 2012), and a robust individual donor base can reassure grantmakers that the organization is strong and stable enough to implement and sustain the program after the grant period.

### **Conclusion**

Charitable organizations have much to gain from close cooperation between grant professional and fundraising staff, even if the two functions are not located in the same office or department. Leveraging the skills, information, and experiences of both proposal writing and fundraising offices in service of a common strategy and vision can strengthen the functionality within their organization and improve its bottom line.

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