



CLIENT STORY

Washington Mutual

Through best practices in their online application process, Washington Mutual saves more than \$50 on every grant application

"The WaMu Difference"

Ever since its founding in 1889, Washington Mutual-or WaMu, as they've come to be known-has been committed to making a difference in their communities. Their success means giving back, and the company has a long legacy of making the communities they serve better places to live, work and do business. They got their start by helping neighbors in their hometown of Seattle rebuild after a devastating fire swept through the city. Community involvement is part of the company's history and part of its culture. Today, the interconnecting components of Washington Mutual's community commitment include: Affordable Housing and Lending, K-12 Education, Financial Education, Volunteerism and Support for Diversity. In 2005, the company awarded \$44 million in grants to its community partners nationwide.

Striving for excellence in grantmaking

Washington Mutual uses MicroEdge GIFTS® grants management system to manage their giving programs, with 21 staff members involved in its grantmaking operations. Their grantmaking is a unique blend of centralized and decentralized processes. Funding and processing of grants is centralized at the company's Seattle headquarters, while decision-making is de-centralized through full-time professional grantmakers based at each of their five regional offices throughout the United States in Seattle, Los Angeles, Houston, Miami, and New York.

In everything they do, Washington Mutual strives to meet the highest standards of performance. In 2004, the company received 4,401 grant applications, a number that typically increases about 25% each year. With a high volume of requests and a mission to improve an entirely paper-based

process, WaMu wanted to find a way to turn around grants faster while making it easier for grantees to work with the company. Despite making multiple changes to their paper process, they found it was not producing the level of time- and cost-savings that the company desired.

To sum up their paper process: "We had a time-consuming procedure with high error rates due to the manual data entry process, and a long cycle time to turn around grants," says Alyssa Bailly, Vice President, Corporate and Employee Giving for Washington Mutual. "Additionally, with a 25% increase in applications each year, we knew we needed a more comprehensive solution to our problem." At this point, they turned to MicroEdge. Since GIFTS was

already being used to manage their giving workflow, Washington Mutual could easily implement IGAM internet grant application module. IGAM would give them the ability to accept grant applications online, and it promised greater efficiencies than any of the changes previously made to their paper-based system.

"Before IGAM, our cycle time was 90 days; now we are down to under 40 days."

-Alyssa Bailly,
Vice President,
Corporate and Employee Giving

Creating best practices through online qualification of applicants

Washington Mutual switched to an online application process and created a pre-screening phase to qualify each applicant. Now, rather than simply accepting every proposal that comes in, applicants must successfully answer three or four eligibility questions in order to access the online application. This process change reaped substantial rewards for Washington Mutual-rather than experiencing a 25% increase in applications from 2004 to 2005, instead the company experienced an 11% reduction in applications over the previous year, receiving just 3,898 applications in 2005.

Savings of more than \$50 on every application, with significantly shorter cycle times

As one of their metrics to evaluate performance, Washington Mutual measures cycle times in their grantmaking, tracking the time from receipt of application to notification about funding decision. "Before IGAM, our cycle

time was 90 days; now we are down to under 40 days," shares Bailly. "This has been one of our biggest benefits. And the staff time savings really adds up-through IGAM, Washington Mutual saves \$55 per approved application and \$138 per declined application, a sizable cost savings for the company."

Improved workflow and grantee communication

And there are other benefits as well. When applications are submitted they are coded by geography, enabling regional grantmakers to access their region's proposals and pull the information directly into GIFTS where they are routed through the regional workflow. Immediate declines are handled directly through the system-for example, if an applicant gets through the pre-screening phase but does not meet giving guidelines-thereby reducing the workload in terms of how many proposals are routed to grantmakers' pending list. "We now have different levels of declination, so that you can quickly tell why an application has been declined," states Racquel Lee-Sin, Grants Administrator, who was involved during the testing of IGAM before implementation. "This enables us to make our letters as detailed as possible and to consistently communicate these reasons to our grantees." And grantees have embraced the new process - when Washington Mutual first started to accept online applications, only 40% were received online; now they are up to 95%

Events and sponsorships tracking

Washington Mutual also uses their online process to handle events and sponsorships related to giving focus areas. With a special events application, the company can gather the necessary data related to sponsored events. Now, they can capture the number of people attending events, their sponsorship levels, and what types of promotional support is associated with the event. "We have customized the application is such a way that we get all this information up-front rather than having to track it down," asserts Lee-Sin.

A smoother process

With IGAM, Washington Mutual's process is a lot smoother. "Everyone is on the same page, doing the same thing in every region, and communicating consistently with applicants," states Sabrina Howard, Sr. Grants Administrator, who played an active role in the implementation of IGAM. In fact, before transitioning to an online application process, the company conducted a 'voice of the customer' survey and learned that applicants felt they weren't being notified often enough. Now, applicants are automatically notified when Washington Mutual receives their application, with additional communications sent throughout the process. "IGAM has made a big difference in customer satisfaction," affirms Bailly. Additionally, every applicant's email address is now captured, enabling the company to speak to their customers on a more regular basis.

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