Grant Management Modernization:

A Guide to Government Success

Introduction

Federal grants are a critical component of the U.S. economy. The U.S. government manages more than [1,000 grant programs, including esteemed awards like the Pell Grant.](#)

But without proper fund distribution, compliance and management, these programs would cease to exist.

There is also a wide variety of recipients that make up the grantee pool, from state and local governments to academic institutions, nonprofits, small business and research organizations. With all these parties at play, the grant management process is a complicated one.

Aware of these challenges, the Office of Management and Budget has designated the Department of Health and Human Services to stand up a [Grants Management Quality Service Management Office.](#) The goal? Reduce recipient burden and help improve the grants experience by transforming and automating governmentwide grant processes with modernized technologies.

"The expectation is that this grant management landscape will become simplified with a lot of standardization in terms of technology consumption," says Ramani Vaidyanathan, senior vice president of customer experience for Salesforce.

But the scale and complexity of this process will require agencies to tap commercial technology partners to integrate grantor and grantee engagements, while improving transparency, accountability and performance tracking.
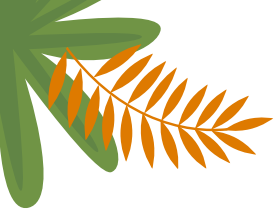
Complex, Legacy Systems Are Weighing Down Grant Management

The grant management process is growing in complexity and administrative burden. A quick look at Grants.gov shows more than 1,900 grant opportunities or programs from nearly 30 agencies. In 2020, the White House reported the federal government spent $829 billion on aid to state, local, tribal and territorial governments, while managing the Coronavirus Aid, Relief, and Economic Security Act along with other pandemic relief-related funding.

All this has created a number of federal grant management systems – more than 250, Vaidyanathan estimates – leading to redundancies and system latencies.

"Grant management is very fragmented and it's customized and it's using all the legacy technologies that make it more complex," says Vaidyanathan.

What's more, most agencies lack a single system that handles both grants and financial management. Consolidating the two in the backend would make conducting audits less time consuming and more efficient.

"Those are the big challenges that agencies face because of so many systems," Vaidyanathan says. Plus, agencies don't have enough insights or real-time data to make decisions that could enhance grant performance, because many systems tend to focus on compliance and administrative functions over improving the desired outcome.

In fact, a survey conducted by the National Grants Management Association found that most grant management professionals are frustrated by the bureaucracy and the inefficient tools and IT systems associated with managing grants. Additionally, 31% of respondents were not confident they could evaluate the program impact and outcome of their grant funds at all.

Now more than ever, agencies are realizing the benefits of moving beyond technologies that simply "do the job" and instead toward customer-centric systems and platforms that perform with the speed and accuracy required to support the complex grant management lifecycle.

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>
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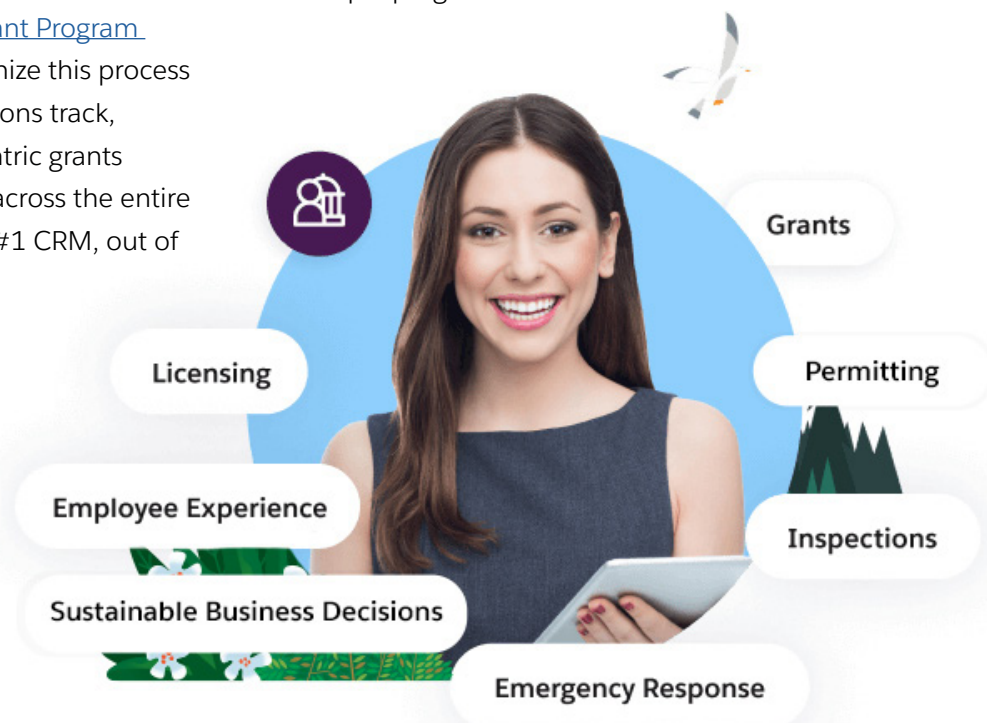# A Step-by-Step Approach to Streamlining the Grant Management Process

There isn't a single solution that can meet the needs of the grant management lifecycle, so Vaidyanathan and his team at Salesforce identified specific gaps and bottlenecks where its platforms might be able to provide value.

"Today, in simple terms, there is no contact center for grants," Vaidyanathan says. Applicants are forced to fill out new forms for each grant, must attach several documents to comply with unclear requirements and repeat the process if they need to resubmit. The agency providing the funds must also create multiple forms and processes. In many cases, applicants may have to repeat the same information when they apply to multiple grants within the same agency. Also, agencies are not able to standardize reporting templates for the recipients to use, be it an activity, or progress or performance or audit report.

Salesforce's purpose-built app, Grant Program Management, promises to modernize this process by helping public sector organizations track, manage, and deliver customer-centric grants programs with increased visibility across the entire funding lifecycle. Powered by the #1 CRM, out of

the box functionality and no-code digital tools like OmniStudio support fast deployments, dynamic forms, and pre-configured grant application templates. It also creates an online community for applicants to get real time updates, access help articles, and get technical assistance on the spot. This makes it easy for applicants to identify the grants they qualify for and quickly apply on the same screen. Perhaps more importantly, common information gets transferred over to the additional applications, saving the applicant time and making the process much less repetitive.

Data analytics platforms like Tableau also make reporting and tracking easier. For example, if a grantor is giving money to a grantee based on specific milestones, the grantor can track when certain metrics are met to release more funds. Plus, grantors can see active status reports from grantees for multiple programs.

Grants

Permitting

Inspections

Emergency Response

Sustainable Business Decisions

Employee Experience

Licensing

Grant management is complex and carries an immense administrative burden, especially with the release of federal funding in addition to CARES Act funds that state and local governments already have to manage. State and local leaders need flexible, intuitive tools to respond quickly to mission changes and they need a single source of truth to effectively track and report grant funds, budgets and distribution.

No-code digital tools enable program managers or any business user to build complex eligibility criteria with a few clicks. By dragging and dropping formulas or reusing templates, public servants can quickly update or build a new grant program that can automate application decisions and flexibly change with evolving mission needs. No coding needed. These eligibility decisions and their reasoning can be transparently displayed with a single platform. From the applicant's perspective, a case worker or community portal equipped with a clear, immediate eligibility answer on a critical program such as housing assistance is greatly appreciated.

Indeed, these capabilities provide a one-stop-shop for all applications and reporting templates. Ultimately, the platform leads to productivity savings, reducing IT costs and delivering economic imperatives.

A Customer-Centric Approach to Grant Engagement and Visibility

Bringing the grantor and grantee together from a comprehensive information exchange perspective is a powerful gateway to ensure a customer-centric approach.

RAMANI VAIDYANATHAN, Senior Vice President of Customer Experience, Salesforce

Partners like Salesforce are invested in improving the digital experience for government and constituents. Salesforce's capabilities and platforms support this vision by offering visibility and insight for both grantors and grantees.

For example, when an online community is centered around a certain grant program, all recipients can see updates, announcements, compliance notices and shared reports.

"Bringing the grantor and grantee together from a comprehensive information exchange perspective is a powerful gateway to ensure a customer-centric approach," Vaidyanathan adds.

Salesforce's CRM-style platform also offers all parties a 360-degree view of the grant programs. For instance, a grantor can see all grant recipients, gain insights into how the money was spent and view specific milestones. Meanwhile, the grantee can view the grant programs they're enrolled in, implementation and milestone status, compliance records and more.

Vaidyanathan says customer-focused grant management relies on three key pillars: communication, collaboration and coordination. When these three things are met, the grants lifecycle becomes much more efficient and performance driven.

"It removes the frustration. It removes the administrative burden. It makes a job easier so that they can focus more on the outcomes," he says.

Data integration is also critical for lifecycle visibility. Once a grant program is established on the platform, administrators can easily set up an application portal, outline milestones, determine disbursement schedules and more.

Users can also integrate the platform with a financial management system in the backend. Using API connectors, the financial management system can reconcile the data and confirm that disbursements and payments took place – which fulfills the responsibility and accountability of the grant manager.

API connectors can also integrate onto the dashboard for a holistic view of grant management, enabling users to track the entire grant lifecycle from announcement to close out.

Building a Grant Management Process for Today and Tomorrow

The Biden Administration's $1.2 trillion infrastructure bill includes $550 billion in new funding for both private and public initiatives in energy, transportation, water, manufacturing and more. This brings a tremendous number of grant programs to the table.

By streamlining the grant management process now, agencies can ensure they're equipped to manage additional programs in the future. It will also help define success metrics upfront as part of the grant application process and track that data throughout the grant lifecycle to effectively meet and respond to citizens' needs.

"The platform gives the ability to defend those success metrics upfront and attach those metrics to milestones and make sure that those metrics are met by the grantees before the money is disbursed," he explains.

It's this type of continuous engagement, transparency and seamlessness between the grantor and grantee that will ensure successful grant management outcomes – now and in the future.

Learn more about how Salesforce can help your agency modernize the grant management process.