Grants in Australia Survey

2015 EDITION

aigm | Australian Institute of Grants Management

Top 7 takeaways

1.
Lack of feedback remains a problem.

Almost half our grantseeker sample remains unimpressed with grantmakers' efforts to provide "useful, relevant feedback on unsuccessful applications. Only 11% said these efforts were "good". This has constantly been raised as an issue since our first survey in 2006.

See page 14.

2.
More grantseekers applying for a smaller number of grants.

A growing majority of grantseekers (61.5%) apply for five grants or fewer each year. This is an increase on the 55% who applied for five grants or fewer in 2013-14.

See page 7.

3.
Multi-year grants and grants towards core operating costs have fallen.

Almost a third of grantseekers say funders are offering fewer multi-year grants than they used to. And 41.5% say there's been a fall in the number of grants towards supporting core operating costs.

See page 11.

4.

Grantmakers still need to speed up their processes.

A significant portion of grantseekers remain unhappy with how grantmakers communicate application results. Many describe as "unacceptable" the time elapsed between lodging their application and receiving notification of a decision.

5.

Online applications are the norm, and most grantseekers prefer them.

More than 90% of 2015 survey respondents said they preferred to apply for grants online, via either a grants management system or an electronic form. And 91% of grantseekers said online submissions were the most common application format they had encountered during the previous year, meaning grantmakers have clearly embraced the format.
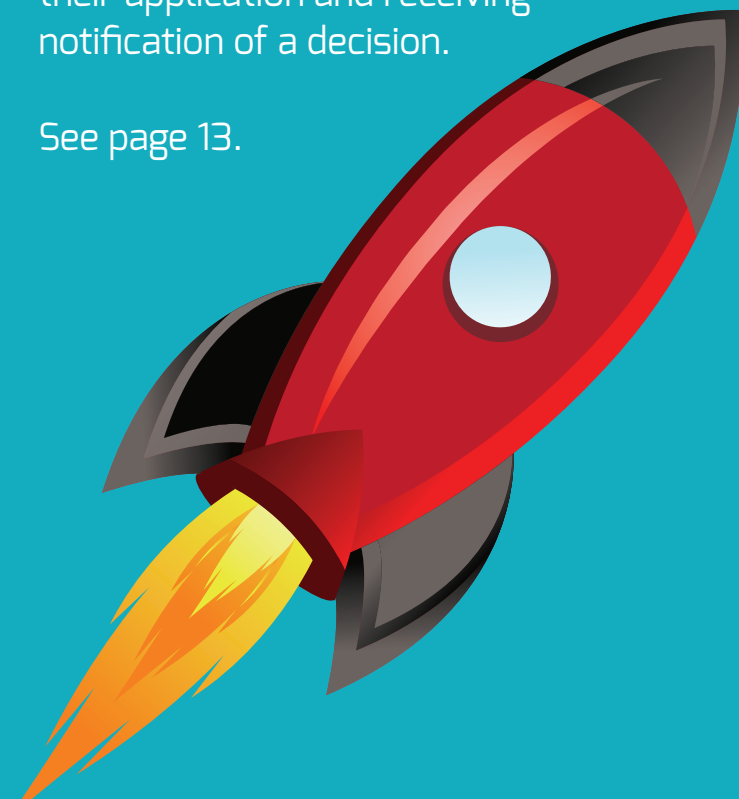
6.

Grantseekers love briefing sessions.

Briefings help funders directly convey key information to applicants. Almost 45% of grantseekers said they had attended pre-application briefings or grants information sessions in the past 12 months. Nearly 85% of those who attended briefings found them useful.

See page 12.

7.

Grantmakers are pretty good at providing help.

Nearly 90% of grantseekers who had sought assistance when completing an application in the past 12 months described the quality of the experience as "satisfactory". And when quizzed on staff responsiveness to phone, email and online queries, more than 75% of respondents rated grantmakers' efforts as "OK" or "good".

See page 12.

About the survey and its methodology

The first Grants in Australia Survey was completed in 2006. Since then there have been a further eight surveys, staged almost every year (the 2013 and 2014 surveys were combined into one).

The survey invites community groups from right across Australia to share their experiences of grantseeking, as well as their interactions with grantmakers and grantmaking systems.

The survey has grown to become the biggest of its type in Australia, and continues to inform the work of the Australian Institute of Grants Management (AIGM) and Our Community, as well as provide important data and key reference points for Australian grantmakers and funders.
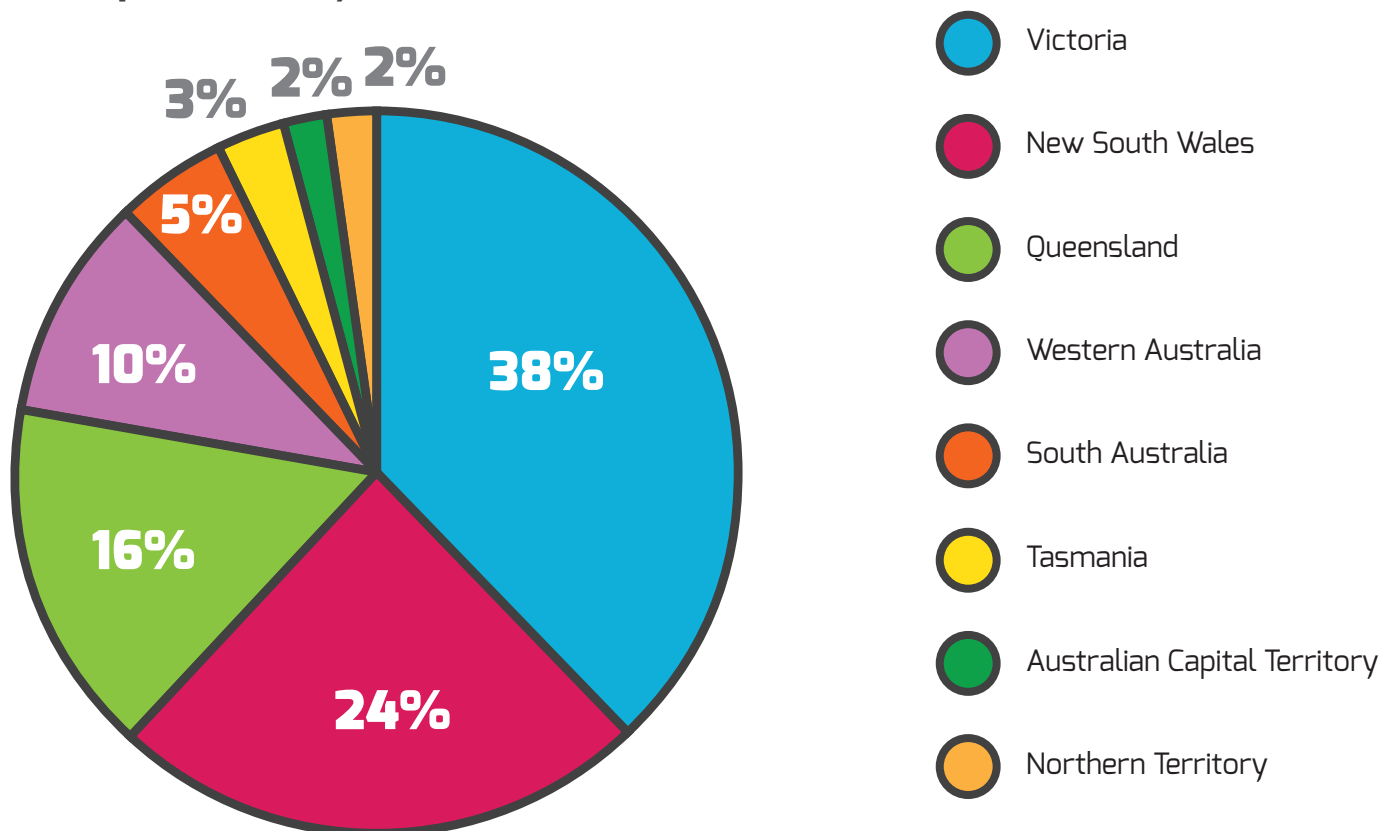
A record number of respondents – 1348 – completed the 2015 survey, which was conducted via an online questionnaire throughout November and December 2015.

The survey was promoted to grantseekers and recipients through a number of channels, including social media, Our Community's member newsletter *Our Community Matters*, email alerts to Our Community members and dissemination through the wider community.

Only grantseekers who had applied for at least one grant during the previous 12 months were eligible to complete the survey. We thank everyone who took part.

About the survey participants

Respondents by state

- 38% Victoria
- 24% New South Wales
- 16% Queensland
- 10% Western Australia
- 5% South Australia
- 3% Tasmania
- 2% Australian Capital Territory
- 2% Northern Territory

The largest percentage of survey respondents (44.95%) identified as smaller groups, with revenue of under $250,000.

Medium-sized groups – organisations with revenue between $250,001 and $1 million – made up 19.6% of respondents, while 27.15% were large organisations with annual revenue in excess of $1 million.

The remaining 8.3% of respondents were either unsure of their annual revenue or didn't want to share the information with us.

Respondents also reflected the diversity of the community sector, with organisations from 17 different industry subsectors.

The sectors with the largest percentage of survey respondents were:

Health
15.7%

Human Services
15.2%

Community & Economic Development
14.8%

Sport & Recreation
13.85%

Education
13.4%

Grantseekers: activity and preferences

Level of activity

More grantseekers are applying for smaller numbers of grants each year.

Almost 61.5% of 2015 Grants in Australia survey respondents applied for five grants or fewer in the preceding 12 months, while just over 38.5% applied for six or more.

This finding confirms a continued downward trend. Our 2013–14 survey found that 54% of respondents applied for five grants or fewer. In 2012, that figure was 45%.

Number of grants applied for in previous 12 months

■ **Applied for five or fewer grants**　　■ **Applied for six or more grants**

	0%	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
2015											
2013-14											
2012											
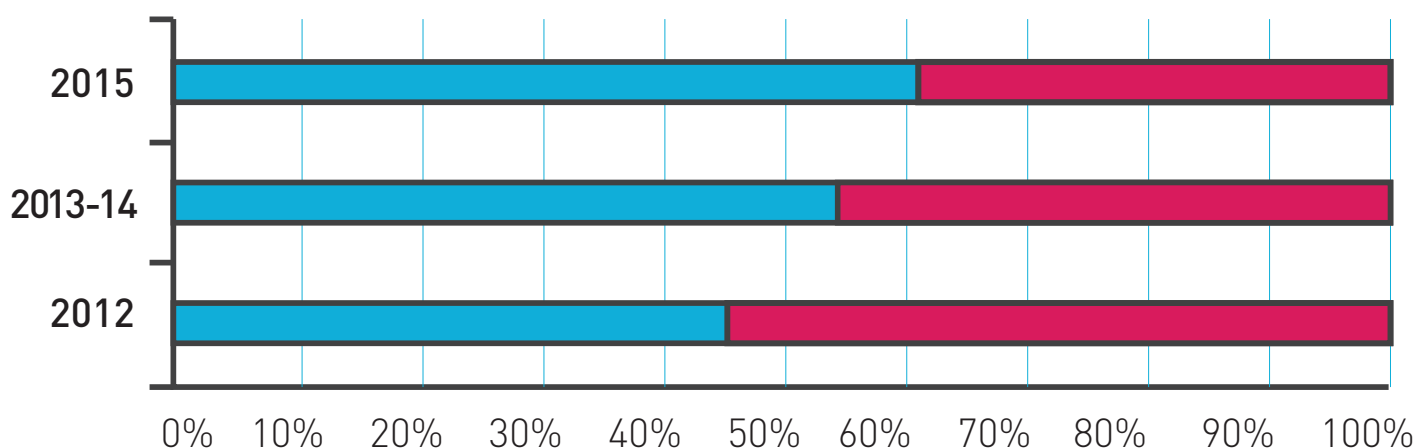
What is behind this trend is not entirely clear. But this data, as along with anecdotal evidence gathered by the AIGM and online grants management tool SmartyGrants, indicates that:

• More groups than ever before are searching for – and applying for – grants.

• Many grants applicants complain they don't have the resources, the time or even the expertise to apply for more grants.

The survey also found:

JUST OVER 42% OF RESPONDENTS **had applied for** ABOUT THE SAME NUMBER OF grants during 2015 as they had in the **12 MONTHS BEFORE THAT.**

41% SAID THEY HAD applied for more.

These findings, and anecdotal evidence the AIGM has gathered, indicate that new grantseekers start out applying for a smaller number of grants before quickly realising they don't have the capability to expand that number too far (refer to the findings further down this page).

So they maintain (or slightly increase) the number of grants they apply for, becoming more selective and targeted in their application methods in the hope of experiencing greater levels of success.

Other survey findings included:

- 39% told us they had received about the same level of grant funding in 2015 as they had in the 12 months before that. Almost 33% said they'd received more.

- Almost 78% of 2015 survey respondents received between one and five grants over the previous 12 months – a clear increase over the 2013–14 figures (68%).

  ◦ At the same time, the number of grantseekers who had applied for but not received a grant in the previous 12 months dropped from 15% in 2013–14 to 7.4% in 2015.

- Almost 32.5% of grantseekers told the 2015 survey they'd received between 21% and 50% of the grants they'd applied for in the previous 12 months. This was well down on the 42% figure recorded in 2013–14.

  ◦ However the percentage of grantseekers who had experienced a success rate in excess of 80% in the previous 12 months jumped from 14% in 2013–14 to 20.6% in 2015.

We asked grantseekers to name the two things that most commonly stopping them applying for more grants.

Lack of resources/ staff 63.9%

Lack of time 55.8%

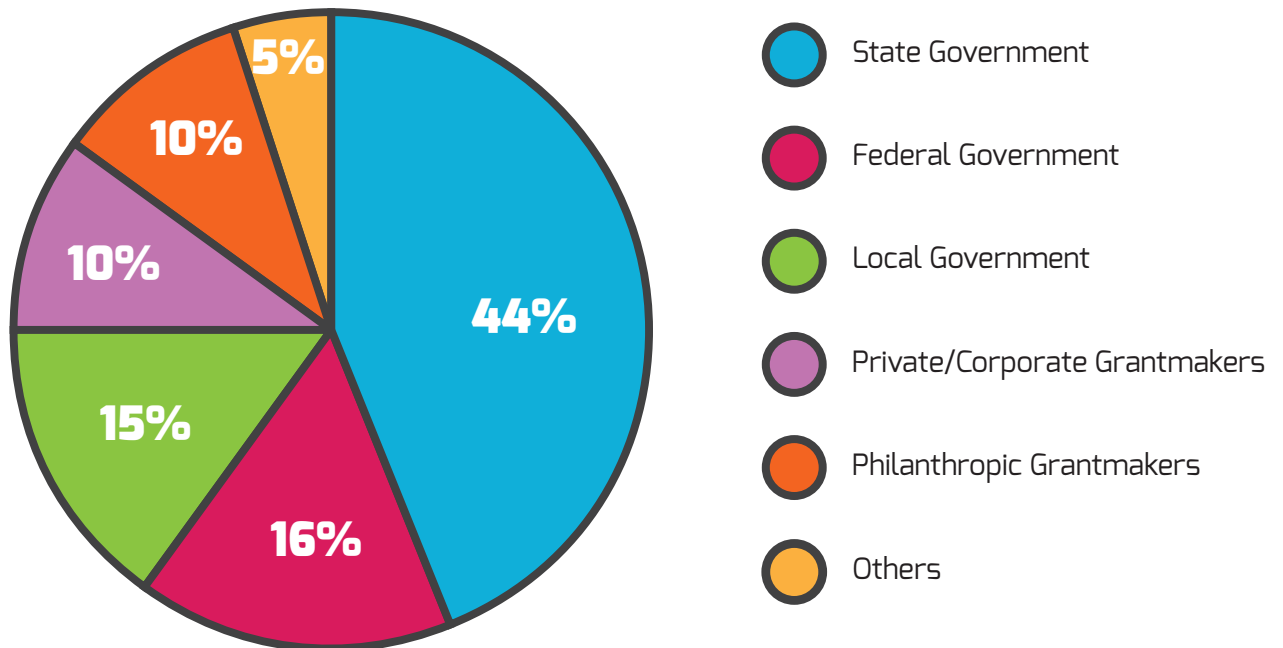**were far and away the most nominated factors.**

This clearly indicates that grantseekers lack the capacity to apply for all the grants they wish to. See pages 11 and 12 for more on what grantmakers are, and are not, doing to improve applicants' capacity.

Money in

44.2% of 2015 survey respondents said the State Government remained their primary source of grants funding. This continues a decade-long trend – between 2006 and 2012, 47% of grantseekers said State Government was their top source of grants monies.


Pie chart legend:
- State Government — 44%
- Federal Government — 16%
- Local Government — 15%
- Private/Corporate Grantmakers — 10%
- Philanthropic Grantmakers — 10%
- Others — 5%

A fraction over 75% of grantseekers told the 2015 survey that government (local, State or Federal) was their primary source of grant funds. This is slightly down on the longer term trend of 78.6% recorded between 2006 and 2012.

24% of grantseekers **received BETWEEN** **$1,001 & $10,000 IN GRANTS during 2015**
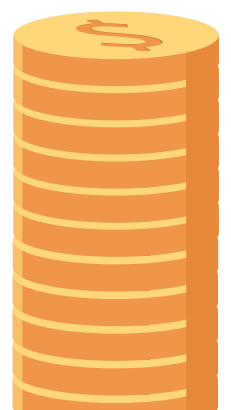
while **23.5%** received between **$10,001 & $50,000.**

Just over 12.5% received between $50,001 and $100,000 while 15.8% received between $100,001 and $500,000.

For just over 32% of grantseekers the largest single grant received was more than **$50,000.**
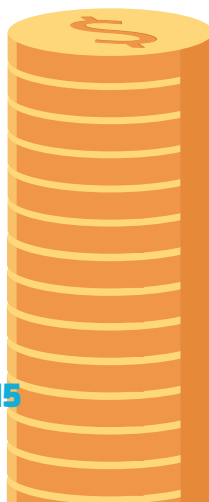
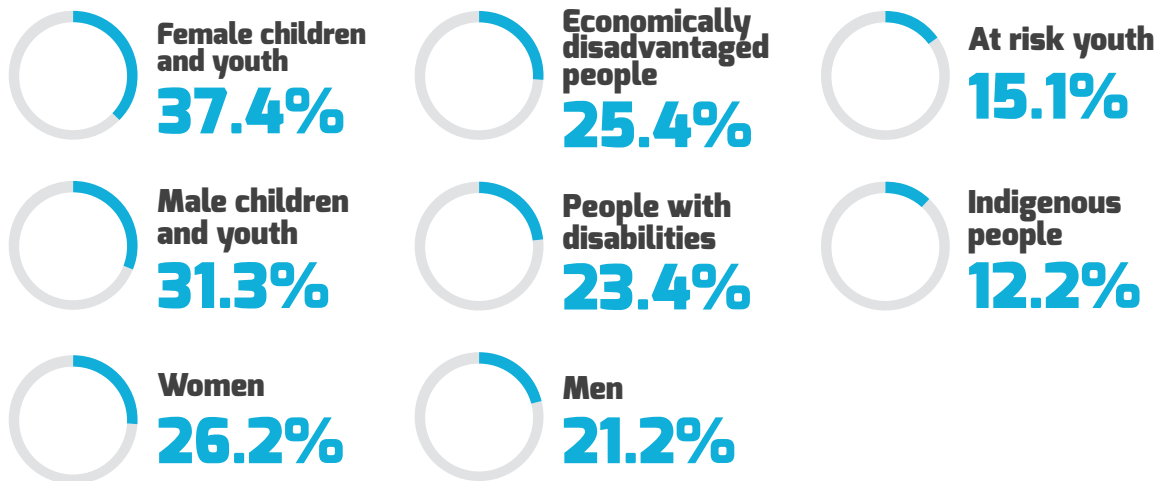**For around 82.5% of grantmakers** the smallest grant received was between **$1 & $5,000.**

Money Out

Our 2015 survey asked grantees about the beneficiaries of the grants they received. Respondents could nominate multiple population groups who would benefit from the grants they received. The main sectors of beneficiaries were

Female children and youth
37.4%

Economically disadvantaged people
25.4%

At risk youth
15.1%

Male children and youth
31.3%

People with disabilities
23.4%

Indigenous people
12.2%

Women
26.2%

Men
21.2%

Application preferences

More than 90% of grantseekers preferred to apply for grants online –via an online system or electronic form. Just 2.6% said they preferred to apply for grants via hard copy form, while 5.6% preferred to apply in person via face-to-face contact with funders.

Grantseekers' preferred application method over time

90.4%

48.0%

1.0%

2.6%

2008 2009 2010 2011 2012 2013/14 2015

● Online system or electronic form   ● Hard copy
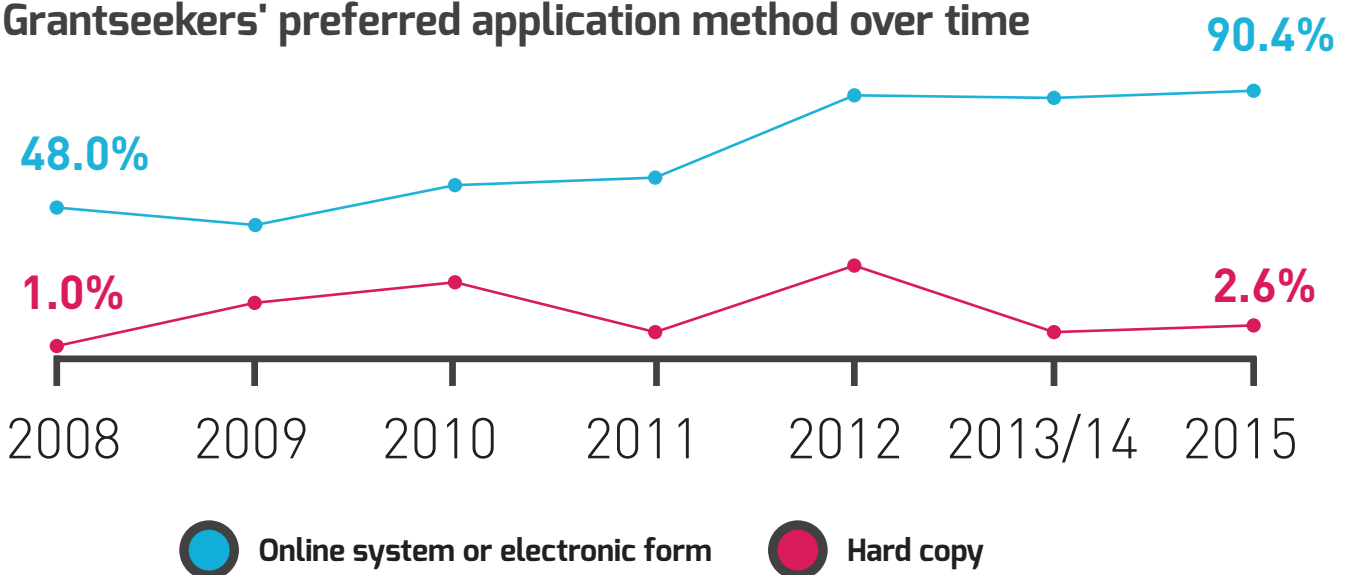
The good news is that grantseekers' application preferences are matched by how funders are asking for submissions. Just over 91% of 2015 survey respondents told us that online application systems or forms were the application method they'd used most often in the previous 12 months.

Grants for core costs and multi-year grants drying up

While every grant program is different, some worrying trends have emerged in the provision of grants funding for core costs and multi-year grants – two types of funding that grantseekers continually tell us are essential to their work.

Nearly 42% of survey respondents felt there were now **FEWER GRANTS AVAILABLE FOR CORE OPERATING COSTS** – i.e. general expenses or the cost of keeping an organisation running – than 12 months ago.

Just 4.6% thought there had been an increase.

Grantseekers have long felt funders need to improve in this area.

MORE THAN 60% OF RESPONDENTS to our 2012 survey told us funders **DIDN'T PROVIDE SUFFICIENT SUPPORT FOR CORE or operating costs.**

AROUND 77% of respondents to our 2012 survey agreed THAT FUNDERS SHOULD PROVIDE **financial support for core costs.**

Meanwhile nearly 30% of 2015 survey respondents said grantmakers now offered **FEWER MULTI-YEAR GRANTS** than 12 months ago.

ONLY 6% thought **more were being offered.**

Grantseekers have previously complained about insufficient funding in these areas.

A lack of multi-year funding, combined with a lack of grants towards core operational costs, can stifle groups' attempts at medium or long-term planning and can force them to take a shorter-term, hand-to-mouth approach.

If grantmakers are serious about working in partnership with grantseekers and truly taking account of their wisdom, they'll act to arrest this concerning trend.

Capacity building and help for grantseekers

The 2015 survey asked grantseekers about support and capacity building funders were offering.

PRE-APPLICATION BRIEFINGS

Grantmakers should CONSIDER STAGING MORE pre-application briefing sessions.

Grantseekers who responded to the 2015 SURVEY didn't find them particularly common –

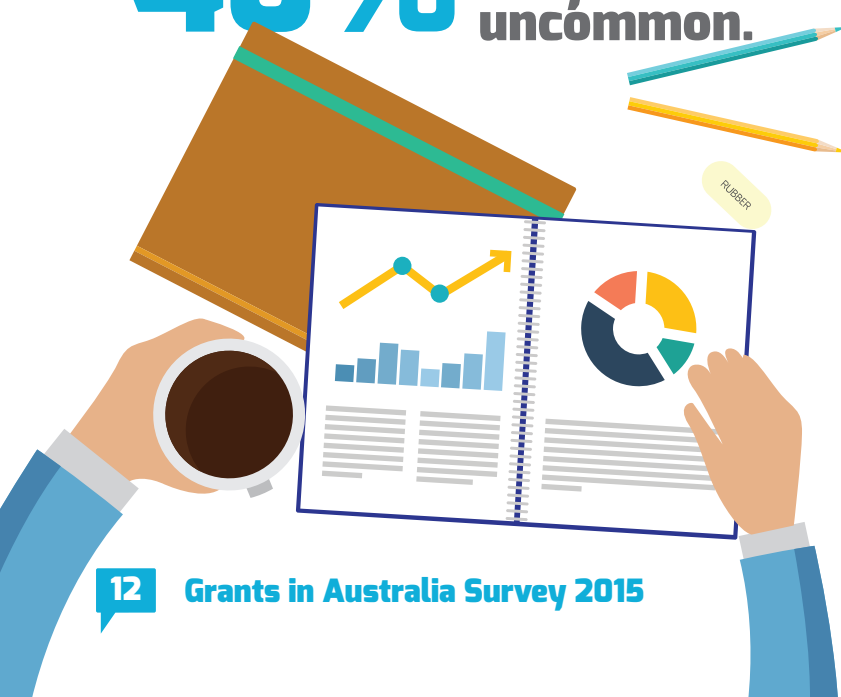ALMOST **27%** said they were common COMPARED TO **40%** who said they were uncommon.

PROVISION OF HELP & SUPPORT

AROUND HALF of grantseekers had SOUGHT HELP FROM A GRANTMAKER in completing a grant application form in the past 12 months.

Of those who had sought assistance NEARLY **90%** DESCRIBED the experience as **"generally satisfactory."**

More on the help and support grantseekers accessed while completing online forms can be found on page 18.

We examine other aspects of support – including the provision of feedback – on page 15.

Timeliness

The delay between funders accepting applications and disseminating application results continues to cause concerns.

The 2015 Grants in Australia Survey asked grantseekers to consider the largest grant they had applied for in 2015, and to think about the time elapsed between lodging their application and receiving notification of a decision.

Most respondents felt it was "OK", but a significant portion – 37% – felt the time elapsed was "unacceptable", indicating there is still plenty of room for improvement in this area.

Again, this issue isn't a new one.

Our 2012 survey found 38% of respondents felt the gap between funders accepting applications and disseminating results was "unfair and unreasonable".

It appears the needle has not shifted far in the ensuing three years.

The 2015 survey also asked grantseekers to rate all grantmakers' efforts in this area. Almost 47% described efforts as "OK", 23.7% said they were "good", but 25.6% said they were "bad".

Rating all grantmakers at providing timely communication on application results
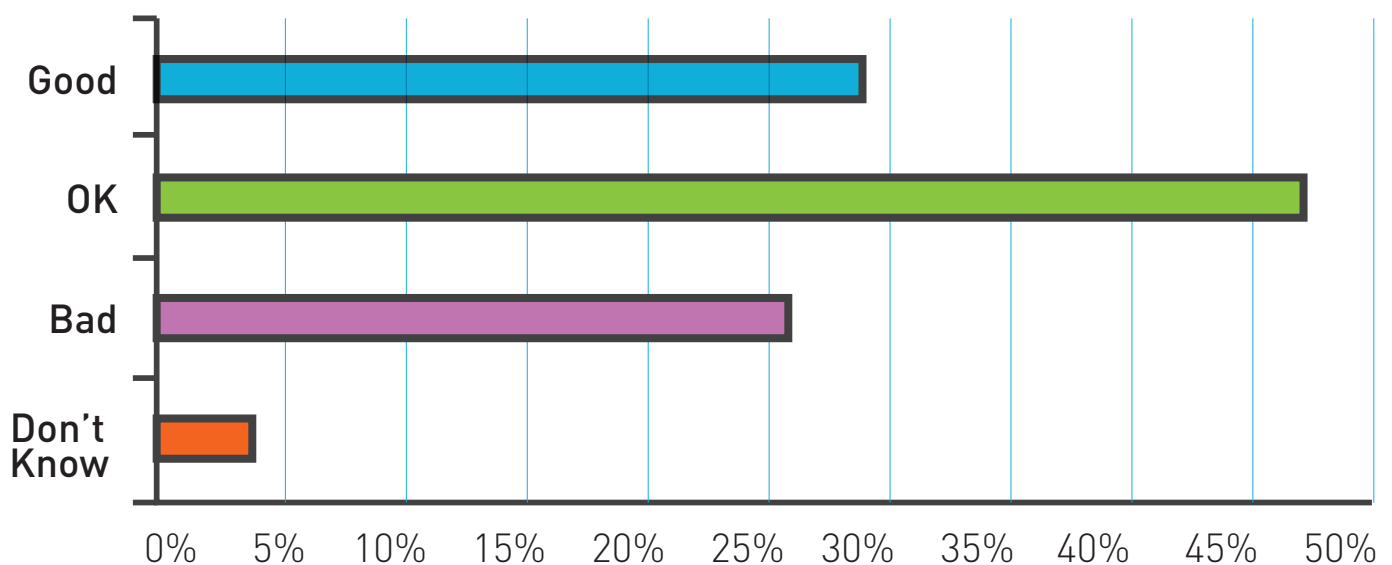
Communication... and feedback

Grantseekers gave funders a generally positive report card when it came to communication.

The vast majority of 2015 survey respondents described as "good" or "OK":

- The availability of grants program guidelines (more than 95%)
- The clarity of grant program guidelines (more than 91%)
- Grantmakers' efforts at acknowledging receipt of applications (nearly 89%)
- Grantmakers' responsiveness to phone queries (more than 78%) and to email/website queries (almost 77%)

For the most part, these results represented an improvement on the 2012 survey.

Major improvements were seen in grantmakers acknowledging the receipt of applications (around 70% in 2012, 89% in 2015) and responsiveness to both phone and email/website queries (in both cases there was an increase of more than 15 percentage points compared to 2012).

However, the news was far less positive when it came to feedback.

Funders' provision of feedback on unsuccessful applications

- ● Bad
- ● Ok
- ● Good

46.9%

25.4%

11.4%
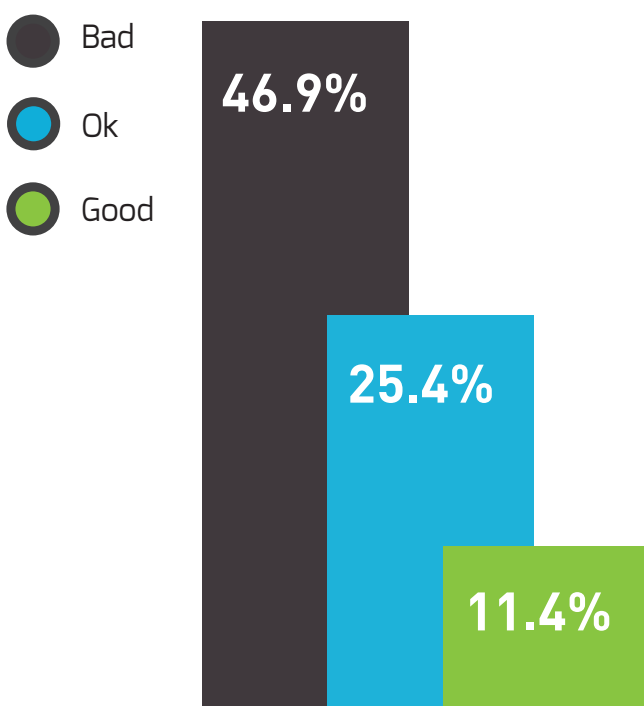
When asked about grantmakers' efforts in providing "USEFUL, RELEVANT FEEDBACK ON UNSUCESSFUL APPLICATIONS" nearly 47% described them as "bad" while only 11.4% said they were "good".

Engagement... and relationship building

Grantseekers are rarely asked to provide feedback about the grantmakers whose staff, forms and systems they encounter over the course of a year.

Just 18.6% of 2015 survey respondents said they'd been given the chance to provide feedback about a grantmaker's performance in the past 12 months.

And even when grantseekers are asked to provide feedback on funders' efforts, many are sceptical about whether it's noted and acted upon.

More than 54% of grantseekers told the 2015 survey they felt grantmakers only "sometimes" took note of and acted on feedback about their programs and processes. A further 32% felt grantmakers "rarely" took note of their feedback.

How often do grantmakers take note of, and act on, feedback from applicants/grantees?
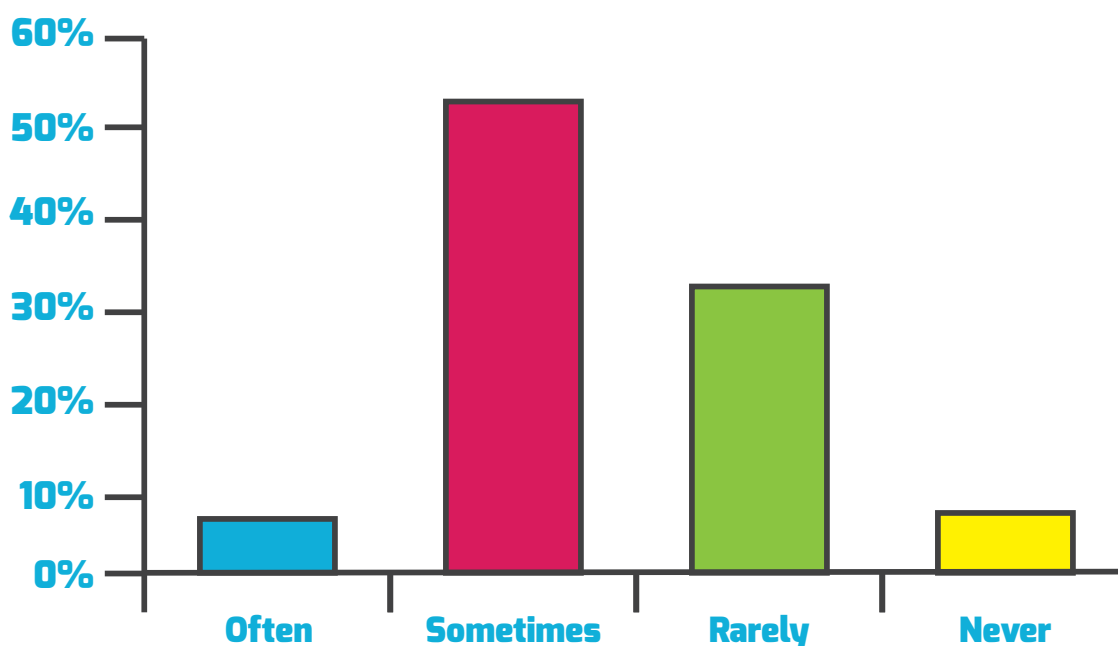
If grantmakers are going to ask grantees and applicants for feedback – and they should – then it should be a priority to inform them of how their feedback is making a difference; or will shape improvements in what grantmakers do.

Something as simple as a blog post, a note in an annual report or communications with those who have provided feedback can keep grantees in the loop.

Building a relationship

Not all grantmaker–grantee arrangements develop into meaningful relationships. Some smaller grants programs and quick-response grants may be far more "transactional" in nature.

But in most cases, some level of relationship between the two parties is important.

MORE THAN **38%** of 2015 survey respondents said funders were "often approachable and accessible" while a further **52%** said this was "sometimes" the case.

MEANWHILE NEARLY **64%** OF GRANTEES told the 2015 survey they had "often or **sometimes**" BEEN ABLE TO DEVELOP A MEANINGFUL relationship with the GRANTMAKER OR ITS STAFF.
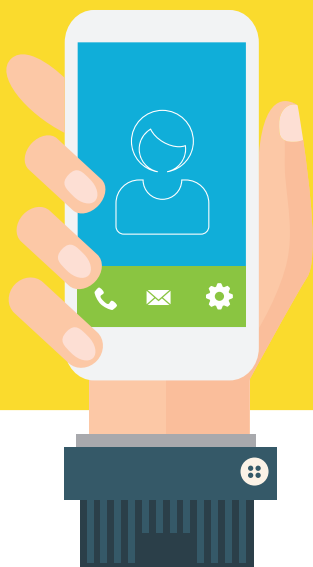
Online applications

Growth and benefits

The vast majority of grantseekers have a clear preference for applying online (see page 10 of this report).

And still the growth in this area continues.

Nearly 79% of 2015 survey respondents said online grantmaking applications had become more common in the past 12 months.

And according to grantmakers, the biggest benefits of online applications are:

- They can complete part of the application, save it and then return to it later. (This was by far the most appreciated benefit).
- Instant acknowledgement their application has been received.
- Quicker to send off or not reliant on postage.
- Saves paper and is environmentally friendly.

Online applications (continued)

Challenges and difficulties

While some grantmakers delay adopting online application systems for fear of IT glitches or unsophisticated users on the grantseeker side, our survey reveals that many of the most common problems relate to user error *on the grantmaker side.*

Common problems include poorly designed forms, inadequate provision of help, and the use of an inflexible or user-unfriendly system.

The 10 most commonly encountered problems were:

Not enough room to express answers properly (nominated by grantseekers as the most commonly experienced problem)

The inability to cut and paste information from existing relevant documents into the application

Confusing forms

The inability to save the form as applicants progressed to allow ongoing completion

Page time-out before form completion

System crash before form completion

The inability to attach supporting documents to online applications

The inability to step through all parts of the process, or poor navigation control

A lack of clarity about which stage grantseekers had reached in the application process; no indication of the length of the form and the time needed to complete it

No online feedback or help available when applicants got stuck.

Support for applicants using online systems is most often provided by email or phone.

77% of survey respondents had sought help by email AND **72%** by phone

Online applications (continued)

Improvements

When the 2015 survey asked respondents to nominate the one thing grantmakers could do to improve applicants' online experience, many of the responses related to the problems outlined on page 18.

They included:

Spell out clear word limits for each question, and ensure they can be seen as soon as you download or enter an application form

Extend word limits to allow ample room for applicants to express themselves

Use clear, simple, plain English wording on forms, and offer appropriate hint text

Provide the ability to cut and paste text within the form and from other sources

Automatically acknowledge form receipt

Provide reliable "save-as-you-go" capability, as well as the ability for applicants to save a form in progress, close the form and then resume work

Provide adequate, dedicated technical support.

Enable the automatic transfer of standard information – for example, organisation name, tax file number, address – from previous online applications

Allow applications to be saved and printed out upon completion.

Ensure adequate testing of the form in a technical sense before it goes online

Proof-read the form before it goes online

Provide a better indication of applicants' progress through the form (for example, a progress bar at the top or bottom of the page)

Allow applicants to download a sample form before they start filling the real form in, or provide a realistic estimate of the amount of time it will take to complete the form

Allow applicants to move backwards and forwards through an application without the need to complete every question

If grantseekers could fix one thing...

The 2015 survey invited respondents to share with us their biggest bugbear when it came to applying for grants.

Nearly 1000 grantseekers did so, and the variety of views and opinions offered is almost impossible to encapsulate in just a few words.

However, a number of notable trends emerged, many of them mirroring issues which came to the fore in other parts of the survey.

A summary of bugbears

Repeated questions on forms; the need to enter the same information over and over

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

Application forms for small amounts of funding taking a disproportionately large amount of time to complete

Unclear eligibility criteria, or a lack of information on what grantmakers will and won't fund

The lag in time between lodging an application and receiving notification of the result

Unnecessarily complex questions

Being told the project is a good one but isn't a good fit for the grants round being applied for, without any suggestions of other more suitable grants rounds or grantmakers

The lag in time between application success and payment of grants monies

A lack of a spell-check in online forms

Short word or space limits which don't allow full explanations or answers to questions

The lack of grants covering training, wages, capacity building, and operational or core costs

"Stock standard" feedback rather than feedback that provides insight into why an application was not successful, and the lack of useful feedback that could inform future applications

The inability to speak with someone directly – only by email or online

Inability to preview online application forms before filling them in

If grantseekers could fix one thing... (continued)

Poorly explained application processes.

Online forms which don't allow applicants to save progress as they go

The problems caused by numerous grants programs opening and closing at similar times

Short timeframes to complete and submit applications, especially given time and resources limitations in the community sector

The lack of a "what you will need to complete your application" checklist, containing required supporting documents and other information

Online forms that don't allow you to work offline, or don't have a template from which you can cut and paste responses

That many grants require a separate commitment of matched funding from other organisations or the community, which can be a challenge to source

The feeling that grantseekers need to "fit" their applications to pre-determined categories

Grantmakers who don't offer support in languages other than English

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

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

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

An enterprise of: ourcommunity.com.au