

GRANTMAKING & COMMUNICATIONS: RISKS AND REWARDS

INTRODUCTION

Louis XIV commented that “Every time I bestow a vacant office I make a hundred discontented people and one ingrate.”

Grantmakers must sometimes feel like that – misunderstood, unappreciated, and endlessly criticised.

Communications provides an invaluable tool for grantmakers wanting to prove the worth of their program to the community, to their political masters, and to other stakeholders – to reduce the discontent and the ingratitude.

It can also help to attract the right submissions, turn negative publicity into a positive, encourage new applications from different organisations, ensure new or ongoing funds to the program, and maximise a small budget by publicising the results and lessons from previously funded programs.

Even if you weren't interested in all these benefits you'd still be hard placed to ignore communications. Grantmaking is an inherently public activity:

- It involves public (in the case of local, state and federal government), taxpayer-subsidised (in the case of philanthropic grantmaking), or shareholder money, sometimes in huge quantities.
- It involves “picking winners” – people and organisations that miss out

can have a keen interest in how the decision was made; decisions about who gets what can appear arbitrary and political.

- It often involves funding of new/innovative/interesting/edgy/controversial programs/projects that are themselves inherently “newsworthy”.

There is the potential for scrutiny (and therefore management of communications), as well as outward messaging, at pretty much every step in the grantmaking cycle:

- **Circulation of the guidelines:** Is it clear what you are trying to achieve through this program? Who is party to that information – all, many, or just the privileged few?
- **Applications:** How many? What kind? How good?
- **Decision:** Who makes the decision on who gets the grant? What process do they use? Who's informed about the decision, and how and when?
- **Spending of the grant:** What is being done with the money, and by whom? Is the money safe? Are grantees doing something worthy/innovative/newsworthy?
- **Acquittal:** Did grantees stay within budget? Did they spend the money on what they said they would? Did they return any unspent funds?

- **Evaluation:** What did grantees achieve? What did this entire program achieve? Does it represent value for money?

- **Dissemination:** What do others have to learn from all of this?

Traditionally, grantmakers have not been the greatest communicators. There have been many reasons put forward for this:

- They don't know how to do it.
- They don't have the time or the budget to do it.
- They fear the creation of extra work (nobody knows, nobody applies).
- They are genuinely humble and don't want to talk publicly about their program.
- They believe in the virtue of anonymous giving.
- They think it's none of anyone else's business (most common in the private philanthropy arena).
- They don't think it's important.

Whatever the reasons for your own organisation's communications reticence, you need to get over it. Grantmakers must become better communicators. They must know who they're communicating to and why. They must be on top of modern communication methods. There are risks in doing it poorly, and rewards in doing it well.



INSIDE

- ② The risks of not communicating properly.
- ④ The rewards of good communication.
- ⑥ Things you need to do now.
- ⑩ Appendix: Grantmaking communications pyramid.

THE RISKS OF NOT COMMUNICATING PROPERLY



1 Being Australia's best kept secret

There are legitimate reasons (aside from ego or political expediency – though these are realities too) for seeking recognition for the work that your organisation is doing through its grantmaking. If you're doing good work in a particular geographical area or area of focus, others should know about it. This will help to minimise the risk of duplication and maximise the opportunities for collaboration. Getting recognition for the work you're doing will also help you to shore up (though not guarantee) the future of your program – if the public, or, more importantly, the decision-makers and budget-setters, don't know about the work you're doing, the program is vulnerable to being cut or axed. There's more at stake than your ego; there's important work that won't get done. As in many things to do with grantmaking, perception is as important as reality. You can't just do good, you have to be seen to be doing good.



2 Taking too much credit

Clumsy communications can be as damaging as no communications at all. Some programs are renowned for imposing draconian communications conditions on grantees that are more about boosting their own reputation than helping to achieve policy aims. A suggestion that the funder's logo be placed subtly on a piece of purchased equipment is one thing; compulsorily worded fawning media releases are quite another.



3 No one will understand what you're doing and why you're doing it

Without a profile, you're not going to have many friends. That leaves you vulnerable to attacks from people who don't like what you're doing, and those who are aggrieved at having missed out on your funds.



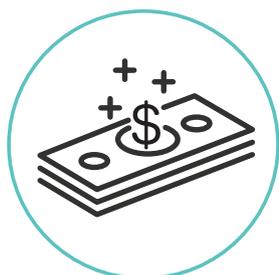
4 People may lose trust in your ability to manage money

Whether you're a government, corporate or philanthropic grantmaker, public trust and esteem is important. You can't afford to create (or let ride) an impression that you're allowing money to be lost, wasted or misspent. Again, perception is as important as reality (and perception is all about communications). A case in point: the Auditor-General provided a **generally positive assessment** for the Federal Government's 2009 school buildings stimulus spending, but you'd never know it based on the coverage at the time.



5 People may lose confidence in your processes

Getting your processes right is one thing; but you have to make sure that people know about them as well. If people don't know what process was followed in the assessment and awarding of grants then you're wide open to claims of favoritism, nepotism or corruption.



6 People won't trust your ability to spend their money wisely

There's a long line of people who think that funding for modern art is a waste of money. There are probably equal numbers who don't much rate grants to mitigate climate change. You can't let negative assessments of what you're doing predominate. You not only have to communicate who you're funding, but why.



7 You won't know what you could do better

Opening up communication channels with your applicants and grantees allows you to learn from the real-world experiences of those who have had to read your guidelines, grapple with your forms, and deal with your personnel and your processes.



8 You may miss one whole section of your 'market'

Failing to think through who you need to reach and how you can best reach them means you might fail to engage those applicants who could bring you the best results.



9 You'll waste money/effort/hard-won knowledge

At the other end of the grantmaking process, poor or non dissemination of results means that you fail to make the most of your grants dollar. Mistakes keep getting made over and over again. That means valuable grant money keeps being wasted. It's possible that no one will ever know about the waste, but that doesn't make it less of a risk.



10 You could get caught out by social media

You're damned if you do, damned if you don't. If you don't embrace new ways of communicating, such as social media, you risk being seen as out of touch. On the other hand, having poor (or no) guidelines to govern social media use, or putting inexperienced staff in charge, or just a plain old stuff-up can result in your organisation becoming unwittingly embroiled in an embarrassing public stink.

"More than 90% of US philanthropic foundations are using social media, though most (78%) still believe that emails and newsletters are the best way to reach grantees. Grantmaking Manifesto, AIGM, 2011."

From 'Social Media driving grantee communications', *Grants Management Quarterly*, Edition 2, 2011

THE REWARDS OF GOOD COMMUNICATION



1 People will know who you are

This is an advantage because

- Good grantees can find you
- Other grantmakers can find you to work up joint projects
- People may regard you as an expert and give you an opportunity every now and again to push your message – improving dissemination and diffusion.



2 People will understand what you're doing

Any type of organisation, and every grants program, exists to fulfil its mission. If no one knows what that mission is, then that work becomes very difficult indeed. Conversely, if people understand what you're doing, you'll find doors open. You'll also end up with fewer time-wasting calls asking "What do you fund?", as well as better applications.



3 People will be more engaged in your work

There are real benefits in having members of the public, or of a particular community of interest or locality, becoming more engaged in your work. You can allow the people who have the most to gain from your program help design its priorities and activities. You can open up opportunities for knowledge exchange, collaboration and partnerships. You can use crowdsourcing to decide who gets a grant (but not all the time – leave some money aside for unpopular causes).



4 Everyone will trust you more

Clear communication of your objectives and processes will engender more trust (though of course that only works if your objectives and processes are solid to start with – see next section). Even if you still remain untrusted in some quarters, the things you do and the decisions you make will be more defensible. Opening yourself up to more two-way communication (through creation of feedback channels and improved responsiveness) will also go a long way to creating more trust.



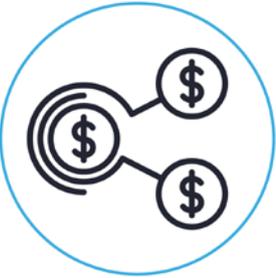
5 You'll improve your processes

Opening up the communication channels means you get to hear about the things that didn't work, either in your processes or theirs (as well as all the things that did). Of course, in providing feedback, grantseekers aren't always consistent in their suggestions. They want both greater flexibility and greater certainty, both shorter forms and more scope to explain their virtues, both instant decisions and careful consideration. You can't please everybody (and shouldn't try), but that's no reason not to listen to why they're not pleased.



6 You'll be better equipped to cope with a blow-up

Good communications can help you to build credibility – and that can be very valuable indeed in the event of a crisis/scandal/inquiry. Rule number one of crisis communications is to act quickly. If you have an existing communications plan and public presence, you'll already know how it's done, you'll already have some contacts and you'll (hopefully) have some public profile "credits" (an existing good standing) that you can cash in.



7 You'll get more bang for your buck

Communicating your results will multiply the impact of your grants. Each project pushes the knowledge of what works along another step. People learn what works and what to avoid next time. Circulation of your results can also help to lift and enhance your organisation's profile.

THE MULTIPLIER EFFECT

The Netherlands-based Bernard van Leer Foundation has given equal attention to program development and management on the one hand, and program documentation and communication on the other. They're seen as two sides of the one coin: while one area carries out the grantmaking, the other ensures that the lessons learned are disseminated to the field, therefore magnifying the results. For a good account of the thinking behind this attitude, check out '[Introducing the Multiplier Effect](#)', *Grants Management Quarterly*, March 2004.



8 You'll contribute to the body of knowledge

Giving out money is a responsibility and a privilege. The knowledge that is gained in the process is extremely valuable. Communicating what you're doing, how you're doing, and what you're learning along the way has the potential to contribute to the body of knowledge in your field, and to the field of grantmaking as a whole.



9 You'll get better with practice

The more you communicate, the better you'll become at communicating (this works both at an individual and organisational level). You can buy in expertise if you need it and can afford it, but there's no substitute for getting stuck in yourself.



10 You'll get braver with practice

A success that nobody knows about is a failure. A failure that nobody knows about is a failure that's going to happen again next week somewhere else, wasting resources and opportunities and irreplaceable enthusiasm. We all stand to learn as much, or more, from the things that didn't work out as those that did. Sharing the negatives can be a scary prospect at first, but it gets easier with practice (and you may just be surprised at how well the public and others respond to honesty).

THINGS YOU NEED TO DO NOW



1 Audit what you're doing now

Make a note of everything you're doing now in relation to communications, taking into account all parts of the grantmaking process:

- **Governance and Structure** – announcement of grant; publication of processes and policies
- **Application Process** – circulation of eligibility and guidelines; responding to queries
- **Awarding of Grants** – announcement of winners; communication with unsuccessful applicants; communication with grantees
- **Managing Grants** – monitoring, reporting and acquittal (including what happens when things go sour); communication of progress and wins along the way
- **Review and Evaluation** – celebration of successful projects, analysis and sharing of lessons learned

For each step, consider what you're communicating, when, how and to whom. Look at how much budget was allocated for and spent on communications last year. Set a new budget that balances how much you'll need with how much you think is acceptable to divert from the grants budget.

** As described in the Grantmaking Toolkit, AIGM, 2011*



2 Identify your messages

Fill in the blanks left after the audit you carried out in Step 1. Where are the gaps? Which parts of the communications process are you neglecting or could you improve on?

For each step in the process, work out some key communications messages that you want or need convey. Ensure they accord with the mission of your organisation and the purposes of your program. Keep in mind the distinction between corporate communications (messages about you) and the communication of lessons.

The latter is more important (though that's not to say you don't do the former). In the applications phase, your messages might be as simple as "apply here"; "apply now"; "apply only if you're this type of group"; or "apply only if you're attempting these types of projects". In the awarding of grants phase, your messages should include who will be getting a grant, why they were selected, what they're going to do with the grant.

You'll also need to think about what you're going to say to those who weren't successful – is it just a plain "no" or is it treated as a capacity building / relationship building opportunity?

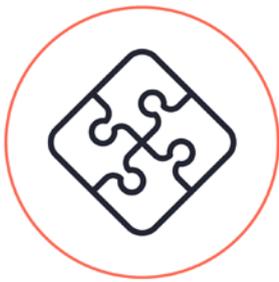
When you get to the review and evaluation phases, you need to be thinking about not just reporting on what your program achieved, but what was learned along the way.



3 Identify your potential audiences

Consider all of the potential audiences for your all of your various messages.

Again, you will need to take into account each step of the grantmaking process. Who are the people who may want or need to know these things? Your audience is certainly going to include potential applicants, grantees and unsuccessful applicants. Your audience may also include the public (through the media; particularly if you're dealing with public money), colleagues within your organisation, colleagues outside the organisation (other funders; others working in your field of interest), and decision-makers.



4 Get your house in order

Communications are not (or shouldn't be) about disaster control. For grantmakers, the main aims should be transparency, clarity and collegiality. That said, you do need to make sure that your processes are strong enough to stand up to scrutiny. **AIMG's Tools and Resources** website will step you through all the policy thinking you need to do. Then think about the parts of the process that are particularly risky from a public relations viewpoint, and how you might be able to mitigate those risks. For example:

Risk	Remedy
Disgruntled unsuccessful applicants Shock-jock attack on grants decisions	Clear and defensible decision-making criteria and policies (e.g. clear and transparent conflict of interest rules); strong grantseeker feedback processes; vigilant and vocal media monitoring
Public money wasted on poorly managed projects/ fraud	Good assessment of organisational capacity during application and monitoring phases; clear documentation of performance management issues and actions
Outrage (public or sector-specific) over reduction or withdrawal of funds (e.g. sudden axing of a grant program, or a change in focus)	Clear communications about terms and duration of funding and how it fits into the bigger picture; provision of advice about alternative funding sources

Knowing where the possible pain points are doesn't necessarily help you avoid them, but it does leave you a little more prepared in case they do flare up.

At this point you also need to think about the sort of guidelines you need to have in place in order to provide some loose boundaries for your communicators. If you don't have them already, now's the time to put in place a social media policy and a communications policy that clearly spell out who is authorised to say what to whom, by what methods and under what circumstances. Some sample communications policies are available in Our Community's Policy Bank – www.ourcommunity.com.au/policybank.

A word of warning: Don't get too hung up on controlling the message. While no one wants anyone to go off half-cocked, some grantmakers become so obsessed with risk management that they miss valuable opportunities to publicise their program, their grantees, their outcomes and their learnings.



5 Identify your communicators

Someone needs to have overall oversight and responsibility for your program's communications. If it's all too random you'll end up with mixed messages and missing components.

Of course, the person in charge doesn't necessarily need to be the person doing all the communications (though in smaller organisations they probably will do all of it).

If you do have the luxury of carving things up, who does what will largely be dictated by what communication methods you will be using – see next step.

Consider hiring in experts if you have the funds and you need the expertise (though do try not to overcomplicate things – communications are not that hard if you know what you want to say, and you've thought about the best ways to say it). Encourage those with responsibility for your communications to try to become good storytellers. Facts and figures are important, but the best way to get your messages across is by telling the stories of your grantees. Look out for things that make for a good story – conflict, drama, morals and happy endings.

In all your communications, avoid jargon, acronyms and buzzwords.

A more difficult factor to control (but one that will have big pay-offs if you get it right) is the attitude of your communicators, particularly your front-line staff. The AIGM has surveyed grantseekers over many years on a variety of topics. One constant source of complaint has been the attitude of grants communicators.

"Be straight up, we can take it," one 2009 respondee said. "Remember you're a human being, not just a public servant. It's NOT your money," said another. "Treat your grantmaking as a collaborative process, where grantmaker and grantseeker are feeling their way together through the maze to the prize. Each of you has insights into strategies, and you'll do better if you keep exchanging advice and encouragement," was the advice from yet another respondent.

The knowledge and training of your communicators is also important.

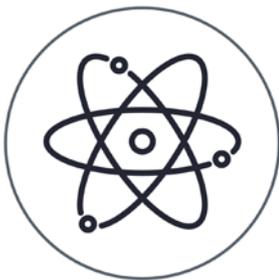
"Pay your staff enough to reduce staff turnover, and train them before they're put in positions where they're required to have contact with the public," one survey respondent suggested.

"When you're picking people to work on the reply desk, try to make sure they have good people skills, they're not overworked (do you need two people on during the pressure time?) or burned out, they're given all the necessary information so that they don't have to bluff or fudge, the duty isn't passed on to new staff too often, and they know they have to return calls and emails – ASAP.

It's only reasonable: If you're cranky with callers, that makes both of you feel bad.

"Strategic communications is identifying specific messages and information, deciding to whom you will convey them, thinking about why you want to disseminate them to your chosen audiences, selecting how you will get that word out, then measuring the results of the effort."

California Wellness Foundation



6 Identify your methods

You need to take a two-pronged approach to working out what communication methods you're going to use. Think about:

- What communication method/s best suit each of the messages you're trying to convey; and
- What communication method/s will be most effective at reaching your target audience/s. (Check out the Grantmaking Communications Pyramid [Appendix 1] for some ideas.)

For example:

What	Who	How
Applications open	Not-for-profits working in the field	<ul style="list-style-type: none"> • Media release targeting local media and not-for-profit sector publications, including multicultural media • Social media – Twitter; Facebook • Community noticeboards • Email to database • Newsletter item • Flyers at reception and distributed through direct mail • Information sessions • Call centre briefed
	Internal (staff)	<ul style="list-style-type: none"> • Intranet • Training
Dissemination of lessons	Internal (including decision-makers and staff)	<ul style="list-style-type: none"> • Email bulletin (links to report/video online) • Intranet
	Not-for-profits working in the field	<ul style="list-style-type: none"> • Report • Video on YouTube (link circulated) • Podcast • Social media – Twitter and Facebook

What	Who	How
	Other funders	<ul style="list-style-type: none"> • Report • Video on YouTube (link circulated) • Podcast • Social media – Twitter and Facebook • Convene roundtable / briefing • Presentation at conferences • Issuing of report (include links to video)
	Members of the public	<p>Social media – links to report, video and podcast</p> <p>Media release – mainstream media</p>

As you'll see above, one communication method per message usually won't cut it.

A multi-pronged strategy doesn't have to be as hard as it sounds. Reduce, reuse, recycle. Write a report. Send a media release based on the report. Take a line from the media release to send a tweet. Use the same line for a post on Facebook (and provide a link from both the tweet and the Facebook post to the report). Reproduce the media release and send it out as an email.

If it's a really compelling message, make the words come to life in a video or animation.



7 Consider Timing

You'll also need to give some thought to timing of your communications – for example, generally it's good practice for successful and unsuccessful applicants to be notified of the result of their application at roughly the same time; otherwise you risk organisations finding out accidentally that they've missed out.

You also need to make sure your frontline staff know that a new round is opening before you spread the word among applicants (it sounds obvious, but it does happen the other way around from time to time).



8 Evaluate

At the end of each grant round (or at least annually), step back and evaluate how successful you were at reaching the right people with the right messages at the right time. Ask frontline staff what questions they got, which bits of the form people most commonly needed explaining, what were the most common reasons for submissions being ruled ineligible, and which target organisations were missing from the application pool.

Some indicators of success will include:

- Decision-makers aware and supportive of program aims, objectives and successes
- Other funders aware of program aims, objectives and successes
- Community/ies of interest aware of program aims, objectives and successes
- Public (where relevant) aware of program aims, objectives and successes
- Decision-makers and community aware of and have confidence in structures/governance/processes
- Good number of applications (and a steady growth in numbers, if relevant)
- Good quality of applications
- Unsuccessful grantees understand and respect decision-making process
- Grantees feel they are equal parties to a partnership
- Grantees feel supported and able to be honest about challenges
- Relevant media are aware of program/projects progress and outcomes
- Policymakers, other funders and those working in the field are aware of program outcomes, including lessons learned along the way.

APPENDIX GRANTMAKING COMMUNICATIONS PYRAMID

Dead-Set Winners

(Low cost/effort – every grantmaker should do these)

- The name of your program clearly states what it is and what it does
- Grantmaking policies, processes and procedures (including but not limited to those relating to your communications) are clear and defensible
- It is clear who is authorised to say what about your program, to whom, by what methods and under what circumstances.
- You have a website (tested for viewing by people with disabilities and compatibility with a variety of web browsers)
- Your website has a clear path to your grants information page
- Your grants information page includes all key dates and links to all relevant information, including forms
- Your website (including all grants information) is up to date
- Your website (and the grants information within it) can be easily found via search engines
- General contact details (phone and email) are correct and easy to find
- Information officers or a call centre are available during business hours
- Guidelines are written in plain English (no acronyms or buzz words or jargon) and available on your website and in hard copy where requested. Guidelines include
 - Eligibility criteria
 - Amount available (minimum and maximum; per program, per grant)
 - Program priorities
 - Application procedures
 - Funding conditions
 - Timelines
 - Contact details
- Forms are logical, and ask for the minimum required to aid assessment/evaluation and no more
- Checklists are available to aid completion of all forms
- FAQs, available on your website, are reviewed after every grant round
- Information about the decision-making process and participants is clearly articulated and available on your website
- All applicants are notified when you've received their application and what the process (including timeframes) will be from there.
- Successful and unsuccessful applicants are notified at roughly the same time about the result of their application
- Your frontline staff are well-briefed, well-trained and good communicators
- Key communication channels (not-for-profit media, peak organisations, online/real-life notice boards) are identified and utilised
- You have a well-maintained database (including email and snail mail addresses and phone numbers) of key contacts, including past applicants and past grantees
- You answer all calls and emails within two business days
- You have identified key messages for each stage in the grantmaking process
- You have identified key audiences (e.g. potential applicants, successful and unsuccessful applicants, the public, colleagues, peers, other funders, decision-makers, budget-holders, media) for each message.
- You are aware of the benefits and drawbacks of all communications methods (website, intranet, newsletters, multi-media, PR/media releases, speeches, conferences/events, emails, email footers, ads in traditional and online media, online and traditional message boards, chat rooms, direct mail, newsletters, posters, pamphlets, postcards, flyers, reports, social media, roundtables, etc.), and keep track of new opportunities and developments

Good Practice

(Requires moderate investment but will provide good return)

All of the above, plus:

- You have a communications plan
- Staff time and budget are set aside to ensure the communications plan can be put into action
- The names and contact information of key personnel are readily available via your website
- You have a toll-free number, with staff available to answer calls during business hours
- Guidelines include:
 - o Number of applications received last round / likelihood of success
 - o Average amount given last round
 - o Examples of well-completed application forms, along with an explanation of why they are considered good
- You answer all calls and emails within one business day
- All key documents/forms are translated into relevant community languages
- FAQs include a FMM (Frequently Made Mistakes) checklist. Both are reviewed annually
- Unsuccessful applicants are provided with good-quality feedback on why they missed out
- All applicants (successful and unsuccessful) are surveyed on their experience with the application process
- You have Facebook and Twitter accounts, updated occasionally
- A basic written report on program outputs is produced annually or after each round
- Your contacts database can be sliced and diced to allow targeted communications
- Communications with stakeholders is recorded on your contacts database
- All key stakeholders are included in your communications activities
- Grantees and their achievements are publicly celebrated
- You carry out an annual evaluation of the effectiveness of your communications methods in reaching the right people at the right times with the right messages

Cutting Edge

(High cost/effort with high returns)

All of the above, plus:

- You have a toll-free number available during business hours and after hours
- You answer all calls and emails more or less immediately (during business hours)
- Your website has a link from every page to your grants information page
- You have a grants blog, updated regularly with information for grantees and others interested in your work
- You have Facebook and Twitter accounts, updated regularly, and integrated with (and publicised through) your other communications channels
- You look for opportunities to collaborate with grantees on communications efforts – e.g. contributing to their media campaigns
- You create multimedia (video/audio) content to publicise program outcomes and lessons learned
- You have identified program ambassadors who attend your events, are quoted in your media releases and speak publicly in support of your program
- Lessons learned (including grantmaking lessons) are analysed and disseminated

About AIGM

Australian Institute of Grants

Management: Best practice education, support, training and services for government, philanthropic and corporate grantmakers, including Australia's most-used online grants management solution, **SmartyGrants**.

Semi-regularly our **AIGM Grantmaking Lab** will look at a grantmaking-related issue in detail. These Grantmaking Lab articles present the issue and approach its discussion from the AIGM's viewpoint drawn from knowledge garnered over our time in the industry.

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