Grants in Australia Survey

2011 EDITION

aigm | Australian Institute of Grants Management

An enterprise of: ourcommunity.com.au

Top 5 takeaways

1.

Grantmaker feedback and contact still a cause for concern.

This is a perennial problem – it has made an appearance in virtually every Grants in Australia Survey since 2006, and it doesn't look like as though it is going away.

Around 64% of Grants in Australia Survey respondents said they had not received useful feedback on unsuccessful applications – a slight improvement on 2010 figures.

However, more than 84% of respondents identified providing feedback as the primary way grantmakers could improve their communication – up by six percentage points on 2010.

Grantmakers should make the provision of quality feedback a priority. Better quality feedback leads to better quality grants applications, and ultimately benefits both grantmaker and grantseeker.

For more, see page 9-10.

2.

Grantmakers' responses to grantseeker contact on the improve:

Funders have made good progress over the past 12 months in a number of areas relating to how they respond to grantseeker contact, including:

- The provision of contact details for grants staff;
- Responding to telephone queries;
- Clear advice from grants staff;
- Use – or over-use – of jargon

Ensuring the communication channels between grantmakers and grantseekers are open, easy to access and actually useful is vital.

High quality and timely support and assistance leads to better applications and better-informed grantseekers.

For more, see page 11-12.

3. Wrapped up in red tape.

Nearly three-quarters of grantseekers said they'd been frustrated by some form of red tape in the past 12 months.

The two biggest areas of concern were delays between the acceptance of funding applications and a decision being made on the outcome, and overly restrictive grant eligibility guidelines.

Grantseekers made some useful suggestions on how funders could cut red tape, including a shift to online forms and processes (see Takeaway 4), right-sizing applications, use of clearer and more succinct language and a streamlined application process.

For more, see page 14.

4.

Online applications becoming the norm, and now favoured by grantseekers.

Almost 57% of grantseekers said they prefer to apply for grants online – via either an online application process or an electronic form. A further 34% said they preferred to have a choice of written, online and other methods.

Just 1.6% of grantseekers told the 2011 survey that they favoured old-fashioned hard-copy forms.

Survey respondents told us that the ~~~~~~~~~~~ine applications

~~~~~~~~~~lete part of the
~~~~~~~~~ and then return to it

~~~~~~~~tions are quicker to
~~~~~~liant on postage.
~~~~~~ement that the
~~~~~n received.
~~~~~environmentally

~~~~~16.

5.

A significant number of grantseekers have a success rate of one in four – or worse.

While more than 33% of respondents estimated their grants success rate in excess of 50%, 26% said their success rate was between 26% and 50%.

However, more than 41% of respondents put their success rate at 25% or less.

About the survey and its methodology

The first Grants in Australia Survey was completed in 2006. The 2011 survey was the sixth staged by the Australian Institute of Grants Management (an enterprise of Our Community).

Between November 2010 and mid-February 2011 the AIGM invited community groups across Australia to fill out an online survey with questions about their experiences of, and interactions with, Australia's grantmakers.

A total of 293 organisations responded to the survey, making it among the largest of its type in Australia and an important source of data and key reference points for Australian grantmakers and funders.

In keeping with the 2009 survey, we asked grantseekers about communication between themselves and grantmakers.

In response to feedback, we also examined how grantmakers preferred to apply for grants, with a focus on:

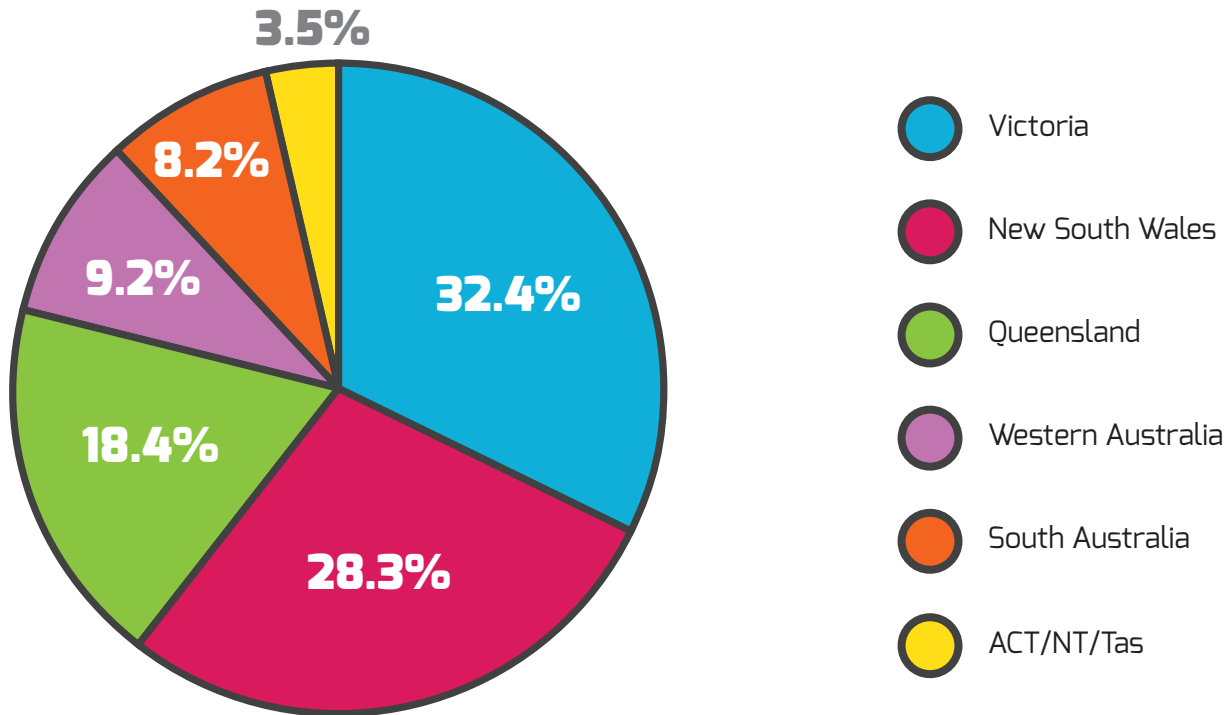**ONLINE applications**

Experiences WITH RED TAPE

General issues grantseekers had experienced WHEN APPLYING FOR GRANTS IN THE PAST 12 MONTHS

About the survey participants
Respondents by state

Victoria — 32.4%
New South Wales — 28.3%
Queensland — 18.4%
Western Australia — 9.2%
South Australia — 8.2%
ACT/NT/Tas — 3.5%
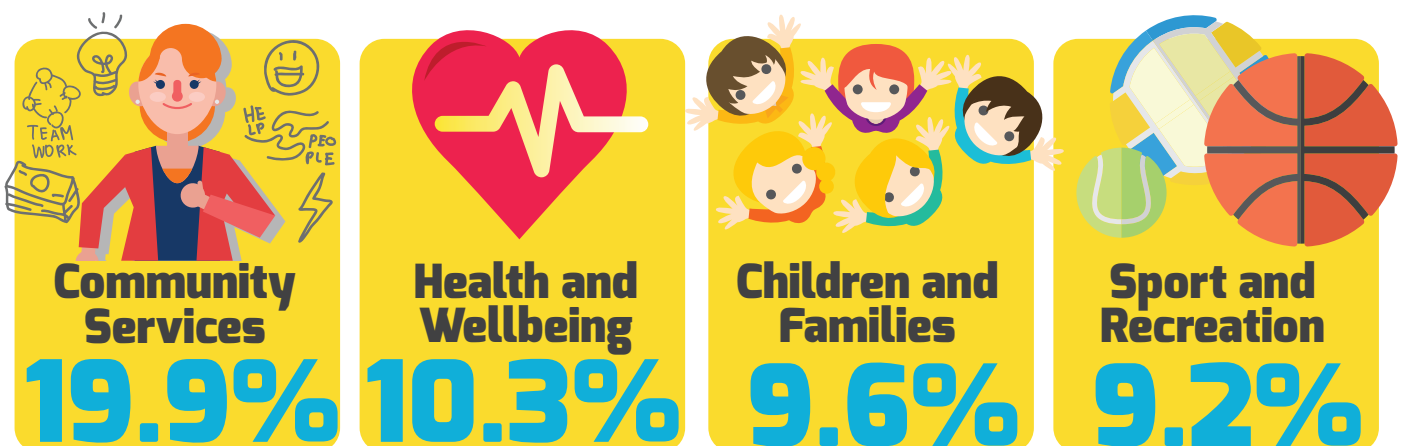
As in previous years, our sample included a large number of Victorian organisations, making up 32.4% of respondents. New South Wales respondents made up 28.3% of the sample, while Queenslanders comprised 18.4%, Western Australians 9.2% and South Australians 8.2%.

While we did draw respondents from all states and territories of Australia, those from the Australian Capital Territory, the Northern Territory and Tasmania comprised only a small fraction of the total, as may be expected.

The sectors with the largest percentage of survey respondents were:

Community Services — 19.9%
Health and Wellbeing — 10.3%
Children and Families — 9.6%
Sport and Recreation — 9.2%

Grants sources, applications rates and success rates

This year's sample drew a greater proportion of large organisations than previous surveys,

with 42.3% of RESPONDENTS COMING from organisations with A BUDGET OF **$250,000** or more.

Medium organisations (with budgets of between) **$10,000 and $250,000** comprised 36.3% of the sample, while those with small budgets **($10,000 or less)** COMPRISED 16.5%

When it came to estimating income from grants in the current financial year, few respondents fell into the upper (more than $500,000) or lower (less than $1000) reaches of the spectrum.

Most respondents expected grants income of between:

$1001 & $10,000 (23.6%)

$10,001 & $50,000 (30.6%)

$50,001 & $100,000 (16.2%)

or

$100,001 & $500,000 (16.2%)

IT IS WORTH NOTING, HOWEVER, THAT **6.6%** OF RESPONDENTS EXPECT TO PULL IN MORE THAN **$1 MILLION** in grants this financial year, slightly more than last year's figure of 4.8%.

ALMOST 78% of respondents said they were reliant on **GOVERNMENT GRANTS** in one form or another.

JUST OVER 45% of respondents said their respective State Governments were their biggest sources of grants income.

FEDERAL GOVERNMENT AND LOCAL GOVERNMENT were the chief funders for 16.8% and 16.0% **OF RESPONDENTS RESPECTIVELY.**

A TOTAL OF 18.6% of respondents said their primary **SOURCE OF GRANTS** was the corporate/ **PRIVATE SECTOR** (9.3% each).

Grants applications and success rates

Our sample included a decent number of "frequent flyers", with almost 21% of respondents saying they had applied for more than a dozen grants in the past year.

In addition, a surprisingly large percentage (7.6%) said they had received more than a dozen grants in that time.

Overall, 33.1% of respondents estimated their success rate at in excess of 50%, while 25.7% said their success rate was between 26% and 50%.
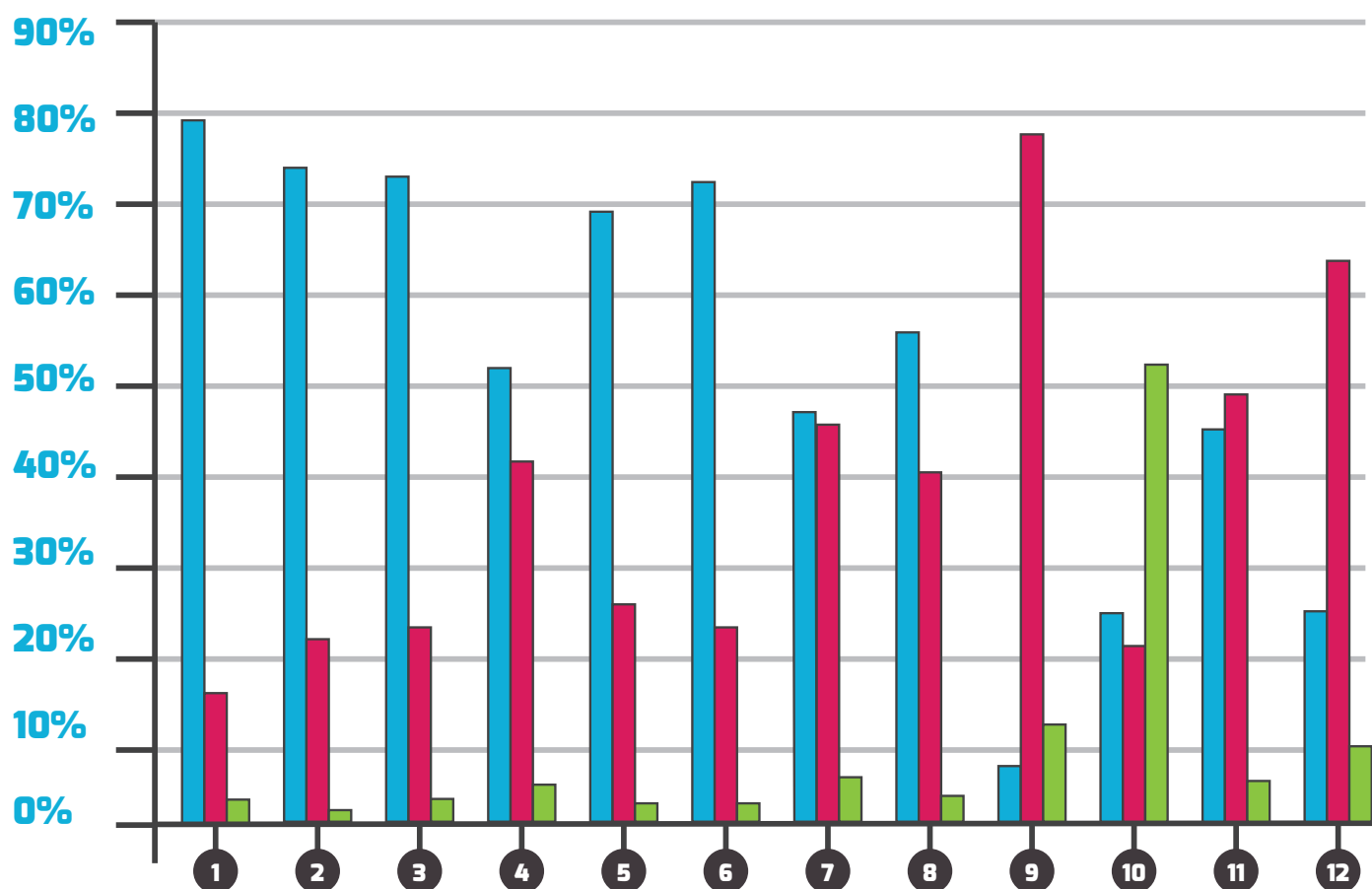
However, some groups are still struggling – 41.3% of respondents put their success rate at 25% or less.

Experiences with grantmakers

General experiences

The 2011 Survey asked grantseekers about their experiences with funders during the previous 12 months. The results were mixed.

Yes ■
No ■
Not relevant ■

1 Easily found information about program aims and objectives
2 Clear guidelines and application forms
3 Clear and useful online information
4 Adequate information provided about previously funded projects and groups
5 Adequate information on reporting and acquittal requirements
6 Acknowledgement of grant application
7 Useful discussion regarding feasibility/eligibility of project prior to application submission
8 A helpline/inquiry line provided by grantmaker
9 A helpline/inquiry line available outside business hours
10 Information provided in relevant languages
11 Timely contact regarding result of application
12 Useful feedback on unsuccessful grant application

Grantmakers performed well in some key areas:

- **Providing information about the program's aims and objectives** – Nearly 80% of grantseekers felt this was the case. While this is an overwhelmingly positive result, the figure is a touch down on those recorded in the 2009 and 2010 surveys (around 83%).

- **Provision of clear guidelines and application forms** – Almost 74.5% of respondents gave grantmakers a thumbs up in this category. Again though, this figure was less than those recorded in 2010 (81%) and 2009 (79%).

- **Acknowledgement of applications** – The 2011 figure of 73.3% was a slight improvement on 2010 (71.9%).

- **Provision of adequate information about reporting and acquittal requirements** – Nearly 70% said yes, a result on par with those of the past two surveys.

- **Clear and useful online information** – Although the 2011 figure is down slightly from last year (74% compared to 76.4% in 2010), it is well up on the 55% recorded in 2009.

However, there were also areas where improvements were clearly needed:

- **Provision of an out-of-hours helpline** – 78.3% said no, only 8.5% said yes. This is a significant fall from 2010, where only 66.4% said no and almost 14% said yes.

- **Provision of any helpline** – Almost 41% of respondents said no, with this figure not shifting a lot over the past two years.

- **Provision of useful feedback on unsuccessful applications** – This issue is a longtime bugbear. And while 64% of respondents said they had not received such feedback, the figure is an improvement on 2009 (70%) and 2010 (65.7%).

- **Timely contact regarding the result of applications** – Grantseekers feel that progress in this measure has slipped since 2010, with only 45% saying they had received timely contact compared to 51% last year.

- **Providing opportunities for pre-application discussions** – After a steep improvement in 2010, this figure has slipped back just as quickly and is now in line with 2009 results. Perhaps the 2010 finding was an outlier.
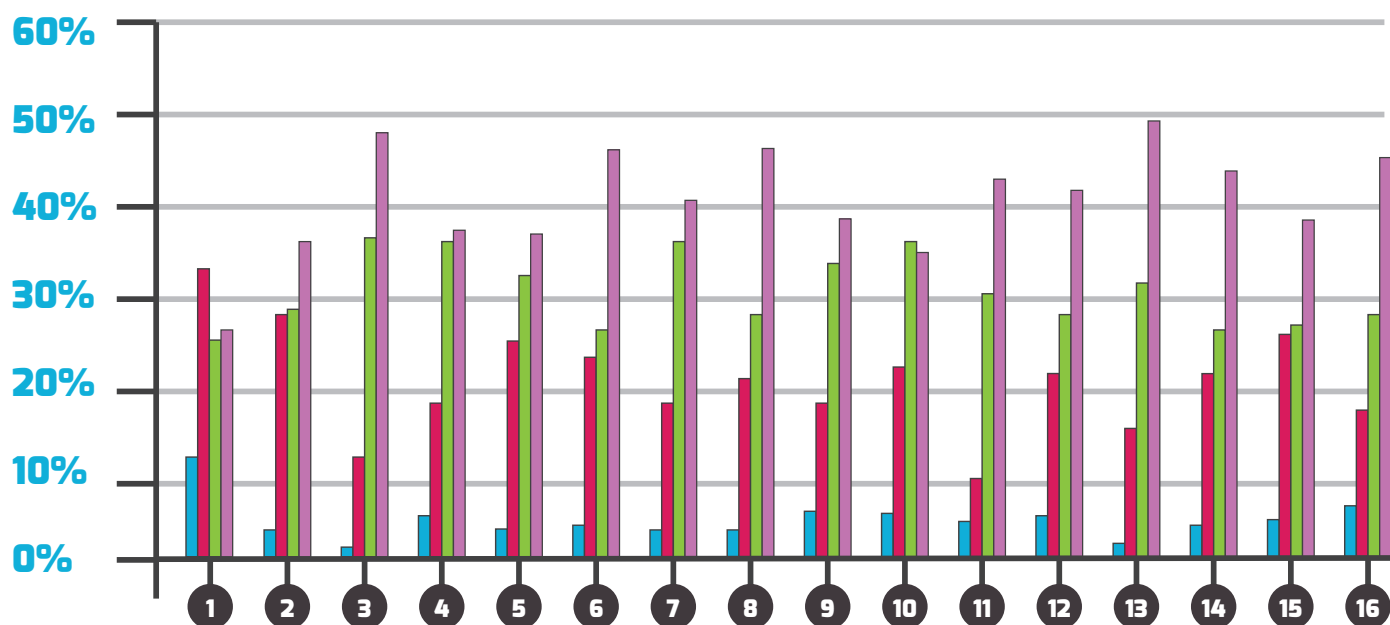
Experiences when contacting grantmakers

Over a number of years, grantseekers have told us that contacting grantmakers and their staff – and receiving timely, helpful responses to that contact – remains a challenge.

The 2011 Survey aimed to find out if there had been any improvement in this area during the past 12 months.

Problems encountered when contacting grantmakers

1 Unable to obtain contact details of grants staff via internet

2 Unable to obtain contact details of grants staff via any source

3 Incorrect contact details of grants staff provided

4 Telephone calls not answered

5 Telephone calls not returned

6 Telephone calls not returned in time to be of help with application

7 Emails not replied to

8 Emails not replied to in time to help with application

9 Kept waiting on hold

10 Telephone call passed from person to person

11 Grant staff appeared too busy to talk

12 Inconsistent advice from grants staff

13 Incorrect advice from grants staff

14 Confusing advice from grants staff

15 Over-use of jargon by grants staff

16 Grantmaker did not accept inquiries/offer assistance in submission period

Extremely Common

Fairly Common

Rare

Did Not Experience

Experiences with grantmakers (continued)

The good news is that the 2011 survey found significant improvement in a number of areas when it came to how grantmakers responded to grantseeker contact.

For this, funders definitely deserve a pat on the back! That said, though, there remains work to be done.

Some of the key findings from this area of the 2011 survey are highlighted below:

- **Being unable to obtain contact details of grants staff via the internet** – This was identified as fairly or extremely common by nearly 49% of respondents. On the plus side, this is a major improvement on 2010 where 57% of respondents said this issue was common.

- **Being unable to obtain contact details of grants staff via any source** 34.9%

- **Over-use of jargon by staff** 33%, an improvement on the 36.5% in 2009

- **Telephone calls not returned** 30.4%, down from 32.7% in 2009

- **Inconsistent advice from grants staff** 29.9%

- **Telephone calls passed from person to person** 29.1%, a significant improvement from 38.4% in 2010

- **Confusing advice from grants staff** 28.1%, down from 34% in 2009

- **Telephone calls not returned in time to be of help with application** 28%

- **Difficulty in getting help during the submission period** 26.6%, slightly up on the 24% recorded in 2009

- **Telephone calls not answered (26.5%) and grantseekers being kept on hold (26.1%)** – These figures represent improvements on the 31% recorded in 2009

- **Grant staff appearing too busy to talk to applicants** 26%

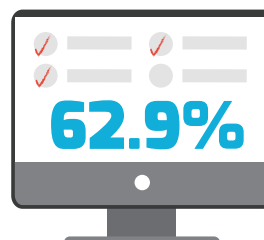- **Emails not replied to in time to help** 25.5%

Suggestions for better communication with grantseekers

Suggestions for improvement

The 2011 survey asked respondents how grantmakers could improve their communication with grantseekers.

84.3% Honest feedback for unsuccessful **APPLICANTS**

62.9% more use **OF ONLINE FORMS**

60.4% better communication/feedback before and during process

58.4% CLARITY ON GRANT program requirement

56.9% easier to UNDERSTAND FORMS

56.4% a single contact PERSON FOR GRANTSEEKER to talk with

54.3% BETTER NOTIFICATION OF programs opening and closing

USE OF PLAIN ENGLISH ON GRANTS PROGRAM APPLICATIONS
51.8%

Grantmakers have shown little improvement over the years when it comes to providing feedback to unsuccessful applicants, despite this issue being identified year after year through the Grants in Australia survey.

In fact, the problem may be getting worse, with 84.1% of respondents identifying this as the number one way grantmakers could improve their communication, compared with the 2010 result of 78%.

Grantseekers also suggested that grantmakers should make more use of online forms (63%), and provide better communication and feedback before and during the application process (60.3%).

And more than half of all respondents pinpointed these other areas of grantmaker communications as in need of improvement:

- Give more freedom to include photos in applications;

- Provide adequate time to prepare submissions;

- Use clearer language, and provide examples for further clarity; and

- Be more patient with applicants for whom English is a second language.

Red tape

One focus of the 2011 Grants in Australia Survey was red tape. Red tape continues to plague Australian grantseekers. Overall, 74% of respondents to the survey said they had been frustrated by some form of red tape in the past 12 months.

The biggest areas of concern were:

- Long delays between acceptance of funding applications and a decision being made on the outcome (experienced by 75% of respondents over the past 12 months); and

- Grant eligibility guidelines which were too restrictive, or which eliminated many groups from the chance to gain funding (61.5%).

More than a third of respondents had also been frustrated by application forms that asked for unnecessary or irrelevant information (46.8%) and onerous reporting requirements (43.6%).

Suggestions for improvement

Again, the 2011 survey sought advice from respondents on how grantmakers could cut the amount of red tape applicants faced.

A total of 82 respondents took up the opportunity, providing a range of thoughtful and instructive suggestions.

The following emerged as strongly recurring themes:

SHIFT TO OR **IMPROVE ONLINE** processes/forms

'Right-size' APPLICATION, REPORTING AND ACQUITTAL requirements to suit the size of the grant.

DEVELOP COMMON APPLICATION FORMS that cut across programs and sectors (with a particular emphasis on improving budget templates).

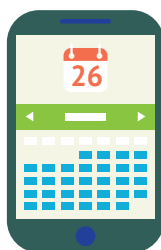USE SIMPLER, CLEARER, more succinct language in forms and explanation of processes.

IMPROVE TIMELINES: increase the application window; speed up decision-making processes.

PROVIDE longer-term **funding.**

Provide more flexibility AND REMEMBER WHY YOU ARE **providing the grants (mission over process).**

Simplify the application process, and introduce a two-stage application process where possible

BE MORE OPEN TO ONE-ON-ONE AND **two-way communication** (including face-to-face and via email/phone); be willing to answer questions and to provide **honest feedback on the** PROSPECT OF FUNDING SUCCESS (and thereby reduce the need for guesswork).

MAKE AN EFFORT TO UNDERSTAND THE **issues facing grantseekers.**
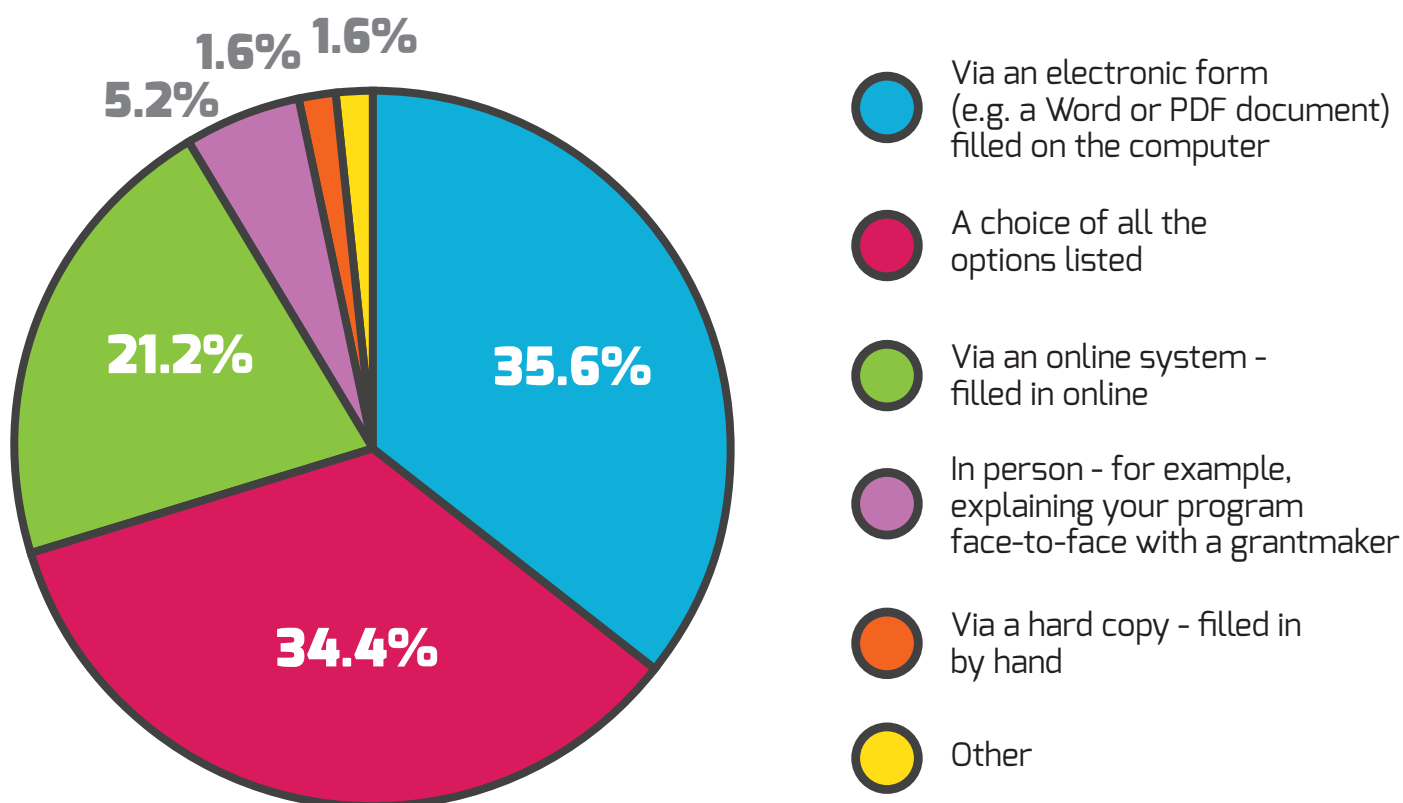
Provide capacity building help for grantseekers where relevant.

Online grants processes and preferences

Online grant application processes have become far more common in recent years, and grantseekers have – for the most part – responded positively to the shift.

Almost 57% of grantseekers said they preferred to apply for grants online – either via an online system, or via an electronic form filled in and submitted online.

How do you prefer to apply for grants?

Pie chart segments:
- 35.6%
- 34.4%
- 21.2%
- 5.2%
- 1.6%
- 1.6%

Legend:
- Via an electronic form (e.g. a Word or PDF document) filled on the computer
- A choice of all the options listed
- Via an online system - filled in online
- In person - for example, explaining your program face-to-face with a grantmaker
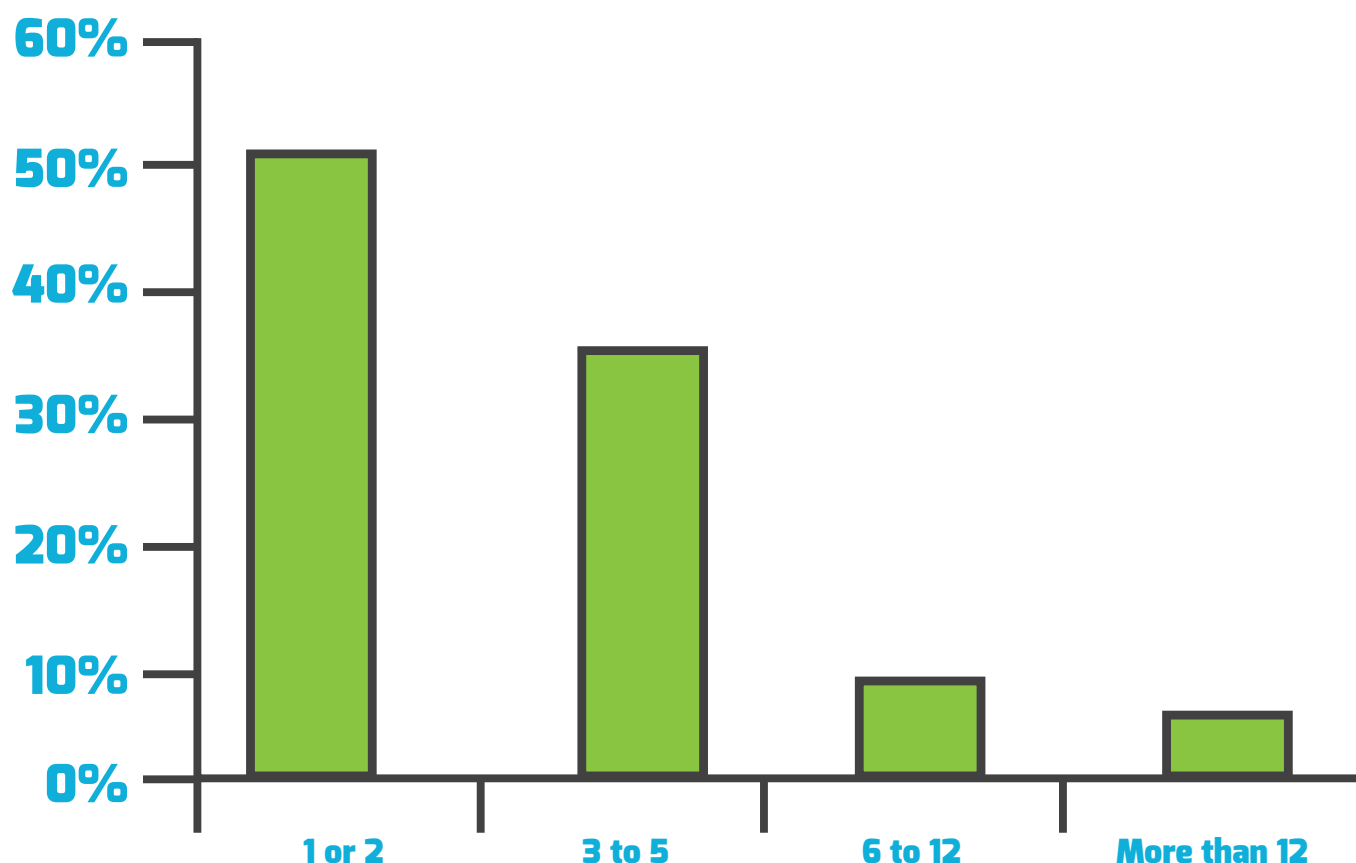- Via a hard copy - filled in by hand
- Other

Grantseekers clearly still value having a variety of application options – 34.4% of respondents said they preferred having a choice of written, online and other methods. The more ways funders can provide for them to apply for a grant, the better.

Just over 5% said they preferred face-to-face applications, while a tiny 1.6% favour old-fashioned paper forms.

More than 84% of grantseekers told the 2011 survey that they had applied for a grant online in the past 12 months. In fact, most grantseekers had used an online application form recently – many of them multiple times.

How many grants have you applied for online in past 12 months?

Bar chart showing:
- 1 or 2: ~51%
- 3 to 5: ~36%
- 6 to 12: ~9%
- More than 12: ~6%

Benefits of online applications

- The ability to complete part of the application, save it and then return to it later.
- Online applications are quicker to send off and not reliant on postage.
- Instant acknowledgement that the application has been received.
- It saves paper or is environmentally friendly.

Grantseekers also mentioned ease of form completion, convenience and the amount of time they take to complete as further benefits of online application processes.

Problems experienced when using online applications

Key problems for grantmakers to look out for when inviting online applications are:

Not providing enough room for applicants to provide proper answers to your questions (59.1% of respondents said they had experienced this problem);

Not providing the functionality that allows applicants to

attach supporting documents (48.3%);

cut and paste from other programs (47.7%); and

save the form to allow ongoing completion (39.6%).

Beware, too, of systems that time out too easily or are liable to crashing (experienced by 36.2% and 32.2% of respondents respectively), and of not providing any avenue for help when things don't work as they should (identified by 30.9% of respondents).

Confusing or hard to navigate forms were another key problem, identified by 29.5% and 30.9% of respondents respectively as issues they had encountered in online forms over the past 12 months.

Suggestions for improvement

When we asked grantseekers about the key thing grantmakers could do to improve their online grantseeking experience, a number of themes emerged. They included:

- Allow forms to be saved progressively.
- Simplify forms – eliminate repetitive and ambiguous questions and provide sample answers. Ensure the level of skills required to fill in the form matches the target grantseekers' capacities.
- Remove or provide more appropriate/realistic word limits and provide more flexibility within the form.
- Improve navigability – allow the full form to be previewed before filling; allow review and printing of completed form before submission.
- Allow formatting (dot points, bold and italic text, etc) and uploading of diagrams, graphics, photos, video and other supporting materials.
- Eliminate PDF forms.
- Road-test the system before deploying it (e.g. test that it can cope with peak load times). Ask grantees to road-test the system as well.
- Provide easy offline options to complement your online form to allow for technical failures at either end.
- Provide staff to help with online and telephone queries.
- Provide confirmation of successful receipt of applications.

Ensure compatibility with commonly used word processing programs.

The Australian Institute of Grants Management

The **AIGM** is a network for grants managers and grantmakers. It works to help grantmakers review and improve their grants programs, and keep abreast of best practices both within Australia and internationally.

The AIGM is a division of Our Community, a world-leading social enterprise that provides advice, tools and training for Australia's community, charity and not-for-profit groups, and practical linkages between the community sector and the general public, business and government.

What the AIGM believes

1 Grantmaking is an absolutely central element in the Australian economic system. Not one dollar should be wasted on poorly designed, poorly articulated, poorly evaluated or inefficient systems. Grantmakers must maximise resources by sharing lessons, and seeking and learning from those shared by others.

2 Australia needs more and better professional grantmakers. The job of grantmaking should be afforded appropriate professional status, training and recompense.

3 Grantmakers should listen to the communities they serve. Grantmakers should be driven by outcomes, not process. They should trust and respect their grantees and offer programs, systems and processes appropriate to their needs and capacities.

4 Grantmakers should be efficient. Wastage is indefensible. Skimping on systems, technology and professional staff is equally wicked.

5 Grantmakers should be ethical. Grantmakers must ensure that the process of grantmaking is fair, unbiased and open.

You can read more about our values and beliefs in our Grantmaking Manifesto:
www.grantsmanagement.com.au/manifesto

aigm | Australian Institute of Grants Management

What we do

The AIGM's major offerings include:

- **SmartyGrants** Australia's best-practice online grantmaking system, used by more than 3900 grants programs of all types and sizes across Australia and New Zealand.

- **Grants Management Intelligence (*GMI*)** The AIGM's member publication, tracking best practices in grantmaking across Australia and all over the world and publishing groundbreaking research on trends in the grantmaking sector.

- **Grantmaking Manifesto** Framing the drive for reform and professionalisation of grantmaking in Australia.

- **Code of Practice for Professional Grantmakers and Code of Practice for Grantmaking Agencies** Setting performance and practice standards for leading grantmaking organisations and individuals.

- **Grantmaking Tools and Resources** Searchable, topic-based listing of best-practice thinking and case studies.

- **Grantmaking in Australia Conference, Grantmaking Musters, training and other events** Generalised and topic-based conferences, networking events and training for government, philanthropic and corporate grantmakers.

- **Grants in Australia Survey** Annual survey of grantseekers tracking the performance of grantmakers throughout Australia.

For more information about the AIGM, or to join, visit:
www.grantsmanagement.com.au

or email: service@grantsmanagement.com.au

Please note: While all care has been taken in the preparation of this material, no responsibility is accepted by the contributors or Our Community, or its staff, for any errors, omissions or inaccuracies. The material provided in this report has been prepared to provide general information only. It is not intended to be relied upon or be a substitute for legal or other professional advice. No responsibility can be accepted by any contributors or Our Community for any known or unknown consequences that may result from reliance on any information provided in this publication.

We welcome your feedback: We are always keen to hear from you. Send your feedback to **service@grantsmanagement.com.au**

aigm

aigm | Australian Institute of Grants Management