

7 WAYS

GRANTS MANAGEMENT
SOFTWARE ELEVATES
GRANTMAKING FOR SMALL
FOUNDATIONS



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WHY INVEST IN NEW TECHNOLOGY?

You care deeply about the world and want nothing more than to help your foundation succeed in taking on some of the world's most pressing problems. As your foundation has grown or its processes evolved, you've invested in new software and services along the way to make your team more effective. Or, have you?

While you may instinctively understand that leaning on the right technology can dramatically improve your day-to-day work, it's tempting to stick with what you know. Perhaps you sidelined research into new technology due to other pressing priorities, concerns about costs, or the stark realization that making a change isn't always easy.

It can be a lot to get your head around, but here's what you need to know: As time advances, so too does technology. Innovative technology is creating new opportunities for small and midsize foundations to eliminate human error, save time, increase efficiency, and be more responsive grantmakers.

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A SMALL FOUNDATION'S STORY

Take the Rochester, N.Y.-based Farash Foundation for example. When Farash launched its grantmaking program in 2010, it had only 3 staff members. Today, the foundation grants approximately \$10 million a year. At the beginning, it was critical that the foundation find a system that could help the small team maximize its efforts.

"That's been the general rule all throughout our technology buying: How do you maximize the efficiencies of your foundation with the limited resources you have," says Susan Rosenbloom the Director of Finance and Administration at Farash. "Making everything as streamlined as possible for us, our grantees, and our trustees was very important to us."

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— Susan Rosenbloom, Director of Finance and Administration, Farash Foundation.

So much institutional knowledge tends to reside within individuals, particularly in smaller foundations. It becomes extremely important to invest in technology that helps the foundation store information in a centrally located, easily accessible system. "At our foundation, so many people wear many hats. If one person is away, it becomes all about the information flow and making sure that people have their pulse on what's going on within the foundation," Rosenbloom says. "Our grants management system makes it possible for us to do that."



SMALL FOUNDATIONS, LARGE IMPACT

If you think your foundation is too small to warrant a grants management solution, think again. As Rosenbloom says, small foundations in particular have much to gain from the right technology.

What's more, small and midsize foundations, which typically have holdings of less than \$50 million, account for 98 percent of all US foundations, according to Foundation Source. The potential for outsized impact is unmistakable. It is therefore critical to investigate what technology is available to help make the grantmaking process at your foundation easier and more effective.

HERE ARE SEVEN SURPRISING WAYS THAT GRANTS MANAGEMENT SOFTWARE CAN TRANSFORM GRANTMAKING AT YOUR SMALL FOUNDATION:

1.

20/20 vision. One of the biggest benefits of grants management software is increased visibility, with information for each grant proposal linked together throughout the entire lifecycle. Having this information in one place allows you to easily track the status of grants; search by organization's name, EIN, and application ID; and track data across multiple records. Plus, all data can be accessed by key stakeholders at your organization at any time, empowering the team to work better together. Not to mention, when staff members leave your foundation, or are away, their institutional knowledge remains in the system.

2.

Nurture grantee relationships. A grants management solution can help you track the many interactions grantees have with individuals at your organization. To make that happen, technology can track organizations separately from individual grants, which gives you the option to see conversations you had about a previous grant when a new one is under review. You can also associate multiple contacts with an organization and define their relationships to you and a particular grant and keep a log of outside communications, including calls and emails, as well as store all system-generated letters and emails for each grant.

3.

Improved online applications. A grants management solution can make online application processes much more robust and user-friendly both for your foundation and your applicants. Would you like to allow both individual applicants and organizations to apply for grants from the same program? Create different online forms to support different grant programs? Support multiple logins for grantees on a single application to allow, as an example, separate people to complete financial sections? Create customized confirmation messages once applications are complete? Those are just some of the things that are possible with grants management technology.

4.

Grantee self-service options. Wouldn't it be nice to have a one-stop shop for grantees to manage all interactions with your foundation? Grants management software can help reduce the administrative burden on your grantees. Applicants can view their application status online and easily spellcheck their work. Plus, because existing grantees' information remains in the system, individuals spend less time on subsequent applications, as key information such as contact data, is carried over from one year's application to the next.

5.

Faster application reviews. Your reviewers should have easy access to the review process and be able to see what action needs to be taken at a glance. A grants management solution can make the review process much more efficient, providing instant insight into the history of the grantee relationship, including what grants they've applied for, had declined, or been granted in the past. Reviewers can benefit from online access and visibility into review states, incomplete reviews, and upcoming deadlines. Plus, if your foundation uses multiple reviewers, individuals can each rate an application on pre-set factors, add comments, and review numeric review scores.



6.

Email like a pro. You likely already engage via email with applicants, but you might not realize that a grants management solution can take those communications to the next level. Many solutions will allow you send email through the system to a single individual or group that meets specific criteria and easily track open rates, click-through rates, and unsubscribes for each email. You can also set up and send automated emails based on certain events, such as submitted online applications and reminder emails.

7.

Better budgeting. Budgeting tools integrated with a grants management solution allow your organization to track funds from the allocation of resources to the actual payment of the funds. As a result, you can see what's in the pipeline and what's available to spend. Depending on the extent of your budgeting requirements, you have options to set up multi-year budgeting, create "what-if" scenarios, and split grants across more than one program for budgeting and payment tracking purposes.

These are just some examples of how grants management technology can create a more connected, transparent, and accessible grants management ecosystem – for foundations of all sizes. More grantmakers are using grants management software than ever before. In fact, the number of users has grown 66 percent since 2013, according to Idealware's 2016 Consumer's Guide to Grants Management Systems.

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Just because your foundation is small, doesn't mean technology can't help increase your impact too. With the right, modern solution in place you'll create new efficiencies you never knew possible, enabling your staff to focus more on your foundation's mission and less on grants management administration.

SOURCES:

Foundation Source, <https://www.foundationsource.com/>

Susan Rosenbloom, The Farash Foundation, <http://www.farashfoundation.org/>

Idealware's Consumer's Guide to Grants Management Software,

<http://www.idealware.org/reports/consumers-guide-grants-management-systems-1>

Fluxx has a mind for technology and a heart for philanthropy. Our vision and innovation are propelled by a deep commitment to transform the grant process and spark lasting good. Fluxx's cloud-based products are differentiated by a unique, intuitive user interface that makes collaboration, clarity and organization of data effortless. Large and small foundations, nonprofits, government agencies and corporations are dramatically shortening their grant cycles and making more strategic decisions with Fluxx. Until there is no further need for philanthropy, we will continue to expand our mission-critical solutions to drive real change. For more information, visit www.fluxx.io.
