Selecting and Implementing Integrated Grants Management Systems in 2012: The Promises and Pitfalls

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Technology Trends Impacting Foundation Information Systems
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- Web based portals with easier and differentiated user interfaces (UI) replacing Windows applications
- Expanded use of online applications and online grantee reporting
- Quickly growing use of iPad tablets to access board and committee content to replace printed books
- Growing use of Android and Apple smartphones worldwide
Worldwide Tablet Sales 3rd Quarter 2011

Source: Network World, November 7, 2011
Record Growth of Apple iOS and Google Android Devices

On Christmas day 2011:

- About 6.8 million tablets and smartphones using Apple iOS and Google Android were activated. (vs. 2.8 million in 2010)

- A quarter of a billion (250,000,000) apps were downloaded from Apple’s app store.

Source: USA Today 12/31/2011 article “Tablet, smartphone sales set records”
New iPad Sales set Record Highs

- Since initial launch on 4/2010, 55+ million iPads have been sold to date.
- 1 million new iPads are predicted to sell on 3/16/2012 launch day.
- Apple says pre-orders are "off the charts" and they have sold out of their pre-order inventory.

Source: PC Magazine 3/12/2012 article "New iPad Sales Estimates Top 1 Million, Wait Time Now 2-3 Weeks"
Worldwide Smartphone Market Growth
2010 - 2012 (projected)

Source: Gartner, October 2011
Technology Trends Impacting Foundation Information Systems

- More, faster and better broadband Internet access
- Increased telecommuting by senior management and program staff
- Expanding multi-tenant cloud computing
- Multiple browser types and versions plus 32 and 64-bit Windows makes system development, integration and support more difficult
Technology Trends Impacting Foundation Information Systems

- Potential for greater system integration using .NET, Web services and RSS feeds
- Grant support and exploration of some new “open source” grants management software
- Microsoft SharePoint portal software especially for document management at some larger foundations
- Increased social networking by selected program and communications staff
Profile – January 2012

1. People on Facebook
   - Over 800 million active users
   - 50% of our active users log on to Facebook in any given day
   - Average user has 130 friends

2. Global Reach
   - More than 70 translations available on the site
   - About 80% of Facebook users are outside the United States

3. Mobile
   - More than 350 million active users currently accessing Facebook through their mobile devices
   - People that use Facebook on their mobile devices are twice as active on Facebook than non-mobile users

"Lasting companies know how to re-invent themselves. You’ve got to reinvent the company to do some other thing, like consumer products or devices. You’ve got to be like a butterfly and have a metamorphosis."

~ Mike Markkula – Apple’s first investor

Source: Excerpt from Walter Isaacson’s Steve Jobs, page 320
Major Grants Management
Recent System Trends

1. Purchases and Growing Companies
3. Web Applications and Progress Reporting
4. Enhanced Integration with Other Systems
   - File management systems with content indexing
   - GuideStar (including Charity Check)
   - Foundation Center eGrant Reporting (free Web maps)
   - OFAC
   - Accounting Systems
   - Electronic board and committee books (via iPads)
   - Salesforce for CRM
   - NGOsource (pending IRS approval)
It’s now taking less time for many foundations to process and pay grants

<table>
<thead>
<tr>
<th>DURING THE PAST TWO FISCAL YEARS, ON AVERAGE HOW MANY DAYS DID IT TAKE FOR YOUR ORGANIZATION TO ACCOMPLISH THE FOLLOWING*?</th>
<th>2008</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acknowledge receipt of funding requests</td>
<td>7</td>
<td>5</td>
</tr>
<tr>
<td>Approve a typical grant (from submission of a full proposal to notification of funding decision)</td>
<td>90</td>
<td>60</td>
</tr>
<tr>
<td>Make the initial payment after a typical grant award was approved</td>
<td>21</td>
<td>15</td>
</tr>
<tr>
<td>Total</td>
<td>118</td>
<td>80</td>
</tr>
</tbody>
</table>

*Median number of days

Source: Is Grantmaking Getting Smarter? A National Study of Philanthropic Practice
Grantmakers for Effective Organizations – J McCray 2012
Different Types of Services

1. All Microsoft Windows

2. All Microsoft Windows and accessible from inside a browser using remote access programs (e.g. Windows Terminal Server, Citrix GoToMyPC or XenApp, or Windows Remote Desktop Connection)

3. Hybrid Windows and Web browser

4. Fully Web browser
Browser Use in North America

Relatively stable among the top three
Browser Use in Europe

Firefox on top and Chrome use is growing quickly
Browser Use in Asia

Internet Explorer dropping and Chrome growing quickly
Browser Use in Africa

Firefox on top and Chrome use is growing quickly
Location and Platform Differences

**Location**
- In-house on your server(s)
- On remotely hosted servers

**Platform**
- Practically all of the system provided by one vendor
- The core platform provided by one vendor plus the grants management system and utilities each provided by different vendors
22 North American Grants Management Software and Service Providers
Online Grant Application Process

Grantmaker Web site with Program Guidelines

Select Application Form

Grantseeker Answers Qualifying Questions

Qualifies

Grantseeker Completes Application Online

IRS Database

Refer to other Resources
Foundation Center & Others

Not qualified

Automatic Verification of IRS 501(c)(3) Status

Not qualified

Branching based on qualifications, program or geographic region

Grantseeker notified via e-mail and/or letter

Qualifies

Doesn’t meet all requirements

Declined

All required information entered, optional attachments provided, can be saved and continued

Merged into Grants Management System with Attachments

Status verified

Additional Information Requested

Review by Designated Program Staff and Online by Reviewers

Full reviews

Reports Submitted

Board Review

Grant Approved

GuideStar, IRS and OFAC Information

Virus scan

All requirements met
4,207 - U.S. grantmakers

292 - non-U.S. grantmakers
### COMPARISON CHART

When there are two ratings, the first represents the system with the most basic configuration, while the second shows what’s possible with the addition of modules or customizations at additional cost. The prices shown give the approximate range of costs for small and large grantmakers, and for minimal and then full functionality. For the majority of these vendors, prices can vary for each individual implementation.

<table>
<thead>
<tr>
<th>Feature</th>
<th>Atom Easygrants</th>
<th>Atom proposal-CENTRAL</th>
<th>Bretmamp Assistant</th>
<th>Bretmamp First Pearl</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Small grantmaker, basic functionality</strong></td>
<td>not recommended for this size</td>
<td>not recommended for this size</td>
<td>$7.1K</td>
<td>$17K</td>
</tr>
<tr>
<td>First year cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Ongoing yearly cost</td>
<td></td>
<td></td>
<td>$6.2K</td>
<td>$1.8K</td>
</tr>
<tr>
<td><strong>Larger grantmaker, all functionality</strong></td>
<td>$150K - $250K</td>
<td>$40K - $60K</td>
<td>$33K</td>
<td>$43K</td>
</tr>
<tr>
<td>First year cost</td>
<td>$30K - $50K</td>
<td>$30K - $50K</td>
<td>$15K</td>
<td>$7.2K</td>
</tr>
<tr>
<td>Ongoing yearly cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Rating</strong></td>
<td>None</td>
<td>Fair</td>
<td>Good</td>
<td>Excellent</td>
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<tr>
<td>Internal Tracking</td>
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<tr>
<td>Online Applications</td>
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<tr>
<td>Applications Review</td>
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<tr>
<td>501(c)(3) and OFAC Status</td>
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<tr>
<td>Letters &amp; Board Dockets</td>
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<tr>
<td>Emails</td>
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<tr>
<td>Relationship Management</td>
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<tr>
<td>Grant Requirements &amp; Evaluation</td>
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<tr>
<td>Payments</td>
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<tr>
<td>Budgeting</td>
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<tr>
<td>System Querying &amp; Reporting</td>
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<tr>
<td>Roles &amp; Permissions</td>
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<tr>
<td>Data Access</td>
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<tr>
<td>Overall Customization</td>
<td></td>
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<tr>
<td>Ease of Use</td>
<td></td>
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<tr>
<td>Support &amp; Training</td>
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<tr>
<td>Stability in the Market</td>
<td></td>
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</tbody>
</table>

* Small: Five named users, five concurrent users, 50 external reviewers, $10,000,000 asset base, 10 grants/year. Basic functionality to review applications, tracks, and per grants.

Larger: Twenty named users, 10 concurrent users, 50 external reviewers, $1,000,000,000 asset base, 100 grants/year. With all functionality covered in this report.
System Options - Today and Tomorrow

Today’s systems
- Basic system with limited flexibility
- Highly customized one-of-a-kind system

Some of Today’s Systems and Tomorrow’s opportunity
- More flexible open personalized (not customized) fully Web-based systems that can be enhanced and linked to other applications and data
What are your greatest needs?

1. What are your greatest prioritized NEEDS and wants for an integrated grants management system?

2. What are some of the key reasons that you might chose to either upgrade or migrate to an alternative system?
Critical Service Provider Success Factors

1. Key staff with significant and diverse grantmaking experience and expertise
2. Understands all grantmaking types
3. Current technology with easy Web remote access supporting the top browsers and versions
4. Personalized Web portals for each user type with graphics and interactive dashboards
5. Web products and services that can be installed, configured and maintained easily & inexpensively
6. Overall system value to streamline operations
7. Significant installed base of users like you
More Critical Service Provider Success Factors

8. Easy personalization *(NOT costly customizations)*

9. Saving and naming favorite searches, views plus many standard reports

10. Globalized multi-lingual *(e.g. Nicolás, René)* and multi-currency products

11. Breadth of powerful utility programs for selected users

12. Interoperability with Microsoft Office and Outlook

13. Linking to online information and mapping services
More Critical Service Provider Success Factors

14. Quality in-person and Webinar training
15. High quality implementation, manuals and support services
16. Linking to external accounting systems
17. Expert data conversion and export services
18. Secure data in your own database
19. Ongoing major investment in R&D with regular releases
20. Systems hosted in secure SAS70 enterprise class datacenter
21. Annual conference and active user group
Some Common Service Provider Problems

1. **Complex UI and poor integration with fully portals, external software and services**

2. **High licensing, operational and growing ongoing support costs**

3. **Highly customized one-of-a-kind systems with large start-up and ongoing costs**
   *(may be necessary for grantmakers with specialized needs)*

4. **Poor communications and user support**

5. **Unmet commitments and poor project management**
More Common Service Provider Problems

6. Unrealistic business model
7. Small installed base of users
8. Use of unsupported, proprietary, and non industry standard programming languages and databases
9. Reluctance to establish strategic partnerships
10. Lack of complete data export capability that prevent successful migration to another system
What to **See, Track and Rate** in Vendor Demos

1. Prioritized features that you NEED and are MOST important to YOU
2. Count the number of steps to do routine operations (e.g. download online applications with attachments)
3. Creating and using saved searches, views and reports
4. How integration with 3rd party services REALLY works
5. Permit vendor’s to demo their wonderful distinguishing features
Create and Use a System Demo Rating Worksheet

**Vendor**

**Demonstration Requirements**
Proposal finalists will be invited to demonstrate the latest production version of their system during the week of February 2, 2009. We invite you to make this presentation in person (preferred) or via WebEx. This presentation will be attended by our decision-makers and Project Advisor.

It’s very important to us that at the presentation we meet (either in person or via conference call) all of the individual team members who will be responsible for our particular account to include but not be limited to:

- Account/project manager who will be our single point of contact for our requirements specification, system implementation, customizations, installation and testing, training, upgrades, etc.
- Technical support specialist who will provide expert support for all post-implementation questions and resolving all of our reported problems

During the 2.5 hour demonstration would you please first demonstrate all of the following and then the many other potential features of your system. If your system cannot do one or more of these capabilities then please explain this up front, skip it, and continue. Please feel free to reorder the sequence of the demo so that the flow works for you.

**Rating scale:**

- 5 = Excellent - Does completely and easily
- 4 = Very good - Does completely but not easily (e.g. not intuitive, many steps)
- 3 = Good - Does in an acceptable way (possibly using a workaround)
- 2 = Poor - Does poorly
- 1 = Unacceptable - Cannot use as is
- 0 = No current capability

<table>
<thead>
<tr>
<th>Capability</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Demonstrate an online branching eligibility quiz with a two-stage online application (Mission Status Eligibility Application + full proposal) with attachments from a grantseeker’s perspective - please show this in both English and Spanish (with marks and text such as ñ, ñ í ñ O)</td>
<td></td>
</tr>
<tr>
<td>2. Demonstrate how online applications are created and modified by the systems administrator.</td>
<td></td>
</tr>
<tr>
<td>3. Demonstrate a grantee portal and how a grantseeker can:</td>
<td></td>
</tr>
<tr>
<td>- review the status of a pending request</td>
<td></td>
</tr>
<tr>
<td>- update their contact information</td>
<td></td>
</tr>
<tr>
<td>- see requirements due</td>
<td></td>
</tr>
</tbody>
</table>
**Ask the Service Provider to Use a Clear Rating Scale**

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### Integrated Grants Management System Requirements

**IMPORTANT INSTRUCTIONS:** Please describe your ability to meet each of our specified system requirements. Please do this by completing the Vendor Response column of this document. When doing this, please be very specific and describe your system’s features and capabilities. **Enter the number (1,2,3,4) associated with the bolded text in each box followed by additional explanatory information.** Please also shade the Vendor Response box with the same color as shown below. See the SAMPLE ENTRY for an example.

1. **Currently available and is fully functional exactly as described** in the latest production version of your product and/or service.

2. **Similar but with some limitations** compared with what is described. Then clearly describe all limitations.

3. **Not currently available** and, if shown as "Required" what you propose with a guaranteed delivery date and cost (if applicable) from the date of contract signing. Please clearly specify if your approach will be a customization, the integration of a 3rd party product, or other.

4. **Targeted for future integration into the core system** exactly as we've described for all clients vs. being specific to us. Please specify the guaranteed delivery date.
## Compare Vendor Described System Capabilities Side-by-Side

<table>
<thead>
<tr>
<th>Function</th>
<th>Description</th>
<th>Required or Desired</th>
<th>Vendor A</th>
<th>Vendor B</th>
</tr>
</thead>
<tbody>
<tr>
<td>User Interface</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cross browser and platform support</td>
<td>Full support of Internet Explorer 7+ and later, Firefox 3+ and later, and Safari 3+ on all accessible platforms from all Windows and Macintosh PC's</td>
<td>Required</td>
<td>2. Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.</td>
<td>2. Restricted to Web based components of the suite.</td>
</tr>
<tr>
<td>Ease of use</td>
<td>Graphic user interface that has uncluttered screens, fool proof navigation, and functions consistently with other supported Web and</td>
<td>Required</td>
<td>3. Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.</td>
<td>3. Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.</td>
</tr>
<tr>
<td>Searchable online help</td>
<td>Online help that describes the capabilities of the system, includes a searchable index</td>
<td>Required</td>
<td>4. Online help is not currently available but is planned for future release</td>
<td>4. Online help is not currently available but is planned for future release</td>
</tr>
<tr>
<td>Web interface</td>
<td>The application is Web enabled and also fully accessible and functional via a supported Web browser</td>
<td>Required</td>
<td>2. Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.</td>
<td>2. Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.</td>
</tr>
<tr>
<td>Full screen display</td>
<td>All screen displays (except pop-up windows) will display full screen regardless of the monitor size and display resolution. Text elements will be designed to fill the screen to make optimal use of</td>
<td>Required</td>
<td>1. All key screens are full screen display</td>
<td>1. Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.</td>
</tr>
<tr>
<td>Supervisor view</td>
<td>Ability for a supervisor to see the status of all proposal and grants assigned to selected staff</td>
<td>Required</td>
<td>1. Records can be associated with staff, but not limited to just those staff. Supervisors can see which staff are connected.</td>
<td>1. Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.</td>
</tr>
<tr>
<td>Web pages design</td>
<td>Ability to add, delete, move web pages if these exist. All can be done by the system administrator for groups of users, or with</td>
<td>Required</td>
<td>2. sesame personal settings of favorite queries, reports</td>
<td>2. sesame personal settings of favorite queries, reports</td>
</tr>
<tr>
<td>Collapsible code table testing</td>
<td>Code tables can be easily expanded and collapsed. This is especially helpful for complex multi-level code tables</td>
<td>Required</td>
<td>5. Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.</td>
<td>5. Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.</td>
</tr>
<tr>
<td>Last used queries</td>
<td>Query drop down list of last used queries for quick access</td>
<td>Required</td>
<td>4. Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.</td>
<td>4. Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.</td>
</tr>
<tr>
<td>Personalized view by individual</td>
<td>Enables individual users to choose their own default start view that specifies what data is presented and how it is sorted. The presentation of data can be filtered to display only those tasks that are the responsibility of the user. The user can</td>
<td>Required</td>
<td>4. Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.</td>
<td>4. Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.</td>
</tr>
<tr>
<td>Tree view</td>
<td>Display of contact relationships in a hierarchical tree view</td>
<td>Required</td>
<td>4. Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.</td>
<td>4. Lorem ipsum dolor sit amet, consectetur adipiscing elit. Curabitur hendrerit, risus at vestibulum volutpat.</td>
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</tbody>
</table>
Key Decision Making Factors

1. How do each company and system capabilities compare with your prioritized requirements?
2. Compare your requirements with the latest version of your existing system.
3. Are you in the sweet spot of finalists’ current and future product/services?
4. Assess actual client satisfaction based on what similar clients (to you) have to say – YOU pick who to call, not the service provider!
Key Decision Making Factors

5. What is their financial strength? Will they be in the grants management business 5 years from now?

6. Conduct an in-depth analysis of the total cost of ownership for 3-5 years.

7. Be sure to budget for both startup, annual support, and regular ongoing training of new staff.

8. Plan now for next generation data migration and ensure that this is included in the contract.
Integration with External Systems and Services

- Browsers and Microsoft Office (major types plus 32 and 64-bit versions of each)
- Windows 7 (32 and 64-bit versions)
- GuideStar for Charity Check
- OFAC list checking services
- Accounting systems (type and version of each)
- Electronic board and committee books
- iPads and other Android tablets
- Foundation Center eGrant and hGrant Reporting + free mapping service
- Document management
- Electronic Fund Transfer (EFT)
- Social network services
- NGOsource (pending IRS approval)
Time for spirited questions!