



Australian Institute of Grants Management

GRANTMAKER

**OF ^{THE} YEAR
2015 REPORT**

Setting the Grantmaking
Reform Agenda



Australian Institute
of Grants Management

An enterprise of:



ourcommunity.com.au

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Special thanks:

Our sincere thanks go to all those who entered the 2015 AIGM Grantmaker of the Year awards, and particularly the winners: Lesley Lightfoot and Cynthia Scherer from Give Where You Live in Geelong.

We thank all nominees for giving us access to their expertise and ideas.

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

ABOUT THE GRANTMAKER OF THE YEAR AWARD

The Australian Institute of Grants Management's annual Grantmaker of the Year award is designed to unearth the people leading the field of grantmaking in Australia, and to draw out – and disseminate – their vision for where we should go next.

The award recognises future potential as much as past achievements, asking grantmakers not just what they have done, but what they think should be done to advance the practice and profession of grantmaking in Australia.

Each year, entrants share their thoughts on the most pressing issues facing grantmakers and grantmaking. This report shares the wisdom and insights of this year's winners: Cynthia Scherer and Lesley Lightfoot.

We at the AIGM believe that none of us is as smart as all of us; the award process helps to guide us in our work to drive professionalisation of the grantmaking sector. We hope others will find inspiration in it too. We sincerely thank all the entrants who shared their insights and ideas through this year's awards process.

More information about the award is available online:

www.aigm.com.au/awards.

HONOUR ROLL

AIGM Grantmakers of the Year

2012 – Caitriona Fay

Senior program manager, Ian Potter Foundation, Melbourne, Victoria

[More information](#)

2013 – Lara Hook

Program manager, RE Ross Trust, Melbourne, Victoria

[More information](#)

2014 – Carley Commens

Arts and cultural development officer, Brisbane City Council, Queensland

[More information](#)

2015 – Lesley Lightfoot & Cynthia Scherer

Community impact and grants manager (shared role), Give Where You Live, Geelong, Victoria

[More information](#)

Click on the links above for details of the inspired and inspiring ideas shared by grantmakers since the award's inception in 2012.

2015 GRANTMAKERS OF THE YEAR

Congratulations to the 2015 AIGM Grantmakers of the Year, Cynthia Scherer and Lesley Lightfoot.

Cynthia and Lesley's win was announced at the AIGM Grantmaking in Australia conference held in Melbourne in March.

Cynthia and Lesley share the role of Community Impact and Grants Manager at Give Where You Live in Geelong, Victoria. Give Where You Live raises and allocates funds via three major grants programs:

- **Health and wellbeing**
(includes ageing and disability)
- **Live and learn**
(education)
- **Survive and thrive**
(basic economic security)

These grants programs aim to address both the symptoms and the underlying causes of disadvantage in and around Geelong.

Give Where You Live also works with the G21 Geelong Regional Alliance on the Geelong Region Opportunities for Work (GROW) project. GROW is a collective impact-based project that aims to address joblessness.

The Grantmaker of the Year Award does not seek to reward work already done; rather, it calls for entrants to draw on their grantmaking experience to offer ideas for taking the field forward.

To that end, Lesley and Cynthia's award-winning entry discussed ways grantmakers could better share ideas, communicate and improve collegiality.

The Australian Institute of Grants Management



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Professional Association of Australian Grantmakers

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IDEAS FOR CHANGE from **Cynthia Scherer & Lesley Lightfoot**

Loosen the shackles to increase grantmaker impact.

Cynthia and Lesley said there was a need to “loosen the shackles” that bind grantmakers and restrict their ability to have the most meaningful impact.

“Some of these shackles are ‘hard’ (e.g. tax structures) while others are ‘soft’ (e.g. perceptions, attitudes, history),” they said.

The pair highlighted four things they would do to loosen the shackles if they could “wave a magic wand”:

Move from a grants program mindset to a “dollars and beyond” mindset.

“For many grantmakers, the focus is still on grants in the form of dollars,” they wrote. “Grantmakers need to broaden their definition of what they can provide via a ‘grant’.”

While money is important, grants could also include technical assistance, training, leadership development, capacity building, mentoring, awareness raising campaigns or even advocacy. Broadening the definition of a grant would allow grantmakers to see beyond the dollar impact.

“Money is limited; the power of people is not,” they said.

Learn to pivot.

Cynthia and Lesley urged grantmakers to be “open to game-changing opportunities” and to learn to pivot.

Pivoting means recognising that the path you’re following – and in which you might have invested a lot of time, energy and money – is not taking you where you want to go, and turning on your heel to embrace a new possibility.

“Grantmakers need to let go of the past, to see beyond the limits placed on them by regulations, money available, and history. They need to value their risks and failures as part of the journey to success.”

Streamline tax arrangements for not-for-profits.

For not-for-profits, the existing tax system is a “quagmire, filled with inconsistencies and irrationalities”, according to Lesley and Cynthia.

“Many organisations that are doing impactful work to solve key community problems cannot get DGR (deductible grant recipient) status; DGR2s can only provide funds to DGR1s; legislation provides unique benefits for individual organisations – these are just a few of the problems,” they wrote.

Rethink the role of community foundations in the grantmaking community.

Cynthia and Lesley said community foundations had great potential to make an impact at a local level.

The success of the community foundation movement in North America over the past 100 years suggested that foundations don't have to be exclusively the purview of the very wealthy.

"In the past 20 years the community foundation movement in other parts of the world has suggested that philanthropy can take on new and exciting forms.

"The Australian community foundation sector is ripe for this same transformation.

"Currently 37 community foundations are known in Australia. While many of these foundations are focused on building their community asset... many are also taking on other key roles in community change, including starting hard conversations, keeping a finger on the community pulse, being a champion of local community organisations, being a grant making intermediary, being the first responder.

"The larger grantmaking community needs to take a look at this subsector and think about how it might be able to support the growth of these community-embedded resources and how this smaller, more community-connected grantmaker might be able to help better leverage other philanthropic resources to meet community needs."

"Money is limited; the power of people is not."

Use peer coaching to increase professionalisation.

The AIGM has often said that grantmaking can be lonely work. There are times when grantmakers can feel isolated – either geographically or professionally – and even disconnected from fellow grantmakers.

According to Cynthia and Lesley, one of the keys to a more professional grants sector in Australia is overcoming the feelings of isolation and disconnection that can accompany the work. To create further networking and learning opportunities, they suggest grantmakers participate in peer coaching.

"Peer coaching is a confidential process through which two or more professional colleagues work together to reflect on current practices; expand, refine, and build new skills; share ideas; teach one another; conduct research; or solve problems in the workplace," they said.

"It is a model which has been applied in other fields with success, in particular the education field.

"Circles of four or five grantmakers could meet on a monthly basis. Circles could be organised via affinity groups – for example, groups based on grantmaker type, geography or funding focus – or across the grantmaking sectors.

"Key to meetings would be sharing information (recent wins as well as challenges or lessons learned) and offering issues or topics for feedback. Circle members would be asked to make commitments regarding next steps or things they might try, and they would be accountable to their circle at the next meeting."

These meetings could be supported by a variety of free meeting technologies. Grantmakers would not need to meet in person in order to feel they were “meeting” each other.

“This model would seem to work well in the Australian grantmaking context because of the nature of the subject (specific, specialised), the small size of the sector, the geographical distances involved and the relatively low cost,” Cynthia and Lesley said.

“It would provide an opportunity for grantmakers to hone their knowledge and skills, to network and learn from others, and to gain confidence in their own decisions – all things that would help to increase the professionalisation of the sector.”

Give grant recipients greater power through knowledge.

The theme of the 2015 AIGM Grantmaking in Australia Conference was the dictum “knowledge is power”.

That same phrase is at the centre of Lesley and Cynthia’s suggestion that the grantmaking process should be demystified in order to give grant recipients greater power.

“Historically, grantmakers have held all the power, providing limited information about their processes (including decision-making) and limited feedback. While the balance of power as it relates to information between grantees and grantmakers has been shifting, there is still a long way to go,” they said.

“In speaking with community service organisations, we hear that they often feel as though getting a grant is a secret process. They feel unclear about how grantmaking processes

work and why they are successful or unsuccessful in receiving a grant.

“One idea we have to provide grantees with greater power is to create a space where grantmaker processes could be demystified; where grantees could share what they know about various grantmakers. In today’s information age, ‘space’ probably means an online space.

“The site would allow grantees to share information they have learned through their own experiences. This feature might take grantees through a series of questions they could respond to, as well as enabling them to provide ratings on processes.

“The website could also provide an independent view of a grantmaker and offer opportunities for grantees to agree or disagree based on their experience.”

Cynthia and Lesley said the site would need to be properly moderated, but it would serve the important functions of empowering current and potential grant recipients, and providing grantmakers with access to useful feedback on their processes.

Break down sector boundaries via a crowdfunding-style platform.

The “silo” attitude prevalent in some parts of Australia’s grantmaking environment has long been a barrier to better communication and knowledge-sharing, and hence to maximising impact.

In their award-winning entry, Cynthia and Lesley said a crowdfunding-style platform could help to break down these silos.

“Two of the keys to breaking down barriers between the different grant sectors are information and time. What if we could develop a tool that would overcome these barriers? Tools that would allow the different grant sectors to pool their information and their resources for greater impact?”

“The power of crowdfunding is that passionate people present an idea to a large group of people in an easily accessible way, removing the need for everyone to do their own homework or research on a product or project.

“What if grantmakers had access to a crowdfunding-style website where they could post projects and opportunities that they have already invested in and that they believe could have even greater impact if other grantmakers would join them in funding the project/initiative/organisation?”

“Grantmakers posting funding opportunities would have an incentive to share information with others – that is, the opportunity to see projects granted additional resources.

“Grantmakers viewing funding opportunities would save time. They would be viewing projects/initiatives/organisations that had already been tested or vetted; projects that already had a “good housekeeping seal of approval” from a peer or colleague.

“In this way the site would operate as a win-win and provide incentives to participate for both sides of the equation.”

What can you do?

Ideas for action

Building on Lesley and Cynthia's award-winning ideas, here we suggest some questions grantmakers can ask themselves and some practical actions they can take to improve their work.

Winning idea: Loosen the shackles to increase grantmaker impact.

Can you offer more than just money to potential grantees?

Consider other ways you might be able to help – by sharing knowledge, providing resources or helping to build capacity, for example. Think beyond money to other ways you can assist applicants and grant recipients.

Helping applicants can help you the grantmaker too. In the long term, providing the sort of non-monetary assistance outlined above can result in a higher standard of grant applications; better matching of grants and recipients; and even organisations reaching a stage where they are self-sustaining enough not to need to apply to you for a grant.

What is your attitude to risk?

The AIGM believes that grantmakers should be open to taking measured risks in their funding. Too many grantmakers still struggle with the notion of risk-taking; maybe they are worried about failure, or it just doesn't seem to be a good fit with their structure or granting habits.

But the ability and willingness to take

measured risks is important, as is a supportive attitude and a level of tolerance for mis-steps from everyone involved.

What constitutes "risk" will differ from grantmaker to grantmaker. You might not be willing to allocate a large grant to a "risky" project, but perhaps you could grant smaller amounts in a seed funding round.

Even trying something new as part of your application, assessment or reporting requirements can be seen as taking a measured risk.

The ability to learn from mistakes is important across the entire grantmaking sphere, but especially if you are taking risks. Ensure you learn from your mis-steps, and then find ways to share these learnings.

Remember – failure is failure only if you don't learn from it.

Sharing learnings and mistakes can also help grantmakers to feel less isolated and disconnected, especially when you fear you are the only one who has ever made that mistake.

How often do you "pivot" and share what you learn from your mistakes?

In their award-winning entry, Cynthia and Lesley discuss the need for grantmakers to learn to pivot and to

“value risks and failures as part of their journey to success”.

As noted earlier, failure is failure only if you don't learn from it. And sharing what you have learned from failure is vital.

Too often, grantmakers end up working in isolation. We should make the most of opportunities to network and chat with fellow funders, and share their learnings.

As a grantmaker, do you advocate for changes to the system?

For example, do you advocate for improvements to the tax laws governing grantmaking and not-for-profits?

Some grantmakers might feel that advocacy isn't really their thing.

But all grantmakers should be concerned if the impact of their grantmaking is limited by systemic barriers.

To that end, the AIGM believes grantmakers should, where appropriate, push for improvements to laws and systems that will, in turn, improve their grantmaking impact.

Take the time to learn more about the challenges these laws pose – both for your own organisation and for those you seek to benefit. And be on the lookout for opportunities to have your say, or to advocate on grantees' behalf.

Winning idea: Use peer coaching to increase professionalisation.

Are you a member of a grantmaking network, whether it's a formal network or a loose arrangement of peers?

How often do you chat with other grantmakers about your work and what you've learnt recently? How do you share what you do?

In their winning application, Cynthia and Lesley spoke about the need to overcome the isolation that often comes with being a grantmaker. And their suggestion of using peer coaching to achieve this is a great one.

But more generally, grantmakers need to think about how – and how often – they interact with their colleagues in the field.

Sharing information, knowledge and learnings is a crucial element of best-practice grantmaking.

And being able to catch up with fellow funders, chat about shared challenges, share tales of success (and perhaps mistakes) and generally feel a sense of collegiality is invaluable.

You as a grantmaker are not alone. There are networks out there for local government grantmakers, and there is a vibrant collegiate atmosphere among foundation-based funders, other grantmakers and Australia's emerging Giving Circle scene.

The AIGM encourages grantmakers to get out there, connect with their peers and develop relationships based on sharing knowledge and learnings and providing mutual support.

Another way to progress the professionalisation of the grantmaking sector is to seek out and participate in professional development and training.

Attending conferences and seminars, for example, not only provides the opportunity to learn and improve your work, it allows you to share “war stories” with fellow grantmakers and (again) reduces the feelings of isolation that often go with grantmaking.

The AIGM and SmartyGrants offer a number of training opportunities (www.aigm.com.au/training), but of

course there are all manner of other learning opportunities out there.

Take the time to find them and consider participating.

SmartyGrants: Now with free AIGM membership

The Australian Institute of Grants Management (AIGM) has recently extended membership privileges to users of SmartyGrants, Australia's best-practice online grantmaking system.

Every SmartyGrants subscription now includes free 12-month AIGM membership for 10 SmartyGrants users.

This gives up to 10 users access to all areas of the AIGM website, including the password-protected tools and templates, as well as each edition of our AIGM member publication Grants Management Intelligence.

And SmartyGrants users will have their AIGM membership renewed at no extra cost every time they renew their SmartyGrants subscription.

The usual price of a 10-user AIGM membership is \$475. Individual membership is also available, at \$280 per person.

Winning idea: Give grant recipients greater power through knowledge.

What type of knowledge do you pass onto grants applicants – both successful and unsuccessful? Do you explain to applicants what they need to do to increase the chances

of grants success? How do you empower your grants applicants and grantees?

Lesley and Cynthia's suggestions in this area involve grant applicants and recipients sharing information among themselves.

But grantmakers, too, have a role to play in sharing knowledge and empowering those seeking funds.

Communication is the key. Think about how you communicate with your applicants – prospective, successful and unsuccessful.

Do you take the time to offer them meaningful feedback and guidance? Obviously, offering individual feedback to hundreds of unsuccessful applicants might not be feasible, but feedback for those who ask for it, for those who come close to gaining funding, should be made readily available.

Do you stage information sessions for your grants programs? Alternatively, do you use your website to guide applicants through the process and share knowledge with them? Are your assessment and application criteria easy to understand?

How do you share learnings with grant recipients and grantseekers? Do you publish reports, pass on knowledge, discuss learnings with them?

Do you offer grants for capacity building or empowerment? Do you include in your grants funding a requirement for (and perhaps money towards) learnings to be shared and published?

Consider compiling a help document or glossary aimed at grantseekers, and make it available online or even in print.

Think about how you empower grants applicants.

Empowering them and improving their efforts should in turn improve the level and quality of applications you

receive – saving you time, effort, and perhaps money that could be used to benefit your programs.

Winning idea: Break down sector boundaries via a crowdfunding-style platform.

Do you work with other grantmakers on projects? For example, do you make provision to jointly fund projects, or to work collaboratively? Do you share information or pool data in a bid to improve your grantmaking?

Lesley and Cynthia's suggestion that grantmakers consider a crowdfunding-style platform again highlights the importance of collaboration and communication in breaking down the barriers between different grantmaking sectors in Australia.

Of course not all grantmaking or funding projects need to be collaborative.

But increasingly we see funders joining together, pooling resources and collaborating for greater impact, to allow them to take a chance on projects they couldn't fund by themselves, or to produce a bigger bang for their buck.

It isn't just smaller grantmakers collaborating. Established foundations and funders are working together to extend their reach and impact.

And many are going beyond just combining funding and are in fact pooling resources, information and data in order to work together more effectively.

Over the past year, a batch of local council grantmakers in Sydney's west have been working together – and with Clubs NSW – on a pilot project called Collaborative Grantmaking in Western Sydney.

The project, which is co-ordinated by the AIGM and uses data drawn from SmartyGrants, sees local council grantmakers and Clubs NSW collaborate to evaluate funding effectiveness in Western Sydney.

Parramatta City Council's Phil Scott told the AIGM Grantmaking in Australia conference about some of the motivations and aims of the project: "We wanted to share the outcomes of the grants we funded as high-level grant data among ourselves in order to determine the effectiveness of our funding across our region, rather than just in our little isolated local government area," he said.

"We wanted to inform ongoing improvement to community service delivery, and identify funding gaps across that area, or where there were funding duplications. We had the sense that we were often funding the same project, or the same group for the same thing, but we had limited ways of knowing how we were doing that.

"We also had a sense that perhaps we were all funding the same issue, if not the same project, and we could be spreading that money a little more fairly across the region. We wanted to share learning from our different processes and streamline our grant processes so that applicants were benefiting from all of that.

"(And) we wanted to develop some common questions for our application forms as well – which again helps applicants."

Mr Scott said this level of collaboration required a high level of communication and trust, but that the potential benefits to grantmaking were well worth the effort.

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, available here: www.aigm.com.au/values.

What we do

The AIGM's major offerings include:

SmartyGrants

Australia's best practice online grantmaking system, used by more than 300 grantmakers across Australia and New Zealand to run in excess of 3000 grants programs of all types and sizes.

Grants Management Intelligence (GMI)

Produced each quarter, the AIGM's member publication is designed to radically improve the efficiency and effectiveness of Australian grantmakers and funders.

AIGM website (www.aigm.com.au)

The AIGM's revamped website contains:

- An ever growing library of tools and resources
- Policy building templates
- Detailed Grantmaking Labs reports on key grantmaking issues
- All the latest news from across the grantmaking sector
- Links to training and events.

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 in Australia conference and other training and events

General 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.aigm.com.au or email service@grantsmanagement.com.au.

The AIGM is an enterprise of Our Community, a Certified B Corporation (www.ourcommunity.com.au).



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