Why Your Organization Should Spring for Grant Management Software

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It’s likely the first time you get funding is the result of writing a killer grant. It’s also likely that subsequent rounds of funding are a result of a killer grant AND proof you successfully accomplished all you said you would in your proposal. Some grantors have deep pockets and lax reporting requirements, but most (especially federal agencies) require detailed accounts of how well you used the money before they’ll give more. More and more grantors are funding specific projects, not organizations, and they expect a return on their investment.

Think of all the inter-connected, funded initiatives across the entire organization. Each one has to be monitored, analyzed and managed. Think of the people who have to do their part to make sure tasks get completed effectively and on time. Think of all the disparate systems and processes in place across your organization. Now think what can happen if all these moving parts start to get out of sync.

As grant requirements become more complex, organizations need help managing the entire grant cycle, from discovering new funding sources to measuring the outcome of the programs, projects, departments and sub-recipients that received the money. Even reporting back to the grantor has become more complex. For example, recent changes in government grant allocation rules have had major implications, in some cases shifting the onus of the auditing process on the organization itself instead of on outside regulators. But not all barriers to success are external.

Organizations with fewer resources may have a small staff dedicated to grant management, which may limit their funding options if grantor requirements are daunting. Some organizations are large and segmented and unable to react nimbly to changes that could positively impact programs. It’s often the case that one team will utilize tools that are incompatible with those used by others. And it’s also common for individuals and teams to become very protective of everything from the processes they use to the data they collect.

These issues can render decision makers reluctant to adopt a technology solution, preferring instead that each team of stakeholders continue to act like an autonomous unit with their own separate systems, tools, processes and strategies. This approach invites disaster in the form of missed deadlines, ineffective communication, lack of a streamlined process, and the very real possibility of lost funding opportunities or money left on the table due to mismanagement.

So how do you break that cycle and convince your organization that it’s a good idea to invest in grant management software? The solution lies in weighing pros and cons of switching to a new approach, and by alleviating the concerns that can come up when implementing software that’s designed to be used by multiple people with differing roles. The following talking points are designed to address some of these concerns.

We already have internal systems and processes in place, why do we need a grant management software tool?
An internal system can mean anything from a series of spreadsheets and a reliance on email to proprietary software developed in-house. Even the most sophisticated internally-created systems will be deficient in some areas. And most organizations don’t have the time and resources to monitor and make incremental improvements to propriety systems. It’s easier to get work done using tools that were thoughtfully designed for a specific purpose. Anyone who has ever used a shoe to drive a nail can relate.
Good grant management software can streamline internal processes that impact every single stage of the grant cycle. Companies that stake their reputation on developing grant management software need their products to be effective or else no one will buy them. And to keep customers happy, they need to provide frequent updates based on the suggestions they receive.

**We handle grant management as part our accounting system, so we don’t need a replacement**
Grant management software shouldn’t be used to replace an accounting system, it should be designed to work with it. The software should allow you to import the accounting information that is directly related to grants, nothing else. This process creates a controlled level of visibility. That way the grant development office can access only the relevant data needed for reporting purposes without having to wait for someone else to pull information for them. Having the ability to quickly generate reports at any time gives the organization a real-time view of grant performance and allows them make adjustments if necessary. And don’t forget there’s much more to a grant than the financial pieces like budget creation fund allocation, and performance measurement tasks you’d expect the software to handle. Grant management software is also designed to track, measure and automate each step of the grant cycle. So it can be an invaluable tool when it comes to storing documents and information, assigning tasks, keeping track of upcoming deadlines, creating reports for internal purposes and grantors, submitting the grant and even researching new funding opportunities.

**We need software that integrates with our other systems**
This is no longer the case as more systems migrate over to a web-based Software as a Service (SaaS) model. SaaS tools can easily import and export standard data that’s commonly used by other software (like accounting software). And unlike giant enterprise systems that try to do a little bit of everything, SaaS products target specific needs and can do them very well.

**We’re too small to justify a grant management tool**
Small organizations are actually better poised to take advantage of some of the features available in grant management software. Starting small means it’s easier to input information and users. As the organization grows, it will be easier to get new team members up to speed since the resources they need will be right at their fingertips. And built-in research tools can help organizations discover new funding sources that can help organizations grow and expand their reach.

**We can’t afford grant management software**
The initial investment is a temporary burden. The fact is, software providers should take each organization’s unique situation into consideration when creating pricing quotes. Some create price structures based on the number of users actively using the system. A better way is to charge based on current grant revenue. That way, organizations can more easily adopt the software at an early stage, and pay a higher amount later when it earns its keep by earning the full potential of every grant and maximizing each funding opportunity.

**We don’t have time to learn a new system**
There will be a time investment involved at first as users get up to speed. But, grant management software will save organizations time and frustration in the long run. And the best software providers will offer training and support services. Some will even help with the initial population of the data in the system. Think of it as a time to create or crystallize a grant process that becomes the internal standard for the organization, saving time and effort going forward.

**I don’t want to share sensitive information like budgets and salaries with everyone**
The solution is role-based access control. Grant management software should help organizations create types of users, and then give them specific permissions. That way each user only accesses the information they’re meant to see. In addition, password protection and encryption technology ensures that data stays safe and secure.

There’s no good reason an organization should be hobbled because they don’t have the right tools to do the very best job possible. It could be that grant management software has been overlooked simply because people have had to make do without it for so long. But organizations that fail to streamline their processes and get a handle on increasingly complex grantor requirements are at risk of not maximizing their funding opportunities. A good grant management software product will pay for itself in a relatively short period time through improved ROI and improved efficiencies and help organizations stay in sync.