Grants in Australia Survey

2008 EDITION

aigm | Australian Institute of Grants Management

An enterprise of: ourcommunity.com.au

About the Survey

The 2008 Grants in Australia Survey is the third time the Australian Institute of Grants Management (AIGM) has asked questions to Australian grantseekers about their experiences with grantmakers and grantseeking.

This year's survey contained an expanded range of questions which could be categorised into four different 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".

4. Grantseekers' impressions of grants program accessibility, and of the red tape they encounter.

Again we asked grantseekers to nominate their "biggest bugbear" when it came to grantmakers' behaviour, as well as the more positive areas of grantmakers' work that they have encountered.

And lastly, we focussed on the increasingly important area of technology in grantmaking, gaining grantseekers' insights into how grantmakers were using technology and what they were doing right – as well as where they could improve.

Top 5 takeaways

1.

There has been a noticeable improvement in many areas of grantmakers' efforts:

2.

Online application processes increasing.

The really positive news to emerge from the 2008 Survey is the uptick in a number of areas relating to how – and how well – grantmakers provide and convey key information to grantseekers.

There were noticeable improvements in areas including how grantmakers:

· Provided information on average grant amounts and about previously funded projects and groups.

· Advertised their grants program.

· Provided information on their websites.

· Provided contact details for grants staff.

· Personally responded to inquiries via an inquiry line or by phone.

For more, see page 10.

A growing number of grantmakers are employing technology across aspects of their funding; with online applications one such area.

Grantmakers have welcomed the move, though many believe there are improvements still to be made.

Overall, survey respondents felt grantmakers had improved when it came to the application and acquittal details they requested of them.

For more, see page 13.

3.

Grantseekers' acceptance of technology is growing.

4.

Grantmaker feedback and customer service can still improve.

The 2008 Grants in Australia Survey saw grantseekers clearly express the benefits they see of going online to apply for applications, as well as urge grantmakers to continue to improve and refine their efforts in this area.

Grantmakers favoured online applications because:

· They made it easier negotiate deadlines – especially in rural and remote areas.

· They are "paperless", more environmentally friendly, and used fewer resources.

· They are quicker and more direct (and bypasses the need to use costly and less predictable postal or courier services)

For more on this, as well as more on some of the frustrations experienced by grantseekers when "hopping online", read from page 18.

Respondents to the 2008 Grants in Australia Survey said there had been an improvement in the levels of feedback and customer service in comparison to the previous year – but it remains clear that grantmakers still have plenty to do.

Grantseekers who responded to the survey were particularly critical of funders' efforts at providing feedback, which was listed among respondents' biggest bugbears.

For more, see page 16.

5.

Red tape levels and accessibility to grants programs not good enough.

We first looked at issues surrounding red tape and grants program accessibility in last year's Grants in Australia Survey.

This year we devoted specific questions to the issues, and were told loud and clear by respondents that many grantmakers' efforts weren't up to scratch.

For more, see page 17.

Top recommendations

1. Standardise and simplify your forms.

Whether your forms are online or hard copy, grantmakers should ensure they are straightforward, easily understood, free of confusing jargon and easy to follow.

Application forms are close to the first impression you will make with many grantseekers, while other forms you produce form integral parts of your relationship with those you fund.

In addition, avoid asking for the same information, or asking the same questions, over and over. These are long-time bugbears for grantseekers.

Put some extra time, and some real thought, into your forms. Grantseekers will appreciate it, and the information you receive in response should improve.

2. Develop a communication plan for your grants programs.

Poor communication from grantmakers and poor levels of feedback remain high on grantseekers' list of bugbears.

Any grants program you establish should, as part of its development, include a communication plan.

The plan should cover how you are going to spread the word to grantseekers, at what stages (and in what ways) you'll offer feedback, how grantseekers will be "kept in the loop".

Having a communication plan in place before you start – and one which is developed in conjunction with your grants program – means you know exactly what you are going to do, and at what stage of your program you are going to do it.

3.

Using technology is great, but it isn't so great if it isn't used well.

Grantseekers are embracing grantmakers' increased use of technology ... but have also expressed clear concerns over its use.

The Focus on Technology in Grantmaking section (see page 18) of this report clearly sets out grantseekers thoughts on the topic, and highlights the concerns they have over poorly designed online grants forms which can't be saved as they go along, or don't allow enough room for good descriptive answers to questions.

4.

Cut the red tape, improve accessibility and consider different grants programs or funding priorities.

Grantseekers are frustrated by red tape and by being unable to access certain grants programs due to their size, what they wish to use the funding for (eg: core costs) or their DGR status.

Funders should examine how they can improve accessibility to grants – perhaps by running separate grants rounds limited by applicant size or type (DGR/non-DGR).

Consider also setting aside money to fund groups' core costs.

5.

Grantseekers appreciate and welcome feedback. Make yours count.

A good communications plan should allow for – and detail – the provision of feedback from grantmaker to grantseeker.

Applicants have repeatedly described funders' efforts at offering feedback as poor (see page 16). And there are few things more disheartening for a grantseeker than putting in a lot of work on an application only to receive no feedback and no explanation as to why it hasn't made the grade.

Offering meaningful, relevant and honest feedback is also beneficial for grantmakers too, given they have a stake in ensuring grantseekers' applications are as high quality as possible.

Grants funding sources

As with previous Grants in Australia Surveys, nearly half our respondents said their primary source of grants was their respective State Government.

In all, 47.8% of respondents said their State Government was their primary source of grants. Nearly 19% nominated the Federal Government (18.7%, up from 13.5% in 2007) while more groups are receiving the bulk of their funds from philanthropic organisations (16.7%) than in previous years.

Local Government was the primary grants source for 12.9% of groups (down from 17.3% in 2007) while far fewer groups received the bulk of their funds from private or corporate grantmakers than previously (3.8% this year, down from 7.7% in 2007).

What is your primary source of grants?

Source	Percentage
State Government	47.8%
Federal Government	18.7%
Philanthropy	16.7%
Local Government	12.9%
Private/ Corporate	3.8%
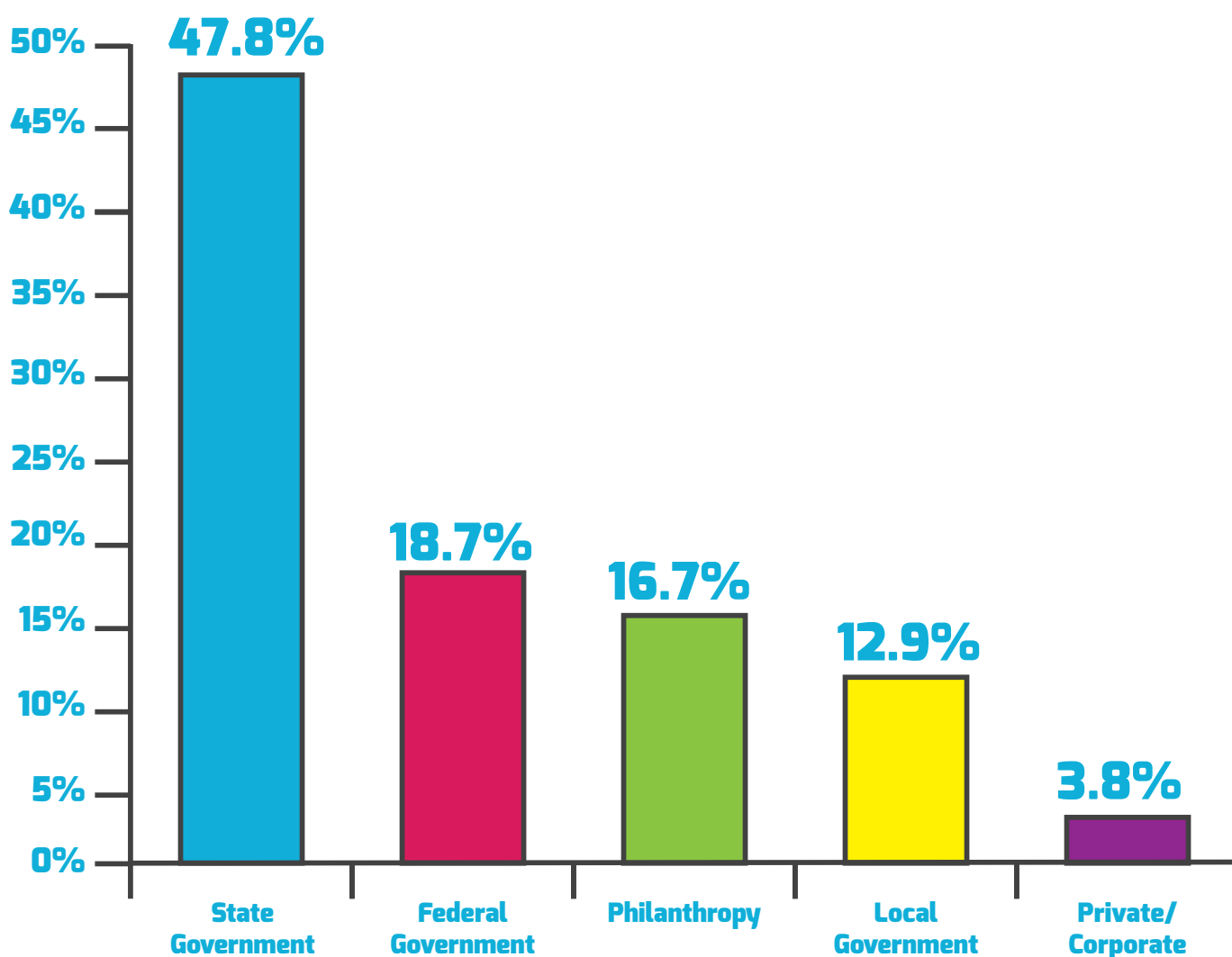
Grantmakers' information provision

In previous years' surveys, the amount – and quality – of information provided by grantmakers has been criticised.

The good news is that the 2008 Grants in Australia Survey shows noticeable improvement across a number of areas.

The good news

21% of respondents described as "excellent" grantmakers' provision of information on average grant amounts. ▲ **from 15% in 2007.**

A further 68% said grantmakers' efforts were "OK".

Grantseekers felt funders were doing a far better job of advertising their programs. More people thought funders were doing an "excellent"

(12% compared to 8% in 2007**)** or "OK" job **(51%** compared to 42% in 2007.**)**

21% said grantmakers did an "excellent" job of providing information about previously-funded projects and groups ▲ **from 12% in 2007.**

Some **77%** of respondents said grantmakers' efforts in this area were "OK" or "excellent", up from 70% in 2007.

71% of respondents said grantmakers were "excellent" or "OK" at providing enough time for applications to be written and submitted, ▲ **from 64% in 2007.**

Respondents also felt there had been improvements in online information provision, as well as the provision of contact details for staff.

Other results

There remains some room for improvement in a few areas when it comes to information provision – though far fewer than previously!

47% of respondents thought grantmakers could improve in their efforts when it came to providing information on the phone outside business hours.
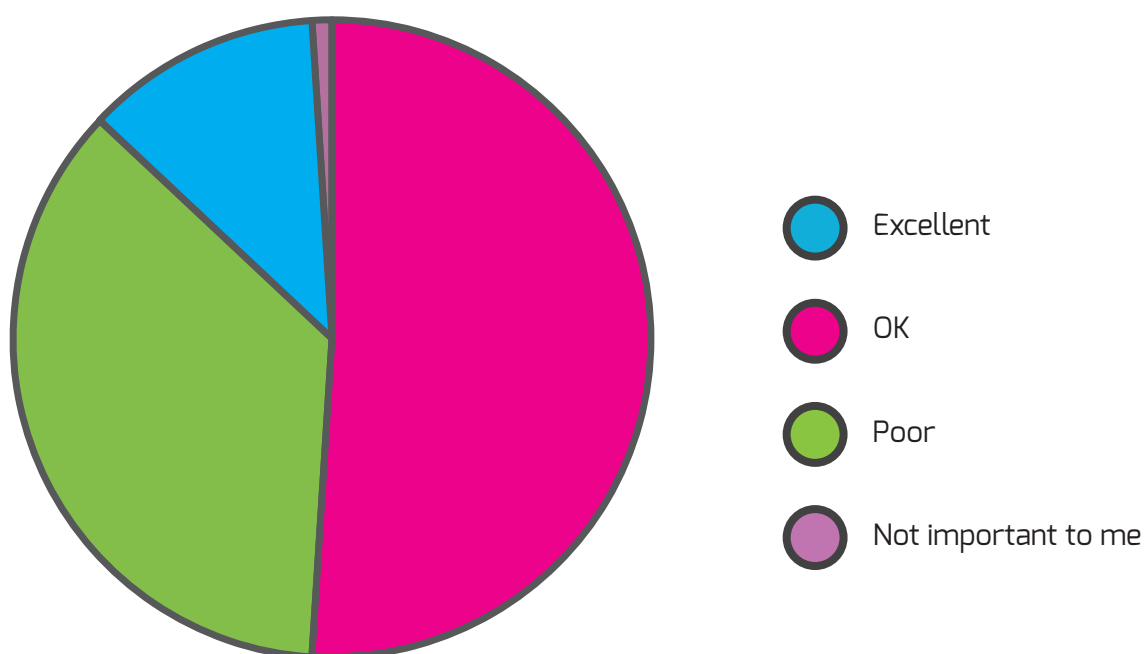
36% of respondents believe grantmakers remained "poor" at advertising their grants programs. This however was a big improvement on the 49% figure recorded in 2007.

Grantmakers' information provision (continued)

Grantseekers felt funders were doing a far better job of advertising their programs.

More people thought funders were doing an "excellent" (12%, compared to 8% in 2007) or "OK" job (51% in 2008, compared to 42% in 2007).

2008 - Advertising of grants program

- Excellent
- OK
- Poor
- Not important to me

2007 - Advertising of grants program

- Excellent
- OK
- Poor
- Not important to me
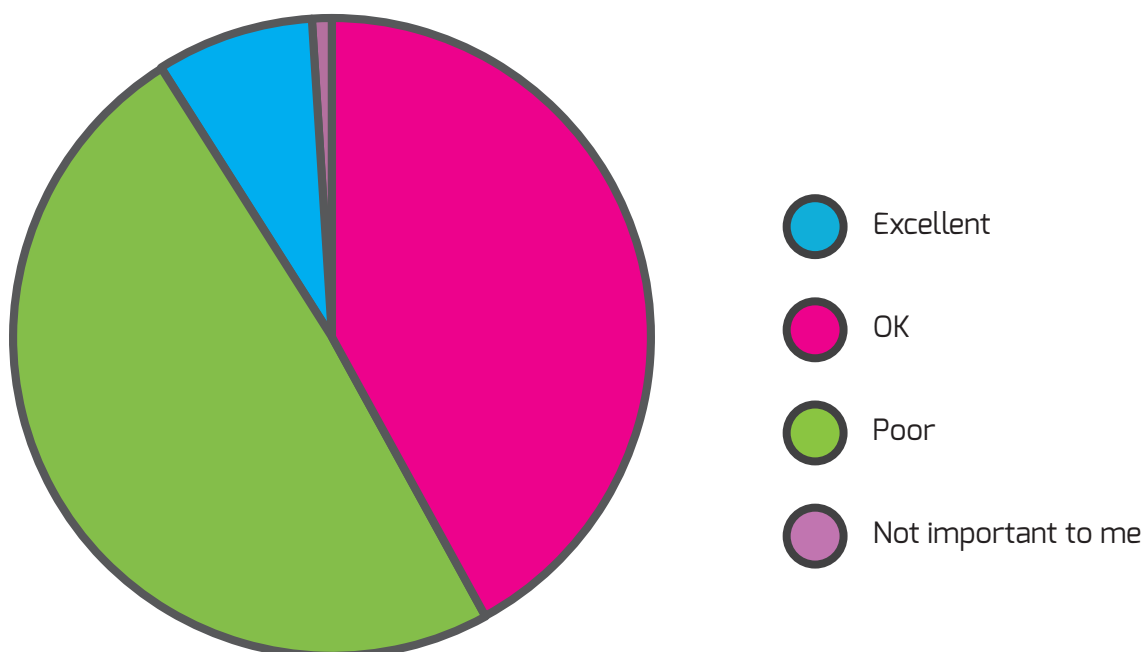
Bouquets and Brickbats

When asked to highlight the biggest bugbears they faced, survey respondents again put "poor communication from grantmakers" at the top of their list.

Of course the concept of "communication" also included issues linked to feedback and customer service – two areas in which grantmakers felt funders could do better.

But the improvements in this survey far outweighed the concerns. When asked about what grantmakers were doing well, the responses clearly supported improved information provision:

Grantmakers appear to be working harder to reach broader audiences - this is excellent.

Information online is improving dramatically.

More and more grantmakers are providing guidelines and clear deadlines.

My overall experience in speaking to grants staff has been overwhelmingly positive.

GRANTS STAFF CALL

Applications and acquittals

While there was noticeable improvement in a number of areas relating to grantmakers' provision of information, the story when it comes to applications and acquittals was a little more mixed.

There were a couple of noteworthy improvements, with some other areas not shifting far at all compared to last year.

More grantseekers funders were doing an "excellent" **(16%** **compared to 12% in 2007)** **or "OK"job** **(69%** **in 2008, compared to 66% in 2007)** **when it came to grant acquittal requirements.**

82% **of respondents thought grantmakers were doing an** **"EXCELLENT" or "OK" job in ensuring the clarity of their grants program guidelines and application forms.**

For the first time, we also asked respondents their thoughts on reporting requirements. Overall, 86% said grantmakers' efforts were "excellent" (16%) or "OK" (70%).

However there was room for improvement when it comes to online application processes, with 40% of respondents saying grantmakers' efforts were poor.

Given the fact that many grantmakers are only just starting to focus on online applications, this finding is understandable. That more than 55% said efforts in this area were "excellent" or "good" is in fact quite heartening.

Applications and acquittals (continued)

While there was noticeable improvement in a number of areas relating to grantmakers' provision of information, the story when it comes to applications and acquittals was a little more mixed.

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Grant acquittal requirements

Legend: 2007, 2008

Categories: Excellent, OK, Poor, Not important to me
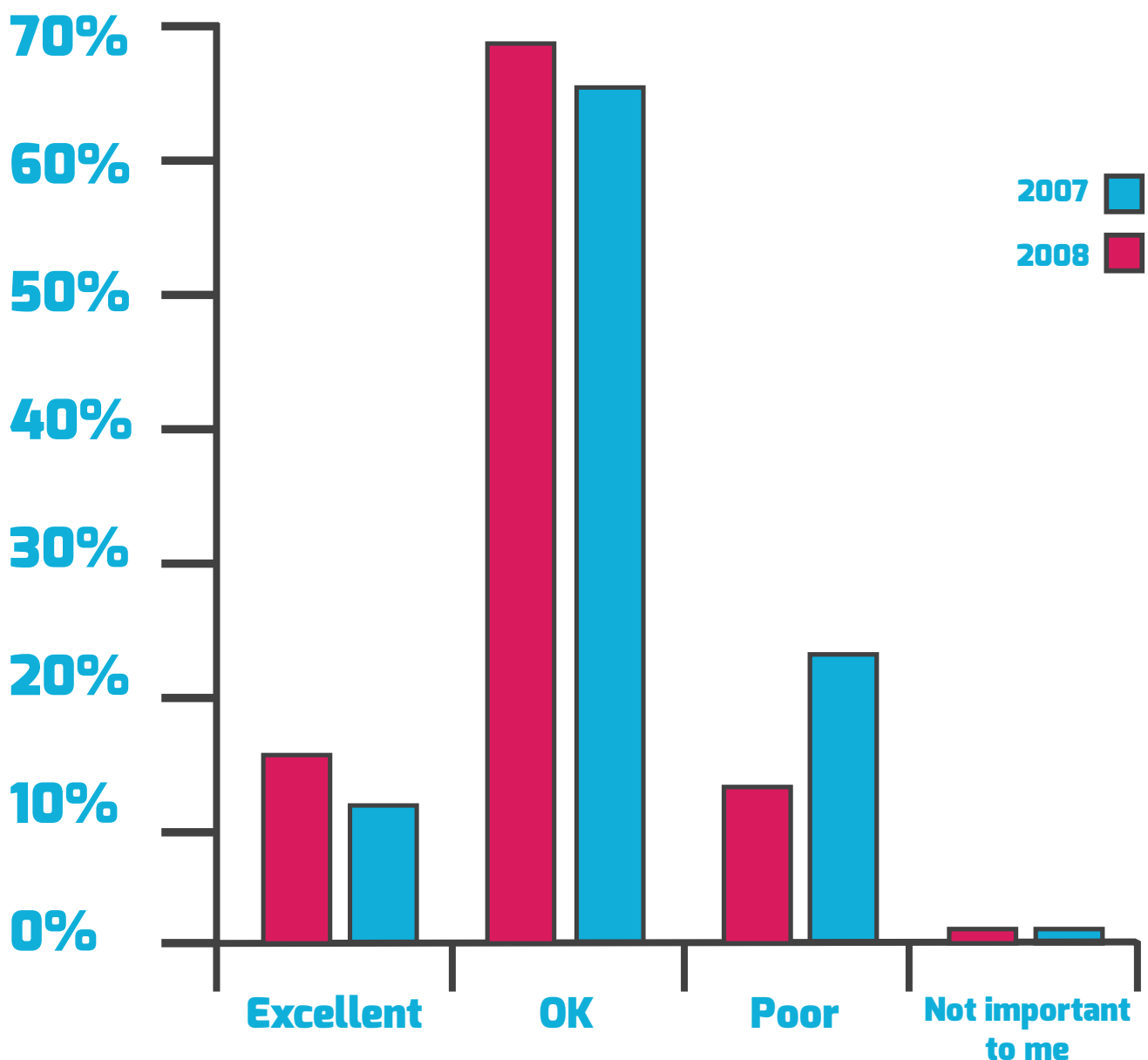
Bouquets and Brickbats

Not surprisingly (given the results from the previous page), application processes were mentioned by many respondents as a key bugbear when applying for grants.

Many survey respondents highlighted "unrealistic timeframes" as an issue, saying there was: "too long between applying and hearing if you've been successful; too little time provided to get your application in."

Other concerns included:

Duplication in information requests in application forms.

Having to provide the same information again and again (suggestion that grantmakers move towards warehousing of grantseekers' information so they only have to provide their basic details once).

Grantseekers also had some positive feedback:

Application forms are getting easier to complete.

"(We appreciate) the time they must spend sorting through applications.

More and more grantmakers are providing guidelines and clear deadlines.

Feedback and customer service

Most respondents to the 2008 Grants in Australia Survey remained critical of grantmakers' efforts when it came to giving feedback on their applications.

Only 24% of respondents felt that grantmakers were "excellent" (3%) or "OK" (21%) at giving feedback on their application. The worry remains that this result represented a slight improvement over 2007.

And 31% of grantseekers still felt that grantmakers' basic customer service – answering and returning calls and emails – was "poor".

The silver lining to that result is that it is an improvement from the 37% who felt it was "poor" in 2007.

Two of the most commonly-nominated bugbears among respondents to the 2008 survey were "poor communication from grantmakers" and "a lack of feedback".

Clearly grantmaker feedback remains a big issue with a large number of grantseekers.

Giving feedback on your application:

75%

21%

3%

- Excellent
- OK
- Poor
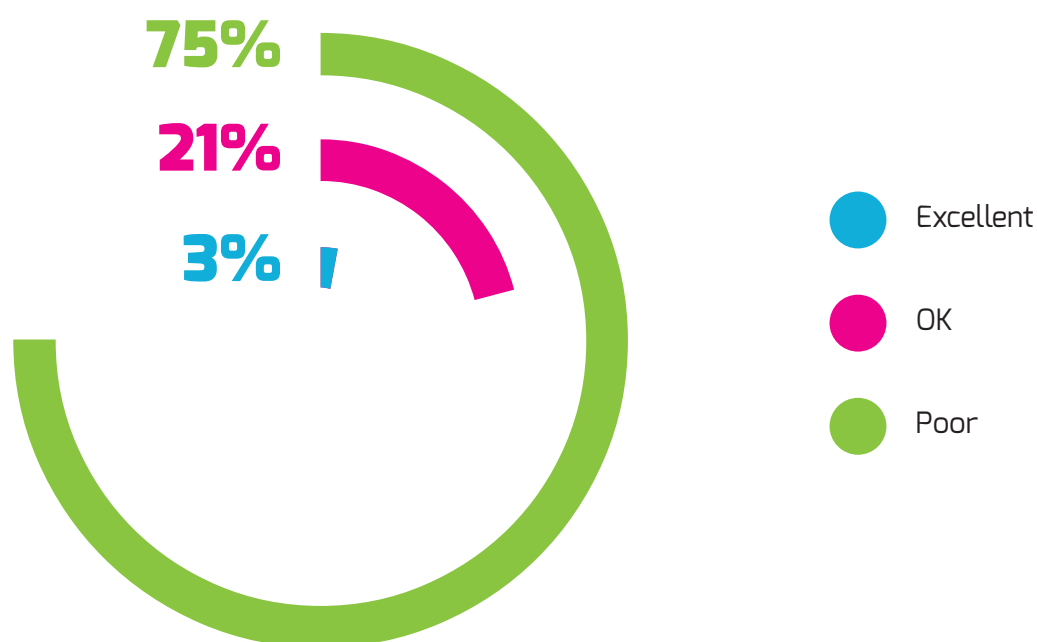
Accessibility and red tape

For the first time, the 2008 Grants in Australia Survey set aside specific questions to examine how well grantmakers were doing in terms of accessibility of their grants program, and issues relating to red tape.

Accessibility has been a noted bugbear highlighted by many expressed in previous surveys with complaints about:

· The "unfair advantage" given to larger or higher profile groups, or those with Deductible Gift Recipient (DGR) status.

· Too much red tape.

· Accessibility of grants for those after funds to put towards core costs.

Those concerns continued to be borne out in the 2008 survey:

43% of respondents felt the accessibility of grants programs was "poor".

48% said it was "OK", 5% said it was "excellent".

51% said grantmakers' efforts at red tape reduction were "poor".

40% said the efforts were "good", 4% said they were "excellent".
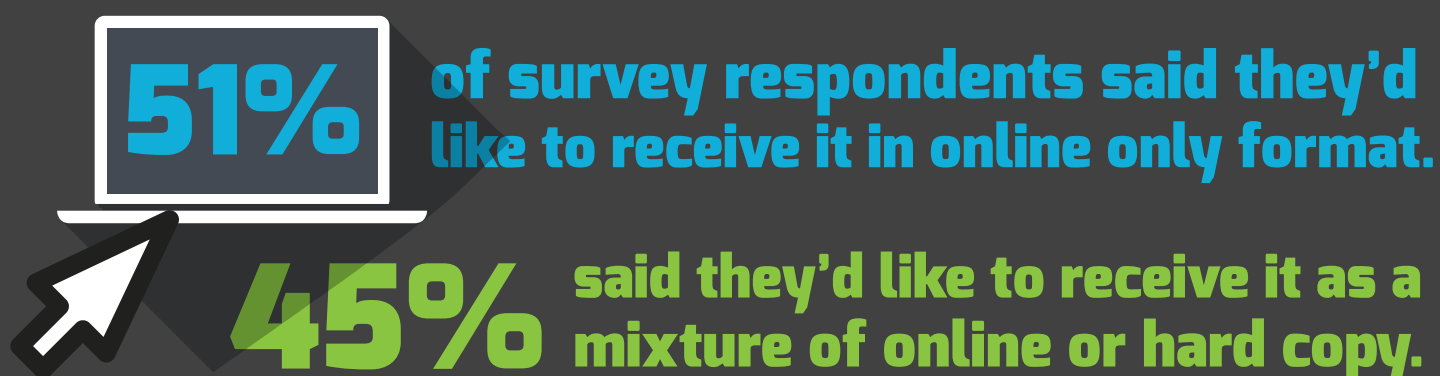
Focus on technology in grantmaking

The 2008 Grants in Australia Survey looked more closely into the issue of technology in grantmaking.

As the possibilities offered by technology increase, grantmakers are looking to integrate its use into their activities.
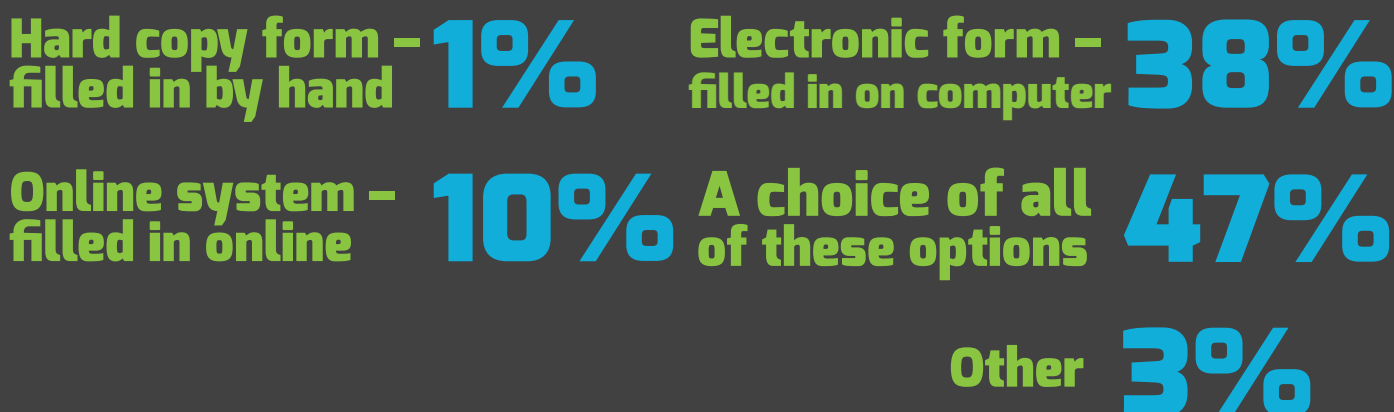
Done well it can be a huge boon for grantmakers and grantseekers alike. Done poorly and it can be another unnecessary level of hassle and red tape that everyone could do without.

It seems though that grantseekers have already made their minds up on the importance of technology and online access to grants information.

When asked how they would prefer to access basic grants information:
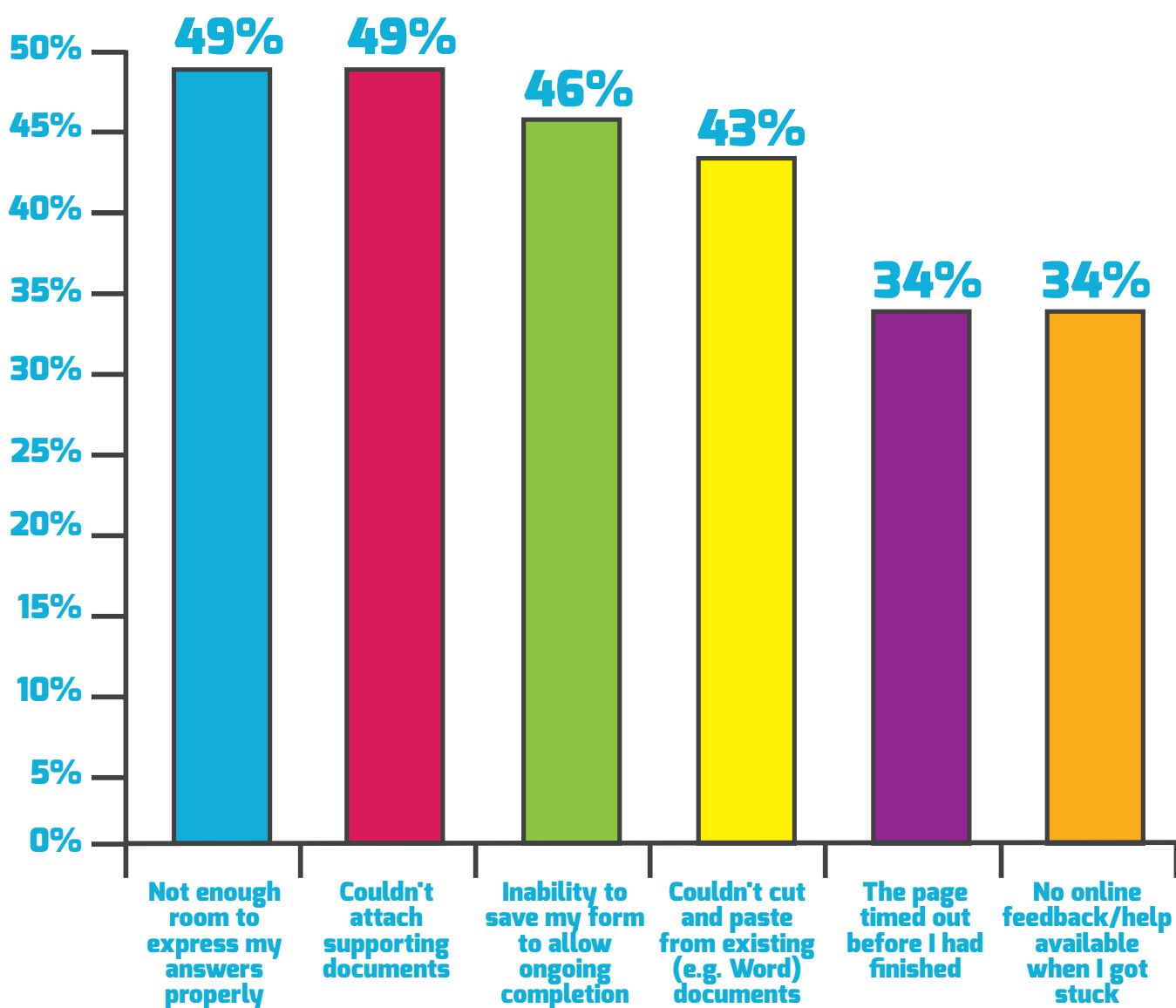
51% of survey respondents said they'd like to receive it in online only format.

45% said they'd like to receive it as a mixture of online or hard copy.

Just **2%** wanted to reveive the information in hard copy only.

And we asked how grantseekers would prefer to apply for grants:

Hard copy form – filled in by hand **1%**

Electronic form – filled in on computer **38%**

Online system – filled in online **10%**

A choice of all of these options **47%**

Other **3%**

Online problems

In all, there were 11 issues that had been experienced by at least 25% of respondents during the past 12 months. The top six were:

Problem	Percentage
Not enough room to express my answers properly	49%
Couldn't attach supporting documents	49%
Inability to save my form to allow ongoing completion	46%
Couldn't cut and paste from existing (e.g. Word) documents	43%
The page timed out before I had finished	34%
No online feedback/help available when I got stuck	34%

Focus on technology in grantmaking (continued)

Other "top responses" included:

33% Didn't know what stage I was at in the application - no indication of the length of the form and time needed to complete it.

33% Couldn't see/review my full application before submission.

32% No automatic acknowledgement of application - I didn't know if it had gone through.

25% Confusing form.

25% Inability to step through all parts of the process/poor navigation control.

20% The system crashed before I had finished.

19% Couldn't get the page/s to load.

18% User error/inexperience.

17% Couldn't find the right webpage.

16% Forgot my log in.

15% No offline feedback/help available (e.g. over the phone) when I got stuck.

13% Online form hard to read.

7% Incompatibility with my operating system.

Focus on technology in grantmaking (continued)

The positives of online applications

When asked: "What do you like most about applying for grants online?", three main trends emerged:

Makes it easier to negotiate deadlines (especially for those working part-time or sending applications from rural areas).
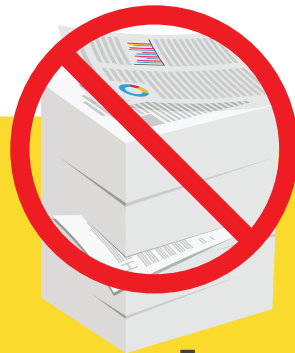
Paperless more environmentally friendly, less clutter, less use of resources (paper, printing, binding and postage).

Quicker and more direct- speedier delivery (and bypasses the need to use costly and less predictable postal or courier services).

Other responses included:

· Easier to store applications; more convenient

· Can be filled in and lodged anytime, and from practically anywhere

· Easier to share draft versions with colleagues

· Reduces turnaround time

· The restricted format forces you to be succinct and to ensures you're providing info in exactly the format the grantmaker would prefer

· Email confirmation ensures you know your application has been received

· Ability to save and return to the application until you're ready to push the button

· Negates the need for chasing signatures

· Reduces the burden of formatting and presentation

· Ability to attach supporting documents and cut and paste from existing files

· Cuts out the problems associated with messy handwriting, spelling errors

· Skills acquisition

· "I operate most of the time in an online world, so it feels natural"

Five biggest frustrations of online applications

The final question we asked respondents was their biggest frustration when it came to using online applications. Their top five frustrations were:

Inability to save forms as applicants are going along.

System crashing (usually at the crucial time).

Click to add text
(limit 300 characters)

Insufficient space to sell your project in a limited word space; inability to personalise the application: "You can't express the soul of the organisation in boxes".

Systems that operate with an assumption that only one person is writing the grant: "Applications aren't written in one sitting - there's an iterative, checking and reworking process which happens and this needs to be recognised."

Poorly constructed forms that are difficult to navigate or allow for one-direction navigation.

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:

Australian Institute of Grants Management

- **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.

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**.