

- 4** When does it make sense to hold a grant competition or use an RFP?
- 6** How to make the process serve your program goals
- 8** Management and administrative issues to consider
- 13** Using the competition or RFP process to create a learning community
- 14** Ways to work with those who are not selected
- 17** Key lessons from grant makers

USING COMPETITIONS & RFPs REQUESTS FOR PROPOSALS

using competitions and RFPs

PAGE 2 **Introduction**

PAGE 4 **When does it make sense to hold a grant competition or use an RFP?**

Competitions are sometimes the best way to organize a program and select grantees — but not always. They're useful, for example, if you're entering a big and unfamiliar field, or trying to enlarge your circle of grantees, or concerned about making decisions in an especially transparent and even-handed way. Here, grant makers reflect on the circumstances that made competitions a good choice for what they wanted to achieve.

PAGE 6 **How to make the component parts of an RFP process or competition serve your program goals**

If it's set up wisely, the very act of holding a competition can contribute to the field you're working in. The contents of your RFP, your selection criteria, the things you ask applicants to consider proposing — all these things can

send a message to the field and elevate issues you consider important. The process by which you solicit grants and interact with applicants can be a learning experience for you and them. Several grant makers offer experiences with competitions that show how this can work.

PAGE 8 **Management and administrative issues to consider**

If you take on a competition, be sure you're ready for the administrative and procedural workload. To be effective, a competition takes careful planning and execution, and it poses a number of out-of-the-ordinary administrative responsibilities. It's sometimes useful to enlist an outside organization to manage part or all of the process. In this section, grant makers reflect on what it takes to set up and administer an effective competition.

PAGE 11 **Working with advisers**

Outside experts, working individually or as a panel, can help guide you through the planning of your competition, the scoring and selection of applications, and the implementation of the proposals

contents

that are selected. It helps, though, to be clear about exactly how you would like these advisers to work, in what roles, at what stage. Here, grant makers describe how they used advisers to get better results.

PAGE 13 **Using the competition or RFP process to create a learning community**

Holding a competition can help in forming a "learning community" in your field. Sometimes, people working in a field gain insights or focus their discussions as a direct result of a grant competition. Soliciting a number of proposals that are organized to address the same set of issues, and then convening those who apply (or those who are selected) for ongoing discussions can advance that process. Grant makers reflect on how that has worked in different cases.

PAGE 14 **Ways to work with those who are not selected**

It helps to have a plan for how you'll deal with the applicants you don't select for funding. At a minimum, grant makers feel it's important to give them early notice that they weren't selected, and to try to explain how the decision was made. But in addition, some grant makers try to do more for the unsuccessful applicants. Here, they offer thoughts on how to make competitions useful even for those who don't win.

PAGE 16 **Communicating with wider audiences about the competition**

When you first start planning a competition, it's not too soon to begin thinking about ways to tell a wider audience about the competition's purposes, progress, and results. Sometimes, the ideas in an RFP, or just the fact that an RFP has been issued, constitute important information that might interest a broader public. In this section, grant makers describe how they approached communication as part of organizing a competition.

This guide was written by Ellen Arrick with assistance from Felicia Khan and Rafael Bonoan. It is part of the GrantCraft series.

Underwriting for this guide was provided by the Ford Foundation.

Publications and videos in this series are not meant to give instructions or prescribe solutions; rather, they are intended to spark ideas, stimulate discussion, and suggest possibilities. Comments about this guide or other GrantCraft materials may be sent to Jan Jaffe, project leader, at j.jaffe@grantcraft.org.

To order copies or download .pdf versions of our publications, please visit www.grantcraft.org.

You are welcome to excerpt, copy, or quote from GrantCraft materials, with attribution to GrantCraft and inclusion of the copyright.

© 2002, 2004 GrantCraft

Key Lessons from Grant Makers	17
Checklist: The Typical Components of an RFP	18
A Sample Competitions/RFP Timeline	20
Other Ways to Use This Guide	21

Introduction

There are many ways to communicate about grant-making goals, to solicit proposals, and to ensure that grants are awarded fairly. Holding a competition, with a written solicitation of proposals and a formal process for selecting grantees, isn't the only way to achieve these things, but it can be a highly effective one. With careful planning, a competition can achieve some grant-making objectives that other approaches can't. One grant maker who ultimately chose to hold a competition remembers approaching the decision this way:

"When I was trying to put together a new initiative, I realized that all the potential grantees I knew of in this field were people I'd worked with during the 15 years I spent running a community-based agency. I knew that if I looked for grantees from among that group, I'd probably make excel-

lent grants. But I'd also be doing what I had spent years criticizing foundations for doing: funding the people they already know and like. On the other hand, I know some things about this field and what's needed for success. That knowledge should be integral to my grant making. I needed a process that's inclusive and fair and bigger than my own familiar world, but also one where my experience and insight are still key assets. So ... what do I do?"

There are many kinds of competitions, and they can achieve a wide variety of ends. In a typical grant competition, grant makers solicit proposals in a

WHERE THE EXAMPLES COME FROM

This guide was developed through a series of conversations with grant makers and others in the nonprofit community who generously shared their time, experiences, and insights about competitions and RFPs. More than forty individuals participated in the development of this guide, representing large and small foundations; private, family, corporate, and community foundations; as well as public agencies, grantees, and intermediary organizations. The ideas and suggestions they share are based on a range of RFP and competition experiences, including support for grass roots organizations, statewide programs, national initiatives, and international grant making.

Examples of some of the ways our contributors have used RFPs and competitions include:

- In its work for social change, a small community foundation used an RFP process to reach out to grass roots organizations that work for economic and social justice.
- To ensure that all her grantees are working toward the same goals, a grant maker in a national foundation issued an RFP to a select group of organizations promoting better state-level policies toward low-income working families.
- To encourage health care providers to use palliative care in non-hospice settings, a family foundation used a grants competition to identify innovative approaches.

The ideas, illustrations, and quotes found throughout the guide are derived from the experience of these grant makers and others working in the areas of education, children and youth, community development, the environment, human rights, governance, globalization, the arts, community service, health care, and many other fields. The array of experiences and insights that they share has enriched this guide immeasurably.

A list of those who contributed to the creation of this guide can be found on page 21.

systematic way according to a set of pre-established criteria, and then fund a subset of the proposals they receive. But there are many possible choices at nearly every stage of the process. For example, a competition may select grantees for a single round of funding, or it may set up a series of funding cycles. Sometimes grant makers structure a competition to provide small planning grants to a large group of grantees, then follow up with a higher level of funding to all or a subset of them. Some grant allocation strategies are publicly announced as competitions. Other strategies, while not publicly described that way, are still competitive because there are more applicants than funds available.

The most common instrument for organizing and conducting a grant competition is a Request for Proposals, or RFP. An RFP is an invitation to submit a proposal, which a grant maker may issue broadly or in a targeted fashion to those working in a particular field. RFPs and competitions usually go hand-in-hand. But they are not identical or inseparable. RFPs are a way of *bringing proposals in*; competitions are a way of *selecting among proposals* once they arrive. An RFP is a tool that helps a grant maker to take the initiative in seeking proposals, rather than just reacting to what comes in. RFPs typically establish the ground rules for a competition and create a roster of competitors by inviting more submissions than are ultimately funded. Some grant makers like to use an RFP to be sure they're attracting just the type of

proposals they want — even if they plan to fund all of the proposals, or to award grants in ways that aren't strictly competitive. In those situations, the RFP can simply be an effective mechanism for standardizing proposals. Although this guide concentrates on the competitive selection process, it will point out, along the way, some instances where the RFP can be a useful instrument even if the incoming proposals aren't competing with one another.

In some cases, competitions and RFPs may not be the best way for grant makers to pursue their objectives. They might want to use other strategies to identify grantees — such as a survey to identify key players in a field, or the dissemination of a program paper to stimulate interest in the grantee community and generate proposals. But if the circumstances do point toward a competition, there are a number of variables and options to consider.

This guide will explore these various options, beginning with some of the advantages and disadvantages of using competitions and RFPs as grant-making tools, from both a program and an administrative perspective. Some of the examples offered as illustrations in this guide are drawn from publicly announced grant competitions. Other examples, while essentially competitive in nature, may not have been described as competitions. This guide nonetheless refers to both situations as competitions.

The guide will explore the following topics:

- **When does it make sense to hold a competition or use an RFP?**
- **How to make the component parts of an RFP process or competition serve your program goals**
- **Management and administrative issues to consider**
- **Working with advisers**
- **Using the competition or RFP process to create a learning community**
- **Ways to work with those who are not selected**
- **Communicating with wider audiences about the competition**

When does it make sense to hold a grant competition or use an RFP?

Our contributors observe that a competition might be helpful as part of a grant-making program under these circumstances:

■ **When a grant-making organization plans to enter an unfamiliar field, or one in which the grantees are not well known, a competition may help generate a flow of new organizations and ideas.**

“Our call for proposals actually stimulated some people to say, ‘This is what we’ve been trying to do! We didn’t know what to call it before. And we seem to fit exactly in what your foundation is looking for.’ ”

■ **When the program initiative needs to expand participation by moving away from old networks, reaching out to a new set of organizations, or encouraging new ideas, a competition can attract interest from beyond the usual boundaries.**

“Our competition was a kind of scan of the field to get a sense of where the new and interesting ideas, scholars, courses, and programs were that our foundation might never have heard of before. So in part it was for our own information. In part it was also to broaden the field of potential grantees, because there must be things going on at institutions that wouldn’t normally be on our radar screen. And in fact, we ended up making quite a few grants to places that otherwise we never would have known about.”

■ **If it is very important to set a level playing field where applicants see the selection process as fair – say,**

if the field is highly competitive or past choices have been regarded as too political—a formal competition can make the process more transparent and even-handed.

“We set up a competition and funded an intermediary to run it in order to get away from the intense suspicion that surrounds most grants, because however objective we may think we are, in the context in which we work, it looks as if we have favorites. The point was to make the competition as public as possible, because our interest wasn’t simply to generate research that would influence policy. We were also interested in establishing an independent organization for the competition process as an attempt to create an honest broker on a more permanent basis for this kind of policy research.”

■ **The RFP can be a mechanism to ensure that everyone is working toward the same goals. Those organizations that respond to an RFP become a cohort that is more easily studied by those working in the field.**

“I used an RFP to standardize proposals, because I had been warned by colleagues with experience in running multi-state initiatives that when groups were not clear from the start about what the goals of the initiative were, it would be almost impossible to tell what impact the initiative had had, because each of the grantees would be pursuing something very different.”

■ **An RFP can also serve as an administrative mechanism to**

HOW THEY DID IT/ WHAT THEY DID

“As I looked at my predecessor’s portfolio, I realized that I didn’t have a good sense of who the universe of people actually doing this kind of work on the ground might be. And so the first need was to find out who is doing this work, and who thinks of themselves as doing this work.”

“So we designed a two-stage competitive process where the first round was designed to find out about as many groups as possible who even remotely thought of their work as community-based forestry. We thought, when we issued the call for proposals for this first round, that we might have 60 or 70 groups responding, because that’s about as many as anybody we knew could name. In fact, we got 193 proposals.”

ensure that proposals are evaluated as a group.

“We use RFPs when we want a consolidated review of proposals. This process helps us compare them head-to-head, rather than reviewing them in a haphazard way and in isolation from each other.”

- **If part of the program’s strategy is to exercise leadership – for example, to encourage a field to move in a particular direction – a competition may be an instrument both for announcing that push and for implementing it. The competition may also help to attract attention and/or resources to a field or a group of institutions.**

“By sending out an RFP in which we spoke about revitalizing area studies, we were very much hoping to send a message to universities, colleges, other funders, anybody with an interest in this field, that in fact our foundation felt the subject was extremely important, and was making a major new initiative in this area.”

ON THE OTHER HAND ...

There are times when a competition is not the right grant-making strategy. Our contributors advise that a competition might not be appropriate under these circumstances:

- **Rejection has too high a cost for the institutions that do not receive grants. For some fragile fields, losing a highly visible competition can mean that the applicant loses standing in a field, in its community, or in its host institution.**
- **The size of the grants or the odds of winning are too small to justify the effort and cost of submitting a strong proposal. It may not be appropriate to create an uneven applicant-to-winner ratio in a field where proposal writing is a major and costly endeavor, and the proposals are not readily submitted to other funders.**
- **The funder’s administrative burden or cost would be too great, relative to the amount of resources available for grants.**
- **The criteria for comparison and selection are not well known or aren’t easily articulated in advance – in other words, the grant maker doesn’t know enough about what is out there to identify how the winners would be picked.**

“We don’t use a competitive process when we are uncertain about how we want a project to evolve, and when we want to develop a close relationship with a grantee partner.”

IN A GRANT MAKER’S WORDS: A MINI-CASE

“I found that well-written RFPs can have program purposes of their own. Organizations that do not choose to participate still have an opportunity to think about a new endeavor in their field. In academic settings, our foundation’s RFPs have been used to suggest new dissertation topics and thereby stimulate another form of research.”

How to make the component parts of an RFP process or competition serve your program goals

Once you have chosen to use an RFP or a competition as a grant-making strategy, the entire process can be designed to serve the overall goals of your program. Our contributors suggest some of the ways that you can make the best use of these standard components of a competition to further your program agenda.

- **Use the announcement of a competition to attract new attention to a field or a set of targeted organizations.**

“We had begun a new initiative in a field that was undervalued by donors and grantees alike. I wanted to use the competition to send a clear message about the importance of these grantees to a larger audience, and at the same time also send a clear and consistent message about what needed to be done to strengthen them.”

- **Distribute the RFP widely to uncover new players in the field.**

- **Use the eligibility criteria to reflect and reinforce the program goals of the initiative. Since few competitions are open to all comers, the list of those invited to apply can convey a message to the field about the goals of the program or the values of the funder.**

For example, a grant maker conducting an area studies competition invited only those universities and colleges with established area studies departments, because a goal of the initiative was to build on existing institutional commitments to area studies. A funder concerned with community empowerment and social change targeted its RFP only to those organizations with a community-organizing component.

- **Use the process of responding to the RFP to build knowledge in a field or to strengthen organizations working in a particular area.**

“The feedback from the people who received the RFP was that they really thought it provided them an opportunity to plan ahead for the next five or six years. They didn’t get a chance to do that as much as they would like to, because usually they’re planning year to year. It also helped that we asked them to focus their planning around the policy and strategy that they were going to use, and not just about staffing.”

- **Use the RFP to gather baseline data from grantees that would ultimately be useful for evaluation purposes.**

“We asked someone who was a potential evaluator to help with the

ENSURING YOU GET THE RANGE OF APPLICANTS YOU NEED

Grant makers establish selection criteria in order to encourage a diverse pool of applicants, and sometimes use additional types of support to ensure that they get it. *“We were particularly concerned about getting a good flow of proposals from minority groups, so we made a side grant to another organization to help identify groups that might not have heard about the competitive process.”*

Observes another grant maker:

“In order to be comfortable with the process, people look to see whether their own constituents are involved in it. If you want to work with any hard-to-reach community, you’ve got to have that community be targeted by the RFP, be a part of your selection committee, and part of any intermediary that you hire.”

design of the RFP. It was his idea to ask the applicants to include baseline information – not hard data, but more their thinking about the obstacles and opportunities in the fields they were working in.”

- **Make sure that your selection criteria are specific enough to serve your program goals, and give extra weight in the selection process to those applications that advance those goals.**

For example, you might weight your selection criteria in order to emphasize interdisciplinary approaches or encourage invitees to address racial and gender diversity issues.

- **Organize the selection process to ensure the right overall mix of grantees – reflecting whatever variety and balance are important to the program’s goals.**

“It would have been easy for us to go out and say, ‘What are the ten most successful efforts under way right now to do community-based forestry? And what can we turn them into?’ Then your selection process is going to give you much more of a bias toward success. It was important to our program to have a cross-section of start-up and experienced groups, of large groups and small groups. We wanted these differences in strategies. And we ended up with a pool that was much richer because of it.”

- **Capitalize on the fact that you have a cluster or cohort of grantees to develop a communications strategy that reflects your overarching program goals and values.**

DRAFTING THE RFP

Grant makers observe that it is important to strike a balance between the need to make each proposal consistent and the desire for enough flexibility to allow the unique ideas and experiences of applicants to emerge.

“Using more open-ended questions allows for more diversity of thought, and allows people who may be uncomfortable with the process to share their perspectives. If your RFP is too complicated, too structured, or outside the context of their understanding, some of the hard-to-reach communities will simply not apply. But the difficulty with open-ended questions is: How do you evaluate proposals against each other? That’s the trade-off.”

Another grant maker observes:

“We left a competition very open because we wanted it to encourage creative responses. But because it was so open-ended no one knew what to do.”

For additional ideas, see the checklist on page 18.

Management and administrative issues to consider

According to our contributors, it usually requires at least three to six months to prepare for a competition. (See page 20 for a typical timeline.)

The preparation stage often includes:

- **Obtaining feedback from potential grantees about a competition as a grant-making strategy**
- **Surveying the field and identifying the pool of organizations to invite**
- **Developing and testing a prototype RFP with potential grantees**
- **Deciding who will manage the competition – an organization, consultants, or an internal team.**

Because grant competitions are so labor intensive, grant makers often find it helpful to engage others to help with the preparation stage and with management issues.

Typical approaches to managing a grant competition include:

- **Internally managed, or “in-house” competitions**, in which grant-making staff oversee the entire process, from creation of the Request for Proposals to final selection of grantees, potentially with the assistance of consultants, and typically using a selection panel of outside experts to assist in grant decisions.
- **Externally managed competitions**, in which an intermediary organization is selected to administer the competition with significant input by the grant maker around design of the RFP, composition of the selection panel, and selection criteria. The grants are made to the competition winners by the grant maker or by the intermediary.
- **Grantee-originated competitions**, in which the grantee is independently responsible for designing and administering the competition, with funding and some input from the grant maker around selection criteria. The intermediary makes the grants to the competition winners from a fund established for this purpose.

CONSULTING WITH POTENTIAL APPLICANTS BEFORE YOU START AND DURING THE RFP PROCESS

Even before issuing an RFP, grant makers sometimes convene potential applicants in a roundtable to discuss competition goals or the RFP process.

“I said I had asked them to come because I needed their honest opinion about what I was thinking about doing. I told them that this was a very high-stakes initiative; it was going to be visible; there was a lot of money that was going to be invested, and I really needed them to think about it with me, especially the evaluation piece. Were they willing to get in the game with potential outcomes that could risk their reputation? Were they still willing to play?”

After they have issued an RFP, some grant makers host pre-application workshops at which applicants can ask questions about the RFP and make connections.

“We have used pre-application workshops to help applicants identify partners. We divide people up by interest areas and ask them to explore their common interests. And we ask for applications that show collaborative planning.”

MANAGING THE COMPETITION

Some competitions combine aspects of more than one of these approaches, and others that begin in-house are later turned over to external organizations to manage. There is no single “right approach” to managing a competition.

WHAT DO YOU NEED MOST FROM AN INTERMEDIARY: EXPERTISE? NEUTRALITY? EFFICIENCY?

An intermediary can provide a variety of services to a competition. These may include:

- Helping the grant maker to reach a more diverse pool of potential applicants
- Identifying and delivering technical expertise for individual grantees or for subgroups of grantees
- Convening grantees periodically to share information and experiences
- Using their own communications networks to help grantees and grant makers to reach a broader audience with information about the initiative's accomplishments

But choosing an appropriate intermediary to manage an RFP process or a competition is not always a straightforward decision. Grant makers need to weigh the desire for expertise in a particular field against the need for a good administrator to manage the competition. Many potential intermediaries may not be strong in both areas.

"We need to think about whether the organizations that have the substantive reputation and capacity in the field are the kind of neutral administrative entities that you want to run competitions. I've noticed that when we do find intermediaries to run competitions, they tend to be large, more or less all-purpose organizations that have no particular expertise but are reliable administrative entities. And I don't feel anything negative toward them, but they sometimes lack the commitment and reputation and involvement in the substantive area that you might want to be cultivating."

Both administrative and program-related factors influence the decision to manage a competition in-house or to make a grant to another institution for this purpose.

Our contributors identify some of the advantages to using external management:

- **Reducing the workload for grant makers and administrative staff. It can be burdensome for grant-making staff to distribute RFPs and to track and respond to grant proposals from large numbers of institutions.**

"There was no way that with our limited staff we could do all the work that was going to be needed in order to run the program. So we decided to hire a 'managing partner' that would have a complex set of people

to help us work on the project over time. The managing partner is the first line of contact for our grantees. Its staff are the ones who visit them every few months, deal with any questions that they have, and even help the grantees to develop their proposals for supplemental funding."

- **An externally managed competition can represent an opportunity to bring an established intermediary organization into contact with new players in a field, or to raise the visibility of a new field on the organizational agenda of the intermediary.**
- **In addition to reducing the administrative workload, using an external organization with its own communications and networking mechanisms can be helpful in dis-**

A LETTER OF INTENT CAN IMPROVE EFFICIENCY

Some grant makers start by asking for a brief "letter of intent" from potential applicants, to reduce the workload for themselves and for organizations that would be unlikely to be selected.

"We sent out a broad announcement about our funding initiatives, using our mailing list, our web site, and ads in the papers. We asked for interested applicants to send us a one-page letter of intent to apply, with a summary of what they proposed to do. Then we culled the responses and invited a full proposal from a much smaller group of them."

THINKING AHEAD: MULTIPLE ROUNDS, OR ONE-TIME-ONLY?

When planning a competition, it makes sense to think about whether it will be a unique event or whether there will be multiple cycles, and how the competition might change over time. The kinds of questions that grant makers need to consider include:

- Is it cost-effective to set up the administrative structure to run a competition for a single cycle?
- Are there sufficient funds to support more than one round of competition?
- Will projects supported in the first round of the competition be sufficiently far along to assess the competition and make adjustments before subsequent cycles are announced?
- Will the grant maker be able to stay closely involved for subsequent cycles, or is another organization needed to assume responsibility — and if so, how would the other organization be funded?
- Is the selection process sufficiently flexible to adapt to the grant maker's changing program interests and priorities?
- Is the pool of potential applicants deep enough to generate good proposals for multiple rounds? If not, what can be done to strengthen the pool for subsequent rounds?

“In the first year, because it was a first year, we got a very high caliber of proposals, all the really top people doing very good technical, good methodological projects. In the second year, we thought there would still be a big pool, but in fact the numbers of applicants went down. I think the problem was that the people who had good proposals but didn't get funded were disillusioned and didn't reapply. Because the quality wasn't so good in the second year, there was an effort by the committee to say, okay, we will actually establish a mentoring system and try and support these researchers. So by the third year, we tried to be a bit more strategic, and cast the net much more widely and we had an increase in applicants.”

seminating the learning generated by the competition.

On the other hand, some of the advantages of an internally managed competition include:

- **Hands-on experience for the grant maker:** If the competition addresses a field that is new to the grant maker or represents a new direction for an existing grant program, the grant maker may decide to manage a competition internally so that he or she can learn more from the process and develop a more direct relationship with the field.

“I felt strongly that it had to be managed in-house, because it really was a learning experience for me and my program. I felt I needed to have a good sense of what each of these 270 proposals, or at least these institutions, were. Having it be a hands-on experience was, for me, the only way to get a real sense of what was out there.”

- **Closer communication:** Managing the competition internally gives the grantees greater access to the grant maker for technical assistance and future support.
- **Making do when an intermediary isn't available:** Sometimes there is no suitable intermediary organization to run the competition, or the most appropriate intermediary is also a potential applicant.

Working with advisers

Competitions, even those managed internally, typically use outside advisers to guide the grant-making decisions. Advisers may function as a panel or provide expert advice as individuals. Grant makers often seek input from other grant makers and individuals working in their field to help them identify appropriate advisers. A group of advisers who are diverse in terms of race, gender, geography, professional experience, and point of view can enhance the selection process. Our contributors offer these suggestions for working with advisers:

- **In addition to their help in selecting grantees, advisers can work on other aspects of an RFP or competition, including designing the RFP, outreach to applicants, monitoring progress of the grantees, assisting in peer learning, and communications activities.**
- **Be clear about advisers' and grant makers' roles: When grants will be made directly by the funder, the grant maker needs to strike a balance between the autonomy of the advisory committee and the ultimate responsibility of the funder for the decisions that are made.**

It may be helpful to draft a "job description" for advisers to clarify their relationship to the funder or program. The job description might include the advisers' anticipated time commitment, responsibilities, reimbursement of expenses, and honoraria, whether their names would be publicly announced or remain confidential, and whether the selections they make constitute recommendations or final decisions.

If the selection panel consists of people drawn from the same field or community as potential applicants will be, it is important to have a conflict-of-interest policy.

- **Advisers should be paid for their time and expenses. They may be paid as consultants or simply provided with an honorarium and travel expenses.**
- **Decide on an advisory process: Advisers can meet as a group to discuss the proposals or read them individually and give the grant maker feedback. The decision on how to manage this process depends on personalities and the expected number of proposals.**

"Once the discussion seemed to have gotten as far as it could go, there were probably moments when I was a little bit more decisive. But for the most part, I felt like the dynamic of the discussion worked quite well within that group – and that we were learning a lot just from that discussion."

IN A GRANT MAKER'S WORDS: A MINI-CASE

"The advisers were a group of four people whom I knew to have expertise in converging areas. They were people who understood community organizations and policies affecting low-income people, and who had some sensibilities around how organizations grow and develop. They did the site visits either by themselves or with us, and they helped us evaluate the proposals. But they also played an interesting role of nurturing the grantee organizations during their first year in the initiative and helping them prepare their proposals for supplemental funding."

WHEN A GRANTEE MANAGES THE COMPETITION

In competitions that are designed and managed by grantees, the grant maker's role in the selection process may be much more limited.

"They had already set up regional committees that had a lot of independence, because they were operating on their own and related to a larger process, not just to this competition. So they weren't going to let us change that. We either participated in the structure they had in place, or it wouldn't work. I looked at the applications, and we did discuss the composition of the selection committees and suggested some ways to add a balance of perspectives. And we reviewed their results and their recommendations prior to the final stage of the process."

■ **Prepare advisers effectively and be sure to give them sufficient time to review proposals.** Grant makers sometimes provide advisers with “panel books” that contain all the competition proposals, the selection criteria, and background consulting memos or reports to help them put the competition in context.

■ **Keep decisions uniform:** Sometimes, evaluation score-sheets are used to make sure that each proposal is assessed with the same criteria. Grant makers may use additional measures to ensure an even-handed review.

“One of the proposals was not up to the standard I had expected, so I asked the steering committee to read through all of them quickly to see whether any others looked like they were weak. I did that at the beginning, so that we would avoid finding at the end that a proposal was questionable and then wondering whether it was just because we were getting more discerning about reading them, from the experience of having already read ten of them. So we handled the weak proposal first and every time we looked at one of them after that, we asked, ‘Are we being fair? Are we holding them to the same standard that we did the weakest proposal?’ ”

HOW RIGID ARE THE RULES?

Grant makers and their advisers may need to adjust the selection process to meet program goals — even if that means bending some rules.

“In the end we chose 11 grantees and then added a 12th organization more or less outside the competition, which we cultivated separately because we wanted to have some representation in that particular state. I took the initiative to get them to withdraw their proposal so that they would not be rejected, and I worked with them over the next six months to submit a proposal. It wasn’t that it was a weak proposal — it was a more or less misguided proposal, and now that group is perhaps the strongest of the grantees. If we had been only interested in fairness, we wouldn’t have done that. But we were interested in effectiveness, not just fairness.”

And as another grant maker noted, *“Sometimes there is a really interesting research idea, but it has no methodology. So then that’s where you say to yourselves, do we stick very rigidly to our criteria in terms of the quality of the research methodology, or do we have some flexibility and maybe take a bit more risk on this one? There needs to be some flexibility in the way the decision is finally made.”*

Using the competition or RFP process to create a learning community

Grant makers often build opportunities for shared learning into the competition or RFP process. The community of people interested in the learning that emerges from your grant making may extend beyond the grant maker and immediate grantees, to include others working in your field or funding areas. Our contributors suggest some of the ways a competition or RFP can advance a learning agenda:

- **Use the responses to the RFP as a means to identify who is in the learning community.**

"I think that of the 193 proposals we received, maybe 120 were legitimate contenders. The others were just completely off-base. But they thought of themselves as doing community-based forestry, and we retained that mailing list of organizations as one of the bases for future communication with the broadest range of people who are thinking about this field."

- **Make the RFP a tool to identify shared learning objectives among the grantee cohort. Ask potential applicants: What would you like to learn? What can we help you find out? Their responses may give you some ideas about what those closest to the field think are the important issues to explore.**

- **Bring grantees together in annual or semi-annual meetings and provide a forum in which to share their experiences and learn from one another or from other experts in their field.**

"We wanted to know what this program taught us about how we can innovate in community-service projects, how we can have an impact on our students, and about what implications this would have for policy efforts. How do the others learn from the experience of the institutions that were recognized? It was very important to not just make a grant and then ask them to send a report, but also to create a process that allows them to have an exchange, to come together, to create a space where people could look at this in a more systematic way."

HOW THEY DID IT/ WHAT THEY DID

"In the RFP there's a section that asks what kind of learning they would like to do in the course of this project. At the meeting that we'll have, we'll set the learning agenda for the next two years as much as possible. And they're going to have to make some decisions about the pool of research funds that they will have access to: What are the rules? How do they want to decide who gets it? Do they want to try to do a project themselves? For example, they want to come together and fund some research that uses focus groups to test some of the messages about child and family issues that our communications consultant is suggesting."

Ways to work with those who are not selected

What about those who are not selected during the competition? There may be many good proposals that cannot be funded with the resources available. Grant makers adopt a variety of strategies to work with these organizations.

- **In some cases it makes sense to set funds aside for *smaller awards to runners-up*, especially if the invitation pool is large and it is unclear how many will actually apply. A small planning grant may encourage applicants to continue working on their projects and to come back with improved proposals in later rounds.**
- **Sometimes, proposals that do not make the final cut in the competition can be given *referrals to other funders*.**

“Sometimes a proposal is an interesting idea that needs a lot more help to become fundable, but if it got to that stage, it would be of interest to another part of our foundation. And so we try and establish some kind of contact and link them up.”

- **Several competitions have given all applicants *regular invitations to program meetings* as a way for them to hear about projects that received grants and to learn from their colleagues in the field.**

“Several of the ones that didn’t get selected continue to come to our conferences. We don’t pay the full freight, but we make it affordable. And some organizations that didn’t really focus in this area, and so weren’t in the competition, have emerged as strong players because they’ve adopted the approaches that the other state groups use. And when it came time to expand the number of participants in the group, some of the disappointed groups and some of the groups that were new to state fiscal analysis became part of the family of organizations that now participate.”

- **In any case, it is generally a good idea to send an *explanatory letter* to those who are not funded, before issuing any official announcement of the grantees. Applicants are usually interested in hearing why their applications were not funded, and grant makers sometimes provide a synopsis of the advisers’ comments without attributing them to individual advisers. When the number of**

WHEN LATER ROUNDS OF FUNDING ARE AIMED AT FEWER GRANTEES

Many competitions provide small amounts of funding, followed by larger grants to a smaller group of grantees. In those cases, making the second round of funding decisions can be awkward or require special attention.

“It was not a very easy situation to manage because of course, all of the grantees very much wanted renewed funding, and it was very difficult to weigh some of these grantees against each other. We had a convening shortly before the second stage, and it was a difficult moment, because everyone was anxious about whether they were going to get funded again.”

“In retrospect, it would have been desirable to find some way of eliminating this anxiety about funding or not funding people on the second round. Maybe we could have solved it by offering everybody the possibility of a grant in the second round, even though some would be considerably smaller than others. It would have still meant some awkwardness, but it would have been easier than this feeling that some institutions just aren’t deserving at all.”

applicants is small – for example, in the second stage of a two-tier competition – grant makers sometimes discuss the decision via telephone.

“In the second phase of the competition, we proactively reached out to those not selected to say, ‘we appreciate your participation and we want to give you as much information as we can about why you didn’t make the cut.’ We couldn’t do that for the large number who applied in the first phase, but we offered to provide verbal information to any of those who specifically requested it.”

Another grant maker added:

“Yes, there are some applicants who will be so angry at not winning that they will not really be interested in the reasons why they weren’t selected, or the feedback from the judges, or anything else. But for every one of those, there

TECHNICAL ASSISTANCE: A RESOURCE FOR EVERYONE

When grant makers make technical assistance or information available to grantees in the competition, they can also provide it to organizations not selected for grants.

“A central element of the initiative was the data and technical advice provided by a national center for fiscal analysis. We never restricted the center’s work to our grantees, but instead conceived of their role as helping any organization that had similar aspirations and a similar mission. And this meant that the world of state fiscal analysis has grown, because the center has been able to mentor many organizations that don’t get our foundation’s money but get support from other places. And so the center has a presence in many states beyond the 22 states in which there are organizations that have a grant from us.”

will be at least two other organizations that expect to persevere, want to improve, and intend to come back with a stronger proposal the next time. Those organizations will truly benefit from hearing from you – and you will benefit from talking honestly with them.”

Communicating with wider audiences about the competition

IN A GRANT MAKER'S WORDS: A MINI-CASE

"We decided to have a press conference to announce this initiative. That was a nice kick-off. Then we published a booklet, which got very widely circulated, and evidently inspired people in some other parts of the world to think about some of these issues. The website is what we hope to be the communications vehicle for the initiative in an ongoing way."

It is important to think about the kind of media exposure you hope the competition might receive. Our contributors suggest that it can be helpful to coordinate that effort with communications experts, and to start looking for communications opportunities even before the competition or RFP is announced. In addition to helping to generate publicity for individual grants, a coordinated communications strategy can take advantage of the critical mass created by an entire group of grantees in an RFP to generate messages that advance the grant maker's mission or the field as a whole.

Grant makers use a variety of methods to communicate about their competitions. These may include:

- **Creation of a website:** Some grant makers use a website to disseminate the RFP and announce the competition winners. A website can also be a good way to disseminate contact information, grantee accomplishments, and publications.
- **Press releases and news conferences** to attract media attention to the competition
- **Purchase of advertising space in relevant publications** to publicize the availability of funds, and later to announce the competition winners
- **Newsletters, brochures, and other publications** featuring the accomplishments of grantees
- **Requiring a communication plan from every competition winner.** These plans may include print or electronic materials, conferences, and seminars for others working in the field. Some grant makers provide grantees with the services of communications experts to help formulate or carry out their communications plans.
- **Coordinated media campaigns** that build on the cumulative impact of many grantees to convey the funder's vision.

"The mass media really influence what people believe and how they act on social issues. If we support a social change effort that tries to influence policy, it has to include a strategic communications component to develop the messages that convey our values and those of our grantees."

ENGAGING GRANTEES IN COMMUNICATIONS ACTIVITIES

In order to help those who are closest to the field to communicate about their work, grant makers sometimes build communications opportunities directly into their grants, or provide training to grantees in communications strategies.

"Each of the grants in our policy research competition supported a collaboration between a researcher and a public agency. In order to disseminate the research findings, the public agency was required to host a seminar and invite managers from that agency to participate in the discussion. Without that connection, it would have been just one more researcher doing some interesting things, but without any kind of impact in the public agency."

Another grant maker noted:

"What I like about what our communications experts do is that they teach the skills, but also how to connect your work to the policy agenda. They help you break down the impenetrable language that we in the policy world tend to use, and help you to find the language that resonates with people. So they don't come in with messages. For instance, in a training meeting, they will set up a dialogue between two advocates and they will have them interview each other until they get down to the nub of the language that works the best. And then they'll say, 'OK, you've done it, you've uncovered it. Here it is, now try it out.'"

Key lessons from grant makers

As you think about whether a competition or an RFP would be helpful to your program, it might be useful to bear in mind these brief lessons that our contributors have identified:

- **Grant competitions make sense in some settings, but not in others.** Before deciding, it is important to consider the benefits of a competition, but also the costs of participation — for the grant maker, for grantees, and for those who aren't selected.
- **Competitions and RFPs can serve program interests in several ways.** They can send a message to the field about the program's goals, they can attract attention and resources to a field, and the RFP itself can be a learning tool for grantees and funders.
- **Competitions are labor-intensive operations.** It is a good idea to allow sufficient time to plan them, as well as to think about how they will be administered. Using an external organization or intermediary to administer the competition has both advantages and disadvantages.
- **Advisers can wear multiple hats** — as consultants during the information-gathering stages, as technical assistance providers to applicants, and as a panel to aid in selecting grantees. It is important for the grant maker to clarify for the advisers exactly what their role should be.

WHAT GRANTEES WANT TO TELL FUNDERS ABOUT RFPs AND COMPETITIONS

Grantees who have responded to RFPs have these thoughts to share:

- Get feedback from the community before you launch an RFP or competition — don't create your plan in a vacuum.
 - Be clear up front about what you are looking for, and make the application simple.
 - Don't raise expectations that can't be filled. Provide a ballpark grant amount.
 - Use an executive summary to explain the intent of the RFP or initiative. *"What are the pertinent facts, what does the funder intend, and what is the deadline to apply? Then I can see right away whether there is a match between us and the grant maker, and if there is, I can ask for more detailed information."*
 - Be realistic about requirements for collaboration with other organizations.
 - Provide technical assistance to help applicants respond to the RFP.
 - Keep applicants informed throughout the process.
 - Let applicants know why they are turned down.
- **Competitions and RFPs can be helpful in creating a learning community within a field.** Grant makers frequently convene grantees and others to share what they are learning and to build on each other's experience.
 - **It is important for grant makers to think through how they will work with those not funded,** since competitions typically create a pool of organizations that spent time and money submitting an application, but were not successful.

CHECKLIST: THE TYPICAL COMPONENTS OF AN RFP

A good RFP serves two purposes. First, it should inform the potential applicant about the grant maker and the funding opportunity being offered (what you want to tell the applicant). And second, it should help you obtain information about the applicant and their proposal for funding (what you want the applicant to tell you). Our contributors offer suggestions for these two components of an RFP.

WHAT YOU WANT TO TELL THE APPLICANT:

Either in a cover letter or statement, grant makers typically provide the following information to applicants:

- Background information** about the grant maker and its mission.
- The specific **goals of the competition or initiative** for which the proposals are solicited. For instance, what is the problem or issue that the grant maker is trying to address?
- The types of **organizations that are eligible or ineligible** to apply – for example, “health clinics, but only free standing ones,” or “housing development organizations that are neighborhood-based.”
- The **approximate size of the grants** that will be made. This could be expressed as a range or as a maximum (e.g., “grants up to \$25,000”).
- The types of **activities or budget lines that will be eligible or ineligible** for funding (e.g., “grants will support training and staff development” or “we will support staff and administrative expenses but not capital improvements”).
- An indication of **how competitive the RFP will be**. This might be expressed in terms of the entire pool of funds available (e.g., “we will make 10 grants of approximately \$15,000”), or it could be conveyed by stating how many organizations might be in the applicant pool (e.g., “40 school districts have been invited to apply”).
- The **criteria that will be used to select** the grantees, including priorities that will be given to certain types of applicants (e.g., “priority will be given to collaborative proposals”).
- Important dates**, such as pre-application workshops, application deadlines, and grant review and notification dates.
- The grant maker’s expectations for grantees’ **participation in assessment or evaluation**.
- Instructions for **how to format and submit the proposal**. Grant makers find it helpful to specify the maximum number of pages for each section of the proposal and sometimes even spacing and font size. Instructions may include how many copies to submit (it is a good idea to request multiple copies if you anticipate using a selection panel), whether the application may be submitted electronically or by fax, and where applications should be sent.
- Frequently asked questions**, and/or a contact at the grant maker or managing partner who can be consulted for additional help.

WHAT YOU WANT THE APPLICANT TO TELL YOU:

As part of the proposal, grant makers typically ask applicants to provide the following types of information:

- A cover letter from the applicant.** Many grant makers require that each proposal be accompanied by a cover letter that states the amount of funds sought and the time period in which the money will be used. If one is needed, it is helpful to provide applicants with a format.
- A summary page** with contact information for the applicant and a one-paragraph description of the project. This project summary can later be edited and used by the grant maker or others in preparing internal recommendations or external communications materials.
- A description of the **political, economic and social context** in which the applicant is working. What are the barriers? What are the opportunities? Some grant makers use this problem statement as a source of baseline data for the eventual assessment of the competition or initiative.
- Information about the **background, history and current mission** of the applicant organization.
- Project description** – e.g., What are the goals, objectives, and specific activities that will be undertaken with the proposed grant? How will the work be carried out? What are the expected outcomes if the project is successful? What indicators would demonstrate that the project had achieved its goals?
- Biographical information** or résumés for project staff and other key participants.
- Workplan or timeline linked to the project description.** Later, this can be a useful reference with which both the grant maker and the grantee can assess progress.
- Proposed budget and supporting narrative detail.** Applicants often find it helpful when grant makers include a budget format as part of the RFP. The budget format that applicants submit as part of the proposal should correspond to the budget format grantees are later asked to submit when reporting on the grant.
- Supporting information.** This may include documentation of tax status, a list of board members and their affiliations, letters of support from potential partners, financial statements, tax returns, annual reports, and newspaper clippings. To facilitate their review, grant makers sometimes put a limit on the amount of supporting material applicants may submit.

WORKSHEET:

A SAMPLE COMPETITIONS/RFP TIMELINE

PLANNING Preparatory work: approximately 3-6 months

- 1** Determine if an RFP or competition makes sense for your program strategy
- 2** Identify who is eligible to apply/what is the pool from which proposals will be solicited?
- 3** Identify people who can offer expert advice and/or a potential selection panel
- 4** Identify administrative assistance if necessary — e.g., consultants, managing partner



- 5** Develop communications plans
- 6** Prepare a draft RFP and determine selection criteria
- 7** Obtain feedback on the draft RFP or competition idea from potential applicants
- 8** Finalize RFP



IMPLEMENTATION

- 1 Starting point**
Disseminate RFP
- 2 End of month 1**
Convene information/technical assistance sessions for applicants and respond to inquiries
- 3 End of month 2**
Proposals due
- 4 End of month 2 or later, depending on time needed for follow-up**
Follow-up on incomplete applications
- 5 End of month 3**
Distribute copies of proposals to selection panel



- 6 End of month 4**
Selection panel meets and recommends winners to grant maker
- 7 End of month 4**
Grant maker approves grants
- 8 Middle of month 5**
Notification of non-winners and winners
- 9 End of month 5**
Public announcement of winners
- 10 Month 6**
Distribution of grants

OTHER WAYS TO USE THIS GUIDE ...

This guide was written with several audiences in mind – not grant makers alone, but also the many other people with whom they make decisions and formulate goals. As you work through the issues raised in this guide, you might find it useful to distribute copies to others who can be important to your success. For example:

WITH YOUR BOARD ...

If your board is trying to decide whether a competition or RFP is worth the investment of time and effort, you might circulate the guide as background for a focused discussion. Ask people to read the guide with questions such as these in mind:

- For this field and our organization, at this time, what are the benefits of issuing an RFP or holding a competition?
- Could we marshal the necessary resources – time and attention, management, partners – and how would we do it?

WITH APPLICANTS ...

Grantees likewise need a realistic view of whether it's worth responding to a competition or RFP. You might:

- Circulate the guide in advance of a pre-application workshop.
- Use the guide as a simpler, quicker substitute for the more labor-intensive exercise of holding a conference.

WITH YOUR REVIEW PANEL ...

To help a newly recruited advisory panel know what's expected of them – and what they can expect from the grant maker – you might circulate the

guide as background for a focused discussion about:

- Who plays what role going forward?
- Who makes what kinds of decisions?

WITH POTENTIAL INTERMEDIARIES OR MANAGING PARTNERS ...

To help decide if a potential intermediary is a good fit or has a good sense of the issues, you might offer the guide as background, and organize part of the interview around their ideas for such things as:

- Creating a learning community among grantees (if that's important to you)
- Their ideas for helping grantees collaborate with each other to submit proposals (if that's important to you)

WITH COMMUNICATION CONSULTANTS ...

Communication consultants are often called in toward the end of the RFP process and miss a lot of opportunities to shape and circulate the message of a competition. You might use the guide to give them a big enough picture to be effective earlier in the process. For example:

- They might help you at the very beginning, when you're still trying to figure out how to reach beyond the potential applicants you already know.

Or you might seek their help in drafting the RFP or other early information about the competition, so that your purposes are stated compellingly and consistently, and the statements become part of a sustained message.

ACKNOWLEDGEMENTS

We wish to thank all those whose contributions of time, talent, and perspective have helped to make this guide possible, including the following individuals and organizations:

BROCK ADLER	ELIZA KLOSE
DEE BAECHER-BROWN	JENNIFER KRAMER-WINE
CAROL BRESLAU	MICHAEL LIPSKY
JENNY BUCCELLA	GEORGE LOWIN
MEIWITA BUDIHARSANA	RORY MACPHERSON
JEFFREY CAMPBELL	LINDA MAY
JUNKO CHANO	RICHARD MCKEON
LANCE CLEM	ALEJANDRA MIZALA
SARAH COOK	DAVID MOORE
VICTORIA DANZIG	YVONNE MOORE
MARILYNN DONINI	MARIAN MULKEY
PABLO FARIAS	MARIANNE POHLE
SUSAN FRIEDMAN	KATHLEEN POMERANTZ
BETH GILROY	CAROLINE ROAN
SHARNA GOLDBECKER	MARJORIE RUTIMANN
PABLO GONZALEZ	NANCY SCONYERS
HOPE HARLEY	ANTHONY TILLET
ROGER HERZ	AUGUSTO VARAS
MADDY JACOBS	JOY VERMILLION
FREDRICA JARCHO	TOBY VOLKMAN
LISA KANG	GENE WILSON
LAUREN KATZOWITZ	LA-PING WU
PAUL KAWATA	PHILIP YAMPOLSKY
RICHARD KIMBALL	GILDA YAZZIE

AMERICAN INDIAN RESOURCE CENTER OF DURANGO
BANK OF TOKYO-MITSUBISHI, LTD.
CALIFORNIA HEALTHCARE FOUNDATION
CENTER FOR APPLIED RESEARCH
CENTER FOR MEDIA, CULTURE, AND HISTORY AND THE ANTHROPOLOGY DEPARTMENT, NEW YORK UNIVERSITY
CHINA AGRICULTURE UNIVERSITY
STATE OF COLORADO DEPARTMENT OF PUBLIC SAFETY
THE COLORADO TRUST
COMMUNITY FOUNDATION OF THE VIRGIN ISLANDS
THE COMMONWEALTH FUND
DEWITT WALLACE-READER'S DIGEST FUNDS
FLEET BANK – FLEET COMMUNITY RELATIONS
FORD FOUNDATION
THE FOUNDATION SERVICE
THE FAN FOX AND LESLIE R. SAMUELS FOUNDATION, INC.
GREENWALL FOUNDATION
GROTTA FOUNDATION FOR SENIOR CARE
FEINSOD HERZ FUND
INITIATIVE FOR SOCIAL ACTION AND RENEWAL IN EURASIA
EWING MARION KAUFFMAN FOUNDATION
ESTHER A. & JOSEPH KLINGENSTEIN FUND, INC.
THE KLINGENSTEIN THIRD GENERATION FOUNDATION
DAVID AND KATHERINE MOORE FAMILY FOUNDATION
NATIONAL MINORITY AIDS COUNCIL
NEW YORK REGIONAL ASSOCIATION OF GRANTMAKERS
PFIZER INC.
PHILIP MORRIS COMPANIES INC.
SAN DIEGO FOUNDATION FOR CHANGE
CAROLINE AND SIGMUND SCHOTT FOUNDATION
Z. SMITH REYNOLDS FOUNDATION
THE TEAGLE FOUNDATION INCORPORATED
UNIVERSITY OF CHILE
VERIZON FOUNDATION

Underwriting for this guide was provided by the Ford Foundation. For additional guides and other materials in the GrantCraft series, see www.grantcraft.org.

