



# GRANT APPLICATIONS

## Trends and what funders want

Peggy Hailstone talks to three funders about what they are looking for in successful grant applications.

**E**ngaged philanthropy, social profit, planned sustainability, and grant applications as hypotheses for solving need – these are a just a few of the terms circling the grant writing space in 2011.

But what do they mean for not-for-profits (NFPs) in a post-GFC environment? Furthermore, how can third sector organisations compete in an increasingly tight and rapidly changing environment?

### LEVERAGE AND PARTNERSHIP – HELEN MACPHERSON SMITH TRUST

Leverage is about getting or doing more with less. Funders currently expect you to achieve more without a corresponding increase in action or resources. They want to know how they can get more bang for their buck, and how your organisation can capitalise on what you're already doing.

Chris Wootton, Grants Executive at the

Helen Macpherson Smith Trust, says that leverage is very important in the current environment. "Most philanthropic funders have increasing demands and funds are more limited since the GFC – they are looking to support projects where the demand on their funds is reduced."

Wootton explains leverage as creating a hybrid funding mix of cash and in-kind. It's a worthwhile consideration for NFPs who automatically correlate the concept of charitable with free.

As with most funding bodies, the Helen Macpherson Smith Trust is also strong on partnerships. While not a new issue, it's definitely one that has moved from tepid to temperate in recent times; more funders are actively encouraging and funding collaborative projects, where all parties derive mutual benefit which will lead to improved outcomes and impact.

### SUSTAINABILITY AND ALIGNMENT – ANZ TRUSTEES

Teresa Zolnierkiewicz, Head of Philanthropy at ANZ Trustees, says that charities that understand the importance of sustainability have the advantage. This doesn't necessarily mean that every program must have in-built financial viability, or that pilot programs must eventually be embedded into organisations or integrated into communities.

"Sustainability means planning for a future time," says Zolnierkiewicz. "We want to see a realistic plan for achieving sustainability. We understand there is no certainty, but we do require an organisation to consider the future and plan towards it."

From the funder's perspective it's about being a responsible funder and utilising the best models of philanthropy. Funding

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generates knowledge and creates benefit (social profit). Funders are eager to know what happens to that knowledge, and how the 'profit' can be shared, scaled or duplicated.

Zolnierkiewicz says that the sustainability question often causes alarm. "What some applicants don't realise is that 'fundraising on an ongoing basis from philanthropic foundations' can be a sustainability plan, albeit one that is high risk."

Alignment is also key for ANZ Trustees. With numerous funders operating, Zolnierkiewicz encourages organisations to keep actively looking until they find a match. "Don't try and be an ugly sister and squeeze your foot into Cinderella's shoe simply because you want to marry the prince. No matter what you do to disguise it, the shoe still doesn't fit. Everyone will either see through you immediately, or you will suffer the pain and torture of wearing it for the duration."

### ENGAGED PHILANTHROPY – THE TRUST COMPANY

Having recently brokered a deal with New Zealand's Guardian Trust, The Trust Company is now one of the largest philanthropic organisations in the Asia

Pacific region, and is working on a new grant making strategy called Engaged Philanthropy.

Simon Lewis, Head of Strategic Partnerships, Communications and Community, describes this strategic change as leaning towards a 'narrow deep' approach.

Rather than funding many organisations in a small way over the short-term, Engaged Philanthropy is about forging direct and better connected grantmaker/grantee partnerships. On the front-burner under the new scheme will be leverage, accountability and impact.

The central question for Lewis is 'what is the impact you seek to have and how will you assess it?'

The Trust Company intends to be more demanding about accountabilities for funds. In contrast to the traditional grant-making approach, where follow-up was comparatively limited, Lewis says this is about more two-way feedback

The Trust Company is keen to circuit-break the relatively intense annual funding round that has an entrenched short-term focus and attracts huge numbers of applications. He describes Engaged Philanthropy as the next stage of the

journey and invites NFPs, big and small, to come on-board.

"Even the smallest non-profit can write a 3–5 year application ... and compelling strategies will attract our attention."

Engaged Philanthropy is about survival of the fittest in an extremely busy, noisy, crowded and increasingly competitive environment. From The Trust Company's perspective, it's about doing everything they can as professional trustees to maximise the legacy of individuals who've left funds in their care.


Moreover, the onus isn't solely on grantees to perform. "Engaged Philanthropy also critically depends on us developing a framework for measuring our contribution to the sectors we support," Lewis explains.

### THE WAY FORWARD

There's little doubt the grant making space has heated up in recent years. In an arena where investments are yet to return to their pre-2008 position, and where competition is fierce, the writing on the wall is that NFPs would do well to avoid mission drift and return to basics.

As Zolnierkiewicz of ANZ Trustees reminded me, every grant application is really a hypothesis for solving a need. In the current environment grant funding will go to NFPs who solve an identified need through partnership and leverage with sustainable programs that have tangible and measurable impact. ●


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