# Submittable

**A NEW ERA OF GOVERNMENT GRANTMAKING:**

# Time for a cultural and digital transformation

**BY LAURA STEELE**

Content Marketing Writer & Editor at Submittable

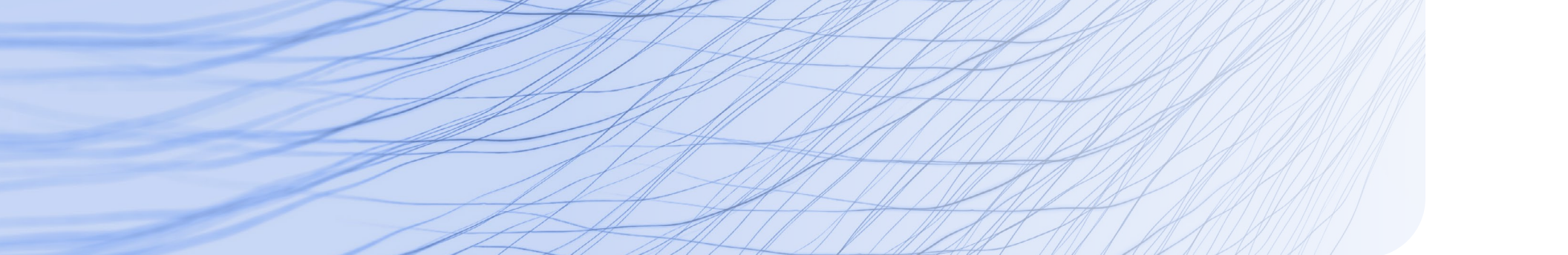# Table of Contents

# Introduction

As we've learned from the COVID-19 pandemic, times of crisis turn cracks in systems into full-blown chasms. The 2020 scramble to address urgent need exposed the faults in government grantmaking processes and tools that administrators could no longer ignore, and kickstarted tough conversations that are still ongoing.

Put simply, systems based upon on-premises databases, spreadsheets, or paper files could not keep up with reality. A long mulled-over shift to the cloud was no longer a luxury, but an urgent need. This shift to the cloud has a name: digital transformation.

A cloud-based tool is software that's hosted on the internet (i.e., not on your computer or a server in your office). The promise that cloud-based tools have fulfilled in the private sector is increased flexibility and more functionality. Cloud software can update and adapt quickly in ways that legacy software can't.

Digital transformation refers to the way organizations not only adopt cloud-based technology but also
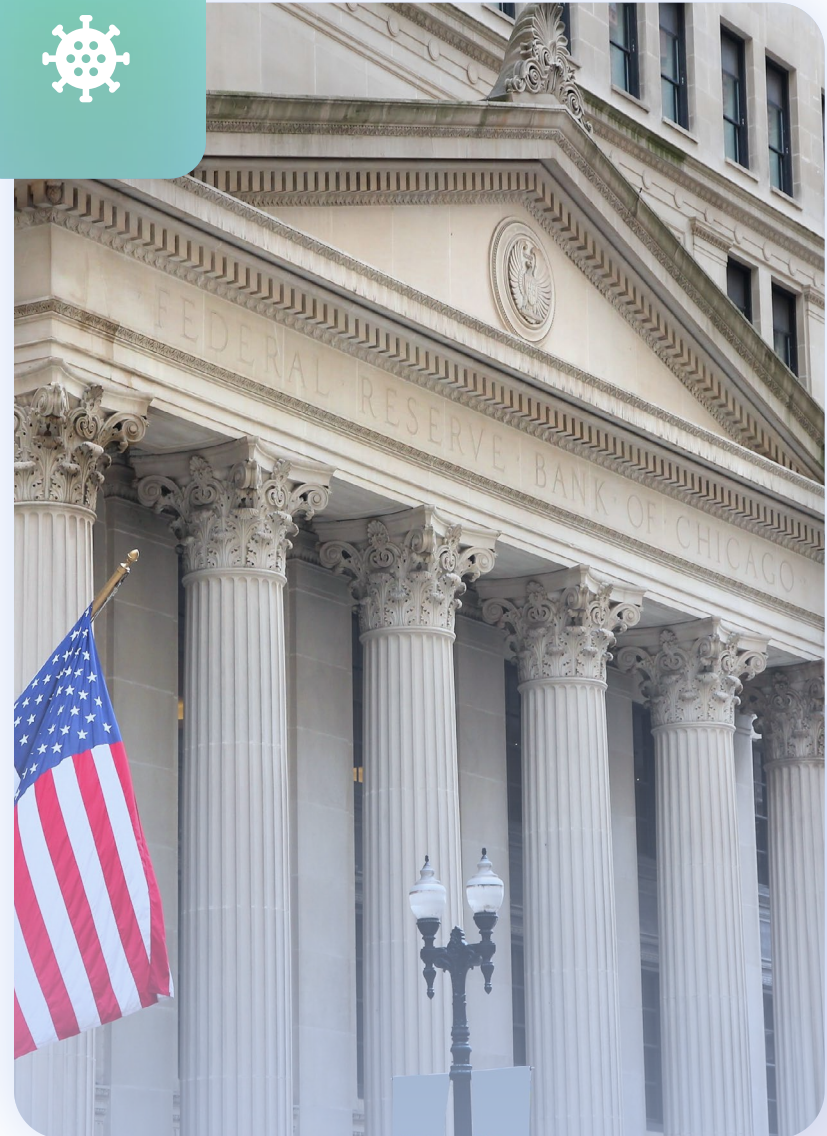
evolve their processes to take advantage of much more dynamic capabilities of cloud-based tools.

Though government leaders have been advocating for digital transformation for a while, many teams were stuck in the consideration and planning phases pre-2020. Some were struggling to secure the budget necessary to support the move to the cloud. Others were trying to figure out how to execute a transformation that big without disrupting existing programs. And agencies that had already started the transition were having trouble fully realizing the potential of cloud-based infrastructure. Then the COVID-19 pandemic hit.

Government teams made a Herculean effort to execute their digital transformation while simultaneously managing some of the largest federal and state relief programs in history. And, for the most part, they met the challenge, adopting new technology at a breakneck speed.

But in the rush to move so quickly, one essential component was too often overlooked—people. As essential as technology is to digital transformation, for progress to stick, you need to commit to a cultural shift too. The people involved need to believe in the changes you're making and not only see, but feel, the impact on the lives of your constituents.

No matter where you are in your digital transformation— whether you're just laying the groundwork or you're years deep into executing your plan—it's worth taking time to make sure **your tech strategy is human-centered**. For most government agencies, this requires a cultural shift. And changing the culture of your team is no small task.

# Digital transformation solves real-world problems

It's worth starting with *why* digital transformation is important in the first place. The whole point is to make aid and relief programs better—more efficient, more accessible, more secure, and more equitable—for both constituents and for government staff. In short, everyone stands to benefit from digital transformation.

The right technology can help address some of the big issues that plague government aid programs. But to find the right technology, you need to be intentional about solving problems while considering how your program shapes people's real-life experiences.

In a recent report, **NASCIO surveyed 51 state and territory CIOs** to learn top priorities for the coming year. Their responses align with much of the feedback our team hears from clients in the government sector.
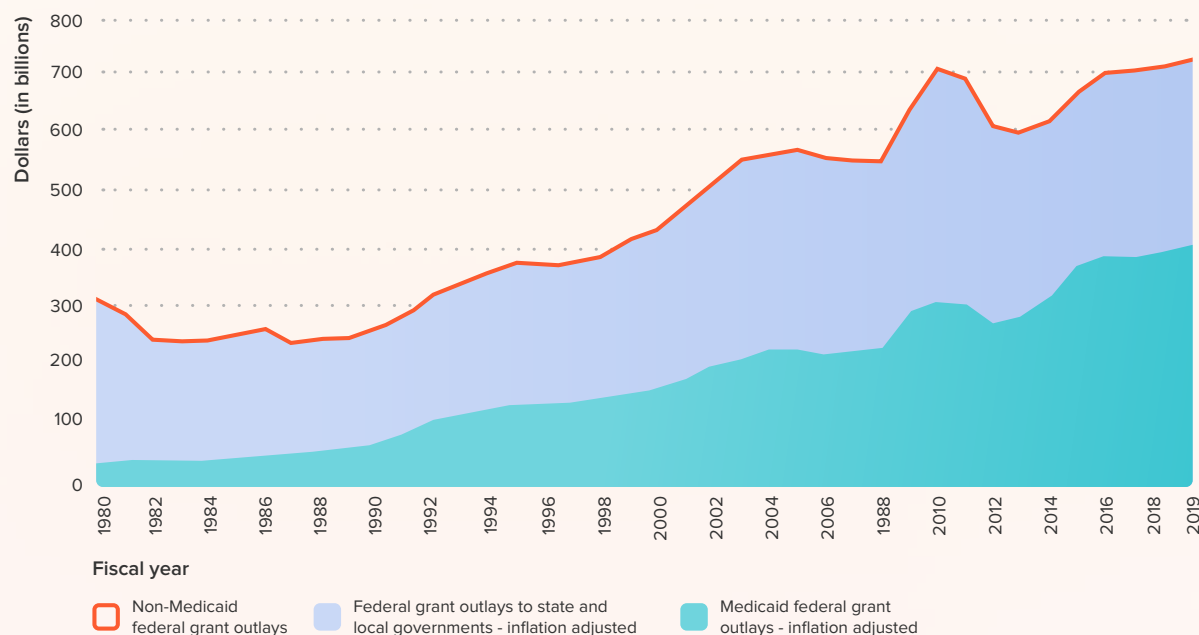
# Scalability

Government teams need technology that will help them scale their programs quickly. Ask yourself, what would happen if the number of applications your team receives increased by ten-fold overnight? Would your team be able to manage them easily? If not, where are the snags in the process?

Many government program leaders learned how to answer these questions the hard way during the COVID-19 pandemic. As the federal government leaned on state and local partners to manage and deliver **billions of dollars in CARES Act relief funds**, many teams found that their systems couldn't support the sudden influx of applications. Manual processes created bottlenecks. Applicants hit roadblocks. Employees were stretched thin.

## Federal grants to local and state governments 1980-2019



**Dollars (in billions)**

800
700
600
500
400
300
200
100
0

1980 1982 1984 1986 1988 1990 1992 1994 1996 1998 2000 2002 2004 2006 1988 2010 2012 2014 2016 2018 2019

**Fiscal year**

☐ Non-Medicaid federal grant outlays

▨ Federal grant outlays to state and local governments - inflation adjusted

▨ Medicaid federal grant outlays - inflation adjusted

*Even before the COVID-19 pandemic, federal grants to state and local governments had been trending upward for decades. Source: **US Government Accountability Office***

One of the most poignant examples was the huge increase in people filing for unemployment insurance benefits which overwhelmed many state systems. **Multiple reports from the US Government Accountability Office** found that despite congress creating four new federal-funded unemployment insurance programs, states struggled with customer service, creating enormous backlogs. Constituents faced long call wait times and some went without benefits for months.

Not investing in cloud-powered scalability created a situation where, for instance, a laid off single mother had to wait to get the help she needed to care for their children while fretting about where the next meal will come from.

## Urgency

When crises strike, people don't have time to wait for you to build a new system. You need technology that enables you to stand up programs in days or weeks, not months.

Moving quickly not only allows you to meet community needs, but it enables you to comply with the tight timelines set by state and federal funders. For instance, in April 2022 Minnesota governor Tim Walz signed **a bill to provide one-time payments to frontline workers** who'd worked during the height of the COVID-19 pandemic. The bill stipulated a quick turnaround to launch the program. By teaming up with Submittable, the Minnesota Department of Revenue was able to start accepting applications within weeks. In the end, more than 1 million applications were approved for relief funds.

The technology you choose as a part of your digital transformation must enable you to launch a program quickly, but it also has to support urgency throughout the whole program lifecycle. For applicants, it doesn't matter how fast you launch the program if there ends up being a delay in distributing funds. Look for a grant management software that makes every step of the process smoother and more efficient. The Minnesota Frontline Worker Payment Program processed ACH payments, which ensured frontline workers received money within 48 hours.

> When crises strike, people don't have time to wait for you to build a new system.

# Security

The scope and urgency of government relief programs make them susceptible to both fraud and human error. The technology you adopt must root out fraud and human error without adding burdensome steps to the application process.

Fraud can devastate government aid programs. Just look at the fraud perpetrated during COVID-19 relief funding, accounting for billions of dollars lost. In one instance, **suspects siphoned hundreds of millions of dollars** from a program meant to provide meals to school-aged children. The fraud meant that real kids weren't getting the food they needed.

Stories like these erode public trust in government programs. Lack of trust makes it more difficult to get support for future initiatives, even when there's an urgent need.

Adopting cloud-based technologies enables you to **leverage fraud prevention tools** that tap into public databases to cross-check and verify applicant identities. Rather than identifying fraud after it happens, your team can catch it before any funds change hands.

Knowledge-based authentication and identity verification are two tools included in cloud-based software like Submittable that government teams can use to reduce fraud. A knowledge-based authentication quiz requires applicants to answer a few short questions based on their personal history, such as what car they've owned or properties they've been associated with. Identity verification allows you to validate government IDs and match them with selfies taken in real time. The best part is neither of these processes adds extra steps for your team and it's a simple process for applicants.

## Accessibility

Your application process must not be a barrier for people who are eligible for funding. Aid programs won't work if some people can't access or complete the application. Luckily, the right technology can improve accessibility and make it easier for applicants to submit their information.

When it comes to accessibility, it's important to think about the real-world experiences of the people on the other side of the application. In 2021, the State of Washington Department of Commerce **delivered $235 million** to small businesses across Washington State. Because many of the people they were trying to reach were in rural areas without reliable internet, the team made it a priority to build an application that applicants could view and complete on a mobile device.

Look for accessibility-first cloud-based grant management software. Consider the unique needs of your constituents as you evaluate your options. What support will they need to complete the application? Do you need translation or localization services? Find technology partners who have a strong track record supporting accessibility within relief programs.

> " Your application process must not be a barrier for people who are eligible for funding.

# Equity

Data is essential to achieving equity. If you can't see the trends around who is accessing funding and who isn't, you won't have the tools you need to address inequality. Worse, you run the risk of perpetuating existing discrepancies.

Many government agencies are using data to become more strategic when it comes to equity. With the right data, government teams can pinpoint which populations receive funding and which don't, cutting across demographic data such as location, race, education, socioeconomic status, and more.

One example of data empowering equity comes from federal disaster aid. Research shows that **federal disaster aid tends to favor white people**, with people of color receiving less money for similar property damage. Without access to data and cloud-based analysis tools, government teams can't track the progress of measures meant to close this gap.

Build equity into your digital transformation by leveraging grant management software that fits into your larger data ecosystem. If you've already transitioned to the cloud, make sure that new technology allows you to share data across your full ecosystem— from your grant management system to your data warehouse. You can combine data you gather from your grant applications with other data sources— such as public records or your customer relationship management software—to get a clear picture of where you stand on equity. This synergy allows your team to efficiently turn data into actionable insights and track progress over time.

## Communication

Clear communication and seamless collaboration are paramount for government teams. Using cloud-based technology allows you to have one source of truth. This prevents you from creating multiple versions of the same document, duplicating work, or digging through email threads to find the latest updates. Instead work is centralized and shows real-time updates from team members.

The latest report from the Technology Association of Grantmakers (TAG) found that **64% of government grantmakers are embracing a distributed or remote workplace**. This new normal means that communication tools are even more important. They give continuity and clarity that a distributed team needs.

Your team isn't the only one who benefits from a strong communication tool and a single source of truth. Grantseekers want a clear way to communicate with your team and stay updated about the status of their application.

Plus, many people seeking funding need to collaborate with colleagues, family members, case workers, or teachers to complete an application. Look for a grant management software that enables real-time collaboration for applicants and staff.

> Using cloud-based technology allows you to have one source of truth.

# Staffing

Technology is not going to replace the real people who run aid and relief programs. But technology can be a difference maker in helping to attract and retain talent.

Every state CIOs consulted in the NASCIO report mentioned staffing as a priority issue. The private sector is siphoning talent from the public sector. One way government agencies can stay competitive is by investing in technology. **One recent study by Adobe** found that 49% of US workers consider leaving their current job if they're unhappy or frustrated with the technology.

People who dedicate their careers to the public sector are often in their roles because they want to make an impact on the community. Leveraging cloud-based technology saves your team from getting stuck in the busywork of running relief or grant programs. Rather than spending hours updating spreadsheets or comparing tax forms, they can be doing the strategic and community work that makes their jobs more meaningful and fulfilling—key to keeping them satisfied in their roles.

Using an intuitive grant management software empowers employees of all technical backgrounds. Any turnover you do face will be much more manageable. With shorter learning curves and easier handoffs, you'll be able to onboard new employees quickly.

# 6 steps to build the right culture for digital transformation

Your digital transformation should shift how your whole team approaches its work. Team-wide buy-in is essential. If employees don't understand or believe in the value of the cloud-based tools they use, you'll likely face resistance as you implement new technology. How you frame the transition and invite people along will make a big difference in whether employees embrace change.

## 1 Define your digital transformation

The term *digital transformation* can be overwhelming in and of itself. Without context, employees might hear the term and think that technology fundamentally threatens their job security. Or, they might worry that they don't have the technical background to be successful. So the first step is to specifically define what digital transformation looks like for your team specifically.

You might even create a short statement people can rely on to shape their thinking about the initiative.

Employees need to understand the concrete changes they will face. Highlight your team's current challenges and explore how new technology can help. Be clear that technology is not meant to replace people, it's meant to support and empower them to do their jobs well.

Make sure that the whole team understands that digital transformation is not only for IT professionals. Everyone will feel the impact. It's important for them to understand that from the outset.

**FOR EXAMPLE:**

Our digital transformation will involve a migration from  insert old tools  to  insert new tools . This change will allow us to accomplish  insert your main goal  by fixing  insert main pain point . This change will improve the following processes:  list all affected existing processes .

> The term digital transformation can be overwhelming in and of itself.

## 2 Set a vision for the future

Digital transformation should fit into your broader vision for the future of your department. What do you want your program to look like over the long term? Consider community priorities and trends that are shaping public sector initiatives.

You must involve people at every level of your organization in shaping this vision. Program managers and administrators, for instance, have first-hand experience and can provide valuable insights into what makes relief and aid programs effective. Consult with community partners as well to ensure that your vision aligns with theirs.

The technology you adopt needs to explicitly support the vision you lay out with your team. If you are prioritizing equity, you need grant management software that mitigates bias and gives you the data you need to measure results.

Setting a clear vision will also empower you as you reach out to potential vendors and partners. You can ask them to specify how their solutions support your priorities.

## 3 Make the conversation accessible

As you make decisions about cloud-based technology, the conversation can get technical pretty quickly. Aim to give everyone an entry point. Avoid technical jargon where you don't need it, and make an effort to define any new terms. If you're proposing a move to the cloud be sure to explain what that means in practice. We suggest starting with an internal one-sheet document defining all the more complex terms in plain language.

Be mindful not to overload employees with too much information. Consider what each team member *needs* to know to be successful. For instance, most likely not everyone needs to understand the nitty-gritty details of how an integration works on the back end. But it's important for everyone to understand what an integration does and how it fits into a workflow.

You know your team best—how they learn, how they communicate, what motivates them. Meet people where they are. And keep lines of communication open so you'll be the first to know when questions come up.

> "Avoid technical jargon where you don't need it, and make an effort to define any new terms.

## 4   Prioritize training

As you implement new technology and software, make a plan for training all employees. Not everyone needs to know the back-end details of how grant management software works. But everyone on the team should have a working knowledge of the benefits of the cloud ecosystem. Team members who control budget and coordinate partnerships need to understand and be able to communicate the value of new technology.

Create pathways for existing employees to step into more technical roles. Giving employees the opportunity to learn and grow within the organization is incredibly useful for retention and employee engagement. **In a recent report by Pew Research Center**, lack of advancement opportunities was one of the top reasons people left their jobs in 2021.

Look for grant management software that's intuitive and doesn't require users to know how to code. A short learning curve means your team will be up and running with new technology quickly. Plus you won't create the bottleneck that happens when only a few select people have full working knowledge of the software.



Check with partners and vendors about their approach to **implementation and support**. Ideally, your team should be able to lean on implementation specialists who can walk you through how to set up your program and make changes as you need. Tapping into their expertise eases the burden on your team and lets you leverage their knowledge from implementing similar government programs.

## 5 Balance short-term budget with long-term benefits

For a lot of government teams, budget is the ultimate deciding factor when it comes to investing in new technology. The cost of maintaining current infrastructure is often baked into a budget. On the other hand securing funds for new technology is a whole new line item that requires justification and approval. This reality has forced many government teams to frame investments in new technology around short-term money savings.

Being proactive now will help your team be more agile for the future. You're laying the groundwork that will help you respond more readily to crises and take advantage of newly developing capabilities in security and data. Though you can't necessarily measure the impact of that agility, the cost of waiting can be much higher. Consider the damage a security breach would cause or the opportunities lost because you don't have access to accurate data and reporting. Plus, based on current trends, the move to the cloud is looking more and more inevitable. There's little reason to delay the shift when your whole team can start learning and benefiting from new technology now.

As the federal government seeks community partners, they prioritize departments that are delivering on security, compliance, equity, and urgency. The Council for Native Hawaiian Advancement, a Submittable client, was **recognized as a high performer** for administering the Rent & Utility Relief Program by the Department of the Treasury. Based on this recognition, they received an additional $2.4 million to expand their program.

Framing decisions around both money savings and a bigger picture evolution that supports long-term growth will help you get everyone on board. Plus, it will help you make the right investments to fit into your long-term vision.

## 6 Embrace true change

As you adopt new software, it can be appealing to simply shift your existing processes to the cloud. That might be a good way to ease into the transition. But don't stay locked into systems that were built around old and outdated technology.

Be willing to reimagine your processes as you explore new capabilities in the cloud. Think about the humans at the center of your program. Where are the redundancies and roadblocks that get in the way of their work? Integrations and APIs can connect teams and processes that have long been siloed. Robust data functions let you share data across departments and derive immediate insights. The best part is: As you build a better workflow for your team, you also improve the experience for your constituents.

As you look to adopt new technology, explore how software can support your existing workflows while empowering you to disrupt your old ways of operating over the long term. This work doesn't end once the new solutions are in place. You and your team should continually evolve as technology advances and community needs shift.

# What today's priorities say about the future of government aid

Because state and local governments often rely on federal funding to support aid and relief programs, it's worth taking stock of current federal priorities. The trends will likely shape the future of your work.

Here are a few initiatives that offer insight into the administration's current focus areas.



## Justice40

The **Justice40 initiative** is an attempt to ensure funds meant to help communities with climate resilience reach marginalized communities. As part of this commitment, 40% of specified federal investments will go to disadvantaged communities impacted by pollution.

**THE TAKEAWAY**

This initiative shows a deep commitment to equity. As you build and execute your programs, you need to incorporate levers for equity into your strategy. And data is a huge part of that effort.

# Infrastructure Investment and Jobs Act (IIJA)

The **Infrastructure Investment and Jobs Act** commits $1.2 trillion to transportation and infrastructure spending. This includes projects related to power grid reliability, broadband internet access, and water infrastructure.

## THE TAKEAWAY

> Infrastructure projects of this magnitude require strong community partnerships. Federal agencies want to support departments that can demonstrate their capacity to build relationships and collaborate with local organizations.

## The majority of eligible Americans don't receive broadband aid



0%  20%  45%
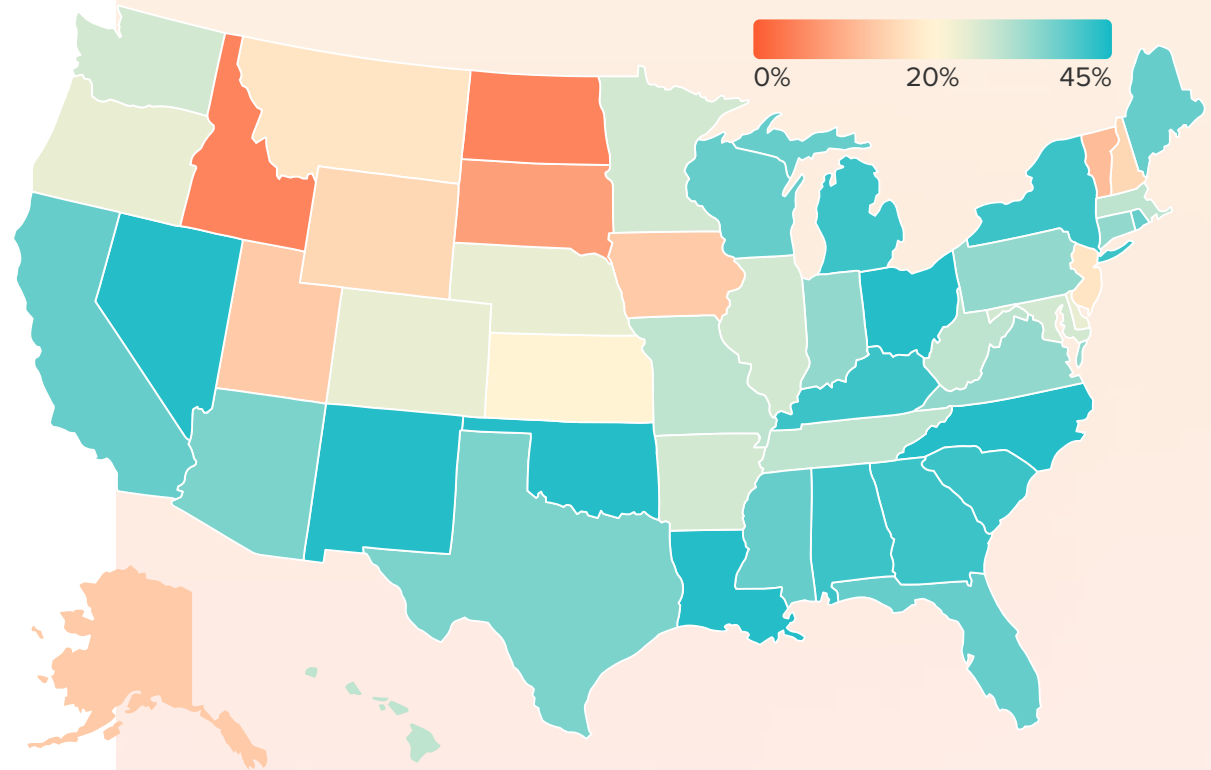
*Caption: Low enrollment for federal broadband subsidies show the importance of community outreach and local partners in delivering aid to eligible households. **Click here to access the interactive map** from The Washington Post. Source: The Washington Post*

# Build America Buy America Act

As part of the IIJA, the **Build America Buy America Act** requires that all iron, steel, manufactured products, and construction materials used in covered infrastructure projects be produced in the United States.

### THE TAKEAWAY

> Compliance is already an important aspect of government relief and aid programs. This commitment to domestic materials shows that the definition of compliance will continue to evolve as priorities change. You need technology that allows you to keep up.



# Summary

These federal initiatives will trickle down into state and local programs. To show that you're a strong partner, you need to have the capacity to align your programs with these priorities. The right technology empowers your team to do just that. Plus, it gives you the agility to change course easily as legislation evolves.

# Digital transformation is built on partnerships

Planning and executing a shift to the cloud can feel like an overwhelming task. But the great part is: you don't have to do it alone. Partnerships among your organization and the tools you use allow you to expand the capacity of your team.

As you seek out these relationships, look for partners who understand the full cloud ecosystem and can help you write a unique playbook for your programs. The right partner can help you slot incremental changes into a long-term strategy, so you can build your way to a full digital transformation at a pace and scale that makes sense for your team.

As the **top grant management software for government grantmakers**, Submittable is positioned to help you extend your capabilities. When you use our platform to support your programs, our team becomes your team. **Get in touch** to learn more.

**ABOUT THE AUTHOR**

Laura Steele is a Content Marketing Writer & Editor at Submittable focused mostly on the world of grantmaking and corporate giving. Her work often explores the connection between technology, equity, and social good. She also writes fiction and nonfiction. You can read some of her stories and essays at laurapricesteele.com.

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