

Determining What Your Organization Needs From Your Grants Management Software

How to plan for the future of your grantmaking



Perhaps this was the year you won your first government grant. Or maybe you decided to expand your grant programs, and now it's too complex for a simple spreadsheet. Or maybe you are ready for reporting tools that help you make forward-looking decisions, instead of only reviewing where you've been.

No matter the reason why you are considering a grant management system, you need software that will help you evolve—and that will grow with you.

To get the best results from your investment in a grant management system, start with the needs of your organization—both now and in the future—before you look at specific platforms.

The Role of Grant Management Software

When you are managing a single grant program with a handful of grantees, a simple system of project management and spreadsheet tools will likely suffice. But as your grantmaking organization grows, you need software that will pull everything together in one place.

A grant management system is software designed to organize and streamline the complex process of applying for, reviewing, and awarding grants. The biggest benefit of a GMS is that it provides a single source of truth for both qualitative and quantitative grantmaking data. Meaning everything—from contact information to communication to reporting—can be stored and accessed in one platform, saving your team time making it easier to find information.

Before you start evaluating different GMS platforms, you need to be clear on what problems you want this software to solve for your grantmaking organization.

Improve Efficiency: Are you a lean funder looking to do more with a small staff, or are you wanting to break down silos that make sharing information difficult?



Enhance Your Due Diligence: Do you need a way to simplify your internal controls, make verifying tax status streamlined, or to create easy-to-follow audit trails?

Tell a Clearer Impact Story: Are you looking for a better way to measure the work you and your grantees are doing through your grant programs, and visualize that impact through actionable reporting?

As you work through determining the needs of your organization, you may find that one of these themes rises to the top, or you might find them to be equally important. That's okay. Knowing this will help guide your conversations with potential GMS partners.

Identifying What Your Organization Needs from a GMS

To develop a comprehensive perspective on what your organization needs most from a GMS, you'll need to dig into exactly how your organization operates and identify any unique processes, requirements, and challenges your GMS must support.

Start with People, Not Technology

The goal of a GMS is to improve the work and experience of those who work within the platform. Center the needs of those who will be using it and let their use cases—both current and future—drive the list of requirements.

First, make a list of all the roles that will be using the system, including grants administrators, program officers, organizational leadership, and grantees. From the people who hold those roles in your organizational ecosystem, create a selection committee to help you choose the best software. Making sure you have a good cross-section of users, so all needs are represented as you talk with GMS providers.

With the help of your selection committee, spend some time with individuals who will be using the new grant management software to see how they currently manage your grant process. Ask them what they like

most, and least, about the current grantmaking software and process. Record their responses in a way that you can easily see trends and outliers.

Document Your Current State

You have to know where you are starting before you can create a plan to get where you want to go. Spend time understanding exactly how your organization operates and identifying any unique processes, requirements, and challenges that you need to support.

Why You Should Include Grantees in Your GMS Selection Committee

Including a trusted grantee or grant writer in your selection committee will help you identify and address any potential hurdles you might create in the application and reporting process. Your goal is to drive impact, and creating a seamless relationship with your grantees helps them spend more time on their important work.



After you've met with the different users of the system, document your current grantmaking processes. Some of this will already be included in your internal controls and some you'll know from your conversations.

- How many grant programs do you have? Do you have a single application or an application for each program? How often do you expect those programs or applications to change?
- What are your naming conventions? How do you track different programs in your systems?
- Are there any grantee restrictions you need to keep track of? For example, do you allow for-profit organizations to apply for some grants, while other grants are for 501(c)(3) organizations only?
- What is your current timeline? How long does it take between receiving an application and funding?
- What is your review process? Do you have external reviewers for grant applications? If yes, how do you manage that process? If no, do you plan on using external reviewers in the future?
- What reporting do you currently require from your grantees? How is that collected and stored?
- What communication do you have with grantees? What is the process for sending acceptance or declination letters?
- How do you report your impact to your Board and stakeholders? How old is the data before they are able to review it?

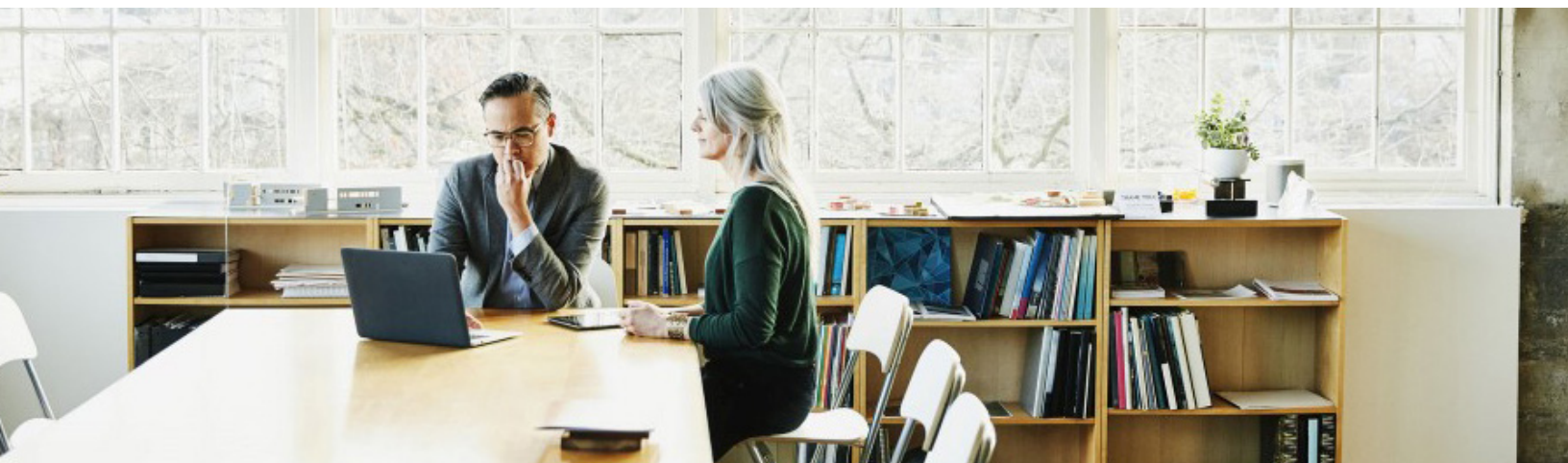
As you go through the process of answering those questions, you'll likely find opportunities to improve or goals you want to set for the next few years. This sets you up for the next stage in the planning process.

Plan for Your Future State

Be sure to think past your current struggles to what your future organization might need. When you have twice as many grant programs with three times as many grantees than you do today, how will that change what you can and want to do? What capabilities will your organization and your team need three, five, and 10 years from now?

To help identify those needs, look at organizations that are a few years ahead of you. What are they doing that you would like to include in your grant making process? Find two or three that would be open to showing you how they work or at least talking you through their process. Also ask them what they like most and least about their current software and workflow. Make notes on what you'd like to incorporate into your organization over time.

At this stage, also work with your leadership and finance team to pull forecasting reports. Understand how your grant programs and communities are growing and changing. Based on your strategic plan, how do you plan to meet those needs and are there tools within a grant management system that could help?



Find the Gaps in Your Decision-Making

Because you house so much information in your grant management system, you can visualize that data to help you make decisions. With your selection committee, identify the reporting you currently do, including on the communities you serve, the impact you are making on those communities, and how that affects your budgeting decisions going forward. Make a list of the reports you currently compile, both specific to your grant management department and reports you share more broadly.

With this list, and the data you compile, brainstorm with your selection committee what information—if you had it—would help you make better decisions. What information does your leadership or Board ask for that you aren't able to provide, or have to spend hours pulling and compiling the information?

Prioritize Your Organization's Needs

Now that you've done all the work to identify current processes, potential opportunities, and future goals for your grantmaking, it's time to put that into a goal that will guide your conversation with GMS providers. Work with

your selection committee to create a goal statement that outlines your priorities and non-negotiables for this investment. As you talk with the different providers, refer to your goal statement to see how well each solution aligns with the priorities of your organization.

POTENTIAL GOAL STATEMENTS:

Our grant management software will help us improve food access for Cole, Johnson, and Marin counties by allowing us to streamline our application process, shorten the time to a decision, and get support to our grantees faster.

Our grant management software will help us better understand our communities by enabling us to establish a core persona based on our grantmaking data. With this information, we can tailor our applications, grant programs, and partnerships to best serve this group.

Our grant management software will streamline our grantmaking process by integrating our applications, communication, and review process in one place, which will in turn allow us to create more grant programs and drive more impact.

Grant Management System Functionality Scorecard

In addition to your goal statement, it's also helpful to understand the specific functionality you need instead of getting distracted by shiny bells and whistles in vendor demos. Fill out this functionality checklist to help you identify the options that are must-haves for you, the ones that are not a priority, and the ones that are important for you down the road.

[Get the Scorecard](#)



Find a Partner Dedicated to Your Success

Your grant management system is an investment. Not only is it an investment financially, but you are also underwriting the future impact your grantmaking organization will have on your community. You need a partner who is as invested in your success as you are, and who will grow with you.

When you are ready to start talking with potential partners, join us for a live product demonstration of Blackbaud Grantmaking™, where you will hear from our dedicated Solutions Consultants who can answer your questions about how we work with grantmaking organizations.

[Join a Product Tour](#)

Checklist for Determining Your Organizational Priorities for a GMS

- 1 Form a selection committee from a variety of people who will use the new platform.
- 2 Spend 15-30 minutes with individual users to see how they currently use the system you have and identify where the hurdles are.
- 3 Interview two to three organizations that are ahead of you on your grantmaking journey. Learn about their processes and see what you want to incorporate into your future capabilities.
- 4 Identify reports and information you currently have as well as what information would be beneficial to make better data-driven decisions.
- 5 Work with your leadership to run forecasting reports. Compare that with your strategic plan to understand the expected—and planned for—growth in grant programs, grantees, and projects funded.
- 6 Establish an overarching goal for your new GMS. Put in one to two sentences what you want your investment to do for you.
- 7 Fill out the Functionality Checklist to prioritize different potential capabilities. If you aren't sure what something is, bring that question to your conversations with vendors.
- 8 Begin researching vendors and setting up product tours with organizations that might be a good fit for your organization.

About Blackbaud

Blackbaud unleashes the potential of the people and organizations who change the world. As the leading software provider exclusively dedicated to powering social impact, Blackbaud expands what is possible across the nonprofit and education sectors, at companies committed to social responsibility, and for individual change makers. Built specifically for fundraising, nonprofit financial management, digital giving, grantmaking, corporate social responsibility and education management, Blackbaud's essential software accelerates impact through unmatched expertise and powerful data intelligence. Millions of people across more than 100 countries connect, give, learn, and engage through Blackbaud platforms.

