

Grants in Australia Survey



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of Grants Management

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About the Survey

The 2007 Australian Institute of Grants Management (AIGM) Grants in Australia Survey marks the second year we have asked questions to Australian grantseekers about their experiences with grantmakers and grantseeking.

As with the 2006 survey, respondents were asked questions which could be broadly categorised into three areas:

- 1. How well grantmakers provide and convey key information to grantseekers.**
- 2. Grantseekers' impressions of application and acquittal details they have encountered.**
- 3. Grantmakers' feedback and "customer service".**

We also asked grantseekers to nominate their "biggest bugbear" when it came to grantmakers' behaviour, as well as what they would like to congratulate grantmakers on.

Lastly, we zeroed in on the issue of red tape, asking respondents to put forward their suggestions for its reduction.

Top 5 takeaways

1.

Almost half of the survey's respondents said State Government was their primary source of grants.

This finding remains consistent with the 2006 survey and shows the importance of this tier of government in terms of funding.

More and more grantseekers say that local government is their primary source of grants income (up from 12% in 2006 to 17% in 2007), while fewer cite the Federal Government as their main source of grants income (13.5% in 2007, down from 15.7% in 2006).

2.

Grantseekers believe funders have improved their efforts when it comes to the quality of grantmakers guidelines and the burden of acquittal requirements.

The 2007 Grants in Australia Survey uncovered notable improvements in these areas:

- 78% of respondents described as "OK" or "excellent" grantmakers' grant acquittal requirements. This is up markedly on the 73% figure recorded in 2006.
- 75% of respondents described as "OK" or "excellent" the clarity of guidelines grantmakers supplied. This was up on the 70% figure in the 2006 survey.

However it wasn't all good news, with sharp criticism of the clarity of grantmakers' application forms. Thirty-eight percent of respondents to the 2007 survey felt grantmakers were "poor" in this regard, up from 32% in 2006.

In addition, the red tape surrounding application and acquittal processes remained a big issue for some grantseekers (see point #3 on the next page).

Top 5 takeaways (continued)

3.

Red tape a major bugbear.

For the first time, this year's Grants in Australia Survey garnered grantseekers' opinions on the red tape they encounter when applying for, and distributing, grants.

Grantmakers raised a number of points relating to red tape, and expressed a strong desire to see:

- Removal of duplication and greater standardisation within grants programs (duplicated questions in application forms, for example)
- Removal of duplication and greater standardisation between grants programs (through development of a common acquittal process, common financial reporting requirements, standard application forms, standard budgetary statements, etc.)

They also called for general simplification of forms, and for grantmakers to provide "different treatment for return applicants (as opposed to new ones) and different treatment for 'preferred providers'."

4.

Technology use improving, but grantseekers want more.

Grantseekers praised grantmakers' increasing use of technology, but called on them to build on this trend and really investigate using technology solutions, including "online applications; interactive applications; storage of organisation's details to create pre-populated forms; (and) online questionnaires to allow applicants to self-exclude."

Top 5 takeaways (continued)

5.

Mixed news on information provision.

Survey respondents said there had been a noticeable improvement in the information provided on grantmakers' websites:

In 2006, 65% that figure **rated this as "excellent" or "OK"** **jumped to 75%** in this survey.

A similar improvement was seen in the provision of contact details for grants staff:

16% of respondents **rated it as "excellent" in 2007** **up from 9%** in 2006.

Most grantseekers also felt funders did a good job about providing information on average grant amounts.

However they still felt there was plenty of room for improvement when it came to grantmakers advertising their grants programs.

Top recommendations

1.

Standardise your forms, simplify your forms.

Grantseekers want funders to implement greater standardisation both within and between grants programs, including the removal of duplication and greater use of common reporting, common acquittal processes and standard forms

Many of these problems can be reduced through intelligent use of technology – though grantmakers should look carefully at whether their technology use is eliminating problems or just causing more hassles.

Review your forms and the use of technology to ensure they are the best they can be. Remove duplication or the need for applicants to repeatedly submit the same information.

2.

Improve communication and feedback.

Grantseekers' top bugbear – as expressed through this survey – was grantmakers' poor communication and lack of feedback.

Grantmakers should, as part of each grants round they run, allow time and resources to provide some level of feedback to applicants.

Of course it is impractical for grantmakers to offer detailed feedback to every applicant if they receive hundreds or thousands of applications. In these cases make it clear to grantseekers who will receive feedback – for example, those who survive the initial or second “cull” of applications.

And communication should be planned strategically as part of any grant round funders run. A solid communications plan should include, for example:

- How (and when) the grants round will be promoted and advertised.
- The information conveyed to grantseekers and potential applicants.
- How grantseekers will be kept “in the loop” throughout the process.

And grantmakers should consider how they can gather feedback from applicants and grantees after the grants round is finished.

Top recommendations (continued)

3.

Be realistic about capabilities and capacity of grantseekers and applicants

This type of realism spans the breadth of any grants program. Some of those examples are:

- Realistic timeframes for applications, including consideration of what information you might need and the time it might take grantseekers to supply it.
- Realistic timeframes (and expectations) for reporting.
- Realistic expectations for what applicants are actually capable of supplying in their application, as well as what they can achieve if they are funded.

And if grantmakers are working with online applications, they need to be aware of the technology limitations that some applicants might face. Access and equity are of course vital.

4.

Consider funding non-DGRs, or offering different types of grants (long term, etc):

This issue was highlighted in our 2006 Grants in Australia Survey ... and it hasn't gone away!

One bugbear a number of survey respondents mentioned was the lack of funding for overheads, core costs or capital.

Have a think about whether you can set aside some grants which cover groups' capital costs. Could you even pull together a grants round or create a grants program towards this aim?

Another issue mentioned in the survey was that big organisations and those with charitable or DGR status had an unfair advantage over small groups when it came to attracting grants.

Again, think about how you can support smaller organisations – through a dedicated grants round, for example, or even through seed funding and other non-monetary support. Consider perhaps working directly or through an intermediary to fund non-DGR groups.

Top recommendations (continued)

5.

Get out there and make contact/stay in touch with grantees, grantseekers and applicants.

Think about the ways your funding organisation can better connect with grantees and applicants, and how it can use the knowledge it gains to improve its performance.

This is an area that many Grants in Australia Survey respondents felt there was room for improvement in.

The best way to remain relevant and involved – as well as to stay updated on issues facing grantees and applicants – is to stay in contact with them.

Among other things, doing this will improve grantmakers' performance, their ability to see trends on the horizon and develop relevant grants in response, and will improve how responsive they are to grantseeker concerns.

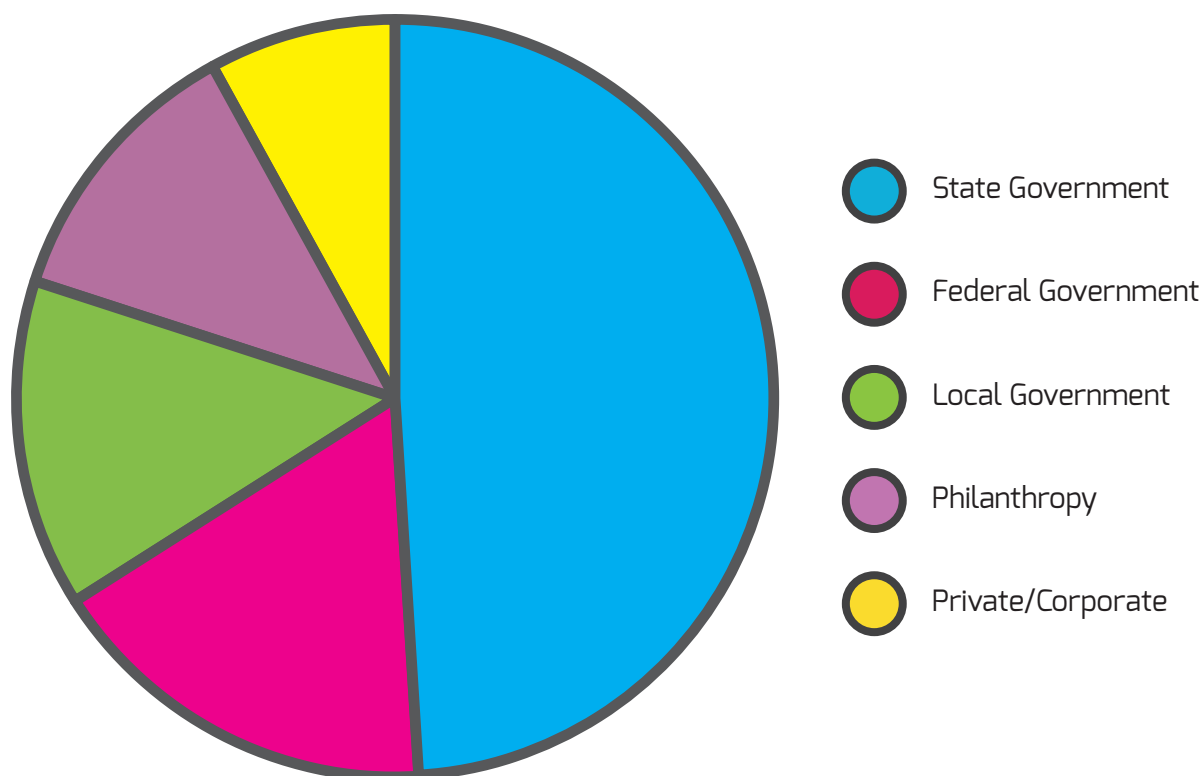


Findings

Grants funding sources

Nearly half of respondents to the 2007 Grants in Australia said their primary source of grants was the State Government (49.4%). This figure was up slightly on 2006.

Local Government grants were cited as the primary source of grants for more than 17% of respondents, while 13.5% said nominated Federal Government grants. Just over 12% said philanthropic grants, while 7.7% said private/corporate grants.



66%

of respondents said grants were getting harder to find (65.6% in 2006).

32%

said there had been no change from the previous year, while just 2% said finding grants was becoming easier.

Grantmakers' information provision

Overall, survey respondents handed grantmakers are mixed report card for how – and how well – they convey information.

While there was improvement in some areas, other aspects of grantmakers' information provisions have taken a dip since last year.

Key Results

83%

of respondents rated as "OK" or "excellent" grantmakers' ability to provide information about average grant amounts. This was the same as last year, though fewer respondents answered "excellent" and more "OK".

50%

The number of people who felt grantmakers did a "poor" job of advertising their grants program remained virtually unchanged – 49% in 2006, 50% in 2007. This clearly remains a concern for a number of grantees and grantseekers.

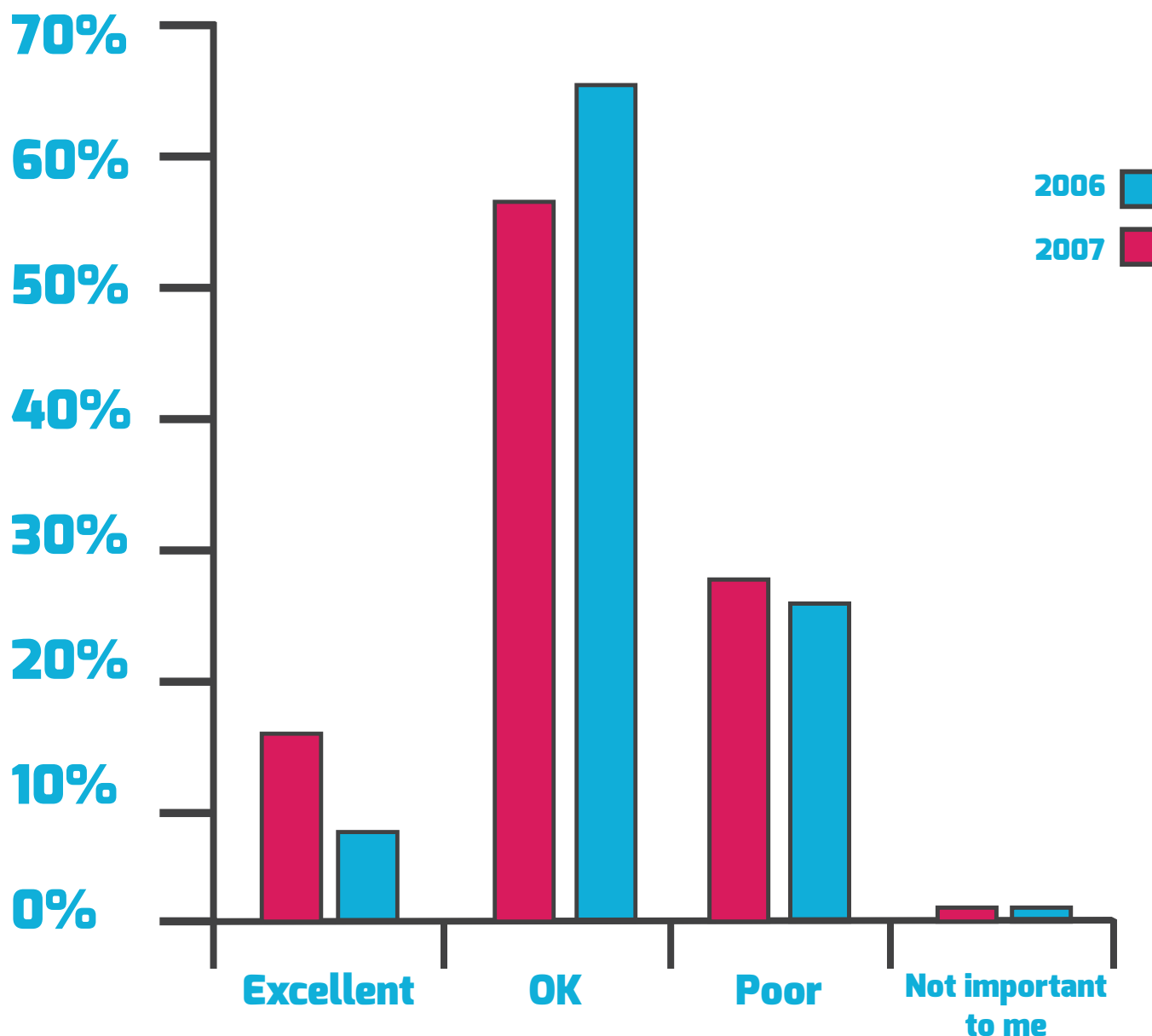
75%

Respondents felt there had been a marked improvement in the information provided on grantmakers' websites. 65% rated this as "excellent" or "OK" in 2006; that figure has jumped to 75% in this survey.

16%

A similar improvement was seen in the provision of contact details for grants staff – 16% of respondents rated it as "excellent" in 2007, up from 9% in 2006.

Grantmakers' information provision (continued)



Other results

- Fewer people (64% in 2007, 66% in 2006) thought grantmakers were “excellent” or “OK” at allowing enough time for applications to be written and submitted.
- There was a slight improvement in the percentage of people who rated as “excellent” or “OK” grantmakers’ efforts at providing an after-hours grants inquiry phone line (19%, up from 17% in 2006). However 61% of respondents still rated as “poor” this aspect of grantmaker communication.
- There was no change in the number of people who felt grantmakers were “excellent” or “OK” at providing a free 1800 telephone number with access to grants information (42% in both 2006 and 2007).

Poor communication – including grantmakers not providing enough information, and not providing feedback – was again at the top of survey respondents’ list of biggest bugbears. See more on page 15.

Applications and acquittals

The 2007 Grants in Australia Survey uncovered some positive findings on grantmakers efforts surrounding application and acquittal details ... but there remains much work still to do.



The Good

78% of respondents described as “OK” or “excellent” grantmakers’ grant acquittal requirements.

This is up markedly on the 73% figure recorded in 2006.

75% of respondents described as “OK” or “excellent” the clarity of guidelines grantmakers supplied.

This was up on the 70% figure in the 2006 survey.



The Not-So-Good

The clarity of grantmakers’ application forms has taken a big step backwards, according to survey respondents.

38% of respondents to the 2007 survey felt grantmakers were “poor” in this regard, up from 32% in 2006.

Grantees and grantseekers were also unhappy with the amount of detail required in application forms – 37% describing it as “poor” compared to 34% last year.

Respondents slammed the accessibility of grants programs – including, for example, grants for non-DGR groups.

59% of respondents said this was “poor”, up from 46% in 2006.

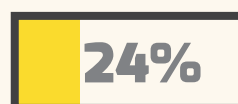
Applications and acquittals (continued)

Clarity of guidelines

2007



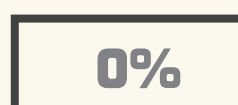
Excellent



Poor



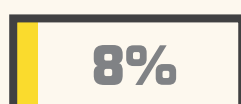
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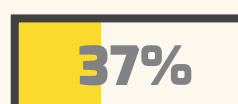
Not important to me

Amount of detail required in application forms

2007



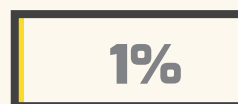
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Poor

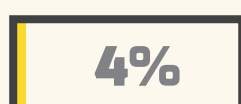


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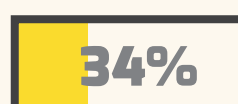


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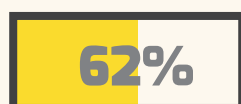
2006



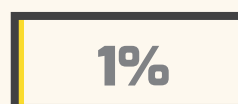
Excellent



Poor



OK



Not important to me

Bouquets and Brickbats

Survey respondents nominated the unfair advantage enjoyed by larger or higher profile grantseekers – or those with DGR status – as a major bugbear.

However they have also recognised the efforts grantmakers have been making in terms of applications forms and application processes – nominating both as areas they would like to congratulate grantmakers on.

Read more on grantseekers' bouquets and brickbats on pages 15 and 16.

Feedback and customer service

The vast majority of respondents to the 2007 Grants in Australia Survey were critical of grantmakers' efforts in giving feedback on their applications.

79%

of respondents said grantmakers' feedback levels were "poor", while only 3% said they were "excellent" and 18% classed them as "good".

These figures are also doubly concerning given that they are virtually the same as those reported in the 2006 Survey, in which

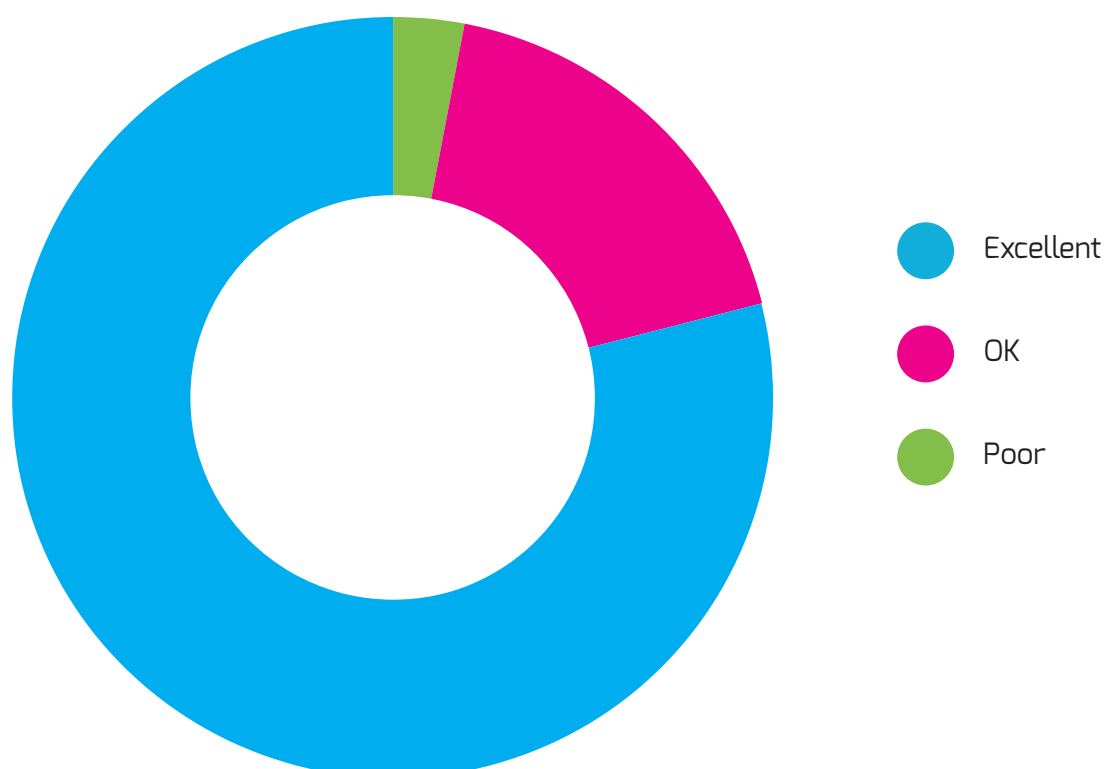
80% of respondents said grantmakers' feedback levels were "poor"

This is clearly an area in which grantees and grantseekers are keen to see improvement. "Not providing feedback" was also among respondents' chief bugbears (see page 15).

Just as concerning were respondents' impressions of grantmakers' basic customer service.

Sixty percent of people felt customer service was either "excellent" or "good" – down from 66% in 2006. More people also said grantmakers' customer service was "poor" in 2007 (37%) than last year (34%).

Giving feedback on your application



Bugbears

As part of the 2007 Grants in Australia Survey, we asked for respondents' all time biggest bugbears and put to them this question: If they had one thing they could change about grantmakers, what would it be?

The major responses included:



Poor communication – not providing enough (or clear enough) information, and not providing feedback.



Unwillingness to provide money for core costs.



Unrealistic **timeframes**.



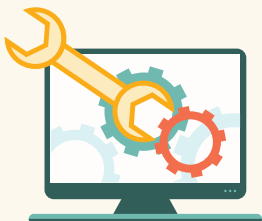
Unfair advantage given to larger/higher profile groups or groups with deductible gift recipient (DGR) status.



Unrealistic reporting requirements.



Too much **red tape**.



Technology issues.



Lack of **flexibility**.



Unwillingness to provide **one-on-one** help.

Bouquets

A new inclusion for our 2007 Grants in Australia Survey saw us ask grantseekers what they would like to congratulate grantmakers on.

The responses were encouraging, and show that many grantmakers are listening to those they fund and moving to help make the grants process better for everyone.

Among the complements were:



Grantmakers' increasing use of **technology**.



Grantmakers' **willingness to carry out ongoing improvements** in areas such as application forms and processes.



Clarity and **effective communication** (relating to guidelines and process).



Grantmakers who provide for a **one-on-one relationship** and follow up with their grant recipients.

Focus on Red Tape

Our 2007 Grants in Australia Survey also zeroed in on the issue of red tape, asking respondents to put forward their suggestions for its reduction.

Red tape continues to hamper many grantseekers' attempts at successfully applying for funding. And grantseekers had a number of suggestions they believe could help cut through some of the red tape they experience.

They included:

- **Technology solutions** - online applications; interactive applications; storage of organisation's details to create pre-populated forms; online questionnaires to allow applicants to self-exclude; etc.
- **Removal of duplication and greater standardisation within grants programs** (duplicated questions in application forms, for example)
- **Removal of duplication and greater standardisation between grants programs** (through development of a common acquittal process, common financial reporting requirements, standard application forms, standard budgetary statements, etc.)
- **General simplification** (of forms, of processes);
- **Lower expectations** of what grantseekers (many of them voluntary) can realistically achieve
- **Improved communications** - wider advertisement of programs; clearer guidelines and application forms; elimination of jargon; provision of "example answers" with each question; spelling out of the steps involved in the process (with timelines); provision of information sessions; etc.
- **More personal contact** (meaning less paper) and taking more time to find out about the real experiences of grantseekers
- **Do more independent research** about needs and the ability of providers to fulfill those needs, rather than applying on application processes for gathering of intelligence
- **Improved and more reliable timelines**
- **Provide different treatment** for return applicants (as opposed to new ones) and different treatment for "preferred providers".
- **Adoption of an two-tiered application process** - either informal (e.g. providing a verbal pre-application indication of the likelihood of success), or formalised (involving an "expressions of interest" step before short-listing of submissions for full application)
- **Creation of best-practice templates** (for evaluations, for acquittals, etc.)
- **Provision of training** for community groups on submission-writing and a continual feedback loop for applicants to improve capacity
- **A system for "re-using"** applications by lodging unsuccessful ones in a central database
- **Development of a "feedback" button** to provide applicants with feedback automatically if required or desired.

The Australian Institute of Grants Management

The AIGM is a best-practice network for grants managers and grantmakers. The AIGM 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 600,000 community groups and schools, and practical linkages between the community sector and the general public, business and government.



What we believe

- 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

What we do

As well as overseeing a number of grantmaking affinity groups, 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.
- **Grantmaking Toolkit** An all-in-one decision-making framework, workbook (including policy building templates), and check-up tool designed to walk grantmakers through the process of building, reviewing or refreshing a grants program.
- **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 Knowledge Bank** Searchable, topic-based listing of best-practice thinking and case studies.
- **Grantmaking in Australia Conference and other training and 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

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Australian Institute of Grants Management (AIGM)

Our Community Pty Ltd
PO Box 354
North Melbourne,
Victoria 3051 Australia

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Special thanks: Our thanks goes to all of those who took the time to fill in the survey. Again, we at the AIGM look forward to drawing on these ideas and more as we push forward in our grantmaking reform agenda in the months and years to come.

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



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