

GRANTS MANAGEMENT SOFTWARE

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Custom Software, Commercial Off the Shelf or ASP: Making the Right Choice When Selecting Grants Management Software

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The process of selecting a software system for complicated business processes, like grants management, can be daunting; issues of compatibility with existing systems, training, requirements, cost, and usability weigh heavily on decisions makers. This article provides decision makers with some key issues to consider as they choose the grants management software partners and products that will best meet the needs of their organization -- short and long term.

Custom vs. Off-the-Shelf -- Fitting a Square Peg into A Round Hole?

A new grants management system should provide users with the opportunity to be more efficient, extend their reach, and reflect their individual organization's culture and brand. To choose an appropriate grants management system, the organization must first determine its individual requirements. The first step should always be to **conduct a requirements analysis**, which entails performing a systematic survey of all of the stakeholders, processes, and existing technology - - and detailing the desires and requirements of all. The resulting document can be the basis for comparing grants management system options and **determining the essential features and "wish list" items**. It is a good opportunity to look at strengths and problems in existing systems and processes, and make decisions regarding the bigger process and technology picture. A custom system always begins with this process. If a off the shelf system is under consideration, or you are not sure what your decision will be, this is a step that should not be neglected. The requirements analysis process provides the organization with the information it needs to make the right choices.

Grants Management System Options -- Something to Consider

Al Shar, Director of IT for the Robert Woods Johnson Foundation likens the acquisition of grants management software the search for your next house or apartment. The choices are essentially the same: renting, buying, or building.

For some organizations renting their application from an Application Service Provider (ASP -- a firm that hosts the application and to which you pay a fee to access the system and data), may be appropriate. As with renting a home, the long term costs may be the same or higher than buying, and other benefits may be lost (e.g. access to your data, flexibility in reporting options, and

GRANTS MANAGEMENT SOFTWARE

customizations). But the advantages can be important, especially for an organization that does not have in-house IT infrastructure, services and support. So while you don't have to find a good plumber -- the landlord will take care of the problem -- you also have to decide if you can operate within the confines of the features he has chosen. The second option is to buy a commercial-off-the-shelf, which is much like buying a home. A purchaser must decide if she can live with the existing features. In fact, compromise is an inherent part of the initial home purchase process, and the costs begin to escalate with extensive remodeling. As with owning a home, with a off the shelf system, you will need to incur the necessary maintenance fees. In the beginning, buying a house may require less cash outlay (or financing) than building. Over time, however, if there are significant changes required, either to the system or to your processes in order to fit the system, your costs, including money, time, human resources, etc. can escalate beyond that originally budgeted.

If you make the choice to build -- a custom Web-based Grants Management system -- you will decide to either build it in-house, or hire a "design-build" firm to develop it with you. When you build a house, you rarely build items like the windows and doors; these are pre-made components that you plug into your custom-designed framework. Likewise, when you hire a custom software development firm, you get the benefits of the firm's pre-made code modules, their previous development successes -- and challenges, and concern for individual requirements. The up-front costs of a custom system are typically higher than the other options. However, because the system does exactly what you need it to do, in the manner in which you expect it, over the long-term, you may realize process efficiencies that eliminate the cost difference.

Making the Decision -- Some Basic Guidelines

The key issues, therefore, are:

- 1.) Do the requirements analysis first -- whether you are planning to build a custom system or by a commercial-off-the-shelf one. **Understand and document the details of your Grants Management process -- including interviews of the stakeholders,** determine (and possibly improve) the process, integrate existing technology where needed, budget and schedule requirements, etc.;
- 2.) Decide between the custom, off the shelf or renting from an Application Service Provider options depending on what will best meet your current and long-term needs;
- 3.) Choose the right technology partner -- an important factor in your organization's success; and
- 4.) When calculating cost, be sure to consider all of the variables: your time and that of your staff, the requirements analysis, customization needs, training,

GRANTS MANAGEMENT SOFTWARE

support, and on-going maintenance.

In general, your best choice is to find an Application Service Provider or an off the shelf software package that meets all of your process needs with little, if any, customization. Make sure that the package you purchase provides you with some flexibility and integrates with your other applications. You also want to make sure that you can have easy access to your data and that the vendor will be around for the long run.

If however, you have a process that is more unique, and purchasing a pre-packaged solution would require you to make undesired and inefficient changes to your process, your better choice may be to build a custom grants management system. Choose a technology partner with deep experience in your area of need, and use the opportunity to integrate other systems and avoid unexpected costs.

The importance of choosing the best technology "fit" for your organization cannot be underestimated. Properly selected and implemented, a new grants management system will work for the organization solving existing problems and helping you to anticipate future issues. This allows organizations to become more effective, utilizing technology as a powerful tool that contributes to their mission -- effectively and efficiently.

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